



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

June 8, 2005

J R & MARY KEMP
1900 LAKE HERON LN
BOISE ID 83706

PAUL FILER
BOX 376
RIGGINS ID 83549

Re: Permits Nos. 77-7083A for Filer and 77-7083B for Kemp

Dear Permit Holders:

I seek your help to complete the necessary steps to license or otherwise resolve the above referenced permits. Timing in this matter is critical to complete the necessary Snake River Basin Adjudication (SRBA) work to result in decreed water rights based on these two permits. Every effort is being made to complete the SRBA this year.

Permits are advanced to licenses based on a field inspection by the Idaho Department of Water Resources (IDWR). An alternative to licensing is permit relinquishment by the permit holder or permit cancellation by IDWR due to non-development of the system described by the permit. SRBA Claims to water rights are advanced to decreed water rights based on IDWR recommendations and ultimate action by the SRBA Court.

IDWR seeks to issue licenses for any permits for which SRBA claims have been filed and/or for which any SRBA claims are eventually required but not filed yet. The goal is to license permits before the Court acts on claims based on permits. In this manner, a water permit can be licensed, the SRBA claim can be recommended based on the license, and the Court can decree the water right based on that history.

Permit 77-7083 was split into two portions with a 1988 assignment of permit from Filer to Kemp. Filer assigned 0.04 cfs (about 18 gpm) to Kemp for one home. Filer retained 0.20 cfs (about 90 gpm) for up to five other homes. This action resulted in Permit 77-7083A for Filer and Permit 77-7083B for Kemp.

Kemp filed a SRBA claim to protect Kemp's permit. The claim is identified as 77-7083A instead of "B." That labeling is not a problem. Filer did not file a SRBA claim for protect his permit. Although IDWR could complete the licensing steps for Filer's permit, the resulting license would eventually become invalid for failure to claim it in the SRBA. Licensing work must involve some form of field verification for development completed under a permit. These two permits are within the remote Gospel Hump area. It seems pointless to spend lots of time and money to license a permit if the required SRBA claim has not been filed and will not be filed.

All of this background leads me to the following point: I need your help to resolve these details. The following items are critical to understand and resolve the licensing of your two permits.

1) Does Filer still own the property for the homes under Permit 77-7083A? If not, who does (name and address)? County tax lot information for the site only lists John Zehner Et Al for Parcel RP26N06E237060A around the St. Louis Mine.

2) If Filer still owns that property and has developed a domestic water system, does he want his permit licensed? If so, a field inspection can be scheduled for licensing to proceed. Filer would need to file a SRBA claim to protect the eventual license (claim fee would be about \$70). A claim could be filed shortly after the field inspection. Filer should indicate whether or not he intends to file a SRBA claim.

3) If Filer does own the property involved with Permit 77-7083A but did not develop a system to divert and use domestic water for any homes/cabins/camping arrangements etc., and if Filer does not wish to file a SRBA claim for 77-7083A, he can relinquish the permit by completing and returning the enclosed form (no fee needed). The permit will no longer be valid after that step.

4) Does Kemp still own the single home under Permit 77-7083B (re SRBA Claim 77-7083A)? If not, who does (name and address)? If Kemp still owns that property and if a domestic water diversion system serves the property, a field inspection can be scheduled to license the Kemp permit. If a water system has not been developed under the permit, the permit should be relinquished and the associated SRBA claim should be withdrawn.

5) Assuming both properties need to be field inspected, a single visit by IDWR should be arranged. Please provide information about these points:

- When do you expect the area to be accessible by vehicle?
- Do you want to be present during the inspection? If so, what dates this summer are workable for you (weekdays strongly preferred but not absolutely necessary)?

June 8, 2005

Page 3

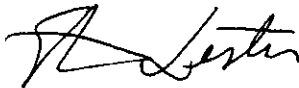
- If you do not want to be present and consent to allow me to do the inspection in your absence, please provide information as follows:
 1. how to locate the property (I have been to Hump Lake before so know how to get that far)
 2. how to find the point of diversion for your water source
 3. how water is conveyed from the diversion to the place of use (size and length of pipe etc.)
 4. how to recognize your cabin, lodge or other domestic setup (camping area etc.)
 5. how many days/year and how many people/year are involved with water used under your permit.

6) If you no longer own the property in question, you can assign your permit to the new owner. This is necessary because permits are personal property not appurtenant to land. An assignment requires a \$25 fee. However, there is no point in assigning a permit to a new owner if a water system has not already been developed. In that case, the permit should be relinquished because it is no longer valid.

Please contact me by July 8, 2005, for your permit to be licensed or otherwise resolved to meet SRBA requirements and deadlines. If I do not hear from you by then, it will be assumed that a water system was not developed under your permit. Your permit will be cancelled due to non-development in that case. This means that no water rights will be associated with your property in the Gospel Hump area.

Thank you for your attention to this urgent matter.

Sincerely,



Steve Lester
Water Rights Supervisor

Enclosure