



State of Idaho

DEPARTMENT OF WATER RESOURCES

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SOUTHERN REGION

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

January 7, 2005

Ringert Clark Chartered
ATTN: Charles Honsinger
PO Box 2773
Boise, ID 83701

RE: App For Transfer 71669, Peter & Sylvia Grush & Barbara Gardiner

Dear Charlie;

This letter is being written per your request regarding the above-referenced application. As we discussed, the application was filed now so that the water rights retained by Hal Anderson could be used on the Gardiner property as soon as possible after they are actually purchased by Peter Grush. I have been informed by our Boise office that the application will not even be cleared for advertising until we receive written proof that Grush legally owns these water rights. Once that occurs, he will still have to wait for the rest of the transfer process to be completed before irrigating the additional land on the Gardiner property. I am sending Peter a letter today letting him know that the burden of proof is fully his responsibility in this matter, as he is probably expecting that we will do everything except the actual transfer approval without having the required proof of ownership for the Anderson water rights. We fully intend to protect Mr. Anderson's interest in these rights, as we do in any transfer situation.

If I can be of further assistance, feel free to contact me.

Regards,

James E. Stanton
Sr. Water Resource Agent