



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

January 3, 2005

SHEKINAH INDUSTRIES INC
420 BITTERROOT RD
BOISE ID 83709

Re: Application for Transfer No. 4466

Dear Applicant:

I am writing to seek your help in clarifying a bit of a mystery in the Idaho Department of Water Resources (IDWR) water right records. Several years ago IDWR received an application for transfer from your company to change existing water right no. 63-7307. That transfer application has not been processed or otherwise resolved. It appears the transfer application was withdrawn by the applicant or returned by IDWR and is no longer a current application needing further attention. However, IDWR records do not confirm this assumption.

Water Right No. 63-7307 originated in 1970 to serve a community water system in T3N, R1W, Section 25, Ada County. The right has been held by various owners, including Southwest Development Company Inc., Meridian Heights Subdivision, and finally Meridian Heights Water & Sewer Association. The right was last modified by Meridian Heights Water & Sewer Association in Transfer No. 5271 approved in 1998 (see enclosed copy).

Transfer Application 4466 was filed prior to Transfer 5271. IDWR records cannot confirm any payment of a filing fee for Transfer Application 4466 nor can the transfer application be located at IDWR. It is not clear what relation, if any, your company has to water right 63-7307 leading to the filing of Transfer Application 4466 to alter that water right.

Based on a new numbering system, Transfer Application 4466 is currently identified as application number 68173. The only information available to IDWR at this time is that the transfer application was filed by your company to change water right 63-7307. The following conclusions can be drawn from this limited information:

- IDWR records are mistaken and your company never filed Transfer Application 4466 regarding water right 63-7307.

January 3, 2005

Page 2

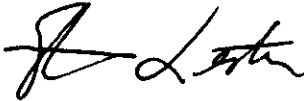
- IDWR records are correct. Your company filed Transfer Application 4466 but then withdrew the application.
- IDWR records are correct. Your company filed Transfer Application 4466. IDWR returned the application to you. It has not been resubmitted.

Please submit any information that you might have to resolve this mystery. Meridian Heights Water & Sewer Association is invited to do likewise by copy of this letter.

A reply is not necessary unless you have any information in this matter. To resolve the mystery in IDWR records, Transfer Application 4466/68173 will be considered void if additional information is not received by February 7, 2005. IDWR must issue an order to void an application noted in its database. You can expect to receive such an order after February 7 assuming additional information does not lead to another conclusion in this matter.

Thank you for your help in resolving this loose end in IDWR records. Please call me at 334-2190 if you need more information.

Sincerely,



Steve Lester
Water Rights Supervisor

Enclosure

Copy: Meridian Heights Water & Sewer Association