

# SCANLAN ENGINEERING

*Groundwater and Environmental Engineering*

March 4, 2004

Lori Graves  
Western Region Office  
Idaho Department of Water Resources  
2735 Airport Way  
Boise, ID 83705

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WATER RESOURCES  
WESTERN REGION

Subject: Application for Transfer – Lochsa Falls, LLC

Dear Lori:

In response to our telephone conversation last week regarding the above referenced application, I enclose the following materials.

1. Revised transfer application page 1. The revised page 1 reduces the irrigated area to 43 acres rather than 75 acres. We originally had 105 acres because that is the current place of use for water right 63-2656B and the 0.42 cfs portion of water right 63-11199 proposed for transfer. I understand that Department staff have requested the acreage be reduced from 105 acres to 43 acres to eliminate overlap with the lands proposed under the new application for permit. I have mixed feelings about this change, as it could potentially restrict the future use of these water rights in the event of a curtailment of the junior permit. However, for sake of expediency, Lochsa Falls LLC is willing to make this change.
2. Revised transfer application page 6. The revised page 6 describes the portion (0.49 cfs for irrigation of 43 acres) of water right 63-11199 that is appurtenant to the Lochsa Falls property, but is not proposed for transfer. This portion of the water right will be leased to the State Water Supply Bank indefinitely. Lochsa Falls plans to move the water right to other lands in the future.
3. Application to Sell or Lease a Water Right to the Water Supply Bank. We have prepared an application to lease the appurtenant portion of 63-11199 (0.49 cfs for irrigation of 43 acres) that is not proposed for transfer.
4. LLC Information. I have enclosed letters dated February 25 and March 1, 2004 related to Lochsa Falls LLC. Apparently, an error was made by the Secretary of State's office and the listing for the company was removed from the State's website. This error has since been corrected. A copy of the LLC annual report printed from the website is also enclosed.
5. Plat Map. A plat map is enclosed showing location of residential lots, common areas (shown in green) and office/commercial properties (shown in blue). The residential lots will be irrigated under the proposed permit. The common areas, office/commercial

properties, and landscape strips within road right of ways will be irrigated with the transferred portion of water right 63-11199 and water right 63-2656B.

Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, reading "Terry M. Scanlan". The signature is fluid and cursive, with the first name "Terry" being more prominent and the last name "Scanlan" following in a similar style.

Terry M. Scanlan, P.E.

Cc: Traci Irvin