

February 13, 2004

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WATER RESOURCES
WESTERN REGION

Dan Nelson
Idaho Department of Water Resources
2735 Airport Way
Boise, Idaho 83705-5082

Re: Transfer Application for Eureka Water Right No. 63-145

Dear Mr. Nelson:

I am writing as the attorney for Eureka Water Company in response to your letter to Mike Creamer of February 2, 2004. Eureka consents to reducing the number of acres subject to this transfer, as described in Part 2, A. 3., from 10.5 acres to 8.1 acres. Notwithstanding this consent, as stated in my December 29, 2003 letter to you, Eureka reserves its right to contest limitations on its water rights relating to any determination of historical consumptive use.

Thank you for your assistance with this transfer. Please call me if you have any questions regarding this letter.

Yours very truly,



Daniel V. Steenson

cc: Eureka Water Company
Michael C. Creamer