



March 30, 2004

VIA FAX 208-544-2857

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Investment Operations

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Mr. Jeff L. Weber
Star Gate Ranch
950 E. 570 S.
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RECEIVED

JUN 01 2004

Department of Water Resources
Southern Region

RE: Water Right Transfers loan 396366

Pursuant to a letter from James E Stanton, Sr. Water Resource Agent with Idaho Department of Water Resources dated March 19, 2004 (copy attached), we have reviewed the application for Transfer of Water Rights with the Idaho Department of Water Resources. The application is identified as follows:

Transfer No. 70569 Receipt No. S025812 Current Water Right 37-20848 and 37-20850

According to our phone conversation, you represented that the water rights are being transferred for better utilization but that all points of diversion and allocation are to remain with in the security pledged as collateral (except for rounding out delivery on 43 acres of adjoining BLM) under the mortgage for loan 396366 to Star Gate Ranch. Based upon this representation, we are approving your request for transfer.

This letter can serve as notice to the Idaho Department of Water Resources that US Bank National Association as current lender of record has no objection to the water transfers represented by the above transfer applications.

If you have any questions please do not hesitate to contact our office.

Sincerely,

U.S. Bank National Association,
Successor by merger to
U.S. Bank National Association
Escrow Trustee

Rabo Agrifinance, Inc.
its Attorney-in-Fact

By 
G. Michael Smith, Sr. Vice President