FROM: Allen Merritt DATE: August 13, 1997

TO: Steed/Reed Springs/WD 43-B

SUBJECT: Meeting

On July 23, 1997 I met Gary Steed & Dave Sundberg at Steed's pond. The purpose of the meeting was to discuss the replacement of water back into Reed Springs as per condition of license 43-07086. Mr. Sundberg had requested some assistance or guidance in this matter.

At the time of the meeting there was very little water flowing in Upper Raft River above Reed Spring. We observed that some water was flowing in Reed Spring through the pond into Raft River. Mr. Steed was not discharging water from well into spring but some water may have been flowing from a small domestic well. We also observed that Durfee was discharging water from his well system into Upper Raft River. We proceeded downstream to where Raft River crossed major East West County Road and found that Raft River was dry. We also wend further down Raft River where Almo Creek enters and above the confluence Raft River was dry but Almo Creek was providing water to Raft River and the river was flowing and filling rights below according to Sundberg. Pictures were taken.

As a result of the meeting Mr. Steed agreed to modify his discharge control works so that the watermaster can control said discharge. He also agreed to improve the measuring device below the pond per watermaster requirements. The watermaster (Sundberg) agreed that pumping water to spring was not then required since Raft River dry and he also would contact Durfee to cease replacement. It was agreed that the watermaster was the one to make the call when replacement was necessary.

While at the road crossing Mr. Ward stopped and talked to Steed and I about related issues of Reed Spring and protest of pond application. During the discussion Steed and Ward did not resolve anything so Steed requested that I schedule a hearing. Both Steed and Ward provided me some dates and I have scheduled said hearing for the 9/10/97. During the discussion we talked about expansion of acres and affects on springs which seems to be an issue. I told them that if someone provided me with a written complaint describing what lands are being illegally watered that we would investigate. If I found lands without water rights then I would initiate a NOV if irrigation continued. I recommended that Mr. Steed review his water filings and see if he was within his rights.

A few days after returning to my office Terry Blau received a call from Erickson regarding Steed watering lands he purchased from Erickson without a water right. I have investigated and found potentially lands without rights so I have sent out the first letter. (See letter to Steed/Durfee/BLM dated 8/13/97).