



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, P.O. Box 83720, Boise, Idaho 83720-0098

Phone: (208) 327-7900 FAX: (208) 327-7866

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 22, 2000

Norma Peterson, Secretary
Water District 37
Box T
Shoshone, ID 83352

Re: Transfer No.s 5137, 5138 and 5139; Ownership Information for Larry Schoen, Water Right NO. 37-00351B

Dear Norma,

I have reviewed transfers 5137, 5138 and 5139 with respect to your questions concerning the source of water for the water rights under these transfers. Transfers 5138 and 5139 allowed diversion of certain surface water rights from ground water wells. The official source of water under the rights associated with these transfers therefore is ground water. Note the conditions on these transfers that limit the diversion of ground water to times when water is available under the priority rights from the Big Wood River. Transfer 5137 did not involve approval to divert ground water under those rights associated with the transfer.

I have enclosed a copy of a letter from the Nature Conservancy to Larry Schoen concerning the sale of water rights 37-00351B and 37-00352B. A copy of this letter is included in our files. Pam Skaggs has advised me that the Department accepted this letter as sufficient documentation of ownership of the rights for purposes of processing Transfer No. 5312. The Department's official records reflect that Schoen is the current owner of these two rights.

I have not yet had a chance to discuss your letter of August 10 with Norm Young concerning the various rights that are diverted from ground water wells. We do plan to contact you soon regarding this matter. Please contact me if you have further questions regarding the referenced transfers and water rights.

Sincerely,

Tim Luke
Water Allocations

Cc: Pam Skaggs, IDWR

RECEIVED

April 9, 1998

APR 20 1998

Department of Water Resources
Southern Region

Larry Schoen
18351 Hwy. 20
Bellevue, ID 83313

Dear Larry,

Based on my conversations with you, the Conservancy intends to sell and convey to you Water Right No. 37-00351B and Water Right No. 37-00352B. This sale is contingent on approval of the transfer of these water rights to land owned by you, and will be null and void if the transfer is denied by the Idaho Department of Water Resources.

Please understand that this is merely a letter of intent which is not binding, may not be relied upon as the basis for a contract by estoppel, and that neither you nor the Conservancy shall be bound until an agreement for the purchase and sale of water rights has been duly executed and delivered.

Thank you for your interest. Please contact me if you have any questions.

Sincerely,



Paul Todd
Silver Creek Area Manager

North Idaho Office
East 1677 Miles Avenue
Hayden Lake, ID 83835
TEL 208 762-1307
FAX 208 762-1408

Silver Creek Preserve
P. O. Box 624
Picabo, ID 83348
TEL 208 788-2203
TEL 208 788-7910
FAX 208 788-7910

Upper Henry's Fork Project
HC 66, Box 227
Island Park, ID 83429
TEL 208 558-9626
TEL 208 558-7629
FAX 208 558-9622

Thousand Springs Preserve
1205 Thousand Springs Grade
Wendell, ID 83355
TEL 208 536-6797

Boise Office
2404 Bank Drive
Suite 314
Boise, ID 83705
TEL 208 343-8826
FAX 208 343-8892