

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF PERMITS 61-12096
IN THE NAME OF BOWNS CREEK
PROPERTIES LLC, 63-32499 IN THE
NAME OF MAYFIELD TOWNSITE LLC,
AND 63-35473 IN THE NAME OF
MAYFIELD RANCH LLC

**ORDER DENYING MOTION TO
STRIKE**

On October 3, 2025, Bowns Creek Properties LLC (“Bowns Creek”) filed a *Request for Extension of Time* with the Idaho Department of Water Resources (“Department”) seeking to extend the time to submit proof of beneficial use for Permit 61-12096. On December 9, 2025, the Department approved the request, in part, extending the deadline for submitting proof of beneficial use for Permit 61-12096 by two years. On December 16, 2025, Juniper Station Farms LLC (“Juniper Station”) filed a *Request for Hearing*, challenging the Department’s approval of Bowns Creek’s proposed extension and a *Petition to Cancel Permit*, asking the Department to cancel Permit 61-12096 pursuant to Chapter 3, Title 42, Idaho Code.

On December 18, 2025, Mayfield Townsite LLC (“Mayfield Townsite”) filed a *Request for Extension of Time* with the Department seeking to extend the time to submit proof of beneficial use for Permit 63-32499. On March 3, 2026, the Department approved the request, in part, extending the deadline for submitting proof of beneficial use for Permit 63-32499 by approximately three and a half years. On March 17, 2026, Juniper Station filed a *Request for Hearing*, challenging the Department’s approval of Mayfield Townsite’s proposed extension and a *Petition to Cancel Permit*, asking the Department to cancel Permit 63-32499 pursuant to Chapter 3, Title 42, Idaho Code.

On December 18, 2025, Mayfield Ranch LLC (“Mayfield Ranch”) filed a *Request for Extension of Time* with the Department seeking to extend the time to submit proof of beneficial use for Permit 63-35473. On March 3, 2026, the Department approved the request, in part, extending the deadline for submitting proof of beneficial use for Permit 63-35473 by approximately three and a half years. On March 17, 2026, Juniper Station filed a *Request for Hearing*, challenging the Department’s approval of Mayfield Ranch’s proposed extension and a *Petition to Cancel Permit*, asking the Department to cancel Permit 63-35473 pursuant to Chapter 3, Title 42, Idaho Code.

On April 10, 2026, the hearing officer for the Department issued an order consolidating the three cases for the purpose of deciding common questions of law. On May 12, 2026, pursuant to Rule 562 of the Department’s Rules of Procedure (IDAPA 37.01.01), the hearing officer issued a *Request for Briefs*, asking the parties to file argument briefs addressing certain questions of law and established a schedule for simultaneous briefing.

On June 26, 2026, Mayfield Ranch Estates LLC (“MR Estates”) filed *Mayfield Ranch’s Opening Brief* (“Opening Brief”). MR Estates noted: “On January 20, 2026, Mayfield Ranch LLC conveyed its interest in the water permit no. 63-35473 and the related planned community project to Mayfield Ranch Estates, LLC, which is in the process of filing a Notice of Change in Water Right Ownership with the Department.” *Opening Brief* at 1, FN 1. On June 29, 2026, MR Estates filed a *Notice of Change in Water Right Ownership* (“MR Estates Notice”) with the Department, seeking to update the ownership records for Permit 63-35473.

On July 2, 2026, Juniper Station filed a *Motion to Strike Brief Filed by Mayfield Ranch Estates, LLC* (“Motion to Strike”). On July 5, 2026, MR Estates filed *Mayfield Ranch’s Response to Juniper’s Motion to Strike* (“Response”). On July 7, 2026, Juniper Station filed its *Reply to Mayfield Ranch Estates LLC’s Response to Motion to Strike* (“Reply”). Therefore, the *Motion to Strike* has been fully briefed. Because the parties, of their own accord, shortened the response and reply periods for the *Motion to Strike*, the hearing officer can decide the motion without affecting the briefing schedule established in the *Request for Briefs*.

ANALYSIS

Juniper Station argues that MR Estates is not a party in this contested case because MR Estates was not identified as a party in the *Order Consolidating Proceedings* or the *Request for Briefs. Motion to Strike* at 1-2. Juniper Station also argues that Mayfield Ranch, not MR Estates, is the current owner of record for Permit 63-35473 and is therefore the proper party in this proceeding. *Id.* at 3. Finally, Juniper Station argues that MR Estates should not be recognized as a party because it has taken “no steps to substitute as a party in accordance with the Idaho Rules of Civil Procedure. I.R.C.P. 25 (Substitution of Parties).” *Reply* at 3.

MR Estates asserts that it is the current owner of Permit 63-35473 pursuant to a *Deed in Lieu of Foreclosure*, executed on January 20, 2026, and recorded in Elmore County on January 29, 2026. *Response* at 2 and Exhibit A. MR Estates also asserts that it is the real party in interest in this proceeding because it is the current owner of Permit 63-35473 and the land at the permitted place of use.¹ *Id.*

The attorneys representing MR Estates have consistently identified MR Estates as the proper party in all documents related to this contested case. For example, in an email dated May 8, 2026, sent to the hearing officer and the other parties, the attorneys for MR Estates identify MR Estates as a party in this contested case. The hearing officer did not notice or understand the difference between Mayfield Ranch and MR Estates at the time the May 8, 2026, email was received. Therefore, when the hearing officer issued the *Request for Briefs*, he listed Mayfield Ranch as a party, not MR Estates.

¹ In January 2022, Mayfield Townsite conveyed land and a portion of Permit 63-32499 to Mayfield Ranch through a *Warranty Deed*. On July 26, 2023, Mayfield Ranch filed a *Notice of Change in Water Right Ownership* (“Mayfield Ranch Notice”) with the Department, seeking to update the ownership records for its portion of Permit 63-32499. The *Mayfield Ranch Notice* and *Warranty Deed* are included in the Department’s records for Permit 63-32499. The Department assigned Permit No. 63-35473 to Mayfield Ranch’s portion of the permit. The property description in the *Warranty Deed* between Mayfield Townsite and Mayfield Ranch and the *Deed in Lieu of Foreclosure* between Mayfield Ranch and MR Estates are nearly identical.

Juniper Station's citation to and reliance on Rule 25 of the Idaho Rules of Civil Procedure is misplaced. "Unless required by statute, or otherwise provided by these rules, the Idaho Rules of Civil Procedure and the Idaho Rules of Evidence do not apply to contested cases before the [Department]." IDAPA 37.01.01.051. The Department's Rules of Procedure do not refer to Rule 25 of the Idaho Rules of Civil Procedure. Therefore, Rule 25 does not apply to this contested case. The Department's Rules of Procedure do not include provisions about substitution of parties. In many contested cases before the Department, party status is established through pleadings (application, protest, petition, response, etc.). In some cases, including this case as explained below, party status is established by statute.

In a footnote in its *Motion to Strike*, Juniper Station suggests that MR Estates' failure to file a notice of ownership change with the Department within 120 days of the conveyance means "the conveyance cannot be effective for purposes of changing ownership." *Motion to Strike* at 3, FN 1. This statement reflects a misunderstanding of the Department's role in water right ownership changes. Idaho Code § 42-248 states, in pertinent part:

(1) All persons owning or claiming ownership of a right to use the water of this state, whether the right is represented by decree of the court, by claim to a water right filed with the department of water resources or by permit or license issued by the director of the department, shall provide notice to the department of any change in ownership of any part of the water right or of any change in the owner's mailing address. Notice shall be provided within one hundred twenty (120) days of any change using forms acceptable to the director.

...

(8) Any action by the department updating the ownership of a water right in the department's records or returning the notice of change of ownership to the person filing the notice is not a determination of water right ownership, is not an administrative action subject to challenge under the Idaho administrative procedure act, chapter 52, title 67, Idaho Code, and is not subject to a request for hearing pursuant to section 42-1701A, Idaho Code. Water right ownership disputes arising from a notice of change of water right ownership under this section must be resolved either in a water rights adjudication or in an action to quiet title pursuant to section 6-401, Idaho Code.

When a water right or the land to which the water right is appurtenant is conveyed by deed, the legal ownership changes upon execution of the deed, regardless of whether the owner of the water right ever files a Notice of Change in Water Right Ownership with the Department. Consistent with Idaho Code § 42-248, when the Department updates its water right records to reflect an ownership change, the update "is not a determination of water right ownership." In other words, the Department merely updates its water right records to reflect the ownership change accomplished through the execution of a deed.

The 120-day deadline described in Idaho Code § 42-248 has no bearing on the effectiveness of a deed or the legal ownership of a water right. At one time, Idaho Code § 42-248 authorized the

Department to charge a late fee for ownership change notices filed more than 120 days after the relevant conveyance occurred. The legislature amended Idaho Code § 42-248 in 2021, eliminating the late fee but preserving the 120-day deadline for filing ownership change notices. Presently, there is no penalty or consequence for filing an ownership change notice after the 120-day deadline. By providing a copy of the *Deed in Lieu of Foreclosure*, MR Estates has confirmed that it is the owner of all or at least a portion of Permit 63-35473.²

The primary question raised by the *Motion to Strike* is whether MR Estates is currently a party in this contested case. The Department's Rules of Procedure (IDAPA 37.01.01) define "Party" as "[e]ach person named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party, including an applicant, petitioner, respondent, protestant or intervenor." IDAPA 37.01.01.002.12. In its *Petition to Cancel Permit [63-35473]*, Juniper Station argues that Permit 63-35473 should be cancelled pursuant to Chapter 3, Title 42, Idaho Code. The evaluation of whether MR Estates is a party in this contested case is straightforward. Chapter 3 identifies the people and entities that are entitled to participate in a proceeding to determine whether a permit should be cancelled under that chapter.

Idaho Code § 42-302 states:

Any person as above specified desiring the cancellation of a permit shall file with the department of water resources a petition clearly setting forth the facts upon which he bases his prayer for cancellation, plainly stating wherein the holder of the permit, which is sought to be cancelled, has failed to comply with the law and with the requirements of his permit.

Idaho Code § 42-303 states:

Upon receipt of such petition, the department of water resources shall issue a notice, naming the petitioner as contestant and all persons, shown by the records of the department of water resources to have any claim of title or interest in the permit sought to be cancelled as contestees, and requiring all contestees to appear at the office of the department on a day to be specified therein, which day shall be not less than sixty (60) nor more than ninety (90) days from the date of the notice, and show cause, by affidavit, if any there be, why said permit should not be cancelled. Such notice shall be sent by registered mail, addressed to every person named therein at his last known post-office address.

Idaho Code § 42-303 (emphasis added).

The *Opening Brief* filed by MR Estates notes that MR Estates has an ownership interest in Permit 63-35473. *Opening Brief* at 1, FN 1. The *Opening Brief* and *MR Estates Notice* are records of the Department. The *MR Estates Notice* and *Deed in Lieu of Foreclosure* demonstrate that MR

² As of the date of this order, the Department has not yet processed the *MR Estates Notice* and Permit 63-35473 is still in the name of Mayfield Ranch on the Department's water right records. The hearing officer will update the caption for this contested case once the Department has processed the *MR Estates Notice* and updated its water right records to reflect the conveyance accomplished in the *Deed in Lieu of Foreclosure*.

Estates has a “claim of title or interest” in Permit 63-35473. Pursuant to Idaho Code § 42-303, MR Estates qualifies as a “contestee” and is entitled, by statute, to participate in any hearing related to Permit 63-35473 conducted pursuant to Chapter 3, Title 42, Idaho Code, if one is held. Therefore, MR Estates is “properly seeking and entitled as of right to be admitted as a party” under Rule 2.12 of the Department’s Rules of Procedure (IDAPA 37.01.01) and is recognized as a party in this contested case.

ORDER

IT IS HEREBY ORDERED that Juniper Station’s *Motion to Strike* is DENIED and MR Estates is recognized as a party in this contested case. This is an Interlocutory Order, issued pursuant to IDAPA 37.01.01.710.

Dated this 9th day of July 2026

A handwritten signature in black ink, appearing to read 'J. Cefalo', written over a horizontal line.

James Cefalo
Hearing Officer

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9th day of July 2026, true and correct copies of the documents described below were served by the method indicated upon the following:

Document: Order Denying Motion to Strike

JUNIPER STATION FARM LLC MCHUGH BROMLEY PLLC CHRIS M BROMLEY: cbromley@mchughbromley.com CANDICE M MCHUGH: cmchugh@mchughbromley.com	☒ Email
BOWNS CREEK PROPERTIES LLC SAWTOOTH LAW OFFICES PLLC S BRYCE FARRIS: bryce@sawtoothlaw.com	☒ Email
MAYFIELD RANCH ESTATES LLC GIVENS PURSLEY LLP MICHAEL P LAWRENCE: mpl@givenspursley.com MEGANN E MEIER: mem@givenspursley.com	☒ Email
MAYFIELD TOWNSITE LLC PARSONS BEHLE & LATIMER NORMAN SEMANKO: nsemanko@parsonsbehle.com	☒ Email



Christina Henman
Administrative Assistant