

WESTERN LEGENDS LC.

Post Office Box 448, Hagerman, ID 83332

Telephone (208) 837-6641

December 27, 1996

Via Fax 1-208-736-3037
State of Idaho
Department of Water Resources
1341 Fillmore, suite 200
Twin Falls, ID 83301-3380

Re: Western Legends LC
Spring Valley Ranch

Attention: Mr. Tim Luke

Dear Mr. Luke:

Western Legends LC is the owner of Spring Valley Ranch in Hagerman, Idaho. It has been brought to my attention that a directive to shut off "winter water" has been given by your department relative to the Curran Ditch and water being delivered to and through a pipeline referenced as "The North Pipeline". No notice has been received by Western Legends, although we have had numerous meetings with the Department and have requested notification of the events relative to this "call" by Mr. Ellis.

Western Legends LC, the owner of Spring Valley Ranch is hereby notifying the Idaho Department of Water Resources that until this directive we have used our "winter water" for stockwater and maintenance of our pipeline. Lack of formal notice and the holidays has made it impossible for our legal counsel to file any formal notification with your department prior to the December 30th date of water diversion.

We hereby notify your department that should any pipeline damage occur as a result of this water diversion, we will look to your department for recovery of any financial loss or cost of any repairs incurred as a result of a lack of water for maintenance thereof.

Very truly yours,

WESTERN LEGENDS LC



Michael J. McCarthy
Managing Member

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DEC 31 1996

Department of Water Resources

DEC 27 1996

Department of Water Resources
Southern Region