

March 31, 2009

David R. Tuthill, Director
Idaho Department of Water Resources
P.O. Box 83720
Boise, Idaho 83720-0098

1419 W. Washington
Boise, ID 83702
Phone: 208.429.0905
Fax: 208.342.7278

jmay@may-law.com

J. Dee May
Jay D. Sudweeks
Bart D. Browning
J. Justin May
Glenn W. Godfrey, Jr.*
Hon. James J. May (of counsel)
J. Alfred May (1902-1985)

Twin Falls Office
516 Hansen Street East
P.O. Box 1846
Twin Falls, ID 83303
Phone: 208.733.7180
Fax: 208.733.7967

*Also licensed in Utah

RE: Rangen, Inc.
Water rights Nos. 36-15501, 36-02551, 36-07694

Dear Director Tuthill:

I am writing to renew Rangen, Inc.'s request and petition for a hearing before an independent hearing officer on former Director Dreher's Second Amended Order of May 19, 2005.

As you know, it has been more than five years since Rangen first requested the priority administration of water rights due to shortages at its research facility and fish farm. On September 23, 2003 and again on October 6, 2003, Rangen requested that the Director fulfill his duty to administer water rights in accordance with priority. Rangen's request resulted in a series of orders culminating in the Second Amended Order of May 19, 2005. Among other things, the Second Amended Order concluded that Rangen's delivery call was futile.

On June 3, 2005, Rangen timely petitioned for a hearing on all aspects of the Second Amended Order and requested the appointment of an independent hearing officer. This hearing has yet to occur although Justice Shroeder, as independent hearing officer, has held hearings on a number of calls by other senior water rights holders including Blue Lakes, Clear Springs, the Surface Water Coalition, and A & B Irrigation.

These hearings have resulted in orders for curtailment that would benefit not only the specific calling senior water right holder, but also other senior water rights holders including Rangen. However, at this time no such curtailment has occurred. Nor have other measures been implemented to fully mitigate for the depletionary effect of junior ground water pumping on the aquifer and spring water flows. Most recently, on March 26, 2009, you approved a "replacement water" plan submitted by the ground water districts that at best provides some water to Clear Springs Snake River Farms facility. That "replacement water" plan does not mitigate the effects of pumping on the aquifer, yet allows junior pumpers to continue to take water that would otherwise flow to senior water rights holders, like Rangen, that are suffering shortages.

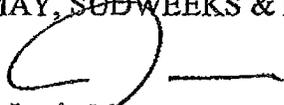


The water flowing from the Curran Tunnel, the spring source for Rangen's water rights, continues to decrease. The current flow is approximately 12.2 cfs. The cumulative amount of Rangen's water rights from the Curran Tunnel is 76.0 cfs. A significant portion of the diminished spring flow is caused by ground water pumping under water rights that are junior to Rangen's rights. Spring flows at Rangen's facility continue to decrease while junior ground water pumping continues.

Rangen once again requests that the Director schedule a hearing before an independent hearing officer on the Second Amended Order of May 19, 2005.

Very truly yours,

MAY, SUBWEEKS & BROWNING, LLP



J. Justin May

JJM:bh

cc: Rangen, Inc.