



State of Utah

Department of
Natural Resources

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Executive Director

Division of
Water Rights

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Governor

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Lieutenant Governor

February 14, 2005

Douglas S. Hales
Cedar Fort Irrigation Company
PO Box 404
Cedar Fort UT 84013-0404

Re: Comment letter dated December 21, 2004

Dear Mr. Hales:

We thank you for your comments in the above referenced letter.

We recently have developed the ability to have our computer system help us to understand how many filings have been made in certain areas; previously, it has been very difficult to gather such information. With this ability, and as we were looking at Cedar Valley, it came to our attention that we apparently stopped approving change applications into Cedar Valley at about 13,500 acre-feet when it was our intent to allow approximately 15,000 acre-feet to be moved. The only thing that we are attempting to do, at this point in time, is allow to be moved the amount of water that we feel is a reasonable limit that can be developed from the groundwater of Cedar Valley.

The State Engineer is confident that the November 2, 2004 changes will not affect the prior, senior rights of your company or the changes you are contemplating to move your rights "to a better and more productive use".

Your request for "a hearing prior to the transfer of any and all additional water rights into Cedar Valley" needs to be done as part of the water right application process. The statutes and rules, which govern the protesting of applications, require that such protests be filed on a case-by-case basis.

We thank you for your comments and look forward to working with you on these issues in the future.

Sincerely,

Jerry D. Olds, P.E.
State Engineer

cc: Bill Schlotthauer