

Dec. 22, 1928.

Mr. John H. Clark,  
Panguitch, Utah.

Dear Sir:

*Boulder*  
RE: ~~BEAR~~ CREEK DIST.

I have your letter of Dec. 18 and might suggest the following in answer to your questions.

If only the matter of choosing a water master and distribution is involved a simple form of mutual association is possible. If, on the other hand, the appropriation of water is desired I am sure that you will run into all kinds of trouble unless the association is incorporated. If you have a corporation shares of water can be sold and the articles of Incorporation can be so arranged that unless necessary assessments are taken care of stock may be put up for sale and the owner thereof who does not pay his pro rata loses same. The chief trouble with mutuals is that one or two members can hold back and let the others carry the load.

If you will discuss this situation with the representatives of the company and let me know which form of organization is preferred I may be able to help you further.

Yours very truly,

State Engineer.

GMB/E