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State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Parowan, UT 84761

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PO Box 292
Parowan, UT 84761

Leon Robinson (Farms Inc.)
PO Box 333
Parowan, UT 84761

March 11, 2014

Dear Jeff & Gayle Wood, Twin A & Leon Robinson:

I appreciate meeting with some of you briefly after the Parowan Annual Distribution Meeting. By working with Shane Scott, Water Commissioner, and from my review of records on file at the Division of Water Rights, regarding the changes in ownership of the water rights, this letter discusses how the accounts were updated. I am making the following changes in the Parowan account ownership for the Former Robinson (Mark and Leon) water accounts to the respective accounts per these water right transactions. Please find below my notes on this issue:

- 1) Mark Robinson Acct 101530 had 363.46 acres of which 311.55 went to Twin A, leaving 51.91 acres left over. The Former Mark Robinson Acct 101530 has now been re-assigned to Twin A. Keep in mind there is a \$401.57 delinquent assessment still due on this account so it cannot be "closed" without some resolution for the balance. However the entire balance cannot be assigned to Twin A since they did not get all the water in the transaction. The Woods Family acquired some of this water (133 acres), and they are responsible for part of this outstanding (delinquent) bill.
- 2) Leon Robinson Acct 101580 had 279.10 acres of which 285.9 went to Wood Family, leaving a negative of 6.8 acres deficit*. These acres were directly assigned to the Wood Family account 101594 and increased those acres from 511.72 to 797.62 acres.
- 3) *Taking the 51.91- the 6.8 deficit leaves 45.11 un-accounted for. However as I look at the WR 75-1485 it appears that Leon Robinson Farms still owns the main WR 75-1485 & it has 46.4 acres left (close to the 45.11) Therefore I assigned the Leon Robinson Acct 101580 the Residual acres as shown on the water right of 46.4 acres as shown on that WR. This reduces Leon's Acreage from 279.10 to 46.4. Since Leon had kept his account "current" there was a "0" balance and no funds from 2013 were due on this account. (that's why the 232.7 acres just moved to Wood Family)



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----The issue is now what to do with the Outstanding Balance of \$401.57 from 2013 and prior that was still due on the Mark Robinson account, that is now under Twin A. Since Twin A bought most of the Mark Robinson Water Rights, most, but not all of the residual balance is their responsibility, with Woods Family responsible for only a portion of that amount.

- 4) In assigning ownership I considered the pro-rate of the outstanding balance based on the original number of acres owned by Mark Robinson (363.46 acres) by which account acquired the water rights. I focused on WR# 75-323 of 133.0 acres in question that WAS under Mark Robinson that Wood family acquired into their name.

133/363.46 = 36.66% being assigned to Wood's,
so 36.66% of the 401.57 = **\$146.95 to be paid by Wood's, under and...**

363.46 – 133.0 = 230.46 remainder that Twin A was left in this transaction.

the remainder: 230.46/363.46= 63.34% to be assigned to Twin A,
so 63.34% of the 401.57 = **\$254.62. to be paid by Twin A under acct 101530.**

Account 101530 (was Mark Robinson), Now in the name of Twin A has the following WR's 75-385, 434, 433, 289, 292, 16 - also 75-386, 384 WR's which now have been added to the account. Now has 311.55 Acres.

Account 101570, The Existing Twin A has no net change and stays at 86.2 acres

Account 101594 Wood Family (Jeff & Julie) acquired the Following WR from Mark Robinson: 75-205,128,323 which WERE part of the 101530 acct but these are NOW going to be put under the Wood Family, also 75-1325, 326 will also be added to Wood's account per the ROC listing. Was 511.72 acres, added 285.9, for new total 797.62 acres.

These adjustments were needed to handle the Mark Robinson's delinquent assessments from 2013 year. The account adjustments were done prior to computing the assessment for 2014. The additional amounts now shown on the enclosed invoice is for the current 2014 assessment cycle. Thanks for your patience while this matter was resolved.

If you have any questions you can contact me at: mikesilva@utah.gov or (801) 538-7430

Sincerely,



Mike Silva, Distribution Engineer

Cc: Parowan Assessment file

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Account Adjustments needed for Distribution Accounting System:

Account 101530 now under "Twin A" (Frmr Mark Robinson Acct):

Balance of 401.57 should be reduced by -146.95 to be 254.62

That amount is now covered by the Wood Family acct below:

Account 101594 under Wood Family should be increased by +146.95

This adjustment is being made since the water rights corresponding to the Former Mark Robinson account were purchased and divided between Twin A and Wood Family.

The change reflects the proportion of the new ownership and assigns the responsibility for payment of last years (2013) unpaid assessment of the Former Mark Robinson account to the new owners.