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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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August 10, 1988

TO: Dianne R. Nielson, Director  
FROM: Pamela Grubaugh-Littig, Reclamation Engineer *pgl*  
RE: Water Rights Values - Clarification of Consultant's Report,  
Kaiser Coal Corporation, Sunnyside Mine, ACT/007/007,  
Folder #2, Carbon County, Utah

The Division received a report from Higginson-Barnett Consultants (dated July 15, 1988) regarding the current worth of water rights for Grassy Trail Creek (Big Springs) and Range Creek. I spoke with Mr. Barnett on August 4, 1988 for clarification of some of the information in that report.

The report stated the value of the Grassy Trail Creek water rights associated with the sale of the Big Springs Ranch was \$279,450, or a value of about \$151/ac.-ft./year. Mr. Barnett said that the sale of the Big Springs Ranch was and is more valuable as a package, i.e., the land, springs, and stream are greater sold together than sold in parts, which could have an impact on the value of the water rights. The Division of Water Rights status report noted that Kaiser owned 22,674 ac.-ft./year, which at the rate of \$151/ac.-ft./year equals \$3,423,774.

Range Creek water rights were valued at about \$236,768 in the report. This value must be used with caution, however, because it is not known if farmers divert water and return only a portion. The \$236,768 value assumes that each water right is stand-alone, not overlapping.

If you have any further questions, please let me know.

djh  
cc: K. May  
L. Braxton  
J. Whitehead  
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