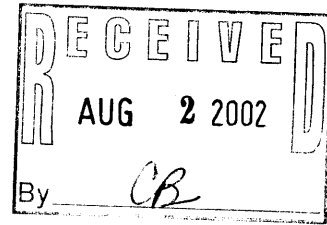


July 30, 2002

Idaho Dep't of Water Resources
State of Idaho
15 W Center
Soda Springs, Idaho 83276-9900



Crandall Farms

Gentlemen: Re: Water permit A29-02415) 1.15 cfs

I offer the following as pertains to my knowledge of the above permit:

The former owner of this property and the developer of these wells was Arvis L. Christensen, then of Bancroft, Idaho

Mr. Christensen drilled five wells at this location, the drilling operation being financed through the Idaho Water Resources Board, as such you have the exact dates in your files(I have misplaced my records). These test wells were all in a line; East & West from the present sump and well. All of the wells except the one in the sump did not produce enough water for pumping; they would have produced stock water; as such the well that is in use and being pumped is in the bottom of the sump with holes in the well casing to supply more water from the sump.

Upon the completion of these tests and the issuance of the permit in question, it was tested and agreed to between your department and myself that the well was producing 1.15 cfs and as such the permit was closed and issued. The other test wells were abandoned, as such the 15 HP pump on the well casing is setting on an abandoned well. Please note however that the permit of 1.15 cfs covers delivery of water from that well only(the one in the sump)

The sump was in operation upon my purchase of the land with my extending the same and cleaning the bottom out; as such this sump will produce at least 3 cfs in the Spring in addition to the well. It was determined that I did not need a special permit for the sump water in that it had been in use for many years; I would assume at least 10 years before my purchase; thus making the total time usage of over 30 years; and then I was informed that any water that rose within the ranch and did not leave the ranch belonged to the ranch; as such no permit was issued; same being unnecessary.

Respectfully submitted;

[Signature]
Ernest V. Hansen

The above appeared before me, a Notary Public, and affixed his signature.

NOTARY PUBLIC

[Signature]
30 July 2002

