

MEMORANDUM

To: File(s) 63-2338

From: Monica Van Bussum

Date: July 9, 2012

Re: Review of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On June 5, 2012, the Department received an application to rent water for mining purposes in the Grimes Creek area in Basin 63. The application was in the name of Mosquito Consolidated Gold Mines but Mosquito Consolidated is not registered as a business according to the Idaho Secretary of State's business entities listing. I emailed Hal Anderson of Idaho Water Engineering who is acting as a consultant for Mosquito Consolidated Gold Mines in this matter and he emailed his client. His client indicated they do business in Idaho as Mosquito Mining Corp. Therefore, we are approving this in the name of Mosquito Mining.

AUTHORITY TO FILE: The application was signed by Kyle Fend on behalf of Mosquito Consolidated.

WATER RIGHT VALIDITY: The water right has been in the Water Supply Bank since 2007.

INJURY TO OTHER WATER RIGHTS: No injury is apparent. I contacted Steve Lester at IDWR's Western Regional Office and he discussed this rental with John Westra, Western Regional Manager, and neither saw concerns (see attached email from Steve Lester).

ENLARGEMENT OF USE: No enlargement is apparent.

LOCAL PUBLIC INTEREST:

Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The rental appears consistent with conservation of water resources in Idaho.

OTHER DEPARTMENT NOTES:

The application sought 3 PODs, including one in SENW of Section 19. A close inspection of the map provided and the DOQQ indicates the POD in Section 19 should actually be in the SWNW and the rental agreement reflects this.

Van Bussum, Monica

From: Hal Anderson [hal@idahowaterengineering.com]
Sent: Friday, July 06, 2012 4:44 PM
To: Van Bussum, Monica
Subject: FW: update on Mosquito Consolidated
Attachments: Water map.jpg

Monica,

I finally got the map for all three POD's, attached. Also it seems, as you found, that the name registered in Idaho is Mosquito Mining Corp. --Hal

From: Kyle Fend [mailto:k.fend.cumo@gmail.com]
Sent: Friday, July 06, 2012 3:42 PM
To: 'Hal Anderson'
Subject: RE: update on Mosquito Consolidated

Hal,

Sorry for not getting this too you yesterday. I only remembered this morning while I was driving up the hill to the project. ...the map is attached with the third location indicated. Also Monica is correct for business in Idaho it is Mosquito Mining Corp. with the parent company being Mosquito Consolidated Gold Mines LTD out of Vancouver BC.

Please let me know if there is anything else.

Kyle Fend
Environmental & Permitting Manager, CuMo
208.866.8579
k.fend.cumo@gmail.com

From: Hal Anderson [mailto:hal@idahowaterengineering.com]
Sent: Wednesday, July 04, 2012 7:15 PM
To: 'Van Bussum, Monica'
Cc: 'Kyle Fend'
Subject: RE: update on Mosquito Consolidated

Monica,

Yes, it should be 12/15/2017, 5 years. As far as I know the Official company name is "Mosquito Consolidated Gold Mines Limited", but I will check for sure. Also I will see about providing another map with the third POD. Have a Happy Fourth. -Hal

From: Van Bussum, Monica [mailto:Monica.VanBussum@idwr.idaho.gov]
Sent: Wednesday, July 04, 2012 3:55 PM
To: Hal Anderson
Subject: RE: update on Mosquito Consolidated

Hi Hal,

I was fooling in my last email. I have two additional question on top of the rental term question below. First, the map included with the rental application only seems to show two PODs, those in Sections 8 and 19, not the one in Section 18. Can you provide a map showing the POD in Section 18? An electronic copy will be fine. Second, I did an Idaho

Secretary of State's office search for Mosquito Consolidated Gold Mines and came up with no results. Under what business name are they operating in Idaho? I did find a Mosquito Mining Corp. Thanks!

Monica

From: Van Bussum, Monica
Sent: Wednesday, July 04, 2012 3:33 PM
To: 'Hal Anderson'
Subject: RE: update on Mosquito Consolidated

Hi Hal,

Just one more quick question. The first page of the rental application states a requested season of 6/1/2012 to 12/15/2012 and the second page says 5 years. There is water for 5 years but I don't want to put 5 years on here unless that's what your client wants. Can you tell me which I should go with? Thanks!

Monica

From: Hal Anderson [<mailto:hal@idahowaterengineering.com>]
Sent: Monday, July 02, 2012 12:32 PM
To: Van Bussum, Monica
Subject: RE: update on Mosquito Consolidated

Monica,

Thanks for the update. We are currently in Phoenix on our way back to Boise. I will be back in town tomorrow so will be available if you have questions. Tennessee was very hot, 106 degrees, yikes. --Hal

On Jul 2, 2012 10:53 AM, "Van Bussum, Monica" <Monica.VanBussum@idwr.idaho.gov> wrote:

Hi Hal,

I got the okay from Western, as anticipated. I'll get the approval documents drafted this week. I hope you are having a great time in Tennessee!

Monica

From: Hal Anderson [<mailto:hal@idahowaterengineering.com>]
Sent: Friday, June 29, 2012 6:38 AM
To: Van Bussum, Monica
Subject: RE: update on Mosquito Consolidated

Monica,

I did talk to John Westra about this so he is aware of their need for additional water. I am headed up to Tennessee today to visit family but will have my phone if you have any questions. It is starting to get really hot, but we have been hanging out at the pool sipping iced tea. Thanks --Hal

From: Van Bussum, Monica [<mailto:Monica.VanBussum@idwr.idaho.gov>]

Sent: Thursday, June 28, 2012 11:53 AM

To: Hal Anderson

Subject: update on Mosquito Consolidated

Hi Hal,

I talked with Western today about the Mosquito Consolidated Gold Mines Bank rental application. I did identify two possible rights that are leased to the Bank, likely the rights you and I discussed yesterday. I want to run the scenario by Western to get their okay. I talked to Steve and he wants to run it by John. I'll follow up with Western on Monday. Hope you are having fun and managing to beat the heat.

Monica

MONICA VAN BUSSUM

Sr. Water Resource Agent

Coordinator, State Water Supply Bank

Idaho Department of Water Resources

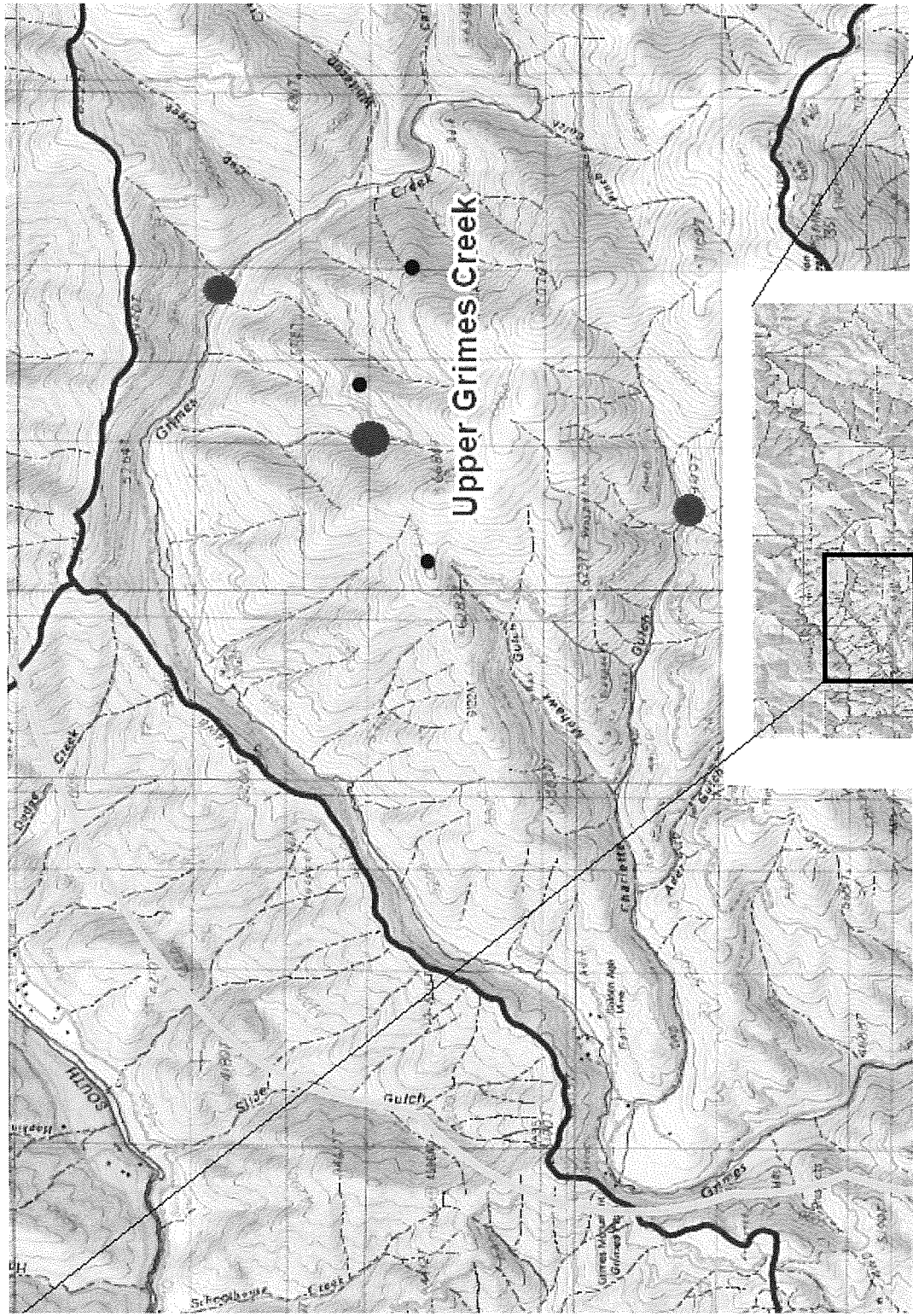
322 East Front Street

PO Box 83720

Boise, ID 83720-0098

(208) 287-4907

Fax: (208) 287-6700



Kilometers



Water Source

Figure 8

Groundwater Monitoring

Locations

Proposed

Groundwater Monitoring Location

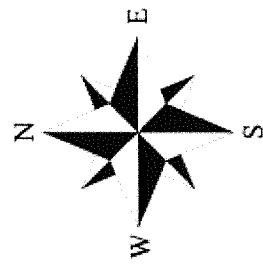
Drainage Basin

Project Area

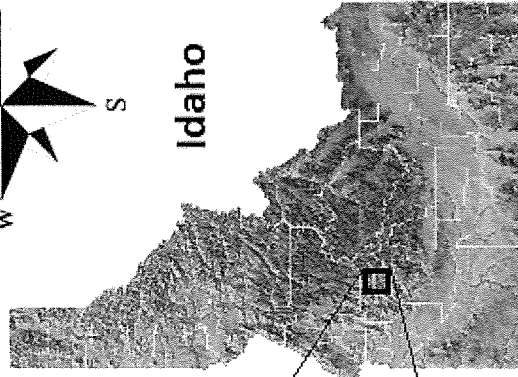
Perennial Stream

Ephemeral Stream

Road



Idaho



Van Bussum, Monica

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Idaho Department of Water Resources

322 East Front Street

PO Box 83720

Boise, ID 83720-0098

(208) 287-4907

Fax: (208) 287-6700

Van Bussum, Monica

From: Lester, Steve
Sent: Thursday, June 28, 2012 4:02 PM
To: Van Bussum, Monica
Subject: RE: mineral exploration rental on Grimes Creek

Monica:

Did some checking on Grimes Creek rights between proposed new action & confluence with Granite Creek. Rights for about 38 cfs but only about 21 cfs if discount fire protection. Appears water bank idea would fit in ok since Grimes Creek has pretty good supply in relation to rights in that reach. John concurs, he has talked to Hal about this some. Bank is better approach than continued temp rights.

So looks good.

Steve

From: Van Bussum, Monica
Sent: Thursday, June 28, 2012 10:06 AM
To: Lester, Steve
Subject: RE: mineral exploration rental on Grimes Creek

Sounds good. Just glad to have the ball rolling.

From: Lester, Steve
Sent: Thursday, June 28, 2012 9:59 AM
To: Van Bussum, Monica
Subject: RE: mineral exploration rental on Grimes Creek

Hi Monica:

Good to hear from you again. Let me visit with John before getting back to you. He has been involved in discussions with mining company – temp rights etc. – plus with Hal.

Steve

From: Van Bussum, Monica
Sent: Thursday, June 28, 2012 9:47 AM
To: Lester, Steve
Subject: mineral exploration rental on Grimes Creek

Hi Steve,

I called a bit ago but you guys were in a meeting, so I'll just email the details on this one.

I have a WSB rental application from Mosquito Consolidated Gold Mines. They want 10 AF of water for "mineral exploration" from June to December this year with PODs on Grimes Creek and an unnamed tributary to Grimes Creek. PODs are: 08N 06E Sec 8 SENWSW, 18 NESWNE and 19 SESENW.

I have a pair of mining rights that are in the bank off of Confederate Gulch Creek Trib. To Granite Creek, Granite Creek Trib. To Grimes Creek and Unnamed Stream Trib. To Granite Creek. The rights are 63-2117 and 63-2338 and the PODs are generally described in 07N 04E Section 9.

It's a bit of a move, but they are in the same area and I talked to Hal Anderson who is acting as a consultant for the applicant and they said they could do the tributaries of Grimes Creek. What do you think?

Monica