

30 June 2012

James Cefalo, Water Resources Program Manager
State of Idaho, Dept. of Water Resources, Eastern Region
900 North Skyline Drive, Suite A
Idaho Falls, ID 83402-1718

RE: License No. 17-7118 and 17-7136

Dear Mr. Cefalo,

I am responding to your letter of 22 June 2012 with this request for reconsideration to some of the terms listed on the reference licenses. My request does not change the aggregate amount of diversion rate of the two licenses (5.0 CFS) or the annual diversion volume (1409.0 AF) available for the 320.0 total acres identified in the licenses. My request does make adjustments that better correspond to existing operations and allow annual reporting to you on the aggregate water use of both licenses. I hope the adjustments I propose make sense for both of us.

1. Reverse annual diversion volumes on the two licenses. It would make more sense corresponding to the maximum diversion rates and also be more consistent with existing operations if the annual diversion volume of License 17-7118 were changed to 560 AF and License 17-7136 were changed to 849 AF. The total would remain 1409.0 AF.
2. License 17-7118 – Correct combined total annual maximum diversion volume to 1409.0 AF in condition 2.
3. License 17-7118 – If other requests as outlined herein are granted, I am willing to accept an additional condition that corresponds to condition 2 of License 17-7136 to give an annual report from power records after specific notification by the department.
4. License 17-7136 – Change condition 1 from 160 acres to 320 acres, consistent with the place of use described on the license.
5. License 17-7136 – Correct combined total annual maximum diversion volume to 1409.0 AF in condition 4.
6. Condition 3 of License 17-07136 and condition 1 of License 17-07118 refer to no more than 0.02 cfs per acre and no more than 3.5 afa per acre. I am unable to reconcile these two values as equal. Can you please double check that these values are correct.

On another matter, my father, H. Sanford Campbell, and I worked together on the development of the water permits since 1985. My father passed away in 2004, and I have been working with my son, John O. Campbell for several years. We also formed an Idaho limited partnership called Black Pine Farm, LP for ownership of the 320 acres. It would make sense to either add John's name in place of Sanford's, or else change the assigned water right to Black Pine Farm, LP. John is also the General Partner of Black Pine Farm, LP and I am a limited partner.

The address for Black Pine Farm, LP is:

Black Pine Farm, LP
c/o John O. Campbell, General Partner
2475 South Juniper Road
Malta, ID 83342

Please feel free to call John or me if you have any questions. John's cell phone is 208 670 5248 and my cell phone is 435 363 6670. I'll be in the Frank Church Wilderness until 9 July. Thanks for your attention to this matter. Like you, we'd like to get the paperwork wrapped up, but we'd like to get it right. It's the kind of thing that can sit idle for one or two generations and then take on vital importance.

Sincerely yours,

A handwritten signature in black ink that reads "Paul D. Campbell". The signature is fluid and cursive, with the first name "Paul" and last name "Campbell" clearly legible.

Paul D. Campbell
430 North 600 West
Logan, UT 84321

c: John O. Campbell