

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE
STATE OF IDAHO**

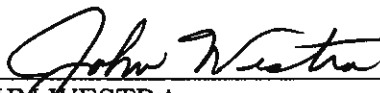
**IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 65-23327 IN THE)
NAME OF SANDS LLC)
_____)**

**NOTICE OF PROPOSED DEFAULT
ORDER-- FAILURE TO RESPOND**

On January 15, 2009, Sands LLC (Applicant) filed with the Idaho Department of Water Resource (IDWR) Application for Permit #65-23327 for domestic beneficial use. The application was protested by Tim and Jennifer Swenson (Protestants).

On November 15, 2010, IDWR sent a letter to the Applicant and Protestants requesting their current status and intentions regarding the contested application. A December 15, 2010 response deadline was set. A timely response was received from the Applicant. To date, there has been no response from the Protestants.

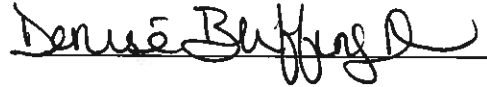
Dated this 4th day of February 2011.



JOHN WESTRA

CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of February, 2011, I mailed a true and correct copy, postage prepaid, of the foregoing **NOTICE OF PROPOSED DEFAULT ORDER – FAILURE TO RESPOND** to the person(s) listed below:

A handwritten signature in black ink, appearing to read "Denise Buffington", written over a horizontal line.

Denise Buffington
Administrative Assistant

Notice of Proposed Default Order – Failure to Respond, 65-23327

Tim Swenson
Jennifer Swenson
50 Webster Ln
Horseshoe Bend ID 83629

Sands LLC
Attn: Steve Loomis
7154 W State St, #187
Boise ID 83714

SPF Water Engineering
Attn: Lori Graves
300 E Mallard Dr, Ste 350
Boise ID 83706