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LOUIS F. RACINE (1917-2005)
WILLIAM D. OLSON, OF COUNSEL

June 16, 2010

Gary Spackman, Director
Idaho Department of Water Resources
P.O. Box 83720
Boise, Idaho 83720-0098
gary.spackman@idwr.idaho.gov

Re: *P4 Production, LLC (Monsanto)*
Application to Rent Water from the Water Supply Bank

Dear Gary:

To follow up on my phone message I am attaching a copy of my February 18, 2010 letter and enclosed Application to Rent Water from the Water Supply Bank submitted on behalf of P4 Production, LLC (Monsanto). There is water in the bank available to rent in Basin 27 and Monsanto needs this small amount of 94 AF as an important part of the South Rasmussen phosphate mine operation where in progress is the construction of a water management system to intercept runoff water to address concerns about water quality and resolve allegations in a September 2007 EPA Notice of Violation. To protect surface water quality, P4 plans to capture and contain water that either does not meet water quality standards or is not eligible for discharge under an applicable NPDES Permit. It is anticipated this will be a temporary need until such time as P4 receives an NPDES Permit to discharge treated water into the Blackfoot River Drainage.

Since this Application was filed no action has been taken. We have not even received back the requested file-stamped copy.

In a number of ongoing followup calls with Aaron Marshall, he has been very candid in advising that the process of Applications to Rent Water from the Water Supply Bank are not among

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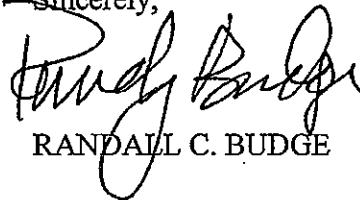
the Department's priorities by reason of resource allocations, budget shortfalls, etc. Further, that there are some 40 to 50 other Applications to Rent Water which are not being processed. While I can appreciate these difficulties the Department is facing, the processing and approval of these simple straightforward Applications to Rent have been routinely and quickly processed and approved in the past.

We are now in excess of four months with no action taken and no prospect that the Application will be even looked at, processed or approved in a timely manner. This is simply unacceptable because of the urgency of securing this small amount of additional water and the potential great prejudice to Monsanto's ability to promptly address surface water quality issues as a part of its phosphate mining operations.

We respectfully request and would appreciate it if you could direct attention and resources to this minor matter and get the Application processed and approved without further delay.

Thank you for your assistance and please don't hesitate to contact me if you have any questions.

Sincerely,



RANDALL C. BUDGE

RCB:rr
Attachments

cc: Aaron Marshall (with attachment)
Garrick Baxter (with attachment)

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