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Department of Water Resourc

November 17, 1986

Donald K. Campbell
First Ascent Fish Farms — 543-6407 —
2297 East 3300 South
Jerome, ID 83338

Mr. Norman Young
Idaho Department of Water Resources
450 W. State St.
(Third Floor)
Boise, ID 83720

Dear Norm,

As per our conversation of last Thursday, November 13, I am sending you a copy of my "proposed" facility plan for developing the water resources on the Glaser Bros. property (previously owned by Dan Skeem) in Twin Falls county (T 9S, R 14E: S1/2NW1/4, W1/2SW1/4), an explanation of my plan, and a copy of the District Court judgement regarding this property. I am currently in the final negotiations of a purchase of the property.

As you can see from the plan, the facility will be extensive. It is modelled after Fish Breeder's of Idaho, where I have been employed as production manager for the past 8 years and general manager for the last three. Leo Ray's Fish Breeders of Idaho, is the "state of the art" raceway facility for warm water fish culture. At Fish Breeder's of Idaho, we are currently using our water 17 times and raising 50000 pounds per CFS or the equivalent of 1 million pounds of fish per surface acre. However, we have learned a considerable amount regarding water and fish management and feel as though we could increase our production, given the same water, 50% or possibly higher. This design incorporates this new knowledge. I want to point out that as our expertise continues to grow, I will want to alter my design to do likewise. Although Leo Ray is not a business partner in First Ascent Fish Farms, he and I will continue to work together and develop new, better and more efficient methods of using water. Fish farming is entering a very dynamic period: new ideas, new species, increased demand in the market place. This farm will be dynamic as well.

The farm is being designed to utilize all of the geothermal water that may be available with the 4 wells east of Mud Creek. However, I am basing my operation cash flow projections on only 3 of the wells (Nos. 1, 2, & 4). I feel this will ensure a viable operation should the time come to reduce water consumption. Cold water will be derived from

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sources: Mud Creek and Sewer (City) Creek. The Buhl sewage treatment lagoon outflow water comprises the largest share of the waters of Sewer (City) Creek during 3 months of the year. The fecal coliform count in this water precludes it's use for fish. As this will not always be the case, I will want to use Sewer (City) Creek as a back-up cold water source now and possibly a primary source several years down the road or when the City of Buhl changes it's treatment practices.

Once the water from the fish farm has been run through a total flow settling resevoir for settlable solids, I will run all of the water back to the hydroelectric facilities. Although, some generating potential is lost by allowing the water to be used for aquacultural purposes, we gain a much more beneficial return by incorporating fish production with power production. It has been estimated that at this site, each CFS of water through the first hydroelectric facility will generate about $3000 per year. The same amount of water used for fish production will generate about $40000 (this does not include the additional benefits that are derived from processing and marketing--estimated to equal production). Once the water has been used for fish production it will then be used to generate power at the No. 2 power plant.

I have currently worked out a verbal agreement with Al Collins, owner of Kanaka Rapids Ranch, to exchange cold water from Sewer (City) Creek for the use of pressure on his hot water well. Besides space heating, he is currently using his hot well for irrigation. It can be argued that this is neither a good use of the hot water and pressure, nor is it good for crops. However, the cold water from Sewer (City) Creek can be put into a pipeline on my property (Glaser's) and tied into the Collins irrigation system on the lower portion of their ranch. Because of the elevation at which the cold water can be picked up, the Kanaka Rapids Ranch will realize both a gain in pressure and better water utilization. I see this as a beneficial trade for the persons involved and the resources.

Norm, I realize that this is but a hasty sketch of what I have envisioned. This project has been three years in planning and will require 7-10 years to complete. If you have any questions please give me a call. I look forward to your response.

Sincerely,

Donald K. Campbell

Donald K. Campbell
543-6407 (Business)

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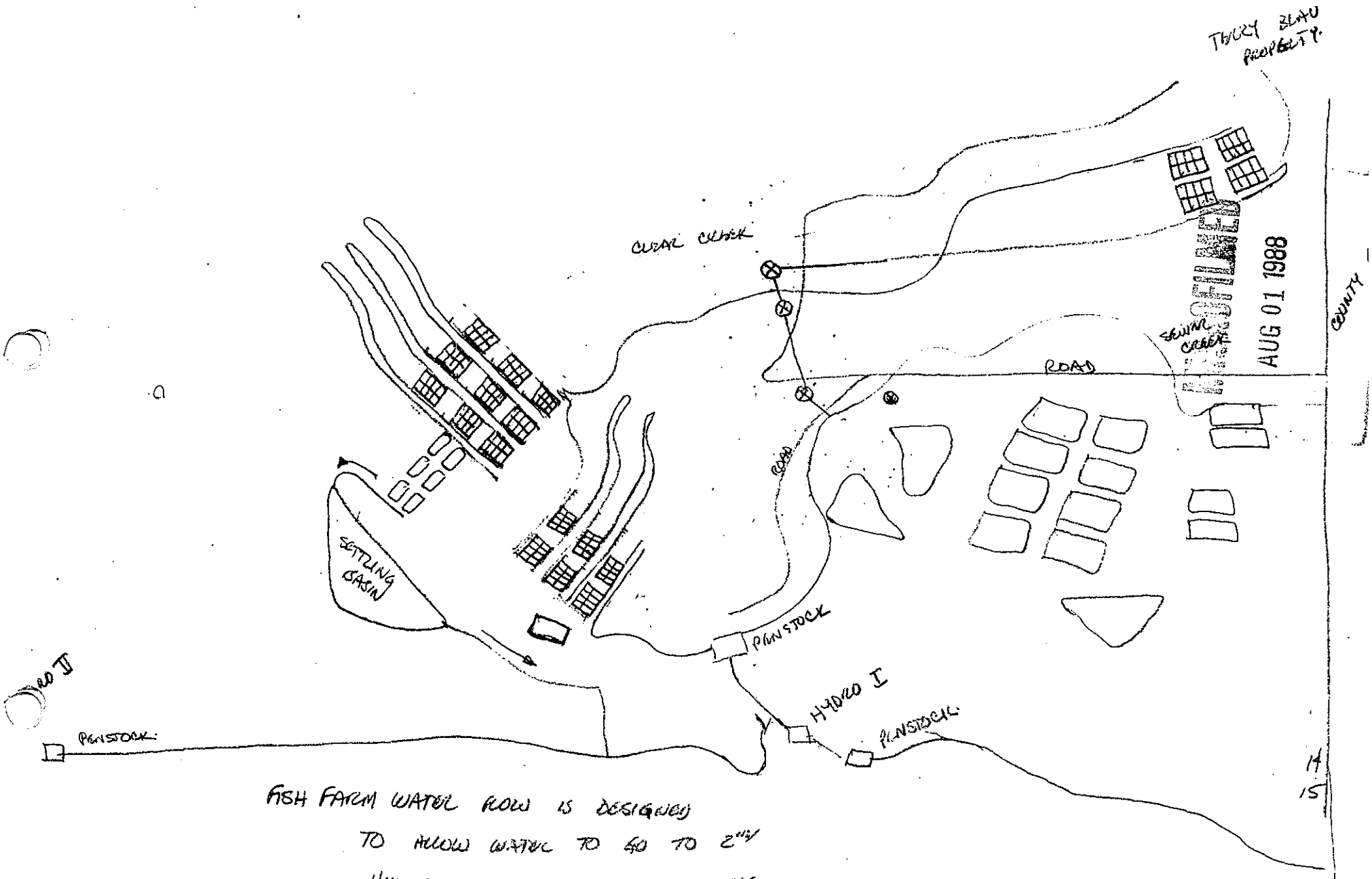

FISH FARM WATER FLOW IS DESIGNED TO ALLOW WATER TO GO TO 2ND HYDRO UNIT. ALL WATER FOR THE FISH FARM WILL BE DIVERTED SUCH THAT IT WILL NOT GO INTO HYDRO I.

PROPOSED FISH PRODUCTION FACILITY: SPECIES CATFISH, TILAPIA, PADDLEFISH, STURGEON, PERCH, CARP; ALLIGATORS, FROGS, SHRIMP, AQUARIUM FISH.

6 DIRT RACEWAYS

22 RACEWAYS (CONCRETE)

8 SECTIONS PER RACEWAY

EACH SECTION 10' x 32' x 4' 225,280 ft³

15 BROODPONDS

.25 - .5 ACRES EACH

HATCHERY BUILDING AND FRY PONDS

32 TROUGHS

10 NURSERY PONDS 5 x 50 x 3

ASSOCIATED WATER DELIVERY STRUCTURES AND DITCHES

WATER SOURCES:

HOT WATER -- 5 WELLS 9 CFS

COLD WATER -- CLEAR CREEK 5 CFS
SILVER CREEK 6 CFS
MUD CREEK 5 CFS

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