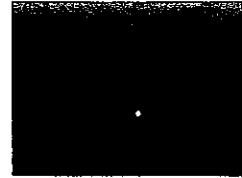


**Jai
Nelson**



15192 Gate 7 Ridge Road Coeur d'Alene, Idaho 83814 Cellular: 208.660.3214

November 14, 2009

Department of Water Resources of the State of Idaho
Attn.: Robert G. Haynes, Regional Manager
7600 Mineral Drive, Suite 100
Coeur d'Alene, ID 83815

RE: Black Rock Utilities Water Permit 95-9045

Greetings Mr. Haynes;

Nearly two years ago, on November 26, 2007, I wrote a letter to you which included a copy of a November 2, 2007 Spokesman Review newspaper article featuring the "manmade fishing lake" at the Black Rock North Subdivision.

In the letter, I noted the aesthetic use of water and storage of water was specifically addressed in Black Rock's water amendment order conditions for approval and wrote the following:

Per the order, there is to be NO stored water at the Black Rock North Development site and ONLY 6.5 acre-feet or less of stored water at the Club at Black Rock site. Specifically, per the Order, Black Rock is limited to 5.0 acre-feet of water storage for irrigation and this water must be stored in a reservoir from which water for irrigation is pumped and delivered. Additionally, Black Rock is limited to 1.5 acre-feet for fire protection.

Per the Order Condition 21: The holder of permit 95-9045 must NOT store additional water in the Black Rock North Development under this approval [note: the manmade lake is on the Black Rock North site] and must reduce its storage to 6.5 acre feet or less within the Club Black Rock.

On July 16, 2008, I again wrote a letter to you referencing these same issues along with a July 15, 2008 article from the North Idaho Business Journal, which illustrated Black Rock's noncompliance with the order. In this letter I noted:

Per IDWR, the final approval of Amendment 72669 for Permit 95-9045 was June 19, 2007. Per the order within one year of the final approval the right holder must limit the storage to the amount required by the order.

Consequently, I am requesting the Idaho Department of Water Resources, as the governing body to preserve and protect Idaho's public water resources, take immediate regulatory compliance action regarding the requirements of this order.

Furthermore, I am requesting you require a site visit to Black Rock and Black Rock North immediately to review compliance and implementation of the order. As the spokesperson for the Protestants I am requesting to be included as a member of the site visit team. I would also request staff from the Kootenai Environmental Alliance be invited and included.

On March 26, 2009 I wrote another letter to you requesting information on the water bank lease, noting:

At the February 25, 2009 hearing Kyle Capps, of Black Rock Utilities, stated the water bank lease had not been renewed for 2009. Has the lease been renewed and if so, on what date was it approved? Additionally, I would like to know the status of the investigation of non-permitted water storage and irrigation usage.

Today's letter is a long overdue follow-up to all of the prior letters. Since my March letter we have had numerous phone conversations concerning an investigation for legal compliance of any non-permitted water storage and irrigation usage by Black Rock Utilities (The last conversation was on October 21, 2009.) Yet, this matter remains unresolved. Therefore, I am requesting this matter be determined in thirty (30) days.

Please investigate any potential violations of requirements and conditions of the Preliminary Order in this case and take appropriate action for any illegal diversion(s) and storage of water per Idaho Statute 42-351 with appropriate penalties per Idaho Statute 42-1701b.

Sincerely,

Jai K. Nelson

Copy:

Department of Water Resources of the State of Idaho

Gary Spackman, Hearing Examiner

P.O. Box 83720

Boise, Idaho 83720-0098

Kootenai Environmental Alliance

Terry Harris, Executive Director

PO Box 1598

Coeur d' Alene, ID 83816-1598