

CONVERSATION MEMORANDUM

DATE 2/28/06
FILE 63-11791

NAME OF PARTY Charlie Hensley et al
EMPLOYEE JZ

RE: Amending APPL-

Attorney & 3 board members visited today.

Will amend appl. & will have ditch company -
Boise Valley Inc Ditch Co - file transfer for
permanent mitigation.

Will lease rental pool for 2006 while these
details are pending.

Making good progress ... 2006 should see the
problem solved.

Should resolve N.O.V. & pending \$18k fine.