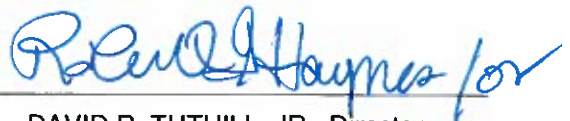


State of Idaho
Department of Water Resources
Permit to Appropriate Water
NO. 96-09430

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before **July 01, 2013**.
2. Subject to all prior water rights.
3. This right does not grant any right-of-way or easement across the land of another.
4. Water shall not be diverted for fire protection use under this right except to fight or repel an existing fire.
5. The right holder shall either install a measuring device or a flow measurement port or provide a certified measurement or computation of flow based upon system design to be prepared by a professional engineer.
6. After specific notification by the department, the right holder shall annually report the amount of water diverted to the department.
7. Water used under this right when discharged into a natural channel or subsurface system shall meet Idaho Water Quality Standards.
8. This right is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this right. Failure to comply with these provisions is cause for immediate cancellation of this right.
9. Project construction shall commence within one year from the date of permit issuance and shall proceed diligently to completion unless it can be shown to the satisfaction of the Director of the Department of Water Resources that delays were due to circumstances over which the permit holder had no control.
10. This right does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
11. The water right acquired under this permit for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.
12. The Director retains jurisdiction of this right in order to limit the use of water for hydropower generation purposes to a specific term of years as required by Section 42-203B(7), Idaho Code.
13. Prior to the diversion and use of water under this approval, the right holder shall comply with all fish screening and/or fish passage requirements of the Idaho Department of Fish and Game.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of the Director, affixed at Coeur d'Alene, this 19th day of June, 2009.



DAVID R. TUTHILL, JR., Director



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2819 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

July 1, 2009

R LLOYD WALLACE
ALICE WALLACE
299 DELTA VIEW RD
HOPE ID 83836

RE: Permit No. 96-9430

Permit Approval Notice

Dear Permit Holder:

The Department of Water Resources has issued the enclosed permit authorizing you to establish a new water right. Please be sure to thoroughly review the conditions of approval and remarks listed on your permit.

The permit is a PRELIMINARY ORDER issued by the Department pursuant to Section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

As a permit owner you must commence the excavation or construction of the diverting works within one year of the date the permit was issued, and you must proceed diligently until the project is completed. The date shown under condition no. 1 is the date when the project must be completed.

The Department will send you a 'Proof Due Notice' approximately 60 days prior to the above referenced date requesting you to file either a Proof of Beneficial Use form or a Request for Extension of Time form.

Please note that a separate stream channel alteration permit must be obtained from the Department prior to any activity in the stream channel other than construction or maintenance of the diversion structure for your water right(s). Applications for stream channel alteration permits must be filed at least sixty days prior to the commencement of work in the stream.

Also, please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at (208) 762-2800.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith E. Franklin". The signature is stylized with a large, looping "K" and a cursive "Franklin".

Keith E. Franklin

Sr. Water Resources Agent

Enclosure(s)

CERTIFICATE OF SERVICE

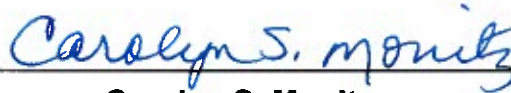
I hereby certify that on July 1, 2009 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER(Approved Permit) to the person(s) listed below:

RE: WATER RIGHT NO.

96-9430

**ALICE WALLACE
299 DELTA VIEW RD
HOPE ID 83836**

**R LLOYD WALLACE
299 DELTA VIEW RD
HOPE ID 83836**



**Carolyn S. Monitz
Technical Records Clerk**

Statement of Available Procedures and Applicable Time Limits

RESPONDING TO PRELIMINARY ORDERS ISSUED BY THE IDAHO DEPARTMENT OF WATER RESOURCES (To be used in connection with actions when a hearing was not held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "Preliminary Order" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its issuance if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) the petition for reconsideration is disposed of; or
- (b) the petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

Davis, Eric

From: Terra Berns, Mary [mary.terra-berns@idfg.idaho.gov]
Sent: Monday, June 08, 2009 10:57 AM
To: Davis, Eric
Subject: Wallace 96-9430

Eric,

Since this application is for a project that was not completed, and that we reviewed (in 1996), but is essentially the same as the original application, please refer to our letter of December 12, 1996. All recommendations from our 1996 letter still apply for this current application.

Thanks, Mary



Please note new email address **mary.terra-berns@idfg.idaho.gov**

Mary Terra-Berns
Environmental Staff Biologist
Idaho Department of Fish & Game
2885 W. Kathleen Ave.
Coeur d'Alene, ID 83814
208-769-1414 208-769-1418 fax
mary.terra-berns@idfg.idaho.gov

6/9/2009

**IDAHO DEPARTMENT OF WATER RESOURCES
APPROPRIATION APPLICATION ANALYSIS SHEET**

W.R. # 96 - 9430

APPLICATION ID # 75587

ENT. 5/12

BCA 5/13/09

OK to Publish 5/11/09

APPLICANT: Wallace

INITIAL REVIEW

BY: SPD

DATE: 5/17/09

ITEM REQUIRED INFORMATION

1. ☒ Name and Address
2. ☒ Source
3. ☒ Point of Diversion & County
4. ☒ Quantity
5. ☒ Nature of Proposed Use
6. ☒ Period of Use
7. ☒ Total Quantity
8. ☒ Description of diverting works
9. ☒ Time required for b/u
10. ☒ Proposed use
11. ☒ Place of use or acres irrigated
12. ☒ Other water Rights
13. ☒ Ownership
14. ☒ Map
15. ☒ Signature
16. ☒ Fee (Amt, receipt, acknowledgement)

*** Send info sheet Y () N ()

ADDITIONAL INFORMATION

(Yes)(No)

- ☒ Shape File Created Date 5-8-09 By: SPD
- Field check: by _____
- Field report attached _____
- Analysis Supp. Attached (>5cfs/500af) _____
- Water delivered by water master? Water District # _____

PROCESSING

(Yes)(No)

PRIORITY DATE: 5/17/09

- ☒ (Include Moratorium Remark)
- ☒ Statewide Advertising: (Diversion rate greater than 10 cfs or 1,000 af).

ADVERTISE IN:

County: BONNER

Newspaper: Bonner Co Daily Bee

Dates scheduled for publication: 5/21 + 28/09

Affidavit of Publication received: 6/3/09

Dates actually published: 5/21 + 28/09

Application published correctly. Yes ☒ No _____

If not, action taken: _____

Final Date for Protest: 6/8/09

Protests Received: Yes _____ No ☒

LETTERS SENT REQUESTING:

- () Dam Information () Fish Information
- () Power Information () Other: _____

INFORMATION RECEIVED:

- () Dam Information () Fish Information
- () Power Information () Other: _____

GROUNDWATER SECTION

WD Permit No.'s:	Tag #	Type:	Fees	Receipt No.	Upgrade Needed?
_____	_____	Dom.____ Non-Dom.____	Paid \$ _____	_____	Y () N ()
_____	_____	Dom.____ Non-Dom.____	Paid \$ _____	_____	Y () N ()
_____	_____	Dom.____ Non-Dom.____	Paid \$ _____	_____	Y () N ()

- Groundwater management area _____
- Critical ground water area _____
- Well Drilling Permit required _____
- Well Drilling Application and Fees received _____
- Well Drilling Application approved? _____

Remarks: _____

FINAL REGIONAL PROCESSING/REVIEW

(Yes)(No)

- ☒ Notice of pending void order issued. Final order response date: _____/_____/_____
- ☒ Further information required from applicant _____

- ☒ Measuring device required
- ☒ Measuring port required
- ☒ Special conditions: Hydro
- ☒ Special conditions of approval supplement and/or cover letter attached: _____

Approval Recommended by: Beth K. ...

Date: 6/16/2009 Sr. Agent initial KJ

RECEIVED
JUN 03 2009
IDWR / NORTH

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

95-10454

CDS STONERIDGE UTILITIES LLC

PO BOX 298

BLANCHARD ID 83804

Point(s) of Diversion(3) NWSW S20 T54N R05W BONNER County

Source GROUND WATER

Use: MUNICIPAL

01/01 To 12/31

2.22 CFS

Total Diversion:

2.22 CFS

Date Filed: 04/24/2009

Place Of Use: MUNICIPAL

Remark: Municipal use is within service area of applicant.

96-9428

CAROL JOHNSON

511 TOYOPA DR

PACIFIC PALISADES CA 90272

Point of Diversion SWSE S4 T57N R01W BONNER County

Source LAKE PEND OREILLE tributary to PEND OREILLE RIVER

Use: IRRIGATION

04/01 To 10/31

0.09 CFS

Total Diversion:

0.09 CFS

Date Filed: 04/06/2009

Place Of Use: IRRIGATION

T57N R01W S4 NWSE SWSE SESE

Number of Acres 3

96-9430

R LLOYD WALLACE

ALICE WALLACE

299 DELTA VIEW RD

HOPE ID 83836

Point of Diversion NENW S8 T57N R01E BONNER County

Source KIRBY CREEK tributary to PACK RIVER

Use: POWER

11/01 To 06/30

1.5 CFS

Use: POWER

07/01 To 10/31

0.75 CFS

Use: FIRE PROTECTION

01/01 To 12/31

1 CFS

Total Diversion:

1.8 CFS

Date Filed: 05/07/2009

Place Of Use: POWER

T57N R01E S8 NENW

Place Of Use: FIRE PROTECTION same as POWER

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the Director, Dept. of Water Resource, Northern Region, 7600 Mineral Drive, Suite 100, Coeur d'Alene ID 83815 together with a protest fee of \$25.00 for each application on or before 06/08/2009. The protestant must also send a copy of the protest to the applicant.

DAVID R. TUTHILL, JR., Director

SNP Legal 10629

May 21, 28, 2009

*See review
for a decision*

AFFIDAVIT OF PUBLICATION

RECEIVED
JUN 03 2009
IDWR / NORTH

STATE OF IDAHO)
) ss.
County of Bonner)

Stirling Burtney, being first duly sworn on oath, deposes and states:

I am a citizen of the United States of America, over the age of 18 years, a resident of Bonner County, Idaho, and am not a party to the proceedings referred to in the attached Legal Application. My business address is P.O. Box 159, Sandpoint, Idaho.

I am the Bookkeeper of the Bonner County Daily Bee, a newspaper of general publication in Bonner County, Idaho;

Said newspaper has been continuously and uninterruptedly published in Bonner County, Idaho during a period of 12 months prior to the first publication of said Notice, and thereafter.

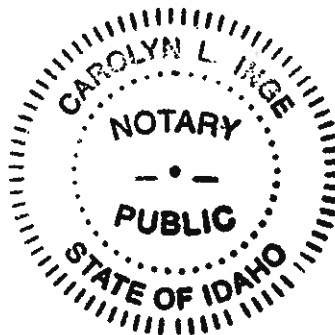
The attached Notice was published in the regular and entire issue of the Bonner County Daily Bee for a period of 2 consecutive weeks, commencing on the 21 day of May, 2009 and ending on the 28 day of May, 09.

Stirling Burtney

State of Idaho, county of Bonner ss.

On this 28 day of May, in the year of 2009, before me, Carolyn Inge, Notary Public, personally appeared Stirling Burtney, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he (or they) executed the same.

Carolyn L Inge
Notary Public
Residing at: Sandpoint
Comm. Exp.: 8-7-12



*See reverse
for legal*



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 Mineral Drive, Suite 100, Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 FAX: (208) 762-2819 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR
Director

Please Fax or e-mail proof/preview copy to me before this goes to press.

Fax (208) 762-2819 ~ e-mail dianne.ball@idwr.idaho.gov

Thanks, Dianne

May 13, 2009

SHERI JONES
LEGAL NOTICE DEPARTMENT
BONNER COUNTY DAILY BEE
PO BOX 159
SANDPOINT ID 83864

RE: Application for Permit No. 95-10454, 96-9428 and 96-9430

Dear Sheri:

Enclosed you will find a legal notice which we wish to have published in your newspaper on the dates indicated, May 21 and 28, 2009, (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 06/08/2009. Your cooperation is ALWAYS appreciated.

Sincerely

Dianne

Dianne Ball
Administrative Assistant

Ball, Dianne

From: Ball, Dianne
Sent: Thursday, May 14, 2009 10:38 AM
To: Legal Notices-Bonner Co Daily Bee-Sheri Jones
Subject: Legal notice for publication on May 21 and 28, 2009

Attachments: CoverLetter 05-13-09 BCDB e-mail 95-10454, 96-9428.doc; LegalNotice 05-13-09 BCDB e-mail 95-10454, 96-9428,30.doc

Good morning, Sheri,

Attached is our cover letter requesting publication of a legal notice on May 21 and 28, 2009. The legal notice is also attached.

If you have ANY quesitons, please call me or reply to this e-mail. Also, please send a proof/preview copy for my review before this goes to press.

Thanks again for all your super help. It's truly a pleasure to work with you on these.



CoverLetter
5-13-09 BCDB e-ma.



LegalNotice
5-13-09 BCDB e-ma.

Don't count the days, let the days count.

Dianne Ball

Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Dr., Ste. 100
Coeur d'Alene, ID 83815
208-762-2800 Fax 208-762-2819



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2819 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

May 13, 2009

R LLOYD WALLACE
ALICE WALLACE
299 DELTA VIEW RD
HOPE ID 83836

RE: Application for Permit No 96-9430

Dear Applicant(s):

The Department of Water Resources acknowledges receipt of your water right application. Please refer to the above referenced number in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the Bonner County Daily Bee on May 21 and 28, 2009. Submittal of protests to this application will be allowed for a period ending ten days after the second publication.

If the application is protested you will be sent a copy of the protest(s). All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, it will be forwarded to our State Office in Boise for final processing. The State Office will notify you of any action taken on the application and will send you a copy of the permit if approved. A typical processing time for an unprotested application is about eight to twelve weeks.

Please feel free to contact this office if you have any questions.

Sincerely,

Keith E. Franklin
Senior Water Resource Agent

Enclosure(s) – No. N020507

Ball, Dianne

From: Ball, Dianne
Sent: Monday, May 11, 2009 4:37 PM
To: mterrabe@idfg.idaho.gov
Subject: Agency Comment Request.doc

Attachments: Agency Comment Request.doc; 96-9430 Wallace.pdf

Hi again, Mary,

Attached is our letter requesting your comments on 96-9430 - Wallace. This involves power and fire protection. Please direct your comments to Eric Davis on this one.

Copy of the application is also attached FYI.



Agency Comment
Request.doc (31...



96-9430
Wallace.pdf (371 KB)

Dianne Ball

Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Dr., Ste. 100
Coeur d'Alene, ID 83815
208-762-2800 Fax 208-762-2819



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 Mineral Drive, Suite 100, Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 FAX: (208) 762-2819 www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR
Director

May 11, 2009

MARY TERRA-BERNS
IDAHO DEPARTMENT OF FISH AND GAME
2885 W KATHLEEN AVE.
COEUR D'ALENE, ID 83815

Re: Water Permit Application No. 96-9430

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application follows for your reference.

This office can publish notice of the application as soon as the initial review is completed; therefore, your prompt response to this request is appreciated. If your agency desires to formally protest the approval of this application, you may do so *after the notice is published* by filing a written protest along with a \$25.00 filing fee within 10 days after final publication, and by sending a copy of your protest to the applicant. This will be scheduled for publication on May 21 and 28, 2009 in the Bonner County Daily Bee.

We are sending this to you for your comments, and would appreciate receiving your comments by no later than **June 8, 2009**. That is also the final date for protest to be received in our office.

If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the issuance of this permit.

You may send comments by regular mail to the address above, by FAX to 762-2819, or by e-mail to Eric.Davis@idwr.idaho.gov.

We request that you send a copy of your comments regarding, and/or notice that you intend to protest this application to the applicant as well as to our office.

Please contact this office if you have any questions regarding the application.

Sincerely,

Dianne

Dianne Ball
Administrative Assistant