



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

PHONE: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER, Governor
GARY SPACKMAN, Interim Director

January 7, 2010

SANDERSON CO
C/O LAYLA MAQBOLL
W & H PACIFIC
3501 W ELDER ST STE 200
BOISE ID 83705

MIDDLETON IRRIGATION ASSOC
C/O JERRY KISER
STOPPELLO & KISER
620 W HAYS ST
BOISE ID 83702

Re: Orion Park Water Right Applications

Dear Ms. Maqboll and Mr. Kiser:

Allison Gillis of W & H Pacific assisted in preparing two applications for a pond project for the above referenced development. The applications were filed in 2006 but delayed in the Idaho Department of Water Resources (IDWR) backlog until this time. The good news is IDWR has significantly reduced the backlog, allowing these applications to be addressed.

Apparently Ms. Gillis no longer works with the consulting firm. I obtained Ms. Maqboll's name from a prior telephone call from her regarding this project. If she is not the correct contact at W & H for this matter, I hope she can relay this information to the appropriate person at her firm.

Sanderson filed Application for Permit No. 63-32418 for a shallow ground water amenity pond. Apparently, W & H Pacific has authority to act on Sanderson's behalf. Middleton Irrigation filed Application for Transfer No. 73828 to reduce irrigation at the proposed pond site to mitigate consumptive use from the pond. Mr. Kiser, but not W & H Pacific, has authority to act for the latter applicant.

First, do the applicants still want to proceed with both applications? If not, the applications can be withdrawn and refunds can be issued for the filing fees that were paid (\$100 each). Withdrawal forms are enclosed for your convenience.

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Some items need attention if one or both applicants want to proceed with the project as noted below.

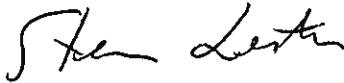
Mitigation is no longer required for the proposed pond site. The transfer application could be withdrawn, and the permit application could be amended and processed. If this is the preferred option, the consultant for Sanderson could contact me to discuss the necessary steps to amend application 63-32418.

If the parties prefer to retain mitigation as part of the project, the consultant for Sanderson and the attorney for Middleton Irrigation could contact me to discuss the necessary steps to amend both applications.

Please indicate how the applicants want to proceed within the next thirty (30) days. Alternately, the applicants can request more time to consider their options. Without a timely written reply, the applications will be voided or rejected. Refunds will not be issued for voided or rejected applications.

Please contact me at 334-2190 if you need more information or have any questions. Thank you for your attention to these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Lester". The signature is fluid and cursive, with the first name "Steve" and last name "Lester" clearly distinguishable.

Steve Lester
Water Rights Supervisor

Enclosure