



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Idaho State Office
1387 South Vinnell Way
Boise, Idaho 83709
<http://www.id.blm.gov>



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AUG 12 2009

WATER RESOURCES
WESTERN REGION

In Reply Refer To:
7250 (933b)

August 10, 2009

Mr. Steve Lester, Water Rights Supervisor
State of Idaho
Idaho Department of Water Resources (IDWR)
Western Regional Office
2735 Airport Way
Boise, Idaho 83705-5082

Dear Mr. Lester :

RE: Withdrawal of Protest:
Application for Permit No. 77-14319 (Bear Lake Mining Company, LLC)

By this letter, I state that I have the authority to act on behalf of the United States Department of Interior, Bureau of Land Management (BLM), with myself as its agent, to the matters discussed herein. BLM and Bear Lake Mining Company, LLC have reached an agreement which resolves BLM's protest. I hereby withdraw BLM's protest so that processing of the water permit application may proceed pursuant to the attached Settlement Agreement and Memorandum.

If there are questions regarding any statements above, please do not hesitate to contact me at (208) 373-3831 or at the address provided above.

Sincerely,

Fredric W. Price
Water Rights Specialist (ID933b)

Enclosure: Settlement Agreement and Memorandum

CERTIFICATE OF MAILING

I certify that a true and correct copy of the "Notice of Protest" was mailed on August 10, 2009, with sufficient first-class postage to the following:

Original:

Mr. Steve Lester, Water Rights Supervisor
State of Idaho, Idaho Department of Water Resources (IDWR)
Western Regional Office
2735 Airport Way
Boise, Idaho 83705-5082

Copies:

State of Idaho, Idaho Department of Water Resources (IDWR)
Idaho State Office
322 East Front Street
Boise, Idaho 83720

Bear Lake Mining Company, LLC
ATTENTION: WILLIAM W. RIDDLE, JR.
5700 Granite Parkway #350
Plano, Texas 75024

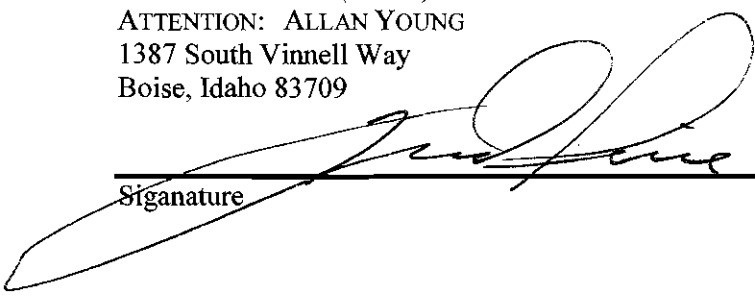
Attorney on Record for Bear Lake Mining Company LLC
W. Jeremy Carr
Clark and Feeney Law Firm
1229 Main Street, Suite # 106
Lewiston, Idaho 83501

United States Department of the Interior
Bureau of Land Management
Coeur d'Alene District (ID400)
Cottonwood Field Office (ID420)
ATTENTION: MR. CRAIG JOHNSON
1 Butte Drive
Cottonwood, Idaho 83522

United States Department of the Interior
Bureau of Land Management
Coeur d'Alene District (ID400)
Cottonwood Field Office (ID420)
ATTENTION: ROBBIN BOYCE
1 Butte Drive
Cottonwood, Idaho 83522

United States Department of the Interior
Bureau of Land Management
Idaho State Office (ID933)
ATTENTION: ALLAN YOUNG
1387 South Vinnell Way
Boise, Idaho 83709

Signature



BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION	)	
FOR PERMIT NO. 77-14319 IN THE	)	SETTLEMENT AGREEMENT
NAME OF BEAR LAKE MINING	)	AND MEMORANDUM
COMPANY, LLC	)	

COMES NOW, the applicant, Bear Lake Mining Company, LLC, and the protestant, United States Department of the Interior Bureau of Land Management, and present the following agreement to resolve the issues presently pending in the above-captioned matter:

1. The parties agree that the water permit should be granted by the Idaho Department of Water Resources with the following conditions:

- a.. This right does not grant any right-of-way or easement across the land of another and does not constitute approval that may be required by the United States to access federal public land.
- b. This right does not constitute United States approvals that are required for water using activities associated with mining of federal public land.
- c. The right holder agrees to relinquish this application/permit/license should the United States deny authorization, or issued authorization expires and is not renewed.
- d. The right holder accepts all liability for water quality and is solely responsible

for making water safe for domestic purposes.

2. The protestant will withdraw their protest if the water permit is issued with the
aforementioned conditions.

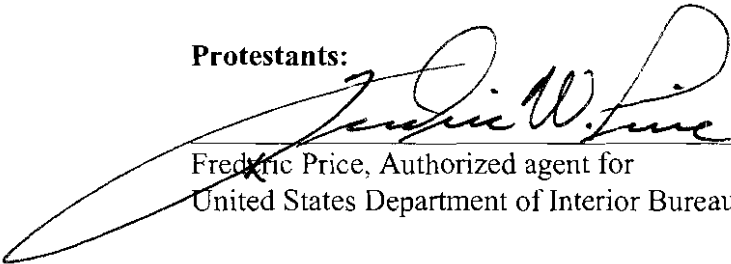
DATED This 24th day of July, 2009.

Applicant:



William W. Riddle, Jr., Authorized agent for
Bear Lake Mining Company, LLC

Protestants:



Fredric Price, Authorized agent for
United States Department of Interior Bureau of Land Management