



ERO Resources Corp.  
3314 Grace Street  
Boise, ID 83703-5836  
(208) 373-7983  
Fax: 373-7985  
Denver • Boise • Durango  
www.eroresources.com  
eroboise@eroresources.com

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JAN 29 2008

WATER RESOURCES  
WESTERN REGION

January 29, 2008

Mr. Steve Lester  
Idaho Department of Water Resources  
2735 Airport Way  
Boise, Idaho 83705

RE: Harris Ranch Application for Permit and Application for Transfer

Dear Mr. Lester,

Enclosed, please find an Application for Permit in the name of Harris Family Limited Partnership that seeks authorization to store water in three ponds at the Harris Ranch development along Warm Springs Avenue east of Boise.

Because this application seeks ground water that will be exposed to evaporation and will be considered a consumptive use, a mitigation plan is included proposing to retire a number of acres from irrigation from an existing ground water right (63-2973). The mitigation plan is supported by an analysis of how the ground water at the Golden Dawn Well (point of diversion for 63-2973) is equivalent to the ground water to be exposed at the ponds. The mitigation plan is submitted in lieu of transfer to satisfy administrative requirements to allow immediate processing notwithstanding the present hold on processing applications for new consumptive uses.

The filing fee of \$250 for this application for permit is enclosed.

Also, please find the water supply bank rental form. This is submitted to seek water for the initial fill of the ponds (74.1 acre-feet). No filing fee is provided at this time, but will be paid upon an issuance of rental agreement.

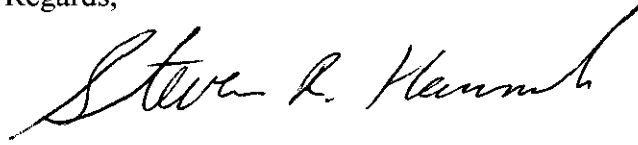
As development of the land proceeds, the need for water right 63-365 has changed. Water right 63-365 is submitted to the water supply bank as a measure to protect against forfeiture until a use can be found for it within the development. Please accept the attached application to place 63-365 into the water supply bank.

Forth, please find an Application for Transfer that seeks to move the point of diversion for water rights 63-2973 and 63-7103 from the Golden Dawn well to the proposed ponds and an existing well. Enclosed is a technical analysis that supports that the water bearing interval at the Golden Dawn well is equivalent to the water that will be exposed in the pond and therefore the action will not be changing sources, just locations of diversion.

The filing fee for the transfer of \$290 is enclosed.

If you have any questions or need additional information, please feel free to contact me.

Regards,

A handwritten signature in black ink, reading "Steven R. Hannula". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Steven R. Hannula

encl: Application for Permit, Application for Transfer, filing fee, water bank rental  
water bank lease

cc: Doug Fowler (Harris Family LP)