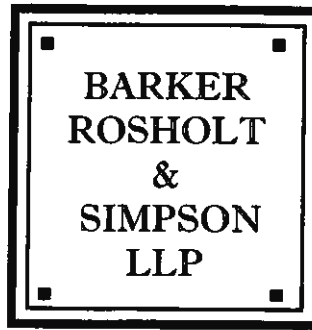


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July 28, 2008

Dave Carlson
900 N. Skyline Dr., Suite A
Idaho Falls, ID 83402-1718

RE: FMC Transfer No. 73993

Dear Mr. Carlson:

The last time we spoke about the above-listed transfer you had a few concerns that needed addressed. Attached to this letter, you will find a revised copy of the transfer application that should address those concerns.

As you will see in the attached application, we have formally amended the transfer to seek year-round use of the water. You mentioned in a prior conversation, the concern that the water may have been used for non-consumptive uses at the mine site. We have confirmed that is not the case. Attached to the transfer application is a letter from James P. Sieverson confirming that the water was used for dust suppression, among other things at the mine site.

In addition, there was some concern over the map provided. In the attached application, I have included a color aerial photo of the proposed place of use, with some section lines marked and a dashed white line indicating the boundaries of the plant site (i.e. proposed place of use).

The filing fee has already been paid so no additional payment is being sent with the attached application. With this information, I trust that you will have all you need to begin processing the transfer application.

RECEIVED
JUL 29 2008

Department of Water Resources
Eastern Region

Dave Carlson
July 28, 2008
Page 2

Please call if you have any further questions.

Yours truly,



Paul L. Arrington

PLA/jf

cc: Lizanne Davis (via email)
James P. Sieverson (via email)

Encs.