

Charles Linak & Jeanette Byrne
2848 Starlington Drive
Boise, ID 83712

Idaho Department of Water Resources
Southern Region
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301

22nd August 2008

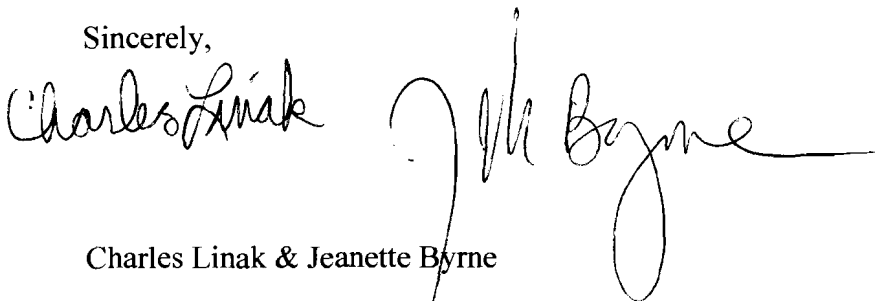
Dear IDWR:

On 24th March 2008, Elsing Drilling Company of Twin Falls drilled a cold water well at 19060 Hwy 30 in Buhl. Nathan Erickson, Water Resource Agent out of IDWR Southern Region Office was present. The Principle Well Driller hit 110 degree water at 40 feet and stopped the drilling. When I asked him to go deeper, or try another site, both he and the IDWR Agent agreed that was the coldest water we would find. Mr. Erickson assured my wife and me there would be no difficulty getting a domestic cold water permit provided we posted a \$5,000 Surety Bond. He said there would be no problem with this being granted as there was no colder water available. Since March the \$5,000 has been set aside in the Surety Bond as per our good faith agreement.

We understand that as of 17th April 2008 a new ruling by the IDWR Director tightened the exemption offering. However, because we made sure to transfer the existing 1977 water rights into our names when we purchased the property, and because the cold water well was drilled before the new ruling was made, we strongly believe our well should be permitted for domestic use and irrigation of half an acre.

Without this exemption we will have to use much hotter water from our 1977 well for our cold water needs. We believe this would be an unnecessary waste of a precious resource seeing as a colder alternative is available. We therefore request that the enclosed request for an exemption be granted.

Sincerely,

The block contains two handwritten signatures in black ink. The first signature, on the left, is 'Charles Linak' and the second, on the right, is 'Jeanette Byrne'. Both are written in a cursive, flowing style.

Charles Linak & Jeanette Byrne

Enclosures: Check for \$100
Surety Bond
Application for Permit to appropriate public waters
Request for Exemption of Use of Low Temp Geothermal Resource
Well Driller's Report
Copy of grandfathered water rights from 08/15/1977
Maps of Project