

QUANTUM Engineering

and Geologic Consulting*

July 1, 2008

Keith Franklin
Idaho Department of Water Resources
7600 Mineral Drive, Ste 100
Coeur d'Alene, ID 83815

RECEIVED
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IDWR/North

Re: Aspen Creek Water Association-Permit # 95-9356

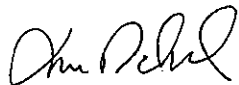
Dear Keith:

Attached is the Statement of Completion for Aspen Creek Water located on Mica Flats and the associated processing fee. Since application was made, it has come to my attention that the horse arena and stockwater components of this application are being derived from a separate well other than the Aspen Creek Water Association well. The additional well is located in a different quarter/quarter section than the Aspen Creek Well.

It may be best to proceed with the beneficial use survey for the Aspen Creek Water Association and extract the stockwater claims associated with the horse arena. Since the arena is served by a well in another quarter/quarter section, it seems that a separate application will be necessary to document the stockwater requirements.

Please let me know how you would recommend proceeding with permit # 95-9356.

Sincerely,



James S. De Smet, PE, PG