

Westra, John

From: Ed Squires [ed@hydrologicinc.net]
Sent: Monday, October 22, 2007 7:30 AM
To: Westra, John
Cc: Fereday, Jeffrey, C.
Subject: RE: M3 Eagle water right application and test/production well drilling 10-22-2007
Importance: High

Hydro Logic, Inc.

1002 W. Franklin St. Boise, ID 83702 (208) 342-8369 Fax: (208) 342-3100 Cell: (208) 631-6781

John,

Thank you for the update on this important meeting to us.

Based on our subsequent discussion, late last Friday, I will commence to prepare for the exploratory test well drilling and to develop the applications and bonding for the supply wells. I will also refine the draft prospectus into a final narrative report requesting permission to drill, construct, and test the new well(s) in Big Gulch.

M3 Eagle wants to move forward with this right away so that any comments IDWR has with respect to the prospectus would be appreciated. I assume the State office and, in particular, the Hydrology Section, has one of the copies we provided; I will check in with Sean Vincent with respect to this. The exploratory drilling can proceed under normal permitting procedures but the supply wells will require approval of the well/aquifer test prospectus and we would like to be drilling in November with hopes of conducting the aquifer test in January.

As Jeff indicates below, we view the proposed supply well construction and aquifer testing as being disconnected from the processing of M3 Eagle's water right application owing to the large amount of information already developed in support of that application. Even so, we would like to be able to provide the results from the testing at the administrative hearing for the water right. To do that, we will need to move right along.

Respectfully,

Ed Squires

-----Original Message-----

From: Westra, John [mailto:John.Westra@idwr.idaho.gov]
Sent: Friday, October 19, 2007 1:50 PM
To: Jeffrey C Fereday; Ed Squires
Subject: RE: M# water right application

Guys:

I met with the Administration this AM. We are good to go--thumbs up.

We will start doing our thing on the application. Will keep you in the loop as we progress, and will notify you when we are ready to advertise.

10/19/07. JSW
Met with: Dave T, Gary S,
Sean Vincent, Devin Orsby,
Jeff P, Skelly K.
Terms set acceptable. OK

10/22/2007

Ed, we can also start refining the pump testing at your call.

Enjoy the weekend, stay dry.

John

-----Original Message-----

From: Jeffrey C Fereday [mailto:JeffFereday@givenspursley.com]

Sent: Thursday, October 18, 2007 4:52 PM

To: Westra, John

Cc: 'William Brownlee'; 'Ed Squires'; 'Gerry Robbins'

Subject: M# water right application

John:

Thanks for speaking with Ed Squires and me today about the M3 Eagle amended water right permit application, and M3's proposed test well. As Ed explained, we anticipate submitting the prospectus for the exploratory test well immediately, and hope to proceed with drilling and other work in that test process as soon as possible.

As agreed, we also are requesting that the Department begin processing the M3 amended permit application right away. We asked that someone from your staff contact us once the amended application is ready for publication. We then will let you know whether we believe it necessary to delay publication for any reason. At this point, we do not anticipate any need to delay. We believe that the aquifer testing and other work we have done to date (and which is reflected in the amended application) is ample background for a full analysis.

As to the prospectus, we will bring the results of that effort to the Department as soon as they are available. While we do not see this aquifer test as essential to our permit processing, we anticipate that it will be complete in time to become part of the record in the permit application process.

Again, thanks for you attention to this, John.

Jeff Fereday

10/22/2007