

February 4, 2008

Tim Wilson
PO Box 3009
Bonners Ferry, Idaho 83805

RE: Water Permit Application #98-7859

Dear Tim:

Enclosed are the two signed Stipulated Agreements concerning the above water application.

You are requested to release these to the Department of water resources with the understanding that the Department will agree to a minimum flow of two (2) CFS at the point of diversion.

Also would you please keep me posted on the disposition of the Williams and Day agreements?

Finally have you been in contact with John Tesor and/or do you know his position on this?

Sincerely,
Richard Anthony Villelli and Marie Victoria Villelli Revocable Trust

Richard A. Villelli Trustee

C : Keith Franklin IDWR