



ERO Resources Corp.
3314 Grace Street
Boise, ID 83703-5836
(208) 373-7983
Fax: 373-7985
Denver • Boise • Durango
www.eroresources.com
eroboise@eroresources.com

December 10, 2007

Mr. Steve Lester
Idaho Department of Water Resources
2735 Airport Way
Boise, Idaho 83705-5082

RECEIVED

DEC 10 2007

WATER RESOURCES
WESTERN REGION

RE: Application for Transfer – Broken Arrow Farms

Dear Mr. Lester,

In September and again in November 2006, an Amended Application for Transfer in the name of Broken Arrow Farms Inc. was submitted to IDWR in pursuit of adding new Points of Diversions (POD). During 2007, one of the irrigation wells failed and has put a strain on the rest of the system. Discussions with Rob Whitney and John Westra have helped to lay out a new plan for his water system. The applicant is using this opportunity to arrange the wells on his property to his advantage. Therefore, he is submitting the enclosed Amended Application for Transfer to seek additional PODs. However, because the applicant's dairy is now operating on one well with no backup, he is making a hard effort to resolve this water system problem prior to irrigation season 2008, when the current dairy well will then be needed for irrigation. Therefore, in addition to the amendments to the transfer application, he is seeking an expedited processing as described in his letter (see attached).

The applicant's water rights authorize three wells. This Application for Transfer seeks an additional four PODs. One well will be a new irrigation well, two of the wells will be smaller and dedicated to the dairy (primary and backup), and the fourth well is proposed in the event that water production is poor, or well interference reduces efficiency.

Please accept this amended version as a companion submittal to the Application for Drilling Permit that is being coordinated through Rob Whitney's office. Please call if you have any questions or comments.

Regards,

Steven R. Hannula