

TO: CARL SMID APPLICATION FOR PERMIT FILE

FROM: DANIEL A. NELSON

DATE: 7/10/07

SUBJECT: MEETING WITH NORM SEMANKO

On the above date, I met with Norm Semanko regarding the Carl Smid application for permit. Mr. Semanko wanted to speak to me about the possibility that the Idaho Fish and Game (IDFG) could have the ability to veto an application for permit if they did not like the proposal. I told Mr. Semanko that I didn't think that IDFG could veto an application, but we would probably ask the applicant to work with them to find a solution to avoid any harm or injury. I also told Mr. Semanko that of this date, we haven't received a request from IDFG to void an application.

Mr. Semanko was very concerned about the authority placed with IDFG, but I assured him that we would work with applicant as much as possible to address everyone's concerns. I showed Mr. Semanko a couple of the previous letters we have received from the IDFG and the Department of Environmental Quality. Both of these letters only addressed information that could be dealt with by water right conditions.

The original letter that we received from the IDFG on this application clearly states that they had not received a copy of the plan, so they could not make anything more than general statements. I believe that all that is needed is the applicant to take a copy of the application to IDFG and show them what they are proposing and ask for a comment letter on the actual proposal. This should provide the information that we need.

I also spoke with Mr. Semanko about the fact that the final date to supply the additional information had expired on 7/9/2007. I told Mr. Semanko that I would hold the application for one week, but I could not hold it any longer without a written request including a time line of what they had done on the application. If the information or a second request is not received by 7/17, 2007, I will void the application for permit.