MEMORANDUM

Date: August 7, 2007

To: Permit File 95-9042

From: Jeff Peppersack

Re: Phone Conversation with Stanley Schwartz, Attorney for Permit Holder

I spoke with Stanley Schwartz to clarify the petition for reconsideration and discuss options. Mr. Schwartz indicated the petition is revising the original request for extension by reducing the request to November, 2007.

Mr. Schwartz indicated that the gravel and concrete operation was basically complete, but they needed some time to ensure the full beneficial use was developed. We discussed the statute and the allowance for one extension based on due diligence. We also discussed the potential for an extension due to government delay. Mr. Schwartz indicated that he would send information supporting delay in approval of permits necessary to run the operation.

I informed Mr. Schwartz that the Department needs to act on the petition within 21 days, or it would be denied by operation of law. He indicated that he would send in the information ASAP.

Mr. Schwartz called 8/15/07, he said the permit holder decided to send in proof. We discussed advancement of the priority date if an extension is not granted. He said he would send in documentation of goverment delay along with the proof.

8/15/07 JP