



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

September 4, 2007

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

BRUCE THORNDYCRAFT
ATLANTA GOLD CORPORATION
SUITE D
1509 TYRELL LANE
BOISE ID 83706

**RE: APPLICATION TO LEASE ALL OR PART OF WATER RIGHT NO(S).
63-3609 TO THE WATER SUPPLY BANK**

Dear Lessor:

The Department of Water Resources ("department") has completed its review of the Application to Sell or Lease Water Right(s) to the Water Supply Bank ("bank"). The offered water right(s) is accepted into the bank in accordance with the attached Water Supply Bank Lease Acceptance.

The right(s) will automatically be released from the bank on **December 31, 2007** unless the right(s) are released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right(s) from the bank, the lessor must submit a request in writing to the department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance. Contact me if you have questions at (208) 287-4943.

Sincerely,

Aaron Marshall
Water Allocation Bureau

c: John Westra – IDWR Western Regional Office
Lee Sisco – Water District 63
Dana Hofstetter – Hofstetter Law Office