



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

November 30, 2006

JAMES E. RISCH
Governor

KARL J. DREHER
Director

Tom Wilke
6420 Johnstone RD
Homedale ID 83628

RE: Drilling Permit Application—2N-5W, Section 9, SW1/4 of NW1/4

Dear Mr. Wilke:

On November 29, 2006 our office received an application for drilling permit from Mr. Knie. The application requests the drilling of another well under water right permit 57-11626. It was noted the proposed well drilling depth is 1000 feet; wells of that depth in your area normally encounter water temperatures greater than 85 degrees. Beneficial use of ground water that is greater than 85 degrees is not authorized under your water right permit.

Permit #57-11626 authorized 3 points of diversion (wells). A field investigation by Roxanne Brown determined that wells tag #D0020371 and #D0042237 were the only 2 points of diversion utilized for your stockwater system. Your farmstead well #057-92-W-10 (to the north) and residence well D0018547 are not part of the system.

Your Attorney, Mr. Meyer and I agreed to the following on 9/13/06:

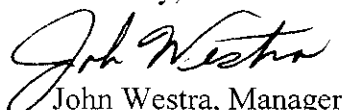
- A drilling permit would be issued for the drilling of the 3rd well authorized under the permit. The drilling permit was issued 9/18/06—Tag #D0047343

- Through the amendment process, permit #57-11626 would be amended to reflect the correct (2) existing well location legal descriptions and 6 possible additional points of diversion (wells) due to limited well yield. The amendment processing would be held until our Department had completed the Snake River Basin Adjudication (SRBA) near the end of 2006. An amendment application was filed on September 29th by Mr. Meyer.

Unfortunately, our administrative rules require the amendment for your water right permit be approved prior to the issuance of another drilling permit. It is projected our office will complete the SRBA program by late December. The amendment to your water right permit will be processed as a priority at that time. Your drilling permit will be issued once the approval has been issued.

I appreciate your cooperation.

Sincerely,


John Westra, Manager
Western Region

cc: T. Knie, E Holder