



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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August 28, 2006

JAMES E. RISCH
Governor

KARL J. DREHER
Director

DOUG GLASPEY
US GEOTHERMAL INC
1509 TYRELL LN STE B
BOISE ID 83706

Re: Application for Transfer No. 72440

Dear Mr. Glaspey:

This letter is in response to your letter dated August 15, 2006 for the transfer referenced above. I have reviewed the information you provided and researched sprinkler irrigation losses to determine an appropriate value for historic consumptive use under rights 43-2381 and 43-2534B. I have enclosed a copy of my review memo for your information.

I plan to include the following conditions on the transfer approval:

43-2381

The consumptive use of water under this right shall not exceed 402.6 acre-feet per year.

43-2534B

The consumptive use of water under this right shall not exceed 539.2 acre-feet per year.

I'd be happy to consider other information. Please feel free to call me to discuss or let me know if you'd like to move forward with the transfer approvals.

Sincerely,

Jeff Peppersack, Manager
Water Right Permits Section

enclosure