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FACSIMILE TRANSMITTAL SHEET

DATE: March 2, 2007

TO: Roger Warner

FAX #: 525-7177

FROM: Kent W. Foster

FAX #: (208) 523-9518

NO. OF PAGES INCLUDING TRANSMITTAL SHEET: 13

ITEMS SENT: Copies of letters sent to Intervenor/protestants - City of Arco

ORIGINALS: Sent in mail () Kept on File (✓)

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Telecopier Operator

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February 21, 2007

George Herbst
700 Dean Ave.
Arco, ID 83213

Dear Mr. Herbst:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

As we understand it from some of the individuals who appeared at the pre-hearing conference held in Arco on this matter on Wednesday, February 14, you have expressed some concern about the drilling of the new city well, although you apparently did not file a Protest or a Petition for Leave to Intervene as did some of the others. Nevertheless, the City has asked us to contact you to see if you would like to participate in the monitoring program they are offering to each of the protestants and intervenors.

The City has retained the services of Dr. Thomas R. Wood, an expert hydrogeologist, to make the investigation and predict probable impacts of locating and operating the proposed new well. Dr. Wood has recommended that when the new well has been drilled, the required pump test be conducted for a minimum of 24 hours and up to 72 hours. To the extent access to your well is available without modification for installation of a water level probe, Dr. Wood would direct the installation and operation of the appropriate monitoring devices, in the manner, and at the times he deems most advisable.

All such monitoring efforts will be done at no expense to you, and when the test is concluded, Dr. Wood will prepare a written report, including the data gathered, with his

George Herbst
February 21, 2007
Page 2 of 2

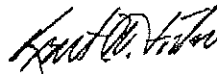
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If you are willing to allow your well to be monitored during the pump test, please advise us, in writing, as soon as it is convenient for you. If you wish to discuss this proposal further, please feel free to contact us or Dr. Wood. Dr. Wood can be reached at 208-589-5555.

Thank you for your kind attention to this matter and for your cooperation and assistance.

Yours very truly,



Kent W. Foster

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February 21, 2007

Mrs. Irene Allen
County Road
Arco, ID 83213

Dear Mrs. Allen:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

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Mrs. Irene Allen
February 21, 2007
Page 2 of 2

All such monitoring efforts will be done at no expense to you, and when the test is concluded, Dr. Wood will prepare a written report, including the data gathered, with his conclusions as to the predicted short and long term impacts on surrounding water levels. A copy of Dr. Wood's report and the data obtained will be provided to you, again at no cost to you.

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If you are willing to allow your well to be monitored during the pump test, please advise us, in writing, as soon as it is convenient for you. If you wish to discuss this proposal further, please feel free to contact us or Dr. Wood. Dr. Wood can be reached at 208-589-5555.

Thank you for your kind attention to this matter and for your cooperation and assistance.

Yours very truly,



Kent W. Foster

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February 21, 2007

Sheila D. Wood
PO Box 567
Arco, ID 83213

Dear Ms. Wood:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

As you are aware, the City has retained the services of Dr. Thomas R. Wood, an expert hydrogeologist, to make the investigation and predict probable impacts of locating and operating the proposed new well. Dr. Wood has recommended that when the new well has been drilled, the required pump test be conducted for a minimum of 24 hours and up to 72 hours. To the extent access to your well is available without modification for the installation of a water level probe, Dr. Wood would direct the installation and operation of the appropriate monitoring devices, in the manner, and at the times, he deems most advisable.

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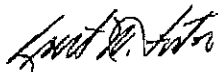
Sheila D. Wood
February 21, 2007
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If you are willing to allow your well to be monitored during the pump test, please advise us and the Idaho Department of Water Resources, in writing, with your written withdrawal of your protest to the City's Application for Transfer. If you, or your attorney, wishes to discuss this proposal further, please feel free to contact us or Dr. Wood, at your convenience. Dr. Wood can be reached at 208-589-5555.

Thank you for your kind attention to this matter and for your cooperation and assistance.

Yours very truly,



Kent W. Foster

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February 21, 2007

Pete & Gwen Stratis
2337 N. 3000 W.
Arco, ID 83213

Dear Mr. & Mrs. Stratis:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

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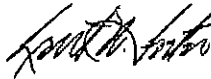
Pete & Gwen Stratis
February 21, 2007
Page 2 of 2

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Thank you for your kind attention to this matter and for your cooperation and assistance.

Yours very truly,



Kent W. Foster

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February 21, 2007

Earl Maynard
2979 W. 2400 N.
Arco, ID 83213

Dear Mr. Maynard:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

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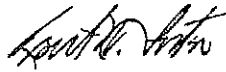
Earl Maynard
February 21, 2007
Page 2 of 2

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Thank you for your kind attention to this matter and for your cooperation and assistance.

Yours very truly,



Kent W. Foster

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February 21, 2007

Duane & Monarae Whipple
2994 W. 2400 N.
Arco, ID 83213

Dear Mr. & Mrs. Whipple:

The City of Arco has requested us to write this letter to propose that in connection with the testing of the new well to be drilled pursuant to its Application for Transfer No. 72488, your private well be monitored during the pump test to be performed. The objective of such monitoring will be to provide data to be used in refining the results of the investigation and examination made for the City to predict the extent and duration of impacts from the operation of the new well, and to the extent possible, to quantify any such impacts.

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Duane & Monarae Whipple
February 21, 2007
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Kent W. Foster

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