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(208)837-4822



POOR QUALITY ORIGINAL
3/26/04

March 26, 2004

To: Karl Dreher, Director
Idaho Department of Water resources

From: Patricia Keeney, Owner
Joan Dalton-Boyd, Owner

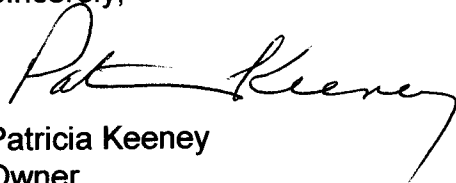
Re: Water Right No. 36-90E

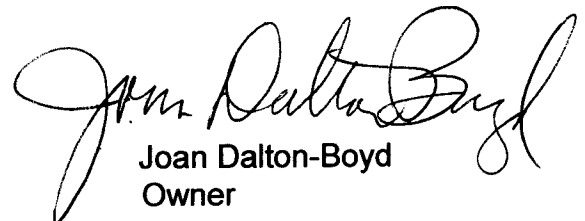
Dear Mr Dreher,

In 2001 we purchased Billingsley Creek Lodge and retreat (formerly The Rock Lodge) with the Water Right No. 36-90E. The first year of running the business we had no problem with our spring water. The summer of 2002 we started getting sand in our water as it came into our system. The sand went through our entire system, entering our water heaters and toilets, causing many costly repairs not to mention our loss of revenue from guests that left due to the inconvenience. As the winter approached the problem seemed to improve a little until the next summer when we lost all water to our spring. We had to incur the expense of an expensive well put in during our peak season, again with a large loss of revenue and many unhappy guests. We would ask that we be included in the monetary compensation plan that has been agreed upon. We suffered a substantial monetary loss as well as injury to our reputation as a business due to the inability of the Water Master to deliver our entitled water shares.

Thanking you in advance for your help.

Sincerely,


Patricia Keeney
Owner


Joan Dalton-Boyd
Owner