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November 13, 2006

RECEIVED

NOV 14 2006

Department of Water Resources
Eastern Region

Roger Warner
Sharla Cox
IDWR/Eastern Region
900 N. Skyline Drive, Suite A
Idaho Falls, Idaho 83402

Re: *Sam's Hollow Water Company*
Application Nos. 11-7481, 11-7491

Dear Roger and Sharla:

As counsel for applicant, Sam's Hollow Water Company, we received a copy of the letter dated November 2, 2006, from Wendy Reynolds, Acting Field Office Manager of the Pocatello Field Office of the Bureau of Land Management, objecting to the recently published proposed Amendments to the above-referenced Applications. The BLM protested because of two 40-acre parcels of land owned by the BLM which are included in the proposed amended place of use described as follows:

T16S R43E S10 SENW & NESW

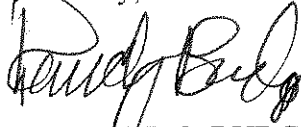
Please consider this letter the Applicant's amendment of both Applications to exclude the described property of the BLM. We trust this amendment will allow the BLM's Objection to be withdrawn

November 13, 2006

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Thank you for your assistance. If you have any questions or need anything further, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Randall C. Budge". The signature is stylized with a large initial "R" and a cursive "Budge".

RANDALL C. BUDGE

RCB:rr

cc: Wendy Reynolds, Acting Field Office Manager/BLM
Idaho State BLM Office
Sam's Hollow Water Company/Doug Johnson