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JUL 14 2006

DEPARTMENT OF
WATER RESOURCES

July 13, 2006

Jeff Peppersack, Manager
Water Rights Permits Section
Idaho Department of Water Resources
PO Box 83720
Boise, Idaho 83720-0098

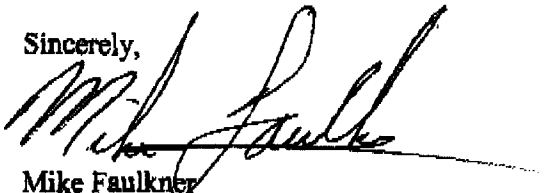
Re: Application for Transfer No. 71642

Dear Mr. Peppersack:

I have reviewed your letter of June 15, 2006 advising me that IDWR has identified additional concerns regarding the processing and approval of the above referenced application for transfer. Your letter provided a 30-day time for response, but indicated additional time could be provided if needed and justified.

Upon receipt of your letter I requested Norm Young of ERO Resources Corporation to evaluate your concerns and suggest ways of resolving them. This letter is a request that an additional 60-day period be allowed to give ERO time to work with us on this matter.

Sincerely,



Mike Faulkner
Faulkner Land & Livestock Co. Inc.