

**STARTING
LEFT
SIDE OF
FILE**

State of Idaho
Department of Water Resources

Permit to Appropriate Water

NO. 98-07850

Priority: March 16, 2006

Maximum Diversion Rate: 0.15 CFS

This is to certify, that SCOTT SOULTS And
LISA SOULTS
HCI BOX 400M
NAPLES ID 83847

have applied for a permit to appropriate water from:

Source: SPRINGS

Tributary: DEEP CREEK

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>
POWER	09/15 to 07/30	0.11 CFS
DOMESTIC	01/01 to 12/31	0.04 CFS

LOCATION OF POINTS OF DIVERSION:

SPRINGS SW¼ SE¼ NE¼ Sec. 32, Twp 60N, Rge 01W, B.M. BOUNDARY County

SPRINGS NW¼ SE¼ NE¼ Sec. 32, Twp 60N, Rge 01W, B.M. BOUNDARY County

PLACE OF USE: POWER, DOMESTIC

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
60N 01W 32				X													

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before **August 01, 2007**.
2. Subject to all prior water rights.
3. Domestic use is for 1 home.
4. The right holder shall install a measuring device that can be used to determine the instantaneous rate of flow of water through the system, or the right holder shall provide to the department a flow rate measurement or computation made by a certified water right examiner in accordance with actual system design and operation.
5. This right does not constitute Idaho Public Utilities Commission or Federal Energy Regulatory Commission approval that may be required.
6. This right is subject to the provisions of Sections 42-205 through 42-210, Idaho Code, restricting the sale, transfer, assignment, or mortgage of this right. Failure to comply with these provisions is cause for immediate cancellation of this right.

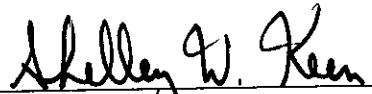
State of Idaho
Department of Water Resources

Permit to Appropriate Water

NO. 98-07850

7. The water right acquired under this permit for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.
8. The Director retains jurisdiction of this right in order to limit the use of water for hydropower generation purposes to a specific term of years as required by Section 42-203B(7), Idaho Code.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of the Director, affixed at Boise, this 21st day of August, 2006.


FOR KARL J. DREHER, Director

72714

Ident. No. 98-7850

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

1. Name of Applicant Scott and Lisa Soultz Phone 208-290-7823
Mailing address HCI Box 400M, Naples, ID 83847

2. Source of water supply Springs which is a tributary of Deep Creek

3. Location of point of diversion is Township T60N Range 1W Sec. 32, in the NW and SW 1/4, SE 1/4, NE 1/4, Govt. Lot _____, B.M., Boundary County;

additional points of diversion if any:

4. Water will be used for the following purposes:

Amount 0.04 for Domestic purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)
Amount 0.11 for Power purposes from 9/15 to 7/30 (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated is (a) 0.15 and/or (b) _____
cubic feet per second acre feet per annum

6. Proposed diverting works:

a. Describe type and size of devices used to divert water from the source 300 gallon storage Area (water tank) at source with 2" diameter poly pipe running 600ft to 300 watt Microhydro Unit.

b. Height of storage dam 3 ft feet; active reservoir capacity 0.0009 acre-feet; total reservoir capacity 0.0009 acre-feet

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet

d. Is ground water with a temperature of greater than 85°F being sought? _____

e. If well is already drilled, when? _____; Drilling firm _____

Well was drilled for (well owner) _____; Drilling Permit No. _____

7. Time required for completion of works and application of water to proposed beneficial use is 1 years (minimum 1 year)

8. Description of proposed uses (if irrigation only, go to item 9):

a. Hydropower; show total feet of head and proposed capacity in kW. 160 ft head with 0.3kW

b. Stockwatering; list number and kind of livestock. Microhydro Unit

c. Municipal; show name of municipality. _____

d. Domestic; show number of households. 1 house - 2" diameter poly pipe runs 300ft from house to Microhydro Unit

e. Other; describe fully. _____

9. Description of place of use:

- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of the use (*example: D for Domestic*) in the corresponding place of use below. See instructions for standard symbols.

[illegible]

Total number of acres to be irrigated

10. Describe any other water rights used for the same purposes as described above. None

11. a. Who owns the property at the point of diversion? Applicant

b. Who owns the land to be irrigated or place of use? Applicant

c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: _____

12. Remarks: IOWR Approved a hydropower/dam in 1999 and dam is paid off.

All designs of hydro power were approved with said loan.

We use a 2" diameter poly pipe from the hydropower (Micro Hydro) Unit which runs 300 ft to our house for domestic water. For a couple of months in the summer when the upper spring goes underground we utilize another spring on our property for domestic water, which we are applying for a water right.

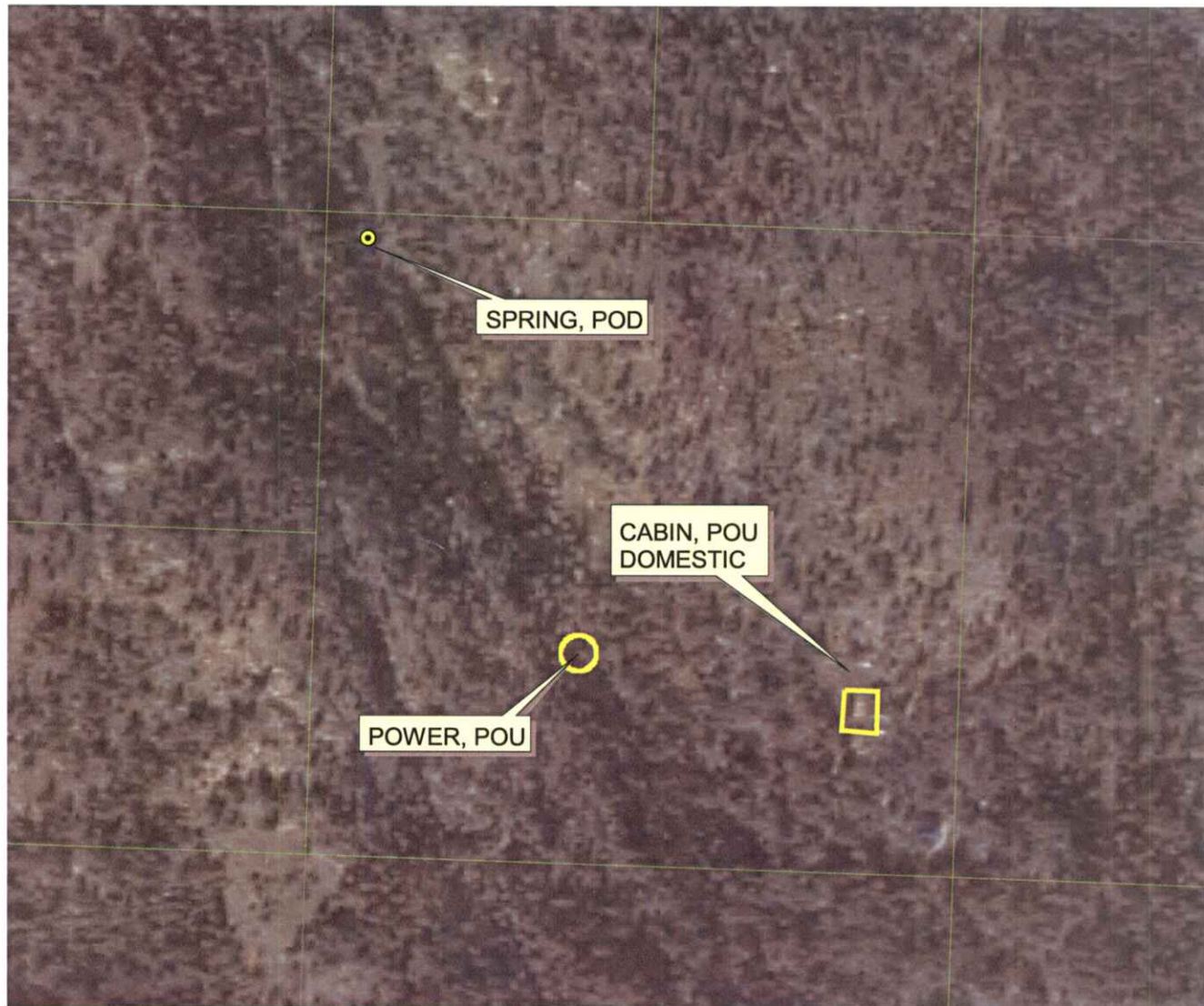
13. **MAP OF PROPOSED PROJECT REQUIRED** - Attach an 8½"x11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. (A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.)

BE IT KNOWN that the undersigned hereby makes this application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Signature of Applicant (and title, if applicable)

Received by CM Date 3/10/06 Time 11:55 AM Preliminary check by _____
 Fee \$ 102. Received by CM # N017414 Date 3/10/06
 Publication prepared by e. Phillips Date 4/13/06 Published in Bonnaro Ferry Herald # 4/30 & 27/06
 Publication approved Φ Date 5/3/06

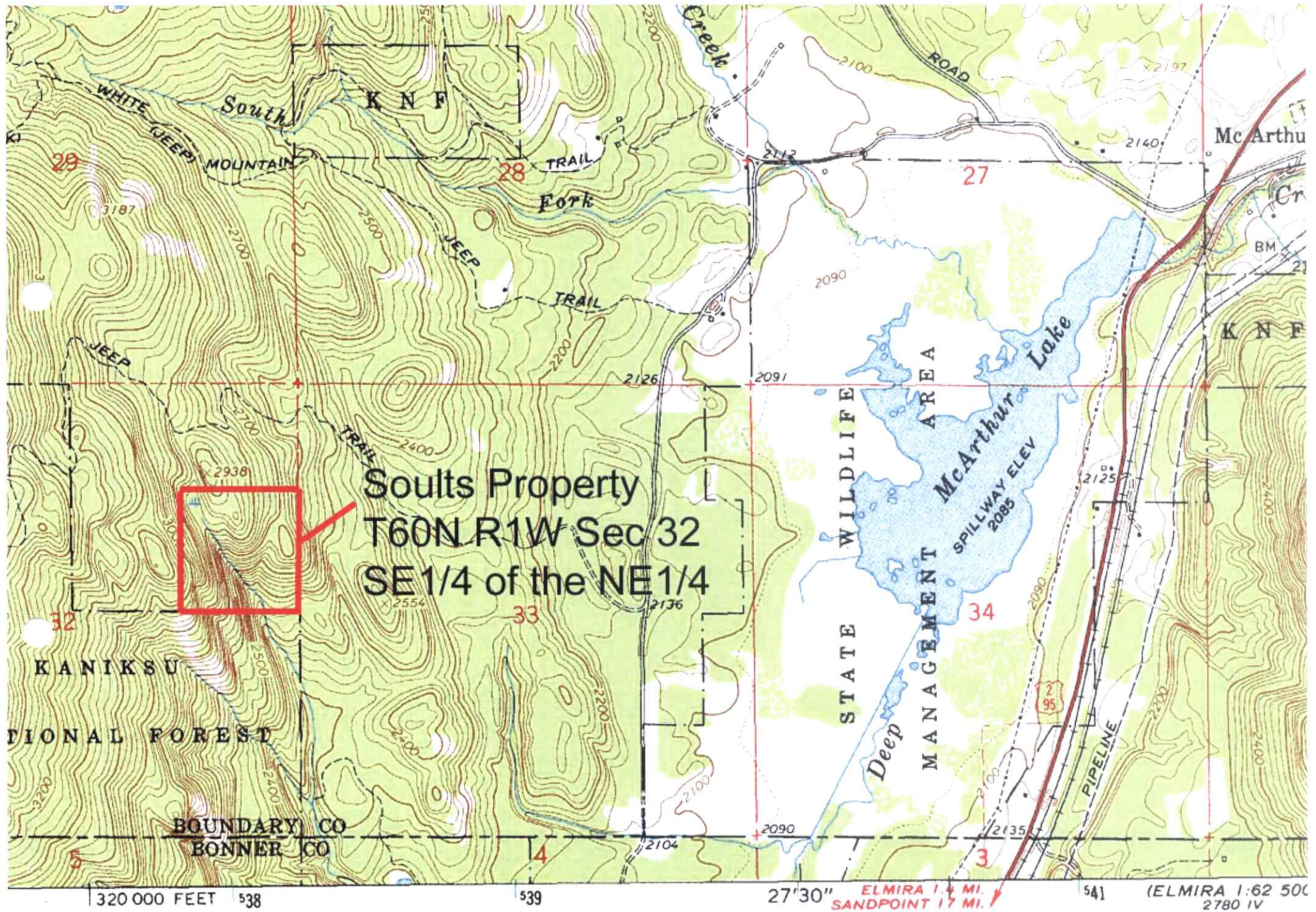
SOULTS



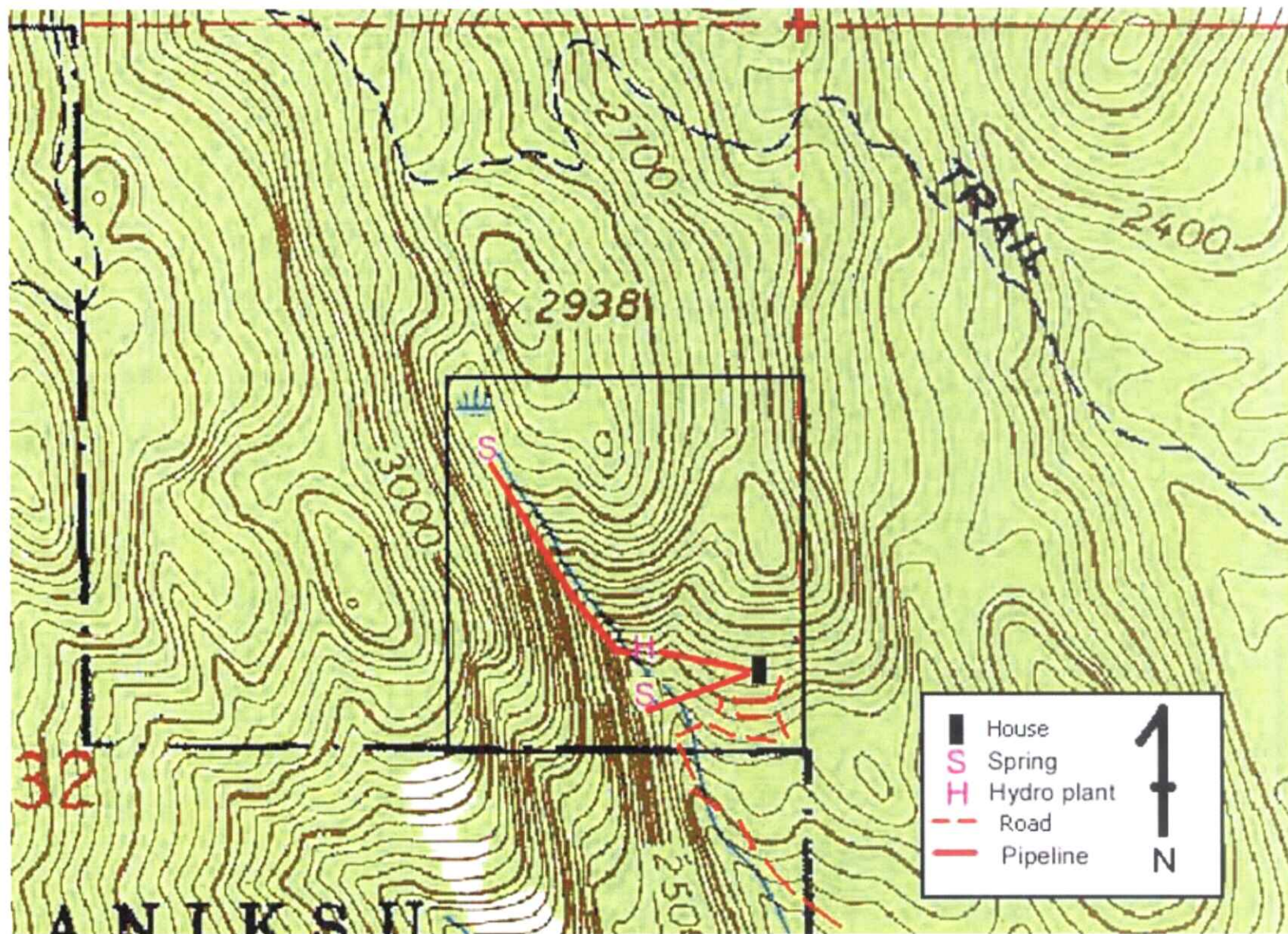
0.1 0 0.1 0.2 Miles

Boundary tasots
GCD88881W GCD8
Pou.shp
Pod.shp

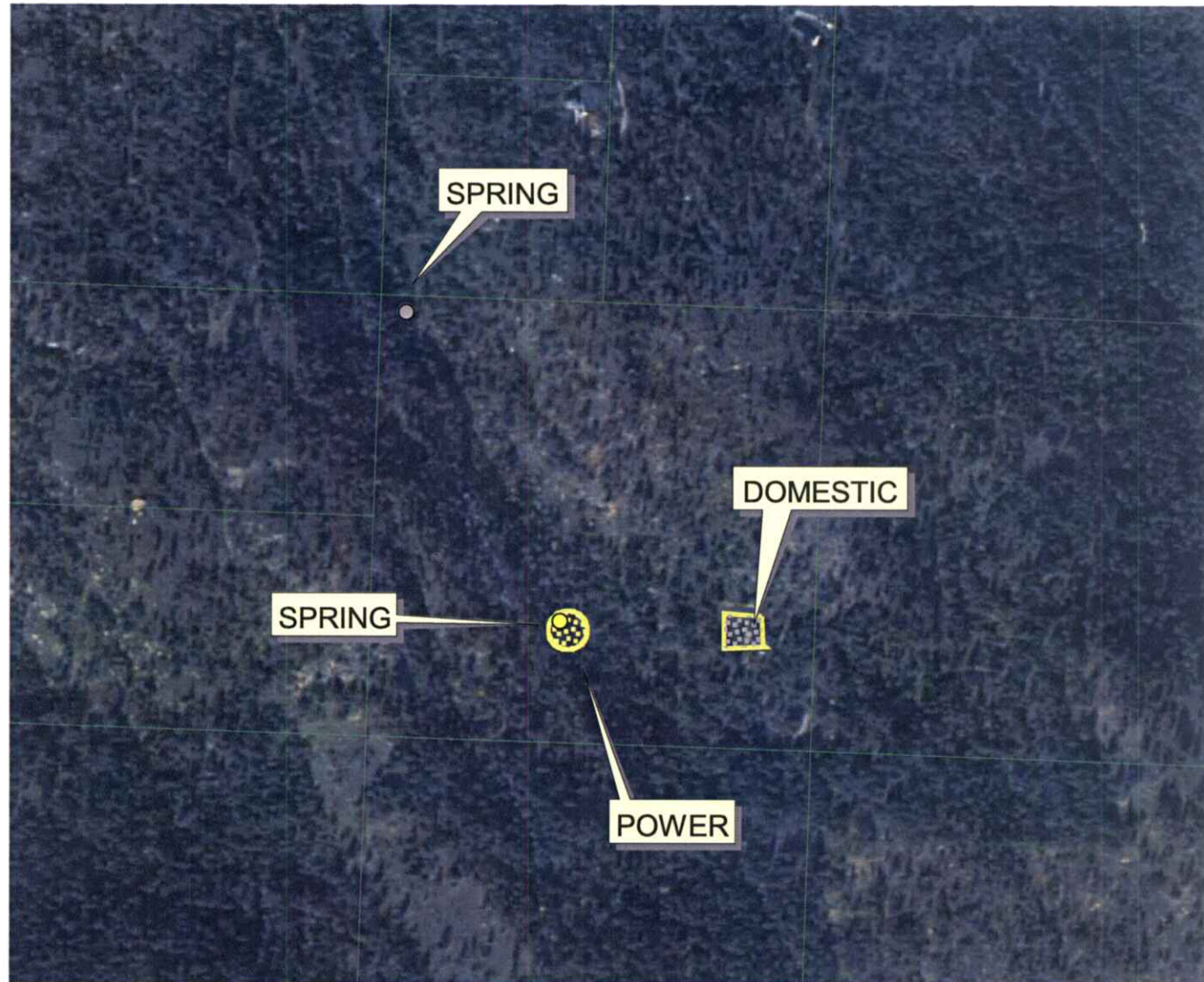




#2



SOULTS



0.2 0 0.2 0.4 Miles



**NOW
STARTING
RIGHT
SIDE OF
FILE**



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: www.idwr.idaho.gov.

August 21, 2006

JAMES E. RISCH
Governor

KARL J. DREHER
Director

SCOTT SOULTS
LISA SOULTS
HCI BOX 400M
NAPLES ID 83847

RE: Permit No. 98-7850

Permit Approval Notice

Dear Permit Holder:

The Department of Water Resources has issued the enclosed permit authorizing you to establish a new water right. Please be sure to thoroughly review the conditions of approval and remarks listed on your permit.

The permit is a PRELIMINARY ORDER issued by the Department pursuant to Section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

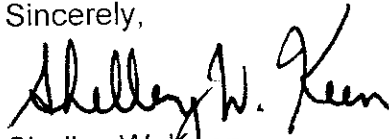
Enclosed is a form entitled 'Instructions for Proof of Beneficial Use.' Please read the instructions carefully since you must take further action to develop this permit into a licensed water right. Also enclosed is a form entitled 'Proof of Beneficial Use.' If your project is already completed, you should complete and submit this form immediately.

Please note that a separate stream channel alteration permit must be obtained from the Department prior to any activity in the stream channel other than construction or maintenance of the diversion structure for your water right(s). Applications for stream channel alteration permits must be filed at least sixty days prior to the commencement of work in the stream.

Also, please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-287-4947.

Sincerely,

A handwritten signature in black ink that reads "Shelley W. Keen". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Shelley W. Keen

Water Right Supervisor

SWK:dg

Enclosure(s)

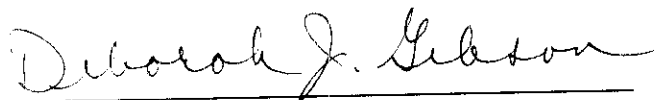
CERTIFICATE OF SERVICE

I hereby certify that on August 21, 2006 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER(Approved Permit) to the person(s) listed below:

RE: WATER RIGHT NO.

98-7850

**LISA SOULTS
SCOTT SOULTS
HCI BOX 400M
NAPLES ID 83847**

A handwritten signature in cursive script, reading "Deborah J. Gibson", written over a horizontal line.

**Deborah Gibson
Admin. Asst.**

**EXPLANATORY INFORMATION
TO ACCOMPANY A
PRELIMINARY ORDER**

(To be used in connection with actions when a hearing was not held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below.

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its issuance if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) the petition for reconsideration is disposed of; or
- (b) the petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

RECEIVED

AUG 18 2006

IDWR/North

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

98-7850
Water Right No.
RECEIVED

AUG 10 2006

AFFIDAVIT FOR WATER RIGHTS TO BE USED FOR POWER PURPOSES

A. Establishment of Residency: (Complete either 1, or 2).

1. Individual Applicant or Individual Members of a Partnership:

I, Scott Smith & Lisa Smith of Neples,
(name) (city)
County of Boundary, State of Idaho, being duly sworn, do hereby
certify that I am a bona fide resident of the State of Idaho.

2. Corporation:

I, _____ of _____,
(name) (city)
County of _____, State of Idaho, being duly sworn, depose and
say: That I am the designated registered agent of the _____
_____ that as such I am in charge of the registered office of the said
(name of corporation)
corporation as required by Section 30-1-12, Idaho Code, at _____
(city)
Idaho, wherein are kept the corporate records required by Section 30-1-52, Idaho Code; and that _____
_____ is a corporation qualified to do business in the State of Idaho under the laws
(name of corporation)
of the State of Idaho.

B. Ownership of Facilities: (To be completed for hydropower projects only)

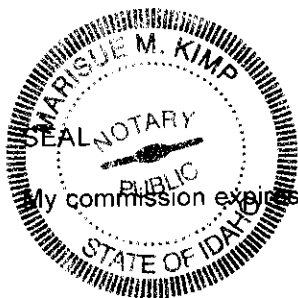
The hydropower facility to be developed pursuant to the attached Application for Permit:

- (check one)
- ☐ Will **not** utilize existing man-made irrigation facilities such as a dam or a canal.
- ☐ Will utilize existing man-made irrigation facilities such as a dam or a canal, and permission of the owner is documented in an affidavit attached hereto.
- ☒ Will utilize existing man-made irrigation facilities such as a dam or a canal, and the owner is the signee of this affidavit.

[Signature]
Applicant

STATE OF IDAHO)
County of Boundary)ss

On this 1st day of August, 2006, personally appeared before me the signer(s) of
the above instrument, who duly acknowledged to me that he (she) (they) executed the same.



Marisue M. Kimp
Notary Public residing at
Boundary County, Idaho



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: www.idwr.idaho.gov.

JAMES E. RISCH
Governor

KARL J. DREHER
Director

August 1, 2006

SCOTT SOULTS
LISA SOULTS
HCI BOX 400M
NAPLES, ID 83847

RE: Application for Permit 98-07850

Dear Applicants:

I am currently reviewing your Application for Permit 98-07850 for power generation and domestic uses.

Section 42-206, *Idaho Code* says:

No permit to appropriate water for power purposes in the state of Idaho shall hereafter be granted to any person or association of persons not an actual bond [bona] fide resident or residents of the state of Idaho, nor to any corporation or partnership unless organized or qualified to do business in and under the laws of the state of Idaho.

For this reason, IDWR requires applicants who are seeking to appropriate water for power purposes to provide an affidavit of his or her residency in Idaho. I have enclosed an affidavit of residency form for your use. If I do not receive the notarized affidavit within 14 days, I will assume you are no longer interested in the power portion of your application and will issue your permit for domestic use only.

If you have any questions, please contact me at (208) 287-4949 or erin.retelle@idwr.idaho.gov.

Sincerely,

Erin Retelle
Senior Water Resource Agent

MEMORANDUM

Date: May 31, 2006
To: Water Right File 98-7850
From: eretelle
Re: permit review

No WD or moratorium.
No min stream flow.

No protest or overlap.

Recommend approval as suggested by IDWR Northern.



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 1910 Northwest Blvd. Suite 210, Coeur d'Alene, Idaho 83814-2615

Phone: (208) 769-1450

Fax: (208) 769-1454

Web Site: www.idwr.idaho.gov

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

May 15, 2006

MARY TERRA BERNIS
IDAHO DEPARTMENT OF FISH & GAME
2750 KATHLEEN AVE.
COEUR D'ALENE, ID 83815

FAXED TO MARY 5/15/06
7 pages total

Re: Water Permit Application No. 98-7851

Dear Mary:

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application follows for your reference.

We are sending this to you for your comments, and would appreciate receiving your comments by no later than **May 22, 2006**. If we do not hear from you by that date, we will assume that no comment from you means you have no objection to, concerns about, or conditions pertaining to the issuance of this permit.

You may send comments by regular mail to the address above, by FAX to 769-1454, or by e-mail to Dianne.Ball@idwr.idaho.gov.

Please contact this office if you have any questions regarding the application.

Sincerely,

Dianne Ball
Administrative Assistant

AFFIDAVIT OF PUBLICATION

State of Idaho

ss

County of Boundary, Gail Brown

being first duly sworn on oath deposes and says that he/she is Office Manager of the Bonners Ferry Herald, a newspaper printed and published at Bonners Ferry, Boundary County, Idaho; that the said newspaper has been continuously and uninterruptedly published in said Boundary County during a period of 12 months prior to the first publication of the hereto attached notice of publication in the case of:

#5851 Appropriate Public Waters - Soultz

as it was published in the regular and entire issue of the said paper for a period of 2 consecutive weeks, commencing on 20 day of April, 2006 and ending on the 27 day of April, 2006 and that said notice was published in said newspaper.

Gail Brown

SUBSCRIBED AND SWORN TO before me, this

28 day of April, 2006.

Carol A. Arthur
Notary Public-State of Idaho

Residing at: Bonners Ferry

My Commission Expires: 2-25-11

RECEIVED

MAY 03 2006

IDWR/North

RECEIVED

LEGAL NOTICE

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

98-7850

SCOTT SOULTS

LISA SOULTS

HCI BOX 400M

NAPLES ID 83847

Point(s) of Diversion SWSENE S32 T60N R01W BOUNDARY County

Source SPRINGS Tributary To DEEP CREEK

Point(s) of Diversion NWSENE S32 T60N R01W BOUNDARY County

Source SPRINGS Tributary To DEEP CREEK

Use: POWER 09/15 To 07/30 0.11 CFS

Use: DOMESTIC 01/01 To 12/31 0.04 CFS

Total Diversion: 0.15 CFS

Date Filed: 03/16/2006

Place Of Use DOMESTIC & POWER

T60N R01W S32 SENE

98-7851

SCOTT SOULTS

HCI BOX 400M

NAPLES ID 83847

Point(s) of Diversion SENE S32 T60N R01W BOUNDARY County

Source UNNAMED STREAM Tributary To DEEP CREEK

Use: WILDLIFE STORAGE 01/01 To 12/31 1.5 AFA

Use: FIRE PROTECTION STORAGE 01/01 To 12/31 1.5 AFA

Total Diversion: 1.5 AFA

Date Filed: 03/16/2006

Place Of Use: FIRE PROTECTION & WILDLIFE STORAGE

T60N R01W S32 SENE

Permits will be subject to all prior water rights. Protests may be submitted

based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the

Director, Dept. of Water Resource, Northern Region, 1910 Northwest Blvd,

Suite 210, Coeur D' Alene ID 83814 together with a protest fee of \$25.00 for

each application on or before 05/08/2006. The protestant must also send

copy of the protest to the applicant.

KARL J DREHER, Director

Legal BFH#5857

April 20, 27, 2006

Phillips, Christy

To: bfherald@cdapress.com

Hi Carol

Attached is our cover letter requesting publication of a legal notice on April 5 & 12 2006. The legal notice is also attached

If you have any questions, please call me at 208-769-1454 and **please fax a proof copy** to me before this goes to press at 208-769-1454

Thanks and have a good day

Christy Phillips

Clerk

Idaho Department of Water Resources

1910 Northwest Blvd., Suite 210

Coeur D Alene ID 83814



cover letter bf apr 13.doc



LegalNotice bf apr 13.doc



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

April 13, 2006

Carol Arthur
Legal Notice Department
BONNERS FERRY HERALD
PO BOX 539
BONNERS FERRY ID 83805

RE: Application for Permit No. 98-7850 & 98-7851

Please fax me a proof copy before this goes to press, to 208 769-1454
Thanks Christy

Dear Carol:

Enclosed you will find a legal notice which we wish to have published in your newspaper on the dates indicated April 20 & 27 2006 (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 05/08/2006. Your cooperation is appreciated.

Sincerely

Christy Phillips
Clerk

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

98-7850

SCOTT SOULTS

LISA SOULTS

HCI BOX 400M

NAPLES ID 83847

Point(s) of Diversion SWSENE S32 T60N R01W BOUNDARY County

Source SPRINGS Tributary To DEEP CREEK

Point(s) of Diversion NWSENE S32 T60N R01W BOUNDARY County

Source SPRINGS Tributary To DEEP CREEK

Use: POWER	09/15 To 07/30	0.11 CFS
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Use: DOMESTIC	01/01 To 12/31	0.04 CFS
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Total Diversion:		0.15 CFS
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Date Filed: 03/16/2006

Place Of Use DOMESTIC & POWER

T60N R01W S32 SENE

98-7851

SCOTT SOULTS

HCI BOX 400M

NAPLES ID 83847

Point(s) of Diversion SENE S32 T60N R01W BOUNDARY County

Source UNNAMED STREAM Tributary To DEEP CREEK

Use: WILDLIFE STORAGE	01/01 To 12/31	1.5 AFA
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Use: FIRE PROTECTION STORAGE	01/01 To 12/31	1.5 AFA
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Total Diversion:		1.5 AFA
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Date Filed: 03/16/2006

Place Of Use: FIRE PROTECTION & WILDLIFE STORAGE

T60N R01W S32 SENE

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the Director, Dept. of Water Resource, Northern Region, 1910 Northwest Blvd, Suite 210, Coeur D' Alene ID 83814 together with a protest fee of \$25.00 for each application on or before 05/08/2006. The protestant must also send a copy of the protest to the applicant.

KARL J DREHER, Director Published on April 20 & 27, 2006



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 1910 Northwest Blvd. Suite 210, Coeur d'Alene, Idaho 83814-2615

Phone: (208) 769-1450

Fax: (208) 769-1454

Web Site: www.idwr.idaho.gov

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

April 13, 2006

SCOTT SOULTS
LISA SOULTS
HCI BOX 400M
NAPLES ID 83847

RE: Application for Permit No 98-7850

Dear Applicant(s):

The Department of Water Resources acknowledges receipt of your water right application. Please refer to the above referenced number in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the Bonner Ferry Herald on April 20 and 27, 2006. Submittal of protests to this application will be allowed for a period ending ten days after the second publication.

If the application is protested you will be sent a copy of the protest(s). All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, it will be forwarded to our State Office in Boise for final processing. The State Office will notify you of any action taken on the application and will send you a copy of the permit if approved. A typical processing time for an unprotested application is about eight to twelve weeks.

Please feel free to contact this office if you have any questions.

Sincerely,

Keith E Franklin
Water Resource Agent

Enclosure(s)