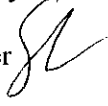


MEMORANDUM

TO: Rob Whitney
FROM: Steve Lester 
DATE: January 26, 2006
RE: Proposed Well for Micron

Micron's proposed well will be in 2N 3E S6 SESW. Water rights for authorized P/D in that tract include Micron's 63-8992, 63-9029 and 63-31183. This P/D tract was approved for a single new well under all three rights on 2/14/2002.

The approvals included Transfer 68944 for 63-8992 and 63-9029 plus Permit 63-31183.

The approved changes under the transfer should have been completed within one year from transfer approval, by 2/14/2003. Failure to comply with transfer conditions can be grounds for the Director to rescind transfer approval. This factor should be critical to Micron since the transfer authorized a nature of use change for Micron to use those rights (formerly municipal use under United Water's Oregon Trail and Gowen Wells) for its production facility.

The proof of beneficial use for the permit has not been filed and is not due until 2/1/2007. No new wells have been drilled in SESW S6 according to our database. This means a new well within permit limits can be drilled under 63-31183.

All Micron production wells are subject to annual measurement and reporting in the SE Boise GWMA. Micron is keenly aware of this due to its membership in the GWMA Advisory Committee.

Conclusion

The drilling permit can be approved under Permit 63-31183. However, the new well cannot be considered a P/D under the other two older rights unless we approve more time to complete the work approved under the transfer. Furthermore, failure to obtain more time could unravel the transfer approval, denying much-needed water to Micron's operation.

We track well usage very closely in the GWMA. Micron's interests would be served by making a written request for more time to complete the transfer work and thus protect Micron's water rights.

I can let the consultant know about this if you prefer. Micron should be informed that well drilling approval is not enough to satisfy the transfer conditions of approval. The transfer remains in jeopardy until this timing issue is resolved by follow-up approval from us (State Office). That approval should not be hard to get based on past experience.

Copy: SE Boise GWMA File
John Westra, Western Regional Manager

Drilling Permit No. 892995-838291
Drilling Permit I.D. Tag No. D0042534
Water Right Permit No. 63-31183, 63-8992, 63-9029
Injection Permit No. _____

State of Idaho

Department of Water Resources

APPLICATION FOR DRILLING PERMIT
(FOR THE CONSTRUCTION OF A WELL)

RECEIVED

JAN 18 2006

WATER RESOURCES
WESTERN REGION

1. Owner (please print): Micron Technology, Inc.

2. Mailing Address: 8000 South Federal Way

City: Boise State: ID Zip Code: 83707 Telephone (208) 368-4358

3. Proposed Well Location: Twp. 2N, Rge. 3E, Sec. 6, 1/4 SE 1/4 SW 1/4;

Gov't Lot No. _____ County Ada Lat. _____ Long. _____

Street Address of Well Site 8000 South Federal Way City Ada County

Give at least name of road + Distance to Road or Landmark

Lot, block and subdivision Micron Technology Campus

4. Proposed Use of Well:

- ☐ DOMESTIC: The use of water for homes, organization camps, public campgrounds, livestock and for any other purpose in connection therewith, including irrigation of up to 1/2 acre of land, if the total use is not in excess of 13,000 gpd, or any other uses, if the total use does not exceed a diversion rate of 0.04 cfs and a diversion volume of 2500 gpd.

Domestic does not include water for multiple ownership subdivisions, mobile home parks, commercial or business establishments, unless the use does not exceed a diversion rate of 0.04 cfs and a diversion volume of 2500 gpd.

NON-DOMESTIC: ☐ Irrigation ☐ Municipal ☒ Industrial
☐ Livestock ☐ Test ☐ Other _____
Type _____ Number Hd _____ (Describe)

☐ INJECTION

☐ MONITORING: A well bore schematic and map is required for each blanket permit. No. of proposed wells:

5. Well Construction Information:

A. ☒ New well ☐ Modify ☐ Replace

B. Proposed Casing Diameter 16-inch Proposed Maximum Depth 1200 feet

C. Anticipated bottom hole temperature:
☒ 85 F or less ☐ 85 F to 212 F ☐ 212 F. or more
(Cold Water Well) (Low Temp. Geo. Well) (Geothermal Well)

6. Construction Start Date: February 16, 2006

7. Anticipated Well Driller: Stevens and Sons Well Drilling Driller's Lic. No. 153
NOTE: The actual well driller must be identified prior to drilling.

8. Applicant's Signature: [Signature] Date Jan 12, 2006

Address (if different than owner): _____

City: _____ State: _____ Zip Code: _____ Telephone: _____

Title: Director of Facilities
(Owner, Firm Representative, Other)

ACTION OF THE DEPARTMENT OF WATER RESOURCES

This Permit is APPROVED

Date 1-30-06

If approved, this permit authorizes the construction or modification of a well subject to the following conditions. **READ CAREFULLY!**

GENERAL CONDITIONS:

1. This drilling permit is valid for two (2) months from the above approval date for the start of construction and is valid for one(1) year from the approval date for completion of the well unless an extension has been granted.
2. This permit does not constitute an approval of the District Health Department or the Idaho Department of Health and Welfare, which may be required before construction of the well. All wells must be drilled a minimum distance of 100 feet from a drain field. Domestic and Public Water Supply wells must be drilled a minimum of 50 feet and 100 feet respectively from a septic tank.
3. The well shall be constructed by a driller currently licensed in the State of Idaho who must maintain a copy of the drilling permit at the drilling site.
4. Approval of this drilling permit does not authorize trespass on the land of another party.
5. This permit does not constitute other local, county, state or federal approvals, which may be required for construction of a well.
6. This drilling permit does not represent a right to divert and use the water of the State of Idaho.
7. If a bottom hole temperature of 85 or greater is encountered, well construction shall cease and the well driller and the well owner shall contact the Department immediately.
8. Idaho Code, S 55-2201 - 55-2210 requires the applicant and/or his contractors to contact "DigLine" (DigLine is a one-call center for utility notification) not less than 2 working days prior to the start of any excavation for this project. The "DigLine" Number for your area is 1-800-342-1585.
9. Please be advised that this drilling permit should be considered and treated as a preliminary permit. If you are in disagreement with this preliminary permit you have fourteen (14) days of the service date of this permit to petition the Department for reconsideration pursuant to Section 67-5243, Idaho Code.
10. The well tag for the drilling permit/start card shall be securely and permanently attached to the well casing through welding or by the use of four closed end domed stainless steel pop rivets. The tag attachment will be done at the time of completion of the well, and prior to removing the drill rig from the drill site.

SPECIFIC CONDITIONS: *Well construction shall be consistent with Attachment I.*

"This well shall not be used in connection with a "Public Water" System unless approved by IDEQ


Signature of Authorized Department Representative

Sr. WR Agent
Title

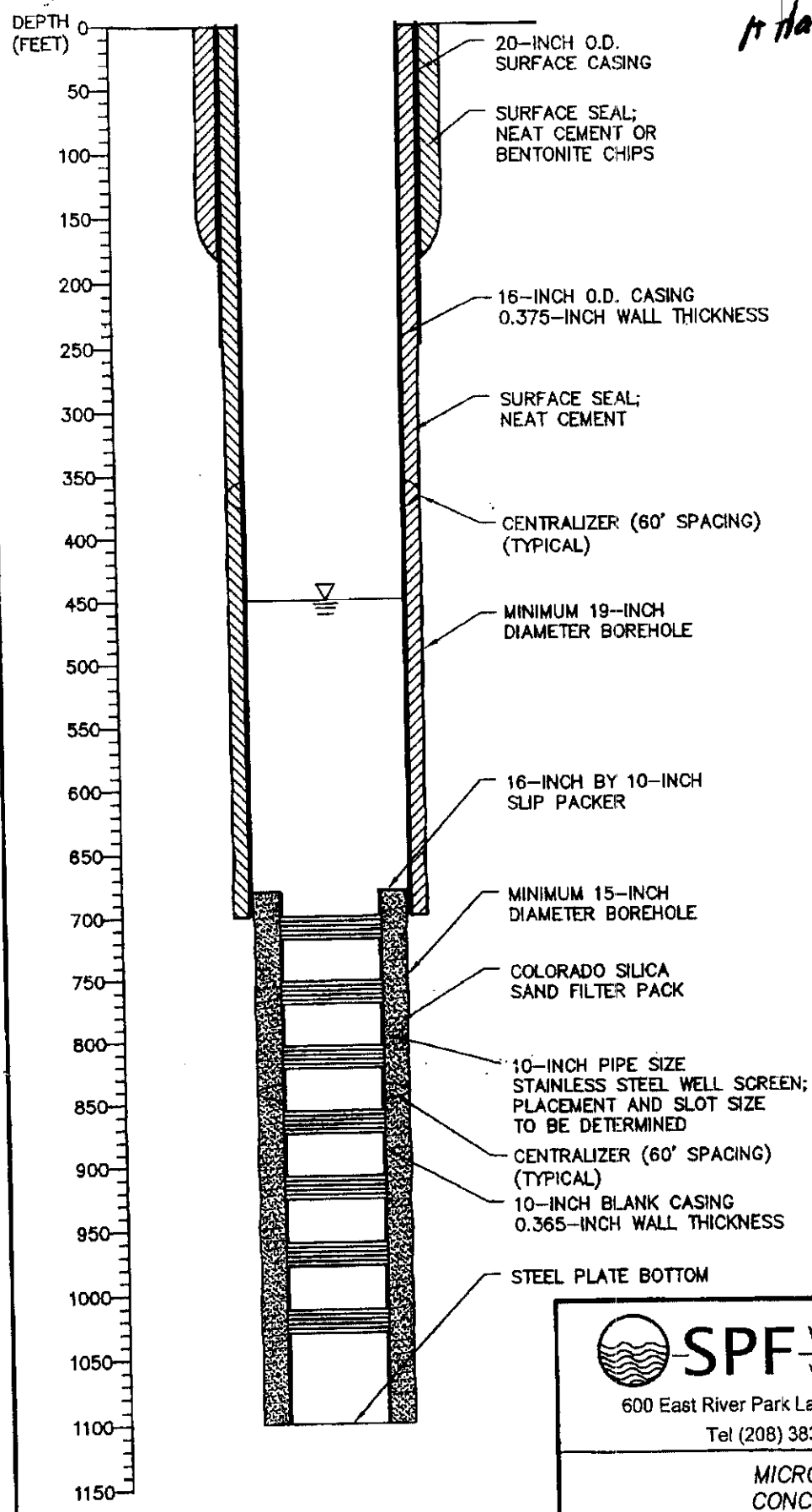
Receipt No. W0033758 Received by DB Fee \$200- Date 1-18-06

EXTENSION OF DRILLING PERMIT

Extension approved by _____ Approval Date _____

This extension expires: _____

Attachment I



SPF Water Engineering, LLC
water resource consultants

600 East River Park Lane, Suite 105, Boise, Idaho 83706
Tel (208) 383-4140 Fax (208) 383-4156

MICRON WELL NO. 6
CONCEPTUAL DESIGN

SCALE: NTS
DRAWN BY: SDC

FIGURE 2

Proj. #100.0190