

MEMORANDUM

To: Application for Transfer Files 69640, 69641, 69811, 69813, 69815, 69816 and 69817

From: L. Glen Saxton 

RE: WITHDRAWAL OF PROTESTS

Date: January 28, 2003

On this date, the department conducted a hearing in connection with the following protested applications for transfer:

T69640 - Karl Olson
T69813 - Randall Lewis
T69815 - Jay Barnett -
T69816 - David Wickmark
T69817 - James Steelsmith

A separate hearing was scheduled on January 30, 2003 for the following protested applications for transfer:

T69641 - Robert Norris
T69811 - Richard Appleton

Representation at the scheduled hearing was as follows:

Applicant Karl Olsen - Attorney Jay Friedly
Protestant city of Mountain Home - Attorney Phillip Miller
Remaining parties - represented themselves

At a pre-hearing conference conducted on January 28, 2003, in Mountain Home, protestant city of Mountain Home withdraw its protest. The other protestant, Ron Leydet, who did not appear at the hearing, also withdrew his protest by FAX submittal on January 28, 2003.

Information submitted at the pre-hearing conference for the Department's review and consideration in review and action on the applications is as follows:

Applicant's Exhibit 1	- Well Driller's Report for the Karl Olson well
Applicant's Exhibit 2	- ERO Report dated January 24, 2003
Applicant's Exhibit 3	- Well Driller's Report - Rob Norris
Protestant's Exhibit 1	- Statement of city of Mountain Home on letter head of Ashcraft and Miller, PLLC, dated January 28, 2003

State of Idaho
Department of Water Resources



ROSTER OF ATTENDANCE

IN THE MATTER OF APPLICATION FOR TRANSFER NOS:

T69640 IN THE NAME OF KARL OLSON
T69813 IN THE NAME OF RANDALL LEWIS
T69815 IN THE NAME OF JAY BARNETT
T69816 IN THE NAME OF DAVID WIDMARK
T69817 IN THE NAME OF JAMES & CAROL STEELSMITH

Date: January 28 & 29, 2003
Time: 9:00 a.m.
Location: Mountain Home City Hall
160 S 3rd E
Mountain Home, Idaho 83647
Hearing Officer: L. Glen Saxton

** Please Print **

NAME	ADDRESS	REPRESENTING (Applicant, Protestant)
James Steelsmith	625 Bear Rd Mt Home	
Carol Steelsmith		Self
Pete Nielsen	3955 So 136 W Mt Home	Self
Jay Friedly	340 East 2nd North, Mt. Home, ID	Karl Olson
Richard L. Appleton	2700 W 36 So Mt Home ID	Self
David Wickmark	5255 N 24 E MTN. HOME ID	Self
Jay D. Barnett	4550 N 18 1/2 E Mt. Home, ID	Self
Randall J Lewis	3655 N 18 1/2 E Mt Home Id	Self
KARL HYPERGEN	P.O. Box 10 Mt. Home ID	
William Lago	4710 W 6th S.	MTN HOME

ROSTER OF ATTENDANCE - PAGE ____

* * Please Print * *

NAME	ADDRESS	REPRESENTING
Philip Milbr	PO Box 556 Mt Hope	City of Mt Hope



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Boise, ID 83706 - P.O. Box 83720, Boise, ID 83720-0098
Phone: (208) 327-7900 Fax: (208) 327-7866 Web Site: www.idwr.state.id.us

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

MEMORANDUM

To: L. Glen Saxton
From: Karl J. Dreher
RE: **APPOINTMENT AS HEARING OFFICER - PROCEDURE RULE 410**
Date: January 3, 2003

You are hereby appointed as hearing officer and are authorized to represent the department as provided by IDAPA Rule 37.01.01410 (Procedure Rule 410) in the following matter:

IN THE MATTER OF APPLICATION FOR TRANSFER NOS:

T69640 IN THE NAME OF KARL OLSON
T69813 IN THE NAME OF RANDALL LEWIS
T69815 IN THE NAME OF JAY BARNETT
T69816 IN THE NAME OF DAVID WIDMARK
T69817 IN THE NAME OF JAMES & CAROL STEELSMITH

Date: January 28 & 29, 2003
Time: 9:00 a.m.
Location: Mountain Home City Hall
160 S 3rd E
Mountain Home, Idaho 83647

RECEIVED

JAN 28 2003

Department of Water Resources

PHAX 327-7866.

Fax. (208) 587-1441

FAX COVER LETTER

Date:

1/28/03.

Fax to:

MR. SAXTON

Attention:

WITHDRAW PROTESTED TRANSFERS

From: ~~First American Title Company~~ RON LEYDET Fax No. (208) 587-1441

At the Request of:—

Transmission includes:

(1)

Total number of pages, including cover letter:

(1)

IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CALL IMMEDIATELY

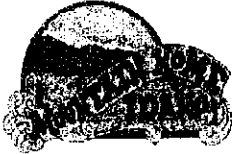
Notes:—

MR. SAXTON

I, RON LEYDET, WITHDRAW MY PROTEST
OF TRANSFER NOS. 69640-69813-69815-
69816-69817 ON THIS DATE 1/28/03.

RESPECTFULLY

RON LEYDET



RECEIVED

JAN 15 2003

Department of Water Resources

CITY OF MOUNTAIN HOME

160 SOUTH 3RD EAST PO BOX 10 MOUNTAIN HOME, ID 83647 (208)587-2104 FAX (208)587-2110

January 15, 2003

State of Idaho
Department of Water Resources
1301 North Orchard Street
Boise, ID 83720-0098
Attn: Glen Saxton

Re: Protest of Transfers Nos. 69640, 69641, and 69811

Good Day --

Enclosed are the exhibits and list of witnesses supporting the above referenced protest.

Copies of these items have been sent to the following parties:

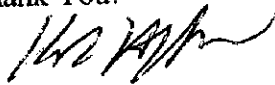
1. #69640 Karl Olson
2. #69641 Robert &/or Lonnelle Norris
3. #69811 Richard &/or Lila Appleton
4. Pete Nielson.

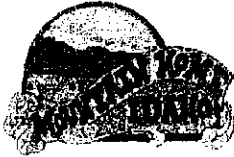
On Tuesday, November 26, 2002, Mayor Dave Jett, Pete Nielson, and myself discussed the above referenced protest. The City of Mountain Home was willing to drop its protest on the above referenced transfers if all the applicants (referenced above) agreed to make all of their water rights transfer dates junior to the most junior water right that The City of Mountain Home possesses.

As of this date, Pete Nielson has not replied to this request.

Questions? Please contact me at (208)587-2104.

Thank You!


Karl Huffaker, P.E.
City Engineer



RECEIVED

JAN 15 2003

Department of Water Resources

CITY OF MOUNTAIN HOME

160 SOUTH 3RD EAST PO BOX 10 MOUNTAIN HOME, ID 83647 (208) 587-2104 FAX (208) 587-2110

January 14, 2003

State of Idaho
Department of Water Resources
1301 North Orchard Street
Boise, ID 83720-0098
Attn: Glen Saxton

Re: Protest of Transfers Nos. 69813, 69815, 69816, and 69817.

Good Day —

Enclosed are the exhibits and list of witnesses supporting the above referenced protest.

Copies of these items have been sent to the following parties:

1. #69813 Randall Lewis
2. #69815 Jay Barnett
3. #69816 David Wickmark
4. #69817 James &/or Carol Steelsmith
5. Pete Nielson.

On Tuesday, November 26, 2002, Mayor Dave Jett, Pete Nielson, and myself discussed the above referenced protest. The City of Mountain Home was willing to drop its protest on the above referenced transfers if all the applicants (referenced above) agreed to make all of their water rights transfer dates junior to the most junior water right that The City of Mountain Home possesses.

As of this date, Pete Nielson has not replied to this request.

Questions? Please contact me at (208)587-2104.

Thank You!

A handwritten signature of Karl Huffaker is written over the typed name.

Karl Huffaker, P.E.
City Engineer

LIST OF ATTACHMENTS
Protest of Water Rights Transfers

1. City of Mountain Home, Idaho -- Map w/Well Locations.
2. Subjects of Interest.
3. City of Mountain Home, Idaho -- Water Rights Priority Dates.
4. Draw Down -- Well #12.
5. DEQ Report -- August ^{7/12}12, 2002.
6. Municipal Water Rights -- 1996.
7. Keller & Associates -- Report on Water Availability October 7, 2002.
8. List of Witnesses.

LIST OF WITNESSES
Protest of Water Rights Transfers

1. Karl Huffaker – City of Mountain Home, City Engineer
2. William Lago – City of Mountain Home, Water Superintendent
3. Ron Leydet - Concerned Citizen
4. Charles Olson – Concerned Citizen

Form 238-7
3/95-C96

IDAHO DEPARTMENT OF WATER RESOURCES WELL DRILLER'S REPORT

Office Use Only			
Inspected by	Twp.	Rge.	Sec.
	1/4	1/4	1/4
Lat.	:	Long.	:

1. DRILLING PERMIT NO. _____

Other IDWR No. D00001728

2. OWNER:

Name Karl Olson

Address 1030 E 13th N

City Mtn Home State ID Zip 83647

3. LOCATION OF WELL by legal description:

Sketch map location must agree with written location
N

W	<table border="1"> <tr><td>X</td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>	X									Twp. <u>3</u> North ☐ or South ☒
		X									
Rge. <u>8</u> East ☒ or West ☐											
E	<table border="1"> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> <tr><td></td><td></td><td></td></tr> </table>										Sec. <u>6</u> NE 1/4 <u>10 acres</u> NW 1/4 <u>40 acres</u> 1/4 <u>160 acres</u>
S	Gov't lot _____ County _____										

Lat: _____ Long: _____

Address of Well Site HIWAY 20 RATTLESNAKE
STATION _____

City MTN HOME

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

Lt. _____ Blk. _____ Sub. Name _____

4. USE:

☒ Domestic ☐ Municipal ☐ Monitor ☐ Irrigation
☐ Thermal ☐ Injection ☐ Other _____

5. TYPE OF WORK check all that apply (Replacement etc.)

☒ New Well ☐ Modify ☐ Abandonment ☐ Other _____

6. DRILL METHOD

☒ Air Rotary ☐ Cable ☐ Mud Rotary ☐ Other _____

7. SEALING PROCEDURES

SEAL/FILTER PACK			AMOUNT	METHOD
Material	From	To	Sacks or Pounds	
BENTONITE	0	170	600 lb.	overbore

Was drive shoe used? ☒ Y ☐ N Shoe Depth(s) _____

Was drive shoe seal tested? ☐ Y ☒ X N How? _____

8. CASING/LINER:

Diameter	From	To	Gauge	Material	Casing	Liner	Welded	Threaded
6	+1	170	250	STEEL	☐	☐	☐	☐
					☐	☐	☐	☐
					☐	☐	☐	☐

Length of Headpipe _____ Length of Tailpipe _____

9. PERFORATIONS/SCREENS

☐ Perforations Method _____

☐ Screens Screen Type _____

From	To	Slot Size	Number	Diameter	Material	Casing	Liner
						☐	☐
						☐	☐
						☐	☐

10. STATIC WATER LEVEL OR ARTESIAN

PRESSURE:

264 ft. below ground

Depth flow encountered _____

Artesian Pressure _____ lb

ft. Describe access port or control _____

11. WELL TESTS:

☐ Pump ☐ Bailer ☒ Air ☐ Flowing Artesian

Yield gal/min.	Drawdown	Pumping Level	Time
25 gal.			1 hr.

Water Temp. _____ Bottom hole temp. _____

Water Quality test or comments: _____

Depth first Water Encountered _____

12. LITHOLOGIC LOG: (Describe repairs or abandonment)

Water				Y	N
Bore Dia	From	To	Remarks: Lithology, Water Quality & Temp.		
8	0	3	TOP SOIL		
8	3	13	SAND & GRAVEL		
8	13	14	GREY LAVA		
8	14	26	SAND & GRAVEL		
8	26	168	BROKEN GREY LAVA & CLAY		
8	168	196	GREY LAVA		
6	196	200	GREY CINDER		
6	200	204	BROWN CINDER		
6	204	209	GREY LAVA		
6	209	283	BROWN CINDER & TAN CLAY		
6	283	295	GREY LAVA		
6	295	299	BROWN CINDER & GREY LAVA		
6	299	302	BROWN CINDER		
6	302	344	GREY LAVA		
6	344	348	GREY CINDER	X	
6	348	366	GREY LAVA		
6	366	383	BROWN CINDER & GREY LAVA		
6	383	438	GREY LAVA		
6	438	525	BROWN LAVA		
6	525	580	BROWN CINDER	X	
6	580	603	BROWN LAVA & GREY LAVA		
6	603	671	BROWN CINDER & GREY LAVA		
6	671	673	BROWN CINDER	X	
6	673	692	GREY LAVA		
6	692	706	BROWN CINDER	X	
6	706	713	GREY LAVA		
6	713	217	BROWN CINDER	X	
6	217	740	GREY LAVA		
6	740	756	BROWN CINDER & QUARTZ		
6	756	762	BROWN & RED CINDER	X	
6	762	800	BLACK CINDER		X

Completed Depth: 800 (Measurable)

Date: Started 05-29-98

Completed 06-04-98

13. DRILLER'S CERTIFICATION

I/We certify that all minimum well construction standards were complied with at the time the rig was removed.

Firm Name Hiddleston & Son, Inc.

Firm No. 35

Firm Official _____

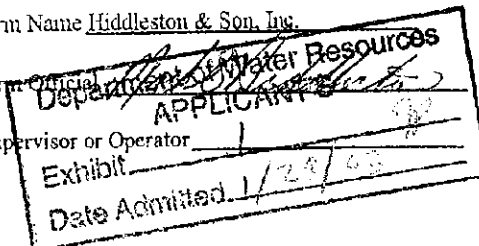
Date 10/26/98

Supervisor or Operator _____

Date _____

Exhibit _____

Date Admitted 1/29/00



14-2580

Name Karl Olson Date Installed 6-17-98

Address Rattle snake.

Warranty 5 yr

Pump Model A+25SS500

Motor Frank HP 5 RPM 3450 Phase 1Ø Volts 240 Date 2E97
Code 2E97

Static 260' Setting 441'

Depth 750' Pipe 1 1/4"

Well yes Wire No. 613

SERVICE AND REPAIRS RECORD

[illegible]

Applicants 2
ERO 1/28/03 JP

January 24, 2003

To: Water Rights Officer (Idaho Department of Water Resources)
From: Steven Hannula
Re: Drawdown Analysis for the Steelsmith Transfer

A drawdown analysis was performed for an existing well owned by James and Carol Steelsmith. The Steelsmiths are proposing to increase diversion rate from this well in a pending Application for Transfer. This memo summarizes the various assumptions used based on available data. Using reasonable values of aquifer parameters and basic analytical tools, a basic generalization of the proposed pumping scenario can be made.

Assumptions

The anticipated pumping requirements along with the assumed aquifer properties and geometry are as follows:

- The pump will be operating 24 hours a day, 245 days per year.
- The average discharge rate for the pump will be approximately 83 gpm (0.184 cfs).
- The aquifer properties used in this analysis are as follows (see below for explanation):
 - Hydraulic conductivity (K) 2.2×10^{-3} cm/sec (6.1 ft/day)
 - Aquifer thickness (D) is 138 feet.
 - Aquifer transmissivity (T) 1,146 ft²/day.
 - Aquifer specific yield (S) 0.1 (unitless).

Two wells in the area have well driller's reports that show the results of pumping tests performed by the driller. To determine aquifer transmissivity from these simple pump tests, the Thiem equation is used with some simplifying assumptions. The Thiemo equation is as follows (Kruseman and deRidder, 1994):

Department of Water Resources	
APPLICANT'S	
Exhibit	2 JP
Date Admitted	1/28/03

Sediment Drawdown Analysis

January 24, 2003

$$Q = \frac{2\pi KD(s_{\text{max}} - s_{\text{mt}})}{2.30 \log(r_1/r_w)} * \frac{1 \text{ day}}{1.440 \text{ minutes}} * \frac{1 \text{ minute}}{60 \text{ seconds}} \quad (1)$$

where

Q = well discharge in ft³/secKD = transmissivity of the aquifer in ft²/dayr₁ = the distance of a piezometer from the well in feetr_w = radius of the well in feets_{mt} = steady state drawdown in piezometer at radius r₁ in feets_{max} = steady state drawdown in the well in feet.

During the pump test in Idaho Power's well located at SW SW Sec 10 T3S R6E discharge was 275 gpm for 6 hours and had a drawdown of approximately 46 feet. A simplifying assumption needed is that at a large radius, r₁, the drawdown is essentially zero. The log of r₁/r_w for large values of r₁ (i.e. 1,000 to 10,000 feet) has a value between 3 and 4, allowing the numerator of 2π and the denominator of 2.30 log (r₁/r_w) of equation 1 to essentially divide out to a value of 1. Therefore, using the parameters from the pump test, the transmissivity of the aquifer is approximately 1,146 ft²/day. However, the assumptions used may keep this value slightly high, so for sake of being conservative in terms of potential injury to nearby water users, the calculations will use half of this value or 500 ft²/day.

This well is an open borehole so the aquifer thickness is assumed to be the interval between the first water encountered and the bottom of the hole, for a total of 188 feet. The actual aquifer thickness is unknown.

Hydraulic conductivity can be calculated from transmissivity by dividing by aquifer thickness (K = TD). Dividing 500 ft²/day by 188 feet equals a hydraulic conductivity of approximately 2.7 ft/day (9.5 x 10⁻⁴ cm/sec).

Using the same procedure, but with parameter values from the pumping test performed at NE SW Sec. 13 T3S R6E, (discharge = 2000 gpm, drawdown = 325 feet) transmissivity was calculated to be 1,186 ft²/day. This value is very similar to what was calculated above. To

*Steelsmith Drawdown Analysis**January 24, 2003*

remain conservative in the calculation, a value roughly half is used (500 ft²/day). Aquifer thickness could not be determined from the driller's report, so the assumption was made that the thickness is similar to the test described above. Using 200 ft for aquifer thickness yields a hydraulic conductivity of 2.5 ft/day (8.8×10^{-4} cm/sec).

These values of hydraulic conductivity fall within the expected range for the lithology shown on the driller's report. The driller's reports for most of the wells in the vicinity show lava and cinders predominate. The cinders and lava can have significantly higher hydraulic conductivity and transmissivity values than what was used in this drawdown analysis. For example, a pump test in City Well #14 at NE SE Sec 19 T3S, R7E pumped 1500 gpm with no measurable drawdown; a very productive well. This well is slightly over 2 miles from the Steelsmith well. This lithology is interpreted to be the Bruneau Formation (Ralston and Chapman, 1968). The value of hydraulic conductivity used in this drawdown analysis is low in the expected range of values in order to maintain a conservative approach to protecting nearby water users. Using a higher value of hydraulic conductivity would result in even less drawdown at nearby wells.

No data are available for estimating specific yield or storativity of the aquifer. The aquifer is likely to range from unconfined to fully confined, with partially confined conditions predominant. Also, the lithology has cinders and lava, with each having different specific yields. For this reason, an intermediate value of specific yield is used. Specific yield for unconfined conditions range from 0.02 to 0.3 and for confined conditions is on the order of 0.005 or less (Fetter, 1988). For this analysis, a value of 0.1 is assumed.

again conservative

Method

The Theis equation was used to predict the drawdown of the well. This method assumes that a well is pumping at a steady state in a confined system. This method is valid for partially confined as well as unconfined systems, as long as the drawdown is not significant relative to the aquifer thickness, which would induce vertical flow. The drawdown resulting from 0.092 cfs of discharge is assumed to be small relative to the aquifer thickness.

Steele Smith Drawdown Analysis

January 24, 2003

The time to steady state conditions is unknown. A value of 245 days for the time parameter is chosen based on the assumption that the pump will only be operating during the irrigation season and that seasonal recharge will prevent true steady state conditions to form.

The Theis Equation is as follows:

$$h_a - h = \frac{Q}{4\pi T} W(u) \quad (2)$$

$$u = \frac{r^2 S}{4Tt} \quad (3)$$

where

Q = the constant pumping rate

h = the hydraulic head at time (t) since pumping began

h_0 = is the hydraulic head before the start of pumping

r = the radial distance from the pumping well to the observation well

T = the aquifer transmissivity

S = aquifer storativity

W(u) = well function

The derivation of these equations and the well function is beyond the scope of this report.

Analysis

The range of aquifer parameters is based on typical values and rough approximations; the actual values may differ significantly. The values in Table 1 are calculated assuming a continuous pumping rate of 0.092 cfs (42 gpm) for 245 days. Aquifer thickness is assumed to be the open interval of the Steele Smith well, which is approximately 138 feet. The details of these calculations are in Attachment 1.

Hydraulic conductivity (K) (calculated from transmissivity and aquifer thickness) is generally the parameter with the largest uncertainty. For example, using a K value of 0.00095 cm/sec (calculated above) and storativity (S) of 0.1 results in a drawdown at a radius of 3700 feet of approximately 0.02 feet.

Steelsmith Drawdown Analysis

January 24, 2003

Table 1 Drawdown Estimates at Various Radii after Continuous Pumping for 245 Days

	850 feet	1320 feet	2640 feet	3700 feet
Pumping 0.092 cfs for 245 days	1.87 ft	0.99 ft	0.14 ft	0.02 ft
Pumping 0.184 cfs for 245 days	3.74 ft	1.98 ft	0.28 ft	0.04 ft

Actual Transfer
Doubling Transfer

Conclusions

Based on the above assumptions, the predicted steady-state drawdown at a radius of 3700 feet is approximately 0.02 feet. A higher hydraulic conductivity value would result in less drawdown at the nearby well. Similarly, a higher storativity value will lower the drawdown at the nearby well.

Actual drawdown is likely to be less than predicted because recharge effects are not considered in the analytical equations. This recharge effect prevents the drawdown from achieving steady state conditions and therefore limits the effect from pumping. Also, there is a natural hydraulic gradient that moves the ground water in the region from the northeast to the southwest toward the Snake River (Ralston and Chapman, 1968). The analytical equation above does not take into account this natural hydraulic gradient. Wells not directly down gradient of the pumping well will tend to experience relatively less drawdown effects compared to the calculations above.

These calculations show that there will be essentially a negligible impact to the City Well a distance of 3,700 feet away from the Steelsmith well. The impact will be even less at larger distances. This drawdown analysis applies to other pumping wells in the area that have similar discharge rates. Lithologic descriptions on Driller's Reports from the vicinity indicate very similar lithology in the area. Heterogeneities are expected to be present, such as the very prolific City Well #14. Low permeability zone or layers are expected too. However, the assumptions used in the above calculations uses values to account for lower permeability than is perhaps observed, thus resulting in a conservative result and more protection to nearby water users.

Steelsmith Drawdown Analysis

January 24, 2003

References

- Fetter, C.W., 1988, *Applied Hydrogeology*, Second Edition, Macmillan Publishing Company.
- Kruseman, G.P., and N.A. deRidder, 1994, *Analysis and Evaluation of Pumping Test Data*, second edition, International Institute for Land Reclamation and Improvement, Wageningen, Netherlands.
- Ralston, Dale R. and Sherl L. Chapman, 1968, *Ground-Water Resource of the Mountain Home Area, Elmore County, Idaho*, Idaho Department of Reclamation Water Information Bulletin No. 4, July.

1/25/03 10:06AM

Steven Hann

ERO Resources Corp

(208) 373-7983

(208) 373-7983

Page 8 of 10

ATTACHMENT 1

Drawdown Analysis with the Theis Equation

Drawdown Analysis Using Theis

Steelsmith transfer

Steve Hannula

January 24, 2003

Aquifer properties based on Driller's report pump test performed on Idaho Power well (SW SW Sec 10 T3S R6E) and

Aquifer & Sons well NE SW Sec 13 T3S, R6E)

Pumping Rate = 0.02 cfs = 4.7 gpm, based on 44.6 afa continuously pumped for 245 days.

Drawdown at 3700 feet affects the City Well.

Description	Symbol	Value	Units
Hydraulic Conductivity	K	9.50E-04	cm/sec
Aquifer storativity	S	0.1	unitless
Aquifer thickness	b	138	ft
Discharge	Q	0.092	cfs
Transmissivity	T	500	ft ² /day

Radius	Time	u	W(u)	Drawdown
feet	days			feet
850	30	1.2E+00	0.157	0.20
850	60	6.0E-01	0.452	0.57
850	120	3.0E-01	0.903	1.14
850	245	1.5E-01	1.479	1.87
1320	30	2.9E+00	0.015	0.02
1320	60	1.5E+00	0.107	0.14
1320	120	7.3E-01	0.356	0.45
1320	245	3.6E-01	0.783	0.99
2640	120	2.9E+00	0.015	0.02
2640	245	1.4E+00	0.112	0.14
3700	150	4.6E+00	0.002	0.00
3700	180	3.8E+00	0.005	0.01
3700	200	3.4E+00	0.008	0.01
3700	245	2.8E+00	0.017	0.02

Equations

$$T = Kb \quad \text{Drawdown} = \frac{Q}{4\pi T} W(u)$$

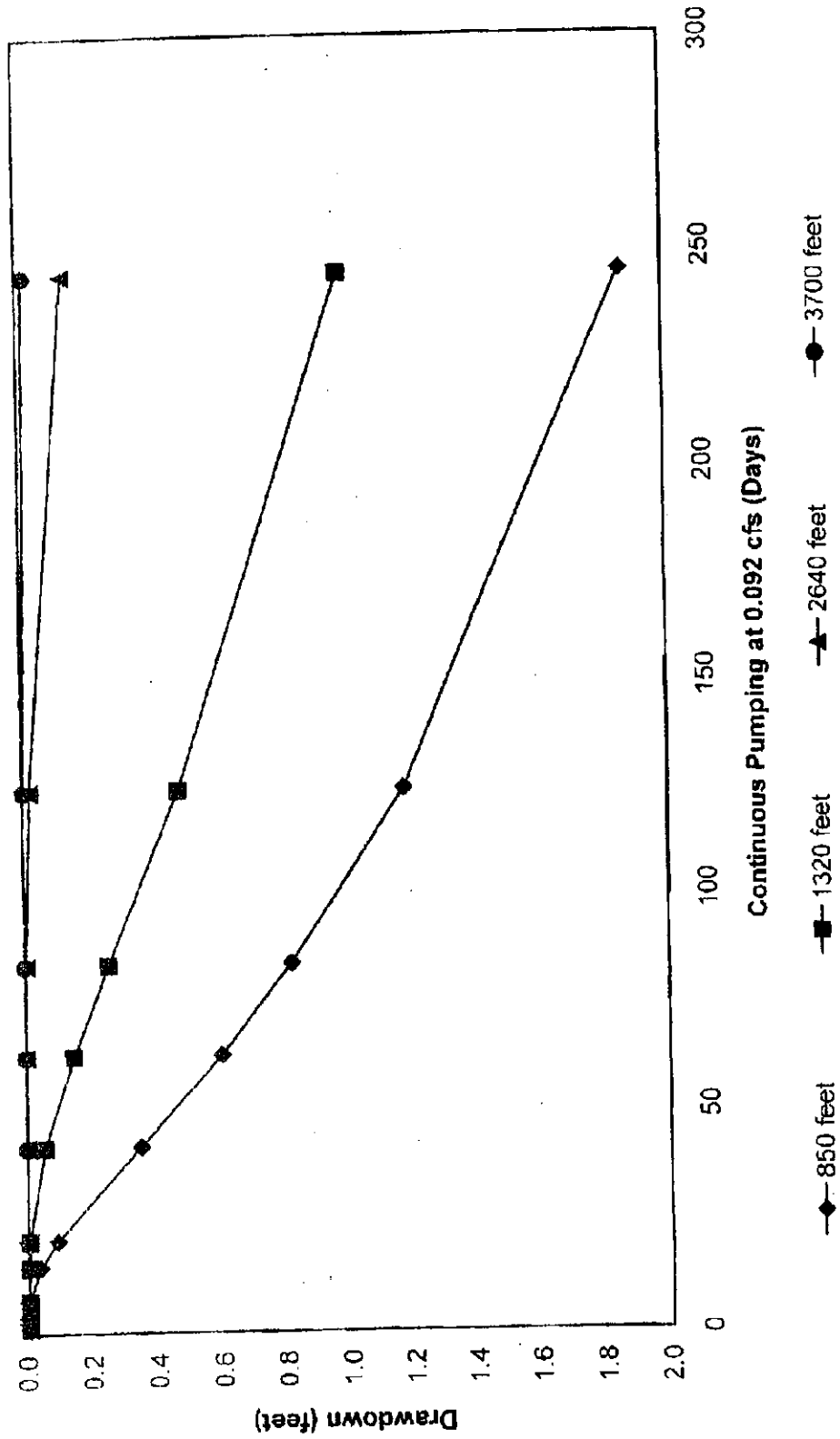
$$W(u) = -0.5772 - \ln(u) + u - \frac{u^2}{2 \cdot 2!} + \frac{u^3}{3 \cdot 3!} - \frac{u^4}{4 \cdot 4!} + \dots$$

$$u = \frac{r^2 S}{4Tt}$$

t = time since pumping started, days

r = radius from pumping well to observation point, feet

Estimated Drawdown from Steelsmith Pumping Well, Mountain Home, Idaho



ASHCRAFT AND MILLER, PLLC

ATTORNEYS AND COUNSELORS AT LAW

430 North 6th East

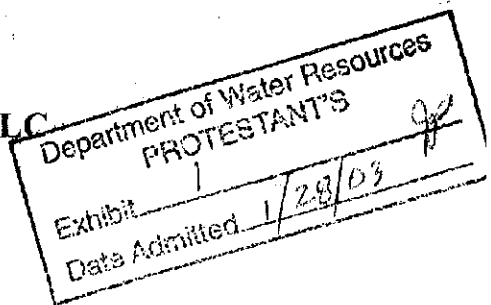
Post Office Box 506

Mountain Home, Idaho 83647-0506

Telephone: (208) 587-9797

Facsimile: (208) 587-7005

E-mail: tab2@rmci.net



Attorneys
Larry C. Ashcraft
Philip R. Miller

Paralegal
Geri L. Brennan

Legal Assistant
Dolores A. Barinaga

Legal Secretary
Tammy A. Mallea

January 28, 2003

The City of Mt Home has been negotiating with Mr. Steelsmith and Mr. Friedly in an effort to resolve this matter. In fact, we have been able to resolve the City's objections to this group of water right transfers.

Before I go into the specifics of the resolution, the Mayor Dave Jett has asked me to explain the basis of the City's position and reasons for its objections.

Very simply, the City of Mt. Home barely has an adequate water supply at present. That supply originates or migrates through the area north of town, where four of the present transfers will go. Most importantly, one of the city's major wells, number 12, is north of the freeway, close to the transfer area, and has been experiencing extreme and increasing pump drawdowns in recent years.

Furthermore, like every growing community, Mt. Home is looking for future water sources and the area north of town is very probably the source of that new water.

The City of Mt Home therefore, has significant and crucial interests in the area of the aquifer where these transfers are going. To protect the interests of its citizens, the City must and will continue to monitor and attempt to protect the quality and quantity of water aquifers in this transfer area.

Mr. Steelsmith and Mr. Friedly have provided the city with additional information, specifically the report from ERO resources which leads the City to conclude that it is in everyone's best interests that it withdraw its objections. But before the City takes that step, it requests and recommends three items that Water Resources consider and include in any final transfer orders:

1. The IDWR memos by Daniel Nelson recommend that the water levels in each well be monitored three times per year, the results reported to water resources and if significant drops result, usage cease until water levels have stabilized.
2. When the city drilled its new well number 14 water resources required a drawdown test. The city feels that a drawdown test for each of these wells that have not had a recent test would provide important information about the condition of the aquifer in specific areas.
3. Finally, the City recommends that any final orders specifically cite the standards and requirements used to review and approve these applications.

With these concerns and requests on the record, the City hereby withdraws its objections to water right transfer request Nos 69641, 69811, 698713, 69815, 69816, and 69817. 4 69640