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RECEIVED
NOV 08 2005
Arthur W. Holden
Department of Water Resources

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Of Counsel
Fred J. Hahn

November 3, 2005

Shelley W. Keen
Water Rights Supervisor
Idaho Department of Water Resources
PO Box 83720
Boise, ID 83720-0098

Re: Application for Permit No. 25-14071

Dear Mr. Keen:

Our clients have received from Progressive Irrigation District, and we are enclosing with this letter, a letter which we understand complies with your request of September 1, 2005, in the above entitled matter. We would appreciate anything that can be done to expedite the granting of this permit so that the clients may proceed with the drilling of the well for the development. Thank you for your kind attention to this matter.

Yours very truly,



Kent W. Foster

Enclosure

PROGRESSIVE IRRIGATION DISTRICT
DIRECTORS-RAY SUITTER, TEBBIN JOHNSON & DALE ROCKWOOD
ALAN SKAAR, MANAGER
2585 NORTH AMMON ROAD
IDAHO FALLS, ID 83401-1949
(208) 522-3102/FAX 552-9618

November 1, 2005

Shelley W. Keen
Idaho Department of Water Resources
322 E. Front Street
PO BOX 0098
Boise, ID 83720-0098

Re: Managed Recharge Mitigation Plan for Timberview Properties, LLC
Application for Permit no. 25-14071

Dear Mr. Keen:

The officers and directors of the Progressive Irrigation District contacted last spring by Mr. George McDaniel of Timberview Properties, LLC, who informed us he had applied for a permit to pump groundwater for use for the homes in his Timberline Estates Subdivision. The approximately 33 acres comprising that subdivision are located within the boundaries of Progressive Irrigation District and have historically been irrigated with surface water diverted under District water rights and conveyed to such lands through the District's canal delivery system.

Mr. McDaniel discussed with us the possibility of trying to deliver irrigation water to each lot in the subdivision through a pressurized pipeline system for watering of lawns and landscaping for each of the homes. He called this a "secondary system". He also indicated that an alternative to this method would be to deliver water to a pond where it could sink, in exchange for his right to pump a like amount from the ground for the same purposes. He indicated wells and pumps already existed for this purpose as well as for providing the inside water for each home, and he preferred the second option because the groundwater diversion and delivery system was already in place. He called this second option a "managed recharge plan".

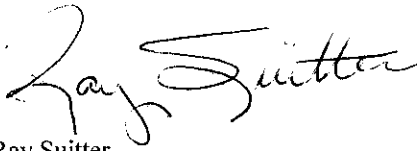
We would prefer the "managed recharge plan" and have agreed to it. We also agreed to provide the third party verification as expressed in our letter on March 21, 2005. This letter will serve as our formal endorsement of Timberview Properties, LLC's Managed Recharge Mitigation Plan. The records at Progressive Irrigation District indicate that a total of 1,869,500 gallons of water discharged into the approved pond at their recharge site.

In fact, the shallow pond constructed by Mr. McDaniel is on one of the lots near the District's delivery canal last spring. A pump with a discharge line buried in the canal bank allowed us this past season to pump water to the shallow pond where it sank. The process worked well and caused no significant inconvenience to the District or its employees as we believe the pressurized pipeline to deliver water to each lot in the subdivision for watering of lawns and landscaping would.

Shelley W. Keen
Idaho Department of Water Resources
November 1, 2005
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The lands in the area of the subdivision are comprised of and underlain by a great deal of gravel and alluvial material. Water used for irrigation in this area sinks naturally quite rapidly through the porous soil and gravel, not unlike the delivery of water directly to the shallow pond for that specific purpose. The sinking or percolation of water into the gravel beds in this area of surface applications has occurred historically for over 100 years.

Yours truly,

A handwritten signature in cursive script, reading "Ray Suitter". The signature is written in dark ink and is positioned above the printed name and title.

Ray Suitter
Chairman, Board of Directors
Progressive Irrigation District

Cc: Travis L. Thompson
Kent W. Foster
Roger Warner, IDWR Eastern Region
Gail McGarry, U. S. Bureau of Reclamation