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September 15, 2005

Gary Spackman
Idaho Department of Water Resources
P.O. Box 83720
Boise, Idaho 83720-0098

Re: *Sam's Hollow Water Company*

Dear Gary:

On behalf of Sam's Hollow Water Company, I am submitting a revised Water Management and Operation Plan for Mitigation under date of September 9, 2009, together with an Operations Manual under date of September 8, 2005. Both were prepared by Charles E. Brockway, P.E., Ph.D., addressing the additional issues raised in your letter of November 30, 2004.

The Operations Manual was required under Condition 4 of Permit Nos. 11-07481 and 11-087491. It was written generically and prepared prior to final design of the water supply system and mitigation return system. It will be revised to reflect the operation of specific facilities as these facilities are installed.

To satisfy Permit Condition 7(a), and pursuant to Director Dreher's letter of August 24, 2004 and the March 14, 2002 Agreement between Sam's Hollow Water Company and Fish Haven Water Users Company, we have also submitted to Eastern Region for processing an Application for Transfer in the name of Sam's Hollow Water Company, acting for and on behalf of Fish Haven Water Users Company, copy of which is enclosed. In compliance with Condition 7(b), I am simultaneously submitting to Brian Patton and Cynthia Bridge-Clark in the IDWR Boise Office, an Application to Sell or Lease a Water Right to the Water Supply Bank, copy of which is enclosed.

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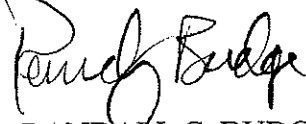
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Eastern Region

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We would greatly appreciate it if the Department would coordinate and expedite the approval of all three of these submissions.

Thank you for your cooperation and assistance. If you have any questions, please don't hesitate to contact me.

Sincerely,



RANDALL C. BUDGE

RCB:rr

Enclosures

cc: Doug Johnson, President, Sam's Hollow Water Company
IDWR Eastern Region
IDWR/Brian Patton, Cynthia Clark

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Department of Water Resources
Eastern Region