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JUN 20 2005

Department of Water Resources
Eastern Region

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BEFORE THE DEPARTMENT OF WATER RESOURCES

OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 1-10401 in the name of)
UNITED STATES OF AMERICA,)
BUREAU OF RECLAMATION)

WITHDRAWAL OF PROTEST

TWIN FALLS CANAL COMPANY, BURLEY IRRIGATION DISTRICT and
FREMONT MADISON IRRIGATION DISTRICT (hereinafter the "Irrigation Entities"),
by and through their attorneys file this Withdrawal of Protest to the approval of the
above-numbered Application for Permit filed by the United States of America, Bureau of
Reclamation (USBR). The basis for the withdrawal is as follows:

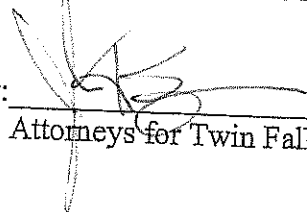
1. The USBR has amended Application 01-10401 as shown on Exhibit A hereto.
2. As a condition precedent to this Withdrawal of Protest, it is USBR's agreement that the Paragraph 12 remarks section of the Amended Application shall be binding on the USBR whether or not the remark is included as a condition of the approval of Application 01-10401 or subsequent permit or license by the Idaho Department of Water Resources (IDWR) of the right sought in Application 1-10401. The agreed Paragraph 12 language is as follows:

Powerhead water in Palisades Reservoir may be used for power generation so long as the water may also be required for flow augmentation under the Nez Perce Settlement Agreement known as "Mediator's Term Sheet" of April 20, 2004 and under the terms thereof.

3. This Stipulation may be executed in counterparts.

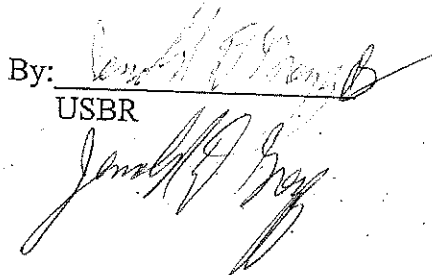
DATED this 7th day of June, 2005.

BARKER, ROSHOLT & SIMPSON LLP

By: 
Attorneys for Twin Falls Canal Co.

Approved:

LING, ROBINSON & WALKER

By: 
USBR

By: _____
Attorneys for Burley Irrigation District

RIGBY, THATCHER ANDRUS RIGBY
& MOELLER CHARTERED

By: _____
Attorneys for Fremont-Madison
Irrigation District

Tfcc/withdrawalofprotest

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3. This Stipulation may be executed in counterparts.

DATED this 7th day of June, 2005.

BARKER, ROSHOLT & SIMPSON LLP

By: _____
Attorneys for Twin Falls Canal Co.

Approved:

LING, ROBINSON & WALKER

By: _____
USBR

By: Robert A. Perry
Attorneys for Burley Irrigation District

RIGBY, THATCHER ANDRUS RIGBY
& MOELLER CHARTERED

By: [Signature]
For Attorneys for Fremont-Madison
Irrigation District

File/withdrawal of protest