



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

May 10, 2004

PACIFIC HIDE & FUR DEPOT
PO BOX 849
NAMPA, ID 83651

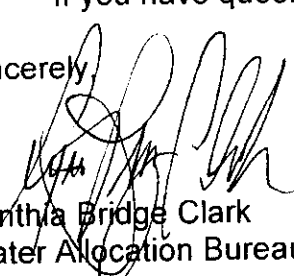
RE: WATER SUPPLY BANK LEASE TERM. WATER RIGHT NO. 63-31462

Dear Lessors:

As requested in your letter, received by the Department of Water Resources ("department") on February 6, 2004, the department will retain the water right number(s) referenced above in Water Supply Bank. The right(s) will automatically be released from the bank on **December 31, 2004**, unless the rights are released earlier by the Water Resource Board, or upon request by the lessor. To change the term of the lease or to release the right(s) from the bank, the lessor must submit a request in writing to the department prior to the release date.

If you have questions, please feel free to contact me.

Sincerely,



Cynthia Bridge Clark
Water Allocation Bureau

c: John Westra - IDWR Western Region

Pacific Steel & Recycling, c/o William Knick
PO Box 1549
Great Falls MT 59403