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RECEIVED

JAN 18 2005

WATER RESOURCES
WESTERN REGION

January 17, 2005

Ed Squires
Hydro Logic, Inc.
1002 W. Franklin Street
Boise, Idaho 83702

Re: Proposed Transfer by The Terteling Company, Inc.

Dear Ed:

I appreciated your sending me a copy of the amended transfer application filed by The Terteling Company, Inc. I have discussed the application with representatives of Edwards Family, LLC and have been authorized to assist them in understanding the technical aspects of the proposed changes in diversion and use of the low-temperature geothermal resource.

My thought is that an initial discussion of the technical consultants focusing on the application would perhaps be helpful to both your clients and mine, just to be sure I understand what is being proposed. I will appreciate the opportunity to discuss the application with you to insure that I understand the changes that are to be made, how they will be made and perhaps the reasons why they need to be made.

At this early stage of the review, I will not be able, nor am I authorized to communicate any concerns relative to the affect of the changes on Edwards' use of the resource.

Please let me know of your availability to meet.

Sincerely,



Norm Young

cc: Garnette Monnie
Dana Hofstetter
Charles L. Honsinger
Steve Lester/Lori Graves, IDWR