

HILL WAY, INC.
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San Mateo, California 94401
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RECEIVED
MAR 22 2004
Department of Water Resources

March 22, 2004

VIA FAX
208/327-7866

Cynthia Bridge Clark
Water Allocation Bureau
Department of Water Resources
1301 North Orchard Street
Boise, Idaho 83706

**Re: Termination of Lease to the Water Supply Bank
Water Right No(s): 2-2259, 2-2261, and 57-7268**

Dear Cynthia:

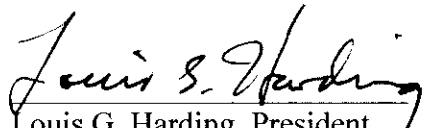
We just heard from Ruth Page at the Bureau of Reclamation concerning our offer to them to rent our Water Rights. Her answer is we didn't meet their criteria that the Rights were to have been used for irrigation in 2003.

Therefore, this is our request that the Rights remain in your Water Supply Bank for an "indefinite" period as described in your letter dated February 24, 2004.

Please send us your confirming letter for our records.

Thank you.

HILL WAY, INC.

By: 
Louis G. Harding, President