

October 30, 2006
McCook, Nebraska

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Miller & Associates
CONSULTING ENGINEERS, P.C.

109 East 2nd McCook, NE 69001-3

Tel: 308-345-3710

Fax: 308-345-7370

www.miller-engineers.com

Mr. Dan Smith
General Manager
Middle Republican Natural Resources District
P.O. Box 81
220 Center Street
Curtis, NE 69025

Re; BIC Joint Water Agency
New Municipal Wells
M&A Project No. 202-C1-006

Dear Mr. Smith:

During our Transfer Permit process, it was discovered that the irrigation wells couldn't be used as replacement wells for municipal wells according to the regulations. However, it is acceptable for BIC to abandon these wells and the offsets can be used for the construction for new municipal wells. Thus, we have to amend our approved well drilling permits through the MRNRD for the installation of the BIC Joint Water Agency wells.

In addition to the withdrawal of the irrigation wells from production, the BIC Joint Water Agency is intending for one of each community's existing public water supply wells to be abandoned, and one well from each community will be maintained for emergency use only. By abandoning three existing public water supply wells and the three existing irrigation wells acquired by BIC the transfer permit filed with NDNR showed no net depletions to the Republican River, and no increase in historical consumptive use.

We are requesting you process these well permits, previously approved as replacement wells, as new well permits through the variance process. The communities of Bartley, Indianola, and Cambridge appreciate your prompt consideration, and will be happy to answer any questions for you or the Board.

Sincerely Yours,
MILLER & ASSOCIATES
CONSULTING ENGINEERS, P.C.

A handwritten signature in cursive script that reads "Chris A. Miller".

Chris A. Miller, P.E.

CAM/cli

cc: BIC Joint Water Agency