BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO

IN THE MATTER OF THE MITIGATION PLAN OF THE NORTH SNAKE AND MAGIC VALLEY GROUND WATER DISTRICTS IMPLEMENTED BY APPLICATIONS FOR PERMIT NOS. 02-10405 AND 36-16645 AND APPLICATION FOR TRANSFER NO. 74904 TO PROVIDE REPLACEMENT WATER FOR CLEAR SPRINGS SNAKE RIVER FARM (Water District Nos. 130 and 140)

I, TERRY SCANLAN, being first duly sworn, do hereby depose and state under penalty of perjury that:

1. My name is Terry Scanlan and I am of sound mind and adult age.

2. I have been retained as an expert witness by the North Snake Ground Water District and the Magic Valley Ground Water District (i.e., “GWD”) in the above captioned matter.

3. I hold Master and Bachelor of Science degrees in Geological Engineering from the University of Idaho. I am a licensed professional engineer, a licensed professional geologist,
and a certified water rights examiner who has expertise in hydrogeology, well construction, water supply systems, and water rights with over 22 years of experience in this field of work.

4. In conjunction with my retention as an expert witness in this matter, I have concluded that the well option, as set forth in GWD’s Amended Mitigation Plan, could cost upward of $750,000 to $1,000,000 upon completion. Cost for drilling and testing the first well will be approximately $200,000. This cost is based on three bids for well construction ranging from $171,000 to $206,000, and does not include costs for engineering or site improvements. Annual cost for power, operation, and maintenance is anticipated to be approximately $100,000.

5. It is my opinion, that in order to produce 2.67 cfs, it will require the drilling and completion of approximately three successful production wells, assuming the testing comes back positive.

6. Although drilling wells to tap deep aquifers beneath the Snake River Farms area for mitigation water supply is possible, the following should be noted.
   • It has not been determined if the deep aquifer can supply this amount of water on a sustainable basis.
   • The water right permit application (36-16645) for this purpose has been protested.

8. I have read Mr. Eldridge’s expert report and have consulted with Mr. Eldridge regarding his opinions. Recycling of raceway water appears to be a viable and reliable option for supply of mitigation water to maintain and increase aquaculture production at Snake River Farms. No water right action is required, no impacts to other water users will occur, and it should be possible to provide reliable and fully redundant facilities for mitigation purposes.
9. Based on my understanding of Mr. Eldridge's report, I believe his recycling plan is a more feasible and is a more favorable mitigation option than the well option.

Further your affiant sayeth not.

DATED this 10th day of December, 2008.

TERRY SCANLAN

STATE OF Idaho

County of Ada

On this 10th day of December, 2008, before me, Roxanne Brown, the undersigned, a notary public in and for said state, personally appeared Terry Scanlan, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Roxanne Brown
Notary Public for State of Idaho
Residing at 3325 N 40th 30
My Commission Expires: 3/14/2014

DATED this 12th day of December, 2008.

TERRY SCANLAN'S AFFIDAVIT IN SUPPORT OF GROUND WATER DISTRICT'S MOTION TO RECONSIDER
TERRY SCANLAN'S AFFIDAVIT IN SUPPORT OF GROUND WATER DISTRICT'S MOTION TO RECONSIDER
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CERTIFICATE OF MAILING

I hereby certify that on this 12th day of December, 2008, the above and foregoing was sent to the following by U.S. Mail, proper postage prepaid and by e-mail for those with listed e-mail addresses:

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JOSHUA D. JOHNSON

TERRY SCANLAN'S AFFIDAVIT IN SUPPORT OF GROUND WATER DISTRICTS' MOTION TO RECONSIDER