

Tin Cup County Water and/or Sewer District
Post Office Box 292
Darby, Montana 59829
August 26, 2003

Daniel G. Ritter
Darby Ranger District
P.O. Box 388
712 North Main Street
Darby, Montana 59829

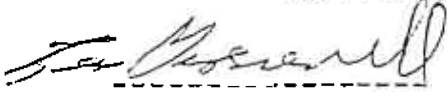
Subject: Emergency Dam Repair at Tin Cup Reservoir

Dear Sir

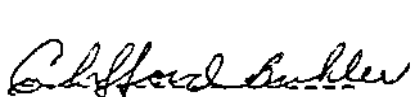
We hereby give you notice that we intend to enter National Forest lands for the purpose of rehabilitating the Tin Cup Dam so as to permit it to store, on an ongoing basis, water for irrigation purposes. At your request, we agree to acknowledge that our entry will be undertaken pursuant to the "emergency provisions" of the existing Special Use Permit between the District and the National Forest. However, nothing in this document or in our actions to rehabilitate the structure, which is essential to the welfare of a large number of our citizens, will prevent either the District or the United States from setting forth any claim or any defense in the ongoing litigation in the Missoula Federal District Court, Civil Action CV-03-14-M-LBE. We hope that our efforts will result in a stabilization of the dam structure, adequate dam safety and will provide assurances to the public that responsible actions are underway to both preserve the badly needed water supply and the natural resources of the National Forest.

In accordance with the Special Use Permit, Section VII, Item D, Subsection 7, we request a copy of the report regarding the USFS, July 17, 2003 inspection of Tin Cup Dam including your findings requiring immediate action to guide our corrective actions.

Very truly yours,
Tin Cup Co. Water and/or Sewer District
Board of Directors



Les Groeneveld
President



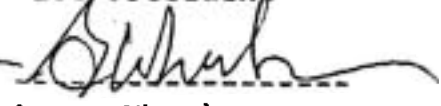
Clifford Buhler
Vice President



John Caldwell



Jeffrey Knaggs



Gregg Wheeler

cc: David Bull
Forest Supervisor, BNF