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October 22, 2004

Roger W. Briggs, PE California Regional Water Quality Control Board Central Coast Region 895 Aerovista Place, Suite 101 San Luis Obispo, California 93401-7906

RE: Expenditures for David Pierson's Huer Huero Ranch

Dear Mr. Briggs:

This letter is submitted in behalf of David Pierson. As per your meeting in your offices on September 23, 2004 with Haig Keligian, Mr. Pierson has reviewed his expenditures in trying to meet the requirements of your Staff. The following information for your review is submitted in mitigation of the proposed penalties:

	Estimated Total Expenses	\$82,616.94
6.	Approximate Labor cost for 2003 (labor contractor will forward bills)	30,000.00
5.	Labor cost for 2002	10,968.20
4.	Aerial Seeding cost	7,629.00
3.	Legal expenditures regarding erosion control paid to William S. Walter	3,040.00
2.	Total amount for supplies related to erosion	10,405.74
1.	Engineering erosion control plan systems fees paid for said system to EDA	\$20,574.00