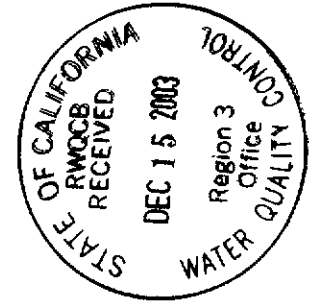


December 12, 2003

Mr. Roger Briggs
Regional Water Quality Control Board
895 Aerovista, Suite 101
San Luis Obispo, Ca. 93401



**Re: Goldie Lane Property, Santa Margarita
WDID #3 40S319357**

Dear Roger:

This is in response to your letter dated November 26, 2003, requesting information relating to the intended agricultural use of this property. The majority of the site is currently accessible only by foot due to the erosion control measures installed in conformance with our Road Management Plan dated August 29, 2003.

Please find enclosed a proposal from Alegre Agricultural Consulting, Inc., for the installation of approximately 25 acres of olive trees. The extent and quantity of trees to be planted will depend on the production capabilities of a new well to be drilled near the Huer Huero River in the spring when the site is accessible.

Thank you for this opportunity to respond to your concerns. Please contact us if you have any questions.

Sincerely;

eda - design professionals

A handwritten signature in black ink, appearing to read "Jeffrey J. Emrick".

Jeffrey J. Emrick, P.E., AIA

encl

D:\LTRS\22558000\eg use resp.rb



Alegre

Agricultural Consulting, Inc
5520 El Pomar Drive, Templeton, CA 93465
Office: 805-237-7796 Fax: 805-237-7797
Mobile: 805-610-2019
License # 0650036

August 2, 2003

Creston Real Estate
David Williams
P.O. Box 320
Creston, CA 93432

Dear David,

Thank you for your interest in Alegre Ag Consulting Services, Inc. Enclosed you will find the breakdown for the olive orchard based on 25 acres. Please notice the variation in price reflects the addition of end posts and the placing of drip hose 12-14 inches from the ground.

I have verified availability of all olive tree varieties as well as the stock of all materials, and I am confident that we would be able to begin ground preparation as early as the completion of our first full rainfall this winter and begin planting by spring.

Please do not hesitate to call with any questions you may have, or any further references you may need.

Sincerely,

Mindy Alegre
Alegre Ag Consulting Services, Inc

Alegre
Agricultural Consulting, Inc.
5520 El Pomar Drive, Templeton, CA 93465
Office: 805-237-7796 Fax: 805-237-7797
Mobile: 805-610-2019
License # 0650036

COST BREAKDOWN
20'x20' OLIVE TREE SPACING
109 TREES PER ACRE

Ground Preparation including ripping and discing	\$19,869.50
Survey	\$ 4,750.00
Stake Layout	\$20,450.00
Materials	\$12,261.50
Irrigation materials and design	\$25,937.50
Olive Trees-1 gallon	\$25,662.50
Planting of trees	\$24,419.00
<u>Supervision, insurance, overhead</u>	<u>\$20,400.00</u>

TOTAL FOR 25 ACRES ***\$153,750.00***

Additional fees will apply for the following services:

- Any Wells, Pumps or Filters
- Main irrigation lines brought to proposed irrigation site
- Fencing or removal of any fencing
- Rock removal
- Tree or brush removal
- Terracing on hillsides

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COST BREAKDOWN
 20'x20' OLIVE TREE SPACING
 109 TREES PER ACRE

Ground Preparation including ripping and discing	\$19,869.50
Survey	\$ 4,750.00
Stake Layout	\$20,450.00
Endposts and installation	\$ 6,875.00
Materials	\$12,261.50
Irrigation materials and design	\$25,937.50
Olive Trees-1 gallon	\$25,662.50
Planting of trees	\$24,419.00
<u>Supervision, insurance, overhead</u>	<u>\$20,400.00</u>

TOTAL FOR 25 ACRES ***\$160,625.00***

Additional fees will apply for the following services:

- Any Wells, Pumps or Filters
- Main irrigation lines brought to proposed irrigation site
- Fencing or removal of any fencing
- Rock removal
- Tree or brush removal
- Terracing on hillsides

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CONSULTING COST

Fee is based on a per acre rate:

\$ 250.00/per acre

The Consultant/Manager shall oversee:

- Consulting/advising on an as-needed basis
- Supervision of crews as needed
 - Organize all labor crews
 - Estimate of labor costs for each service
- All farming practices including:
 - Management
 - Training of young trees
 - Suckering
 - Varmint control recommendation
 - Chemical recommendation through Certified Companies
 - All pruning practices
 - Cover crop recommendation

Consulting does not include:

- Purchase of chemicals or maintenance materials
- Payment to labor contractor
- Tractor and implement rental fees

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MANAGEMENT COST

Fee is based on a per acre rate:

\$ 1,125.00/per acre

The Consultant/Manager shall oversee:

- Consulting/advising on an as-needed basis
- Supervision of crews as needed
 - Organize all labor crews
 - Estimate of labor costs for each service
- All farming practices including:
 - Management
 - Training of young trees
 - Suckering
 - Varmint control
 - Chemical for weed control
 - All pruning practices
 - Cover crop planting

Management includes:

- Purchase of chemicals and maintenance materials
- Payment to labor contractor
- Tractor and implement rentals

Management does not include:

- Repair to any well, pumps, or filters