

**FEDERAL ENERGY REGULATORY COMMISSION
Washington, D. C. 20426**

**Project No. 2785-078 - Michigan
Sanford Project
Boyce Hydropower, LLC**

OFFICE OF ENERGY PROJECTS

MAY 02 2011

**Mr. Lee Mueller
Boyce Hydropower, LLC
4132 S. Rainbow Blvd #247
Las Vegas, Nevada 89103**

Dear Mr. Mueller;

This is in response to Boyce Hydropower, LLC's (Boyce) April 25, 2011, quarterly report on the status to comply with the requirements of the Commission's April 19, 2010, letter requesting evidence of compliance with standard Article 5 of the Sanford Project's, Project No. 2785, license.

The filing states that the Midland County Commissioners rejected an offer by Boyce and a nonprofit corporation to purchase the forfeited tax parcels. Boyce is anticipating beginning condemnation proceedings within the next few months to secure the required property rights. Additionally, Boyce is continuing efforts to identify the numerous encroachments and resolve them prior to condemnation proceedings.

We appreciate Boyce attempting to take steps towards complying with standard Article 5 of the licenses. We look forward to being informed of more actions occurring to comply with standard Article 5 on your next quarterly report, due July 19, 2011. We are requesting that your next quarterly report include details regarding your proposed actions to identify and resolve the encroachment issues in addition to any other actions you take to comply with standard Article 5.

If you have any questions concerning this letter, please contact Jeremy Jessup at (202) 502-6779.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles K. Cover', with a long horizontal flourish extending to the right.

**Charles K. Cover, P.E.
Chief, Project Review Branch
Division of Hydropower Administration
and Compliance**

**cc: John H. Clements
Van Ness Feldman
1050 Thomas Jefferson St. NW
Washington, DC 20007**