

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

**Project Nos. 10808-044, 10809-038, and 10810-042 - Michigan Edenville, Secord, and Smallwood Projects
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**

Subject: Quarterly Report

Dear Mr. Mueller;

This is in response to Boyce Hydropower, LLC's (Boyce) April 21, 2011 quarterly report on the status to comply with standard Article 5 of the Edenville, Project No. 10808, Secord, Project No. 10809, and Smallwood, Project No. 10810, Projects' licenses.

The filing states that on April 15, 2011, Boyce and the Gladwin County Treasurer reached a settlement agreement regarding payment of the property taxes for the parcels in Gladwin County within the project boundaries that were under threat of foreclosure. Boyce will pay the taxes and remain the owner of record of these parcels. The filing continues to state that Boyce remains concerned about the many inaccuracies in the property ownership records of several Gladwin County Township Assessors and the Gladwin County Treasurer. Boyce is continuing efforts to identify any encroachments and resolve them to meet the requirements of Article 5 of the licenses.

We appreciate Boyce taking positive steps towards complying with standard Article 5 of the licenses. Please file a copy of the agreement with the Gladwin County Treasurer with the Commission within 30 days of the date of this letter. Additionally, please include details regarding your proposed actions to identify and resolve encroachment issues in your next quarterly report, due July 19, 2011.

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". The signature is fluid and cursive, with a long horizontal line 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