

November 6, 2008

Ms. Julie Hamilton
U.S. Army Corps of Engineers-Norfolk District
Richmond Field Office Annex
9100 Arboretum Parkway, Suite 235
Richmond, Virginia 23236

**Re: Addendum to Middle James Regional Environmental Bank Prospectus
Buckingham and Amelia Counties, Virginia**

Dear Ms. Hamilton:

Angler Environmental is pleased to submit this addendum to the prospectus for a mitigation bank in the James River Watershed on behalf of the Bank Sponsor, Mitigation Services, Inc. Specifically, this addendum addresses the following: 1.) How the mitigation bank will be established and operated 2). The proposed ownership arrangements and long term management strategy for the mitigation bank and 3.) The qualifications of the sponsor to successfully complete the type of mitigation proposed.

With respect to the first two items, Mitigation Services, Inc. (MSI) will establish the bank as the sponsor and will be the operator of the bank through the credit sale and 10 year monitoring period. MSI currently has landowner agreements with the two owners of the mitigation properties which allow MSI to perform mitigation activities within portions of the property designated for mitigation. The landowner agreements require the owners of the property to record restrictive covenants or conservation easements on those portions of land designated for mitigation in accordance with the USACE and VDEQ declaration of restriction. The agreements also require the land owners to provide MSI with all rights of way, access and easements necessary to perform the required mitigation design, construction and monitoring/maintenance activities within the mitigation areas of the properties.

The proposed long term management strategy for these sites will be to set aside a portion of the revenue generated from sale of credits into an escrow account that will be held until the long term steward is named. A long term management plan for both sites will be developed as part of the Bank development and approval process. The intent of this bank is to have the long term steward be a non-profit organization focused on land conservation. As stated in the prospectus, the current landowner of the Amelia Springs site will be placing a conservation easement on the entire property to be held by VOF.

As far as the qualifications of the sponsor to successfully complete the type of mitigation proposed, MSI and its affiliated companies currently operate four (4) approved wetland and/or stream mitigation banks within Virginia, and have two (2) additional banks currently in the IRT

review process. In addition, these companies have successfully completed design and construction of over 60 full delivery project-specific mitigation sites, including the Railroad Bend Mitigation Site in Charles City County and the Townsend Stream Mitigation site in Henrico County, Virginia.

If you have any questions regarding material, please contact me at (804) 353-6017. We look forward working with you on this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Thaddeus J. Loucks". The signature is fluid and cursive, with the first and last names being the most prominent.

Thaddeus J. Loucks, PWD, PWS
Regulatory Division Manager