

Minutes of the annual meeting of Henderson Ranches, Inc. held April 25, 1999 at the home of Helen Henderson (Howard) with Helen, Robert H. and Marguerite, Thomas H. and Merle Henderson, Wendell and Alice Dunn, and Willis Howard attending. Stanley Henderson was excused due to the illness of his wife Ruth.

Meeting was called to order by President Helen Henderson. Minutes of the 1998 annual meeting were read and approved, and minutes of the settlement meeting with Don Marley were read for information purposes.

Willis reported that he had assisted Don Marley in installation of pipe in the pasture west of the ranch house. The ranch paid for materials and back hoe work. Backfilling around the pipe was not completed as it should have been before winter, and it washed out badly this spring. Don will take full responsibility for completing the project, including back hoe work. The project should prevent further erosion of the creek at the difficult curve before emptying into Marsh Creek.

It cost us about \$400.00 to have Bannock County spray for the dyers wode growing on the hill in the vicinity of the old dump last year. Willis will supervise this year, and it should cost us less. He will also use Round-up around the ranch where needed as well as at the trailer park. Weeds around the out-buildings at the ranch house are under much better control due to his 1998 efforts.

Robert said the trailer park looked trashy. After a discussion of various alternatives, Marguerite moved that we notify the tenants of a raise in the rent to \$50.00 per month and intent to make improvements to upgrade the appearance. Wendell said we would have to comply with terms of the lease agreements. Tom seconded the motion, and it carried. Wendell was instructed to talk to Dale Evans about the junk in the spaces he rents for his employees, especially the old cars and trash in the irrigation ditch.

Tom moved that we retain present officers Helen Henderson (Howard), president; Stanley Henderson, vice-president; and Alice H. Dunn, secretary. Marguerite seconded, motion, carried.

Wendell reported that the ranch is finally out of debt but will have to borrow operating funds from when the next expenses come due until the end of the year. He presented a proposed 1999 budget (copy attached.) There should be a carry-over of \$4656.00 at the end of 1999 to begin paying year 2000 expenses. This budget also provides for some money for improvements. We can look forward to the ranch being completely self-sustaining within a few years. Robert suggested that we put any profit into improvements to cut taxes. Helen reminded us that we could use some of those profits to reimburse her for expenses for the new roof and paint, needed improvements to her home during 1998 as planned in the 1998 annual meeting.

Larry Christensen signed a copy of the original lease dated 1990 which gave him three years, not the new lease which Alice wrote up for him in January. No one seemed to know where the two copies of it went in the interim. The new lease separated the Rocks from the rest of the ranch. Originally, Christensen's was set up as a sublease, but he has always dealt directly with us.

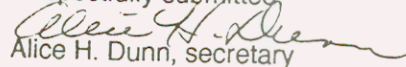
Larry reported to Helen that he had beaten off some sagebrush preliminary to planting new grass. He grazes 100 cattle there until he can put them on the range. He also indicated that the perimeter fences are in adequate shape and that he is using the irrigation water.

Helen asked about selling Winafred's shares. Based on county assessments, the value appears to be about \$1394.00/share. Terms of the articles of incorporation limit buyers to members of the family. Tom would like to buy the ranch, but none of us has the money to buy any shares.

Willis reported that he had found sale of the machinery not feasible.

Meeting adjourned at 4 p.m.

Respectfully submitted,


Alice H. Dunn, secretary

Dave

A29-04200

A29-04201

A29-04202

A29-04203

A29-11089

A29-11090 Partially Decreed

A29-11091 Partially Decreed

A29-11092 Partially Decreed

A29-11093 Partially Decreed

A29-11095 Partially Decreed

A29-11096 Partially Decreed

A29-11097 Partially Decreed

A29-11098 Partially Decreed

A29-11099 Partially Decreed

A29-11100 Partially Decreed

A29-11101 Partially Decreed

A29-11102 Partially Decreed

A29-11103 Partially Decreed

AFFIDAVIT

To: Idaho Department of Water Resources

From: Robert W. Henderson, P.O. Box 15, Arimo, Idaho 83214, January 11, 1995

Regarding: Adjudication claim AJ5809NP, #A 29-04202

The home place of Henderson Ranches contains in excess of 1100 acres of land in T 10S, R37E, S7 and S18 and adjoining sections in R36E. Most of it is irrigated but some is dry farm land. Another irrigated part of the ranch lies in sections 25 and 26 in T9S, R36E. The irrigated parcels were acquired with water rights in separate parcels over a long period of time beginning in 1913 when my father and uncle purchased the first 360 acres and our family took up residence in the house in which I still live. I was nine years old at that time. The various water sources have been developed into an "extensive and complex system" mentioned in A29-04201. This system also includes water from shares owned in Arimo Ditch Company, *an extension of Portneut Irrigating Co.*

Both irrigation and stock watering are indeed carried out on the same described locations which constitute parts of the irrigated portions of the ranch.

The springs and pond area described in the document under consideration lie in parcels purchased from Bill and Zina Hatch in 1945, from Jesse and Bertha Kelley in 1954, and the northern tip of the pond area purchased from Kenneth Capell in the late 1960s. The water from the pond and springs mixes and has been transported through a hill to the west by means of a ditch since before 1924. Zeb Gunter, owner at that time, and my father-in-law Thomas Charles Smith, whom he employed, built the ditch. Before that time for many years, the water was transported by a ditch which had been constructed around the north side of the hill. The water irrigates land west of that hill on both the east and west sides of Marsh Creek where it is carried by three pipes that cross the creek, 298 acres as stated in the original filing.

We filed on only half of this water because a small parcel of land owned at time of filing for adjudication by the Olson family includes part of the pond area. There has never been practical use of the water on that land. A small meadow along the creek is usable only marginally as pasture because it is too wet when we are not using the water.

IN WITNESS WHEREOF, the party of the second part has hereunto set his hand.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF)

Robert W. Henderson

STATE OF IDAHO

County of Bingham

On this 11th day of January, in the year 1995, before me
a Notary Public in and for said County and State, personally appeared

Robert W. Henderson

known to me to be the person whose name is subscribed to the within instrument, and
acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and
year in this certificate first above written.

(seal)

*Dad said on 1-12-95
that this is not the water on
which we filed for only
half. That is the
water in
claim #
A 29-110-?*

AFFIDAVIT

To: Idaho Department of Water Resources

From: Henderson Ranches, P.O. Box 15, Arimo, Idaho 83214, January 12, 1995

Regarding: Ajudication claim AJ5809NP, #A 29-11089

The spring described in the document under consideration lies in a parcel to which we acquired the deed from Bill and Zina Hatch March 28, 1945. The water from several springs mixes with water from the pond. My father Robert W. Henderson told me that the water has been transported through a hill to the west by means of a ditch since before he was married, which was in 1924. Zeb Gunter, who owned the land at that time, and my grandfather Thomas Charles Smith, whom Mr. Gunter employed, built the ditch. An earlier ditch transported the water around the north side of the hill. The water from all sources involved irrigates and waters cattle on land west of that hill on both the east and west sides of Marsh Creek where it is carried by three pipes that cross the creek.

IN WITNESS WHEREOF, the party of the second part has hereunto set his hand.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF)

Alice H. Dunn

) Alice H. Dunn

) Secretary, Henderson Ranches, Inc.

STATE OF IDAHO

County of Bannock

On this 12th day of January, in the year 1995, before me
a Notary Public in and for said County and State, personally appeared

Alice H. Dunn

known to me to be the person whose name is subscribed to the within instrument, and
acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and
year in this certificate first above written.

(seal)

Gracie Brown Notary
12-4-95 Public

NOV 14 1995

NOV 14 1995

AFFIDAVIT

To: Idaho Department of Water Resources

From: Robert W. Henderson, P.O. Box 15, Arimo, Idaho 83214, January 11, 1995

Regarding: Ajudication claim AJ5809NP, #A 29-~~04201~~ *This was wrongly identified under the changes made by Dave Carlson to clarify an 29-11089. claim was which, it became clear that this*

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IN WITNESS WHEREOF, the party of the second part has hereunto set his hand.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF)
)
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Robert W. Henderson

STATE OF IDAHO

County of Bingham

On this 11th day of January, in the year 1995, before me
a Notary Public in and for said County and State, personally appeared

Robert W. Henderson

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and
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(seal)