



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161- Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

JOHN L MILLER
PO BOX 2260
NAPA CA 94558

RE: Notice of Change of Water Right Ownership (NCO) for
35-04271, 35-08635 and Notice of Completed
Administrative Proceeding (NCAP)

Dear Mr. Miller:

On January 13, 1999, the Idaho Department of Water Resources (IDWR) received an NCO changing the right holder for a portion of the above referenced water right(s). Based on this NCO, IDWR water right records for the Snake River Basin Adjudication (SRBA) have been updated with new water right numbers reflecting the division of the water right(s).

Furthermore, as directed by the SRBA Court, this office mailed a copy of the updated water right record(s) to each party listed on the enclosed NCAP. The intent of this mailing is to ensure each party has a current record of the water right(s) as recorded in the SRBA.

Please feel free to contact me if you have any questions concerning this matter.

Respectfully,

Jennifer Hoagland
Technical Records Specialist

Enclosure

REED L. MARTINEAU
H. JAMES CLEGG
DAVID W. SLAGLE
A. DENNIS NORTON
ALLAN L. LARSON
JOHN E. GATES
R. BRENT STEPHENS
KIM R. WILSON
MICHAEL R. CARLSTON
DAVID G. WILLIAMS
REX E. MADSEN
MAX D. WHEELER
ROBERT H. HENDERSON
STEPHEN J. HILL
DAVID W. SLAUGHTER
STANLEY J. PRESTON
JOY L. CLEGG
SHAWN E. DRANEY
JOHN R. LUND
RYAN E. TIBBITTS

RODNEY R. PARKER
RICHARD A. VAN WAGONER
ROBERT C. KELLER
ANDREW M. MORSE
CAMILLE N. JOHNSON
TERENCE L. ROONEY
DENNIS V. DAHLE
KOREY D. RASMUSSEN
HARRY H. SOUVALL
SCOTT K. WILSON
LINDA LUINSTRAL BALDWIN
DAVID L. PINKSTON
JULIANNE BLANCH
BRIAN P. MILLER
JUDITH D. WOLFERTS
KEITH A. CALL
SCOTT H. MARTIN
HEATHER S. WHITE
ROBERT R. HARRISON

LAW OFFICES
SNOW, CHRISTENSEN & MARTINEAU
A PROFESSIONAL CORPORATION
10 EXCHANGE PLACE, ELEVENTH FLOOR
POST OFFICE BOX 45000
SALT LAKE CITY, UTAH 84145-5000
TELEPHONE (801) 521-9000
FACSIMILE (801) 363-0400
HTTP://WWW.SCMLAW.COM

THURMAN & SUTHERLAND 1886
THURMAN, SUTHERLAND & KING 1888
THURMAN, WEDGWOOD & IRVINE 1906
IRVINE, SKEEN & THURMAN 1923
SKEEN, THURMAN, WORSLEY & SNOW 1952
WORSLEY, SNOW & CHRISTENSEN 1967

JOHN H. SNOW 1917-1980

OF COUNSEL
HAROLD G. CHRISTENSEN
GORDON R. HALL
JOSEPH NOVAK

WRITER'S DIRECT NUMBER:

(801) 322-9138

January 7, 1999

Idaho Department of Water Resources
Statehouse Mail
Boise, Idaho 83720-9000

Attn: Adjudication Bureau

Re: Change of Water Right Ownership

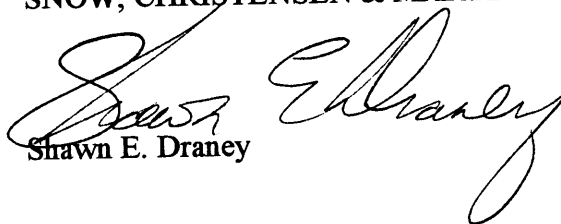
Dear Adjudication Bureau:

My client, John L. Miller, purchased certain water rights from North Fork Energy, Inc., and a partial interest in other North Fork Energy, Inc. rights. Enclosed is a form notifying you of this change.

Please call me if you have questions, comments or concerns.

Very truly yours,

SNOW, CHRISTENSEN & MARTINEAU


Shawn E. Draney

SED/dwb
Enclosure

cc: North Fork Energy, Inc., Former Owner (w/enc.)
John L. Miller, New Owner (w/enc.)

RECEIVED

JAN 13 1999

Department of Water Resources

RECEIVED

JAN 19 1999

Department of Water Resources
Eastern Region

DELOG DC 1-19-99

RECEIVED

JAN 13 1999

Department of Water Resources



NEW PROPERTY OWNER NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

Please print or type
(see instructions on back of page)

DATE OF CLOSING: December 23, 1998

LEGAL DESCRIPTION OF PROPERTY: Township 45 Range 32E
Section 24, 25, 26 1/4 of 1/4 of 1/4 Govt. Lot , BM.
Lot , Block, , Subdivision/Townsite .
If you have additional legal descriptions, please attach separate sheet.

- [] Served Only by a Public Service Water Supply (all water is received from a city or company who maintains water supply system, owns the water right, and bills the customer on a regular basis)
35-07138, 35-00007, 35-00028, 35-00029, 35-02016, 35-02014,
[X] Water Right Number(s) 35-11392, 35-11393, 35-11394, 35-00047, 35-007142, 35-04271,
Assigned by IDWR: 35-08635, 35-11390, 35-08782, 35-09068, and 35-08679 35-07141

[] Name and Address of Former Owner/Claimant(s)(Seller): North Fork Energy, Inc., Attn: Greg Lansberry
4414 S. Gekeler Lane
Boise, Idaho 83705

[] New Owner/Claimant (Purchaser): John L. Miller

[] New Mailing Address: P. O. Box 2260
Napa, California 94558

[] New Telephone Number: (707) 224 - 6444

- [X] Does the change in ownership result in a splitting of the water right owned/claimed? X yes no
If yes, then describe the portion of the water right that is now owned/claimed by the new owner:

WRN's 35-04271, 35-08635, 35-08782, 35-09068 and 35-08679 are
split pursuant to the attached Special Warranty Deed.

- [X] Attach proof of ownership, describe proof attached: See attached Warranty Deed and Special Warranty Water Rights, Well Development and Maintenance Agreement and Well Development and Maintenance Easement
(proof of ownership must describe either the property conveyed or include the claim number. Proof of ownership is not required if this form is signed by the former owner/claimant.)

[X] Signature of New Owner/Claimant(s) John L. Miller Date Dec 28, '98

[X] Signature of Former Owner/Claimant(s): NORTH FORK ENERGY, INC. Date

By: , Its: Date

(Signature of former claimant(s) is not required if proof of ownership is attached.)

FOR IDWR USE ONLY:

Initial Review and Data-Entry

Date: By:

Further Action Needed:

Further Action Taken

Date: By:

Final Review and Data-Entry

Date: By:

Claim Numbers of Split, if any:

Original to be mailed to Idaho Department of Water Resources
Copies to Former Owner and New Owner

WHEN RECORDED, MAIL TO:

John L. Miller
P.O. Box 2260
Napa, California 94558

WARRANTY DEED

North Fork Energy, Inc., a corporation organized and existing under the laws of the State of Idaho, with its principal place of business in Bingham County, Idaho, GRANTOR, hereby CONVEYS and WARRANTS to John L. Miller, GRANTEE, of Napa County, California, for the sum of TEN DOLLARS and other good and valuable consideration, the following-described tract of land in Bingham County, Idaho:

Beginning at a point on the South line of a County Road that is South $0^{\circ}13'14''$ West 2167.35 feet along the Section line and South $81^{\circ}36'31''$ West 84.90 feet from the Northeast corner of said Section 24 and running thence south $81^{\circ}36'31''$ West 1192.27 feet along said South line; thence South $78^{\circ}49'32''$ West 1368.55 feet; thence South $79^{\circ}16'11''$ West 402.03 feet; thence South $89^{\circ}24'11''$ West 198.67 feet; thence South $89^{\circ}59'48''$ West 2075.55 feet along said South line to the West line of said Section 24; thence leaving said County Road South $0^{\circ}32'53''$ West 2618.34 feet along the Section line to the South West corner of said Section 24; thence North $89^{\circ}28'36''$ West 1325.23 feet along a fence line; thence South $1^{\circ}04'04''$ West 1268.04 feet along said fence; thence South $55^{\circ}28'37''$ West 90.03 feet; thence North $89^{\circ}46'17''$ West 958.92 feet along said fence line to the east line of a county road; thence South $5^{\circ}14'03''$ East 199.67 feet along said east line to the Bureau of Reclamation take line; thence along said Bureau of Reclamation take line the following three (3) courses (1) North $48^{\circ}14'18''$ East 293.73 feet; (2) thence South $41^{\circ}37'41''$ East 168.00 feet; (3) thence South $49^{\circ}20'46''$ West 424.73 feet; thence South $16^{\circ}10'45''$ West 169.69 feet; thence South $56^{\circ}11'16''$ West 256.70 feet; thence South $0^{\circ}11'21''$ West 546.83 feet; thence South $53^{\circ}20'44''$ East 115.52 feet along said east line to the North line of said County Road; thence South $88^{\circ}50'14''$ East 561.72 feet along said North line; thence South $87^{\circ}40'11''$ East 149.39 feet; thence North $89^{\circ}37'03''$ East 1145.42 feet; thence North $80^{\circ}18'38''$ East 264.58 feet; thence South $89^{\circ}24'55''$ East 174.18 feet to the Bureau of Reclamation Take Line; thence along said Bureau of Reclamation Take Line the following three (3) courses (1) North $76^{\circ}17'38''$ East 235.58 feet; (2) thence North $67^{\circ}19'32''$ East 349.70 feet; (3) thence South $41^{\circ}00'50''$ West 162.37 feet to the North line of a County Road; thence North $69^{\circ}59'04''$ East 56.48 feet; thence North $59^{\circ}36'35''$ East 521.39 feet; thence North $53^{\circ}39'50''$ East 263.65 feet; thence North $31^{\circ}17'57''$ East 502.46 feet; thence North $81^{\circ}43'25''$ East 787.30 feet; thence South $89^{\circ}36'24''$ East 702.19 feet; thence South $64^{\circ}24'39''$ East 620.55 feet; thence South

/NE, NE 24, 45, 32E

- 5 67°30'02" East 233.65 feet; thence South 84°26'23" East 323.64 feet; thence South 74°29'47" East 1219.71 feet; thence South 75°50'39" East 443.76 feet along said North line; thence leaving said County Road North 1°30'06" West 110.13 feet; thence North 1°26'14" West 2304.88 feet along a fence line; thence North 1°42'30" West 3088.94 feet along said fence line to the Point of Beginning.

EXCEPTING THEREFROM the following parcel:

Part of the East Half of the Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho, described as follows:

Beginning at a point in an existing North-South fence line that is North 00°13'14" East 1615.08 feet along the Section line and North 89°34'12" West 33.14 feet from the Southeast corner of said Section 24 and running thence North 01°42'30" West 1509.49 feet along said existing fence line to the south line of an existing County Road; thence South 81°36'31" West 714.85 feet along said South line; thence South 02°48'39" West 834.28 feet; thence South 30°55'57" West 426.02 feet; thence South 44°54'25" West 277.78 feet; thence South 89°34'12" East 1208.22 feet to the Point of Beginning.

TOGETHER WITH:

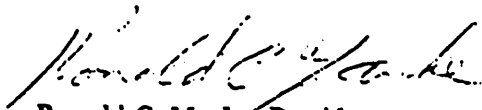
All fixtures and appurtenances located on the described and conveyed real property, including, but not limited to, one trailer home, and all other out buildings located on the property, eight (8) approximately quarter mile long Thunderbird wheeled irrigation lines, two (2) approximately quarter mile long four (4) inch diameter hand irrigation lines, all existing buried main irrigation lines, a 150 horsepower deep well pump and a 100 horsepower centrifugal pump.

AND SUBJECT TO all easements and encumbrances of record.

The officers of North Fork Energy, Inc. who sign this Warranty Deed hereby certify that this Warranty Deed and the transfer represented thereby was duly authorized under a resolution duly adopted by the board of directors of North Fork Energy, Inc. at a lawful meeting properly noticed and duly held, and attended by a quorum.

IN WITNESS WHEREOF, the GRANTOR has caused its corporate name and seal to be hereunto affixed by its duly authorized officers this 23 day of December, 1998.

NORTH FORK ENERGY, INC., Grantor


Ronald C. Yanke, President

ATTEST:

Richard D. Heaton

Richard D. Heaton, Secretary

STATE OF IDAHO)
: ss.
COUNTY OF ADA)

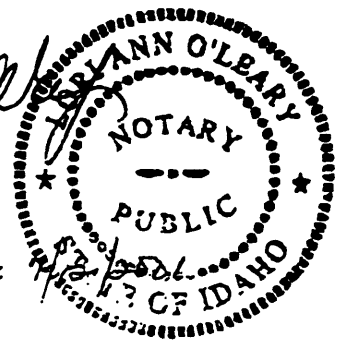
On the 13th day of December, 1998, personally appeared before me Ronald C. Yanke, who having first been duly sworn by me, did say that he is the President of North Fork Energy, Inc., that he has authority to sign the foregoing Warranty Deed on behalf of North Fork Energy, Inc. by reason of a duly and properly adopted resolution of the board of directors of North Fork Energy, Inc., and that the foregoing Warranty Deed was signed on behalf of North Fork Energy by him.

Lori Ann O'Leary
NOTARY PUBLIC

Residing in the State of Idaho

SEAL:

my commission exp: 7/2/2001



STATE OF IDAHO)
: ss.
COUNTY OF ADA)

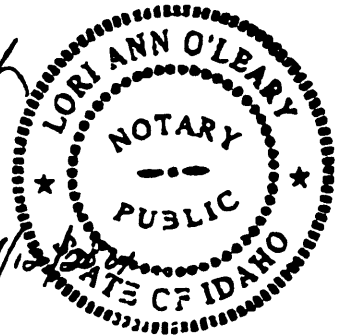
On the 23rd day of December, 1998, personally appeared before me Richard D. Heaton, who having first been duly sworn by me, did say that he is the Secretary of North Fork Energy, Inc., that the President of North Fork Energy, Inc., Ronald C. Yanke, has authority to sign the foregoing Warranty Deed on behalf of North Fork Energy, Inc. by reason of a duly and properly adopted resolution of the board of directors of North Fork Energy, Inc., and that he, Richard D. Heaton, as Secretary of North Fork Energy, Inc., has properly, and pursuant to authority duly granted to him by North Fork Energy, Inc., has signed the foregoing Warranty Deed attesting that the foregoing Warranty Deed was properly signed with authority on behalf of North Fork Energy, Inc.

Lori Ann O'Leary
NOTARY PUBLIC

Residing in the State of Idaho

SEAL:

my commission exp: 7/2/2001



WHEN RECORDED, MAIL TO:

John L. Miller
P.O. Box 2260
Napa, California 94558

**SPECIAL WARRANTY WATER RIGHTS DEED,
WELL DEVELOPMENT AND MAINTENANCE AGREEMENT
AND
WELL DEVELOPMENT AND MAINTENANCE EASEMENT**

North Fork Energy, Inc., a corporation organized and existing under the laws of the State of Idaho, with its principal place of business in Bingham County, Idaho, GRANTOR, hereby CONVEYS and WARRANTS to John L. Miller, or nominee, GRANTEE, of Napa County, California, for the sum of TEN DOLLARS and other good and valuable consideration, all right, title and interest in and to the following-described water rights:

Water Right Number ("WRN") 35-07141 for 4.8 cfs for the irrigation of 240 acres, as described in the Water Right License and the Snake River Basin Adjudication Claim Number ("SRBA Claim Number") A35-7141. Grantor believes this right may be reduced through the Snake River Basin General Adjudication to 4.68 cfs for the irrigation of 234 acres. Grantor makes no warranty beyond 4.68 cfs for the irrigation of 234 acres.

Water Right Number ("WRN") 35-07138 for 1.08 cfs for the irrigation of 54 acres, as described in the Water Right License. Grantor believes that SRBA Claim Number A35-07138 may be incorrect. Grantor makes no warranty except as to 1.08 cfs for the irrigation of 54 acres as described in the Water Right License.

WRN 35-00007 for the irrigation of 103 acres, as described in SRBA Claim Number A35-00007. However, Grantor believes the right may be limited to 2.1 cfs in the Snake River Basin General Adjudication. Grantor makes no warranty beyond 2.1 cfs for the irrigation of 103 acres.

WRN 35-00028 for 1.2 cfs for the irrigation of 109 acres, as described in SRBA Claim Number A35-00028.

WRN 35-00029 for .4 cfs for the irrigation of 109 acres, as described in SRBA Claim Number A35-00029.

WRN 35-02016, as described in SRBA Claim Number A35-02016. Grantor believes that the right may be reduced in the Snake River Basin Adjudication to 1.28 cfs for the irrigation of 64 acres. Grantor makes no warranty beyond 1.28 cfs and 64 acres.

WRN 35-02014, as described in the Water Right License for 1.3 cfs for irrigation as described in the Water Right License.

WRN 35-11390 for 20 cfs for fish propagation as described in SRBA Claim Number A35-11390 and as modified by Transfer Number 5055.

WRN 35-11392 for .04 cfs for the domestic use of one home.

WRN 35-11393 for .04 cfs for the domestic use of one home.

WRN 35-00047. Grantor makes no warranty whatsoever regarding WRN 35-0047.

A portion of WRN 35-007142 for the irrigation of 40 acres. Grantor makes no warranty whatsoever regarding WRN 35-007142.

TOGETHER WITH an undivided interest in the following water rights, and subject to the limitations described below:

WRN 35-04271 for 50 cfs for fish propagation as described in SRBA Claim Number A35-04271 and as modified by Transfer Number 5030.

WRN 35-08635 for .72 cfs for fish propagation as described by the Water Right License and as modified by Transfer Number 5030. Grantor believes that SRBA Claim Number A35-08635 may be incorrect. Grantor makes no warranty beyond .72 cfs.

WRN 35-08782 for 4.64 cfs as described in the Water Right License and as modified by pending, unapproved Transfer Number 5345.

WRN 35-09068 for 4.79 cfs for fish propagation or 3.79 cfs for fish propagation and 1. cfs for commercial use under WRN 35-08679.

WRN 35-08679 for 1.0 cfs for commercial use, as modified by Transfer Number 5030.

As to Water Right Numbers 35-04271, 35-08635, 35-08782 and 35-09068, Grantor retains the right to use the described flow for fish propagation purposes only on property retained by the Grantor located in the Northeast Quarter of Section 24, Township 4 South, Range 32 East

of the Boise Meridian, Bingham County, Idaho. Grantor's use of the water under Water Right Numbers 35-04271, 35-08635, 35-08782 and 35-09068 will be virtually non-consumptive.

As to WRN 35-08679, Grantor retains the right to consumptively use up to 1.0 cfs for commercial purposes, or file a transfer to use the water for irrigation or other consumptive purposes, on property retained by the Grantor located in the Northeast Quarter of Section 24 and the Northeast Quarter of the Southeast Quarter of Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho.

All flows available for use by Grantor or Grantee under Water Right Numbers 35-04271, 35-08635, 35-08782 and 35-09068, and all flows not consumed by Grantor under WRN 35-08679, shall be discharged to Boom Creek by Grantor at the point where Boom Creek intersects the existing Bingham County road in the Northeast Quarter of Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho. All water discharged by Grantor to Boom Creek shall meet all applicable state, federal and local laws, statutes, rules, regulations and ordinances, shall be free from any significant pathogens or disease which might adversely affect fish or wildlife, and shall be fit for the purposes of fish propagation, wildlife, recreation, the natural stream environment and aesthetics.

Grantor hereby conveys to Grantee a partial undivided right in and to Water Right Numbers 35-04271, 35-08635, 35-08782 and 35-09068 and 35-08679 consisting of the right to use the flow discharged by Grantor below the point described for all authorized purposes subject to any required Transfer from the Idaho Department of Water Resources and further subject to the limitations described above.

Neither Grantor nor the Grantee shall file any application for Transfer involving Water Right Numbers 35-04271, 35-08635, 35-08782, 35-09068 and 35-08679 which might in any manner diminish the quantity or quality of water available to the other.

Except as expressly stated otherwise above, Grantor warrants that it is conveying good, marketable, unencumbered title to all of the water rights described above. The same acreage may be an approved place of use for more than one water right. As part of the Snake River Basin General Adjudication, approved flows may be reduced because of this stacking of water rights. Reductions in flow as the result of stacking shall not be considered a breach of Grantor's warranties. As part of the Snake River Basin General Adjudication, small adjustments in approved acreage may be made as the result of the capacity for more precise measurements. Small reductions in acreage as the result of better measurement shall not be considered a breach of Grantor's warranties.

Water Right Number 35-04271, 35-08635, 35-08782, 35-09068 and 35-08679 and Transfer Numbers 5030, 5055 and pending Transfer Number T5345, approved a total of 10 wells to be drilled

on property retained by Grantor located in the Northeast Quarter of Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho. Three of the wells have been completed. Grantor shall continue to develop two (2) additional wells until the total authorized artesian flow from the wells under the described water right numbers and transfer numbers is obtained, or hydro geological data reasonably acceptable to Grantee indicates that additional wells would not result in a net yield from all of the wells of more than 3 cfs. Grantor shall complete the two (2) additional wells on or before August 1, 1999. While Grantor is not obligated to Grantee to develop the full ten (10) wells authorized under the described water rights and transfers, any water developed by Grantor on property belonging to Grantor located in the Northeast Quarter of Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho shall first be used to satisfy the water rights and transfers that Grantor and Grantee have undivided interests in as described above before being used for any other purpose. Grantor shall submit any proof required under the described water rights and transfers and shall timely take all other steps which may be reasonable and necessary to keep the described water rights and transfers in good standing. Grantor shall reasonably operate and maintain the wells in a condition which will maximize the flow to which the Grantor and Grantee have a right under the described water rights and transfers.

If for any reason Grantor fails to diligently and timely complete development of the two additional wells as described above, or alternatively, Grantor fails to maintain any wells developed by Grantor which are necessary to satisfy the water rights and transfers that Grantor and Grantee have undivided interests in as described above, Grantee shall have an easement and a right of ingress and egress across the property belonging to Grantor located in the Northeast Quarter of Section 24, Township 4 South, Range 32 East of the Boise Meridian, Bingham County, Idaho for the purpose of developing the two additional wells described above, or maintaining any wells developed by Grantor which are necessary to satisfy the water rights and transfers that Grantor and Grantee have undivided interests in as described above.

All of Grantor's obligations under this Special Warranty Water Rights Deed, Well Development and Maintenance Agreement and Well Development and Maintenance Easement shall run with the land and shall bind Grantors successors and assigns.

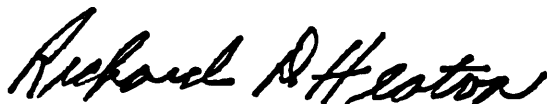
The officers of North Fork Energy, Inc. who sign this Special Warranty Water Rights Deed, Well Development and Maintenance Agreement and Well Development and Maintenance Easement hereby certify that this instrument and the agreements and transfers represented thereby was duly authorized under a resolution duly adopted by the board of directors of North Fork Energy, Inc. at a lawful meeting properly noticed and held, and attended by a quorum.

IN WITNESS WHEREOF, the GRANTOR has caused its corporate name and seal to be hereunto affixed by its duly authorized officers this 23 day of December, 1998.

NORTH FORK ENERGY, INC., Grantor


Ronald C. Yanke, President

ATTEST:

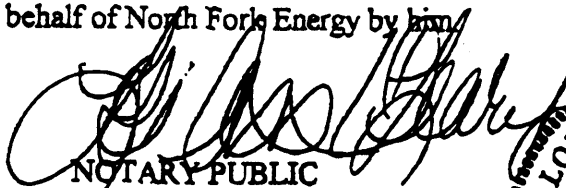

Richard D. Heaton, Secretary

STATE OF IDAHO)

: ss.

COUNTY OF ADA)

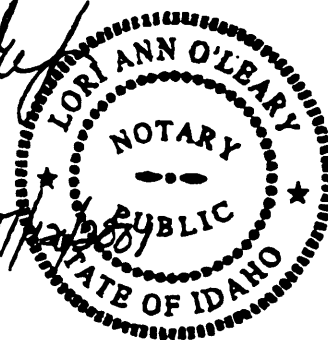
On the 23rd day of December, 1998, personally appeared before me Ronald C. Yanke, who having first been duly sworn by me, did say that he is the President of North Fork Energy, Inc., that he has authority to sign the foregoing Special Warranty Water Rights Deed, Well Development and Maintenance Agreement and Well Development and Maintenance Easement on behalf of North Fork Energy, Inc. by reason of a duly and properly adopted resolution of the board of directors of North Fork Energy, Inc., and that the foregoing instrument was signed on behalf of North Fork Energy by him.


NOTARY PUBLIC

Residing in the State of Idaho

SEAL:

My commission exp.: 7/2/2001



STATE OF IDAHO)

: ss.

COUNTY OF ADA)

On the 23rd day of December, 1998, personally appeared before me Richard D. Heaton, who having first been duly sworn by me, did say that he is the Secretary of North Fork Energy, Inc., that the President of North Fork Energy, Inc., Ronald C. Yanke, has authority to sign the foregoing Special Warranty Water Rights Deed, Well Development and Maintenance Agreement and Well Development and Maintenance Easement on behalf of North Fork Energy, Inc. by reason of a duly and properly adopted

resolution of the board of directors of North Fork Energy, Inc., and that he, Richard D. Heaton, as Secretary of North Fork Energy, Inc., has properly, and pursuant to authority duly granted to him by North Fork Energy, Inc., signed the foregoing instrument attesting that the foregoing instrument was properly signed with authority on behalf of North Fork Energy, Inc.



NOTARY PUBLIC
Residing in the State of Idaho

SEAL:

my commission exp. 11/2001

