

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE STATE OF IDAHO,
IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM

CIVIL CASE NUMBER: 39576

Ident. Number 37-11854
Date Received: 10/20/1988
Receipt No: S003104
Received By:

NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW

1. Name of Claimant(s)

EXCHANGE 05-3097 LLC
HC BOX 8028
KETCHUM ID 83340

CHRISTOPHER FLANIGAN
HC BOX 8028
KETCHUM ID 83340

2. Date of Priority: 01/01/1954

3. Source: SPRINGS Trib. to: SINKS

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4 Lot			County	Type
05N	17E	10	SW	NW	SE	BLAINE	

5. Description of diverting works:

6"X 100' WELL, 1 HP PUMP

6. Water is used for the following purposes:

Purpose	From	To	C.F.S.	(or) A.F.A
IRRIGATION	4/01	11/01	0.02	

7. Total Quantity Appropriated is:
0.02 C.F.S.

8. Total consumptive use:

9. Non-irrigation uses:

10. Place of use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres
05N	17E	10	NW	SE	IRRIGATION	1
					Section Acres	1
					Total Acres	1

11. Place of use in counties: BLAINE

12. Do you own the property listed above as place of use? Yes

13. Other Water Rights Used:

14. Remarks:

15. Basis of Claim: Statutory Claim

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP**

RECEIVED
SEP 21 2005
Department of Water Resources
Southern Region

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
<u>37-11852</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>37-11854</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
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<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

2. The following **REQUIRED** information must be submitted with this form:

A. The appropriate **FILING FEE**. See instructions for fee amounts.

B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.

C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s) Wallace G. Dowden and Sharon Dowden
4. New Owner/Claimant(s) Christopher Flanigan and Big Dog
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
Development LLC, an Idaho Limited Liability Co.
 New Mailing Address HC Box 8028
 City, State and ZIP Code Ketchum, ID 83340
 New Telephone Number (208) _____
5. Date you acquired the property September 22, 2005

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s)
(include title if applicable)

[Handwritten Signature]
[Handwritten Signature]

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee _____
Received by _____	Date _____	Receipt No. _____
Processed by _____ AJ	Date _____	WR _____ Date _____

AFTER RECORDING MAIL TO:

Christopher Flanigan
HC P.O. Box 8028
Ketchum, ID 83340

WARRANTY DEED

File No.: **115502-K (nw)**

Date: **September 21, 2005**

For Value Received, **Wallace G. Dowden and Sharon Dowden, husband and wife**, hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto **Christopher Flanigan, a married man, as to an undivided 50% and Exchange 05-3097, LLC, a Idaho Limited Liability Company, as to an undivided 50% interest**, hereinafter called the Grantee, whose current address is **HC P.O. Box 8028, Ketchum, ID 83340**, the following described premises, situated in **Blaine County, Idaho**, to-wit:

Township 5 North, Range 17 East, B.M., Blaine County, Idaho.

Section 10: A parcel of land, within H.E.S. 123, more particularly described as follows:

Commencing at Corner No. 1, from which the U.S. Location Monument No. 123 bears N. 7006"W., 1.28 Chains distance; thence Northeasterly to the West boundary line of U.S. Highway No. 93, the distance being 225.00 feet, (this point being 25.00 feet Southerly from the intersection of Highway No. 93 and Oregon Gulch); thence Southeasterly along the West line of Highway No. 93, 200.00 feet; thence Westerly to the West boundary line of Barlow Land 223.00 feet; thence Northerly along said West boundary line to the Place of Beginning a distance of 223.00 feet.

Together with the following parcel of land.

Commencing at Corner No. 1, from which U.S. Location Monument No. 123 Bears No. 7006' West, 1.28 chains distance; thence Southwesterly along said North boundary line of Homestead Entry Survey No. 123, 525.00 feet; thence Southerly a distance of 200.00 feet; thence Easterly 577.00 feet to the East boundary line of Graham Land; thence Northerly along said East boundary 223.00 feet to the Place of Beginning.

Save and Except any and all mineral rights.

SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances, unto the said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations,

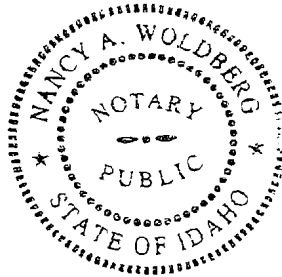
restrictions, easements of record and easements visible upon the premises and that Grantor will warrant and defend the same from all claims whatsoever.

Wallace G. Dowden
Wallace G. Dowden

Sharon Dowden
Sharon Dowden

STATE OF Idaho)
SS.
COUNTY OF Blaine)

On this 24 day of **September**, in the year of 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared **Wallace G. Dowden and Sharon Dowden**, known or identified to me to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged to me that they executed the same.



Nancy A. Woldberg
Notary Public for the State of Idaho
Residing at: Facetfield
My Commission Expires: 9-7-05

①

AFTER RECORDING MAIL TO:

Christopher Flanigan
HC P.O. Box 8028
Ketchum, ID 83340

Instrument # 526371

HAILEY, BLAINE, IDAHO
2005-09-22 04:08:00 No. of Pages: 2
Recorded for : FIRST AMERICAN TITLE
MARSHA RIEMANN Fee: 6.00
Ex-Officio Recorder Deputy
Index to: WTYAG/CORP DEED

JCS

WARRANTY DEEDFile No.: **115502-K (nw)**Date: **September 21, 2005**

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Save and Except any and all mineral rights.

SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances, unto the said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations,

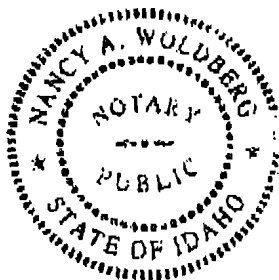
restrictions, easements, record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Wallace G. Dowden
Wallace G. Dowden

Sharon Dowden
Sharon Dowden

STATE OF Idaho)
SS.
COUNTY OF Blaine)

On this 27 day of **September**, in the year of 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared **Wallace G. Dowden and Sharon Dowden**, known or identified to me to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged to me that they executed the same.



Nancy A. Woldberg
Notary Public for the State of Idaho
Residing at: Garfield
My Commission Expires: 9-7-05



First American Title Company, Inc.
120 2nd Avenue N, Ste. 101/P.O. Box 7999
Ketchum, ID 83340
(208)726-5688 Fax (208)726-3567

FAX TRANSMITTAL SHEET 29

No. of Pages Including Cover Sheet: _____

DATE: 9/27/05

TIME: 6:00

PLEASE DELIVER TO: _____

COMPANY: _____

FAX NO.: _____

FROM: _____

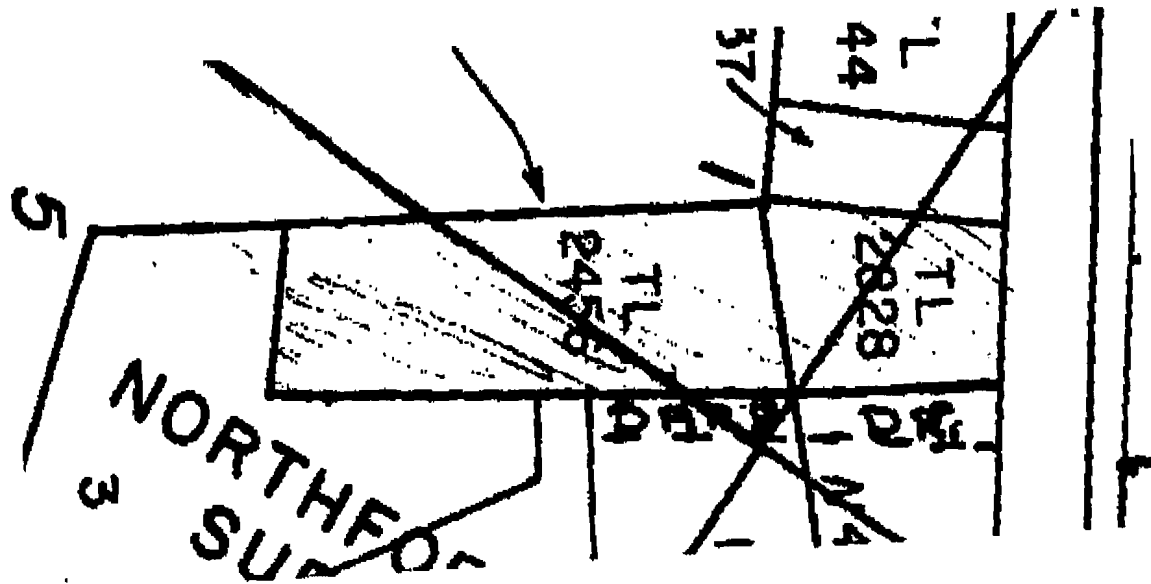
RE: _____

MESSAGE: exchange docs for Flanigan + big dog development
+ plat map

If you have any problems receiving this message or have any questions regarding our transmittal please contact us at (208)726-5688.

CONFIDENTIALITY NOTE: The information transmitted in the fax message is intended to be confidential and for the use of only the individual or entity named above, and may be privileged. If the reader of this message is not the intended recipient, you are hereby notified that any retention, dissemination, distribution or copy of this fax is strictly prohibited. If you have received this fax in error, please immediately notify us by telephone. Thank you!

E-Mail Address: es.ketchum.id@firstam.com
Visit Our Web Page at: <http://www.firstam.com>



ARTICLES OF ORGANIZATION LIMITED LIABILITY COMPANY

RECEIVED
To the Secretary of State of Idaho,
SEC. OF STATE
Statehouse, Boise, Idaho 83720
35 APR 3 AM 9 05



1. The name of the limited liability company is: Big Dog Development, LLC
2. The address of the initial registered office is: 166 Barlow Road
(not a PO Box)
Ketchum, ID 83340 and the name of the initial registered agent at that address is: Kingsley H. Murphy, III
Signature of registered agent: [Signature]
3. The latest date certain on which the limited liability company will dissolve: 12/31/2025
4. Is management of the limited liability company vested in a manager or managers?
☐ Yes ☒ No (check appropriate box)
5. If management is vested in one or more manager(s), list the name(s) and address(es) of at least one initial manager. If management is vested in the members, list the name(s) and address(es) of at least one initial member.
- | Name: | Address: |
|------------------------------|--------------------------|
| <u>Kingsley H. Murphy IV</u> | <u>166 Barlow Road</u> |
| <u>Trust dated 11/29/89</u> | <u>Ketchum, ID 83340</u> |
| _____ | _____ |
| _____ | _____ |
6. Signature of at least one person listed in #5 above:
- Kingsley H. Murphy IV
Trust dated 11/29/89
- By: [Signature]
Kingsley H. Murphy, III, Trustee

Secretary of State use only
IDHO SECRETARY OF STATE
19980403 0900 76929 2
CR # 3197 COSTS 45636
CORP
1# 100.00= 100.00

LLC1/593

File Two Copies

Fee: \$100 if typed with no attachments
\$120 if not typed or if attachments are included



Investment Exchange Group, LLC

Corporate Office: 650 South Cherry Street, Suite 520, Denver, CO 80246

Tel: 303.331.8821 x Fax: 303.331.8445 www.ixg1031.com

Nationwide Toll Free: 800.988.9331

September 14, 2005

Nancy A. Woldberg
First American Title
120 2nd Avenue N., Suite 101
Ketchum, ID 83340

Re: Christopher Flanigan - Replacement Property
Exchange No. 10-0513416
Property Address: 13572 State Highway 75, Blaine County, Idaho

Dear Nancy:

Please be advised that Christopher Flanigan (Exchanger) is participating in a Section 1031 tax deferred exchange and that Investment Exchange Group, LLC (IXG) will be involved in your closing as the Qualified Intermediary. In order to effectuate a valid exchange for our Exchanger, we request that you comply with the following instructions.

We have enclosed the following documents:

- 1) A "Partial Assignment of Real Estate Purchase & Sale Agreement for Replacement Property." The Buyer must sign this document as part of the closing documents.
- 2) A "Notice of Partial Assignment of Real Estate Purchase & Sale Agreement." The closing agent must sign this document as part of the closing documents and provide a copy to the Seller.

Specific instructions related to this exchange:

PLEASE NOTE: Our Exchanger is Christopher Flanigan. He is buying an undivided 50% interest in the real property. Therefore, our exchange proceeds may only be applied towards this purchase of this specific percentage. The remainder of the property is not a part of this exchange and not subject to these instructions.

- 1) We request an exchange fee of \$250 in conjunction with this closing as it represents the purchase of an additional replacement property. Please forward us a check in the amount of \$250 as a cost of purchase on this transaction.
- 2) Our exchange agreement calls for direct deeding, i.e., the deed will pass directly from Northland Construction and/or assigns to Christopher Flanigan.

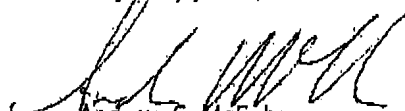
- 3) On the closing statement and/or HUD and escrow instructions, the "Buyer" should be "Investment Exchange Group, LLC" and the "Exchanger" should be "Christopher Flanigan". **IXG, as Qualified Intermediary, will sign these documents as the Buyer.**
- 4) On the closing statement and/or HUD the funds should be labeled **"Exchange credit transferred from IXG."**
- 5) We request a draft of the closing statement and/or HUD, escrow instructions (if any), and conveyance deed for our review, and a reasonable amount of time to review these documents, **BEFORE** copies are provided to the Exchanger and Seller for signature.
- 6) The Exchanger must approve and sign all documents related to this closing before any transfer and/or use of the funds.
- 7) Please be sure to note the closing date on the final closing statement.
- 8) When the amount required from the Exchange Account has been determined, send us a FAX stating the amount needed, the date it is needed, a preliminary settlement statement and wire transfer instructions so we may wire directly to your account.
A preliminary settlement statement must be faxed to us at 303.331.8448.
Attn: Trust Department before any funds will be wired out for closing. Please allow 24 hours notice before you need the funds. If the Exchange Account is not sufficient to meet your request, the Exchanger will furnish the additional funds needed.
- 9) A representative of Investment Exchange Group will need to sign the settlement statement for Investment Exchange Group, LLC.

After closing, please immediately return the following documents to us:

- **Final Settlement Statement signed by all parties**
- **Signed Assignment**
- **Signed Notice of Assignment**

Thank you for your assistance with this closing. If you have any questions, please give us a call.

Very truly yours,



Andrew C. McCabe
Vice President

Enclosures



Investment Exchange Group, LLC

Corporate Office: 550 South Cherry Street, Suite 920, Denver, CO 80246
Tel: 303.331.1031 • Fax: 303.331.8448 • www.ixg1031.com
Nationwide Toll Free: 800.908.1031

**PARTIAL ASSIGNMENT OF
REAL ESTATE PURCHASE & SALE AGREEMENT
FOR REPLACEMENT PROPERTY**

Exchange No. 10-0513416
(13572 State Highway 75, Blaine County, Idaho)

This agreement is entered into by and between Investment Exchange Group, LLC (hereinafter called "Qualified Intermediary" or "QI") and Christopher Flanigan, (hereinafter called "Exchanger").

WITNESSETH:

Whereas Exchanger, as Purchaser, entered into that certain Real Estate Purchase & Sale Agreement dated May 9, 2005 with Northland Construction and/or assigns. This agreement, together with any and all amendments thereof (collectively called the Agreement), is incorporated herein by this reference; and

Whereas in said Agreement, the Seller agreed to cooperate in the exchange in order for the subject transaction to qualify for Exchanger as part of a tax deferred exchange under Section 1031 of the Internal Revenue Code of 1986; and

Whereas QI and Exchanger have executed an Exchange Agreement in which QI has promised to acquire suitable replacement property and to transfer the same to Exchanger, in consideration of Exchanger's transfer of exchange property to QI; and

Whereas Exchanger has identified as replacement property the property subject to the Agreement; and

Whereas QI agrees to assume and perform Exchanger's rights under the Agreement.

NOW, THEREFORE, the parties agree:

1. Exchanger hereby assigns to QI 50% of the Purchaser's rights, title and interest in the Agreement to acquire the subject replacement property.
2. QI hereby assumes 50% of the Exchanger's rights, title and interest in the Agreement to acquire the same as replacement property.

SEP-14-2005 WED 03:55 PM

FAX NO.

P. 08/08



Investment Exchange Group, LLC

Corporate Office: 650 South Cherry Street, Suite 920, Denver, CO 80226

Tel: 303.331.1031 • Fax: 303.331.8448

www.ixg1031.com

Nationwide Toll Free: 800.598.1031

**NOTICE OF PARTIAL ASSIGNMENT
OF
REAL ESTATE PURCHASE & SALE AGREEMENT**

Exchange No. 10-0513416
[13572 State Highway 75, Blaine County, Idaho]

September 14, 2005

Dear Northland Construction and/or assigns:

You are hereby notified that the Purchaser, under the Real Estate Purchase & Sale Agreement dated May 9, 2005, between Northland Construction and/or assigns, Seller, and Christopher Flanigan, Purchaser, together with any and all amendments thereof (collectively called the Agreement), has assigned to the undersigned 50% of Purchaser's rights and benefits under said Agreement. The undersigned, as Qualified Intermediary, has accepted said assignment.

**QUALIFIED INTERMEDIARY
INVESTMENT EXCHANGE GROUP, LLC**

Andrew C. McCabe, Vice President

ACKNOWLEDGED BY:

I HEREBY CERTIFY that I delivered a copy of this Notice of Partial Assignment to the Seller on

this 14th day of September, 2005.

Nancy A. Woldberg
First American Title

SEP-14-2005 WED 03:55 PM

FAX NO.

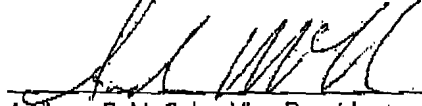
P. 06/08

Page Two - Partial Assignment of Real Estate Purchase & Sale Agreement for Replacement Property

3. QI hereby requests the Seller to deed directly to Exchanger the property subject to the Agreement.

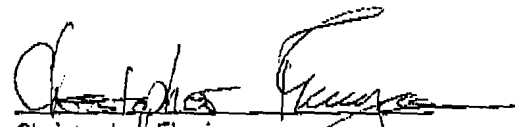
IN WITNESS WHEREOF, the parties have executed this agreement as their free and voluntary act and deed, on the date indicated by each signature.

**QUALIFIED INTERMEDIARY
INVESTMENT EXCHANGE GROUP, LLC**


Andrew C. McCabe, Vice President

September 14, 2005
Date

EXCHANGER


Christopher Flanigan

9/21/05
Date



September 15, 2005

First American Title Company
Attn: Nancy
PO Box 7888
Ketchum, ID 83340

RE: My order No. BIGDOGDEVO6-3097 \$1031 Deferred Exchange
Big Dog Development LLC., an Idaho Limited Liability Company

Dear Nancy,

Big Dog Development is participating in a reverse exchange. Basically this means that Exchange 06-3097, LLC., an Idaho Limited Liability Company will be taking title. Enclosed please find the following supporting documents:

Reverse Exchange Agreement
EIN Notice for LLC
Articles of Organization for LLC
Operating Agreement for LLC
Purchase Lease Agreement
Promissory Note to Big Dog Development LLC., an Idaho Limited Liability Company
Deed of Trust to Big Dog Development LLC., an Idaho Limited Liability Company
Request for Full Reconveyance
Title Insurance Instruction

Additionally,

Please note our fee is \$1550.00. The exchange agreement call for direct deed, and Exchange Services, Inc. will sign the necessary closing escrow documents for the purchase of the replacement property.

As security to the Big Dog Development LLC., an Idaho Limited Liability Company, the enclosed Deed of Trust should be recorded simultaneously with the Warranty Deed.

195 South Broadway
P.O. Box 580
Blackfoot, Idaho 83221

Phone 208-785-3511
Fax 208-785-7851
Toll Free 800-627-7325
Cellular 208-681-1118

Page 2

First American Title Company

September 15, 2005

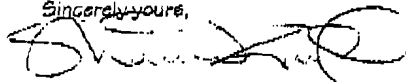
I have sent the original Deed of Trust via UPS Overnight Delivery. The entire reverse exchange package has not been dated, as it must be the same as the actual date of closing. Therefore, once that date has been determined the documents will need to be dated accordingly. The due date on the Deed of Trust, Promissory Note, and Lease agreement will need to reflect 180 days after the close of escrow. Please contact me and I will provide this date to you.

Please have Big Dog Development LLC., an Idaho Limited Liability Company initial the Deed of Trust, Promissory Note, and sign the Exchange Agreement, Purchase/Lease Agreement and Request for Full Reconveyance.

I will need to sign the closing documents on behalf of the LLC and Big Dog Development LLC., an Idaho Limited Liability Company will need to sign as read and approved. Please fax said documents to my office, I will sign and return them to you by mail. Once the closing has been completed, please forward a complete closing package to my office. Please also forward the original exchange documents. Your policy should be issued to the LLC. If available, a fee for the additional insured endorsement should be added to the settlement statement of Big Dog Development LLC., an Idaho Limited Liability Company so that when title is transferred into their name they will have title insurance.

Should you have any questions, please do not hesitate to give me a call. Thank you again for your assistance with this transaction.

Sincerely yours,



EXCHANGE SERVICES, INC.
Shauna Romrell, President

ekr/enclosures

QUALIFIED EXCHANGE ACCOMMODATION
ARRANGEMENT AND DEFERRED
EXCHANGE AGREEMENT

Exchangor:

Intermediary/Exchange Accommodation Titleholder:
Exchange Services, Inc./Exchange 05-3097, LLC

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Fee Schedule	17

DEFERRED EXCHANGE AGREEMENT

THIS AGREEMENT is entered into this 15th day of September, 2005, by and between Big Dog Development LLC., an Idaho Limited Liability Company, of P.O. Box 3818, Ketchum, ID 83340-3818, hereinafter referred to as "Exchangor" and ESI # BIGDOGDEV05-3097, LLC, an Idaho limited liability company, of P.O. Box 339, Blackfoot, Idaho, 83221, hereinafter referred to as "Intermediary".

RECITALS:

1. Exchangor wishes to acquire and become the owner of certain property, which property is more particularly described on Exhibit "I" attached hereto and incorporated by reference, hereinafter "Replacement Property".
2. Exchangor is the owner of certain property, which will be particularly described and identified later, hereinafter "Relinquished Property". The Relinquished Property, including certain valuable rights appurtenant thereto has been listed for sale or will be held for sale and when sold will be subject to certain agreements and addendums, hereafter "Buy/Sell Agreement", between Exchangor and the buyer or buyers to be identified later, hereafter, "Buyer".
3. Exchangor desires to consummate a reverse exchange of like-kind property, qualifying as such under Section 1031 of the United States Internal Revenue Code, in the manner and subject to the terms as hereinafter set forth.
4. It is intended that the acquisition of the Replacement Property on behalf of Exchangor, the sale of the Relinquished Property to Buyer, and the subsequent transfer of the

Replacement Property to Exchangor or any other transaction as contemplated by this Agreement are components of a single integrated plan to effect such a deferred like-kind exchange.

5. To facilitate the reverse exchange contemplated by this Agreement, Exchangor has designated the Intermediary as the Exchangor's Exchange Accommodation Titleholder as defined in IRS Rev. Proc. 2000-37, the terms of which are expressly incorporated into this Agreement, and as the Exchangor's agent, to hold all documents, property and funds necessary under this Exchange Agreement, and the parties agree to observe the requirements of all agreements with respect to the delivery to the Intermediary of all necessary and appropriate documents and/or property to effectuate this Agreement.

6. Pursuant to this Agreement, Intermediary has or will acquire "qualified indicia of ownership" as defined by Rev. Proc. 2000-37 to the Replacement Property as Exchange Accommodation Titleholder. Within forty five (45) days of such acquisition Exchangor will identify in a writing signed by Exchangor the property or properties Exchangor intends to use as Relinquished Property in such exchange. Upon entering into a Buy/Sell Agreement for such Relinquished Property, Exchangor will transfer the Relinquished Property to the Intermediary, by assignment, subject to Buyer's right to purchase the property pursuant to the terms of the Buy/Sell Agreement. The Intermediary shall close the sale transaction with Buyer and receive from the Buyer cash and other property which will be held by the Intermediary and be used by it to reimburse Exchangor or a lender for funds advanced to acquire the replacement property,

which shall then be transferred to Exchangor in order to effectuate the deferred exchange, in the manner and subject to the terms as hereinafter set forth.

NOW, THEREFORE, in consideration of the contracts, mutual covenants, undertakings and payments as herein set forth, the parties agree as follows:

1. Exchange. It is intended by this Agreement that the parties will effectuate a exchange under Internal Revenue Code 1031 and the related regulations thereunder, including specifically Regulation 5 1.1031(k)-1 entitled "Treatment of Deferred Exchange," Rev. Proc. 2000-37, and the "Safe Harbors" provided for therein. It is the intent of the parties to this Agreement that each and every provision under this Agreement shall be effective according to the terms of Internal Revenue Code Section 1031, Rev. Proc. 2000-37, and such related regulations. Any provision hereof violating Internal Revenue Section 1031, Rev. Proc. 2000-37, and such related regulations which would disqualify the non-recognition of gain or loss on the exchanged property by Exchangor shall be deemed void to the extent of such provision, but without invalidating the remaining provisions hereof, the intent being that the validity, enforceability, and effectiveness of this Agreement shall be controlled by Internal Revenue Code Section 1031, Rev. Proc. 2000-37, and such related regulations. In that regard, the following definitions shall be applicable:

a. Relinquished Property. The Relinquished Property is that property identified pursuant to this Agreement and which is transferred by Exchangor and acquired by the Intermediary pursuant to this Agreement. Relinquished Property is identified only if it is designated as Relinquished Property in a written document signed by Exchangor and

hand delivered, mailed, telecopied, or otherwise sent to the Intermediary before the end of the Identification period. An Identification of Relinquished Property made in a written agreement for the exchange of property signed by all parties thereto before the end of the Identification period will be treated as satisfying the requirements of the preceding sentence, regardless of whether the agreement is "sent" to the Intermediary. Any Relinquished Property that is received by Exchangor before the end of the Identification period will in all events be treated as Identified before the end of the Identification period

b. Replacement Property. Replacement Property shall be the property Identified on the attached Exhibit "I" and acquired and transferred by Intermediary and received by Exchangor to facilitate the Section 1031 Like-Kind Exchange.

c. Description of Relinquished Property. Relinquished Property shall be identified only if it is unambiguously described in the written document or agreement. For the purpose of Identification of Relinquished Property, property that is incidental to a larger item of property is not treated as property that is separate from the larger item of property. Property is incidental to a larger item of property if:

- (i) In standard commercial transactions, the property is typically transferred together with the larger item of property, and
- (ii) The aggregate fair market value of all such property does not exceed fifteen percent (15%) of the aggregate fair market value of the larger item of property.

- d. Identification period. The identification period shall begin on the date that the qualified indicia of ownership is transferred to intermediary and ends at midnight on the 45th day thereafter.
- e. Exchange period. The exchange period begins on the same date as the identification period and ends at midnight on the 180th day thereafter.
- f. Revocation of Identification. An identification of any property as Relinquished Property may be revoked at any time before the end of the identification period by a written document signed by Exchangor and hand delivered, mailed, telecopied or otherwise sent to the intermediary before the end of the identification period.
- g. Fair Market Value. For the purpose of this Agreement, the fair market value of property means the fair market value of the property without regard to liabilities.
- h. Receipt of Replacement Property. For purposes of this Agreement, the Replacement Property is received before the end of the exchange period only if the Exchangor receives the Replacement Property before the end of the exchange period.
- i. Calculation of identification or exchange period. For the purpose of determining the date on which the identification period or exchange period ends, any statute (tax or otherwise) which extends the performance of acts to the next business day where the last day for performance falls on a Saturday, Sunday, or legal holiday shall not apply.
2. Alternative or Multiple Properties. Exchangor may identify more than one property as multiple and alternative Relinquished Properties during the identification period, in a manner consistent with that described in IRS regulations.

3. Exchange. Intermediary agrees to acquire qualified indicia of ownership as exchange accommodation titleholder to the Replacement Property as more fully set forth in Rev. Proc. 2000-37. Exchangor hereby agrees to transfer to the Intermediary, by assignment, the Relinquished Property together with the Buy/Sell Agreement, subject to Buyer's right to purchase the property pursuant to the Buy/Sell Agreement. Intermediary agrees to acquire the Relinquished Property and to close the sale of the Relinquished Property to Buyer, to satisfy the contractual obligation of Exchangor to sell the property to the Buyer pursuant to the Buy/Sell Agreement, and to hold any and all proceeds of the sale and other property received in trust, making only those disbursements from such proceeds that relate to the customary charges to the respective parties resulting from the proration of items relating to the sale of the Relinquished Property to Buyer, such as ad valorem taxes, prepaid grazing fees, or other appropriate charges, or transactional items as agreed by the parties such as commissions, recording fees, title insurance premiums and closing costs and which are the subject of joint instructions to the closing agent.

The Replacement Property shall be transferred by the Intermediary and received by Exchangor within the exchange period, as more fully set forth in Section 12 of this Agreement and Rev. Proc. 2000-37. Legal title to the Relinquished Property may be transferred by deed directly from Exchangor to Buyer and legal title to the Replacement Property may be transferred by deed directly from Intermediary to the Exchangor in a manner qualified under Regulation § 1031(k)-1. The parties agree that the direct deeding of property as described herein may be accomplished pursuant to the exchange and nothing contained herein shall be

deemed inconsistent with the parties intent to effectuate a deferred exchange under Internal Revenue Code 1031 and the Regulations for the benefit of Exchangor.

The parties hereto acknowledge that to complete the exchange, a trust account will be established with the Intermediary, which shall hold funds and other property in trust for the Exchangor for the purpose of acquiring the Replacement Property. Any funds or other property held in trust for the Exchangor by the Intermediary shall be physically segregated in a trust account designating the Exchangor as the beneficiary and not in a general or unclassified account. Exchangor's right to receive funds or other property held in trust from the Intermediary and the trust account or to terminate the trust account are specifically limited to the terms and conditions of Section 5.

In no event shall the Intermediary be required to advance sums in excess of funds and other property which are then available in the trust account maintained by the Intermediary.

In the event that additional funds or property are required or necessary to purchase or acquire the Replacement Property in addition to the funds and other property which are then available in the trust account maintained by the Intermediary, Exchangor shall be obliged to provide said additional funds or other property required to acquire the Replacement Property. For the purpose of this Agreement, other property shall include debt on the Replacement Property which Exchangor assumes or takes the property subject to.

4. Qualified Intermediary and Agent. It is intended by this Agreement that Intermediary shall act as a "qualified intermediary" under the safe harbor provisions of Regulation § 1.1031(k)-1. As such, it represents that in consideration of its fees, it will act as

Exchangor's agent and facilitate the exchange by entering into this Agreement for the exchange of properties pursuant to which it will acquire the Replacement Property (as exchange accommodation titleholder for the Exchangor); acquire the Relinquished Property from Exchangor (as agent for the Exchangor), and transfer the Relinquished property to Buyer; and then transfer the Replacement Property to Exchangor. Notwithstanding any other provisions of this Agreement, Intermediary further represents that Exchangor's rights to receive money or other property held by it pursuant to this Agreement are specifically limited to the terms and conditions of Section 5.

For the purposes of this Agreement, the Intermediary may be treated as acquiring and transferring the Relinquished Property if the Intermediary (either on its own behalf or as agent to any party to the transaction) enters into an agreement with a person other than the Exchangor for the transfer of the Relinquished Property to that person and, pursuant to that agreement, the Relinquished Property is transferred to that person. Solely for the purposes of this Agreement, the Intermediary shall be treated as entering into an agreement if the rights to a party to an agreement are assigned to the Intermediary by written assignment and all parties to that agreement are notified in writing of the assignment on or before the date of the relevant transfer of the property. Exchangor agrees to provide notice of such assignments in writing to all parties. For example, if the Exchangor enters into an agreement for the transfer of the Relinquished Property and thereafter assigns its rights in that agreement to the Intermediary and all the parties to that agreement are notified in writing of the assignment on or before the date of the transfer of the Relinquished Property, the Intermediary shall be treated as entering

into that agreement. If the Relinquished Property is transferred pursuant to that agreement, the Intermediary shall be treated as having acquired and transferred the Relinquished Property.

It is acknowledged and agreed, however, that this Agreement and any assignment shall not be treated as an assumption, by Intermediary, of any of Exchangor's obligations, representations or warranties to Buyer as set forth in the Buy/Sell Agreement, or to any other party set forth in any other related agreement; nor shall this Agreement and any assignment be treated as a modification of any of the Exchangor's obligations, representations or warranties to buyer as set forth in said Buy/Sell Agreement or to any other party set forth in any other related agreement. It is expressly understood that the Intermediary, as agent of the Exchangor, will not perform any act contemplated by this Agreement unless it has precise and unambiguous instructions from the Exchangor in the form of a written document, signed by the Exchangor and hand delivered, mailed, telecopied, or otherwise sent to Intermediary prior to the day on which the act is to occur. Intermediary has not advised the Exchangor concerning the specific income tax consequences of this Agreement or the advisability of a delayed, deferred exchange. Intermediary will provide its services to Exchangor in order to enable the Exchangor to complete a successful deferred exchange in accordance to the provisions of the Internal Revenue Code and Regulations.

5. Restrictions on Exchangor. Exchangor's rights to receive money or other property held in trust from the Intermediary and the trust account; or to terminate the trust account; or to receive, pledge, borrow, or otherwise obtain the benefits of the money or other property held in trust by the Intermediary are limited solely to the circumstances described in

this Section 5. Exchangor shall have no right or ability whatsoever to receive money or other property held in trust by the Intermediary in such account; or to terminate the account; or to pledge, borrow or otherwise obtain the benefits of the money or other property held in trust by the Intermediary until after Exchangor has received all of the identified replacement property to which Exchangor is entitled, or otherwise, after the end of the exchange period.

6. Trust Funds, Interest and Growth Factors. The initial balance of funds held in trust shall be deposited in a non-interest trust account with Intermediary as Trustee. At the option of the Exchangor such funds will be transferred to an interest bearing trust account, invested pursuant to Exchangor's written instructions and subject to the terms and conditions of Section 5 hereof. If Intermediary does not receive written investment instructions from Exchangor it shall be authorized to transfer and deposit such funds in an interest bearing account.

The parties agree that any and all interest or growth factors relating to funds or other property held in trust for the purpose of this Agreement shall be the property of Exchangor and be held and used in the same manner as the funds or other property held in trust under the terms and conditions of this Agreement. If as part of the deferred exchange Exchangor receives interest or a growth factor, such interest or growth factor will be treated as interest income to Exchangor, regardless of whether it is paid to Exchangor in cash or in property (including property of a like-kind). Exchangor shall include such interest or growth factor in its income according to its method of accounting.

Intermediary will not render any investment advice to Exchangor or any other person in connection with the transactions contemplated by this Agreement, nor shall this Agreement be construed as an obligation to render such advice.

The balance of funds held in Trust by Intermediary may upon request of the Exchangor be reduced from time to time, provided such requests do not conflict with the restrictions, terms, and conditions of Section 5 hereof and provided such requests are limited to pay the following expenditures:

- a. Intermediary's fees and costs, or
- b. Any amounts necessary for the acquisition of the Replacement Property, including, but not limited to, earnest money deposits, advances, loans, commissions, attorney's fees, or any other amounts otherwise chargeable in connection with the acquisition and conveyance of the Replacement Property to Exchangor, but excluding any existing mortgage, trust indenture, or other secured loans which may be assumed or taken subject to by the Exchangor, or
- c. Any other payments made or costs or expenses incurred by Exchangor and directly attributable to the sale of the Relinquished Property but which were not listed as appropriate charges or transactional items on the closing statement for the sale of the Relinquished Property but which could have been listed if a request had been made, under the local practice and custom of the closing agent.

Intermediary will provide the Exchangor with an accounting of the receipts and disbursements of all trust funds as soon after the 180th day (or closing of the final

Replacement Property if sooner) as is practical. In preparing the accounting, Intermediary shall be relying upon information and settlement statements supplied by third party escrow or title companies or financial institutions, and Exchangor hereby releases Intermediary from any liability whatsoever in connection with such reliance.

7. Risk of Loss. Risk of loss on said relinquished property shall remain with Exchangor until such time as Buyer takes title or possession. Risk of loss of said replacement property shall begin with Exchangor at such time as the Exchangor takes title or possession.

8. Termination of Agreement. In the event that Exchangor does not identify Relinquished Property by the end of the Identification period, or if by the end of the exchange period the transfer of said Replacement Property from Intermediary to Exchangor is not completed, then the Intermediary shall, upon request of the Exchangor, distribute the remaining balance of any funds and/or property held in trust by it to the Exchangor.

Upon termination of this Agreement, subject to the terms and conditions of Section 5 hereof, any funds and/or property remaining in trust, including any funds and/or property not used by this Intermediary to acquire the Replacement Property shall be distributed to Exchangor. The terms and conditions of Section 5 shall specifically survive the termination of this Agreement.

9. Taxes, Permits or Fees. Exchangor will bear the burden of any taxes, permits or fees assessed or levied by any federal, state, or local taxing authorities or otherwise imposed on the Relinquished or Replacement Property or the exchange as a result of the exchange of the Relinquished and Replacement Property.

10. Other Documents. The parties agree to execute such other and further contracts or documents of transfer as may be reasonably required to give affect to the intention of this Exchange Agreement, including, without limitation, any reasonably necessary documents as required by local, state and federal agencies which may have jurisdiction and administration responsibilities with respect to licenses, permits, water rights, mineral rights, timber rights, grazing leases and any other like permissive uses.

11. Notices. All notices and requests hereunder shall be in writing and shall be sent or delivered to the addressees hereinabove set forth or to such other addressees as may be hereinafter designated in writing.

12. Replacement Property. Exchangor shall undertake and use its best efforts to assist the Intermediary with all Exchangor's available resources in the acquisition and transfer of the Replacement Property to Exchangor. It is the intent of the parties that this Agreement shall constitute a "Qualified Exchange Accommodation Arrangement" as defined in and for the purposes of Rev. Proc. 2000-37.

13. Assignment. This Agreement shall not be assigned by either party without the prior written consent of all parties.

14. Modification. This agreement represents the entire agreement of the parties thereto and this agreement may not be modified, altered, or amended in any manner unless such modification, alteration or amendment shall be reduced to writing and executed by all parties to this Agreement.

15. Prior Agreements. This Agreement is in substitution of and supersedes any and all prior agreements and/or negotiations between the parties hereto evidenced by this Agreement whether written or verbal.

16. Place of Performance. It is agreed and understood that the place of performance of this Agreement shall be in the State of Idaho and should any dispute arise, this Agreement shall be construed pursuant to the laws of the State of Idaho. Venue for any such dispute shall rest in Bingham County, Idaho. If any provision of this Agreement is declared void or held invalid, such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect.

17. Paragraph Headings. The paragraph headings are provided for convenience only. In the event of an inconsistency between the paragraph headings and the body of the document, the body of the document shall control.

18. Binding Effect. This Agreement shall be binding upon the parties and extend to the benefit of their heirs, devisees, personal representatives, successors and assigns.

19. Representations of Intermediary. The Intermediary represents that to the best of its knowledge it is not the Exchangor, Buyer or a "disqualified person" as the term is defined in Regulation § 1.1031(k)-1, and that it acts as the Exchangor's agent only in the performance of services for the Exchangor with respect to contemplated exchanges of property intended to qualify for non-recognition of gain or loss under Section 1031.

20. Certification of Exchangor. Exchangor represents that it is not a "foreign person" as defined by § 1445 of the Internal Revenue Code and the regulations therein, that

Exchangor's United State taxpayer Identification number is 82-0480240 and that Exchangor is not subject to backup withholding.

Exchangor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement Exchangor has made here could be punished by fine, imprisonment, or both.

Under penalties of perjury Exchangor declares that they have examined this certification and to the best of their knowledge and belief it is true, correct, and complete.

21. Liability of Intermediary. Intermediary assumes no liability nor shall it be responsible for any adverse income tax consequences of the Exchangor in the faithful performance of this Agreement pursuant to its terms. Notwithstanding anything herein contained to the contrary:

(a) Intermediary shall not be in breach or default under this Deferred Exchange Agreement and shall not be liable for any damages, losses, or expenses incurred by Exchangor if:

- (i) Intermediary fails to take any steps to locate, negotiate for or acquire the replacement property or locate funds to acquire the replacement property, or
- (ii) Any replacement property fails to qualify as "like kind" property, or the relinquished property was not held by Exchangor for productive use in a trade or business or for investment, or the transaction otherwise fails, for any reason outside the transactions contemplated by this Deferred Exchange Agreement, to afford the Exchangor some or all of the benefits

of § 1031 of the Internal Revenue Code, unless the failure is caused solely by the negligence of the intermediary or by a negligent misrepresentation of the intermediary under Section 19 hereof.

- (b) Exchangor agrees to hold intermediary harmless from and indemnify intermediary against any and all claims (and expenses incurred relating thereto, including defense costs and/or attorney fees) made against intermediary at any time with respect to the relinquished property, the replacement property, or any of the transactions contemplated by this Deferred Exchange Agreement. This indemnification provision shall survive the termination of this Agreement.

22. Execution by Facsimile and Counterparts. This Agreement, or other documentation contemplated for exchange transactions under this Agreement, may be executed simultaneously in one or more counterparts, and such agreements taken collectively shall be considered an original valid and binding agreement. This Agreement is effective upon execution by all parties. Execution may be accomplished by facsimile transmission of the respective signature pages of this Agreement, or other documentation contemplated for exchange transactions under this Agreement, to the other party, with the original executed document to be delivered to the other party as soon as feasible thereafter by Federal Express or similar courier service or United States mail, which will be sent no later than three (3) business days after execution.

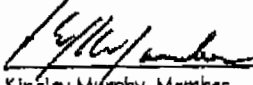
IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first
above written.

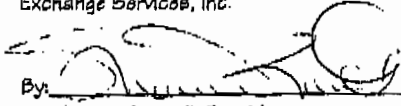
EXCHANGOR:

INTERMEDIARY:

Exchange 05-3097 LLC,
an Idaho limited liability company

Managing Member:
Exchange Services, Inc.


Kingley Murphy, Member

By: 
Shauna Romrell, President



First American Title Company, Inc.
120 2nd Avenue N, Ste. 101/P.O. Box 7999
Ketchum, ID 83340
(208)726-5688 Fax (208)726-3567

FAX TRANSMITTAL SHEET

No. of Pages Including Cover Sheet: 3

DATE: 9/27

TIME: _____

PLEASE DELIVER TO: _____

COMPANY: _____

FAX NO.: 736-3037

FROM: Shannon

RE: _____

MESSAGE: Flanagan/Big Dog WD

If you have any problems receiving this message or have any questions regarding our transmittal please contact us at (208)726-5688.

CONFIDENTIALITY NOTE: The information transmitted in the fax message is intended to be confidential and for the use of only the individual or entity named above, and may be privileged. If the reader of this message is not the intended recipient, you are hereby notified that any retention, dissemination, distribution or copy of this fax is strictly prohibited. If you have received this fax in error, please immediately notify us by telephone. Thank you!

E-Mail Address: es.ketchum.id@firstam.com
Visit Our Web Page at: <http://www.firstam.com>



State of Idaho

DEPARTMENT OF WATER RESOURCES

1341 Fillmore Street, Suite 200, Twin Falls ID 83301-3380

Phone: (208) 736-3033 FAX: (208) 736-3037

SOUTHERN REGION

DIRK KEMPTHORNE
Governor

September 28, 2005

KARL J. DREHER
Director

CHRISTOPHER FLANIGAN
HC BOX 8028
KETCHUM ID 83340

EXCHANGE 05-3097 LLC
HC BOX 8028
KETCHUM ID 83340

RE: #37-11852, #37-11854

Dear Claimants:

Pursuant to the change in ownership request that has been submitted to the Department, we have changed the records of current ownerships to you. Please find the enclosed copies of the computer records of the water right claims noting the change in owners. Review these records and if there is an error, or you have any questions, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carrie Hahn', written over a faint, dotted outline of the signature.

Carrie Hahn
Clerk

enc.

05/11/2005

**NOTICE OF ERROR
REPLY**

Please type or print clearly, fill out this form completely and mail.

Return this reply form to IDWR by the deadline date printed below if you want IDWR to change your recommendation or you want to let IDWR know that you agree with its recommendation.

YOUR DEADLINE FOR RETURNING A NOTICE OF ERROR REPLY IS:

Water right number: 37-11854

SHARON DOWDEN
DBA NORTH FORK STORE
PO BOX 8001
KETCHUM ID 83340
Telephone Number: (208)726-8920

WALLACE G DOWDEN
DBA NORTH FORK STORE
PO BOX 8001
KETCHUM ID 83340
Telephone Number: (208)726-8920

1. Describe the portion of the proposed recommendation with which you disagree (e.g. priority date, period of use, source):

2. Describe the changes you wish to make in the proposed recommendation:

3. Give a brief explanation as to why you disagree with these portions:

____ I AGREE with this proposed recommendation: no changes need to be made.

DATE: _____ SIGNATURE: _____

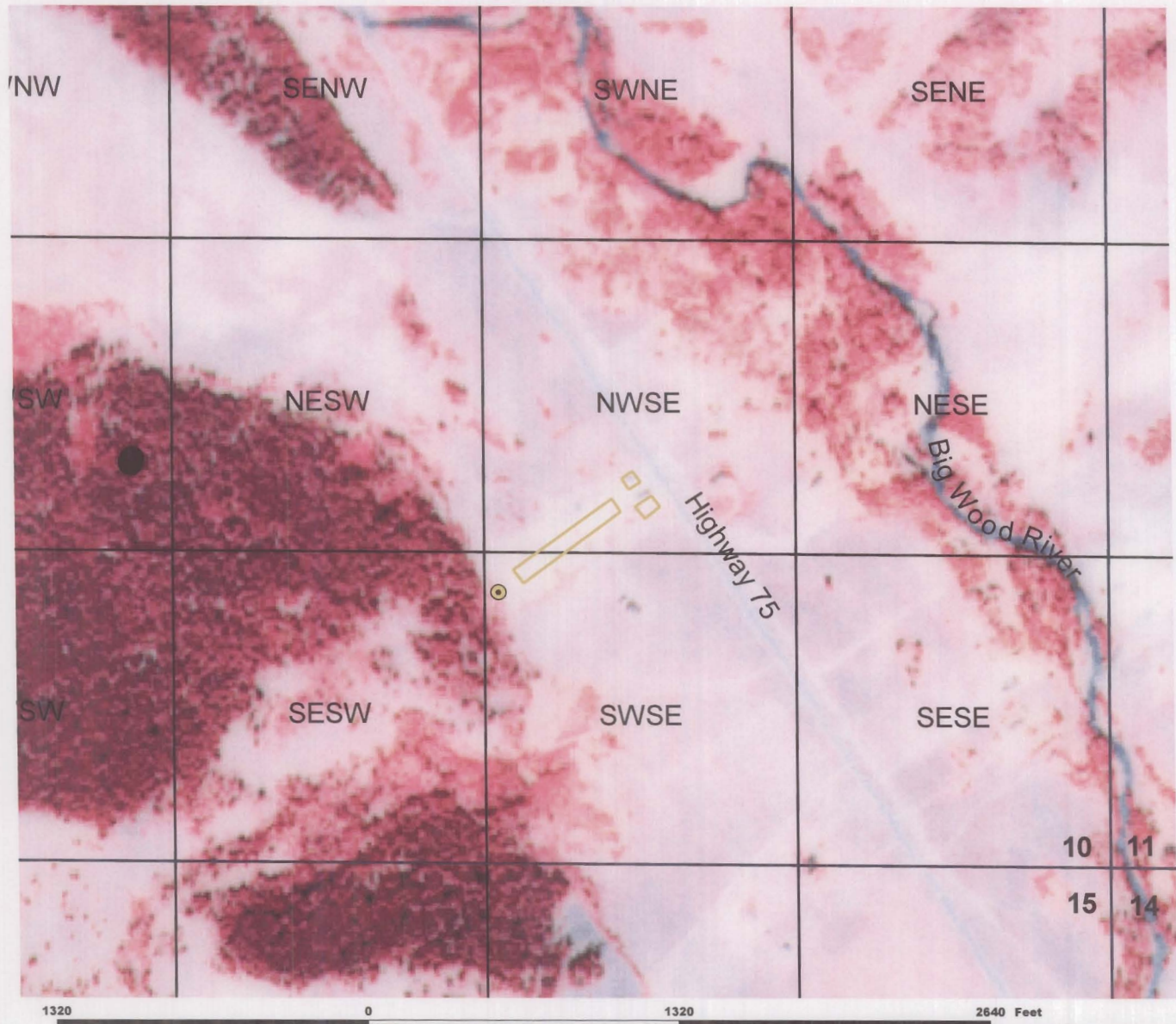
Please print your name: _____

IDWR Regional Office,

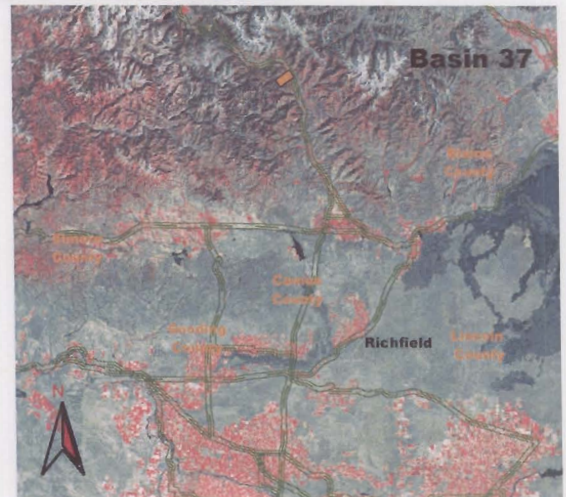
IDAHO DEPARTMENT OF WATER RESOURCES
PRELIMINARY RECOMMENDATION OF WATER RIGHTS ACQUIRED UNDER STATE LAW

EXPLANATORY MATERIAL: BASIS OF CLAIM - Statutory Claim

RECOMMENDED PLACE OF USE FOR 37-11854



PLACE OF USE
TWP 05N, RNG 17E, SEC 10
Data entry on May 11, 2005



● RECOMMENDED POINT OF DIVERSION

RECOMMENDED PLACE OF USE

TOWNSHIP LINES

SECTION LINES

QUARTER/QUARTER LINES

LOCATION IN BASIN

GIS PLACE OF USE PRESENTATION
1987/1988 NAPP AERIAL PHOTOGRAPHY
DATA ENTRY BY NICK TREASURE

05/11/2005

IDAHO DEPARTMENT OF WATER RESOURCES
PRELIMINARY RECOMMENDATION OF WATER RIGHTS ACQUIRED UNDER STATE LAW

RIGHT NUMBER: 37-11854

NAME AND ADDRESS: SHARON DOWDEN
DBA NORTH FORK STORE
PO BOX 8001
KETCHUM ID 83340

WALLACE G DOWDEN
DBA NORTH FORK STORE
PO BOX 8001
KETCHUM ID 83340

SOURCE: SPRINGS

TRIBUTARY: SINKS

QUANTITY: 0.020 CFS
4.000 AFY

PRIORITY DATE: 01/01/1954

POINT OF DIVERSION:

T05N R17E S10 SWNWSE Within BLAINE County

PURPOSE AND
PERIOD OF USE:

PURPOSE OF USE
IRRIGATION

PERIOD OF USE
05/01 10/31

QUANTITY
0.020 CFS
4.00 AFY

PLACE OF USE: IRRIGATION Within BLAINE County

T05N R17E S10 NWSE 0.7 T05N R17E S10 SWSE 0.3

1 ACRES TOTAL

OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.

EXPLANATORY MATERIAL: Statutory Claim

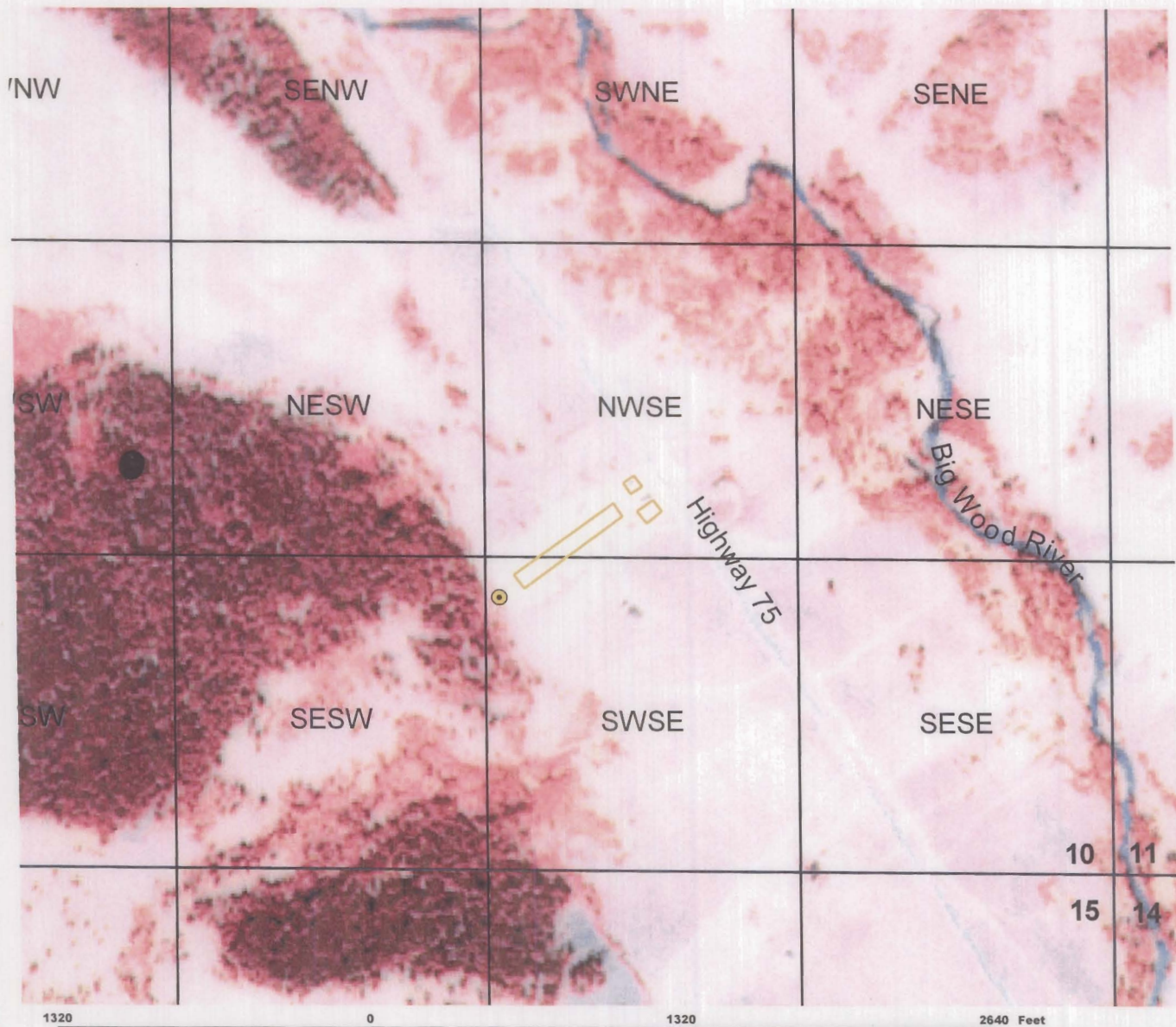
FILED BY NT

Change of Ownership

Copy has provided to take care of
c/o: Warrantly Deed lists Christopher
Flanigan (50%) and Exchange 05-3097 LLC (50%)
as New Owners * Title Co. wants the
file to be as Flanigan & Big Dog and the
exchange. I need something to show me Big
Dog has ownership. Big Dog is separate from Exchange LLC.

Idaho Department of Water Resources

RECOMMENDED PLACE OF USE FOR 37-11854

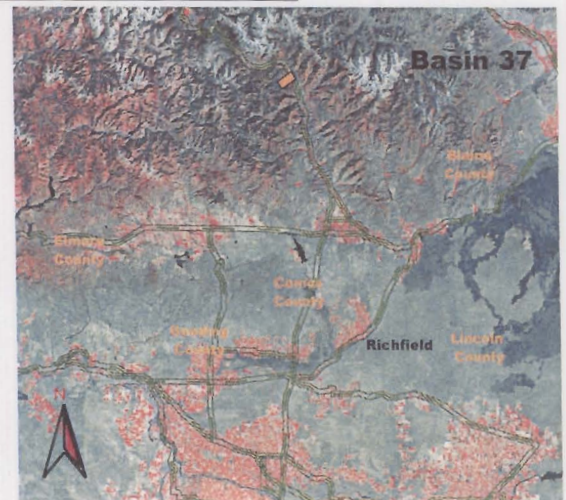


PLACE OF USE
TWP 05N, RNG 17E, SEC 10
 Data entry on May 11, 2005

- RECOMMENDED POINT OF DIVERSION
- RECOMMENDED PLACE OF USE
- TOWNSHIP LINES
- SECTION LINES
- QUARTER/QUARTER LINES

□ LOCATION IN BASIN

GIS PLACE OF USE PRESENTATION
 1987/1988 NAPP AERIAL PHOTOGRAPHY
 DATA ENTRY BY NICK TREASURE



Notes

May 3, 2005

- Wally and Sharon Dowden came in with several documents that they felt might be evidence of priority. Of the documents provided, only one provides evidence of a kind of date which is 1971. The Doudens feel like they can continue to research and provide evidence of the claimed priority date of Jan 01, 1954.

Also note that the 1988 claim will be amended. The Irrigation portion is actually represented in claim 37-11854

05/05/05

NT

Jim Spack is representing possible buyers of this property. Need to call Jim when the claimants provide proper evidence of priority.

05/09/05

Received an Affidavit from Mildred Reinsch Sam concerning the unnamed Springs claimed for this Statutory Claim. In the letter she testifies having personal knowledge of the claim in 1948. Therefore will use this affidavit for Evidence of Priority

Notes

4,000 gal capacity Tank for spring water

7,000 gal capacity Tank for well water

45 RV/ Trailer Spaces	4500	0.04	Total 0.30
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1 Apt	- 60 gal
-------	----------

1 stove / Restroom	- 60 gal
--------------------	----------

1 laundry	- 50 gal
-----------	----------



State of Idaho

DEPARTMENT OF WATER RESOURCES

1341 Fillmore Street, Suite 200, Twin Falls ID 83301-3380

Phone: (208) 736-3033 FAX: (208) 736-3037

SOUTHERN REGION

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

April 15, 2005

X
X
X
X

RESPONSE DEADLINE
JUNE 17, 2005

Re: Evidence of Priority

Dear Claimant:

The Notice of Claim identified with the number shown above your name on the mailing label has been filed in the Snake River Basin Adjudication (SRBA). The Notice indicates your water usage is based on "Beneficial Use" or a "Statutory Claim." Water rights of this type are established by the historical use of water, dating back to when water was first used for the purpose claimed. The date of first use, known as the priority date, has not been confirmed by a License, Decree or Permit. The Department will, in the coming year, conduct reviews and/or field exams for the claims in your area. Since the priority date of a beneficial use water right cannot be confirmed by field examination, **proof must be provided by the claimant** supporting the priority date claimed.

If you no longer own the property to which the claim is appurtenant please forward this correspondence to the present owner, or return it to the Department. If you have received this correspondence from the previous owner of the property it is required that you file a Change of Ownership form with the Department in order to receive future mailings and to continue to be a party in the adjudication.

Enclosed you will find a computer printout of your Notice of Claim and the pamphlet entitled "Evidence of Priority." The pamphlet describes the types of evidence required and suggests which documents will fulfill this requirement.

PLEASE NOTE: The Department will not recommend the court decree the notice **as claimed** if no evidence of a priority date is submitted – it may be disallowed. It will be to your advantage to provide clear and convincing evidence. If you choose to submit statements from individuals as evidence, the statement does **not** need to be in the form of a notarized affidavit as described in the brochure, but must relate first hand knowledge of the water right in question and include dates, quantities of water and extent of water use.

Submit the required evidence supporting the priority date by the date shown above, referencing all documents with the corresponding Notice of Claim number (i.e. 37-____). If you have questions not covered by this letter or the enclosed pamphlet, please contact this office.

Sincerely,

Douglas Jones, R.E.
Water Rights Supervisor

Enclosures

MAY 3, 2005

WALLACE DOWDEN
HC 64 BOX 8001
KETCHUM, IDAHO 83340

RECEIVED

MAY 03 2005

Department of Water Resources
Southern Region

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RE: EVIDENCE OF PRIORITY

DEAR WATER DEPT,

The enclosed evidence will establish the priority rights for the North Fork Store and Trailer Park.

After we bought the Store in 1983 we became friends with Daryl Jensen the second owner. He gave us a lot of verbal information about the Trailer Park. He put the existing spaces for Mobil Home in in the late 1950's and early 1960's as the pictures included show.

He also testified for us at a Planning and Zoning meeting in 1984 to help us establish density rights for the Mobil Home Court. That information is represented on enclosed attorney briefs and letters. He stated that at the time of a zoning change by Blaine County in 1971 there existed 33 mobile homes, 7 RV spaces and 5 cabins. This has not changed from the 60's until now.

I also have an old letter that establishes Mr. Jensen as the owner in 1966. It is enclosed. Mr. Jensen moved from the area in the late 1980's. Perhaps even now he has moved on to heaven!

Please also accept the testimony of Sharon and Wallace Dowden that the facts so stated are true and correct.

WALLACE DOWDEN



SHARON DOWDEN



RECEIVED
APR 25 2005
Department of Water Resources
Southern Region

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
SAWTOOTH NATIONAL FOREST
1525 ADDISON AVENUE, EAST
TWIN FALLS, IDAHO 83301

IN REPLY REFER TO:
2720

September 8, 1966

Mr. Darrell W. Jensen
North Fork Store
Ketchum, Idaho

Dear Sir:

We are sending you an original and one copy of a special use permit authorizing a parking area on National Forest land. Please sign these permits and return the duplicate to this office. You may retain the original for your records.

The fee for the balance of Calendar Year 1966 is \$6.25. Our statement for this amount is enclosed. The annual fee for this use is \$25.00 payable on or before May 1 of each year.

Trees should be transplanted to screen the parking area from the highway and to protect the scenic view.

Ranger John Combs will be happy to assist you if there are any questions concerning requirements of the permit.

Sincerely yours,

P. M. REES
Forest Supervisor

By *Robert F. Haag Jr*

Enclosures



37-11852

N. FK STORE

May 5 - 2005

I, Mildred M. "Reinsch"
Sams, born 4/22/44
in Hailey, Idaho.

Raised from age 4
at the North Fork Store,
north of Ketchum,
which was built
by my father, Jack
E. Reinsch.

When we moved to
the property, my father
piped water from a
spring on the hill
behind the store. This
was sometime in 1948

Mildred M Sams

Sharon

- Hope this will
help - have a great
retirement & get
some good travel
in -

as ever

Milly Sams

Phone
208-487-2708

May 5 - 2005

I, Mildred M. "Reinsch"
Sams, born 4/22/44
in Hailey, Idaho.

Raised from age 4
at the North Fork Store,
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by my father, Jack
E. Reinsch.

When we moved to
the property, my father
piped water from a
spring on the hill
behind the store, this
was sometime in 1948

Mildred M Sams

Mildred Sams
PO Box 62
Richfield, ID 83349

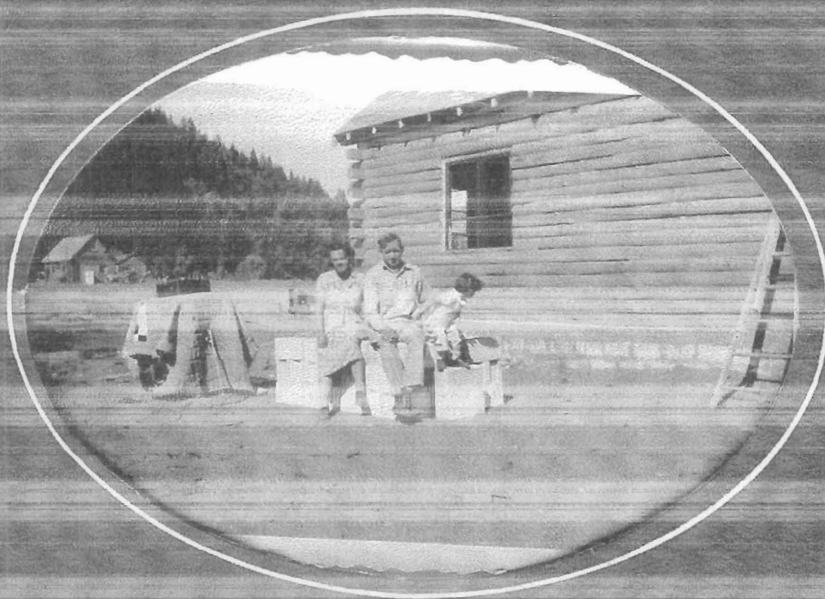


Sharon Dowden

Idc 64

Box 8001

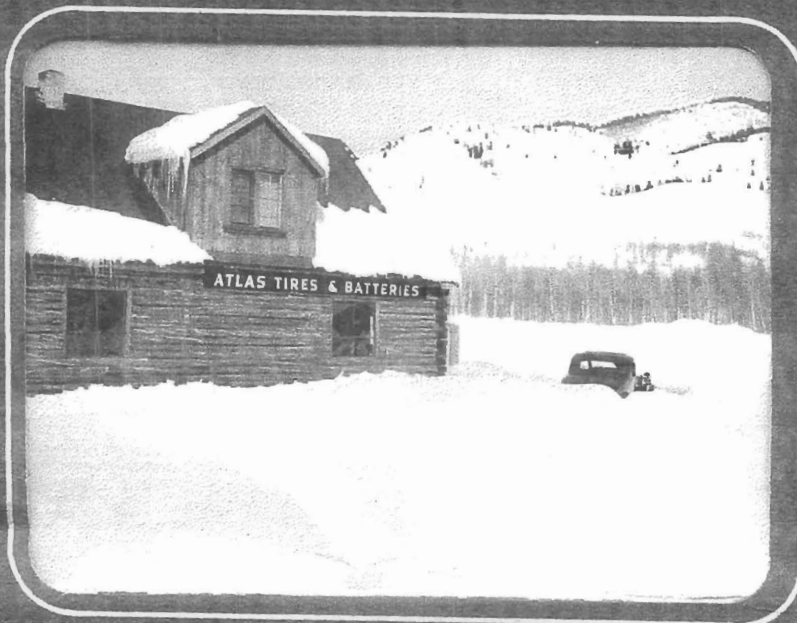
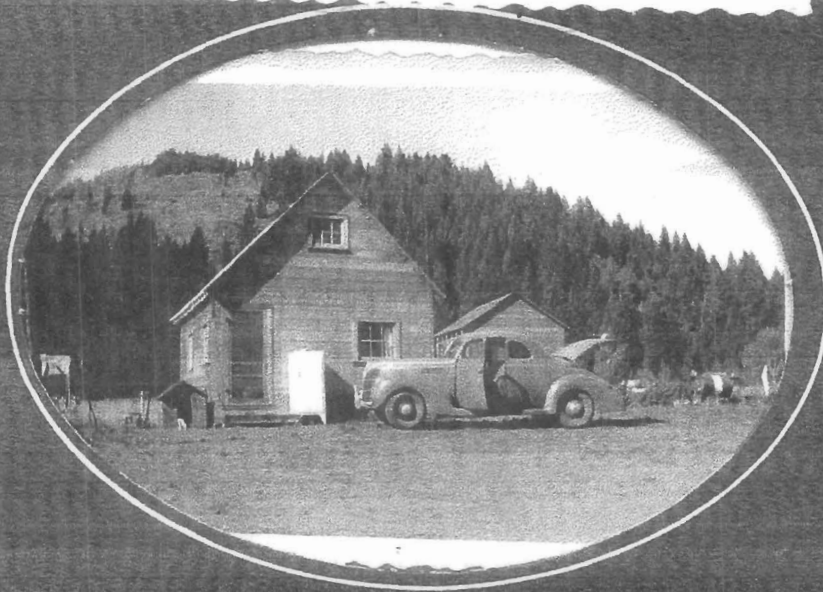
Ketchum, Id. 83340



1948
The child
is
mildred



*original
pump
house*



'Bus Stop' brings Marilyn Monroe to Hailey

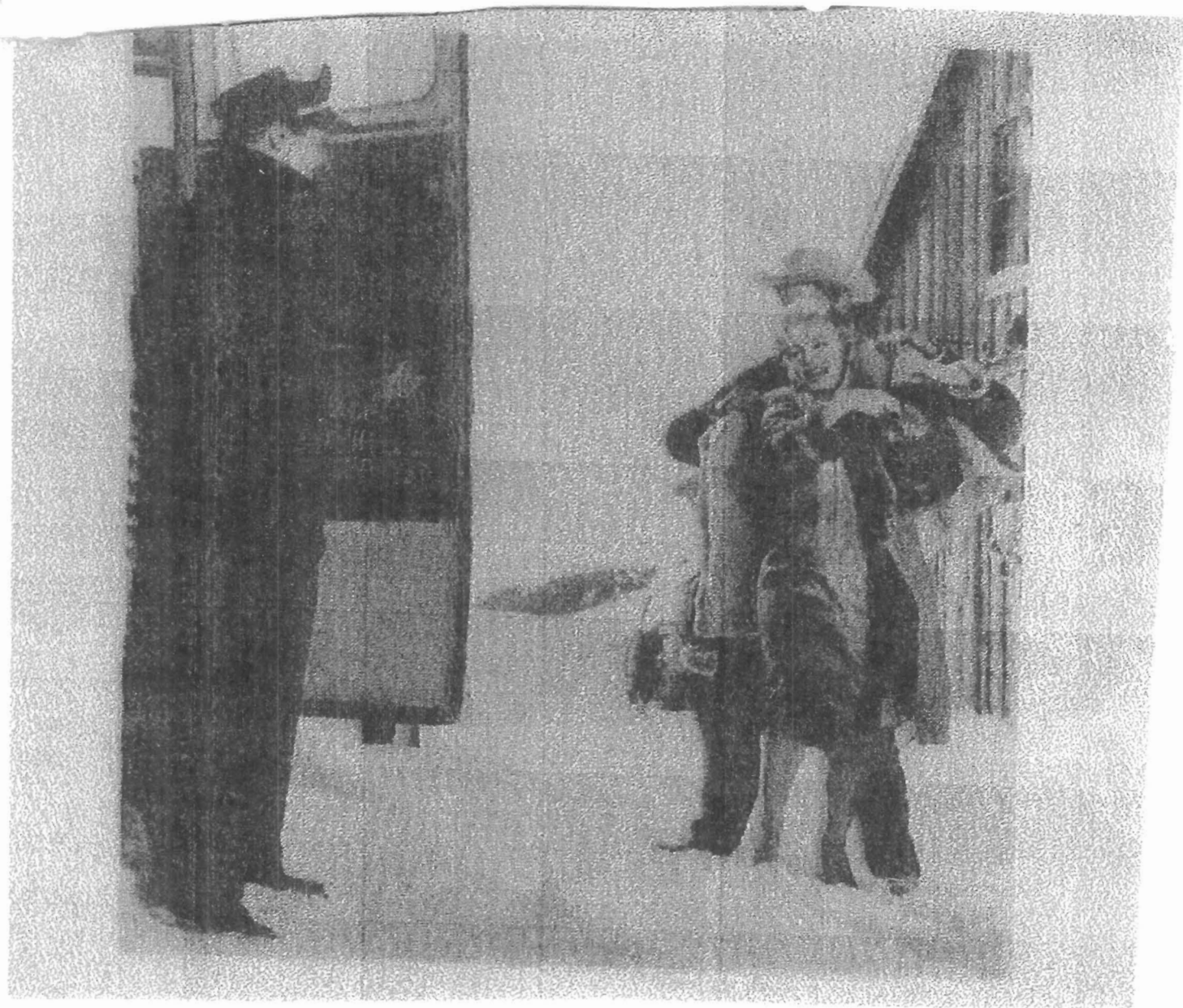
The North Fork store belonging to Jack Reincsh will not be the North Fork Store for the next several weeks. Instead the large sign over the store will read "Gracie's Diner." It will be the bus stop at which Marilyn Monroe and her leading man Donald Packard Murray will do some romancing in Miss Monroe's latest picture "Bus Stop." For other scenes they will go to the Otis Chaumell ranch on the banks of Silver creek at the foot of the Carey hill.

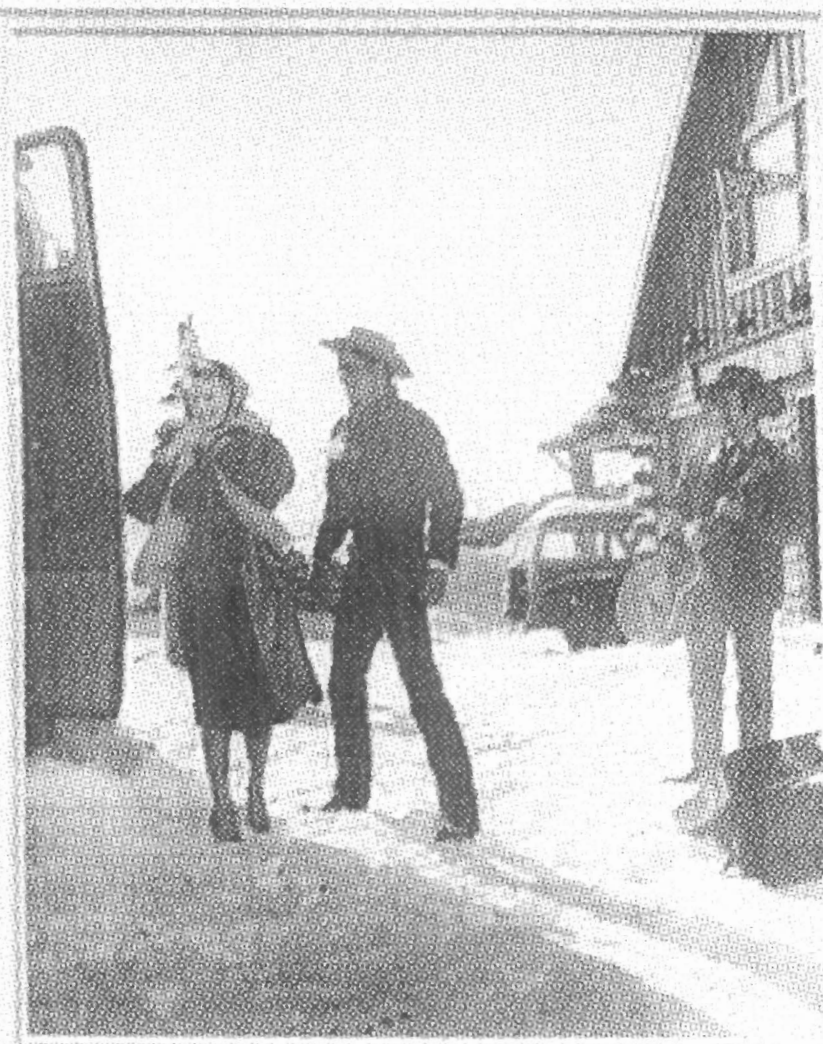
Five advance men from 20th Century Fox in Hollywood and a local crew, have been transforming the store into the bus stop they desire it to represent, the past week. Producer Joshua Logan, Miss Monroe, Mr. Murray and a troop of 70 are expected to arrive from Hollywood next Monday.

— The Hailey Times,
March 22, 1956

— Source: "Headlines Idaho Remembers" produced in the cause of historic preservation by "The Friends of the Bishops' House, Inc." in cooperation with the Idaho Historical Society.







*"Bus Stop" Marilyn Monroe,
Don Murray & Arthur O'Connell - 1950*

*Sharon Jones
and
Frank Foster*



A scene from the Twentieth Century-Fox production

"BUS STOP"

In CinemaScope

Color by De Luxe
CinemaScope Reg. Trademark of 20th Century Fox Film Corp. ®

Printed in U.S.A.

*Don't miss
Don't miss
Don't miss*

USDA FOREST SERVICE
BILL FOR COLLECTION

1. BILL DATE 11/15/2004 PAGE: 1 OF 1

ENCLOSE A COPY OF THIS BILL WITH YOUR CHECK OR MONEY ORDER.
DO NOT SEND CASH. PLEASE INCLUDE BILL NO. AND PAYER CODE
NO. ON YOUR CHECK.
MAKE YOUR CHECK PAYABLE TO:

USDA FOREST SERVICE

MAIL PAYMENT TO:

USDA FOREST SERVICE
UNIT COLLECTION OFFICER, FILE 71652
P.O. BOX 60,000
SAN FRANCISCO, CA 94160-1652

TO: WALLACE G. DOWDEN
NORTH FORK STORE
STAR ROUTE, BOX 8001
KETCHUM, ID 83340-

PAYER INDICATE
AMOUNT ENCLOSED: \$

2. NET AMOUNT DUE: \$45.00

3. DUE DATE: 01/01/2005

4. BILL NUMBER BF 041403F0008

5. PAYER CODE: MISC C

6. AGREEMENT NO:

CONTRACT NO:

7. DESCRIPTION:

8. REMARKS:

FAILURE TO PAY FEES BY DUE DATE CONSTITUTES NON-COMPLIANCE
WITH AUTHORIZATION.

9. PRINCIPAL: \$45.00

10. INTEREST:

11. ADMINISTRATIVE COSTS:

12. PENALTY:

13. AMOUNT DUE: \$45.00

14. AMOUNT CREDITED:

15. NET AMOUNT DUE: \$45.00

NOTE:

PLEASE SEND ALL CORRESPONDENCE, INQUIRIES, AND CHANGE OF ADDRESS TO:

SAWTOOTH NATIONAL FOREST
2647 KIMBERLY RD. E.
TWIN FALLS, ID 83301

208-737-3247

FAILURE TO MAKE PAYMENT BY DUE DATE WILL RESULT IN THE
ASSESSMENT OF LATE PAYMENT CHARGES (INTEREST, ADMINISTRATIVE COST,
AND/OR PENALTY CHARGES) IN ACCORDANCE WITH YOUR CONTRACT, PERMIT,
OR THE DEBT COLLECTION ACT OF 1982, AS AMENDED. POSTMARKS ARE NOT HONORED.

DATE/PERIOD	DESCRIPTION	AMOUNT
01/01/2005 To	2720 SPECIAL USES KET571001 Ketchum Ranger District	\$45.00
12/31/2005	913 IRRIGATION WATER TRANS PIPELINE < 12" D ISSUED: 02/03/1987	

Handwritten: 11-29-04

16. ORG	17. JOB	18. AMOUNT	16. ORG	17. JOB	18. AMOUNT	16. ORG	17. JOB	18. AMOUNT
0414	89831305	\$45.00						

RECEIVED

MAY 03 2005

Department of Water Resources
Southern Region

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
SAWTOOTH NATIONAL FOREST
1525 ADDISON AVENUE, EAST
TWIN FALLS, IDAHO 83301

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September 8, 1966

*To establish
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owner*

Mr. Darrell W. Jensen
North Fork Store
Ketchum, Idaho

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P. M. REES
Forest Supervisor

By *Robert F. Haag Jr*

Enclosures



RECEIVED

MAY 03 2005

Department of Water Resources
Southern Region