

Attachment B
Hayden Lake Irrigation District

Description of each well for Hayden Lake Irrigation District

Well # 1 (Lacey)

Well Permit # 95-78-N-21

Drilled	December 12, 1977 through June 27, 1978
Depth	440 feet
Casing size	20 inch
Depth	422 feet
Motor size	300 hp
Capacity	4.46 cfs (2000 gpm)
Location	SW ¼ of the NW ¼ of the NE ¼ of Section 14 T51N R4W

Comments: Well Drilled by Holman Drilling Corp

Well # 2 (Dakota Office)

Well Permit # 95-88-N-112

Drilled	January 1989 through March 1989
Depth	450 feet
Casing size	20 inch
Motor size	600 hp
Capacity	8.91 cfs (4000 gpm)
Location	NE ¼ of the SW ¼ of the SE ¼ of Section 15 T51N R4W

Comments: Well Drilled by Holman Drilling Corp

Well # 3 (Dakota Office)

Well Permit # 95-88-N-111

Drilled	November 10 1988 through January 10 1989
Depth	415 feet
Casing size	16 inch
Motor size	300 hp
Capacity	4.46 cfs (2000 gpm)
Location	NE ¼ of the SW ¼ of the SE ¼ of Section 15 T51N R4W

Comments: Well drilled by Holman Drilling Corp

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Hayden Lake Irrigation District

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Well # 4 (Larix Ct.)

Well Permit # 95-78-N-24

Drilled	February 24 through March 17 1978
Depth	372 feet
Casing size	16 inch
Depth	346 feet
Motor size	200 hp
Capacity	2.23 cfs (1000 gpm)
Location	SW ¼ of the SE ¼ of the NE ¼ of Section 27 T51N R4W

Comments: Well drilled by Holman Drilling Corp. Originally drilled for and owned by Roy Armstrong.

Well # 5

Well Permit # 95-77-N-167

Drilled	April 23 through May 27 1977
Depth	372 feet
Casing size	16 inch
Depth	346 feet
Motor size	150 hp (uncertain)
Capacity	1.56 cfs (700 gpm) (uncertain)
Location	SW ¼ of the NW ¼ of the SE ¼ of Section 16 T51N R4W

Comments: Well drilled by Holman Drilling Corp. Originally drilled for and owned by Roy Armstrong.

Note: Hayden Lake Irrigation District purchased well # 5 in 2008, however the well continues to be used for irrigation of the land intended and is not connected to the Districts infrastructure at this time.

Attachment D
Hayden Lake Irrigation District

Water Rights held in trust by Hayden Lake Irrigation District for its members. All use is located in Township 51 N Range 4 W

Right # 95-7800

Priority Date: November 16, 1977
Basis: License
Status: Active

Beneficial Use: Municipal

License Diversion Capacity: 3.8 cfs
Location of Use: Sections: 11, 14, 15, 16, 21, 22, 23, 26, 27

Right # 95-8581

Priority Date: April 25, 1988
Basis: License
Status: Active

Beneficial Use: Municipal and Irrigation

License Diversion Capacity: 10.92 cfs (Municipal)
License Diversion Capacity: 2.0 cfs (Irrigation)

Location of Use: Sections: 11, 14, 15, 16, 21, 22, 23, 26, 27

Right # 95-9242

Priority Date: March 9, 1966
Basis: License
Status: Active

Beneficial Use: Municipal

License Diversion Capacity: 1.26 cfs
Location of Use: Section 22

Right # 95-8273

Priority Date: March 16, 1983
Basis: License
Status: Active

Beneficial Use: Municipal

License Diversion Capacity: 2.0 cfs (Combines with Right 95-8279 total 3.12 cfs)
Location of Use: Section 27

Right # 95-8279

Priority Date: April 1, 1983
Basis: License
Status: Active

Beneficial Use: Municipal

License Diversion Capacity: 3.0 cfs (Combines with Right 95-8279 total 3.12 cfs)
Location of Use: Section 22

Right # 95-8269

Priority Date: March 9, 1983
Basis: License
Status: Active

Beneficial Use: Irrigation

License Diversion Capacity: 1.56 cfs
Location of Use: Section 16

Attachment F

HAYDEN LAKE IRRIGATION DISTRICT

2160 W. Dakota Ave.
Hayden, Idaho 83835
(208) 772-2612 ♦ FAX (208) 772-5348

November 19, 2009

Idaho Department of Water Resources
North Idaho Regional Office
7600 N. Mineral Drive, Ste 100
Coeur d'Alene, ID 83815

RE: North Idaho Adjudication Claims

Dear Sirs:

Attached please find the Hayden Lake Irrigation District claims for water rights in accordance with the North Idaho Adjudication. This letter is provided as an attachment to the claims, and as a summary explanation of the District's water rights and how those rights are applied to lands within the District's service area. Payment of \$2609.00 is enclosed in accordance with the fee schedule established by IDWR.

Historically the District pumped from Hayden Lake through water right # 95-467 and 95-467A. The District ceased using the lake and that right was transferred in 2003 to Dalton Gardens Irrigation District.

The District currently uses ground water through rights 95-7800 and 95-8581, the last official activity for those rights was a transfer to municipal use in 2004. Claims are submitted herewith for adjudication of each of those rights. Pursuant to Idaho Code 42-1425 an accomplished transfer for right # 95-8581 is requested which would allow for 0.11 cfs of stockwater. No increase in total diversion is requested and this better reflects current uses.

The District also currently uses ground water rights 95-9242, 95-8273 and 95-8279. Due to residential growth within the District's service area, and subsequent annexation of lands previously irrigated through individual water rights the District was deeded those rights and is the purveyor of water to those lands. The water use on those lands has changed to a municipal type use and the submitted water right claim forms reflect that change. The District would like to complete an appropriate accomplished transfer of those water rights through the adjudication process.

Attachment F

North Idaho Adjudication

November 19, 2009

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Please note the deed(s) transferring water rights 95-8273 and 95-8279 are slightly confusing, due to development re-platting. In an effort to keep the water right amount intact the first transfer (instrument # 1928189) was from the developer back to the original land owner. The second transfer was from original land owner to the developer (instrument # 1929155) and the third transfer was from the developer to Hayden Lake Irrigation District (instrument # 1929156).

At this time the Districts pumping capacity is approaching the total capacity of the water right claims submitted for adjudication.

Additionally the District purchased an existing well and is in the process of being deeded water right 95-8269. An annexation agreement is completed and recorded which commits the developer to transferring the water right in whole to the District. Currently the original land owner continues to farm those lands and utilizes the existing well to do so. A claim is enclosed for that water right, however the use continues to be irrigation pending development of the ground.

If you have any questions please contact either the District Administrator, Alan Miller, or the District Chairman, Bert Rohrbach. E-mail addresses are alan@haydenirrigation.com and bert@haydenirrigation.com respectively.

Sincerely,



Bert Rohrbach
Chairman

ANNEXATION AGREEMENT

This Agreement ("Agreement") is entered into by and between the Hayden Lake Irrigation District (the "District"), and JKS PROPERTIES, LLC, An Idaho limited liability company and Roy Armstrong (hereafter "Owners"), subject to the execution and ratification of this Agreement by the District's board.

WHEREAS, Owners own land located in the West Half of the Southeast Quarter of Section 16, Township 51 North, Range 4 West, Boise Meridian;

WHEREAS, Owners have petitioned to annex the above property into the District;

WHEREAS, the parties wish to memorialize the conditions of approval for the annexation;

NOW, THEREFORE, in and in consideration of the mutual agreements, covenants and conditions contained herein, the parties hereto agree as follows:

Article I. Purpose

The purpose of this Agreement is to set forth the terms and conditions to the annexation of the seventy-eight (78) acres into the District.

Article II. Obligations of Developer

2.01 Water Rights Transfer. JKS shall transfer to the District all water rights held in conjunction with Water Right License No. 95-8269. JKS shall execute all documents required to effectuate the transfer of the permitted water rights.

2.02 Annexation Fee. JKS shall pay to the District an annexation fee of \$550 per acre for a total of Forty-Two Thousand Nine Hundred Dollars (\$42,900.00). In lieu of payment of these fees, JKS hereby assigns its right to latecomer fees along the northern boundary of the development to the District, which amount equals or exceeds the annexation fee.

2.03. Infrastructure from Atlas to Well Site. JKS requires a 12-inch water line and related infrastructure to service the annexed property. The District desires JKS to oversize the line and install a 16-inch water line and related infrastructure to service its existing and future members. The District shall pay actual costs, including all labor and materials, to install a 16-inch line and related infrastructure from Atlas Road to the south eastern boundary line on Owners' annexed property. HLID will pay one half (1/2) of the infrastructure costs, based on a 12" water line, along Hayden Avenue from the eastern boundary of the JKS development to the western boundary of the JKS development. Additionally, the District will pay the cost differential to upsize this section to 16" and pay for additional connections or services required by the District. HLID will pay one half (1/2) of the infrastructure costs, based on a 12" water line, from Hayden Avenue

along the JKS development western boundary north to the well site, primarily along Carrington Road. Additionally, the District will pay the cost differential to upsize this section where necessary and pay for any additional connections or services required by the District.

2.04 Access to Well. The annexed property contains a water lubricated well. JKS shall cooperate with District and allow District, at its own cost, access to the well to assess the feasibility of converting the well to domestic use by the District.

2.05 Transfer of Well. Should the evaluation of the well site indicate that the well can be converted to domestic use, JKS shall execute all documents required to effectuate the transfer of the well and the land upon which the well sits. The parties acknowledge that JKS is in the process of platting the property and would immediately be able to convey the well site, and upon tender of the deed, the agreed payment for the well and site shall be made to JKS. JKS's obligation hereunder is conditioned upon District making payment for the well and well site as set forth herein.

2.06 Utility easements. All plats and phases of plats shall specifically dedicate the utility corridors shown thereon to the District or dedicate minimum 20-foot wide easements centered on District pipelines for the District's infrastructure placement, operation and maintenance. The plat designation shall also reflect that the infrastructure is dedicated to the District. Easements shall be separately defined and recorded at Kootenai County for all affected lots. If the Developer is unable to include such a dedication of infrastructure to the District on the face of the plat due to specific platting agency rules, then the Developer shall sign a separate agreement transferring the water system infrastructure and appropriate easements to the District. The easements shall be recorded at Kootenai County.

2.07 Covenants, Conditions and Restrictions. Any covenants, conditions and restrictions prepared by Owners with respect to the plat shall allow for a well house and fencing security for the Well Lot. Any fence installed by the District shall be compatible with the landscaping and fencing requirements of the subdivision.

2.08 Farming. Roy Armstrong shall have the right, at his option, to continue to farm the subject property, and the District agrees to allow Mr. Armstrong use of the well for irrigation until the property is actually developed, or the District requires the well for its operations.

Article III. Obligations of the District

3.01 Purchase of Well and Well Lot. In the event the District's evaluation determines that the well can be converted to domestic use, the District shall pay JKS Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) for the well and related equipment and Seventy-Five Thousand Dollars (\$75,000.00) for the well site upon delivery of executed documents of conveyance, which shall be on or before June 30, 2008.

EXECUTED AND EFFECTIVE this 1 day of July, 2008.

JKS PROPERTIES, LLC

By: [Signature]
Managing Member

By: [Signature]
Managing Member

HAYDEN LAKE IRRIGATION DISTRICT

By: [Signature]
Bert Rohrbach, Chairman

Notarization of signatures follows on the next page.

Attachment G (A)
Hayden Lake Irrigation
District

HAYDEN LAKE IRRIGATION DISTRICT

IN THE MATTER OF PETITION FOR)
ANNEXATION FILED ON BEHALF OF) ORDER GRANTING
ROY ARMSTRONG AND JKS LLC.,) ANNEXATION OF LANDS
PETITIONERS)

A Petition for Annexation of Lands having been filed with the Hayden Lake Irrigation District (the District), County of Kootenai, State of Idaho, on or about January 24, 2008, on behalf of Roy Armstrong and JKS LLC., property owners, (Petitioners) requesting annexation of Petitioners land described as follows:

The West Half of the Southeast Quarter of Section 16, Township 51 North, Range 4 West, Boise Meridian, City of Hayden, Kootenai County, Idaho.

Public Hearing for the Petitioners request having been held by the District Board (the Board) at such time and location set, and due notice of the same having been given by publication, proof of the giving and publication of said notice having been made and filed with the Board, and no person appearing to show cause in writing, or otherwise, why said petition should not be granted; and

The Board having adopted a Resolution establishing an Order of Annexation on February 26, 2008, finding that the Petitioners property, described above, consists of land adjacent to the boundaries of the District pursuant to Section 43-1001, Idaho Code, and finding it to be in the best interests of the District that the petitioners property be annexed to the District for domestic water purposes and irrigation purposes.

NOW, THEREFORE, IT IS HEREBY ORDERED:

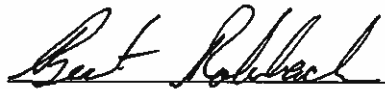
- 1) The Petitioners' property is described as follows:

The West Half of the Southeast Quarter of Section 16, Township 51 North, Range 4 West, Boise Meridian, City of Hayden, Kootenai County, Idaho.

- 2) Petitioners, and any and all successors, shall abide by the lawful rules, agreements, regulations, policies and requirements of the District now in force and hereafter adopted.
- 3) The lands described in item number 1 immediately above shall be and are hereafter attached and incorporated in the District division at large.

DANIEL J. ENGLISH 3P I 2167390000
KOOTENAI CO. RECORDER Page 1 of 3
BBB Date 07/07/2008 Time 14:58:15
REC-REQ OF HAYDEN LAKE IRRIGATION D
RECORDING FEE: 9.00
2167390000 XK 6

DATED this 1st day of July, 2008.



Bert Rohrbach, Chairman
Hayden Lake Irrigation District



Brian Eifler, Director
Hayden Lake Irrigation District



Tammi Kerr, Director
Hayden Lake Irrigation District

ATTEST:



Alan Miller, Administrator
Hayden Lake Irrigation District



CERTIFICATION

We, the undersigned Chairman and Administrator, respectively, of the Hayden Lake Irrigation District (the District), Kootenai County, Idaho, do hereby certify that the attached and foregoing is a true, correct and complete copy of the Order of the Board of Directors of the District as the same now appears on file and of record in the District office.

In Witness Whereof, we have set our hands and affixed the official seal of the Hayden Lake Irrigation District on this 2nd day of July, 2008.



Bert Rohrbach
Bert Rohrbach, Chairman
Hayden Lake Irrigation District

ATTEST:

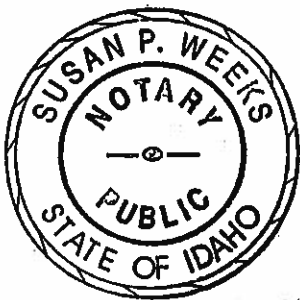
Alan Miller
Alan Miller, Administrator
Hayden Lake Irrigation District

STATE OF IDAHO)
County of Kootenai)

:ss

On this 2nd day of July, 2008, before me, Susan P. Weeks, a Notary Public in and for the State of Idaho, personally appeared Bert Rohrbach and Alan Miller known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Susan P. Weeks
Notary Public for Idaho
Residing at Coeur d'Alene, ID
Commission expires 7/1/09

