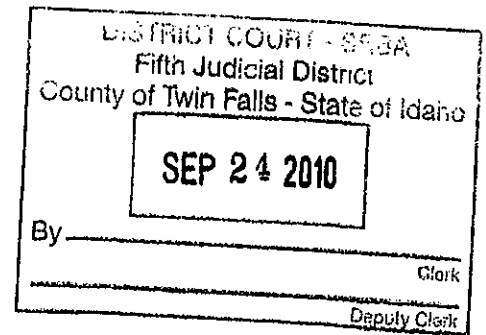




**IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS**

In Re SRBA	)	Subcase No. 63-4037
	)	
Case No. 39576	)	STANDARD FORM 5
	)	
	)	STIPULATED ELEMENTS OF A
	)	WATER RIGHT

This form is used to report the stipulated elements of one water right acquired under state law and/or one federal reserved water right. Submission of this form will not automatically result in the issuance of a partial decree. The Presiding Judge or Special Master will conduct any hearing necessary to determine whether the facts, data, expert opinions and law support the issuance of a partial decree for the water right.

The parties agree that the Snake River Basin Adjudication Court has jurisdiction of the parties and subject matter to enter a partial decree for this water right; that they have been served with sufficient process, according to the law; and that they have appeared, prosecuted, and defended their positions with regard to this water right dispute.

The parties and IDWR agree and stipulate that the elements of this water right should be described per the attached. The parties and IDWR have further indicated their concurrence by initialing each of the attached pages.

CLAIMANT:
Quail Hollow, LLC

A. Walder 9/22/10
Andrew J. Waldera Date
Attorney for Claimant

OBJECTOR(s)/RESPONDENT(s):
David Hendrickson
Bluegrass, LLC

A. Walder 9/22/10
Andrew J. Waldera Date
Attorney for Objectors/Respondents

OBJECTOR/RESPONDENT:

Edwards Family, LLC

By:

Date

Title:

RESPONDENT:

The Terteling Co., Inc.

Charles L. Honsinger

Date

Attorney for Objector

DWR Concurrence:

Vicky L. Music

Date

Senior Water Resource Agent

Nicholas B. Spencer
Deputy Attorney General
Attorney for IDWR

Date

IDAHO DEPARTMENT OF WATER RESOURCES RECOMMENDED
WATER RIGHTS ACQUIRED UNDER STATE LAW

9/25/10

RIGHT NUMBER: 63-4037

NAME AND ADDRESS:

QUAIL HOLLOW LLC
6553 W PLANTATION DR
GARDEN CITY ID 83714

BLUEGRASS LLC
4706 N 26TH
BOISE ID 83703

SOURCE: Source: Ground Water Tributary:

QUANTITY: 1.000 CFS
231.750 AFY

The rights listed below are limited to a total combined diversion rate of 1.31 cfs and to a total combined annual diversion volume of 497 AF. Combined Right Nos.: 63-4037 and 63-9758.

The rights listed below are limited to a total combined diversion rate of 1.69 cfs. Combined Right Nos.: 63-4037, 63-9758 and 63-21875.

Right Nos. 63-4037 and 63-9758 are limited to a total combined diversion rate of 1.31 cfs and to a total combined annual diversion volume of 497 AF.

PRIORITY DATE: 04/07/1937

POINT OF DIVERSION:

T04N R02E S28 NW1/4
Within ADA County

Source is low temperature geothermal water.

PURPOSE AND PERIOD OF USE:

Purpose of use	Period of use:	Quantity:
IRRIGATION	03/01 11/15	1.000 CFS 231.75 AFY

Low temperature geothermal water diverted under this right shall not be used for irrigation purposes unless it is first used for heating purposes.

PLACE OF USE:

IRRIGATION within ADA County

T04N R02E S21 SWSW 0.7
T04N R02E S21 SSW 1.5
T04N R02E S21 NWSW 5.1
T04N R02E S21 SWSW 34.7
T04N R02E S28 NW1/4 20.5
T04N R02E S28 N1/4 28.7
T04N R02E S28 NW1/4 11.4

T04N R02E S21 SWSW 1.2
T04N R02E S21 SWSW 14.0
T04N R02E S28 NW1/4 15.0
T04N R02E S28 NW1/4 3.0
T04N R02E S28 NW1/4 16.2

SF5 SUBCASE NO.: 63-4037

T04N R02E S28 SWNW 0.3

T04N R02E S28 SEWN 7.1

110 ACRES TOTAL

51.8 ACRES TOTAL

The rights listed below are limited to the irrigation of a combined total of 110 acres in a single irrigation season. Combined Right Nos.: 63-4037, 63-9758 and 63-21875.

This right is limited to the irrigation of 51.1 acres within the place of use described above in a single irrigation season.

Diversion of low temperature geothermal water under this right shall occur only when cold water sources covering the place of use are insufficient or cannot be used.

Right Nos. 63-4037 and 63-21875 are limited to the irrigation of a combined total of 82.7 acres in a single irrigation season.

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

This water right is subject to the terms of an a private Agreement dated July 13, 2010, recorded at the Ada County Recorder's Office on September 21, 2010 as Instrument No. 110088550.

Use of water under this water right will be regulated by the watermaster of State Water District No. 63-S.

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: BASIS OF CLAIM - Beneficial Use

PROPERTY IS ALSO KNOWN AS THE QUAIL HOLLOW GOLF COURSE.

Right no. 63-9758 is also diverted through point of diversion described above.

Use of water under this water right will be regulated by the watermaster of State Water District No. 63-S, Stewart Gulch. Water District 63-S regulates the water rights from wells within its boundary that produce from the low temperature geothermal aquifer known locally as the Stewart Gulch Geothermal Aquifer.

The SRBA Court declined to address the administrative issues of artesian pressure and reasonable pumping levels related to diversions from the low temperature geothermal locally known as the Stewart Gulch Geothermal Aquifer. Water users may raise these administrative matters directly with IDWR.

CERTIFICATE OF MAILING

I certify that on September 24, 2010, I mailed the original and copies of this form, including all attachments, to the following persons by mailing the original and/or copies, postage prepaid and addressed as follows:

1. Original to:

CLERK OF THE DISTRICT COURT
SNAKE RIVER BASIN ADJUDICATION
253 THIRD AVENUE NORTH
P. O. BOX 2707
TWIN FALLS, IDAHO 83303-2707

VIA FACSIMILE

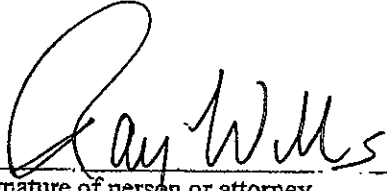
2. Copies to:

BLUEGRASS, LLC
DAVID HENDRICKSON
QUAIL HOLLOW, LLC
Represented by:
ANDREW J. WALDERA
SCOTT L. CAMPBELL
101 S. CAPITOL BLVD., 10TH FLOOR
P.O. BOX 829
BOISE, ID 83701-0829

~~EDWARDS FAMILY, LLC
Represented by:
DANA L. HOFSTETTER
608 WEST FRANKLIN STREET
BOISE, ID 83702~~

THE TERTELING CO., INC.
Represented by:
CHARLES L. HONSINGER
455 S. THIRD STREET
P.O. BOX 2773
BOISE, ID 83701-2773

DIRECTOR OF IDWR
P.O. BOX 83720
BOISE, ID 83720-0098



Signature of person or attorney