



582 West Hayden Avenue • Hayden Lake, Idaho 83835
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JUNE 10, 1997

MARGIE PASKERT
P.O. BOX 436
COCOLALLA, ID 83813

SUBJECT: WELL TEST

Well Data:

Well Location: LODGE POLE RD - NEAR CAREYWOOD
Well Construction: 6"
Well Depth: ?
Static Water Level: ?
Test Pump Used: EXISTING
Pump Setting: ?
Pipe Size: 1"
Wire Size: #12
Liquid Level Controls: N/A
Pitless: YES - 1"
Pump House: N/A
Condition: N/A
Pressure Tank Size: N/A
Electrical Controls: N/A

Date of Test: JUNE 10, 1997
Time: 8:35 AM TO 10:35 AM

Summary:

This well will produce 15+ gallons per minute over a 2-hour period.

Jim Boyes
Pump Assistant

WATER WELL AGREEMENT AND GRANTS OF EASEMENT

THIS INSTRUMENT made and entered into this 20 day of March, 2006 by PAUL EWING and KAREN EWING, husband and wife of _____ (hereinafter referred to collectively as "EWING") and is based upon the following:

1. EWING is the owner of two (2) parcels of real property located in the County of Bonner, State of Idaho:

1. Parcel 1: See Exhibit "1", Attached Hereto and Incorporated Herein by Reference (hereinafter referred to as PARCEL A).
2. Parcel 2: See Exhibit "2", Attached Hereto and Incorporated Herein by Reference (hereinafter referred to as PARCEL B).

For illustrative purposes only, a diagram showing the respective location of the aforementioned parcels of real property is attached hereto as Exhibit 3 and is incorporated herein by reference.

2. EWING intends to sell both PARCEL A and PARCEL B to third parties.
3. A water well has been developed on PARCEL A for the supply of water to a single family residence located on PARCEL A and to a single family residence located on PARCEL B (hereinafter referred to as the "water well").
4. It is EWING'S intent that the water well located on PARCEL A, and all water transmission lines and other utility lines associated with the water well, continue to be used as a joint water well for the production of water for the use and benefit of PARCEL A and PARCEL B after the conveyance of PARCEL A and PARCEL B by EWING to third party purchasers.
5. It is necessary that this Agreement be made a matter of record to establish the rights, interest, and further responsibilities as it concerns the maintenance, repair, and use of the water well and water distribution line to the owners of the real property described herein.

NOW, THEREFORE, IT IS HEREBY ESTABLISHED as follows:

6. ESTABLISHMENT OF EASEMENTS FOR THE BENEFIT OF PARCEL B:

1. EWING hereby establishes, reserves, dedicates, grants and conveys to the present and future owners of PARCEL B, a perpetual nonexclusive easement over, across and under a circular parcel of property fifty feet (50.00') in diameter as

measured from the center point of a pre-existing water well located on PARCEL A (said circular parcel of property is hereinafter referred to as the "WELL LOT").

1. The present and future owners of PARCEL B may make any use of the WELL LOT that is necessary and consistent with the operation, development and maintenance of a water well and may prohibit the present and future owners of PARCEL A from making any use of the WELL LOT that interferes with or is inconsistent with the operation, development and maintenance of a water well.
2. No present or future owners of PARCEL A shall place or operate any septic system, or parts and components thereof, within one hundred feet (100.00') from the center point of the pre-existing water well located on the WELL LOT.
2. EWING further hereby establishes, reserves, dedicates, grants and conveys to the present and future owners of PARCEL B a nonexclusive perpetual ingress, egress, access and utility easement over, across and under PARCEL A for purposes of accessing, maintaining, repairing, replacing, re-drilling and inspecting the water well and water transmission lines located upon PARCEL A and the WELL LOT. Said easement shall also be for the excavation, installation, maintenance, inspection, repair and or replacement of any utility lines, cables or services that the present and future owners of PARCEL B deem reasonably necessary for the operation of a water well and water distribution system on the WELL LOT.
3. EWING further hereby establishes, reserves, dedicates, grants and conveys to the present and future owners of PARCEL B a nonexclusive perpetual easement for the purposes of installing, maintaining, replacing, improving and accessing any and all underground water pipeline(s) located, or to be located, upon PARCEL A for the supply of water from the WELL LOT to PARCEL B.

7. WELL USERS AGREEMENT:

1. **USE OF WATER WELL:** The water well located on PARCEL A shall be used for the exclusive use of PARCEL A and PARCEL B. The water well, the water system and the water produced and transported by the same, cannot be expanded to other parcels of real property or other uses without the written consent of all of the owners of PARCEL A and PARCEL B. PARCEL A and PARCEL B shall each be entitled to the use and benefit of an undivided one half (1/2) interest in the water well and all water produced by the water well. In the event there is any shortage of water which requires any rationing and/or limitations to be placed on the water well, the same shall be equally proportionate to PARCEL A and

PARCEL B.

- i. The use of any water produced by the water well by the owners of PARCEL A and PARCEL B shall be limited to one (1) single family residence and accessory buildings per each parcel of real property.
 - (1) The term "accessory buildings" includes, but is not limited to, detached garages, shops, barns, guest houses and other structures incident to the use and enjoyment of a single family residence.
 - (2) The water well cannot used to supply water to any additional lots subdivided out from either PARCEL A or PARCEL B.
- b. **COSTS:** All costs for any reconstructing, re-drilling, deepening, maintaining and/or repairing of the water well and any shared water transmission lines, components or structures thereof shall be the perpetual, joint and equal responsibility of the owners of PARCEL A and PARCEL B.
 - i. All costs to hook onto the water well and its water transmission system shall be borne solely by the person or entity making said hookup. Any costs for the continued maintenance and repair of a Parcel owner's exclusive, unshared water transmission line or components shall be the sole responsibility of said Parcel owner.
- c. **ELECTRICITY:** Electrical power to the water pump is currently metered by the residential electrical meter of the residence located on PARCEL A. Once PARCEL B is conveyed by EWING to a third party, the new owner of PARCEL B shall pay to the then current owner of PARCEL A the sum of **sixty dollars (\$60.00) once a year beginning on the 1st day of July** following the conveyance of fee title to PARCEL B from EWING. Said yearly payments from the then current owner of PARCEL B to the then current owner of PARCEL A shall continue thereafter in perpetuity or as otherwise agreed in writing by the owners of PARCEL A and PARCEL B or in the event that dedicated electrical and water meters are installed pursuant to the provisions set forth herein.
 - i. In the event that a dispute arises between the owners of PARCEL A and PARCEL B regarding the consumptive use of the water produced by the water well and/or the amount of electricity used for the production of water by the water well and/or the apportionment of the electrical costs thereof, a separate and dedicated electrical line and meter may be installed by either the owner of PARCEL A or the owner of PARCEL B to provide separately metered electrical power to the WELL LOT.

- (1) The owner seeking/wanting the installation of the separate and dedicated electrical line and meter shall bear all of the costs for the initial installation thereof.
- ii. Once the separate and dedicated electrical line and meter has been installed and paid for the owner seeking/wanting said installation, all of the future costs associated with the electrical line and meter shall be the perpetual, joint and equal responsibility of the owners of PARCEL A and PARCEL B.
- (1) All electricity passing through said separate and dedicated electrical line and meter shall be used solely for the production of water from the water well and for the operation of any incidental appliances necessary for the production of water, including but not limited to any electrical heaters or electrical lights for any well house constructed upon the WELL LOT.
 - (2) Within thirty (30) days after the separate and dedicated electrical line and meter has been installed and paid for the owner seeking/wanting said installation the owners of PARCEL A and PARCEL B shall each install, at their own expense, a water meter on their respective water transmission lines in a place that is easily accessible and viewable by the other owner. Each owner will then be responsible for the electrical usage for that owner's actual water consumption.
- d. **DEFAULT:** In the event the owner of either PARCEL A or PARCEL B fails to pay said owner's respective contributive share of the costs of the operation and maintenance of the shared components of the water well and/or any electrical charges attributable to said owner's consumption of water produced by the water well, within thirty (30) days of the payment due date of said owner's respective contributive share, then and in that event, the nondelinquent owner may pay said delinquent owner's share of said costs and/or make demand for payment from the delinquent owner for the payment of the same.
- i. In the event of such payment the nondelinquent owner shall be entitled to a reimbursement from the delinquent owner for said payment, plus interest at a rate of eighteen percent (18%) per annum to be calculated thirty (30) days after the first written demand for payment/reimbursement has been made. Furthermore, in the event the nonpayment should continue, a lien on the delinquent owner's parcel of real property is hereby established on behalf of the nondelinquent owner and said nondelinquent owner shall have the right to foreclose the lien on the liened parcel of real property as a

mechanic's lien under the laws of the State of Idaho. Any and all costs and attorney's fees incurred resulting from said default shall be paid by the defaulting party.

- ii. In addition to the foregoing, the nondelinquent owner shall have all rights and remedies available to the nondelinquent owner pursuant to law and equity.

8. **SEVERABILITY CLAUSE:** Should any provision of this agreement be declared invalid or in conflict with any applicable law, statute, regulation, or ordinance, the validity of all the other provisions of this agreement shall remain unaffected and in full force and effect.
9. **BINDING COVENANTS:** The terms and conditions of this agreement shall constitute covenants and encumbrances and shall run with the land and be appurtenant thereto and shall be perpetually binding upon the parties hereto, their heirs and assigns, and any party acquiring any right, title or interest in or to any portion of the real property described herein.
10. **NO JOINT VENTURE:** Nothing contained in this Agreement shall be construed as creating a joint venture, partnership or agency relationship between any of the owners of the real property described herein, including but not limited to EWING.
11. **ATTORNEY'S FEES:** In the event any legal action is necessitated for the enforcement of the terms of this Agreement, reasonable attorney's fees and costs shall be allowed to the prevailing party.
12. **DISCLAIMER OF WARRANTIES:** EWING shall not be responsible or liable for any malfunction or defect of the water well and its associated components and is hereby disclaiming any warranty of merchantability as to the water well and its associated components and is further disclaiming any warranty of fitness for a particular purpose as to the water well and its associated components. In the event that any improvements are required to improve the water quality, water quantity or water production rate of the water well, the costs associated with any and all improvements shall be the sole responsibility of the then current owners of PARCEL A and PARCEL B without any right of contribution or reimbursement from EWING.
13. **NO WARRANTY OF ENFORCEABILITY:** While EWING has no reason to believe that any term, covenant or condition of this Agreement may be invalid or unenforceable in whole or in part, for any reason or to any extent, EWING makes no warranty or representation as to the present or future validity or enforceability of any such term,

covenant or condition. Any person or entity acquiring any of the real property described herein in reliance upon any one or more of such term, covenant or condition shall assume all risk of the validity and enforceability thereof and, by acquiring such real property, agrees to hold EWING, and all of EWING'S estate, heirs, assigns, brokers, agents, members, managers, attorneys, consultants and employees, harmless therefrom.

IN WITNESS WHEREOF the parties hereto have executed this Instrument the day and year first above written.

Paul Ewing
PAUL EWING

Karen E Ewing
KAREN EWING

STATE OF IDAHO)

County of Kootenai)

ss.

On this 20 day of March, 2006, before me, Karen L. Castle, a Notary Public for the State of Idaho, personally appeared PAUL EWING and KAREN EWING known or identified to me to be the persons whose names are subscribed to the foregoing instrument.

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

Karen L. Castle
Notary Public for Idaho

Residing in: Kootenai, ID

Commission Expires: 11/16/10



SEA Northwest

208-2654802

p.2

Paul & Karen Ewing-West Parcel-5.67 acres

LEGAL DESCRIPTION

A tract of land in Government Lot 4 of Section 19, Township 54 North, Range 2 West, Boise Meridian, Bonner County, Idaho, more specifically described as follows:

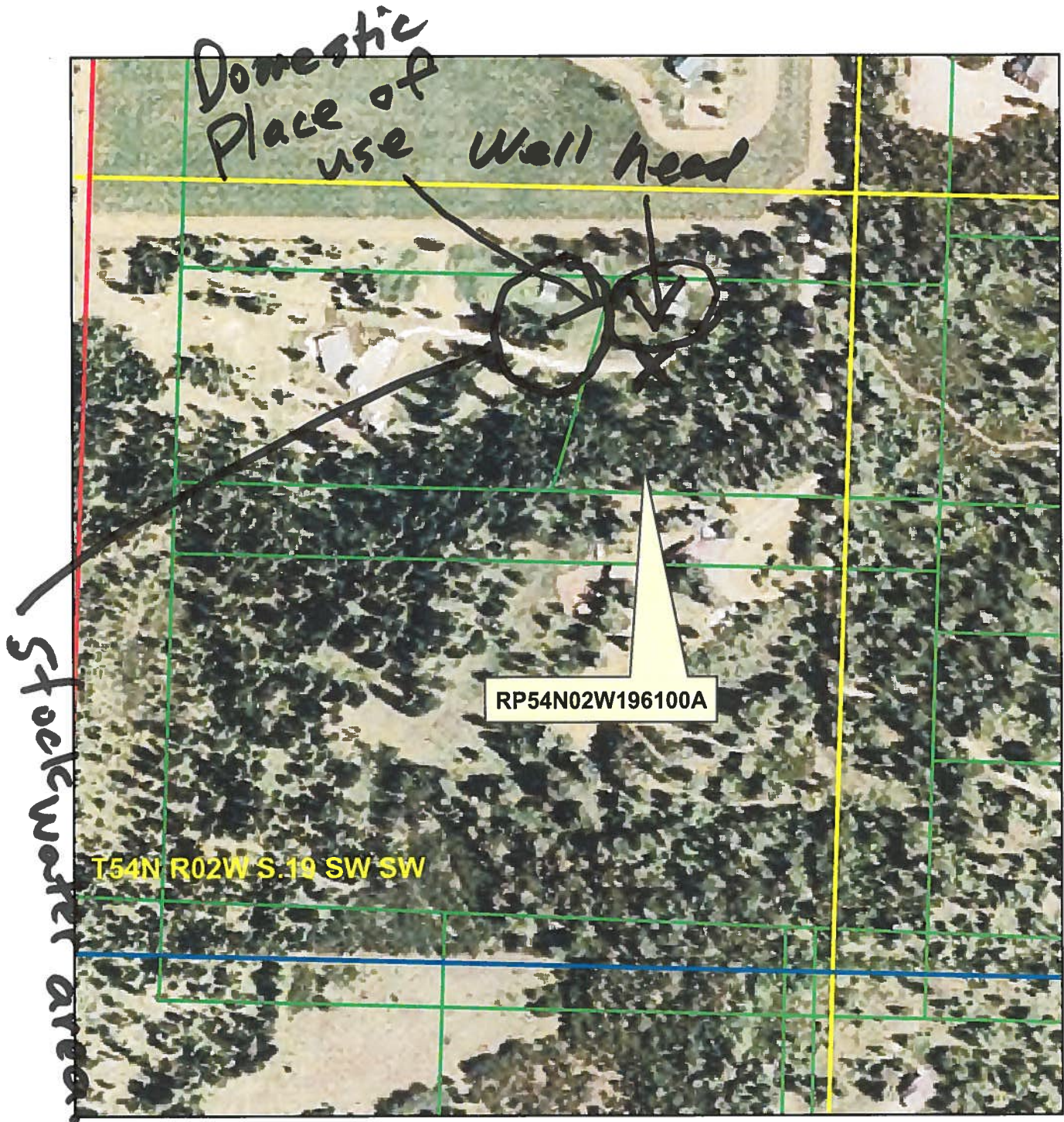
Commencing at the Southwest corner of said Government Lot 4 (Southwest Section Corner); thence North 00° 18' 47" West along the west line of said Government Lot 4, a distance of 870.74 feet to the TRUE POINT OF BEGINNING; thence continuing North 00° 18' 47" West a distance of 360.14 feet; thence leaving said west line, North 88° 03' 53" East a distance of 735.50 feet; thence South 14° 58' 09" West a distance of 376.25 feet; thence South 88° 03' 53" West a distance of 636.29 feet to the True Point of Beginning.

TOGETHER WITH an easement thirty feet (30') wide, 15.0 feet on each side of the existing driveway for ingress, egress and utilities over and across the South 360.0 feet of the North 480.0 feet of said Government Lot 4.

TOGETHER WITH an easement for road purposes, as granted by Reforestation, Inc. to the owners of record by instrument recorded April 17, 1974, under Document No. 156745, records of Bonner County, Idaho.

EXHIBIT B
PAGE 1 OF 1

FICCA PIN RP54N02W196100A



green property borders
are not correct.
Doree Fleen

