

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 37-30024B
Date Received: 9/4/2003 2
Receipt No:
Received By:

NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW

1. Name of Claimant(s)

SAWTOOTH BOTANICAL GARDEN Phone: (208) 726-9358
PO BOX 928
SUN VALLEY ID 83353

2. Date of Priority: 03/24/1883

3. Source: GROUND WATER , GROUND WATER Trib. to: BIG WOOD RIVER , BIG WOOD RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4 Lot	County	Type
04N	18E	29	NW SW	BLAINE	
03N	18E	6	NW NE 2	BLAINE	

5. Description of diverting works:

6. Water is used for the following purposes:

Purpose	From	To	C.F.S.	(or) A.F.A
IRRIGATION	4/15	10/15	0.04	7

7. Total Quantity Appropriated is:
0.04 C.F.S. and/or 7 A.F.A.

8. Total consumptive use:

9. Non-irrigation uses:

10. Place of use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres	
03N	18E	6	NW	NE	2	IRRIGATION	2
						Section Acres	2
						Total Acres	2

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:

Diversion of groundwater is limited to those times water is available for diversion under this right and priority from the Big Wood River and is actually diverted into the Comstock Ditch for mitigation purposes.

The point of diversion identified within NWSW, S29, T04N, R18E, is for diversion of surface water from the Big Wood River into the Comstock Ditch where it will remain undelivered and allowed to sink to mitigate the use of groundwater under this right.

Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.

Use of water under this water right will be regulated by the watermaster of State Water District No. &DISTRICT.

The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.

This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.

The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.

Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.

Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.

15. Basis of Claim: Decreed

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: **A37-11654C**
Date Received: 10/14/1988
Receipt No: X777777
Received By: _____

COPY FOR
YOUR FILES

NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW

COPY FOR
YOUR FILES

1. Name: COYOTE BLUFF LLC
Address: PO BOX 2063
KETCHUM ID

208-788-0126

2. Date of Priority: MAR 24, 1883

3. Source: BIG WOOD RIVER

Trib. to: MALAD RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	1/4	Lot	County
03N	18E	20	SW	SW	NW		BLAINE

5. Description of diverting works:

DIVERSION DAM IN RIVER FOR HIAWATHA CANAL.

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	04/01	11/01	0.140		

7. Total Quantity Appropriated is:

0.140 C.F.S. (and/or) A.F.A.

8. Total consumptive use is

Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of	1/4	Lot	Use	Acres
03N	18E	33	SW	SW		IRR	7.0

Section Acres 7.0

Total Acres 7.0

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:

THIS RIGHT IS A PORTION OF 370577BM. SEE TR.-3286.

CHANGE OF OWNERSHIP COMPLETED 1-30-1997 BY KKC BASED UPON SIGNED
CHG OWNERSHIP FORM AND WARRANTY DEEDS FROM VAN TO KEGLEY AND
KEGLEY TO COYOTE BLUFF.

CHANGE OF OWNERSHIP COMPLETED 4-25-97 BY KKC BASED UPON A SIGNED
CHG OF OWNERSHIP FORM AND WARRANTY DEEDS SHOWING OWNERSHIP TRAILS
FROM KEGLEY TO COYOTE BLUFF HOMEOWNERSHIP ASSOC. AND DIRECTIONS
RECEIVED DURING AN OFFICE VISIT ON 1-13-97. CLAIM SPLIT BASED
UPON 18" FOR COYOTE BLUFF HOA AND THE BALANCE TO COYOTE BLUFF
LLC. AREA IDENTIFIED FOR COYOTE BLUFF LLC IS THE ROADWAY FOR THE
SUBDIVISION AND THE HOMESITES FOR EACH LOT.

15. Basis of Claim: DECREED

Case Number:

Court :

Decree date: 6/27/1925

ALBRETHSEN

Decree Plaintiff

WOOD RIVER LAND CO.

vs Decree Defendant

RECEIVED

410477

FEB 09 1998

Deed

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

SPECK & AANESTAD BLAINE CO. REQUEST.

OF: Speck & Aanestad

James P. Speck, Esq.
SPECK & AANESTAD
a professional corporation
P. O. Box 987
Ketchum, Idaho 83340
(space above line for Recorder's use)

'98 FEB 5 AM 11 24

MARY GREEN, CLERK mpp

FEE \$ 6⁰⁰QUITCLAIM DEED

FOR VALUE RECEIVED, COYOTE BLUFF RANCH, L.L.C., an Idaho limited liability company, whose address is P. O. Box 2063, Ketchum, ID 83340 (hereinafter referred to as the "Grantor"), does hereby convey, release, remise and forever quitclaim unto SAWTOOTH COMMUNITY GARDEN PROJECT, INC., an Idaho non-profit corporation, whose address is P.O. Box 1168, Ketchum, ID 83340 (hereinafter referred to as the "Grantee"), any and all interest Grantor may have in the following described water right, appurtenant to premises situated in Blaine County, Idaho, to wit:

0.04 cfs of the Big Wood River with a March 24, 1883 priority date pursuant to Idaho Water Right No. 37-30024B and Claim No. A37-11654C in In Re the General Adjudication of Rights to the Use of Water From the Snake River Basin Water System, Twin Falls District Court Case No. 39576.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anyway appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, all and singular the said premises, together with the appurtenances, unto the Grantee, and to Grantee's heirs and assigns forever.

DATED this 15 day of JAN, 1998.

GRANTOR:

COYOTE BLUFF RANCH, L.L.C., an Idaho limited liability company

DATE: JAN 15, 1998

By: Rod Kegley
Rod Kegley, member

STATE OF IDAHO)
)
County of Blaine) SS.

On this 15th day of January, 1998, before me the undersigned notary public in and for said state, personally appeared ROD KEGLEY, known or identified to me to be one of the members of COYOTE BLUFF RANCH, L.L.C., an Idaho limited liability company, and the member who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that he executed the same in said limited liability company name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

J. D. [Signature]
Notary Public for Idaho
Residing at : 751 750 Blaine County, ID
Commission Expires: 12/31/03




(NON-PROFIT)

To the Secretary of State of the State of Idaho
Pursuant to Title 30, Chapter 3, Idaho Code, the undersigned non-profit
corporation amends its articles of incorporation as follows:

FILED/EFFECTIVE

1. The name of the corporation is: Sawtooth Community Gardens, Inc.

Project 00 OCT 23 AM 10:34

2. The text of each amendment is as follows:

SECRETARY OF STATE
STATE OF IDAHO

STATE OF IDAHO
OCT 23 2000
P11 2:22

ART. I
NAME -

The NAME of the corporation is
Sawtooth Botanical Garden, Inc.

ART. IV

The ADDRESS is 11 Gimlet Road

→ The Post Office Box is 928 SUN VALLEY ID 83353

The NAME of the Agent of this Corp. at that Address
is TOM BLANCHARD

3. The date of adoption of the amendment(s) was: FEB 24, 2000 By the Board

OCT 13, 2000 By the membership at the annual meeting

4. Manner of adoption (check one):

☒ Each amendment consists exclusively of matters which do not require member approval pursuant to section 30-3-90, Idaho Code, and was, therefore, adopted by the board of directors. (Please fill spaces below)

a. The number of directors entitled to vote was: 9

b. The number of directors that voted for each amendment was: 11 5

c. The number of directors that voted against each amendment was: NONE

☐ The amendment consists of matters other than those described in section 30-3-90, Idaho Code, and was, therefore adopted by the members. (Please fill spaces below)

a. The number of members entitled to vote was: 125

b. The number of members that voted for each amendment was: all present - 25

c. The number of members that voted against each amendment was: 0

Dated: 6-21-00

Signed by: Tom Blanchard

Its Exec Director

(Capacity of signer)

Customer Acc #:

if using pre-paid account

Secretary of State use only

10/31/2000 09:00
CK: 2355 CT: 137985 BH: 357767

Sawtooth Botanical Garden

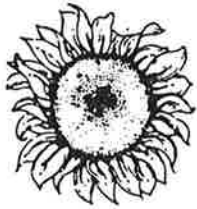
P.O. Box 928

Sun Valley, ID 83353-0928

IDAHO SECRETARY OF STATE

10/31/2000 09:00
CK: 2355 CT: 137985 BH: 357767

1 @ 38.00 = 38.00 INC MONP # 2
1 @ 28.00 = 28.00 NON EXPIDI # 3



SAWTOOTH BOTANICAL GARDEN

Celebrating Plants • Inspiring People

RECEIVED

JAN 31 2001

Department of Water Resources

January 26, 2001

Kari Lynn Townsend
Department of Water Resources
1301 N Orchard
Boise, Id 83706-2237

Dear Kari,

37-30024B

I have received your letter requesting further documentation of our water title which I will be forwarding to your office with this letter. I will also enclose a copy of our name change records with the Secretary of State.

Your cover letter indicated that this document is necessary for transfer of title of water to another owner. This is not the case. The Sawtooth Botanical Garden is the new corporate name of the original Sawtooth Community Garden Project. There is no new ownership involved.

I appreciate your notice that we are not registered with the adjudication process and I will be contacting them immediately.

If there are further questions on this matter, please contact me.

Sincerely,

Tom Blanchard,
Executive Director

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: **A37-11654B**
Date Received: 10/14/1988
Receipt No: X777777
Received By: _____

**COPY FOR
YOUR FILES**

**NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW**

**COPY FOR
YOUR FILES**

1. Name: COYOTE BLUFF LLC 208-788-0126
Address: PO BOX 2063
KETCHUM ID 83340

2. Date of Priority: MAR 24, 1883

3. Source: BIG WOOD RIVER Trib. to: MALAD RIVER

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	1/4	Lot	County
03N	18E	20	SW	SW	NW		BLAINE

5. Description of diverting works:
DIVERSION DAM IN RIVER FOR HIAWATHA CANAL.

6. Water is used for the following purposes:

Purpose	From	To	C.F.S	(or)	A.F.A.
IRRIGATION	04/01	11/01	0.500		

7. Total Quantity Appropriated is:
0.500 C.F.S. (and/or) A.F.A.

8. Total consumptive use is Acre Feet Per Annum.

9. Non-irrigation uses:

10. Place of Use:

Township	Range	Section	1/4 of	1/4	Lot	Use	Acres
03N	18E	33	NW	SW		IRR	4.3
			SW	SW		IRR	19.0

Section Acres 23.3

10. Place of Use: Continued

Total Acres 23.3

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:

THIS RIGHT IS A PORTION OF 370577BM. SEE TR.-3286.

CHANGE OF OWNERSHIP COMPLETED 1-30-1997 BY KKC BASED UPON SIGNED
CHG OWNERSHIP FORM AND WARRANTY DEEDS FROM VAN TO KEGLEY AND
KEGLEY TO COYOTE BLUFF.

15. Basis of Claim: DECREED

Case Number:

Court :

Decree date: 6/27/1925

ALBRETHSEN

Decree Plaintiff

WOOD RIVER LAND CO.

vs Decree Defendant

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

Please print or type. Attach pages with additional information. Instructions are on the back of this page.

Incomplete forms will be returned.

COYOTE BLUFF'S PORTION OF

1. Water Right Number(s) A37-11654, A37-11657, A37-11659, A37-11661
 Adjudication Claim Number(s) _____

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

A. A copy of the most recent DEED, TITLE POLICY, CONTRACT OF SALE, or other legal document indicating your ownership of the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.

AND

B. PLAT OF PROPERTY or SURVEY MAP for parcel of ten acres or less. (These are usually on file with the county.)

OR

C. For water rights or adjudication claims involving ten or more irrigated acres, a USDA Farm Service Agency (formerly ASCS) AERIAL PHOTO with irrigated acres outlined and point(s) of diversion clearly marked.

3. Name and Address of Former Owner/Claimant(s) COYOTE BLUFF RANCH LLC

PO Box 2063 Ketchum, ID 83340

4. New Owner/Claimant(s) COYOTE BLUFF HOMEOWNER ASS INC.

Name connector (Check one): ☐ AND, ☐ OR, ☐ AND/OR

New Mailing Address Box 2063 KETCHUM, ID 83340

City, State and ZIP Code _____

New Telephone Number (208) 788-0126

5. Date you acquired the property 1/97

6. If you have acquired only a portion of the former owner's property, IDWR may need to split the water right(s) or adjudication claim(s). If this applies, describe in detail your portion of each water right or adjudication claim in the spaces below. If necessary, attach additional pages.

Number of acres actually irrigated 18 Number and type of stock _____

Diversion rate in CFS 20 in. Number of homes 16 Other uses _____
cubic feet per second

If a water right or adjudication claim is being split and you are not sure how to identify your portion of the original right or claim, please contact the nearest IDWR office for assistance.

7. Signature of New Owner/Claimant(s) ROD ISS Date 1/13/97

PRES. COYOTE BLUFF HOA Date _____

(Corporations or other organizations must submit list of directors/officers demonstrating authority to sign form.)
 8. For Snake River Basin Adjudication Claims: If you are represented by an attorney and you want IDWR to correspond directly with your attorney for all matters related to your claims, please attach a Notice of Appearance completed by your attorney.



NEW PROPERTY OWNER NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

RECEIVED

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

DATE OF CLOSING: 7-19-95

JUL 03 1996

LEGAL DESCRIPTION OF PROPERTY: Township 3N Range 18E Department of Water Resources
Section 32 + 33 1/4 of 1/4 of 1/4 Govt. Lot , BM. Southern Region
Lot , Block , Subdivision/Townsite .

If you have additional legal descriptions, please attach separate sheet.

SEC. 32 SE 1/4 of SE 1/4 ; SEC. 33 NW 1/4 of SW 1/4 and SW 1/4 of SW 1/4

- [] Served Only by a Public Service Water Supply (all water is received from a city or company who maintains water supply system, owns the water right, and bills the customer on a regular basis)
- [] Water Right Number(s) Assigned by IDWR: A37-11654, A37-11657, A37-11659, A37-11661
- [] Name and Address of Former Owner/Claimant(s)(Seller): ROD KEGLEY + GOODMAN FAMILY TRUST, UTD 6-23-88
BOX 2063
KETCHUM, ID. 83340
- [] New Owner/Claimant (Purchaser): COYOTE BLUFF RANCH, L.L.C.
- [] New Mailing Address: BOX 2063
KETCHUM, ID. 83340
- [] New Telephone Number: (208) 788-0126
- [] Does the change in ownership result in a splitting of the water right owned/claimed? yes ☒ no
If yes, then describe the portion of the water right that is now owned/claimed by the new owner:

- [] Attach proof of ownership, describe proof attached: QUITCLAIM DEED

(proof of ownership must describe either the property conveyed or include the claim number. Proof of ownership is not required if this form is signed by the former owner/claimant.)

- [] Signature of New Owner/Claimant(s): X Rod ISS - MEMBER Date 6/28/96
COYOTE BLUFF LLC Date

- [] Signature of Former Owner/Claimant(s): X Goodman Family Trust UTD 6-23-88 Date 6/28/96
David Goodman, Trustee Date 7/1/96

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

FOR IDWR USE ONLY:

Initial Review and Data-Entry

Date: By:

Further Action Needed:

Further Action Taken

Date: By:

Final Review and Data-Entry

Date: By:

Claim Numbers of Split, if any:

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

ORIGINAL IN RED

QUITCLAIM DEED

FOR VALUE RECEIVED, ROD KEGLEY, a single man, and THE GOODMAN FAMILY TRUST DATED JUNE 23, 1988, DAVID P. GOODMAN, TRUSTEE, do hereby convey, release, remise and forever quit claim unto COYOTE BLUFF RANCH, L.L.C., an Idaho limited liability company, of P.O. Box 2063, Ketchum, Idaho, 83340, the following described premises situated in the County of Blaine, State of Idaho, to-wit:

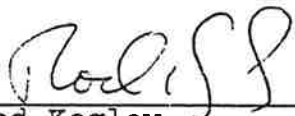
Lot 3A of A REPLAT OF LOTS 2 & 3 BODNER SUBDIVISION, according to the official plat thereof, recorded May 9, 1990, as Instrument No. 319416, records of Blaine County, Idaho.

Together with, but not limited to, the following described water rights:

25.5 inches, priority date March 24, 1883, Permit No. A37-11654
33 inches, priority date June 1, 1886, Permit No. A37-11657
28 inches, priority date May 4, 1889, Permit No. A37-11659
23 inches, priority date May 21, 1889, Permit No. A37-11661

together with their appurtenances.

DATED this 19th day of July, 1995.


Rod Kegley


Goodman Family Trust
Dated 6-23-1988
David P. Goodman, Trustee

STATE OF IDAHO)
) ss.
County of Blaine)

On this 19th day of July, 1995, before me, a Notary public in and for said State, personally appeared ROD KEGLEY known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



Barry J. Lubowski

Notary Public for Idaho

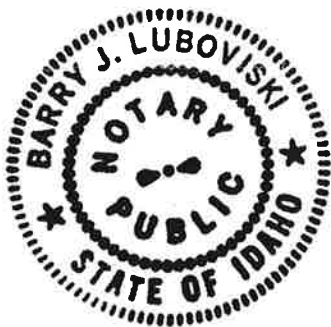
Residing at: Ketchum

My commission expires: 11-1997

STATE OF IDAHO)
) ss.
County of Blaine)

On this 28th day of ^{August}~~July~~, 1995, before me, a Notary public in and for said State, personally appeared DAVID GOODMAN, known to me to be the Trustee of the Goodman Family Trust, d.o.t. June 23, 1988, and the person who executed the within and foregoing document on behalf of said trust, and acknowledged to me that he executed as Trustee.

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



Barry J. Lubowski

Notary Public for Idaho

Residing at: Ketchum

My commission expires: November 1997



RECEIVED

JAN 23 1997

Department of Water Resources
Southern Region

Kelly Christensen
State Of Idaho
Department Water Resources
1341 Filmore Suite 200
Twin Falls, ID 83301-3380

Regarding: Change of ownership / split of permit no. A37-11654

1/21/97

Dear Mr. Christensen,

I hope that after our visit last week (13 Jan 97), its clear what we had in mind with regards to the water rights that we purchased from Liselotte Van Bodner. I'm enclosing in this letter a brief history of the use of the water and a diagram of the division of the water right. Is it correct, that the water rights with priority dates after our 1883 # A37-11654 would not be allowed to be transferred to dry land? If that's correct, I would like to clean up the records and drop permit no.'s A37-11657, A37-11659 and A37-11661 from use.

History of beneficial use; The 23.5 acres now known as coyote bluff subdivision has been consistently irrigated by flood ditches up to the date of purchase by the Coyote Bluff L.L.C. (April 95) Alfalfa and grass for baled hay and grazing have been the crops in recent times. After our purchase in April 95 we continued to flood irrigate the property through the crop year of 1995. Starting in the spring of 1996 a holding pond was constructed with pump house and the beginning of a pressurized sprinkler system was started to replace the flood system.

The property was subdivided in 1996, resulting in the taking of 3.5 acres for roads and 2 acres for buildings and driveways from the irrigated portion of the original 23.5 acres. It is our plan within 2 years to be irrigating the rest of the property by sprinklers from the pond.

As I understood you say, this would allow us to transfer 5.5 inches of our 25.5 inches of permit no. A37-11654 to another parcel of land. Twenty inches of this permit would be transferred to the Coyote Bluff Home Owners Association Inc. and would be sufficient to irrigate the 18 acres that remains capable of being irrigated. Two inches, we would like to transfer to the Sawtooth Community Garden Project, Inc. and hold the remaining 3.5 inches in the name of Coyote Bluff L.L.C. until we identify land to transfer this to in the near future. If you have any questions please call me at 788-0126.

Best Regards,

Rod Kegley
Managing Partner
Coyote Bluff L.L.C



NEW PROPERTY OWNER NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

RECEIVED

JUL 03 1996

Department of Water Resources
Southern RegionDATE OF CLOSING: 3-31-95Please print or type
(see instructions on back of page)

LEGAL DESCRIPTION OF PROPERTY: Township 3N Range 18E
 Section 32 1/4 of 1 1/4 of 1 1/4, Govt. Lot , BM.
 Lot 30, Block, , Subdivision/Townsite .

If you have additional legal descriptions, please attach separate sheet.

SECT. 32 SE 1/4 of SE 1/4; SEC 33 NW 1/4 of SW 1/4 + SW 1/4 of SW 1/4

- [] Served Only by a Public Service Water Supply (all water is received from a city or company who maintains water supply system, owns the water right, and bills the customer on a regular basis)
- [] Water Right Number(s)
Assigned by IDWR: A37-11654, A37-11657, A37-11659, A37-11661
- [] Name and Address of Former Owner/Claimant(s)(Seller): LISELOTTE VAN
BOX 268
HAILEY, ID. 83333
- [] New Owner/Claimant (Purchaser): ROD KEGLEY + GOODMAN FAMILY TRUST UTD 6-23-88
- [] New Mailing Address: BOX 2063
KETCHUM, ID. 83340
- [] New Telephone Number: (208) 788 - 0126
- [] Does the change in ownership result in a splitting of the water right owned/claimed? yes ☒ no
If yes, then describe the portion of the water right that is now owned/claimed by the new owner:

- [] Attach proof of ownership, describe proof attached: COPY OF WARRANTY DEED
(proof of ownership must describe either the property conveyed or include the claim number. Proof of ownership is not required if this form is signed by the former owner/claimant.)
- [] Signature of New Owner/Claimant(s) X Paul ISS Date 6/28/96
X Goodman Family Trust UTD 6-23-88 Date 7/1/96
David Goodman, Trustee
- [] Signature of Former Owner/Claimant(s): _____ Date _____
_____ Date _____

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

FOR IDWR USE ONLY:

Initial Review and Data-Entry
Date: _____ By: _____

Further Action Needed:

Further Action Taken

Date: _____ By: _____

Final Review and Data-Entry
Date: _____ By: _____

Claim Numbers of Split, if any:

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

P. 87 214

WARRANTY DEED

COPY

For Value Received LISELOTTE BODNER, AN UNMARRIED WOMAN

the Grantor hereby grants, bargains, sells, conveys and warrants unto ROD KEOLEY, A SINGLE MAN,
AND THE GOODMAN FAMILY TRUST DATED JUNE 23, 1988, DAVID P. GOODMAN, TRUSTEE

the Grantee whose current address is: P.O. BOX 2063, KETCHUM, IDAHO 83340

the following described premises, to-wit:

Lot 3A of A REPLAT OF LOTS 2 & 3 BODNER SUBDIVISION, according to the official
plat thereof, recorded May 9, 1990, as Instrument No. 319416, records of
Blaine County, Idaho.

Together with but not limited to the following described water rights:

- 25.5 inches, priority date March 24, 1883, Permit No. A37-11654
- 33 inches, priority date June 1, 1886, Permit No. A37-11657
- 28 inches, priority date May 4, 1889, Permit No. A37-11659
- 23 inches, priority date May 21, 1889, Permit No. A37-11661

The consideration for this Deed is as part of an IRC 1031 Exchange.
The above property is the relinquished property.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, their heirs and assigns
forever. And the said Grantor does hereby covenant to and with the said Grantee, that it is the owner in fee simple of said
premises; that said premises are free from all incumbrances and that he will warrant and defend the same from all lawful
claims whatsoever.

Dated: March 29, 1995

Liselotte Bodner
LISELOTTE BODNER

State of IDAHO

ss.

County of BLAINE

On this 31ST day of March, 1995, before me, the
undersigned, a Notary Public, in and for said State, personally appeared LISELOTTE BODNER

known to me, and/or identified to me on the basis of
satisfactory evidence, to be the person(s) whose name is/are subscribed to the within instrument, and acknowledged to me
that she executed the same.

WITNESS MY HAND AND OFFICIAL SEAL.

Marla G. Mink

Notary Public

Residing at: BELLEVUE

Commission Expires: 12/01/00-2000



09/12/2006

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

RIGHT NUMBER: 37-30024B
NAME AND ADDRESS: SAWTOOTH BOTANICAL GARDEN
PO BOX 928
SUN VALLEY ID 83353
SOURCE: GROUND WATER TRIBUTARY: BIG WOOD RIVER
Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.

QUANTITY: 0.040 CFS
7.000 AFY
This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.

PRIORITY DATE: 03/24/1883

POINT OF DIVERSION:
T03N R18E S6 NWNE Lot 2 Within BLAINE County
T04N R18E S29 NWSW Within BLAINE County

PURPOSE AND
PERIOD OF USE:

<u>PURPOSE OF USE</u>	<u>PERIOD OF USE</u>	<u>QUANTITY</u>
IRRIGATION	04/15 10/15	0.040 CFS 7.00 AFY

The use of water for irrigation under this right may begin as early as April 15 and may continue to as late as October 31, provided other elements of the right are not exceeded. The use of water after October 15 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.

PLACE OF USE: IRRIGATION Within BLAINE County
T03N R18E S06 Lot 2 NWNE 2.00

2 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.

Diversion of groundwater is limited to those times water is available for diversion under this right and priority from the Big Wood River and is actually diverted into the Comstock Ditch for mitigation purposes.
The point of diversion identified within NWSW, S29, T04N, R18E, is for diversion of surface water from the Big Wood River into the Comstock Ditch where it will remain undelivered and allowed to sink to mitigate the use of groundwater under this right.

EXPLANATORY MATERIAL: BASIS OF CLAIM - Decreed

09/12/2006

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

Use of water under this water right will be regulated by the watermaster of State Water District No. 37.

The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.

The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.



Idaho Department of Water Resources

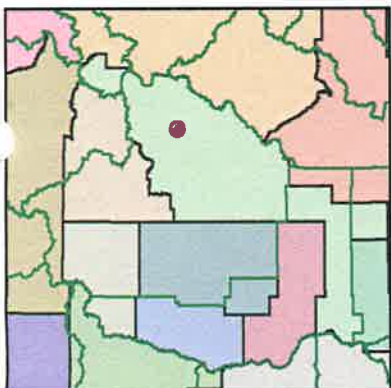
SRBA Recommendation:

37-30024B

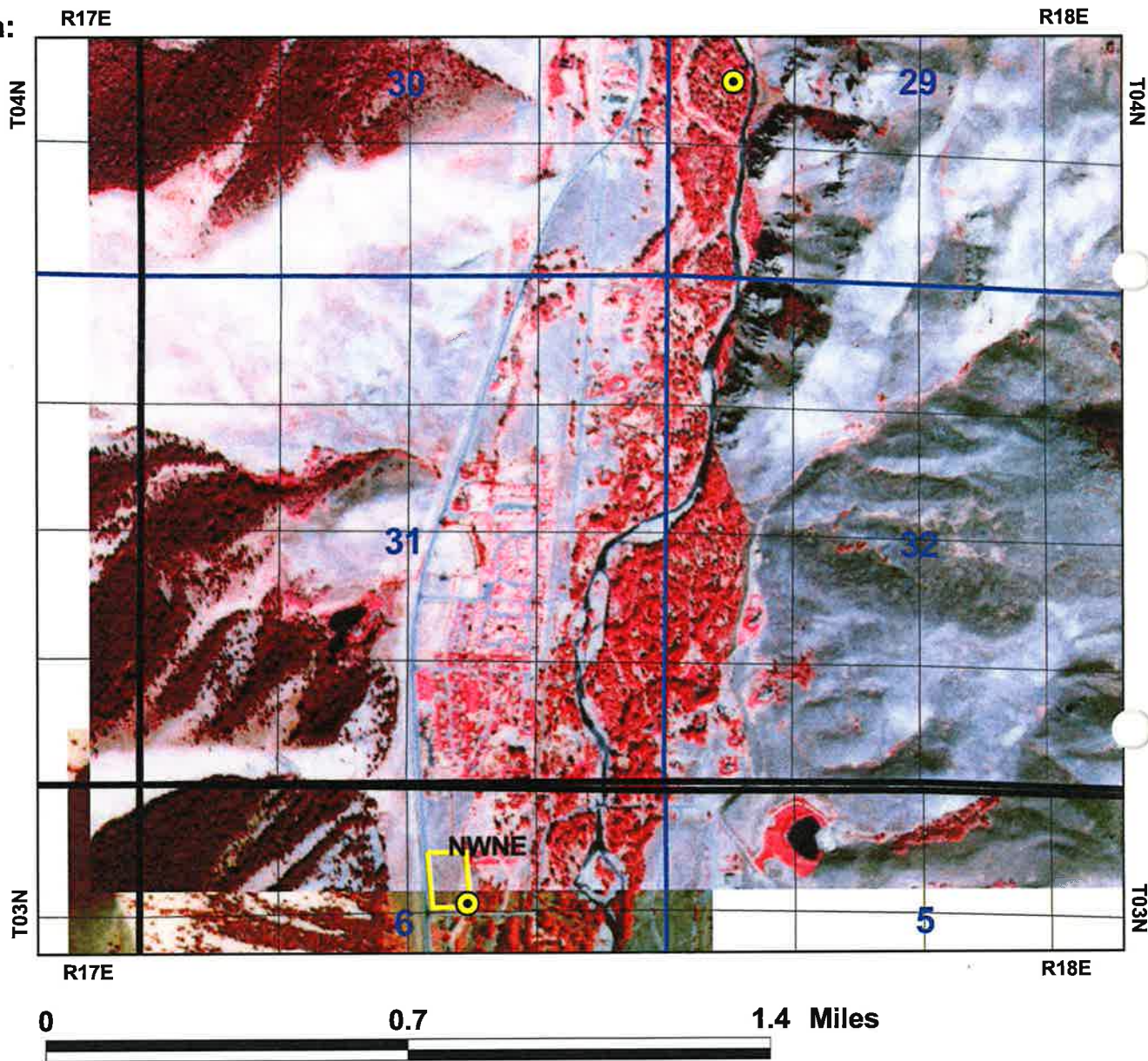
(Irrigation)

Legend

-  Point of Diversion
-  Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters

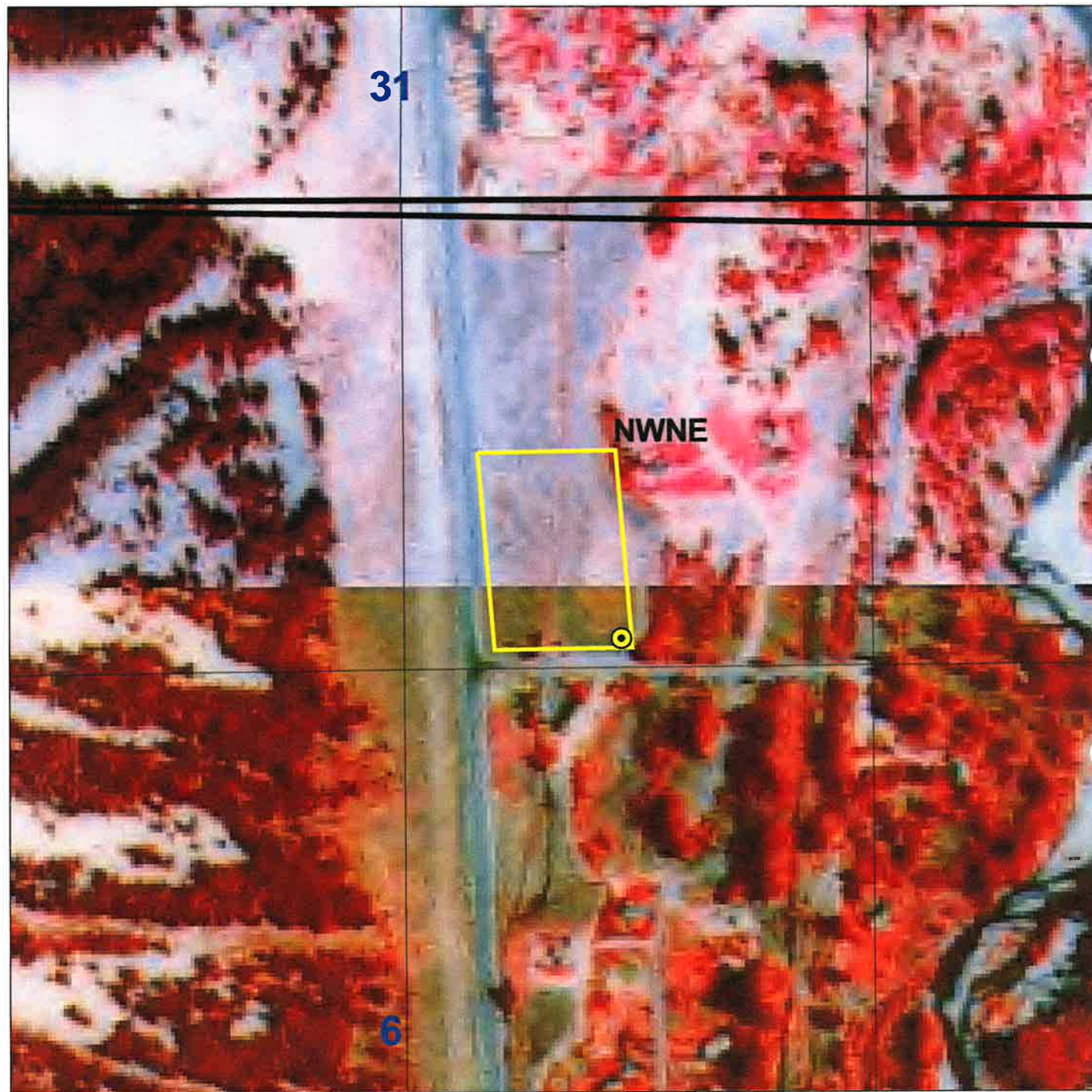


Blaine County
IDWR Basin 37



Prepared by E. NORQUES
On Thursday, September 14, 2006
1987/88 Aerial Photography

37-30024B





Idaho Department of Water Resources

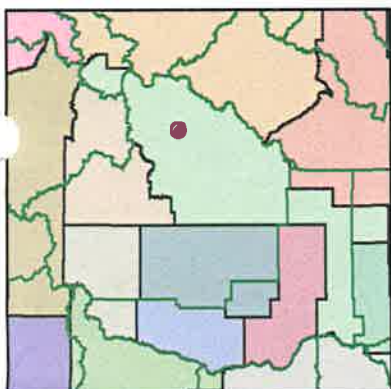
SRBA Recommendation:

37-30024B

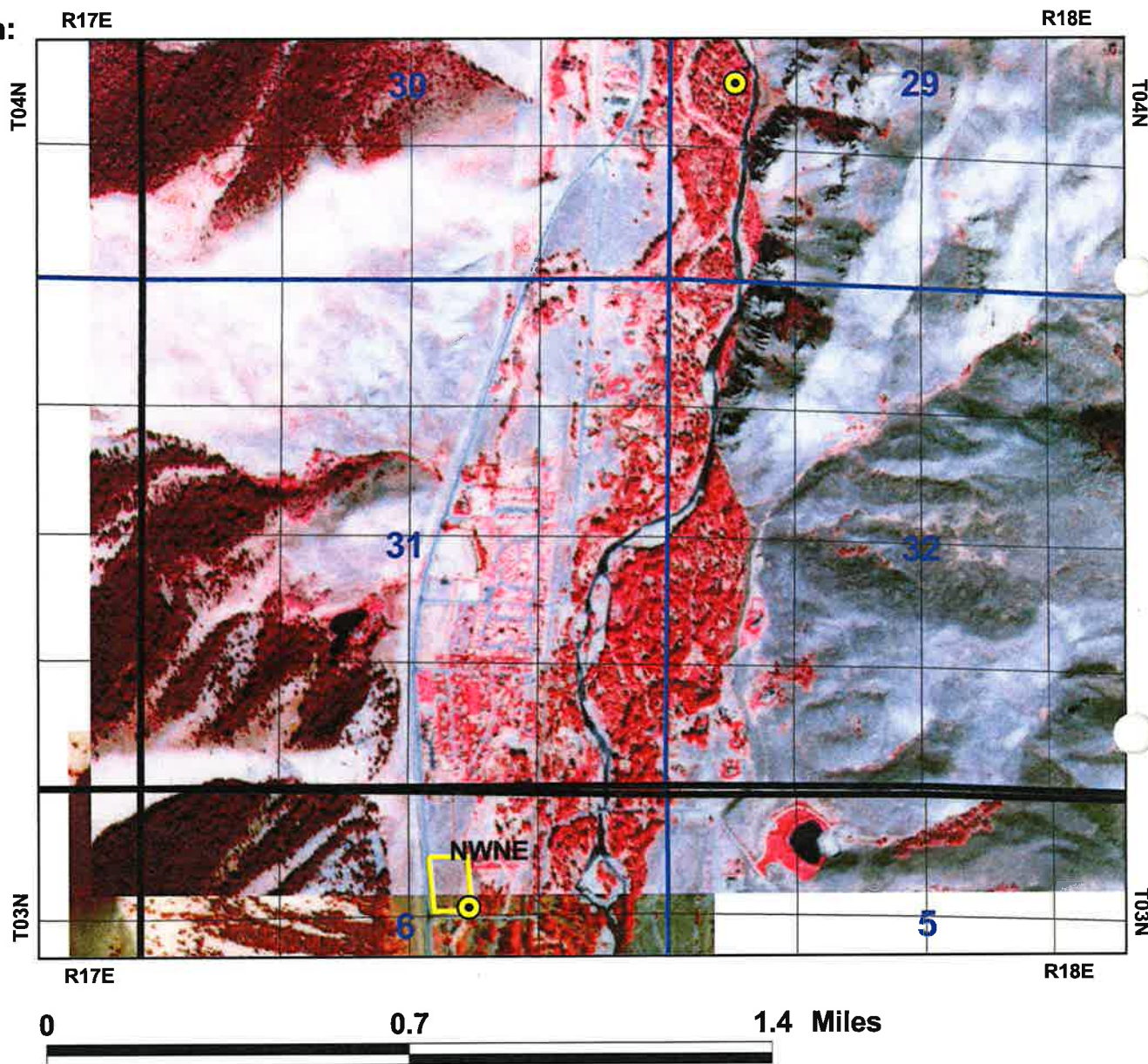
(Irrigation)

Legend

-  Point of Diversion
-  Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters

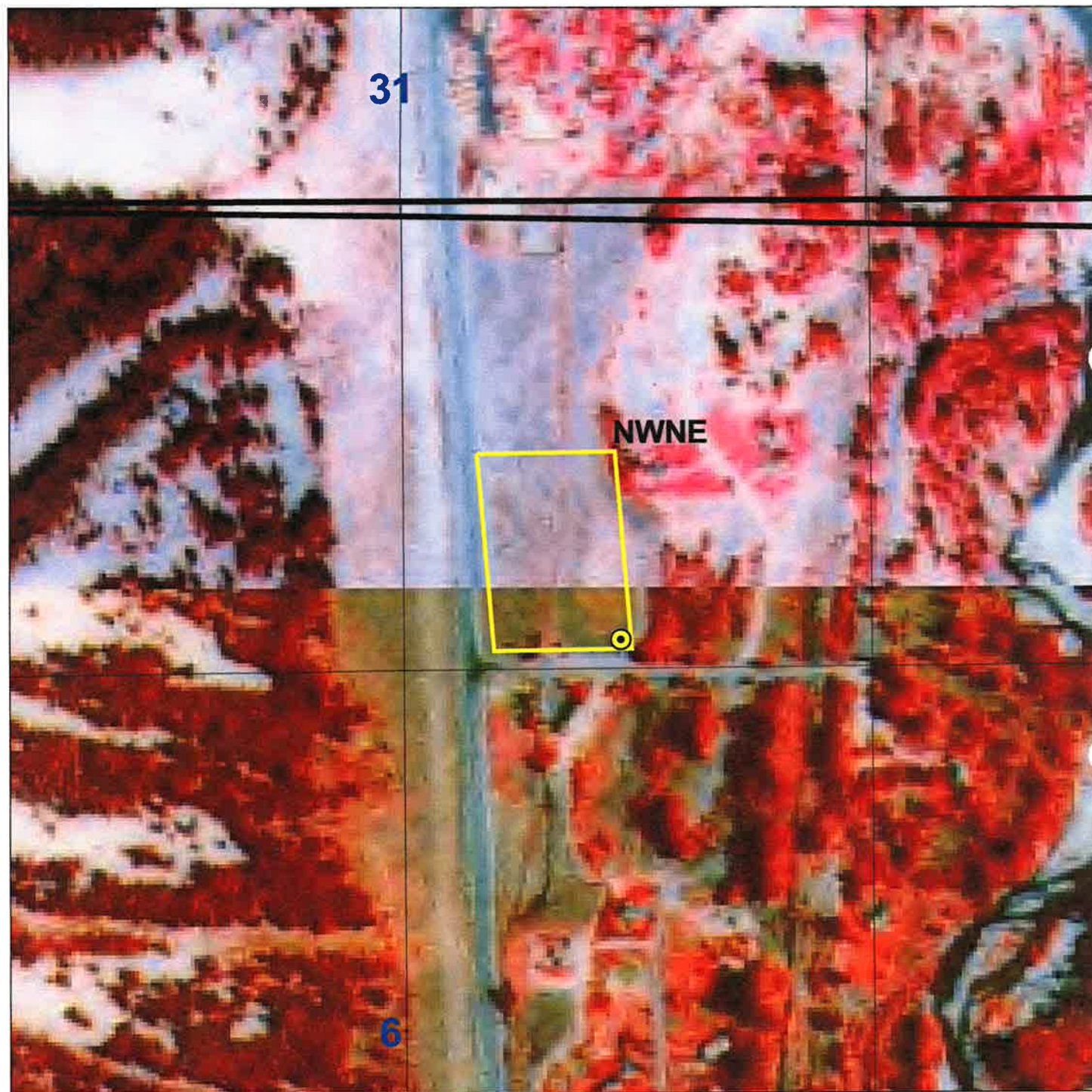


Blaine County
IDWR Basin 37



Prepared by E. NORQUES
On Thursday, September 14, 2006
1987/88 Aerial Photography

37-30024B



37-11654C

Southern ID

Needs DE.
=A37-? 1/03/98STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT

AMENDED

TRANSFER NO. 5086
WATER RIGHT NO. 37-30024B**AMENDED**
RECEIVED

JAN 13 1998

This is to certify that: **SAWTOOTH COMMUNITY GARDEN PROJECT**
C/O JAMES P SPECK
HOGUE SPECK & AANESTAD
PO BOX 987
KETCHUM ID 83340

Department of Water Resources
Southern Region

has requested a change to the above captioned water right(s). This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code, provided the conditions listed below are met.

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	04/15 to 10/15	0.04 CFS	7.0 AF

<u>SOURCE</u>	<u>TRIBUTARY OF</u>
* GROUNDWATER	BIG WOOD RIVER

Priority: 03/24/1883

LOCATION OF POINT(S) OF DIVERSION: Lot 2(NWNE), Sec. 6, Township 03N, Range 18E
 ** NWSW , Sec. 29, Township 04N, Range 18E
 BLAINE County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
03N	18E	6	Lot 2(NWNE)	2		2

Total number of acres irrigated: 2

CONDITIONS OF APPROVAL AND REMARKS

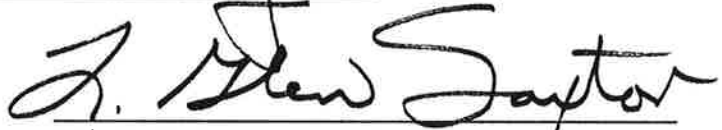
1. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
- * 2. Diversion of groundwater is limited to those times water is available for diversion under this right and priority from the Big Wood River and is actually diverted into the Comstock Ditch for mitigation purposes.
- ** 3. The point of diversion identified within NWSW, S29, T04N, R18E, is for diversion of surface water from the Big Wood River into the Comstock Ditch where it will remain undelivered and allowed to sink to mitigate the use of groundwater under this right.
4. Use of water under this water right will be regulated by the watermaster of State Water District No. 37.

TRANSFER NO. 5086
WATER RIGHT NO. 37-30024B

CONDITIONS OF APPROVAL AND REMARKS

5. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
6. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.
7. The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
8. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
9. Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.

Dated this 2nd day of January, 1998.


Chief, Water Allocation Bureau

WR0749NP
No. T37-300248

IDAHO DEPARTMENT OF WATER RESOURCES
WATER RIGHT PROFILE REPORT

DATE: 12/30/97
PAGE: 1

OWNER CODE	NAME & ADDRESS	PRIORITY DATE	WATER USE	USE PERIOD FROM TO	DIVERSION RATE	DIVERSION VOLUME
C	SAWTOOTH COMMUNITY GARDEN PROJECT C/O JAMES P SPECK HOGUE SPECK & AANESTAD PO BOX 987 KETCHUM ID 83340 (208) 726-4421	03/24/1883	IRRIGATION	04/15 10/15	0.040 CFS	7.00 AFA
TOTAL DIVERSION:					0.040 CFS	7.00 AFA

Water Source: GROUNDWATER

Tributary to: BIG WOOD RIVER

Stage: DECREEED

Point(s) of Diversion: T03N R18E S06 Lot 02(NWNE) BLAINE County
T04N R18E S29 NWSW BLAINE County

Point of Diversion Name(s):

Name	Rate	Number
T03N R18E S06 Lot 02 (NW NE) GROUNDWATER		
T04N R18E S29 NW SW BIG WOOD/COMSTOCK DITCH		

Place of use Legal Description for: IRRIGATION

NE				NW				SW				SE													
NENE		NWNE		SWNE		SENE		NENW		NWNW		SOWN		SESW		NESE		NWSE		SWSE		SESE			
T	R	S	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	SUM
03N	18E	6	:		02-02	:			:				:				:								2.0
TOTAL ACRES																							2.0		

Pou County: BLAINE

Conditions of Approval:

- R04 - Use of water under this water right will be regulated by the watermaster of State Water District No. 37.
- R43 - The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
- 046 - Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
- R63 - This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.
- T07 - The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
- T08 - Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
- T09 - Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.

AMENDED
VERSION
T5086.txt Deleted
Database Updated
01-05-98

WR0749NP
No. T37-30024B

IDAHO DEPARTMENT OF WATER RESOURCES
WATER RIGHT PROFILE REPORT

DATE: 12/30/97
PAGE: 2

Remarks: GEN Diversion of groundwater is limited to those times water is available for diversion under this right and priority from the Big Wood River and is actually diverted into the Comstock Ditch for mitigation purposes.
The point of diversion identified within NWSW, S29, T04N, R18E, is for diversion of surface water from the Big Wood River into the Comstock Ditch where it will remain undelivered and allowed to sink to mitigate the use of groundwater under this right.

Dates: App. Received: 05/27/1997 Priority Date: 03/24/1883
Proof Due Date: Proof Made Date:
Exam Made Date: Exam Sent to S.O.:
Licensed Date:

Misc: Water District Number: 37 Field Exam Fee:

Comments: Date: 01/10/1994 User-ID: SKAGGS Subject: PREVIOUS NUMBER
This right was previously numbered 37-00577BM.

Date: 01/10/1994 User-ID: SKAGGS Subject: TRANS. #3286
Trans. #3286 changed point of diversion & place of use.

Date: 12/15/1997 User-ID: PSKAGGS Subject: TRANSFER 5086
Transfer 5086 changes the point of diversion, place of use & source under a portion of Right 37-30024, splitting the right into Parts A & B.

Date: 12/30/1997 User-ID: PSKAGGS Subject: AMENDED TRANSFER 5086
Transfer approval was amended to include the surface water point of diversion for mitigation.

Audit: 12/30/97 PSKAGGS

Southern AS

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
TRANSFER OF WATER RIGHT

TRANSFER NO. 5086
WATER RIGHT NO. 37-30024B

DEC 23 1997

Resource

This is to certify that: **SAWTOOTH COMMUNITY GARDEN PROJECT**
C/O JAMES P SPECK
HOGUE SPECK & AANESTAD
PO BOX 987
KETCHUM ID 83340

has requested a change to the above captioned water right(s). This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code, provided the conditions listed below are met.

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	04/15 to 10/15	0.04 CFS	7.0 AF

SOURCE

TRIBUTARY OF

* GROUNDWATER

BIG WOOD RIVER

Priority: 03/24/1883

LOCATION OF POINT(S) OF DIVERSION: Lot 2(NWNE), Sec. 6, Township 03N, Range 18E
BLAINE County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
03N	18E	6	Lot 2(NWNE)	2		2
Total number of acres irrigated:						2

CONDITIONS OF APPROVAL AND REMARKS

1. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
- * 2. Diversion of groundwater is limited to those times water is available for diversion under this right and priority from the Big Wood River and is actually diverted into the Comstock Ditch for mitigation purposes.
3. Use of water under this water right will be regulated by the watermaster of State Water District No. 37.
4. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.

TRANSFER NO. 5086
WATER RIGHT NO. 37-30024B

CONDITIONS OF APPROVAL AND REMARKS

5. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.
6. The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
7. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
8. Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.

Dated this 17 th day of December, 1997.


Chief, Water Allocation Bureau

MEMORANDUM

TO: FILE 37-30024

FROM: PAM SKAGGS/STATE OFFICE

SUBJECT: TRANSFER 5086

DATE: December 15, 1997

=====

Transfer 5086 changes the point of diversion, place of use and source under a portion of Right 37-30024, splitting the right into Parts A and B.

The applicant has purchased a portion of this Big Wood River right and proposes to divert water from a well on the applicant's property. Surface and groundwater in this area have been identified as interconnected and may be changed. Surface water will continue to be diverted into the Comstock Ditch and remain undiverted to mitigate the groundwater diversion. Overlapping junior rights at the original place of use (37-00521H, 37-00522F and 37-00523D) have been relinquished by the original right holder, Coyote Bluff LLC.

Diversion volume was adjusted to current standards and the source changed to identify groundwater. Recommended conditions include watermaster control, groundwater diversion limits, continued surface diversion, measuring device/lockable controlling works, drilling permit requirements, irrigation overlap and standard transfer conditions.



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

**PHILIP E. BATT
GOVERNOR**

**KARL J. DREHER
DIRECTOR**

April 30, 1997

ROD KEGLEY
PO BOX 2063
KETCHUM ID 83340

RE: CHANGE OF OWNERSHIP FOR A37-11654B

Dear Rod

I have completed the change of ownership for A37-11654B and have enclosed an analysis sheet dated April 24, 1997 that details the basis for that split. Please review the claims as split and the analysis sheet. If everything is satisfactory, then Corey can proceed with the transfer based upon these records, however, if something needs to be changed, please contact me as soon as possible so that we can resolve them.

As the other three rights were relinquished I did not change ownership for those rights. They still show Coyote Bluff LLC as the current owner.

Sincerely

Kelly K Christensen
Sr Water Resource Agent

Enclosures



IDAHO DEPARTMENT OF WATER RESOURCES
SOUTHERN REGI
1341 FILLMORE S1 STE 200
TWIN FALLS ID 83301-3380
(208) 736-3033

PHILIP E BATT
GOVERNOR

KARL J DREHER
DIRECTOR

April 24, 1997

ANALYSIS FOR SPLITTING A37-11654B

ADJUDICATION CLAIM A37-11654B WAS CLAIMED FOR:
0.50 CFS ON 23.3 ACRES

At one inch per acre the legal limit would be .466 cfs or 23.3"

Based upon information submitted to the department in Mr Kegley's 3-27-97 letter, and a previously submitted subdivision plat for the Coyote Bluff Subdivision (dated December 1996) the following table was generated.

P/U Sec 33	AJ claim acres	# lots for common for homes	@10,000 SQft/lot Acres available for transfer	Roadway @ 60' wide approx 2470' long	Excluded acres total
NWSW	4.3 ac	4 homes	0.90 acres	0	0.90 acres
SWSW	19.0 ac	12 homes	2.70 acres	3.4 acres	6.10 acres
		1 common	0	0	0
		total	3.6 acres	3.4 acres	<u>7.0 acres</u>

In the 3-27-97 letter Mr Kegley indicated that the claim should be split as follows:

- 18.0" for Coyote Bluff Home Owners assoc. (HOA)
- 2.0" for future transfer to Sawtooth Garden Club (SGC)
- 3.5" for Coyote Bluff LLC (LLC)

During the conversation of the office visit on January 13, 1997, Mr Kegley indicated that the building sites, driveways, sidewalks and such for each lot along with the roadway would be the ground that he would 'dry up' to be used for transfer (retained by LLC.) He further indicated that there would be at least two transfers considered, the first for the SGC and then later an undetermined amount from LLC. As the supplied data is not complete I have made the following assessment for the ownership change.

18" or 0.36 cfs for HOA	16.3 acres
7" or 0.14 cfs for LLC	<u>7.0 acres</u>
25" 0.50 cfs (total)	23.3 acres (total)

Where the 7 acres for the LLC represent the homesite and road acres within the subdivision and the 16.3 acres is the balance of the subdivision. The 18 inches were identified as going to the HOA leaving the balance for the LLC. The portion remaining with the LLC includes the proportionate share identified as a pending transfer for the SGC.



RECEIVED

MAR 28 1997

Department of Water Resources
Southern Region

3/27/97

DEAR KELLY,

SORRY I've BEEN SO SLOW
RESPONDING. ITS BEEN A LONG WINTER.
I've ENCLOSED HOMEOWNER'S ASS. INFO,
THE RELINQUISHMENT FORM AND
THE ANSWER TO YOUR QUESTION.
ON THE AVERAGE ABOUT 10,000 SQ FT
OF EACH LOT WILL BE COVERED
WITH HOUSE, DECKS, GARAGE, OUTBLDG
AND DRIVEWAY.

SO, WHEN WE'RE FINISHED HERE
18 IN. WILL BE IN COYOTE BLUFF H.O.A.
2 IN TRANSFER TO SAWTOOTH GARDEN
3 1/2 IN LEFT IN COYOTE BLUFF H.O.A. TO
BE SOLD IN NEAR FUTURE

THANKS FOR
YOUR HELP

Radiss

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

COYOTE BLUFF HOMEOWNERS' ASSOCIATION, INC.

File number C 118276

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of the above named corporation, duly signed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: February 13, 1997



Pete T. Cenarrusa
SECRETARY OF STATE

By *Alisa Hetley*

FEB 13 8 25 AM '97
SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION
OF
COYOTE BLUFF HOMEOWNERS' ASSOCIATION, INC.

I, the undersigned, acting as the Incorporator of a corporation under the Idaho Non-profit Corporation Act, Idaho Code Section 30-3-1, et seq., adopt the following Articles of Incorporation for such corporation:

I.

The name of the corporation is COYOTE BLUFF HOMEOWNERS' ASSOCIATION, INC.

II.

The Corporation shall be a non-profit membership corporation where pecuniary profit is not an objective.

III.

The period of duration of the Corporation is perpetual.

IV.

The Corporation is organized and shall be operated as the management body for the Coyote Bluff Subdivision and shall perform the functions and provide the services contemplated in the Declaration of Covenants, Conditions and Restrictions of Coyote Bluff Subdivision (the "Declaration").

V.

Subject to the purposes declared in Article IV, above, and any limitations herein expressed, the Corporation shall have and may exercise each and all of the following powers and privileges:

(a) The power to do any and all things that the Corporation is authorized or required to do under the Declaration, as the same may from time to time be amended, including, without limitation, the specific power to fix, levy and collect the charges and assessments provided for in the Declaration;

ARTICLES OF INCORPORATION/1

IDAHO SECRETARY OF STATE
DATE 02/13/1997
0900 63793 2
CK #: 1073 CUST# 12794
INC NONP 1@ 30.00= 30.00

#: C

(b) The power to purchase, acquire, own, hold, lease, mortgage, sell and dispose of any and all kinds and character of real, personal and mixed property, and while the owner of any of the foregoing, to exercise all rights, powers and privileges appertaining thereto; and

(c) The power to do any and all things that a non-profit corporation may now or hereafter do under the laws of the State of Idaho.

VI.

The address of the initial registered office of the corporation shall be 706 Canyon Road, Hailey, Idaho, and the initial mailing address of the Corporation is P.O. Box 2063, Ketchum, Idaho, 83340, respectively, and the name of its initial registered agent at such address is Rod Kegley.

VII.

The corporation shall have members.

VIII.

Upon dissolution, the Corporation's assets shall be distributed to its members.

IX.

The number of Directors constituting the initial Board of Directors of the corporation is three (3), and the names and addresses of the persons who are to serve as Directors until the first annual meeting of the members or until their successors are elected and shall qualify are:

<u>NAME</u>	<u>MAILING ADDRESS</u>
Rod Kegley	P.O. Box 2063 Ketchum, Idaho 83340
David Goodman	P.O. Box 3144 Ketchum, Idaho 83340
Nick Goodman	P.O. Box 3144 Ketchum, Idaho 83340

X.

The name and street address of the Incorporator is: Rod Kegley, 706 Canyon Road, Hailey, Idaho, 83333. The mailing address of the Incorporator is P.O. Box 2063, Ketchum, Idaho, 83340.

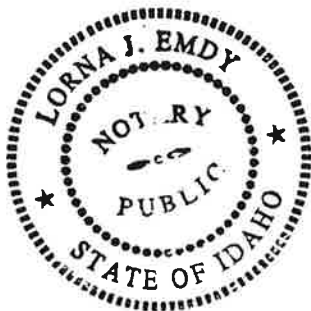
DATED this 11 day of February, 1997.

Rod Kegley
Rod Kegley

STATE OF IDAHO)
County of Blaine) ss.

I, Lorna J. Emdy, a Notary Public, do hereby certify that on this 11th day of February, 1997, personally appeared before me Rod Kegley, who, being by me first duly sworn, declared that he is the Incorporator of Coyote Bluff Homeowners' Association, Inc., that he signed the foregoing document as Incorporator of the corporation, and that the statements therein contained are true.

Lorna J. Emdy
Notary Public for Idaho
Residing at: Hailey, ID
Commission expires: 11/30/2000





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

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

January 31, 1997

COYOTE BLUFF LLC
ROD KEGLEY
PO BOX 2063
KETCHUM ID 83340

RE: PENDING TRANSFER FOR A37-11654B AND THE RELINQUISHMENT OF
A37-11657B, A37-11659B, AND A37-11661B

Dear Rod

I have enclosed copies of the initial split from Liselotte to Coyote Bluff LLC for all four claims. However, there are a few details that need clarification before I can complete the split for the homeowner's association.

1. The legal staff indicated that we need documentation that the homeowner's association is indeed structured to hold title to real property. Please send the documentation detailing that structure.
2. You stated that the ground you were going to dry-up was the roadway, the home sites, and related driveways and such related to the homes. I recall that you stated a square footage for the home and driveway area but I did not write it down. This is important in that the home/driveway square footage for lots 1, 2, 3, and 4 will be in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ whereas all roads and the remaining building sites will be in the SW $\frac{1}{4}$ SW $\frac{1}{4}$. Please indicate the square footage.

When I receive the two items I can complete the splitting of the rights into Coyote Bluff Ranch LLC and Coyote Bluff Homeowner Association INC.

I have also enclosed a relinquishment form for your use. Please review the form and if it is acceptable, complete it. If you have any questions give me a call and I will explain the steps that led to this point.

Sincerely

Kelly K Christensen
Sr Water Resource Agent

Enclosures



IDAHO DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION
1341 FILLMORE ST STE 200
TWIN FALLS ID 83301-3380
(208) 736-3033

PHILIP E BATT
GOVERNOR

KARL J DREHER
DIRECTOR

January 30, 1997

**SPLIT ANALYSIS FOR
A37-11654, A37-11657, A37-11659 A37-11661, & A37-11662**

Rod Kegley purchased lot 3A BODNER SUBDIVISION and then signed it over to Coyote Bluff Ranch LLC. That lot includes all of the irrigated ground claimed in section 33 of the above listed rights. Therefore the proportionate rate for each right is:

<u>VAN</u> <u>ACRES</u>	<u>COYOTE BLUFF</u> <u>ACRES</u>	<u>TOTAL</u>
10	23.3	33.3
10/33.3= 30%	23.3/33.3= 70%	

PROPORTIONATE RATE PER ACRE FOR EACH CLAIM

<u>CLAIM</u>	<u>RATE FOR VAN</u> claim receives suffix A	<u>RATE FOR COYOTE BLUFF</u> claim receives suffix B
A37-11654	0.726 * 30% = 0.226 CFS	0.726 * 70% = 0.50 CFS
A37-11657	0.94 * 30% = 0.282 CFS	0.94 * 70% = 0.658CFS
A37-11659	0.80 * 30% = 0.24 CFS	0.80 * 70% = 0.56 CFS
A37-11661	0.66 * 30% = 0.20 CFS	0.66 * 70% = 0.46 CFS

Right No: A37-11654B

11657B

11659B

11661B

MEETS AND BOUNDS TABLE

	X-COR	Y-COR	ANGLE		BEARING	DIST (FT)	CUM ACRES
			DEGREES	MINUTES	SECONDS		
BEGIN POINT COR.	40.00	40.00					0.17
(SEE SHEET)	39.80	22.83	0.00	39.00	39.00 sw	1133.55	0.17
	39.95	22.83	89.00	49.00	8.00 se	9.50	-0.23
	41.91	18.53	24.00	30.00	20.00 se	311.75	1.98
	28.83	13.75	69.00	55.00	15.00 sw	918.47	2.92
-QUAD COEF-	29.15	12.90	20.00	6.00	27.00 se	60.00	0.78
IF NE, X=1,Y=1	40.58	17.08	69.00	55.00	15.00 ne	803.60	0.28
IF SE, X=1,Y=-1	42.00	13.22	20.00	6.00	47.00 se	271.03	-0.58
IF SW, X=-1,Y=-1	42.28	9.22	4.00	4.00	53.00 se	264.94	-1.64
IF NW, X=-1,Y=1	43.79	5.70	23.00	11.00	59.00 se	252.68	-1.61
	54.49	5.73	89.00	48.00	38.00 ne	706.50	-10.01
	54.43	-0.08	0.00	38.00	22.00 sw	383.38	-10.01
	54.54	-0.08	89.00	55.00	16.00 ne	7.44	-1.55
	54.59	5.73	0.00	31.00	40.00 ne	383.38	19.23
	54.73	19.90	0.00	31.00	40.00 ne	935.36	19.90
	54.73	20.36	0.00	31.00	40.00 ne	30.00	19.90
	54.79	20.36	87.00	50.00	1.00 ne	4.30	24.15
	54.82	23.23	0.00	35.00	1.00 ne	189.57	24.19
	39.95	23.28	89.00	49.00	8.00 nw	981.56	24.19
	39.81	23.28	89.00	49.00	8.00 nw	9.50	24.03
	40.01	40.46	0.00	39.00	39.00 ne	1133.55	24.03
	40.01	40.46					24.03

IDAHO DEPARTMENT OF WATER RESOURCES
ADJUDICATION CLAIMS PROOF READING REPORT
(REGIONAL)

Water Right Number - R37-11654B

Prefix Translation: RESEARCH

Old (D) Number -

+ - - - - Last Name - - - - + + - First Name - - + + - - - - - Address - - - - - +

*** C - CURRENT OWNER ***

SPLIT RIGHT

1 -
2 -
3 -

City- X

Phone - 208-000-0000

State- ID Zip- 0

*** O - ORIGINAL OWNER ***

BODNER

LISELOTTE

1 - PO BOX 268

2 -

3 -

City- HAILEY

Phone - 208-788-4295

State- ID Zip- 83333

+ - - Priority Date - - +
03/24/1883

+ - - Region - - - +
ERROR IN REGION

+ - - Stage - - - +

+ - - Status - - - +
Z - SEE REMARKS

+ - - Source - - - - - +
BIG WOOD RIVER
SPLIT RIGHT

+ - - Tributary - - - - - +
MALAD RIVER

Point of Diversion						
Twn	Rng	Sec	Tract	Lot	RFlg	County
03N	18E	20	SW SW NW		(13)	BLAINE

Code	Description	Period From	Period To	Water Use	Diversion Rate	Diversion Volume
01 - IRRIGATION		04/01	11/01		0.500	

+ - Total Div. Rate - + 0.500 + - Total Div. Volume - + + - Total Consumptive Use - + + - KW Usage - + 0.0

Twn	Rng	Sec	Tract	Lot	Acres	Place of Use Code	Description	County
03N	18E	33	NW SW		4.3	01	IRRIGATION	(13) BLAINE
03N	18E	33	SW SW		19.0	01	IRRIGATION	(13) BLAINE

Total Acres: 23.3

+ - - Diversion Means - DIVERSION DAM IN RIVER FOR HIAWATHA CANAL.

+ - - Non-Irrigation Use -

+ - - Other Rights for Same Use -

+ - - Remarks - - - - - +

GEN SEE NOS. 37-11654C AND 37-11654D.

RECEIVED
JAN 13 1997
Department of Water Resources
Southern Region

Line Table

NUMBER	DIRECTION	DISTANCE
L-1	S 89°28'20" E	71.15'
L-2	S 89°28'20" E	68.16'
L-3	S 44°28'20" E	86.05'
L-4	S 44°28'20" E	60.97'
L-5	N 00°31'40" E	85.91'
L-6	N 00°31'40" E	102.97'
L-7	N 45°28'26" E	85.14'
L-8	N 45°28'26" E	91.69'
L-9	S 89°49'08" E	43.27'
L-10	S 89°49'08" E	53.21'
L-11	S 89°49'08" E	67.62'
L-12	S 89°28'20" E	71.15'
L-13	S 89°28'20" E	68.16'

Curve Table

NUMBER	DELTA	CD	IR FT	LT FT	LG FT
C-1	89°58'58"	S 69°55'16" E	30.00	47.11	42.42
C-2	20°37'27"	S 08°47'03" E	150.00	53.99	53.70
C-3	16°32'28"	S 08°14'35" E	150.00	51.16	50.81
C-4	38°04'54"	S 38°03'26" E	150.00	96.70	87.87
C-5	32°22'36"	S 73°16'51" E	150.00	84.76	83.64
C-6	37°20'16"	S 71°51'28" W	150.00	97.75	98.03
C-7	15°18'28"	N 45°31'40" E	150.00	40.12	40.00
C-8	37°20'16"	N 19°11'46" E	150.00	67.75	66.03
C-9	37°23'30"	N 18°10'08" W	150.00	97.89	98.16
C-10	15°18'28"	N 44°31'34" W	150.00	40.12	40.00
C-11	37°37'31"	N 71°00'13" W	150.00	98.52	98.76
C-12	20°15'36"	S 80°02'49" W	150.00	53.04	52.77
C-13	110°16'16"	N 35°02'31" E	34.91	57.18	57.28
C-14	08°27'46"	S 15°52'58" E	210.00	31.02	30.99
C-15	12°09'41"	S 05°33'11" E	210.00	44.57	44.49
C-16	90°00'00"	S 44°28'20" E	90.00	141.37	127.28
C-17	60°00'00"	N 45°31'36" E	90.00	141.37	127.28
C-18	90°20'49"	N 44°38'44" W	90.00	141.92	127.86

HEALTH CERTIFICATE

Sanitary restrictions as required by Idaho Code Title 50, Chapter 13, have been satisfied. Sanitary restrictions may be reimposed, in accordance with Idaho Code Title 50, Chapter 13, Section 50-1326, by the issuance of a certificate of disapproval.

Date: _____

South Central District Health Dept., EHS

A PLAT SHOWING
COYOTE BLUFF SUBDIVISION
A REPLAT OF
LOT 3A BODNER SUBDIVISION
Located within Sections 32 and 33, T. 3 N., R. 18 E., B.M.,
Blaine County, Idaho
December 1998

LEGEND

- Property Boundary
- 20' Pedestrian, Equestrian & Irrigation Easement
- 60' Power Line Easement
- Easement As Indicated
- Found Brass Cap
- Found Aluminum Cap
- Found 5/8" Iron Pin
- Set 5/8" Iron Pin
- Found 1/2" Iron Pin
- Set 1/2" Iron Pin
- Record Data (Reconfirmed)
- Building Envelope
- Proposed Domestic Well Location
- Proposed Septic System Location

NOTES

- The purchaser and/or owner of this parcel understands and agrees that private road construction, maintenance and snow removal shall be the obligation of the owner, his successors in interest, or homeowners association, and that Blaine County is in no way obligated to accept, maintain, or improve these roads, and that each owner shall notify in writing any successor in interest of these facts.
- Individual lot owners are responsible for control of noxious weed per state regulations. Mowing and manual removal are recommended.
- No residential construction shall be allowed within the power line setback, all construction shall be within the building envelope shown hereon.
- This property is subject to the Covenants, Conditions and Restrictions of Bodner Subdivision, Instrument #279941, records of Blaine County, Idaho.
- A 10 foot public utility easement is centered on all interior and adjacent to all exterior lot lines.
- All fire protection requirements of the Wood River Rural Fire District, the Uniform Fire Code and the Blaine County Fire Protection Ordinance including but not limited to water supply, access and clear zones shall be complied with prior to the issuance of any building permits within this subdivision.
- Surface water rights shall be owned by the Homeowners Association for use by each lot owner.
- Native vegetation shall be maintained in its natural state to the greatest extent possible with a maximum of 1/2 acre of yardage to be irrigated by drip system.
- Coyote Drive is a privately maintained road with public access unless and until dedicated to and accepted by Blaine County or the City of Holey.
- All utilities shall be underground.
- All lots in this subdivision may have individual wells as designated and shall have individual septic systems as shown hereon.
- Blaine County and the City of Holey disclaim any and all claims or liabilities for any damage which may result from exposure to any power lines traversing this subdivision or from an inadequate water supply from any source on, surrounding or underneath this subdivision.
- All domestic wells in this subdivision shall be metered.
- No fences within the subdivision shall exceed 41 inches in height and the bottom rail shall exceed 18 inches in height to allow wildlife migration.
- This property is adjacent to active productive agricultural land. Residents and purchasers should be aware that agricultural practices and operations occurring day and night are allowed and may result in dust, odors, use and application of agricultural chemicals, spraying, ground preparation, harvesting, etc. In addition, the roads accessing this property are used by agricultural vehicles. Such practices and uses are normal functions on agricultural lands and are not considered nuisances.



SAWTOOTH ENGINEERING
Civil Engineers and Land Surveyors

Hailey

(208) 788-9060

Idaho



IDAHO DEPARTMENT OF WATER RESOURCES
SOUTHERN REGION
222 SHOSHONE ST E
TWIN FALLS ID 83301
(208) 736-3033

PHILIP E BATT
GOVERNOR

KARL J DREHER
DIRECTOR

October 28, 1996

LUBOVISKI, WYGLE FALLOWFIELD & WILLIAMSON, PA
SUITE 205 THE STATION
PO BOX 1172
KETCHUM ID 83340

RE: CHANGE OF OWNERSHIP FOR ROD KEGLEY, COYOTE BLUFF RANCH LLC
A37-11654, A37-11657, A37-11659, AND A37-11661

Dear Sir

I have reviewed your ownership change request and, although the change of ownership states that the water rights are not being split, the documentation submitted indicates that Rod Kegley purchased approximately 70% of the property and water rights owned by Liselotte Van.

The warranty deed property description of Lot 3A of the Bodner Subdivision is not sufficient to determine the irrigated acres owned by each individual. An aerial photo showing the property ownership, with irrigated ground outlined by ownership, will allow the department to calculate the irrigated acres. Also, the subdivision plat showing the meets and bounds description will assist in determining those acres.

As your office submitted the change of ownership forms I am contacting you for the additional information, however, if you are to be the attorney of record for the claims held by Coyote Bluff Ranch LLC, the owners must notify the department. I have enclosed a Change in Attorney form for their use.

I am holding the ownership package you submitted earlier so please send the additional requested information attn Kelly. I have also enclosed several copies of the new change of ownership forms for your future use, that better describe the necessary documentation required when rights are being split.

Sincerely

Kelly K Christensen
Sr Water Resource Agent

Enclosures

ORIGINAL IN RED

C O N S E N T

DAVID GOODMAN, as Trustee of the Goodman Family Trust dated June 23, 1988, hereby consents to ROD KEGLEY'S authority to execute, on behalf of the Coyote Bluff Ranch, L.L.C., the subdivision plat for Coyote Bluff Subdivision, the Declaration of Covenants, Conditions and Restrictions of Coyote Bluff Subdivision and all other documents necessary for the final approval and recording of the Coyote Bluff Subdivision in Blaine County, Idaho and further consents to ROD KEGLEY'S execution of any documents necessary for the sale of any lots in Coyote Bluff Subdivision on behalf of Coyote Bluff Ranch, L.L.C.

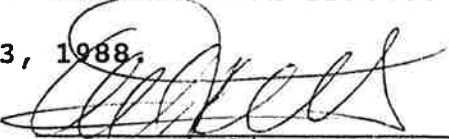
DATED this 2 day of ^{December}~~November~~, 1996.

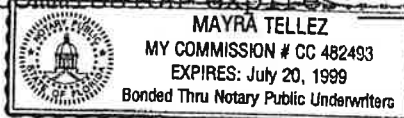

David Goodman, as Trustee of the
Goodman Family Trust dated
June 23, 1988

STATE OF FLORIDA)
County of DADE) ss.

FL/DLG 355-175-36-110 EX/2002

On this 2nd day of DEC, in the year 1996, before me, a Notary Public for the State of Florida, personally appeared DAVID GOODMAN, known or identified to me to be the person whose name is subscribed to the within instrument as Trustee of the Goodman Family Trust dated June 23, 1988, and acknowledged to me that he executed the same as such Trustee of the Goodman Family Trust dated June 23, 1988.


Notary Public for Florida
Residing at: FIRST UNION NATL
My commission expires: 7/20/99





State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region, 222 Shoshone St. East, Twin Falls, Idaho 83301-6105 (208) 736-3033
Fax (208) 736-3037

PHILIP E. BATT
Governor

KARL J. DREHER
Director

July 12, 1996

COYOTE BLUFF RANCH L.L.C.
PO BOX 1168
KETCHUM ID 83340

CURRENT STATUS OF ADJUDICATION CLAIMS A37-11654, A37-11657, A37-11659, and A37-11661

A change of ownership/split right request has not been received by the department for the above listed rights. I have enclosed a partly completed *change of ownership* form for the Coyote Bluff Ranch L.L.C. to complete. I have highlighted the items on the partially completed *change of ownership* form that require completion. Once the form is completed, please return it to the department attn Kelly. It does not have to accompany the transfer application.

The department has the chain of ownership from Liselotte Bonder to Coyote Bluff Ranch L.L.C. and that information does not have to be submitted again. The warranty deed from Liselotte Bodner to Rod Kegley dated March 31, 1995 lists the proportionate shares for Rod as follows;

25.5 inches,	priority date March 24, 1883,	permit No. A37-11654
33 inches,	priority date June 1, 1886,	permit No. A37-11657
28 inches,	priority date May 4, 1889,	permit No. A37-11659
23 inches,	priority date May 21, 1889,	permit No. A37-11661

The claim A37-11661 and the base right show a priority date of May 21, 1890. I am assuming a typing error in the warranty deed and anticipate splitting Liselotte's claims based upon the claim number and rate rather than the priority date.

The transfer application submitted by the Sawtooth Community Garden Project, Inc., once it is approved by the department, will be sufficient documentation to complete the ownership/split right requirements for the adjudication claim(s) involved.

If you have any questions concerning the *change of ownership* please contact me or Corey Skinner.

Sincerely

Kelly K Christensen
Sr Water Resource Agent

17814

WATER RIGHT PURCHASE AGREEMENT

This Water Right Purchase Agreement, made and entered into this 19th day of July, 1995, by and between the SAWTOOTH COMMUNITY GARDEN PROJECT, INC., an Idaho non-profit corporation, of P.O. Box 1168, Ketchum, Idaho, 83340 ("Buyer") and COYOTE BLUFF RANCH, L.L.C., an Idaho limited liability company, of P.O. Box 2063, Ketchum, Idaho, ("Seller");

WITNESSETH:

WHEREAS Seller wishes to sell or charitably donate to Buyer .04 CFS of Idaho Water Right A37-11654; and

WHEREAS Buyer wishes to purchase or have charitably donated from Seller .04 CFS of Idaho Water Right No. A37-11654;

NOW, THEREFORE, in consideration of the above recitals and the mutual promises herein contained, and other good and valuable consideration, Buyer and Seller hereby agree as follows:

1. Transfer of Water Right. Seller agrees to transfer and assign to Buyer .04 CFS of Idaho Water Right No. A37-11654;

2. Withdrawal of acreage from irrigation: Seller agrees to no longer irrigate, with the portion of Water Right No. A37-11654 being retained, 2 acres located within the real property, which is legally described as Lot 3A, A Replat of Lots 2 and 3, Bodner Subdivision, Blaine County, Idaho;

3. Representations and Warranties. The Seller represents and warrants as follows:

(a) that the aforementioned water right has been previously duly transferred to Seller pursuant to an

~~2012~~ 12/14

Application for Transfer of Water Right with the State of Idaho Department of Water Resources, and that said transfer has received official approval by the Department of Water Resources. That Seller warrants that said Application for Transfer was submitted to the Department of Water Resources in good faith and in substantial compliance with applicable state law.

(b) Transfer to Buyer. In the event that Buyer's Application for Transfer of Water Right is denied by the State of Idaho Department of Water Resources due to either any act or omission on the part of Seller, or based upon any protest or any other reason, that Seller agrees to refund the purchase price to Buyer.

(c) Intended Use. That in the event that Buyer's application, as set forth above, is denied by the Department of Water Resources, or that the intended consumptive use thereof can not be accomplished, Seller agrees to a refund of the purchase price to Buyer.

(d) Undisclosed Liabilities. That there exist no undisclosed liabilities that would effect the Transfer of Right title and interest to said water rights.

(e) Buyer agrees to promptly submit an Application for Transfer of Water Right.

4. Consideration. Consideration for the transfer shall be in one of the two following manners, the choice of which shall be at Seller's sole option:

13814
~~1000000~~

(a) Payment by Buyer to Seller of the sum of \$4,200.00 in cash contemporaneously with the execution of this Purchase Agreement;

(b) A charitable donation from Seller to Buyer which is tax deductible because of Buyer's 501(c)3 status under the Internal Revenue Code.

5. Additional Instruments. Each party, mutually covenants and agrees to execute any other instrument necessary or convenient to carry out the provisions of this Agreement.

6. Entire Agreement. This Agreement contains the entire agreement between the parties pertaining to the matter as herein set forth and supersedes all prior agreements that may exist between the parties respecting the matter contained herein.

7. Interpretation. This Agreement shall be construed in accordance with the Laws of the State of Idaho.

8. Benefit. This Agreement and the terms and provisions hereof shall inure to the benefit of, and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

9. Attorneys' Fees and Costs. In the event that any party hereto has to retain counsel for the purpose of enforcing any of the rights, duties or obligations arising out of or relating to this Agreement, the non-prevailing party shall pay to the prevailing party the latter's reasonable attorneys' fees and costs, whether or not litigation is actually instituted, and including

~~14814~~ 14814

attorneys' fees and costs on appeal and in any bankruptcy proceeding.

10. Modification. It is further agreed that this Agreement may not be modified, altered, nor amended, except by an instrument in writing executed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Water Right Purchase Agreement the day and year first above written.

"BUYER"

SAWTOOTH COMMUNITY GARDEN PROJECT, INC.

By Kelley B. Weston
Kelley Weston, President

By Mary Winset
Mary Winset, Secretary

"SELLER"

COYOTE BLUFF RANCH, L.L.C.

By Rod Kegley
Rod Kegley, Member

OPERATING AGREEMENT FOR COYOTE BLUFF RANCH, L.L.C.

THIS OPERATING AGREEMENT is made and entered into as of the 15th day of April, 1995, by ROD KEGLEY (hereinafter ("Kegley")), and DAVID GOODMAN, as Trustee of The Goodman Family Trust dated June 23, 1988, (hereinafter "Goodman") and each person who shall hereafter be admitted as a member of the Idaho Limited Liability Company of COYOTE BLUFF RANCH, L.L.C. (referred to as "Members" and individually as "Member").

The Members desire to form a limited liability company pursuant to the laws of the State of Idaho. Accordingly, in consideration of the mutual covenants contained herein, they agree and certify as follows:

ARTICLE 1

THE LIMITED LIABILITY COMPANY

1.1 Formation. Pursuant to I.C. §53-601, et seq., the Members have formed a limited liability company (the "Company") subject to the provisions of the Idaho Limited Liability Company Act as currently in effect (the "Act").

1.2 Filing. In connection with the execution of this operating agreement, the Members have caused Articles of Organization that comply with the requirements of the Act to be properly filed with the Idaho Secretary of State, and shall execute such further documents (including amendments to the Articles of Organization) and take such further action as is appropriate to comply with the requirements of law for the formation or operation of a limited liability company in Idaho or any other place where the company may conduct its business.

1.3 Name. The name of the company shall be COYOTE BLUFF RANCH, L.L.C.

1.4 Registered Office, Registered Agent. The location of the registered office of the company shall be 110 Edelweiss Lane, Blaine County Idaho, and thereafter at such other location as the Members may designate. The company's registered agent at such address shall be Rod Kegley.

1.5 Events of Dissolution. The Company shall be continued until January 1, 2025, unless sooner dissolved by:

- (a) The affirmative vote of all Members;
- (b) An event which makes it unlawful for the business of the Company to be carried on by the Members.

(c) The death, retirement, resignation, expulsion, bankruptcy or disassociation of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company as set out in this Agreement; or

(d) Any other event causing a dissolution of the limited liability company under the Act.

1.6 Continuance of the Company. Notwithstanding the foregoing provisions of Article 1.5, upon the occurrence of an event described in Article 1.5(c), if there are at least two remaining Members, the remaining Members have the right to continue the business of the Company. Such right can be exercised only by the affirmative unanimous vote of the remaining Members, within ninety (90) days after the occurrence of an event described in Article 1.5(c), to continue the business of the Company. If not so exercised, the right of the Members to continue the business of the Company shall expire and the Company's affairs shall be wound up as provided herein.

1.7 Management of Business. The business of the Company will be conducted under the exclusive management of its Members who will vote according to their proportionate interest in the Company. Each member agrees to promptly notify other member(s) of significant events affecting the Company.

1.8 Character of Business. The business of this Company shall be to acquire, maintain, operate, lease, buy, sell or exchange real property or do construction and development on real property; provided, however, the Company may transact any and all business, allowed by Idaho law, in the furtherance of this general business purpose or other purposes as the Members may from time to time direct by unanimous vote.

1.9 Principal Place of Business. The location of the principal place of business of the Company shall be 110 Edelweiss Lane, Blaine County, Idaho, or at such other place as the Members from time to time may select.

1.10 The Members. The names and addresses of each Member are as follows:

The Goodman Family Trust dated June 23, 1988
P.O. Box 3144
Ketchum, ID 83340

Rod Kegley
Box 2063
Ketchum, ID 83340

ARTICLE 2

CAPITAL CONTRIBUTIONS

2.1 Initial Contributions. Goodman and Kegley shall each contribute their interest in that certain parcel of real property located in Blaine County, Idaho, more particularly described in the attached Exhibit "A", which is incorporated herein.

In addition, Kegley will contribute the following services, obligations to perform services, prepaid fees and permits to be used in obtaining subdivision approval for the real property described in Exhibit "A":

1. Engineering necessary for preliminary plat approval by Blaine County;
2. Application fees necessary for final plat approval by Blaine County;
3. Fees necessary for South Central Health District approval of the subdivision;
4. Fees for water studies by Dr. Charles Brockway; and
5. Personal services necessary to achieve final plat approval by Blaine County.

Each Member's initial contribution is valued at \$100,000.

Each Member will also contribute their efforts, expertise in the management of the business keeping in mind that each Member has other interests and will not be required to contribute all of their time and efforts to the Company business.

2.2 Additional Capital Contributions. In order to complete the subdivision of the real property described in Exhibit "A", it will be necessary for the owners to contribute the following approximate amounts of capital during the following approximate time periods:

1995	\$235,000
1996	\$132,000
1997	\$117,000
1998	\$107,000
1999	\$ 97,500

These anticipated additional capital contributions may be lessened depending on the number and sales figures for lot sales; however, the Members recognize that said sales are not guaranteed and that such additional contributions may be necessary.

The Members may contribute in proportionate amounts any additional capital deemed necessary for the operation of the Company provided, however, that in the event that any Member deems it advisable to refuse or fails to contribute his share of any or all of the additional capital, then the other Member may contribute the additional capital not paid in by the refusing Member and shall receive therefore an increase in the proportionate share of the ownership or interest in the entire Company in direct proportion to the additional capital contributed.

2.3 Interest in Capital. The interests of the Members in the Company as initially established are as follows: The Goodman Family Trust dated June 23, 1988 - 50%; Rod Kegley - 50%.

ARTICLE 3

PROFITS, LOSSES AND DISTRIBUTIONS

3.1 Profits and Losses. The Company's net profits or net losses shall be determined on an annual basis and shall be allocated to the Members in proportion to their sharing ratios. "Net profits or net losses" shall mean the income or loss of the Company as determined under the capital accounting rules of the applicable Treasury Regulations for purposes of adjusting the capital accounts of Members including, without limitation, the provisions of Section 1.704-1(b)(2)(iv) paragraph (b) and (g) relating to the computation of items on income, gain, deductions and loss. The "sharing ratio" of the Members shall be the same as their interests in capital set out in paragraph 2.3.

3.2 Distributions. Annually or at more frequent intervals, the Members shall distribute available funds to the Members in proportion to their sharing ratios. "Available funds" for this purpose mean the Company's gross cash receipts, less the Company's expenditures, and less the amount that, in the Members' reasonable judgment, the Company should retain in order to fulfill its business purpose.

ARTICLE 4

MANAGEMENT

4.1 Members. The liability of the Members shall be limited as provided in I.C. §53-619, which generally provides that no Member of a limited liability company is liable, solely by reason of being a member, under a judgment, decree or order of a court, or in any

other manner, for a debt, obligation or liability of the limited liability company, whether arising in contract, tort or otherwise, or for the acts or omissions of any other Member, manager, agent or employee of the limited liability company.

4.2 Powers of Members. The Members are authorized on the Company's behalf to make all decisions as to the ordinary operation of the business, the management of the Company's assets, the granting of security interests or borrowing of funds, compromise or release of the Company's claims or debts, employment of persons, firms or corporations for the operation and management of the Company's business, and all other things ordinary and necessary to the operation of the business. The Members may execute and deliver contracts, conveyances, assignments, leases, checks, drafts, notes, security agreements and similar documents, except as specifically limited herein.

It is further understood that Kegley owns Creative Construction which construction company it is anticipated will perform the construction of the improvements necessary to ready the lots for sale on the real property described in Exhibit "A". The anticipated improvements and their costs are roughly estimated as follows:

Engineering (stake lots)	\$ 6,000
Rough dirt work (road base, pond and burn)	\$20,000
Pond liner	\$ 5,000
Hydrants and pipe	\$ 2,000
Labor (pond and hydrants)	\$ 2,000
Idaho Power	\$20,000
Telephone	\$10,000
Cable TV	\$ 8,000
Gas	\$10,000
Asphalt	\$90,000
Landscaping	\$15,000
Homeowner's Association Bldg.	\$10,000
Miscellaneous	\$10,000

If the Members unanimously agree, the Company shall enter into a separate construction agreement with Creative Construction which will set out and control the relationship between Creative Construction and the Company with regard to the development and improvements on the real property described in attached Exhibit "A". In order to determine whether Creative Construction shall be awarded the construction contract, the improvements shall be put out to bid in order to confirm the adequacy of the above listed costs.

4.3 Limitations on Powers of Members. The Members shall not purchase, sell or encumber any real estate without the written consent of all other Members. No Member shall transfer or assign his or her interest without the express written consent of all other Members. If any Member seeks to sell his or her interest in the Company or any of its assets, all other Members must be given the first right of refusal for such a sale or transfer, and sale or transfer to any party who is not a Member may not be conducted until all other Members have been given an opportunity to be the purchaser or transferee and have refused such opportunity. The first right of refusal must be exercised within thirty (30) days of it being offered.

Notwithstanding the above paragraph, in the event that the subdivision has been approved and the improvements have been completed and the lots are ready for sale, the Members shall determine price and timing for the sale of the lots. If the Members are unable to agree on the price and timing for sale of the lots, the Company shall retain a certified appraiser who shall ascertain the market value of each of the lots. Following that appraisal, the Members shall proceed to select the lots of their choice with Kegley beginning with Lot 1, Block 1 and Goodman free to select any lot he chooses and the Members shall then alternate picking the lot of their choice until all lots in the subdivision have been selected. In the event that the Members' interests in capital are unequal, the lot selection described above shall end when the Member who has the lesser interest has selected enough lots so that the percentage value of his lots to the whole is equal to the percentage value of his interest to the whole. The other member shall then be entitled to the remainder of the lots. In the event that the monetary value, as determined by the appraiser, of one Member's lots is more than the monetary value of the other Member's lots, after taking into account the difference in capital interests, the Member with the lots of greater value shall pay the difference to the other Member upon the first sale of a lot by the Member who has picked lots with greater value.

4.4 Nominee. Title to the Company's assets shall be held in the Company's name or in the name of any nominee, including any Member (that the Members may unanimously designate). The Members shall have the power to enter into a nominee agreement with such

person and such agreement may contain provisions indemnifying the nominee, except for wilful misconduct or gross negligence.

4.5 Information Relating to Company. The Company shall maintain records and books concerning the Company's activities and financial situation. Upon request, such information shall be provided to any other Member or his or her authorized representative. Such records and books shall be available for inspection during business hours by any Member or his or her authorized representative.

4.6 Exculpation. Any act or omission of the Members, the effect of which may cause or result in loss or damage to the Company or its Members if done in good faith to promote the best interests of the Company, such shall not subject the Members to any liability to the other Members.

4.7 Records at Principal Place of Business. The Company shall keep at it's principal place of business the following:

(a) A current and past list, setting forth the full name and last known mailing address of each Member, if any, set forth in alphabetical order;

(b) A copy of the Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Articles of Amendment have been executed;

(c) Copies of the limited liability company's federal, state and local income tax returns and financial statements, if any, for the past three (3) most recent years or, if those returns and statements are not prepared for any reason, copies of the information and statements provided to, or which should have been provided to, the Members to enable them to prepare their federal, state and local tax returns for the period;

(d) Copies of any effective written operating agreements, and all amendments thereto, and copies of any written operating agreements no longer in effect;

(e) Any other writings prepared pursuant to a requirement, if any, in the operating agreement. Upon request, a Member or Member's authorized representative may, at his or her own expense, inspect and copy during ordinary business hours any limited liability company record, wherever the record is located.

ARTICLE 5

COMPENSATION

5.1 Expenses. Previously approved out of pocket expenses shall be reimbursed directly to Members upon the submission of a properly documented claim for reimbursement to the Members.

5.2 Sales Commission. The parties acknowledge that Kegley is a licensed Idaho real estate agent. Kegley shall be entitled to the listing commission for the lots to be sold on the property described on Exhibit "A". The amount of the listing commission shall be 3.125% of the selling price of each lot. The listing commission shall be payable 1.25% to Bald Mountain Realty and 1.875% to Kegley. Kegley shall be entitled to a 5% commission in addition to the listing commission for any lots for which he produces a ready, willing and able buyer.

ARTICLE 6

ACCOUNTS

6.1 Books. The Company shall maintain complete and accurate books of account of the Company's affairs at the Company's principal place of business. The Company's accounting period shall be the calendar year.

6.2 Member's Accounts. The Company shall maintain separate capital accounts for each Member, computed as required by the Treasury Regulations under Section 704(b) of the Internal Revenue Code.

6.3 Reports. The Company shall close the books of account promptly after the close of each calendar year and shall prepare and send, no later than March 15th of each year, to other Members a statement of such Member's distributive share of income and expense for federal income tax reporting purposes.

ARTICLE 7

DISSOLUTION AND TERMINATION

7.1 Final Accounting. In case of the Company's dissolution, a proper accounting shall be made from the date of the last previous accounting to the date of dissolution.

7.2 Liquidation. Upon the Company's dissolution and the failure of the Members to continue the Company as provided in Article 1.6, the Members, or some person or persons selected by a majority of the Members, shall act as a liquidator to wind up the Company. Winding up and liquidation shall be carried out as set

forth in the Idaho Limited Liability Company Act. The liquidators shall have full power and authority necessary to the winding up of the Company's business and the liquidation of assets.

7.3 Distribution in Kind. If the liquidator shall determine that a portion of the Company's assets should be distributed in kind to the Members, he or she shall distribute such assets to them in the following manner: All Member loans shall be repaid in full from available assets. There will then be distributions to Members equal to any balance in that Member's capital account. Any remaining amount of assets shall be reduced to zero by distribution to Members in undivided interests as tenants in common in proportion to their sharing ratios.

7.4 Buy-Sell. Each of the following events shall constitute a "Buy-Sell Event" under this agreement:

(a) A judicial determination of the insolvency of any Member;

(b) Any filing of a petition or suit under the bankruptcy laws by or against a Member that is not dismissed within thirty (30) days;

(c) Any purported voluntary or involuntary Transfer or Encumbrance of all or any part of a Member's Membership Interest in a manner not expressly permitted by this Agreement;

(d) Any material breach of this Agreement by a Member which is not cured within ten (10) days after written notice of such breach is given to the Member by the Company.

(e) Any withdrawal by a Member from the Company other than as may be expressly permitted by this Agreement.

7.4.1 Buy-Sell Notice. Upon the occurrence of a Buy-Sell Event, the Member to whom such event has occurred (the "Withdrawing Member"), or its executor, administrator, personal representative or other legal representative in the event of death or declaration of legal incompetency, shall give notice of the Buy-Sell Event (the "Buy-Sell Notice") to the other Members within ten (10) days after its occurrence. If the Withdrawing Member fails to give the Buy-Sell Notice, any other Member (other than a Withdrawing Member) may give the notice at any time thereafter and by so doing commence the buy-sell procedure provided for in this Article 7.4.

7.4.2 Member's Purchase Option. Upon the occurrence of a Buy-Sell Event, each of the Members, except the Withdrawing Member and any other Withdrawing Member, shall have an option to purchase (the "Purchase Option") the Withdrawing Member's Member-

ship Interest at Closing on the terms and conditions set forth in this Article 7.4. This right will be allocated among the Members who elect to purchase (the "Purchasing Members") in the proportion they mutually agree upon, or, in the absence of agreement, in the ratio that each of the Purchasing Member's "sharing ratio" bears to the aggregate "sharing ratios" of all Purchasing Members. The Purchasing Members must give notice of their election to exercise their Purchase Option to the Withdrawing Member and all other Members within thirty (30) days following delivery of the Buy-Sell Notice.

7.4.3 Assignment of Purchase Option. If at the occurrence of a Buy-Sell Event, there exist only two (2) then- current Members (including the Withdrawing Member), the Member that is not withdrawing shall have the option during the thirty (30) day period set forth in Section 7.4.2 to assign it's Purchase Option to any Person other than the Withdrawing Member (the "Purchase Option Assignee") by notifying the Withdrawing Member and the Company of such assignment in writing. After delivery of such notice, the Purchase Option Assignee shall have the option to purchase the Withdrawing Member's Membership Interest on the same terms and conditions as would apply to the Member from which the Purchase Option was assigned: provided, however, that the Purchase Option Assignee shall not have the rights of assignment set forth in this Section 7.4.3. Notwithstanding any other provision of this Agreement, any Purchase Option Assignee which exercises it's Purchase Option, as provided herein, (i) shall only have those rights as specified in this Agreement, (ii) shall not be admitted as a substitute Member without full compliance with this Agreement and (iii) shall be subject to the Buy-Sell restrictions imposed under this Article 7.4. In the event the Purchase Option Assignee does not exercise the Purchase Option, the Purchase Option Assignee shall have no further rights under this Agreement.

7.4.4 Agreement on Valuation. Unless otherwise agreed in writing by the purchaser(s) and seller within thirty (30) days of the receipt of a Buy-Sell Notice, the purchase price for the Withdrawing Member's Membership Interest shall be determined by a single appraisal made by an appraiser agreed upon by the purchaser(s) and seller, which appraisal shall be final. If the parties cannot agree on a single appraiser, the purchase price for the Withdrawing Member's Membership Interest shall be determined by three appraisers, one selected by the purchaser(s), one selected by the seller and the third selected by the two appraisers. The value determined by a majority of the appraisers will be final. The costs of appraisal shall be borne equally between the purchaser(s) as a group and the seller. The purchase price to be paid for the Withdrawing Member's Membership Interest will be reduced by the amount of any distributions made by the Company to the Withdrawing Member from the date the Buy-Sell Event occurred with respect to the Withdrawing Member to the Closing.

7.4.5 Closing. The closing (the "Closing") of the purchase of any Membership Interest pursuant to this Article 7.4 shall take place on the date agreed upon by the purchaser(s) and seller, but not later than ninety (90) days after the occurrence of the respective Buy-Sell Event. The purchase price for each Membership Interest being purchased will be payable in full in cash at Closing. The purchase price will bear interest from the date of the occurrence of the Buy-Sell Event until closing at an interest rate equal to the prime rate of interest charged by Bank of America of Ketchum, Idaho, last published prior to the occurrence of the Buy-Sell Event. Upon payment of the purchase price, the Member selling it's Membership Interest shall execute and deliver such assignments and other instruments as may be reasonably necessary to evidence and carry out the transfer of such Membership Interest to the purchaser(s). In connection with the sale of any Membership Interest under this Article 7.4, unless otherwise agreed by the purchaser(s) and seller, the purchaser(s) will assume the seller's allocable portion of Company obligations to the extent related to the transferred interest as well as the seller's individual obligations to the extent related to the transferred interest, other than income tax liabilities of the seller. Notwithstanding any other provision of this Agreement, any transferee, assignee or purchaser of a Member's interest, as provided herein, shall not be admitted as a substitute Member without full compliance with this Agreement.

7.4.6 Effect of the Rule Against Perpetuities. Notwithstanding any other provision of this Agreement, all options and rights to purchase or sell created by this Agreement shall expire on the later of (a) twenty-one (21) years after the death of the last remaining child, living as of the date of this Agreement, of any Member who is a member of the Company at the time of its organization, or (b) twenty-one (21) years after the death of the last to die of the individual Members who are members of the Company at the time of it's organization.

7.4.7 Effect on Withdrawing Member's Interest. From the date of the occurrence of the Buy-Sell Event to the date of the transfer of the Withdrawing Member's Membership Interest under this Article 7.4, the Percentage Interest represented by the Withdrawing Member's Membership Interest will be excluded from any calculation of aggregate Percentage Interests for purposes of any approval required of Members under this Agreement. Without limiting the generality of any other provision of this Agreement, upon the exercise of the Purchase Option, the Withdrawing Member, without further action, will have no rights in the Company or against the Company or any Member other than the right to receive payment for his or her Membership Interest in accordance with this Article 7.4.

7.4.8 Failure to Exercise Purchase Option. In the event the Members or Purchase Option Assignee, if any, do not exercise their Purchase Options, the Withdrawing Member or it's executor, administrator, personal representative or other legal representative in the event of death or declaration of legal incompetency, may transfer it's economic rights in the Membership Interest of the Withdrawing Member to any Person; provided however, that any transferee of the Withdrawing Member's Membership Interest, as provided herein, (i) shall only have those rights as specified in this Agreement, (ii) shall not be admitted as a substitute Member without full compliance with this Agreement and (iii) shall be subject to the Buy-Sell restrictions imposed under this Article 7.4.

7.4.9 Death/Incompetence. In the event of the death or declaration of legal incompetency of any Member, that deceased or incompetent Member's spouse, if any, shall have the option to take over the deceased or incompetent member's interest. If said option is not exercised in writing by the spouse within thirty (30) days of the death or declaration of incompetence the remaining Members may buy out the deceased or incompetent Member's share the same as if any of the Buy-Sell events set out above had occurred.

7.5 Divorce and/or Marital Property. Each Member's spouse hereby joins in the execution of this agreement for the purpose of subjecting her community property interest, if any, to the terms of this agreement. It is agreed that upon any transfer whatsoever of a Member's interest or the Member's interest in any of the assets held by the Company, the spouse of any Member shall automatically be deemed to join in such transfer for the purpose of terminating such spouse's community property interest, if any, in the interest so transferred whether it be real or personal property. Such spouse's community property interest, if any, shall automatically attach to the proceeds of such transfer. Upon the request of any transferee of such interest, whether real or personal, each Member's spouse shall execute such documents as the transferee may deem necessary or appropriate to evidence the termination of such termination or transfer of such interest. In the event of a divorce between any of the Members and their spouses, the spouses by executing this agreement agree that they will take their share of any community property interests held by the Member in the Company from other assets owned between the husband and wife and shall not take any interest in the Company. It is understood that the spouses will be compensated for their community property interest, if any, in the Company, held by the Member, out of other assets owned by the husband and wife rather than the interest held by the Member in the Company. If a Member subsequently marries and such future wife fails to execute this agreement or otherwise comply with its terms after receipt of written notice from the Company requesting that such spouse execute this agreement, then the Company shall, for a period of sixty (60)

days following such request, have the exclusive option to purchase the Member married to such spouse's interest as if one of the Buy-Sell events had occurred as set out in Article 7.4 above.

ARTICLE 8

AMENDMENTS TO AGREEMENT

Amendments or modifications to this agreement may be made by a unanimous consent of all Members initially named in this agreement or added as Members subsequent to this agreement. Such amendments or modifications shall be in a writing executed by all Members.

ARTICLE 9

GENERAL PROVISIONS

9.1 Entire Agreement. This operating agreement contains the entire agreement among the parties and except as provided herein may not be amended, nor may any rights hereunder be waived except by an instrument in writing signed by the parties sought to be charged with such amendment or waiver. Construction of this document shall be according to the laws of the State of Idaho and this agreement shall be binding upon all parties and their respective personal representatives, successors and assigns except as set forth otherwise herein.

9.2 Insurance. The Company shall cause any real estate which is an asset of the Company to be properly insured against casualty, fire or other hazards for which insurance is normally maintained, and shall maintain adequate liability insurance for the business and the property.

9.3 Attorney's Fees. In the event that any party hereto has to retain counsel for the purpose of enforcing any of the rights, duties or obligations arising out of or relating to this Agreement, the non-prevailing party shall pay to the prevailing party the latter's reasonable attorneys' fees and costs, whether or not litigation is actually instituted, and including attorneys' fees and costs on appeal and in any bankruptcy proceeding.

9.4 Idaho Law. This Agreement shall be construed in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned Members acknowledge under penalties of perjury that the matters and facts set forth in this operating agreement are true and that they have signed this operating agreement to be effective as of the 15th day of April, 1995.

MEMBERS

The Goodman Family Trust Dated June 23, 1988.

By David P. Goodman, Trustee
David Goodman, Trustee

Rod Kegley
Rod Kegley

STATE OF IDAHO)
) ss.
County of Blaine)

On this 15 day of April, 1995, before me, a Notary Public in and for said State, personally appeared ROD KEGLEY known to me to be the person who executed the within and foregoing document and acknowledged to me that he executed the same.

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



Barry J. Lubowski
Notary Public for Idaho
Residing at: Ketchum
My commission expires: 11-97

STATE OF IDAHO)
) ss.
County of Blaine)

On this 15 day of April, 1995, before me, a Notary Public in and for said State, personally appeared DAVID GOODMAN, known to me to be the Trustee of The Goodman Family Trust dated June 23, 1988, and the person who executed the within and foregoing document on behalf of said trust, and acknowledged to me that he executed as Trustee.

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



Barry J. Lubowski
Notary Public for Idaho
Residing at: Ketchum
My commission expires: 11-97

OPERATING AGREEMENT FOR
COYOTE BLUFF RANCH, L.L.C./15