

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED
MAR 19 2021
DEPT OF WATER RESOURCES
SOUTHERN REGION

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
37-23286 37-22309	Yes ☒	Yes ☐	37-22312	Yes ☐	Yes ☐
37-23287 37-22314	Yes ☒	Yes ☐	37-22317	Yes ☐	Yes ☐
37-23288 37-22319	Yes ☒	Yes ☐	37-22322	Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Old Cutters Inc.
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Erik B. Schultz and Dave B. Straley, Arthur B. Schultz Irrevocable Trust dated June 8, 1994
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 820 CD Olena Dr. Hailey ID 83333
Mailing address City State ZIP
208.340.3397 erik@sk2fund.org
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☒ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: at sale closing March 4, 2021
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
 o \$25 per *undivided* water right.
 o \$100 per *split* water right.
 o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: [Signature] Co-Trustee 3/15/21
Signature of new owner/claimant Title, if applicable Date

Signature: [Signature] Co-Trustee 3/15/21
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by SG Date 3/19/21 Receipt No. 5038472 Receipt Amt. \$375.00

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by _____ Processed by [Signature] Date 4-12-21

SUPPORT DATA
IN FILE # 37-22309

37-22309, 37-22314,
and 37-22319 are irrigation
water rights being split;

37-22312, 37-22317,
and 37-22322 are for ponds
shared with other property
owners; we wish to be
added as additional owners.

Call if you need more clarification or
see attached email —



Erik Schultz
Co-Founder

erik@sk2fund.org
+1 208.340.3397



WARRANTY DEED

Corporate

Old Cutters, Inc, an Idaho Corporation, a Corporation duly organized and existing under and by virtue of the laws of the State of Idaho, with its principal office at PO Box 986, Hailey, ID 83333

grantor, hereby CONVEYS or GRANTS and WARRANTS to

Erik B. Schultz and Dave B. Straley, Co-trustees, The Arthur B. Schultz Irrevocable Trust, dated June 8, 1994

grantee, whose current address is: c/o Erik Schultz, 820 CD Olena Dr., Hailey, ID 83333

the following described premises, to-wit:

Lot 1, Block 3 of OLD CUTTERS SUBDIVISION, as shown on the official plat thereof, recorded as Instrument No. 553634, Records of Blaine County, Idaho.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, its heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that Grantor is the owner in fee simple of said premises; that they are free from all encumbrances except those to which this conveyance is expressly made subject to and those made, suffered or done by the Grantee; and subject to all existing patent reservations; restrictions in railroad deeds of record; easements and rights of way established and of record; protective covenants of record; zoning ordinances and applicable building codes, use restrictions, ordinances, laws and regulations of any governmental unit; general taxes and assessments, including irrigation and utility assessments (if any) for the current year, which are not due and payable; and that Grantor will warrant and defend the same from all lawful claims whatsoever. Whenever the context so requires, the singular number includes the plural.

The officers who sign this deed hereby certify that this deed and the transfer represented thereby was duly authorized under a resolution duly adopted by the board of directors of the Grantor at a lawful meeting duly held and attended by a quorum.

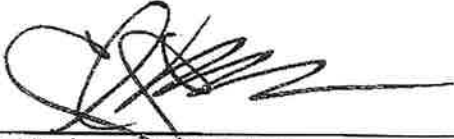
IN WITNESS WHEREOF, the grantor has caused its corporate name to be hereunto subscribed by its authorized officers, this 4TH day of MARCH, 2021.

Old Cutters, Inc


John Campbell, President

State of Idaho
County of Blaine

This record was acknowledged before me on 4th day of MARCH, 2021, by John Campbell, as President of Old Cutters, Inc.

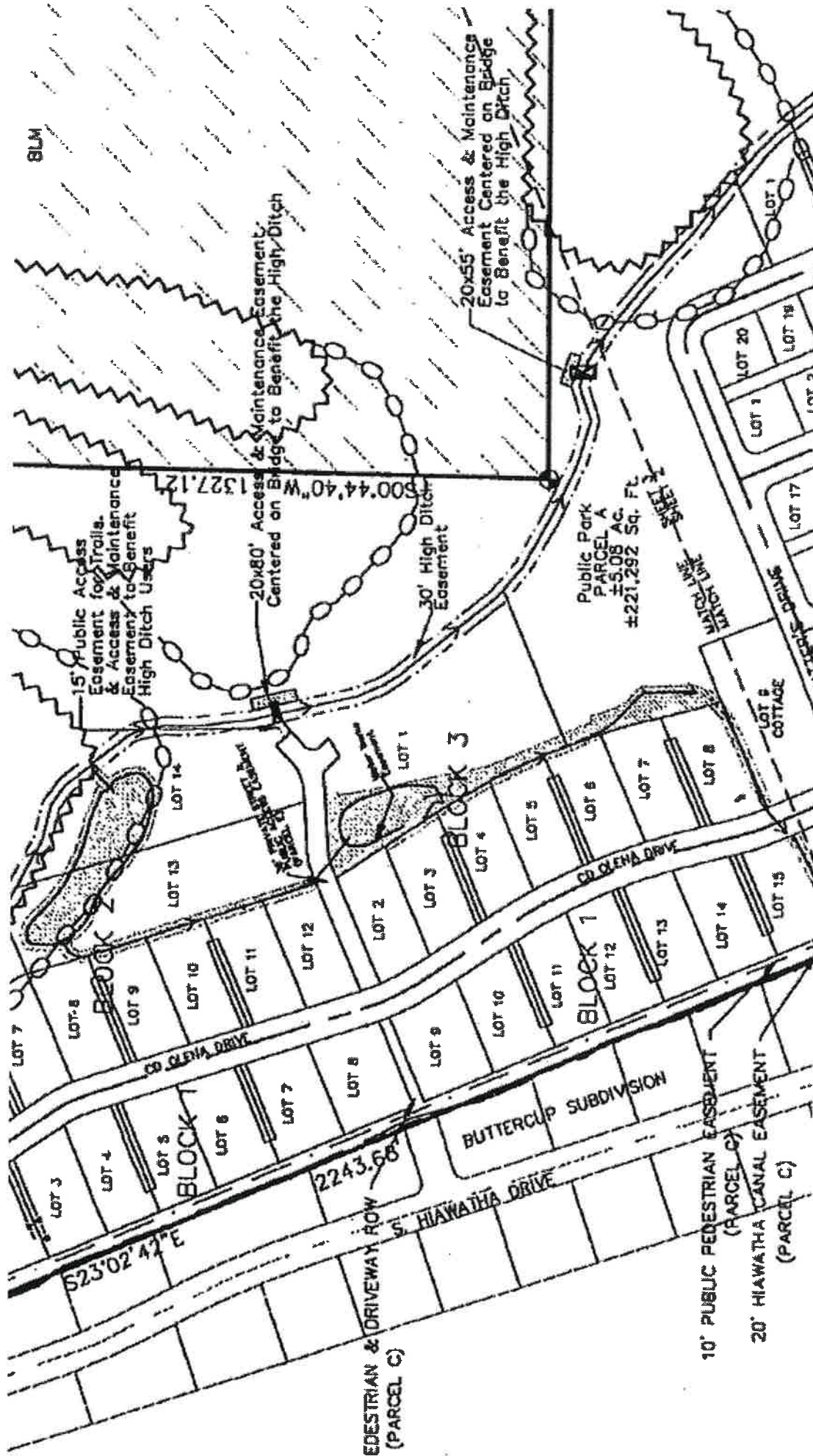


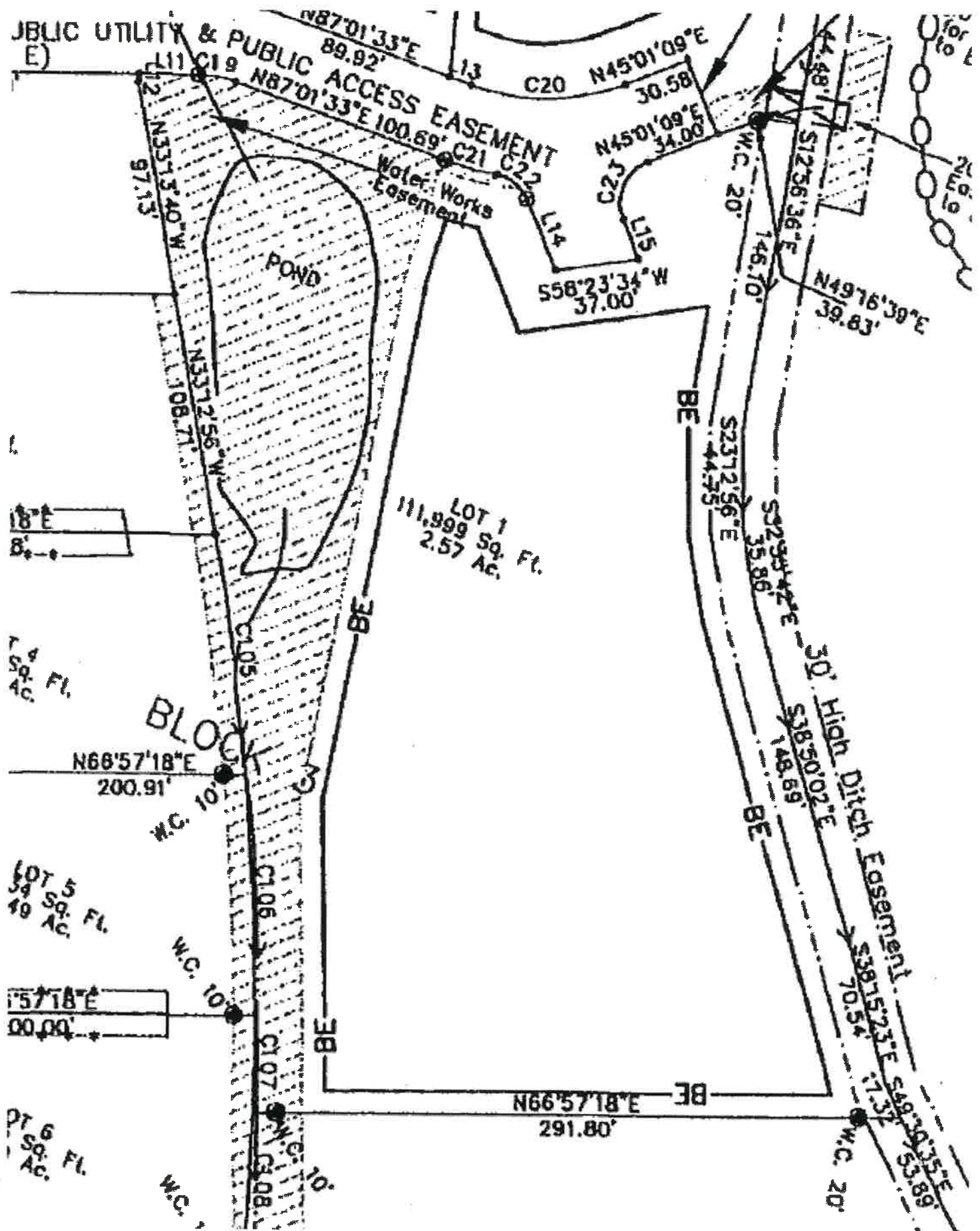
Notary Public Curtis S. Chambers
My Commission Expires:

5.18.22

(STAMP)







State of Idaho
Department of Water Resources
Water Right License
37-22319

18E

02N



-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters

0 0.035 0.07 0.14 Miles



From: Erik Schultz erik@sk2fund.org
Subject: Fwd: questions re: transfer of water right
Date: February 23, 2021 at 12:03 PM
To: ReSource Trust sunvalleyshelley@gmail.com, Dave Straley dstraley@stratask.com



FYI, seems straightforward to me.

Erik Schultz
Co-Founder



Creative capital for people and planet
+1.208.340.3397

Begin forwarded message:

From: "Erickson, Nathan" <Nathan.Erickson@idwr.idaho.gov>
Subject: RE: questions re: transfer of water right
Date: February 23, 2021 at 10:15:03 AM MST
To: Erik Schultz <erik@sk2fund.org>

Erik,

The "Notice of change in water right ownership" form and associated documents/payment can be used to accomplish both of your questions.

- 1) The irrigation rights will need to be listed and checked as being "Split", this will split off the portion of the irrigation water right associated with the property your client is purchasing and put them in their name.
- 2) The water rights for the pond can also be listed on the same "Notice of change in water right ownership" form but do not check "Split". This should add your clients as additional property owners on water rights associated with the pond.

The cost to complete everything will be \$375 (\$300 to split the irrigation WRs, and \$75 to add ownership for pond WRs). I would recommend you include a cover letter explaining that the ponds are shared with other owners, this will make sure when processed they are aware of the situation.

Please let me know if you have any further questions.

Nathan

From: Erik Schultz [<mailto:erik@sk2fund.org>]

Sent: Monday, February 22, 2021 1:20 PM

Sent: Monday, February 22, 2021 1:20 PM

To: Erickson, Nathan <Nathan.Erickson@idwr.idaho.gov>

Subject: questions re: transfer of water right

Hi Nathan,

I represent the buyer of a vacant lot with existing water rights in Hailey, ID. We are in escrow now and set to close March 4. Once closed, we would like to immediately transfer the property's existing water rights to our ownership.

The property address is 920 CD Olena Dr, Hailey, ID 83333 (Block 3 Lot 1 of Old Cutters Subdivision)

The relevant water rights #s are:

37-22309

37-22314

37-22319

These rights are shared with another lot at 930 CD Olena Dr (Block 2 Lot 14 of Old Cutters Subdivision, also currently for sale by a different seller).

Previously the seller (Old Cutters Inc.) of the lot we are buying (920 CD Olena Dr, B1 L3) provided me with notes from your January 8 conversation with their representative (attached to verify correctness). After review, I have 2 questions I hope you can answer for the buyer:

Question 1: I downloaded the form for *Notice of Change in Water Right Ownership* from the IDWR website. Is this form and the required supporting documentation all that is needed to transfer ownership of water right on the property to the new owner?

Yes,

Question 2: There is also a pond on the property which is subject to an easement to Old Cutters Inc. and the City of Hailey for their use and management of these water works. From the call notes I was provided with, there appears to be a separate process/form by which those water rights (37-22312, 37-22317, and 37-22322) will be extended to include the new owners of 920 CD Olena Dr, B1 L3. Who must initiate that process—is it the existing water right owner, or the additional new one (buyer) who wishes to be included? What form is required (not clear from IDWR website)?

It would be much appreciated if you could review and provide answers to the above questions. Please do not hesitate to call me to discuss further if required.

Sincerely,

Erik Schultz
208.340.3397

Erik Schultz
Co-Founder

A PLAT SHOWING OLD CUTTERS SUBDIVISION

A REPLAT OF LOTS 1A, 2A, 3 & 4, A REPLAT OF DREXLER RANCH SUBDIVISION, AND A PORTION OF LOT 4, BUCKHORN SUBD. 2ND ADDITION
LOCATED WITHIN SECTIONS 3 & 4, T.2 N., R.18 E., B.M., CITY OF HAILEY, BLAINE COUNTY, IDAHO

OCTOBER 2007
GRAPHIC SCALE

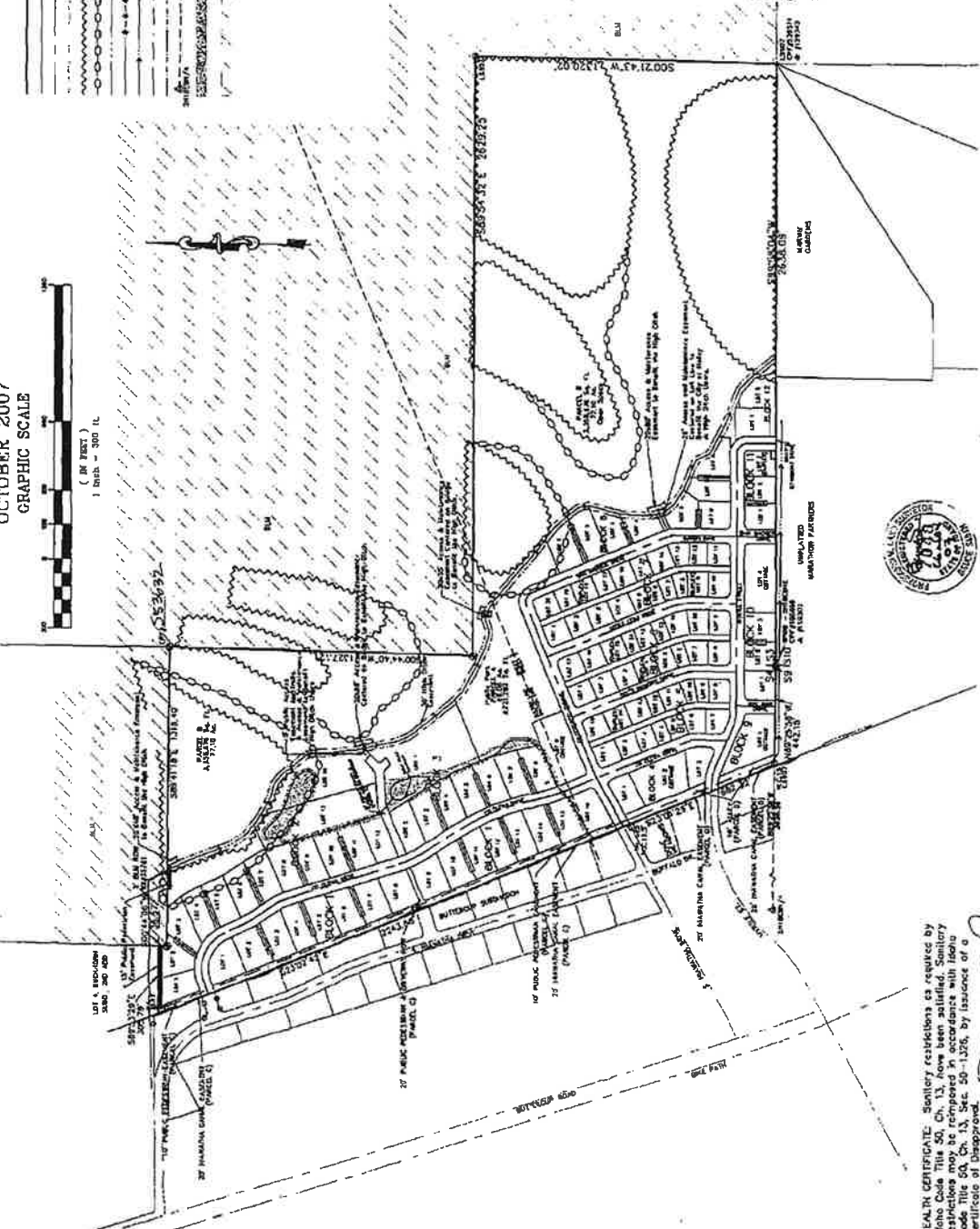


- LEGEND**
- SUBDIVISION BOUNDARY
 - LOT LINES
 - INTERIOR ROAD CENTERLINES
 - EXTERIOR ROAD CENTERLINES
 - RED AVALANCHE ZONE BY ALPINE
 - BLUE AVALANCHE ZONE BY ALPINE
 - PONDS/CANALS
 - SHARED ACCESS EASEMENT AS SHOWN
 - CENTERLINE EXISTING CANALS
 - 20' CANAL MAINTENANCE EASEMENT
 - 30' HIGH DITCH MAINTENANCE EASEMENT
 - BLAINE COUNTY GS CONTROL AND RES
 - WATER WORKS & FOND ACCESS AND
 - MAINTENANCE EASEMENT
 - BLM LAND
 - FOUND SURVEY MONUMENT
 - SET 5/8" REBAR
 - PROPOSED BRIDGE

PARCEL	DESCRIPTION	AREA
A	PUBLIC PARK	9.00 AC.
B	OPEN SPACE	77.10 AC.
C	10' PUBLIC POCKETWAY ESMT., 20' HIGH DITCH MAINT. ESMT. & 20' FOND & DRIVEWAY R.O.W. - COMMON AREA	15.3 AC.
D	20' PUBLIC ALLEY & 20' HAMATHA CANAL ESMT. - COMMON AREA	68 AC.
E	30' HIGH DITCH MAINT. ESMT. & PUBLIC ACCESS EASEMENT - COMMON AREA	42 AC.

NOTES

- 1) BASIS OF BEARINGS IS IDAHO STATE PLANE COORDINATE SYSTEM, NAD83(1992) AT GRID IN US SURVEY FEET. COUSINED PROJECT SCALE FACTOR IS 0.999761, GROUND DISTANCES WILL BE SLIGHTLY LONGER.
- 2) SEE PAGE 4 FOR ADDITIONAL NOTES.



HEALTH CERTIFICATE: Sanitary restrictions as required by Idaho Code Title 50, Ch. 13, have been satisfied. Sanitary restrictions have been reported in accordance with Idaho Code Title 50, Ch. 13, Sec. 50-1305, by issuance of a Certificate of Disapproval.

11-27-2007
Date
South Central District Health Dept., DHS

ATTACHMENT B

OLD CUTTERS SUBDIVISION
ALPINE ENTERPRISES INC.
INTERPLAT 0040
SHEET 1 OF 5

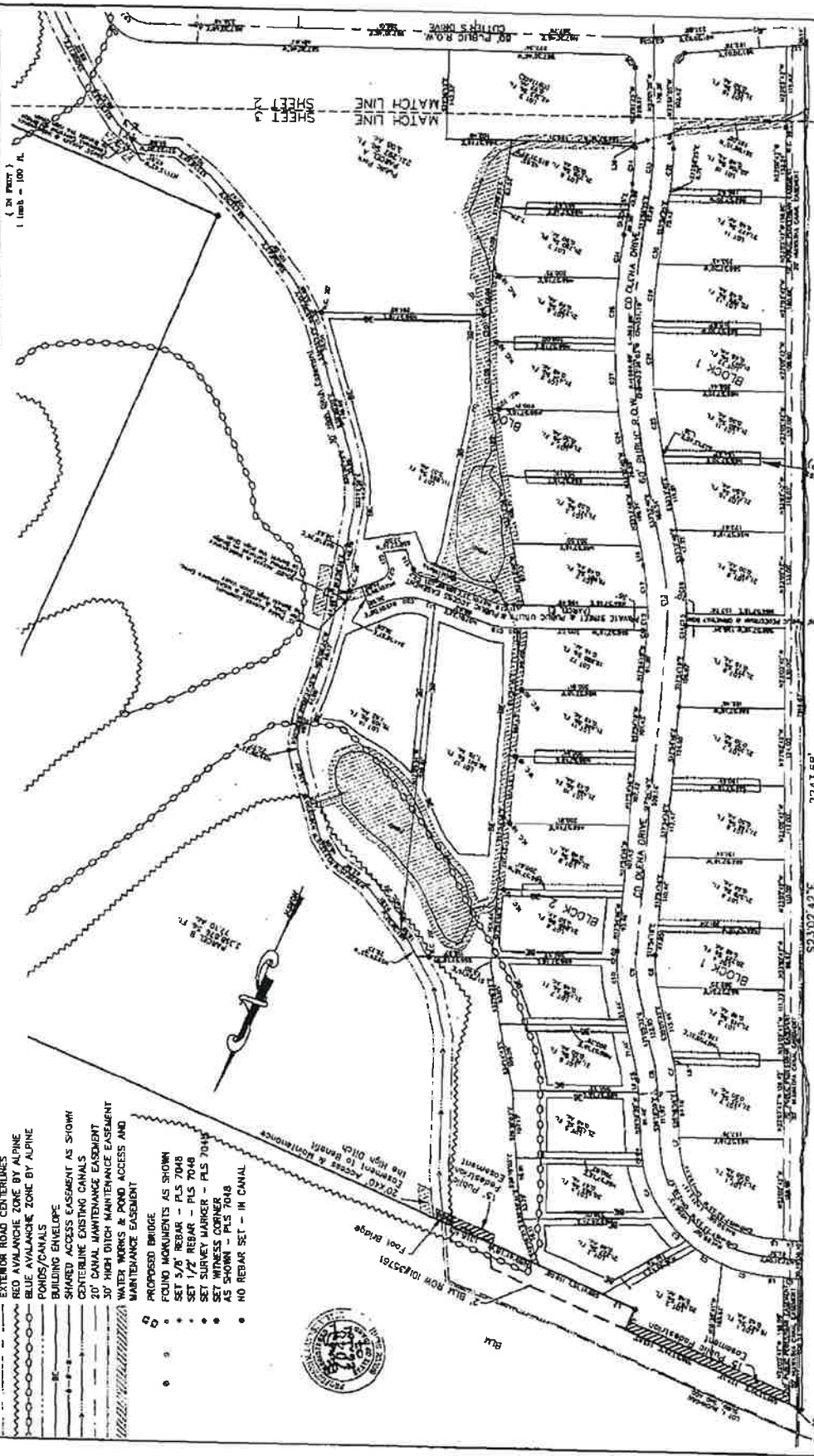
A PLAT SHOWING

OLD CUTTERS SUBDIVISION

A REPLAT OF LOTS 1A, 2A, 3 & 4, A REPLAT OF DREXLER RANCH SUBDIVISION, AND A PORTION OF LOT 4, BUCKHORN SUBD. 2ND ADDITION
 LOCATED WITHIN SECTIONS 3 & 4, T.2 N., R.16 E., B.M., CITY OF HALEY, BLAINE COUNTY, IDAHO

OCTOBER 2007

- LEGEND**
- SUBDIVISION BOUNDARY
 - LOT LINES
 - INTERIOR ROAD CENTERLINES
 - EXTERIOR ROAD CENTERLINES
 - RED AVALANCHE ZONE BY ALPINE
 - BLUE AVALANCHE ZONE BY ALPINE
 - PONDS/CANALS
 - BUILDING ENVELOPE
 - SHARED ACCESS EASEMENT AS SHOWN
 - CENTERLINE EXISTING CANALS
 - 20' CANAL MAINTENANCE EASEMENT
 - 30' HIGH DITCH MAINTENANCE EASEMENT
 - WATER WORKS & POND ACCESS AND MAINTENANCE EASEMENT
 - PROPOSED BRIDGE
 - FOUND MONUMENTS AS SHOWN
 - SET 5/8" REBAR - PLS 7048
 - SET 1/2" REBAR - PLS 7048
 - SET SURVEY MARKER - PLS 7045
 - SET WITNESS CORNER
 - AS SHOWN - PLS 7048
 - NO REBAR SET - IN CANAL



OLD CUTTERS SUBDIVISION
 RECREATION SERVICES, INC.
 KETCHUM, IDAHO
 SHEET 3 OF 3

SEE PAGE 4 FOR NOTES

OLD CUTTERS POND EVAPORATION LOSS AND VOLUME

MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Precipitation deficit (avg daily value, mm)	0	0	0.07	1.33	2.19	2.62	3.97	3.4	2.17	1.03	0	0	
Days per month	31	28	31	30	31	30	31	31	30	31	30	31	
Pond loss (precip deficit, mm)	0.00	0.00	2.17	39.90	67.89	78.60	123.07	105.40	65.10	31.93	0.00	0.00	514.06
Pond loss (precip deficit, in)	0.00	0.00	0.09	1.57	2.67	3.09	4.85	4.15	2.56	1.26	0.00	0.00	20.24
Pond surface area (acres)	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68
Total pond loss (ac-in)	0.00	0.00	0.06	1.07	1.82	2.10	3.29	2.82	1.74	0.85	0.00	0.00	13.76
Total pond loss (ac-ft)	0.00	0.00	0.00	0.09	0.15	0.18	0.27	0.24	0.15	0.07	0.00	0.00	1.15

Pond volume - 6.5 ft. avg depth 4.42
 Evaporation loss 1.15
 Transfer application volume 5.57
 # acres required @ 2.07 AF/A 2.69
 Amount required - cfs 0.16

Note: consumptive use for alfalfa - less frequent cuttings at the Hailey Ranger Station is 2.07 acre-feet per season



State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region • 650 ADDISON AVE W STE 500 • TWIN FALLS, ID 83301-5858
Phone: (208)736-3033 • Fax: (208)736-3037 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

April 12, 2021

ARTHUR B SCHULTZ IRREVOCABLE TRUST
820 CD OLENA DR
HAILEY ID 83333-7113

Re: Change in Water Right Ownership: 37-22309 (Split into 37-22309 and **37-23286**), 37-22314 (Split into 37-22314 and **37-23287**) and 37-22319 (Split into 37-22319 and **37-23288**)

Dear Water Right Holders:

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of a portion of the above referenced water rights to you. The Department has modified its records based on the information received and has enclosed a computer-generated report for you.

Your portion of each water right has a specified point of diversion, nature of use and place of use. If you plan to change the authorized point of diversion, nature of use, or place of use, including adding a new point of diversion, you must file an Application for Transfer of Water Right. If you do not plan to change any elements of your water right, then no further action is required at this time.

The portion of the water right retained by the original right holder retains the original water right number. The Department is sending the original right holder a copy of this letter and a computer-generated report showing the changes to the original water right.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 736-3033.

Sincerely,

Bill Mills
Water Resource Agent, Senior

Enclosures

c: SK→2 Fund, Old Cutters, Water District 37



State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region • 650 ADDISON AVE W STE 500 • TWIN FALLS, ID 83301-5858
Phone: (208)736-3033 • Fax: (208)736-3037 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

April 12, 2021

OLD CUTTERS INC
PO BOX 986
HAILEY ID 83333

ARTHUR B SCHULTZ IRREVOCABLE TRUST
820 CD OLENA DR
HAILEY ID 83333-7113

Re: Change in Ownership for Water Right No(s): 37-22312, 37-22317 & 37-22322

Dear Water Right Holders:

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

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If you have any questions concerning the enclosed information, please contact me at (208) 736-3033.

Sincerely,

Bill Mills
Water Resource Agent, Senior

Enclosures

C: SK→2, Water District 37