

Ground Water

Form 42-248/42-1409(6) Rev. 1/15

RECEIVED

OCT 17 2017

DEPT OF WATER RESOURCES
SOUTHERN REGION

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OCT 23 2017

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

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?
37-2625A	Yes ☒	Yes ☒ Portion	37-12194	Yes ☐	Yes ☐
37-2625B	Yes ☐	Yes ☐	37-21463	Yes ☒	Yes ☒ Portion
37-2638	Yes ☒	Yes ☒ Portion		Yes ☐	Yes ☐
37-2700	Yes ☒	Yes ☒ Portion		Yes ☐	Yes ☐
37-12193	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Lovas Trust UAD 10/28/1999 Michael Lovas, Trustee
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Blackburn Farms, III, L.P., a California Limited Partnership
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
43940 W. North Ave. Firebaugh CA 93622
Mailing address City State ZIP
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: _____, 2017.
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.

SUPPORT DATA
IN FILE # 37-2625A

8. Signature: GENERAL PARTNER 10.2.2017
Signature of new owner/claimant Title, if applicable Date
Signature: CORTLANDT J. BLACKBURN
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by Am Date 10-17-2017 Receipt No. 5036415 Receipt Amt. \$475 -
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 gm Date 10-27-17

Instrument # 647075

HAILEY, BLAINE, IDAHO
10-04-2017 11:13:15 AM No. of Pages: 4
Recorded for: BLAINE COUNTY TITLE
JOLYNN DRAGE Fee: \$15.00
Ex-Officio Recorder Deputy: GWB
Electronically Recorded by Simplifile

Recording Requested By and
When Recorded Return to:

Blackburn Farms, III, L.P.
43940 North Ave.
Firebaugh, California 93622

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

SPECIAL WARRANTY DEED

Michael J. Lovas, Trustee of The Lovas Trust, Under Trust Agreement dated October 28, 1999, as amended, hereinafter referred to as "**Grantor**," for valuable consideration given by Blackburn Farms, III, L.P., a California limited partnership, hereinafter referred to as "**Grantee**," whose mailing address is 43940 North Ave., Firebaugh, California 93622, does hereby grant, sell, transfer and convey unto said Grantee, its successors and assigns, the following described premises situate in the County of Blaine, State of Idaho, to wit:

Described on Exhibit "A" attached hereto and incorporated herein by reference ("Premises").

To have and to hold the same, together with appurtenant water rights including but not limited to, State of Idaho Water Rights: 37-2625B, 37-12193, and 37-12194 and appurtenant portions of State of Idaho Water Right Numbers 37-481B, 37-482G, 37-483B, 37-665K, 37-666J, 37-667N, 37-22155, 37-2625A, 37-2638, 37-2700, and 37-21463, **excepting and reserving** unto Grantor the following portions of the listed State of Idaho Water Rights appurtenant to Parcel A, Block 1 of COVE SPRINGS SUBDIVISION PHASE 1, as shown on the official plat thereof, recorded as Instrument No. 582023, records of Blaine County, Idaho,

hereinafter referred to as "Parcel A":

<u>Water Right No.</u>	<u>Diversion Rate/Volume</u>	<u>Irrigated Acres</u>
37-481B	1.37 cubic feet per second (cfs)	107.9
37-482G	1.09 cfs	107.9
37-483B	6.80 cfs	107.9
37-665K	0.21 cfs	26.3
37-666J	0.11 cfs	26.3
37-667N	0.23 cfs	26.3
37-22155	0.19 cfs	9.3
37-2625A	0.80 cfs / 139.7 acre-feet	39.9
37-2638	0.40 cfs / 149.8 acre-feet	42.8
37-2700	0.99 cfs / 148.2 acre-feet	49.4
37-21463	0.30 cfs / 67.9 acre-feet	19.4
Combined Field/ Wellhead Total	2.87 cfs/502.3 acre-feet	143.5

Subject, however, to all easements or other matters of record or that would appear from a survey or careful examination of the Premises.

AND FURTHER RESERVING AND EXCEPTING unto Grantor and Grantor's successors and assigns all easements and other rights in the Boundary Line Adjustment and Easement Agreement, recorded as Blaine County Instrument No. 573180, that benefit, relate to or in anyway pertain to Parcel A.

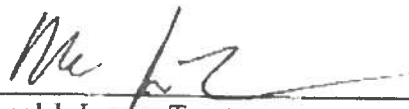
THE PREMISES ARE SOLD AND CONVEYED TO GRANTEE AS IS, WHERE IS, AND WITH ALL FAULTS, INCLUDING BOTH LATENT AND PATENT DEFECTS. OTHER THAN AS SET FORTH HEREIN, NO OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE MADE BY GRANTOR CONCERNING THE PREMISES. GRANTEE, BY ACCEPTING THIS DEED, RELEASES GRANTOR FROM ANY AND ALL LIABILITY RELATING TO ANY ASPECT OR CONDITION OF THE PREMISES, KNOWN OR UNKNOWN, FORESEEABLE OR UNFORESEEABLE, ACTUAL OR CONTINGENT, ARISING BY STATUTE, COMMON LAW OR OTHERWISE, SAVE AND EXCEPT ONLY THE COVENANTS MADE HEREINABOVE.

TO HAVE AND TO HOLD all and singular the Premises, together with the appurtenances, unto Grantee, and to its, successors and assigns forever.

IN WITNESS WHEREOF, this Special Warranty Deed has been duly executed by and on behalf of Grantor this 28th day of September, 2017.

GRANTOR:

The Lovas Trust, Under Trust Agreement dated October 28, 1999, as amended

By: 
Michael J. Lovas, Trustee

STATE OF Idaho)
County of Blaine) ss.

On this 28th day of September, 2017, before me, the undersigned a Notary Public in and for said State, personally appeared Michael J. Lovas, known or identified to me to be the person whose name is subscribed to the within instrument as Trustee of The Lovas Trust, Under Trust Agreement dated October 28, 1999, as amended, and acknowledged to me that he executed the same as such 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.




Notary Public for Idaho. Kathy Seal
Residing at Pocatello
My commission expires 7.26.2023

EXHIBIT "A"

DESCRIPTION OF THE PREMISES

Parcel I

Parcels B, C, D, E, F, G and O, Block 2 of COVE SPRINGS SUBDIVISION PHASE 1, as shown on the official plat thereof, recorded as Instrument No. 582023, records of Blaine County, Idaho.

SUBJECT TO THE FOLLOWING DEED RESTRICTION: Each Grantee taking this property, or any portion thereof, covenant and agree for the Grantee and Grantee's heirs, executors and assigns, to not challenge any existing or new agricultural uses or operations that are authorized by the Blaine County Zoning Ordinance and conducted within the County and that are or maybe lawfully occurring, or authorized by any government agency, as of the date of each deed conveying any right, title or interest in this property or any portion thereof.

Parcel II

Township 1 North, Range 19 East, Boise Meridian, Blaine County, Idaho

Section 21: Government Lot 10

Parcel III

Township 1 North, Range 20 East, Boise Meridian, Blaine County, Idaho

Section 19: Government Lot 1

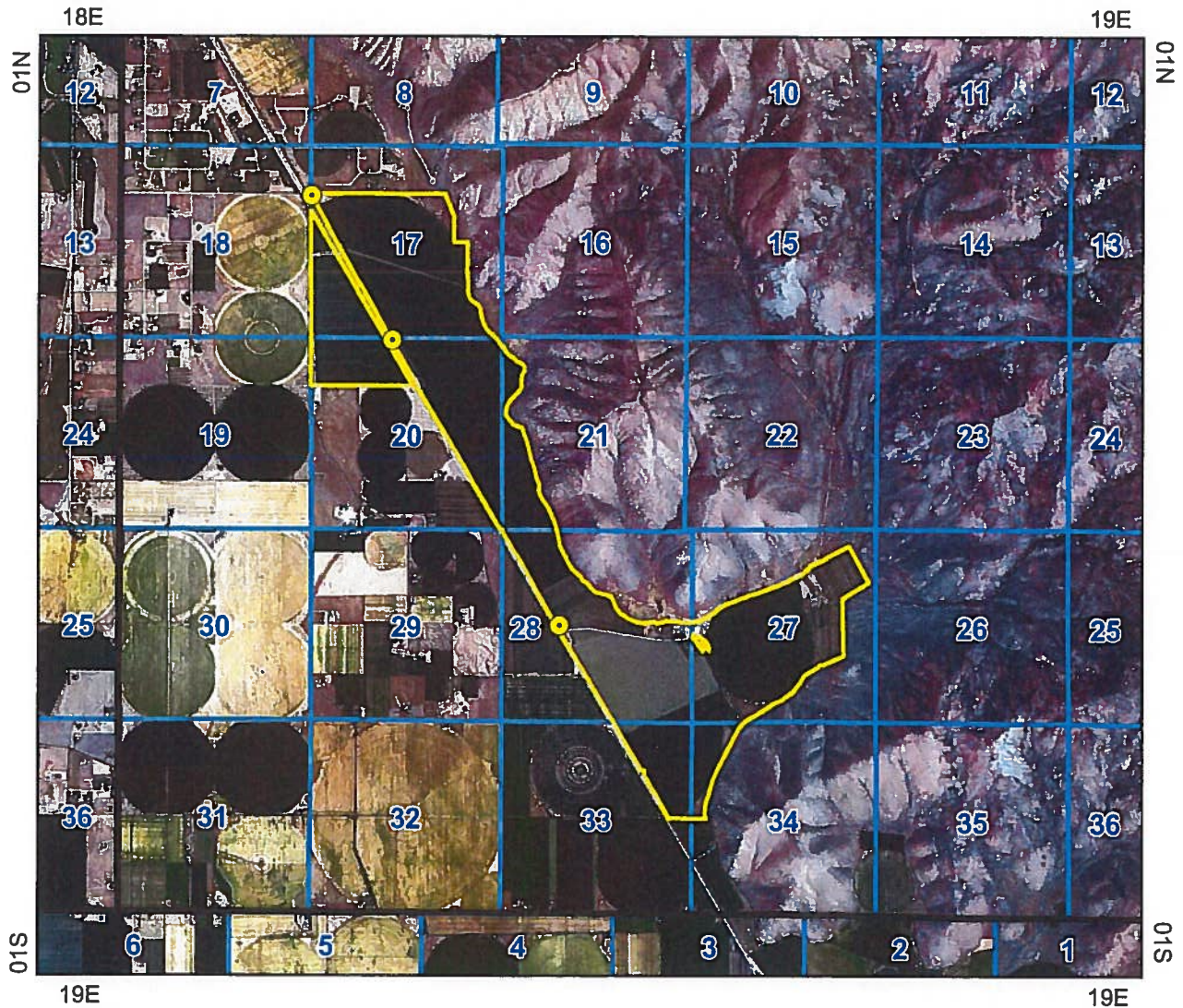
1031

And as replacement property in a I.R.C. Tax Deferred Exchange.

MAP

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections

0 0.5 1 2 Miles





State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

October 27, 2017

BLACKBURN FARMS III LP
43940 W NORTH AVE
FIREBAUGH CA 93622

Re: Change in Water Right Ownership: 37-481B (Split into 37-481B and **37-23083**), 37-482G (Split into 37-482G and **37-23084**), 37-483B (Split into 37-483B and **37-23085**), 37-665K (Split into 37-665K and **37-23086**), 37-666J (Split into 37-666J and **37-23087**), 37-667N (Split into 37-667N and **37-23088**), 37-22155 (Split into 37-22155 and **37-23089**), 37-2625A (Split into 37-2625A and **37-23090**), 37-2638 (Split into 37-2638 and **37-23091**), 37-2700 (Split into 37-2700 and **37-23092**), 37-21463 (Split into 37-21463 and **37-23093**), 37-2625B, 37-12193 and 37-12194

Dear Water Right Holder(s):

The Department acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records based on the information received to reflect the change in ownership and has enclosed a computer-generated report for your records.

Your portion of these water rights has a specified point of diversion, nature of use and place of use. If you plan on changing the nature of use, place of use, or point of diversion under this right, including adding a new point of diversion, then an Application for Transfer on your portion of this right is required. Please contact this office for further information on the Application for Transfer form or you can find the forms at www.idwr.idaho.gov. If you do not plan on changing any items on your water right, then no further action is required at this time.

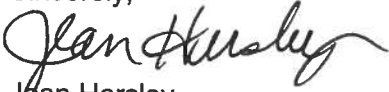
Updating the ownership record for a water right does not reconfirm the validity of the right. When processing an ownership change notice, the department does not review the history of water use to determine if the right has been forfeited through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Sections 42-222 and 42-223, Idaho Code.

A portion of water right(s) 37-23083 through 37-23093 was leased to the Water Supply Bank (Bank) in March, 2015. To date, part of the right(s) appurtenant to 9.6 cubic feet per second (cfs) and 115.2 acres (see attached map for acres leased) remains leased to the Bank. In accordance with the Bank lease acceptance, the lessor or current right holder may not use the right(s) while it is in the Bank, even if the right(s) is not rented from the Bank. This portion will remain in the Bank until **December 31, 2018**, unless the right(s) are released earlier by the Idaho Water Resource Board or upon request by the right holder. **To reduce the term of the lease, the right holder must submit a written request to the department.** The department will verify if the right is rented or available for release, and notify the right holder of the release date.

Also note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right, to the Department. Notice of the change must be provided to the Department within **120 days** of the change.

Please feel free to contact me at 208-287-4942 if you have any questions concerning the enclosed information or this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jean Hersley".

Jean Hersley
Technical Records Specialist II

Enclosure

c: Water District No. 37
Blaine County Title



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

October 27, 2017

LOVAS TRUST
681 NORANTE CT
PLEASANTON CA 94566

Re: Change in Water Right Ownership: 37-481B (Split into 37-481B and 37-23083), 37-482G (Split into 37-482G and 37-23084), 37-483B (Split into 37-483B and 37-23085), 37-665K (Split into 37-665K and 37-23086), 37-666J (Split into 37-666J and 37-23087), 37-667N (Split into 37-667N and 37-23088), 37-22155 (Split into 37-22155 and 37-23089), 37-2625A (Split into 37-2625A and 37-23090), 37-2638 (Split into 37-2638 and 37-23091), 37-2700 (Split into 37-2700 and 37-23092), 37-21463 (Split into 37-21463 and 37-23093)

Dear Water Right Holder(s):

We have received and processed a Change of Ownership for a portion of your original Water Right as referenced above. This change of ownership resulted in a split of your original water right.

When a portion of the original water right has been conveyed to another and the original right has been split, a new water right number is issued to the new owner representing their portion of the original water right. Each water right contains only the portion of the original right for each separate owner. The original water right number reflects your remaining portion of the water right, after the change of ownership. Enclosed is a copy of this water right for your records. Please refer to your water right number when corresponding with our office.

A portion of water right(s) that are highlighted above was leased to the Water Supply Bank (Bank) in March, 2015. To date, part of the right(s) appurtenant to 0.4 cubic feet per second (cfs) and 4.6 acres (see attached map for acres leased) remains leased to the Bank. In accordance with the Bank lease acceptance, the lessor or current right holder may not use the right(s) while it is in the Bank, even if the right(s) is not rented from the Bank. This portion will remain in the Bank until **December 31, 2018**, unless the right(s) are released earlier by the Idaho Water Resource Board or upon request by the right holder. **To reduce the term of the lease, the right holder must submit a written request to the department.** The department will verify if the right is rented or available for release, and notify the right holder of the release date.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing an ownership change notice, the department does not review the history of water use to determine if the right has been forfeited 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 Sections 42-222 and 42-223, Idaho Code.

If you have any questions concerning this ownership change, or the enclosed information, please contact me at 208-287-4942.

Sincerely,

A handwritten signature in black ink that reads "Jean Hersley". The signature is fluid and cursive, with the first name "Jean" and last name "Hersley" clearly distinguishable.

Jean Hersley
Technical Records Specialist II

Enclosure

c: Water District No. 37



360 Sun Valley Rd.
P.O. Box 3176
Ketchum, ID 83340
Phone (208) 726-0700

RECEIVED
OCT 17 2017
DEPT OF WATER RESOURCES
SOUTHERN REGION

Date: October 12, 2017

Idaho Department of Water Resources
650 Addison Ave. W. Ste 500
Twin Falls, Idaho 83301-5858

RECEIVED
OCT 23 2017
DEPARTMENT OF
WATER RESOURCES

Re: Cove Ranch (Lovas / Blackburn Farms, III, L.P)

Dear Ladies/Sir:

Attached please find the following attached documents:

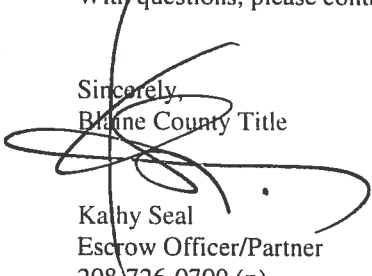
- *Notice of Security Interest in a Water Right / Check 29442 in the amount of \$350.00 for fees.
- *Notice of Change in Water Right Ownership (Big Wood River) / Check in the amount of \$700.00 for fees.
- *Notice of Change in Water Right Ownership (Groud Water) / Check in the amount of \$475.00 for fees.
- *W-9 Request for Taxpayer ID Number and Certification for Blackburn Farms, III, L.P.

Please process at your earliest convenience, the Tax Identification Number relating to Item 4 will be called in.

Please send confirmation of transfers to me at the address indicated.

With questions, please contact me anytime.

Sincerely,
Blaine County Title



Kathy Seal
Escrow Officer/Partner
208-726-0700 (p)