

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED
MAY 22 2017
WATER RESOURCES
WESTERN 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?
63-31311	Yes ☐	Yes ☐		Yes ☐	Yes ☐
63-17929	Yes ☐	Yes ☐		Yes ☐	Yes ☐
~~63-19526~~	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Fall Creek of Idaho, Inc. c/o Jim or Sue Patchin
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Fall Creek Retreat, LLC c/o John & Collette Boguslawski
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 393 S Daisy Springs Road Mountain Home ID 83647
Mailing address City State ZIP
- 208-653-2242 Fallcreek.collette@gmail.com
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: May 2014
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):
☐ \$25 per undivided water right.
☐ \$100 per split water right.
☐ 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 # 63-17929

8. Signature: [Signature] owner 4/5/2017
Signature of new owner/claimant Title, if applicable Date
- Signature: [Signature] owner 4/5/2017
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by [Signature] Date 5/22/17 Receipt No. W045312 Receipt Amt. \$50⁰⁰

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 [Signature] Approved by [Signature] Processed by [Signature] Date 6/22/17

NENW

Water Right POU/POD for Permit 63-31311

NUNE

NESE

SENW

SWNE

SENE

16

01N09E

NESW

NWSE

NESE

Legend



Point of Diversion



Place of Use

SWSE

SESE

0

250

500

1,000

Feet



Authorization ID: MTH565702
Contact ID: 622231010602
Expiration Date: 12/31/2017
Use Code: 133

U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE

RESORT/MARINA
TERM SPECIAL USE PERMIT

Authority: OCCUPANCY PERMITS, AS AMENDED March 4, 1915

FALL CREEK RETREAT LLC, dba FALL CREEK RESORT AND MARINA 2147 S.FALL CREEK RD, MOUNTAIN HOME, ID 83647.

FALL CREEK RETREAT LLC (the holder) is authorized to use and occupy National Forest System lands on the Boise National Forest, subject to the terms and conditions of this term special use permit (the permit).

This permit covers 6.8 acres in (the permit area), as shown on the map attached as Exhibit A. This permit is issued for the purpose of:

Operation of the Fall Creek Resort and Marina. Two story building with Dining Room, Restaurant, Bar, Kitchen (80 seat capacity), Hotel (11) rooms, Wooden Deck with Patio Facilities. Paddle boat, paddle boat rentals, fuel service station, RV dump station. Outdoor camping sites for tents and RV's, 12 sites without water and power, 2 campsites with water and no power, 33 sites with water and power. Five propane tanks – leased from V1 Propane.

Gross Fixed Assets are listed in Schedule A.
Services authorized in the permit are listed in Schedule B.
Authorized Facilities are listed on Schedule C.

TERMS AND CONDITIONS

I. GENERAL TERMS

A. **AUTHORITY.** This permit is issued pursuant to the Act of March 4, 1915, the Term Permit Act, 16 U.S.C. 497, and 36 CFR Part 251, Subpart B, as amended, and is subject to their provisions.

B. **AUTHORIZED OFFICER.** The authorized officer is the Forest Supervisor or a subordinate officer with delegated authority.

C. **TERM.** This permit shall expire at midnight on December 31, 2017. Expiration of this permit shall not require notice, a decision document, or any environmental analysis or other documentation.

OK to use per
Aaron/Angie -cj

Aaron Skinner has
the conveyance
documents for this
application.

Collette.

THIS PERMIT IS ACCEPTED SUBJECT TO ALL OF ITS TERMS AND CONDITIONS:

ACCEPTED:

RETREAT *FB*
FALL CREEK RESORT LLC

by: Collette Boguslawski
BY: JOHN BOGUSLANSKI

HOLDER NAME

SIGNATURE

8/17/2015
8-17-15
DATE

APPROVED:

Cecilia R. Seesholtz
~~by: Collette Boguslawski~~

AUTHORIZED OFFICER SIGNATURE

Cecilia R. Seesholtz
Forest Supervisor

NAME AND TITLE

8-20-15

DATE

Attach annual operating plan and any master development plan, maps, exhibits, and other appendices.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond, to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact

IV. RIGHTS AND LIABILITIES

A. LEGAL EFFECT OF THE PERMIT. This permit, which is revocable and terminable, is not a contract or a lease, but rather a federal license. The benefits and requirements conferred by this authorization are reviewable solely under the procedures set forth in 36 CFR Part 251, Subpart C, and 5 U.S.C. 704. This permit does not constitute a contract for purposes of the Contract Disputes Act, 41 U.S.C. 601. The permit is not real property, does not convey any interest in real property, and may not be used as collateral for a loan.

B. VALID OUTSTANDING RIGHTS. This permit is subject to all valid outstanding rights. Valid outstanding rights include those derived under mining and mineral leasing laws of the United States. The United States is not liable to the holder for the exercise of any such right.

C. ABSENCE OF THIRD-PARTY BENEFICIARY RIGHTS. The parties to this permit do not intend to confer any rights on any third party as a beneficiary under this permit.

D. SERVICES NOT PROVIDED. This permit is for the occupancy of land for the purposes stated in this permit and does not provide for the furnishing of road maintenance, water, fire protection, or any other such service by a government agency, utility, association, or individual.

E. RISK OF LOSS. The holder assumes all risk of loss to the authorized improvements. Loss to the authorized improvements may result from but is not limited to theft, vandalism, fire and any fire-fighting activities (including prescribed burns), avalanches, rising waters, winds, falling limbs or trees, and acts of God. If authorized improvements in the permit area are destroyed or substantially damaged, the authorized officer shall conduct an analysis to determine whether the improvements can be safely occupied in the future and whether rebuilding should be allowed. If rebuilding is not allowed, the permit shall terminate.

F. WATER FACILITIES AND WATER RIGHTS

1. Water Facilities. No ditch, reservoir, well, spring, seepage, or other facility to pump, divert, store, or convey water (hereinafter "water facilities") for which the point of diversion, storage, or withdrawal is on National Forest System (NFS) lands may be initiated, developed, certified, or adjudicated by the holder unless expressly authorized in this permit. The authorization of any water facilities in the permit area is granted to allow use of water only in connection with the resort and marina authorized by this permit. If the use of any water facilities in connection with this resort and marina ceases, the authorization to use any associated water facilities terminates. The United States may place conditions on installation, operation, maintenance, and removal of water facilities that are necessary to protect public property, public safety, and natural resources on NFS lands in compliance with applicable law. Any change in a water facility, including a change in the ownership or beneficial use of water or location of use of water from a water facility, that is not expressly authorized in this permit shall result in termination of the authorization for that water facility.

2. **Water Rights.** This permit does not confer any water rights on the holder. The term "water rights" includes all authorizations, such as certificates, reservations, decrees, or permits, for water use issued under state law. Any necessary water rights must be acquired and maintained by the holder in accordance with State law and the terms of this permit. After this permit is issued, all water rights obtained by the holder for facilities that divert or pump water from sources located on NFS lands for use on NFS lands, whether authorized or unauthorized, are for the benefit of the United States and shall be acquired in the name of the United States. Any expenses for acquiring and maintaining water rights shall be the responsibility of the holder and not the responsibility of the United States. The United States reserves the right to take all actions necessary to maintain and protect any right to divert and use water on site.

WATER RIGHTS HELD IN THE NAME OF THE UNITED STATES (if none, so state)

State ID #	Owner	Purpose of Use	Decree, License, or Certificate #	Point of Diversion	Point of Use
	USDA Forest Service	Commercial	63-19526	SWSWNE, T01N R09E S16	Commercial
	USDA Forest Service	Domestic	63-24252	NWSE, T01N R09E S16	Domestic

3. Water Rights Acquired in the name of the Holder

a. Identification of Water Rights.

State ID #	Owner	Purpose of Use	Decree, License, or Certificate	Point of Diversion	Point of Use
	JAMES G. PATCHIN MARILYN S. PATCHIN	Domestic – 2 Cabins	63-17929	NWSENE, T01N R09E S16	Domestic
63-31311 - IDAHO	FALL CREEK OF IDAHO INC.	Commercial	63-31311	SW1/4NE1/4, T01N R09E S16	Domestic

b. Termination or Revocation. Upon termination or revocation of this permit, the holder shall transfer the water rights enumerated in paragraph 3.a to any succeeding permit holder, for use only in connection with the resort and marina authorized by this permit. If that use is not reauthorized, the holder shall promptly petition in accordance with State law to remove from NFS lands the point of diversion and

water use associated with the water rights enumerated in paragraph 3.a or shall transfer these water rights to the United States.

c. Documentation of Transfer. The holder and the holder's heirs and assigns shall execute and properly file any document necessary to transfer ownership of the water rights enumerated in paragraph 3.a to a succeeding permit holder or the United States. By executing this permit, the holder hereby grants limited power of attorney to the authorized officer to execute any document on behalf of the holder as may be necessary to transfer the water rights enumerated in paragraph 3.a to a succeeding permit holder or the United States.

Holder's initials and date: _____

d. Waiver. The holder waives any claims against the United States for compensation for any water rights subject to paragraph 3 that are transferred, removed, or relinquished as a result of revocation or termination of this permit or for compensation in connection with imposition of any conditions on installation, operation, maintenance, and removal of water facilities associated with water rights enumerated in paragraph 3.a.

G. DAMAGE TO UNITED STATES PROPERTY. The holder has an affirmative duty to protect from damage the land, property, and other interests of the United States that are associated with the use and occupancy authorized by this permit. Damage includes but is not limited to destruction of or damage to National Forest lands covered by this permit, fire suppression costs, and destruction of or damage to government-owned improvements covered by this permit

1. The holder shall be liable for all injury, loss, or damage, including fire suppression, or other costs in connection with rehabilitation or restoration of natural resources associated with the use and occupancy authorized by this permit. Compensation shall include but not be limited to the value of resources damaged or destroyed, the costs of restoration, cleanup, or other mitigation, fire suppression or other types of abatement costs, and all administrative, legal (including attorney's fees), and other costs in connection therewith.

2. The holder shall be liable for damage to all roads and trails of the United States open to public use caused by use of the holder or the holder's heirs, assigns, agents, employees, contractors, or lessees to the same extent as provided under clause IV.G.1, except that liability shall not include reasonable and ordinary wear and tear.

H. HEALTH AND SAFETY. The holder shall take all measures necessary to protect the health and safety of all persons affected by the use and occupancy authorized by this permit. The holder shall promptly abate as completely as possible and in compliance with all applicable laws and regulations any physical or mechanical procedure, activity, event, or condition existing or occurring before, during, or after the term of this permit and arising out of or relating to any activity, event, or condition existing or occurring during the term of this permit that causes or threatens to cause a hazard to the health or safety of the public or the holder's employees or agents. The holder shall as soon as practicable notify the authorized officer of all serious accidents that occur in connection with these activities, events, or conditions. The Forest Service has no duty under the terms of this permit to inspect the permit area or operations of the holder for hazardous conditions or compliance with health and safety standards.

I. ENVIRONMENTAL PROTECTION

EXHIBIT E

Form of Bill of Sale

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **FALL CREEK OF IDAHO, INC.**, an Idaho corporation ("Seller"), hereby sells, transfers and assigns to **FALL CREEK RETREAT, LLC**, an Idaho limited liability company ("Buyer"), all of Seller's right, title and interest in and to the inventory, equipment, furniture, fixtures, and other personal property owned by Seller that is located at and used in connection with the operation of the business known as "Fall Creek Resort & Marina," including without limitation all personal property described on attached Exhibit A, together with all buildings that are located a said Fall Creek Resort & Marina.

TO HAVE AND TO HOLD the same unto Buyer, its successors and assigns, forever.

Seller represents and warrants that it holds and is conveying title to the assets free and clear of any liens, encumbrances and third-party claims and that Seller has all lawful right and authority to make this conveyance.

Executed as of the 9 day of Sept, 2015

FALL CREEK OF IDAHO, INC.

By: James G. Patchin
James G. Patchin, President

EXHIBIT F

General Assignment

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **FALL CREEK OF IDAHO, INC.**, an Idaho corporation ("Assignor"), hereby assigns, transfers and delegates to **FALL CREEK RETREAT, LLC**, an Idaho limited liability company, ("Assignee"), and Assignee hereby accepts the assignment, transfer and delegation of, all of Assignor's right, title and interest in and to all intangible property owned by Assignor and related to the "Business" that is the subject of that certain Business Purchase and Sale Agreement between the parties of even date herewith, including, without limitation, in and to the following: (a) the name "Fall Creek Lodge & Marina"; (b) all internet domain names related to the Business; (c) all phone numbers for the Business; (d) U.S. Forest Service Term Special Use Permit for Anderson Ranch Reservoir; (e) Idaho Liquor License for Anderson Ranch Reservoir; (f) all warranties or guaranties given or made with respect to the Business assets; (g) all consents, authorizations, variances or waivers, licenses, permits, and approvals from any governmental or quasi-governmental agency, or other entity or instrumentality with regard to the Business.

Executed as of the 9 day of Sept, 2015

FALL CREEK OF IDAHO, INC.

By: James G. Patchin
James G. Patchin, President



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region • 2735 Airport Way • Boise, Idaho 83705-5082

Phone: (208) 334-2190 • Fax: (208) 334-2348 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

June 22, 2017

FALL CREEK RETREAT LLC
C/O JOHN & COLLETTE BOGUSLAWSKI
393 S DAIRY SPRINGS RD
MOUNTAIN HOME ID 83647

RE: Notice of Ownership Change in Water Right No's: 63-17929 & 63-31311

Dear Applicants,

The Department acknowledges the receipt of correspondence changing ownership of the above referenced water rights to you. The Department has modified its records to reflect the change in ownership and has enclosed computer-generated reports for your records.

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.

Please 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. Change reporting forms are available from any office of the Department, or at www.idwr.idaho.gov.

Thank you for your patience and cooperation. Please call (208)334-2190 if you have any questions concerning the enclosed information.

Sincerely,

Chad Jones
Office Specialist II
Western Regional Office

Enclosures