

# WATER SUPPLY BANK LEASE CONTRACT No. 562

This Lease Contract ("**Lease**") is between the Idaho Water Resource Board ("**Board**"), and

**LESSOR:** M3 EAGLE LLC  
c/o Hearthstone, Inc., Manager  
19700 Fairchild Rd., Suite 260  
Irvine, California 92612

**RECEIVED**

**FEB 15 2017**

**DEPARTMENT OF  
WATER RESOURCES**

## RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on December 29, 2016.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

### Summary of Water Rights or Portions Leased to the Bank

| Water Right No.     | Priority Date | Source                              | Diversion Rate (CFS) | Diversion Volume (AF) | Acres (AC)   |
|---------------------|---------------|-------------------------------------|----------------------|-----------------------|--------------|
| 63-33249            | 11/2/1868     | DRY CREEK, tributary to BOISE RIVER | 1.500                | 352.40                | 78.30        |
| <b>Lease Totals</b> |               |                                     | <b>1.500</b>         | <b>352.40</b>         | <b>78.30</b> |

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

**Minimum Payment Acceptable:** Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2017 to December 31, 2021. This Lease shall bind the parties and take effect when both parties have signed it.

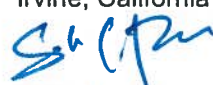
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.



IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

**LESSOR:** M3 EAGLE LLC

c/o Hearthstone, Inc., Manager  
19700 Fairchild Rd., Suite 260  
Irvine, California 92612

By 

Name STEVEN C. PARATH

Title SENIOR V.P. - GENERAL COUNSEL

Date 2-13-2017

**IDAHO WATER RESOURCE BOARD**

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

By 

Brian Patton, Acting Administrator  
Idaho Water Resource Board

Date 2/16/2017

Lease approved by IDWR 

Date 2-16-2017

**ATTACHMENT A**  
**WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**  
**FOR LEASE CONTRACT NO. 562**

The water rights or portions thereof leased to the bank are described as follows:

**Source and Location of Point(s) of Diversion for Water Right No(s): 63-33249**

|           |      |         |         |         |            |
|-----------|------|---------|---------|---------|------------|
| DRY CREEK | SESW | Sec. 32 | Twp 05N | Rge 02E | ADA County |
| DRY CREEK | SWNE | Sec. 5  | Twp 04N | Rge 02E | ADA County |

| Water Right    | Beneficial Use | Season of Use |    |       | Diversion Rate (CFS) | Volume (AF) |
|----------------|----------------|---------------|----|-------|----------------------|-------------|
|                |                | From          |    | To    |                      |             |
| 63-33249       | IRRIGATION     | 03/01         | to | 11/15 | 1.500 cfs            | 352.40 AF   |
|                | STOCKWATER     | 01/01         | to | 12/31 | 0.020 cfs            | Not stated  |
| <b>Totals:</b> |                |               |    |       | 1.500 cfs            | 352.40 AF   |

**PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION and STOCKWATER**

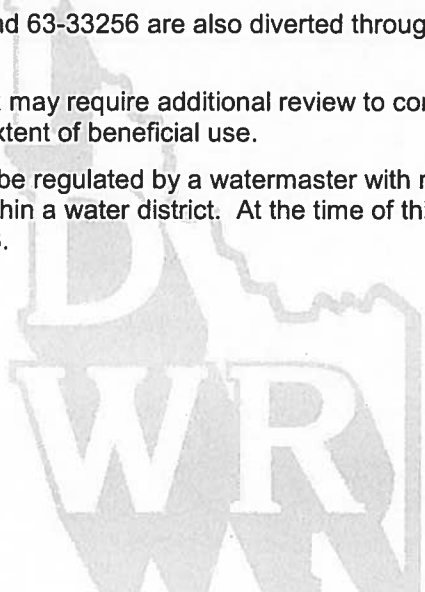
| Twp | Rng | Sec | NE |     |    |    | NW   |     |    |    | SW  |     |      |      | SE |    |     |    | Totals |
|-----|-----|-----|----|-----|----|----|------|-----|----|----|-----|-----|------|------|----|----|-----|----|--------|
|     |     |     | NE | NW  | SW | SE | NE   | NW  | SW | SE | NE  | NW  | SW   | SE   | NE | NW | SW  | SE |        |
| 04N | 02E | 5   |    | 9.4 |    |    | 26.8 | 6.2 |    |    |     |     |      |      |    |    |     |    | 42.4   |
| 05N | 02E | 32  |    |     |    |    |      |     |    |    | 0.8 | 8.6 | 10.1 | 12.2 |    |    | 4.2 |    | 35.9   |

Total Acres: 78.3

**ADDITIONAL CONDITIONS OF ACCEPTANCE**

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
  - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
  - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Right no. 63-33249, 63-33255 and 63-33256 are also diverted through the point of diversion located in the SWNE of Section 5.
13. Rental of this right from the Bank may require additional review to confirm the availability of the surface water sources and the extent of beneficial use.
14. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 63.



# Idaho Water Resource Board Water Supply Bank Lease

63-33249

Effective until December 31, 2021

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



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



0 500 1,000 Feet

STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

DEC 29 2016

DEPARTMENT OF  
WATER RESOURCES

## APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

Designated Applicant M3 Eagle L.L.C.

(Select one owner – see item 1A on the application)

Water Right No. 63-33249

(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☐ No ☒

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

### MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- |    |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                        |
|----|-------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1A | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Signatures and contact information for <i>all owners</i> of the water right to be leased or sold on this application.                                                                                                                                                                                                                                  |
| 1B | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | An <a href="#">Internal Revenue Service (IRS) Form W-9</a> for the Designated Applicant.                                                                                                                                                                                                                                                               |
| 1C | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <i>Notice of Change in Water Right Ownership</i> form (accessible from <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> ).                                                                                                                                                                                                                   |
| 1D | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |
| 2  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Description of a water right portion offered to the Water Supply Bank.                                                                                                                                                                                                                                                                                 |
| 3  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: <a href="http://www.idwr.idaho.gov">www.idwr.idaho.gov</a> .                                                            |
| 4A | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Written consent from irrigation district or water delivery company.                                                                                                                                                                                                                                                                                    |
| 4G | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Evidence demonstrating the water right has not been forfeited pursuant to <a href="#">Section 42-222(2), Idaho Code</a> .                                                                                                                                                                                                                              |

#### Department Use Only

Fee Amount \$ 250Received By: VCDate Received: 12/29/16Receipt # C102835W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: M3 Eagle LLC

STATE OF IDAHO  
WATER RESOURCE BOARD

**APPLICATION TO SELL OR LEASE A WATER RIGHT**  
(Continued)

**1. CONTACT INFORMATION**

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant M3 Eagle L.L.C.

|                                                        |                     |                      |                         |
|--------------------------------------------------------|---------------------|----------------------|-------------------------|
| Mailing Address <u>1087 W. River Street, Suite 310</u> | <u>Boise</u>        | <u>ID</u>            | <u>83702</u>            |
| <small>Street</small>                                  | <small>City</small> | <small>State</small> | <small>Zip Code</small> |

Email Address \_\_\_\_\_ Phone Number 208-939-6263

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☐ No ☒  
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐  
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐  
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative William I. Brownlee Organization M3 Eagle L.L.C.

Professional Title Manager Email Address \_\_\_\_\_

Mailing Address 4222 E Camelback Road Ste. H100, Phoenix, AZ 85018 Phone Number 602-386-1310

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

**2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK**

☒ The full water right is being offered to the Bank.

OR

☐ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, **complete Attachment 2.**

**3. MAP**

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3.**

STATE OF IDAHO  
WATER RESOURCE BOARD

**APPLICATION TO SELL OR LEASE A WATER RIGHT**  
(Continued)

**4. GENERAL INFORMATION**

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒  
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

*If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).*

- B. Please provide a description of the current water diversion and delivery system.  
The historical water diversion and delivery system currently is not in use.

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. None

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☒  
*Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.*

- E. Will the present place of use continue to receive water from any other source? Yes ☒ No ☐  
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. Portions of lands now landscaped are irrigated with water delivered by Suez Water Idaho Inc. and/or with treated wastewater.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. This water right (or its parent) has been leased into the Water Supply Bank since 2007.

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☒ No ☐  
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. This water right's parent (no. 63-383) was decreed by the SRBA Court on April 10, 2007. This water right (or its parent) has been leased into the Water Supply Bank since May 22, 2007.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?  
If yes, describe. Yes ☐ No ☒

STATE OF IDAHO  
WATER RESOURCE BOARD

**APPLICATION TO SELL OR LEASE A WATER RIGHT**  
(Continued)

**5. SALE/LEASE AGREEMENT**

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒.

If lease, specify the years when the use of water will be suspended: 2017 to 2021 (maximum lease period 5 calendar years).  
(Year) (Year)

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.  
current rental rate

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

  
\_\_\_\_\_  
Signature of Designated Applicant

William I. Brownlee

\_\_\_\_\_  
Printed Name

12/28/16  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**Mail to:**  
Idaho Department of Water Resources  
P.O. Box 83720  
Boise, ID 83720-0098

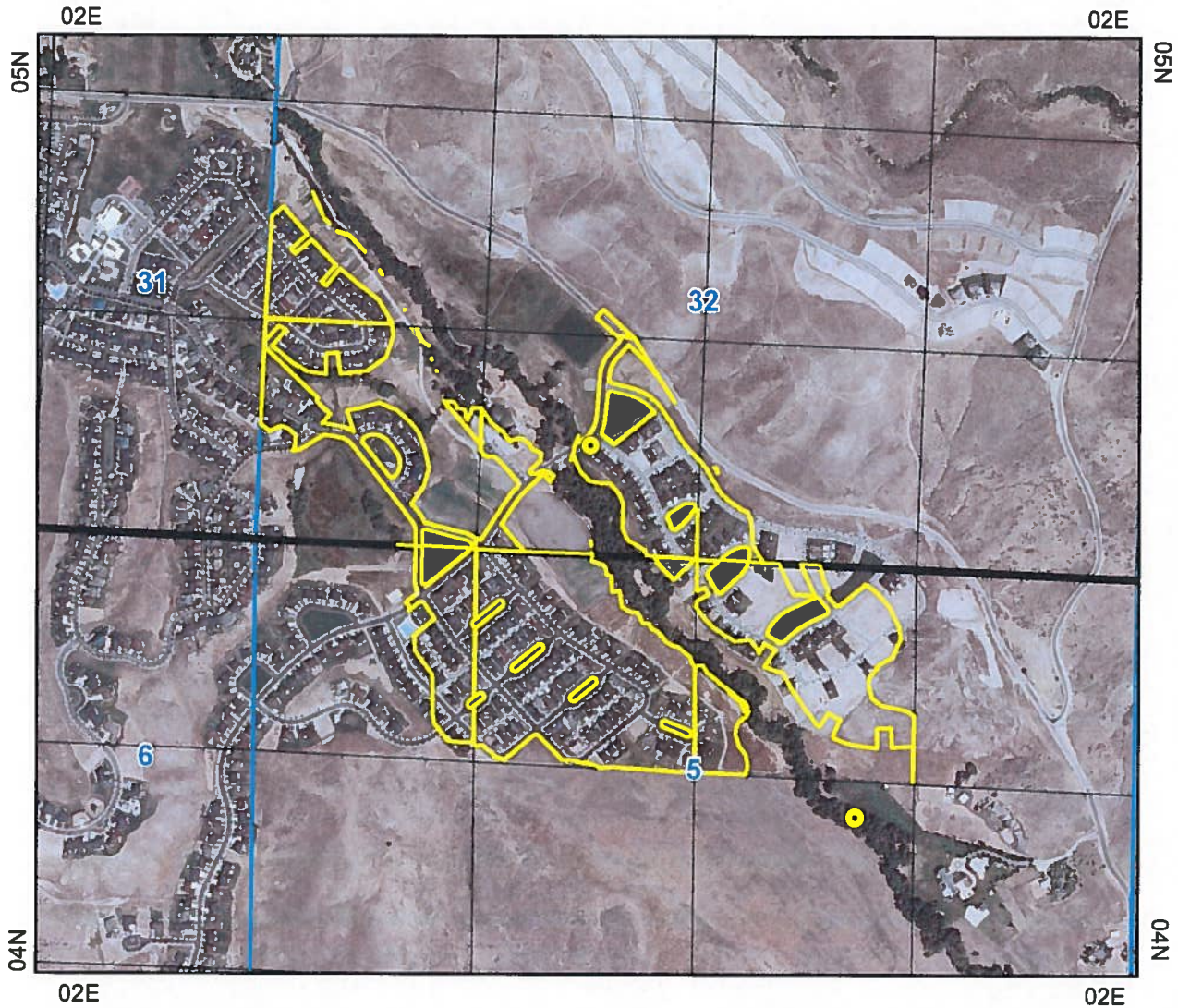
|                                                                                                                                                        |                       |                                                                                                                                                                                            |         |                                                                    |         |             |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------------------------------------------------------------------|---------|-------------|--|
| <b>No. W 41435</b>                                                                                                                                     |                       | <b>Due no later than Jul 31, 2016</b>                                                                                                                                                      |         | <b>2. Registered Agent and Address (NO PO BOX)</b>                 |         |             |  |
| Return to:<br>SECRETARY OF STATE<br>700 WEST JEFFERSON<br>PO BOX 83720<br>BOISE, ID 83720-0080<br><br><b>NO FILING FEE IF<br/>RECEIVED BY DUE DATE</b> |                       | <b>Annual Report Form</b><br><br><b>1. Mailing Address: Correct in this box if needed.</b><br><br>M3 EAGLE LLC.<br>SCOTT M CRIST<br>4222 E CAMELBACK RD STE H-100<br>PHOENIX AZ 85018-2721 |         | INCORP SERVICES, INC.<br>1524 S VISTA AVE STE 12<br>BOISE ID 83705 |         |             |  |
|                                                                                                                                                        |                       |                                                                                                                                                                                            |         | <b>3. <u>New</u> Registered Agent Signature:*</b>                  |         |             |  |
| <b>4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.</b>                                                    |                       |                                                                                                                                                                                            |         |                                                                    |         |             |  |
| Office Held                                                                                                                                            | Name                  | Street or PO Address                                                                                                                                                                       | City    | State                                                              | Country | Postal Code |  |
| MANAGER                                                                                                                                                | WILLIAM I BROWNLEE    | 4222 E CAMELBACK RD STE H100                                                                                                                                                               | PHOENIX | AZ                                                                 | USA     | 85018-2789  |  |
| MANAGER                                                                                                                                                | W SCOTT SCHIRMER      | 25 BILTMORE ESTATES DR                                                                                                                                                                     | PHOENIX | AZ                                                                 | USA     | 85016-2822  |  |
| MEMBER                                                                                                                                                 | PROJECT HOLDINGS, LLC | 4222 E CAMELBACK RD STE H100                                                                                                                                                               | PHOENIX | AZ                                                                 | USA     | 85018-2789  |  |
| <b>5. Organized Under the Laws of:</b><br><b>TX</b><br><b>W 41435</b>                                                                                  |                       | <b>6. Annual Report must be signed.*</b><br>Signature: Scott M. Crist<br>Name (type or print): Scott M. Crist<br>Date: 06/03/2016<br>Title: CFO                                            |         |                                                                    |         |             |  |
| Processed 06/03/2016                                                                                                                                   |                       | * Electronically provided signatures are accepted as original signatures.                                                                                                                  |         |                                                                    |         |             |  |

State of Idaho  
Department of Water Resources

**Water Right**  
**63-33249**

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
-  Quarter Quarters

0 0.125 0.25 0.5 Miles

**ATTACHMENT 3 (p.1)**

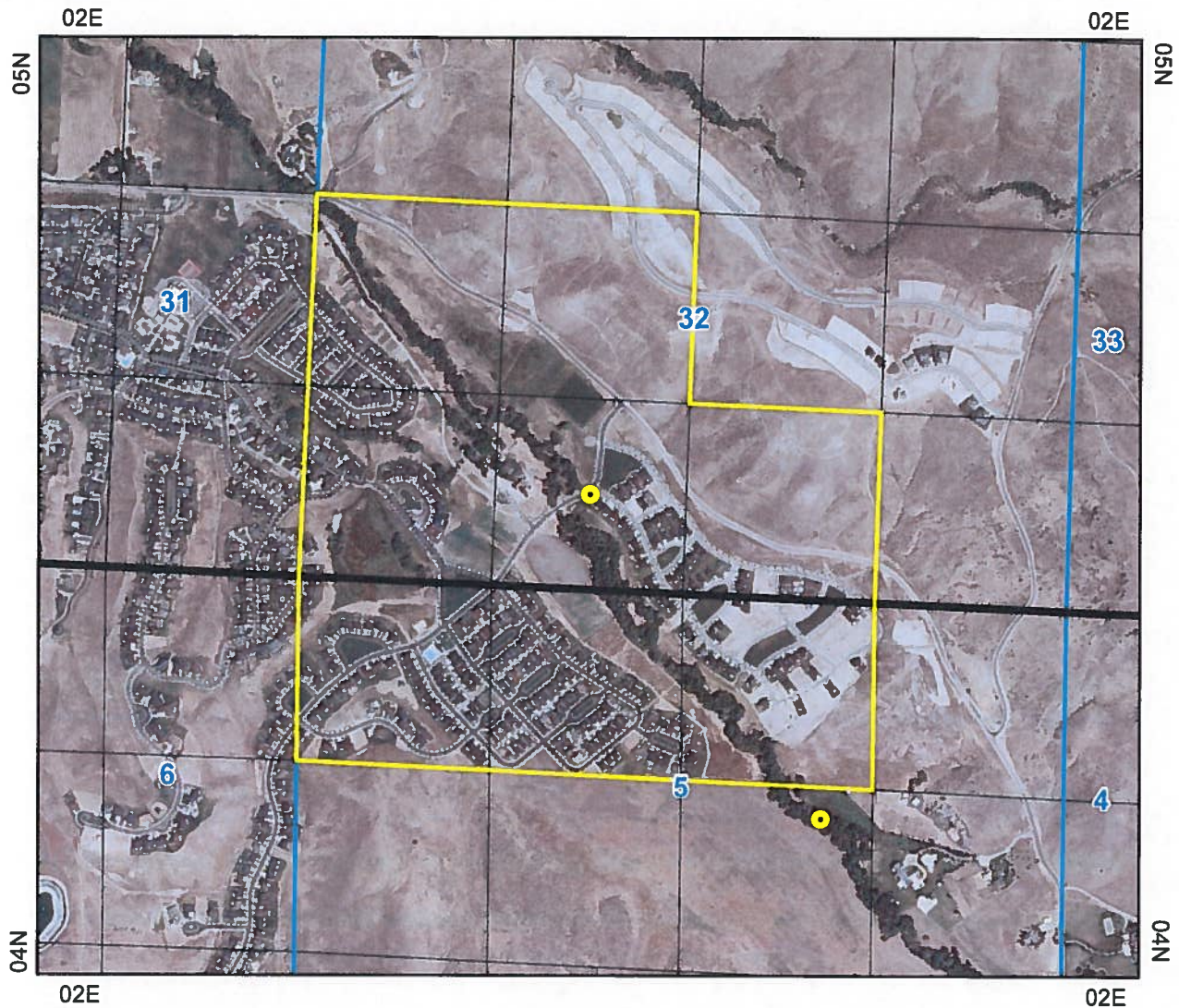


State of Idaho  
Department of Water Resources

**Water Right**  
**63-33249**

STOCKWATER

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
-  Quarter Quarters

0 0.15 0.3 0.6 Miles

ATTACHMENT 3 (p.2)





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 • Website: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER  
Governor

GARY SPACKMAN  
Director

February 17, 2017

ME EAGLE LLC  
C/O HEARTHSTONE INC MANAGER  
19700 FAIRCHILD RD STE 260  
IRVINE CA 92612

**RE: WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHTS 63-33249 and 63-33255**

Dear Lessor:

Water rights **63-33249 and 63-33255** were leased into the Water Supply Bank (Bank) as of December 29, 2016, in accordance with the enclosed executed lease contracts. **Your water rights, as described on the lease contracts, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2021**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at [www.idwr.idaho.gov](http://www.idwr.idaho.gov). **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at 287-4800.

Sincerely,

  
for Water Supply Bank

Enclosure: Executed Lease Contracts

c: Angie Grimm - IDWR Western Region  
Rex Barrie – Water District 63  
Mike Lawrence – Givens Pursley

## Hersley, Jean

---

**From:** Todd Rosa <trosa@hearthstone.com>  
**Sent:** Tuesday, February 14, 2017 11:22 AM  
**To:** Hersley, Jean  
**Cc:** mpl@givenspursley.com; Steven Porath  
**Subject:** RE: M3 Eagle WSB Lease Contracts [IWOV-GPDMS.FID538345]  
**Attachments:** Water Supply Bank Lease Contract No. 562.pdf; Water Supply Bank Lease Contract No. 563.pdf

Hi Jean,

I left you a voicemail this morning to follow on this email.

I was calling to introduce myself and also confirm that we will be sending to you these original agreements for receipt on Wednesday, February 15, 2017.

When you have a moment later today, I would appreciate the opportunity to speak with you. I can be reached at 949-954-1923.



**E. Todd Rosa**  
VP – Senior Investment Manager  
19700 Fairchild Road, Suite 260  
Irvine, CA 92612  
O: 949-954-1923  
C: 951-440-4798  
[trosa@hearthstone.com](mailto:trosa@hearthstone.com)

---

**From:** Steven Porath  
**Sent:** Monday, February 13, 2017 5:42 PM  
**To:** Jean.Hersley@idwr.idaho.gov  
**Cc:** mpl@givenspursley.com; Todd Rosa <trosa@hearthstone.com>  
**Subject:** M3 Eagle WSB Lease Contracts [IWOV-GPDMS.FID538345]

Jean:

Please find lease contracts attached to this correspondence. The originals will be sent UPS for delivery Wednesday morning.

For future reference, Hearthstone is the new Manager for M3 Eagle LLC. Please refer all correspondence to Todd Rosa at the address on the Lease Contracts. Todd's email is provided above. His phone number is 949-954-1923.

Thank you.



**Steven C. Porath**  
Senior Vice President – General Counsel  
24151 Ventura Blvd.  
Calabasas, CA 91302  
(818) 385-3697 (818) 826-5955  
[sporath@hearthstone.com](mailto:sporath@hearthstone.com)

AFFIDAVIT OF LEGAL INTEREST

RECEIVED

FEB 15 2017

DEPARTMENT OF  
WATER RESOURCES

STATE OF TEXAS            )  
                                      ) ss.  
County of DALLAS         )

Kelly Gottschalk, who being first duly sworn under oath, deposes and says:

1. I am the Executive Director of the Dallas Police and Fire Pension System, a governmental pension plan created under the laws of the State of Texas, sole member of Project Holdings, LLC, an Arizona limited liability company, which is the sole member of M3 Eagle, L.L.C., a Texas limited liability company, whose address is 24151 Ventura Blvd., Calabasas, CA 91302 ("M3 Eagle"). I am authorized to execute this affidavit on behalf of M3 Eagle.

2. M3 Eagle is the record owner of the land commonly referred to as "Spring Valley", "Harris Creek" and "M-3 Hanson Subdivision", consisting of approximately 17,200 total acres located in Ada County, Idaho, and legally described on Exhibit A, attached hereto (the "Property").

3. M3 Eagle authorizes Hearthstone, Inc., a California corporation, to submit applications pertaining to the Property.

4. M3 Eagle agrees to indemnify, defend and hold Ada County, State of Idaho, and its employees harmless from any claim or liability resulting solely from a dispute as to the statements contained herein or as to the ownership of the Property.

DATED this 31 day of January, 2017.

M3 Eagle, L.L.C.  
a Texas limited liability company

By: Project Holdings, LLC  
An Arizona limited liability company

By: Dallas Police and Fire Pension System,  
Its sole member

By: Kelly  
Name: Kelly Gottschalk  
Its: Authorized Signatory

SUBSCRIBED AND SWORN to before me this 31st day of January, 2017.



Carol S Huffman  
Notary Public  
Residing in Dallas  
My Commission expires 11-10-2019

## **EXHIBIT A**

### **Legal Description of the Property**

**SCHEDULE A**

Order No.: 5001050559SRJ referencing Ticor policy 74306-2278

1. Commitment date: 9/16/2011 at 7:30 A.M.

2. Policy or Policies to be issued:

(a) ALTA Owner's Policy ☒ Standard Coverage ☐ Extended Coverage  
Amount: \$  
Premium: \$

Proposed Insured:

M3 Eagle, LLC, a Texas limited liability company

(b) ALTA Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
Amount: \$  
Premium: \$  
Endorsements: Amount: \$

(c) Second Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
Amount: \$  
Premium: \$

Proposed Insured:

3. Yes Simple interest in the Land described in this Commitment is owned, at the Commitment Date, by:

M3 Eagle, LLC, a Texas limited liability company

4. The Land referred to in this Commitment is described as follows:

Lot 1 in Block 1 of Gulch Ranch Estates, according to the official plat thereof, filed in Book 61 of Plats at Page(s) 6097 and 6098, Official Records of Ada County, Idaho.

**SCHEDULE A**

Order No.: 5001050641SRJ referencing Old Republic policy SV 4347539

1. Commitment date: 9/16/2011 at 7:30 A.M.

2. Policy or Policies to be issued:

(a) ALTA Owner's Policy ☒ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$

Proposed Insured:

M3 Eagle, LLC, a Texas limited liability company, formerly known as AR Boise, LLC, a Texas limited liability company

(b) ALTA Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$  
Amount: \$

Endorsements:

(c) Second Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$

Proposed Insured:

3. Fee Simple interest in the Land described in this Commitment is owned, at the Commitment Date, by:

M3 Eagle, LLC, a Texas limited liability company, formerly known as AR Boise, LLC, a Texas limited liability company

4. The Land referred to in this Commitment is described as follows:

Lot 3 in Block 1 of Gulch Ranch Estates, according to the plat thereof, filed in Book 61 of Plats at Page(s) 6097 and 6098, Records of Ada County, Idaho.

**SCHEDULE A**

Order No.: 5001050643SRJ referencing Old Republic Policy SV4347586

1. Commitment date: 9/16/2011 at 7:30 A.M.

2. Policy or Policies to be issued:

(a) ALTA Owner's Policy ☒ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$

Proposed Insured:

M3 Eagle, L.L.C., a Texas limited liability company, formerly known as AR Boise,  
L.L.C., a Texas limited liability company

(b) ALTA Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$

Endorsements:

Amount: \$

(c) Second Loan Policy ☐ Standard Coverage ☐ Extended Coverage  
(6-17-06)

Amount: \$  
Premium: \$

Proposed Insured:

3. Fee Simple interest in the Land described in this Commitment is owned, at the Commitment Date, by:

M3 Eagle, L.L.C., a Texas limited liability company, formerly known as AR Boise,  
L.L.C., a Texas limited liability company

4. The Land referred to in this Commitment is described as follows:

Lot 4 in Block 1 of Gulch Ranch Estates, according to the plat thereof, filed in Book 61  
of Plats at Pages 6097 And 6098, records of Ada County, Idaho.

**EXHIBIT A**

**Parcel 3:**

**The Southwest Quarter of Section 15, Township 5 North, Range 1 East, Boise Meridian, in Ada County, Idaho.**

**Parcel 6:**

**The North half of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter of Section 21, Township 5 North, Range 1 East, Boise Meridian, in Ada County, Idaho.**

**Parcel 7:**

**The Northwest Quarter of the Northwest Quarter of Section 22, Township 5 North, Range 1 East, Boise Meridian, in Ada County, Idaho.**

**Exhibit A**

**Parcel 8:**

**The West half of the Southwest Quarter of Section 14, Township 5 North, Range 1 West, Boise Meridian, in Ada County, Idaho.**

**Parcel 9:**

**The Southeast Quarter of the Northeast Quarter and the South half of Section 15, Township 5 North, Range 1 West, Boise Meridian, in Ada County, Idaho.**

**Parcel 10:**

**The following describes a parcel of real property lying in a portion of the South Half of Southeast Quarter of Section 21 and in a portion of the West Half of the Northeast Quarter of Section 28, all lying easterly of Highway 16, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, being more particularly described as follows:**

**BEGINNING at the Quarter Corner common to Section 21, 22, 27 and 28; thence, North 88°39'16" West, 1325.31 feet; thence, South 00°26'35" West, 2632.13 feet; thence, North 88°41'42" West, 933.38 feet; thence, North 12°48'04" East, 1604.84 feet; thence, North 13°45'48" West, 22.36 feet; thence, North 12°48'04" East, 1748.40 feet to a spiral to the left; thence, along said spiral a distance of 208.46 feet, having a radius of 3342.70, a theta of 1°47'12", which bears North 12°12'20" East, 208.45 feet; thence, North 37°38'45" East, 108.57 feet to a curve to the left; thence, along said curve a distance of 946.18 feet, having a radius of 2401.83, a central angle of 22°34'16", having a tangent of 479.31, which bears North 02°14'04" West, 940.08 feet; thence, South 88°48'04" East, 1619.66 feet; thence, South 00°49'56" West, 1322.34 feet to the POINT OF BEGINNING;**

**EXCEPT that portion thereof described as follows:**

**A 100.00 x 180.80 foot square parcel of land located in the Southeast Quarter of the Southeast Quarter of said Section 21, described as follows:**

**Commencing at the Southeast corner of Section 21; thence, North 89°17'40" West, 1325.30 feet to the Southwest corner of said Southeast Quarter of the Southeast Quarter; thence, North 60°18'58" East, 738.92 feet along the West line of said Southeast Quarter of the Southeast Quarter; thence, North 89°41'02" East, 5.39 feet to the POINT OF BEGINNING; thence, North 27°13'45" East, 108.00 feet; thence, South 62°45'15" East, 180.00 feet; thence,**

South 27°13'45" West, 100.00 feet; thence  
North 62°45'15" West, 100.00 feet to the POINT OF BEGINNING.

**Parcel 11:**

The Northeast Quarter of the Northeast Quarter of Section 22, Township 5 North,  
Range 1 West, Boise Meridian, in Ada County, Idaho.

**Parcel 12:**

The North half of the Northwest Quarter of Section 23, Township 5 North, Range 1  
West, Boise Meridian, in Ada County, Idaho.

**Parcel 13:**

The South half of the Northeast Quarter, the Southeast Quarter of the Northwest  
Quarter and the Northwest Quarter of the Southeast Quarter of Section 27, Township 5  
North, Range 1 West, Boise Meridian, in Ada County, Idaho.

**Parcel I:**

A 100.00 x 100.00 foot square parcel of land located in the Southeast Quarter of the  
Southeast Quarter of Section 21, Township 5 North, Range 1 West, Boise Meridian,  
Ada County, Idaho, described as follows:

Commencing at the Southeast corner of Section 21; thence,  
North 89°17'40" West, 1325.30 feet to the Southwest corner of said Southeast Quarter  
of the Southeast Quarter; thence,  
North 00°18'58" East, 738.92 feet along the West line of said Southeast Quarter of the  
Southeast Quarter; thence,  
North 89°41'02" East, 5.39 feet to the POINT OF BEGINNING; thence,  
North 27°13'45" East, 100.00 feet; thence,  
South 62°46'15" East, 100.00; thence,  
South 27°13'45" West, 100.00 feet; thence,  
North 62°46'15" West, 100.00 feet to the POINT OF BEGINNING.

**Parcel II:**

An easement for power and telephone appurtenant to Parcel I as established in that  
certain Memorandum of Lease recorded under Instrument No. 100009718, of Official  
Records and more particularly described as follows:

A 10.00 foot wide strip of land located in the Northwest Quarter of the Northeast  
Quarter of Section 28 and the South half of the Southeast Quarter of Section 21,  
Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, said strip lying  
between parallel lines located 5.00 feet on each side of the following described  
centerline;

Commencing at the South Quarter corner of said Section 21; thence, North 89°17'49" West, 1325.30 feet along the South line of said section, to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said section; thence, North 89°17'49" West, 368.58 feet along said South section line to a point in the Southeastly right of way line of State Highway No. 16; thence, South 12°31'27" West, 44.19 feet along said right of way line to a point; thence, South 77°28'33" East, 5.00 feet to the POINT OF BEGINNING; thence, along a line parallel with and 5.00 feet Southeastly of said highway right of way line, North 12°31'27" East, 304.12 feet; thence, North 36°45'53" East, 581.27 feet to the POINT OF ENDING in the Southerly line of an antenna lease site, from which POINT OF ENDING the Southeast corner of said Southwest Quarter of the Southeast Quarter bears North 62°46'15" West, 35.80 feet, South 89°41'02" West, 5.39 feet, and South 00°18'58" West, 738.92 feet.

**Parcel III:**

An access road easement appurtenant to Parcel I as established in that certain Memorandum of Lease recorded under Instrument No. 160029710, of Official Records and more particularly described as follows:

A 20.00 foot wide strip of land located in the South half of the Southeast Quarter of Section 21, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, said strip lying between parallel lines located 10.00 feet on each side of the following described centerline:

Commencing at the South Quarter corner of said Section 21; thence, North 89°17'49" West, 1325.30 feet along the South line of said section, to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said section; thence, North 89°17'49" West, 368.58 feet along said South section line to a point in the Southeastly right of way line of State Highway No. 16; thence, North 12°31'27" East, 43.66 feet along said right of way line to the POINT OF BEGINNING; thence, South 77°28'33" East, 43.47 feet; thence, North 07°15'53" East, 63.46 feet; thence, North 06°40'14" East, 182.17 feet; thence, North 36°12'15" East, 111.52 feet, along a line parallel with and 20.00 feet Southeast of said Southeastly right of way line; thence, North 08°13'12" East, 56.64 feet, continuing parallel with and 20.00 feet Southeast of said right of way line; thence, North 56°59'34" East, 94.76 feet; thence, North 34°39'13" East, 128.81 feet; thence, North 61°40'21" East, 78.08 feet; thence, North 27°13'45" East, 104.12 feet to the POINT OF ENDING in the Southerly line of an antenna lease site, from which POINT OF ENDING the Southeast corner of said Southwest Quarter of the Southeast Quarter bears North 62°46'15" West, 30.00 feet, South 89°41'02" West, 5.39 feet, and South 00°18'58" West, 738.92 feet.

#### EXHIBIT A

This parcel lies in the Northeast Quarter of Section 33, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, and is more particularly described as follows:

COMMENCING at the Northwest corner of said Northeast Quarter; thence South  $00^{\circ}28'17''$  East (formerly South  $00^{\circ}09'45''$  East) along the Westerly boundary of said Northeast Quarter, 901.53 feet; thence South  $89^{\circ}01'44''$  East (formerly South  $89^{\circ}39'47''$  East), 51.96 feet to a point on the Easterly right-of-way boundary for Idaho State Highway 16 and to the TRUE POINT OF BEGINNING; thence continuing South  $89^{\circ}01'44''$  East, 1441.58 feet (formerly South  $89^{\circ}39'47''$  East, 1441.58 feet) to a point on the boundary of Equest Subdivision (vacated) as shown on the plat thereof (Book 53, Page 4606, Office of the Recorder for Ada County, Idaho); thence traversing said boundary as follows:  
South  $67^{\circ}11'38''$  West (formerly South  $66^{\circ}33'35''$  West), 254.57 feet;  
South  $52^{\circ}16'06''$  West (formerly South  $51^{\circ}38'03''$  West), 535.08 feet;  
South  $38^{\circ}40'23''$  West (formerly South  $38^{\circ}02'22''$  West), 715.30 feet;  
South  $21^{\circ}85'40''$  West (formerly South  $20^{\circ}27'37''$  West), 84.43 feet; thence North  $88^{\circ}57'16''$  West, 182.70 feet (formerly North  $89^{\circ}35'19''$  West, 181.78 feet) to a point on the Easterly right-of-way boundary for Idaho State Highway 16; thence along said right-of-way, 283.91 feet along the arc of a non-tangent curve to the right, having a radius of 1859.86 feet, a central angle of  $08^{\circ}44'47''$ , and being subtended by a chord, which bears North  $13^{\circ}19'12''$  West, 283.63 feet; thence 355.29 feet along the arc of a spiral to the right, having a radius of 1897.44 feet, a central angle of  $05^{\circ}21'51''$ , and being subtended by a chord, which bears North  $05^{\circ}11'06''$  West, 355.15 feet; thence North  $03^{\circ}23'50''$  West, 455.37 feet to the TRUE POINT OF BEGINNING.

#### TOGETHER WITH:

COMMENCING at the Northwest corner of said Northeast Quarter; thence South  $00^{\circ}28'17''$  East (formerly South  $00^{\circ}09'45''$  East) along the Westerly boundary of said Northeast Quarter, 901.53 feet; thence, continuing South  $00^{\circ}28'17''$  East (formerly South  $00^{\circ}09'45''$  East) along the Westerly boundary of said Northeast Quarter, 685.21 feet to a point on the Westerly right-of-way boundary for Idaho State Highway 16 and to the TRUE POINT OF BEGINNING; thence along said right-of-way, 140.46 feet along the arc of a spiral to the left, having a radius of 1922.44 feet, a theta angle of  $00^{\circ}35'55''$ , and being subtended by a chord, which bears South  $07^{\circ}00'48''$  East, 140.46 feet; thence 49.72 feet along the arc of a curve to the left, having a radius of 1959.86 feet, a central angle of  $01^{\circ}27'13''$ , and being subtended by a chord, which bears South  $09^{\circ}31'34''$  East, 49.72 feet; thence 112.24 feet along the arc of a curve to the left, having a radius of 1178.92 feet, a central angle of  $10^{\circ}18'58''$ , and being subtended by a chord, which bears South  $08^{\circ}49'15''$  East, 211.95 feet; thence leaving said right-of-way, North  $88^{\circ}57'16''$  West 61.16 feet to the Westerly boundary of said Northeast Quarter; thence along the Westerly boundary of said Northeast Quarter,

North 00°26'17" East, 396.79 feet to the TRUE POINT OF BEGINNING.

**Exhibit A**

**The Southeast Quarter of the Southeast Quarter in Section 28, all in Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho.**

**EXCEPTING THEREFROM the followings:**

**A tract of land in the Southeast Quarter of Section 28, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:**

**Commencing at a 1-inch pipe in the fence corner marking the quarter corner common to Sections 27 and 28, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, from which a granite stone marking the section corner common to Sections 21, 22, 27 and 28, Township 5 North, Range 1 West, Boise Meridian bears North 2578.65 feet; thence South 18°00'15" West, 2132.44 feet to a nail in a corbel bridge, the REAL POINT OF BEGINNING; thence North 1°32'10" West 637.69 feet to a steel pin in an existing fence line; thence South 87°08'30" West along said fence line 336.38 feet to a steel pin; thence South 1°31'50" East 658.83 feet to a steel pin; thence North 83°33'10" East 337.59 feet to the REAL POINT OF BEGINNING.**

**AND EXCEPT:**

**A portion of the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:**

**Commencing at the Southeast corner of Section 28, Township 5 North, Range 1 West; thence North 89°22'06" West 1317.53 feet to a 1/16th corner; thence North 00°11'33" West 368.47 feet to the Southeast corner of King Estates Subdivision; thence along the East boundary of said subdivision North 00°11'33" West 148.39 feet to the POINT OF BEGINNING; thence North 00°11'33" West 279.24 feet to the Northeast corner of Lot 2, Block 1, King Estates Subdivision; thence North 00°11'33" West 520.00 feet; thence North 89°30'40" East 312.37 feet; thence South 01°44'09" East 579.88 feet; thence South 53°48'48" West 393.59 feet to the POINT OF BEGINNING.**

**AND EXCEPT:**

**A portion of the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:**

Commencing at the Southeast corner of Section 28, Township 5 North, Range 1 West;  
thence  
North 42°07'39" West 975.80 feet to the POINT OF BEGINNING; thence  
North 75°01'28" East 10.27 feet; thence  
North 01°44'28" West 610.15 feet; thence  
South 89°30'40" West 346.37 feet; thence  
South 01°44'09" East 60.40 feet; thence  
North 86°56'11" East 336.38 feet; thence  
South 01°44'28" East 567.43 feet to the POINT OF BEGINNING.

**TOGETHER WITH:**

A portion of the Southeast Quarter of the Southeast Quarter of Section 28, Township 5 North, Range 1 West, Boise Meridian; Ada County, Idaho, more particularly described as follows:

Commencing at the Southeast corner of Section 28, Township 5 North, Range 1 West;  
thence  
North 42°07'39" West 975.80 feet to the POINT OF BEGINNING; thence  
South 01°44'28" East 70.26 feet; thence  
South 83°20'51" West 337.59 feet; thence  
North 01°44'09" West 20.07 feet; thence  
North 75°01'38" East 345.52 feet to the POINT OF BEGINNING.

EXHIBIT A

Parcel E:

A parcel of land being a portion of the Northwest Quarter of the Northeast Quarter of Section 34, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, being more particularly described as follows:

Commencing at the Northwest corner of the Northeast Quarter (North Quarter Corner of Section 34, Township 5 North, Range 1 West, Boise Meridian; thence South  $89^{\circ}28'30''$  East 1315.67 feet to the Northeast corner of the Northwest Quarter of the Northeast Quarter; thence South  $00^{\circ}31'15''$  West 815.00 feet along the East line of the Northwest Quarter of the Northeast Quarter to the REAL POINT OF BEGINNING of this description; thence South  $00^{\circ}31'15''$  West 142.95 feet along said East line to a point; thence South  $68^{\circ}00'00''$  West 225.19 feet to a point of curvature; thence 346.39 feet along a tangent curve to the right, said curve having a radius of 793.82 feet, a delta angle of  $23^{\circ}00'00''$ , a tangent length of 176.73 feet and a chord which bears South  $32^{\circ}05'00''$  West for a distance of 342.96 feet to a point of tangency; thence North  $54^{\circ}00'00''$  West, 68.32 feet to a point; thence South  $65^{\circ}00'00''$  West, 81.47 feet to a point of curvature; thence 351.12 feet along a tangent curve to the right, said curve having a radius of 1053.82 feet, a delta angle of  $19^{\circ}00'00''$ , a tangent length of 177.19 feet and a chord which bears South  $74^{\circ}30'00''$  West for a distance of 349.51 feet to a point of tangency; thence South  $84^{\circ}00'00''$  West, 163.45 feet to a point of curvature; thence 13.63 feet along a tangent curve to the left, said curve having a radius of 41.08 feet, a delta angle of  $19^{\circ}00'00''$ , a tangent length of 6.87 feet and a chord which bears South  $74^{\circ}30'00''$  West for a distance of 13.66 feet to a point of tangency; thence South  $65^{\circ}00'00''$  West 191.81 feet to the Southwest corner of the Northwest Quarter of the Northeast Quarter; thence North  $00^{\circ}29'03''$  East 651.84 feet along the West line of said Northwest Quarter of the Northeast Quarter to a point; thence North  $90^{\circ}00'00''$  East 597.64 feet to a point of curvature; thence 122.17 feet along a tangent curve to the right, said curve having a radius of 189.00 feet, a delta angle of  $70^{\circ}00'00''$ , a tangent length of 70.82 feet and a chord which bears South  $55^{\circ}00'00''$  East for a distance of 114.72 feet to a point of tangency; thence South  $20^{\circ}00'00''$  East 60.60 feet to a point of curvature; thence 60.63 feet along a tangent curve to the left, said curve having a radius of 50.00 feet, a delta angle of  $69^{\circ}28'30''$ , a tangent length of 34.67 feet and a chord which bears South  $54^{\circ}44'15''$  East for a distance of 56.98 feet to a point of tangency; thence South  $89^{\circ}28'30''$  East 533.00 feet to the REAL POINT OF BEGINNING of this description.

EXHIBIT A

Parcel 5:

The Northeast Quarter, the North half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, the Northeast Quarter of the Southwest Quarter, and the Northwest Quarter of the Southeast Quarter of Section 20, Township 5 North, Range 1 East, Boise Meridian, in Ada County, Idaho;

EXCEPT that portion thereof lying within that tract of land, more particularly described as follows, conveyed to Michael S. Hansen by deed recorded under Instrument No. 103034000:

A parcel of land lying in Section 20, Township 5 North, Range 1 East, Boise Meridian, Ada County, Idaho, said parcel being more particularly described as follows:

Commencing at the Brass Cap marking the corner common to Sections 20, 21, 28, and 29, Township 5 North, Range 1 East, Boise Meridian, Ada County, Idaho; thence South  $89^{\circ}49'55''$  West 1321.27 feet to an iron pin marking the East  $1/16$  corner common to said Sections 20 and 29; thence South  $89^{\circ}49'50''$  West 1321.43 feet to the Brass Cap marking the  $1/4$  corner common to said Sections 20 and 29, said point being the POINT OF BEGINNING; thence South  $89^{\circ}50'08''$  West 1321.62 feet to the West  $1/16$  corner common to said Sections 20 and 29; thence North  $89^{\circ}50'26''$  West 3941.79 feet along the West  $1/16$  line to the Northwest  $1/16$  corner; thence North  $89^{\circ}42'56''$  East 9.54 feet along the North line of the Southeast Quarter Northwest Quarter to the West right of way line of Willow Creek Road; thence along said right of way line of Willow Creek Road the following courses and distances: South  $27^{\circ}38'22''$  East 63.21 feet to a point of curve; thence along a curve to the right 113.94 feet, said curve having a delta of  $16^{\circ}18'14''$ , a radius of 400.40 feet, tangents of 57.36 feet and a long chord of 113.55 feet which bears South  $19^{\circ}29'15''$  East to a point of tangent; thence South  $11^{\circ}20'08''$  East 144.76 feet to a point of curve; thence along a curve to the left 476.94 feet, said curve having a delta of  $28^{\circ}09'28''$ , a radius of 970.55 feet, tangents of 243.39 feet and a long chord of 472.15 feet which bears South  $25^{\circ}24'48''$  East to a point of tangent; thence South  $33^{\circ}25'28''$  East 233.80 feet to a point of curve; thence along a curve to the right 200.60 feet, said curve having a delta of  $20^{\circ}02'27''$ , a radius of 573.50 feet, tangents of 101.33 feet and a long chord of 199.58 feet which bears South  $29^{\circ}28'14''$  East to a point of reverse curve; thence along a curve to the left 234.81 feet, said curve having a delta of  $12^{\circ}55'34''$ , a radius of 1040.80 feet, tangents of 117.90 feet and a long chord of 234.51 feet which bears South  $25^{\circ}24'48''$  East to a point of tangent; thence South  $32^{\circ}22'35''$  East 223.85 feet to a point of curve; thence along a curve to the left 331.68 feet, said curve having a delta of  $19^{\circ}40'18''$ , a radius of 1899.41 feet, tangents of 166.26 feet and a long chord of 331.25 feet which bears South  $37^{\circ}22'44''$  East to a point of tangent; thence South  $42^{\circ}22'53''$  East 251.38 feet; thence South  $45^{\circ}03'57''$  East 411.88 feet to a point of curve; thence along a curve to the left 204.50 feet, said curve having a delta of  $09^{\circ}02'38''$ , a radius of 1297.79 feet, tangents of 102.61 feet and a long chord of 204.59 feet which bears

South  $49^{\circ}25'12''$  East to a point of reverse curve; thence along a curve to the right 283.68 feet, said curve having a delta of  $12^{\circ}35'19''$ , a radius of 949.44 feet, tangents of 104.72 feet and a long chord of 283.18 feet which bears  
South  $47^{\circ}08'47''$  East to a point of tangent; thence  
South  $41^{\circ}31'08''$  East 186.78 feet to the South  $1/16$  line; thence  
South  $89^{\circ}44'35''$  West 493.92 feet to the South  $1/16$  corner; thence  
South  $00^{\circ}44'17''$  East 1314.92 feet to the POINT OF BEGINNING.

**EXHIBIT A**

**PARCEL I**

The NW ¼ of the SW ¼, the NE ¼ of the SW ¼ and the SW ¼ of the SW ¼ of Section 27, Township 5 North, Range 1 West of the Boise Meridian in Ada County, Idaho.

**PARCEL III**

A portion of Lot 2, Block 1, King Estates Subdivision in Sections 28 and 33, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at the Southeast corner of Section 28, Township 5 North, Range 1 West;

Thence North 89°22'06" West 1317.33 feet to a 1/16" corner;

Thence North 00°11'33" West 368.47 feet to the Southeast corner of King Estates Subdivision, the POINT OF BEGINNING;

Thence South 49°46'43" West 563.24 feet;

Thence North 89°22'06" West 73.41 feet;

Thence South 57°41'06" West 467.45 feet;

Thence North 00°00'00" East 303.23 feet;

Thence South 67°38'34" East 25.66 feet on a curve to the left whose radius of 140.00 feet, whose central angle is 68°21'23", whose length is 167.31 feet and whose long chord bears North 77°47'12" East 157.53 feet;

Thence North 43°32'58" East 140.31 feet;

Thence on a curve to the left whose radius of 250.00 feet whose central angle is 05°37'01", whose length is 23.96 feet and whose long chord bears North 40°34'07" East 25.95 feet;

Thence North 80°45'15" East 27.32 feet;

Thence South 69°07'26" East 45.40 feet;

Thence North 64°24'11" East 50.04 feet;

Thence North 22°34'55" East 64.33 feet;

Thence North 19°29'07" East 67.97 feet;

Thence North 47°37'08" East 51.57 feet;

Thence North 77°46'41" East 51.93 feet;

Thence South 87°13'59" East 58.11 feet;

Thence South 79°59'56" East 63.34 feet;

Thence North 67°52'17" East 48.40 feet;

**SCHEDULE A**

Thence North  $34^{\circ}59'54''$  East 50.14 feet;  
Thence North  $04^{\circ}33'29''$  West 113.44 feet;  
Thence North  $34^{\circ}26'54''$  East 50.18 feet;  
Thence South  $60^{\circ}33'22''$  East 99.46 feet;  
Thence North  $79^{\circ}31'22''$  East 33.39 feet;  
Thence South  $00^{\circ}11'33''$  East 148.39 feet to the POINT OF BEGINNING.

TOGETHER WITH an easement as more particularly defined and described by instrument recorded under No. 94076106.

**EXHIBIT A**

The South half of the Southwest quarter of Section 12, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho.

**ALSO INCLUDING:**

The Northeast quarter of the Northwest quarter; the West half of the Northwest quarter; the North half of the Southwest quarter; the North half of the Southeast quarter; the South half of the Southeast quarter of Section 13, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho.

**ALSO INCLUDING:**

The North half of the Northwest quarter; the Northeast quarter of the Northwest quarter of Section 24, Township 5 North, Range 1 West, Boise Meridian, Ada County, Idaho.

**ALSO INCLUDING:**

Lots 3 and 4 of Section 18, Township 5 North, Range 1 East, Boise Meridian, Ada County, Idaho.

**TOGETHER WITH** easement rights as more particularly defined and described by instrument recorded under No. 99119886 and re-recorded under No. 103212741.

**EXHIBIT A**

**Non-Core Property:**

The NE 1/4 of the NE 1/4;  
The S 1/4 of the NE 1/4;  
The SE 1/4 of the SW 1/4;  
The W 1/4 of the SE 1/4;  
The SE 1/4 of the SE 1/4;  
All in Section 10, Township 3 North, Range 2 East of Boise Meridian in Boise County, Idaho.

The S 1/4 of the S 1/4 of Section 14, Township 3 North, Range 2 East of Boise Meridian, in Boise County, Idaho.

The N 1/4 of the NE 1/4;  
The NE 1/4 of the NW 1/4;  
The S 1/4 of the NW 1/4;  
The N 1/4 of the SW 1/4;  
All in Section 15, Township 3 North, Range 2 East of Boise Meridian in Boise County, Idaho.

The N 1/4;  
The N 1/4 of the SW 1/4;  
The N 1/4 of the SE 1/4;  
The SE 1/4 of the SE 1/4;  
All in Section 23, Township 3 North, Range 2 East of Boise Meridian in Boise County, Idaho.

The NW 1/4 of Section 24, Township 3 North, Range 2 East of Boise Meridian, Boise County, Idaho.

The S 1/4 of the SW 1/4 of Section 14, Township 6 North, Range 1 East of Boise Meridian, in Boise County, Idaho.

The S 1/4 of Section 13 of Township 6 North, Range 2 East of Boise Meridian, in Boise County, Idaho.

The E 1/4;  
The S 1/4 of the NW 1/4;  
The SW 1/4;  
All lying southeasterly of the Southeastery line of New Highway 15 in Section 21, Township 6 North, Range 2 East, Boise Meridian, in Boise County, Idaho.

All of Section 22, Township 6 North, Range 2 East of Boise Meridian, in Boise County, Idaho.

The NE 1/4;  
The W 1/4;  
All in Section 23, Township 6 North, Range 2 East of Boise Meridian, in Boise County, Idaho.

All of Section 27, Township 6 North, Range 2 East.

The S 1/4;  
The S 1/4 of the NW 1/4;  
All in Section 34, Township 6 North, Range 2 East.

The NE 1/4 of the SW 1/4;  
The S 1/4 of the SW 1/4;  
All in Section 35, Township 6 North, Range 2 East.

**Excluded Area**

The NE  $\frac{1}{4}$ ;  
The E  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
The NE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The S  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The SE  $\frac{1}{4}$ ;  
All in Section 13, Township 6 North, Range 2 East of Boise Meridian, in Boise County, Idaho.

N  $\frac{1}{2}$  S  $\frac{1}{2}$ ;  
S  $\frac{1}{2}$  SE  $\frac{1}{4}$ ;  
All in Section 14, Township 6 North, Range 2 East.

The E  $\frac{1}{4}$ ;  
The NW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
All in Section 24, Township 6 North, Range 2 East of Boise, in Boise County, Idaho.

Government Lot 4;  
The SW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
The W  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
All in Section 1, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

Government Lot 1;  
The S  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ ;  
The N  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The SE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The NE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;  
All in Section 2, Township 6 North, Range 3 East of Boise Meridian in Boise County, Idaho.

The S  $\frac{1}{4}$  of the N  $\frac{1}{4}$ ;  
The S  $\frac{1}{4}$ ;  
All in Section 3, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

The NE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The S  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
The SE  $\frac{1}{4}$ ;  
All in Section 4, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

The S  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of Section 5, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

The E  $\frac{1}{4}$ ;  
The SE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
All in Section 7, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

All of Section 8, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

All of Section 9, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

EXCEPT that portion described as follows:  
Beginning at a point thirty and one third rods West of the Southeast corner of the SW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 9 in Township 6 North of Range 3, East of the Boise Meridian;  
Thence due North 37 and one half rods;  
Thence due West to West boundary of said SW  $\frac{1}{4}$  of NE  $\frac{1}{4}$ ;  
Thence due South to Boise Meridian, corner of said SW  $\frac{1}{4}$  NE  $\frac{1}{4}$ ;  
Thence due East to PLACE OF BEGINNING.

The N  $\frac{1}{4}$  of the N  $\frac{1}{4}$  of Section 10, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

The NW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 11, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

All of Section 17, 18 and 19, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.  
EXCEPT the East half of the SW  $\frac{1}{4}$  of said Section 18.

The SE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ ;  
The W  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
The SW  $\frac{1}{4}$ ;  
The NE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;  
The S  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;  
All in Section 20, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

The N  $\frac{1}{4}$  of the N  $\frac{1}{4}$  of Section 20, Township 6 North, Range 3 East of Boise Meridian, in Boise County, Idaho.

**Original Option Property**

The NE ¼;

The E ½ of the NW ¼;

Government Lots 1 and 2;

The SE ¼;

All in Section 19, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

The SW ¼ of the NW ¼;

The W ½ of the SW ¼;

All in Section 20, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

**Government Lot 4;**

That portion of the SE ¼ of the SW ¼ of Section 7, lying Southwesterly of the centerline of Willow Creek Road, more particularly described as follows:

COMMENCING at the Southwest corner of said Section 7;

Thence North 89°26'13" East, 976.19 feet to the Southwest corner of said SE ¼ SW ¼ and the POINT OF BEGINNING;

Thence along the West line of said SE ¼ SW ¼, North 01°37'53" East, 1315.55 feet to the Northwest corner of said SE ¼ SW ¼;

Thence along the North line of said SE ¼ SW ¼, North 89°27'42" East, 322.23 feet to a point on said centerline;

Thence along said centerline, South 17°08'49" East, 211.69 feet;

Thence South 21°38'20" East 469.10 feet to a curve;

Thence along the arc of said curve to the right, having a radius of 363.00 feet, a central angle of 26°42'14", and being subtended by a chord, which bears South 08°17'13" East, 168.58 feet;

Thence South 05°09'53" West, 109.20 feet to a curve;

Thence along the arc of said curve to the left, having a radius of 310.00 feet, a central angle of 35°10'32", and being subtended by a chord, which bears South 12°31'32" East, 187.37 feet;

Thence South 30°06'38" East, 168.08 feet;

Thence South 34°03'01" East, 83.37 feet to the South line of said SE ¼ SW ¼;

Thence South 89°26'13" West, 781.04 feet to the POINT OF BEGINNING;

All in Section 7, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

That portion of the NW ¼ of the SW ¼ of Section 17 lying Southwesterly of the centerline of Willow Creek Road, more particularly described as follows:

COMMENCING at the Southwest corner of said Section 17;

Thence along the West line of said Section 17, North 00°16'27" East, 1314.67 feet to the POINT OF BEGINNING;

Thence along the South line of said NW ¼ SW ¼, North 89°57'12" East, 204.11 feet to a point on said centerline;

Thence along said centerline, North 37°36'51" West, 352.56 feet to the said West line;

Thence South 00°16'27" West, 263.44 feet to the POINT OF BEGINNING;

All in Section 17, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

**Government Lots 1 and 2;**

The E ½ of the SW ¼;

The SE ¼ of the NW ¼;

The W ½ of the SE ¼;

The SE ¼ of the SE ¼;

That portion of the NW ¼ of the NE ¼ and;

That portion of the E ½ of the NE ¼ and;

That portion of the NE ¼ of the NW ¼ and;

That portion of the NE ¼ of the SE ¼;

All lying Southwesterly of the centerline of Willow Creek Road, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 18;

Thence along the North line of said Section 18, North 89°26'13" East, 976.19 feet to the Northwest corner of said NE ¼ NW ¼ and the POINT OF BEGINNING;

Thence continuing along said North line, North 89°26'13" East, 781.04 feet to said centerline of Willow Creek Road;

Thence along said centerline South 34°03'01" East, 215.25 feet;

Thence South 10°42'20" East, 414.87 feet to a curve;

Thence along the arc of said curve to the left, having a radius of 225.00 feet, a central angle of 58°12'00", and being subtended by a chord, which bears South 38°48'30" East, 211.96 feet;

Thence South 66°54'30" East, 1186.00 feet to a curve;

Thence along the arc of said curve to the right, having a radius of 1000.00 feet, a central angle of 13°57'43", and being subtended by a chord, which bears South 59°55'39" East, 243.08 feet;

Thence South 52°36'47" East, 331.88 feet to a curve;

Thence along the arc of said curve to the right, having a radius of 635.00 feet, a central angle of 19°19'45", and being subtended by a chord, which bears South 44°01'28" East, 215.21 feet;

Thence South 34°21'35" East, 166.76 feet to a curve;

Thence along the arc of said curve to the right, having a radius of 400.00 feet, a central angle of  $24^{\circ}30'13''$ , and being subtended by a chord, which bears South  $24^{\circ}11'03''$  East, 303.72 feet;  
 Thence South  $11^{\circ}55'50''$  East, 512.68 feet to a curve;  
 Thence along the arc of said curve to the left, having a radius of 385.00 feet, a central angle of  $25^{\circ}40'56''$ , and being subtended by a chord, which bears South  $24^{\circ}46'24''$  East, 173.88 feet;  
 Thence South  $37^{\circ}36'31''$  East, 1212.36 feet to the East line of said Section 18;  
 Thence along said East line, South  $00^{\circ}16'27''$  West, 263.44 feet to the Southeast corner of said NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ ;  
 Thence along South line of said NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , South  $89^{\circ}31'40''$  West, 1370.20 feet to the Southwest corner of said NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ ;  
 Thence along the West line of said NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , North  $00^{\circ}17'28''$  East, 1313.97 feet to the Northwest corner of said NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ ;  
 Thence along the South line of said S  $\frac{1}{4}$  NE  $\frac{1}{4}$ , South  $89^{\circ}29'51''$  West, 1319.82 feet to the Southwest corner of said S  $\frac{1}{4}$  NE  $\frac{1}{4}$ ;  
 Thence along the West line of said S  $\frac{1}{4}$  NE  $\frac{1}{4}$ , North  $00^{\circ}18'28''$  East, 1313.28 feet to the Northwest corner of said S  $\frac{1}{4}$  NE  $\frac{1}{4}$ ;  
 Thence along the South line of said NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , South  $89^{\circ}28'03''$  West, 1319.20 feet to the Southwest corner of said NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ ;  
 Thence along the West line of said NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , North  $00^{\circ}19'41''$  East, 1312.99 feet to the POINT OF BEGINNING;  
 All in Section 18, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

That portion of said Original Option Property lying within Sections 7, 17 and 18 being previously described as:

**Government Lot 4;**

That portion of the SE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$  lying Southwesterly of the centerline of Willow Creek Road;  
 All in Section 7, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

That portion of the NW  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ , lying Southwesterly of the centerline of Willow Creek Road;  
 All in Section 17, Township 5 North, Range 1 East, of Boise Meridian, in Ada County, Idaho.

That portion of the NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  lying Southwesterly of the centerline of Willow Creek Road;  
 That portion of the S  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  lying Southwesterly of the centerline of Willow Creek Road;  
 That portion of the S  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  lying Southwesterly of the centerline of Willow Creek Road;  
 Government Lots 1 and 2;  
 The E  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
 That portion of the SE  $\frac{1}{4}$  lying Southwesterly of the centerline of Willow Creek Road;  
 All in Section 18, Township 5 North, Range 1 East of Boise Meridian, in Ada County, Idaho.

The E  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of Section 18, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The SW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ ;  
 The S  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
 The S  $\frac{1}{4}$ ;

All in Section 11, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The S  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ ;  
 The SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
 The N  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
 The SE  $\frac{1}{4}$ ;

All in Section 12, Township 5 North, Range 1 West of the Boise Meridian, in Ada County, Idaho.

The NE  $\frac{1}{4}$ ;  
 The SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
 The S  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;

All in Section 13, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The N  $\frac{1}{4}$ ;  
 The S  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ;  
 The N  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;  
 The SW  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;

All in Section 14, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The NE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 15, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The SE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$ ;  
 The NE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;

All in Section 22, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The NE  $\frac{1}{4}$ ;  
 The S  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ;  
 The SW  $\frac{1}{4}$ ;  
 The N  $\frac{1}{4}$  of the SE  $\frac{1}{4}$ ;

The SW 1/4 of the SE 1/4;  
All in Section 23, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The S 1/2 of the NE 1/4;  
The W 1/2 of the NW 1/4;  
The SE 1/4 of the NW 1/4;  
The NE 1/4 of the SW 1/4;  
The N 1/2 of the SE 1/4;  
All in Section 24, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The NW 1/4 of the NW 1/4 of Section 25, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

The NE 1/4 of the NE 1/4 of Section 27, Township 5 North, Range 1 West of Boise Meridian, in Ada County, Idaho.

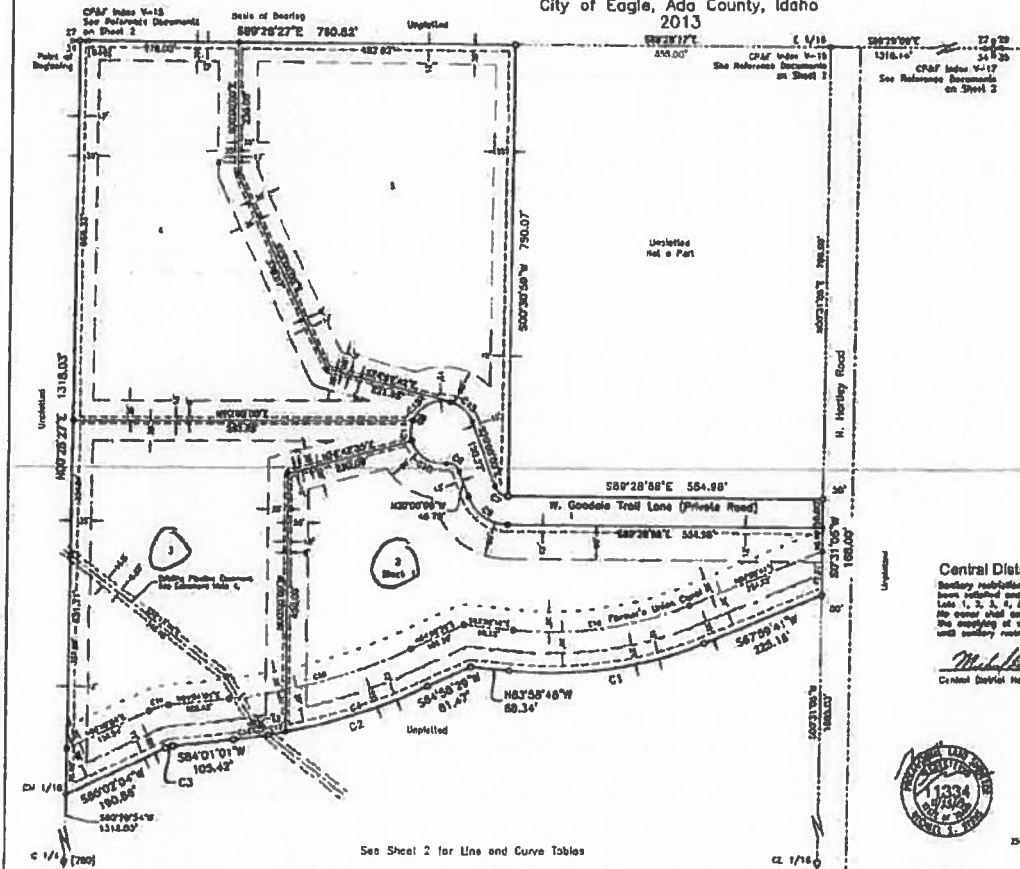
# HARRIS CREEK

| Parcel          | Size (AC) |
|-----------------|-----------|
| RP06N02E 130050 | 520.00    |
| RP06N02E 240050 | 360.00    |
| RP06N03E 201850 | 400.00    |
| RP06N03E 013050 | 157.39    |
| RP06N03E 034850 | 480.00    |
| RP06N03E 170050 | 640.00    |
| RP06N03E 020050 | 277.13    |
| RP06N03E 113050 | 40.00     |
| RP06N03E 057250 | 80.00     |
| RP06N03E 044850 | 280.00    |
| RP06N03E 100060 | 160.00    |
| RP06N03E 090050 | 626.00    |
| RP06N03E 080050 | 400.00    |
| RP06N03E 082451 | 240.00    |
| RP06N03E 076650 | 120.00    |
| RP06N03E 070050 | 240.00    |
| RP06N03E 183050 | 481.44    |
| RP06N03E 193050 | 561.29    |
| RP06N03E 303052 | 140.51    |
| RP06N02E 340050 | 400.00    |
| RP06N02E 356050 | 120.00    |
| RP06N02E 270050 | 640.00    |
| RP06N02E 144850 | 320.00    |
| RP06N02E 154850 | 320.00    |
| RP06N02E 230050 | 480.00    |
| RP06N02E 210050 | 561.30    |
| RP06N02E 220050 | 640.00    |
| RP05N02E 100050 | 280.00    |
| RP05N02E 150050 | 360.00    |
| RP05N02E 242450 | 160.00    |
| RP05N02E 146050 | 160.00    |
| RP05N02E 232450 | 240.00    |
| RP05N02E 230050 | 280.00    |
| <hr/>           |           |
|                 | 11,165.06 |

# SPRING VALLEY

| Parcel      | Size (AC) |
|-------------|-----------|
| R3314130100 | 10.00     |
| R3314130300 | 10.00     |
| R3314130400 | 10.00     |
| R4985520028 | 5.09      |
| S0207330000 | 30.00     |
| S0207346900 | 16.38     |
| S0215300000 | 160.00    |
| S0217336300 | 20.19     |
| S0218131400 | 78.18     |
| S0218212700 | 38.75     |
| S0218221000 | 29.61     |
| S0218230000 | 29.63     |
| S0218320000 | 59.33     |
| S0218341000 | 80.00     |
| S0218344200 | 119.35    |
| S0218449000 | 39.84     |
| S0219110000 | 200.00    |
| S0219140000 | 40.00     |
| S0219220000 | 60.16     |
| S0219400000 | 160.00    |
| S0220110500 | 236.20    |
| S0220212400 | 80.00     |
| S0220230000 | 120.00    |
| S0221110000 | 120.00    |
| S0222220000 | 40.00     |
| S0310410000 | 80.00     |
| S0311130000 | 440.00    |
| S0312130000 | 360.00    |
| S0312330000 | 80.00     |
| S0313110000 | 40.00     |
| S0313120000 | 240.00    |
| S0313210000 | 360.00    |
| S0314110000 | 360.00    |
| S0314130000 | 160.00    |
| S0314325400 | 40.00     |
| S0315110000 | 40.00     |
| S0315330000 | 400.00    |
| S0321449600 | 43.90     |
| S0321449700 | 0.23      |
| S0322110000 | 120.00    |
| S0322141800 | 80.00     |
| S0323110015 | 400.00    |
| S0323120600 | 40.00     |
| S0323360000 | 80.00     |
| S0324110000 | 120.00    |
| S0324130000 | 320.00    |
| S0326220000 | 40.00     |
| S0327110000 | 40.00     |
| S0327130000 | 160.00    |
| S0327311100 | 120.00    |
| S0328120600 | 39.41     |
| S0328449225 | 0.35      |
| S0328849250 | 29.45     |
| S0333110061 | 0.57      |
| S0333120700 | 18.41     |
| S0333120710 | 1.03      |
| <hr/>       |           |
|             | 6,046.04  |

PLAT BOOK 106 PAGE 145A1



- # Legend
- 
- |                                                                                       |                                                            |
|---------------------------------------------------------------------------------------|------------------------------------------------------------|
|    | Boundary Line                                              |
|    | Lot Line                                                   |
|    | Surveyed Line                                              |
|    | Center Line                                                |
|   | Right-of-way Line                                          |
|  | Utility Easement Line                                      |
|  | Existing Center Line                                       |
|  | Existing Right-of-way Easement Line                        |
|  | Building Lot Start Line                                    |
|  | Section corner, Town 6/8' corner                           |
|  | Quarter-Section corner, Town 6/8' corner                   |
|  | Section 6/8' corner PLS 1883                               |
|  | Town 6/8' corner                                           |
|  | Found 6/8' corner                                          |
|  | Found 6/8' corner, Approx<br>Platte Gap located 5/8' 1346' |
|  | Lot 1/4/8' corner, with<br>Platte Gap located 5/8' 1346'   |
|  | Point Not Set or Found                                     |
|  | Survey Marker (Station)                                    |
|  | Survey Marker                                              |
|  | Lot Number (Typical)                                       |
|  | PLS number Platte not Monitored                            |
- [[889]]

**Central District Health Department Certificate**

Sanitary regulations as required by Idaho Code, Title 50, Chapter 12 have not been followed and are in violation for the following items:

Items 1, 2, 3, 4, & 5 of Item 1

We agree shall correct any building, coding, or water table violations the supplying of water or sewage facilities for persons using such premises

Michael E. Ryan  
Central District Health Department  
ADA  
11/6/57/43  
Gris



J-U-B ENGINEERS, INC.

250 South Broadway Avenue, Suite 201, Dallas, TX 75202-9944  
 • 781 216 3330 / 100 373 9130 • [www.fish.com](http://www.fish.com)

# PLAT SHOWING M-3 Hanson Subdivision

PLAT BOOK 106 PAGE 14506

## Notes

- Any re-subdivision of this plat shall comply with the applicable zoning regulations in effect at the time of re-subdivision.
- Let 1 of Block 1 is designated as a Private Road which shall be owned and maintained by the M-3 Hanson Subdivision Homeowner's Association. The Association's responsibility for maintenance of the Private Road cannot be modified and the Homeowner's Association cannot be dissolved without the express consent of the City of Eagle.
- Direct lot access to N. Herley Road is prohibited.
- Uniform building setbacks shall be in accordance with plat and the City of Eagle Zoning Ordinance at the time of issuance of the building permit. All lot parties who build new must meet minimum setbacks as established by the City of Eagle Zoning Ordinance.
- Setback restrictions as required by Idaho Code, Title 24, Chapter 13 have not been satisfied and are in force for the following lots:  
Lots 1, 2, 3, 4, & 5 of Block 1  
Any owner shall construct any building, dwelling, or other which necessitates the clearing of land or storage facilities for persons using such premises and satisfy setback requirements as established and stated.
- This subdivision is subject to the requirements of the Uniform Building Code.
- The M-3 Hanson Subdivision Homeowner's Association, ownership and/or maintenance commitment may not be dissolved or assigned to others without the express consent of the City of Eagle.
- Individual lot owners will be required to maintain and develop drainage on lots.
- This development recognizes Section 22-4503 of the Idaho Code, Right to Farm Act, which states: "No agricultural operation, agricultural facility or operation thereof shall be or become a nuisance, whether or public, by any changed conditions in or about the surrounding area, provided that the operation or facility has been in existence for more than one year, when the operation, facility or operation was not a nuisance at the time it began or was completed. The provisions of this section shall not apply when a nuisance results from the improper or negligent operation of an agricultural operation, agricultural facility or operation thereof."

## Easement Notes

- Let 1 of Block 1 is hereby designated as having a Utility Easement and Access Easement co-extensive with said lot.
- All Utility Easements shown or designated herein are non-exclusive, perpetual, shall run with the land, are appurtenant to the lots shown, herein, and are hereby reserved for the installation, maintenance, operation, and use of public & private utilities, pressurized pipelines, sewer service, cable television/other telecommunications channels and all drainage.
- All Access Easements shown or designated herein are non-exclusive, perpetual, shall run with the land, are appurtenant to the lots shown herein, and are hereby reserved for ingress and egress for installation, maintenance, operation, and use of easements, driveways, walkways, and public accommodations thereby, non-exclusive vehicle access and all drainage.
- See referenced drawings 292503 and 292503 for the following Pipeline Easement depicted herein. Contact the Boise area office of the Clinton Pipe Line Company, as the successors or assigns, prior to any construction activity in the vicinity of the pipeline.
- See Record of Survey 8755 for Existing Canal Easement parameters supplied by Farmer's Urban Ditch Company.
- No easement created herein shall preclude the construction and maintenance of head-surfaced driveways, driveways, parking, alleys and other properly sited fences, or other such non-permitted improvements.
- All easements are granted (or conveyed) in the State (or area) that they are delineated from unless otherwise noted.

## Reference Documents

Surveys: R06's 802, 1780, 1301, 2355, 2632, 7060, 8188, & 8755  
 Deed: Warranty Deed 108128291, Undivided Deed 104030633, & Conveyance Declaration 107102443  
 Easements: Mutual Access Easement 108128293, & Pipeline Easements 292503 & 292503  
 CP&F's: Index V-18: 7955838, 8230654, 105030636, and 108035742  
 Index V-19: 8230653  
 Index V-17: 8224428, and 108035637.

| Curve Data |         |          |           |               |              |
|------------|---------|----------|-----------|---------------|--------------|
| Curve #    | Length  | Radius   | Delta     | Chord Bearing | Chord Length |
| C1         | 216.36' | 708.14'  | 20°11'33" | S82°00'26"W   | 742.84'      |
| C2         | 331.20' | 1058.73' | 10°42'32" | S74°30'45"W   | 348.69'      |
| C3         | 12.88'  | 41.30'   | 16°50'37" | S74°31'24"W   | 11.82'       |
| C4         | 257.30' | 1058.73' | 13°19'18" | S74°30'07"W   | 257.24'      |
| C5         | 13.22'  | 1066.73' | 5°04'16"  | S81°28'23"W   | 93.18'       |
| C6         | 10.53'  | 78.00'   | 69°20'58" | N56°44'58"W   | 85.48'       |
| C7         | 30.35'  | 85.00'   | 18°28'38" | S56°44'59"W   | 28.49'       |
| C8         | 37.59'  | 20.50'   | 78°23'41" | N58°12'53"W   | 26.35'       |
| C9         | 948.11' | 55.00'   | 25°27'17" | N30°48'07"E   | 85.21'       |
| C10        | 78.41'  | 50.00'   | 82°43'24" | N57°00'00"E   | 74.51'       |
| C11        | 25.63'  | 33.00'   | 37°00'20" | N07°48'31"E   | 21.83'       |
| C12        | 88.43'  | 56.00'   | 87°48'10" | N62°17'12"E   | 73.14'       |
| C13        | 52.83'  | 65.00'   | 51°59'42" | S47°24'31"E   | 50.65'       |
| C14        | 37.21'  | 112.82'  | 16°58'07" | N74°31'32"E   | 37.14'       |
| C15        | 297.20' | 185.41'  | 18°09'25" | N74°31'43"E   | 298.02'      |
| C16        | 311.50' | 838.83'  | 28°01'33" | N87°00'28"E   | 268.12'      |
| C17        | 30.89'  | 1086.73' | 1°40'41"  | N77°48'08"E   | 30.89'       |
| C18        | 62.77'  | 1058.73' | 3°22'35"  | N88°18'43"E   | 32.28'       |

| Line Substn |             |        |
|-------------|-------------|--------|
| Line #      | Direction   | Length |
| L1          | S3°08'15"E  | 83.30' |
| L2          | S51°55'01"E | 34.28' |



258 South Broadway, Suite 202, Boise, ID 83725-0564  
 P 208.378.7104 / F 208.373.1136 or email@jub.com

# PLAT SHOWING M-3 Hanson Subdivision

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## Certificate of Owners

I, the undersigned, being the owner of the land described in the foregoing plat, do hereby certify that the same is the property of the persons named in the plat, and that they intend to include said land property as described herein, in the plat.

A parcel of land situated in the northeast quarter of the northeast quarter of Section 34, Township 5 North, Range 1 West, Boone Meridian, City of Eagle, Ada County, Idaho, and being more particularly described as follows:

Commencing at the northeast corner of the northeast quarter of the northeast quarter of Section 34, Township 5 North, Range 1 West, Boone Meridian, the POINT OF BEGINNING;  
Thence S89°29'27"E, 740.62 feet along the north line of the northeast quarter of the northeast quarter;  
Thence S00°34'08"W, 790.07 feet;  
Thence S89°29'27"E, 364.16 feet to the east line of the northeast quarter of the northeast quarter;  
Thence S00°31'05"W, 108.00 feet along the east line of the northeast quarter of the northeast quarter;  
Thence S87°39'41"W, 226.10 feet;  
Thence 348.38 feet on a curve to the right having a radius of 708.14 feet, a central angle of 280°13', a chord bearing of S82°00'28"W, and a chord length of 312.84 feet;  
Thence S85°58'48"W, 68.34 feet;  
Thence S89°54'28"W, 81.67 feet;  
Thence 351.38 feet on a curve to the right having a radius of 1030.73 feet, a central angle of 180°32', a chord bearing of S74°31'32"W, and a chord length of 342.58 feet;  
Thence S89°01'01"W, 105.42 feet;  
Thence 13.68 feet on a curve to the left having a radius of 41.30 feet, a central angle of 18°58'57", a chord bearing of S74°31'32"W, and a chord length of 13.82 feet;  
Thence S60°02'04"W, 100.80 feet to the west line of the northeast quarter of the northeast quarter;  
Thence N00°12'27"E, 1316.03 feet along the west line of the northeast quarter of the northeast quarter to the POINT OF BEGINNING.  
The above-described parcel contains 24.23 acres, more or less.

The persons named above on this plat do not dedicate to the public. The easements shown on this plat are not dedicated to the public, however the right to use said easements is hereby reserved for the uses specifically dedicated on the plat, and for any other purposes designated herein, and no permanent easements, other than for such uses and purposes, are to be created under the laws of said easements. The easements shown on this plat will not be served by any water system common to the public.

In witness whereof, we have hereunto set our hands in this city of Eagle, Idaho, on the 12 day of August, 2019.

*Robert J. Hanson*  
Robert J. Hanson, Manager  
The M3 Corporation, LLC, Sole Member  
M3 Builders, LLC, Manager  
Project Holdings, LLC, Sole Member  
M3 Eagle, LLC

## Acknowledgment

State of Idaho }  
County of Blaine }  
On this 12 day of August, in the year 2019, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Hanson, known to me to be a Manager of the M3 Corporation, LLC, an Arizona limited liability company, sole member of M3 Builders, LLC, an Arizona limited liability company, manager of Project Holdings, LLC, an Arizona limited liability company, sole member of M3 Eagle, LLC, formerly M3 Builders, LLC, a Texas limited liability company that executed the above instrument and acknowledged to me that the M3 Corporation, LLC executed the same on behalf of M3 Builders, LLC, on behalf of Project Holdings, LLC, on behalf of M3 Eagle, LLC.

*Jan C. Baker*  
Notary Public for Idaho  
My commission expires 11/21/21

*Robert J. Hanson*  
Robert J. Hanson  
Chloe V. Hanson

## Acknowledgment

State of Idaho }  
County of Blaine }  
On this 12 day of August, in the year 2019, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Hanson and Chloe V. Hanson, known to me to be the persons whose names are subscribed to the above instrument acknowledged to me that they executed the same.

*Robert J. Hanson*  
Notary Public for Idaho  
My commission expires 8-28-2025

## Certificate of Surveyor

I, Michael S. Smith, do hereby certify that I am a Professional Land Surveyor, licensed by the State of Idaho, and that this plat of M-3 Hanson Subdivision, as described in the Certificate of Owners and as shown on the attached plat is correct and was surveyed in accordance with Idaho Code relating to plats and surveys.

*Michael S. Smith*  
Michael S. Smith, PLS 11334



J-U-B ENGINEERS, INC.  
750 South Broadway Avenue, Suite 201, Boise, ID 83725-0750  
P 208 375 7125 F 208 375 7126 or email jeb@jub.com

PLAT SHOWING  
M-3 Hanson Subdivision

PLAT BOOK 106 PAGE 14100

Irrigation Certificate

The land within this plat, north of the Farmore Union Canal is not within an Irrigation District as defined in Idaho Code 31-3001, and the requirements in Idaho Code 31-3001 are not applicable. The land encompassed by the Farmore Union Canal and South Westland, is within the Farmore Union State Canals Irrigation District and is compliant with the discharge requirements of Idaho Code 31-3001(2). Irrigation water has not been provided for by the canals, and Lata 2 and 7, Block 1 and is subject to easements by Farmore Union Canal Company.

Amo  
William L. Brundage, Manager  
The UCI Corporation, LLC, Sole Member  
143 Sullivan, LLC, Manager  
Project Holdings, LLC, Sole Member  
152 Eagle, LLC

Approval of Ada County Highway District

This platting was approved and approved by the Board of Ada County Highway District Commissioners on the 12th day of December, 2013.

Stalle  
Commissioner  
Ada County Highway District



Certificate of Eagle City Engineer

I, the undersigned, City Engineer, in and for the City of Eagle, Ada County, Idaho, do hereby certify that I have checked this final plat and that the Eagle City requirements regarding final plats have been met.

C. H. H. H.  
Eagle City Engineer Date

Approval of Eagle City Council

I, the undersigned, City Clerk in and for the City of Eagle, Ada County, Idaho, do hereby certify that at regular meeting of the City Council held on the 12th day of December, 2013, the plat was duly accepted and approved.

Tracy E. Oha  
Eagle City Clerk



Certificate of County Surveyor

I, the undersigned, County Surveyor for Ada County, Idaho, do hereby certify that I have checked the plat and find that it complies with the State of Idaho Code relating to plat and survey.

Gregory A. Heston  
Ada County Surveyor  
PLS 5359  
12-2-2013  
Date



Certificate of County Treasurer

I, the undersigned, County Treasurer in and for the County of Ada, State of Idaho, do hereby certify that I have checked the plat and find that it complies with the State of Idaho Code relating to plat and survey.

Vicky M. Heston  
Ada County Treasurer  
by Gregory A. Heston  
County Clerk  
12/2/2013  
Date



County Recorder's Certificate

State of Idaho) Instrument No. 12102173  
County of Ada)

I hereby certify that this instrument was filed at the request of J-U-B Engineers, Inc. at

35 minutes past 10 o'clock P.M.  
this 12th day of December, 2013, in my office, and was recorded in  
Book 108 of Plate of Pages 14297 14298 14299 & 14300  
p. 3210

Christina S. Blum  
County Recorder



J-U-B ENGINEERS, INC.

230 South Orchard Street, Suite 101, Boise, ID 83725-9999  
p 208 378 7314 / 208 378 7315 - www.jub.com

FILED EFFECTIVE



STATEMENT OF CHANGE OF  
REGISTERED AGENT,  
REGISTERED OFFICE,  
OR BOTH

(See reverse for instructions)

2017 JAN 17 AM 9:48

SECRETARY OF STATE  
STATE OF IDAHO

File #: W41435

The undersigned entity submits the following statement for the purpose of changing its registered agent, its registered office, or both, in the State of Idaho.

1. The name of the entity is:

M3 EAGLE L.L.C.

2. The name and street address of the old registered agent and office is:

INCORP SERVICES, INC.

1310 S VISTA AVE STE 27 BOISE, ID 83705

3. The name and street address of the new registered agent and office in Idaho is:

NATIONAL REGISTERED AGENTS, INC.

921 S. ORCHARD STREET, SUITE G, BOISE, ID 83705

(not a PO box or PMB)

I consent to serve as registered agent for the above-named entity.

Judy Culver  
(Signature of new registered agent)

JUDY CULVER, ASSISTANT SECRETARY TO  
NATIONAL REGISTERED AGENTS, INC.

1/11/2017  
(Date)

Date: 1-11-2017

Signature: SC Porath

Printed: STEVEN C. PORATH

Capacity: SVP OF MANAGER

NO FEE REQUIRED

## Hersley, Jean

---

**From:** Grimm, Angie  
**Sent:** Friday, February 03, 2017 2:17 PM  
**To:** Hersley, Jean  
**Subject:** RE: WSB Lease Applications for M3 Eagle 63-33249 and 63-33255

Jean,

No local area concerns come to mind from the regional perspective on this one. As always, thank you for the opportunity to comment.

Regards,  
Angie

---

**From:** Hersley, Jean  
**Sent:** Tuesday, January 31, 2017 1:47 PM  
**To:** Grimm, Angie <Angie.Grimm@idwr.idaho.gov>; Rex Barrie <waterdistrict63@qwestoffice.net>  
**Subject:** WSB Lease Applications for M3 Eagle 63-33249 and 63-33255

Attached are the review memo and draft contract. These rights and their parent rights have been in the Bank since 2007. Please let me know if you have any comments or concerns within 7 days. Thank you.

*Jean Hersley  
Idaho Dept Water Resources  
Technical Records Specialist II  
208-287-4942*



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](http://www.idwr.idaho.gov)

GARY SPACKMAN  
Director

C.L. "BUTCH" OTTER  
Governor

February 1, 2017

M3 EAGLE LLC  
1087 W RIVER ST STE 310  
BOISE ID 83702

### RE: APPLICATIONS TO LEASE WATER RIGHT 63-33249 and 63-33255 TO THE WATER SUPPLY BANK

#### \*\*\*\*TIME SENSITIVE RESPONSE REQUIRED\*\*\*\*

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two of each original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2021**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact this office at 287-4800.

Sincerely,

*for Jan Hershey*  
Water Supply Bank

Enclosure: Proposed Lease Contracts

c: Givens Pursley LLP

**Hersley, Jean**

---

**From:** Hersley, Jean  
**Sent:** Tuesday, January 31, 2017 1:49 PM  
**To:** 'Michael P. Lawrence'  
**Subject:** M3 Eagle WSB Lease Contracts  
**Attachments:** Report - Lease Contract - # 562 63-33249.docx; Report - Lease Contract - # 563 63-33255.docx; Lease Cover Letter-Proposed Contract-14 Days.docx

These contracts will go out in tomorrow's mail. Please let me know if you have any questions.

*Jean Hersley  
Idaho Dept Water Resources  
Technical Records Specialist II  
208-287-4942*

## Hersley, Jean

---

**From:** Hersley, Jean  
**Sent:** Tuesday, January 31, 2017 1:47 PM  
**To:** Grimm, Angie; 'Rex Barrie'  
**Subject:** WSB Lease Applications for M3 Eagle 63-33249 and 63-33255  
**Attachments:** Idled Acres 63-33249.pdf; Report - Lease Contract - # 562 63-33249.docx; Idled Acres 63-33255.pdf; Report - Lease Contract - # 563 63-33255.docx; Lease Application Review Checklist M3 EAGLE.xls

Attached are the review memo and draft contract. These rights and their parent rights have been in the Bank since 2007. Please let me know if you have any comments or concerns within 7 days. Thank you.

*Jean Hersley  
Idaho Dept Water Resources  
Technical Records Specialist II  
208-287-4942*

**WATER SUPPLY BANK**
**Agent Lease Review Checklist**
**Applicant(s) Name:** M 3 Eagle LLC

**Memo Date:** January 31, 2017

**Water Right Number(s):** 63-33249 and 63-33255

**Reviewers Name:** Jean

**Quick Tools**

| Decreed Year | No Forfeiture Concerns Thru: |
|--------------|------------------------------|
| 2010         | 2016                         |
| 2011         | 2017                         |
| 2012         | 2018                         |
| 2013         | 2019                         |
| 2014         | 2020                         |

|    | Check box                           |                                     | COMMENTS/CONCERNS:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----|-------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | <input checked="" type="checkbox"/> |                                     | Fill out WSB Data Entry Checklist for Leases                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2  |                                     |                                     | Reason for lease of water rights (Brief description of lease proposal in narrative)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|    |                                     |                                     | Portion of right                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|    | <input checked="" type="checkbox"/> |                                     | All of right                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 3  |                                     |                                     | Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Yes No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 4  | <input checked="" type="checkbox"/> |                                     | Rentable? If no explain in comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 5  |                                     |                                     | Authority to file                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|    | <input checked="" type="checkbox"/> |                                     | Current owner or designated applicant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|    | <input checked="" type="checkbox"/> |                                     | SOS Web site checked for business entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|    |                                     |                                     | Other (explain in comments) William Brownlee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 6  |                                     |                                     | Water Right validity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    |                                     |                                     | Decreed/Licensed/Statutory claim date (write in comments section)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|    |                                     |                                     | Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|    | <input checked="" type="checkbox"/> |                                     | Has this right previously been leased to the bank or in CREP?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 7  |                                     |                                     | Injury to other water rights                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|    |                                     | NA                                  | If the POD is through a delivery entity, was consent provided?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|    |                                     |                                     | If the POD is through a delivery entity, was holdback required? (percentage in comments) %                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 8  |                                     |                                     | Enlargement concerns                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | <input checked="" type="checkbox"/> |                                     | Complete a POU comparison overlap analysis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|    | <input checked="" type="checkbox"/> |                                     | Complete a combined limits review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|    | <input checked="" type="checkbox"/> |                                     | Complete POD overlap analysis (if there is an overlap add condition to lease)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Yes No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|    |                                     | <input checked="" type="checkbox"/> | Are there overlapping rights that need to be placed in the bank also?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|    | <input checked="" type="checkbox"/> |                                     | Will the place of use continue to receive water?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 9  |                                     |                                     | Local Public Interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|    |                                     | <input checked="" type="checkbox"/> | Does the processor know of any problems this action will cause for the local public?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 10 | <input checked="" type="checkbox"/> |                                     | Have you contacted regional office and watermaster for comment/concerns?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|    | <input checked="" type="checkbox"/> |                                     | Send the watermaster comment request form or e-mail request                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 11 |                                     |                                     | Area Headgate requirement 4.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 12 |                                     | <input checked="" type="checkbox"/> | Is water right involved in any other department action? Pull file and check database<br>( ) Ownership Change ( ) Transfer ( ) Mitigation ( ) Other - Explain in comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 13 |                                     |                                     | <b>Narrative:</b> The applicant wishes to place the entirety of both rights in the Bank. William Brownlee, manager, signed the applications. The parent of this right was decreed in 2007 and has been in the Bank since 2007. These rights haven't been used on these lands since they were decreed. Water Right 63-33256 is also diverted through the same POD. These rights overlap with water rights owned by Hidden Springs and Suez Water Idaho (United Water) and the land will continue to get water from Suez Water. Rental of these rights from the Bank may require additional review to confirm the availability of the surface water sources and the extent of beneficial use. These rights are currently within WD 63. |