

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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FEB 06 2017

Notice of Change in Water Right Ownership Department of Water Resources
Eastern Region

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

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
13-7922 <i>OK</i>	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Hobbs Brothers
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Twin Rivers Dairy, Inc.
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 326 Maple Creek Road Franklin Idaho 83237
Mailing address City State ZIP
- 208-406-6739 twin.rivers.transport@gmail.com
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: February 2, 2017
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☐ Filing fee (see instructions for further explanation):
 o \$25 per *undivided* water right.
 o \$100 per *split* water right.
 o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: Doug Ralston Manager 1-31-17
 Signature of new owner/claimant Title, if applicable Date

Signature: Sherrice Ralston 1/31/17
 Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by JB Date 2/13/2017 Receipt No. E042748 Receipt Amt. \$25.-
 Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐
 Name on W-9 _____ Approved by JB Processed by JB Date 2/15/2017



RACINE OLSON
ATTORNEYS

Thomas J. Budge
tjb@racinelaw.net

July 20, 2016

Doug Rallison
Twin Rivers Dairy, Inc.
326 Maple Creek Road
Franklin, Idaho 83237

Ken Hobbs
4087 Parkinson Road
Franklin, Idaho 83237

Robert Hobbs
4018 Parkinson Road
Franklin, Idaho 83237

Re: Closing of Water Right Transaction

Ken, Robert, and Doug,

Doug brought to my attention that you are now ready to close your water right transaction. To do this, Ken and Robert will need to sign the enclosed Warranty Deed and deliver it to Doug, at which time Doug must pay \$73,000 to Hobbs Brothers. Doug will then need to file the enclosed *Notice of Change of Water Right Ownership* with IDWR, along with a \$25.00 filing fee, to have the water right changed into the name of Twin Rivers Dairy, Inc.

The Water Right Purchase and Sale Agreement states that closing will occur at my office, which I am happy to accommodate. However, it is not necessary that we meet in person. If you are comfortable with it, you may close on your own by having the Hobbs provide the deed to Doug and Doug simultaneously paying the purchase price. Let me know which option you prefer.

Should you have any questions, please give me a call.

Sincerely,

T. J. BUDGE

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Department of Water Resources
Eastern Region

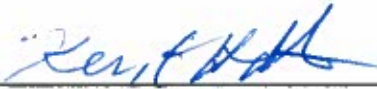
WARRANTY DEED FOR WATER RIGHTS

Ken D. Hobbs, whose address is 4087 Parkinson Road, Franklin, Idaho 83237 and **Robert J. Hobbs**, whose address is 4018 Parkinson Road, Franklin, Idaho 83237, doing business as **Hobbs Brothers** ("Grantor"), hereby sells and conveys unto **Twin Rivers Dairy, Inc.**, whose principal address is 326 Maple Creek Road, Franklin, Idaho 83237 ("Grantee"), all of Grantor's right, title and interest to Idaho water right number 13-7922 (the "Water Right"), identified in Exhibit A attached hereto.

Grantor hereby covenants and warrants to Grantee that: (a) Grantor is the owner in fee simple of the Water Right; (b) Grantor has not conveyed any part of the Water Right to anyone other than Grantee; (c) the Water Right is free from all liens, claims, or encumbrances; (d) Grantor has the authority to convey the Water Right to Grantee; and (e) Grantor has disclosed to Grantee in good faith all relevant information known to Grantor bearing on the validity and extent of the Water Right. Grantor makes no other covenants or warranties as to the Water Right.

DATED this Feb day of 2, 2016.

Hobbs Brothers

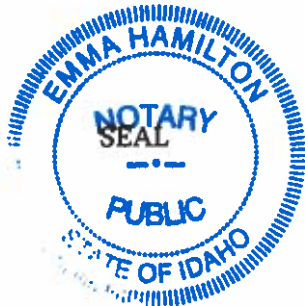
By: 
Ken D. Hobbs

By: 
Robert J. Hobbs

ACKNOWLEDGMENT

STATE OF IDAHO)
 : ss.
COUNTY OF FRANKLIN)

On this 2 day of February, 2016, before me, the undersigned notary public in and for said county and state, personally appeared **Ken D. Hobbs** and **Robert J. Hobbs**, known or proved to me by satisfactory evidence to be doing business as Hobbs Brothers, and the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same on behalf of Hobbs Brothers and that Hobbs Brothers executed the same on behalf of said partnership.



Emma Hamilton
Notary Public for Idaho
Commission expires July 29 2022

EXHIBIT A

WATER RIGHT NO. 13-7922

As Modified by Transfer No. 79518

In accordance with the approval of Transfer No. 79518, Water Right No. 13-7922 is now described as follows:

Right Holder: HOBBS BROTHERS

FRANKLIN, ID 83237

Priority Date: 9/22/1961

Source: GROUND WATER

BENEFICIAL USE

COMMERCIAL

From
1/1/11

To
12/31

Diversion Rate

0.240 cfs

0.240 cfs

Diversion Volume

49.4 af

49.4 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NESW

Sec 16 Twp 16S Rge 40E FRANKLIN County

PLACE OF USE: COMMERCIAL

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
16S	40E	16																	0.0

CONDITIONS OF APPROVAL

1. The approval of this transfer redefines all of the elements of this water right, and the new use of water authorized by this approval shall constitute the full extent of the right.
2. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
3. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
4. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.

Transfer No. 79518

Close

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

7/20/2016

WATER RIGHT NO. 13-7922

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	HOBBS BROTHERS FRANKLIN, ID 83237

Priority Date: 09/22/1961
Basis: License
Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
COMMERCIAL	1 / 1	12/31	0.24 CFS	49.4 AFA
Total Diversion			0.24 CFS	

Location of Point(s) of Diversion:

GROUND WATER|NESW|Sec. 16|Township 16S|Range 40E|FRANKLIN County

Licensed Diversion Capacity: 1.27

Place(s) of use:

Place of Use Legal Description: COMMERCIAL FRANKLIN County

<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>
16S	40E	16		NESW			NWSW			SWSW			SESW	

Conditions of Approval:

1. 205 The approval of this transfer redefines all of the elements of this water right, and the new use of water authorized by this approval shall constitute the full extent of the right.
2. 01M After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
3. T07 The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
4. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.

Dates:

Licensed Date: 04/04/1978

Decreed Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date:

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal:

Owner Name Connector:

Water District Number:

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False