

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
OCT 31 2016
DEPT OF WATER RESOURCES
SOUTHERN REGION

Notice of Change in Water Right Ownership

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

Water Right/Claim No.	Split?	Lensed to Water Supply Bank?	Water Right/Claim No.	Split?	Lensed to Water Supply Bank?
37-23006	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: Jack W Flammer Jr.
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Lawson Family Living Trust
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 105 Lower Broadford Rd Bellevue ID 83313
Mailing address City State ZIP
- 208 720 2768 east@lawsonkshie.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: 10/7/16
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
 ☐ \$25 per *undivided* water right.
 ☐ \$100 per *split* water right.
 ☐ No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: Julie C. Lawson, trustee Trustee 10-27-16
Signature of new owner/claimant Title, if applicable Date

Signature: Julie C. Lawson Trustee 10-27-16
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by DM Date 10-31-2016 Receipt No. SD35789 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 _____ Processed by _____ Date _____

Recording Requested By And When Recorded
Return To:

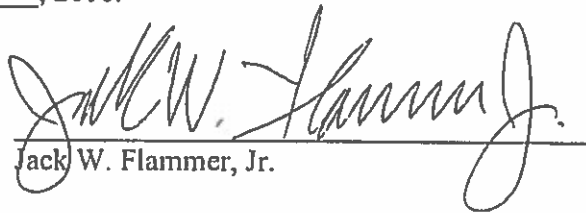
Edward A. Lawson
105 Lower Broadford Road
Bellevue, Idaho 83333

(Space Above Line For Recorder's Use)

WATER RIGHTS GRANT DEED AND ASSIGNMENT

FOR VALUE RECEIVED, JACK W. FLAMMER, Jr., ("Grantor"), whose address is Post Office Box 3923, Hailey, Idaho 83333 does hereby grant, bargain, sell, and convey unto EDWARD A. LAWSON AND JULIE C. LAWSON, co-trustees of the LAWSON FAMILY LIVING TRUST, under agreement dated November 29, 2011, whose address is 105 Lower Broadford Road, Bellevue, Idaho 83333 ("Grantee") and to Grantee's heirs, successors and assigns forever, all of Grantor's right, title and interest in and to the following water rights, to wit: 37-23006 (formerly a portion of Water Right No. 37-159D).

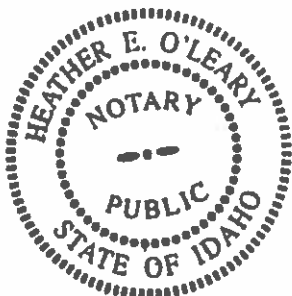
IN WITNESS WHEREOF, the undersigned has caused his name to be hereunto subscribed this 3rd day of Nov., 2016.

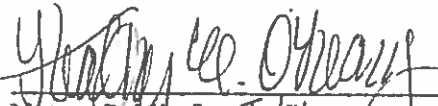


Jack W. Flammer, Jr.

State of Idaho)
) ss.
County of Blaine)

On November 3rd, 2016, before me, a Notary Public in and for said State, personally appeared JACK W. FLAMMER, JR., known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.





Notary Public for Idaho
Residing at 1330 Hwy 75, Ketchum, ID
My Commission expires 11-4-20

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT is made and entered into as of April 6, 2016, by and between Jack Flamner, an individual ("Seller"), and Edward A. Lawson, as trustee of the Lawson Family Living Trust, under agreement dated November 29, 2011 ("Buyer").

RECITALS:

WHEREAS, the Seller owns Water Rights for irrigation of 5 acres appurtenant to Seller's real property commonly known as 113 Magic Mountain, Blaine County, Idaho identified by the Idaho Department of Water Resources ("IDWR") as Water Right Number: 37-159D, and more particularly described on Exhibit "A" to this Agreement ("Water Rights"); and

WHEREAS, the Buyer desires to purchase a portion of the Water Rights from the Seller in accordance with the terms herein below set forth;

NOW, THEREFORE, inconsideration of the mutual covenants, promises and conditions set forth herein, it is agreed as follows:

1. Purchase and Sale of Water Right.

Seller agrees to sell and convey, and the Buyer agrees to purchase 2 acres of the Water Right ("Conveyed Water Rights") to be transferred to Buyer's commonly known as 105 Lower Broadford Road, Blaine County, Idaho ("Buyer's Property").

2. Purchase Price/Closing Date/Contingency.

A. The purchase price shall be _____ per acre for a total purchase price of _____. Any amount of conveyance loss to be left in the original conveyance system for the Conveyed Water Rights shall be absorbed by Buyer. The purchase price shall be paid at closing which shall occur five (5) days from the date of the entry of the final order of IDWR approving the transfer on conditions acceptable to Buyer ("Final Order") and such Final Order having become non-appealable.

B. The issuance of the Final Order is a condition to Buyer's and Seller's obligations under this Agreement.

C. Neither Seller nor Buyer has used a broker with respect to this transaction and each agree to indemnify and holds the other party harmless from any and all claims for a commission arising from third parties claiming to represent them in connection with this sale.

3. Warranties and Disclaimer.

The Buyer acknowledges and agrees that they have been informed and understand that the Seller makes no warranties, express or implied, with respect to the Conveyed Water Rights.

4. Title

Title to the Conveyed Water shall be conveyed by Seller executing a Quitclaim Deed conveying all of Seller's rights, titles, estates and interest in the Conveyed Water to Buyer, free

and clear of all liens and encumbrances, once the Final Order has been entered and become non-appealable.

Buyer shall be responsible to pay for all fees and costs of the transfer, whether or not the transfer is approved by IDWR. Seller and Buyer shall jointly file the application for IDWR approval of the transfer. As the current owner of the Conveyed Water Right, Seller agrees to cooperate in the IDWR approval process by signing any and all necessary documents to facilitate the transfer, and Seller agrees to support the transfer before IDWR or any other applicable governmental entity or political subdivision.

5. Miscellaneous Provisions.

The representations, warranties, covenants and agreements of the parties contained in this Agreement shall survive the closing hereunder. This Agreement is being executed and delivered within the State of Idaho and shall be construed and enforced in all respects in accordance with the laws of the State of Idaho. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, administrators, successors and assigns of the parties hereto.

The parties agree that the terms, covenants and conditions of this Agreement shall supersede all such prior negotiations and agreements, and that there are no other agreements not contained in this Agreement, and that this Agreement shall be and is the final expression of the agreement of the parties and shall control. No modification of this Agreement shall be valid unless in writing and executed by the parties to the Agreement. In the event any provision of this Agreement or any part hereof shall be determined by any Court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions hereunder, or parts thereof, shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby, it being agreed that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the invalid, void or unenforceable provision or part thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

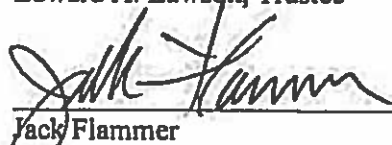
BUYER:

The Lawson Family Living Trust dated November
29, 2011



Edward A. Lawson, Trustee

SELLER:



Jack Flammer



Irrigation Water Right 37-159D; Review of Sale Portion

To: Interested Brockway Engineering Clients
From: Zach Latham
Cc:
Date: August 31st 2015
Re: Irrigation Water Right 37-159D; Review of Sale Portion

The owner of irrigation water right 37-159D, Mr. Flammer, is a client of Brockway Engineering. Mr. Flammer has notified our office that 2.6 acres of his irrigation water right 37-159D are for sale. This memo summarizes the water right as it currently exists, the portion for sale, a historic water right cut-off analysis for this water right's priority date and baseline scenarios for potential future transfers of this portion of 37-159D to different locations up and down the Wood River Valley.

Irrigation water right 37-159D has a priority date of July 30th 1888 and is authorized to irrigate five acres from April 15th through October 31st annually using 0.10 cubic feet per second (48.8 gallons per minute) from the East Fork of the Big Wood River at the mouth of the East Fork Canyon in T.03N R.18E Section 8 B.M. Brockway Engineering is in the process of changing the place of use for the water right to describe the actual property owned by Mr. Flammer as a portion of the water right was decreed in the Snake River Basin Adjudication on BLM land. In order for the correction in the place of use to occur, the portion of the water right on BLM land must be moved to a different location; hence the need to sell a portion of the right.

The portion of water right 37-159D for sale is described as 52% of the water right which constitutes 2.6 acres, 0.052 cfs (23.3 gpm) and 7.8 acre-feet annually. This portion for sale authorizes a flow rate of 0.02 cfs or one miner's inch per acre or 9 gpm per acre, and a diversion volume limit of 3.0 acre-feet per acre. The flow rate and diversion volume are adequate to grow most crops (including turf) in the Wood River Valley.

When analyzing historic water right cut-off data for the Wood River Valley from 1948 through 2010, a water right administered from the Big Wood River with a priority date of 7/30/1888 has been cut (required to cease diversion by the Water District 37 Watermaster in order to fulfill senior water right holder's water rights) fifty-six times, or 89% over the period of record. This indicates that the average annual cut-off date for water right 37-159D is July 30th for this period of record. In 2015, the priority date associated with the Flammer water right was cut on June 29th, meaning this water right was out of priority and not divertible after that time. Future water calls and conjunctive management of ground water rights alongside surface water rights may or may not prolong the date when this water right is cut due to downstream senior water right holders' water calls.

EXHIBIT A

The location associated with a potential future transfer of this portion of 37-159D will determine how the water right move (transfer) is conditioned and whether or not third party protests may be involved. If the water right is to be moved downstream on East Fork or downstream within the Big Wood River, it is likely that it will not be affected by any minimum in-stream flow water rights held by the Idaho Water Resource Board. Additionally, injury to other water right holders is not likely to occur because the water historically diverted in East Fork will flow down the Big Wood River to be diverted at a new location. Under this scenario, there will be more water in the river in the reach between East Fork and the potential new point of diversion downstream than was historically present when the water was diverted from the East Fork of the Big Wood River.

If the water right is to be moved and diverted upstream from the East Fork or upstream from the Big Wood River, it is likely that the move will be subject to any minimum in-stream flow water rights held by the Idaho Water Resource Board. When the flow in the Big Wood River drops below 189 cfs at the USGS Hailey Gauge (flow associated with the minimum stream flow in the river Hailey reach between the confluence of Warm Springs Creek and the Big Wood River in Ketchum and the District 45 Canal diversion in Bellevue), 37-159D would likely be non-divertible at the new upstream location because the upstream move and subsequent diversion would be impacting the in-stream flow water right. When compared to historic flows, the flow in the Big Wood River under this scenario would have less water in it between the confluence of the Big Wood River and the East Fork of the river, and a new point of diversion upstream.

This preface is based on conditions associated with recent pending water right permits, and water right transfer applications. The median flow in the Big Wood River has historically dropped below 189 cfs when a water right with an early May of 1884 priority date would be cut. Subordination to a minimum in-stream flow water right as a result of an upstream transfer within in the Hailey reach would not likely impact 37-159D because it has historically been off by priority and non-divertible at the time when the river drops below 189 cfs at the USGS Hailey Gauge.

Additionally, injury to other water right holders may occur as a result of an upstream move because there will be less water in the river in the reach between East Fork and the potential new diversion upstream than was historically present, which could impact the amount of water diverted and or the duration of time which other valid water rights can be diverted in that reach of the Big Wood River.



State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region • 650 Addison Ave W, Suite 500 • Twin Falls, Idaho 83301-5858

Phone: (208) 736-3033 • Fax: (208) 736-3037 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

November 3, 2016

LAWSON FAMILY LIVING TRUST
105 LOWER BROADFORD RD
BELLEVUE ID 83313

RE: Change of Ownership for Water Right Nos. 37-23006

Dear Water Right Holder(s):

The department acknowledges receipt of correspondence changing ownership of the above referenced water right(s). The department has modified its records to reflect the change in ownership and has enclosed computer-generated reports for your records.

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

Also, please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.idaho.gov.

Please feel free to contact this office if you have any questions regarding this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Trish Fawcett'.

Trish Fawcett
Technical Records Specialist

Enclosure(s)

RECEIVED

OCT 31 2016

DEPT OF WATER RESOURCES
SOUTHERN REGION

LAWSON LASKI CLARK & POGUE, PLLC
ATTORNEYS AT LAW

Edward A. Lawson
eal@lawsonlaski.com

675 SUN VALLEY ROAD, SUITE A
POST OFFICE BOX 3310
KETCHUM, IDAHO 83340
TELEPHONE: 208-725-0055
FACSIMILE: 208-725-0076
WWW.LAWSONLASKI.COM

October 27, 2016

IDWR Southern Region
650 Addison Ave W., Ste 500
Twin Falls, Idaho 83301-5858

Re: Notice of Change In Water Right Ownership - Claim No 37-23006
Our File No. 31098

Dear Sirs/Mesdames:

Enclosed please find a fully executed original Notice of Change In Water Right Ownership together with a copy of the Agreement For Purchase And Sale of Water Right and a check payable to you in the amount of \$25.00 as and for your filing fee.

Please contact me if you have any questions or require additional documentation.

Sincerely,

LAWSON LASKI CLARK & POGUE, PLLC



Edward A. Lawson