

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

AUG 18 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?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
36-16878	Yes ☐	Yes ☐		Yes ☐	Yes ☐
36-16879	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: _____

Name of current water right holder/claimant

3. New Owner(s)/Claimant(s):

Blaine E Miller & Carolanne Miller

New owner(s) as listed on the conveyance document

Name connector ☐ and ☐ or ☐ and/or

366 S. 1700 E.

Jerome

ID

83338

Mailing address

City

State

ZIP

208-358-0045

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: _____

6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).

7. This form must be signed and submitted with the following **REQUIRED** items:

- ☐ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☐ Filing fee (see instructions for further explanation):
 o \$25 per *undivided* water right.
 o \$100 per *split* water right.
 o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

SUPPORT DATA

IN FILE # 36-16878

8. Signature: _____

Signature of new owner/claimant

Title, if applicable

Date

Signature: _____

Signature of new owner/claimant

Title, if applicable

Date

For IDWR Office Use Only:

Received by DM

Date

8-18-2016

Receipt No.

5035680

Receipt Amt.

\$50 -

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

SPECIAL WATER RIGHTS DEED

Idaho Water Company LLC("Grantor") of 1135 Valley Rd So, Eden, Idaho 83325 does hereby grant, bargain, sell, assign, and convey unto Blaine E Miller and Carolanne Miller of 366 S 1700 E Jerome, Id. 83338(Grantee) and to Grantee's heirs and assigns forever, all of Grantors' right, title, and interest in Water Right Nos. 36-16878 and 36-16879 (the "Water Rights").

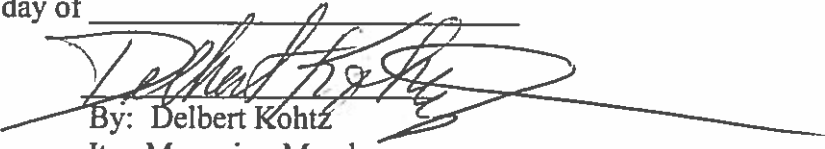
Grantor covenants and warrants to Grantee as follows:

- A. Grantor is the owner of the Water Rights;
- B. Grantor has not conveyed the Water Rights to anyone other than Grantee;
- C. The Water Rights are being conveyed free from all liens, claims or encumbrances; and
- D. Grantor has the authority to convey the Water Rights to Grantee.

Grantor makes no other covenants, representations or warranties as to the Water Rights.

No land is included in or conveyed by this grant.

IN WITNESS WHEREOF, the undersigned Grantor has caused its name to be hereunto subscribed this ____ day of _____


By: Delbert Kohtz
Its: Managing Member

[acknowledgement on next page]

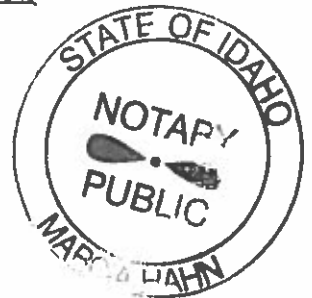
STATE OF IDAHO)
) ss.
County of Twin Falls)

On this 10th day of August, 2016, before me, a Notary Public for said County and State, personally appeared, Delbert Kohtz known or identified to me, to be one of the manager of the limited liability company of Idaho Water Company LLC, and the manager or one of the managers who subscribed said limited liability company name to the foregoing instrument, and acknowledged to me that he executed the same in said limited liability company name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Marcia Hahn
NOTARY PUBLIC FOR IDAHO
Residing at: Twin Falls

My commission expires: 01-22-2022



AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTS

THIS AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTS

("Agreement") is made and entered into this 3rd day of February, 2015 ("Effective Date"), by and between Idaho Water Company LLC, an Idaho limited liability company, whose address is 1135 Valley Road, So. Eden, Idaho 83325 (hereinafter "Seller") and Miller Ag LLC of 364 S. 1700 E. Terrell, Id. 83338 (hereinafter "Buyer"). Del Kohtz is a principal of Seller and hereby discloses that he is a licensed real estate agent acting herein as principal for his own account and not representing or acting as an agent for Buyer.

RECITALS

- A. Seller owns portions of certain decreed water rights originally designated as Water Right Nos. 36-16879 and 36-16878 in the records of the Idaho Department of Water Resources ("Department") authorizing diversion of ground water for irrigation.
- C. Buyer wishes to purchase the water rights owned by Seller and to change the point of diversion and place of use thereof to Buyer's property for irrigation purposes ("Transfer").
- D. Seller and Buyer acknowledge that the Transfer will require formal application to, and approval by, the Department.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals, the sums to be paid by Buyer to Seller, and the covenants and conditions set forth below, the parties hereby agree as follows:

1. Water Rights Subject to Purchase and Sale. Seller agrees to sell and Buyer agrees to purchase up to 4.2 acre-feet of ground water authorized for diversion under Water Right No. 36-16878 appurtenant to 1.1 acres and 11.8 acre-feet of ground water authorized for diversion under Water Right No. 36-16879 appurtenant to 2.9 acres, and totaling 16 acre-feet and hereinafter referred to as the "Water Rights," to be transferred to Buyer's purpose and place of use.

2. Purchase and Sale. Seller, in consideration of the terms contained herein, agrees to sell and convey to Buyer and Buyer does hereby agree to buy from Seller the Water Rights.

3. Purchase Price. The purchase price for the Water Rights is Sixteen Thousand Dollars (\$16,000.00) ("Purchase Price"), which is based on a unit value of One Thousand(\$1000.00) per each acre-foot of authorized annual volume of water to be conveyed to Buyer. The Purchase Price shall be payable as follows:

a. Down Payment: Upon execution of this Agreement by Seller and Buyer, Buyer shall deliver to Seller the sum of Ten Thousand Dollars (\$8,000.00)

b. Balance of Purchase Price. The balance of the Purchase Price being Eight Thousand Dollars (\$8,000.00) ("Purchase Price Balance"), shall be due and payable to Seller at Closing as provided herein.

2. Buyer shall have the right to transfer the Water Rights as irrigation water rights or commercial or stockwater rights but the Purchase Price will be based on the amount of acre feet of water in the original water rights, namely 36-16878 and 36-16879.

3. Pre-Closing Obligations. Seller and Buyer agree to cooperate in obtaining Department approval of the Transfer. Within thirty (30) days following the Effective Date of this Agreement, Seller shall file with the Department an application to transfer the Water Rights in Seller's name using Buyer's place of use and point of diversion; provided however, that Seller

shall be responsible for the costs to prepare, file and prosecute the Transfer application with the Department, including all consultant fees for preparation of the Transfer application, calculation of mitigation, and Buyer's attorney fees in the case of protests and hearings on the Transfer. Buyer and Seller shall use best efforts to obtain timely Transfer approval. Buyer authorizes Seller to make needed changes to the Transfer application to facilitate the process of transferring the water provided such changes made will not materially change the amount of money Buyer has to pay, or the amount of water Buyer receives.

4. Conditions Precedent. The purchase of the Water Rights is expressly subject to and conditioned upon Department approval of the Transfer. If the Department does not approve the Transfer for the reasons that the Water Rights are abandoned or forfeited in whole or in part, or have not been fully beneficially used, Buyer agrees that Seller may have thirty days after the Department's determination in which to identify other water rights of equal or earlier priority and equal source to substitute for the Water Rights and to refile a Transfer application with the Department.

5. Termination: If the foregoing conditions precedent are neither satisfied nor waived by Buyer, or in the event of any default by Seller, and provided Buyer is not in default hereunder, Buyer may terminate this Agreement by giving written notice of termination to Seller, and Buyer shall be entitled to return of the Earnest Money.

6. Closing. Closing shall occur within thirty (30) days following Department approval of the Transfer. Possession and use of the Water Right passes to Buyer on Closing. At Closing, Buyer shall deliver the Purchase Price Balance to Seller, less any permitted adjustments, and Seller shall provide Buyer with a fully-executed Special Warranty Deed substantially in the form attached hereto as Exhibit A conveying the Water Rights to Seller.

7. Attorney Fees. In the event of any suit or proceeding by either party against the other party, in any way arising out of this Agreement, the prevailing party shall be awarded their reasonable attorney fees and costs.

8. Binding. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, representatives, successors and assigns.

9. Authority. Each party represents and warrants to the other that they have full power and authority to enter into this Agreement.

10. As-Is. Except as to the warranties contained in the Special Warranty Deed to be delivered by Seller at Closing, Seller has not made and does not hereby make, any representations, warranties or guaranty of any kind concerning the Water Rights or their fitness for Buyer's intended purposes, or any purpose. Buyer acknowledges that Buyer is relying solely on its own investigation of the Water Right.

11. Mitigation. Seller has no control over the amount of mitigation or "write-down" the Department may require in approving Buyer's particular Transfer, and therefore, the Purchase Price Buyer pays is based on the amount of water transferred out of the original Water Right. Buyer understands that all mitigation rights provided by Seller and all reach credits that may be accrued by this transfer shall remain the property of Seller.

12. Entire Agreement. This Agreement contains the entire agreement between the parties related to the purchase and sale of the Water Rights, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.

13. Modification. No modification of this Agreement shall be valid unless the same is in writing and signed by both parties.

14. Essence of Time. Time is of the essence to this Agreement.

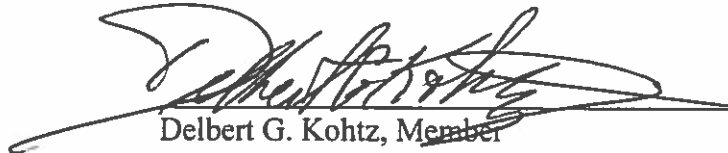
15. Notices. All notices to be given to the parties shall be in writing, delivered in hand, or by U.S. Mail, postage pre-paid directed to such parties address as contained herein unless such party shall have directed in writing that notice be sent to a different address.

16. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF the parties have caused their names to be subscribed on the dates set forth above.

SELLER:

Idaho Water Company LLC,
an Idaho limited liability company


Delbert G. Kohtz, Member

BUYER:

Miller Ag LLC

by 
managing member



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

August 18, 2016

BLAINE MILLER
CAROLANNE MILLER
366 S 1700 E
JEROME ID 83338

RE: Change of Ownership for Water Right Nos. 36-16878 and 36-16879

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, reading 'Trish Fawcett'.

Trish Fawcett
Technical Records Specialist

Enclosure(s)