



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

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

May 24, 2016

NIXON INC
PO BOX 1560
COEUR D'ALENE ID 83816

RE: Notice of Change in Water Right Ownership Water Right No. 98-2136

Dear Interested Party:

On March 10, 2016, the Department of Water Resources received a request for a change of ownership for water right 98-2136. A letter requesting a document conveying the property to Nixon, Inc. was sent on March 18, 2016. On April 6, 2016, I received a phone call and email from Shirley Nixon on behalf of Robert J Nixon, contesting the change in ownership.

Because this ownership change is being contested, the Department is returning your request and refunding your filing fee. Your filing fee will be sent to your under separate cover from the Idaho State Controller's Officer within 10 days. Disputes over ownership of water right can only be resolved by a court.

If you have any questions regarding this letter, please contact me at 208-287-4942.

Sincerely,

A handwritten signature in cursive script that reads "Jean Hersley".

Jean Hersley
Technical Records Specialist II

Enclosure

c: Robert J and Shirley Nixon

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

MAR 10 2016

DEPARTMENT OF
WATER RESOURCES

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?
98-2136	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: W. J. NIXON
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): NIXON, INC.
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- P.O. Box 1560 COEUR D'ALENE ID 83816
Mailing address City State ZIP
- 208 667-4655 backdeske postfallcomputer.com
Telephone Email (JUDY NIXON)
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 6, 1957
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: R. Lee Nixon PRESIDENT
Signature of new owner/claimant Title, if applicable Date MARCH 5, 2016
- Signature: Judy Nixon 03102116
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by [Signature] Date 3/10/16 Receipt No. C101621 Receipt Amt. \$25.00

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 _____

2/29/2016
RECEIVED

MAR 10 2016

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	W J NIXON 5720 LEONORA APACHE WELLS MESA, AZ

Status: Active

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION STORAGE	/	/	0.800 CFS	240.0 AF
IRRIGATION FROM STORAGE	/	/		240.0 AF
	Total Diversion		0.800 CFS	240.0 AF

FLEMING CREEK	NENE	Sec. 2, Twp 62N, Rge 01E,	BOUNDARY County
FLEMING CREEK	NWNW	Sec. 31, Twp 63N, Rge 02E,	BOUNDARY County

[illegible]

IRRIGATION FROM STORAGE Same as IRRIGATION STORAGE

1.	mciscell	6/10/2013	POD
Bulk Generate Shape From PLS			

Mitigation Plan: False

N/A

Verification Log

State of Idaho License and Certificate of Water Right

Water License No. R-859 240 ac-ft.
Amount .8 c.f.s.
Water District No. Priority September 15, 1950

THIS IS TO CERTIFY that W. J. NIXON
of Bonnors Ferry, Idaho, made application for a permit to appropriate the
public waters of the State of Idaho, dated September 15, 19 50; that Permit No. R-859
was issued under said application; that Certificate of Completion of works, with a carrying capacity of
240 ac-ft.
& .8 second feet, was issued thereunder on February 6, 19 57, showing that said works
were completed on the 25th day of August, 19 55; and that on the 17th
day of October, 19 55, W. J. NIXON

of Bonnors Ferry, State of Idaho, made proof to the satisfaction of the
State Reclamation Engineer of Idaho, of the right to use the waters of a reservoir and
Fleming Creek, a tributary of Kootenai River, for the purpose of Irrigation
 , under Use Permit No. R-859 of the Department of Reclamation
and that said right to the use of said waters has been perfected in accordance with the laws of Idaho,
and is hereby confirmed by the State Reclamation Engineer of Idaho and entered of record in Volume
10 of Licenses at page 5908, on the 6th day of February, 19 57;
The right hereby confirmed dates from September 15, 19 50;

The Point of Diversion is located
NW 1/4 31 63 N. 2 E.
in the NE 1/4 NE 1/4, Sec. 2, Tp. 62 N. R. 1 E., B. M. County Boundary
That the amount of water to which such right is entitled and hereby confirmed, for the purposes
aforesaid, is limited to an amount actually needed and beneficially used for said purposes, and shall
not exceed .8 ^{240 ac-ft.} cubic feet per second.

Description and location of use:

Twp.	Range	Sec.	Forty-acre Tract	No. Acres Described in Permit	No. Acres Actually Irrigated
62N.	1 E.	2	NE $\frac{1}{4}$ NE $\frac{1}{4}$	40	30
			NW $\frac{1}{4}$ NE $\frac{1}{4}$	40	35
			SW $\frac{1}{4}$ NE $\frac{1}{4}$	40	20
			SE $\frac{1}{4}$ NE $\frac{1}{4}$	40	30
			Total number of acres to be irrigated - - -		115

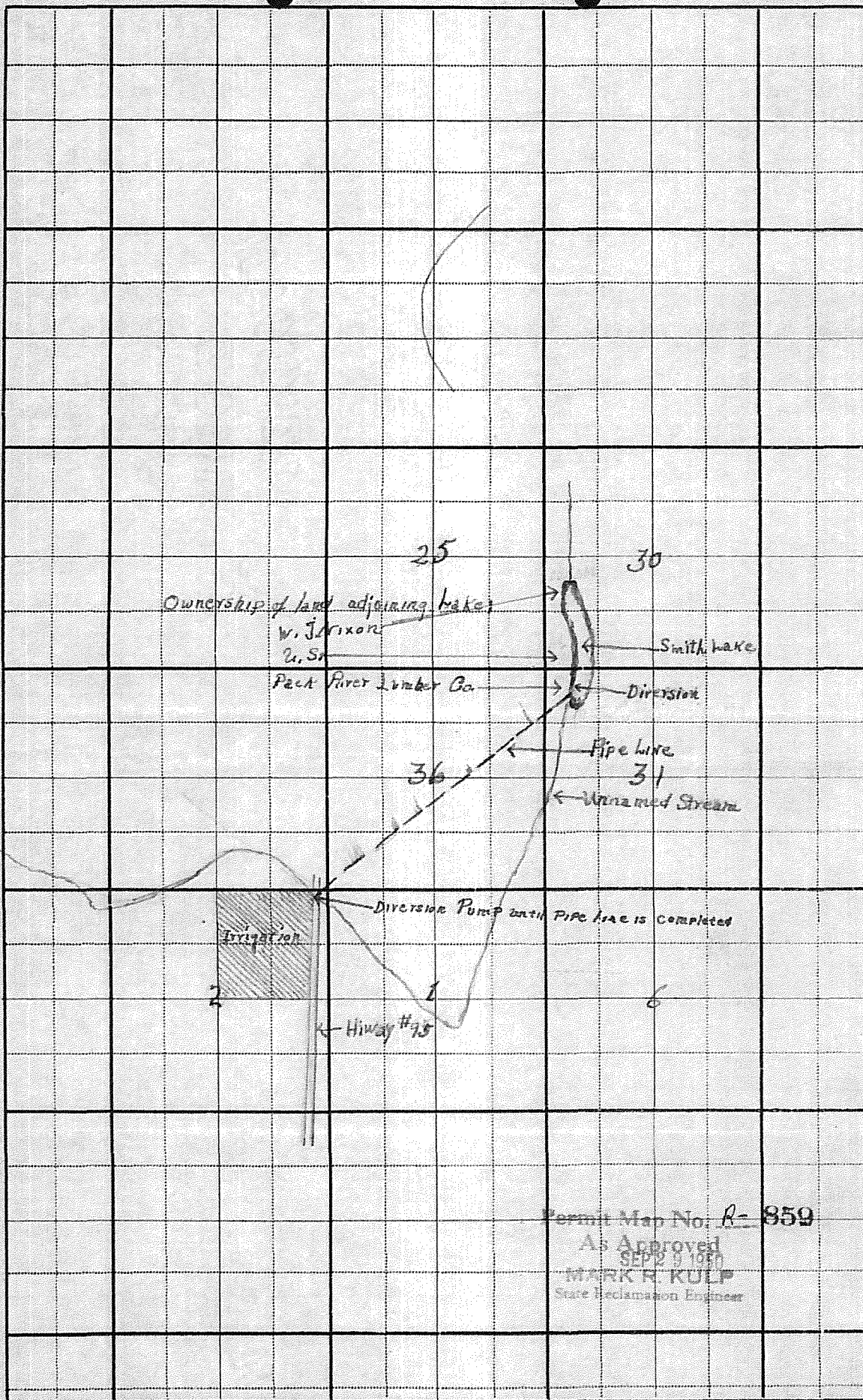
The right to the use of the water aforesaid hereby confirmed is restricted to the lands or place
of use herein described, as provided by the laws of Idaho.

WITNESS the seal and signature of the State Reclamation Engineer, affixed at Boise, Idaho, this

6th day of February, 19 57.

/s/ Mark R. Kulp
State Reclamation Engineer.

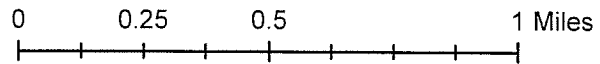
(SEAL)



SCALE: 2 INCHES EQUAL 1 MILE. DRAW PLAN IN INK.

R-859

State of Idaho
Department of Water Resources
Water Right License
98-2136



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections



ORIGINAL

PARTIAL RELEASE OF MORTGAGE

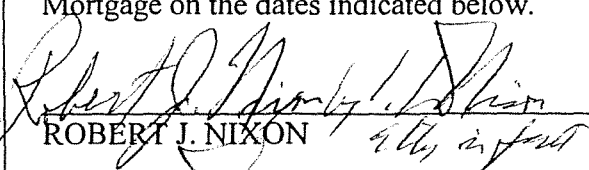
The undersigned, ROBERT J. NIXON and SHIRLEY NIXON, husband and wife, of Seattle, Washington; W.W. NIXON and JUDY NIXON, husband and wife, of Coeur d'Alene, Idaho; and R.L. NIXON and PATRICIA NIXON, husband and wife, of Billings, Montana (together called "Nixons"), as owners and holders of the mortgage dated July 7, 2005, executed by JOHN J. MARSHALL, Mortgagor, to Nixons, Mortgagees, and recorded July 8, 2005 as Instrument No. 221396, records of Boundary County, Idaho, hereby certify that such mortgage, to that portion of the mortgaged premises described as follows:

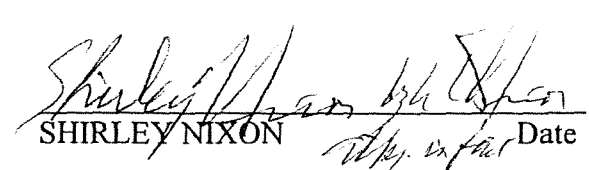
See Exhibits A and B attached hereto and incorporated herein.

is fully paid, satisfied, released and discharged. This release is given on the express condition that it shall in no way affect the lien of the above-dated mortgage on the remaining property described in the mortgage, but only shall be construed as a release from the lien of the mortgage as to the above-described property.

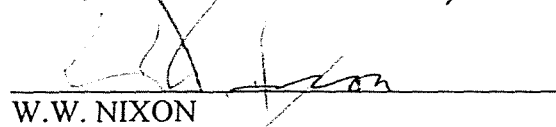
Nixons further note that when Mortgagor took title to the above-described real property, Nixons, as sellers, specifically reserved the water rights from Smith Lake and the downstream manmade lake, commonly known as Deer Lake Swamp, historically obtained by Nixon, Inc. The Release of Mortgage herein does not release said water rights previously reserved in the Warranty Deed from Nixons to Marshall dated July 8, 2005 and recorded as Instrument No. 221395, records of Boundary County, Idaho on July 8, 2005.

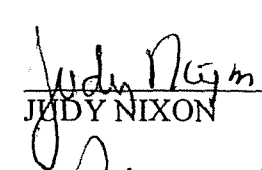
IN WITNESS WHEREOF, the undersigned have executed this Partial Release of Mortgage on the dates indicated below.


ROBERT J. NIXON *att. in fact*


SHIRLEY NIXON *att. in fact*

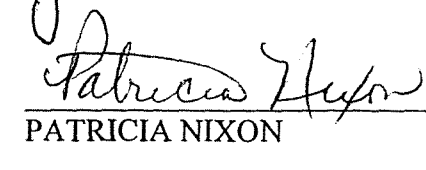
Date 8-23-06


W.W. NIXON


JUDY NIXON

08/23/06
Date


R.L. NIXON


PATRICIA NIXON

8-19-06
Date

STATE OF WASHINGTON)

: ss.

County of _____)

On this ____ day of August, 2006, before me, a Notary Public in and for the State of Washington, personally appeared ROBERT J. NIXON and SHIRLEY NIXON, husband and wife, and acknowledged to me that they executed the within and foregoing instrument.

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

Notary Public for Washington
Residing at
Commission Expires

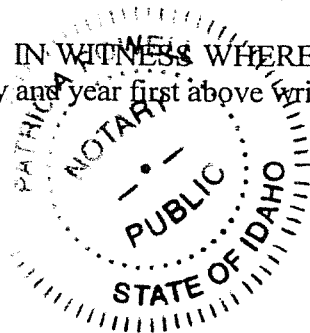
STATE OF IDAHO)

: ss.

County of Kootenai)

On this 23rd day of August, 2006, before me, a Notary Public in and for the State of Idaho, personally appeared W.W. NIXON and JUDY NIXON, husband and wife, and acknowledged to me that they executed the within and foregoing instrument.

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



Patricia Powell
Notary Public for Idaho
Residing at Coeur d'Alene, Id
Commission Expires 6/30/2012

STATE OF MONTANA)

: ss.

County of Yellowstone)

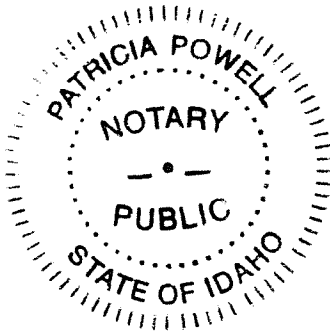
On this 18 day of August, 2006, before me, a Notary Public in and for the State of Montana, personally appeared R.L. NIXON and PATRICIA NIXON, husband and wife, and acknowledged to me that they executed the within and foregoing instrument.

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

Billie Cape
Notary Public for Montana Billie Cape
Residing at Billings
Commission Expires 7-9-2008

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 23rd day of August, 2006, before me,
PATRICIA POWELL, a Notary Public, personally appeared
W.W. NIXON, known or identified to me to be the person whose name
is subscribed to the within instrument as the attorney in fact of
ROBERT J. NIXON and SHIRLEY NIXON, Husband and Wife, and
acknowledged to me that he subscribed the name of ROBERT J. NIXON
and SHIRLEY NIXON, thereto as principal, and his own name as
attorney in fact.



Patricia Powell
Notary Public in and for the
State of Idaho
Residing at Coeur d'Alene
My Commission Expires: 6/30/2012

LEGAL DESCRIPTION FOR JOHN MARSHALL

IT IS THE INTENT OF THE FOLLOWING DESCRIPTIONS TO REPRESENT A SINGLE PARCEL.
THESE DESCRIPTIONS ARE SEPARATED OUT FOR TAX PARCEL NUMBERS ONLY.

SMITH LAKE PARCEL 26B EAST

A PARCEL OF LAND LOCATED IN A PORTION OF SECTION 30, TOWNSHIP 63 NORTH, RANGE 2 EAST, BOISE MERIDIAN, BOUNDARY COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE STANDARD QUARTER CORNER ON THE WEST LINE OF SAID SECTION 30 (THE EAST QUARTER CORNER OF SAID SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST);

THENCE ALONG SAID WEST LINE OF SECTION 30 (EAST LINE OF SAID SECTION 25) SOUTH 00 DEGREES 10' 16" EAST 588.60 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 82 DEGREES 58' 04" EAST, 46.32 FEET;

THENCE PARALLEL WITH THE SOUTH LINE OF GOVERNMENT LOT 3 OF SAID SECTION 30 SOUTH 89 DEGREES 46' 46" EAST 60.18 FEET;

THENCE SOUTH 82 DEGREES 47' 41" EAST, 548.35 FEET TO THE MEAN HIGH WATER LINE OF SMITH LAKE;

THENCE ALONG SAID MEAN HIGH WATER LINE THE FOLLOWING TWO (2) COURSES:

1. SOUTH 07 DEGREES 47' 15" EAST, 106.76 FEET;
2. SOUTH 15 DEGREES 41' 33" EAST, 122.60 FEET;

THENCE SOUTH 90 DEGREES 00' 00" WEST, 408.84 FEET;

THENCE NORTH 83 DEGREES 14' 02" WEST, 290.19 FEET TO AN INTERSECTION WITH SAID WEST LINE OF SECTION 30;

THENCE ALONG SAID WEST LINE NORTH 00 DEGREES 10' 16" WEST, 264.30 FEET TO THE TRUE POINT OF BEGINNING.

LESS THE COUNTY ROAD RIGHT OF WAY.

AND

SMITH LAKE PARCEL 26B WEST

A PARCEL OF LAND LOCATED IN A PORTION OF SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST, BOISE MERIDIAN, BOUNDARY COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE STANDARD QUARTER CORNER ON THE WEST LINE OF SAID SECTION 30 (THE EAST QUARTER CORNER OF SAID SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST);

THENCE ALONG SAID WEST LINE OF SECTION 30 (EAST LINE OF SAID SECTION 25) SOUTH 00 DEGREES 10' 16" EAST 588.60 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 00 DEGREES 10' 16" EAST, 264.30 FEET;

THENCE NORTH 83 DEGREES 14' 02" WEST, 1049.01 FEET;

THENCE NORTH 39 DEGREES 53' 47" WEST, 161.64 FEET;

THENCE NORTH 16 DEGREES 01' 22" WEST, 176.48 FEET;

THENCE SOUTH 81 DEGREES 15' 11" EAST, 189.88 FEET;

THENCE SOUTH 82 DEGREES 58' 04" EAST, 1013.26 FEET TO THE TRUE POINT OF BEGINNING.

LESS THE COUNTY ROAD RIGHT OF WAY.

THE ABOVE TWO DESCRIPTIONS CONTAIN 10.1 ACRES NET.

LEGAL DESCRIPTION FOR JOHN MARSHALL

IT IS THE INTENT OF THE FOLLOWING DESCRIPTIONS TO REPRESENT A SINGLE PARCEL. THESE DESCRIPTIONS ARE SEPARATED OUT FOR TAX PARCEL NUMBERS ONLY.

SMITH LAKE PARCEL 26C EAST

A PARCEL OF LAND LOCATED IN A PORTION OF SECTION 30, TOWNSHIP 63 NORTH, RANGE 2 EAST, BOISE MERIDIAN, BOUNDARY COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE STANDARD QUARTER CORNER ON THE WEST LINE OF SAID SECTION 30 (THE EAST QUARTER CORNER OF SAID SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST);

THENCE ALONG SAID WEST LINE OF SECTION 30 (EAST LINE OF SAID SECTION 25) SOUTH 00 DEGREES 10' 16" EAST 852.89 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 83 DEGREES 14' 02" EAST, 290.19 FEET;

THENCE SOUTH 90 DEGREES 00' 00" EAST 408.84 FEET TO THE MEAN HIGH WATER LINE OF SMITH LAKE;

THENCE ALONG SAID MEAN HIGH WATER LINE THE FOLLOWING TWO (2) COURSES:

1. SOUTH 00 DEGREES 58' 31" EAST, 132.34 FEET;
2. SOUTH 09 DEGREES 09' 40" WEST, 87.77 FEET TO THE SOUTH LINE OF GOVERNMENT LOT 3 OF SAID SECTION 30;

THENCE ALONG SAID SOUTH LINE OF GOVERNMENT LOT 3 NORTH 89 DEGREES 46' 46" WEST, 684.54 FEET TO THE SOUTHWEST CORNER THEREOF (S 1/16 CORNER);

THENCE ALONG THE WEST LINE OF GOVERNMENT LOT 3 NORTH 00 DEGREES 10' 16" WEST, 250.52 FEET TO THE TRUE POINT OF BEGINNING.

LESS THE COUNTY ROAD RIGHT OF WAY.

AND

SMITH LAKE PARCEL 26C WEST

A PARCEL OF LAND LOCATED IN A PORTION OF SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST, BOISE MERIDIAN, BOUNDARY COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE STANDARD QUARTER CORNER ON THE WEST LINE OF SAID SECTION 30 (THE EAST QUARTER CORNER OF SAID SECTION 25, TOWNSHIP 63 NORTH, RANGE 1 EAST);

THENCE ALONG SAID WEST LINE OF SECTION 30 (EAST LINE OF SAID SECTION 25) SOUTH 00 DEGREES 10' 16" EAST 852.89 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 00 DEGREES 10' 16" EAST, 250.52 FEET TO THE SOUTH 1/16 CORNER OF SAID SECTION 30 (SOUTHWEST CORNER OF GOVERNMENT LOT 3);

THENCE NORTH 89 DEGREES 46' 46" WEST ALONG A PROLONGATION OF THE SOUTH LINE OF SAID GOVERNMENT LOT 3, 167.99 FEET;

THENCE NORTH 89 DEGREES 47' 13" WEST, 332.75 FEET;

THENCE SOUTH 00 DEGREES 00' 17" EAST, 275.77 FEET;

THENCE NORTH 39 DEGREES 53' 47" WEST, 844.62 FEET;

THENCE SOUTH 83 DEGREES 14' 02" EAST, 1049.01 FEET TO THE TRUE POINT OF BEGINNING.

LESS THE COUNTY ROAD RIGHT OF WAY.

THE ABOVE TWO DESCRIPTIONS CONTAIN 10.1 ACRES NET.

PAINE HAMBLEN
ATTORNEYS

Eric J. Sachtjen
Attorney at Law
(509) 455-6000
eric.sachtjen@painehamblen.com

August 14, 2014

William W. Nixon, Esq.
Nixon Law Office
PO Box 1560
Coeur d'Alene, ID 83816-1560

Via U.S. Mail and Facsimile (208-765-4702)

Lee Nixon
32 Antelope Trail
Billings, MT 59105

Via U.S. Mail

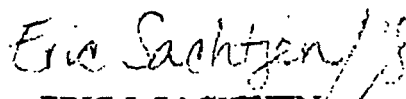
Re: Tree Farmer Lease

Gentlemen:

Bob is not in favor of extending the tree farmer's lease. However he is interested in selling his interest in the Highway Place property. This includes Bob's interests in the water rights, but excludes the small patch of land across the highway where the "no-name" irrigation stream comes down from Smith Lake, as that is still held in Nixon, Inc. The purchase price would be \$250,000, payable in cash. Bob would also be interested in exchanging his interest in this property for an interest in property of similar worth.

Please discuss and get back to me. If acceptable, we would draft the documents, and until those documents are executed, this should not be considered a binding offer to sell.

PAINE HAMBLEN LLP


ERIC J. SACTJEN

cc: Bob Nixon

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