

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

OCT 30 2015

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?
<u>LU</u> 96-08854	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: Jerold Wood & Ann Wood
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Stephen R. Virnig & Cynthia J. Virnig
New owner(s) as listed on the conveyance document Name connector ☒ and ☐ or ☐ and/or
- 82 Talache Beach Sagle ID 83860
Mailing address City State ZIP
- 208 263-8877 scvirnig@earthlink.net
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: March 27, 1995
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: *Stephen R. Virnig* Title, if applicable _____ Date October 26, 2015
Signature of new owner/claimant

Signature: *Cynthia J. Virnig* Title, if applicable _____ Date October 26, 2015
Signature of new owner/claimant

For IDWR Office Use Only:

Received by *dh* Date 10-30-15 Receipt No. 0401151 Receipt Amt. \$25⁰⁰

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 *gmk* Date 3-2-16



First American Title Company

AFTER RECORDING, MAIL TO GRANTEE.
FATCO #95051/25781

FILED BY First American Title

'95 MAY 4 AM 10 46

³⁰⁰
MARIE SCOTT

RECORDER OF BONNER
COUNTY BY SC DEP.

464700

WARRANTY DEED

For Value Received

FRANCES L. SWANSON, a single woman

the grantor, does hereby grant, bargain, sell, and convey unto

STEPHEN R. VIRNIG and CYNTHIA J. VIRNIG, husband and wife

the grantees, whose current address is

1615 S. Buttercup Street, Spokane, WA, 99212

the following described premises, to-wit:

Lots 7 and 8 in Block 5 of Talache Village, according to the Plat thereof recorded in Book 2 of Plats, Page 78, records of Bonner County, Idaho.

TOGETHER WITH an easement for ingress and egress to Lakeside Drive over and across the Southeasterly 10 feet of Lots 1 - 6 in Block 5 of Talache Village, more particularly described in that certain Instrument, recorded under Instrument No. 88222, records of Bonner County, Idaho.

SUBJECT TO: 1995 General Taxes, a lien in the process of assessment, not yet due or payable. Easements, restrictions, reservations, and provisions of record.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantees, their heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantees, that she is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U. S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that she will warrant and defend the same from all claims whatsoever.

Dated: April 26, 1995

Frances L. Swanson
FRANCES L. SWANSON

STATE OF Idaho

)

: ss

COUNTY OF Bonner

)

1615 S. Buttercup Street, Spokane, WA, 99212

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Dated: April 26, 1995

Frances L. Swanson
FRANCES L. SWANSON

STATE OF Idaho)

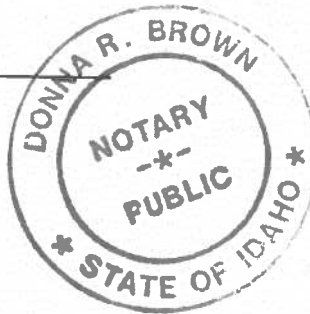
COUNTY OF Bonner) SS

On This 26th day of April in the year 1995
before me, a Notary Public in and for said State, personally appeared
FRANCES L. SWANSON, known or identified to me to be the person(s) whose
name(s) is/are subscribed to the within Instrument, and acknowledged to
me that he/she/they executed the same.

Donna R. Brown
Notary Public

Residing at Sanapoint, Idaho

Commission Expires 10/23/95



BONNER COUNTY ASSESSOR
1500 HWY 2 STE 205
SANDPOINT ID 83864
(208) 265-1440

2015
ASSESSMENT NOTICE

THIS IS NOT A BILL.
DO NOT PAY.

12688*36**50***0.542**1/1*****AUTO**5-DIGIT 83864
VIRNIG STEPHEN R & CYNTHIA J
82 TALACHE BCH
SAGLE ID 83860-8090



For any questions, please notify the Assessor's
Office immediately. Assessor's Telephone
Number: (208) 265-1440

Appeals of your property value must be filed in
writing, on a form provided by the County, by:

JUNE 22, 2015 5:00PM

Parcel Description: 7/8-55N-1W TALACHE VILLAGE
BLK 5 LOTS 7 & 8

Parcel Number: RP 00458005007A A

Parcel Address: 82 TALACHE BEACH 83860

Tax Code Area: 62-0000

ASSESSED VALUE OF YOUR PROPERTY

CURRENT CATEGORY AND DESCRIPTION	LOTS/ACRES	LAST YEAR'S VALUE	CURRENT YEAR'S VALUE
15 RUR SUB RES	.200 AC	181,280	181,280
32 RURAL IMP ON AG		18,270	17,860
37 BLDG RES SUB		211,800	211,800
SUBTOTAL:	.200	411,350	410,940
LESS EXEMPTIONS:			
LESS HOMEOWNERS EXEMPTION:		83,920	89,580
NET TAXABLE PROPERTY VALUE:		327,430	321,360

These values may not include personal property values. Taxes are based on the values shown on this Notice and on the Budgets of the taxing districts.

TAXING DISTRICT INFORMATION

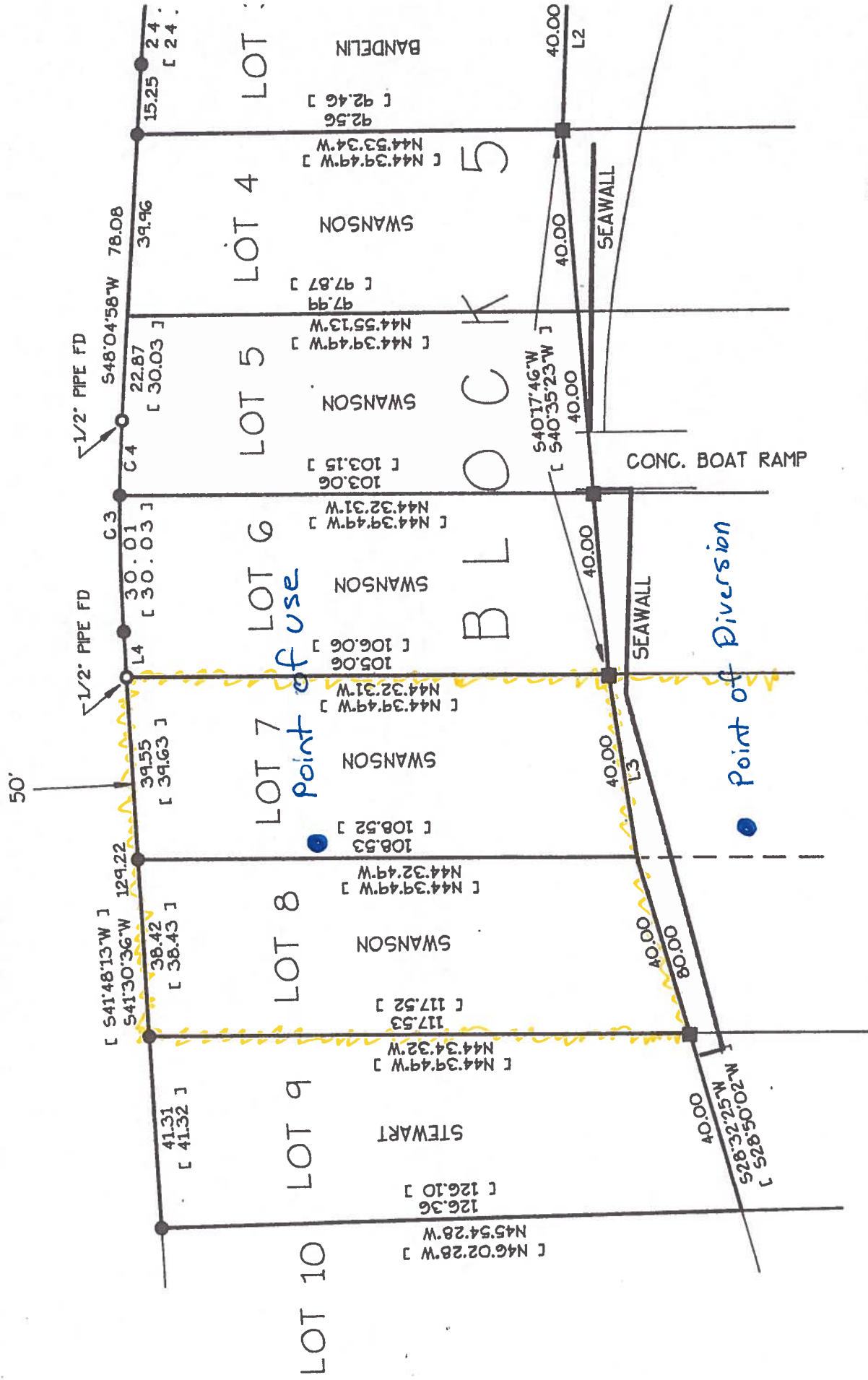
TAXING DISTRICTS	PHONE NUMBER	DATE OF PUBLIC BUDGET HEARING
COUNTY	208-265-1437	08/24/2015
LAKE PO M&O	208-263-2184	06/09/2015
LAKE PO BOND	208-263-2184	06/09/2015
LAKE PO SUPL	208-263-2184	06/09/2015
LAKE PO OTHER	208-263-2184	06/09/2015
CO RD/BRIDGE	208-265-1437	08/24/2015
P.O. HOSPITAL		Not Required
AMBULANCE DIST	208-265-1437	08/24/2015
E BONNER LIB	208-263-6930	08/31/2015
LIBRARY BOND	208-263-6930	08/31/2015
SAGLE FIRE	208-263-3502	08/24/2015

THIS IS NOT A BILL. DO NOT PAY.
See the back of this Notice for details.



COUNTY RECORDER'S CERTIFICATE

State of Idaho) _____
County of Bonner) _____
Instrument No. 4160269





House on Lot 7+8 Blocks AKA 82 TALACHIE BEACH

Clear Graphics

Aerials NAIP 2013

Feature Labels



Lot 7+8 Block 5
Tahche Village Sub

Stephen + Cynthia Virnig

**COLDWELL
BANKER** 

RESORT REALTY 

Mike Ball
263-6803

202 S. First Street
Sandpoint, Idaho 83864
208-263-6802

Multiple Listing Service
MLS

**ONE OF A KIND LAKEFRONT
PROPERTY**



Exhibit 1

- Panoramic Lake and Mountain Views
- Small Community Atmosphere
- County Road, Easy Access Year-Round
- 80' x 115' Lot
- Water Hook-up Available
- Septic Site Approved
- Sellers reserve the right to pre approve building plans
- \$135,000

CONTACT: DEBBIE McGILL or PAUL DUKES
263-6802 or 264-5833 on #470

SENT BY: PIP PRINTING VALLEY ; 5- 2-95 9:25AM ;

5099272419-

2082655708: H 2

AGREEMENT FOR FUNDING CLOSE OF ESCROW

FRANCES L. SWANSON, a single women (hereinafter called Seller), agrees this 2nd day of May, 1995 as follows:

A. That terms 1 and 2 of Addendum #1 of Real Estate sales contract ID# 336047 dated January 4, 1995 have not been fully satisfied by Seller.

1. Panhandle health department has ^{not} approved the location of septic site No. 2 on parcel #RP55N01W085701A(TAX 26) for use by Block 5 Lots 7 & 8 Talache Village.

2. That a permit to use water system located on Block 5 Lot 9 Talache Village has not yet been issued to Stephen R. Virnig(hereinafter called Buyer).

B. That Buyer is releasing funds for close of escrow with the belief and understanding that Seller will fulfill terms 1 and 2 above before October 1, 1995.

C. NOW THEREFORE: If Panhandle health department does not approve septic site noted above by October 1, 1995, Seller will repurchase Block 5 Lots 7 & 8 Talache Village from Buyer for the full purchase price of \$119,500 less unpaid balance of contract, due in full to Buyer by October 5, 1995. If water system permit for above said system is not provided by October 1, 1995, Seller will pay Buyer \$2,500 due in full by October 5, 1995

D. IT IS FURTHER AGREED that in the event of legal action, the prevailing party shall be awarded all costs and attorney fees.

Dated this 2nd day of May, 1995

Frances L. Swanson
FRANCES L. SWANSON

Stephen R. Virnig
STEPHEN R. VIRNIG

Cynthia L. Virnig
CYNTHIA L. VIRNIG

Exhibit 2



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000

Phone: (208) 327-7900 FAX: (208) 327-7866

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

May 19, 1995

FRANCES L SWANSON
STEPHEN R VIRNIG
TALACHE BEACH
PO BOX 104
SAGLE ID 83860-0104

PERMIT APPROVAL NOTICE

RE: PERMIT NO. 96-08854

Dear Permit Holder:

Enclosed is a copy of your approved application for permit. Please be sure to thoroughly review the "CONDITIONS/REMARKS:" listing on the permit.

As a permit owner you must commence the excavation or construction of the diverting works within one year of the date the permit was issued, and you must proceed diligently until the project is completed. The date shown under condition no. 1 is the date when the project must be completed.

The Department will send you a "Proof Due Notice" approximately 60 days prior to the above referenced date requesting you to file either a Proof of Beneficial Use form or a Request for Extension of Time form.

Sincerely,

Shelley W. Keen
Water Rights Supervisor

SK:rl

Enclosures

Exhibit 3

State of Idaho
Department of Water Resources
Permit To Appropriate Water

NO. 96-08854

Proposed Priority: March 27, 1995

Maximum Diversion Rate:

0.04 CFS

This is to certify, that FRANCES L SWANSON
STEPHEN R VIRNIG
TALACHE BEACH
PO BOX 104
SAGLE ID 83860-0104

has applied for a permit to appropriate water from:
PEND OREILLE LAKE tributary of PEND OREILLE RIVER

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>
DOMESTIC	01/01 to 12/31	0.04 CFS

LOCATION OF POINT(S) OF DIVERSION: Lot 2(NWSW), Sec. 8, Township 55N, Range 01W
BONNER County

PLACE OF USE: DOMESTIC
TWN RGE SEC
55N 01W 8 Lot 2(NWSW)

CONDITIONS/REMARKS:

1. Proof of construction of works and application of water to beneficial use shall be submitted on or before June 1, 1997.
2. Subject to all prior water rights.
3. Project construction shall commence within one year from the date of permit issuance and shall proceed diligently to completion unless it can be shown to the satisfaction of the Director of the Department of Water Resources that delays were due to circumstances over which permit holder had no control.
4. The issuance of this right in no way grants any right-of-way or easement across the land of another.
5. Domestic use is for 1 home.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code.
Witness the signature of the Director, affixed at Boise, this

19th day of May, 1995

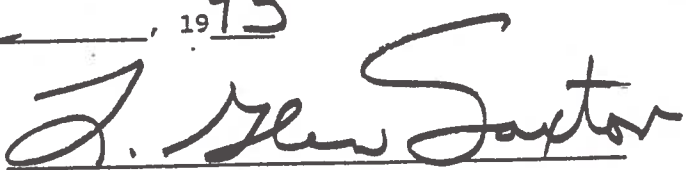

Karl J. Dreher, Director

Exhibit 4

for



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000

Phone: (208) 327-7900 FAX: (208) 327-7866

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

March 31, 1997

FRANCES L SWANSON
STEPHEN R VIRNIG
TALACHE BEACH
PO BOX 104
SAGLE ID 838600104

PROOF DUE NOTICE

RE: PERMIT NO. 96-08854

Dear Permit Holder:

One of the conditions of approval of the above referenced water permit was that proof of the extent of your beneficial use must be submitted to this office on or before June 1, 1997.

(See last page of your approved permit or your last approved extension request.) Enclosed is a form which when accompanied by the license examination fee or a complete field examination report prepared by a certified water right examiner may be used to submit the required proof.

If you have not fully completed your project, and you or a previous owner of this permit have not received a prior extension of time, you may request an extension of time if the delay is for reasonable cause as provided in Section 42-204, Idaho Code. If you have been prevented from proceeding by a governmental agency or by litigation which might bring title to the water in question, more than one extension of time can be granted. An extension of time request form is enclosed for your convenience.

Either an acceptable proof of beneficial use submittal or an acceptable request for an extension of time must be received by this department on or before the above described proof due date. If neither is received, the department will send you a lapse notice. Within sixty (60) days of the mailing of the lapse notice, the permit will no longer be of any force nor effect.

SINCERELY,

JULIE L. YARBROUGH
Senior Secretary

Enclosures

Exhibit 5

RECEIPT
For Monies Paid
to the
Idaho Department of Water Resources

Receipt No: N011115

Date: 4/28/1997
Time: 13:33:38

Received
From: VIRNIG, STEPHEN R

Type of Payment	Program A cct	Amount
PROOF OF BENEFICIAL USE FEE 96-08854 65104	229 21 1155	50.00
Total \$		50.00

CHECK 0615

Region: NORTHERN

Signature: _____

Windstar Stephen R. Virnig
1615 S Buttercup St.
Spokane, Wa 99212

19-7095/3250 0615

24 APR 19 97

PAY TO THE ORDER OF IDWR \$ 50.00

FIFTY AND NO/100 DOLLARS

 WASHINGTON MUTUAL
A Federal Savings Bank
University City Financial Center 527
10920 E Sprague
Spokane, WA 99208-5270

FOR WATER PERMIT # 96-08854

⑈32507095⑈⑈527⑈300955⑈8⑈0615⑈0000005000⑈

Exhibit 6



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000

Phone: (208) 327-7900 FAX: (208) 327-7866

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR
May 22, 1997

FRANCES L SWANSON
STEPHEN R VIRNIG
1615 S BUTTERCUP ST
SPOKANE WA 99212

PROOF ACKNOWLEDGMENT LETTER

RE: PERMIT NO. 96-08854

Dear Permit Holder:

The department acknowledges receipt of the proof of beneficial use form submitted for the above referenced permit. The next step in the process of developing a water right is for the department to conduct a field examination to determine and confirm the use being made of the water.

Please be advised that Section 42-248, Idaho Code, which became affective on July 1, 1996, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Please contact any office of the department for the proper form to file a change of ownership of a water right and/or a change in the address of the owner. Failure to maintain current records with the department could result in the assessment of a monetary penalty.

If you have questions concerning the field examination, contact the **NORTHERN** Regional Office in Coeur d'Alene, at (208)769-1450.

Sincerely,

JULIE L. YARBROUGH
Senior Secretary

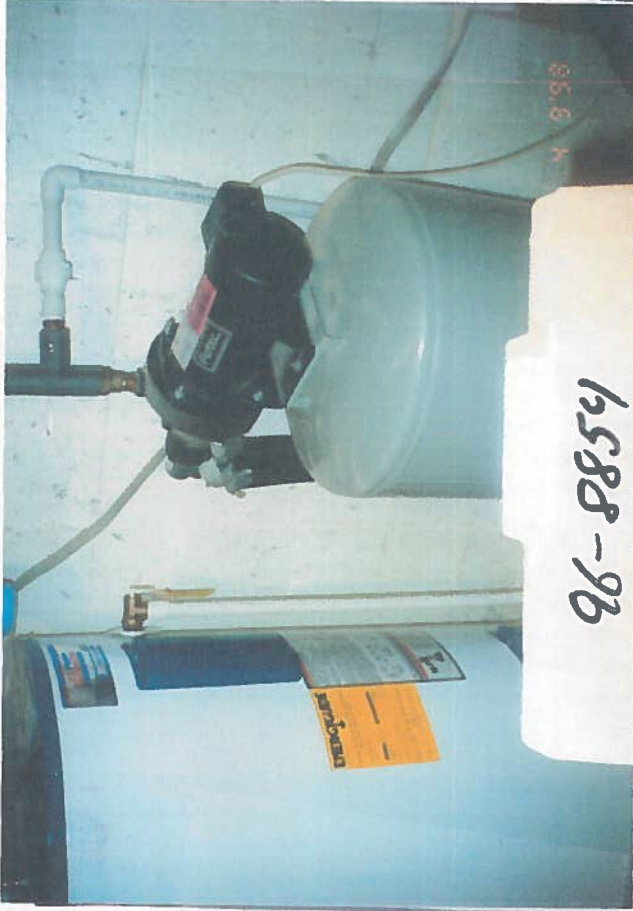
C: IDWR - Region

Exhibit 7

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
FIELD REPORT SUPPLEMENT

PERMIT # 96-08854

PHOTOGRAPHS



96-8854

Pump



96-8854



96-8854

Place of use ↑

Point
of
diversion

MICROFILMED
JUN 12 1998

Exhibit 8

RECEIVED

MAY 2 - 1997

FOR OFFICE USE ONLY
Amt. of Fee \$: 50.00
Receipt No. 1011115
Receipt By: db
Date Received: 4/28/97

STATE OF IDAHO
Department of Water Resources
DEPARTMENT OF WATER RESOURCES

PROOF OF BENEFICIAL USE

The Idaho Department of Water Resources considers this form a statement that the permit holder(s) has/have completed all development that will occur under this permit and that water has been applied according to the provisions of the permit for the beneficial use(s) described below. This form must be accompanied by a license examination fee, when necessary, or be accompanied by a completed field examination report prepared by a certified water right examiner who has been appointed by the department.

1. Permit No. 96-08854 Telephone No. (509) 533-6707
2. Name(s) of Permit Holder(s): STEPHEN R. VIRNIG / FRANCES L. SWANSON
3. Mailing Address: 1615 S. Buttercup St Spokane, WA 99212
4. Source of Water: PEND OREILLE LAKE IF GROUNDWATER (well), Date Drilled: mo. ____ / yr. ____
a. Well Driller: _____ Drilling Permit Number: ____ - ____ - ____
b. OPTIONAL:
Pump Horsepower: _____ Pressure (psi): _____ Dynamic pumping level (ft): _____

5. Use(s) (as authorized by the water right permit):

Domestic (No. of households): 1 Stockwater (No. and type of stock): 0
Irrigation (No. of acres): 0 Other: 0

6. Total rate of diversion and/or volume for which proof is submitted: .04 cfs OR _____ acre feet

7. Measuring Device Requirement: (refer to the approval conditions on your permit and respond accordingly)
(This question is not optional. Please check either yes or no. Proofs returned not checked accordingly, will be considered incomplete)

Measuring Device: Is a measuring device required?	Yes _____ or No <u>X</u>
Has the measuring device been installed?	Yes _____ or No <u>X</u>
Flow Measurement Port: Is a flow measurement port required?	Yes _____ or No <u>X</u>
Has the measurement port been installed?	Yes _____ or No <u>X</u>

8. Fee Enclosed: \$ 50.00 (See Fee Schedule on back of the instructions for filing proof of beneficial use)

9. Person to contact to accompany the Department representative during field examination of the water system.

Name: STEPHEN VIRNIG Telephone Number: (509) 533-6707

Address: 1615 S Buttercup St Spokane, WA 99212

10. The information given on this form is my true statement of the extent to which the above numbered permit has been developed and I relinquish any undeveloped portion of the permit to the State of Idaho.

Signature of permit holder: Stephen R. Virnig Date: 24 APR 97
(Include your title, if on behalf of company or organization)

Exhibit 9

Exhibit 10

STATE OF IDAHO
IDAHO DEPARTMENT OF WATER RESOURCES

RECEIVED

DEC 3 1999

Department of Water Resources

NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s).: 96-8350 (Joint Bandelin, Swanson
Adjudication Claim No(s).: 96-8350 STEWART Permit)
2. The following REQUIRED information must be submitted with this form:
 - A. A copy of the most recent DEED, TITLE POLICY, CONTRACT OF SALE or other legal document indicating your ownership of the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.
AND
 - B. PLAT OF PROPERTY or SURVEY MAP for parcel of ten acres or less. (These are usually attached to your deed or on file with the county.)
OR
 - C. For water rights or adjudication claims involving ten or more irrigated acres, a USDA Farm Service Agency AERIAL PHOTO with irrigated acres outlined and point(s) of diversion clearly marked.
3. Name and Address of Former Owner/Claimant Barbara Miller (Bandelin)
Box 1186 Sagle Id 83860
4. New Owner/Claimant(s) Tammara + David Bruno
Name Connector (Check one): ☒ and, ☐ or, ☐ and/or
New Mailing Address 4915 E 8th
City, State and ZIP Code SPOKANE WA 99212
New Telephone Number (509) 5350455
5. Date you acquired the property NOV. 19 1999 (Bruno)
MARCH 1994 (STEWART)
6. If you have acquired only a portion of the former owner's property, IDWR may need to split the water right(s) or adjudication claim(s). If this applies, describe in detail your portion of each water right or adjudication claim in the spaces below. If necessary, attach additional pages.
Number of acres you irrigate _____ Number and type of stock _____
Diversion rate in CFS .04 Number of homes 1 Other uses Domestic
If a water right or adjudication claim is being split and you are not sure how to identify your portion of the original right or claim, please contact the nearest IDWR office for assistance.
7. Signature of New Owner or Claimant(s) Tammara Bruno
Myra Stewart Lee Stewart
(Corporations or other organizations must submit a list of directors and/or officers demonstrating authority to sign form.)
MICROFILMED
8. For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him or her for all matters related to your claims.

DEC 29 1999

* STEWARTS are retaining this water right ownership, and use same. Swanson installed private system + abandoned this one a year ago. Bandelin (Miller) Quit claimed ownership to STEWARTS (had own system also)

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 96-08904

Priority: September 26, 1995

Maximum Diversion Rate:

0.04 CFS

Maximum Diversion Volume:

1.2 AF

This is to certify, that **FRANCES L SWANSON**
TALACHE BEACH
PO BOX 104

SAGLE ID 83860-0104

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated September 26, 1995; and has submitted Proof of Beneficial Use on October 15, 1996. An examination indicates that the works have a diversion capacity of 0.040 cfs of water from:

PEND OREILLE LAKE

tributary to PEND OREILLE RIVER

source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
DOMESTIC	01/01 to 12/31	0.04 CFS	1.2 AF

LOCATION OF POINT(S) OF DIVERSION: Lot 2 (NWSW), Sec. 8, Township 55N, Range 01W
BONNER County

PLACE OF USE: DOMESTIC

TWN RGE SEC

55N 01W 8 Lot 2 (NWSW)

CONDITIONS OF APPROVAL AND REMARKS

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount which can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
5. Point of diversion is located within Lot 5; place of use is located within Lots 4-6; Blk. 5, Talache Village.
6. Domestic use is for 1 home.
7. The home identified herein is also connected to the water diversion and delivery system identified in Right 96-08360.

MICROFILMED

SEP 16 1997

Exhibit 11



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

March 2, 2016

STEPHEN R VIRNIG
CYNTHIA J VIRNIG
82 TALACHE BEACH
SAGLE ID 83860

Re: Change of Ownership for Water Right/Permit No(s): 96-8854

Dear Water Right Holder(s):

The Department acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records to reflect this change in ownership and has enclosed a computer-generated report 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 § 42-222 and §42-223, Idaho.

Also note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right, to the Department. Notice of the change must be provided to the Department within 120 days of the change. Change reporting forms are available from any office of the Department, or at www.idwr.idaho.gov.

If you have any questions concerning the enclosed information, please feel free to contact me at (208) 287-4942.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jean Hersley'.

Jean Hersley
Technical Records Specialist II

Enclosure(s)

OCT 30 2015

DEPARTMENT OF
WATER RESOURCES

26 October, 2015

Dear Mr. Nelson,

To letter is to follow up on our phone conversation on October 26, 2015 regarding water right license 96-08854.

I will recite what happened. In 1995 Frances L. Swanson hereafter referred to as "Swanson" sold us two vacant waterfront parcels (lots 7&8) that were adjacent to her house (lots 4-6). A water hook-up was advertised as being part of the sale (see exhibit 1). That hook-up turned out to be a connection to a water system drawing water out of Lake Pend Oreille under water right license 96-08360 under the names Bandelin, Swanson, Stewart partners.

When Swanson's partners got word that she was offering a water hook-up to their shared system they took issue. To avoid any conflict I told Swanson that I did not need/want to hook-up to their system as long as she could get me a separate water right. One of the conditions to fund escrow on Lots 7&8 was the issuance of a water right permit (see exhibit 2 item C).

Having previously dealt with water right permits, Swanson filled out the application to appropriate water for lots 7&8 that turned into permit 96-08854. The confusion ensues when Swanson added her name along with mine (Stephen R. Virnig) to the application. I think she included her name and address on the paperwork so that she would be mailed further correspondence to make good on item C of exhibit 2. In May 1995, Swanson gave me the original "permit approval notice" dated May 19, 1995 (exhibit 3). She also gave me the original "permit to appropriate water" (exhibit 4). At this point, being unfamiliar with the water permitting process I thought I was done and all was well.

In 1996 I started building my house and installed my water system to supply my house. In April of 1997, Swanson delivered to me the original "proof due notice" letter dated March 31, 1997 (exhibit 5). This letter tells me that I'm not done with the process. So I filled out the form referenced in paragraph 1 and sent a check for the \$50 examination fee (exhibit 6).

Next, I received the "proof acknowledgement letter" dated May 22, 1997 (exhibit 7) and it was mailed to directly to me. Sometime later, a representative from the Northern Regional Office came by and did an examination and took some photos (exhibit 8). These photos appear in the back file of 96-08854. I was present and spoke with the representative when he took the photos and did the examination. The photos show that the water system is installed entirely on my property (lots 7&8) and in my house (82 Talache Beach). So now I think I'm done with the process and 18 years pass.

On October 25th 2015, I looked at the Departments water info internet site for data on a well I have on another property. I then notice the water right section and out of curiosity I decide to look for data on my water right. I type in my last name (Virnig) on the search form and to my dismay my right (96-08854) did not come up in my name but instead that of Jerold & Ann Wood at which time I reviewed all the documents in my possession and on your website to piece together what happened.

One abnormally shows up on your back file. It is the "proof of beneficial use" form (exhibit 9). The signature and all other information except the permit number and names on line two are in my

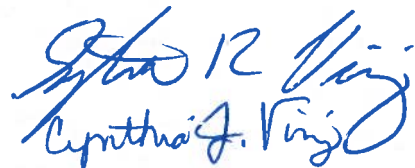
handwriting. Someone (who, I don't know) added Swanson's name to line two and also tried to white out or obliterate my name and then rewrote my name. The handwriting on line two is clearly not mine. I did not include Swanson's name on the form and it should not have been added by the unknown party.

I think the origin of the problem started because Swanson was not specific on the original application as to which lots the right would belong/serve. Condition 5 on exhibit 4 leaves it ambiguous as it states "domestic use for 1 home". The evidence shows that water right 96-08854 has always belonged with lots 7&8, my name is on the original paperwork, I filled out the proof of beneficial use form (without Swanson's name) and payed the proof of beneficial use fee, I installed the system entirely on/in my property and the pictures in the back file document show it installed on my property, and it has been used exclusively by me for the last 18 years. Also, shortly after Swanson abandoned her interest with partners in water system utilizing right 96-08360 in the summer of 1995(exhibit 10), she applied for and received a water right to serve her house on lots 4-6 (right 96-08904 (exhibit 11). If she intended to use my right, she would not have gotten her own water right.

All the history being recited, water right 96-08854 should have never been conveyed/changed to Jerold and Ann Wood with lots 4-6 as it was not Swanson's to give. Water right 96-08904 was Swanson's to give as it is for lots 4-6. It was actually Kermit Kiebert, Swanson's executor who signed the deed granting Swanson's property to the Jerold and Ann Wood, not that that matters other than he probably did not know that I was the exclusive user of water right 96-08854.

To move forward I have attached a "notice of change in water right ownership" form, \$25 check, and supporting documents. The documents include Swanson's warranted deed conveying Lots 7&8 of Block 5 Talache village to me and my wife. A current tax assessment indicating current ownership of lots 7&8. A copy of Talache village subdivision map with lots 7&8 highlighted. A survey map showing lots 7&8 highlighted in yellow showing the point of diversion and point of use of 96-08854. An aerial photo with Lots 7&8 outlined in blue, as well as a current picture of the house (address- 82 Talache Beach) that water right 96-08854 serves.

To avoid any future confusion I suggest that item 5 of the conditions of approval and remarks on the water right license 96-08854 state that it is for "Lots 7&8 in block 5 of Talache Village, according to the plat thereof recorded in book 2 of Plats, Page 78, records of Bonner County, Idaho". Thank you for your help in clearing up this issue that has lingered far too long. Please call me at 208 263-8877 if you have questions.



Stephen R. Virnig & Cynthia J. Virnig

82 Talache Beach, Sagle ID 83860