

State of Idaho
Department of Water Resources
Water Right License

WATER RIGHT NO. 47-07673

Priority: October 10, 1980

Maximum Diversion Rate: 8.02 CFS
Maximum Diversion Volume: 3,040.0 AF

It is hereby certified that L & S LAND HOLDINGS LLC

2930 S 2300 E

WENDELL ID 83355

has complied with the terms and

conditions of the permit, issued pursuant to Application for Permit dated ; and has submitted Proof of Beneficial Use on June 25, 1990. An examination indicates that the works have a diversion capacity of 8.02 cfs of water from:

SOURCE

GROUND WATER

and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL DIVERSION VOLUME</u>
IRRIGATION	03/15 to 11/15	8.02 CFS	3,040.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER

SE1/4NW1/4

Sec. 1, Twp 12S, Rge 18E, B.M.

TWIN FALLS County

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
11S 18E 36	33.0			20.0								19.0	30.0	20.0	40.0	40.0	202.0
11S 19E 32									40.0	39.0	37.0	34.0					150.0
12S 18E 1	40.0	40.0	21.0	28.0	38.0	5.0	25.0	24.0									221.0
	L 1	L 2			L 3	L 4											
12S 19E 5	38.0	29.0			23.0	39.0	32.0		38.0	19.0							218.0
	L 1	L 2			L 3	L 4											
12S 19E 6	40.0	39.0	39.0	40.0	39.0	18.0	19.0	39.0	26.0			18.0	40.0	39.0	39.0	40.0	475.0
	L 1	L 2			L 3	L 4	L 5										
12S 19E 7	32.0	40.0	40.0		27.0			35.0	32.0					33.0			239.0

Total Acres: 1505

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 760 acres within the authorized place of use in a single irrigation season.
2. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.

State of Idaho
Department of Water Resources
Water Right License

WATER RIGHT NO. 47-07673

3. Rights 47-127A, 47-140, 47-141, 47-142, 47-143, 47-157A, 47-2491, 47-2511, 47-2526, 47-2536, 47-2546, 47-2552, 47-2554, 47-2556, 47-2557, 47-2566, 47-7673, 47- 8379 and 47-16392 when combined shall not exceed the irrigation of 1505 acres.
4. Rights 47-2491, 47-2566, 47-2511, 47-2546, 47-2526, 47-8379, 47-2536, 47-2552, 47-2556, 47-2554, 47-2557 and 47-7673 are limited to the diversion of 6020 acre feet per irrigation season.
5. The right holder shall make full beneficial use of all surface water available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit the diversion of ground water under this right for land with an appurtenant surface water rights to those times when the surface water supply is not available or reasonably sufficient to irrigate the place of use authorized under this right.
6. If the surface water rights appurtenant to the place of use for this right is unavailable for any reason other than drought or curtailment by priority (for example abandoned, forfeited, sold, transferred, leased, used on another place of use, or disallowed by court decree), the right holder shall not divert ground water for irrigation purposes on the land with appurtenant surface water rights without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
7. 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.
8. Use of this right is combined with water from Twin Falls Canal Co.

This license is issued pursuant to the provisions of Section 42-219, Idaho Code. The water right confirmed by this license is subject to all prior water rights and shall be used in accordance with Idaho law and applicable rules of the Department of Water Resources.

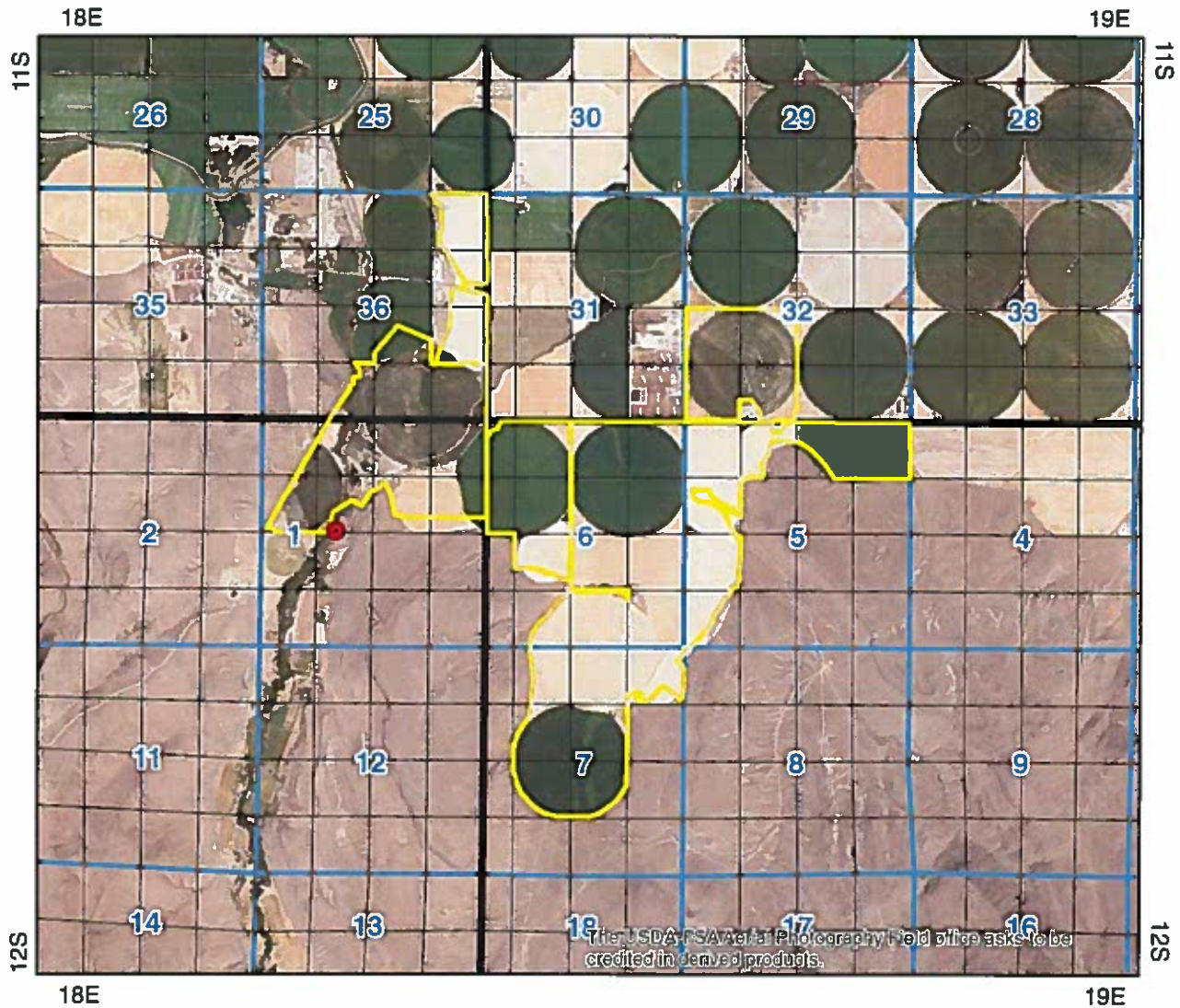
Signed this 8th day of December, 2015.

FOR


GARY SPACKMAN
Director

State of Idaho
Department of Water Resources
Attachment to Water Right License
47-7673

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



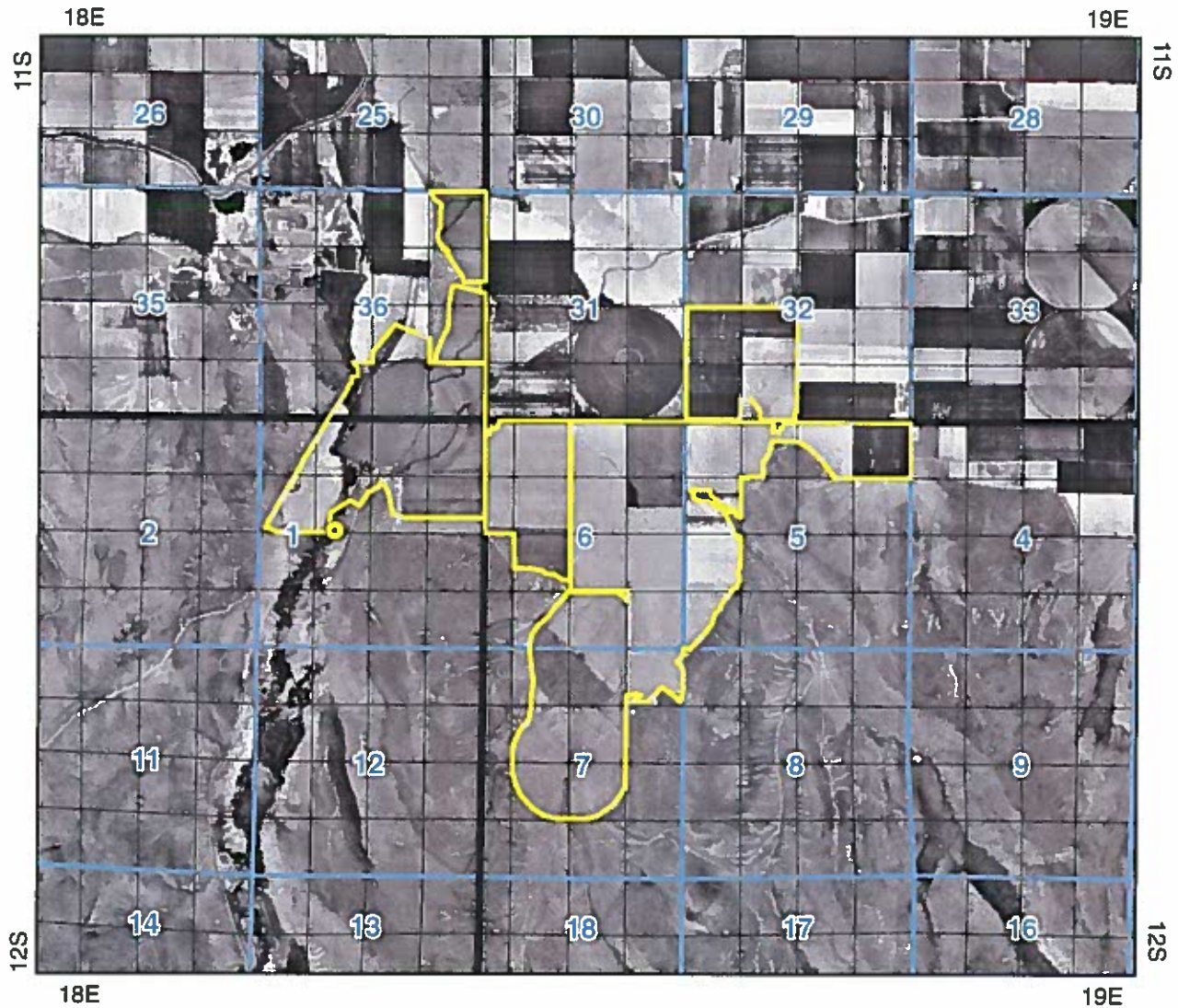
- Point of Diversion
- Place Of Use Boundary
- Townships
- PLS Sections

0 0.5 1 2 Miles



State of Idaho
Department of Water Resources
Attachment to Water Right License
47-7673

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



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

0 0.5 1 2 Miles





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

December 8, 2015

L & S LAND HOLDINGS LLC
2930 S 2300 E
WENDELL ID 83355

RE: License No. 47-7673

Issuance of License

Dear Water Right Holder(s):

The Department of Water Resources has issued the enclosed Water Right License confirming that a water right has been established in accordance with your permit. Please be sure to thoroughly review the conditions of approval and remarks listed on your license.

The license is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-736-3033.

Sincerely,

Allen Merritt
Southern Region Manager

Enclosure(s)

cc: ISE 555 BROADWAY LLC

CERTIFICATE OF SERVICE

I hereby certify that on December 8, 2015 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved License) to the person(s) listed below:

RE: WATER RIGHT NO. 47-7673

**L & S LAND HOLDINGS LLC
2930 S 2300 E
WENDELL ID 83355**

**ISE 555 BROADWAY LLC
PO BOX 267
GALENA MD 21635**

A handwritten signature in cursive script, reading "Denise Maline", is written over a solid horizontal line.

**Denise Maline
Administrative Assistant**

EXPLANATORY INFORMATION TO ACCOMPANY A PRELIMINARY ORDER

(To be used in connection with actions when a hearing was **not** held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after: (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

MEMORANDUM

To File: 47-7673 L & S Land Holdings LLC

Date: 12-6-2015

From: Douglas Jones 

RE: Beneficial Use Exam Review

This right was permitted on 760 acres in the Antelope Valley area of a 1550 acre farm. The permit overlapped land irrigated by rights 47-2536, 47-2552 and 47-2556 appurtenant to 677 acres. The senior rights provide 6.59 cfs of groundwater, but cover only 529 acres of supplemental water, so this right would supply the balance of acres and flow rate/volume for those lands. The attached spreadsheet and map shows the POU's in the system.

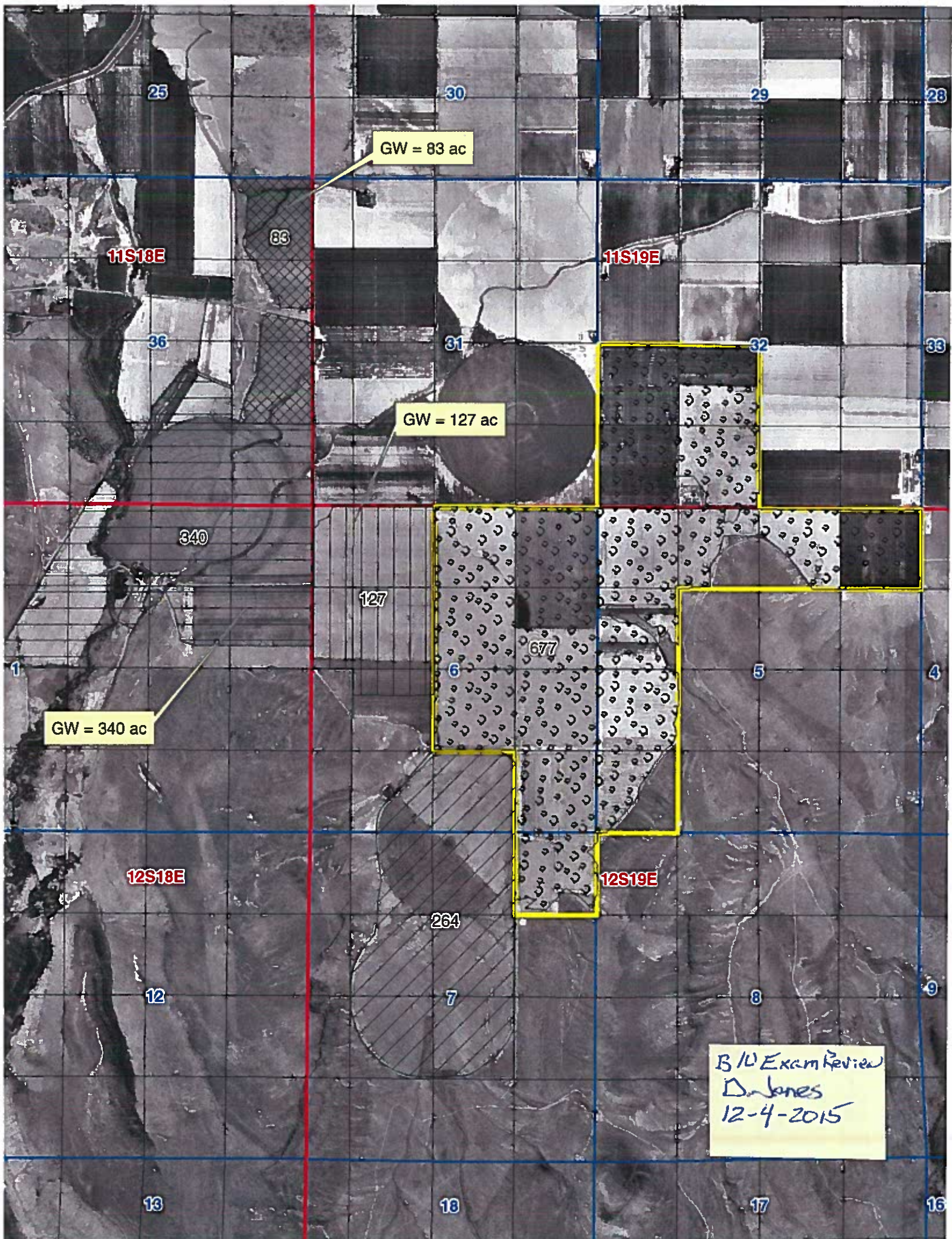
There have been several ownership changes over time and the present permit holder has been out the picture for some time. The license will be issued in the permit holder's name and then an owner change will be filed in the current owner's name.

The permit had proof filed in 1990 and an initial exam was done in 1995, but the license was not finalized at the State Office after a re-exam was requested and not performed. The file was returned to the region and an agent re-examined the diversion and property. During re-examination the agent found that the well diverts and comingles the water with other ground water and surface water rights in a management pond. The original examiner found the well produced 8.02 cfs. The water is then relifted from the management pond and distributed around the farm. On re-exam no additional flow rate was found and the original measurement is recommended.

A licensing amendment was solicited to record the place of use as within a permissible place of use describing the entire 1505 acre farm. A previous transfer on a ground water right and a surface water right was approved in 1994 (T#4250) that established an approx. 1490 acre place of use. File 47-127A has a good analysis of the transfer and the resulting SRBA recommendation that was decreed.

The re-examiner found that as of the early 1990s there was an additional 14 acre irrigated than the 1491 acres described in T#4250. These 14 acres couldn't be recognized as accomplished transfer in the adjudication since they were developed after the 1987 SRBA commencement date, but are included in this license. The place of use now describes 1505 acres. The balance of acres and flow rate under this permit that are not accounted for within the original can be recommended on other lands in the system that may be short rate and acres for ground water.

Due to the blending of systems, formerly under separate ownerships, and the creation of a permissible place of use a transfer will be solicited (along with the owner change) for reflect the present system.



GW = 83 ac

GW = 127 ac

GW = 340 ac

B/U Exam Review
D. Jones
12-4-2015

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 47-07673

RECEIVED**OCT 28 2015****DEPT OF WATER RESOURCES
SOUTHERN REGION****Date of Priority:** October 10, 1980**Maximum Diversion Rate:** 8.02 CFS**Maximum Diversion Volume:** 3,040.0 AF

Comes now L & S LAND HOLDINGS LLC
2930 S 2300 E

WENDELL ID 83355 and represents to the Director of the Idaho Department
of Water Resources that he is the owner and holder of Permit to Appropriate the Public Waters of the
State of Idaho No. 47-07673, and requests that the permit be changed as follows:

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	03/15 to 11/15	8.02 CFS	3,040.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER SE1/4NW1/4 Sec. 1, Twp 12S, Rge 18E, B.M.
TWIN FALLS County

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
11S 18E 36	33.0			20.0								19.0	30.0	20.0	40.0	40.0	202.0
11S 19E 32									40.0	39.0	37.0	34.0					150.0
12S 18E 1	40.0	40.0	21.0	28.0	38.0	5.0	25.0	24.0									221.0
	L 1	L 2			L 3	L 4											
12S 19E 5	38.0	29.0			23.0	39.0	32.0		38.0	19.0							218.0
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12S 19E 6	40.0	39.0	39.0	40.0	39.0	18.0	19.0	39.0	26.0			18.0	40.0	39.0	39.0	40.0	475.0
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12S 19E 7	32.0	40.0	40.0		27.0			35.0	32.0					33.0			239.0

Total Acres: 1505

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT

RECEIVED

OCT 28 2015

DEPT OF WATER RESOURCES
SOUTHERN REGION

(For Licensing Purposes)

WATER RIGHT NO. 47-07673

Permit holder asserts that no one will be injured by such change and that such change will be made at permit holder's own risk. Signed this 28th day of October 2015.

[Signature]
(Signature)

Farm Manager

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT

(For Licensing Purposes)

WATER RIGHT NO. 47-07673

FOR DEPARTMENT USE ONLY

Preliminary check by H Fee = 100 Received by DM # 5035073 Date 10/28/2015

ACTION OF THE DEPARTMENT OF WATER RESOURCES

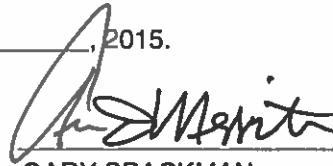
I, GARY SPACKMAN, of the Department of Water Resources hereby approve the above Application for Amendment for Permit No. 47-07673 with the following:

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 760 acres within the authorized place of use in a single irrigation season.
2. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
3. Rights 47-127A, 47-140, 47-141, 47-142, 47-143, 47-157A, 47-2491, 47-2511, 47-2526, 47-2536, 47-2546, 47-2552, 47-2554, 47-2556, 47-2557, 47-2566, 47-7673, 47- 8379 and 47-16392 when combined shall not exceed the irrigation of 1505 acres.
4. The right holder shall make full beneficial use of all surface water available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit the diversion of ground water under this right for land with an appurtenant surface water rights to those times when the surface water supply is not available or reasonably sufficient to irrigate the place of use authorized under this right.
5. If the surface water rights appurtenant to the place of use for this right is unavailable for any reason other than drought or curtailment by priority (for example abandoned, forfeited, sold, transferred, leased, used on another place of use, or disallowed by court decree), the right holder shall not divert ground water for irrigation purposes on the land with appurtenant surface water rights without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
6. 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.
7. Use of this right is combined with water from Twin Falls Canal Co.

Witness my hand this 8th day of December, 2015.

FOR


GARY SPACKMAN
Director

No. W 138684		Due no later than Jun 30, 2015		2. Registered Agent and Address (NO PO BOX)	
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		Annual Report Form		NATIONAL REGISTERED AGENTS INC 921 S ORCHARD ST STE G BOISE ID 83705	
		1. Mailing Address: Correct in this box if needed. ISE 555 BROADWAY, LLC PO BOX 267 GALENA MD 21635		3. New Registered Agent Signature: *	
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.					
Office Held	Name	Street or PO Address	City	State	Country Postal Code
MANAGER	DENISE J FORD	P.O.BOX 267	GALENA	MD	USA 21635
5. Organized Under the Laws of: NY W 138684		6. Annual Report must be signed. * Signature: Denise Ford Name (type or print): Denise Ford Date: 06/18/2015 Title: Manager			
Processed 06/18/2015		* Electronically provided signatures are accepted as original signatures.			

State of Idaho

Office of the Secretary of State

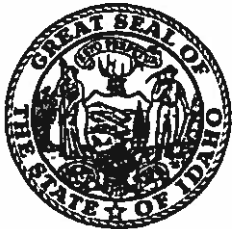
**CERTIFICATE OF AUTHORITY
OF
ISE 555 BROADWAY, LLC**

File Number W 138684

I, BEN YSURSA, Secretary of State of the State of Idaho, hereby certify that an Application for Certificate of Authority, duly executed pursuant to the provisions of the Idaho Uniform Limited Liability Act, has been received in this office and is found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Authority to transact business in this State and attach hereto a duplicate of the application for such certificate.

Dated: 5 June 2014



Ben Ysursa
SECRETARY OF STATE

By

[Signature]



**APPLICATION FOR CERTIFICATE
OF AUTHORITY FOR FOREIGN
LIMITED LIABILITY COMPANY**

(Instructions on back of application)

2014 JUN -5 AM 10:46
SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is:

ISE 555 BROADWAY, LLC

2. If the name of the limited liability company is not permissible or is not available in Idaho, the name the foreign limited liability company will use in Idaho is:

3. The jurisdiction under whose laws the limited liability company is formed is: New York

4. The name and complete street address of the registered agent in Idaho is:

National Registered Agent, Inc. 821 S. Orchard Street, Suite G, Boise, ID 83705

5. The street and mailing address of the limited liability company's principal office is:

821 S. Orchard Street, Suite G, Boise, ID 83705

Street Address

Mailing Address, if different

6. The street and mailing address of the limited liability company's office in the jurisdiction under whose laws it is organized is:

555 Broadway, New York, New York 10012

Street Address

Mailing Address, if different

7. The name and mailing address of at least one member or manager:

Gregg Clanton, 31335 Galena-Sassafras Road, Galena, MD 21635

8. The mailing address for future correspondence:

P.O. Box 287, Galena, Maryland 21635

9. Signature of a manager, member or authorized person.

Signature

Gregg Clanton, Manager

Typed Name

Secretary of State use only

IDAHO SECRETARY OF STATE
06/05/2014 05:00
CK:127376 CT:67145 BH:1427844
18 100.00 100.00 REC FOR LLC #2

W138684

**State of New York
Department of State } ss:**

I hereby certify, that ISE 555 BROADWAY, LLC a NEW YORK Limited Liability Company filed Articles of Organization pursuant to the Limited Liability Company Law on 02/13/1996, and that the Limited Liability Company is existing so far as shown by the records of the Department.



*WITNESS my hand and the official seal
of the Department of State at the City of
Albany, this 05th day of May two
thousand and fourteen.*

Anthony Giardina

Executive Deputy Secretary of State

201405060193 163