



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N Skyline Dr., Ste A, Idaho Falls, Idaho 83402-1718

Phone: (208) 525-7161 FAX: (208) 525-7177 www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

September 22, 2015

Salmon River Lodge Resort LLC
PO Box 1089
Salmon ID 83405

The "Notice of Change in Water Right Ownership" for 77-7003 has been returned for the following item(s):

**** Evidence of Ownership: On June 29, 2015 the department requested a warranty deed or other legal evidence of ownership. The information was to be submitted within 30 days. The department has not received the necessary information therefore we are returning your application unprocessed. You will be entitled to a full refund of \$25.00. The department has initiated the refund and it should arrive in a couple of weeks.

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 within 120 days of the change. Failure to do so could result in a \$100 late filing fee. 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.

If you have any questions please contact Jonie Barg at (208)525-7161.

Please enclose the following items(s) and resubmit the entire packet to our Idaho Falls Office at the address below:

Idaho Department of Water Resources
Eastern Region
900 N Skyline Ste A
Idaho Falls ID 83402-1718

Respectfully submitted,

Jonie Barg
Technical Records Specialist

Barg, Jonie

From: Barg, Jonie
Sent: Tuesday, September 22, 2015 3:45 PM
To: Sutcliffe, Lorna
Subject: Refund Request
Attachments: E040843.pdf

Lorna,

Good afternoon!!

I have a refund request as follows:

Receipt number: E040843
Amount: \$25.00
Payable to: Salmon River Lodge Resort LLC
PO Box 1089
Salmon ID 83406

Reason: Total filing fee received \$25.00 for ownership change for 1 water right. The department cannot complete the ownership change, therefore a full refund is required.

Let me know if you need additional information.

Thank you so much for your time. Let me know if you have any questions.

Have a great day!!!

Jonie Barg

Jonie Barg
Technical Records Specialist
Idaho Department of Water Resources
900 N Skyline Ste A
Idaho Falls ID 83402
phone: (208) 525-7161
fax: (208) 525-7177
email: jonie.barg@idwr.idaho.gov

STATE OF IDAHO
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?
77-7003	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: Salmon River Lodge Inc
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Salmon River Lodge Resort LLC
New owner(s) as listed on the conveyance document
- PO Box 1089 Salmon ID 83406
Mailing address City State ZIP
- (208) 716-0492 brooks.murphy@yahoo.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: _____
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: [Signature] President SRLR 4/1/2015
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 JLB Date 4/1/2015 Receipt No E040843 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 _____

EXHIBIT D

BILL OF SALE

This Bill of Sale is delivered by and between Salmon River Lodge, Inc. ("Seller") and ~~Dynasty~~ ^{Murphy} Family Investments ~~LLP~~ ("Buyer"). All capitalized terms shall have that meaning assigned to them in the Purchase and Sale Agreement between the parties dated June 21, 2013 ⁶⁰ ~~60~~

The undersigned, as Seller, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby sells, assigns, conveys and transfers to Buyer, all of Seller's right, title and interest in and to the personal property as described in Attachment 1, attached hereto and incorporated herein by this reference.

The Property is hereby sold and assigned to Buyer "AS IS, WHERE IS" and "WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR PARTICULAR PURPOSE."

This Bill of Sale may, but need not be, supplemented by specific assignments and conveyances of any and all the assets covered hereby, and Seller covenants and agrees that it will on Buyer's request, execute and deliver to Buyer, its successors and assigns, such supplemental or specific assignments and conveyances as Buyer, its successors or assigns may deem necessary and advisable to carry out the purposes of the sale, assignment, transfer and conveyance, and to vest in Buyer, as of the date hereof, good title to the property covered hereby, wherever situated.

Buyer hereby acknowledges receipt of the assets as described above as of the date stated below.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of June 21, 2013 ⁶⁰

Seller: Salmon River Lodge, Inc.

^{Murphy}
Buyer: ~~Dynasty~~ Family Investments ~~LLP~~ ^{LLC}

Brett Ball
Name: ~~Derek E. Ball~~ Brett Ball
Title: ~~Secretary~~
Director/Authorized Agent

Dean Murphy
Name: Dean Murphy
Title: General Partner

DM AC

Attachment 1

Assets for BBI of Sale

All furniture, fixtures, machinery, equipment, tools, vehicles, computers, parts, supplies, hardware, and replacement, spare, component and maintenance parts located at the Lodge.

All raw materials, supplies, work in process, finished goods and other inventories related to, used by, or held for the benefit of the Lodge, including such items previously purchased and in transit to the Seller that are related to, used by, or held for the benefit of the Lodge.

All customer lists of the Lodge in whatever form or medium.

All ownership interests in the name "Salmon River Lodge" and all websites and telephone numbers used in connection with the Lodge.

Except for the corporate minute books and related stock records of the Seller, all business records of the Seller, including all books, records, ledgers, files, documents, correspondence, lists, plans, drawings, photographs, creative materials, advertising and promotional materials, studies, reports and other materials (in whatever form or medium), owned or maintained by the Seller.

All prepaid expenses, advance payments, deposits, advances and other similar deposits including, without limitation, deposits with suppliers, utilities, and customers related to, used by, or held for the benefit of the Lodge.

All goodwill of the Lodge as a going concern.

All deposits received for any Lodge related activities to occur after Closing.

3 condo cabins

1 upper cabin complex (3 cabins)

1 lower cabin complex (4 cabins)

Main Lodge

Tack Barn

Misc. sheds and out buildings

Rafts and catamarans

Furniture and fixtures

Livestock with registration bills of sale, health records, etc. needed for transportation

Tack

Tents, camping gear

Tools, spare parts

Hydro power system

Kitchen-ware

Ice maker

Blue Bentz single engine jet boat 1984, #MTF BENTZ 0184 (1984 EZLOAD trailer)

Shazam Bentz single engine jet boat 1986, #MTF257010486 (1984 EZLOAD trailer)

Custom built twin engine jet boat No ID # (Twin Trailer 1990)

John Deere 2020 Tractor #NT5R1C 029726T

John Deere 410 back-hoe #410D 335209T

Dodge van 1996 # 2B5WB35Z4TK154588

Rhino ATV #5Y4AM04

John Deere 410 back-hoe #410D 335209T

① pcc

Dodge van 1996 # 2B5WB35Z4TK154588
Rhino ATV 5Y4AM04Y95A010320
Ford Truck F250 #1FTNW21L6XEB86164
Bent docks

DM / PC

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made effective August ____, 2012, between Dunmur Family Investments LLLP, an Idaho limited partnership ("Dunmur") and B & B Outfitters Inc., an Idaho corporation ("Outfitter") (Dunmur and Outfitter collectively may be referred to as the "Buyer"), and Salmon River Lodge, Inc., an Idaho corporation ("Seller"). Buyer and Seller may be referred to hereinafter individually as a "Party" or collectively as the "Parties" as appropriate under the circumstances.

1. **Purchase and Sale.** Seller agrees to sell, and Dunmur agrees to purchase the following assets described in (i) below and Outfitter agrees to purchase the following assets described in (ii) below ("Assets"):

(i) All personal property related to the operation of the Salmon River Lodge (the "Lodge"), located in Lemhi County, Idaho, which is currently owned and operated by Seller, but excluding those items being retained by Seller as more particularly described below. The Assets include but are not limited to those listed on Exhibit A attached hereto and incorporated herein by this reference. The Assets exclude those listed in Exhibit B attached hereto, which assets may be removed by Seller; and

(ii) All transferable consents, leases, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality solely in respect of the Lodge which remain valid or in effect as of the Closing (the "Permits"). The parties shall cooperate to obtain all necessary approvals for the assignment, transfer or issuance of the Permits to Operator. After the Closing, Operator will lease the assets described in (i) above from Buyer.

2. Purchase Price; Earnest Money.

2.1 **Purchase Price.** Subject to the costs and prorations hereinafter described, the purchase price for the Assets shall be Five Hundred Thousand Dollars and No/100ths (\$500,000.00) ("Purchase Price") and shall be payable by Buyer to Seller in cash or immediately available funds at Closing. The Purchase Price will be allocated among the Assets for tax purposes in accordance with their fair market values as set forth in Section 1060 of the Internal Revenue Code. The Buyer and Seller shall each adopt and utilize the fair market values set for purposes of filing IRS Form 8594 and each of them will not voluntarily take any position inconsistent therewith. The Buyer and Seller each agree to provide the other promptly with any information required to complete Form 8594.

2.2 **Earnest Money.** Upon execution of this Agreement, Buyer shall deposit a Twenty-Five Thousand and No/100ths Dollars (\$25,000.00) earnest money deposit with Seller. Upon completion of the conditions required by third parties for transfer of the Permits, Buyer shall deposit an additional Twenty-Five Thousand and No/100ths Dollars (\$25,000.00) earnest money deposit (the "Earnest Money"). Except as otherwise provided in this Agreement, the Earnest Money, together with any interest thereon, shall be refundable to the Buyer, accrue to the benefit of Buyer and shall be applied against the Purchase Price at Closing. The remaining balance of the Purchase Price shall be payable to Seller, in cash or immediately available funds, for disbursement at Closing.

3. **Liabilities Excluded.** Nothing contained here shall be deemed to transfer any of Seller's liabilities to Buyer and Buyer shall not assume or be liable for any liabilities of Seller unless specifically identified in Exhibit C, attached hereto and incorporated herein by this reference. At Closing, Buyer agrees to assume those liabilities identified in Exhibit C.

4. **Buyer's Conditions to Close and Closing.** Buyer's obligation to close this transaction is conditioned upon Buyer's satisfaction or waiver of each of the following conditions by the Closing Date. Buyer's failure to notify Seller in writing prior to the Closing Date as to its satisfaction or waiver of the following conditions shall be deemed Buyer's satisfaction of such conditions, the Earnest Money shall become non-refundable to Buyer.

4.1 **Assets.** There has been no material change in the condition of the Assets between the Effective Date and Closing:

4.2 **Permits/Licenses.** Assignment of all necessary Permits or issuance of new Permits to Buyer for operation of the Lodge as required by the applicable government agency.

4.3 **Representations and Warranties True.** The representations and warranties of Seller are true, complete, and accurate as of the date of this Agreement and as of Closing; and

4.4 **Covenants Performed.** The Seller has performed all obligations, covenants and agreements to be performed prior to Closing as set forth in this Agreement.

5. **Seller's Conditions to Close and Closing.** Seller's obligation to close this transaction is conditioned upon Seller's satisfaction or waiver of each of the following conditions by Closing Date:

5.1 **Payment of Purchase Price.** Buyer shall deliver to Seller the full Purchase Price outlined in this Agreement, with credit being given for the Earnest Money previously delivered by Buyer to Seller.

5.2 **Permits/Licenses.** Satisfactory termination of all licenses held by Seller without any remaining liability or obligation Seller.

6. **Closing.**

6.1 **Closing Date.** This sale shall be closed in the office of the Seller on or before January 1, 2013. As used herein, "Closing" or "Closing Date" shall mean the date on which all appropriate documents are exchanged and proceeds of sale are available for disbursement to Seller. Funds held in reserve, if any, shall be deemed, for purposes of this definition, available for disbursement to Seller.

6.2 **Prorations.** Taxes, assessments, Permit fees, utilities, prepaid expenses and all other expenses relating to the Assets and the Lodge shall be prorated as of the Closing Date. All cash, checks, and other funds, and all accounts receivables accruing before the Closing Date shall be the property of Buyer. All expenses accruing before the Closing Date shall be the sole obligation of Seller. All cash, checks, and other funds, and all accounts receivables accruing on or after the Closing Date shall be the property of Buyer. All expenses accruing on or after the Closing Date shall be the sole obligation of Buyer. Seller and Buyer acknowledge that some prorations, and allocations, may not be made until after the Closing; Seller and Buyer agree to act reasonably in making such post-closing prorations and allocations between themselves; upon determining appropriate amounts to be paid from one party to the other, the paying party agrees to promptly make such payment. The requirements of this subsection shall survive the Closing.

6.3 **Costs.** The Parties shall each be responsible for their own costs, including without limitation, attorneys and accounting fees, and inspection fees.

DM PC

6.4 Possession. Buyer shall be entitled to possession of the Lodge and the Assets upon Closing.

6.5 Delivery of Documents. On the Closing Date, together with funds required to close, each Party shall cause to be delivered to the other Party fully executed originals of the documents reasonably required to close and complete the transactions contemplated herein, including without limitation:

6.5.1 A Bill of Sale in the form attached as Exhibit D.

6.5.2 Endorsed Certificates of Title and other such documents for all applicable vehicles included in the Assets.

7. Maintenance of Assets. Following the Effective Date, Seller shall, (1) maintain the Assets in their comparable condition as of the Effective Date, (2) not allow any additional encumbrances to attach to the Assets or amend or modify any existing encumbrances, and (3) shall use its commercially reasonable efforts to preserve the Assets in good repair until the Closing, including the payment of all charges and liabilities arising from the use, occupancy and operation of the Assets of whatsoever nature predating the Closing except as to those items to be prorated as of the Closing.

8. Seller's Representations. To the best of Seller's actual knowledge, Seller represents and warrants to Buyer that the statements contained in this Section 8 are correct and complete as of the Effective Date and will be correct and complete as of the Closing Date. Buyer acknowledges that Buyer is not relying upon any statements, representations or warranties purported to be made by any third party or Seller which are not expressly set forth in this Agreement.

Buyer acknowledges that Seller makes no representation or warranty regarding the financial condition or the business potential of the Lodge or the Assets. Seller makes no representation or warranty regarding the profitability of the Lodge. Buyer is relying fully and completely on Buyer's own inspections and analysis regarding the financial conditions and business potential of the Lodge or the Assets.

8.1 Authority. Seller, and each person signing on behalf of Seller, has full power and authority to execute this Agreement and perform Seller's obligations hereunder, and all necessary action to authorize this transaction has been taken.

8.2 No Encumbrances. Seller has good and marketable title to the Assets. As of the Closing Date, the Assets shall not be subject to any lease, tenancies or rights of persons in possession and shall be free and clear of any liens or encumbrances. The Assets are in good working condition and repair (subject to normal wear and tear) and are sufficient for the operation of the Lodge as it is currently conducted and presently proposed to be conducted. The Assets have been maintained, repaired and replaced consistent with manufacturer's requirements or otherwise in a manner that is appropriate for the continued, uninterrupted operation of the Lodge. The Assets, when transferred to the Buyer, will be adequate and sufficient to permit the Buyer to conduct the business of the Lodge as currently conducted and presently proposed to be conducted by the Seller. The Seller is the only entity through which the business of the Lodge is conducted, and except for the excluded assets on Exhibit B, no other affiliate of Seller owns, leases, or uses any assets related to the Lodge.

8.3 Liens. There has been no labor performed or material furnished for the Lodge, or any part thereof, on behalf of Seller which has not heretofore been fully paid (or will be paid by Seller prior to the Closing) for which a lien can be lawfully claimed by any person, party or entity on the Lodge.

DM JCE

8.4 No Assessments. There are no currently due and payable assessments that have been levied against or are proposed for the Assets or Lodge.

8.5 Litigation. There are no claims, actions, suits, arbitrations, proceedings or investigations by or before any court or arbitration body, any governmental, administrative or regulatory agency, or any other body, pending or, to Seller's knowledge, threatened against, effecting or relating to the Assets, or the transactions contemplated by this Agreement, except the following:

8.5.1 Forest Service investigation into chainsaws used to clear trails in hunting permitted areas in 2011. It is Seller's understanding that this matter will only affect Seller, and that Buyer's operation of the Lodge will not be materially impaired.

8.6 No Violation of Law. There are no current, material violations of any ordinance, regulation, law, or statute of any governmental authority or agency pertaining to the Assets.

8.7 Accurate Information. All documents, agreements, and other information provided to Buyer by Seller, or which Seller has caused to be provided to Buyer, are true and correct in all material respects and do not omit any material fact or condition required to be stated or necessary to make the statement or information not misleading, and there are not other agreements or conditions with respect thereto.

8.8 Environmental Condition. (i) No "Hazardous Material" is or has been transported to or from, or generated, placed, held, released, located, stored, or disposed of on, under, or at the Lodge; (ii) neither the Lodge nor any part of any improvements and equipment thereon contains any asbestos or polychlorinated biphenyls; (iii) Seller has not received any notice of any action or proceeding relating to any Hazardous Material or notice of any release or threatened release thereof on, under or at the Lodge or any notice contrary to (i) and (ii) above; and (iv) no underground or above ground storage tanks are or have been located on the Lodge. "Hazardous Material" means, without limitation, any substance or material defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous waste", "acutely hazardous waste", "restricted hazardous waste", "toxic substances" (including toxic mold) or "known to cause cancer or reproductive toxicity", (or words of similar import) petroleum products (including crude oil or any fraction thereof) or any other chemical, substance or material which is prohibited, limited or regulated under any federal, state or local law, ordinance, regulation, order, permit, license, decree, common law, or treaty regulating, relating to or imposing liability or standards concerning materials or substances known or suspected to be toxic or hazardous to health and safety, the environment, or natural resources. Seller agrees to indemnify and hold Buyer harmless from and against any and all loss, damage, claims, penalties, liability, suits, costs and expenses (including, without limitation, reasonable attorneys' fees) and also including without limitation, costs of remedial action or cleanup, suffered or incurred by Buyer arising out of or related to any such use of the Lodge, or portion thereof, occurring prior to the conveyance to Buyer and of which Seller had knowledge.

8.9 Employees. Exhibit E sets forth a list of all employees and independent contractors of Seller, their respective positions, locations, exempt or non-exempt status, the rate of all regular and special compensation payable to each such person in any and all capacities, and any regular or special compensation that will be payable to each such person in any and all capacities as of the date of this Agreement other than the then current accrual of regular payroll compensation. Seller does not employ any employee or contract with any independent contractor who cannot be dismissed immediately without notice and without further liability to the Seller.

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8.10 Pasture and Warehouse. Seller agrees to allow Buyer use of pastures and one warehouse for the livestock, boats and other equipment that is not stored at the Lodge in the off season substantially as the Seller has done in the past. The agreement for use of pastures and one warehouse will expire one year after the Closing Date. Pasturing fees will be paid by Buyer to Seller of \$1.13/animal/day. Storage will be at no cost. Seller shall not be responsible for damage or loss to Buyer's stored property or animals not caused by Seller's own negligence or intentional conduct.

8.11 Advertising Media. Exhibit F sets forth a complete list of all advertising media used in the last 5 years and lists any contracts exchanged for rights to use photos, images, etc.

9. Buyer's Representations. To the best of Buyer's actual knowledge, Buyer represents and warrants to Seller that the statements contained in this Section 9 are correct and complete as of the Effective Date and will be correct and complete as of the Closing Date.

9.1 Buyer, and each person signing on behalf of Buyer, has full power and authority to execute this Agreement and perform Buyer's obligations hereunder, and all necessary action to authorize this transaction has been taken.

9.2 There are no claims, actions, suits, arbitrations, proceedings or investigations by or before any court or arbitration body, any governmental, administrative or regulatory agency, or any other body, pending or threatened against, effecting or relating Buyer which would prohibit it from consummating the transaction described herein.

9.3 Buyer has sufficient funds to close the transactions described in this agreement.

9.4 Buyer has received whatever documents and information from Seller that Buyer has requested and has made whatever inspections that Buyer desires to make. Buyer has made its own independent investigation and analysis regarding the Lodge and the Assets and all aspects of this transaction that Buyer desires to make, and Buyer is satisfied in its sole discretion regarding the condition of the Lodge and the Assets. Buyer is relying on its own investigations, inspections and analysis regarding this transaction. As of the date of Closing, Buyer has conducted all due diligence deemed necessary by Buyer.

10. Default. If either Party defaults hereunder, the Parties shall be able to pursue all remedies provided by law or equity. Upon Seller's default, Buyer shall be entitled to a return of the Earnest Money on demand, and Seller releases all claims to the Earnest Money in the event of such default. If Buyer defaults, any and all of Buyer's rights and interests in the Lodge or Assets shall be immediately terminated, Buyer's rights under this Agreement shall become null and void, and the Earnest Money shall be forfeited to Seller to be credited against any damages sustained by Seller as a result of Buyer's default.

11. Reservations and Deposits. Seller warrants that all reservations and bookings that have been accepted by Seller as of the date of this Agreement for services to be provided at the Lodge after Closing have been properly documented and copied to Buyer. Seller also warrants that all reservations and bookings that are accepted by Seller after the date of this Agreement for services to be provided at the Lodge after Closing will be properly documented and copied to Buyer as they occur. Buyer shall be solely responsible for collecting any remaining sums owed by parties who have reserved the Lodge or booked activities offered at the Lodge. Buyer agrees to indemnify and hold Seller, its members, directors, officers, employees, agents, and assigns harmless from any claims relating to availability and rates for activities or services reserved by parties who made advance deposits. Buyer agrees to honor advance reservations booked by Seller prior to Closing in Seller's normal course of business. Prior to Closing, Buyer and Seller shall meet and confer regarding any activities or reservations that will be occurring as of

the Closing Date. Within 5 days of signing this Agreement, Seller will provide Buyer with a complete list of all barter arrangements that Seller has agreed to, any part of which may be performed after the Closing.

12. **Risk of Loss; Insurance; Condemnation.** Risk of loss of or damage to the Lodge or Assets shall be borne by Seller until the Closing. Thereafter, Buyer shall bear the risk of loss. In the event of material loss of, or damage to, the Lodge or Assets prior to the Closing, Seller shall not be obligated to restore the Lodge or Assets nor pay damages to Buyer by reason of such loss or damage, and Buyer may terminate this Agreement by giving notice of such termination to Seller, and such termination shall be effective immediately; provided, however, that such termination shall not be effective if Seller agrees in writing to restore the Lodge or Assets to its present condition by the Closing Date; and provided further that Buyer may elect to purchase the Lodge in the condition existing on the Closing Date, in which event, Seller shall pay to Buyer any insurance proceeds payable by reason of such loss or, alternatively, Seller shall reduce the Purchase Price by the amount of any insurance proceeds payable by reason of such loss.

If the Lodge is or becomes the subject of a condemnation proceeding prior to Closing, Buyer may, at its option, terminate this Agreement by giving notice of such termination to Seller on or before the Closing Date, and this Agreement shall be of no further force or effect; provided, however, that Buyer may elect to purchase the Lodge, in which case the total Purchase Price shall be reduced by the total of any condemnation award received by Seller at or prior to Closing. On Closing, Seller shall assign to Buyer all Seller's rights in and to any future condemnation awards or other proceeds payable or to become payable by reason of any taking. Seller agrees to notify Buyer of eminent domain proceedings within five (5) days after Seller learns thereof; provided, if Seller learns about such proceedings within five (5) days of Closing, Seller shall notify Buyer immediately, and in any event, prior to Closing.

In the event damage to the Lodge or condemnation thereof results in Buyer's termination of the Agreement pursuant to this Section, the Earnest Money shall be returned to Buyer, and, except as provided herein, the Parties shall have no further rights or obligations under this Agreement.

13. **Attorneys' Fees.** Should any Party employ an attorney for the purpose of enforcing or construing this Agreement, or any judgment based on this Agreement, in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, the prevailing Party shall be entitled to receive from the other Party reimbursement for all reasonable attorneys' fees and all reasonable costs, whether incurred at the trial or appellate level, including but not limited to service of process, filing fees, court and court reporter costs, investigative costs, expert witness fees and the cost of any bonds, whether taxable or not, and such reimbursement shall be included in any judgment, decree or final order issued in that proceeding.

14. **No Commissions.** Buyer and Seller acknowledge that there have been no brokers involved in the transaction contemplated herein. Each Party ("Indemnifying Party") agrees to indemnify and hold harmless the other Party, its successors and assigns, from and against any and all obligation, cost, expense and liability, including, without limitation, all reasonable attorneys' fees and court costs, arising out of any claim for brokerage commission, finder's commission or other such compensation as a result of the dealings of the Indemnifying Party in connection with this transaction.

15. **Survival of Representations and Warranties.** The terms, covenants, representations and warranties contained in this Agreement shall survive Closing.

16. **Counterparts.** This Agreement may be executed in any number of counterparts, for the convenience of the Parties, all of which, when taken together and after execution by all Parties hereto, shall constitute one and the same Agreement. Delivery of an executed counterpart of a signature page of

this Agreement via facsimile transmission or electronic mail shall be as effective as delivery of an executed original.

17. **Notices.** All notices under this Agreement shall be in writing and delivered in person or sent by registered or certified mail, return receipt requested, postage prepaid, or sent by facsimile or overnight courier (i.e. Federal Express) to Buyer and to Seller at the addresses set forth herein, or to such other addresses as may from time to time be designated by any such Party in writing. Notices mailed as aforesaid shall be deemed given three (3) days after the date of such mailing or upon the date of receipt if delivery is made in person or via overnight courier. Notices given by facsimile shall be deemed given on the date of transmission if receipt thereof is confirmed by telephone. Notwithstanding the foregoing, actual notice however and from whomever received shall always be effective.

If to Buyer: Dunmur Family Investments LLLP and B & B Outfitters Inc.
Attn: Brooks Murphy
5465 E. Skidmore Dr.
Idaho Falls, Id 83406
Facsimile: (208) 452-563-1027

If to Seller: Salmon River Lodge, Inc.
Attn: Derek C. Ence
2235 E. 25th Street, Suite 200
Idaho Falls, Idaho 86404
Facsimile: (208) 524-7750

18. **Indemnification.** Seller shall assume and pay all debts, charges, claims, damages and liabilities attributable to the operation of the Lodge or the Assets prior to Closing and shall hold Buyer harmless therefrom and indemnify and defend against same, except liabilities expressly assumed in writing by Buyer. Buyer shall assume and pay all debts, charges, claims, damages and liabilities attributable to the operation of the Lodge or the Assets after Closing and shall hold Seller harmless from all liabilities assumed in writing by Buyer and all liabilities that arise as the result of Buyer's operation of the Lodge after Closing.

19. **General.** The Parties acknowledge that each Party and, if they should so choose, their attorneys, have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendments or exhibits to this Agreement. The section headings of this Agreement have been inserted for convenience of reference only and shall not affect any construction or interpretation of this Agreement. This is the entire agreement of the Parties with respect to the matters covered hereby and supersedes all prior agreements between them, written or oral. This Agreement may be modified only in writing, signed by both Parties. Except as otherwise provided in this Agreement, any waivers hereunder must be in writing. No waiver of any right or remedy in the event of default hereunder shall constitute a waiver of such right or remedy in the event of any subsequent default. This Agreement shall be governed in all respects by the laws of the state of Idaho. This Agreement is for the benefit only of the Parties hereto and shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the Parties hereto. Buyer and Seller agree to take such further acts and execute such further documents and instruments as may be reasonably required to consummate the transactions set forth herein. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof. Time is of the essence of this Agreement. All time periods in this Agreement shall be deemed to refer to calendar days unless the time period specifically references business days; provided, if the last date on which to perform any act or give any notice under this Agreement shall fall on a Saturday, Sunday or local, state or national holiday, such

act or notice shall be deemed timely if performed or given on the next succeeding business day. The exhibits attached hereto are incorporated herein as if set forth in full herein.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first written above.

SELLER:

Salmon River Lodge, Inc.
an Idaho corporation

Date: 9-12-12


By: Derek C. Ence
Its: Secretary

BUYER:

Dunmur Family Investments LLLP

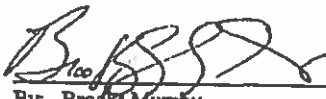
Date: 9-6-2012


By: Dean Murphy
Its: General Partner

OPERATOR:

B & B Outfitters Inc.

Date: 9-6-2012


By: Brook Murphy
Its: President

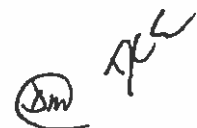


EXHIBIT A

Included Assets

All furniture, fixtures, machinery, equipment, tools, vehicles, computers, parts, supplies, hardware, and replacement, spare, component and maintenance parts located at the Lodge.

All raw materials, supplies, work in process, finished goods and other inventories related to, used by, or held for the benefit of the Lodge, including such items previously purchased and in transit to the Seller that are related to, used by, or held for the benefit of the Lodge.

All customer lists of the Lodge in whatever form or medium.

All ownership interests in the name "Salmon River Lodge" and all websites and telephone numbers used in connection with the Lodge.

Except for the corporate minute books and related stock records of the Seller, all business records of the Seller, including all books, records, ledgers, files, documents, correspondence, lists, plats, drawings, photographs, creative materials, advertising and promotional materials, studies, reports and other materials (in whatever form or medium), owned or maintained by the Seller.

All prepaid expenses, advance payments, deposits, advances and other similar deposits including, without limitation, deposits with suppliers, utilities, and customers related to, used by, or held for the benefit of the Lodge.

All goodwill of the Lodge as a going concern.

All deposits received for any Lodge related activities to occur after Closing.

3 condo cabins

1 upper cabin complex (3 cabins)

1 lower cabin complex (4 cabins)

Main Lodge

Tack Barn

Misc. sheds and out buildings

Rafts and catamarans

Furniture and fixtures

Livestock with registration bills of sale, health records, etc. needed for transportation

Tack

Tents, camping gear

Tools, spare parts

Hydro power system

Kitchen-ware

Ice maker

Blue Bentz single engine jet boat 1984, #MTF BENTZ 0184 (1984 EZLOAD trailer)

Shazam Bentz single engine jet boat 1986, #MTF257010486 (1984 EZLOAD trailer)

Custom built twin engine jet boat No ID # (Twin Trailer 1990)

John Deere 2020 Tractor #NTSR1C 029726T

John Deere 410 back-hoe #410D 335209T

Dodge van 1996 # 2B5WB35Z4TK154588

Rhino ATV #5Y4AM04

John Deere 410 back-hoe #410D 335209T



Dodge van 1996 # 2B5WB35Z4TK154588
Rhino ATV SY4AM04Y95A010320
Ford Truck F250 #1FTNW21L6XEB86164
Boat docks

DM *[signature]*

EXHIBIT B

Excluded Assets

1. All Accounts receivable accrued prior to Closing for Services provided prior to Closing.
2. All cash or other current assets and liquid funds but not including deposits.
3. All trophy mounts located in main cabin.

Am
PCC

EXHIBIT C
LIABILITIES ASSUMED BY BUYER

Donated fishing trip for two people for Fall 2012.

Verbal agreements with guides for 2012

Am
P/C

EXHIBIT D

BILL OF SALE

This Bill of Sale is delivered by and between Salmon River Lodge, Inc. ("Seller") and Dunmur Family Investments LLLP ("Buyer"). All capitalized terms shall have that meaning assigned to them in the Purchase and Sale Agreement between the parties dated _____, 2012.

The undersigned, as Seller, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby sells, assigns, conveys and transfers to Buyer, all of Seller's right, title and interest in and to the personal property as described in Attachment 1, attached hereto and incorporated herein by this reference.

The Property is hereby sold and assigned to Buyer "AS IS, WHERE IS" and "WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR PARTICULAR PURPOSE."

This Bill of Sale may, but need not be, supplemented by specific assignments and conveyances of any and all the assets covered hereby, and Seller covenants and agrees that it will on Buyer's request, execute and deliver to Buyer, its successors and assigns, such supplemental or specific assignments and conveyances as Buyer, its successors or assigns may deem necessary and advisable to carry out the purposes of the sale, assignment, transfer and conveyance, and to vest in Buyer, as of the date hereof, good title to the property covered hereby, wherever situated.

Buyer hereby acknowledges receipt of the assets as described above as of the date stated below.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of _____, 2012.

Seller: Salmon River Lodge, Inc.

Buyer: Dunmur Family Investments LLLP

Name: Derek C. Ence
Title: Secretary

Name: Dean Murphy
Title: General Partner

DM

Attachment I

Assets for Bill of Sale

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Shazam Bcntz single engine jet boat 1986, #MTF257010486 (1984 EZLOAD trailer)

Custom built twin engine jet boat No ID # (Twin Trailer 1990)

John Deere 2020 Tractor #NT5R1C 029726T

John Deere 410 back-hoe #410D 335209T

Dodge van 1996 # 2B5WB35Z4TK154588

Rhino ATV #5Y4AM04

John Deere 410 back-hoe #410D 335209T

A handwritten signature, possibly 'DM', followed by the initials 'JCE'.

Dodge van 1996 # 2B5WB35Z4TK154588
Rhino ATV 5Y4AM04Y95A010320
Ford Truck F250 #1FTNW21L6XEB86164
Boat docks

② per

EXHIBIT E
EMPLOYEES AND INDEPENDENT CONTRACTORS

Employee	Address line 1	City ST ZIP	SS No	
Sharon A. Abbott	5 Bridge Road	North Fork, ID 83466	248-64-3518	100/day
Kathryn M. Barrington	61 Sheep Creek Road	North Fork, ID 83466	471-38-2534	100/day
Kathryn Barrington	61 Sheep Creek Rd	North Fork, ID 83466	471-38-2534	
Jeffrey L. Clayton	309 South 7th Ave	Bozeman, MT 59715	517-23-4788	1600/month
Richard Andrew Greiner	PO Box 466	North Fork, ID 83466	542-41-0289	2400/month
Jake R. Hill	709 S River Road	St Anthony, ID 83445	519-37-0700	8000/season
Mitchell V. Parris	1379 W 200 S	Pingree, ID 83262	518-46-3692	150/day
Bill Salo	P.O. Box 2405	Salmon, ID 83467	518-72-3653	150/day
Cherie Warren	443 S 100 W	Rupert, ID 83350	519-08-2450	100/day

DM *PLC*

EXHIBIT F
ADVERTISING MEDIA AND CONTRACTS

We have attended sport show to sell hunts in Utah and Oregon but we have no contracts to do so for next year.
Bighorn Outdoor Adventure Show- Portland Oregon
International Sportsmans Expo - Salt Lake City

We have adds in two magazines:
Bugle
Hunting Fool

We have used a mailing list the past two years to send flyers to potential hunting clients.

We have brochures to market the Lodge.

A handwritten signature in black ink, consisting of a circled 'D' followed by a stylized 'A' and a flourish.