

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED ^{DE}
JUN 01 2015
DEPARTMENT OF
WATER RESOURCES

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.

Water Right/Claim No.	Split?	Water Right/Claim No.	Split?	Water Right/Claim No.	Split?
37- 7319 PD	Yes ☐	37- 21434 DEB	Yes ☐		Yes ☐
37- 21285 PD	Yes ☐	37- 22069 PD	Yes ☐		Yes ☐
37- 22065 PD	Yes ☐	37- 20881 PD	Yes ☐		Yes ☐
37- 22067 PD	Yes ☐		Yes ☐		Yes ☐
37- 21407 DEB	Yes ☐		Yes ☐		Yes ☐

2. Previous Owner's Name: Croy Creek Properties, LLC
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): 2010-1 RADC/CADC Property VII, LLC
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 4601 College Blvd Ste 350 Leawood KS 66211
Mailing address City State ZIP
- 816 - 285 - 3874 Max.Hoffmeier@Mariner-RE.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: 4/9/15
6. If the water right described herein has been rented from the Water Supply Bank, rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
- Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - New lessor(s) of record will receive payment after the following rental season.
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. X 8
 - ☐ \$100 per split water right.
 - ☐ No fee is required for pending adjudication claims.

SUPPORT DATA

IN FILE # 37-7319

8. Signature: [Signature] Authorized Signer 5/26/15
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 [Signature] Date 6-1-15 Receipt No. C100519 Receipt Amt. 200.
Approved by _____ Processed by [Signature] Date 6-5-15

Instrument # 625838

HAILEY, BLAINE, IDAHO
04-13-2015 2:33:36 PM No. of Pages: 4
Recorded for: FIRST AMERICAN TITLE - POCATELLO
JOLYN DRAGE Fee: \$19.00
Ex-Officio Recorder Deputy: JB
Electronically Recorded by Simplifile

 **ORIGINAL**

THIS INSTRUMENT FILED FOR RECORD BY
FIRST AMERICAN TITLE COMPANY AS AN
ACCOMMODATION ONLY AND HAS NOT BEEN
EXAMINED AS TO ITS EXECUTION OR AS
TO ITS EFFECT UPON THE TITLE

SHERIFF'S DEED

THIS INDENTURE, MADE THIS 9th DAY OF APRIL, 2015, BY AND BETWEEN THE
BLAINE COUNTY SHERIFF AND 2010-1 RAD/CADC PROPERTY VII, LLC, a Delaware limited
liability company.

WHEREAS, in and by that certain Amended Judgment, (hereafter the "Judgment") rendered by
District Judge Robert J. Elgee, in the District Court for the Fifth Judicial District of the State of Idaho, in
and for the County of Blaine on November 14, 2014, and recorded as Blaine County Recorder's
Instrument No. 622837, on November 24, 2014 in Case No. CV-2013-613 then pending in said Court,
wherein 2010-1 RAD/CADC VENTURE, LLC, a Delaware limited liability company was Plaintiff,
and CROY CREEK PROPERTIES, LLC, an Idaho limited liability company; DAVID J. ALEXANDER;
and LITTLE CREEK, LLC, an Idaho limited liability company, were Defendants (collectively the
"Defendants") and a copy of said Judgment was delivered to said Blaine County Sheriff for execution; it
was, among other things, ordered, adjudged and decreed that all singular the mortgaged premises
described in the complaint in said action (the "Mortgaged Property"), and specifically described in the
Judgment, be sold at public auction by said Sheriff, in the manner required by law, and according to the
course and practice of said Court; that any of the parties to this action might become the purchaser at
said sale; and that said Sheriff execute the usual certificates and Deeds to the purchaser, as required by
law; and

WHEREAS, said Sheriff did, at the hour of 11:00 a.m., on January 29, 2015, after public notice had been given, as required by the laws of this State, and the course and practice of this Court, duly sold at public auction, in the front lobby of the Blaine County Public Safety Facility, pursuant to the Judgment and the provisions of law, the Mortgaged Property to 2010-1 RADC/CADC VENTURE, LLC, a Delaware limited liability company, for the credit bid sum of \$1,950,000.00, lawful money of the United States of America, it being the highest sum bid for the same; and

WHEREAS, said Sheriff thereupon made and issued the usual Certificate of Sale, in duplicate, in due form of law, and delivered one thereof to 2010-1 RADC/CADC VENTURE, LLC and caused the other to be filed and recorded in the Recorder's Office of Blaine County, Idaho, as Instrument No. 624587; and

WHEREAS, on March 31, 2015, 2010-1 RADC/CADC Venture, LLC did assign the Certificate of Sale and its right to receipt of this Sheriff's Deed to 2010-1 RADC/CADC PROPERTY VII, LLC pursuant to an Assignment of Certificate of Sale and of Right to Receipt of Sheriff's Deed which was recorded on April 6, 2015, as Blaine County Recorder's Instrument No. 625637; and

WHEREAS, the Defendants waived their right to redeem the property; and

NOW, THEREFORE, said Blaine County Sheriff, in order to carry into effect the sale so made by him aforesaid, in pursuance of the Judgment, and in conformity to the statutes in such case made and provided, and also in consideration of the premises and of the credit bid in the sum of \$1,950,000.00, so bidden by the 2010-1 RADC/CADC VENTURE, LLC, the receipt of

which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto 2010-1 RADC/CADC PROPERTY VII, LLC, a Delaware limited liability company, and to its successors and assigns forever the following described real property:

Lot 3A of A Replat of Lot 3, Block 1, CROY CREEK RANCH SUBDIVISION, according to the official plat thereof record as Instrument 382432, Records of Blaine County, Idaho.

Parcel A of SUNSET MEADOW ESTATES SUBDIVISION, according to the official plat thereof, record as Instrument 299102, Records of Blaine County, Idaho.

Parcel A of BULLION CREEK SUBDIVISION, according to the official plat thereof, record as Instrument 398295 and a Plat copy recorded as Instrument No. 402614. Records of Blaine County, Idaho.

Lots 1, 4 and 5 of CROY CREEK SUBDIVISION, according to the official plat thereof, recorded as Instrument No. 379602, records of Blaine County, Idaho

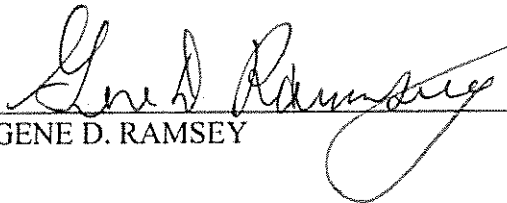
together with all existing or subsequently erected or affixed buildings, improvements and fixtures, all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation right(s)) including but not limited to all water rights represented by Decree Nos. 37-22065, 37-22067, 37-22069, 37-7319, 37-20881 and 37-21285 issued by the Idaho Department of Water Resources; and all other rights, royalties, and profits relating to the real property, including without limitation all mineral, oil, gas, geothermal and similar matters.

Together will all and singular tenements, hereditaments and appurtenances thereunto belonging, and in any wise appertaining, and the reversions, remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, all and singular, the Mortgaged Property above-mentioned and described, and hereby conveyed, or intended so to be, together with the appurtenances, to 2010-1 RAD/CADC PROPERTY VII, LLC, a Delaware limited liability company, its successors and assigns forever. IN WITNESS WHEREOF, said Grantor, as the Blaine County Sheriff aforesaid, hereunto sets his hand the day and year first above written.

DATED this 9th Day of April, 2015.

GENE D. RAMSEY
BLAINE COUNTY SHERIFF

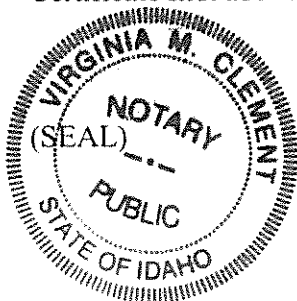


GENE D. RAMSEY

STATE OF IDAHO)
 : ss
County of Blaine)

I, Virginia M. Clement, a Notary Public in and for said state and county, do hereby certify that on this 9th day of April, 2015, personally appeared before me Gene D. Ramsey, whose name is subscribed to the foregoing document who, being by me first duly sworn on oath, declared that he is Sheriff of Blaine County, that he executed the foregoing document in his authorized capacity and that by his signature on the document, the entity upon whose behalf of which he acted, executed this document and that the statements contained therein are true and correct.

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





NOTARY PUBLIC FOR IDAHO
Residing at: Hailey, ID
Commission expires: 10/20/17

 **ORIGINAL**

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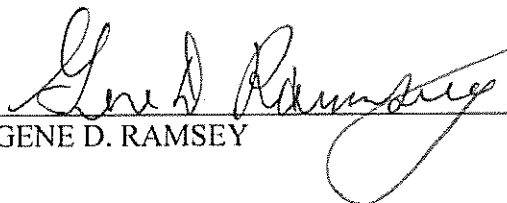
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DATED this 9th Day of April, 2015.

GENE D. RAMSEY
BLAINE COUNTY SHERIFF

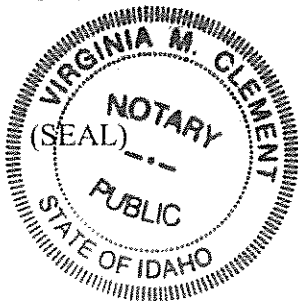


GENE D. RAMSEY

STATE OF IDAHO)
 : ss
County of Blaine)

I, Virginia M. Clement, a Notary Public in and for said state and county, do hereby certify that on this 9th day of April, 2015, personally appeared before me Gene D. Ramsey, whose name is subscribed to the foregoing document who, being by me first duly sworn on oath, declared that he is Sheriff of Blaine County, that he executed the foregoing document in his authorized capacity and that by his signature on the document, the entity upon whose behalf of which he acted, executed this document and that the statements contained therein are true and correct.

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





NOTARY PUBLIC FOR IDAHO
Residing at: Hailey, ID
Commission expires: 10/20/17

Croy Creek Properties, LLC

Summary of Water Rights and Availability

C. G. Brockway, Ph.D., P.E.
Brockway Engineering, PLLC

February 25, 2009

SYNOPSIS

Water rights on the property consist of surface rights from Croy Creek, Little Rock Creek, and Bullion Creek, and one groundwater right from three wells near the west end of the property.

The authorized place of use for all water rights is a permissible place of use (PPU) covering 474 acres. The boundaries of the PPU are shown on the attached map as a solid yellow line. Within the PPU, each right is limited to a maximum number of irrigated acres in any one irrigation season. The surface rights are all exactly overlapping and are limited to 319.9 acres. The groundwater right is limited to 222 acres, fully overlapping with the surface rights.

In short, there are 222 acres of irrigation covered with the three surface rights and the groundwater, and 97.9 acres covered with the surface water only.

Note that the recent transfer renumbered all water rights.

SRBA AND ADMINISTRATIVE STATUS

All irrigation water rights have been recommended favorably in the Snake River Basin Adjudication. No objections have been filed by any party. No further opportunity for objection exists except for 37-21285 (see below). Transfers were approved in October 2008 to structure the recommended rights within a permissible place of use as described below. An agreement with IDWR was reached recently for the beneficial use claim for irrigation storage in the reservoir (37-21285), which was originally disallowed. An SF-5 was executed and the revised recommendation will be published later this year in an amended Director's Report and will be open for objection.

One water permit application for fire protection storage (37-21407) is currently being advertised (see below), and the protest period expires March 9, 2009. One municipal groundwater right is in permit stage with a proof date of May 1, 2010. This right either must be developed by the proof date or an extension of time obtained.

In short, IDWR has thoroughly examined the water rights both from the adjudication and administrative standpoints. No issues, objections, or protests, remain unresolved at this time.

WATER RIGHT DETAILS

Irrigation Rights:

37-22065

Surface water right from Croy Creek.

Priority date 6/1/1883

6.8 cfs and 319.9 acres within a 474-acre PPU

Physical availability of this right is limited. Croy Creek flows only during runoff periods, and in a typical year will cease in early June. If present, water in Croy Creek is pumped from the point of diversion located at the extreme western end of the property.

37-22069

Surface water right from Unnamed Stream (Little Rock Creek)

Priority date 6/1/1883

0.29 cfs and 319.9 acres within a 474-acre PPU

0.02 cfs for Stockwater.

Physical availability of this right is extremely limited. This stream usually does not flow, and even in good water years runoff may only extend through May.

37-22067

Surface water from Bullion Creek

Priority date 6/1/1883

1.94 cfs and 319.9 acres within a 474-acre PPU

Bullion Creek is spring-fed, and flows year-round. Flows have not been systematically measured, but are currently estimated to be about 1.2 cfs. There are no other water users downstream on Bullion Creek. Therefore, Croy Creek Properties is authorized to take the entire flow of Bullion Creek. This water is diverted at a check structure into a culvert to the irrigation / fire reservoir, and the pond level "rides" on the water level behind the check.

37-7319

Groundwater

Priority date 1/17/1974

1.09 cfs and 222.0 acres within a 474-acre PPU, fully overlapping with the surface water rights. Three points of diversion (wells) authorized, shown on the attached map. With the recent well improvements, the full 1.09 cfs (489 gpm) can now be diverted.

37-21285

Reservoir storage and diversion from Bullion Creek

Priority date 7/2/1964

1.94 cfs diversion to storage

5.2 acre-feet storage for irrigation

40 acre-feet irrigation from storage

This right does not provide any additional diversion rate or acreage. It only records the storage right in the reservoir established by beneficial use.

Other Rights or Filings:

37-20881

Stockwater instream flow from Unnamed Stream

0.02 cfs

37-21407

Permit application for fire protection storage in the reservoir.

1.94 cfs diversion to storage

5.2 acre-feet storage for fire protection

5.2 acre-feet fire protection from storage

This application would not provide any additional diversion rate or storage. It would only add a beneficial use to the existing reservoir.

37-21434

Groundwater permit for municipal purposes

Priority date 2/22/2005

0.35 cfs from four wells

In-house use only – no irrigation

Proof date 5/1/2010

WATER SUPPLY AVAILABILITY

On paper, the total water right discharge is 9.23 cfs of surface water on 319.9 acres, or 1.4 miners inches per acre. However, for practical purposes to meet peak irrigation requirements, the water supplied by Croy Creek and Little Rock Creek is negligible, if any. The only reliable water supply comes from Bullion Creek and groundwater. Thus, the physical water availability is 1.2 cfs (Bullion) + 1.09 cfs (groundwater) = 2.29 cfs on 319.9 acres, or 0.36 miners inches per acre overall.

The following figure should help visualize the water right structure. Note that only Bullion Creek and Groundwater are shown in this figure.

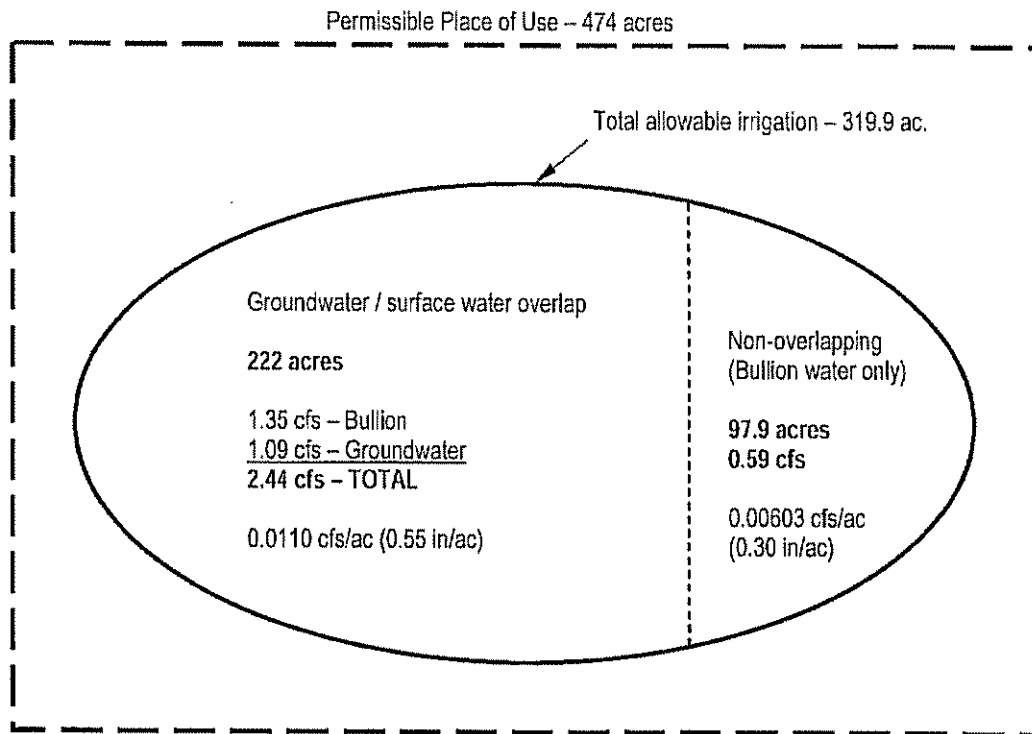


Figure 1. Visual depiction of current water right structure (note that although the Bullion right allows 1.94 cfs, only about 1.2 cfs is physically available)

PROJECT IRRIGATION WATER REQUIREMENTS

After full build-out of the approved subdivision (34 Lots), irrigation is estimated to be as follows:

30 cluster lots at 1.25 acres per lot average	37.5 acres
4 estate lots at 5 acres per lot average	20.0 acres
Common area landscaping	10.0 acres
TOTAL	67.5 acres

The per-acre peak irrigation diversion requirement is estimated to be 0.88 in/ac or 7.9 gpm per acre assuming 65% irrigation efficiency. **The total peak irrigation flow requirement is therefore 533 gpm or 1.19 cfs.** There is adequate physical water availability from Bullion Creek and groundwater to meet this peak demand.

AVAILABLE WATER ABOVE PROJECT REQUIREMENTS

The difference between the authorized irrigation of 319.9 acres and the project irrigation of 67.5 acres is 252.4 acres. This is the amount of “extra” water rights on paper in terms of acres only. However, this figure is highly misleading for the following reasons.

The physical water supply needed to be retained for the project is 1.19 cfs for use on 67.5 acres. However, due to the fact that the water rights allow a very low per-acre diversion rate, more acres need to be retained on paper in order to supply the required 1.19 cfs. There are two ways to analyze the water retained for the project versus the “extra” water available for banking or sale (refer to Figure 1):

Option 1: Retain water only from the 222-acre groundwater-surface water overlap area to make 1.19 cfs.

Retain for Project
0.66 cfs / 108.3 acres – Bullion (overlap)
0.53 cfs / 108.3 acres – Groundwater (overlap)
1.19 cfs / 108.3 acres – TOTAL

Remaining (extra)
0.59 cfs / 97.9 acres – Bullion
0.69 cfs / 113.7 acres – Bullion (overlap)
0.56 cfs / 113.7 acres – Groundwater (overlap)
1.84 cfs / 211.6 acres – TOTAL

Option 2: Retain all of the non-overlapping surface water, and enough of the overlapped part to make 1.19 cfs.

Retain for Project	
0.59 cfs / 97.9 acres – Bullion	} Total Bullion 0.92 cfs
0.33 cfs / 54.6 acres – Bullion (overlapped)	
0.27 cfs / 54.6 acres – Groundwater (overlapped)	
1.19 cfs / 152.5 acres – TOTAL	

Remaining (extra)
1.02 cfs / 167.4 acres – Bullion (overlapped)
0.82 cfs / 167.4 acres – Groundwater (overlapped)
1.84 cfs / 167.4 acres – TOTAL

In Option 1, more groundwater and less Bullion water is retained for the project. This is the preferred approach, since it would afford the best protection for extreme drought

situations, where Bullion Creek may drop below the 0.92 cfs required from Bullion in Option 2.

Assuming Option 1 is selected, there would be 0.59 cfs and 97.9 acres of non-overlapped Bullion water that could be placed in the water bank or marketed. In addition, there would be 0.69 cfs of Bullion and 0.56 cfs of groundwater overlapped on 113.7 acres that could be placed in the bank or marketed.

PROBABLE LIMITATIONS FOR MARKETING

Irrigation

The value of the water for marketing to irrigation uses would be limited by the low per-acre diversion rate as described. In other words, a person wishing to irrigate a certain number of acres would need to purchase and dry up more acres to obtain the necessary peak flow rate to make his project feasible. The amount of extra water needed depends on whether Bullion water only or Bullion-Groundwater overlap is dried up, as follows:

Bullion water only: need to dry up 2.9 acres for every acre transferred
Bullion-GW overlap: need to dry up 1.6 acres for every acre transferred

Other Uses

The above analysis applies to irrigation transfers, where the peak diversion rate is the limiting factor. For other uses – for example, the contemplated snowmaking use at Rotarun – a different analysis must be applied because these types of uses often depend on an annual volume rather than a peak diversion rate. An analysis must be made based on the specifics of each case to determine how many acres must be dried up to prevent enlargement.

Consumptive Use Limitation

In addition to the water right per-acre diversion being low, the actual physical water supply has historically been even lower. Therefore, the water required by the alfalfa crop has not historically been met in the summer months. Because of this, the actual consumptive use of the water resource has been lower than it would have been with a full water supply. In cases like this, IDWR evaluates the historic per-acre consumptive use and uses it as a baseline when transferring to non-irrigation consumptive uses in order to ensure that consumptive use would not enlarge.

The type of analysis IDWR requires is shown on the attached spreadsheets. The total crop consumptive use with a full water supply is 2.08 ac-ft/acre. In the 222-acre overlap area, sufficient water is available to meet all but 0.13 ac-ft/acre of the crop consumptive use. However, in the 97.9-acre area with Bullion water only, slightly more than half of the consumptive use is met.

The ramification of this is that when transferring to a consumptive use, the volume can be transferred only at the historic consumptive use rate per acre: on the overlap area, about 1.94 ac-ft/acre, and on the Bullion-only area, about 1.08 ac-ft/acre. For example,

if a proposed use required 10 acre-feet of consumptive water, the acreage dry-up would be 5.2 acres or 9.3 acres, respectively.

Transferability

Although significant excess water is available, the market is limited due to the fact that Croy Creek has been decreed as a "dry stream" and transfers of water outside the Croy Creek basin will be essentially prohibited. Even if the creek were not decreed as "dry", the hydrologic burden imposed by IDWR for any transfer outside of the basin would likely be insurmountable. Therefore, the market is limited to uses within the valley and possibly its tributary valleys. Downstream transfers are more hydrologically defensible, but upstream transfers would not be entirely out of the question.

Physical Water Access

In general, both Bullion Creek and Croy Creek sink within the property boundaries or a short distance downstream (the exception being high runoff periods). Therefore, a transfer of these rights to downstream users is not a straightforward exercise because most locations downstream would not have access to the Bullion Creek channel and probably would not have access to the Croy Creek channel. Even if they did, Croy Creek would likely not contain water. Thus, it is impossible to physically convey the surface water to any party downstream except perhaps someone immediately downstream. For this reason, transfer of water downstream likely would take the form of 1) a permit application for groundwater withdrawal at the new place of use, and 2) a mitigation plan involving "drying up" a certain number of acres at the current place of use. These types of plans are very common and are accepted and encouraged by IDWR as an appropriate method of conjunctive management.

IRRIGATION REQUIREMENT VS. AVAILABLE SUPPLY

CROY CREEK PROPERTIES
222-ACRE GW-SFC OVERLAP AREA

Assumes 1.2 cfs total available from Bullion Cr.
(out of the 1.94 cfs water right)

Available flow - Bullion 0.83 cfs
Available flow - Groundwater 1.09 cfs
Available flow per acre: 0.0086 cfs/acre (1.92 cfs on 222 acres)

Month	No. Days	Crop Pdef*			Irrigation efficiency**	[acre-feet]		
		[mm/day]	[inches]	[ac-ft]		Available water	Water avail to meet Pdef	Pdef not met
April	15	0.54	0.32	0.03	0.75	0.26	0.19	0.00
May	31	2.23	2.72	0.23	0.80	0.53	0.43	0.00
June	30	5.07	5.99	0.50	0.90	0.51	0.46	0.04
July	31	4.97	6.07	0.51	0.90	0.53	0.48	0.03
August	31	5.41	6.60	0.55	0.90	0.53	0.48	0.07
September	30	2.29	2.70	0.23	0.90	0.51	0.46	0.00
October	15	0.86	0.51	0.04	0.75	0.26	0.19	0.00
		24.91	2.08			3.14	2.69	0.13

Crop Pdef 2.08
Pdef not met historically 0.13
Available c.u. for transfer 1.94

* Allen & Robison (2007), Hailey station, Alfalfa - Less Frequent Cuttings

** Typical 75-80% in spring & fall. In months where water supply cannot meet crop ET, assume very high (90%) since it is unlikely that significant deep percolation will occur.

IRRIGATION REQUIREMENT VS. AVAILABLE SUPPLY

CROY CREEK PROPERTIES
97.9-ACRE SURFACE WATER ONLY AREA

Assumes 1.2 cfs total available from Bullion Cr.
(out of the 1.94 cfs water right)

Available flow - Bullion 0.37 cfs
Available flow - Groundwater 0 cfs
Available flow per acre: 0.00378 cfs/acre (0.37 cfs on 97.9 acres)

Month	No. Days	Crop Pdef*			Irrigation efficiency**	[acre-feet]		
		[mm/day]	[inches]	[ac-ft]		Available water	Water avail to meet Pdef	Pdef not met
April	15	0.54	0.32	0.03	0.75	0.11	0.08	0.00
May	31	2.23	2.72	0.23	0.80	0.23	0.19	0.04
June	30	5.07	5.99	0.50	0.90	0.22	0.20	0.30
July	31	4.97	6.07	0.51	0.90	0.23	0.21	0.30
August	31	5.41	6.60	0.55	0.90	0.23	0.21	0.34
September	30	2.29	2.70	0.23	0.90	0.22	0.20	0.02
October	15	0.86	0.51	0.04	0.75	0.11	0.08	0.00
			24.91	2.08		1.37	1.18	1.00

Crop Pdef 2.08
Pdef not met historically 1.00
Available c.u. for transfer 1.08

* Allen & Robison (2007), Hailey station, Alfalfa - Less Frequent Cuttings

** Typical 75-80% in spring & fall. In months where water supply cannot meet crop ET, assume very high (90%) since it is unlikely that significant deep percolation will occur.



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 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

June 5, 2015

2010-1 RADC/CADC PROPERTY VII LLC
4601 COLLEGE BLVD STE 350
LEAWOOD KS 66211

Re: Change of Ownership for Water Right/Permit No(s): 37-7319, 37-20881, 37-21285, 37-21407,
37-21434, 37-22065, 37-22067, 37-22069,

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.

You will notice on the records for water right permits 37-21407 and 37-21434, you are listed as present owner instead of current owner. Permits are considered personal property and require an Assignment of Permit to be filed to update the ownership. In cases when the original owner cannot be contacted, the Department will accept a Notice of Change in Water Right Ownership to update the ownership of water right permits. The Department leaves the original permit holder as current owner and will list the property owner as present owner. When the Department licenses these rights, they will be licensed in the property owner's name.

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.

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

Sincerely,

Jean Hersley

Technical Records Specialist II

Enclosure(s)

Hersley, Jean

From: Max Hoffmeier [Max.Hoffmeier@mariner-re.com]
Sent: Wednesday, June 03, 2015 1:47 PM
To: Hersley, Jean
Subject: RE: ownership change for 2010-1 RADC/CADC PROPERTY VII LLC

Jean, is there anything else you need?

From: Max Hoffmeier
Sent: Tuesday, June 02, 2015 9:20 AM
To: 'Hersley, Jean'
Subject: RE: ownership change for 2010-1 RADC/CADC PROPERTY VII LLC

I've attached a few more things, maps included.

From: Max Hoffmeier
Sent: Monday, June 01, 2015 4:16 PM
To: 'Hersley, Jean'
Subject: RE: ownership change for 2010-1 RADC/CADC PROPERTY VII LLC

I also have this detailing the water rights on the property. Working on a map.

From: Hersley, Jean [<mailto:Jean.Hersley@idwr.idaho.gov>]
Sent: Monday, June 01, 2015 1:55 PM
To: Max Hoffmeier
Subject: ownership change for 2010-1 RADC/CADC PROPERTY VII LLC

Dear Interested Party(s):

The Idaho Department of Water Resources received your request for a Notice of Change in Water Right Ownership on June 1, 2015. During the initial review, it was determine a conveyance document that includes a legal description of the property or description of the water right is needed to complete this request. Also, a map which shows the place of use and point of diversion for each water right is needed .

Because the Department cannot process the ownership change without proper documentation, we will hold any action on your notice pending receipt of the necessary information. If we do not receive the necessary information within 30 days we will return your request unprocessed. You can send the document to the address above, fax it to (208) 287-6700, attention Jean or email to jean.hersley@idwr.idaho.gov.

Please contact me at (208) 287-4942 if you have any questions regarding this matter.

*Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942*