

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED
FEB 07 2012
DEPT. OF WATER RESOURCES
SOUTHERN REGION

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?
37-104 37-22747	Yes ☒	37-11393	Yes ☐		Yes ☐
37-105A 37-22748	Yes ☒	37-11394 37-22750	Yes ☒		Yes ☐
37-8407	Yes ☐	37-11387 37-22749	Yes ☒		Yes ☐
37-11390	Yes ☐		Yes ☐		Yes ☐
37-11392	Yes ☐		Yes ☐		Yes ☐

2. Previous Owner's Name: Spring of Gladness Ranch, Inc.
Name of current water right holder/claimant

3. New Owner(s)/Claimant(s): Heart Rock Ranch, LLC
Name of each new owner as listed on the conveyance document

New owner continued Name connector ☐ and ☐ or ☐ and/or
P.O. Box 3724
Mailing address
Hailey ID 83333
City State ZIP
(208) 788-3783
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: November 28, 2011

6. 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.

7. Signature: [Signature] Trustee of Member Trust:
Signature of new owner/claimant The Shirley and Harry R. Hagey
Community Property Trust dated 1/14/1994 and as Amended Date 2/3/12
and Restated
Signature: [Signature] Title, if applicable Date
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by DB Date 2.8.2012 Receipt No. 5032343 Receipt Amt. \$500-
Approved by _____ Processed by _____ Date _____ **SCANNED** **SUPPORT DATA**

JUN 25 2012

IN FILE # 37-104

HEART ROCK RANCH LLC
BROCKWAY ENGINEERING PLLC
 1/4/2012

BIG WOOD RIVER IRRIGATED ACRES TO BE PURCHASED = 34.8 Acres
 TOTAL COMBINED BIG WOOD RIVER IRRIGATED ACRES = 144.0 Acres
 PERCENTAGE OF BIG WOOD RIVER ACRES TO BE PURCHASED = 24.2%

Existing Spring of Gladness Inc. Water Rights:

RIGHT #	37-104	37-105A	37-11387	37-11394	37-11390	37-9407	37-11392	37-11393
SOURCE	BIG WOOD RIVER	BIG WOOD RIVER	GROUND WATER	BIG WOOD RIVER	UNNAMED STREAM	GROUND WATER	GROUND WATER	GROUND WATER
CURRENT OWNER	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.
PRIORITY DATE	5/15/1882	5/31/1887	6/1/1950	9/1/1920	4/15/1939	9/23/1988	4/1/1949	4/1/1905
BASIS	DECEDED	DECEDED	DECEDED	DECEDED	DECEDED	PERMIT	DECEDED	DECEDED
USE	IRRIGATION, STOCK	IRRIGATION	IRRIGATION, STOCK- 150 range cattle	IRRIGATION	IRRIGATION	STOCK- 150 range cattle	DOMESTIC- 1 home, STOCK- 75 range cattle	DOMESTIC- 1 home
Diversion Rate	1.50 CFS	6.00 CFS	2.56 CFS	1.69 CFS	0.26 CFS	0.07 CFS	0.07 CFS	0.04 CFS
Diversion Volume	N/A	N/A	504.0 AFA	N/A	N/A	N/A	N/A	N/A
WR Acre LIMIT	144 Acres	144.0 Acres	144.0 Acres	144.0 Acres	13.0 Acres	N/A	N/A	N/A
Combined Acre LIMIT	144 Acres							

Portions of Water Rights Purchased by Heart Rock Ranch:

RIGHT #	37-104	37-105A	37-11387	37-11394	37-11390	37-9407	37-11392	37-11393
SOURCE	BIG WOOD RIVER	BIG WOOD RIVER	GROUND WATER	BIG WOOD RIVER	UNNAMED STREAM	GROUND WATER	GROUND WATER	GROUND WATER
CURRENT OWNER	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.
PRIORITY DATE	5/15/1882	5/31/1887	6/1/1950	9/1/1920	4/15/1939	9/23/1988	4/1/1949	4/1/1905
BASIS	DECEDED	DECEDED	DECEDED	DECEDED	DECEDED	PERMIT	DECEDED	DECEDED
USE	IRRIGATION, STOCK	IRRIGATION	IRRIGATION, STOCK- 150 range cattle	IRRIGATION	IRRIGATION	STOCK- 150 range cattle	DOMESTIC- 1 home, STOCK- 75 range cattle	DOMESTIC- 1 home
Diversion Rate	0.36 CFS	1.45 CFS	0.62 CFS	0.41 CFS	0.26 CFS	0.070 CFS	0.07 CFS	0.04 CFS
Purchased by HRR:	N/A	N/A	252.0 AFA	N/A	N/A	N/A	N/A	N/A
Diversion Volume	34.8 Acres	34.8 Acres	34.8 Acres	34.8 Acres	13.0 Acres	N/A	N/A	N/A
Purchased by HRR:	34.8 Acres	34.8 Acres	34.8 Acres	34.8 Acres	13.0 Acres	N/A	N/A	N/A
Combined Acre LIMIT	34.8 Acres							

Portions of Water Rights Remaining at the Spring of Gladness Ranch Inc.:

RIGHT #	37-104	37-105A	37-11387	37-11394
SOURCE	BIG WOOD RIVER	BIG WOOD RIVER	GROUND WATER	BIG WOOD RIVER
CURRENT OWNER	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.	SPRING OF GLADNESS RANCH INC.
PRIORITY DATE	5/15/1882	5/31/1887	6/1/1950	9/1/1920
BASIS	DECEDED	DECEDED	DECEDED	DECEDED
USE	IRRIGATION, STOCK	IRRIGATION	IRRIGATION, STOCK- 150 range cattle	IRRIGATION
Remaining Diversion Rate	1.14 CFS	4.55 CFS	1.94 CFS	1.28 CFS
Remaining Diversion Volume	N/A	N/A	252.0 AFA	N/A
Remaining Acre Limit	109.2 Acres	109.2 Acres	109.2 Acres	109.2 Acres
Combined Acre LIMIT	108.2 Acres			

ORIGINAL

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:
Fritz X. Haemmerle
HAEMMERLE & HAEMMERLE, P.L.L.C.
P.O. Box 1800
Haley, ID 83333

Instrument # 592522

HAILEY, BLAINE, IDAHO
11-30-2011 1:08:00 PM No. of Pages: 4
Recorded for: FIRST AMERICAN TITLE - KETCHUM
JOLYNN DRAGE Fee: \$19.00
Ex-Officio Recorder Deputy: mpp
Electronically Recorded by Simplifile

#394362

2

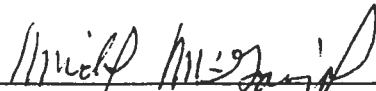
(Space Above Line for Recorder's Use)

QUITCLAIM DEED

FOR VALUE RECEIVED, the Spring of Gladness Ranch, Inc., an Idaho Corporation ("Grantor"), does hereby convey, release, remise and forever quit claim unto the Heart Rock Ranch, LLC, an Idaho Limited Liability Company, whose address is 196 Albion Ave., Woodside, CA 94602, ("Grantee"), all right, title and interest in and to the following water rights, or portions of water rights, described in Exhibit A, and appurtenant to the real property described in Exhibit B.

DATED this 28 day of November, 2011.

SPRING OF GLADNESS RANCH, INC.

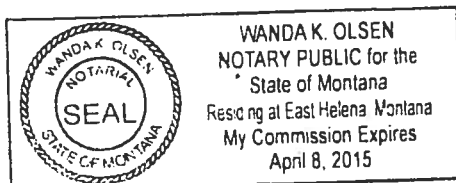


Michael McGonigal, President

STATE OF MONTANA)
) ss.
County of Lewis & Clarke.)

On this 28 day of November, in the year 2011, before me, a Notary Public in and for the State of Idaho, personally appeared Michael McGonigal, known or identified to me to be the President of the Spring of Gladness Ranch, Inc., and Idaho Corporation ("Grantor"), of the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that that such corporation executed the same.

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





NOTARY PUBLIC FOR MONTANA
Residing at: East Helena
Commission expires: April 8 2015

EXHIBIT A

1. 37-11390
2. 37-11392
3. 37-11393
4. 37-8407 (permit)
5. That portion of water right 37-104, described as follows:
 - a. Quantity: 0.36 cfs
 - b. Number of irrigated acres: 34.8 acres
6. That portion of water right 37-105A, described as follows:
 - a. Quantity: 1.45 cfs
 - b. Number of Irrigated Acres: 34.8 acres
7. That portion of water right 37-11387, described as follows:
 - a. Quantity (cfs): 0.62 cfs
 - b. Quantity (AFA): 252.0 AFA
 - c. Number of Irrigated Acres: 34.8 acres
8. That portion of water right 37-11394, described as follows:
 - a. Quantity: 0.41 cfs
 - b. Number of Irrigated Acres: 34.8 acres
9. Note: The use of water rights 37-104, 37-105A, 37-11387 and 37-11394 are also subject to a Water System Easement and Use Agreement filed in the records of Blaine County State of Idaho.

EXHIBIT B

Land Description For Spring of Gladness Ranch

A parcel of land located in a portion of the S²SE⁴ of Section 11 and a portion of the NW⁴SW⁴ and SW⁴SW⁴ of Section 12, Township 1 South, Range 18 East, Boise Meridian, Blaine County, Idaho; being more particularly described as follows:

Commencing at the Southeast corner of said Section 11. Thence South 89°47'47" West 115.25 feet along the South boundary of Section 11 to a point on the Westerly Right of Way of State Highway 75 at a corner of Lot 2, "Diamond Dragon Subdivision" and being the REAL POINT OF BEGINNING.

Thence South 89°47'47" West 2535.57 feet along the South boundary of the S²SE⁴ of Section 11 to the Southwest corner thereof.

Thence North 00°13'29" West 1321.88 feet along the boundary of Lot 2, "Diamond Dragon Subdivision" to the Northwest corner of the S²SE⁴ of Section 11.

Thence North 89°40'49" East 2657.14 feet along the boundary of Lot 2, "Diamond Dragon Subdivision," to the Northeast corner of the S²SE⁴ of Section 11.

Thence North 00°02'52" East 1327.29 feet along the boundary of Lot 2, "Diamond Dragon Subdivision," to the Northwest corner of the NW⁴SW⁴ of Section 12.

Thence North 89°49'21" East 654.93 feet along the boundary of Lot 2, "Diamond Dragon Subdivision," to a point on the Westerly Right of Way of State Highway 75.

Thence South 17°23'44" West 1642.90 feet to a Highway Right of Way monument 40 feet left of Highway Station 521+02.5.

Thence North 73°11'51" West 10.00 feet to a Highway Right of Way monument 50 feet left of Highway Station 521+02.5.

Thence South 17°23'44" West 136.90 feet to a point 50 feet left of Highway Station Pt 519+65.6.

Thence along a 0.5° spiral curve left with a central angle of 1° and a chord of 200.80 feet that bears South 17°03'44" West to a point 50 feet left of Highway Station PCS 517+65.6.

Thence 559.73 feet along a circular curve left with a central angle of 5°32'56", a radius of 5779.58 feet and a chord of 559.51 feet that bears South 13°35'43" West to a point 50 feet left of Highway Station PSC 512+07.3

Thence along a 0.5° spiral curve left with a central angle of 1° and a chord of 200.88 feet that bears South 10°09'29" West to a Highway Right of Way monument 50 feet left of Highway Station PS 510+07.3.

Thence South 9°49'29" West 28.31 feet along the Westerly Right of Way of State Highway 75 to the REAL POINT OF BEGINNING.

Containing approximately 95.54 acres.

