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DEC 09 2011

DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

**WATER SUPPLY BANK
REQUEST TO RELEASE OR LEASE TERM EXTENSION FORM**

This form is a statement that the lessor requests a change in the status of a Water Supply Bank ("Bank") lease for the water right identified below. A water right will remain in the Bank for the accepted lease period unless released earlier by the Water Resource Board or until the lessor submits a request in writing to the Department of Water Resources to release the right from the Bank. If a water right is currently rented, the portion of the right being rented must remain in the Bank for the duration of the rental agreement.

Water Right No: 95-2112 Telephone No: 208-667-0100

Name(s) of Lessor: Bluewater Development, LLC

Mailing Address: PO Box 2350

City: Coeur d'Alene State: ID Zip: 83816-2350

REQUEST TO RELEASE A WATER RIGHT FROM THE BANK:

Requested Release Date: _____

Release all or part of the leased portion of the water right: All ☐ Part ☐

*If releasing only part of the leased portion, please attach a clear description of the portion to remain in the Bank.

The lessor requests that the above water right be released from the Bank on the date referenced above.

Signature of Lessor _____ Printed Name and Title* _____ Date _____

Signature of Lessor _____ Printed Name and Title* _____ Date _____

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

REQUEST TO EXTEND THE TERM OF LEASE:

Current Expiration Date: 12/31/2011

Requested Expiration Date: 12/31/2012

If extending the lease term for only part of the leased portion, attach a clear description of the portion to remain in the Bank.

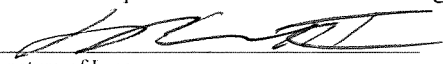
Extend lease term for all or part of the leased portion of the water right: All ☒ Part ☐

* All lease extension request forms must be signed and submitted with the following REQUIRED items:

1. Plat map, survey map or aerial photograph clearly showing the specific acres proposed to be idled by this lease application.
2. Filing fee of \$250.00. If you are submitting more than one lease application and the rights have a common place of use or common diversion rate or common diversion volume, the combined maximum fee is \$500.00.

For Department use: Receipt No. _____

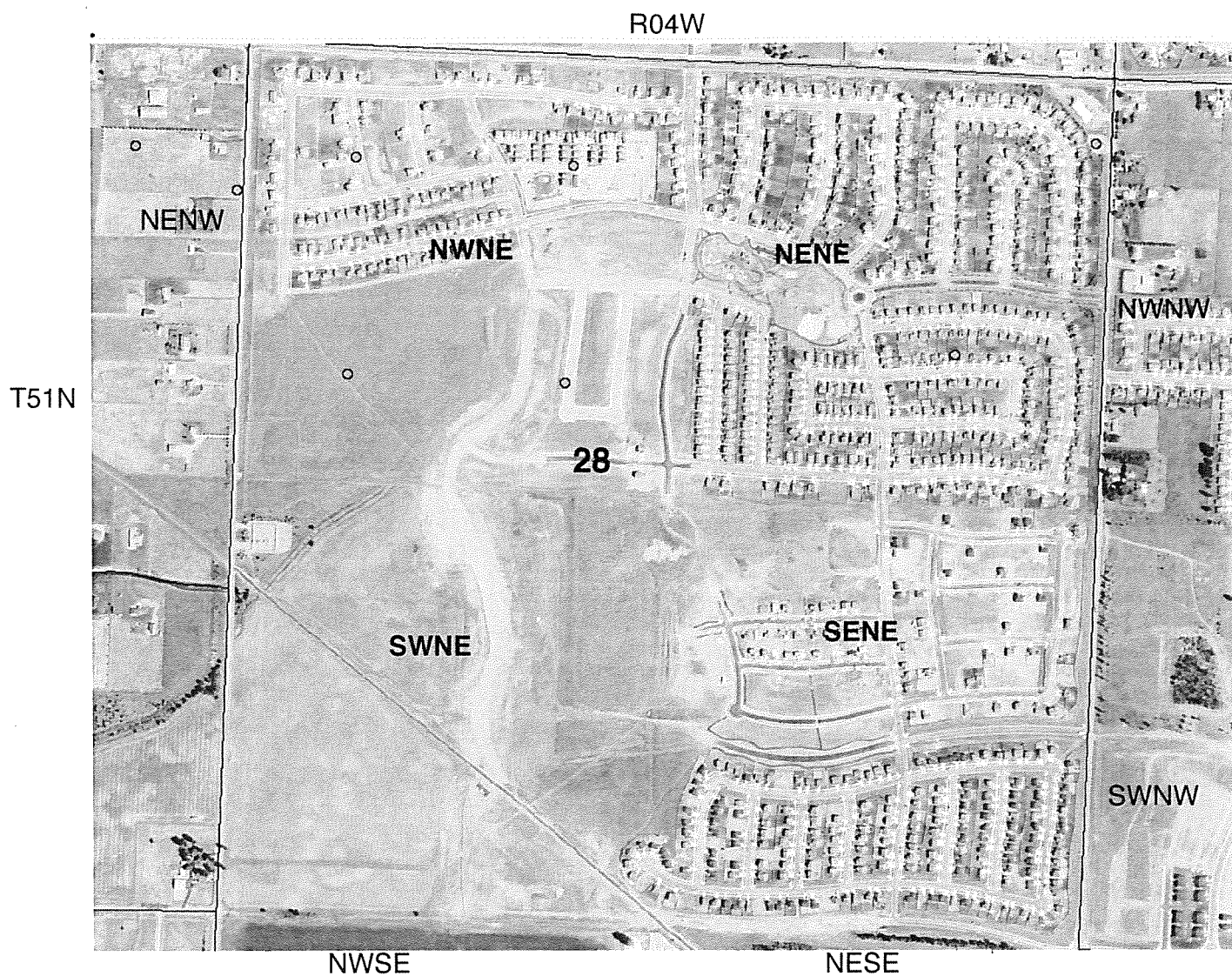
The lessor requests that the above water right remain in the Bank through the date referenced above.

 _____ Stephen P. Walker, Attorney-In-Fact _____ 12/06/11
Signature of Lessor _____ Printed Name and Title* _____ Date

Signature of Lessor _____ Printed Name and Title* _____ Date _____

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

Mail to: Idaho Department of Water Resources, P.O. Box 83720, Boise, ID 83720-0098



Water Right 95-2112
160 Acres

**SPECIAL POWER OF ATTORNEY
FOR WATER RIGHTS**

Bluewater Development, LLC an Idaho Limited Liability Company, hereby appoints Heartland, LLC, 1301 First Ave., Suite 200, Seattle, WA, 98101 as its true and lawful attorneys for the purpose of signing on its behalf the following forms for submission to the Idaho Department of Water Resources:

1. Request to Release or Lease Term Extension Form;
2. Any other document in support or furtherance of the above.

In addition, Heartland, LLC is hereby given authority to request and obtain aerial photographs, crop records, ownership and financial information, and related information from the U.S. Department of Agriculture Farm Service Agency related to property irrigated by water rights owned by Bluewater Development, LLC.

All may rely on such authority. This Special Power of Attorney shall be effective until December 31, 2012.

For purposes of the exercise of the powers herein granted, the facsimile signature of said attorneys shall be lawful and binding and any person may rely upon such facsimile signature as if it were an original.

JPm
2/5/11

IN WITNESS WHEREOF, Bluewater Development, LLC has executed this Special Power of Attorney effective as of the date noted.

DATED: 12-5-11

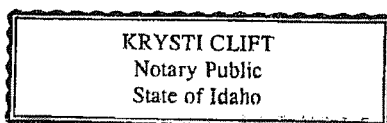

Bluewater Development, LLC
By: John Magnuson
Its: Managing Director

ACKNOWLEDGMENT

STATE OF Idaho)
) ss
COUNTY of Kootenai)

On this 5th day of Dec, 2011, before me, a Notary Public in and for the State of Idaho, personally appeared John F. Magnuson, known or identified to me to be the member of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

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



Krysti Clift
Notary Public for Idaho
Residing at Coeur d'Alene
My Commission expires 11/13/14