

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 76676

JUL 08 2010

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1WATER RESOURCES
WESTERN REGIONName of Applicant(s) Terrace Lakes Water Co.Phone 208-375-4087Mailing address c/o Ilene Johnson, 950 N. Cole Rd., Boise, ID 83704

Email _____

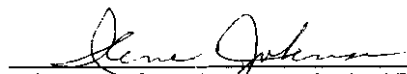
- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☒ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☒ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No RepresentativeName of Representative Lori Graves, SPF Water EngineeringPhone 208-383-4140Mailing address 300 E. Mallard Dr., Ste 350, Boise, ID 83706Email lgraves@spfwater.com

- ☐ Send all correspondence for this application to the representative and not to the applicant.
- OR
- ☒ Send original correspondence to the applicant and copies to the representative.
- ☒ The representative may submit information for the applicant but is not authorized to sign for the applicant.
- OR
- ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.


Signature of Applicant or Authorized Representative

President
Print Name and Title if applicable

6/14/10
Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☐ Change point of diversion ☒ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2. Change water rights to reflect applicant's domestic service area and combined ground water distribution system.**

AMENDED

Transfer No. 76676

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Amended

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued**B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.**

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	65-12985	0.20/145	Domestic	1/1 to 12/31	Ground Water
☒ ☐		0.20/90.3	Irrigation	3/15 to 10/31	Ground Water
☐ ☐	65-13457	0.07/50.7	Domestic	1/1 to 12/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.27 cfs and/or 195.7 ac-ft2. Total amount of water proposed to be transferred or changed 0.27 cubic feet per second and/or 195.7 acre-feet per annum.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed-the following chart is therefore not completed. (Proceed to #4.)
- ☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
Label it **Attachment #5**.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
No	4		NW	NW	3	9N	4E	Boise	Ground Water	Well 3
No	4		NW	NW	4	9N	4E	Boise	Ground Water	Well 1
No			SE	SW	28	10N	4E	Boise	Ground Water	Well 6
Yes			SE	SW	28	10N	4E	Boise	Ground Water	
Yes			SW	SE	28	10N	4E	Boise	Ground Water	(more attached)

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed-the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
9N	4E	3						Lt 4											
								X	X										
								2	0.5										2.5
		4	Lt 1	Lt 2		Lt 5	Lt 3	Lt 4											
			X	X	X	X	X	X											
			22	10	1	4	14	1											52

Total Acres (for irrigation use) (see attached)

AMENDED

3. Points of Diversion Cont'd:

New?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
Yes	4		SE	SE	28	10N	4E	Boise	Ground Water	
No			NW	NE	33	10N	4E	Boise	Ground Water	Well 4
No	3		NE	SE	33	10N	4E	Boise	Ground Water	Well 5
No			NW	SE	33	10N	4E	Boise	Ground Water	Well 2
Yes	1		NE	NE	33	10N	4E	Boise	Ground Water	
No			NW	NW	34	10N	4E	Boise	Ground Water	NRTL Well 2
Yes			NW	NW	34	10N	4E	Boise	Ground Water	

4. Place of Use Cont'd:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
10N	4E	28																Lt 4	
																	X	X	
																	8	46.5	54.5
		33	Lt 1			Lt 2									Lt 3			Lt 4	
			X	X	X	X					X			X	X	X	X	X	
			40	28	19	35					1			1	2	13	33.5	44.5	217
		34					X	X	X			X							
							0.5	29	20.5			7							57

Irrigation limited to 25.8 acres irrigation within 383-acre proposed permissible place of use

383

Domestic use limited to 450 homes within permissible place of use

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future: Existing and proposed wells with submersible pumps and totalizing flowmeters, two existing storage tanks, one proposed storage tank and pressurized distribution system.

- b. Who owns the property at the point(s) of diversion? Terrace Lakes Recreation Ranch Inc.

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: Easement and Lease Agreement

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?

If yes, ☒ Attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: _____

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer: N/A

- e. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use: The additional wells and place of use proposed are also covered on permits 65-23085 and 65-23086. Assignments and amendments for the permits are being submitted to reflect the same owners, points of diversion and place of use proposed on this application for transfer.

- f. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- ☐ ☒ undergone a period of five or more consecutive years of non-use,
☐ ☒ currently leased to the Water Supply Bank,
☐ ☒ currently used in a mitigation plan limiting the use of water under the right, or
☐ ☒ currently enrolled in a Federal set-aside program limiting the use of water under the rights?

If yes, describe: _____

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**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 65-12985**Current Owner:** TERRACE LAKES RECREATIONAL RANCH INC**Priority Date:** 2/23/1989**Origin:** Water Right**Status:** Active**Basis:** License**Source****Tributary**

GROUND WATER

Beneficial Use	From To	Diversion Rate	Annual Volume
IRRIGATION	03/15 to 10/31	0.2 CFS	90.3 AF
DOMESTIC	01/01 to 12/31	0.2 CFS	145 AF
	Total Diversion	0.2 CFS	145 AF

Location of Point(s) of Diversion

GROUND WATER BOISE County	L4(NW1/4NW1/4)	Sec. 4,	Twp 09N,	Rge 04E B.M.
GROUND WATER BOISE County	L4(NW1/4NW1/4)	Sec. 3,	Twp 09N,	Rge 04E B.M.
GROUND WATER BOISE County	NW1/4NE1/4	Sec. 33,	Twp 10N,	Rge 04E B.M.
GROUND WATER BOISE County	L3(NE1/4SE1/4)	Sec. 33,	Twp 10N,	Rge 04E B.M.
GROUND WATER BOISE County	L3(NE1/4SE1/4)	Sec. 33,	Twp 10N,	Rge 04E B.M.
GROUND WATER BOISE County	NW1/4SE1/4	Sec. 33,	Twp 10N,	Rge 04E B.M.

Place of Use

Page 6 of 10IRRIGATION Within BOISE County

T09N R04E S3	Lot 4	NWNW	2.00	T09N R04E S3		SWNW	0.50
T09N R04E S4	Lot 1	NENE	22.00	T09N R04E S4	Lot 2	NWNE	10.00
T09N R04E S4		SWNE	1.00	T09N R04E S4	Lot 5	SENE	4.50
T09N R04E S4	Lot 3	NENW	14.00	T09N R04E S4	Lot 4	NWNW	1.00
T10N R04E S33	Lot 1	NENE	9.00	T10N R04E S33		NWNE	27.00
T10N R04E S33		SWNE	20.00	T10N R04E S33	Lot 2	SENE	37.00
T10N R04E S33		NESW	1.00	T10N R04E S33		SESW	1.00
T10N R04E S33	Lot 3	NESE	1.50	T10N R04E S33		NWSE	15.00
T10N R04E S33		SWSE	34.00	T10N R04E S33	Lot 4	SESE	44.00
T10N R04E S34		SWNW	15.50	T10N R04E S34		NWSW	8.00

Total Acres: 288

DOMESTIC Within BOISE County

T09N R04E S3	Lot 4	NWNW		T09N R04E S3		SWNW	
T09N R04E S4	Lot 1	NENE		T09N R04E S4	Lot 2	NWNE	
T09N R04E S4		SWNE		T09N R04E S4	Lot 5	SENE	
T09N R04E S4	Lot 3	NENW		T09N R04E S4	Lot 4	NWNW	
T10N R04E S33	Lot 1	NENE		T10N R04E S33		NWNE	
T10N R04E S33		SWNE		T10N R04E S33	Lot 2	SENE	
T10N R04E S33		NESW		T10N R04E S33		SESW	
T10N R04E S33	Lot 3	NESE		T10N R04E S33		NWSE	
T10N R04E S33		SWSE		T10N R04E S33	Lot 4	SESE	
T10N R04E S34		SWNW		T10N R04E S34		NWSW	

Conditions of Approval:

1. X60 Place of use is located within Terrace Lakes Recreation Ranch, Unit Nos. 1 through 13.
2. Use of water for domestic purposes under Right 85-13457 and 85-12985 is limited to a combined total of 450 homes.
3. 004 The issuance of this right does not grant any right-of-way or easement across the land of another.
4. X36 Rights 85-13457 is also diverted through the points of diversion described above.
5. 132 Domestic use is for 450 homes. Irrigation of lawns, gardens and landscaping associated with the homes is authorized under the irrigation component of this right.
6. X27 This right is limited to the irrigation of 25.8 acres within the place of use described above in a single irrigation season.
7. 046 Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
8. T07 The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
9. R63 This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afu per acre at the field headgate for irrigation of the lands above.
10. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.

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**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 65-13457

Current Owner: TERRACE LAKES RECREATIONAL RANCH INC

Priority Date: 8/27/1993

Origin: Water Right

Status: Active

Basis: License

Source

GROUND WATER

Tributary

Beneficial Use	From To	Diversion Rate	Annual Volume
DOMESTIC	01/01 to 12/31	0.07 CFS	50.7 AF
	Total Diversion	0.07 CFS	50.7 AF

Location of Point(s) of Diversion

GROUND WATER	L4(NW1/4NW1/4)	Sec. 4,	Twp 09N,	Rge 04E B.M.
BOISE County				
GROUND WATER	L4(NW1/4NW1/4)	Sec. 3,	Twp 09N,	Rge 04E B.M.
BOISE County				
GROUND WATER	NW1/4NE1/4	Sec. 33,	Twp 10N,	Rge 04E B.M.
BOISE County				
GROUND WATER	L3(NE1/4SE1/4)	Sec. 33,	Twp 10N,	Rge 04E B.M.
BOISE County				
GROUND WATER	NW1/4SE1/4	Sec. 33,	Twp 10N,	Rge 04E B.M.
BOISE County				
GROUND WATER	L3(NE1/4SE1/4)	Sec. 33,	Twp 10N,	Rge 04E B.M.
BOISE County				

Place of Use**DOMESTIC Within BOISE County**

T09N R04E S3	Lot 4	NWNW	T09N R04E S3		SWNW
T09N R04E S4	Lot 1	NENE	T09N R04E S4	Lot 2	NWNE
T09N R04E S4		SWNE	T09N R04E S4	Lot 5	SENE
T09N R04E S4	Lot 3	NENW	T09N R04E S4	Lot 4	NWNW
T10N R04E S33	Lot 1	NENE	T10N R04E S33		NWNE
T10N R04E S33		SWNE	T10N R04E S33	Lot 2	SENE
T10N R04E S33		NESW	T10N R04E S33		SESW
T10N R04E S33	Lot 3	NESE	T10N R04E S33		NWSE
T10N R04E S33		SWSE	T10N R04E S33	Lot 4	SESE
T10N R04E S34		SWNW	T10N R04E S34		NWSW

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Conditions of Approval:

1. T07 The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
2. 046 Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
3. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
4. X36 Rights 65-12985 is also diverted through the points of diversion described above.
5. 004 The issuance of this right does not grant any right-of-way or easement across the land of another.
6. X60 Place of use is located within Terrace Lakes Recreation Ranch, Unit Nos. 1 through 13.
7. 132 Domestic use is for 450 homes. Irrigation of lawns, gardens and landscaping associated with the homes is authorized under water right 65-12985 and 65-23086.
8. Use of water for domestic purposes under Right 65-13457 and 65-12985 is limited to a combined total of 450 homes.

Licensed Date: 3/28/2008

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 2

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/>, Water Right Transfers, Step 1.
Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the **Part 2B** form can be obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/>, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number: _____

- [illegible]

2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per $\frac{1}{4}$ $\frac{1}{4}$ tract.)

[illegible]

Total Acres (for irrigation use) _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3**

A. PLAT MAP (See Part 3A of Instructions for application for transfer for complete requirements.)

- ☒ Attach a map of the diversion, measurement, control, and distribution system. Label it **Attachment #7a**.
- ☒ If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. Label it **Attachment #7b**. If the place of use currently consists of a permissible place of use, then the attachment is not required if the application contains a clear statement that the boundaries for the place of use are not proposed to be changed by the transfer and the total number of irrigated acres within the place of use before and after the transfer is clearly stated.

B. CHANGES IN NATURE OF USE (Water Balance)

- ☐ If you propose to change the nature of use or period of use of all or part of the right(s) listed in this application, attach documentation describing the extent of historic beneficial use of the portion of the right(s) proposed to be changed. Also attach documentation showing that the portion of the right(s) to be changed will not be enlarged in rate, volume, or consumptive use through the proposed change. Label it **Attachment #8a**.

C. PLACE OF USE CHANGES TO SUPPLEMENTAL IRRIGATION RIGHTS

- ☐ If you propose to change the place of use of a supplemental irrigation right, answer below and attach supporting documentation. Label it **Attachment #8b**.

1. Describe how the supplemental water rights have been used historically in conjunction with other water rights at the existing place of use. Describe the time during the irrigation season that the supplemental rights have been used. Include information about the availability or reliability of the primary right(s) being supplemented, both before and after the change. If the applicant is proposing to change a supplemental irrigation right to a primary right, provide the information required on Part 3B above.: Overlapping domestic surface water right 65-7140 is not part of the potable ground water system for water quality and availability reasons.
- Other overlapping surface water rights are for separate systems, acres and uses.

FOR DEPARTMENT USE ONLY

AG 8/11/2011

Transfer contains 10 pages and 23 attachments.

Received by JB Date 7-8-10 Prelim. Check by dh Date 2/25/2011

Fee Paid \$250- Date 7-8-2010 Received by DB Receipt # W038546

Add'l Fee Paid _____ Date _____ Received by _____ Receipt # _____

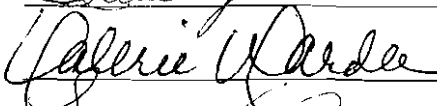
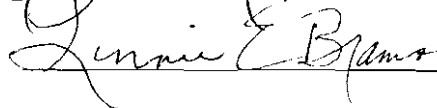
ATTACHMENT 2
TRANSFER AUTHORIZATIONS

Terrace Lakes Recreation Ranch, Inc.
June 11, 2010

A resolution was made this 11th day of June, 2010 to authorize the Secretary/Treasurer of Terrace Lakes Recreation Ranch, Inc to transfer and assign the wells and the water rights for all the wells on the property owned by the above Corporation to the Terrace Lakes Water Company in order to comply with IDEQ requirements to supply water to the Property Owners at Terrace Lakes Resort and the future North Ridge at Terrace Lakes Subdivision.

Signed this 11th day of June, 2010

Board of Directors

 President
 Vice-President
 Secretary/Treasurer

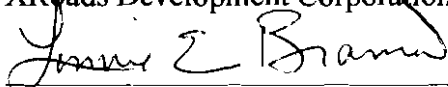
XRoads Development Corporation

June 11, 2010

A resolution was made and passed on this 11th day of June, 2010, for Lonnie E. Bramon, the President of XRoads Development Corporation, and majority owner of the stock in XRoads Development Corporation, to sign an agreement to transfer the wells and water rights in the two wells he drilled for the North Ridge at Terrace Lakes Subdivision, to the Terrace Lakes Water Company, in order to satisfy IDEQ and so the Water Company will supply water to the North Ridge at Terrace Lakes Subdivision.

Dated this 11th day of June 2010

XRoads Development Corporation

A handwritten signature in cursive script, appearing to read "Lonnie E. Bramon", is written over a horizontal line.

President

SPECIAL WARRANTY DEED FOR WATER RIGHTS

FOR VALUE RECEIVED, **Terrace Lakes Recreation Ranch, Inc., an Idaho Corporation,**

a corporation duly organized and existing under the laws of the State of Idaho, grantor, does hereby Transfer and Convey unto

Terrace Lakes Water Company, an Idaho Corporation,

grantee whose current address is: **950 N. Cole Road, Boise, Idaho 83704**
the following described Water Rights in Boise County, Idaho, to-wit:

Water Rights No. **65-12985 and 65-13457** currently of record at the Idaho Department of Water Resources

TO HAVE AND TO HOLD the above described Water Rights for the benefit of the Grantee and to the successors and assigns of Grantee forever, and the said Grantor does hereby represent, warrant and covenant to and with the said Grantee, that they are the owner in fee simple of the Water Rights, that the Water Rights are free from all encumbrances, that the Water Rights have been beneficially used (or that nonuse thereof is legally excused) so as to avoid partial or complete forfeiture or abandonment.

IN WITNESS WHEREOF. The Grantor, pursuant to a resolution of its Board of Directors has caused its corporate name to be hereunto subscribed by its Secretary-Treasurer.

Dated: July 27, 2011

Terrace Lakes Recreation Ranch, Inc.

By: *Ilene Johnson*
Ilene Johnson, Secretary/Treasurer

Instrument # 232164

IDAHO CITY, BOISE COUNTY, IDAHO

8-8-2011 04:52:42 No. of Pages: 1

Recorded for : TERRACE LAKES RECREATION RANCH

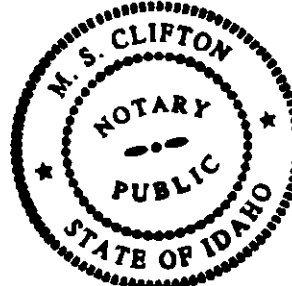
MARY T. PRISCO Fee: 10.00

Ex-Officio Recorder Deputy *Shirley Sze*
Index to DEEDS

STATE OF IDAHO
COUNTY OF Ada

On this 27th of July, 2011 before me, a Notary Public in and for said State, personally appeared Ilene Johnson, known to me to be the Secretary/Treasurer of Terrace Lakes Recreation Ranch, Inc., and is authorized to execute this instrument on behalf of said corporation, and acknowledged to me that she 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.

Notary Public *M. S. Clifton*
Residing at: Boise, Idaho Comm. Expires: 1-31-17

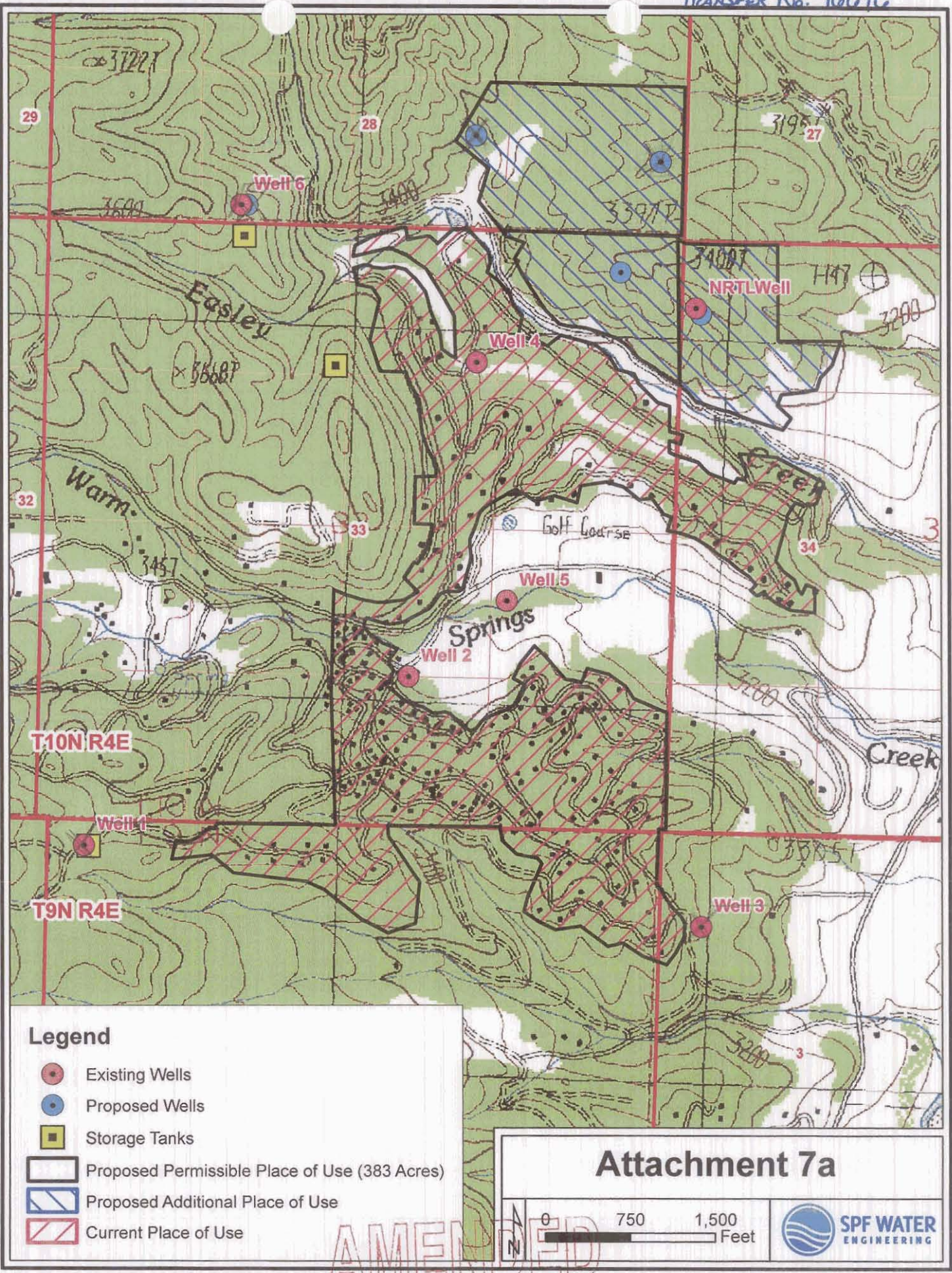


ATTACHMENT #2a

TRANSFER No. 76676

ATTACHMENT 7
TRANSFER MAPS

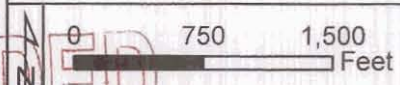
Attachment 7 (4 pgs)



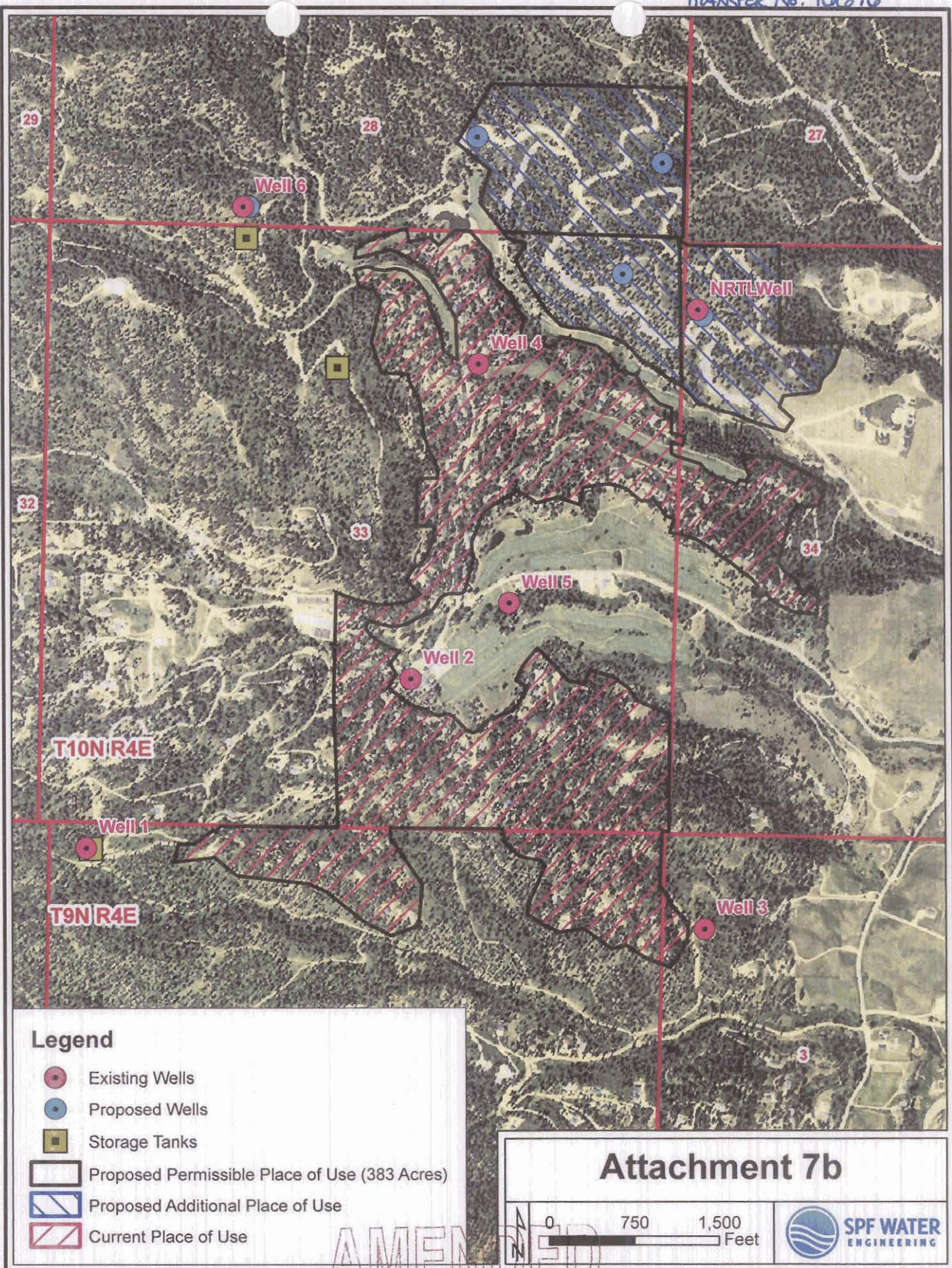
Legend

- Existing Wells
- Proposed Wells
- Storage Tanks
- Proposed Permissible Place of Use (383 Acres)
- Proposed Additional Place of Use
- Current Place of Use

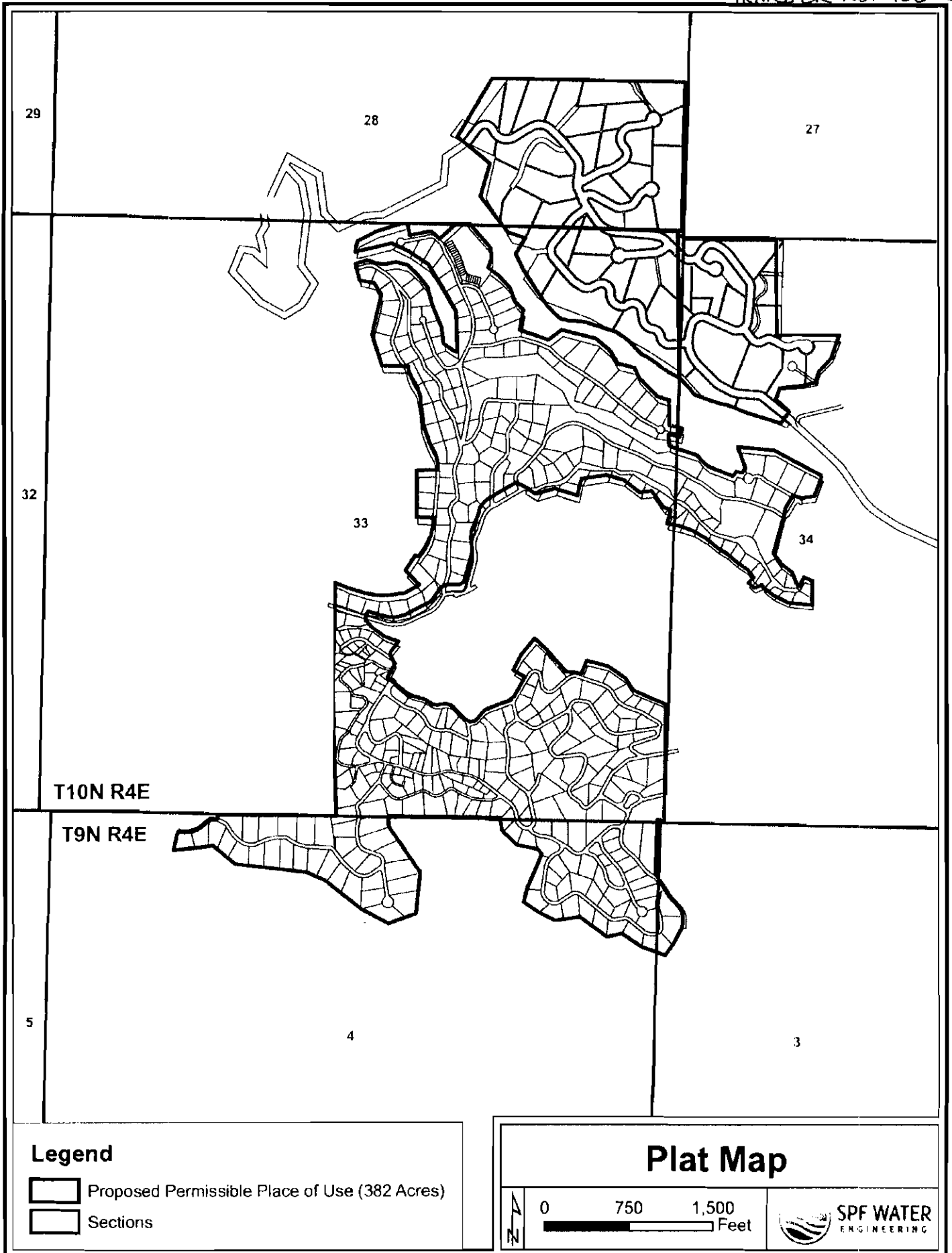
Attachment 7a



AMENDED



AMENDED



RECEIVED

JUL 08 2010

WATER RESOURCES
WESTERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 76676**MINIMUM REQUIREMENTS CHECKLIST**
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at <http://www.idwr.idaho.gov/>.

Check whether each item below is attached (Yes) or not applicable (N/A) for the proposed transfer.

Yes N/A

* Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-9.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☒ ☐ #2a Water Right ownership documentation if Dept. records do not show the transfer applicant as the current water right owner.
- ☒ ☐ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s).
- ☐ ☒ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☐ ☒ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at <http://www.idwr.idaho.gov/water/rights/>.
- ☒ ☐ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☒ ☐ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.)
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☒ ☐ #9 Other. Please describe: Plat Map

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	65-12985	0.20/145	Domestic	1/1 to 12/31	Ground Water
☒ ☐		0.20/90.3	Irrigation	3/15 to 10/31	Ground Water
☐ ☐	65-13457	0.07/50.7	Domestic	1/1 to 12/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.27 cfs and/or 195.7 ac-ft

2. Total amount of water proposed to be transferred or changed 0.27 cubic feet per second and/or 195.7 acre-feet per annum.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed-the following chart is therefore not completed. (Proceed to #4.)
- ☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA. Label it Attachment #5.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
No	4		NW	NW	3	9N	4E	Boise	Ground Water	Well 3
No	4		NW	NW	4	9N	4E	Boise	Ground Water	Well 1
No			SE	SW	28	10N	4E	Boise	Ground Water	Well 6
Yes			SE	SW	28	10N	4E	Boise	Ground Water	
Yes	3		NE	SE	28	10N	4E	Boise	Ground Water	(more attached)

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed-the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
9N	4E	3						Lt 4											
								X	X										
								2	0.5										2.5
		4	Lt 1	Lt 2		Lt 5	Lt 3	Lt 4											
			X	X	X	X	X	X											
			22	10	1	4	14	1											52

Total Acres (for irrigation use) (see attached)

SUPERSEDED BY AMENDMENT RECEIVED 8/11/2011

Pg 3 of 10

3. Points of Diversion Cont'd:

New?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
Yes			SW	SE	28	10N	4E	Boise	Ground Water	
Yes	4		SE	SE	28	10N	4E	Boise	Ground Water	
No			NW	NE	33	10N	4E	Boise	Ground Water	Well 4
No	3		NE	SE	33	10N	4E	Boise	Ground Water	Well 5
Yes	3		NE	SE	33	10N	4E	Boise	Ground Water	
No			NW	SE	33	10N	4E	Boise	Ground Water	Well 2
Yes	1		NE	NE	33	10N	4E	Boise	Ground Water	
No			NW	NW	34	10N	4E	Boise	Ground Water	NRTL Well 2
Yes			NW	NW	34	10N	4E	Boise	Ground Water	

4. Place of Use Cont'd:

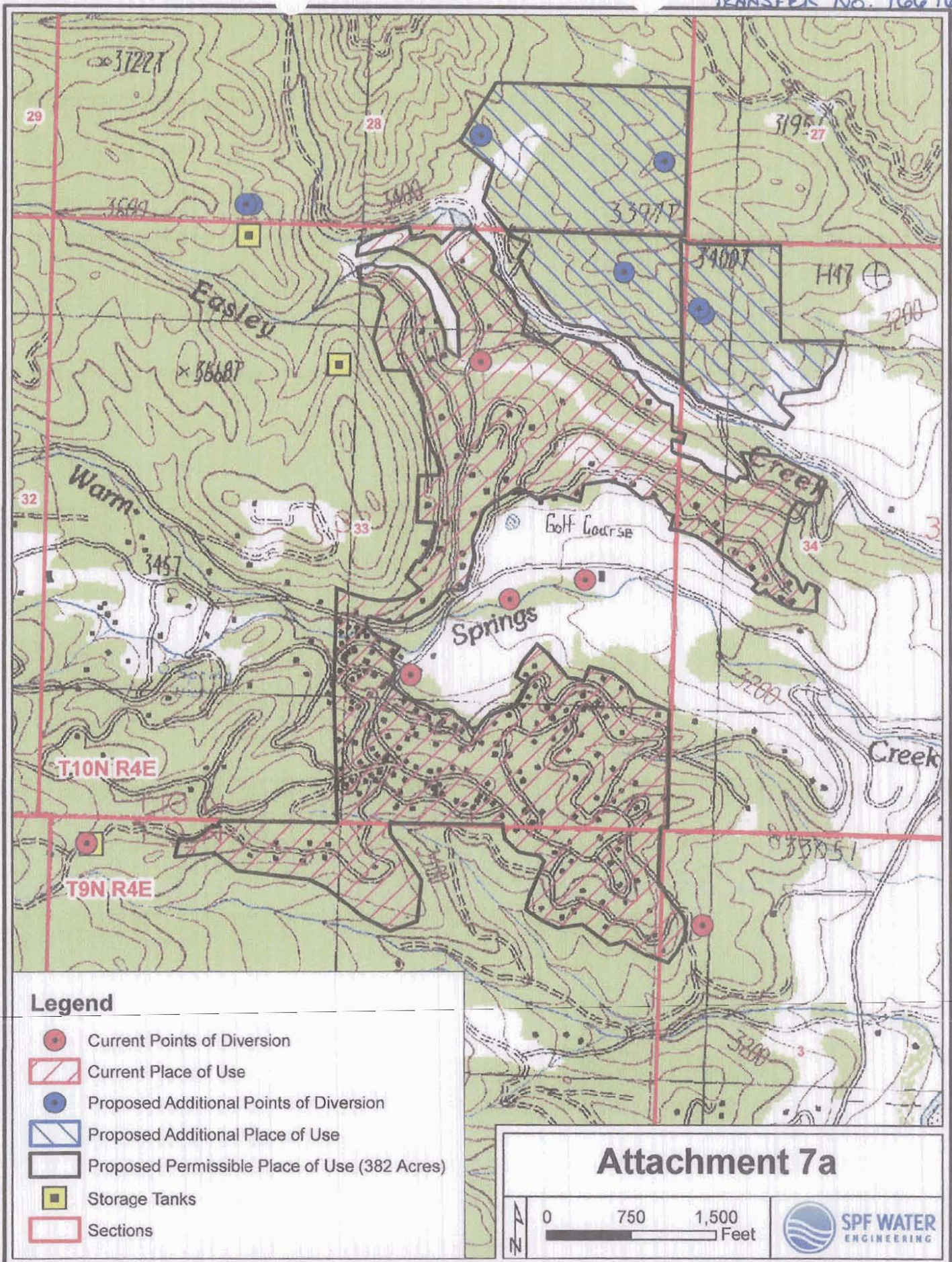
Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
10N	4E	28																Lt 4	
																	X	X	
																	8	46.5	54.5
		33	Lt 1			Lt 2									Lt 3			Lt 4	
			X	X	X	X					X			X	X	X	X	X	
			40	28	19	35					1			1	2	13	33.5	44.5	217
		34					X	X	X			X							
							0.5	29	20.5			7							57

Irrigation limited to 25.8 acres irrigation within 382-acre proposed permissible place of use

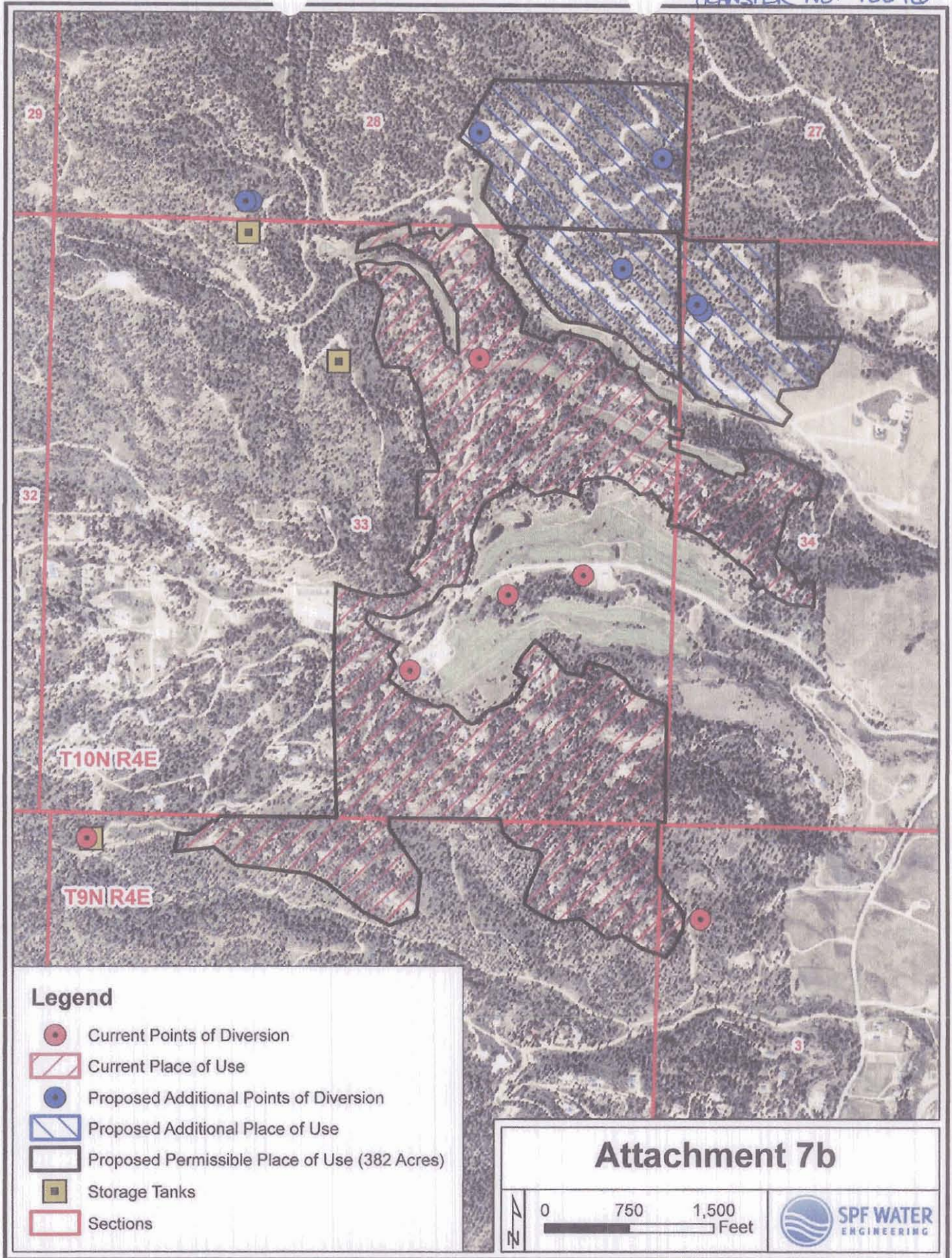
~~382~~
383

Domestic use limited to 450 homes within permissible place of use

SUPERSEDED BY AMENDMENT RECEIVED 8/11/2011



SUPERSEDED BY AMENDMENT RECEIVED 8/11/2011



SUPERSEDED BY AMENDMENT RECEIVED 8/11/2011

Lester, Steve

From: Lester, Steve
Sent: Thursday, September 15, 2011 9:48 AM
To: 'Monty Marchus (monty.marchus@deq.idaho.gov)'
Subject: Terrace Lakes Water Company water rights
Attachments: Terrace Lakes transfer.pdf; TerraceLakes amendment 1.pdf; Terrace Lakes amendment 2.pdf; Boise County combined ads.docx; IDEQ comment letter form.docx

Contacts: Monty Marchus

Monty:

Denise Buffington normally sends comment letters/emails for water right legal notices. However, she just transferred to our Twin Falls office and I'm picking up the slack for the time being.

Angie Grimm confirmed we should seek your comments for three water right filings being processed. Please see the attached application copies:

1. Transfer application 76676 ✓
2. Amendment application 76677
3. Amendment application 76678.

I have also included:

- copy of legal notice to be published soon, note protest deadline/procedure
- comment form for your convenience, or please use whatever format you choose for comments.

Any comments other than a protest should be received by October 15, 2011. Please let me know if you have any questions or need more information.

-- Steve

State of Idaho
Department of Water Resources
Applications for Transfer of Water Rights & Amendments of Permits
RECOMMENDATION FORM

Application Nos.: Transfer #76676, Amendment #76677, Amendment #76678

Applicant's Name: Terrace Lakes Water Company

Recommendation:

- a) _____ I do not oppose approval of this application.
- b) _____ I do not oppose approval of this application if it is conditioned as follows:
-
-
- c) _____ I oppose approval of this application for the following reasons:
-
-
- d) _____ Additional comments:

Dated this _____ day of _____, 2011

Idaho Dept of Environmental Quality

Signature

Printed Name

Lester, Steve

From: Lester, Steve
Sent: Thursday, September 15, 2011 8:21 AM
To: 'editor@idahoworld.com'
Subject: LEGAL ADS
Attachments: Boise County cover letter.docx; Boise County combined ads.docx

Hi Deanna:

Denise Buffington transferred to the IDWR Twin Falls regional office and I am picking up the legal notice slack for a while. I did this for a few months several years ago and hope I remember all the details.

Attached is a cover letter and legal notice. Please confirm this is acceptable to publish as shown. Thank you for your help and patience as I try my hand at this again.

Steve Lester
Water Rights Supervisor
IDWR Western Region
208-334-2190

Legal Notice

Transfer 76676 ✓
Amendments 76677
76678

-SL

PROPOSED CHANGE OF WATER RIGHTS AND AMENDMENT OF WATER PERMITS

Terrace Lakes Water Co. C/O Ilene Johnson of 950 N. Cole Rd, Boise ID 83704 filed 3 applications as follows.

Application No. 76676 to transfer two water rights with 1989 and 1993 priority dates from ground water totaling 0.27 cfs. The purpose of the transfer is to change one point of diversion, add six points of diversion for a total of 12 points of diversion, and include land proposed for development in the place of use of the public drinking water system for Terrace Lakes Subdivision.

Application No. 76677 (amend permit #65-23085) & **Application No. 76678** (amend permit no. 65-23086). The permits have 2006 priority dates from ground water totaling 1.51 cfs for irrigation, domestic, and fire protection uses associated with Terrace Lakes Subdivision. The applicant proposes to amend the permits to describe the same 12 points of diversion and entire public drinking water service area as the place of use.

Water will be used at the current place of use about 0.5 miles west of South Middle Fork Rd, generally between McBride Creek Rd and Easley Creek Rd, about 2.5 miles northwest of Crouch.

Permits will be subject to all prior water rights. For additional information concerning the property location, please contact Western Region office at 208-334-2190 or see www.idwr.idaho.gov/apps/ExtSearch/WRFiling.asp for a full description of the rights, permits, proposed transfer, and amendments. Transfer protests may be submitted based on the criteria of Sec 42-222, Idaho Code. Amendment protests may be submitted based on the criteria of Sec 42-211, Idaho Code. Any protest against the proposed changes must be filed with the Director, IDWR Western Region, 2735 Airport Way, Boise ID 83705-5082 together with a protest fee of \$25.00 for each application on or before October 11, 2011. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Interim Director
Published on 9/21/2011 & 9/28/2011

September 14, 2011

LEGAL NOTICE DEPARTMENT

IDAHO WORLD
PO BOX 99
GARDEN VALLEY, ID 83622

RE: Transfer No. 76676 for Water Right Nos. 65-12985, 65-13457
Amendment No. 76677 for Permit No. 65-23085
Amendment No. 76678 for Permit No. 65-23086

Dear Legal Notice Department:

Please publish the enclosed legal notice on the dates indicated (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 10/11/2011. Your cooperation is appreciated.

Sincerely,

Steve Lester
Water Rights Supervisor



August 11, 2011

RECEIVED

AUG 11 2011

WATER RESOURCES
WESTERN REGION

Angela Grimm
IDWR Western Region Office
2735 Airport Way
Boise, ID 83705

***Subject: Transfer No. 76676 and Permit Amendments 65-12985 and 65-13457
Terrace Lakes Water Company***

Dear Angie,

In response to your information request letter dated March 18, 2011, attached are the following:

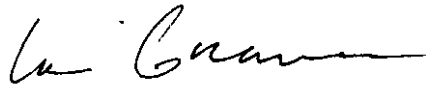
1. Amended pages 2 and 3 of the transfer application indicating 1) 52 acres in Section 4 rather than 51 resulting in a ~~382~~ 383-acre permissible place of use (ppu) instead of 382 acres and 2) clarification of the existing and proposed wells, including removal of the well proposed in Lot 3, NESE, Section 33.
2. Amended transfer maps (Attachments 7a and 7b) to reflect the point of diversion clarifications described above.
3. Copy of a recorded special warranty deed to allow ownership changed for the water rights proposed for transfer.
4. Amended point of diversion attachments and corresponding maps for the permit amendment applications, including removal of the well proposed in Lot 3, NESE, Section 33.

Since the permit amendment applications do not include inserts for the proposed ppu, I plan to change the acreage listed in Section 4 from 51 acres to 52 acres and increase the ppu from ~~382~~ acres to 383 acres on the original applications at the time this letter and attachments are hand delivered to you.

August 11, 2011

Thank you for your attention to these matters. Please let me know if there are any further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Graves". The signature is fluid and cursive, with the first name "Lori" and last name "Graves" clearly distinguishable.

Lori Graves
Water Rights Specialist

Cc: Ilene Johnson

Enclosure

SPF file number: 418.0040

Grimm, Angie

From: Lori Graves [LGraves@spfwater.com]
Sent: Tuesday, August 02, 2011 10:51 AM
To: Grimm, Angie
Cc: ilenej@mindspring.com
Subject: Terrace Lakes

Angie,

Thanks for the wiggle room on Terrace Lakes. As we discussed on the phone, Terrace Lakes just received their USDA approval. Ilene sent the special warranty deed to Boise County 7/28/2011 to be recorded. We should have it back any day. The special warranty deed will allow water rights 65-12985 and 65-13457 proposed for transfer to be changed into the name of the transfer applicant. This was one of the issues addressed in your information request letter dated March 8, 2011. Once received, we will submit a response package to your letter. Thanks Angie.

Lori Graves
Water Rights Specialist
300 E. Mallard, Ste 350
Boise, ID 83706
208.383.4140 x219
fax 208.383.4156
e-mail lgraves@spfwater.com
www.spfwater.com

Grimm, Angie

From: Grimm, Angie
Sent: Wednesday, June 29, 2011 10:34 AM
To: 'Lori Graves'
Subject: RE: Terrace Lakes Applications

Lori,

Thanks for the update. I'll move the deadline out to August 1, 2011 per your request. Have a good one!

Angie

Angela M. Grimm, P.G.
Water Resource Agent, Sr.
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208)334-2190 phone
(208)334-2348 fax

From: Lori Graves [<mailto:LGraves@spfwater.com>]
Sent: Wednesday, June 29, 2011 10:07 AM
To: Grimm, Angie
Cc: ilenej@mindspring.com; Terry Scanlan
Subject: Terrace Lakes Applications

Angie,

Can we get another 30 days? The loan, which will pay for the system upgrade costs, closed with the bank in May. Now the applicants are just waiting for USDA guarantee, which should be any day now. Terrace Lakes Recreation Ranch, Inc. does not want to deed over any water rights to the water company until the USDA guarantee is received. Nothing like hurry up and wait. Thanks Angie. Please let me know if you need further information.

Lori Graves
Water Rights Specialist
300 E. Mallard, Ste 350
Boise, ID 83706
208.383.4140 x219
fax 208.383.4156
e-mail lgraves@spfwater.com
www.spfwater.com

Grimm, Angie

From: Grimm, Angie
Sent: Friday, May 20, 2011 7:32 AM
To: 'Lori Graves'
Subject: RE: Terrace Lakes Applications

Lori,

Per your request, the deadline to submit information requested via my letter of March 18, 2011, regarding Terrace Lakes Transfer 76676 and Permit Amendments 76677 and 76678, is extended to July 1, 2011. Please let me know if you have any questions or need additional time.

Thanks,
Angie

Angela M. Grimm, P.G.
Water Resource Agent, Sr.
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208)334-2190 phone
(208)334-2348 fax

From: Lori Graves [<mailto:LGraves@spfwater.com>]
Sent: Thursday, May 19, 2011 2:02 PM
To: Grimm, Angie
Cc: jlenej@mindspring.com; Terry Scanlan
Subject: Terrace Lakes Applications

Angie,

Our response due date is today for the information requested in your letter dated March 18, 2011 regarding Transfer 76676 and Permit Amendments 76677 and 76678. Before officially granting the water rights proposed for transfer to the applicants as requested, there were some financial loops that needed to be secured. Fortunately, those open loops should be complete within the next two weeks, which will allow us to confidently proceed. To be on the safe side, can we please have an additional 30 days to submit the information you requested?

Thanks for your attention to this matter Angie.

Lori Graves
Water Rights Specialist
300 E. Mallard, Ste 350
Boise, ID 83706
208.383.4140 x219
fax 208.383.4156
e-mail lgraves@spfwater.com
www.spfwater.com



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1445 North Orchard • Boise, Idaho 83706 • (208) 373-0550

C.L. "Butch" Otter, Governor
Toni Hardesty, Director

RECEIVED

April 21, 2011

APR 25 2011

WATER RESOURCES
WESTERN REGION

Ilene Johnson
Terrace Lakes Water Company
101 Holiday Dr.
Garden Valley, ID 83622

PWS#: 40800047

RE: Terrace Lakes Water Company
Transfer Public Water System Ownership
Terrace Lakes Recreation Ranch, Inc. to Terrace Lakes Water Company

Dear Ms. Johnson:

This letter acknowledges receipt on April 6, 2011 of the attached documents related to the proposed transfer.

Transfers of public water system ownership must conform to the requirements of IDAPA 58.01.08.011 (Idaho Rules for Public Drinking Water Systems). Section 011 is copied below for your convenience.

011. CONTINUITY OF SERVICE.

01. Transfer of Ownership. No owner shall transfer system ownership without providing written notice to the Department and all customers. Notification shall include a schedule for transferring responsibilities and identification of the new owner. (5-3-03)

02. Maintenance of Standards. The system transferring ownership shall ensure that all health related standards are met during transfer and shall ensure that water rights, operation and maintenance manuals, and all other pertinent documentation is transferred to the new owner. (5-3-03)

We have the following comments regarding this transfer. It appears that both Terrace Lakes Recreation Ranch, Inc. and Terrace Lakes Water Company are in Good Standing with the Secretary of State, Corporate Division. It isn't completely clear that all drinking water facilities and documents related to the water system are consistently covered in both of the transfer documents. Please provide documentation to confirm. It is our understanding that change in Water Right Ownership is proceeding according to Idaho Department of Water Resources policies and procedures. It is your responsibility to ensure that the Water Rights are transferred to the new company in conformance to all IDWR requirements. Provide DEQ with the appropriate documentation from Idaho Department of Water Resources when that Change in Water Right Ownership is complete.

No later than May 1, 2011 provide documentation to both DEQ and system customers regarding the schedule for transferring responsibilities and identification of the new owner, including the above referenced documentation from IDWR.

It is your responsibility to ensure that all health related standards are met during transfer and that water rights, operation and maintenance manuals, and all other pertinent documentation is transferred to the new owner.

This transfer does not release either Terrace Lakes Recreation Ranch, Inc. or Terrace Lakes Water Company from compliance with all other applicable federal, state, or local laws, regulations, permits, or ordinances. DEQ recommends that you maintain a copy of this letter for your records.

If you have any questions, please contact Monty Marchus, DEQ Technical Engineer, at 373-0560 or monty.marchus@deq.idaho.gov or me at 373-0568 or brandon.lowder@deq.idaho.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brandon Lowder', with a stylized flourish at the end.

Brandon Lowder
Drinking Water Analyst

Attachments

- Terrace Lakes Recreational Ranch Inc. Resolution dated June 11, 2010
- Terrace Lakes Water Company Water Facilities Easement agreement dated March 9, 2010

C: Steve Lester, Idaho Department of Water Resources

PDF:

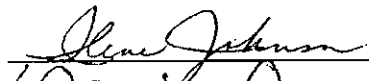
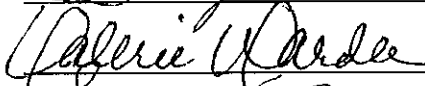
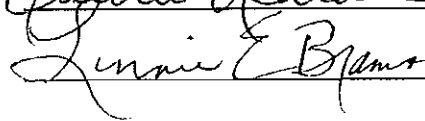
TRIM
Lori Graves, SPF Water Engineering, LLC

Terrace Lakes Recreation Ranch, Inc.
June 11, 2010

A resolution was made this 11th day of June, 2010 to authorize the Secretary/Treasurer of Terrace Lakes Recreation Ranch, Inc to transfer and assign the wells and the water rights for all the wells on the property owned by the above Corporation to the Terrace Lakes Water Company in order to comply with IDEQ requirements to supply water to the Property Owners at Terrace Lakes Resort and the future North Ridge at Terrace Lakes Subdivision.

Signed this 11th day of June, 2010

Board of Directors

 President
 Vice-President
 Secretary/Treasurer

Terrace Lakes Water Company
WATER FACILITIES - EASEMENT AGREEMENT

THIS INDENTURE made this 9th day of March, 2010 with Terrace Lakes Recreation Ranch, Inc., hereinafter designated as the "Grantor," and Terrace Lakes Water Company, a nonprofit corporation registered in the State of Idaho, located in Boise County, Idaho, mailing address at 950 North Cole Road, Boise, Idaho hereinafter collectively designated as the "Grantee,"

WITNESSETH THAT:

The Grantor, in consideration of the sum of \$1.00 (One Dollar) and other valuable considerations, lawful money of the United States of America, to it in hand paid by the Grantee, hereby grants, bargains, sells and conveys, unto the said Grantee and to its successors and assigns forever, the right to lay, construct, maintain, use, inspect, repair, relocate, replace and operate a certain water main or mains, water pumping facilities and appurtenances thereto in, upon, across and under the property of the Grantor situated in the County of Boise, State of Idaho and more particularly described as follows:

See Attached:

LEASE PARCELS and WATER LINE EASEMENTS – Exhibits A-L

Exhibit A	North Reservoir Legal Description
Exhibit B	North Reservoir Lease Parcel and Easement
Exhibit C	Well No. 4 Legal Description
Exhibit D	Well No. 4 Lease Parcel and Easement
Exhibit E	Well No. 5 Legal Description
Exhibit F	Well No. 5 Lease Parcel and Easement
Exhibit G	Well No. 2 Legal Description
Exhibit H	Well No. 2 Lease Parcel and Easement
Exhibit I	South Reservoir, Well No.1 Legal Description
Exhibit J	South Reservoir, Well No. 1 Lease Parcel and Easement
Exhibit K	Well No. 3 Legal Description
Exhibit L	Well No. 3 Lease Parcel and Easement

The above described easements, right of ways and legal descriptions are shown on the Exhibits which are annexed hereto, as Exhibit A-L, and made a part hereof.

The Grantor may construct an access road or roads on the easement area where necessary for the purposes of egress and ingress on Grantor's property. Grantor will cooperate with Grantee with regard to the placement of said road or roads and will exercise all reasonable efforts to avoid constructing said road or roads above Grantee's main and/or appurtenant underground facilities whenever reasonably possible. Any such access road or roads shall be installed and maintained by the Grantor at its sole cost and expense except as otherwise set forth herein. Grantee in turn will notify Grantor when construction and/or repairs will be made on Grantors roads.

The Grantee shall have the right and privilege at any and all times to enter in and upon the property or any part thereof for the purpose of laying, constructing, maintaining, using, repairing, relocating, replacing and operating said main or mains and appurtenances when necessary, upon the condition that it will repair any damage caused by it to a like condition existing prior to any construction.

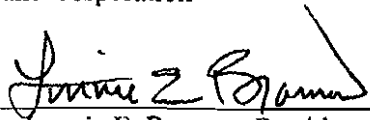
The Grantor, for itself, its successors and assigns, does covenant with the Grantee, its successors and assigns, that at the execution and delivery hereof, it is the true and lawful owner

in fee simple of the above described premises and that the same are free and clear of all charges, liens and encumbrances whatsoever, and that it will warrant and forever defend the easement and right of way herein granted against all persons lawfully claiming or to claim the same.

TO HAVE AND TO HOLD, the said easement and right of way unto the said Grantee, its successors and assigns, in perpetuity.

GRANTOR

TERRACE LAKES RECREATION RANCH, INC.,
an Idaho Corporation

By: 
Lonnie E. Bramon, President

Date: 3/9/10

GRANTEE

TERRACE LAKES WATER COMPANY,
an Idaho Nonprofit Corporation

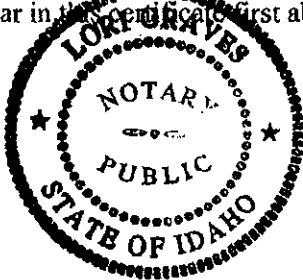
By: 
Ilene Johnson, President

Date: 3/9/10

STATE OF IDAHO)
) ss.
County of Ada)

On this 9 day of March, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared Lonnie Bramon, known or identified to me to be the President of Terrace Lakes Recreation Ranch, Inc., the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me 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 certificate first above written.

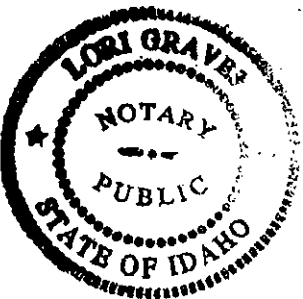


Lori Graves
Notary Public for Idaho
Residing at Boise
My commission expires: 5/6/2015

STATE OF IDAHO)
) ss.
County of Ada)

On this 9 day of March, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared Ilene Johnson, known or identified to me to be the President of Terrace Lakes Water Company., the nonprofit corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me 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 certificate first above written.



Lori Graves
Notary Public for Idaho
Residing at Boise
My commission expires: 5/6/2015

Grimm, Angie

From: Grimm, Angie
Sent: Tuesday, April 05, 2011 11:26 AM
To: 'Lori Graves'
Subject: RE: Transfer 76676
Attachments: AdminMemoRecords9.pdf

Lori,

The easement agreement is not sufficient documentation to change the Department's records regarding ownership of the water rights proposed for transfer. The easement agreement does not convey ownership of the water rights. A deed or other conveyance document is required to change ownership of a water right per Department standards. A water right grant deed or similar document stating one entity is conveying all their right, title, etc. to the specific water right(s) to another entity is an example of sufficient documentation. This is not the only type of document acceptable. I have attached a copy of *Administrator's Memorandum Records No. 9 Processing Notices of Changes in Water Right Ownership and Associated Updates to Water Right Records* for your reference. I hope this memo is helpful in determining what type of document is sufficient to change ownership of the water rights. Please let me know if have any additional questions.

Sincerely,
Angie

Angela M. Grimm, P.G.
Water Resource Agent, Sr.
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208)334-2190 phone
(208)334-2348 fax

From: Lori Graves [<mailto:LGraves@spfwater.com>]
Sent: Tuesday, April 05, 2011 10:06 AM
To: Grimm, Angie
Subject: FW: Transfer 76676

Angie,

I have a response prepared and am waiting for your reply to the email below. Thanks Angie.

From: Lori Graves
Sent: Thursday, March 31, 2011 11:41 AM
To: 'Grimm, Angie'
Cc: 'ilenej@mindspring.com'
Subject: Transfer 76676

Angie,

Per our telephone conversation, attached is an easement document for your review that, if sufficient, will be submitted to address your concerns regarding changing the ownership of rights 65-12985 and 65-13457 from Terrace Lakes Recreational Ranch Inc. to Terrace Lakes Water Co. Thanks Angie.

Lori Graves

Water Rights Specialist

300 E. Mallard, Ste 350

Boise, ID 83706

208.383.4140 x219

fax 208.383.4156

e-mail lgraves@spfwater.com

www.spfwater.com

Grimm, Angie

From: Lori Graves [LGraves@spfwater.com]
Sent: Thursday, March 31, 2011 11:41 AM
To: Grimm, Angie
Cc: ilenej@mindspring.com
Subject: Transfer 76676
Attachments: Easement Agreement.pdf

Angie,

Per our telephone conversation, attached is an easement document for your review that, if sufficient, will be submitted to address your concerns regarding changing the ownership of rights 65-12985 and 65-13457 from Terrace Lakes Recreational Ranch Inc. to Terrace Lakes Water Co. Thanks Angie.

Lori Graves
Water Rights Specialist
300 E. Mallard, Ste 350
Boise, ID 83706
208.383.4140 x219
fax 208.383.4156
e-mail lgraves@spfwater.com
www.spfwater.com

Terrace Lakes Water Company
WATER FACILITIES - EASEMENT AGREEMENT

THIS INDENTURE made this 7th day of March, 2010 with Terrace Lakes Recreation Ranch, Inc., hereinafter designated as the "Grantor," and Terrace Lakes Water Company, a nonprofit corporation registered in the State of Idaho, located in Boise County, Idaho, mailing address at 950 North Cole Road, Boise, Idaho hereinafter collectively designated as the "Grantee,"

WITNESSETH THAT:

The Grantor, in consideration of the sum of \$1.00 (One Dollar) and other valuable considerations, lawful money of the United States of America, to it in hand paid by the Grantee, hereby grants, bargains, sells and conveys, unto the said Grantee and to its successors and assigns forever, the right to lay, construct, maintain, use, inspect, repair, relocate, replace and operate a certain water main or mains, water pumping facilities and appurtenances thereto in, upon, across and under the property of the Grantor situated in the County of Boise, State of Idaho and more particularly described as follows:

See Attached:

LEASE PARCELS and WATER LINE EASEMENTS – Exhibits A-L

Exhibit A	North Reservoir Legal Description
Exhibit B	North Reservoir Lease Parcel and Easement
Exhibit C	Well No. 4 Legal Description
Exhibit D	Well No. 4 Lease Parcel and Easement
Exhibit E	Well No. 5 Legal Description
Exhibit F	Well No. 5 Lease Parcel and Easement
Exhibit G	Well No. 2 Legal Description
Exhibit H	Well No. 2 Lease Parcel and Easement
Exhibit I	South Reservoir, Well No. 1 Legal Description
Exhibit J	South Reservoir, Well No. 1 Lease Parcel and Easement
Exhibit K	Well No. 3 Legal Description
Exhibit L	Well No. 3 Lease Parcel and Easement

The above described easements, right of ways and legal descriptions are shown on the Exhibits which are annexed hereto, as Exhibit A-L, and made a part hereof.

The Grantor may construct an access road or roads on the easement area where necessary for the purposes of egress and ingress on Grantor's property. Grantor will cooperate with Grantee with regard to the placement of said road or roads and will exercise all reasonable efforts to avoid constructing said road or roads above Grantee's main and/or appurtenant underground facilities whenever reasonably possible. Any such access road or roads shall be installed and maintained by the Grantor at its sole cost and expense except as otherwise set forth herein. Grantee in turn will notify Grantor when construction and/or repairs will be made on Grantors roads.

The Grantee shall have the right and privilege at any and all times to enter in and upon the property or any part thereof for the purpose of laying, constructing, maintaining, using, repairing, relocating, replacing and operating said main or mains and appurtenances when necessary, upon the condition that it will repair any damage caused by it to a like condition existing prior to any construction.

The Grantor, for itself, its successors and assigns, does covenant with the Grantee, its successors and assigns, that at the execution and delivery hereof, it is the true and lawful owner

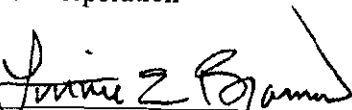
in fee simple of the above described premises and that the same are free and clear of all charges, liens and encumbrances whatsoever, and that it will warrant and forever defend the easement and right of way herein granted against all persons lawfully claiming or to claim the same.

TO HAVE AND TO HOLD, the said easement and right of way unto the said Grantee, its successors and assigns, in perpetuity.

GRANTOR

TERRACE LAKES RECREATION RANCH, INC.,
an Idaho Corporation

By: _____


Lonnie E. Bramon, President

Date: _____

3/9/10

GRANTEE

TERRACE LAKES WATER COMPANY,
an Idaho Nonprofit Corporation

By: _____


Ilene Johnson, President

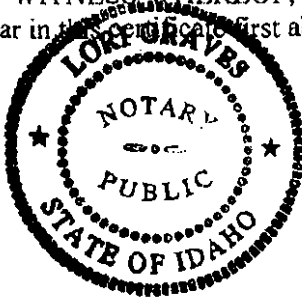
Date: _____

3/9/10

STATE OF IDAHO)
) ss.
County of Ada)

On this 9 day of March, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared Lonnie Bramon, known or identified to me to be the President of Terrace Lakes Recreation Ranch, Inc., the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me 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 certificate first above written.

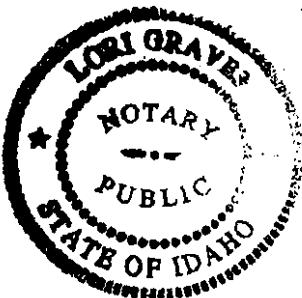


Lori Graves
Notary Public for Idaho
Residing at Boise
My commission expires: 5/6/2015

STATE OF IDAHO)
) ss.
County of Ada)

On this 9 day of March, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared Ilene Johnson, known or identified to me to be the President of Terrace Lakes Water Company., the nonprofit corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me 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 certificate first above written.



Lori Graves
Notary Public for Idaho
Residing at Boise
My commission expires: 5/6/2015



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way • Boise, Idaho 83705-5082

Phone: (208) 334-2190 • Fax: (208) 334-2348 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

March 18, 2011

Terrace Lakes Water Co.
c/o SPF Water Engineering, LLC
Attn: Lori Graves
300 E Mallard Dr. Ste 350
Boise, ID 83706

**Re: Application for Transfer No. 76676, Application for Amendment of Permit No. 76677,
and Application for Amendment of Permit No. 76678**

Dear Lori:

This office received your client's application for transfer to change a water right and applications for amendment to change two water right permits referenced above. Upon review of the applications, there are areas that require clarification and/or completion. Please submit amended applications and additional information to allow for further processing.

Please submit amended applications to address the following:

- The point of diversion (POD) table. The table indicates Well 6 is located in SE SW Section 28 T10N R4E, however previous information on file for the rights involved indicates Well 6 is located in Lot 3(NE SE) Section 33 T10N R4E. The POD table also describes the well in Lot 3(NE SE) Section 33 T10N R04E as a new well, but the map shows the well site in the location as a current POD. The POD table proposes a new POD in Lot 3(NE SE) Section 28 T10N R04E, but the map does not show the proposed well site. Please amend the POD table(s) and map(s) to clarify the current and proposed PODs for all three applications referenced above.
- The place of use (POU) table. The total acres listed in the table for Section 4 T09N R4E add up to 52 acres, not 51 acres as the table indicates. Please amend the table on each application along with the total acres within the proposed place of use accordingly.

Please submit additional information to address the following:

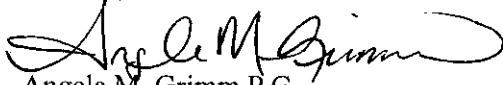
- Water right ownership for rights proposed for transfer. Does the applicant desire to record a change in ownership of rights 65-12985 and 65-13457 with the transfer filing? If so, please submit proper ownership documentation such as a warranty deed or grant deed to accomplish the change. Otherwise, the water rights will remain in the currently recorded owner name (Terrace Lakes Recreational Ranch Inc.).

Terrace Lakes Water Co.
March 18, 2011
Page 2 of 2

Please submit amended applications along with the additional information requested to allow for further processing of the applications. Your response, or a request for more time to make your response, must be received within sixty (60) days from the date of this mailing. The applications will be rejected and/or voided without a timely written reply.

IDWR forms and other information are available on the Internet at www.idwr.idaho.gov. Please contact me at 208-334-2190 if you have any questions. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela M. Grimm". The signature is fluid and cursive, with a large, sweeping "G" at the end.

Angela M. Grimm P.G.
Water Resource Agent, Sr.

Cc. Terrace Lakes Water Co. c/o Ilene Johnson



SPF WATER
ENGINEERING

RECEIVED

July 7, 2010

JUL 08 2010

WATER RESOURCES
WESTERN REGION

Steve Lester
IDWR Western Region Office
2735 Airport Way
Boise, ID 83705

Subject: *Application for Transfer*
Assignments of Permits (2)
Applications for Amendment of Permits (2)

Dear Steve,

Enclosed on behalf of Terrace Lakes Water Company are the following:

1. Application for Transfer of water rights 65-12985 and 65-13457.
2. Assignments of Permits 65-23085 and 65-23086.
3. Applications for Amendment of Permits 65-23085 and 65-23086.

Check No. 1813 is enclosed for the total filing fees; \$250 for the transfer application, \$25 for each permit assignment and \$50 for each permit amendment.

Please let me know if there are any questions. Thanks Steve.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Graves".

Lori Graves
Water Rights Specialist

Cc: Ilene Johnson

Enclosures