

State of Idaho
Department of Water Resources
Permit to Appropriate Water

NO. 96-09473

Priority: December 20, 2010

Maximum Diversion Rate: 0.04 CFS

This is to certify, that JOHN FELTS And
KIM FELTS
7203 S CHENEY SPOKANE RD
SPOKANE WA 99224
(509) 443-0409

has applied for a permit to appropriate water from:

Source: PEND OREILLE LAKE

Tributary: PEND OREILLE RIVER

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>
DOMESTIC	01/01 to 12/31	0.04 CFS

LOCATION OF POINT(S) OF DIVERSION:

PEND OREILLE LAKE, L7 (SW1/4SE1/4), Sec. 1, Twp 56N, Rge 01E, B.M., BONNER County

PLACE OF USE: DOMESTIC

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
56N	01E	1															X		
																	L7		

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before **June 01, 2012**.
2. Subject to all prior water rights.
3. This right does not grant any right-of-way or easement across the land of another.
4. Domestic use is for 1 home.
5. The irrigation occurring under this domestic use shall not exceed 1/2 acre.
6. A fish screen of 0.25 inch or smaller mesh shall be installed and maintained at the point of diversion.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of

the Director, affixed at Coeur d'Alene, this 14 day of June, 2011.


GARY SPACKMAN, Interim Director



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2819 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

June 14, 2011

JOHN FELTS
7203 S CHENEY SPOKANE RD
SPOKANE WA 99224

KIM FELTS
7203 S CHENEY SPOKANE RD
SPOKANE WA 99224

RE: Permit No.96-9473

Permit Approval Notice

Dear Permit Holder:

The Department of Water Resources has issued the enclosed permit authorizing you to establish a new water right. Please be sure to thoroughly review the conditions of approval and remarks listed on your permit.

The permit is a PRELIMINARY ORDER issued by the Department pursuant to Section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless a party petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

Enclosed is a form entitled 'Instructions for Proof of Beneficial Use.' Please read the instructions carefully since you must take further action to develop this permit into a licensed water right. Also enclosed is a form entitled 'Proof of Beneficial Use.' If your project is already completed, you should complete and submit this form immediately.

Please note that a separate stream channel alteration permit must be obtained from the Department prior to any activity in the stream channel other than construction or maintenance of the diversion structure for your water right(s). Applications for stream channel alteration permits must be filed at least sixty days prior to the commencement of work in the stream.

Also, please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact me at 208-762-2800.

Sincerely,



Keith E. Franklin

Sr. Water Resource Agent

Enclosure(s)

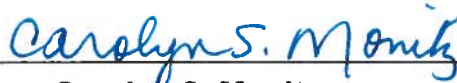
CERTIFICATE OF SERVICE

I hereby certify that on June 16, 2011 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Permit) to the person(s) listed below:

RE: WATER RIGHT NO. 96-9473

**JOHN FELTS
7203 S CHENEY SPOKANE RD
SPOKANE WA 99224**

**KIM FELTS
7203 S CHENEY SPOKANE RD
SPOKANE WA 99224**



**Carolyn S. Monitz
Technical Records Specialist**

Statement of Available Procedures and Applicable Time Limits

RESPONDING TO PRELIMINARY ORDERS ISSUED BY THE IDAHO DEPARTMENT OF WATER RESOURCES (To be used in connection with actions when a hearing was not held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "Preliminary Order" issued by the department pursuant to section 67-5243, Idaho Code. **It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below:**

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. **Note: the petition must be received by the department within this fourteen (14) day period.** The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its issuance if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) the petition for reconsideration is disposed of; or
- (b) the petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

**IDAHO DEPARTMENT OF WATER RESOURCES
APPROPRIATION APPLICATION ANALYSIS SHEET**

P 3/3/11

W.R. # 96-9473 APPLICATION ID # 76975 ENT. 3/1/11 BCA 3/3/11 OK to Publish 3/3/11
 APPLICANT: John E Kim Felts INITIAL REVIEW BY: KD DATE: 3/1/2011

ITEM REQUIRED INFORMATION

1. ☒ Name and Address
2. ☒ Source
3. ☒ Point of Diversion & County
4. ☒ Quantity
5. ☒ Nature of Proposed Use
6. ☒ Period of Use
7. ☒ Total Quantity
8. ☒ Description of diverting works
9. ☒ Time required for b/u
10. ☒ Proposed use
11. ☒ Place of use or acres irrigated
12. ☒ Other water Rights
13. ☒ Ownership
14. ☒ Map
15. ☒ Signature
16. ☒ Fee (Amt, receipt, acknowledgement)

*** Send info sheet Y () N ()

ADDITIONAL INFORMATION

(Yes)(No)
 Shape File Created Date 12/20/10 By: KD
 Field check: by _____
 Field report attached _____
 Analysis Supp. attached(>5cfs/500af) _____
 Water delivered by water master? Water District # _____

PROCESSING

(Yes)(No) PRIORITY DATE: 12/20/2010
 (Include Moratorium Remark)
 Statewide Advertising: (Diversion rate greater than 10 cfs or 1,000 af).
 ADVERTISE IN: Bonner County
 Newspaper: BCAB
 Dates scheduled for publication 3/17 & 24/11
 Affidavit of Publication received: 4/4/11
 Dates actually published: 3/17 & 24/11
 Application published correctly. Yes ☒ No _____
 If not, action taken: _____
 Final Date for Protest: 4/4/11
 Protests Received: Yes _____ No ☒

LETTERS SENT REQUESTING:

() Dam Information () Fish Information
 () Power Information () Other: _____

INFORMATION RECEIVED:

() Dam Information () Fish Information
 () Power Information () Other: _____

GROUNDWATER SECTION

WD Permit No.'s:	Tag #	Type:	Fees	Receipt No.	Upgrade Needed?
_____	_____	Dom. Non-Dom. _____	Paid \$ _____	_____	Y () N ()
_____	_____	Dom. Non-Dom. _____	Paid \$ _____	_____	Y () N ()
_____	_____	Dom. Non-Dom. _____	Paid \$ _____	_____	Y () N ()

- _____ Groundwater management area
 _____ Critical ground water area
 _____ Well Drilling Permit required
 _____ Well Drilling Application and Fees received
 _____ Well Drilling Application approved?

Remarks: _____

FINAL REGIONAL PROCESSING/REVIEW

(Yes)(No)
 _____ Notice of pending void order issued. Final order response date: _____/_____/_____
 _____ Further information required from applicant _____

 _____ Measuring device required
 _____ Measuring port required
 _____ Special conditions: _____
 _____ Special conditions of approval supplement and/or cover letter attached: _____

Approval Recommended by: Debbie J. Smith Date: 4/13/2011 Sr. Agent initial KD

IDAHO DEPARTMENT OF WATER RESOURCES
APPROPRIATION APPLICATION ANALYSIS SHEET

W.R. # 96-9473

APPLICATION ID # 76975

ENT. 12/20 BCA _____ OK to Publish _____

INITIAL REVIEW

APPLICANT: NITCH TWO LLC

BY: KJ DATE: 12/20/2010

ITEM REQUIRED INFORMATION

1. ☒ Name and Address
2. ☒ Source
3. ☒ Point of Diversion & County
4. ☒ Quantity
- ☒ Nature of Proposed Use
- ☒ Period of Use
5. ☒ Total Quantity
6. ☒ Description of diverting works
7. ☒ Time required for b/u
8. ☒ Proposed use
9. ☒ Place of use or acres irrigated
10. ☒ Other water Rights
11. ☒ Ownership
12. ☒ Map
- ☒ Signature
- ☒ Fee (Amt, receipt, acknowledgement)

*** Send info sheet Y() N()

ADDITIONAL INFORMATION

(Yes)(No)

☒ Shape File Created Date 12/20 By: KJ
☐ Field check: by _____
☐ Field report attached
☐ Analysis Supp. attached(>5cfs/500af)
☐ Water delivered by water master? Water District # _____

PROCESSING

(Yes)(No)

PRIORITY DATE: 12/20/2010

(Include Moratorium Remark)

Statewide Advertising: (Diversion rate greater than 10 cfs or 1,000 af).

ADVERTISE IN:

Bonner County

Newspaper: _____

Dates scheduled for publication _____

Affidavit of Publication received: _____

Dates actually published: _____

Application published correctly. Yes _____ No _____

If not, action taken: _____

Final Date for Protest: _____

Protests Received: Yes _____ No _____

LETTERS SENT REQUESTING:

() Dam Information () Fish Information

() Power Information () Other: _____

INFORMATION RECEIVED:

() Dam Information () Fish Information

() Power Information () Other: _____

GROUNDWATER SECTION

WD Permit No.'s:

Tag #

Type:

Fees

Receipt No.

Upgrade Needed?

Dom. Non-Dom.

Paid \$

Dom. Non-Dom.

Paid \$

Dom. Non-Dom.

Paid \$

Y() N()

Y() N()

Y() N()

☐ Groundwater management area

☐ Critical ground water area

☐ Well Drilling Permit required

☐ Well Drilling Application and Fees received

☐ Well Drilling Application approved?

Remarks: _____

FINAL REGIONAL PROCESSING/REVIEW

(Yes)(No)

☐ Notice of pending void order issued.

Final order response date: ____/____/____

☐ Further information required from applicant

☐ Measuring device required

☐ Measuring port required

☐ Special conditions: _____

☐ Special conditions of approval supplement and/or cover letter attached: _____

Approval Recommended by: _____ Date: ____/____/____ Sr. Agent initial _____

AFFIDAVIT OF PUBLICATION

RECEIVED
APR 04 2011
IDWR / NORTH

STATE OF IDAHO)
) ss.
County of Bonner)

Jennifer Albert, being first duly sworn on oath, deposes and states:

1. I am a citizen of the United States of America, over the age of 18 years, a resident of Bonner County, Idaho, and am not a party to the proceedings referred to in the attached permit.
My business address is P.O. Box 159, Sandpoint, Idaho.
2. I am the bookkeeper of the Bonner County Daily Bee, a newspaper of general publication in Bonner County, Idaho;
3. Said newspaper has been continuously and uninterruptedly published in Bonner County, Idaho during a period of 12 months prior to the first publication of said Notice, and thereafter.
4. The attached Notice was published in the regular and entire issue of the Bonner County Daily Bee for a period of 2 consecutive weeks, commencing on the 17th day of March, 2011, and ending on the 24th day of March, 2011.

Jennifer Albert

State of Idaho, county of Bonner ss.

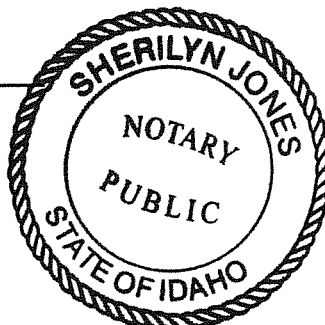
On this 24 day of March, in the year of 2011, before me, Sherilyn Jones, Notary Public, personally appeared

Jennifer Albert, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he
(or they) executed the same.

Sherilyn Jones
Notary Public

Residing at: Sandpoint

Comm. Exp.: 2/24/17



RECEIVED
APR 04 2011
IDWR / NORTH

The following application(s) have been filed to appropriate
the public waters of the State of Idaho:

96-9473

JOHN FELTS

KIM FELTS

7203 S CHENEY SPOKANE RD

SPOKANE, WA 99224

Point of Diversion L7(SWSE) S1 T56N R01E BONNER CO

Source PEND OREILLE LAKE Tributary PEND OREILLE RIVER

Use: DOMESTIC

01/01 to 12/31 0.04 CFS

Total Diversion: 0.04 CFS

Date Filed: 12/20/2010

Place Of Use: DOMESTIC T56N R01E S1 L7(SWSE)

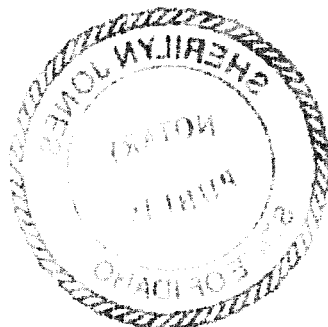
Domestic use is for 1 home.

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Idaho Code § 42-203A. Any protest against the approval of this application must be filed with the Director, Dept. of Water Resources, Northern Region, 7600 Mineral Drive, Suite 100, Coeur D' Alene ID 83815 together with a protest fee of \$25.00 for each application on or before 4/4/2011. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Interim Director

SNP Legal 12797

March 17, 24, 2011



The following application(s) have been filed to appropriate the public waters of the State of Idaho:

96-9473

JOHN FELTS

KIM FELTS

7203 S CHENEY SPOKANE RD

SPOKANE, WA 99224

Point of Diversion L7(SWSE) S1 T56N R01E BONNER CO

Source PEND OREILLE LAKE Tributary PEND OREILLE RIVER

Use: DOMESTIC 01/01 to 12/31 0.04 CFS

Total Diversion: 0.04 CFS

Date Filed: 12/20/2010

Place Of Use: DOMESTIC T56N R01E S1 L7(SWSE)

Domestic use is for 1 home.

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Idaho Code § 42-203A. Any protest against the approval of this application must be filed with the Director, Dept. of Water Resources, Northern Region, 7600 Mineral Drive, Suite 100, Coeur D' Alene ID 83815 together with a protest fee of \$25.00 for each application on or before 4/4/2011. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Interim Director

Legal #

Published on 3/17/2011 and 3/24/2011

Ball, Dianne

From: Ball, Dianne
Sent: Wednesday, March 09, 2011 1:58 PM
To: Legal Notices-Bonner Co Daily Bee-Sheri Jones
Subject: Application for Permit No. 96-9473

Good afternoon, Sheri,

Please publish the enclosed legal notice on the dates indicated, March 17 and 24, 2011, (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

Please send a proof/preview copy for my review before this goes to press.

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 4/4/2011. Your cooperation is, as always, greatly appreciated.



LegalNotice
3-09-11 BCDB e-ma.

Thanks for all your wonderful help.

Have a great rest of the day!

Dianne Ball

Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Dr., Ste. 100
Coeur d'Alene, ID 83815
208-762-2800 Fax 208-762-2819



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2819 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

March 9, 2011

JOHN FELTS
KIM FELTS
7203 S CHENEY SPOKANE RD
SPOKANE, WA 99224

Application For Permit No. 96-9473

Dear Applicant(s):

The Department of Water Resources has received your water right application. Please refer to the number referenced above in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the BONNER COUNTY DAILY BEE on 3/17/2011 and 3/24/2011. Protests to this application may be submitted for a period ending ten (10) days after the second publication.

If the application is protested, you will be sent a copy of each protest. All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, the Department will process your application and notify you of any action taken on the application. If your application is approved, the Department will send you a copy of the permit.

Please contact this office if you have any questions regarding the application.

Sincerely,

Keith Franklin
Sr. Water Resource Agent

Ball, Dianne

From: Jim Brady [jbrady@idl.idaho.gov]
Sent: Friday, March 04, 2011 8:57 AM
To: Ball, Dianne
Subject: RE: Application for Permit No. 96-9473 Pend Oreille Lake

Hi Dianne,

Encroachment permit L-96-S-1325 was transferred to the Felt's on January 11, 2011. The encroachment permit included a grandfather waterline. Therefore, IDL has no objection or comment regarding this application. Thanks for the opportunity to comment and have a good day.

Jim Brady

From: Ball, Dianne [<mailto:Dianne.Ball@idwr.idaho.gov>]
Sent: Thursday, March 03, 2011 4:23 PM
To: mary.terra-berns@idfg.idaho.gov; Jim Brady
Subject: RE: Application for Permit No. 96-9473 Pend Oreille Lake

Dear Mary and Jim:

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application is enclosed for your reference.

This was originally filed under name of Nitch Two LLC but was assigned to Felts before the application could be published. See copy of assignment attached with application and maps. The assignment is not real clear but readable.

This is being scheduled for publication March 17 and 24, in Bonner County Daily Bee, with final date for protest being April 4, 2011.

<<96-9473 FELTS - Nitch two.pdf>>

Your prompt response to this request is appreciated. If your agency desires to formally protest the approval of this application, you may do so after the notice is published by filing a written protest along with a \$25.00 filing fee within 10 days after final publication.

Please contact Keith Franklin in this office if you have any questions regarding the application.

Sincerely,

Dianne Ball

Administrative Assistant

Idaho Department of Water Resources

7600 N Mineral Dr., Ste. 100

Ball, Dianne

From: Ball, Dianne
Sent: Thursday, March 03, 2011 4:23 PM
To: mary.terra-berns@idfg.idaho.gov; jbrady@idl.idaho.gov
Subject: RE: Application for Permit No. 96-9473 Pend Oreille Lake

Dear Mary and Jim:

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application is enclosed for your reference.

This was originally filed under name of Nitch Two LLC but was assigned to Felts before the application could be published. See copy of assignment attached with application and maps. The assignment is not real clear but readable.

This is being scheduled for publication March 17 and 24, in Bonner County Daily Bee, with final date for protest being April 4, 2011.



96-9473 FELTS -
Nitch two.pdf

Your prompt response to this request is appreciated. If your agency desires to formally protest the approval of this application, you may do so after the notice is published by filing a written protest along with a \$25.00 filing fee within 10 days after final publication.

Please contact Keith Franklin in this office if you have any questions regarding the application.

Sincerely,

Dianne Ball

Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Dr., Ste. 100
Coeur d'Alene, ID 83815
208-762-2800 Fax 208-762-2819



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7600 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2819 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

February 7, 2011

John and Kim Felts
7203 S. Cheney Spokane Rd.
Spokane, WA 99224

Re: Application For Permit to Appropriate the Public Waters of the State of Idaho
No. 96-9473 in the name of Nitch Two, LLC.

Dear Mr. and Mrs. Felts:

It has been brought to the Idaho Department of Water Resources attention that you are now the new owners of land that contains an application for a new water right as per mentioned above. Acquiring a new water right is in three steps, application, permit and license. An application and/or permit are considered personal property and require an assignment to change the ownership.

I have enclosed an "Assignment of Application For Permit" form that will need to be completed in order to assign the application into your name. The fee for such an assignment is \$25.00, made payable to "IDWR" and must accompany the assignment form when returned to our department.

If you have any questions, feel free to contact me at this office.

Thank you.

Sincerely,

Keith E. Franklin
Senior Water Resources Agent

Enclosure

COPY



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region, 7500 N. Mineral Drive, Suite 100 • Coeur d'Alene, Idaho 83815

Phone: (208) 762-2800 • Fax: (208) 762-2619 • Web Site: www.IDWR.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

February 7, 2011

John and Kim Felts
7203 S. Cheney Spokane Rd.
Spokane, WA 99224

Re: Application For Permit to Appropriate the Public Waters of the State of Idaho
No. 96-9473 in the name of Nitch Two, LLC.

Dear Mr. and Mrs. Felts:

It has been brought to the Idaho Department of Water Resources attention that you are now the new owners of land that contains an application for a new water right as per mentioned above. Acquiring a new water right is in three steps, application, permit and license. An application and/or permit are considered personal property and require an assignment to change the ownership.

I have enclosed an "Assignment of Application For Permit" form that will need to be completed in order to assign the application into your name. The fee for such an assignment is \$25.00, made payable to "IDWR" and must accompany the assignment form when returned to our department.

If you have any questions, feel free to contact me at this office.

Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Keith E. Franklin".

Keith E. Franklin
Senior Water Resources Agent

Enclosure

No. W 51100	Due no later than May 31, 2010 Annual Report Form		2. Registered Agent and Address (NO PO BOX)
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. NITCH TWO, LLC 58 SILVER PINES RD HOPE ID 83836		DARCY L PETERS 58 SILVER PINES RD HOPE ID 83836
			3. <u>New</u> Registered Agent Signature:*
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.			
Office Held	Name	Street or PO Address	City State Country Postal Code
MEMBER	DARCY L PETERS	58 SILVER PINES RD	HOPE ID USA 83836
5. Organized Under the Laws of: ID W 51100	6. Annual Report must be signed.* Signature: Darcy Peters Date: 04/08/2010 Name (type or print): Darcy Peters Title: Registered agent		
Processed 04/08/2010		* Electronically provided signatures are accepted as original signatures.	



RE- 16 EXCLUSIVE SELLER REPRESENTATION AGREEMENT

THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT INCLUDING ANY ATTACHMENTS. IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.



DATE 11/27/06

AGENT: Stan Hatch

Acting as Agent for the Broker

1. SELLER

NITCH TWO LLC

retains Jeff Bond

Broker of

Tomlinson Black - Sandpoint

Exclusive SELLER'S Broker to sell, lease, or exchange the property described in Item #2 below, during the term of this agreement and on any additional terms hereafter set forth.

2. PROPERTY ADDRESS AND LEGAL DESCRIPTION. The property address and the complete legal description of the property are as set forth below.

Address

193 Red Fir Road

County

Bonner

City

Hope

Legal Description

1-56N-1E MNT View Shores BLK 1 Lot 3

Zip

83836

or ☐ Legal Description Attached as addendum # _____ (Addendum must accompany original listing)

3. TERM OF AGREEMENT. The term of this Agreement shall commence on 11/27/06 and shall expire at 11:59 p.m. on 11/26/07 unless renewed or extended. If the SELLER accepts an offer to purchase or exchange, the terms of this Agreement shall be extended through the closing of the transaction.

4. PRICE. SELLER agrees to sell the property for a total price of \$ 850000

5. FINANCING. SELLER agrees to consider the following types of financing: (Complete all applicable provisions).

☐ FHA

☐ VA

☒ CONVENTIONAL

☐ IHFA

☐ RURAL DEVELOPMENT

☐ Exchange

☒ Cash

☐ Cash to existing loan(s)

☐ Assumption of existing loan(s)

☐ SELLER will carry contract and accept a minimum down payment of \$ _____ and an acceptable secured note for the balance to be paid as follows: _____

Other acceptable terms _____

Brokers are required by Idaho Real Estate Law to present all written offers.

6. BROKERAGE FEE.

(A) If Broker or any person, including SELLER, procures a purchaser ready, willing and able to purchase, transfer or exchange the property on the terms stated herein or on any other price and terms agreed to in writing, the SELLER agrees to pay a total brokerage fee of 6 % of the contract or purchase price OR \$ n/a of which 3 % of the contract or purchase price OR \$ n/a will be shared with the cooperating brokerage unless otherwise agreed to in writing. The fee shall be paid in cash at closing unless otherwise designated by the Broker in writing.

(B) Further, the brokerage fee is payable if the property or any portion thereof or any interest therein is, directly or indirectly, sold, exchanged or optioned or agreed to be sold, exchanged or optioned within 60 days following expiration of the term hereof to any person who has examined, been introduced to or been shown the property during the term hereof.

(C) If SELLER, upon termination of this Agreement, enters into an Exclusive Right to Sell Agreement to market said property with another Broker, then the time period specified above in Section 6B, shall not apply and will be of no further force or effect.

7. ADDITIONAL FEES: None

SELLER'S Initials (JP) 11/27/06 Date

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PROPERTY ADDRESS:

193 Red Fir Road, Hope, ID 83836

8. INCLUDED ITEMS. SELLER agrees to leave with the premises all attached floor coverings, attached television antennae, satellite dish and receiving equipment, attached plumbing, bathroom and lighting fixtures, window screens, screen doors, storm doors, storm windows, window coverings, garage door opener(s) and transmitter(s), exterior trees, plants or shrubbery, water heating apparatus and fixtures, attached fireplace equipment, awnings, ventilating, cooling and heating systems, built in and "drop in" ranges (but excluding all other ranges), fuel tanks and irrigation fixtures and equipment, and any and all, if any, water and water rights, and any and all, if any, ditches and ditch rights appurtenant thereto that are now on or used in connection with the premises shall be included in the sale unless otherwise provided herein. Also included All furniture and fixtures except "Star" Chandelier and bench in hallway.

9. EXCLUDED ITEMS.

Personal Art, Books

10. TITLE AND EXISTING ENCUMBRANCES.

Title to the property is to be conveyed by Warranty Deed unless otherwise provided herein, and is to be marketable and insurable except for rights reserved in federal patents, federal, state or railroad deeds, building or use restrictions, building and/or zoning regulations and ordinances of any governmental entity, and rights of way and easements established or of record. The individual executing this Agreement warrant and represents that said individual either owns the property or has full power and right to enter into this Agreement and to sell and convey the property on behalf of the SELLER and that to the best of said individual's knowledge the property is in compliance with all applicable building and zoning regulations and with any applicable covenants and restrictions affecting the property except: None

The SELLER agrees to provide good and marketable title to the property at the time of closing. The property is currently encumbered by the following liens:

☒ 1st Mortgage ☐ 2nd Mortgage ☐ Home Equity Loan ☐ Other
☐ The property is not encumbered by any mortgage, lien, or other security instrument.
Loan payments ☐ are ☐ are not current; loan ☐ is ☐ is not assumable. If loan is assumable, Buyer ☐ will ☐ will not be required to qualify and ☐ will ☐ will not release SELLER'S liability.
SELLER is aware that some loans have a recapture provision or prepayment penalty and SELLER may be required to pay additional funds to satisfy such recapture or penalty.

11. MULTIPLE LISTING SERVICE AUTHORIZATION. (Name of MLS)

Selkirk

By initialing this line, it is understood that Broker is a member of the above MLS. SELLER authorizes and directs Broker to offer to cooperate with and compensate other Brokers, and to submit a Property Data Sheet and any authorized changes to MLS as required in the Rules and Regulations of the above MLS. SELLER understands and agrees that any MLS information regarding the above property will be made available to Buyer's Agents and/or Dual Agents. SELLER acknowledges that it has been explained that any sales price information compiled as a result of this Agreement may be provided to the County Assessor's office. SELLER agrees that any such disclosure is permissible.

12. LOCKBOX AUTHORIZATION.

By initialing this line, SELLER directs that a lockbox containing a key which gives MLS Keyholders access to the property shall be placed on any building located on the property. SELLER authorizes MLS Keyholders to enter said property to inspect or show the same. SELLER agrees to hold Broker harmless from any liability or loss.

13. ADVERTISING AUTHORIZATION.

SELLER ☒ does ☐ does not agree to allow Broker to advertise said property in print media.
SELLER ☒ does ☐ does not agree to allow Broker to advertise said property in internet advertising media.
SELLER ☒ does ☐ does not agree to allow Broker to advertise said property in other advertising media.
SELLER ☒ does ☐ does not agree to allow Broker to place the Broker's sign on above property.

14. SELLER'S PROPERTY DISCLOSURE FORM.

If required by Title 55, Chapter 25 Idaho Code, SELLER shall within ten (10) days after execution of a Purchase and Sale Agreement provide to Buyer "SELLER'S Property Disclosure Form" and Buyer shall have three (3) business days from receipt of the disclosure report to rescind the offer in a written signed and dated document delivered to the SELLER or the SELLER'S Agents. Buyer rescission must be based on a specific written objection to a disclosure made in the SELLER'S Property Disclosure Form.

SELLER'S Initials (AP) 11/27/06 Date

PROPERTY ADDRESS:

193 Red Fir Road, Hope, ID 83836

15. LEAD BASED PAINT DISCLOSURE. SELLER has been advised of disclosure obligations regarding lead-based paint and lead-based paint hazards in the event property is a defined "Target Housing" under Federal Regulations. Said property ☐ is ☒ is not "Target Housing". If yes, SELLER agrees to sign and complete the Information Disclosure and Acknowledgment Form provided to me and deliver to my agent all records, test reports or other information related to the presence of lead-based paint or lead-based paint hazards, if any.

16. TRANSACTION RELATED SERVICES DISCLAIMER: SELLER understands that Broker is qualified to advise SELLER on general matters concerning real estate, but is not an expert in matters of law, tax, financing, surveying, structural conditions, property inspections, hazardous materials, or engineering. SELLER acknowledges that Broker advises SELLER to seek expert assistance for advice on such matters. The Broker or Broker's agents may, during the course of the transaction, identify individuals or entities who perform services including **BUT NOT LIMITED TO** the following: home inspections, service contracts, appraisals, environmental assessment inspection, code compliance inspection, title insurance, closing and escrow services, loans and refinancing services, construction and repair, legal and accounting services, and/or surveys. The SELLER understands that the identification of service providers is solely for SELLER'S convenience and that the Broker or their agents is not guaranteeing or assuring that the service provider will perform its duties in accordance with the SELLER'S expectations. SELLER has the right to make arrangements with any entity SELLER chooses to provide these services. SELLER hereby releases and holds harmless the Broker and Broker's agents from any claims by the SELLER that service providers breached their agreement, were negligent, misrepresented information, or otherwise failed to perform in accordance with the SELLER'S expectations. In the event the SELLER requests Broker to obtain any products or services from outside sources, **SELLER agrees to pay for them immediately when payment is due.** For example: surveys or engineering, environmental and/or soil tests, title reports, home or property inspections, appraisals, etc.

17. CONSENT TO LIMITED DUAL REPRESENTATION AND ASSIGNED AGENCY: The undersigned SELLER(S) have received, read and understand the Agency Disclosure Brochure (prepared by the Idaho Real Estate Commission). The undersigned SELLER(S) understand that the brokerage involved in this transaction may be providing agency representation to both the SELLER(S) and the Buyer. The undersigned SELLER(S) each understands that, as an agent for both SELLER/client and Buyer/client, a brokerage will be a limited dual agent of each client and cannot advocate on behalf of one client over another, and cannot legally disclose to either client certain confidential client information concerning price negotiations, terms or factors motivating the Buyer/client to buy or the SELLER/client to sell without specific written permission of the client to whom the information pertains. The specific duties, obligations and limitations of a limited dual agent are contained in the Agency Disclosure Brochure as required by Section 54-2085, Idaho Code. The undersigned SELLER(S) each understands that a limited dual agent does not have a duty of undivided loyalty to either client.

The undersigned SELLER(S) further acknowledge that, to the extent the brokerage firm offers assigned agency as a type of agency representation, individual sales associates may be assigned to represent each client to act solely on behalf of the client consistent with applicable duties set forth in Section 54-2087, Idaho Code. In an assigned agency situation, the designated broker (the broker who supervises the sales associates) will remain a limited dual agent of the client and shall have the duty to supervise the assigned agents in the fulfillment of their duties to their respective clients, to refrain from advocating on behalf of any one client over another, and to refrain from disclosing or using, without permission, confidential information of any other client with whom the brokerage has an agency relationship. SELLER ☐ does ☒ does not consent to allow Buyer's Agents and/or Limited Dual Agents to show property and to allow the Broker to share brokerage fees as determined by the Broker with Buyer's Agents and/or Limited Dual Agents.

18. SELLER NOTIFICATION AND CONSENT TO RELEASE FROM CONFLICTING AGENCY DUTIES: SELLER acknowledges that Broker as named above has disclosed the fact that at times Broker acts as agent(s) for other Buyers and for SELLERS in the sale of the property. SELLER has been advised and understands that it may create a conflict of interest for Broker to introduce Buyers to SELLER Client's property because Broker could not satisfy all of its Client duties to both Buyer Client and SELLER Client in connection with such a showing or any transaction which resulted.

Based on the understandings acknowledged, SELLER makes the following election: (Make one selection only)

 / _____
Initials

Limited Dual
Agency and/or
Assigned Agency

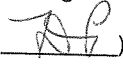
OR

 / _____
Initials

Single Agency

SELLER **does want** Broker to introduce any interested Client of Broker to Client SELLER'S property and hereby agrees to relieve Broker of conflicting agency duties, including the duty to disclose confidential information known to the Broker at that time and the duty of loyalty to either party. Relieved of all conflicting agency duties, Broker will act in an unbiased manner to assist the SELLER and Buyer in the introduction of Buyers to such SELLER Client's property and in the preparation of any contract of sale which may result. SELLER authorizes Broker to act in a **limited dual agency** capacity. Further, SELLER agrees that Broker may offer, but is not obligated to offer, **assigned agency** representation, and if offered by the Broker, SELLER authorizes Broker to act in such capacity.

SELLER **does not want** Broker to introduce interested Buyer Clients to Client SELLER'S property and hereby releases Broker from any responsibility or duty under the agency agreement to do so. Broker shall be under no obligation or duty to introduce the Buyer to any Client SELLER'S property.

SELLER'S Initials () _____ 11/27/06 Date

PROPERTY ADDRESS:

193 Red Fir Road, Hope, ID 83836

19. INFORMATION WARRANTY. SELLER warrants that all information provided by the SELLER herein and hereafter will be true and correct.

20. DEPOSIT. Brokers are authorized to receive a deposit from any prospective purchaser who offers to purchase or exchange the property and shall notify SELLER of the receipt of any such deposit. Acceptance of such deposit by a Broker shall not constitute SELLER'S acceptance of any such offer.

21. GENERAL PROVISIONS. In the event either party shall initiate any suit or action or appeal on any matter relating to this Agreement the defaulting party shall pay the prevailing party all damages and expenses resulting from the default, including all reasonable attorneys' fees and all court costs and other expenses incurred by the prevailing party. This Agreement is made in accordance with and shall be interpreted and governed by the laws of the State of Idaho. All rights and obligations of the parties hereunder shall be binding upon and inure to the benefit of their heirs, personal representatives, successors and assigns.

22. NON-DISCRIMINATION. SELLER and Broker acknowledge that it is illegal to discriminate in the showing, sale or leasing of the property on the basis of race, religion, creed, color, sex, marital status, national origin, familial, or handicapped status of such person.

23. SINGULAR AND PLURAL terms each include the other, when appropriate.

24. FACSIMILE TRANSMISSION. Facsimile or electronic transmission of any signed original document and retransmission of any signed facsimile or electronic transmission shall be the same as delivery of an original. At the request of either party or the Closing Agency, the parties will confirm facsimile and electronic transmitted signatures by signing an original document.

25. SEVERABILITY: In the case that any one or more of the provisions contained in this Agreement, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

26. OTHER TERMS AND CONDITIONS:

Closing to be June 7, 2007. Seller will be flexible on Possession. With 10% non-refundable Earnest Money, Seller will provide possession (rental contract) at minimal monthly rental charge.

CONTRACTOR REGISTRATION # (if applicable)

Seller Signature: Nitch Two LLC

Seller Signature: Lance R. Pietz

Date: 11/27/06

Address: 58 Silver Pine Road

City: Hope State: ID Zip: 83836

E-Mail: PX4@USN.com

Phone(s): 208/264-5188

Fax:

Accepted: [Signature]

By: [Signature] (Broker)

Date: 11/27/06

Address: 200 Main

City: Sept State: ID Zip: 83864

E-Mail: stark@th.com

Phone(s): 208/290-7024

Fax: 208/263-3888

THE PROVISIONS CONTAINED ON PAGES ONE, TWO AND THREE SHALL ALSO CONSTITUTE PART OF THE AGREEMENT OF THE PARTIES. EACH OF THE PARTIES ACKNOWLEDGES READING THIS AGREEMENT IN FULL.

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RE-11 ADDENDUM # 1 (1,2,3, etc.)Date: 12/6/07

THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT INCLUDING ANY ATTACHMENTS. IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1 This is an **ADDENDUM** to the ☐ Purchase and Sale Agreement ☒ Other **Seller Representation Agmt.**
 2 ("Addendum" means that the information below is added material for the agreement (such as lists or descriptions) and/or means the form is being used
 3 to change, correct or revise the agreement (such as modification, addition or deletion of a term)).
 4

5 **AGREEMENT DATED:** 11/27/06 ID # na

6 **ADDRESS:** 193 Red Fir, Hope

7 **BUYER(S):** _____

8 **SELLER(S):** Niche Two LLC

9 The undersigned parties hereby agree as follows:

10 **Term of Agreement extended to 11/27/08.**
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32 To the extent the terms of this ADDENDUM modify or conflict with any provisions of the Purchase and Sale Agreement including all prior
 33 Addendums or Counter Offers, these terms shall control. **All other terms of the Purchase and Sale Agreement including all prior**
 34 **Addendums or Counter Offers not modified by this ADDENDUM shall remain the same.** Upon its execution by both parties, this
 35 agreement is made an integral part of the aforementioned Agreement.
 36

37 **BUYER:** _____

Date: _____

38 **BUYER:** _____

Date: _____

39 **SELLER:** Doug Peterson Niche Two LLC

Date: 12/6/07

40 **SELLER:** _____

Date: _____

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RE-11 ADDENDUM # 2 (1,2,3, etc.)Date: April 20, 2008 2075831

THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT INCLUDING ANY ATTACHMENTS. IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

This is an **ADDENDUM** to the ☐ Purchase and Sale Agreement ☐ Other **Seller Representation Agmt.**
 ("Addendum" means that the information below is added material for the agreement {such as lists or descriptions} and/or means the form is being used to change, correct or revise the agreement {such as modification, addition or deletion of a term}).

AGREEMENT DATED: 11/27/06 ID # naADDRESS: 193 Red Fir, Hope

BUYER(S): _____

SELLER(S): _____

The undersigned parties hereby agree as follows:

Selling price is reduced to \$789,000

Received 4/29/08
 MLS HAS
 REALedger 4/29
 AMS 4/30
 Crest 4/29

To the extent the terms of this ADDENDUM modify or conflict with any provisions of the Purchase and Sale Agreement including all prior Addendums or Counter Offers, these terms shall control. All other terms of the Purchase and Sale Agreement including all prior Addendums or Counter Offers not modified by this ADDENDUM shall remain the same. Upon its execution by both parties, this agreement is made an integral part of the aforementioned Agreement.

BUYER: _____

Date: _____

BUYER: _____

Date: _____

SELLER: Dan Z. PetzDate: 4-24-08

SELLER: _____

Date: _____

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ADDENDUM # 3

DATE: August 1, 2008 MLS # 2075831 08-2292

THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS
CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1. This is an ADDENDUM to the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT.
2. EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED: 11/27/06.
3. PROPERTY ADDRESS: 193 Red Fir Road, Hope, ID
4. _____
5. SELLER(S): Nitch Two LLC
6. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):
7. Selling price to be \$698,000
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. To the extent the terms of this ADDENDUM modify or conflict with any provisions of the EXCLUSIVE SELLERS REPRESENTATION
24. AGREEMENT including all prior Addendums these terms shall control. All other terms of the EXCLUSIVE SELLER
25. REPRESENTATION AGREEMENT including all prior Addendums not modified by this ADDENDUM shall
26. remain the same. Upon its execution this agreement is made an integral part of the aforementioned Agreement.
27. SELLER: [Signature] DATE: 8-1-08
28. SELLER: [Signature] DATE: _____
29. AGENT: [Signature] DATE: 8-1-08
30. BROKER: [Signature] DATE: 8/8/08

MLS
Flex
crest

Received 8/7/08
KwMLS NWG
REALedger 8/8/08
AMS 8/8/08
Crest NWG

ADDENDUM # 4

DATE: November 21, 2008 MLS # 2075831/08-2292

THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1. This is an ADDENDUM to the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT.
2. EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED: 11/27/06
3. PROPERTY ADDRESS: 193 Red Fir Road, Hope, ID
4. _____
5. SELLER(S): Nitch Two LLC
6. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):
7. Expiration date changed to 5/31/09
8. Existing Furniture included (SP) (DP)
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. To the extent the terms of this ADDENDUM modify or conflict with any provisions of the EXCLUSIVE SELLERS REPRESENTATION
24. AGREEMENT including all prior Addendums these terms shall control. All other terms of the EXCLUSIVE SELLER
25. REPRESENTATION AGREEMENT including all prior Addendums not modified by this ADDENDUM shall
26. remain the same. Upon its execution this agreement is made an integral part of the aforementioned Agreement.
27. SELLER: *[Signature]* DATE: 11-21-08
28. SELLER: *[Signature]* DATE: 11-21-08
29. AGENT: *[Signature]* DATE: 11-21-08
30. BROKER: *[Signature]* DATE: 11/21/08

Received 11/21/08
 MLS 11/21
 REALedger 11/21
 AMS 11/21
 Crest 11/21

File 11/21

ADDENDUM # 6

DATE: May 28, 2009 MLS # 2075831/08-2292

THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS
CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1. This is an ADDENDUM to the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT.
2. EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED: 11/27/06
3. PROPERTY ADDRESS: 193 Red Fir Road, Hope, ID
4. _____
5. SELLER(S): Nitch Two LLC
6. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):
7. Expiration date changed to 5/31/10.
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. To the extent the terms of this ADDENDUM modify or conflict with any provisions of the EXCLUSIVE SELLERS REPRESENTATION
24. AGREEMENT including all prior Addendums these terms shall control. All other terms of the EXCLUSIVE SELLER
25. REPRESENTATION AGREEMENT including all prior Addendums not modified by this ADDENDUM shall
26. remain the same. Upon its execution this agreement is made an integral part of the aforementioned Agreement.
27. SELLER: [Signature]
28. SELLER: [Signature]
29. AGENT: [Signature]
30. BROKER: [Signature]

DATE: 5-28-09
DATE: 5-28-09
DATE: 5-28-09
DATE: 5/29
Received 5/29
MLS HAS
REALedger 5/29
AMS HAS
Crest 5/29

Entered into
Selfink
& CDA 5/28/09

ADDENDUM # 7

Date April 27, 2010

MLS # 2075831

THIS IS A LEGALLY BINDING CONTRACT. READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS, CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

THIS ADDENDUM AMENDS EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED 11/27/06

1. PROPERTY ADDRESS: 193 Red Fir Road, Hope, ID 83836

2. SELLER: Nitch Two LLC

3. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):
Selling price to be \$599,000

Received 5-10

CREST 0135

Pix & VT

REALedger 1123

Filed Jan

4. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

5. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

6. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

7. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

8. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

9. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

10. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

11. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

12. I have read the terms of this Addendum and hereby agree to the terms of the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT

Entered into
Flex & Pangea
STH 4/29

ADDENDUM # 8

DATE: 5-27-10

MLS # 2075831

THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS
CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1. This is an ADDENDUM to the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT.
2. EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED: 11-27-06
3. PROPERTY ADDRESS: 193 Red Fir Road, Hope
4. _____
5. SELLER(S): Nitch Two LLC
6. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):
7. Expiration date extended to 9-30-10
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. To the extent the terms of this ADDENDUM modify or conflict with any provisions of the EXCLUSIVE SELLERS REPRESENTATION
24. AGREEMENT including all prior Addendums these terms shall control. All other terms of the EXCLUSIVE SELLER
25. REPRESENTATION AGREEMENT including all prior Addendums not modified by this ADDENDUM shall
26. remain the same. Upon its execution this agreement is made an integral part of the aforementioned Agreement.
27. SELLER: [Signature] DATE: 5-29-10
28. SELLER: [Signature] DATE: 5-29-10
29. AGENT: [Signature] DATE: 5-29-10
30. BROKER: [Signature] DATE: 6-8-10

Entered into
MLS & Flet-SH

Received 6-8-10
CREST 0135
Pix & VT
REALedger 1123
Filed 6-8-10

ADDENDUM #

9

DATE: 9-30-10

MLS # 2075831 / 10-7495

THIS IS A LEGALLY BINDING CONTRACT, READ THE ENTIRE DOCUMENT. IF YOU HAVE ANY QUESTIONS
CONSULT YOUR ATTORNEY AND/OR ACCOUNTANT BEFORE SIGNING.

1. This is an ADDENDUM to the EXCLUSIVE SELLERS REPRESENTATION AGREEMENT.

2. EXCLUSIVE SELLERS REPRESENTATION AGREEMENT DATED: 12-6-07

3. PROPERTY ADDRESS: 193 Red Fir Rd

4.

5. SELLER(S): Mitch 2

6. THE UNDERSIGNED PARTY HEREBY AGREES TO THE FOLLOWING CHANGE(S):

7. April 30, 2011, exp date

8.

9.

10.

11.

12.

13.

14.

15.

16.

17.

18.

19.

20.

21.

22.

23. To the extent the terms of this ADDENDUM modify or conflict with any provisions of the EXCLUSIVE SELLERS REPRESENTATION

24. AGREEMENT including all prior Addendums these terms shall control. All other terms of the EXCLUSIVE SELLER

25. REPRESENTATION AGREEMENT including all prior Addendums not modified by this ADDENDUM shall

26. remain the same. Upon its execution this agreement is made an integral part of the aforementioned Agreement.

27. SELLER: Mitch 2 managing partner

DATE: 9-30-10

28. SELLER: by: [Signature]

DATE:

29. AGENT: [Signature]

DATE: Sept 30, 2010

30. BROKER: [Signature]

DATE: 9-30-10

Received 9-30-10
CHEST 0135
Pix & VT
REALedger 1123
Filed JBM

Edward Flex &
Paragon
STA
9-30-10



Sandpoint Title Insurance, Inc.

120 South Second Avenue
P.O. Box 1767
Sandpoint, ID 83864
Phone: 208-263-2222
Fax: 208-265-4040

January 20, 2011

Idaho Dept. of Water Resources
7600 Mineral Dr. Ste. 100
Coeur d' Alene, ID 83815

Attn: Keith Franklin

RECEIVED
JAN 24 2011
IDWR/NORTHERN

RE: Escrow No.: 57942-LP
Property Address: 193 Red Fir Road, Hope, ID 83836
Projected Closing Date: January 7, 2011
Current Owner: Nitch Two, LLC, An Idaho Limited Liability Company
Purchaser: John A. Felts and Kimberly M. Felts

Enclosed please find the following:

- Copy of recorded Warranty Deed
- Copy of Application for Permit
-

Please be advised that we have closed and any future correspondence will go to the new owners:

John and Kim Felts
7203 S. Cheney Spokane Rd.
Spokane, WA 99224
509-443-0409

It is my understanding that the application/publication process should be complete as of today's date....
Please advise new owners as to what the next step will be to complete the permit process.

Should you have any questions or need further assistance, please contact the undersigned. We appreciate the opportunity to serve you.

Sincerely,

Lou Pell
Escrow Officer

Enclosure(s)



Sandpoint Title Insurance, Inc.

After recording mail to: Grantee

WARRANTY DEED

Escrow No. 57942-LP

FOR VALUE RECEIVED

Nitch Two, LLC, An Idaho Limited Liability Company

the Grantor do(es) hereby grant, bargain, sell and convey unto

A.
John Felts and Kimberly M. Felts, Husband and Wife

the Grantees whose current address is: 7203 South Cheney Spokane Road
Spokane, WA 99224

the following described premises in Bonner County, Idaho, to-wit:

PARCEL 1:

Lot 1; Block 1 of MOUNTAIN VIEW SHORES, according to the plat thereof, recorded in Book 2 of Plats; Page 35, records of Bonner County, Idaho.

PARCEL 2:

A tract of land located in a portion of Government Lot 8, Section 1, Township 56 North, Range 1 East, Boise Meridian, Bonner County, Idaho more particularly described as follows:

BEGINNING at a point on the West line of Lot 1, Block 1, Mountain View Shores as recorded in Book 2 of Plats, Page 35, records of Bonner County, Idaho that is North along said West line a distance of 164.42 feet from the Southwest corner of said Lot 1;

Thence South 56° 48' 00" East a distance of 100 feet to a point on the Easterly line of said Lot 1;

Thence North 26° 24' 00" East, along the extension of the Easterly line of said Lot 1, to the Northerly boundary of said Government Lot 8;

Thence Northwesterly along said Northerly boundary of said Government Lot 8 to the intersection of the West line of said Lot 1;

Thence South 00° 22' 00" West along said extension of the West line to the POINT OF BEGINNING.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantees, their heirs and assigns forever. And the Grantor does hereby covenant to and with the Grantees, that it is the owner in fee simple of said premises; that they are free from all encumbrances EXCEPT all easements, right of ways, covenants, restrictions, reservations of record and taxes and assessments, and that they will warrant and defend the same from all lawful claims whatsoever.

DATED: 12/28/10

Nitch Two, LLC, An Idaho Limited Liability Company

By: Darcy L. Peters, Member

STATE OF FL
COUNTY OF Monroe SS:

Instrument # 804143

BONNER COUNTY, SANDPOINT, IDAHO

1-7-2011 10:10:25 No. of Pages: 2

Recorded for: STI

MARIE SCOTT Fee: 13.00

Ex-Officio Recorder Deputy CB

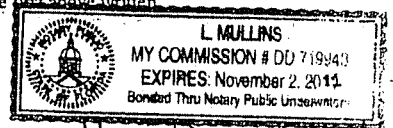
Index to: WARRANTY DEED

Notary

Notary

On this 28th day of December, 2010, before me, the undersigned, a Notary Public in and for said state, personally appeared Darcy L. Peters known or identified to me to be the Member of the LLC that executed this instrument or the person who executed the instrument on behalf of said LLC, and acknowledged to me that said LLC 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.



L. Mullins
Notary Public in and for said County and State

Residing at: Naranja, FL Monroe Co.
Commission Expires: 11/2/11

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT
To appropriate the public waters of the State of Idaho

Ident. No. _____

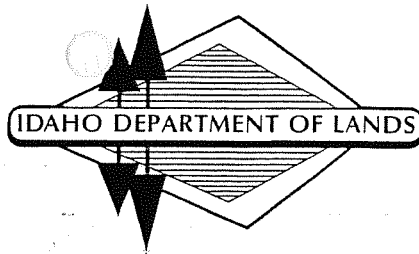
1. Name of applicant(s) NICH TWO LLC Phone 208-264-5188
Name connector (check one): ☐ and ☐ or ☐ and/or
Mailing address: 58 SILVER PINES City HOPE
State ID Zip 83836 Email: px4@usn.com
2. Source of water supply Lake Pend Oreille which is a tributary of Pend Oreille River
3. Location of point(s) of diversion:

Twp	Rge	Sec	Govt Lot	1/4	1/4	1/4	County	Source	Local name or tag #
<u>56N</u>	<u>1E</u>	<u>1</u>					<u>BONNER</u>	<u>Lake Pend Oreille</u>	

4. Water will be used for the following purposes:
Amount 0.04 cfs for Domestic purposes from Jan 1 to Dec 31 (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per year)
5. Total quantity to be appropriated is (a) 0.04 cubic feet per second (cfs) and/or (b) _____ acre-feet per year (af).
6. Proposed diverting works:
- a. Describe type and size of devices used to divert water from the source. Pump and Pipe in Lake
- b. Height of storage dam _____ feet; active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet. If the reservoir will be filled more than once each year, describe the refill plan in item 11.
For dams 10 feet or more in height OR reservoirs with a total storage capacity of 50 acre-feet or more, submit a separate Application for Construction or Enlargement of a New or Existing Dam. Application required? ☐ Yes ☐ No
- c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.
- d. Is ground water with a temperature of greater than 85°F being sought? ☐ Yes ☐ No
- e. If well is already drilled, when? _____; drilling firm _____;
Well was drilled for (well owner) _____; Drilling Permit No. _____
7. Description of proposed uses (if irrigation only, go to item 8):
- a. Hydropower; show total feet of head and proposed capacity in kW. _____
- b. Stockwatering; list number and kind of livestock. _____
- c. Municipal; show name of municipality or the applicant's qualifications as a municipal provider. _____
- d. Domestic; show number of households one
- e. Other; describe fully. _____

57942

OREILLE
VISORY AREA
ghway 2 West
int ID 83864
(208) 263-5104
rea (208) 263-0724
trict (208) 265-7263



GEORGE B. BACON, DIRECTOR
EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF LAND COMMISSIONERS

C. L. "Butch" Otter, Governor
Ben Ysursa, Secretary of State
Lawrence G. Wasden, Attorney General
Donna M. Jones, State Controller
Tom Luna, Sup't of Public Instruction

TRANSFER OF ENCROACHMENT PERMIT
NO. L-96-S-1325A

no Department of Lands hereby transfers subject encroachment permit issued to Elyse
sky on May 1, 2000 to John and Kimberly Felts of 7203 S. Cheney Spokane Road
2, WA 99224 to maintain existing 8' x 55' pier and water intake line 150' into lake. per
l approved design plan located: Pend Oreille Lake, Parcel 102790010040A, Mountain
ores, Block 1, Lot 1, Section 36, Township 56 North, Range 1 East, Boise Meridian,
County.

E DIRECTOR

Jim Brady
ADY, Resource Specialist, Sr., Minerals & Navigable Waters - POL

OF IDAHO)
)ss
Y OF BONNER)

ary 11, 2011, personally appeared before me Jim Brady, whose identity is personally
o me and who by me duly affirmed that he is the Resource Specialist, Sr., Minerals &
le Waters - POL of the Idaho Department of Lands, and acknowledged that the
g document was signed by him in behalf of said state agency by authority of a
on of the State Land Board.

Notary Public for Idaho Department of Lands
My commission expires on 10-18-2011



after recording
del. orig to
Jim so he can
forward to Felts

11/11

RETURN TO
LOU-
JTL



Request for Assignment of Encroachment Permit

I/We, John + Darcy Peters (Naden Two LLC), am/are the current permittee(s) of the Idaho Department of Lands encroachment permit(s) listed below. I/We, as Assignor(s), request that the identified permit(s) be assigned to John Felts and Kimberly M Felts, identified below as "Assignee(s)."

Encroachment Number (s): LA6-S-1325 (to include water intake system)
Body of Water: Lake Pend Oreille
County: Bonner

ASSIGNOR(S) -- CURRENT PERMITEE(S)

We hereby swear and affirm that the information contained herein is true and correct to the best of our knowledge.

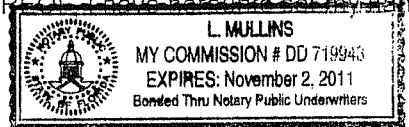
NOTARY

Assignor [Signature]
John Peters
STATE OF Florida)
County of Monroe)

Assignor [Signature]
Darcy Peters

On this 28th day of December, in the year 2010, before me, a notary public in and for said State, personally appeared John Peters + Darcy Peters, known to me to be the Assignor(s)/Permittee(s) that executed the within instrument, and acknowledged to me that _____ executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.



[Signature]
Notary Public Lore Mullins
Residing at: Monroe Co., Marathon FL
My Commission Expires: 11/2/11

ASSIGNEE(S) -- NEW PERMITEE(S)

I/We accept and agree to comply with the terms and conditions of the permit(s) as issued.

Name: John Felts and Kimberly M Felts Phone: 509-443-0409
Address: 7203 S. Cheney Spokane Rd Spokane WA 99224

Assignee [Signature] date 1/7/2011 Assignee [Signature] date 1-7-2011

✓ You must submit an assignment fee of \$150.00.

SUBMIT DOCUMENTATION TO THE APPROPRIATE IDL AREA OFFICE: See <http://www.idl.idaho.gov/index.htm> for office locations. Forms may also be sent to IDAHO DEPARTMENT OF LANDS, Bureau of Surface and Mineral Resources, PO Box 83720, Boise, ID 83720-0050. Please allow six (6) weeks for processing. If you have questions, please call (208) 334-0200 or the area office.

EXHIBIT "A"

PARCEL 1:

Lot 1, Block 1 of MOUNTAIN VIEW SHORES, according to the plat thereof, recorded in Book 2 of Plats, Page 35, records of Bonner County, Idaho.

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A tract of land located in a portion of Government Lot 8, Section 1, Township 56 North, Range 1 East, Boise Meridian, Bonner County, Idaho more particularly described as follows:

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Thence Northwesterly along said Northerly boundary of said Government Lot 8 to the intersection of the West line of said Lot 1;

Thence South $00^{\circ} 22' 00''$ West along said extension of the West line to the POINT OF BEGINNING.

J.F.

15

STATE OF Idaho

COUNTY OF Bonner

On this 7 day of January 2011 before me, the undersigned, a Notary
Public in and for said state, personally appeared

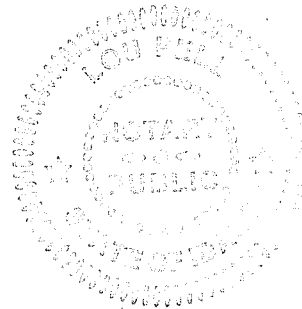
John A. Felts and Kimberly M. Felts
known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/~~they~~ executed the same.

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 in and for said County and State

Residing in: Sagle

Commission Expires: 10-19-2011



FAX

Date 2-11-11Number of pages Including cover sheet: 3**To:**Keith FranklinState of Idaho Dept. of Water
ResourcesPhone: 208-762-2800Fax phone: 208-762-2819**From:**John & Kim FeltsPhone: 509-263-5569Fax phone:**REMARKS:** ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please comment

Hi Keith: Per my conversation today with Ken of your office, the following is the form needed to transfer the pending application #96-9473 into our names. Ken told me that because the original application was approved for a signature from the Realtor Stan Hatch as Representation for Nitch Two LLC, that he would also be approved to sign this document and that we would not need to send the \$25 fee indicated. Please let us know if you need anything further from us.

Sincerely,

John Felts