

RECEIVED

APR 04 2011

Department of Water Resources
Eastern Region

STATE OF IDAHO
IDAHO DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column.

Water Right/Claim No.	Split?	Water Right/Claim No.	Split?	Water Right/Claim No.	Split?
21-7362 <i>OK</i>	Yes ☐		Yes ☐		Yes ☐
~~21-13112~~	Yes ☒		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐
	Yes ☐		Yes ☐		Yes ☐

2. Previous Owner's Name: Staley's Springs Lodge
 Name of current water right holder/claimant

3. New Owner(s)/Claimant(s): DGM Properties; G&S Development, LLC; Funk-Dressel, LLC;
 Name of each new owner as listed on the conveyance document

Wengreen Development, LLC

New owner Continued Name Connector **X** and ☐ or ☐ and/or

5990 Gleneagles Dr.

Mailing Address

Idaho Falls

City

ID

State

83401

Zip

208-523-5959

Telephone

Email

4. If the water rights and/or adjudication claims were split, how did the division occur?
- ☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
- ☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above. January 7, 2011

6. This form must be signed and submitted with the following **REQUIRED** items:

- A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
- Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
- Filing fee (see instructions for further explanation):
 - \$25 per *undivided* water right.
 - \$100 per *split* water right.
 - No fee is required for pending adjudication claims.

7. Signature: *Robert C. Lawrie* *ATTORNEY* *April 1, 2011*
 Signature of new owner/claimant Title, if applicable Date

Signature: _____
 Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by *DK* Date *4-6-11* Receipt No. *E0315410* Receipt Amt. *\$25.00*
 Approved by *DK* Processed by *JB* Date _____

SCANNED

JUN 07 2011

Microfilm No. **532216**
At 07 Day Jan 2011
At 10:58 O'clock 9 M
ABBIE MACE
FREMONT CO RECORDER
Fee \$ 40 Deputy
Recorded at Request of
Horton & Albano
FILE

WATER RIGHTS AGREEMENT, QUITCLAIM DEED, AND WELL USE AGREEMENT

THIS WATER RIGHTS AGREEMENT, QUITCLAIM DEED, AND WELL USE AGREEMENT (this "Agreement") is made and entered into as of the 22nd day of December, 2010, by between DGM Properties, LLC, an Idaho Limited Liability Company, G&S Development, LLC, an Idaho Limited Liability Company, Funk-Drussel, LLC, an Idaho Limited Liability Company, and Wengreen Development, LLC, an Idaho Limited Liability Company, (collectively, DGM Properties, LLC, G&S Development, LLC, Funk-Drussel, LLC, and Wengreen Development, LLC are referred to herein as "Staley Springs"), and William H. Albano and Carol A. Albano, husband and wife (hereinafter collectively "Albano"), as well as each of their successors, legal representatives, officers, directors, agents, assigns, and all other persons or entities acting for, by or through them. Together, Staley Springs and Albano are referred to herein as the "Parties."

RECITALS:

- A. Staley Springs is the owner of real property described in Instrument No. 503327 recorded on June 28, 2006 in the records of Fremont County, Idaho, including a certain platted Well Lot located between Lots 9 and 10 of the Moose Bay Subdivision (the "Well Lot") as per the plat recorded as Instrument No. 441608 in the records of Fremont County, Idaho (the "Staley Springs Property"). The prior owner of the Staley Springs Property was the Horton Trust, with Joseph Stanley Horton as the Trustee of the Horton Trust.
- B. Albano is the owner of real property described as Lot 11 of the Moose Bay Subdivision, as per the recorded plat thereof, as evidenced by Instrument No. 504470 recorded on August 11, 2006 in the records of Fremont County, Idaho (the "Albano Property"). The prior owners of the Albano Property were CPI/American Fork Limited Partnership, and Roger and Vicki Cantlon.
- C. A certain well is located on the Well Lot on the Staley Springs Property. The well had been historically used by the Horton Trust on the Staley Springs Property for commercial and incidental irrigation purposes. The well also has been used on the Albano Property for domestic and irrigation purposes.
- D. Based on past recorded documents contained in the records of Fremont County, Idaho, the well is currently owned by Albano. On August 22, 2001, J. Stanley Horton and Roger Canton entered into a Well Option Agreement, recorded as Instrument No. 470188 on August 11, 2006 in the records of Fremont County, Idaho, wherein water from the well was

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JUN 07 2011

provided to Mr. Cantlon on a short term basis and Cantlon and Horton further agreed to an option to purchase the well for \$7,000.00. Cantlon apparently exercised the option for purchase of well, as evidenced by (1) a Quitclaim Deed from J. Stanley Horton to Roger D. Canton and Vicki Canton recorded on January 23, 2003 as Instrument No. 479132 in the records of Fremont County, Idaho, conveying ownership in the well, including the pressure tank and electrical pressure switch, and (2) a Maintenance Agreement recorded on January 27, 2003 as Instrument No. 479133 in the records of Fremont County, Idaho, which granted Roger Cantlon a maintenance easement for the well.

- E. Albano's well ownership was confirmed by a Quitclaim Deed recorded as Instrument No. 518753 recorded on September 9, 2008 in the records of Fremont County, Idaho, which conveyed to Albano any rights in the well from CPI/American Fork Limited Partnership (which apparently obtained rights to the well from and Roger and Vicki Cantlon).
- F. Water Right No. 21-7362 was obtained by Staley Springs Lodge pursuant to Idaho law, and confirmed by an issued water right license issued on March 14, 1990. The license for Water Right No. 21-7362 confirmed development of the application for permit for such water right with the following elements:
- | | |
|----------------------|--|
| Diversion Rate: | .06 cfs |
| Diversion Volume: | 2.8 AF |
| Source: | Ground water |
| Beneficial Use: | Commercial |
| Season of Use: | 05/25 to 09/30 |
| Points of Diversion: | 15N, 43E, Sec. 6, Lot 2 (NWNW)
15N, 43E, Sec. 6, Lot 2 (NWNW) |
| Place of Use: | 15N, 43E, Sec. 6, Lot 2 (NWNW) |
- G. Based upon documents contained in the water rights backfile for Water Right No. 21-7362, the license confirmed development of two wells used over time for commercial purposes and incidental irrigation purposes for the Staley Springs Lodge cabins and RV park. The first well was apparently drilled in 1945, with the second well drilled in 1984. It is the second well that is located on the Well Lot.
- H. Based upon the issued license for Water Right No. 21-7362, a Notice of Claim to a Water Right was filed by J. Stanley Horton on March 21, 1989 in the Snake River Basin Adjudication (the "SRBA") based upon the anticipated elements of the water right license. A partial decree was issued for Water Right No. 21-7362 in the SRBA on February 2, 2007 consistent with the provisions of the license.
- I. Regarding Water Right No. 21-7362, there is no reservation of this water right to The Horton Trust or its predecessors when The Horton Trust obtained title to the Staley Springs Property and presumably the water right passed as an appurtenance consistent with language contained

in the deed recorded as Instrument No. 503327 on June 28, 2006 in the records of Fremont County, Idaho.

- J. However, in the Quitclaim Deed recorded as Instrument No. 518753 on September 9, 2008, in the records of Fremont County, Idaho, CPI/American Fork Limited Partnership quitclaimed its interest in the well to Albano, as well as "all appurtenant water rights, including Water Right License No. 21-7362." The Quitclaim Deed was apparently recorded "to confirm and establish Grantees' [Albano] continued right to use the above-described well and water right to provide water for domestic purposes to Lot 11 of Moose Bay Subdivision, ..."
- K. The contents of Instrument No. 503327 recorded on June 28, 2006 in the records of Fremont County, Idaho, and the Quitclaim Deed recorded as Instrument No. 518753 on September 9, 2008, in the records of Fremont County, Idaho, appear to conflict with one another, and Staley Springs and Albano desire to resolve any and all conflicts with regards to use of the well and ownership of Water Right No. 21-7362 as further set forth below.
- L. Additionally, Staley Springs has filed a late claim in the SRBA for Water Right No. 21-13112, which seeks a decree of a beneficial use water right with the following elements:
- | | |
|----------------------|---|
| Diversion Rate: | .09 cfs |
| Source: | Ground water |
| Beneficial Use: | Irrigation |
| Season of Use: | 05/01 to 10/31 |
| Points of Diversion: | 15N, 43E, Sec. 6, Lot 2 (NWNW) |
| | 15N, 43E, Sec. 6, Lot 2 (NWNW) |
| Place of Use: | 15N, 43E, Sec. 6, Lot 2 (NWNW): 4.3 acres |
- M. Based upon review of aerial photography, it appears that a portion of the place of use of Water Right No. 21-13112 is located on the Albano Property, and that Albano is entitled to a portion of Water Right No. 21-13112.
- N. The claim for Water Right No. 21-13112 has recently been recommended as disallowed by IDWR in the SRBA, and an objection to the disallowal has been filed by Staley Springs. It is anticipated that Staley Springs will address the reasons for disallowal with IDWR.
- O. In light of the foregoing recitals, Staley Springs and Albano wish to clarify any potential confusion relative to ownership of the well and Water Right Nos. 21-7362 and 21-13112 and agree as follows.

AGREEMENTS:

NOW THEREFORE, FOR VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS ACKNOWLEDGED, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. **CONFIRMATION OF ALBANO'S RIGHT TO DOMESTIC WATER.** Pursuant to Idaho Code § 42-111(a) (the so-called "domestic exemption"), Albano has the ability to divert up to .02 cfs and 13,000 gallons per day for domestic purposes associated with his home located on the Albano property, including the irrigation of up to ½ acre of property on the Albano Property. The Parties hereby confirm Albano's right to divert such water from the well on the Well Lot. The Parties further understand that as of the date of this Agreement, Idaho law does not require Albano to obtain a water right license for his domestic use, but the Parties agree that should Idaho law ever be amended to require procurement of such a water right license, or should Albano voluntarily elect to file an application for water right permit to confirm his domestic uses, Staley Springs shall not object to or protest, or otherwise support any protest or objection, against such a filing in any manner.
2. **CONFIRMATION OF MAINTENANCE EASEMENT.** The Parties hereby confirm the right, title, and interest Albano currently possesses for a maintenance easement for the well over and across the Well Lot as set forth in Instrument No. 479133 recorded on January 27, 2003 in the records of Fremont County, Idaho.

3. **QUITCLAIM OF WATER RIGHT NO. 21-7362 TO STALEY SPRINGS.**

FOR VALUE RECEIVED, William H. Albano and Carol A. Albano, husband and wife, do hereby convey, release, remise and forever quitclaim unto DGM Properties, LLC, an Idaho Limited Liability Company, G&S Development, LLC, an Idaho Limited Liability Company, Funk-Drussel, LLC, an Idaho Limited Liability Company, and Wengreen Development, LLC, an Idaho Limited Liability Company, any right, title, and/or interest William H. Albano and Carol A. Albano have in Water Right No. 21-7362.

4. **QUITCLAIM OF WATER RIGHT NO. 21-13112 PORTION TO ALBANO.**

FOR VALUE RECEIVED, DGM Properties, LLC, an Idaho Limited Liability Company, G&S Development, LLC, an Idaho Limited Liability Company, Funk-Drussel, LLC, an Idaho Limited Liability Company, and Wengreen Development, LLC, an Idaho Limited Liability Company, do hereby convey, release, remise and forever quitclaim unto William H. Albano and Carol A. Albano, husband and wife, any right, title, and/or interest said limited liability companies have in the portion of Water Right No. 21-13112 located upon Lot 11 of the Moose Bay Subdivision, Fremont County, Idaho, as per the recorded plat thereof.

5. **QUITCLAIM OF ½ UNDIVIDED INTEREST IN WELL.**

FOR VALUE RECEIVED, William H. Albano and Carol A. Albano, husband and wife, do hereby convey, release, remise and forever quitclaim unto DGM Properties, LLC, an Idaho Limited Liability Company, G&S Development, LLC, an Idaho Limited Liability Company, Funk-Drussel, LLC, an Idaho Limited Liability Company, and Wengreen Development, LLC, an Idaho Limited Liability Company, an undivided ½ interest in the well located on that certain platted Well Lot located between Lots 9 and 10 of the Moose Bay Subdivision (the "Well Lot") as per the plat recorded as Instrument No. 441608 in the records of Fremont County, Idaho, SUBJECT TO the Well Use Agreement Provisions set forth below.

6. **WELL USE AGREEMENT.**

- a. **Albano Domestic Use.** As set forth in Paragraph 1 above, Albano shall use of water from the well for domestic purposes.
- b. **Costs.** Because the Staley Springs Property is currently in the development planning stages, the well is currently not being actively used for Staley Springs' purposes. Albano shall therefore be responsible and liable for any and all use, maintenance, repair, rehabilitation, and costs (including electrical costs) incurred for such, unless Staley Springs uses the well during a calendar year. In the event Staley Springs uses the well in a calendar year, then the costs for maintenance, repair, rehabilitation, and costs (including electrical costs) shall be apportioned pro-rata based on usage between Albano and Staley Springs.

7. **FUTURE WATER RIGHT TRANSFERS.** The Parties hereby agree that they shall not object to or protest, or otherwise support any protest or objection, against any application for water right transfer filed with IDWR that purports to remove the well as an authorized point of diversion for any of the Parties' water rights. The Parties do, however, expressly retain the right to protest any application for transfer that purports to add the well as an authorized point of diversion for a water right not identified in this Agreement. The Parties further agree that they shall provide the other Party written notice of any transfer application that either purports to remove the well as an authorized point of diversion or add the well as an authorized point of diversion under a water right not identified in this Agreement.

8. **FUTURE WATER RIGHT APPLICATION FOR PERMIT.** Other than the potential domestic water right filing of Albano identified in Paragraph 1 above, the Parties hereby agree that they will not seek any new application for water right permit which identifies the well as an authorized point of diversion without express written consent of the other Party.

9. **NO OTHER WATER USERS ON THE WELL.** The Parties hereby agree that they will not seek add any other water user to the well without express written consent of the other Party.
10. **RELIANCE UPON STATEMENTS / INTEGRATION AND MERGER:** The Parties hereto specifically acknowledge that they were represented by counsel in this matter, and agree that other than as is set forth herein, they have executed this Agreement without relying upon any statements or representations written or oral, as to any statement of law or fact made by any other party or attorney. The Parties to this Agreement have read and understand the Agreement, and warrant and represent that this Agreement is executed voluntarily and without duress or undo influence on the part of or on behalf of any party. This Agreement represents the sole entire and integrated Agreement by and between the Parties hereto, and supersedes any and all prior understandings or agreements whether written or oral except as specifically provided herein.
11. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon and shall inure to the benefit of each Parties' successors and assigns.
12. **WAIVER OR MODIFICATION:** No provision of this Agreement may be waived, modified, or amended except by written agreement executed by all of the Parties hereto.
13. **ENFORCEMENT:** This Agreement is a valid and binding obligation of the Parties, and their successors or assigns. It shall be admissible and enforceable according to its terms, and venue in any subsequent action shall rest within the State of Idaho. This Agreement is subject to interpretation in accordance with the laws of the State of Idaho.
14. **TIME IS OF THE ESSENCE:** The Parties hereto agree that time is of the essence in completing the obligations set forth in this Agreement.
15. **ATTORNEY'S FEES:** The Parties hereby agree that in executing this Agreement, each has agreed to be solely responsible for their own attorneys fees incurred. Should any party be required to bring a separate action to enforce the terms of this Agreement, however, such party will be entitled to its reasonable attorneys fees upon prevailing in such action.
16. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which is deemed an original but all of which constitute one and the same instrument. The signature pages may be detached from each counterpart and combined into one instrument.
17. **RECORDING.** This Agreement shall be recorded in the records of Fremont County, Idaho.

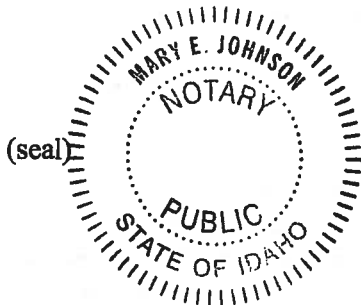
DGM PROPERTIS, LLC

Dale Mickelsen
 By: Dale Mickelsen
 Its: Manager

STATE OF IDAHO)
)ss.
 County of Jefferson)

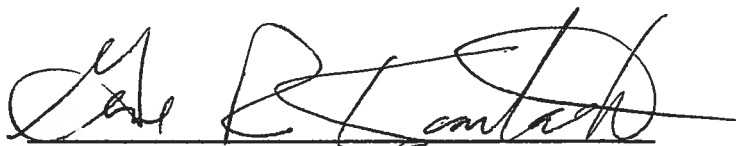
On this 26 day of December, 2010, before me a notary public in and for said State, personally appeared Dale Mickelsen known or identified to me (or proved to me on the oath of Dale Mickelsen) to be the manager of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

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



Mary E. Johnson
 Notary Public for Idaho
 Residing at: Jefferson County
 My commission expires: Sept. 28, 2013

G & S DEVELOPMENT, LLC



By: Gene Kantack

Its: Manager

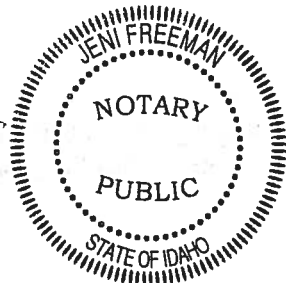
STATE OF IDAHO)

County of Bonneville)ss.

On this 23rd day of December, 2010, before me a notary public in and for said State, personally appeared Gene Kantack known or identified to me (or proved to me on the oath of Gene Kantack) to be the manager of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

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

(seal)

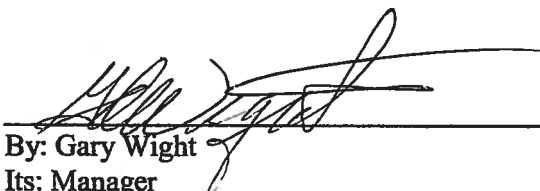



Notary Public for Idaho

Residing at: Bonneville CountyMy commission expires: 7/22/2011

532216

FUNK-DRUSSEL, LLC

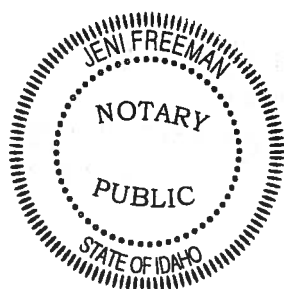

By: Gary Wight
Its: Manager

STATE OF IDAHO)
)ss.
County of Bonneville)

On this 20th day of December, 2010, before me a notary public in and for said State, personally appeared Gary Wight known or identified to me (or proved to me on the oath of Gary Wight) to be the manager of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

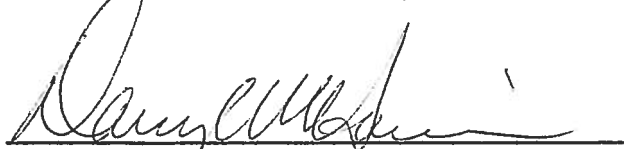
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(seal)



Jeni Freeman
Notary Public for Idaho
Residing at: Bonneville County
My commission expires: 7/22/2011

WENGREEN DEVELOPMENT, LLC



By: Darryl W. Harris

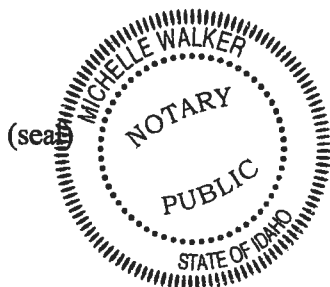
Its: Manager

STATE OF IDAHO)

County of Bonneville)ss.

On this 21st day of December, 2010, before me a notary public in and for said State, personally appeared Darryl W. Harris known or identified to me (or proved to me on the oath of Darryl W. Harris) to be the manager of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

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



Michelle Walker
 Notary Public for Idaho
 Residing at: Idaho Falls
 My commission expires: February 4, 2014

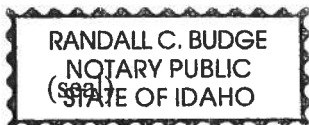
William H. Albano
William H. Albano

Carol A. Albano
Carol A. Albano

STATE OF IDAHO)
)ss.
County of Bannock)

On this 22nd day of December, 2010, before me a notary public in and for said State, personally appeared William H. Albano and Carol A. Albano, known or identified to me (or proved to me on the oath of William H. Albano and Carol A. Albano) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that 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.



Randall C. Budge
Notary Public for Idaho
Residing at: Bozelle, ID. 83201
My commission expires: 10/11/12

WARRANTY DEED

29-14196-R
AMERICAN LAND TITLE CO.
P. O. BOX 722
REXBURG, IDAHO 83440

THIS INDENTURE, made this 29th day of April, 1986
between Staley Lodge, Inc., an Idaho corporation
whose address is 6779 Old Route Road
City of Pocatello, County of Bannock, State of Idaho
herein designated as Grantor, and J. Stanley Horton and Alberta D. Horton
whose address is Star Route, Box 104
City of Moats Inn, County of Fremont, State of Idaho
herein designated as Grantee:

Grantor, for valuable consideration, does by these presents Grant, Bargain, Sell and Convey and Confirm unto Grantee and its heirs or assigns forever, the following described premises in the County of Fremont, State of Idaho, bounded and more particularly described as follows, to-wit:

see Attached Description

Microfilm No. 395887
At 5 Day May 1986
At 5:00 O'clock P M
BETTY J. HILL
FREMONT CO. RECORDER
Fee \$42 Deputy
Recorded At Request of

Together with all and singular, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereunto incident unto the Grantee and to its heirs or assigns forever, and the said Grantor and its heirs or assigns warrant the said premises in the quiet and peaceable possession of the Grantee against all and every person or persons whomsoever, lawfully claiming or to claim the same, shall and will warrant and by these presents forever defend.

IN WITNESS WHEREOF, the said Grantor has hereunto set hand and seal the day and year first above written.

Attest

Sue Hart
Sue Hart, Secretary
STATE OF IDAHO
County of Bannock

Staley Springs Lodge Inc.

By Don C. Hart
His Hart Mark

On this 29th day of April, 1986, before me,
a Notary Public in and for said County and State, personally appeared
Donald C. Hart and Sue Hart as President and Secretary,
respectively, of Staley Lodge, Inc.
known to me to be the person whose name subscribed to the within
instrument, and acknowledged to me that 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.

TERRELL GREEN, Notary Public
Notary Public for Idaho
Residing at Pocatello, Idaho

Terrell Green
Notary Public for Idaho
Residing at Pocatello, Idaho

SCANNED

JUN 07 2011

EXHIBIT: PROPERTY DESCRIPTION

Lots 1 and 2 in Section 6, Township 15 North, Range 43 East, Boise Meridian, Fremont County, Idaho; excepting therefrom the following described tract of land being a portion of said Lot 2 in Section 6, Township 15 North, Range 43 East, Boise Meridian and a portion of the Southwest Quarter of the Southwest Quarter of Section 31, Township 16 North, Range 43 East, Boise Meridian, particularly described as follows: Beginning at a point on the West line of Section 6, said point being 1901.98 feet North of the West Quarter Corner of said Section 6, Township 15 North, Range 43 East, Boise, Meridian, and also being 3333.02 feet South of the East Quarter Corner of Section 36, Township 16 North, Range 42 East, Boise Meridian; thence running North 32°03' East 869.6 feet; thence North 63°16.5' East 67.66 feet; thence South 85°30' East 350 feet; thence North 7°30' East 240.3 feet; thence North 24°12' East 250.57 feet; thence North 85°30' West 373.17 feet; thence North 35°51.5' West 76.20 feet; thence North 13°47' East 743.17 feet; thence West 251.48 feet; thence South 17°12' West 691 feet; thence South 4°03' West 354.2 feet; thence South 17°28' West 279 feet; thence South 32°03' West 373.7 feet; thence South 414.22 feet, more or less, to the point of beginning. All in Fremont County, Idaho...

005887

Recorded and Indexed by
North Star Title Co.
AND WHERE RECORDED: NAME, TITLE, DATE AND
NUMBER OF INSTRUMENT SHOWN BELOW: NAME
STANLEY
MR. AND MRS. STANLEY HORTON
TRUSTEES
P.O. BOX 699
BOZEMAN, MONT. 59717

412-2-6
Dw. 38135-10-27
17-2-21
MICKIE RUNKE
TREASURER/RECORDER
P.O. BOX 12202
Bozeman, Montana

RECORD NO. _____
FILE ORIGIN NO. _____

GRANT DEED

The undersigned grantor(s) hereby
Documentary transfer to the
() computed full value of property conveyed or
() computed full value less value of debt, after umbrella insurance, of all
(XX) Unincorporated interest in property

By this instrument I/We _____
Newly created or confirmed

J. STANLEY HORTON and ALBERTA D. HORTON

hereby GRANTS to

JOSEPH STANLEY HORTON and ALBERTA D. HORTON, co-trustees of the
Trust created by a Declaration of Trust, dated October 24, 1989

the following described real property in the
County of Fremont, State of Idaho

Refer to Exhibit "A" attached hereto and by this
reference incorporated herein

This conveyance is to a revocable trust created by the grantors and
does not constitute a change of ownership and is not subject to
reassessment

STATE OF CALIFORNIA
COUNTY OF Sonoma

On October 30, 1989, before me,
the undersigned, a Notary Public, in and for said County and State,
personally appeared

J. Stanley Horton and
Alberta D. Horton

J. Stanley Horton
STANLEY HORTON

proved to me on the basis of satisfactory evidence 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.

WITNESS my hand and official seal.

Alberta D. Horton
ALBERTA D. HORTON

Betti Lee Gill



SEAL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE IF NO PARTY IS SHOWN, MAIL AS DIRECTED ABOVE.

Name

Street Address

City & State

WARRANTY DEED

Order No.:3040624794TD

FOR VALUE RECEIVED

The Horton Trust, Created by a Declaration of Trust, Dated 10-3-89

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

DGM Properties, LLC, an Idaho ~~Corporation~~ LLC, G & S Development, LLC, an Idaho ~~Corporation~~ LLC,
Funk-Drussel, LLC, an Idaho ~~Corporation~~ LLC, Wengreen Development, LLC, an Idaho ~~Corporation~~ LLC,
whose current address is

5990 GlenEagles Dr. Idaho Falls, ID 83401

the grantee(s), the following described premises, in Fremont County, Idaho, TO WIT:

PARCEL 1:

Tract A (Staley Springs Lodge) of Moose Bay Subdivision, Fremont County, Idaho, as per the plat recorded as Instrument No. 441608.

LESS:

A parcel of land being a portion of Tract A, Moose Bay, a subdivision as filed for record in the office of the Fremont County Recorder, lying within Section 6, Township 15 North, Range 43 East, and Section 31, Township 16 North, Range 43 East, Boise Meridian, Fremont County, Idaho, and being more particularly described as follows: Commencing at the Northwest corner of Section 6, being a rebar & cap as filed for record at Instrument No. 382188 in said Fremont County records; thence South 00°05'06" East along the West line of said Section 6 a distance of 701.58 feet; thence North 31°55'15" East along the Northerly boundary of said subdivision of Moose Bay a distance of 681.37 feet to the point of beginning; thence continuing along said Northerly boundary of Moose Bay for the following four courses: 1.) North 31°55'15" East a distance of 186.77 feet; 2.) North 63°08'45" East a distance of 33.21 feet; 3.) South 86°44'28" East a distance of 346.66 feet to a 1/2" rebar; 4.) continuing South 86°44'28" East a distance of 25 feet, more or less, to the mean high water line of Henry's Lake as now and hereafter lawfully maintained by North Fork Reservoir Company; thence along said mean high water line of Henry's Lake as presently represented by the following six courses: 1.) South 32° West a distance of 50 feet; 2.) South 59° West a distance of 58 feet; 3.) South 82° West a distance of 71 feet; 4.) North 63° West a distance of 22 feet; 5.) North 18° West a distance of 32 feet; 6.) West a distance of 80 feet, more or less; thence North 11°00'00" West a distance of 17.00 feet; thence 125.32 feet along the arc of a curve to the left having a central angle of 79°00'00", a radius of 90.89 feet, and a chord which bears South 39°30'00" West a distance of 115.62 feet; thence South a distance of 76.61 feet; thence North 77°00'00" West a distance of 171.03 feet to the point of beginning.

PARCEL 2:

Common area (Well Lot) between Lots 9 and 10 of Moose Bay Subdivision, Fremont County, Idaho, as per the plat recorded as Instrument No. 441608.

SUBJECT TO a maintenance easement recorded January 27, 2003, as instrument no. 479133, records of Fremont County, Idaho.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee(s), that (s)he is/are the owner(s) in fee simple of said premises; that they are free from all encumbrances Except: Current Year Taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way, apparent or of record.

And that (s)he will warrant and defend the same from all lawful claims whatsoever.

Dated: 6/15/2006

The Horton Trust, Created by a Declaration of Trust,
Dated 10-3-89

By: Joseph Stanley Horton, Trustee

Microfilm No. 503327
At 11:03 Day June 20, 2006
ABBIE MACE
FREMONT CO RECORDER
Recorded at Request of
ALLIANCE TITLE & ESCROW

SCANNED

JUN 07 2011

503327

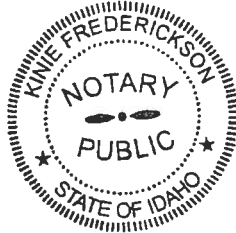
State of Idaho

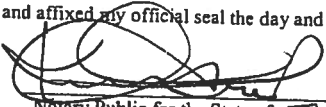
County of Bonneville

}
} ss.
}

On this 14 day of June, 2006, before me, a Notary Public in and for said state, personally appeared Joseph Stanley Horton known or identified to me to be the person whose name is subscribed to the foregoing instrument as trustee of the The Horton Trust created by a Declaration of Trust dated 10-3-89, and acknowledged to me that he executed the same as Trustee.

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 for the State of Idaho

Residing at:

Commission Expires:

Residing in Idaho Falls, Idaho
Commission Expires 9/5/09

SCANNED

JUN 07 2011