

Water Supply Bank No. _____

Water Right No. _____

**STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**

RECEIVED

AUG 31 2007

**APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK**

**WATER RESOURCES
WESTERN REGION**

Name of Seller/Lessor Blackrock, LLC

208-941-5709 (cell)
Phone 208-562-1733 (wk)

Post office address c/o Doug McMaster, 2949 S. Victory View Way, Boise ID 83709

RECEIVED

SEP 27 2007

**DEPARTMENT OF
WATER RESOURCES**

1. DESCRIPTION OF WATER RIGHT:

Right evidenced by:

- a. Decree No. _____ Decreed to _____
(Name)
in case of _____ vs _____
dated _____ in _____ county of _____
(Name of court)
- b. License No. 63-16414 issued by the Idaho Department of Water
Resources.
- c. Permit No. _____ issued by the Idaho Department of Water
Resources.

2. DESCRIPTION OF PORTION OF RIGHT FOR SALE OR LEASE: (If the entire right is for sale or lease,
show "all" on line a. below and skip the remainder of part 2.)

- a. Amount of water under right: 0.12 cfs cubic feet per second &/or _____ acre-feet per annum
- b. Point of diversion: NE 1/4 of NW 1/4 of Section 4 Township 2N Range
1E, B.M. in Ada County.
Additional points _____

c. Place of use:

TWP	RGE	SEC	N E				N W				S W				S E				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
3N	1E	32													3	3			6

If the right is for irrigation, show the number of acres for the part of the right to be put into the bank.

Total number of acres 6

3. ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEREOF, FOR SALE OR LEASE

- a. Explain how the seller/lessor acquired the right, or portion thereof, and attach a copy of the deed to the land to which it is appurtenant or other evidence of ownership of the right. If the right is not recorded in the name of the seller/lessor, attach a copy of a change of ownership form as required by Section 42-248 or 42-1409(6), Idaho Code, together with required documentation.

See attached Notice of Change in Water Right in Ownership with accompanying ownership evidence.

- b. Describe the frequency of water use under the right, or portion thereof, during the past five (5) years of use. Attach watermaster records, pumping power bills, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture. (This information is not required if a partial decree has been issued on the right within the last 5 years).

- c. If the right is from a surface water source, describe the period of the year that water is typically available to satisfy the right.

All season.

- d. Describe any other water rights with the same purpose and place of use as the right, or portion thereof, offered for lease. Will the present place of use continue to receive water from any source? If so, describe.

Other right for lease: 63-10416

POU continue to receive water from any source: No

- e. If the water right is a permit, describe the work accomplished toward developing the right.

- f. If the right to the use of the water or the use of the diversion works or irrigation system is represented by shares of stock in a company or corporation, or if such works or system is owned or managed by an irrigation district, a written consent of the sale or lease must be attached.

4. REMARKS:

5. SALE/LEASE AGREEMENT

1. The water right, or portion thereof, described above is offered to the Idaho Water Resource Board:

_____ For sale;

X For lease for a period from 9/1/2007 to indefinite
(Month, day, year) (Month, day, year)

(The lease period may be shown as "indefinite", if the total duration of lease is unknown); or

_____ As a gift to the state of Idaho.

2. Show the minimum payment acceptable to the Seller/Lessor. Include the method of determining the minimum payment. The minimum payment may be shown as the "current rental rate".

Current rental rate. _____

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner of the right may not use the right even if the right is not rented.
3. A right accepted into the bank stays in the bank until the Board releases it or until the lease term expires.
4. While a water right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right.

Date _____

Signature _____

FOR DEPARTMENT USE ONLY

Received by SR Date 8/31/07 Preliminary check by _____

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial by _____

STATE OF IDAHO

DEPARTMENT OF WATER RESOURCES

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
<u>63-16414</u>	<u>63-16414</u>	<u>Y</u>	<u> </u>	<u> </u>	<u> </u>
<u>63-10416</u>	<u>63-10416</u>	<u>Y</u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The AERIAL PHOTO should be submitted in place of the PLAT OF PROPERTY or SURVEY MAP.

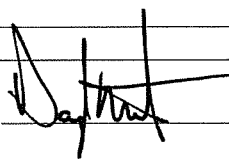
3. Name and Address of Former Owner/Claimant(s) D J Mc Kay
5875 South Eagle Road, Meridian ID 83642
4. New Owner/Claimant(s) Blackrock, LLC
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
- New Mailing Address c/o Doug McMaster, 2949 S. Victory View Way
- City, State and ZIP Code Boise, ID 83709
- New Telephone Number (208)562-1733 (wk) (208)941-5709 (cell)
5. Date you acquired the property August, 2004

ORIGINAL being
processed & returned → **COPY**
-RZ 9/26/07

6. **If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7.** If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT		
(If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number <u>63-16414 (See Attached Split Tree)</u>		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT		
(If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number <u>63-10416 (See Attached Split Tree)</u>		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s)  Munnasins Munkar BlackRock LLC
(include title if applicable)

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee _____
Received by _____	Date _____	Receipt No. _____
Processed by _____ AJ	Date _____	WR _____ Date _____



- 6-acre conveyance to Blackrock
- Township & Range
- Sections
- Quarter quarters

6-acre Water Right Conveyance
McKay to Blackrock
T03N R01E Sec 32 (2006 NAIP Imagery)

0 400 800 Feet

SPF Water Engineering, LLC
water resource consultants
600 E. River Park Lane Ste 105 Boise Idaho 83706
tel 208 383 4140 fax 208 383 4150

7/16/07

[Close](#)

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

07/16/2007

WATER RIGHT NO. 63-10416

Owner Type	Name and Address
Current Owner	D J MC KAY 5875 S EAGLE RD MERIDIAN, ID 83642 (208)888-2488

Priority Date: 04/14/1987
Basis: License
Status: Active

Source	Tributary
GROUND WATER	

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	3/15	11/15	2 CFS	508.5 AFA
Total Diversion			2 CFS	

Location of Point(s) of Diversion:

GROUND WATER|NESE|Sec. 32|Township 03N|Range 01E|ADA County

Licensed Diversion Capacity: 2.15

Place(s) of use:

Place of Use Legal Description: IRRIGATION ADA County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
03N	01E	32		SE NW	34									
				N SW	5									
				NE SE	40		NW SE	34						

Total Acres: 113

Conditions of Approval:

1. |R32|This right when combined with all other rights shall provide no more than .02 cfs per acre nor more than 4.5 afa per acre for irrigation of the lands above.

Dates:
Licensed Date: 04/13/1988
Decreed Date:
Permit Proof Due Date: 10/1/1988
Permit Proof Made Date: 9/25/1987
Permit Approved Date: 9/14/1987
Permit Moratorium Expiration Date:
Enlargement Use Priority Date:
Enlargement Statute Priority Date:
Water Supply Bank Enrollment Date Accepted:
Water Supply Bank Enrollment Date Removed:
Application Received Date: 04/14/1987
Protest Deadline Date:
Number of Protests: 0

Other Information:
State or Federal:
Owner Name Connector:
Water District Number:
Generic Max Rate per Acre:
Generic Max Volume per Acre:
Civil Case Number:
Old Case Number:
Decree Plaintiff:
Decree Defendant:
Swan Falls Trust or Nontrust:
Swan Falls Dismissed:
DLE Act Number:
Cary Act Number:
Mitigation Plan: False
[Close](#)

Split Analysis

Water Right Number: 63-10416

Diversion Rate: 2 CFS

Reviewer Name:

Date:

Acreage Analysis

[illegible]

Water Right Number: 63-10416

Diversion Rate: 2 CFS

Reviewer Name: _____

Date: _____

Split Tree

Mc Kay
(107.0 ac & 1.89 cfs)
Blackrock
(6.0 ac & 0.11 cfs)

Summary

[illegible]

63-10416

(113.0 ac & 2.00 cfs)

[Close](#)

IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Recommended Right Report

07/14/2007

WATER RIGHT NO. 63-16414

Owner Type	Name and Address
Current Owner	MC KAY PROPERTIES LP 3738 S BASILICA WAY MERIDIAN, ID 83642
Directors Report Owner	D J MC KAY 5875 S EAGLE RD MERIDIAN, ID 83642 (208)888-2488

Priority Date: 03/03/1904
Basis: Beneficial Use
Status: Active

Source	Tributary
TENMILE CREEK	FIFTEENMILE CREEK

Beneficial Use From	To	Diversion Rate	Volume
IRRIGATION	03/01	11/15	2.26 CFS
Total Diversion			2.26 CFS

Location of Point(s) of Diversion:

TENMILE CREEK|NENW Lt 3|Sec. 04|Township 02N|Range 01E|ADA County

Place(s) of use:

Place of Use Legal Description: IRRIGATION ADA County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
03N	01E	32		SENW	35									
				NESW	5									
				NESE	37		NWSE	36						

Total Acres: 113

Conditions of Approval:

1.	C18	This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2.	E51	USE OF THIS RIGHT WITH RIGHT NO. 63-32649 IS LIMITED TO A TOTAL COMBINED DIVERSION RATE OF 2.14 CFS.
3.	W45	Use of this right is combined with water from Boise-Kuna Irrigation District.
4.	E55	USE OF THIS RIGHT WITH RIGHT NO. 63-32649 IS LIMITED TO THE IRRIGATION OF A COMBINED TOTAL OF 107 ACRES IN A SINGLE IRRIGATION SEASON
5.	W51	Use of this right is combined with water from Nampa Meridian Irrigation District.

Dates:

Other Information:
State or Federal: S
Owner Name Connector:
Water District Number:
Generic Max Rate per Acre:
Generic Max Volume per Acre:
Swan Falls Trust or Nontrust:
Swan Falls Dismissed:
DLE Act Number:
Cary Act Number:
Mitigation Plan: False

[Close](#)

Water Right Number: 63-16414

Diversion Rate: 2.26 CFS

Reviewer Name:

Date:

Parent

Children Acres

[illegible]

Water Right Number: 63-16414

Diversion Rate: 2.26 CFS

Reviewer Name: _____

Date: _____

Split Tree

Mc Kay

(107.0 ac & 2.14 cfs)

Blackrock

(6.0 ac & 0.12 cfs)

Summary

[illegible]

63-16414

(113.0 ac & 2.26 cfs)



107122632

SPECIAL WARRANTY DEED FOR WATER RIGHT

FOR VALUE RECEIVED, D J Mc Kay, ("Grantor"), whose address is 5875 South Eagle Road, Meridian, ID 83642 does hereby grant, bargain, sell, convey and assign unto Blackrock, LLC, an Idaho limited liability company ("Grantee"), whose address is c/o Doug McMaster, Masco, Inc., 5450 West Gowen Road, Boise, ID 83709, the following described portion of Water Right No. 63-16414 (Hereinafter this portion is referred to as the "Water Right"):

Quantity: 0.12 cubic feet per second

Acres: 6.0 acres (irrigation of 3.0 acres in the NWSE and 3.0 acres in the NESE, T3N, R1E, S32, Ada County, Idaho.

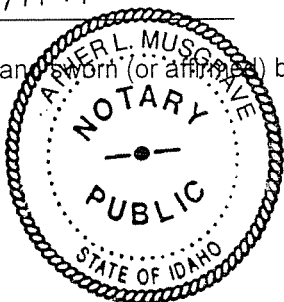
TO HAVE AND TO HOLD, the above-described portion of Water Right No. 63-16414 unto the Grantee and to the successors and assigns of Grantee forever. And the said Grantor does hereby represent, warrant and covenant to and with the said Grantee, that it is the owner in fee simple of the Water Right, that the Water Right is free from all encumbrances, that the Water Right has been diverted and beneficially used (or that the nonuse thereof is legally excused) so as to avoid partial or complete forfeiture or abandonment, and that the Water Right was the sole source of water used on the land to which it was appurtenant.

IN WITNESS WHEREOF, the Grantor has executed this Deed this 1st day of August, 2007.

Doreen L Hambleton
Grantor

State of Idaho)
County of ADA) SS.

Subscribed and sworn (or affirmed) before me this 1st of August, 2007.



Heather Musgrave
Notary Public
Residing at Meridian, Idaho
My commission Expires April 17, 2013



SPECIAL WARRANTY DEED FOR WATER RIGHT

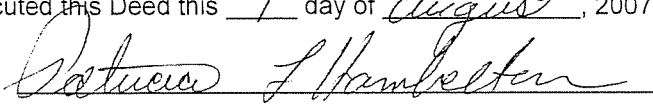
FOR VALUE RECEIVED, D J Mc Kay, ("Grantor"), whose address is 5875 South Eagle Road, Meridian, ID 83642 does hereby grant, bargain, sell, convey and assign unto Blackrock, LLC, an Idaho limited liability company ("Grantee"), whose address is c/o Doug McMaster, Masco, Inc., 5450 West Gowen Road, Boise, ID 83709, the following described portion of Water Right No. 63-10416 (Hereinafter this portion is referred to as the "Water Right"):

Quantity: 0.11 cubic feet per second, 27.0 acre feet per year

Acres: 6.0 acres (irrigation of 3.0 acres in the NWSE and 3.0 acres in the NESE, T3N, R1E, S32, Ada County, Idaho.

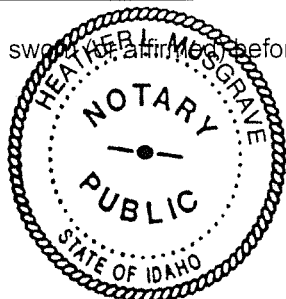
TO HAVE AND TO HOLD, the above-described portion of Water Right No. 63-10416 unto the Grantee and to the successors and assigns of Grantee forever. And the said Grantor does hereby represent, warrant and covenant to and with the said Grantee, that it is the owner in fee simple of the Water Right, that the Water Right is free from all encumbrances, that the Water Right has been diverted and beneficially used (or that the nonuse thereof is legally excused) so as to avoid partial or complete forfeiture or abandonment, and that the Water Right was the sole source of water used on the land to which it was appurtenant.

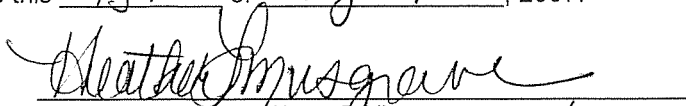
IN WITNESS WHEREOF, the Grantor has executed this Deed this 1 day of August, 2007.


Grantor

State of Idaho)
County of ADA) SS.

Subscribed and sworn to before me this 1st of August, 2007.




Residing at Meridian, Idaho
My commission Expires April 17, 2013

LAST WILL AND TESTAMENT

OF

DARWIN JUNIOR MCKAY

COPY
ORIGINAL RETAINED AT
ANGELA S. BENIGELI, PLLC.
170 S. CAPITOL BLVD., STE. 601
P.O. BOX 6561
BOISE, ID 83707-6561
(208) 333-0001

I, DARWIN JUNIOR MCKAY, a resident of the State of Idaho, being of sound and disposing mind and memory and not acting under duress, menace, fraud or undue influence of any person whomsoever, declare this as my Last Will and Testament.

FIRST: I revoke all Wills and Codicils that I have previously made.

SECOND: I am married to LORRAINE R. MCKAY, and all references in this Will to "my spouse" are to Lorraine R. McKay.

I have five (5) children now living, whose names are Lawrence Darwin McKay, Mary Ann Miller, Patricia Lou Hambelton, Charmaine McKay Anderson, and William Dean McKay. I have one (1) nephew whose name is Brent Wiley Ritchie and who was raised in my home.

The terms "my child" and "my children" as used in this Will shall include Lawrence Darwin McKay, Mary Ann Miller, Patricia Lou Hambelton, Charmaine McKay Anderson, William Dean McKay and Brent Wiley Ritchie.

THIRD: I nominate Mary Ann Miller, Patricia Lou Hambelton and Charmaine McKay Anderson, to be Co-Personal

Representatives, to serve without bond; provided, however, that in the event any of them fails to qualify or ceases to act, the other one or ones may act as my only Co-Personal Representatives or sole Personal Representative, as the case may be, also to serve without bond.

I authorize my Personal Representative either to continue the operation of any business belonging to my estate for such time and in such manner as my Personal Representative may deem advisable and for the best interests of my estate, or to sell or liquidate the business at such time and on such terms as my Personal Representative may deem advisable and for the best interests of my estate. Any such operation, sale or liquidation by my Personal Representative, in good faith, shall be at the risk of my estate and without liability on the part of my Personal Representative for any resulting losses.

FOURTH: In the event I prepare a separate written statement or list which is in my handwriting or which I have signed that describes tangible personal property and names persons who are to receive such items described, then I devise such described tangible personal property, or my interest in any such property, together with any insurance on such property, to those designated devisees.

I, Darwin Junior McKay, the Testator, sign my name to this instrument, this 26th day of April, 2005, and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my Last Will and that I sign it willingly (or willingly direct another to sign for me), that I execute it as my free and voluntary act for the purposes therein expressed, and that I am eighteen (18) years of age or older, of sound mind, and under no constraint or undue influence.

Darwin Junior McKay
Testator

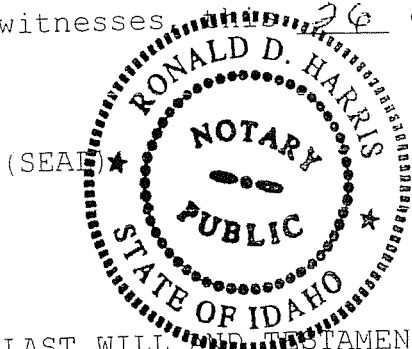
We, David R. Stewart, and Fae A. Rieger, witnesses, sign our names to this instrument, being first duly sworn, and do hereby declare to the undersigned authority that the Testator signs and executes this instrument as his Last Will and that he signs it willingly (or willingly directs another to sign for him), and that each of us, in the presence and hearing of the Testator, hereby signs this Will as witness to the Testator's signing, and that to the best of our knowledge the Testator is eighteen (18) years of age or older, of sound mind, and under no constraint or undue influence.

David R. Stewart
Witness

Fae A. Rieger
Witness

STATE OF IDAHO)
County of Ada) ss.

Subscribed, sworn to and acknowledged before me by Darwin Junior McKay, the Testator, and subscribed and sworn to before me by DAVID R. STEWART and Fae A. Rieger, witnesses, this 26 day of April, 2005.



Ronald D. Harris
Notary Public for Idaho
Commission expires: 7-16-09

Blackrock sub

WHEN RECORDED, RETURN TO:

L. Edward Miller
GIVENS PURSLEY LLP
601 W Bannock St.
P.O. Box 2720
Boise, Idaho 83701
(208) 388-1209

ENTITLEMENT TO WATER QUITCLAIM DEED

FOR VALUE RECEIVED, McKay Properties, L.P., an Idaho limited partnership, and D J McKay and Lorraine R. McKay, husband and wife, collectively referred to hereinafter as the Grantor, do hereby quitclaim all of their right, title and interest, if any, to the following entitlements to water:

Boise-Kuna Irrigation District
Identifying No: Code 69 for 42.47 acres
Legal Description: S2 NW4 SE4 and NE4 SW4, Section 32 3N1E

Nampa Meridian Irrigation District
Identifying No: NM1137 for 88.84 acres
Legal Description: SE4 NW4 NE4 SE4 and N-HF NW4 SE4, Section 32 3N1E
(Grantor retains and does not hereby convey any right it possesses to continue irrigating with Nampa Meridian Irrigation District water the approximately ten and a half (10.5) gross acre parcel legally described on Exhibit A.)

5.3% of the water right granted through Ground Water Permit Number 63-10416, which is appurtenant to six acres of the property legally described on Exhibit B.

unto Blackrock, LLC, an Idaho limited liability company, the Grantee, whose address is 10040 W. Highlander Road, Boise, Idaho 83709. Grantor further agrees that any such right or entitlement may, at the option of Grantee or its successor in interest, be transferred to another point of diversion, place of use and/or type of use.

IN WITNESS WHEREOF, the undersigned have caused their names to be hereunto subscribed this 26th day of August, 2004.

McKay Properties, L.P.,
an Idaho limited Partnership

D J McKay and Lorraine McKay,
husband and wife

Darwin Junior McKay
Darwin Junior McKay, General Partner

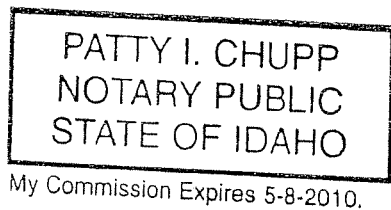
D. J. McKay
D J McKay

Lorraine R. McKay
Lorraine R. McKay, General Partner

Lorraine R. McKay
Lorraine R. McKay

State of Idaho)
) ss.
County of Ada)

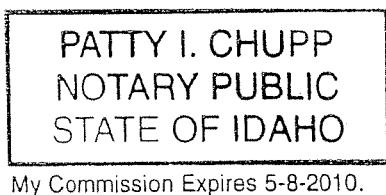
On this 26th day of August, 2004, before me, a Notary Public in and for said State, personally appeared Darwin Junior McKay, known or identified to me to be a general partner in the partnership of McKay Properties, L.P., a limited partnership, the general partner or one of the general partners who subscribed said limited partnership name to the foregoing instrument, and acknowledged to me that he executed the same in said limited partnership name.



Patty I. Chupp
Notary Public for Idaho
Residing at: Bowen, Idaho
My commission expires: 5/8/2010

State of Idaho)
) ss.
County of Ada)

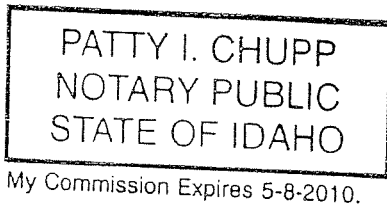
On this 26th day of August, 2004, before me, a Notary Public in and for said State, personally appeared Lorraine R. McKay, known or identified to me to be a general partner in the partnership of McKay Properties, L.P., a limited partnership, the general partner or one of the general partners who subscribed said limited partnership name to the foregoing instrument, and acknowledged to me that she executed the same in said limited partnership name.

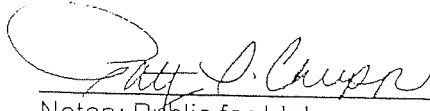


Patty I. Chupp
Notary Public for Idaho
Residing at: Bowen, Idaho
My commission expires: 5/8/2010

State of Idaho)
) ss.
County of Ada)

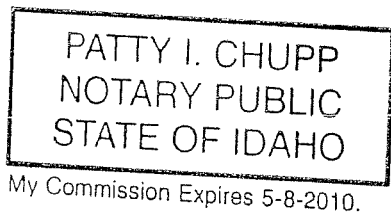
On this 26th day of August, 2004, before me, a Notary Public in and for said State, personally appeared D J McKay, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.




Notary Public for Idaho
Residing at: Boise, Idaho
My commission expires: 5/8/2010

State of Idaho)
) ss.
County of Ada)

On this 26th day of August, 2004, before me, a Notary Public in and for said State, personally appeared Lorraine R. McKay, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



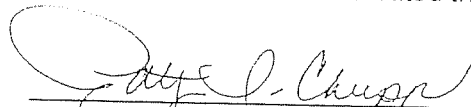
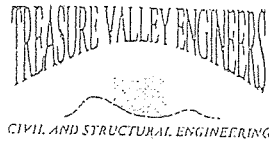

Notary Public for Idaho
Residing at: Boise, Idaho
My commission expires: 5/8/2010

EXHIBIT A

The Ten and a Half (10.5) Gross Acre Parcel



NEW PARCEL 1 DESCRIPTION

For D. J. McKAY

Job No. 03053 August 16, 2004

Land within the Northeast 1/4 of the Southeast 1/4, Section 32, T3N, R1E, B.M., Ada County, Idaho, as follows:

BEGINNING at the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of Section 32, Township 3 North, Range 1 East of the Boise Meridian, which is marked by a found 5/8" iron pin with a plastic cap, from which the East 1/4 Corner of Section 32, marked by a found 3/4" iron pin, bears North 00°12'18" East, 1338.21 feet;

thence along the South Line of said Northeast 1/4 of the Southeast 1/4, North 89°50'04" West, 528.00 feet, to a set 5/8" iron pin with a plastic cap;

thence North 00°12'18" East, 866.05 feet, to a set 5/8" iron pin with a plastic cap;

thence South 89°50'04" East, 528.00 feet, to a point on the East Line of said Northeast 1/4 of the Southeast 1/4;

thence along said East Line, South 00°12'18" West, 866.05 feet, to the POINT OF BEGINNING.

Containing 10.50 acres, gross and 10.00 acres net, more or less, AND subject to a road right of way for South Eagle Road of 25.00 feet on the Easterly boundary of the above-described parcel of land and any easements and rights of way of record or otherwise existing.



P:\McKay\PLA-B-14-04\03053-PARCEL 1.DOC

Treasure Valley Engineers, Inc.
8600 E Franklin Rd, Suite 100
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Fax (208) 461-4391
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ENTITLEMENT TO WATER QUITCLAIM DEED - 5

C:\Documents and Settings\mcarlsen\Local Settings\Temporary Internet Files\OLK9B\Entitlement to Water Quitclaim Deed -- EXECUTION COPY (REVISED).doc

EXHIBIT B

Legal Description of the Property

Aug 18, 2004 2:45PM

Mo. 7589 P. 2



NEW PARCEL 2 DESCRIPTION

For D. J. McKAY

Job No. 03053 August 18, 2004

Land within Section 32, T3N, R1E, B.M., Ada County, Idaho, as follows:

The Northwest 1/4 of the Southeast 1/4; The Northeast 1/4 of the Southwest 1/4; The Southeast 1/4 of the Northwest 1/4; and a portion of the Northeast 1/4 of the Southeast 1/4, more particularly described by metes and bounds as follows:

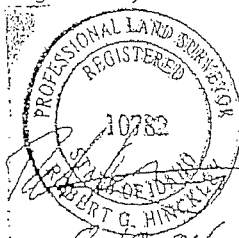
COMMENCING at the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of Section 32, Township 3 North, Range 1 East of the Boise Meridian, which is marked by a found 5/8" iron pin with a plastic cap, from which the East 1/4 Corner of Section 32, marked by a found 3/4" iron pin, bears North 00°12'18" East, 1338.21 feet;
thence along the South Line of said Northeast 1/4 of the Southeast 1/4, North 89°50'04" West, 526.00 feet, to a set 5/8" iron pin with a plastic cap, and the POINT OF BEGINNING;

thence continuing along said South Line, North 89°50'04" West, 801.98 feet, to a found 5/8" iron pin with a plastic cap marking the Southwest Corner thereof;
thence along the South Line of the Northwest 1/4 of the Southeast 1/4, North 89°50'19" West, 1329.85 feet, to a found 1/2" iron pin marking the Southwest Corner thereof;
thence along the South Line of the Northeast 1/4 of the Southwest 1/4, North 89°51'16" West, 1340.65 feet, to the Southwest Corner thereof;
thence along the West Line of the Northeast 1/4 of the Southwest 1/4, North 00°09'41" West, 1345.73 feet, to the Northwest Corner thereof;
thence along the West Line of the Southeast 1/4 of the Northwest 1/4, North 00°50'11" East, 1338.77 feet, to a found 5/8" iron pin marking the Northwest Corner thereof;
thence along the North Line of the Southeast 1/4 of the Northwest 1/4, South 89°46'37" East, 1335.86 feet, to the Northeast Corner thereof;
thence along the East Line of the Southeast 1/4 of the Northwest 1/4, South 00°17'40" West, 1337.70 feet, to an aluminum cap monument, set in concrete marking the Southeast Corner thereof;
thence along the North Line of the North 1/2 of the Southeast 1/4, South 89°41'35" East, 2660.56 feet to a 3/4 inch iron pin marking the Northeast Corner thereof;
thence along said East Line, South 00°12'18" West, 472.16 feet;
thence North 89°50'04" West, 526.00 feet to a set 5/8" iron pin with a plastic cap;
thence South 00°12'18" West, 866.05 feet to the POINT OF BEGINNING.

Containing 154.19 acres, gross and 153.92 acres net, more or less, AND subject to a road right of way for South Eagle Road of 25.00 feet on the Easterly boundary of the above-described parcel of land and any easements and rights of way of record or otherwise existing.

PAMcKay\PLA-5-14-04\03053-PARCEL 2.DOC

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