

RECEIVED

FEB 08 2011

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 77067WATER RESOURCES
WESTERN REGION**MINIMUM REQUIREMENTS CHECKLIST**
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

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

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

Yes N/A * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☐ ☒ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application. Part 2B forms are available on the Department's website at: http://www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/PDFs_09/WaterRight_TransferApp_Part2B.pdf.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

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

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 77067APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1Name of Applicant(s) Hanging Valley Ranch, Inc. Phone 208-344-4070Mailing address 1625 Annett Street, Boise, ID 83705 Email _____

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

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

☒ No Representative

Name of Representative _____ Phone _____

Mailing address _____ Email _____

☐ Send all correspondence for this application to the representative and not to the applicant.

OR

☐ Send original correspondence to the applicant and copies to the representative.☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.

OR

☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

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



Signature of Applicant or Authorized Representative

Leon K. Carson, Its President
Print Name and Title if applicable

Feb. 4, 2011
Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____

2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2**. Change point of diversion for WR No. 65-23230 to SE1/4SW1/4, Sec. 29. Change point of diversion for WR No. 65-02803X and 65-07149 to SE1/4SW1/4 Sec. 29 only. Consolidation of all three rights to the single existing diversion point. 02803X and 07149 each had two diversion points, one being the SE1/4SW1/4, Sec. 29.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

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

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☒ ☐	65-23230	0.06/7.2	Domestic	01/01 to 12/31	Burn Creek & S. Fk. Payette
☒ ☐	65-02803X	0.65/8.80	Irrigation	04/15 to 10/15	Burn Creek & S. Fk. Payette
☒ ☐	65-02803X	0.65/8.80	Recreation & Storage	01/01 to 12/31	Burn Creek & S. Fk. Payette
☒ ☐	65-07149	0.50	Irrigation	04/15 to 10/15	Burn Creek & S. Fk. Payette
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 1.21 cfs and/or ac-ft

2. Total amount of water proposed to be transferred or changed 1.21 cubic feet per second and/or acre-feet per annum.

3. Point(s) of Diversion:

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

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
No			SE	SW	29	10N	10E	Boise	Burn Creek	

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

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

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
10N	10E	32						D											
10N	10E	31	D			D													

NOTE Clarification of domestic use

Total Acres (for irrigation use)

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future: The three Water Rights for Hanging Valley Ranch will now share the same existing diversion point.

- b. Who owns the property at the point(s) of diversion? U.S. Forest Service

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: Special Use Permit

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

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

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

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

- e. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use: Water Right No. 65-23231, owned by the Hanging Valley Homeowners Association, Inc., will continue to use the diversion point in the NE1/4SW1/4 of Sec. 29, T. 10N, R. 10 E., B.M. for domestic water use by the subdivision.

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

Yes No

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

If yes, describe:

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

Current Water Right No.: 65-23230

Current Owner: HANGING VALLEY RANCH INC
Priority Date: 5/27/1965
Origin: Water Right
Status: Active
Basis: Decreed

Source		Tributary	
BURN CREEK		SOUTH FORK PAYETTE RIVER	
Beneficial Use	From To	Diversion Rate	Annual Volume
DOMESTIC	01/01 to 12/31	0.06 CFS	7.2 AF
	Total Diversion	0.06 CFS	7.2 AF
Location of Point(s) of Diversion			
BURN CREEK		NE1/4SW1/4	Sec. 29, Twp 10N, Rge 10E B.M.
BOISE County			
Place of Use			
<u>DOMESTIC Within BOISE County</u>			
T10N R10E S29	SWSW	T10N R10E S29	SESW
T10N R10E S32	NWNW		

Conditions of Approval:

1. N11 THE QUANTITY OF WATER DECREED FOR THIS WATER RIGHT IS NOT A DETERMINATION OF HISTORICAL BENEFICIAL USE.
2. 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.
3. F06 The following rights are diverted through point(s) of diversion described above: 65-23230 & 65-23231

Decreed Date: 11/3/2000

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

Current Water Right No.: 65-02803X

Current Owner: HANGING VALLEY RANCH INC
Priority Date: 5/27/1965
Origin: Water Right
Status: Active
Basis: Decreed

Source	Tributary
BURN CREEK	SOUTH FORK PAYETTE RIVER
Beneficial Use	From To
RECREATION STORAGE	01/01 to 12/31
RECREATION	01/01 to 12/31
IRRIGATION	04/15 to 10/15
DIVERSION TO STORAGE	01/01 to 12/31
	Total Diversion
	0.65 CFS
Location of Point(s) of Diversion	
BURN CREEK	NE1/4SW1/4 Sec. 29, Twp 10N, Rge 10E B.M.
BOISE County	
BURN CREEK	SE1/4SW1/4 Sec. 29, Twp 10N, Rge 10E B.M.
BOISE County	

Place of Use

IRRIGATION Within BOISE County

T10N R10E S29	SWSW	4.00	T10N R10E S29	SESW	15.00
T10N R10E S31	NENE	5.00	T10N R10E S31	SENE	5.00
T10N R10E S32	NENW	8.00	T10N R10E S32	NWNW	35.00
T10N R10E S32	SWNW	10.00			

Total Acres: 82

Place of Use: RECREATION same as IRRIGATION
Place of Use: RECREATION STORAGE same as IRRIGATION
Place of Use: RECREATION FROM STORAGE same as IRRIGATION
Place of Use: DIVERSION TO STORAGE same as IRRIGATION

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

Current Water Right No.: 65-07149

Current Owner: HANGING VALLEY RANCH INC
Priority Date: 7/29/1970
Origin: Water Right
Status: Active
Basis: Decreed

Source
BURN CREEK

Tributary
SOUTH FORK PAYETTE RIVER

Beneficial Use	From To	Diversion Rate	Annual Volume
IRRIGATION	4/15 to 10/15	0.5 CFS	
	Total Diversion	0.5 CFS	

Location of Point(s) of Diversion

BURN CREEK	SE1/4SW1/4	Sec. 29,	Twp 10N,	Rge 10E B.M.
BOISE County				
BURN CREEK	NE1/4SW1/4	Sec. 29,	Twp 10N,	Rge 10E B.M.
BOISE County				

Place of Use

IRRIGATION Within BOISE County

T10N R10E S29	SWSW	4.00	T10N R10E S29	SESW	12.00
T10N R10E S31	NENE	5.00	T10N R10E S31	SENE	5.00
T10N R10E S32	NENW	8.00	T10N R10E S32	NWNW	21.00
T10N R10E S32	SWNW	10.00			

Total Acres: 65

Conditions of Approval:

1. C03 RIGHT INCLUDES ACCOMPLISHED CHANGE IN POINT OF DIVERSION PURSUANT TO SECTION 42-1425, IDAHO CODE.
2. USE OF THIS RIGHT WITH RIGHT NO. 65-02803X IS LIMITED TO THE IRRIGATION OF A COMBINED TOTAL OF 82 ACRES IN A SINGLE IRRIGATION SEASON.
3. 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.
4. C05 RIGHT INCLUDES ACCOMPLISHED CHANGE IN PLACE OF USE PURSUANT TO SECTION 42-1425, IDAHO CODE.
5. THE FOLLOWING RIGHTS ARE ALSO DIVERTED THROUGH POINT OF DIVERSION DESCRIBED ABOVE AS NESW, S29, 10N, 10E: 65-02803X AND 65-02803A.

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. C05 RIGHT INCLUDES ACCOMPLISHED CHANGE IN PLACE OF USE PURSUANT TO SECTION 42-1425, IDAHO CODE.
3. THE RECREATION COMPONENTS ARE PONDS USED FOR RECREATIONAL FISHING.
4. THE FOLLOWING RIGHTS ARE ALSO DIVERTED THROUGH POINT OF DIVERSION DESCRIBED ABOVE AS NESW, S29, 10N, 10E: 65-07149 AND 65-02803A.
5. C03 RIGHT INCLUDES ACCOMPLISHED CHANGE IN POINT OF DIVERSION PURSUANT TO SECTION 42-1425, IDAHO CODE.
6. USE OF THIS RIGHT WITH RIGHT NO. 65-07149 IS LIMITED TO THE IRRIGATION OF A COMBINED TOTAL OF 82 ACRES IN A SINGLE IRRIGATION SEASON.
7. C04 RIGHT INCLUDES ACCOMPLISHED CHANGE IN PURPOSE OF USE PURSUANT TO SECTION 42-1425, IDAHO CODE.

Decreed Date: 4/23/2001

Total Acres (for irrigation use)

Transfer contains 9 pages and 3 attachments.

Received by KW/GMH Date 2-8-2011 Prelim. Check by KW Date 3-9-2011

Fee Paid 290. Date 2-8-11 Received by gmh Receipt # w038985

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

No. C 45451 Return to: SECRETARY OF STATE 450 N 4th STREET PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	Due no later than May 31, 2010 Annual Report Form 1. Mailing Address: Correct in this box if needed. HANGING VALLEY RANCH, INC. LEON K CARSON 1625 ANNETT STREET BOISE ID 83705	2. Registered Agent and Office (NOT A P.O. BOX) ~~LEON K CARSON~~ 1625 ANNETT ST. BOISE ID 83705 ~~LEON K CARSON~~ 1625 ANNETT ST. BOISE ID 83705
4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors and (optional) Treasurer.		3. New/Registered Agent Signature.
Office Held 	Name 	Street or PO Address
5. Organized Under the Laws of: IDAHO C 45451	6. Signature: <u>Leon K Carson</u> Name (type or print): <u>Leon K. Carson</u>	City State Country Postal Code Date: _____ Title: <u>Pres</u>
Issued 03/12/2010 by SL1		100287

WARRANTY DEED

For Value Received

VERNON GOSSI and KATHRYN J. GOSSI, husband and wife,
the grantors, do hereby grant, bargain, sell and convey unto
HANGING VALLEY RANCH, INC., an Idaho corporation,
the grantee, the following described premises, in Boise County Idaho, to-wit:

See attached Exhibit "A".

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee
its heirs and assigns forever. And the said Grantor's do hereby covenant to and
with the said Grantee, that they are the owners in fee simple of said premises; that they are free
from all incumbrances.

and that they will warrant and defend the same from all lawful claims whatsoever.

Dated: May 26, 1972

Vernon Gossi
VERNON GOSSI
Kathryn J. Gossi
KATHRYN J. GOSSI

STATE OF IDAHO, COUNTY OF Ada
On this 26th day of May, 1972,
before me, a notary public in and for said State, personally
appeared VERNON GOSSI and
KATHRYN J. GOSSI, husband and
wife.

known to me and persons whose names are
subscribed to the within instrument, and acknowledged to
me that they are the owners in fee simple of said premises.

Residing at Boise Notary Public
Comm. Expires , Idaho

STATE OF IDAHO, COUNTY OF Boise

I hereby certify that this instrument was filed for record at
the request of *Vernon Gossi*

at 40 minutes past 3 o'clock p.m.,
this 26th day of September,
1972, in my office, and duly recorded in Book 83
of Deeds at page 19

Ex-Officio Recorder

By *Debbie Annua* Deputy,
Fees \$ 4.00
Mail to:

INSTRUMENT No. 106 328

The South half of the Northwest quarter of the Southeast quarter of the Southwest quarter, the Southwest quarter of the Southeast quarter of the Southwest quarter, the East half of the Southeast quarter of the Southwest quarter of the Southwest quarter, and the Southwest quarter of the Southeast quarter of the Southwest quarter of the Southwest quarter of Section Twenty-nine (29); the East half of the Southeast quarter of the Northeast quarter of the Northeast quarter, and the Northeast quarter of the Northeast quarter of the Southeast quarter of the Northeast quarter of Section Thirty-one (31), and the Northeast quarter of the Northwest quarter of the Northwest quarter of the Northwest quarter of the Northwest quarter, the South half of the Northwest quarter of the Northwest quarter of the Northwest quarter, the Southwest quarter of the Northwest quarter of the Northwest quarter, the East half of the Northwest quarter of the Northwest quarter, the West half of the Northwest quarter of the Northwest quarter of the Northwest quarter, the Northwest quarter of the Northwest quarter of the Northwest quarter of the Northwest quarter, the Northwest quarter of the Northwest quarter of the Northwest quarter, the Northwest quarter of the Northwest quarter of the Northwest quarter of the Northwest quarter, the Northwest quarter of the Northwest quarter of the Northwest quarter of the Northwest quarter, the north half of the Northwest quarter of the Northwest quarter, the north half of the Northwest quarter of the Southwest quarter of the Northwest quarter, and the Southwest quarter of the Northwest quarter of the Southwest quarter of the Northwest quarter of Section Thirty-two (32), in Township Ten (10) North, of Range Ten (10) East of the Boise Meridian, containing 85 acres, together with all water, water rights, permits, ditches and rights-of-way for ditches used upon or in connection with said premises.

Beginning at a point which is N. 89°03' W., 58.74 feet from the northerly corner of Lot 36, Block 2, Hanging Valley Ranch Subdivision; thence N. 89°03' W., 285.41 feet to a steel pin; thence S. 0°09' W., 330.0 feet to a steel pin on the northwesterly boundary of said subdivision; thence along said boundary, N. 45°14' E., 245.51 feet to a steel pin; thence on a curve to the left with a radius of 475 feet, a central angle of 13°14', whose long chord bears N. 38°37' E., 109.46 feet to a steel pin; thence N. 32°00' E., 82.36 feet to the real point of beginning.

Instrument # 186192

IDAHO CITY, BOISE COUNTY, IDAHO

2002-06-25

02:15:43 No. of Pages: 2

Recorded for : BOISE NATIONAL FOREST

RORA-A. CANODY

Fee: 6.00

Ex-Officio Recorder Deputy

Index to: DEEDS

QUITCLAIM DEED

THIS QUITCLAIM DEED, dated this 23rd day of May, 2002, between the UNITED STATES OF AMERICA, acting by and through the FOREST SERVICE, DEPARTMENT OF AGRICULTURE, hereinafter called GRANTOR; and HANGING VALLEY RANCH, INC., a corporation organized and existing under the laws of the State of Idaho, hereinafter called GRANTEE.

WITNESSETH:

The Grantor is authorized to convey certain National Forest System lands by the Act of January 12, 1983, (96 Stat. 2535; 16 U.S.C. 521c), the provisions of which have been met.

NOW THEREFORE, the Grantor, for in consideration of the conveyance to it by the Grantee a parcel of land in the County of Boise, State of Idaho, as stated in the deed to the United States, the receipt whereof is hereby duly acknowledged, does hereby remise, release, and quitclaim unto the Grantee, its successors and assigns, all its right, title, interest, and claim, in and to the real property situated in the County of Boise, State of Idaho, more particularly described as follows:

Boise Meridian

T. 10 N., R. 10 E.,

Sec. 31, E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Sec. 32, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$.

Containing 3.1 acres, more or less.

RESERVING TO THE UNITED STATES and its assigns pursuant to the authority contained in Section 4 of Executive Order 11990 of May 24, 1977, this Quitclaim Deed is hereby subject to a restriction which constitutes a covenant running with the land of the portion of the land lying within the two-acre wetland, in the above land description. The wetland-riparian habitat must be managed to protect and maintain the wetland-riparian habitat on a continuing basis. This area may not be drained, dredged, channelized, filled, diked, or managed in a fashion so as to change the natural elements of the wetland. Any development of use on this wetland and adjacent lands must fully comply with the applicable Federal, State, and local regulations for subdivision, sanitation, and water pollution control. The United States, its authorized representative, and/or assigns, hereby reserve the right to go upon this area to inspect for violation of the above conditions and restrictions.

125-02
Checked as to price, acreage, description, and condition of purchase, and found to be correct.

IN WITNESS WHEREOF, the Grantor, by its duly authorized representative, has executed this Quitclaim Deed pursuant to the delegation of authority promulgated in Title 7CFR 2.60 and 49 F. R. 34283, August 29, 1984.

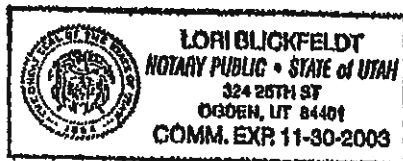
UNITED STATES OF AMERICA

BY: Jeanne A. Evenden
JEANNE A. EVENDEN
Director of Lands
Forest Service
United States Department of Agriculture

ACKNOWLEDGEMENT

STATE OF UTAH)
)ss
COUNTY OF WEBER)

On this 23rd day of May, 2002, before me, Lori Blickfeldt, a Notary Public in and for Weber County, personally appeared JEANNE A. EVENDEN, Director of Lands, Intermountain Region, Forest Service, U. S. Department of Agriculture, the signer of the within instrument, who acknowledged to me that she executed the foregoing instrument, by duly delegated authority.



Lori Blickfeldt
Notary Public for the State of Utah
Residing in South Weber, UT
My commission expires November 30, 2003



Idaho Department of Water Resources

Water Right

Points of diversion change 7a

R10E

R1 65 23231

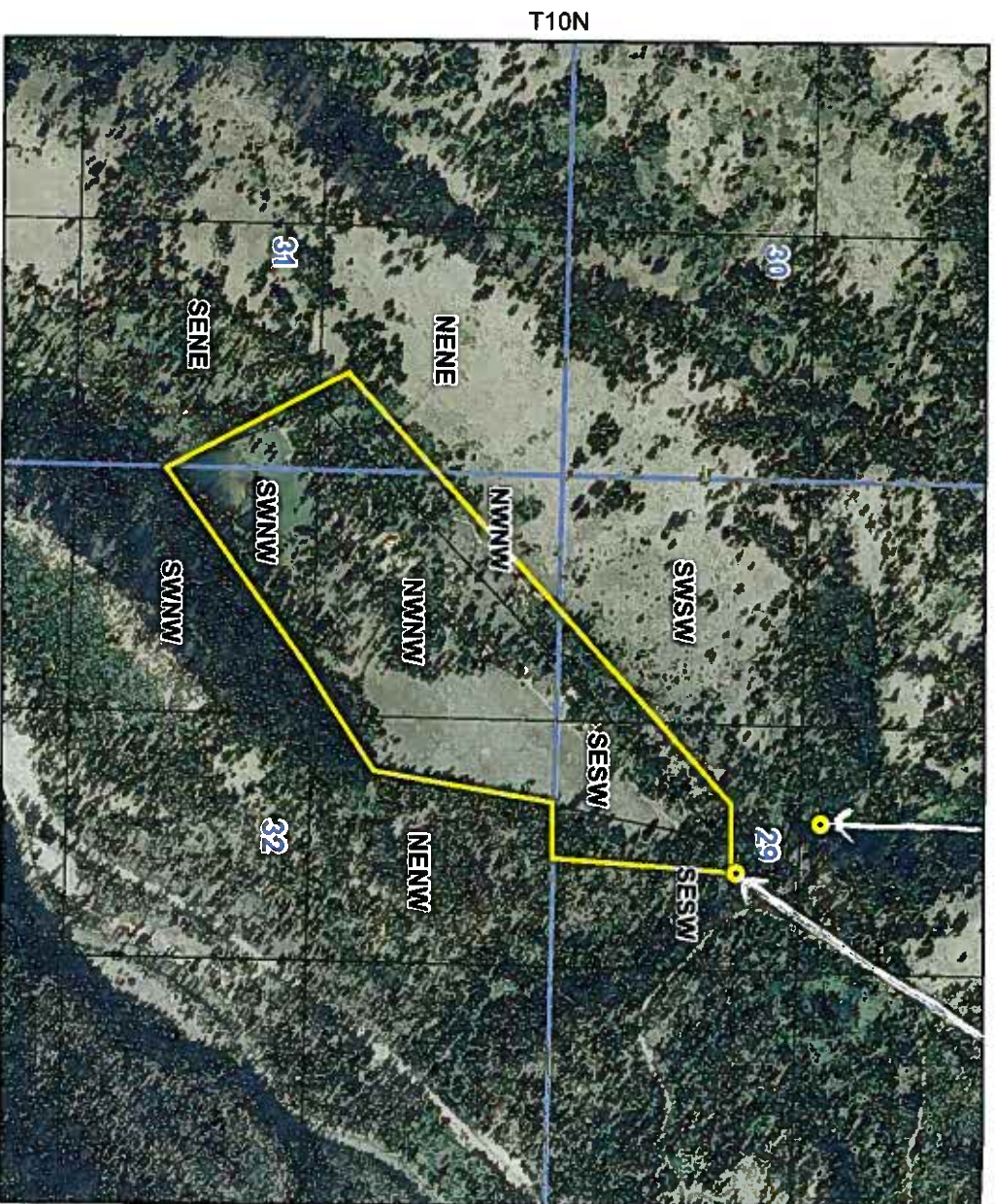
R1 65 23230, R1 65 2803X, R1 65 07149

Legend

- Point of Diversion
- Place of Use
- State Outline
- Townships
- P.L.S. Sections
- Quarter Quarters



Boise County
IDWR Basin 65



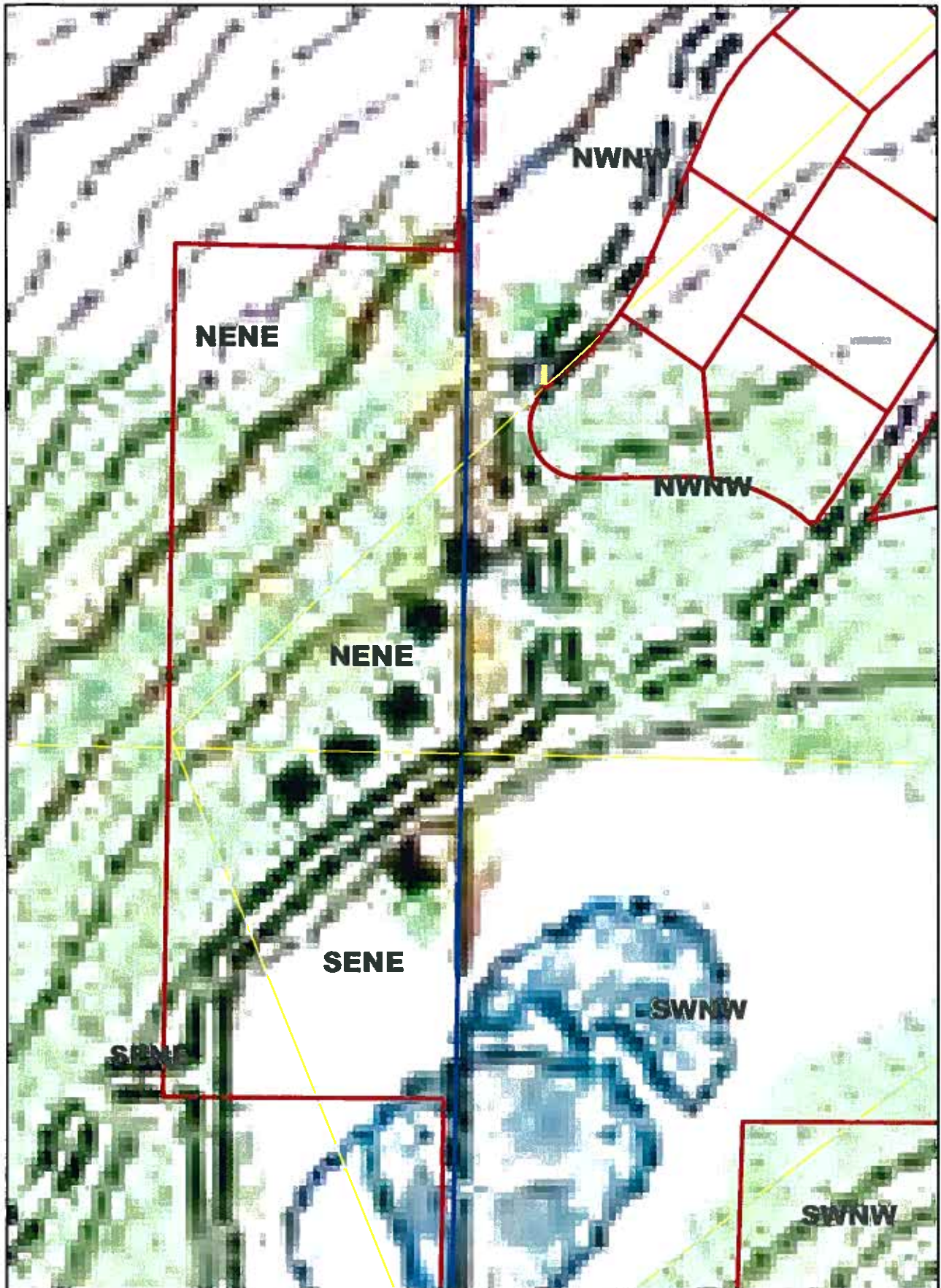
Prepared by Walker, Kay
On February 03, 2011
2009 Aerial Photography

X-fer 77067

Attachment 3

#7A

Note Clarification of domestic use 7b Rt 65 23230



Clarification of use Rt 65 23230

X-fer 77067

Attachment 3a

Buffington, Denise

From: Buffington, Denise
Sent: Thursday, March 10, 2011 8:04 AM
To: Idaho World
Subject: LEGAL NOTICE - BOISE COUNTY
Attachments: Boise County - Cover Letter.Doc; X-fer 77067 Ad.docx

Attached please find (1) legal notice being submitted for publication. Please contact me immediately if you have any questions, or if you are not able to publish the ad on the dates requested.

Thank you in advance,

*Denise Buffington
Administrative Assistant I
Dept of Water Resources
Western Region
(208) 334-2190*

March 10, 2011

LEGAL NOTICE DEPARTMENT

IDAHO WORLD
PO BOX 99
GARDEN VALLEY, ID 83622

RE: Transfer No. 77067
Water Right No(s). 65-2803X

Dear Legal Notice Department:

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

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 4/4/2011. Your cooperation is appreciated.

Sincerely,

Denise Buffington
Administrative Assistant

Enclosure(s)

PROPOSED CHANGE OF WATER RIGHTS

Hanging Valley Ranch Inc. of 1625 Annett St., Boise, ID, 83705, filed Application No. 77067 to transfer 3 water rights with 1965 and 1970 priority dates from Burn Creek tributary to the South Fork Payette River totaling 0.87 cfs. The purpose of the transfer is to change all of the ranch points of diversion to the southern point that was previously decreed. The northern point of diversion will be used by the homeowners only after this change. The transfer will also correct the domestic place of use. Water will be used at the current place of use approximately 16 miles northeast of Lowman on the north side of Highway 21 and northeast of the Warm Springs Landing Strip.

Please see www.idwr.idaho.gov/apps/ExtSearch/WRFiling.asp for a full description of the rights and the proposed transfer. Protests may be submitted based on the criteria of Sec 42-222, Idaho Code. Any protest against the proposed change must be filed with the Director, IDWR Western Region, 2735 Airport Way, Boise ID 83705-5082 together with a protest fee of \$25.00 for each application on or before April 4, 2011. The protestant must also send a copy of the protest to the applicant.

GARY SPACKMAN, Interim Director
Published on March 16th & 23rd, 2011

Buffington, Denise

From: Buffington, Denise
Sent: Thursday, March 10, 2011 10:25 AM
To: Ron Shurtleff, WD-65
Subject: Commenet Letter for Transfer 77067
Attachments: Comment Letter to WD 65.Doc; X-fer 77067 APP.pdf

Attached is a cover letter and copy of an Application(s), for your review &/or comments. If you have any questions regarding the attached information, please feel free to contact our office.

Thank you in advance,

*Denise Buffington
Administrative Assistant I
Dept of Water Resources
Western Region
(208) 334-2190*

March 10, 2011

RON SHURTLEFF
WATER DISTRICT #65
102 N MAIN ST
PAYETTE, ID 83661

RE: Transfer No. 77067
Water Right No(s). 65-2803X

Dear Watermaster:

A copy of the above referenced application is enclosed. Please review the application, then complete the enclosed recommendation form and return it to this office within 21 days of the date of this letter.

If the application is approved, IDWR will include appropriate standard conditions of approval for a water right located within a water district, such as regulation by the watermaster, lockable controlling works, and/or measuring devices. Any special conditions or other concerns you have related to this application should be specifically addressed in your recommendation.

IDWR's regional offices can finish reviewing an unprotested application as soon as the protest period has past. Your prompt response to this request will ensure that your recommendation can be considered. If IDWR has not received your written recommendation within 21 days from the date of this letter, IDWR will presume that you do not oppose approval of the application and that you have no comments for IDWR to consider.

Sincerely,

Denise Buffington
Administrative Assistant

Enclosure(s)

Walker, Kay

From: Walker, Kay
Sent: Wednesday, March 09, 2011 8:06 AM
To: ptedmunds@cableone.net
Cc: Walker, Kay
Subject: Hanging Valley Irrigation Place of Use

Mr. Edmunds:

I have updated the irrigation place of use and will be sending the attached letter and map to Mr. Carson today. Hope this covers all the area that can be irrigated. Thanks again for your help in getting this taken care of.

Kay



Hanging Valley Final
POU.pdf



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

March 9, 2011

HANGING VALLEY RANCH INC
1625 ANNETT ST
BOISE ID 83705

RE: Application for Transfer 77067

Dear Mr. Carson:

After meeting with Mr. Edmunds regarding the place of use for irrigation we have updated the shape with the information submitted and find we can now recommend 40.5 acres of irrigation rather than the 31 acres we had previously found. Enclosed you will find an updated map that shows the area that will be included under your irrigation use after the transfer has been processed. Please note in some areas on the map (where the green line overlaps the red line) the irrigation place of use goes all the way to the tax lot boundary and could not get any larger without encroaching on land owned by the Forest Service.

Please review this updated shape and let me know if you have any questions or concerns. Thank you for your attention to this matter.

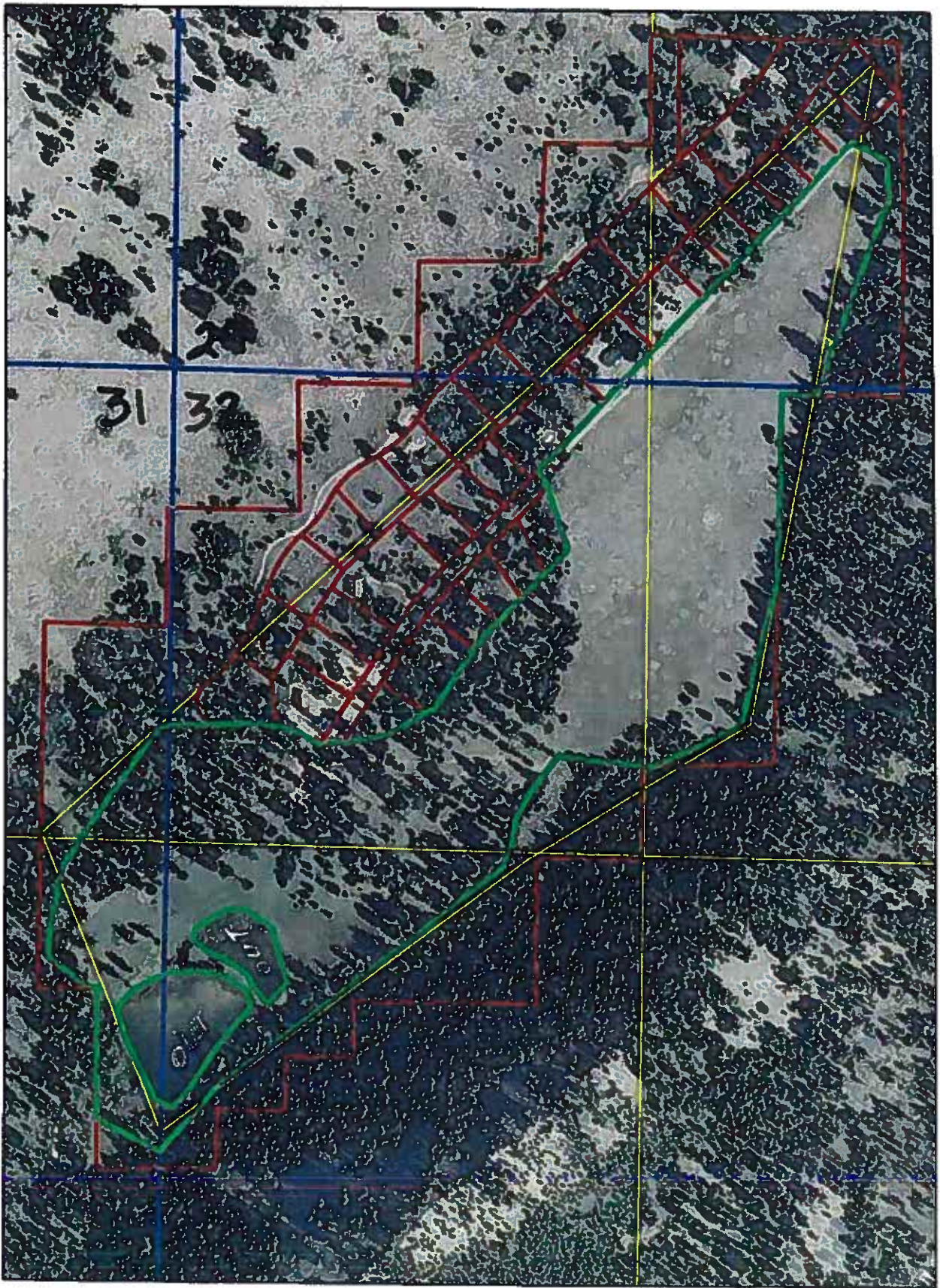
Sincerely,

KAY WALKER
Sr. Water Resource Agent

Enclosure

cc: Pete Edmunds via e-mail

10N, 10E, Sec. 29, 31 & 32



green = irrig. place of use
red = tax lot

Kay Walker
Sr. Water Resource Agent
Idaho Department of Water Resources
2735 Airport Way
Boise, Idaho 83705-2190

RECEIVED
MAR 07 2011
WATER RESOURCES
WESTERN REGION

March 2, 2011

Dear Ms. Walker:

Thank you for your efforts in the initial stages of processing our request for a diversion change for Rt. 65-2803X, Rt. 65-7149, and Rt. 65-23230. In your letter dated February 25, 2011 you state you are verifying use and trying to avoid any expansion of the rights. I agree with that premise, since the transfer is a rather straightforward consolidation of these rights to a single point of diversion.

In response to your map regarding Transfer 76711, I have provided some additions to help clarify the historical water use at Hanging Valley Ranch, Inc. Your recommendation and outline for 31 acres, while eliminating the area of The Hanging Valley Subdivision and other portions within the original 82 acres, leaves out some areas of irrigation, and appears to exclude a tract of land swapped by Hanging Valley Ranch, Inc. and the USFS, Department of Agriculture (Ins. # 186192).

The land swap was to rectify a portion of the pond dike that, when built, mistakenly intruded onto USFS land. This area was always irrigated for grass, and to reduce fire hazard and discourage rodents from tunneling into the dike and endangering structural integrity. Since the ponds are also used for recreation and recreational storage (65-02803X) the swap made sense to create a single owner with clear title to the entire dike and adjacent riparian buffer; rather than trying to tear down the offending portion. Continuing irrigation of this area also fulfills the USFS restriction and covenant included in the transfer that "The wetland-riparian habitat must be managed to protect and maintain the wetland-riparian habitat on a continuing basis." Obviously, a breach of the dike could constitute a liability for the ranch. As per the document, the swap involved 3.1 acres, more or less. The white line around the pond is an estimate of that area.

I have also included a line to indicate the placement of the buried irrigation pipe and risers, which skirt the green line entered by IDWR. The ranch area fronting the outlined 6 Hanging Valley Subdivision lots below the road and adjacent to the meadow has always been irrigated, not only to support the grasses, but to aid in fire safety and recreational purposes. A fire would be devastating to the ranch and owners of the lots, and the ranch bears a contingent fire liability for adjacent private property and USFS land. For this reason, and historical use, I have included the portion, outlined in white.

The trees in this area may have increased in size, but the larger diameter ones were present at the original granting of the water rights. Protecting them is a sound use of

irrigation water (the Forest Service falls under Agriculture), and has been done historically. It appears that shadows from the satellite aerial map have exaggerated the density of the grove, which in actuality uses a minor portion of water during the irrigation rotation compared to the open areas. We do not have access to a software program to accurately determine this zone, but it would appear to be in the 3 acre range, more or less.

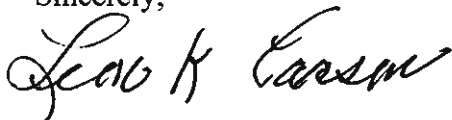
There are two areas along the east side of the meadow that also should be included. About three-quarters of the way up the meadow the green line trends left of the property line. It should probably follow the property line, since it appears, again, that shadows obscure grass that runs up to the fenced line. Below there, but above the pond, the green line should probably trend from the small pond, and skirt the tree line deeper to the point it departs from the meadow towards the pond. I realize the language may be confusing, and I have indicated the route in white. These are estimated to total 2 acres.

Lastly, I have indicated a smaller area across the common road at a point where The Hanging Valley Subdivision ends and just outside the cabins shown on the original submission for the transfer. This area is watered for similar reasons listed above, but on a lighter schedule. Trees in this area are thinned to control disease and bug kill, opening it up to more grass growth. The lighter schedule is to protect grass growth but not encourage brushy growth. Less critical than the preceding requests, this area would appear to be in the 2 acre range.

These corrections are minor in nature and do not significantly alter your aerial outline, while reflecting historical use over 40+ years. Your software will more finitely determine the acreage, but I estimate these uses approach 10 to 11 acres, more or less. Added to your original estimate of 31 acres, this would place the total to approximately 41 or 42 irrigated acres. This is still only 50% to 51% of the original 82 acre deed, and I respectfully submit that the clarification of these acres of use is not an expansion of the original rights. As documented, Rt. 65-23230 is 12% of the original Rt. 65-02803A from which it was split, and the remainder now belongs to The Hanging Valley Ranch Subdivision. There is no net gain of domestic or irrigation use, only a change in diversion point.

I hope these small clarifications are sufficient for you to continue the process of granting the request for consolidating the existing rights to a single diversion point without delay. Thank you.

Sincerely,



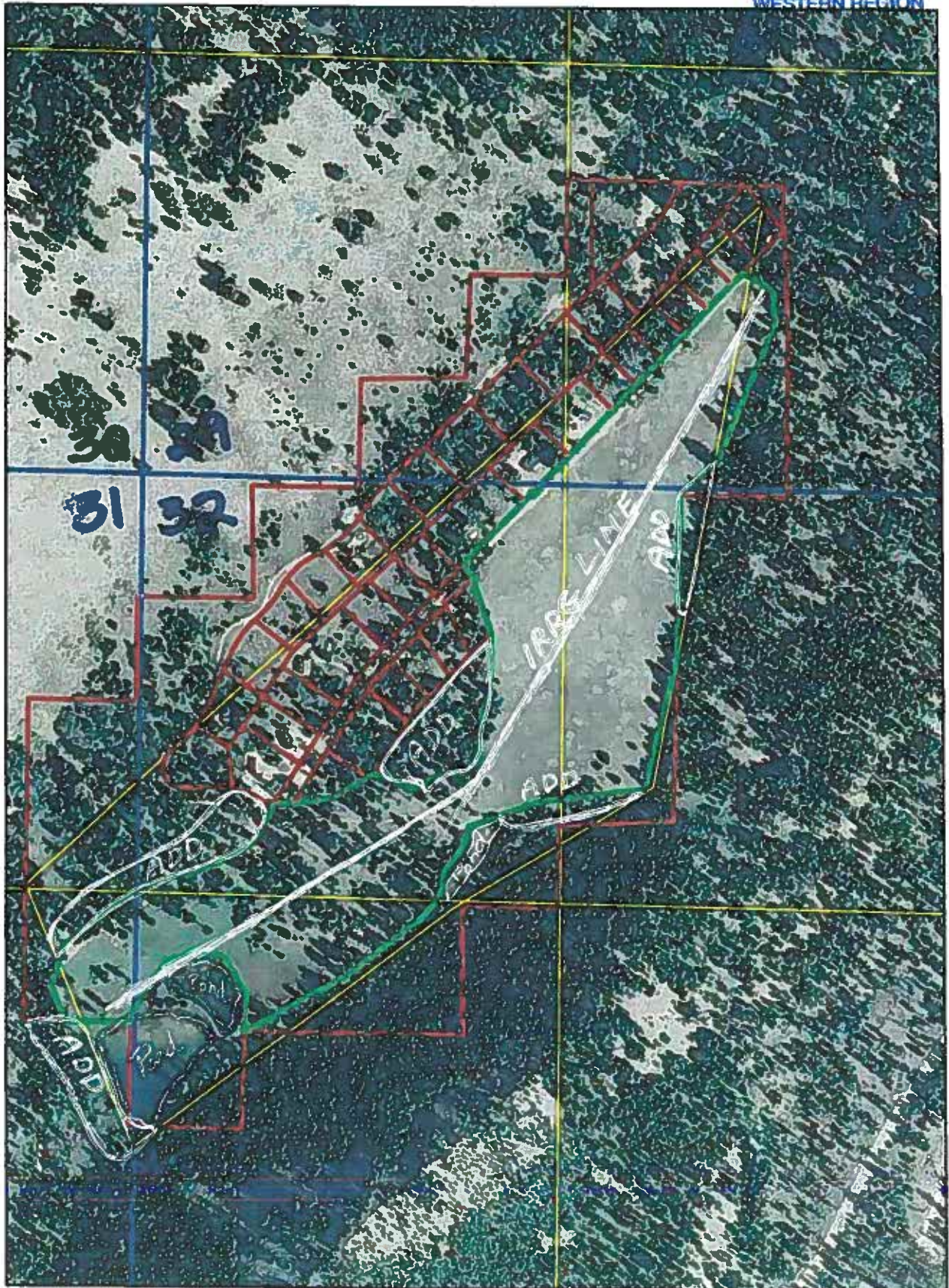
Leon K. Carson
Hanging Valley Ranch, Inc.
1625 Annett St.
Boise, ID 83705

RECEIVED

MAR 07 2011

10N, 10E, Sec. 29, 31 & 32

WATER RESOURCES
WESTERN REGION



green = irrigated place of use
red = tax lots

Walker, Kay

From: pete edmunds [ptedmunds@cableone.net]
Sent: Monday, February 28, 2011 2:45 PM
To: Walker, Kay
Subject: RE: Hanging Valley Ranch

Kay: Thanks again for the head's up. I have obtained a copy of the Quickclaim deed from the USFS, via the Dept. of Agriculture on 3.1 acres around the ponds: Instrument # 186192. The area had traditionally been irrigated to protect the dikes and surrounding area from rodent damage and fire danger. The formal transfer was made May 23, 2002. I will get with Mr. Carson to complete a letter suggesting a more exacting outline of the irrigation use. We may have to discuss how "exact" the outline that we provide for use will be, but my intent would be to meet with you and discuss. I will forward a scanned copy provided by Boise County this morning. I appreciate your efforts on this project, and our (mine and Mr. Carson's) would be to keep this process moving.

Pete Edmunds

From: Walker, Kay [<mailto:Kay.Walker@idwr.idaho.gov>]
Sent: Friday, February 25, 2011 12:14 PM
To: ptedmunds@cableone.net
Cc: Walker, Kay
Subject: Hanging Valley Ranch

Mr. Edmunds:

I am preparing to send the attached letter and aerial photo to Mr. Carson and wanted to give you a heads up of what was going to happen. We will have to reduce his irrigation rights to the area that is actually irrigated in order to proceed with the transfer. The ranch may have, at one time, had 82 acres of irrigation but I can only account for 31 in the attached aerial photo. I know this will not make Mr. Carson happy but there is nothing I can do if he wants to pursue the transfer application. I am sorry.

Kay Walker

334-2190

<<Hanging Valley Irrigation.pdf>>

Instrument # 186192

IDAHO CITY, BOISE COUNTY, IDAHO

2002-06-25

02:15:43 No. of Pages: 2

Recorded for : BOISE NATIONAL FOREST

RORA A. CANODY

Fee: 6.00

Ex-Officio Recorder Deputy

Shirley George

QUITCLAIM DEED

THIS QUITCLAIM DEED, dated this 23rd day of May, 2002, between the UNITED STATES OF AMERICA, acting by and through the FOREST SERVICE, DEPARTMENT OF AGRICULTURE, hereinafter called GRANTOR; and HANGING VALLEY RANCH, INC., a corporation organized and existing under the laws of the State of Idaho, hereinafter called GRANTEE.

WITNESSETH:

The Grantor is authorized to convey certain National Forest System lands by the Act of January 12, 1983, (96 Stat. 2535; 16 U.S.C. 521c), the provisions of which have been met.

NOW THEREFORE, the Grantor, for in consideration of the conveyance to it by the Grantee a parcel of land in the County of Boise, State of Idaho, as stated in the deed to the United States, the receipt whereof is hereby duly acknowledged, does hereby remise, release, and quitclaim unto the Grantee, its successors and assigns, all its right, title, interest, and claim, in and to the real property situated in the County of Boise, State of Idaho, more particularly described as follows:

Boise Meridian

T. 10 N., R. 10 E.,

Sec. 31, E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$;

Sec. 32, NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$.

Containing 3.1 acres, more or less.

RESERVING TO THE UNITED STATES and its assigns pursuant to the authority contained in Section 4 of Executive Order 11990 of May 24, 1977, this Quitclaim Deed is hereby subject to a restriction which constitutes a covenant running with the land of the portion of the land lying within the two-acre wetland, in the above land description. The wetland-riparian habitat must be managed to protect and maintain the wetland-riparian habitat on a continuing basis. This area may not be drained, dredged, channelized, filled, diked, or managed in a fashion so as to change the natural elements of the wetland. Any development of use on this wetland and adjacent lands must fully comply with the applicable Federal, State, and local regulations for subdivision, sanitation, and water pollution control. The United States, its authorized representative, and/or assigns, hereby reserve the right to go upon this area to inspect for violation of the above conditions and restrictions.

12502
Checked as to price, acreage, description, and condition of purchase, and found to be correct.

IN WITNESS WHEREOF, the Grantor, by its duly authorized representative, has executed this Quitclaim Deed pursuant to the delegation of authority promulgated in Title 7CFR 2.60 and 49 F. R. 34283, August 29, 1984.

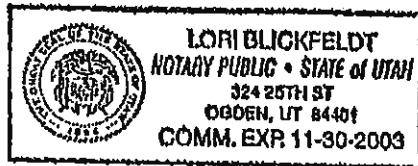
UNITED STATES OF AMERICA

BY: *Jeanne A. Evenden*
JEANNE A. EVENDEN
Director of Lands
Forest Service
United States Department of Agriculture

ACKNOWLEDGEMENT

STATE OF UTAH)
)ss
COUNTY OF WEBER)

On this 23rd day of May, 2002, before me, Lori Blickfeldt, a Notary Public in and for Weber County, personally appeared JEANNE A. EVENDEN, Director of Lands, Intermountain Region, Forest Service, U. S. Department of Agriculture, the signer of the within instrument, who acknowledged to me that she executed the foregoing instrument, by duly delegated authority.



Lori Blickfeldt
Notary Public for the State of Utah
Residing in South Weber, UT
My commission expires November 30, 2003



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

February 25, 2011

HANGING VALLEY RANCH INC
1625 ANNETT ST
BOISE ID 83705

RE: Application for Transfer 77067

Dear Mr. Carson:

During review of the above application for transfer we have the task of reviewing the actual irrigation taking place under Water Right Nos. 65-2803X and 65-7149. As mentioned in my letter of December 2, 2010, regarding Transfer 76711 we have to verify the historical water use in order to avoid any expansion of the rights. In the case of this new transfer application we find that we can only recommend 31 acres of irrigation under any transfer approval that may be forthcoming. Your entire property is 85 acres, according to your deed, and a large portion of that is covered with trees. We also took out the pond locations and have found that 31 acres of irrigation may be very generous. Enclosed is a copy of a map showing the area we find that appears irrigated. If you have other areas that have been irrigated with Burn Creek water, please provide information that we can use to substantiate the use of water on those areas. If we don't receive a response the water rights will be reduced to reflect the above findings during the transfer process.

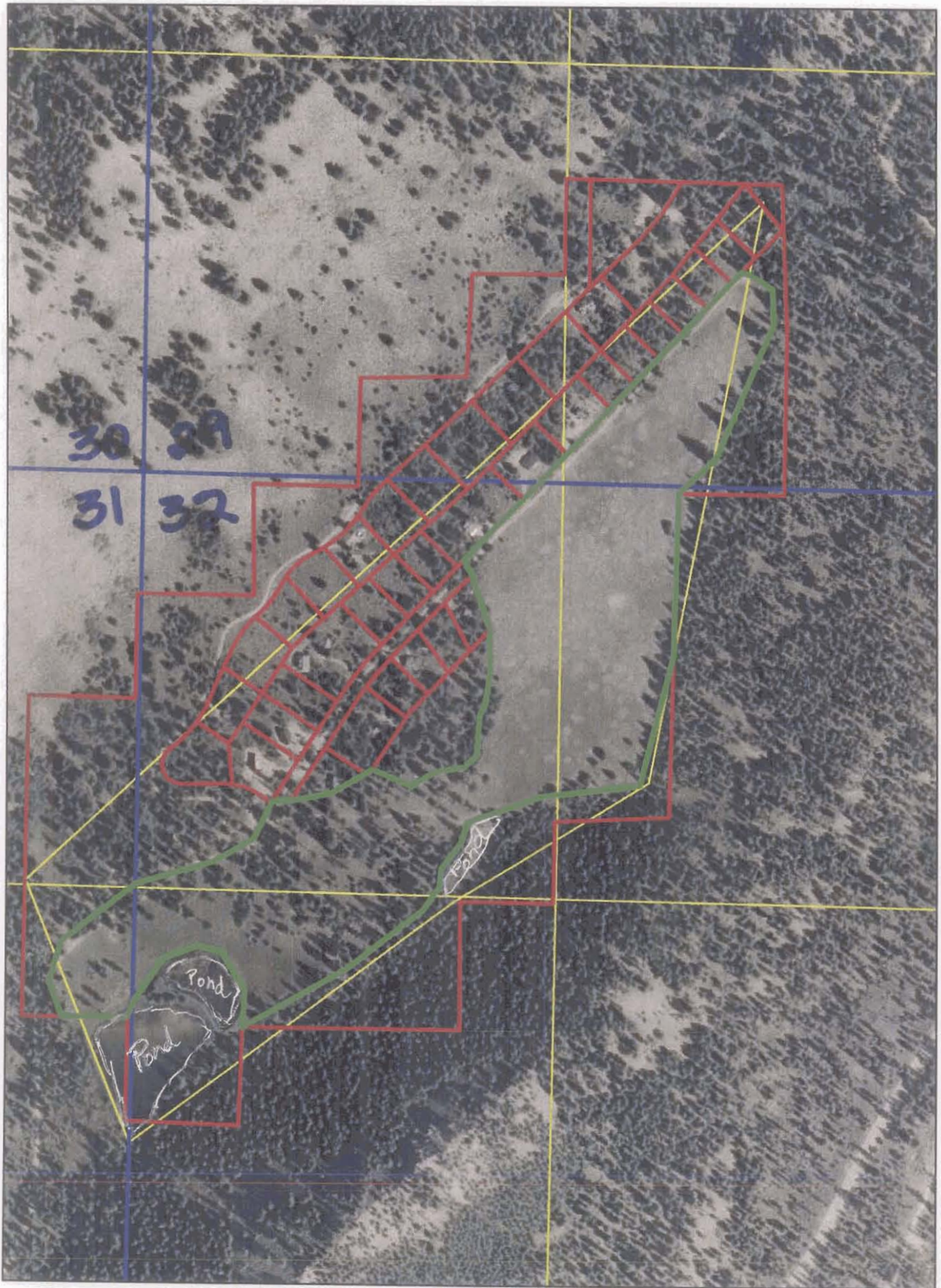
Please submit any information you have regarding actual irrigation practices for application processing to continue. You may seek additional time to provide the information by making a written request to delay processing. Your written response including the requested information, or a request for more time to seek the information, must be received within the next thirty (30) days. Without a timely reply, IDWR will assume that you agree with the above determination and proceed with our review. If you have any questions or concerns in regard to the above information, please feel free to contact me at (208)334-2190.

Sincerely,

KAY WALKER
Sr. Water Resource Agent

Enclosure: Copy of 2009 aerial photography

10N, 10E, Sec. 29, 31 & 32



green = irrigated place of use
red = taxlots (before USFS deed)



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

December 2, 2010

HANGING VALLEY RANCH INC
1625 ANNETT ST
BOISE ID 83705

RE: Application for Transfer 76711

Gentlemen:

In initial review of the above referenced application for transfer we find we need to clarify some information before taking further action.

The transfer application states that you wish "to change the point of diversion of Rt. 65-23230 to the point of diversion used for Rt. 65-02803X". In our review it is found that Rt. 65-02803X can be diverted from either the NE $\frac{1}{4}$ SW $\frac{1}{4}$ or SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 29, Twp. 10N, Rge. 10E. You should also be advised that Rt. 65-7149 can also be diverted from both of these points of diversion. We have included copies of the partial decrees showing both points of diversion for your convenience. Following a telephone conversation with Mr. Paul Kunz, regarding the status of the application, it is our understanding that you wish to remove your water rights from the point of diversion in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ and allow the homeowner's association to utilize that point. If this is the case, you may want to include 65-02803X and 65-7149 in the transfer application so you have no water rights diverted from that point.

We will have to verify the use of your water rights before a transfer can occur since it has been more than 10 years since the rights were decreed in the Snake River Basin Adjudication. We need to know where the 6 homes under Rt. 65-23230 have been historically located and where they will be after the transfer is processed. I have included a 2009 aerial photo that shows the area your property is located so you can mark where the homes are currently located and where you plan to move them. ~~We must verify the historical water use in order to avoid any expansion of the water rights.~~ We will also be reviewing the location of your irrigated lands during this process ~~if you include the irrigation rights in the transfer application.~~

If you decide that you want to include all 3 rights in the transfer application, you should submit an "Amended" Transfer Application form that includes all three water rights, and an additional \$190.00 to cover the amount of water that will be "moved".

5P

A65-02803X & A65-07149

Proposed future developments map used to show
irrigation pipeline

No irrigation above this Road

All Lots are stubbed in for domestic use from upper plat

Main lines

SUMMER HOME AREA

No irrigation water for
subdivision -

Irrigated

Main line

GRASS MEADOW

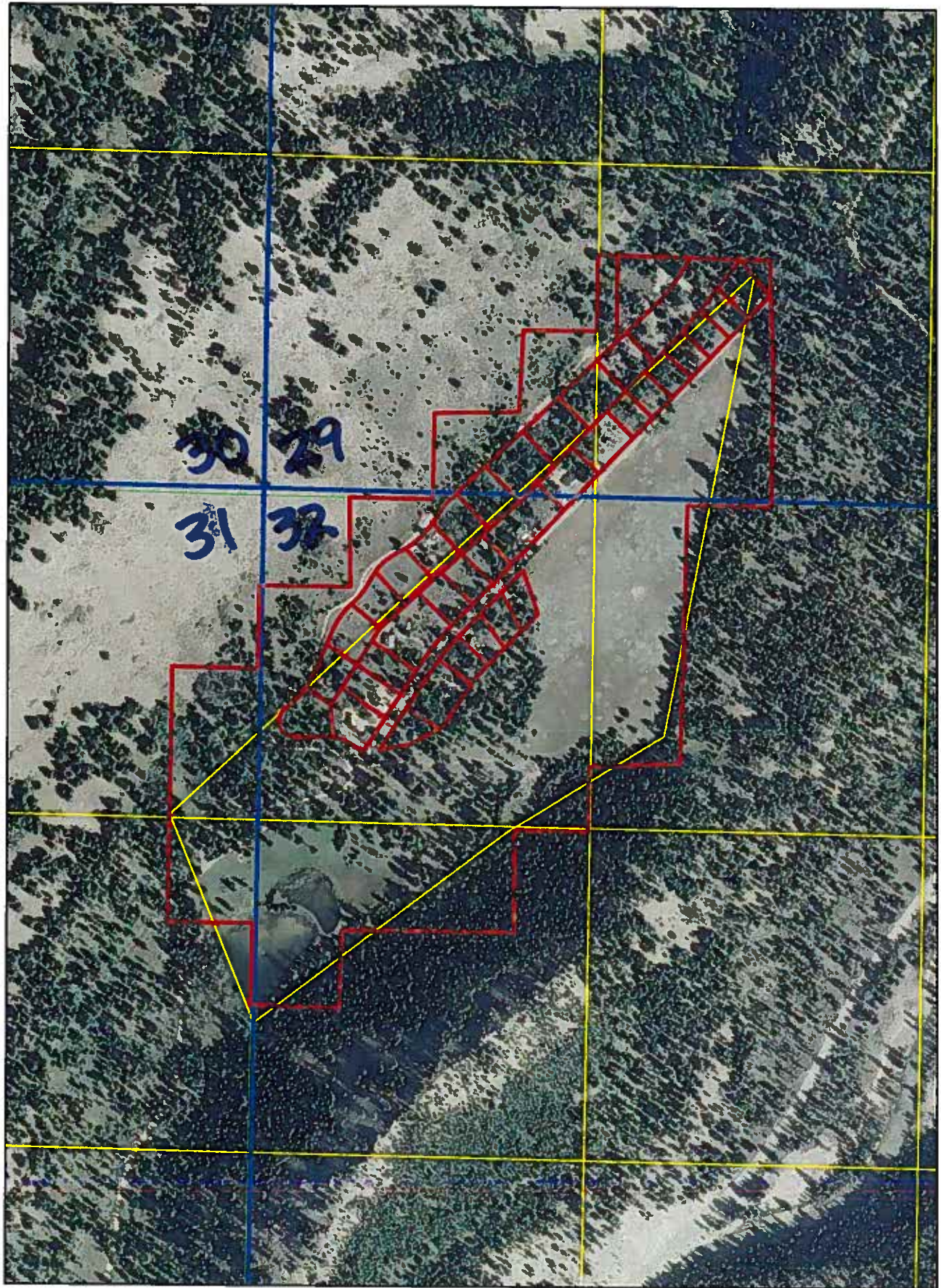
POND

TIMBERED AREA
Irrigated

TIMBER

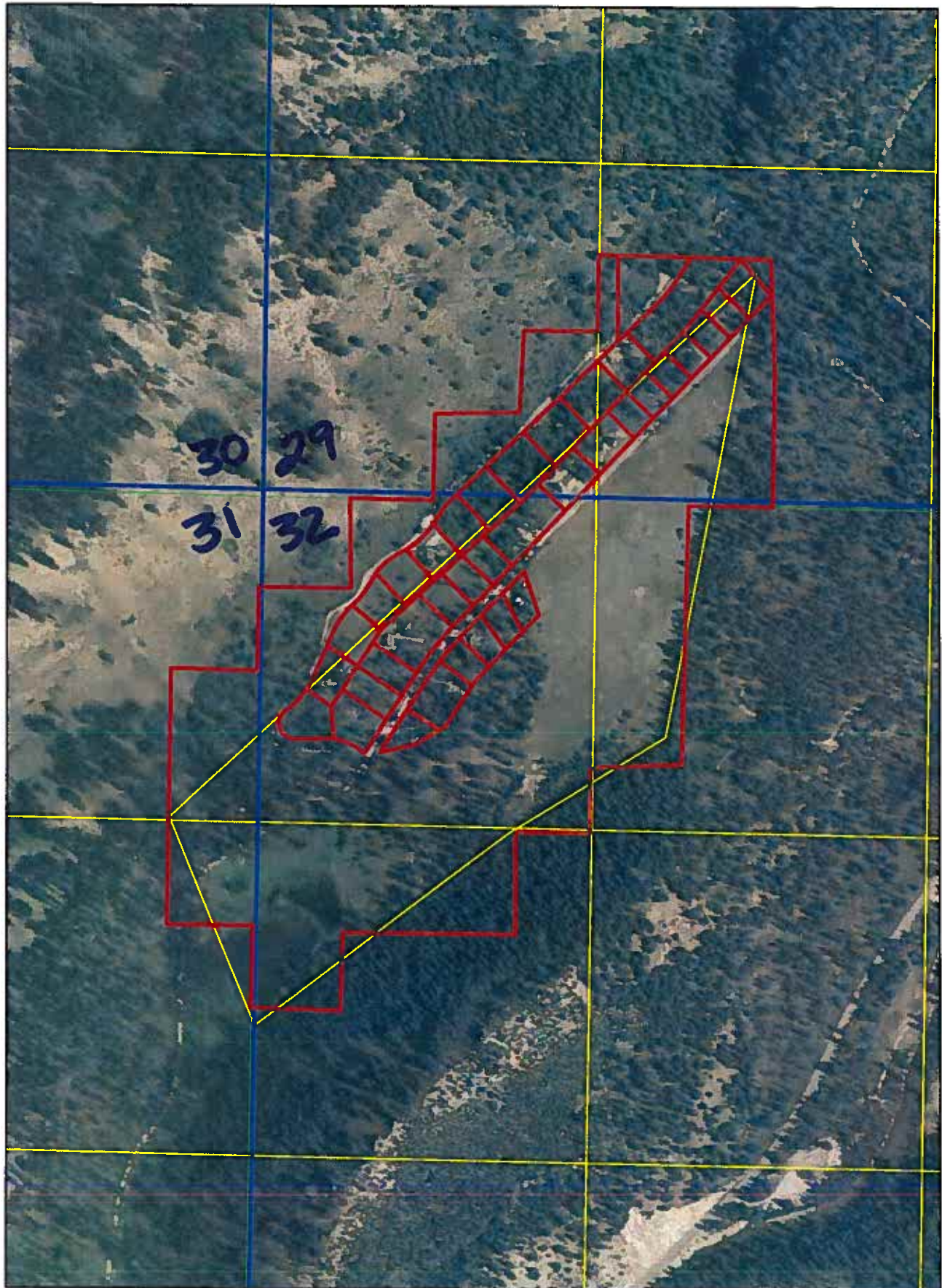
map showing irrigated areas @ time of SRBA - Revised 2001

10N, 10E, Sec. 29, 31 & 32



2009 aerial

10N, 10E, Sec. 29, 31 & 32



2004 aerial

10N, 10E, Sec. 29, 31 & 32

