

MEMORANDUM

96-8906

Date: September 15, 2008
To: Water Right File 96-8884 and 96-8906
From: cgoodwin
Re: ASSIGNMENT OF PERMIT

With the attached information these water rights have been assigned to the Lindsay Creek Water Association Inc. There is an affidavit signed by Kenneth Wright who is the president of the association that states there is a water agreement. The water agreement is signed by Kenneth and Virginia Wright who are the directors of Lindsay Creek Water Association Inc and James F. Brown who was the previous owner and president of Homestead Ranch. The water agreement states the Association shall be assigned Brown's claim of water right when perfected with the Idaho Department of Water Resources. With the attached supporting evidence and the fee paid on September 12 2008 with receipt number N019546 these licenses have been assigned to Lindsay Creek Water Association Inc from Homestead Ranch.


9/15/08

ORIGINAL

AFFIDAVIT IN SUPPORT OF NOTICE OF CHANGE
IN OWNERSHIP OF WATER RIGHT NO. 96-08884 AND
WATER RIGHT NO. 96-08906

96-8906
RECEIVED

STATE OF IDAHO)
 ss.
COUNTY OF KOOTENAI)

SEP 12 2008

IDWR/North

Kenneth J. Wright, being first duly sworn, deposes and says:

I am over the age of 18 and have personal knowledge of all things set forth hereinafter. This affidavit is made on behalf of my wife, Virginia Wright, and me.

Attached are copies of the following:

1. Application for Amendment, Water Right No. 96-08884.
2. Application for Amendment, Water Right No. 96-08906.

Each of these bears the name of Homestead Ranch, Inc. and was mailed to our home address at 2317 Monte Vista Drive, Coeur d'Alene, Idaho 83814.

We are the owners of real property in Boundary County described as follows:

Parcel No. 1:

The South Half of the Southwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

Parcel No. 2:

The North Half of the Southwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

and

The Southeast Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

We purchased the described property in August of 1993 from James F. Brown.

Affidavit of Kenneth J. Wright

RECEIVED

SEP 12 2008

IDWR/North

All of our negotiations before purchase and dealings after purchase were with James F. Brown through his corporation, Canyon Mineral, Inc. All of our negotiations before purchase and dealings after purchase were with James F. Brown.

James F. Brown initiated both claims in the name of his solely owned Idaho corporation, Homestead Ranch, Inc.

James F. Brown was in August of 1996 owner of the following described real property in Boundary County which was contiguous to our real property described above:

Southeast Quarter of the Southwest Quarter of the Northeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

And

Southwest Quarter of the Southeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

And

Northwest Quarter of the Northeast Quarter of the Southeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise, Meridian, Boundary County, Idaho.

And

Northeast Quarter of the Northwest Quarter of the Southeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

On August 2, 1996 we executed the attached Water Agreement with James F. Brown in which we agreed to form a non-profit cooperative water association under the name of Lindsey Creek Water Association, Inc. to be incorporated in Idaho.

It was agreed that the Association should be assigned Brown's claim of water

Affidavit of Kenneth J. Wright

right when perfected with the Idaho Department of Water Resources.

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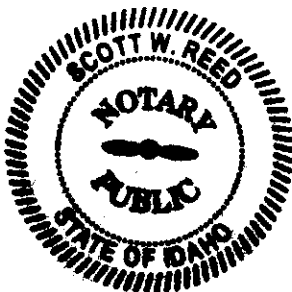
We thereafter formed the Lindsay Creek Water Association, Inc. A copy of the Certificate of Incorporation dated September 20, 1996 is attached. The corporation is in good standing. A copy of the most recent annual request form is attached.

We thereafter applied to the U.S. Forest Service for a Special Use Permit in the name of Lindsey Creek Water Association, Inc. A copy of that permit as issued May 28, 1997 is attached. The permit has been renewed.

The names upon Water Right No. 96-08884 and Water Right No. 96-08906 should be changed from Homestead Ranch, Inc., to Lindsey Creek Water Association, Inc.

Kenneth J. Wright
Kenneth J. Wright

Subscribed and sworn to before me this 11 day of September, 2008.



[Signature]
Notary Public for Idaho
Residing in Coeur d'Alene, Idaho
My Commission Expires: 7/31/09

COPY

96-8906

WATER AGREEMENT

Kenneth J. Wright and Virginia Wright, husband and wife, and James F. Brown, a single man, agree upon the following plan for developing a water system.

1. The Wrights are contract purchasers of real property from Canyon Mineral, Inc. The real property is described as follows:

Parcel No. 1:

The South Half of the Southwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

Parcel No. 2:

The North Half of the Southwest Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

and

The Southeast Quarter of the Northwest Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

2. James F. Brown owns contiguous real property described as follows:

Southeast Quarter of the Southwest Quarter of the Northeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

and

Southwest Quarter of the Southeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

and

96-8906

Northwest Quarter of the Northeast Quarter of the Southeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

and

Northeast Quarter of the Northwest Quarter of the Southeast Quarter of the Southwest Quarter of Section 34, Township 60 North, Range 2 West, Boise Meridian, Boundary County, Idaho.

3. James F. Brown has filed a claim to a water right (as Homestead Ranch) with the Idaho Department of Water Resources and has made an application for a special use permit from the United States Forest Service for said water to be diverted from Lindsey Creek.

4. Under previous agreements, the Wrights are entitled to water rights as part of their purchase of property from Canyon Mineral, Inc.

5. The parties agree to form a non-profit cooperative water association under the name of Lindsey Creek Water Association, Inc. to be incorporated in Idaho.

6. The Association shall be assigned Brown's claim of water right when perfected with the Idaho Department of Water Resources and the special permit from the United States Forest Service.

7. The Wrights and Brown shall share equally in the development of the diversion and water system.

8. The Association shall create by-laws and provisions for future use of the water on the respective properties.

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9. The Association shall not have the power to divert any of the water obtained under the water right to any property not described herein.

10. The Wrights agree to grant an easement across their property for the extension of the water line to Brown's property.

Dated this 2nd day of August, 1996.

Kenneth J. Wright
Kenneth J. Wright

Virginia Wright
Virginia Wright

James F. Brown
James F. Brown

PETE T. CENARRUSA
SECRETARY OF STATE
STATE CAPITOL
BOISE, IDAHO

96-8906

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

LINDSEY CREEK WATER ASSOCIATION, INC.
File number C 116494

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of LINDSEY CREEK WATER ASSOCIATION, INC. duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: September 20, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

SEP 18 10 38 AM '96
SECRETARY OF STATE
STATE OF IDAHO

96-8906

SEP 20 11 19 AM '96
SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION

OF

LINDSEY CREEK WATER ASSOCIATION, INC.

The undersigned acting as incorporator of a corporation under the Idaho Business Corporation Act adopts the following Articles of Incorporation for such corporation under the provisions of Chapter 10, Title 30, Idaho Code.

ARTICLE I.

The name of the corporation is LINDSEY CREEK WATER ASSOCIATION, INC.

ARTICLE II.

This is a non-profit membership corporation.

ARTICLE III.

This corporation shall have perpetual duration.

ARTICLE IV.

The purposes and objects for which this corporation is formed are the following:

1. To associate its members together for their mutual benefit, and to that end to construct, maintain, and operate a private water system for the supplying of water for domestic, livestock, and garden purposes and to engage in any activity related thereto, including, but not limited to, the acquisition of water by appropriation, drilling, pumping and/or purchase and the purchase, laying, installation, operation, maintenance, and repairs of wells, pumping equipment, mains, pipelines, valves, meters, and all other equipment necessary to the construction, maintenance and operation of the systems.

IDAHO SECRETARY OF STATE
DATE 09/18/1996 0900 25952

CK #: 21954 CUST# 38928
INC NOND



STATE OF IDAHO
BEN YSURA
SECRETARY OF STATE
450 NORTH FOURTH STREET
PO BOX 83720
BOISE, ID 83720-0080

PRESORTED
FIRST-CLASS
U.S. POSTAGE PAID
Boise, ID
PERMIT No. 1

IDAHO ANNUAL REPORT FORM 116494

RETURN SERVICE REQUESTED Use this form to file online at www.sos.idaho.gov

96-8906

THIS IS THE ONLY NOTICE YOU WILL RECEIVE

due by 30 Sept, 2008

LINDSEY CREEK WATER ASSOCIATION, INC.
KENNETH J. WRIGHT
2317 MONTE VISTA DR.
COEUR D'ALENE, ID 83814

EXHCSP1 83814



No. C 116494		Due no later than September 30, 2008		2. Registered Agent and Office NO PO BOX	
Return to: SECRETARY OF STATE 450 NORTH FOURTH STREET PO BOX 83720 BOISE, ID 83720-0080		Annual Report Form		KENNETH J. WRIGHT 2317 MONTE VISTA DR. COEUR D'ALENE, ID 83814	
NO FILING FEE IF RECEIVED BY DUE DATE		1. Mailing Address - Correct in this box if applicable: LINDSEY CREEK WATER ASSOCIATION, IN KENNETH J. WRIGHT 2317 MONTE VISTA DR. COEUR D'ALENE, ID 83814		3. New Registered Agent Signature	
4. Corporations: Enter Names and Business Addresses of President, Secretary and Directors.					
<u>Office held</u>	<u>Name</u>	<u>Street or P.O. Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>
PRESIDENT	KENNETH J. WRIGHT	2317 MONTE VISTA	COEUR D'ALENE	ID.	83814
SECRETARY	VIRGINIA WRIGHT	2317 MONTE VISTA	COEUR D'ALENE	ID.	83814
DIRECTORS KENNETH & VIRGINIA WRIGHT					
5. Organized Under the Laws of: IDAHO C 116494		6.			
		Signature <i>Kenneth J. Wright</i>		Date SEPT. 9, 2008	
		Name (Typed or Printed) KENNETH J. WRIGHT		Title PRESIDENT	

Issued 07/01/2008

Do Not Tape or Staple

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96-8906

U. S. DEPARTMENT OF AGRICULTURE Forest Service Rec'd 30 May, 1997 SPECIAL-USE PERMIT Authority: <u>Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2743; 43 U.S.C. 1761-1771).</u>	Holder No. <u>5 1 4 8-0 1</u>	Issue Date <u>05/28/97</u>	Expir. Date <u>1 2/3 1/0 6</u>
	Type Site(s) <u>9 1 5</u>	Authority <u>6 7 6</u>	Auth. Type <u>2 0</u>
	Region/Forest/District <u>0 1/ 0 4 / 0 -</u>		State/County <u>1 6/ 0 - -</u>
	Cong. Dist. <u>0 1</u>	Latitude <u>4 8-3 0-2 5</u>	Longitude <u>1 1 6-3 5-3 0</u>

Lindsey Creek Water Association
(Holder Name)

of

2317 Monte Vista Drive

(Billing Address - 1)

(Billing Address - 2)

Coeur d'Alene

(City)

Idaho

(State)

83814

(Zip Code)

(hereinafter called the Holder) is hereby authorized to use or occupy National Forest System lands, to use subject to the conditions set out below, on the Idaho Panhandle National Forest.

This permit covers 0.63 acres (10 feet in width by 2,730 feet in length and is described as S1/2NE1/4 and NE1/4SE1/4 Section 33, T60N, R2W B.M. as shown on the location map attached to and made a part of this permit, and is issued for the purpose of: 2" diameter water transmission line.

The above described or defined area shall be referred to herein as the "permit area".

TERMS AND CONDITIONS

I. AUTHORITY AND GENERAL TERMS OF THE PERMIT

A. Authority. This permit is issued pursuant to the authorities enumerated at Title 36, Code of Federal Regulations, Section 251 Subpart B, as amended. This permit, and the activities or use authorized, shall be subject to the terms and conditions of the Secretary's regulations and any subsequent amendment to them.

B. Authorized Officer. The authorized officer is the Forest Supervisor or a delegated subordinate officer.

C. License. This permit is a license for the use of federally owned land and does not grant any permanent, possessory interest in real property, nor shall this permit constitute a contract for purposes of the Contract Disputes Act of 1978 (41 U.S.C. 611). Loss of the privileges granted by this permit by revocation, termination, or suspension is not compensable to the holder.

D. Amendment. This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms, conditions, and stipulations as may be required by law, regulation, land management plans, or other management decisions.

E. Existing Rights. This permit is subject to all valid rights and claims of third parties. The United States is not liable to the holder for the exercise of any such right or claim.

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F. Nonexclusive Use and Public Access. Unless expressly provided for in additional terms, use of the permit area is not exclusive. The Forest Service reserves the right to use or allow others to use any part of the permit area, including roads, for any purpose, provided, such use does not materially interfere with the holder's authorized use. A final determination of conflicting uses is reserved to the Forest Service.

G. Forest Service Right of Entry and Inspection. The Forest Service has the right of unrestricted access of the permitted area or facility to ensure compliance with laws, regulations, and ordinances and the terms and conditions of this permit.

H. Assignability. This permit is not assignable or transferable. If the holder through death, voluntary sale or transfer, enforcement of contract, foreclosure, or other valid legal proceeding ceases to be the owner of the improvements, this permit shall terminate.

I. Permit Limitations. Nothing in this permit allows or implies permission to build or maintain any structure or facility, or to conduct any activity unless specifically provided for in this permit. Any use not specifically identified in this permit must be approved by the authorized officer in the form of a new permit or permit amendment.

II. TENURE AND ISSUANCE OF A NEW PERMIT

A. Expiration at the End of the Authorized Period. This permit will expire at midnight on December 31, 2006. Expiration shall occur by operation of law and shall not require notice, any decision document, or any environmental analysis or other documentation.

B. Construction. Any construction authorized by this permit may commence by May 1 and shall be completed by November 1. If construction is not completed within the prescribed time, this permit may be revoked or suspended.

C. Minimum Use or Occupancy of the Permit Area. Use or occupancy of the permit area shall be exercised at least 30 days each year, unless otherwise authorized in writing under additional terms of this permit.

D. Notification to Authorized Officer. If the holder desires issuance of a new permit after expiration, the holder shall notify the authorized officer in writing not less than six (6) months prior to the expiration date of this permit.

E. Conditions for Issuance of New Permit. At the expiration or termination of an existing permit, a new permit may be issued to the holder of the previous permit or to a new holder subject to the following conditions:

1. The authorized use is compatible with the land use allocation in the Forest Land and Resource Management Plan.
2. The permit area is being used for the purposes previously authorized. 96-8906
3. The permit area is being operated and maintained in accordance with the provisions of the permit.
4. The holder has shown previous good faith compliance with the terms and conditions of all prior or other existing permits, and has not engaged in any activity or transaction contrary to Federal contracts, permits, laws, or regulation.

F. Discretion of Forest Service. Notwithstanding any provisions of any prior or other permit, the authorized officer may prescribe new terms, conditions, and stipulations when a new permit is issued. The decision whether to issue a new permit to a holder or successor in interest is at the absolute discretion of the Forest Service.

III. RESPONSIBILITIES OF THE HOLDER

A. Compliance with Laws, Regulations, and other Legal Requirements. The holder shall comply with all applicable Federal, State, and local laws, regulations, and standards, including but not limited to, the Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Comprehensive Environmental Response, Control, and Liability Act, 42 U.S.C. 9601 et seq., and other relevant environmental laws, as well as public health and safety laws and other laws relating to the siting, construction, operation, and maintenance of any facility, improvement, or equipment on the property.

B. Plans. Plans for development, layout, construction, reconstruction, or alteration of improvements on the permit area, as well as revisions of such plans, must be prepared by a qualified individual acceptable to the authorized officer and shall be approved in writing prior to commencement of work. The holder may be required to furnish as-built plans, maps, or surveys, or other similar information, upon completion of construction.

C. Maintenance. The holder shall maintain the improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this authorization. If requested, the holder shall comply with inspection requirements deemed appropriate by the authorized officer.

D. Hazard Analysis. The holder has a continuing responsibility to identify all hazardous conditions on the permit area which would affect the improvements, resources, or pose a risk of injury to individuals. Any non-emergency actions to abate such hazards shall be performed after consultation with the authorized officer. In emergency situations, the holder shall notify the authorized officer of its actions as soon as possible, but not more than 48 hours, after such actions have been taken.

E. Change of Address. The holder shall immediately notify the authorized officer of a change in address.

F. Change in Ownership. This permit is not assignable and terminates upon change of ownership of the improvements or control of the business entity. The holder shall immediately notify the authorized officer when a change in ownership or control of business entity is pending. Notification by the present holder and potential owner shall be executed using Form FS-2700-3, Special Use Application and Report, or Form FS-2700-3a, Request for Termination of and Application for Special-Use Permit. Upon receipt of the proper documentation, the authorized officer may issue a permit to the party who acquires ownership of, or a controlling interest in, the improvements or business entity.

IV. LIABILITY

For purposes of this section, "holder" includes the holder's heirs, assigns, agents, employees, and contractors.

A. The holder assumes all risk of loss to the authorized improvements.

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B. The holder shall indemnify, defend, and hold the United States harmless for any violations incurred under any such laws and regulations or for judgments, claims, or demands assessed against the United States in connection with the holder's use or occupancy of the property. The holder's indemnification of the United States shall include any loss by personal injury, loss of life or damage to property in connection with the occupancy or use of the property during the term of this permit. Indemnification shall include, but is not limited to, the value of resources damaged or destroyed; the costs of restoration, cleanup, or other mitigation; fire suppression or other types of abatement costs; third party claims and judgments; and all administrative, interest, and other legal costs. This paragraph shall survive the termination or revocation of this authorization, regardless of cause.

C. The holder has an affirmative duty to protect from damage the land, property, and interests of the United States.

D. In the event of any breach of the conditions of this authorization by the holder, the Authorized Officer may, on reasonable notice, cure the breach for the account at the expense of the holder. If the Forest Service at any time pays any sum of money or does any act which will require payment of money, or incurs any expense, including reasonable attorney's fees, in instituting, prosecuting, and/or defending any action or proceeding to enforce the United States rights hereunder, the sum or sums so paid by the United States, with all interests, costs and damages shall, at the election of the Forest Service, be deemed to be additional fees hereunder and shall be due from the holder to the Forest Service on the first day of the month following such election.

E. With respect to roads, the holder shall be proportionally liable for damages to all roads and trails of the United States open to public use caused by the holder's use to the same extent as provided above, except that liability shall not include reasonable and ordinary wear and tear.

F. The Forest Service has no duty to inspect the permit area or to warn of hazards and, if the Forest Service does inspect the permit area, it shall incur no additional duty nor liability for identified or non-identified hazards. This covenant may be enforced by the United States in a court of competent jurisdiction.

V. TERMINATION, REVOCATION, AND SUSPENSION

A. General. For purposes of this permit, "termination", "revocation", and "suspension" refer to the cessation of uses and privileges under the permit.

"Termination" refers to the cessation of the permit under its own terms without the necessity for any decision or action by the authorized officer. Termination occurs automatically when, by the terms of the permit, a fixed or agreed upon condition, event, or time occurs. For example, the permit terminates at expiration. Terminations are not appealable.

"Revocation" refers to an action by the authorized officer to end the permit because of noncompliance with any of the prescribed terms, or for reasons in the public interest. Revocations are appealable.

"Suspension" refers to a revocation which is temporary and the privileges may be restored upon the occurrence of prescribed actions or conditions. Suspensions are appealable.

B. Revocation or Suspension. The Forest Service may suspend or revoke this permit in whole or part for:

1. Noncompliance with Federal, State, or local laws and regulations.
2. Noncompliance with the terms and conditions of this permit.
3. Reasons in the public interest.
4. Abandonment or other failure of the holder to otherwise exercise the privileges granted.

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C. Opportunity to Take Corrective Action. Prior to revocation or suspension for cause pursuant to Section V (B), the authorized officer shall give the holder written notice of the grounds for each action and a reasonable time, not to exceed 90 days, to complete the corrective action prescribed by the authorized officer.

D. Removal of Improvements. Prior to abandonment of the improvements or within a reasonable time following revocation or termination of this authorization, the holder shall prepare, for approval by the authorized officer, an abandonment plan for the permit area. The abandonment plan shall address removal of improvements and restoration of the permit area and prescribed time frames for these actions. If the holder fails to remove the improvements or restore the site within the prescribed time period, they become the property of the United States and may be sold, destroyed or otherwise disposed of without any liability to the United States. However, the holder shall remain liable for all cost associated with their removal, including costs of sale and impoundment, cleanup, and restoration of the site.

VI. FEES

A. Termination for Nonpayment. This permit shall automatically terminate without the necessity of prior notice when land use rental fees are 90 calendar days from the due date in arrears.

B. The holder shall pay an annual fee of fifty-one dollars (\$51.00) for the period from April 15, 1997, to December 31, 1997, and thereafter annually on January 1, fifty-one Dollars (\$51.00): Provided, charges for this use shall be made or readjusted whenever necessary to place the charges on a basis commensurate with the fair market value of the authorized use.

C. Payment Due Date. The payment due date shall be the close of business on January 1 of each calendar year payment is due. Payments due the United States for this use shall be deposited at COLLECTION OFFICER, FS, NORTHERN REGION; PO BOX 60000, FILE NO. 51653; SAN FRANCISCO CA 94160-1653 in the form of a check, draft, or money order payable to "Forest Service, USDA." Payments shall be credited on the date received by the designated Forest Service collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non workday, the charges shall not apply until the close of business on the next workday.

D. Late Payment Interest. Pursuant to 31 USC 3717, and regulations at 7 CFR Part 3, Subpart B, and 4 CFR Part 102, an interest charge shall be assessed on any payment or financial statement not received by the due date. Interest shall be assessed using the most current rate prescribed by the United States Department of Treasury's Financial Manual (TFM-6-8020). Interest shall accrue from the date the payment or financial statement was due. In the event that two or more billings are required for delinquent accounts, administrative costs to cover processing and handling of the delinquent debt will be assessed.

E. Additional Penalties. In the event of permit termination pursuant to provisions VI (A), and prior to the issuance of a new permit, a penalty of 6 percent per year shall be assessed on any fee amount overdue in excess of 90 days from the payment due date. This penalty shall accrue from the due date of the first billing or the date the fee

calculation financial statement was due. The penalty is in addition to interest and any other charges specified in the above paragraph.

F. Disputed Fees. Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or appeal decision.

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G. Delinquent Fees.

1. Delinquent fees and other charges shall be subject to all rights and remedies afforded the United States pursuant to Federal law and implementing regulations (31 U.S.C. 3711 et seq.).

2. The authorized officer shall require payment of fees owed the United States under any Forest Service authorization before issuance of a new permit.

VII. OTHER PROVISIONS

A. Members of Congress. No Member of or Delegate to Congress or Resident Commissioner shall benefit from this permit either directly or indirectly, except when the authorized use provides a general benefit to a corporation.

B. Appeals and Remedies. Any discretionary decisions or determinations by the authorized officer are subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.

C. Superior Clauses. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses shall control.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

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This information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1897 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Public reporting burden for collection of information, if requested, is estimated to average 1 hour per response for annual financial information; average 1 hour per response to prepare or update operation and/or maintenance plan; average 1 hour per response for inspection reports; and an average of 1 hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB # 0596-0082), Washington, D.C. 20503.

This permit is accepted subject to the conditions set out above.

HOLDER NAME: Lindsey Cr Water Assoc.

U. S. DEPARTMENT OF AGRICULTURE
Forest Service

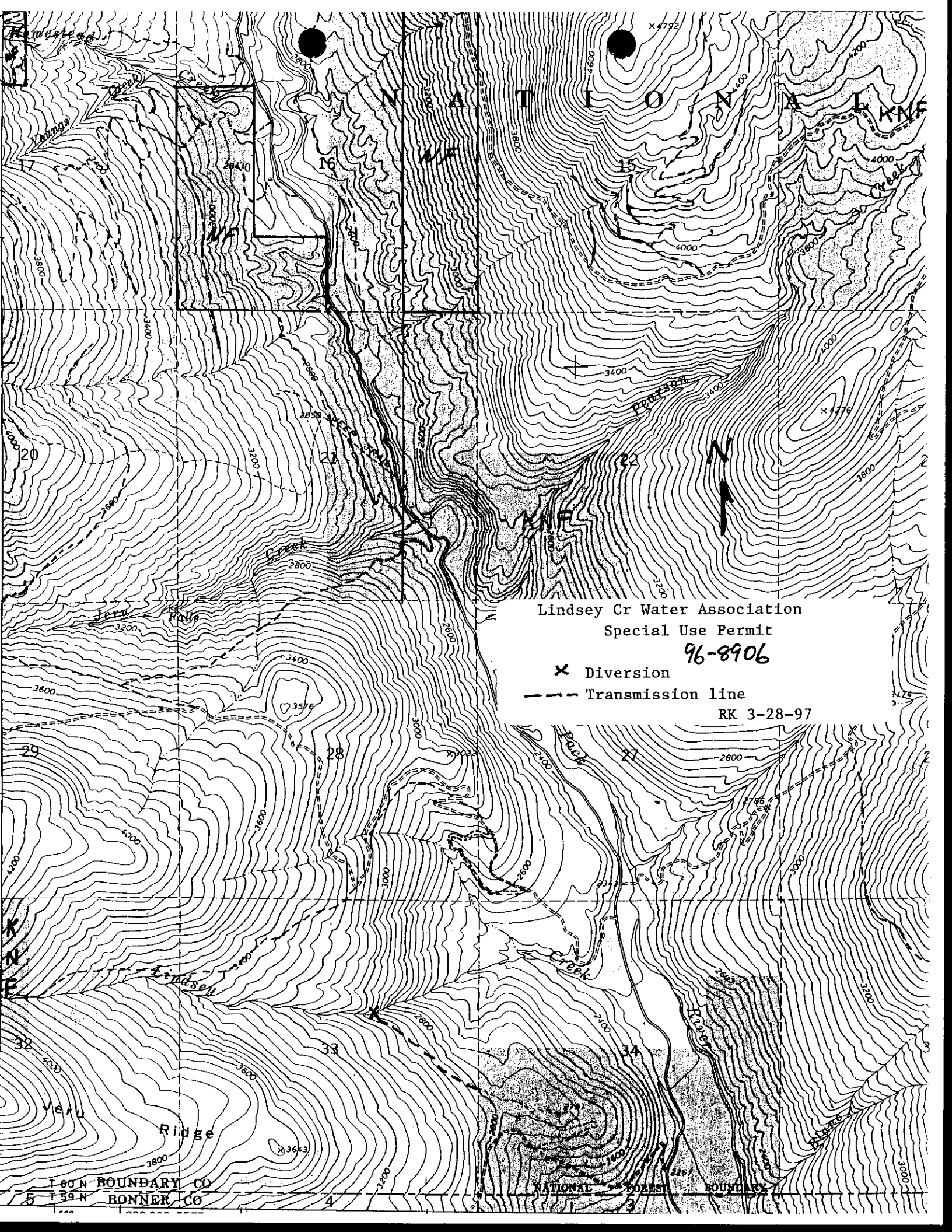
By: Kenneth J. Wright
(Holder Signature)

By: David S. Dillard
DAVID S. DILLARD
District Ranger

[Signature]
(Holder Signature)

Date: 14 May, 1997

Date: 5/28/97



Lindsey Cr Water Association
Special Use Permit
96-8906

x Diversion
--- Transmission line

RK 3-28-97

T 60 N BOUNDARY CO
T 59 N BOUNDARY CO
NATIONAL FOREST BOUNDARY