

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

RECEIVED

AUG 18 2006

**DEPARTMENT OF
WATER RESOURCES**

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>34-777</u>					
<u>34-2433</u>					
<u>34-10580</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) Warner C. Lusardi, Trustee
4. New Owner/Claimant(s) Blue Spruce Ranch, LP
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
- New Mailing Address 1570 Linda Vista Drive
- City, State and ZIP Code San Marcos CA 92078-3808
- New Telephone Number (760) 744-9382
5. Date you acquired the property 8-1-06

SUPPORT DATA

IN FILE # 34-777

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 _____		
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 _____		
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)
(include title if applicable)

Elaine M Regan

**Blue Spruce Ranch, LP by Diversified Engineering,
General Partner by Elaine M Regan, Secretary/Treasurer**

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 <u>\$ 75.00</u>
Received by <u>KAW</u>	Date <u>8/18/04</u>	Receipt No. <u>6081978</u>
Processed by _____	AJ Date _____	WR _____ Date _____

ACCEM

234520

WHEN RECORDED MAIL TO

Warner C. Lusardi
c/o Lusardi Land Company
1570 Linda Vista Drive
San Marcos CA 92078-3808

Custer County Reg. of

Lusardi Land Co.

Time 10:55 A M Date 7/25/2006

Ethel M. Peck, Clerk

Betsy Doughty \$6.00

Space above this line for Recorder's use

WARRANTY DEED

For Value Received, **Warner C. Lusardi, Trustee of the Warner C. Lusardi Family Trust dated June 11, 1993**, hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto **Diversified Engineering, a California corporation** as to an undivided 1% interest; **Scott Free and Frances Lee Free, Trustees of the Free Family Trust dated February 10, 1997** as to an undivided 40% interest; and **Kyle Denning and Christeen Denning, Trustees of the Kyle and Christeen Denning Family Trust dated July 31, 1997** as to an undivided 9% interest, all as Tenants in Common, hereinafter called the Grantee, whose current address is 1570 Linda Vista Drive, San Marcos CA 92078-3808, the following described premises, situated in Custer County, Idaho, to wit:

An undivided interest as set forth above in and to:

Parcel A: Approximately 41.4 acres legally described as:

PARCEL 1:

PART OF THE NW¼ OF SECTION 6 TOWNSHIP 6 NORTH, RANGE 25 E.B.M., CUSTER COUNTY, IDAHO, DESCRIBED AS: BEGINNING AT A POINT THAT IS S. 88°55'49" E. 996.91 FEET ALONG THE SECTION LINE TO THE TRUE POINT OF BEGINNING FROM THE NW CORNER OF SECTION 6, AND RUNNING THENCE S. 88°55'49" E. 486.43 FEET ALONG SAID SECTION LINE TO THE SOUTHERLY RIGHT-OF-WAY OF U.S. HIGHWAY NO. 93; THENCE S. 65°04'01" E. 1570.40 FEET ALONG SAID RIGHT-OF-WAY; THENCE FOLLOWING AN EXISTING FENCE LINE THE FOLLOWING SEVEN (7) COURSES: (1) S. 23°53'27" W. 652.44 FEET; THENCE (2) S. 22°47'27" W. 322.18 FEET; THENCE (3) N. 65°17'13" W. 916.03 FEET; THENCE (4) N. 63°44'48" W. 744.36 FEET; THENCE (5) N. 27°36'30" E. 42.37 FEET; THENCE (6) N. 54°27'25" W. 108.88 FEET; THENCE (7) N. 03°36'10" E. 753.08 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

AN EASEMENT FOR IRRIGATION PUMP AND MAINLINE DESCRIBED AS PART OF THE NW¼ OF SECTION 6, TOWNSHIP 6 NORTH, RANGE 25 E.B.M., CUSTER COUNTY, IDAHO, DESCRIBED AS: COMMENCING AT THE NW CORNER OF SECTION 6; THENCE S. 01°11'40" E. 25.02 FEET ALONG THE SECTION LINE TO THE SOUTHERLY RIGHT-OF-WAY LINE OF A COUNTY ROAD AND THE POINT OF BEGINNING. THENCE S. 88°55'49" E. 994.81 FEET ALONG SAID RIGHT-OF-WAY LINE; THENCE S. 03°36'10" W. 20.02 FEET; THENCE N. 88°55'49" W. 811.06 FEET PARALLEL WITH AND 20 FEET SOUTH OF SAID RIGHT-OF-WAY LINE; THENCE S. 01°11'40" E. 35.03 FEET; THENCE N. 88°55'49" W. 182.07 FEET TO A POINT ON THE WEST LINE OF SECTION 6; THENCE N. 01°11'40" W. 55.04 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH all appurtenances thereto, including but not limited to water rights, including but not limited to Water Right Number 32-2513.

Continued on page 2.

234520

Parcel B: Approximately 280.99 acres legally described as:

Township 6 North, Range 24 E.B.M., Custer County, Idaho
Section 1: Lots 1, Lot 2, S1/2NE1/4, NE1/4SE1/4

Township 7 North, Range 24 E.B.M., Custer County Idaho
Section 36: That portion of the S1/2SE1/4SE1/4 that lies south of the Highway and Railroad right-of-way.

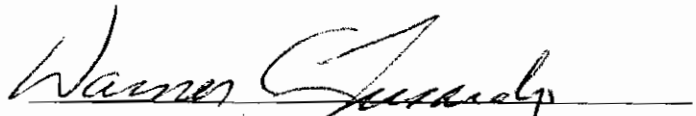
Township 7 North, Range 25 E.B.M., Custer County, Idaho
Section 31: That portion of Lot 4 that lies south of the Highway and Railroad right-of-way.

TOGETHER WILL all appurtenances thereto, including but not limited to, water rights, including but not limited to Water Right Numbers 34-777, 34-2433 and 34-10580.

SUBJECT TO all easements, rights of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances, unto the said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: July 17, 2006


Warner C. Lusardi, Trustee

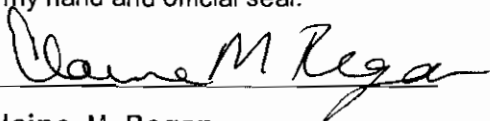
STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

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On July 21, 2006, 2006 before me, Elaine M Regan, Notary Public, personally appeared Warner C. Lusardi personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature



Name: Elaine M Regan

My Commission Expires: June 24, 2010



WHEN RECORDED MAIL TO

Blue Spruce Ranch, LP
c/o Lusardi Land Company
1570 Linda Vista Drive
San Marcos CA 92078-3808

234558

Custer County Rec. of

LUSARDI LAND COMPANY

Time 10:45 A.M. Date 8/12/26

John M. Peck, Clerk

Ruth Brunken \$9.00
Deputy

Space above this line for Recorder's use

WARRANTY DEED

For Value Received, Warner C. Lusardi, Trustee of the Warner C. Lusardi Family Trust dated June 11, 1993 as to an undivided 50% interest; Diversified Engineering, a California corporation as to an undivided 1% interest; Scott Free and Frances Lee Free, Trustees of the Free Family Trust dated February 10, 1997 as to an undivided 40% interest; and Kyle Denning and Christeen Denning, Trustees of the Kyle and Christeen Denning Family Trust dated July 31, 1997 as to an undivided 9% interest, hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto Blue Spruce Ranch, LP, a California limited partnership, hereinafter called the Grantee, whose current address is 1570 Linda Vista Drive, San Marcos CA 92078-3808, the following described premises, situated in Custer County, Idaho, to wit:

An undivided interest as set forth above in and to:

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Continued on page 2.

234558

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Township 7 North, Range 24 E.B.M., Custer County Idaho
Section 36: That portion of the S1/2SE1/4SE1/4 that lies south of the Highway and Railroad right-of-way.

Township 7 North, Range 25 E.B.M., Custer County, Idaho
Section 31: That portion of Lot 4 that lies south of the Highway and Railroad right-of-way.

TOGETHER WILL all appurtenances thereto, including but not limited to, water rights, including but not limited to Water Right Numbers 34-777, 34-2433 and 34-10580.

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TO HAVE AND TO HOLD the said premises, with its appurtenances, unto the said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner In fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: July 18, 2006

Warner C. Lusardi Family Trust dated June 11, 1993

BY: Warner C. Lusardi
Warner C. Lusardi, Trustee

Diversified Engineering, a California corporation

BY: Warner C. Lusardi
Warner C. Lusardi, CEO/President

Free Family Trust dated February 10, 1997

BY: Scott Free
Scott Free, Trustee

Kyle and Christeen Denning Family Trust dated July 31, 1997

BY: Kyle E. Denning
Kyle E. Denning, Trustee

234558

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

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On July 26, 2006 before me, Elaine M. Regan, Notary Public, personally appeared Warner C. Lusardi and Scott Free and Kyle E. Denning personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Elaine M. Regan

Name: Elaine M. Regan

My Commission Expires: June 24, 2010

