

RECEIVED**STATE OF IDAHO****MAY 02 2005****DEPARTMENT OF WATER RESOURCES****NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP****RECEIVED****APR 29 2005**

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

**WATER RESOURCES
WESTERN REGION**

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
PD 65-2946C			PD 65-7576D		
PD 65-7052E			PD 65-7653E		
PD 65-7535			PD 65-8121		
PD 65-7576C					

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) L.B. Industries, Inc.,
1401 Shoreline Drive, P.O. Box 2797, Boise, ID 83701
4. New Owner/Claimant(s) Sage SG1, LLC
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
- New Mailing Address attn: Sima Muroff, 1220 20th Street SE
- City, State and ZIP Code Salem, OR 97302
- New Telephone Number (503) 999-3333
5. Date you acquired the property January 4, 2005

SUPPORT DATAIN FILE # 65-2946C

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) *Sam M. [Signature]* 4-18-05

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 <i>LB</i>	Date <i>4-29-05</i>	Fee <i>\$25 - EA</i>	
Received by <i>LB</i>	Date <i>4-29-05</i>	Receipt No. <i>W032865</i>	
Processed by _____	AJ Date _____	WR _____	Date _____

RECEIVED

MAY 02 2005

Department of Water Resources

Instrument # 294162

VALLEY COUNTY, CASCADE, IDAHO

2005-04-05 03:17:12 No. of Pages: 22

Recorded for: FIRST AMERICAN TITLE

LELAND G. HEINRICH

Ex-Officio Recorder Deputy

Index to: DEEDS

Fee: 66.00

Instrument # 291278

VALLEY COUNTY, CASCADE, IDAHO

2005-01-08 03:55:53 No. of Pages: 22

Recorded for: FIRST AMERICAN TITLE

LELAND G. HEINRICH

Ex-Officio Recorder Deputy

Index to: DEEDS

Fee: 66.00

RE-RECORDED TO CORRECT LEGAL DESCRIPTION.

CORRECTED WARRANTY DEED

For Value Received **L.B. Industries, Inc.**

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

Sage SGI, L.L.C.

whose address is: 1220 20th Street SE, Salem, OR 97302

Hereinafter called the Grantee, the following described premises situated in
Valley County, Idaho, to-wit:

SEE ATTACHED LEGAL DESCRIPTION

SUBJECT TO all easements, right 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 their 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: January 4, 2005

L.B. Industries, Inc.

BY:

Lenora B. Barnes

Lenora B. Barnes, President

STATE OF Idaho

)ss.

COUNTY OF ADA

On this 4th day of January, 2005, before me, the undersigned, personally appeared Lenora B. Barnes, known or identified to me (or proved to me on the oath of), to be the president, or vice president, or secretary or assistant secretary, of the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

Lisa Arnold

Notary Public of Idaho

Residing at: Burise

Commission Expires: 5-17-08

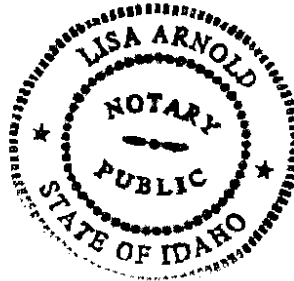


Exhibit "A"

Parcel 1

Lots A, B, C, E, F, and G, private roads and common area of Amended Blackhawk Lake Estates, Phase 1 according to the official plat in the office of the Recorder, Valley County, Idaho, recorded August 22, 1994 as Instrument No. 206204 in Book 8 of Plats, at Page 54.

TOGETHER WITH an easement more particularly described in Grant of Easement recorded November 6, 1996 as Instrument No. 222415.

Parcel 2

Lots 1, 2, 3 and 4, private roads and common area of Blackhawk Lake Estates Phase II according to the official plat in the office of the Recorder, Valley County, Idaho, recorded November 1, 1996 as Instrument No. 221848 in Book 8 of Plats, at Page 82.

TOGETHER WITH an easement more particularly described in Grant of Easement recorded November 6, 1996 as Instrument No. 222415.

Parcel 3

Common area and private roads of Blackhawk Ranch Phase I according to the official plat in the office of the Recorder, Valley County, Idaho, recorded November 1, 1996 as Instrument No. 221851 in Book 8 of Plats, at Page 83.

TOGETHER WITH an easement further described in Grant of Easement recorded July 25, 2001 as Instrument No. 255800.

Parcel 4

Common area and private roads of Blackhawk Ranch Phase II according to the official plat in the office of the Recorder, Valley County, Idaho, recorded July 25, 2000 as Instrument No. 248630 in Book 9 of Plats, at Page 16.

TOGETHER WITH an easement further described in Grant of Easement recorded July 25, 2001 as Instrument No. 255800.

Parcel 5

Lots A, B, and C, common area and private roads of Blackhawk Ranch Phase III according to the official plat in the office of the Recorder, Valley County, Idaho, recorded July 25, 2001 as Instrument No. 255795 in Book 9 of Plats, at Page 25.

TOGETHER WITH an easement further described in Grant of Easement recorded July 25, 2001 as Instrument No. 255800.

Parcel 6

A parcel of land situated in portions of Sections 25, 35 and 36 of Township 18 North, Range 2 East, Sections 30 and 31 of Township 18 North, Range 3 East, and Sections 1, 2, 11 and 12 of Township 17 North, Range 2 East, Boise Meridian, Valley County, Idaho, and more particularly described as follows:

BEGINNING at the W 1/4 corner of said Section 30, said point also being the NW corner of Government Lot 11 of said section, from which corner the NW corner of said section bears N. 00°22'24"W., 2646.19 feet; thence, along the North line of said Government Lot 11,

- 1) S. 89°46'13"E., 1352.79 feet to the NE corner of the NW 1/4 of the SW 1/4 of said Section 30, said point also being the NE corner of said Government Lot 11; thence, along the East line of said Government Lot 11,
- 2) S. 01°12'55"E., 644.89 feet to the right (north) bank of the North Fork of the Payette River; thence, along said right bank through said Sections, the following courses:
- 3) S. 83°10'04"W., 209.91 feet; thence,
- 4) S. 36°01'39"W., 301.29 feet; thence,
- 5) S. 11°18'36"W., 254.14 feet; thence,
- 6) S. 44°34'09"W., 260.41 feet; thence,
- 7) S. 66°02'15"W., 218.17 feet; thence,
- 8) S. 22°04'04"W., 442.20 feet; thence,
- 9) S. 01°01'23"W., 310.17 feet; thence,
- 10) S. 35°04'51"E., 237.70 feet; thence,
- 11) S. 30°04'07"E., 91.19 feet; thence,
- 12) S. 08°49'13"E., 81.26 feet; thence,
- 13) S. 20°18'46"W., 142.21 feet; thence,
- 14) S. 34°00'09"W., 175.86 feet; thence,
- 15) S. 60°11'49"W., 149.72 feet; thence,

- 16) N. 88°50'42"W., 280.49 feet; thence,
- 17) N. 64°33'00"W., 235.09 feet; thence,
- 18) N. 11°18'01"W., 120.19 feet; thence,
- 19) N. 14°59'57"E., 298.79 feet; thence,
- 20) N. 32°44'08"W., 210.21 feet; thence,
- 21) N. 44°23'02"W., 128.57 feet; thence,
- 22) N. 62°03'46"W., 146.05 feet; thence,
- 23) S. 74°13'58"W., 172.67 feet; thence,
- 24) S. 48°36'30"W., 153.75 feet; thence,
- 25) S. 33°16'46"W., 241.82 feet; thence,
- 26) S. 06°06'44"W., 585.46 feet; thence,
- 27) S. 02°11'19"W., 406.34 feet; thence,
- 28) S. 33°53'46"W., 153.92 feet; thence,
- 29) S. 68°37'46"W., 147.91 feet; thence,
- 30) S. 87°55'03"W., 219.74 feet; thence,
- 31) N. 66°59'28"W., 316.65 feet; thence,
- 32) N. 36°21'29"W., 84.28 feet; thence,
- 33) N. 88°39'36"W., 341.46 feet; thence,
- 34) S. 54°11'48"W., 150.15 feet; thence,
- 35) S. 27°38'46"W., 94.65 feet; thence,
- 36) S. 09°29'58"W., 254.02 feet; thence,
- 37) S. 07°39'28"E., 239.70 feet; thence,

- 38) S. 20°49'31"W., 174.07 feet; thence,
- 39) S. 38°58'21"W., 228.53, thence,
- 40) S. 26°33'54"W., 116.06 feet; thence,
- 41) S. 65°39'32"W., 276.07 feet; thence,
- 42) N. 87°23'51"W., 131.89 feet; thence,
- 43) S. 71°08'49"W., 86.49 feet; thence,
- 44) S. 36°07'57"W., 105.05 feet; thence,
- 45) S. 04°28'02"E., 128.15 feet; thence,
- 46) S. 38°39'35"W., 51.13 feet; thence,
- 47) N. 88°02'51"W., 175.78 feet; thence,
- 48) S. 75°57'50"W., 90.54 feet; thence,
- 49) S. 01°34'10"E., 145.78 feet; thence,
- 50) S. 36°36'25"W., 87.04 feet; thence,
- 51) S. 01°52'04"E., 183.76 feet; thence,
- 52) S. 43°36'10"W., 86.84 feet; thence,
- 53) S. 32°35'33"W., 289.07 feet; thence,
- 54) S. 28°08'30"W., 97.35 feet; thence,
- 55) S. 10°41'06"E., 53.84 feet; thence,
- 56) S. 26°33'54"E., 107.13 feet; thence,
- 57) S. 67°14'56"E., 67.11 feet; thence,
- 58) S. 09°27'44"E., 121.43 feet; thence,
- 59) S. 50°47'34"E., 195.80 feet; thence,

- 60) S. 58°09'27"E., 223.25 feet; thence,
- 61) S. 00°00'00"W., 70.87 feet; thence,
- 62) S. 64°43'20"W., 158.95 feet; thence,
- 63) S. 06°34'55"W., 104.50 feet; thence,
- 64) S. 19°58'59"E., 70.10 feet; thence,
- 65) S. 56°36'41"W., 105.20 feet; thence,
- 66) N. 86°59'14"W., 37.98 feet; thence,
- 67) S. 72°13'43"W., 163.51 feet; thence,
- 68) S. 41°00'33"W., 60.85 feet; thence,
- 69) S. 15°43'55"W., 368.13 feet; thence,
- 70) S. 57°39'09"W., 70.89 feet; thence,
- 71) S. 27°49'27"W., 162.52 feet; thence,
- 72) S. 50°35'58"W., 72.34 feet; thence,
- 73) S. 70°33'36"W., 107.97 feet; thence,
- 74) S. 20°13'29"W., 161.69 feet; thence,
- 75) S. 48°59'27"E., 60.85 feet; thence,
- 76) S. 17°33'44"W., 135.58 feet; thence,
- 77) S. 41°59'14"W., 94.00 feet; thence,
- 78) S. 14°12'57"W., 154.45 feet; thence,
- 79) S. 15°35'34"E., 89.12 feet; thence,
- 80) S. 58°10'09"E., 162.42 feet; thence,
- 81) S. 60°15'18"E., 284.88 feet; thence,

- 82) N. 58°08'02"E., 219.91 feet; thence,
- 83) S. 71°13'43"E., 407.85 feet; thence,
- 84) N. 63°09'11"E., 223.55 feet; thence,
- 85) N. 58°55'15"E., 215.12 feet; thence,
- 86) S. 66°22'14"E., 88.16 feet; thence,
- 87) S. 30°57'50"E., 397.35 feet; thence,
- 88) S. 16°37'15"E., 88.24 feet; thence,
- 89) S. 43°12'07"E., 398.18 feet; thence,
- 90) S. 59°19'52"E., 126.18 feet; thence,
- 91) S. 77°47'58"E., 286.63 feet; thence,
- 92) S. 64°44'49"E., 147.90 feet; thence,
- 93) S. 11°32'48"E., 239.57 feet; thence,
- 94) S. 33°41'24"W., 172.90 feet; thence,
- 95) N. 80°32'16"W., 76.76 feet; thence,
- 96) S. 51°39'33"W., 353.97 feet; thence,
- 97) N. 73°08'30"W., 87.03 feet; thence,
- 98) S. 29°36'07"W., 74.02 feet; thence,
- 99) S. 01°14'24"E., 291.58 feet; thence,
- 100) S. 35°31'20"E., 175.98 feet; thence,
- 101) S. 12°39'09"E., 63.37 feet; thence,
- 102) S. 57°18'08"E., 232.44 feet; thence,
- 103) S. 67°23'59"E., 285.69 feet; thence,

- 104) S. 13°28'53"W., 271.65 feet; thence,
- 105) S. 09°07'56"E., 374.34 feet; thence,
- 106) S. 18°59'48"E., 462.74 feet; thence,
- 107) S. 77°59'19"E., 155.46 feet; thence,
- 108) N. 88°56'21"E., 263.67 feet; thence,
- 109) S. 57°25'33"E., 104.28 feet; thence,
- 110) S. 01°28'08"E., 95.23 feet; thence,
- 111) S. 29°25'39"W., 109.30 feet; thence,
- 112) S. 55°07'29"W., 294.56 feet; thence,
- 113) S. 69°00'13"W., 81.75 feet; thence,
- 114) N. 86°02'07"W., 247.13 feet; thence,
- 115) N. 65°13'29"W., 104.85 feet; thence,
- 116) S. 68°43'47"W., 366.72 feet; thence,
- 117) N. 86°25'25"W., 156.53 feet; thence,
- 118) S. 48°33'06"W., 250.76 feet; thence,
- 119) S. 08°07'48"W., 172.60 feet; thence,
- 120) S. 12°27'54"E., 237.49 feet; thence,
- 121) S. 24°24'28"E., 159.49 feet; thence,
- 122) S. 40°14'11"E., 290.98 feet; thence,
- 123) S. 27°27'25"W., 278.04 feet; thence,
- 124) N. 89°22'55"W., 341.03 feet; thence,
- 125) S. 47°44'37"W., 282.90 feet; thence,

- 126) S. 10°18'17"W., 109.16 feet; thence,
- 127) S. 05°02'33"E., 166.63 feet; thence,
- 128) S. 21°43'16"E., 323.19 feet; thence,
- 129) S. 02°49'38"W., 197.96 feet; thence,
- 130) N. 16°55'39"W., 117.37 feet; thence,
- 131) S. 45°30'58"W., 95.80 feet; thence,
- 132) S. 15°26'47"E., 384.94 feet; thence,
- 133) S. 47°29'22"E., 218.55 feet; thence,
- 134) S. 49°51'04"E., 469.44 feet; thence,
- 135) S. 19°01'32"E., 149.76 feet; thence,
- 136) S. 17°06'10"W., 66.40 feet; thence,
- 137) S. 55°10'32"W., 102.59 feet; thence,
- 138) S. 50°11'40"W., 190.65 feet; thence,
- 139) N. 71°43'56"W., 132.38 feet; thence,
- 140) S. 47°43'35"W., 145.15 feet; thence,
- 141) S. 37°43'05"W., 371.07 feet; thence,
- 142) N. 49°23'55"W., 45.01 feet; thence,
- 143) S. 46°04'51"W., 45.75 feet; thence,
- 144) S. 22°06'34"E., 42.16 feet; thence,
- 145) S. 22°24'07"W., 180.20 feet; thence,
- 146) S. 18°12'31"W., 97.65 feet; thence,
- 147) S. 39°28'21"W., 53.76 feet; thence,

148) S. 74°21'28"W., 165.15 feet; thence,

149) S. 33°29'05"W., 278.06 feet; thence,

150) S. 26°23'14"W., 175.76 feet; thence,

151) S. 00°42'42"W., 98.26 feet; thence,

152) S. 39°45'38"E., 198.46 feet; thence,

SJF 153) S. 47°33'50"E., 115.76 feet to the center of section line of ~~said~~ section, thence, leaving said right bank along said section line,


12, TOWNSHIP 17 NORTH, RANGE 2
E

154) S. 00°40'54"W., 190.98 feet to the centerline of that particular 60 foot wide non-exclusive easement as detailed in Warranty Deed Instrument No. 173995, records of Valley County, Idaho; thence, along said centerline the following courses:

155) S. 84°40'56"W., 826.14 feet; thence,

156) N. 44°43'11"W., 319.64 feet; thence,

157) S. 88°37'38"W., 350.00 feet; thence,

158) S. 60°16'50"W., 500.00 feet; thence,

159) S. 88°37'38"W., 800.00 feet to the East line of said Section 11; thence, leaving said centerline, along said east line,

160) N. 00°33'50"E., 1284.38 feet to the E 1/4 corner of said section; thence, continuing along said east line,

161) N. 00°46'29"E., 1321.80 feet to the SE corner of the NE 1/4 of the NE 1/4 of said section; thence, along the south line of said NE 1/4,

162) N. 89°40'40"W., 666.05 feet to the SW corner of the E 1/2 of said NE 1/4 of the NE 1/4; thence, along the west line of said E 1/2,

163) N. 00°55'22"E., 1321.77 feet to the NW corner of said E 1/2 and the SE corner of the W 1/2 of the SE 1/4 of the SE 1/4 of Section 2, Township 17 North, Range 2 East; thence, along the east line of said W 1/2,

164) N. 00°34'21"E., 1317.99 feet to the NE corner of said W 1/2; thence, along the north line of said W 1/2,

165) N. 89°37'17"W., 663.98 feet to the NW corner of said W ½ and the SW corner of the NE 1/4 of the SE 1/4 of said section; thence, along the west line of said NE 1/4,

166) N. 00°30'18"E., 1318.84 feet to the NW corner of said NE 1/4; thence,

167) N. 41°05'24"W., 794.05 feet; thence,

SJF 168) N. 89°30'44"W., 422.04 feet ~~to the southeasterly corner of the exterior boundary of Blackhawk Lake Estates Phase IV, as shown on the plat thereof; thence, along the southerly boundary line of said Blackhawk Lake Estates Phase IV, thence,~~

SJF 169) N. 89°30'44"W., 1060.19 feet; thence, ~~continuing along said boundary and the exterior boundary of Blackhawk Lake Estates Phase III, as shown on the Plat thereof,~~

170) N. 00°53'51"E., 726.06 feet to the NE corner of the NW 1/4 of the SE 1/4 of the NW 1/4 of said Section 2; thence, along said boundary and the exterior boundary of Blackhawk Lake Estates Phase II as shown on the Plat thereof filed in Book 8 of Plats at Page 82, Records of Valley County, Idaho and recorded under Instrument No. 221848,

171) N. 89°31'37"W., 675.22 feet to the NW corner of said SE 1/4 of the NW 1/4 of said section; thence, along the West line of the NE 1/4 of the NW 1/4,

172) N. 01°10'29"E., 1092.00 feet to the NW corner of the NE 1/4 of the NW 1/4 of said section; thence, along said boundary and along the Section line shared by said Section 2, Township 17 North, Range 2 East and Section 35, Township 18 North, Range 2 East,

173) S. 89°47'39"E., 412.08 feet to the SW corner of the SE 1/4 of the SW 1/4 of said Section 35; thence, along said boundary and the West line of said SE 1/4,

174) N. 00°33'38"E., 1321.97 feet to the NW corner of said SE 1/4; thence, along the North line of said SE 1/4 and along said boundary and the exterior boundary of Blackhawk Lake Estates Phase I as shown on the Plat thereof filed in Book 8 of Plats at Page 36, Records of Valley County, Idaho and recorded under Instrument No. 198036,

175) S. 89° 45' 28" E., 1329.62 feet to the NE corner of said SE1/4 and NW corner of the S1/2 of the SE1/4 of said section; Thence, continuing along said boundary and along the North line of said S1/2 and the extension of said North line,

176) S. 89° 40' 52" E., 2678.01 feet to the S1/16 corner common to Section 35 and 36, Township 18 N., Range 2 East; thence,

177) N. 45° 09' 00" E., 333.27 feet to a non-tangent curve on the centerline of West Mountain Road; Thence, along said center line the following courses;

178) Northwesterly along said curve to the left having a radius of 2400.00 feet, an arc length of 188.03 feet, through a central angle $04^{\circ} 29' 20''$, and a chord bearing and distance of N. $04^{\circ} 30' 00''$ W., 187.98 feet; Thence, tangent from said curve,

179) N. $06^{\circ} 44' 40''$ W., 970.14 feet to the beginning of a tangent curve; thence,

180) Northeasterly along said curve to the right having a radius of 1400.00 feet, an arc length of 819.09 feet, through a central angle $33^{\circ} 31' 18''$, and a chord bearing and distance of N. $10^{\circ} 00' 59''$ E., 807.45 feet; thence, tangent from said curve,

181) N. $26^{\circ} 46' 38''$ E., 1848.88 feet to the beginning of a tangent curve; thence,

182) Northeasterly along said curve to the right having a radius of 4000.00 feet, an arc length of 525.65 feet, through a central angle $07^{\circ} 31' 46''$, and a chord bearing and distance of N. $30^{\circ} 32' 31''$ E., 525.28 feet; thence, tangent from said curve,

183) N. $34^{\circ} 18' 24''$ E., 2314.25 feet to the beginning of a tangent curve; thence,

184) Northeasterly along said curve to the left having a radius of 2392.34 feet, an arc length of 466.15 feet, through a central angle $11^{\circ} 09' 51''$, and a chord bearing and distance of N. $28^{\circ} 43' 29''$ E., 465.41 feet; thence, tangent from said curve and leaving said centerline,

185) Thence East to the Point of Beginning.

EXCEPTING THEREFROM

Amended Blackhawk Lake Estates Phase I as further described in plat recorded August 22, 1994 as Instrument No. 206204;

ALSO EXCEPTING THEREFROM

Blackhawk Lake Estates Phase II as further described in plat recorded November 1, 1996 as Instrument No. 221848;

ALSO EXCEPTING THEREFROM

Blackhawk Ranch Phase I as further described in plat recorded November 1, 1996 as Instrument No. 21851;

ALSO EXCEPTING THEREFROM

Blackhawk Ranch Phase II as further described in plat recorded July 25, 2000 as Instrument No. 248630;

ALSO EXCEPTING THEREFROM

Blackhawk Ranch Phase III as further described in plat recorded July 25, 2001 as Instrument No. 255795.

ALSO EXCEPTING THEREFROM

A parcel of land situate in Government Lot 3, and the SE¼ of the NW¼, of Section 2, T. 17 N., R. 2 E., B.M., Valley County, Idaho, more particularly described as follows:

Commencing at an aluminum cap marking the C-E-NW 1/64 corner of Section 2, T. 17 N., R. 2 E., B.M., Valley County as shown on that particular Record of Survey on file as Instrument No. 124847, in Book 1, Page 160, of Records of Survey, in the Office of the Recorder of Valley County, Idaho, the REAL POINT OF BEGINNING:

Thence, N. 89°31'37" W., 344.31 feet along the southerly boundary of Government Lot 3 said Section 2, to a 5/8" rebar, marking the southeast corner of Lot 49, Blackhawk Lake Estates, Phase 2, erroneously shown as an aluminum cap, on the official plat thereof on file in Book 8, Page 82 of Plats, as Instrument No. 221848 in the Office of the Recorder of Valley County, Idaho;

Thence, N. 20°19'15" W., 168.40 feet along the easterly boundary of said Lot 49, to a 5/8" rebar marking the southwest corner of Amended Lot 51 Blackhawk Lake Estates, as shown on the official plat thereof on file in Book 9, Page 20 of Plats, as Instrument No. 254380 in the Office of the Recorder of Valley County, Idaho;

Thence, N. 78°50'17" E., 296.00 feet to a 5/8" rebar marking the southeast corner of said Amended Lot 51;

Thence, N. 00°56'33" W., 157.37 feet along the easterly boundary of said Amended Lot 51, to a 5/8" rebar;

Thence, N. 00°30'45" E., 215.74 along said easterly boundary to a 5/8" rebar;

Thence, 105.78 feet along a curve to the right, whose radius is 312.59 and delta angle is 19°23'19", and whose long chord bears N. 10°12'24" E., 105.28 feet to a 5/8" rebar on the westerly right-of-way of Blackhawk Lake Drive;

Thence, N. 89°19'53" E., 176.31 feet to a 5/8" rebar;

Thence, S. 55°08'09" E., 431.83 feet to a 5/8" rebar on the shoreline of Blackhawk Lake;

Thence, along said shoreline in a southerly direction the following courses;

S. 08°17'59" W., 132.95 feet;

S. 29°18'38" W., 121.57 feet;

S. 18°26'06" E., 75.56 feet;

S. 87°29'46" E., 104.29 feet;

S. 11°26'28" W., 94.15 feet;

S. 22°20'33" E., 100.44 feet;

S. 25°07'47" E., 92.47 feet;

S. 3°34'13" W., 50.58 feet;

S. 23°38'52" E., 59.91 feet;

S. 45°35'10" E., 90.32 feet;

S. 47°13'05" E., 101.27 feet;

S. 61°00'33" E., 85.07 feet;

N. 81°42'45" E., 100.04 feet;

N. 28°53'40" E., 50.70 feet;

N. 72°11'36" E., 77.61 feet;

S. $18^{\circ}03'37''$ E., 45.55 feet;
N. $60^{\circ}02'38''$ E., 53.63 feet;
S. $61^{\circ}59'02''$ E., 37.96 feet to a $5/8''$ rebar;
Thence, S. $3^{\circ}16'01''$ W., 372.46 feet to a $5/8''$ rebar;
Thence, N. $89^{\circ}30'44''$ W., 1060.19 feet to an aluminum cap;
Thence, N. $0^{\circ}53'51''$ E., 726.06 feet to the Point of Beginning.

ALSO EXCEPTING THEREFROM A parcel of land situate in Government Lot 11 of Section 30, T. 18 N., R. 3 E.B.M., and the NE1/4 of the SE1/4 of Section 25, T. 18 N., R. 2 E.B.M., Valley County, Idaho, more particularly described as follows:

Commencing at the 1/4 corner common to Section 30, T. 18 N., R. 3 E.B.M., and Section 25, T. 18 N., R. 2 E.B.M., Valley County, Idaho, the Real Point of Beginning:

Thence S. $89^{\circ}46'13''$ E., 174.40 feet along the north boundary of said Government Lot 11;
Thence S. $06^{\circ}35'19''$ E., 703.51 feet;
Thence S. $40^{\circ}32'35''$ W., 573.94 feet;
Thence S. $54^{\circ}06'24''$ W., 567.92 feet;
Thence S. $83^{\circ}09'45''$ W., 449.58 feet;
Thence N. $03^{\circ}28'32''$ W., 1,528.95 feet to the north boundary of the NE1/4 SE1/4 of said Section 25;
Thence S. $89^{\circ}47'52''$ E., 1,117.11 feet to the Point of Beginning.

Exhibit "B"

- I. Tax Parcel Number RP00407000000AA has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000A0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000B0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000C0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000E0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000F0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP00407000000G0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0043800000010A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0043800000020A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0043800000030A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0043800000040A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP004380000000AA has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP004390000000AA has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP004720000000AA has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0047900000A0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0047900000B0A has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP0047900000COA has exempt status for the year 2004 per the Valley County Tax Assessor.

Tax Parcel Number RP18N02E358525A has exempt status for the year 2004 per the Valley County Tax Assessor.

2004 taxes in the original amount of \$3,204.30, Tax Parcel Number RP17N02E020174A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$165.00, Tax Parcel Number RP17N02E110005A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$4,968.94, Tax Parcel Number RP17N02E120762A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$4,784.48, Tax Parcel Number RP17N02E010787A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$3,743.88, Tax Parcel Number RP18N02E257206A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year. (affects subject and other property)

2004 taxes in the original amount of \$238.22, Tax Parcel Number RP18N02E365800A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$1,489.34, Tax Parcel Number RP18N02E360181A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year.

2004 taxes in the original amount of \$2,434.52, Tax Parcel Number RP18N03E305400A are an accruing lien, not due or payable until the fourth Monday in November of the current year, the first one-half of which is not delinquent until after December 20 of the current year. (affects subject and other property)

Taxes which may be assessed and entered on the property roll for 2005 with respect to new improvements and first occupancy, which may be included on the regular property roll, which are an accruing lien, not yet due or payable.

2. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of Amended Plat of Blackhawk Lake Estates Phase I, recorded August 22, 1994, as Instrument Number 206204, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
3. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of Blackhawk Lake Estates Phase II, recorded November 1, 1996, as Instrument Number 221848, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
4. Any claim that may arise that the waterfront boundary of said land has shifted because of alluvial action, erosion or change in the level of the waters of Blackhawk Lake.
5. Covenants, Conditions and Restrictions of Amended Blackhawk Lake Estates Phase I and Blackhawk Lake Estates Phase II recorded as Instrument Nos. 222414, 231369, 231370, 249609 , but omitting any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin to the extent that such covenants, conditions or restrictions violate 42 USC 3604(c).
6. Removal of Sanitary Restrictions recorded August 10, 1993 as Instrument No. 197635. (affects Amended Blackhawk Lake Phase I)
7. Terms and conditions of Private Road Agreement recorded August 10, 1993 as Instrument No. 198037 (affects Amended Blackhawk Lake Phase I).

8. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey recorded as Instrument Number 203303, 203304, 203306, 203307 and 237769 but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects Amended Blackhawk Lake Phase I).
9. Terms and conditions of Conditional Use Permit recorded September 22, 2003 as Instrument No. 276052 (affects common area in Amended Blackhawk Lake Estates Phase I).
10. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey recorded May 23, 2001, as Instrument Number 254380, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c) (affects a portion of Blackhawk Lake Phase II).
11. Removal of Sanitary Restrictions recorded November 1, 1996 as Instrument No. 221849 (affects Blackhawk Lake Estates Phase II).
12. Terms and conditions of Declaration of Private Roads recorded November 1, 1996 as Instrument No. 221850 (affects Blackhawk Lake Phase II)
13. Levies and assessments of Blackhawk Lake Property Owners Association (affects Blackhawk Lake Amended Phase I and Phase II).
14. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of Blackhawk Ranch Phase I, recorded November 1, 1996, as Instrument Number 221851, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects Blackhawk Ranch Phase I).
15. Reservations and restrictions as set forth in the Removal of the Sanitary Restrictions, recorded November 1, 1996 as Instrument No. 221852 (affects Blackhawk Ranch Phase I).
16. Terms and conditions of Declaration of Private Roads recorded November 1, 1996 as Instrument No. 221853 (affects Blackhawk Ranch Phase I).

17. Covenants, Conditions and Restrictions of Blackhawk Ranch Phase I recorded as Instrument No. 222411, but omitting any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin to the extent that such covenants, conditions or restrictions violate 42 USC 3604(c).
18. Covenants, Conditions and Restrictions of Blackhawk Ranch Master recorded as Instrument No. 255796, but omitting any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin to the extent that such covenants, conditions or restrictions violate 42 USC 3604(c). (affects Blackhawk Ranch Phase I, II and III).
19. Easement granted to Idaho Power Company, recorded July 24, 2002 as Instrument No. 263906 (affects common area in Blackhawk Ranch Phase I).
20. Levies and assessments of Blackhawk Ranch Property Owners Association, Inc. (Affects Blackhawk Ranch Phase I, II and III).
21. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of said subdivision, recorded July 25, 2000, as Instrument Number 248630, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects Blackhawk Ranch Phase II).
22. Reservations and restrictions as set forth in the Removal of the Sanitary Restrictions, recorded July 25, 2000 as Instrument No. 248631 (affects Blackhawk Ranch Phase II).
23. Terms and conditions of Declaration of Private Roads recorded July 25, 2000 as Instrument No. 248633 (affects Blackhawk Ranch Phase II).
24. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of said subdivision, recorded July 25, 2001, as Instrument Number 255795, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects Blackhawk Lake Ranch Phase III).
25. Reservations and restrictions as set forth in the Removal of the Sanitary Restrictions, recorded July 25, 2001 as Instrument No. 255794 (affects Blackhawk Ranch Phase III).
26. Terms and conditions of Declaration of Private Roads recorded July 25, 2001 as Instrument No. 255799, re-recorded September 11, 2001 as Instrument No. 257001 (affects Blackhawk Ranch Phase III).

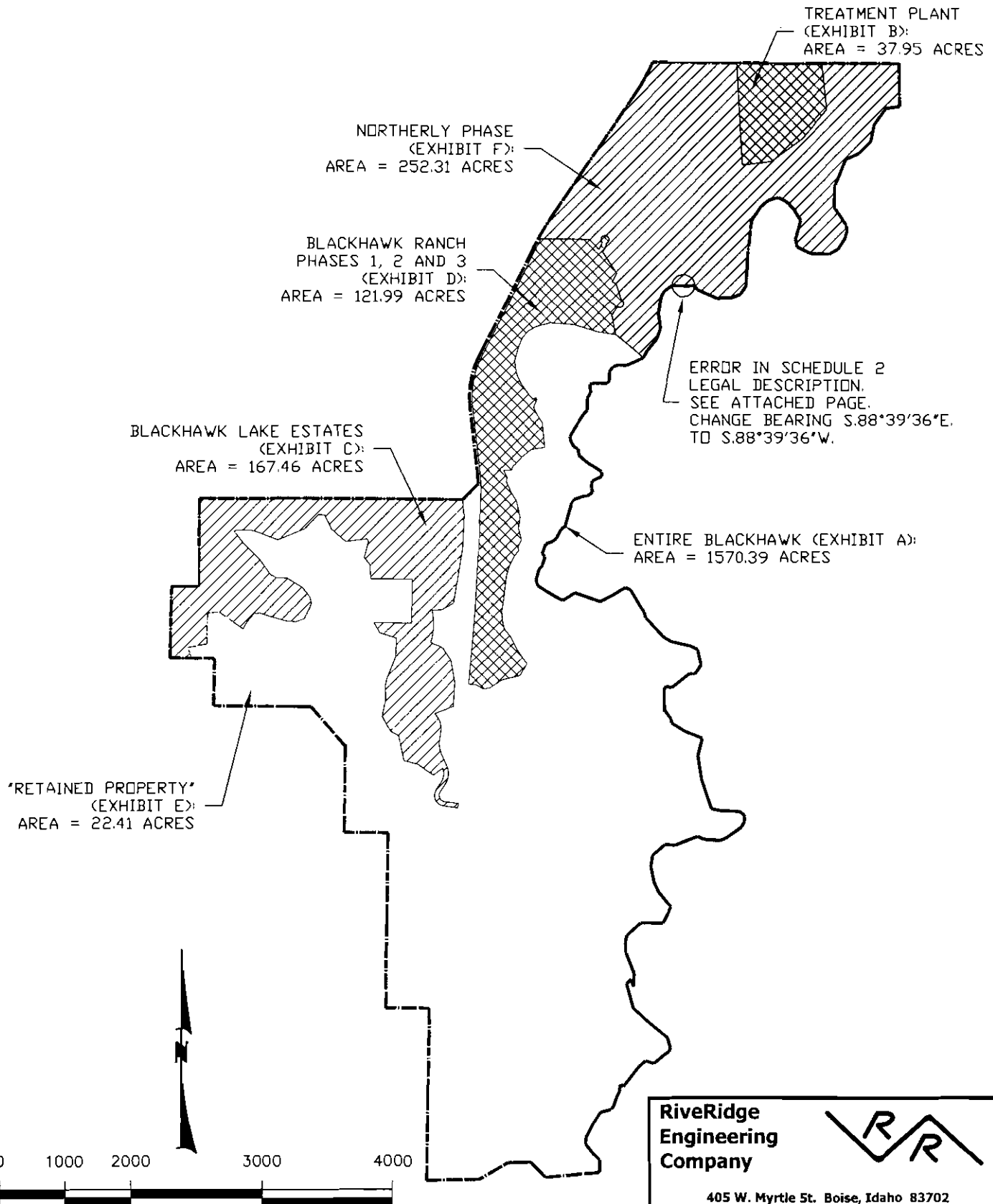
27. Subject to the right, title and interest of subdivision lot owners to common areas as provided in recorded conditions, covenants and restrictions for Blackhawk Lake Estates Phase I, Blackhawk Lake Estates Phase II, Blackhawk Ranch Phase I, Blackhawk Ranch Phase II and Blackhawk Ranch Phase III.
28. Easement granted to Idaho Power Company , recorded July 13, 1971, as Instrument No. 74129 (affects SW1/4 SW1/4 S1 T17N R2E).
29. A portion of this property appears to have been acquired by accretion or avulsion in the changes of the mean high water line of Payette River. This is issued and accepted upon the assumption that title to the alluvion follows that of the abutting property and liability thereon is excepted.
30. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey recorded August 1, 1990, as Instrument Number 174779, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects SW1/4 SW1/4 S12 T17N R2E).
31. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey recorded January 3, 1991, as Instrument Number 177979, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c). (affects S1/2 SE1/4 S35 T18N R2E).
32. Easement Agreement upon the terms, conditions and provisions contained therein:
Parties: Payette River Subdivision Partnership, an Idaho General Partnership comprised of L.B. Industries, Inc. and Marvin E. Whiteman, Jr. and L.B. Industries, Inc.
Recorded: November 14, 1994, Instrument No. 208028

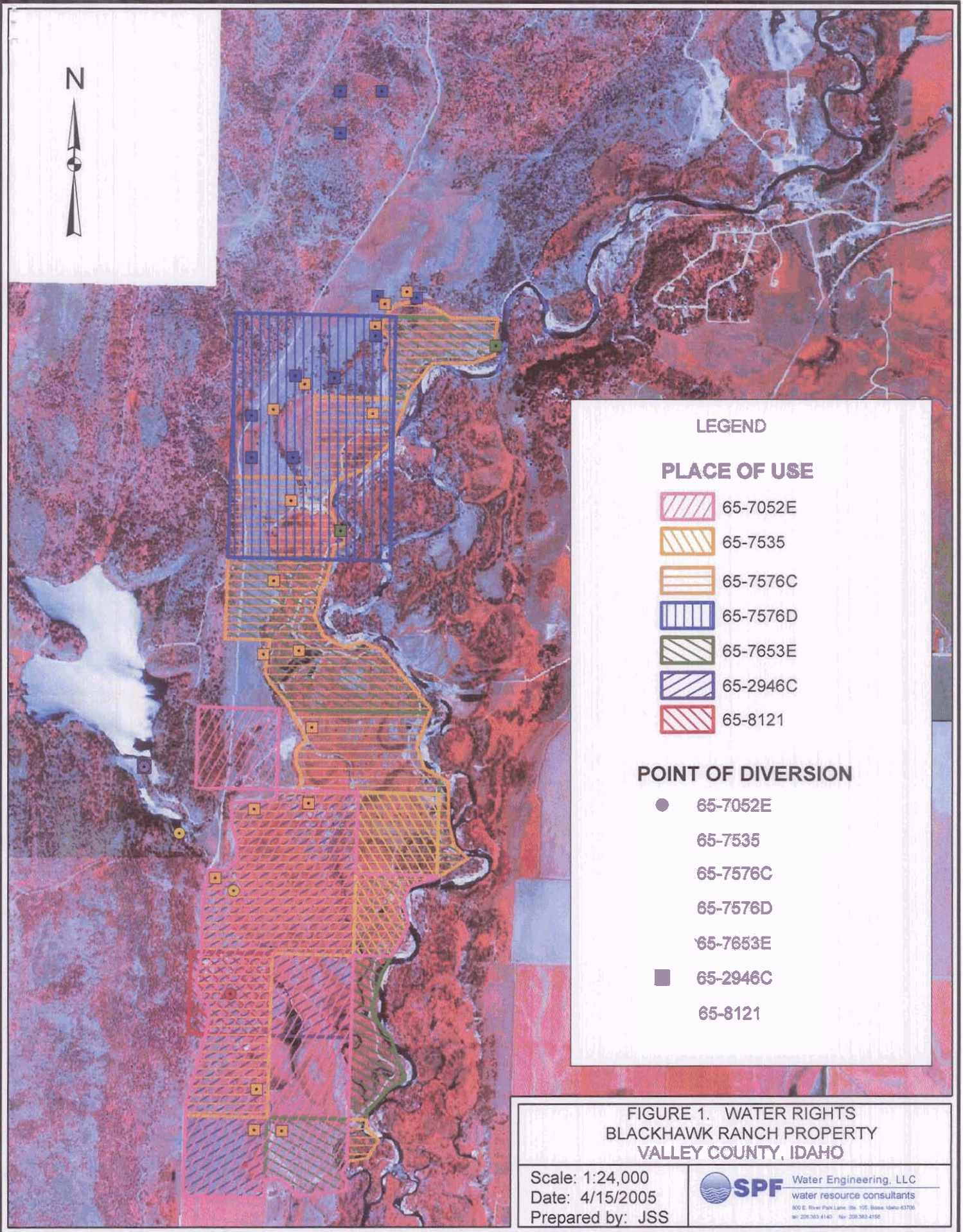
Assignment and Assumption of Easement No. 5642 recorded April 18, 1995 as Instrument No. 210545.

(affects Government Lot 11 in S30 T18N R3E and the NE1/4 SE1/4 of S25 T18N R2E and other property).
33. Easement Agreement upon the terms, conditions and provisions contained therein:
Parties: L.B. Industries, Inc. and the current and future Owens of Lots in Blackhawk Lake Estates Phase I and Phase II
Recorded: November 6, 1996, Instrument No. 222415
(affects portion of S36 T18N R2E and portion of S1 T17N R2E)

34. Provisions in Statement of Restriction recorded December 17, 1996 as Instrument No. 223112 (affects portion of NW1/4 of S1 T17N R2E and other property).
35. Easement for West Mountain Road as further described in instrument recorded July 25, 2001 as Instrument No. 255795 (affects portions of S36 T18N R2E; S12 T17N R2E and S1 T17N R2E).
36. Grant of Easement and Declaration of Intent upon the terms, conditions and provisions contained therein:
Parties: L.B. Industries, Inc. and the current and future owners of lots in Blackhawk Ranch Phases I, II and III
Recorded: July 25, 2001, Instrument No. 255800
(affects S 36 T18N R2E and S1 T17N R2E).
37. Easement for Hait Lane as further described in Warranty Deed recorded June 29, 1990 as Instrument No. 173995.
38. Notice of Hait Parcel Transfer Agreement upon the terms, conditions and provisions contained therein:
Parties: L.B. Industries, Inc. dba Isaiah 61 and Long Valley Holdings LLC
Recorded: October 4, 2004, Instrument No. 288055
(affects parcel of land in Govt Lot 1 S2 T17N R2E and in S1/2 SE1/4 S35 T18N R2E)
39. Notice of Parcel C Transfer Blackhawk Lake Estates Phase I Agreement upon the terms, conditions and provisions contained therein:
Parties: L.B. Industries, Inc. dba Isaiah 61 and Long Valley Holdings LLC
Recorded: October 4, 2004, Instrument No. 288056
(affects Tax Parcel C of Blackhawk Lake Estates Phase I)
40. Boundary line conflict with the adjoining tract along the northerly line of the land.
41. Discrepancies or conflicts in the northerly boundary line, as disclosed by survey by Toothman-Orton and designated as Job No. 01006.
42. Right, title and interest of the State of Idaho within the natural bed of the Payette River below the ordinary high water line, and also excepting any artificial accretions waterward of said ordinary high water line.
43. Any loss or claim arising from the refusal of the county assessor to change the county tax rolls to the vestee shown in Paragraph 3 of Schedule A.

SCHEDULE 2
LEGAL DESCRIPTION





LEGEND

PLACE OF USE

-  65-7052E
-  65-7535
-  65-7576C
-  65-7576D
-  65-7653E
-  65-2946C
-  65-8121

POINT OF DIVERSION

-  65-7052E
-  65-7535
-  65-7576C
-  65-7576D
-  65-7653E
-  65-2946C
-  65-8121

FIGURE 1. WATER RIGHTS
BLACKHAWK RANCH PROPERTY
VALLEY COUNTY, IDAHO

Scale: 1:24,000
Date: 4/15/2005
Prepared by: JSS



Water Engineering, LLC
water resource consultants
800 E. River Park Lane, Ste. 105, Boise, Idaho 83706
tel: 208.383.4140 fax: 208.383.4150

Metas & Bounds for
C/o L.B. Industries
to Sage SGI, LLC

