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MAR 09 2006

IDWR/North

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

RECEIVED

MAR 13 2006

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

DEPARTMENT OF
WATER RESOURCES

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, 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
WR 95-4603					

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) are 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)

DOUGLASS, MARGARET KUGLER

21873 N RIMROCK RD, HAYDEN ID 83835

4. New Owner/Claimant(s)

BIG HORN BUILDERS, INC.

Name Connector (Check one): ☐ and, ☒ or, ☐ and/or

New Mailing Address

POB 1836 HAYDEN

City, State and ZIP Code

HAYDEN, ID 83835

New Telephone Number

(208) 772-0841

5. Date you acquired the property

11/05/05

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.

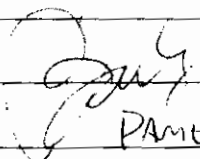
DESCRIPTION OF YOUR PORTION OF WATER RIGHT
(If the right(s) will not be split, skip this area and proceed to item 7)

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)


PAMELA FARLEY, PTCL

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 <u>CP</u>	Date <u>3/9/06</u>	Fee <u>25.00</u>
Receipted by <u>CP</u>	Date <u>3/9/06</u>	Receipt No. <u>N017402</u>
Processed by _____	AJ Date _____	WR _____ Date _____

OWNER'S POLICY OF TITLE INSURANCE

Issued by **Lawyers Title Insurance Corporation**



*Lawyers Title Insurance Corporation is a member of the
LandAmerica family of title insurance underwriters.*

POLICY NUMBER
A 75-0995796.

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, LAWYERS TITLE INSURANCE CORPORATION has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

Attest:

Secretary



By:

President

LAWYERS TITLE INSURANCE CORPORATION

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction

and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

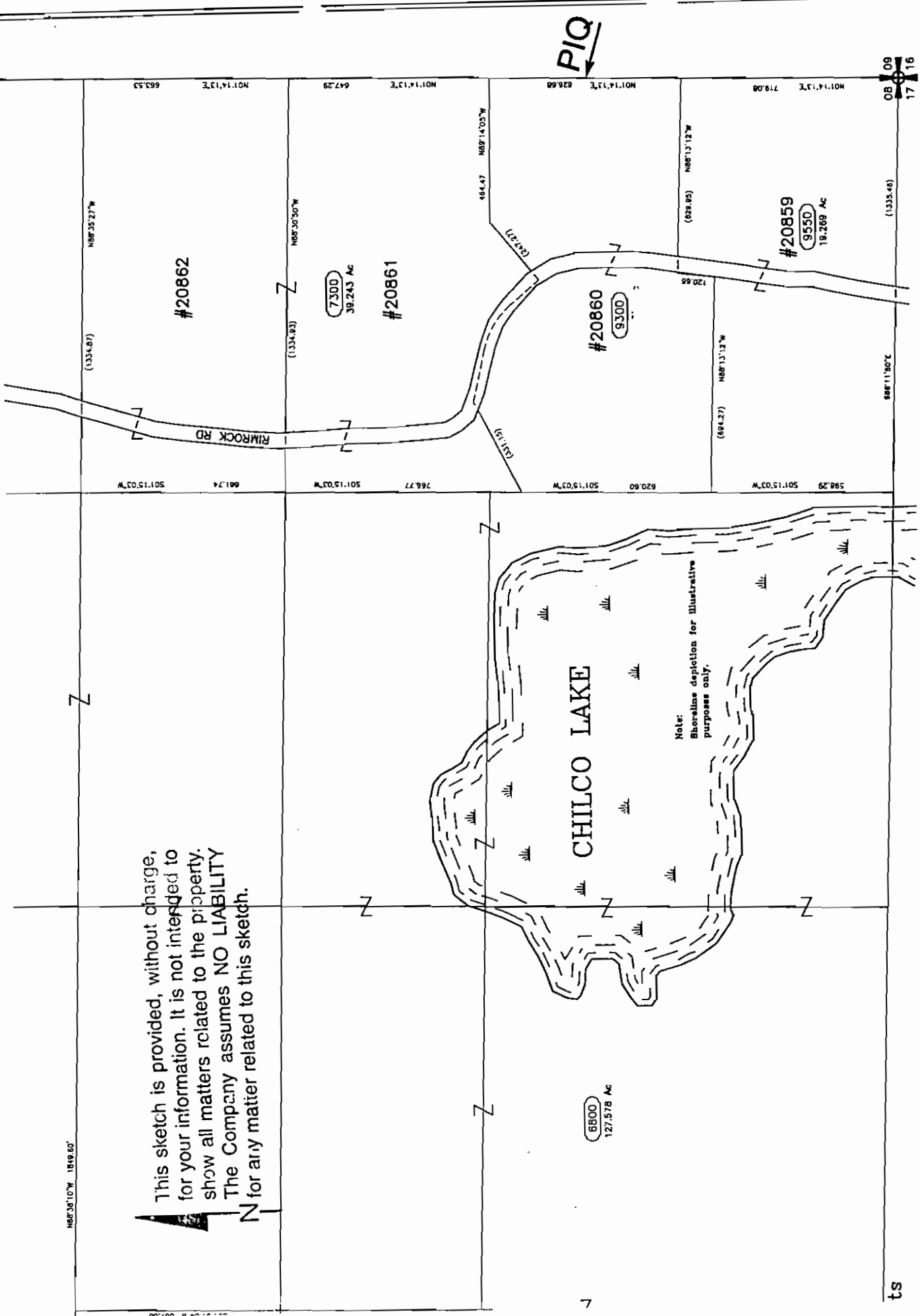
(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

N88°56'10"W 1816.60'

This sketch is provided, without charge, for your information. It is not intended to show all matters related to the property. The Company assumes NO LIABILITY for any matter related to this sketch.



PIQ

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SCALE: 1 INCH = 400 FEET

Sec. 8 Twp. 52N R. 3W R. M

Order No. 05-7938
Policy No. A75-0995796

**SCHEDULE B
SPECIAL EXCEPTIONS
Continued**

OFFICIAL RECORDS.

***** END OF EXCEPTIONS *****

**SCHEDULE B
SPECIAL EXCEPTIONS
Continued**

COMPANY OF THE NORTHWEST, INC. A CORPORATION, IN DEED RECORDED NOVEMBER 03, 1986, BOOK 347, PAGE 508, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

8. AN EASEMENT OVER SAID LAND FOR AN ELECTRIC DISTRIBUTION LINE WITH APPURTENANCES INCLUDING RIGHT OF INSPECTION AND INCIDENTAL PURPOSES, AS GRANTED TO KOOTENAI ELECTRIC COOPERATIVE, INC., IN DEED RECORDED SEPTEMBER 05, 1979, BOOK 303, PAGE 533, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

9. NONREVOCABLE DECLARATION OF MOBILE HOME TO BE REAL PROPERTY RECORDED AUGUST 29, 1990 AS INSTRUMENT NO. 1193181.
10. AN EASEMENT OVER SAID LAND FOR A PERPETUAL RIGHT OF WAY AND EASEMENT OVER, UNDER, ABOVE AND ACROSS TOGETHER WITH THE RIGHT TO INSTALL, INSPECT AND MAINTAIN ALL OF THE FACILITIES NECESSARY TO PROVIDE COMMUNICATION SERVICE, POWER SERVICE AND INCIDENTAL PURPOSES, AS GRANTED TO GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC. A CORPORATION, IN DEED RECORDED APRIL 10, 1997, INSTRUMENT NO. 1491297, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

11. GRANT OF RECIPROCAL EASEMENTS BY AND BETWEEN MINNALOOSA LAND COMPANY, LLC. AND MINNALOOSA LAND COMPANY, LLC., RECORDED NOVEMBER 9, 2005 AS INSTRUMENT NO. 1994459.
12. DEED OF TRUST TO SECURE AN INDEBTEDNESS OF \$592,000.00, DATED NOVEMBER 09, 2005, RECORDED NOVEMBER 09, 2005, INSTRUMENT NO. 1994461, OFFICIAL RECORDS.
TRUSTOR: BIGHORN BUILDERS, INC., AN IDAHO CORPORATION
TRUSTEE: LANDAMERICA LAWYERS TITLE OF KOOTENAI COUNTY
BENEFICIARY: MOUNTAIN WEST BANK
LOAN NO.: NA

13. AN EASEMENT OVER SAID LAND FOR AN ELECTRIC DISTRIBUTION LINE WITH APPURTENANCES INCLUDING RIGHT OF INSPECTION AND INCIDENTAL PURPOSES, AS GRANTED TO KOOTENAI ELECTRIC COOPERATIVE, INC., IN DEED RECORDED NOVEMBER 09, 2005, INSTRUMENT NO. 1994466, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

14. AN AGREEMENT BY AND BETWEEN BIGHORN BUILDERS, INC. AND DRAGON LADIES, LLC., SETTING FORTH TERMS, RECORDED NOVEMBER 09, 2005, INSTRUMENT NO. 1994467,

**SCHEDULE B
SPECIAL EXCEPTIONS**

1. GENERAL TAXES FOR THE YEAR 2005, A LIEN IN THE PROCESS OF ASSESSMENT, NOT YET DUE OR PAYABLE.
2. AN EASEMENT UPON THE TERMS, CONDITIONS AND PROVISIONS CONTAINED THEREIN FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS BY AND BETWEEN M.D. WRIGHT AND MARIE W. WRIGHT, HIS WIFE, FIRST PART AND JULIUS GALLAND, TRUSTEE SECOND PART IN A DOCUMENT RECORDED JULY 20, 1910, BOOK 40 OF DEEDS, PAGE 85, OFFICIAL RECORDS:
PURPOSE: PERPETUAL EASEMENT OR RIGHT TO BACK WATER OUT OF THE LAKE-BED OR RESERVOIR SITUATED AND LOCATED ON THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER
3. AN EASEMENT UPON THE TERMS, CONDITIONS AND PROVISIONS CONTAINED THEREIN FOR THE PURPOSE SHOWN BELOW AND RIGHTS INCIDENTAL THERETO AS BETWEEN JULIUS GALLAND, TRUSTEE, FIRST PART AND CHILCO WATER AND LIGHT CO., A CORPORATION, SECOND PART IN A DOCUMENT RECORDED NOVEMBER 08, 1912, BOOK 50, PAGE 251, OFFICIAL RECORDS:
PURPOSE: PERPETUAL EASEMENT OF RIGHT TO BACK WATER OUT OF THE LAKE-BED OR RESERVOIR SITUATED AND LOCATED ON THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER
4. RIGHTS OF THE PUBLIC TO THAT PORTION OF PROPERTY DESCRIBED IN THE DEED TO RIGHT OF WAY RECORDED DECEMBER 15, 1923 IN BOOK C OF ROAD DEEDS, PAGE 31.
5. AN EASEMENT OVER SAID LAND FOR AN ELECTRIC DISTRIBUTION LINE WITH APPURTENANCES INCLUDING RIGHT OF INSPECTION AND INCIDENTAL PURPOSES, AS GRANTED TO KOOTENAI ELECTRIC COOPERATIVE, INC., IN DEED RECORDED JUNE 03, 1981, BOOK 312, PAGE 911, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

6. AN EASEMENT OVER SAID LAND FOR A PERPETUAL RIGHT OF WAY AND EASEMENT OVER, UNDER, ABOVE AND ACROSS TOGETHER WITH THE RIGHT TO INSTALL, INSPECT AND MAINTAIN ALL OF THE FACILITIES NECESSARY TO PROVIDE COMMUNICATION SERVICE, POWER SERVICE AND INCIDENTAL PURPOSES, AS GRANTED TO GENERAL TELEPHONE COMPANY OF THE NORTHWEST, INC. A CORPORATION, IN DEED RECORDED JULY 01, 1981, BOOK 314, PAGE 50, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

7. AN EASEMENT OVER SAID LAND FOR A PERPETUAL RIGHT OF WAY AND EASEMENT OVER, UNDER, ABOVE AND ACROSS TOGETHER WITH THE RIGHT TO INSTALL, INSPECT AND MAINTAIN ALL OF THE FACILITIES NECESSARY TO PROVIDE COMMUNICATION SERVICE, POWER SERVICE AND INCIDENTAL PURPOSES, AS GRANTED TO GENERAL TELEPHONE

SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

STANDARD EXCEPTIONS

1. ANY FACTS, RIGHTS, INTERESTS OR CLAIMS WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS BUT WHICH COULD BE ASCERTAINED BY AN INSPECTION OF THE LAND OR WHICH MAY BE ASSERTED BY PERSONS IN POSSESSION, OR CLAIMING TO BE IN POSSESSION, THEREOF.
2. EASEMENTS, LIENS, ENCUMBRANCES, OR CLAIMS THEREOF, WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.
3. DISCREPANCIES, CONFLICTS IN BOUNDARY LINES, SHORTAGE IN AREA, ENCROACHMENTS, OR ANY OTHER FACTS WHICH A CORRECT SURVEY OF THE LAND WOULD DISCLOSE, AND WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.
4. ANY LIEN, OR RIGHT TO A LIEN, IMPOSED BY LAW FOR SERVICES, LABOR OR MATERIAL HERETOFORE OR HEREAFTER FURNISHED, WHICH LIEN, OR RIGHT TO A LIEN, IS NOT SHOWN BY THE PUBLIC RECORDS.
5. (A) UNPATENTED MINING CLAIMS; (B) RESERVATIONS OR EXCEPTIONS IN PATENTS OR IN, ACTS AUTHORIZING THE ISSUANCE THEREOF; (C) INDIAN TREATY OR ABORIGINAL RIGHTS INCLUDING, BUT NOT LIMITED TO, EASEMENTS OR EQUITABLE SERVITUDES; OR (D) WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT THE MATTERS EXCEPTED UNDER (A), (B), (C) OR (D) ARE SHOWN BY THE PUBLIC RECORDS.
6. TAXES OR ASSESSMENTS WHICH ARE NOT NOW PAYABLE OR WHICH ARE NOT SHOWN AS EXISTING LIENS BY THE RECORDS OF ANY TAXING AUTHORITY THAT LEVIES TAXES OR ASSESSMENTS ON REAL PROPERTY OR BY THE PUBLIC RECORDS; PROCEEDINGS BY A PUBLIC AGENCY WHICH MAY RESULT IN TAXES OR ASSESSMENTS, OR NOTICES OF SUCH PROCEEDINGS, WHETHER OR NOT SHOWN BY THE RECORDS OF SUCH AGENCY OR BY THE PUBLIC RECORDS.
7. ANY SERVICE, INSTALLATION, CONNECTION, MAINTENANCE OR CONSTRUCTION CHARGES FOR SEWER, WATER, ELECTRICITY, OR GARBAGE COLLECTION OR DISPOSAL OR OTHER UTILITIES UNLESS SHOWN AS AN EXISTING LIEN BY THE PUBLIC RECORDS.

EXHIBIT "A" LEGAL DESCRIPTION

A TRACT OF LAND IN THE EAST HALF OF THE SOUTHEAST QUARTER, SECTION 8, TOWNSHIP 52 NORTH, RANGE 3 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER, SECTION 8, THAT BEARS NORTH 01 DEGREES 14' 13" EAST A DISTANCE OF 719.08 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 8;

THENCE NORTH 01 DEGREES 14' 13" EAST ALONG THE SECTION LINE A DISTANCE OF 626.68 FEET;

THENCE NORTH 89 DEGREES 14' 05" WEST A DISTANCE OF 464.47 FEET;

THENCE SOUTH 50 DEGREES 02' 59" WEST A DISTANCE OF 247.27 FEET TO THE CENTERLINE OF COUNTY ROAD (RIMROCK ROAD);

THENCE NORTH 39 DEGREES 57' 01" WEST ALONG SAID CENTERLINE A DISTANCE OF 129.59 FEET TO A POINT OF CURVE;

THENCE ALONG THE CENTERLINE ON A 250.00 FOOT RADIUS CURVE TO THE LEFT A DISTANCE OF 164.44 FEET, CURVE CHORD BEARS NORTH 58 DEGREES 47' 36" WEST A DISTANCE OF 161.49 FEET;

THENCE NORTH 77 DEGREES 38' 11" WEST ON THE CENTERLINE A DISTANCE OF 171.72 FEET;

THENCE SOUTH 62 DEGREES 40' 10" WEST A DISTANCE OF 331.15 FEET TO THE INTERSECTION WITH THE WEST LINE OF SAID EAST 1/2;

THENCE SOUTH 01 DEGREES 15' 03" WEST ALONG THE WEST LINE A DISTANCE OF 620.60 FEET;

THENCE SOUTH 88 DEGREES 13' 12" EAST A DISTANCE OF 694.27 FEET TO THE CENTERLINE OF COUNTY ROAD (RIMROCK ROAD);

THENCE NORTH 06 DEGREES 30' 18" EAST ALONG THE CENTERLINE A DISTANCE OF 120.66 FEET;

THENCE SOUTH 88 DEGREES 13' 12" EAST A DISTANCE OF 629.95 FEET TO THE POINT OF BEGINNING.

SCHEDULE A

Order No.: 05-7938
Policy No.: A75-0995796
Date of Policy: November 09, 2005 at 12:01 P.M.
Amount of Insurance: \$500,000.00
Premium: \$1,655.00

I. Name of Insured:

BIGHORN BUILDERS, INC., AN IDAHO CORPORATION

2. The estate or interest in the land which is covered by this Policy is:

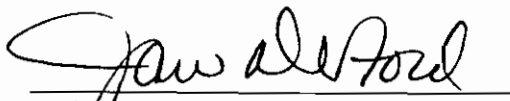
A FEE SIMPLE

3. Title to the estate or interest in the land is vested in:

BIGHORN BUILDERS, INC., AN IDAHO CORPORATION

4. The land referred to in this policy is described as follows:

SEE EXHIBIT "A" ATTACHED


Authorized Agent

LandAmerica, Lawyers Title of Kootenai County
Policy Issuing Agent for Lawyers Title Insurance Corporation

CONDITIONS AND STIPULATIONS

(Continued)

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

- (i) the Amount of Insurance stated in Schedule A; or,
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

- (i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or
- (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

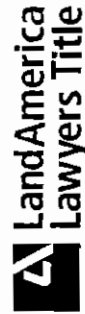
OWNER'S POLICY OF TITLE INSURANCE

American Land Title Association (10/17/92)

Issued by

**Lawyers Title
Insurance Corporation**

Lawyers Title Insurance Corporation
is a member of the LandAmerica family of title insurance
underwriters.



LandAmerica Financial Group, Inc.
101 Gateway Centre Parkway
Richmond, Virginia 23235-5153
www.landam.com

THANK YOU.

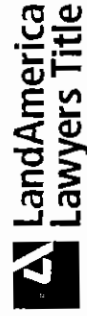
Title insurance provides for the protection of your real estate investment. We suggest you keep this policy in a safe place where it can be readily available for future reference.

If you have questions about title insurance or coverage provided by this policy, contact the office that issued this policy, or you may call or write:

Lawyers Title Insurance Corporation
Consumer Affairs
P.O. Box 27567
Richmond, Virginia 23261-7567
telephone, toll free: 800 446-7086
web: www.landam.com

We thank you for choosing to do business with Lawyers Title Insurance Corporation, and look forward to meeting your future title insurance needs.

Lawyers Title Insurance Corporation
is a member of the LandAmerica family of title insurance
underwriters.



N86°38'10"W 1849.60'

This sketch is provided, without charge, for your information. It is not intended to show all matters related to the property. The Company assumes NO LIABILITY for any matter related to this sketch.

Z

(1334.83)

N86°35'27"W

#20862

663.53

N01°14'13"E

(1334.83)

N86°30'50"W

#20861

(7300)
38,243 Ac

647.29

N01°14'13"E

766.77

S01°15'03"W

Z

(6800)
127,578 Ac

CHILCO LAKE

Note:
Shoreline depiction for illustrative
purpose only.

#20860

(9300)

826.68

N01°14'13"E

(928.80)

N86°13'12"W

312.74

S01°15'03"W

IRIGARAY
LAND

#20859

(9550)
19,269 Ac

719.06

N01°14'13"E

(1335.45)

N86°11'00"E

598.29

S01°15'03"W

08 09
17 16

SCALE: 1 INCH = 400 FEET

2002 1 0 NIT

Reviewed to
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052907

Sec. 8 T10N.52N R.3W R.M.