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Form 72-54242-1479(6) July 2000

DEPARTMENT OF

STATE OF IDAHO WATER RESOURCES

WATER RESOURCES
WESTERN REGION

DEPARTMENT OF WATER RESOURCES

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

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
2-2439 ✓			57-10214	57-2169	
2-2399 ✓			57-10218	57-277	
2-7091 ✓			57-10220	57-20940	
			57-10221		
			57-1008		

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)

4. New Owner/Claimant(s)

Snake River Ranch, LLC (ARIZONA)
Name Connector (Check one): ☐ and, ☐ or, ☐ and/or c/o Mr. C. Dale Willis, Jr.

New Mailing Address

3850 E. BASELINE ROAD #118

City, State and ZIP Code

MESA, ARIZONA 85206

New Telephone Number

() 480. 507. 6200

5. Date you acquired the property

MAY 2006

➔ Print out proof report

Acknowledgment on av

SUPPORT DATA

IN FILE # 57-277

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WATER RESOURCES
WESTERN REGION

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

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
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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) _____

4. New Owner/Claimant(s) _____

SNAKE RIVER RANCH, LLC (ARIZONA)

Name Connector (Check one): [] and, [] or, [] and/or c/o Mr. C. Dale Willis, Jr.

New Mailing Address _____

3850 E. BASELINE ROAD #118

City, State and ZIP Code _____

MESA, ARIZONA 85206

New Telephone Number _____

() 480. 507. 6200

5. Date you acquired the property _____

MAY 2006



C. Dale Willis Jr.

3850 E. Baseline Road
Suite #118
Mesa, Arizona 85206

Phone (480) 507-6200
Fax (480) 507-6333
Mobile (480) 220-2047
E-mail: dalew@willisproperty.com
Website: www.willisproperty.com

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)

C. DeWitt Sp. Managing Member
Snake River Ranch, LLC

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 *[Signature]* Date 9-22-06 Fee \$225⁰⁰
 Received by *[Signature]* Date 12-6-06 Receipt No. W034935
 Processed by _____ AJ Date _____ WR _____ Date _____



Pioneer Time Co.
GOING BEYOND *cdw*

100 10th Avenue South / Nampa, Idaho 83651 / (208) 466-6100

WARRANTY DEED

For Value Received Snake River Investments, LLC

hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

Snake River Ranch, LLC

hereinafter referred to as Grantee, whose current address is 3850 East Baseline Road, Ste 118

Mesa, Arizona 85206, ,

the following described premises, to-wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, his heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that 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: April 20, 2006

Snake River Investments, LLC

By: *Lyman Belnap*
Lyman Belnap, ~~Manager~~ *Agent*

State of Idaho

ss.

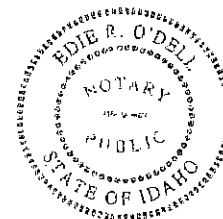
County of Canyon

On this *20th* day of April, 2006, before me, the undersigned, a Notary Public, in and for said State, personally appeared Lyman Belnap, known to me, and/or identified to me on the basis of satisfactory evidence, to be the Agent of the Limited Liability Company that executed the foregoing instrument, and acknowledged to me that such Limited Liability Company executed the same.

WITNESS MY HAND AND OFFICIAL SEAL

(SEAL)

Edie R. O'Dell
Notary Public Edie O'Dell
Residing at: Nampa, ID
Commission Expires: 4/17/2009



uap

A parcel of land containing all of Government Lot 4, the Southeast Quarter of the Southwest Quarter of Section 6, Township 1 South, Range 2 West.

All of Governments Lots 1, 2, 3, 4 and 5 and the Southeast Quarter, the Southwest Quarter Northeast Quarter, the East One-Half Northwest Quarter, the East One-Half Southwest Quarter and a portion of Government Lot 6, of Section 7, Township 1 South, Range 2 West.

All of Government Lots 5 and 6 of Section 8, Township 1 South, Range 2 West.

Portions of Government Lots 5 and 6 of Section 17, Township 1 South, Range 2 West.

All of the Northeast Quarter Northeast Quarter and the Northwest Quarter Northeast Quarter and portions of the Southeast Quarter Northeast Quarter and Northeast Quarter Northwest Quarter of Section 18, Township 1 South, Range 2 West.

And all of the Northeast Quarter and the Northeast Quarter Southeast Quarter and a portion of the Southeast Quarter Southeast Quarter of Section 12, Township 1 South, Range 3 West of the Boise Meridian, Owyhee County, Idaho, said parcel being more particularly described as follows:

Beginning at an iron pipe marking the corner common to Sections 6 and 7, Township 1 South, Range 2 West and Sections 1 and 12, Township 1 South, Range 3 West; thence,

North 89° 47' 55" East 1224.33 feet along the North line of Government Lot 3, Section 7 to a 2 inch aluminum cap set at the Northeast corner of said Lot 3; thence,

North 00° 31' 38" East, 1319.76 feet along the West line of the Southeast Quarter Southwest Quarter Section 6 to a 2 inch aluminum cap set at the Northwest corner of said Southeast Quarter Southwest Quarter; thence,

North 89° 47' 39" East, 1573.35 feet along the North line of said Southeast Quarter Southwest Quarter and along the North line of Government Lot 9 Section 6 to a 2 inch aluminum cap set at the intersection of said line with the approximate meander line of the Southwest bank of the Snake River; thence, along said approximate meander line the following courses:

South 30° 21' 54" East, 338.90 feet; thence

South 58° 36' 54" East, 872.05 feet; thence

South 34° 36' 54" East, 690.93 feet to the South line of said Section 6, said point marked by an aluminum reference marker set on the top of the high bluff

South 73° 22' 37" West, 32.52 feet from said point; thence,

South 15° 53' 40" East, 611.97 feet continuing along said meander line along the East line of Government Lot 2, Section 7; thence,

South 31° 11' 39" East, 859.28 feet; thence, along the East line of Government Lot 1, Section 7,

South 38° 31' 56" East, 865.56 feet to the Northwest corner of Government Lot 5, Section 8, said point marked by a 2 inch aluminum cap witness corner set 90.56 feet Southerly on the high bluff; thence,

South 34° 28' 14" East, 307.56 feet along the North line of Government Lot 5, Section 8 to a 5/8 inch pin; thence,

South 34° 55' 08" East, 663.77 feet along the Northeast line of said Lot 5 to a 5/8 inch pin; thence,

South 34° 00' 48" East, 650.94 feet along same to a 1/2 inch rebar; thence,

South 14° 35' 07" East, 535.16 feet along same to a 5/8 inch pin; thence,

South 14° 45' 25" East, 110.64 feet along same to the Northeast corner of Government Lot 6, Section 8; thence,

South 14° 45' 25" East, 1363.79 feet along the East line of said Government Lot 6 to a 1/2 inch rebar set in the North line of Section 17; thence,

South 24° 11' 59" East, 556.64 feet along said meander line and along the Easterly line of Government Lot 5, Section 17 to a 1/2 inch rebar; thence, leaving said meander line,

South 64° 18' 05" West, 1339.63 feet along the Northwesterly line of a 42.216 acre parcel to a 1/2 inch rebar; thence,

South 53° 04' 08" West, 1752.88 feet along said Northwesterly line to a 1/2 inch rebar set at the Northwesterly corner of said 42.216 acre parcel, in the Northeasterly right of way line of State Highway No. 78; thence,

North 52° 33' 50" West, 461.16 feet along said right of way line to a 1/2 inch rebar set in the West line of the Southeast Quarter Northeast Quarter of Section 18; thence,

North 00° 02' 59" East, 516.95 feet along said West line to a 5/8 inch rebar set at the Southeast corner of the Northwest Quarter Northeast Quarter of said Section 17; thence,

North 89° 57' 03" West, 1327.41 feet along the South line of said Northwest Quarter Northeast Quarter to a 1/2 inch rebar in the Southwest corner of same; thence,

North 00° 07' 07" East, 496.98 feet along the West line of said Northwest Quarter Northeast Quarter to a 1/2 inch rebar set in said Northeasterly right of way line of State Highway No. 78; thence,

North 52° 33' 50" West, 910.33 feet along said right of way line to a right of way marker set 40 feet left of Station 136+89.2 PT per plans S-3707(1), Idaho Transportation Department, dated March, 1954; thence, along said right of way line,

Northwesterly, along a curve to the left having a radius of 1472.39 feet, an arc length of 643.96 feet, a central angle of 25° 03' 32", a chord bearing of North 65° 05' 36" West, and a chord distance of 638.84 feet to a point on the North line of Sections 18; thence,

South 89° 51' 24" West, 22.05 feet along said North section line to the Northwest corner of the Northeast Quarter Northwest Quarter of said Section 18; thence,

QJM

South 89° 51' 24" West, 1292.88 feet along the line of Section 7 to the Southwest corner of same; thence,
North 00° 05' 44" West, 68.60 feet (North, 74 feet) along the West line of said Section 7 to a ½ inch rebar; thence
North 18° 06' 05" East, 900.03 feet (North 18° 12' East, 899.6 feet) to a ½ inch rebar; thence,
North 76° 02' 55" West (North 75° 57' West), 88.00 feet along the Southerly right of way line of an irrigation ditch (ditch relocated Northerly); thence, continuing along said right of way line,
North 62° 25' 55" West (North 62° 20' East), 143.81 feet; thence,
North 47° 15' 54" West (North 47° 10' West), 93.17 feet to a ½ inch rebar in the West line of said Section 7; thence,
North 46° 51' 54" West, 100.19 feet (North 46° 46' West, 100.3 feet) along said ditch line in Section 12; thence;
North 85° 05' 55" West (North 85° West), 210.40 feet; thence,
North 85° 02' 55" West (North 84° 57' West), 100.20 feet; thence,
North 74° 57' 55" West (North 74° 52' West), 176.10 feet; thence,
North 84° 45' 55" West (North 84° 40' West), 200.50 feet; thence,
North 88° 45' 55" West (North 88° 40' West), 100.00 feet; thence,
South 88° 52' 05" West (South 88° 58' West), 97.10 feet; thence,
North 80° 02' 55" West (North 79° 57' West), 151.70 feet; thence,
South 81° 54' 05" West (South 82° West), 141.90 feet; thence,
North 71° 32' 55" West (North 71° 27' West), 85.00 feet; thence, leaving said old ditch right of way line,
North 13° 14' 09" West, 60.61 feet to the Southwest corner of the Northeast Quarter Southeast Quarter of Section 12; thence,
North 00° 02' 54" East, 1324.20 feet along the West line of said Northeast Quarter Southeast Quarter to a 2 inch aluminum cap at the Northwest corner of said Northeast Quarter Southeast Quarter; thence,
North 89° 45' 31" West, 1330.05 feet along the South line of the Northeast Quarter of Section 12 to a 2 inch aluminum cap set at the Southwest corner of said Northeast Quarter (center ¼ corner of said Section 12); thence,
North 00° 11' 53" East, 2642.17 feet along the West line of said Northeast Quarter to an aluminum cap at the Northwest corner of said Northeast Quarter of Section 12 (North ¼ corner); thence,
South 89° 55' 01" East, 2646.38 feet along the North line of said Section to the POINT OF BEGINNING.



Pioneer Title Co.

GOING BEYOND

100 10th Avenue South / Nampa, Idaho 83651 / (208) 466-6100

WARRANTY DEED

For Value Received Snake River Investments, LLC

hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

Snake River 42, LLC, WPC-I, LLC, Brian Seager, a married man and Michael Chen, M.D. a married man,
each as to an undivided equal 25% interest, as tenants in common

hereinafter referred to as Grantee, whose current address is 3850 East Baseline Road, Ste 118
Mesa, Arizona 85206, ,

the following described premises, to-wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, his heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that 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: April 27, 2006

Snake River Investments, LLC

By: Lyman Belnap
Lyman Belnap, Manager

State of Idaho

ss.

County of Canyon

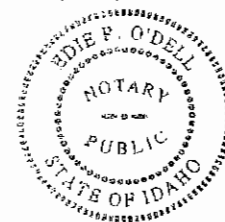
On this 28th day of April, 2006, before me, the undersigned, a Notary Public, in and for said State, personally appeared Lyman Belnap, known to me, and/or identified to me on the basis of satisfactory evidence, to be the Manager of the Limited Liability Company that executed the foregoing instrument, and acknowledged to me that such Limited Liability Company executed the same.

WITNESS MY HAND AND OFFICIAL SEAL

Edie R. O'Dell

Notary Public Edie O'Dell
Residing at: Nampa, ID
Commission Expires: 4/17/2009

(SEAL)





Pioneer Title Co.

BEING DELIVERED

100 10th Avenue South / Nampa, Idaho 83651 / (208) 373-3744

TAX NOTICE

RE: 200603835

THE TAX VALUES SHOWN IN THE ACCOMPANYING CLOSING STATEMENT ARE BASED ON:

2006 estimates of \$0.00, which is based on the most current information available from the Owyhee County Assessor's Office at this time.

NO PRORATION OF TAXES OR IRRIGATION THRU CLOSING

The buyer and seller herein affirm and agree that Pioneer Title Company, its employees, agents, or assigns have not made any warranties as to the accuracy of the figures. Further, the buyer and seller agree that if the actual tax amount (as shown in the tax statement forwarded by the Treasurer's Office during the year of the sale) differs from the amount shown above, the following will occur:

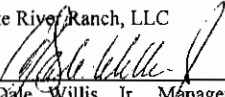
1. If the buyer has received excess credit based on the estimated tax, the buyer agrees to reimburse the seller for such excess; or
2. If the seller has received excess credit based on the estimated tax, the seller agrees to reimburse the buyer for such excess.
3. Reimbursement, if applicable, shall be made by the respective party within three months of receipt of the actual tax notice: any such reimbursement shall be handled by and between the undersigned and not as part of any escrow services provided by Pioneer Title Company.

It shall be the buyer's responsibility to contact the County Treasurer's Office by December 1st if the tax statement is not received by the previous referenced date. It shall be the seller's responsibility to forward any tax statements to the buyer at the property address upon receipt.

Please be aware that any non-payment of taxes due to lack of notice will not eliminate any penalty or interest that can be assessed.

April 20, 2006

Snake River Ranch, LLC

By: 

C. Dale Willis, Jr., Manager of WPC-I, LLC,
Member

Snake River Investments, LLC

By: 

Lyman Belnap, Manager

Description of: 42 acre parcel

A parcel of land containing portions of Government Lots 5 and 6 of Section 17 and a portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 18, T.1 S., R.2 W., B.M., Owyhee County, Idaho, being described as follows:

Commencing at the 1/4 corner common to said Sections 17 and 18, being the southwest corner of said Government Lot 6, Section 17 and the southeast corner of said SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 18 and marked on the ground by a 1/2 inch rebar; thence, N.00°01'08"W., 439.29 feet along the west line of said Government Lot 6 (east line of said SE $\frac{1}{4}$ NE $\frac{1}{4}$) to a point in the northwesterly right of way line of the "Y" connection portion of State Highway No. 78 (old State Highway No. 45); thence, S.53°04'08"W., 530.89 feet along said right of way line to a 5/8 inch rebar set at the intersection of said right of way line with the northeasterly right of way line of State Highway No. 78 and the **POINT OF BEGINNING**; thence,

N.52°33'50"W., 677.05 feet along said northeasterly right of way line to a 1/2 inch rebar; thence,

N.53°04'08"E., 1752.88 feet along a line parallel with and 652.00 feet northwesterly of said "Y" highway right of way line to a 1/2 inch rebar; thence,

N.64°18'05"E., 1339.63 feet to a 1/2 inch rebar set in the approximate high water line of the southwest bank of the Snake River; thence,

S.24°11'59"E., 203.49 feet along said high water line to a 1/2 inch rebar set in the northerly line of a State of Idaho - Fish and Game parcel; thence,

S.63°48'28"W., 125.22 feet along the northerly line of said Fish and Game parcel to a 1/2 inch rebar set at the northwesterly corner of same; thence,

S.26°11'32"E., 365.00 feet along the westerly line of said parcel to a 1/2 inch rebar set in the northwesterly right of way line of State Highway No. 45; thence,

Southwesterly, along a curve to the right having a radius of 1372.29 feet, an arc length of 291.70 feet, a central angle of 12°10'41", a chord bearing of S.54°12'45"W., and a chord distance of 291.15 feet to a right of way marker 60 feet left of station 795+17.44 PSC per plans S-3754(5), Idaho Transportation Department, stamped "Jan 6, 1971"; thence,

S.55°09'23"W., 198.24 feet along said northwesterly right of way line of said Highway No. 45 to a right of way marker 60 feet left of Station 793+17.44 PS; thence,

S.64°18'05"W., 665.76 feet along the northwesterly right of way line of the "Y" connection portion of State Highway No. 78 (old State Highway No. 45) to a 5/8 inch rebar; thence,

S.53°04'08"W., 1506.32 feet along said right of way line to the **POINT OF BEGINNING**,

said parcel containing 1,838,918 square feet or 42.216 acres, more or less.

Prepared by: John S. Austin, Idaho PLS 5081



III. DOMESTIC AND STOCK WATER RIGHTS

All the domestic and stock water rights for the Foote Ranch are represented by a decree from the SRBA court and appear to be in good order. Based on our review of the court decrees, there are as many as seven wells on the property with several of them producing geothermal water.¹ Water from the wells is used for a number of purposes including in-house domestic use, geothermal space heating, and stock watering (also as a backup and supplemental supply for irrigation as discussed below). Following is a summary of the domestic and stock water rights.

A. Stock Water Rights:

Right No.	Priority	Quantity	Number of Cattle*	Status
57-10214	08/07/1979	0.05	600	Decreed 6/97
57-10218	12/20/1939	0.05	800	Decreed 12/97
57-10220	04/01/1977	0.05	400 calf/cow pairs	Decreed 11/96
57-10221	12/31/1935	0.05	400 calf/cow pairs	Decreed 12/96
57-1008	6/1/1935	0.02	200	Decreed 12/97
Totals:		0.22	2400 (plus 800 calves)	

* included in water right decrees for reference only, not intended to be a limitation.

We are not familiar with the cattle operation that is run on the property and therefore do not know if the stock water rights authorize adequate water for the cattle operation you propose for the property. We assume that the above quantities are adequate, but this is something you need to check and be comfortable with.

B. Domestic Rights:

Right No.	Priority	Quantity	Remarks	Status
57-10214	08/07/1979	0.09	Heat 4 homes 1 shop	Decreed 6/97
57-10218	12/20/1939	0.04		Decreed 12/97
57-10219	12/31/1978	0.04		Decreed 12/96
57-10220	04/01/1977	0.08		Decreed 11/96
Total:		0.25		

As with the stock uses, we are not familiar with all the building structures on the Foote Ranch or how they are supplied with water. The rights identified are sufficient to cover typical domestic consumption for four houses in addition to a separate right for heating with geothermal water. Domestic rights are easily obtained if the current rights are not sufficient.

¹ We give no opinion as to the actual existence of any wells or whether they are capable of delivering water at the licensed rates on a sustained basis or otherwise.

IV. IRRIGATION RIGHTS

At least on paper, the irrigation rights for the Ranch are complex and difficult to sort out. This memorandum will not attempt to explain all the details of the various irrigation rights. Instead it will summarize the rights and identify potential problem areas.

The Ranch has irrigation water rights from the Snake River, Reynolds Creek and ground water. The tables below offer a summary of the rights from these sources.

Ground water irrigation water rights:

Right No.	Priority	Quantity	AFA	Acres	Status
57-2169	12/20/1939	1 cfs	472.5	105	Decreed 6/97
57-1008	6/1/1935	0.02	9.8	40	Decreed 12/97

Reynolds Creek irrigation water rights:

Right No.	Priority	Quantity	AFA	Acres	Status
57-0277	12/24/1889	10.0		578	Decreed 6/97
57-2094D	02/15/1916	0.32		16	Decreed 3/98

Snake River irrigation water rights:

Right No.	Priority	Quantity	AFA	Acres
02-2439	11/12/1946	10.0		612
02-2399	12/15/1966	5.0		523
02-7091	01/07/1972	2.64		132

No fee

A. Ground Water Rights

The ground water rights authorize a total of only 1.02 cfs between them, or enough to irrigate approximately 50 acres. However, the largest ground water right, 57-2169, for 1.0 cfs includes a specific condition that requires the owner to use all available surface water sources for irrigation before using ground water. The right also includes a condition that says the right cannot be used if the underlying surface water rights are conveyed to another property. These conditions together make this right what is known as a supplemental ground water right. It can only be used as a backup source. So long as surface water is available from Reynolds Creek or the Snake River, right 57-2169 cannot be used for irrigation.

Right 57-1008 does not include these same conditions, but it authorizes only 0.02 cfs (enough to irrigate approximately one acre). Right number 57-1008 is also a stock water right. The irrigation component of this right simply recognizes that unused stock water flows into irrigation ditches and can be used as small supplement to water from

CHAIN	POINTS	LENGTH	DETA	CHORD BEARING	DATE
1	1272.29	291.70	1270.41	S54.12.43 W	28.1.15
2	1472.29	643.82	2270.32	N60.00.00 W	03.6.87

SECTION 1 T.1 S., R.3 W.

SECTION 12 T.1 S., R.3 W.

CERTIFICATE OF SURVEYOR
JOHN S. AUSTIN, OF NEBERT COUNTY, TEXAS, A REGISTERED
LAND SURVEYOR, HAS CAUSED THIS MAP TO BE DRAWN USING
THESE NOTES TAKEN DURING A SURVEY
MADE UNDER MY SUPERVISION AND IS AN ACCURATE REPRESENTATION
OF SAID SURVEY, & THAT I HAVE COMPLIED WITH THE REQUIREMENTS
OF TITLE 50, CHAPTER 16, CONCERNING PERMITS AND PLANS, AND
CHAPTER 19, CONCERNING RECORDING OF SURVEYS, OF THE DRAFT STATE CODE.
JOHN S. AUSTIN
P.L.S. 5081
SEE RECORD OF SURVEY
NO 24644 DATED 1/14/2004



SECTION 6 T.1 S., R.2 W.

SECTION 7 T.1 S., R.2 W.

SECTION 18 T.1 S., R.2 W.

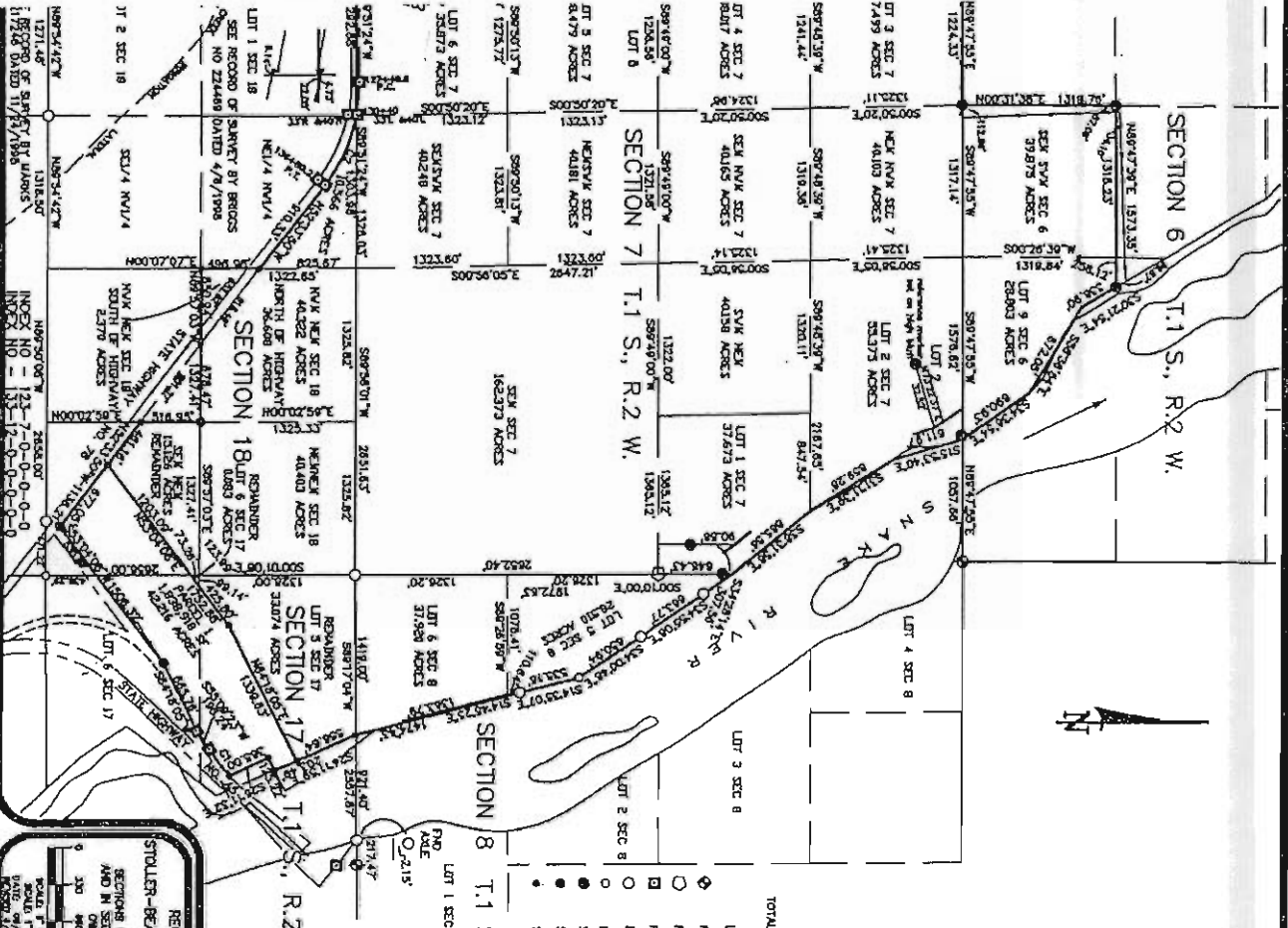
SECTION 17 T.1 S., R.2 W.

SECTION 8 T.1 S., R.2 W.

THIS SKETCH IS MADE SOLELY TO ASSIST IN
LOCATING THE PROPERTY. THE COMPANY
ASSUMES NO LIABILITY FOR VARIATION IF
ANY WITH ACTUAL SURVEY.

TOTAL ACREAGE - 1,128.22 ACRES

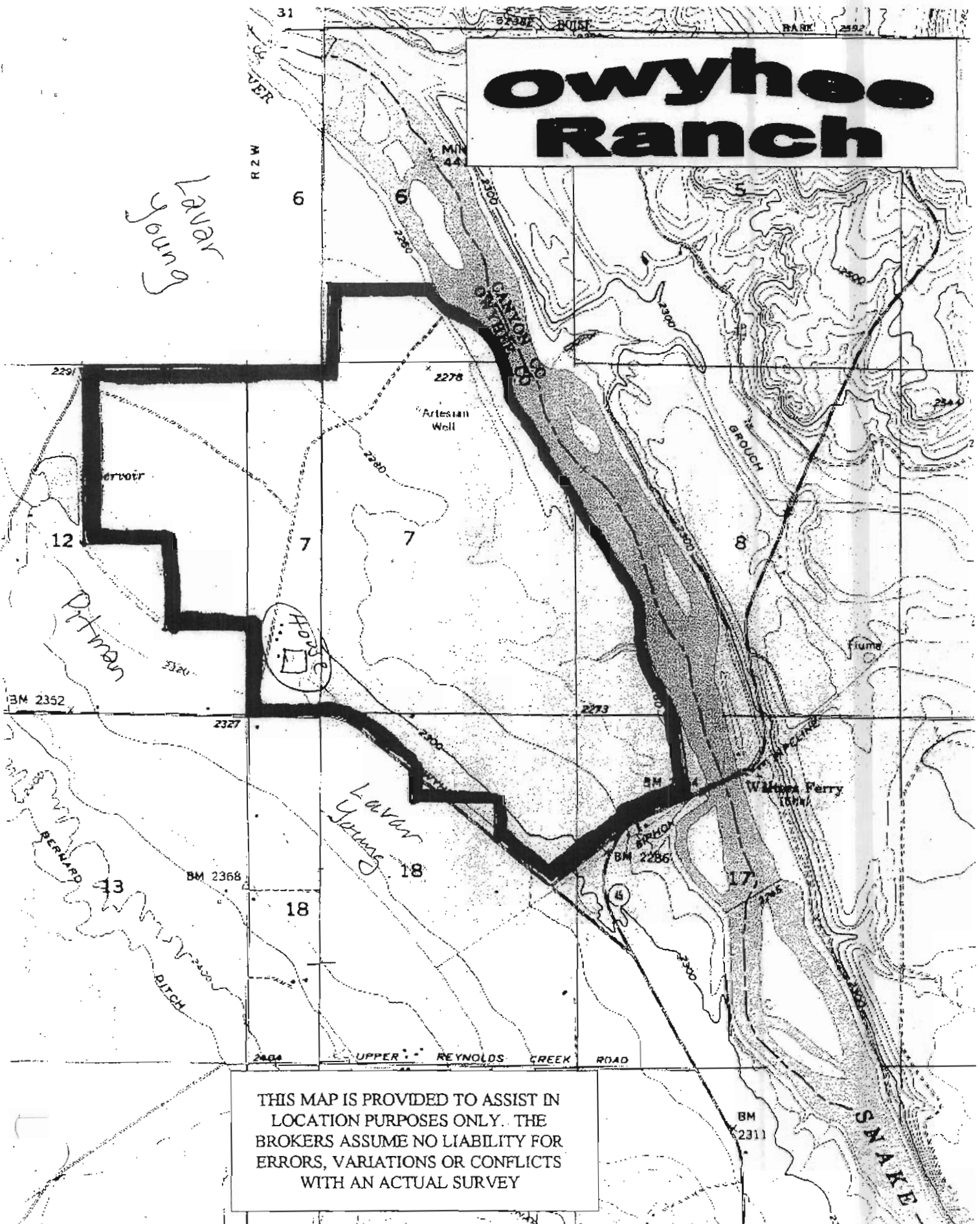
- LEGEND
- FOUND ALUMINUM CAP
- FOUND STONE - SET ALUM CAP
- FOUND HORNBOLT G/N W/ROCK
- FOUND 1/2 INCH REBAR
- SET 2 INCH ALUM CAP
- SET 5/8 INCH REBAR
- SET 1/2 INCH REBAR



RECORD OF SURVEY
STOLLER-BEAR MOUNTAIN ANGLIS RANCH
LOCATED IN
SECTIONS 6, 7, AND 18, T.1 S., R.2 W.,
AND IN SECTIONS 12, T.1 S., R.3 W., B.L.,
OWEN COUNTY, TEXAS
JOHN S. AUSTIN
SURVEYING
10000 CAMPBELL PT
HOUSTON, TEXAS 77055
281-277-0000

SEC 12 T.1 S. R.3W SEC 8, 7, 18 T.1 S. R.2W

Owyhee Ranch



THIS MAP IS PROVIDED TO ASSIST IN
LOCATION PURPOSES ONLY. THE
BROKERS ASSUME NO LIABILITY FOR
ERRORS, VARIATIONS OR CONFLICTS
WITH AN ACTUAL SURVEY

