

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

RECEIVED
FEB 16 2007
DEPT. OF WATER RESOURCES
SOUTHERN REGION

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

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No.(s)	Adjudication Claim No.(s)	Split	Water Right No.(s)	Adjudication Claim No. (s)	Split
<u>71-62B</u>	<u> </u>	☐	<u> </u>	<u> </u>	☐
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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) 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 PROPERTY or SURVEY MAP.

3. Name and Address of Former Owner/Claimant(s): Salmon Falls Land and Livestock Co, Inc
4. New Owner/Claimant(s): Smiley Creek Ranch, LLC
- New Mailing Address: P.O. Box 7133
- City, State, Zip Code: Ketchum, Idaho 83340
- New Telephone Number: (208) 726-7861
5. Date you acquired the property: 1/4/2007

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 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: _____

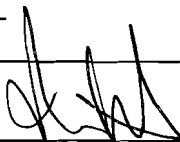
<u>Water Use</u>	<u>Diversion Rate or Volume</u> (cubic feet per second or acre-feet annum)	<u>Description</u> (acres, number and type of stock, homes, etc.)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other: _____	_____	_____
TOTAL	_____	_____

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: _____

<u>Water Use</u>	<u>Diversion Rate or Volume</u> (cubic feet per second or acre-feet annum)	<u>Description</u> (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)



managing member

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: 
Received by: CSW
Processed by: _____ AJ

Date: 2/20/07
Date: 2/20/07
Date: _____

Fee: 25.00
Receipt No: 50 29311
WR: _____ Date: _____

QUITCLAIM DEED

235704
 Custer County Reg. No. 235704
 Time 2:50 PM Date 1/5/2007
 Ethel M. Peck, Clerk
 Deputy

For Value Received

SALMON FALLS LAND & LIVESTOCK COMPANY, an Idaho Corporation, also known as Salmon Falls Land & Livestock Company, Inc., an Idaho corporation, f/k/a Salmon Falls Sheep Company, an Idaho corporation

Do hereby convey, release, remise and forever quitclaim unto
SMILEY CREEK RANCH, LLC, an Idaho limited liability company

Whose current address is
PO Box 7133, Ketchum, ID 83340,

The following described premises, to-wit
One Hundred Per Cent (100%) of Water Right 71-62B for Stock Water

Together with their appurtenances.

Dated this 4th day of January, 2007.

Salmon Falls Land & Livestock Company

[Signature]
 By: James C. Henslee, President

[Signature]
 By: Katherine A. Henslee, Secretary

THIS INSTRUMENT FILED FOR RECORD
 BY SUN VALLEY TITLE COMPANY AS AN
 ACCOMMODATION ONLY. IT HAS NOT
 BEEN EXAMINED AS TO ITS EXECUTION
 OR AS TO ITS EFFECT UPON THE TITLE.

STATE OF Idaho

COUNTY OF Blaine

On this 4th day of January in the year 2007, before me, a Notary Public personally appeared **JAMES C. HENSLEE and KATHERINE A. HENSLEE** known or identified to me to be the President and Secretary, respectively, of the corporation that executed the within instrument or the persons who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

[Signature]
 Notary Public
 Residing at Ketchum ID
 Comm expires 9/10/2010

ALISON WARNER
 NOTARY PUBLIC
 STATE OF IDAHO

When recorded, return to:

Order No. 0622922

Date: January 2, 2007

3070603983C-G

FOR VALUE RECEIVED, and as consideration as part of an IRC § 1031 tax-deferred exchange,

235703
Custer County Req. of
Sun Valley Title
Time 2:05PM Date 1/2/2007
Ethel M. Peck, Clerk
Wanda Bator \$15.00
Deputy

WARRANTY DEED

FOR VALUE RECEIVED, SALMON FALLS LAND & LIVESTOCK COMPANY, an Idaho corporation also known as SALMON FALLS LAND & LIVESTOCK COMPANY, INC., an Idaho corporation, f/k/a Salmon Falls Sheep Company, an Idaho corporation, hereinafter referred to as "Grantor," does hereby grant, bargain, sell and convey unto SMILEY CREEK RANCH, LLC, an Idaho limited liability company, whose address is P.O. Box 7133, Ketchum, Idaho, 83340, hereinafter referred to as "Grantee," the following described real property situated in Custer County, Idaho, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.

Subject to an easement over that portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, Township 7 North, Range 14, E.B.M. deeded to the United States of America for a highway recorded in Book 35 at Page 34, records of Custer County, Idaho.

AND

Subject to an easement for right-of-way for Scenic Highway 75 (old U.S. Highway 93).

TOGETHER WITH an easement for access over, under and across a thirty (30) foot wide strip of land in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, Township 7 North, Range 14 East, Boise Meridian. The easement hereby granted shall be fourteen hundred (1400) feet in length, and shall commence at the northeast corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, and shall run westerly for a distance of fourteen hundred (1400) feet and a width of thirty (30) feet. Grantee covenants and agrees that there shall be no public use of any type or nature located or allowed upon such easement, and that upon the fixing of a permanent location of such easement by Grantee, Grantor shall cause a centerline survey of the same to be accomplished and recorded, which centerline survey shall be deemed to be the sole and exclusive easement referenced herein, and which specific description shall supersede and release this general easement description.

TOGETHER WITH the right and privilege to construct one single family dwelling on the real property above-described representing one (1) of the permitted dwellings referenced in that certain Scenic Easement Agreement dated February 2, 1981, by and between Salmon Falls Sheep Company, an Idaho corporation, grantor, and the United States of America, grantee; and

TOGETHER WITH IDWR Water Right No. 71-62B for .09 cfs for stock water use; and 50% of IDWR Water Right No. 71-62A, transferring 1.635 cfs for the irrigation of 12.55 acres of the above-described real property; and

RESERVING unto Grantor an easement thirty (30) feet in width traversing the SW $\frac{1}{4}$ SW $\frac{1}{4}$ and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 7 North, Range 17 East, Boise Meridian at a location to be determined by Grantee, which easement may be utilized by the Grantor to provide access to one (1) single family dwelling on Grantor's adjacent property, and to provide access for Grantor's agricultural use, lying generally to the south of the above-described real property. Grantor covenants and agrees that there shall be no public use of any type or nature located or allowed upon such easement, and that upon the fixing of a permanent location of such easement by Grantee, Grantor shall cause a centerline survey of the same to be accomplished and recorded, which centerline survey shall be deemed to be the sole and exclusive easement referenced herein, and which specific description shall supersede and release this general easement description.

235703

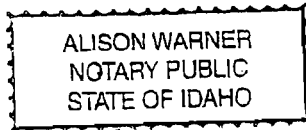
To have and to hold the said premises and their appurtenances unto the said Grantee, its successors and assigns, forever.

The said Grantor does hereby covenant to and with the said Grantee that it is the owner in fee simple of said premises; that said premises are free from all encumbrances, except all matters of record and easements which are apparent; and that Grantor will warrant and defend the same from all lawful claims whatsoever.

This transaction is a 1031 Exchange for the benefit of Buyer and Seller, as Replacement and Relinquished property, respectively.

DATED this 4 day of January, 2007.

SALMON FALLS LAND & LIVESTOCK
COMPANY, an Idaho corporation, also known
as SALMON FALLS LAND & LIVESTOCK
COMPANY, INC., an Idaho corporation, f/k/a
Salmon Falls Sheep Company, an Idaho
corporation



James C. Henslee, President
By James C. Henslee, President

Katherine A. Henslee, Secretary
By Katherine A. Henslee, Secretary

STATE OF IDAHO)

County of Blaine)

On this 4th day of JANUARY, 2007, before me, a Notary Public, in and for said County and State, personally appeared James C. Henslee and Katherine A. Henslee known or identified to me to be the President and Secretary, respectively, of SALMON FALLS LAND & LIVESTOCK COMPANY, also known as SALMON FALLS LAND & LIVESTOCK COMPANY, INC., formerly known as Salmon Falls Sheep Company, the corporation that executed the foregoing instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC OF IDAHO

Residing at Ketchum, ID

My commission expires: 9/18/2012

(http://salmonfalls.com corp Salmon Falls)

LEGAL DESCRIPTION
EXHIBIT 'A'

A PARCEL OF LAND LYING WITHIN THE NORTHEAST QUARTER OF THE NORTH HALF OF THE SOUTHEAST QUARTER, A PORTION OF THE SOUTH HALF OF THE SOUTHEAST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 10; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11; THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER AND A PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 7 NORTH, RANGE 14 EAST, BOISE MERIDIAN, CUSTER COUNTY, IDAHO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE GLO BRASS CAP MARKING THE SOUTHWEST CORNER OF SECTION 10, BEING BLAINE COUNTY GIS CONTROL POINT "ALT", WHICH POINT IS THE TRUE POINT OF BEGINNING;

THENCE N. 00° 27' 34" E., 1318.70 FEET ALONG THE WEST BOUNDARY OF SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, MARKED BY A USFS ALUMINUM CAP;

THENCE S. 89° 18' 42" E., 1317.10 FEET ALONG THE NORTH BOUNDARY OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, MARKED BY A USFS ALUMINUM CAP;

THENCE N. 00° 24' 25" E., 1319.89 FEET ALONG THE WEST BOUNDARY OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, MARKED BY A USFS ALUMINUM CAP;

THENCE N. 00° 23' 32" E. 1319.45 FEET ALONG THE WEST BOUNDARY OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, MARKED BY A USFS ALUMINUM CAP;

THENCE N. 00° 23' 50" E., 1319.43 FEET ALONG THE WEST BOUNDARY OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE

NORTHWEST QUARTER OF SECTION 10, MARKED BY THE USFS ALUMINUM CAP;

THENCE S. $89^{\circ} 23' 31''$ E., 1316.77 FEET ALONG THE NORTH BOUNDARY OF SECTION 10, TO THE NORTH QUARTER CORNER OF SECTION 10, MARKED BY A GLO BRASS CAP;

THENCE S. $89^{\circ} 20' 52''$ E. 2637.77 FEET ALONG THE NORTH BOUNDARY OF SECTION 10, TO THE NORTHEAST CORNER OF SECTION 10, MARKED BY A GLO BRASS CAP;

THENCE S. $00^{\circ} 29' 56''$ W., 2638.69 FEET ALONG THE EAST BOUNDARY OF SECTION 10, TO THE EAST QUARTER CORNER OF SECTION 10, MARKED BY A GLO BRASS CAP;

THENCE S. $00^{\circ} 30' 41''$ W., 1319.70 FEET ALONG THE EAST BOUNDARY OF SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 10, MARKED BY A USFS ALUMINUM CAP;

THENCE S. $89^{\circ} 31' 25''$ E., 1319.71 FEET ALONG THE NORTH BOUNDARY OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, MARKED BY A $5/8''$ REBAR BY PLS 7048;

THENCE S. $00^{\circ} 27' 58''$ W., 1322.46 FEET ALONG THE EAST BOUNDARY OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, MARKED BY A $5/8''$ REBAR BY PLS 7048;

THENCE N. $89^{\circ} 23' 41''$ W., 1320.30 FEET ALONG THE SOUTH BOUNDARY OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TO THE SOUTHWEST CORNER OF SECTION 11, MARKED BY THE GLO BRASS CAP;

THENCE N. $89^{\circ} 26' 03''$ W. 779.10 FEET ALONG THE SOUTH BOUNDARY OF SECTION 10, TO ITS INTERSECTION WITH AN ARC WITH A RADIUS 150 FEET LONGER THAN THAT SCRIBED BY THE OUTSIDE WHEEL TRACT OF AN EXISTING CENTER PIVOT MARKED BY A $5/8''$ REBAR BY PLS 7048;

THENCE 3854.40 FEET ALONG A NON-TANGENTIAL CURVE TO THE LEFT WITH A RADUIS OF 2197.63 FEET, A CENTRAL ANGLE OF $100^{\circ} 29' 26''$, A TANGENT OF 2641.92 FEET AND A CHORD OF 3379.03 FEET THAT BEARS S. $67^{\circ} 39' 39''$ W., BEING AN ARC WITH A RADIUS OF 150 FEET LONGER THAN THAT SCRIBED BY

THE OUTSIDE TRACT OF AN EXISTING CENTER PIVOT, TO A 5/8" REBAR BY
PLS 7048;

THENCE N. 89° 20' 23" W., 1374.75 FEET ALONG THE SOUTH BOUNDARY OF THE
NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 15 TO A 5/8" REBAR
BY PLS 7048;

THENCE N. 00° 41' 07" E., 1321.05 FEET ALONG THE WEST BOUNDARY OF
SECTION 15, TO THE TRUE POINT OF BEGINNING.

BASIS OF BEARINGS OF THIS DESCRIPTION IS IDAHO STATE PLANE
COORDINATE SYSTEM, NAD83 (1992), CENTRAL ZONE, AT GRID, US SURVEY
FEET.

THE DESCRIBED PARCEL IS SUBJECT TO A 132 FOOT WIDE RIGHT-OF-WAY
EASEMENT FOR STATE HIGHWAY NO. 75 TO BENEFIT ITD, THE SNRA AND THE
PUBLIC TRANSPORTATION AND UTILITY CORRIDOR AND A 66 FOOT WIDE
RIGHT-OF-WAY EASEMENT FOR ALTURAS LAKE ROAD TO BENEFIT THE
SNRA AND THE PUBLIC AS A TRANSPORTATION AND UTILITY COORIDOR.p

**ARTICLES OF ORGANIZATION
LIMITED LIABILITY COMPANY**

(Instructions on back of application)

FILED EFFECTIVE
03 MAY -8 PM 12:11
SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is: **SMILEY CREEK RANCH, LLC**
2. The address of the initial registered office is: **3024 Warm Springs Road, Ketchum, Idaho 83340**

and the name of the initial registered agent at that address is: **Wesley A. Wills**
3. The mailing address for future correspondence: **P.O. Box 7133, Ketchum, Idaho 83340**
4. Management of the limited liability company will be vested in:

Manager(s) ☐ or Member(s) ☒ (please check the appropriate box)
5. If management is vested in one or more manager(s), list the name(s) and address(es) of at least one initial manager. If management is vested in the members, list the name(s) and address(es) of at least one initial member.

Name:

Address:

Wesley A. Wills

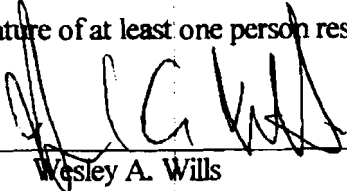
**P.O. Box 7133
Ketchum, ID 83340**

Wildlands, LLC

**P.O. Box 7133
Ketchum, ID 83340**

6. Signature of at least one person responsible for forming the limited liability company:

Signature


Wesley A. Wills

Capacity: Member

IDAHO SECRETARY OF STATE
05/08/2003 05:00
CK: 3198 CT: 169851 BH: 679452
1 @ 100.00 = 100.00 ORGAN LLC # 2

W 24106