

MEMORANDUM

To: Transfer 72849
From: Keith Franklin
Date: September 19, 2006
Re: Transfer Review Memo

Re: Evaluation of Sufficiency of Information Submitted

Authority to File

Applicant is owner of record of the two water rights being transferred, as per Water Rights Deeds 1975031 and 1975030, recorded in Kootenai County Idaho on August 25, 2005.

Water Right Validity

The water rights being transferred were filed as Statutory Claims for domestic purposes. A field exam made on July 11, 2006, by Keith Franklin and Greg Taylor verified the validity of the claims prior use. Water Right 95-9285, established in 1936, was for the original homestead and served a home that included the irrigation of lawn and garden under one half acre. Water Right 95-9286, established in 1943, served a smaller home, within 100 yards of the original homestead, that also included the irrigation of a lawn and garden under one half acre. Van Larson stated, at the time of the field exam, the springs have always produced adequate water to supply the needs under the water rights being transferred. In August 2004, a well was constructed (tag #D0033955) by Van and Judy Larson, to furnish domestic water to the two homes previously served by Water Rights 95-9285 and 95-9286. The supply lines from the springs were cut and capped near the location of the new well, at the time of the switch over. Water Rights 95-9285 and 95-9286 were then deeded by Van and Judy Larson to Karen and James Duddlesten in 2005.

Injury To Other Water Rights

No formal complaints have been submitted to IDWR as of the date of this filing. However, one other property owner, Nancy Carlson has filed a Statutory Claim (95-9331) for domestic purposes on the same two springs, claiming the springs have been used to serve her home since 1968. A "Two Springs Reservoir Agreement", dated August 3, 2004 and signed by all parties, including Nancy Carlson, indicates there aren't any apparent issues, if all parties were utilizing the springs at the same time. Now that Van and Judy Larson have switched over to a well, the IDWR cannot foresee any injury to the remaining two parties claiming rights on the springs, since the usage will go from three homes down to two.

Enlargement Of Use

Application for transfer is limited to the annual volume and rate of Water Rights 95-9285 and 95-9286. No expansion is anticipated to occur.

Local Public Interest

The "Public" will be served by the granting of this transfer.

Beneficial Use/Conservation Of Water Resources

Review of the application finds no inconsistency with criteria set forth in Section 42-222, Idaho Code, preventing processing of this application.

Shape Drawing

Shape was drawn using legal description, since no tax lot existed in ArcView. The shape was also drawn on the USGS overlay, which seemed to be the most accurate representation for the place of use and point of diversion, since there was such a discrepancy between the PLS, Aerial Photograph and USGS Overlay within the ArcView program.

Spring Use Explanation

Exhibit A represents what was in existence when Van Larson filed Statutory Claim 95-9286 and 95-9286. Two springs, which are relative close to one another, were plumbed into a common spring box that first served the original homestead, Larson House #1, with a claimed priority date of 3/24/36. The second Larson home was later hooked up to the system as per Statutory Claim 95-9286 with a claimed priority date of 9/5/43. The original system was established by Van Larson's father, who is Karen Duddleston's (Larson) grandfather. At this point in time it's difficult to tell of one or both springs were developed at the same time. From the looks of the age of the structures at each spring and the spring box during the field exam, they were probably developed at the same time and diverted into one common spring box.

Exhibit B represents a third claim to the springs by Nancy Carlson, who is Van Larson's sister and Karen Duddleston's aunt, with a Statutory Claimed priority date of 12/31/68 (95-9331). This claim was filed with the IDWR earlier this year and is currently being protested. The use claimed is for domestic purposes only.

Exhibit C represents the current situation. Through the distribution of land in the estate of Karen Duddleston's grandparents, Karen was deeded a portion of the estate that contains the two springs and where she and her husband built a new home. At about the same time, Van Larson drilled a well to supply the two homes on his property, cut and capped the water supply line from the two springs, as shown on the exhibit, because the springs were no longer needed. Karen Duddleston intends to utilize the two springs to supply her new home with domestic water, mainly for lawn and garden purposes and to supplement a well that serves the house since it's low on capacity. Nancy Carlson, as mentioned before, is also claiming a right to use the springs. There may be some question as to whether Nancy Carlson abandoned her right on the springs, but that will all be dealt with in the protest hearings. As far as injury is concerned, I don't believe there is any, since the number of homes served from the springs will drop from three to two. Also, the transfer would not enlarge either of the water right claims 95-9285 or 95-9286.

Exhibit A

A hand-drawn map of Section 11, which is a rectangular area divided into four quadrants by a horizontal line (Section 12 to the north, Section 10 to the south) and a vertical line (Section 12 to the east, Section 10 to the west). The map shows the following features:

- Top Right (NE Quadrant):** Two springs, "Spring #1" and "Spring #2", are located near the top boundary. Arrows point from each spring to a "Spring Box" (a square) located just below the springs. A line with an arrow points from the Spring Box down towards the center of the section.
- Center:** The intersection of the horizontal and vertical lines is labeled "Sec. 11" in the center. "Sec. 2" is labeled to the north of the intersection, and "Sec. 12" is labeled to the east of the intersection.
- Bottom Left (SW Quadrant):** Two "Lagoon House" structures (squares) are shown. The top one is labeled "Lagoon House #1" and "Water Right 95-9885". The bottom one is labeled "Lagoon House #2" and "Water Right 95-9886". Arrows point from each house towards the center of the section.
- Bottom Right:** A long, narrow, irregular shape, possibly a lagoon or a field, is drawn.



Exhibit B

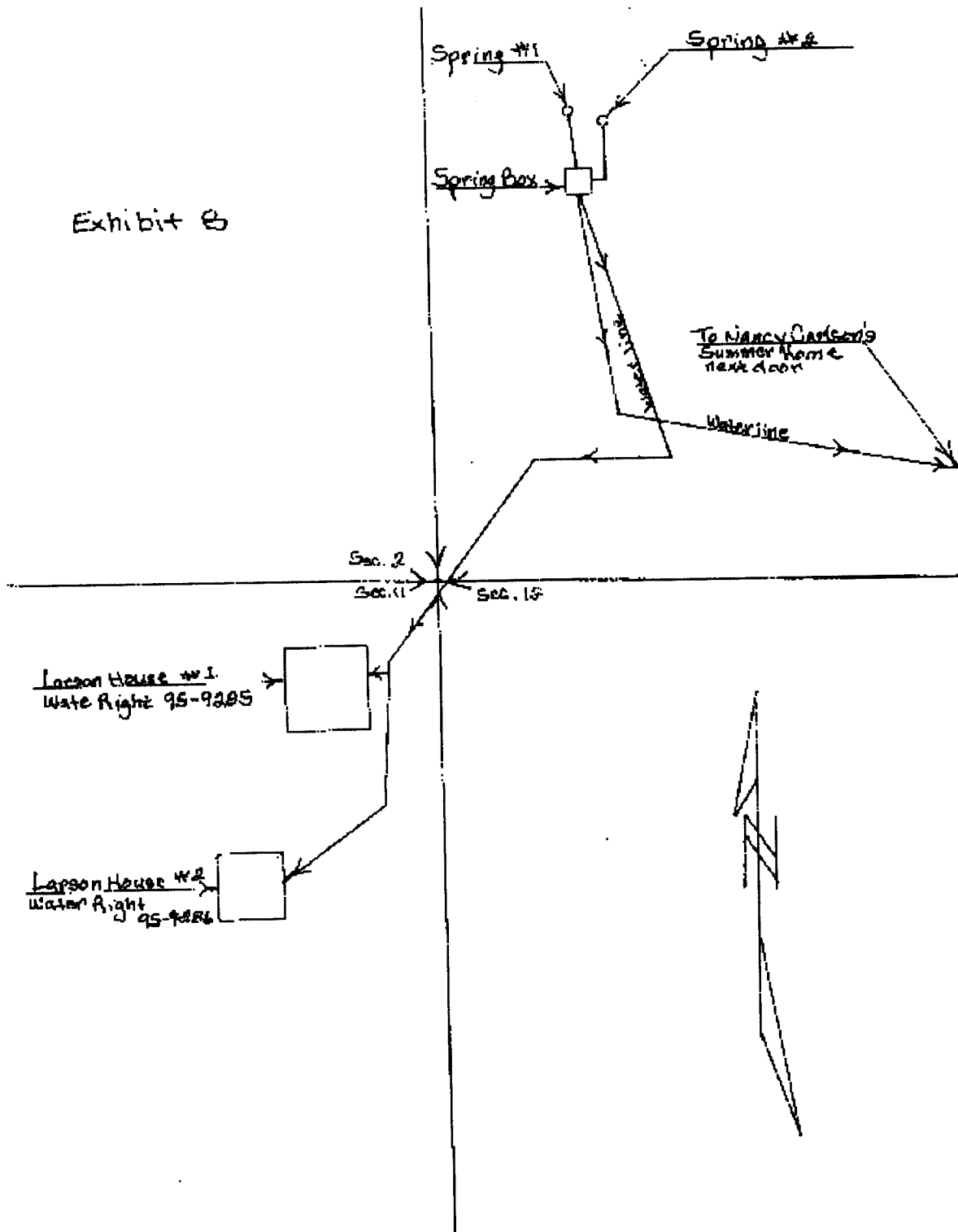


Exhibit C

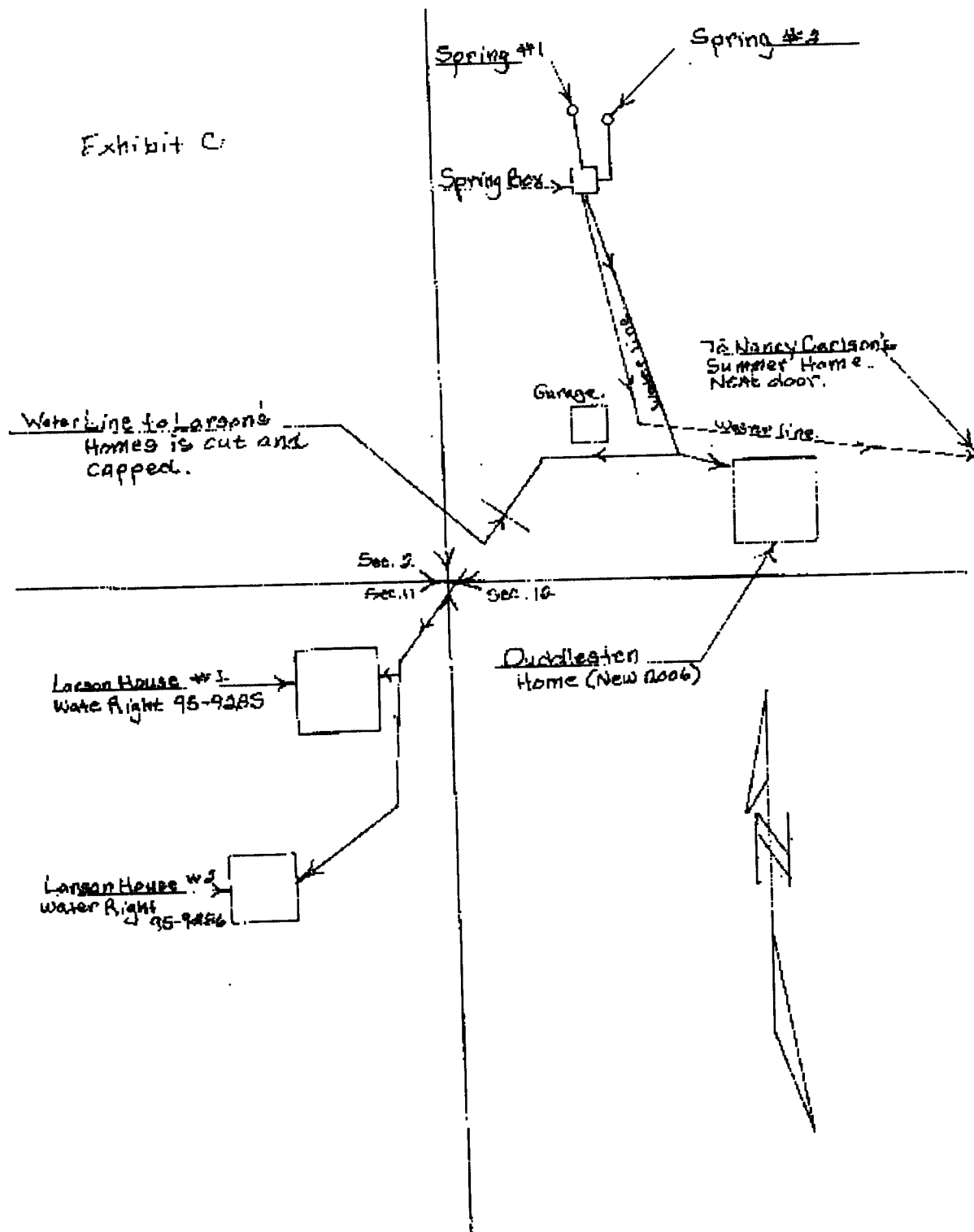






Image © 2006 DigitalGlobe

© 2005 Google





Homestead House 95-9285
Van and Judy Larson

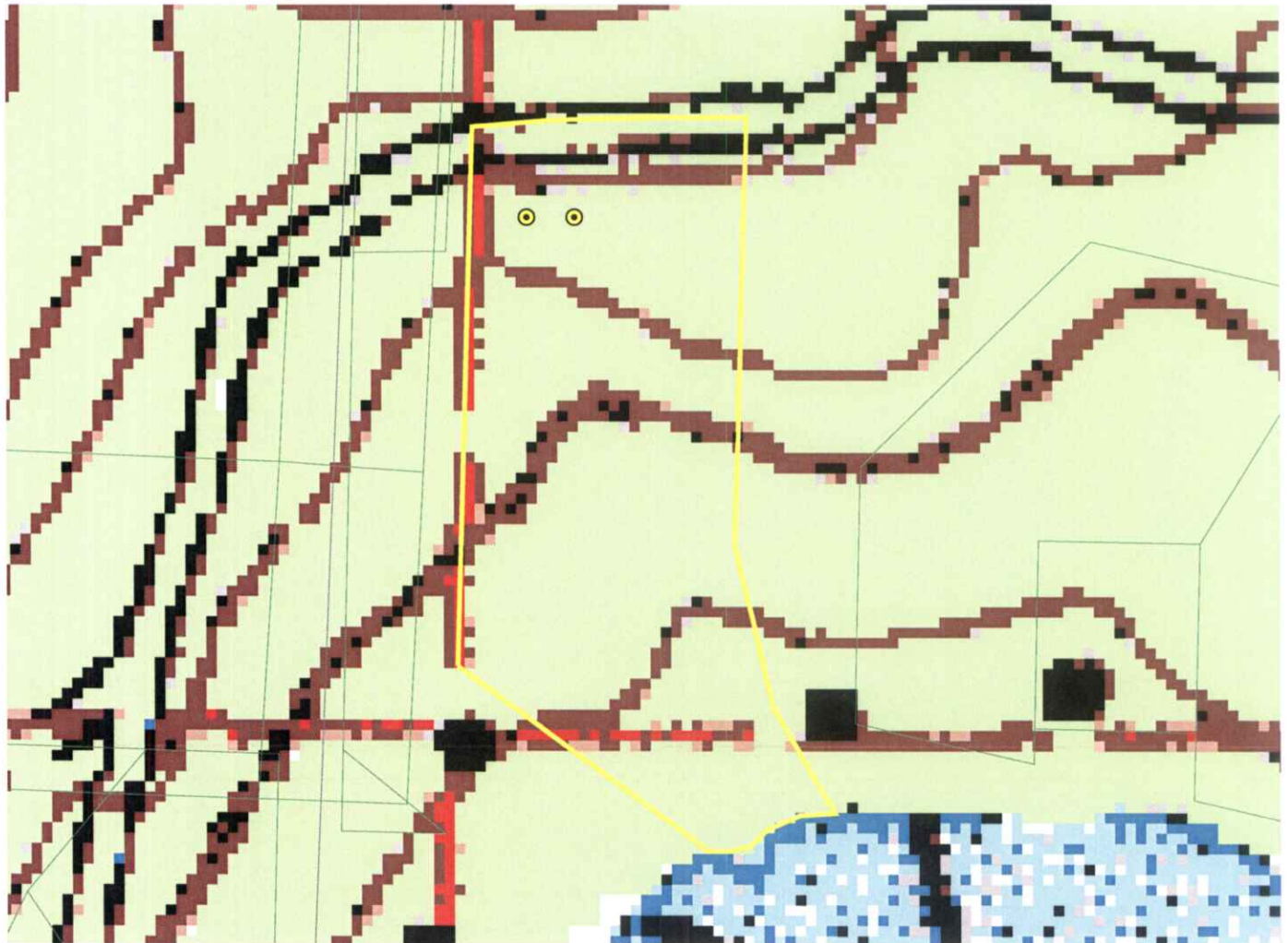


Second Smaller House
95-9286
Van and Judy Larson

New Well that replaces
95-9285 and
95-9486



Transfer #72849



0.04 0 0.04 0.08 Miles

-  Kootenai taxlots
-  GCDB49N04W GCDB
-  Pou.shp
-  Pod.shp
-  Administrative BasinsAdminbas.shp



Transfer #72849



0.04 0 0.04 0.08 Miles

-  Kootenai taxlots
-  GCDB49N04W GCDB
-  Pou.shp
-  Pod.shp
-  Administrative BasinsAdminbas.shp



TOTAL	
①	
②	
③	
④	
⑤	



Karen Duddelson

676-1876



1975030

WATER RIGHTS DEED

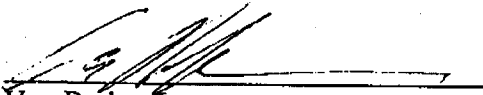
RECEIVED
AUG 03 2006
IDWR/North

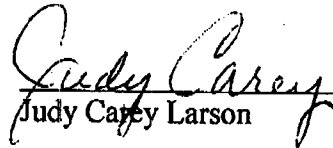
THIS DEED, made May 25, 2005 by VAN BARKER LARSON AND JUDY CAREY LARSON, the owners of record of the property commonly known as 1676 W. Valhalla Road, Coeur d'Alene, Idaho and described in Exhibit "A", GRANTOR, to:

JAMES and KAREN DUDDLESTEN, owners of record of 1728 W. Swede Bay Road, Coeur d'Alene, Idaho and legally described in Exhibit "B"

GRANTORS, for consideration received sells and conveys to the GRANTEE all the historic diversion water rights to a spring lying on the property described in Exhibit "B" in the South West Corner of Section 1, Township 49, Range 4 West, B.M, which were applied to beneficial use in 1935 with the establishment of a residence by the owner of the GRANTOR'S property described in Exhibit "A" and used continuously until the signing of this deed. Together with the specific Water Rights granted to Van Barker Larson to the spring described as located on Tax Parcel #6100 in Case No. 88415 dated August 4, 2004 in the District Court of Kootenai County Idaho.

Dated: _____


Van Barker Larson


Judy Carey Larson

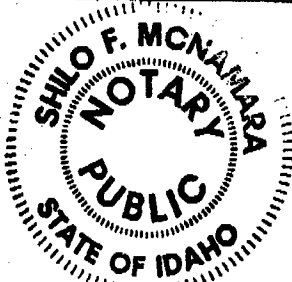
STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF Karen Larson Duddleston

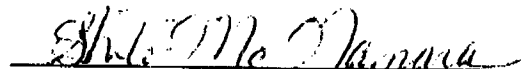
2005 AUG 25 A 11:23

DANIEL J. ENGLISH DEPUTY 24
FEES _____

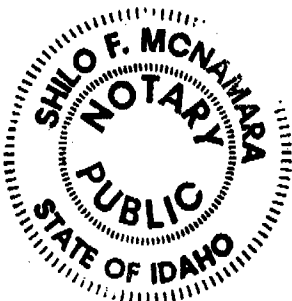
STATE OF Idaho
County of Kootenai :SS

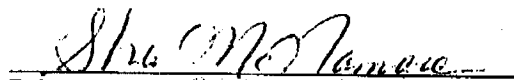
I certify that I know or have satisfactory evidence that Van Barker Larson is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated June 15 2005

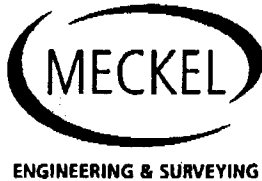

Print Name Shilo F. McNamara
Notary Public in and for the State of Idaho
Residing at Coeur d'Alene, ID
Commission expires: 10/12/2010

I certify that I know or have satisfactory evidence that Judy Carey Larson is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

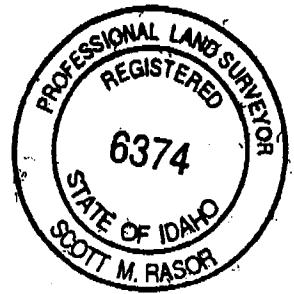
Dated June 15 2005


Print Name Shilo F. McNamara
Notary Public in and for the State of Idaho
Residing at Coeur d'Alene, ID
Commission expires: 10/12/2010

1901113
1975030



MECKEL ENGINEERING & SURVEYING
3906 N. Schreiber Way
Coeur d'Alene, ID 83815
Office 208-667-4638 • Fax 208-664-3347
www.meckel.com



September 16, 2004

Sec.12, T49N, R4W

Scott M. Rasor
9/16/04

**LARSON TRUST PORTION OF PARCEL 3
VAN LARSON
LEGAL DESCRIPTION**

A parcel of land being that portion of Government Lot 1, Section 12, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, bounded on the West by the West line of said Section 12, on the East by Lake Coeur d'Alene, on the North by the Southerly boundary of Tax Number 8357 as described in Deed on file in book 178 at Page 498 and on the South by the North line of Tax Number 1769 as described in Deed on file in book 99 at Page 318, more particularly described as follows:

Beginning at the established Northeast corner of said Section 11, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1891703, from which the Meander Corner, between Sections 11 and 12, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1900569, bears South 01°08'13" East, a distance of 387.21 feet;

thence along the Southerly boundary line of said Tax Number 8357, South 60°48'41" East, a distance of 216.38 feet to the shore of Lake Coeur d'Alene, monumented with an iron rod, 5/8 inch diameter, 30 inches long, with a plastic cap marked PLS 6374;

thence along the shore of Lake Coeur d'Alene, South 34°13'48" West, a distance of 8.27 feet;

thence leaving said shore line, South 88°51'47" West, a distance of 181.99 feet to an iron pipe, 3/4 inch diameter, on the West line of said Section 12;

thence along the West line of said Section 12, North 01°08'13" West, a distance of 116.00 feet to the Point of Beginning, containing 0.263 acres of land more or less;

Subject to:

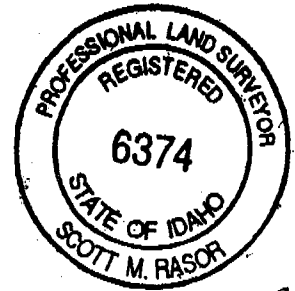
Any existing easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view.

1901113
1975030

EXHIBIT A



MECKEL ENGINEERING & SURVEYING
3906 N. Schreiber Way
Coeur d'Alene, ID 83815
Office 208-667-4638 • Fax 208-664-3347
www.meckel.com



September 16, 2004

Sec.12, T49N, R4W

Scott M. Rasor
9/16/04

LARSON TRUST PARCEL 4
VAN LARSON
LEGAL DESCRIPTION

A tract of land being a portion of Tax Number 1769, as described in Deed on file in Book 99 at Page 318, situated in Government Lot 1, Section 12, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Commencing at the established Northeast corner of said Section 11, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1891703, from which the Meander Corner, between Sections 11 and 12, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1900569, bears South 01°08'13" East, a distance of 387.21 feet;

thence along the West line of said Section 12, South 01°08'13" East, a distance of 116.00 feet to an iron pipe, 3/4 inch diameter, the Point of Beginning,

thence leaving said Section line, North 88°51'47" East, a distance of 181.99 feet to an iron rod, 5/8 inch diameter, 30 inches long, with a plastic cap marked PLS 6374 on the shore of Lake Coeur d'Alene;

thence along the shore of Lake Coeur d'Alene the following twenty (20) courses:

- 1) South 34°13'48" West, a distance of 3.45 feet;
- 2) thence South 32°28'03" West, a distance of 4.01 feet;
- 3) thence South 19°49'20" West, a distance of 17.83 feet;
- 4) thence South 23°01'32" East, a distance of 16.09 feet;
- 5) thence South 49°19'28" East, a distance of 29.16 feet;
- 6) thence South 11°44'49" East, a distance of 6.92 feet;
- 7) thence South 69°13'21" West, a distance 40.21 feet;
- 8) thence South 38°17'09" West, a distance of 36.51 feet;
- 9) thence South 28°48'11" West, a distance of 53.39 feet;
- 10) thence South 31°26'24" West, a distance of 32.16 feet;
- 11) thence South 10°38'34" East, a distance of 14.63 feet;
- 12) thence South 34°30'00" East, a distance of 16.35 feet;
- 13) thence South 51°01'00" East, a distance of 19.26 feet;

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Larson Trust – Van Larson

Parcel 4

September 16, 2004

Page 2 of 2

- 14) thence South 04°15'27" West, a distance of 5.13 feet;
- 15) thence North 84°22'06" West, a distance of 18.28 feet;
- 16) thence South 45°12'45" West, a distance of 34.17 feet;
- 17) thence South 22°26'07" West, a distance of 26.64 feet;
- 18) thence South 36°00'22" East, a distance of 17.90 feet;
- 19) thence South 34°08'05" West, a distance of 21.52 feet;
- 20) thence South 02°53'50" East, a distance of 4.72 feet to an iron rod, 5/8 inch diameter, 30 inches long, with a plastic cap marked PLS 6374;

thence leaving said shore line North 49°22'38" West, along the Northern boundary of Tax Number 6421 as described in Deed on file at Book 13 at Page 112, a distance of 87.76 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374 on the section line between Sections 11 and 12;

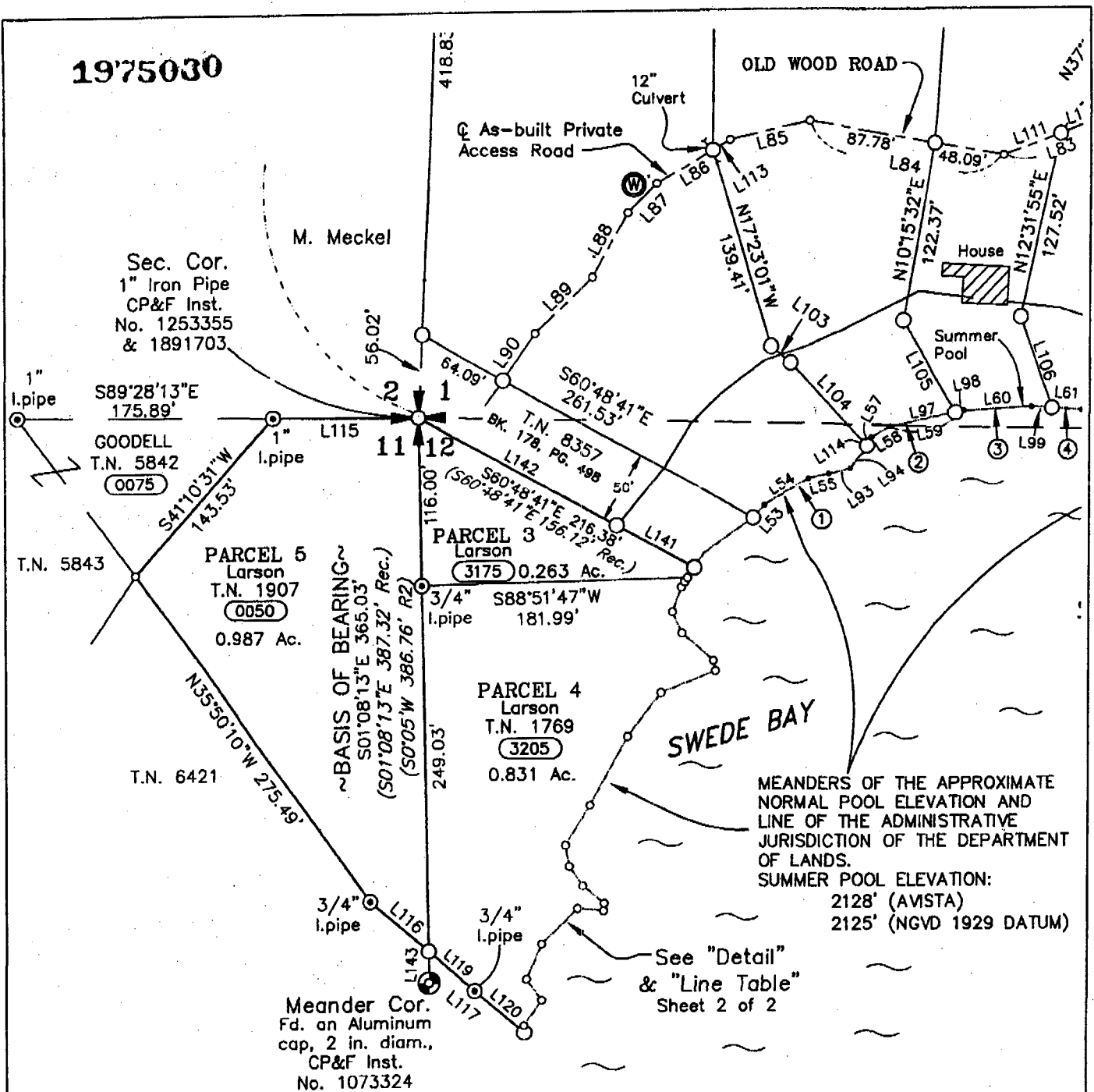
thence along said section line North 01°08'13" West, a distance of 249.03 feet to the Point of Beginning, containing 0.831 acres of land more or less;

Subject to:

Any existing easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view.

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LEGAL DESCRIPTION EXHIBIT

A PORTION OF TAX NO. 1769, GOV'T. LOT 1, SEC. 12, A PORTION OF TAX NO. 1907, GOV'T. LOT 1, SEC. 11 & A PORTION OF GOV'T. LOT 1, SEC. 12, ALL LYING IN T49N., R4W., B.M., KOOTENAI COUNTY, IDAHO



MECKEL ENGINEERING & SURVEYING

3008 N. SCHREIBER WAY, COEUR D'ALENE, IDAHO 83815 (208)867-4638 Fax: (208)864-3347

SCALE: 1" = 100'

DATE: SEPT. 16, 2004

REVISED:

DRAWN BY: SAQ

CHECKED BY:

CREW: CVF & ZJH

JOB NO.: DUD04.117

DWG: DUD04117X.DWG

SHEET: 1 OF 2

1901113 1975030

PARCEL 3

LARSON

3175

LINE TABLE

LINE	BEARING	LENGTH
L115	N89°28'13"W	99.79
L116	N49°22'38"W	53.00
L117	S49°22'38"E	87.76
L118	S02°53'50"E	4.72
L119	S49°22'38"E	42.99
L120	S49°22'38"E	44.77
L121	S34°08'05"W	21.52
L122	S36°00'22"E	17.90
L123	S22°26'07"W	26.64
L124	S45°12'45"W	34.17
L125	S84°22'06"E	18.28
L126	S04°15'27"W	5.13
L127	S51°01'00"E	19.26
L128	S34°30'00"E	16.35
L129	S10°38'34"E	14.63
L130	S31°26'24"W	32.16
L131	S28°48'11"W	53.39
L132	S38°17'09"W	36.51
L133	S69°13'21"W	40.21
L134	S11°44'49"E	6.92
L135	S49°19'28"E	29.16
L136	S23°01'32"E	16.09
L137	S19°49'20"W	17.83
L138	S32°28'03"W	4.01
L139	S34°13'48"W	3.45
L140	S34°13'48"W	8.27
L141	S60°48'41"E	60.11
L142	S60°48'41"E	156.27
L143	S01°08'13"E	22.18

PARCEL 4
LARSON
T.N. 1769

3205

MEANDERS OF THE APPROXIMATE
NORMAL POOL ELEVATION AND
LINE OF THE ADMINISTRATIVE
JURISDICTION OF THE DEPARTMENT
OF LANDS.
SUMMER POOL ELEVATION:
2128' (AMSTA)
2125' (NGVD 1929 DATUM)

SWEDE BAY

LAKE COEUR D'ALENE

LEGAL DESCRIPTION EXHIBIT

A PORTION OF TAX NO. 1769, GOV'T. LOT 1, SEC. 12, A PORTION OF TAX NO. 1907, GOV'T. LOT 1, SEC. 11 &
A PORTION OF GOV'T. LOT 1, SEC. 12, ALL LYING IN T49N., R4W., B.M.,
KOOTENAI COUNTY, IDAHO



**MECKEL ENGINEERING
& SURVEYING**

3806 N. SCHREIBER HWY., COEUR D'ALENE, IDAHO 83815 (208) 667-4638 fax: (208) 664-3347

SCALE: 1" = 40'

DATE: SEPT. 16, 2004

REVISED:

DRAWN BY: SAQ

CHECKED BY:

CREW: CVF & ZJH

JOB NO.: DUD04.117

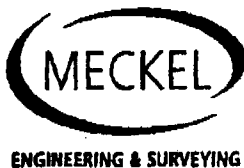
DWG: DUD04117X.DWG

SHEET: 2 OF 2

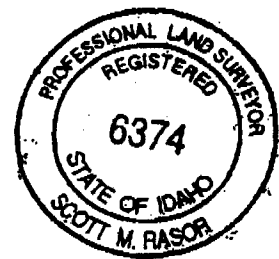
1975030

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EXHIBIT "B"



MECKEL ENGINEERING & SURVEYING
3906 N. Schreiber Way
Coeur d'Alene, ID 83815
Office 208-667-4638 • Fax 208-664-3347
www.meckel.com



August 5, 2004

Sec.1 and Sec.12, T49N, R4W

Scott M. Rasor
8/5/04

LARSON TRUST TRACT 1
LEGAL DESCRIPTION

A tract of land being a portion of Tax Number 9502, as described in Deed on file under Instrument Number 119414, situated in the Southwest Quarter of the Southwest Quarter of Section 1, Township 49 North, Range 4 West and a portion of Government Lot 1, Section 12, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Commencing at the Southwest corner of said Section 1, monumented according to Corner Perpetuation and Filing Record form on file under Instrument Number 1891703 from which the Meander Corner between Sections 11 and 12, monumented according to the Corner Perpetuation and Filing Record form on file under Instrument Number 1073324, bears South 01°08'13" East, a distance of 387.32 feet;

thence along the West line of said Section 1, North 02°22'31" East, a distance of 56.02 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374, the Point of Beginning;

thence continuing along said West line, North 02°22'31" East, a distance of 418.83 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of Swede Bay Road (formerly known as Lindsay Road);

thence along the centerline of said Swede Bay Road the following four (4) courses:

1. along the arc of a non-tangent curve right which is concave to the Southeast, the radius point bearing South 41°42'39" East a distance of 60.24 feet, with a central angle of 33°21'15" an arc distance of 35.07 feet and having a chord bearing and distance of North 64°57'50" East, 34.57 feet;
2. thence North 75°25'42" East, a distance of 79.72 feet to a point of curvature;
3. thence along the arc of a curve right which is concave to the South having a radius of 170.00 feet, through a central angle of 25°19'44" an arc distance of 75.15 feet and having a chord bearing and distance of North 88°05'36" East, 74.54 feet to a point of tangency;
4. thence South 79°14'24" East, a distance of 2.43 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence leaving said road centerline, South 00°41'37" West, a distance of 332.43 feet to an iron rod,

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Larson Trust
Tract 1
August 5, 2004
Page 2 of 2

5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of the Old Wood Road;

thence South 17°23'01" East, a distance of 139.41 feet to an iron rod, 5/8 inch diameter, 30 inches long with a plastic cap marked PLS 6374;

thence South 51°18'38" East, a distance of 17.41 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence South 43°08'10" East, a distance of 77.73 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374 on the shore of Lake Coeur d' Alene at approximate Summer Pool, 2128 Avista Elevation;

thence along said shore line at approximate Summer Pool the following six (6) courses:

1. South 27°59'39" West, a distance of 4.25 feet;
2. thence South 38°28'48" West, a distance of 15.30 feet;
3. thence South 75°07'37" West, a distance of 15.30 feet;
4. thence South 77°09'44" West, a distance of 14.40 feet;
5. thence South 59°34'24" West, a distance of 35.38 feet;
6. thence South 41°42'24" West, a distance of 11.92 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374;

thence leaving said shore line, North 60°48'41" West, a distance of 261.53 feet, along the common Northeasterly line of the 50 foot strip referred to in Quitclaim Deed 1635752, to the Point of Beginning, containing 2.465 acres of land more or less;

Subject to:

Any existing Easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view including right-of-way for existing Swede Bay Road and the Old Wood Road.

1892427

1901084

AFTER RECORDING RETURN TO: **Kootenai County Title Co.**

Frederic G. Emry, II
 Paine, Hamblen, Coffin, Brooke & Miller LLP
 1200 Washington Trust Financial Center
 717 West Sprague Avenue
 Spokane, WA 99201-3505

STATE OF IDAHO
 COUNTY OF KOOTENAI
 AT THE REQUEST OF

2004 SEP 16 P 2:48

DANIEL J. ENGLISH

DEPUTY

FEES

36.00

STATE OF IDAHO
 COUNTY OF KOOTENAI
 AT THE REQUEST OF

*Brown, Justin +
 Romero*

2004 AUG -4 A 11:14

DANIEL J. ENGLISH

DEPUTY

FEES

30.00

Being Re-recorded to correct Grantee name and legal description.

Special Warranty Deed

VAN BARKER LARSON, individually; VAN BARKER LARSON, Personal Representative of the Estate of Henry Edward Larson, Deceased, under Case No. 88415, District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai; VAN BARKER LARSON, Personal Representative of the Estate of Nancy Mae Larson, Deceased, under Case No. CV-04-2250, District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai; VAN BARKER LARSON, GAIL LINNEA LARSON and NANCY LYN LARSON CARLSON, as the sole remaining Co-Trustees of the Henry Edward Larson Residuary Trust created under the Last Will and Testament of Henry Edward Larson dated September 30, 1973; together herein the GRANTORS, for and in consideration of the distribution of trust and estate assets, and pursuant to that certain Settlement Agreement in the Estate of Henry Edward Larson, Deceased, under Case No. 88415, District Court of the First Judicial District of the State of Idaho, in and for the County of Kootenai, hereby grant, bargain, convey, and transfer to **KAREN ELIZABETH DUDDLESTEN**, as her sole and separate property, herein the GRANTEE, whose address is 1912 Glenview Drive, Las Vegas, NV 89134, the following-described real property situated in the County of Kootenai, State of Idaho:

*DUDDLESTEN

See Exhibit "A" attached hereto and made a part hereof.

TOGETHER WITH an easement for ingress, egress and utilities over, under and across Swede Bay Road as it now exists; RESERVING UNTO the Grantors herein, their successors and assigns the right and power to convey rights-of-way for ingress, egress and utility purposes over said right-of-way to other persons.

~~TOGETHER WITH a license for the use of Old Wood Road for a period of two years from the date of the recording of this Deed for construction purposes so long as such usage does not damage the road nor impair the use of Old Wood Road.~~

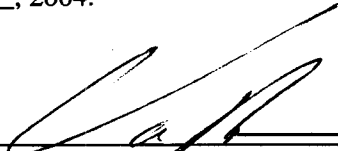
SUBJECT TO: Easements, encumbrances, reservations, covenants, conditions and restrictions of record.

1892427

1901084

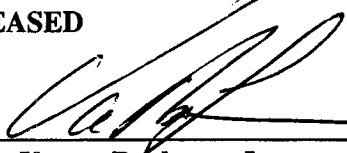
The Grantors, for themselves, and for their successors in interest, do by these presents limit the covenants of the Deed to those herein expressed, and exclude all covenants arising or to arise by statutory or other implication, and do hereby covenant that against all persons whomsoever lawfully claiming or to claim by, through or under said Grantors, and not otherwise, they will forever warrant and defend the said described real estate.

DATED this 4 day of August, 2004.



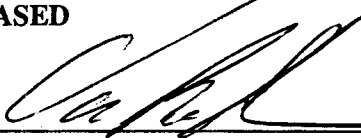
Van Barker Larson, Individually

ESTATE OF HENRY EDWARD LARSON,
DECEASED

By 

Van Barker Larson, Personal
Representative

ESTATE OF NANCY MAE LARSON,
DECEASED

By 

Van Barker Larson, Personal
Representative

1892427

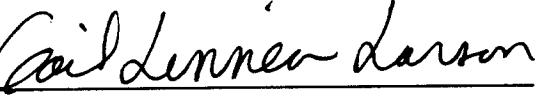
1901084

THE HENRY EDWARD LARSON
RESIDUARY TRUST

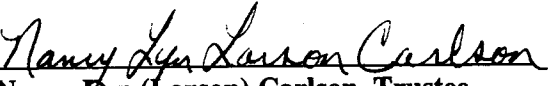
By


Van Barker Larson, Trustee

By


Gail Linnea Larson, Trustee

By


Nancy Lyn (Larson) Carlson, Trustee

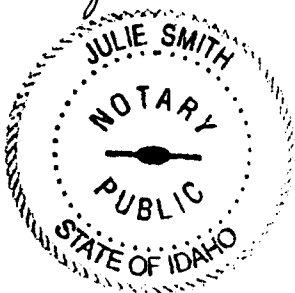
1892427

1901084

STATE OF Idaho)
County of Kootenai) : ss.

I certify that I know or have satisfactory evidence that **Van Barker Larson** is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: August 4, 2004.

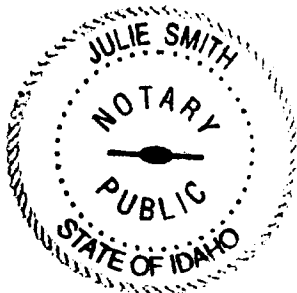


Julie Smith
Print Name: Julie Smith
Notary Public in and for the State of
Idaho,
residing at Post Falls
My commission expires: 7/15/08

STATE OF Idaho)
County of Kootenai) : ss.

I certify that I know or have satisfactory evidence that **Van Barker Larson** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as **Personal Representative of THE ESTATE OF HENRY EDWARD LARSON, DECEASED**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument, and that Letters Testamentary authorizing him to act on behalf of said Estate are still in full force and effect.

Dated: August 4, 2004.



Julie Smith
Print Name: Julie Smith
Notary Public in and for the State of
Idaho,
residing at Post Falls
My commission expires: 7/15/08

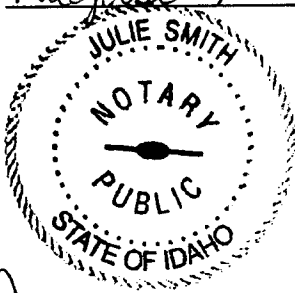
1892427

1901084

STATE OF Idaho)
 County of Kootenai) : ss.

I certify that I know or have satisfactory evidence that **Van Barker Larson** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as **Personal Representative of THE ESTATE OF NANCY MAE LARSON, DECEASED**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument, and that Letters Testamentary authorizing him to act on behalf of said Estate are still in full force and effect.

Dated: August 4, 2004.

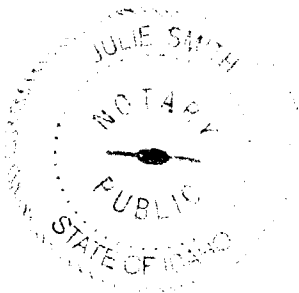


Julie Smith
 Print Name: Julie Smith
 Notary Public in and for the State of Idaho,
 residing at Post Falls
 My commission expires: 7/15/08

STATE OF Idaho)
 County of Kootenai) : ss.

I certify that I know or have satisfactory evidence that **Van Barker Larson** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a **Trustee of THE HENRY EDWARD LARSON RESIDUARY TRUST, created under the Last Will and Testament of Henry Edward Larson dated September 30, 1973**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: August 4, 2004.



Julie Smith
 Print Name: Julie Smith
 Notary Public in and for the State of Idaho,
 residing at Post Falls
 My commission expires: 7/15/08

1892427

1901084

STATE OF New York)
 : ss.
 County of Orange)

I certify that I know or have satisfactory evidence that **Gail Linnea Larson** is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a **Trustee of THE HENRY EDWARD LARSON RESIDUARY TRUST, created under the Last Will and Testament of Henry Edward Larson dated September 30, 1973**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

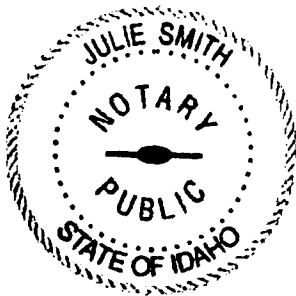
Dated: July 23, 2004.

Janette M. Armstrong
 Print Name: Janette M. Armstrong
 Notary Public in and for the State of NY
 residing at Springfield Ct., New York
 My commission expires: 11-16-2008

STATE OF Idaho)
 : ss.
 County of Kootenai)

I certify that I know or have satisfactory evidence that **Nancy Lyn (Larson) Carlson** is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a **Trustee of THE HENRY EDWARD LARSON RESIDUARY TRUST, created under the Last Will and Testament of Henry Edward Larson dated September 30, 1973**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: August 4, 2004.



Julie Smith
 Print Name: Julie Smith
 Notary Public in and for the State of Idaho
 residing at Post Falls
 My commission expires: 7/15/08

1892427

1901084

EXHIBIT A



ENGINEERING & SURVEYING

MECKEL ENGINEERING & SURVEYING

3906 N. Schreiber Way

Coeur d'Alene, ID 83815

Office 208-667-4638 • Fax 208-664-3347

www.meckel.com



August 4, 2004

Sec.1, T49N, R4W

8/4/04

**LARSON TRUST TRACT 1
LEGAL DESCRIPTION**

A tract of land being a portion of Tax Number 9502, as described in Deed on file under Instrument Number 119414, situated in the Southwest Quarter of the Southwest Quarter of Section 1, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Commencing at the Southwest corner of said Section 1, monumented according to Corner Perpetuation and Filing Record form on file under Instrument Number 1891703 from which the Meander Corner between Sections 11 and 12, monumented according to the Corner Perpetuation and Filing Record form on file under Instrument Number 1073324, bears South $01^{\circ}08'13''$ East, a distance of 387.32 feet;

thence along the West line of said Section 1, North $02^{\circ}22'31''$ East, a distance of 56.02 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374, the Point of Beginning;

thence continuing along said West line, North $02^{\circ}22'31''$ East, a distance of 418.83 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of Swede Bay Road (formerly known as Lindsay Road);

thence along the centerline of said Swede Bay Road the following four (4) courses:

1. along the arc of a curve right which is concave to the Southeast having a radius of 60.24 feet through a central angle of $33^{\circ}21'15''$ an arc distance of 35.07 feet and having a chord bearing and distance of North $64^{\circ}57'50''$ East, 34.57 feet, to a point of tangency;
2. thence North $75^{\circ}25'42''$ East, a distance of 79.72 feet to a point of curvature;
3. thence along the arc of a curve right which is concave to the South having a radius of 170.00 feet, through a central angle of $25^{\circ}19'44''$ an arc distance of 75.15 feet and having a chord bearing and distance of North $88^{\circ}05'36''$ East, 74.54 feet to a point of tangency;
4. thence South $79^{\circ}14'24''$ East, a distance of 2.43 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence leaving said road centerline, South $00^{\circ}41'37''$ West, a distance of 332.43 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of the Old Wood Road;

1892427

1901084

Larson Trust
Tract 1
August 4, 2004
Page 2 of 2

thence South 17°23'01" East, a distance of 139.41 feet to an iron rod, 5/8 inch diameter, 30 inches long with a plastic cap marked PLS 6374;

thence South 51°18'38" East, a distance of 17.41 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence South 43°08'10" East, a distance of 77.73 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374 on the shore of Lake Coeur d' Alene at approximate Summer Pool, 2128 Avista Elevation;

thence along said shore line at approximate Summer Pool the following six (6) courses:

1. South 27°59'39" West, a distance of 4.25 feet;
2. thence South 38°28'48" West, a distance of 15.30 feet;
3. thence South 75°07'37" West, a distance of 15.30 feet;
4. thence South 77°09'44" West, a distance of 14.40 feet;
5. thence South 59°34'24" West, a distance of 35.38 feet;
6. thence South 41°42'24" West, a distance of 11.92 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374;

thence leaving said shore line, North 60°48'41" West, a distance of 261.53 feet to the Point of Beginning, containing 2.465 acres of land more or less;

Subject to:

Any existing Easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view including right-of-way for existing Swede Bay Road and the Old Wood Road.

1975031

WATER RIGHTS DEED

RECEIVED RECEIVED
AUG 03 2006 AUG 03 2006
IDWR/North IDWR/North

THIS DEED, made May 25, 2005 by VAN BARKER LARSON AND JUDY CAREY LARSON, the owners of record of the property commonly known as Larson Parcel 5, Tax Number 1907, as described in the Deed on file in Book 107 at Page 587, situated in Government Lot 1, Section 11, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho and described in Exhibit "A", GRANTOR, to:

JAMES and KAREN DUDDLESTEN, owners of record of 1728 W. Swede Bay Road, Coeur d'Alene, Idaho and legally described in Exhibit "B"

GRANTORS, for consideration received sells and conveys to the GRANTEE all the historic diversion water rights to a spring lying on the property described in Exhibit "B" in the South West Corner of Section 1, Township 49, Range 4 West, B.M. which were applied to beneficial use in 1943 with the establishment of a residence by the owner of the GRANTOR'S property described in Exhibit "A" and used continuously until the signing of this deed. Together with the specific State of Idaho Claim to A Water Right Number 95-9286 dated June 20, 2005.

Dated: 8/15/05

[Signature]
Van Barker Larson

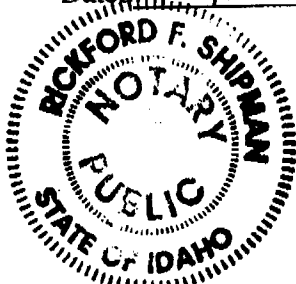
Judy Carey Larson
Judy Carey Larson

STATE OF Idaho

County of Kootenai :SS

I certify that I know or have satisfactory evidence that Van Barker Larson is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated 8/15 2005



Rick F. Shipman
Print Name

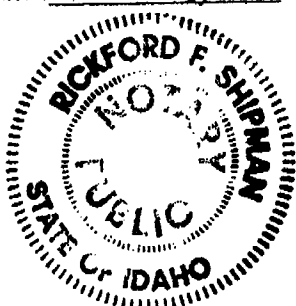
Notary Public in and for the State of Idaho

Residing at Kootenai

Commission expires: 10/12/10

I certify that I know or have satisfactory evidence that Judy Carey Larson is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated 8/15 2005



Rick F. Shipman
Print Name

Notary Public in and for the State of Idaho

Residing at Kootenai

Commission expires: 10/12/10

1975031
1901113

EXHIBIT A



MECKEL ENGINEERING & SURVEYING
3906 N. Schreiber Way
Coeur d'Alene, ID 83815
Office 208-667-4638 • Fax 208-664-3347
www.meckel.com



September 16, 2004

Sec.11, T49N, R4W

Scott M. Rasor
9/16/04

LARSON TRUST PARCEL 5
VAN LARSON
LEGAL DESCRIPTION

A parcel of land being a portion of Tax Number 1907, as described in Deed on file in Book 107 at Page 587, situated in Government Lot 1, Section 11, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at the established Northeast corner of said Section 11, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1891703, from which the Meander Corner, between Sections 11 and 12, monumented according to Corner Perpetuation and Filing Record form, on file under Instrument Number 1900569, bears South 01°08'13" East, a distance of 387.21 feet;

thence along the East line of said Section 11, South 01°08'13" East, a distance of 365.03 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374, on the Northern boundary line of Tax Number 6421 as described in Deed on file in Book 213 at Page 112;

thence along said Northern boundary of Tax Number 6421, North 49°22'38" West, a distance of 53.00 feet to an existing iron pipe, 3/4 inch diameter;

thence continuing along said Northern boundary of Tax Number 6421, North 35°50'10" West, a distance of 275.49 feet to the southern most corner of Tax Number 5842 as described in Deed on file in Book 197 at Page 78;

thence along the Southeasterly line of said Tax Number 5842, North 41°10'31" East, a distance of 143.53 feet to an existing iron pipe, 3/4 inch diameter on the North line of said Section 11;

thence along said North line of Section 11, South 89°28'13" East, a distance of 99.79 feet to the Point of Beginning, containing 0.987 acres of land more or less;

Subject to:

Any existing easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view.

1975031

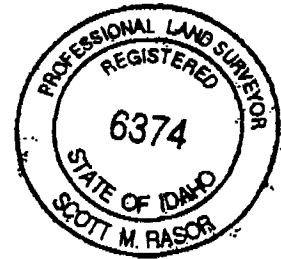
1

EXHIBIT "B"



ENGINEERING & SURVEYING

MECKEL ENGINEERING & SURVEYING
3906 N. Schreiber Way
Coeur d'Alene, ID 83815
Office 208-667-4638 • Fax 208-664-3347
www.meckel.com



August 5, 2004

Sec.1 and Sec.12, T49N, R4W

Scott M. Rasor
8/5/04

LARSON TRUST TRACT 1
LEGAL DESCRIPTION

A tract of land being a portion of Tax Number 9502, as described in Deed on file under Instrument Number 119414, situated in the Southwest Quarter of the Southwest Quarter of Section 1, Township 49 North, Range 4 West and a portion of Government Lot 1, Section 12, Township 49 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Commencing at the Southwest corner of said Section 1, monumented according to Corner Perpetuation and Filing Record form on file under Instrument Number 1891703 from which the Meander Corner between Sections 11 and 12, monumented according to the Corner Perpetuation and Filing Record form on file under Instrument Number 1073324, bears South 01°08'13" East, a distance of 387.32 feet;

thence along the West line of said Section 1, North 02°22'31" East, a distance of 56.02 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374, the Point of Beginning;

thence continuing along said West line, North 02°22'31" East, a distance of 418.83 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of Swede Bay Road (formerly known as Lindsay Road);

thence along the centerline of said Swede Bay Road the following four (4) courses:

1. along the arc of a non-tangent curve right which is concave to the Southeast, the radius point bearing South 41°42'39" East a distance of 60.24 feet, with a central angle of 33°21'15" an arc distance of 35.07 feet and having a chord bearing and distance of North 64°57'50" East, 34.57 feet;
2. thence North 75°25'42" East, a distance of 79.72 feet to a point of curvature;
3. thence along the arc of a curve right which is concave to the South having a radius of 170.00 feet, through a central angle of 25°19'44" an arc distance of 75.15 feet and having a chord bearing and distance of North 88°05'36" East, 74.54 feet to a point of tangency;
4. thence South 79°14'24" East, a distance of 2.43 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence leaving said road centerline, South 00°41'37" West, a distance of 332.43 feet to an iron rod,

1975031

Larson Trust
Tract 1
August 5, 2004
Page 2 of 2

5/8 inch diameter, with a plastic cap marked PLS 6374 on the centerline of the Old Wood Road;

thence South 17°23'01" East, a distance of 139.41 feet to an iron rod, 5/8 inch diameter, 30 inches long with a plastic cap marked PLS 6374;

thence South 51°18'38" East, a distance of 17.41 feet to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;

thence South 43°08'10" East, a distance of 77.73 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374 on the shore of Lake Coeur d' Alene at approximate Summer Pool, 2128 Avista Elevation;

thence along said shore line at approximate Summer Pool the following six (6) courses:

1. South 27°59'39" West, a distance of 4.25 feet;
2. thence South 38°28'48" West, a distance of 15.30 feet;
3. thence South 75°07'37" West, a distance of 15.30 feet;
4. thence South 77°09'44" West, a distance of 14.40 feet;
5. thence South 59°34'24" West, a distance of 35.38 feet;
6. thence South 41°42'24" West, a distance of 11.92 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 6374;

thence leaving said shore line, North 60°48'41" West, a distance of 261.53 feet, along the common Northeasterly line of the 50 foot strip referred to in Quitclaim Deed 1635752, to the Point of Beginning, containing 2.465 acres of land more or less;

Subject to:

Any existing Easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view including right-of-way for existing Swede Bay Road and the Old Wood Road.

STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF
Karen Larson Duddleston

2005 AUG 25 A 11: 25

DANIEL J. ENGLISH

DEPUTY
FEES

12.