

TO: ~~Jim Johnson~~ *CINDY Hodges*

August 24, 1998
RECEIVED

FROM: Keith C. Wilson

AUG 27 1998

RE: Ownership of Permits 27-07013 & 27-07020

Department of Water Resources

Document #1: Memorandum from Cindy Hodges dtd June 30, 1998, & attachments chain of title of place of use.
Document #2: Letter from Clear Springs Foods dtd July 16, 1998
Document #3: Exhibit "A" Lease between Leva G. Rich and Idaho Springs Trout Company. [Leva G. Rich (dec.) is mother of Roland C & Myrthon L. Rich(dec). Violet B. Rich is the widow of Myrthon Rich]
Document #4: Change in Ownership
Document #5: Letter acknowledging the name change
Document #6: Letter indicating a change in ownership based on who filed the claim and paid the filing fee.

Title of ownership of the permits appears that it should be in the name of Violet B. Rich. The ownership of the permits is clear to Aqua Life Inc., Ken Ellis, then it gets harder to determine ownership. There appears to be no problem showing ownership of the place of use.

1. Document #3 (Exhibit "A") paragraph numbered #1, page 1, indicates that the lease is for 25 years starting from January/February 1969.

End of lease would be January/February 1994.

2. Document #3 (Exhibit "A") paragraph number #11, page #5, appears to authorize lessee to make filings for water rights (27-07013 & 27-07020) in the lessee's name. The last sentence on page 5 may be interpreted to mean that ownership of water "rights" would remain with the leaser (Violet B. Rich) when the lease expires.

According to Violet Rich she was able to "kick" Ken Ellis off the property in July and August, 1994. Violet & Roland Rich filed a change in ownership Document #4, to change the name on the adjudication claims A27-07013 & A27-07020. The change was made and notification was sent Document #5. Then they received Document #6 in August, 1998, basing ownership on who made the filing and paid the fees. If the lease is no longer in effect should not the owners of the place of use be able to file a change in ownership?

The last date of use under these permits appears to be July/August 1994. The owner of the property (place of use) wants to file an extension of time to avoid forfeiture, but without their name on the permit they are afraid that Ken Ellis, Aqua Life, would benefit.

Note: The Snake River Flood of 1997, destroyed the outlets, silted in a lot of the ponds, and brought in a lot of noxious weeds. The owners of the place of use want time to restore the area.

The owners of the place of use would like a determination of ownership of the permits as soon as possible.

MEMORANDUM

June 30, 1998

TO: Jennifer
FROM: Cindy Hodges *CH*
RE: SRBA Change in Ownership

I solicited the attached Change in Ownership while working with the hatchery owners regarding their pending participation in the Water Measurement Program. Claims to the appurtenant rights had been filed by the lessee of the hatchery at the time of filing.

Attached you should find a complete chain of title from the original government patent all the way to the present owner(s). Myrthon Layne Rich (see final Deed of Gift) is deceased; I don't know about LaRue Rich. I spoke with Violet Rich and you may call her with any questions.

Claim A27-04001A is the original claim to this hatchery and was filed in the name of the present owners. You may also refer to this claim for clarification and format of addresses of claimants.

RECEIVED
JUL 02 1998
Department of Water Resources
Eastern Region

Document #1

UNITED STATES

496326

37106-13. 1.0

UNITED STATES OF AMERICA.

THE UNITED STATES OF AMERICA.
To all to whom these presents shall come,
Greeting.

Greeting:

37106-13. 1.0

To all to whom it may concern:

Greeting:

Whereas, a schedule of allotments approved by the Secretary of the Interior, deposited in the General Land Office, whereby it appears that John Pambrun, Senior, Indian of the Fort Hall Reservation, has been allotted the following-described land:

The east half of the northeast quarter of the southeast quarter of Section thirty-one, Township four south and the Lots six and seven of Section thirty-one in Township thirty, and the Lots nine, ten, eleven, and twelve of Section thirty-one in Township thirty, and the Lots thirty-four east of the Boise Meridian, Idaho, containing one hundred and thirty acres, according to the Official Plat of the Survey made by the Surveyor General.

[illegible]

In testimony whereof, I, Woodrow Wilson President of the United States of America, have hereunto caused these letters to be made my hand, at the City of Washington, the Twenty-third day of March in the year of our Lord one thousand nine hundred and sixteen and of the Independence of the United States the one hundred Fortieth.

By the President: Woodrow Wilson
 Rv M. P. LeRoy, Secretary,

By the President: Woodrow Wilson
By M. P. LeRoy, Secretary,
L. Q. C. Lamar, Recorder of the Court

(Seal)

Recorded: Patent Number-520668:

returned to the General Land Office by the Surveyor General, according to the Official Plat of the Survey of the said land, Boise Meridian, Idaho, containing

DEED RECORD, BINGHAM COUNTY
QUIT CLAIM DEED

No. 1876.

THIS INDENTURE, made the 10th day of May in the year
thousand nine hundred and Twenty-seven between
Bingham County, State of Idaho,

the part y of the
Heber C. C. Rich, Jr. (Chase Rich) Pingree, of the County of Bingham,
of Idaho the party of the

WITNESSETH, That the said part y of the first part, for and in consideration of the sum of
One and no/100 DOLLARS

of the United States of America, to it in hand paid by the said part y of the second part, the receipt
acknowledged, do ES by these presents demise, release and forever quit-claim unto the said part y of the second part
heirs and assigns, all those certain lot s, piece s, or parcel s of land situated
of Bingham, and State of Idaho, and bounded and particularly described as follows, to-wit:

Lots six (6) & seven (7) in Section 29; Lots 9, 10, 11 & 12 in Section 31 all
Township three (3) South of Range Thirty-four (34) East Boise Meridian. in Bingham
State of Idaho.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any way
and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances unto the said part y
second part, and to his heirs and assigns forever. IN WITNESS WHEREOF, The said part y of the first part
hereunto set its hand and seal the day and year first above written.

Signed, Sealed and Delivered in the presence of Corp. Seal

BINGHAM COUNTY

By W. T. England, Chairman

Attest: H. A. Benson, Clerk.

STATE OF IDAHO,)
:ss.
COUNTY OF BINGHAM)

On this 10th day of May in the year of 1927, before me J. E. Good Probate Judge
said county and state personally appeared W. T. England known to me to be the Chairman
the Board of County Commissioners in and for Bingham County, whose name is subscribed
within instrument and acknowledged to me that he executed the same.

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

Seal

J. E. Good, Probate Judge
County, State of Idaho

CERTIFICATE OF COMPETENCY

Allotment No. 389

Description, E $\frac{1}{2}$ of NE $\frac{1}{4}$ of SE $\frac{1}{4}$, Sec. 2, T. 4 S., R. 34 E., Lots 6 and 7, Sec. 29, R. 34, E., Lot 6, Sec. 30, T. 3 S., R. 34 E., and Lots 9, 10, 11 and 12, Sec. 31, R. 34 E., B. M., Idaho.

Whereas, John Pambrun Sr. has made application for the issuance of a Certificate of Competency under the provisions of Section 1 of the Act of Congress approved June 25, 1910 (St. L., 855): and

Whereas, upon the investigation, consideration, and examination of the request, John Sr. has been found to be fully competent and capable of transacting his own business and caring for his own individual affairs;

Now, therefore, the Secretary of the Interior by virtue of the power and authority in him by Section 1 of the Act of Congress of June 25, 1910 does hereby issue to Pambrun, Sr. this Certificate of Competency, and does hereby invest him with full power and authority to sell and convey any or all lands above described. This certificate of Competency to become effective thirty days from date hereof, and

Done at the city of Washington this 20th day of June 1916.

Franklin K. Lane,
Secretary of the Interior.

GH

F. M. Fisher, Recorder,

By *F. M. Fisher* Deputy.

Done at the request of
ABSTRACT COMPANY,
June 26, 1917 at 1:04 P. M.

UNITED STATES TO KATE PAMBRUN

U.S. 1.0

THE UNITED STATES OF AMERICA

To all to whom these presents shall come
Greeting:

Whereas, a schedule of allotments approved by the Secretary of the Interior has been deposited in the General Land Office, whereby it appears that Kate Pambrun an Indian of the Fort Hall Reservation, has been allotted the following-described land:

The west half of the northeast quarter of the southeast quarter of Section two in Township four south of Range thirty-four east and the southwest quarter of Section Twenty-Two in Township four south of Range thirty-six East of the Boise Meridian, Idaho, containing one hundred eighty acres, according to the Official Plat of the Survey of the said land returned to the General Land Office by the Surveyor General:

Now know ye, That the United States of America, in consideration of the premises, and in accordance with the provisions of the Act of Congress of February 23, 1889 (25 Stat., 688), has given and granted, and by these presents Does Give and Grant, unto the said Kate Pambrun and to her heirs, the lands above described, to have and to hold the same, together with all the rights, privileges, immunities, and appurtenances, of whatsoever nature thereunto belonging, unto the said Kate Pambrun and to her heirs forever, with the provision that the title hereby acquired shall not be subject to alienation, lease, or incumbrance, either by voluntary conveyance of the grantee or her heirs, or by the judgment, order or decree of any court, or subject to taxation of any character, but shall be and remain inalienable and not subject to taxation for the period of twenty-five years, and until such time thereafter as the President may see fit to remove the restriction. And there is reserved from the lands hereby granted, a right of way thereon for ditches or canals, constituted by the authority of the United States.

In testimony whereof, I, Woodrow Wilson, President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be hereunto affixed.

Given under my hand, at the City of Washington, the twenty-third day of March in the year of our Lord one thousand nine hundred and sixteen and of the Independence of the United States the one hundred and fortieth.

By the President: Woodrow Wilson,

By M. P. LeRoy, Secretary,

L. Q. C. Lamar, Recorder of the General Land Office.

Patent Number 520669:

CERTIFICATE OF COMPETENCY

Allotment No. 390

Description, W $\frac{1}{2}$ of NE $\frac{1}{4}$ of SE $\frac{1}{4}$, Sec. 2, T. 4 S., R. 34 E., and SW $\frac{1}{4}$, Sec. 25, T. 4 S., R. 34 E., B. M., in Idaho.

Whereas, Kate Pambrun has made application for the issuance of a Certificate of Competency under the provisions of Section 1 of the Act of Congress approved June 25, 1910 (St. L., 855): and

Whereas, upon the investigation, consideration, and examination of the request, Pambrun has been found to be fully competent and capable of transacting her own business and caring for her own individual affairs;

Now, therefore, the Secretary of the Interior, by virtue of the power and authority in him by Section 1 of the Act of Congress of June 25, 1910, does hereby issue to Pambrun this Certificate of Competency, and does hereby invest her with full power and authority to sell and convey any or all lands above described.

This certificate of competency to become effective thirty days from date hereof, and

Done at the city of Washington this 20th day of June 1916.

Franklin K. Lane,
Secretary of the Interior.

Done at the request of
ABSTRACT COMPANY,
June 26, 1917 at 1:06 P. M.

F. M. Fisher, Recorder

DEED RECORD, BINGHAM COUNTY

THE BARTON PRINTING CO., SALT LAKE CITY, UTAH 1910

John Pambrun Sr. et ux.

No. 147

TO

H. C. C. Rich

THIS INDENTURE, Made the 7th

day of June in the year of our Lord one thousand nine hundred and seventeen between John Pambrun Sr. and Kate Pambrun, his wife,

of the County of Bingham and State of Idaho the part 123 of the first part, and H. C. C. Rich

of the County of Bingham and State of Idaho the part y of the second part,

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of Five Thousand and no/100 DOLLARS, lawful money of the United States of America, to them in hand paid by the said part y of the second part, the receipt whereof is hereby acknowledged, do by these presents grant, sell, bargain and convey and confirm unto the said part y of the second part, and to his heirs and assigns forever, all that certain lot, piece or parcel of land situate, lying and being in the County of Bingham, and State of Idaho, and bounded and described as follows, to-wit:

The lots 6 and 7 of Section 29, the lot 6 of Section 30, and the lots 9-10-11 and 12 of Section 31, all in Township 3 South of Range 34, E.B.M., in Idaho.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said part y of the second part, and to his heirs and assigns forever, and the said part 123 of the first part and their heirs, and the said premises in a quiet and peaceable possession of the said part y of the second part, his heirs and assigns, against the said part 123 of the first part and their heirs, and against all and every person and persons whomsoever, lawfully claiming or to claim the same shall and will warrant and by these presents forever defend.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hand and seal on the day and year first above written.

Signed, Sealed and Delivered in the Presence of

W. H. Stufflebeam

R. I. Hilliard

his John X Pambrun, Sr. SEAL
mark

her SEAL

Kate X Pambrun SEAL

mark SEAL

State of Idaho,)
County of Bingham.) SS.

On this 7th day of June in the year of 1917, before me, W. H. Stufflebeam, a Notary Public in and for said county and state, personally appeared John Pambrun Sr. and Kate Pambrun, his wife, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they 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.
My Commission expires Nov. 13th, 1919.
(Seal)

W. H. Stufflebeam, Notary Public.
Residence: Blackfoot, Idaho.

THIS INDENTURE, Made the 13th day of February in the year of our Lord one thousand nine hundred and Twenty, between H.C.C. Rich and Edna M.S. Rich, his wife of the County of Bingham and State of Idaho, the parties of the first part, and Chase Rich of the County of Bingham and State of Idaho, the party of the second part,

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of Two Thousand and no/100----- DOLLARS, lawful money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged do by these presents grant, sell, bargain and convey and confirm unto the said party of the second part, and to his heirs and assigns forever, all the certain lot, piece or parcel of land situate, lying and being in the County of Bingham and State of Idaho, and bounded and described as follows, to-wit:

The Lots Six(6) and Seven (7) of Section Twenty-nine(29) the Lot Six(6) of Section Thirty(30) and the Lots Nine(9) Ten (10) Eleven(11) and Twelve(12) of Section Thirty-one (31) all in Township Three(3) South of Range Thirty-four (34) East of Boise Meridian in Idaho.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof

TO HAVE AND TO HOLD, All and singular, the said premises, together with the appurtenances and privileges thereto incident, unto the said party of the second part, and to his heirs and assigns forever, and the said parties of the first part, and their heirs, and the said premises in a quiet and peaceable possession of the said party of the second part, his heirs and assigns, against the said parties of the first part and their heirs, and against all and every person and persons whomsoever, lawfully claiming or to claim the same, shall and will warrant and by these presents forever defend.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF

Fred W. Richards

H.C.C. Rich

[SEAL]

Edna M.S. Rich

[SEAL]

[SEAL]

[SEAL]

Utah
STATE OF IDAHO, } ss.
County of Cache

I DO HEREBY CERTIFY, That on this 24 day of February in the year 1920, before me, Fred W. Richards, a Notary Public of the State of Utah, in and for said County and State, personally appeared

H.C.C. Rich and Edna M.S. Rich, his wife

known to me to be the persons whose names are subscribed to the within and foregoing instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Logan City, Utah the day and year first above written

My commission expires Mar. 19, 1920

Fred W. Richards
for the State of Utah
residing at Logan, Utah. Notary Public.

Recorded at the request of Bingham Abstract Co. Ltd. Feb. 25, 1920 at 1.00 P.M.

F.M. Fisher
L.W.

Recorder.

DEED ON DISTRIBUTION OF ESTATE OF

191364

LEVA BARBARA HOGE, the duly appointed, qualified and acting Personal Representative of the Estate of Leva H. Rich, deceased, pursuant to the Will of said deceased, admitted to informal probate in the District Court of the Seventh Judicial District of the State of Idaho in and for the County of Bingham, Magistrate Division, Case No. 223, does hereby grant and convey all of the right, title and interest of said deceased, in and to the lands hereinafter described, and all other real estate owned by said deceased, to Myrthyn Layne Rich and Roland Coulson Rich, both of Pinedale, Bingham County, Idaho, to-wit:

Township 3 South, Range 34, East Boise Meridian

Section 29: Lots 5 and 7
Section 30: Lot 6
Section 31: Lots 9, 10, 11 and 12

Excepting the portions thereof heretofore conveyed by the deceased party.

Subject to that certain lease of a portion of said premises leased to Idaho Springs Trout Co., by lease dated December 16, 1938, and recorded as Instrument No. 144386, records of Bingham County, Idaho.

Township 4 South, Range 33, East Boise Meridian:

Section 1: Lots 1, 2 and 3; and Commencing at a point 28 rods South and 3 rods East of the Northwest corner of the Southeast quarter of the Southwest quarter of Section Thirty-one, in Township Three South of Range 34, East of the Boise Meridian, in Idaho, and running thence due South to Snake River; thence following the meanders of said Snake River in a Southwesterly direction to a point due South of the Southwest corner of Lot Three, in Section Six, in Township Four South, of Range Thirty-four, East of Boise Meridian; thence running due North to the Northwest corner of Lot Four of Section Thirty-One, in Township Three South, of Range Thirty-four, East of Boise Meridian; thence due East to the Northeast corner of said Lot Four; thence due South 28 rods; thence due East 3 rods to the point of beginning.

Excepting the portions thereof heretofore conveyed by the deceased party.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the ditches and water rights and waters appurtenant thereto and used in the irrigation thereof, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

DATED this 28 day of December, 1982.

LEVA BARBARA HOGE

County of Bingham

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



W. J. Blackfoot
Notary Public for the State of Idaho
Residing at Blackfoot, Idaho

DEED OF GIFT

154816

THIS INDENTURE, Made the 16th day of June, 1970, between LEVA G. RICH, a widow, of the County of Bingham, State of Idaho, the party of the first part, and MYRTHON LAYNE RICH and VIOLET RICH, husband and wife, and ROLAND COULSON RICH and LARUE RICH, husband and wife, all of the County of Bingham, State of Idaho, the parties of the second part.

WITNESSETH, That the said party of the first part, for and in consideration of the regard and affection which the said party of the first part has and bears unto the said parties of the second part, as also for the better maintenance, support, protection and livelihood of the said parties of the second part, does by these presents give, grant, alien, convey and confirm unto the said parties of the second part, and to their heirs and assigns forever, all of the following described real estate situated in the County of Bingham, State of Idaho, to-wit:

An undivided two-thirds interest, being an undivided one-third interest to each of my said sons and his wife, in and to the following described lands and premises:

Township 3 South, Range 34 East Boise Meridian:

- Section 29: Lots 6 and 7
- Section 30: Lot 6
- Section 31: Lots 9, 10, 11 and 12

Excepting the portions thereof heretofore conveyed by the first party.

Subject to that certain lease of a portion of said premises leased to Idaho Springs Trout Co., by lease dated December 16, 1968, and recorded as Instrument No. 144395, records of Bingham County, Idaho.

Township 4 South, Range 33 East Boise Meridian:

Section 1: Lots 1, 2 and 3; and Commencing at a point 26 rods South and 3 rods East of the Northwest corner of the Southeast quarter of the Southwest quarter of Section Thirty-one, in Township Three South of Range Thirty-four, East of the Boise Meridian, in Idaho, and running thence due South to Snake River; thence following the meanders of said Snake River in a Southwesterly direction to a point due South of the Southwest corner of Lot Three, in Section Six, in Township Four South, of Range Thirty-four, East of Boise Meridian; thence running due North to the Northwest corner of Lot Four of Section Thirty-one, in Township Three South, of Range Thirty-four, East of Boise Meridian; thence due East to the Northeast corner of said Lot Four; thence due South 26 rods; thence due East 3 rods to the point of beginning.

From
Record
Book
154816
Page
35

Excepting the portions thereof heretofore conveyed by the first party.

Also all of the rights and interest of the first party in all adjacent lands bordering on Snake River and claimed as omitted lands by the Bureau of Land Management of the United States, including any and all preference rights of purchase of any such lands.

TOGETHER, With all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the ditches and water rights and waters appurtenant thereto and used in the irrigation thereof, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD, All and singular the said premises, together with the appurtenances, unto the said parties of the second part, their heirs and assigns forever.

IN WITNESS WHEREOF, The said party of the first part has hereunto set her hand the day and year first above written.

Leva G. Rich
Leva G. Rich

STATE OF IDAHO)
: ss.
County of Bingham)

On this 27th day of June, 1970, before me, the undersigned, a Notary Public in and for said County and State, personally appeared LEVA G. RICH, a widow, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she 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.

William L. Leland
Notary Public for Idaho
Residing at Blackfoot, Idaho
My Commission Expires Jan 31, 1974



154816



CLEAR SPRINGS FOODS, INC.
General Office P.O. Box 712, Buhl, Idaho 83316

Phone 208 543-4316
Sales 208 635-8211
Fax 208 543-5608

Internet e-mail: keith@clearsprings.com

July 16, 1998

Violet B. Rich
1213 West 600 South
Pingree, ID 83262

Re: Indian Springs water rights

Dear Violet:

I enjoyed visiting with you on the phone today. I wish that we were able to be of more assistance in your efforts to get the water rights transferred from Thousand Springs Trout Farms to your name. As I mentioned our 1981 acquisition of Thousand Springs was an asset purchase and as such we have no capacity to act then or now on behalf of Thousand Springs Trout Farms. I wouldn't be at all surprised if the parent companies of Thousand Springs have let the corporate charter lapse and the corporation doesn't even exist any longer. As noted during our phone conversation part of our Settlement Agreement with Ken Ellis and his various entities back in 1987 required that we relinquished any interest in the Indian Springs lease and water rights, which we did.

I would be most willing to assist you by providing copies of any documents which we might have that you may need. In that regard I have enclosed copies of claim # 27-4004, permits #27-7020 and 27-7013. In reviewing the file on this before I called you this morning I think I mentioned that §11 of your 12/16/68 lease with Idaho Springs Trout Company states in part that "..... water rights shall belong to the party of the second part during the life of this lease." Perhaps if you can demonstrate to the satisfaction of the Idaho Department of Water Resources that the "life of the lease" has unquestionably lapsed they can transfer the water rights to your name. I don't know if that is possible but may be worth consideration.

Please feel free to call if I may be of any further assistance or you require any additional information we may have. Thank you.

Sincerely,

Keith E. Quigley
Vice President, CFO

encl.

L:\users\keith\letters\fy98\rich16.jul

Document #2

EXHIBIT "A"

the is right
Feb 19 1994
Feb 1969 to 1994
LEASE

111396

THIS LEASE AND AGREEMENT Made and entered into this 6th day of December, 1968 by and between LEVA G. RICH, a widow, of Pingree, County of Bingham, State of Idaho, the party of the first part; and IDAHO SPRINGS TROUT COMPANY, a corporation organized and existing under the laws of the State of Idaho, the party of the second part;

W I T N E S S E T H

That in consideration of the payments of the rentals hereinafter reserved and contained and the performance of the covenants and agreements hereinafter set forth, the said party of the first part does hereby lease, demise and let unto the party of the second part the following described real property situated in the County of Bingham, State of Idaho, particularly bounded and described as follows, to-wit:

Those portions of Lots Nine, Ten, Eleven and Twelve in Section 31, Township 3 South, Range 34 E.B.M. lying South and East of the channel of Snake River and West of the Ferry Butte Highway crossing Snake River at what is known as Tilden Bridge;

also all of the rights and interest of the party of the first part in Lots Six, Seven in Section 30 and Lots Thirteen and Fourteen in Section 31, Township 3 South, Range 34, E.B.M.

Together with the tenements, hereditaments and appurtenances thereto belonging and appurtenant thereto, and together with the right of ingress and egress to and from said Ferry Butte Highway to said leased premises for the purposes of the party of the second part hereinafter specified and together with any and all lands added thereto by alluvion and accretion;

upon the following terms, covenants and agreements mutually agreed upon by the parties hereto, to-wit:

1. Term of Lease. The term of this lease shall commence on the first day of ~~January~~ *February*, 1969 and shall extend for a period of twenty-five (25) years from that date, provided, however that if, within five years from and after the termination of this lease

(-1-)

(16)

Document # 3

a sale or lease of said leased property shall be contemplated by said party of the first part; said party of the second part shall be given the first right to buy or lease said leased property.

2. Rental. As rental for said real property said party of the second part agrees to pay to the party of the first part during the term of said lease an annual rental of \$3,800.00 in cash lawful money of the United States of America, payable quarterly, in the amount of \$950.00 in advance on the first day of ~~January~~ ^{February}, the first day of ~~April~~ ^{May}, the first day of ~~July~~ ^{August} and the first day of ~~October~~ ^{November} of each and every year, commencing on the first day of ~~January~~ ^{February}, 1969. Said rental payments shall be made by delivering the same to the party of the first part or mailing the same to the party of the first part at Pingree, Idaho or at such other place or places as shall be designated hereafter in writing, delivered to said party of the second part by said party of the first part.

3. Possession. Possession of said leased premises shall be given by the said party of the first part to said party of the second part not later than January 1, 1969.

4. Occupation as Trout Hatchery, etc. Said party of the second part agrees that it will use and occupy said leased premises, fish ponds, buildings and other improvements thereon for the business of conducting trout hatcheries for hatching, growing, breeding, selling, distributing and marketing trout and such other business or businesses as may or may not be connected therewith or incidental thereto. Said party of the second part agrees that it will not conduct or permit to be conducted on said leased premises and the buildings and improvements thereon any business that conflicts with or is contrary to any Federal statute or any law of the State of Idaho and agrees to conduct its business on said leased premises and the operation thereof in conformity with all requirements of insurance companies carrying fire insurance upon the buildings on

said leased premises.

5. Use of Leased Premises. Said party of the second part agrees during the life of this lease to keep, maintain and operate said leased real property in a good and businesslike manner and in accordance with the usual practices and operation of fish hatcheries in Southern Idaho, and agrees to keep and maintain the ponds and buildings and other improvements on said leased premises in as good condition as the same now are, wear and damage by the elements alone excepted. Cost of repairs to improvements shall be at the expense of the party of the second part. In the event replacement of exterior fences shall be necessary, cost of necessary materials therefor shall be at the expense of said party of the first part. Said party of the second part shall have the right, at its own expense, to make such capital improvements and substantial alterations upon said leased premises to the ponds, buildings and other improvements and may construct such new buildings, ponds and improvements as it may desire.

6. Permits and Licenses. Said party of the second part agrees to operate and conduct said fish ponds and hatcheries and other business on said leased premises in conformity with the requirements of all Federal statutes and regulations and laws of the State of Idaho pertaining thereto and at all times during the life of this lease, at its expense, to acquire such licenses and permits in connection with the operation of said businesses as may now or hereafter be required by such statutes, regulations and laws.

7. Right of Inspection. Said party of the first part, her agents and attorneys, shall have the right to go upon and inspect said leased premises at all reasonable times.

8. Payment of Taxes. Said party of the first part agrees to pay all taxes and assessments levied and assessed against said leased premises in 1968 when due and before the same become delinquent. During the life of this lease, commencing with the year 1969 said party of the second part agrees to pay, when due and before the same become delinquent, real and personal property taxes levied and assessed against said leased premises in 1969 and subsequent years when due and before the same become delinquent. Said party of the first part agrees, forthwith upon the execution of this lease to notify the County Assessor and County Treasurer of Bingham County, State of Idaho that taxes and assessments for 1969 and subsequent years on said leased premises will be paid by the party of the second part and to provide that notice of such taxes and assessments shall be mailed to the party of the second part at P.O. Box 232, Buhl, Idaho, 83316 or such other address as shall subsequently be furnished by the party of the second part.

9. Liens Not Permitted. The party of the second part, at all times during the term of this lease, shall not permit or suffer mechanics or materialmans liens or other liens for labor or services performed on, or supplied, or equipment or material delivered to said leased premises at the direction and for the account of the party of the second part, to be placed against said leased property, provided, however, that in the event any such liens are placed against said real property which are subject to dispute or defenses by said party of the second part, no proceedings shall be commenced by said parties of the first part for forfeiture or cancellation of this lease until said party of the second part shall have had an opportunity to litigate the validity of said liens and to have such validity determined by a court of competent jurisdiction.

10. Protection Against Damage and Personal Injuries. Said party of the second part agrees to protect and save harmless the said party of the first part in an amount not exceeding \$100,000.00 as the result of a single accident, and in the amount of not exceeding \$300,000.00 as the result of more than one accident, from any and all claims, demands, actions, attorneys' fees, court costs and expenses growing out of or arising from injuries and damages occasioned by or arising from injuries and damages to persons and property occurring upon said leased premises, including injuries and damages occasioned by or resulting from any carelessness, negligence or improper conduct on the part of the party of the second part, its agents, servants and employees on or in or about the said leased premises

11. Water Filings. Water Shortage. It is agreed that from the records of the Department of Reclamation of the State of Idaho it appears that since 1900 no application has been made nor permit issued to appropriate the public waters arising or flowing on said leased premises. However during that period waters arising on and flowing from springs and streams have been appropriated and put to beneficial use for trout hatchery and domestic purposes for a period of more than five consecutive years. Said party of the second part may make application to the Department of Reclamation of the State of Idaho, in its name, for permit to appropriate the public waters of the spring, springs, stream or streams arising on or flowing through said leased premises in such amount as it shall deem necessary for the proper operation, as a non-consuming use for fish hatchery and domestic purposes with the water being returned to Snake River and otherwise comply with the laws of the State of Idaho pertaining to the appropriation of public waters. After putting said water to beneficial use said party of the second part agrees to make proof of beneficial use and to have water license issued in its name, which water rights shall belong to the party of the second part during the life of this lease.

12. Water Free From Pollution. Said party of the first part agrees that at all times during the life of this lease she will not suffer or permit the waters of springs and streams flowing on or from said leased premises to become polluted in any manner so that the same are not suitable for trout hatchery or domestic purposes. It is agreed that assay reports dated September 5, 1968 and September 9, 1966 of ^{analysis of} water flowing on said leased premises for 2,4-D and Pesticide Residue from samples furnished to Alumni Research Foundation Laboratories, Madison, Wisconsin show the following water contents:

0.002 ppm 2,4-D,	Method J.A.O., A.C., Vol.45, 367 (1902)
	with modifications.
0.001 ppm Lindane	Method FDA Pesticide Analytical Manual 2.32 (6-15-64)
0.001 ppm DDE	
0.001 ppm DDD	
0.001 ppm DDT	
0.001 Dieldrin	

It is agreed that whenever during the life of this lease said 2,4-D and pesticide residue in the content in waters flowing on said leased premises shall so increase, in the judgment of said party of the second part as to be harmful or dangerous for trout hatchery purposes and domestic purposes this lease, at the election of the party of the second part shall become null and void and of no further force or effect.

13. Right to Transfer. At any time said party of the second part shall not be in default in any of the covenants and agreements contained herein and shall have paid all rents, taxes assessments and all other charges of every kind which shall have accrued hereunder, it shall have the right to sell, assign, transfer and mortgage, by assignment, mortgage, deed of trust or otherwise all of its rights under this lease and to sublet said leased premises or any part thereof.

14. Buildings and Equipment Property of Second Party. All buildings, structures, equipment, machinery and apparatus of every kind and character, whether affixed to said real property or other

wise, installed and used by said party of the second part in connection with said trout hatchery or hatcheries or other business, and the fish and fish eggs being raised and produced in said hatchery or hatcheries, at the termination of this lease, whether by lapse of time or for any other reason, shall be and remain the sole and exclusive property of the said party of the second part which shall have the right to remove the same from said leased premises within ninety days after the termination of this lease, provided that if the same are not removed within said period such part remaining shall become the property of the first party.

15. Contest of Taxes. The party of the second part shall have the right to contest the validity of any tax or assessment payable by it which it deems to have been illegally levied or assessed against said leased premises and for that purpose shall have the right to institute such action or proceeding in the name of the party of the first part as it may deem necessary.

✓ 16. Delinquencies by Party of the First part. Payment by Party of the Second Part.

In the event said party of the first part shall fail to pay any income taxes, liens or indebtedness as a result whereof said leased premises may become subject to seizure and sale, by levy, attachment, execution, foreclosure, or otherwise, said party of the second part shall have the right to pay the amount of such income taxes, liens or indebtedness plus accrued interest, attorneys fees, penalties and charges to avoid such seizure and sale and any sums so paid by said party of the second part, with interest at 6% per annum from date of payment, shall be applied to future rents as the same become due.

17. Demolition of Buildings and Structures. Whenever in the judgment of said party of the second part any building or structure on said leased premises shall have become dangerous or useless for its purposes, said party of the second part may demolish the same but shall not be required to replace it unless it so desires.

18. Occupation and Use. Default and Repossession.

While not in default herein, and after taking possession of said leased premises, the second party may occupy, possess and use the said leased premises in the manner aforesaid, but upon default in the payment of rent or of any covenant or agreement herein contained, all of which covenants and agreements are hereby declared to be a substantial part of the consideration hereof, said first party may, at her option, terminate this lease and re-enter and take possession of said leased premises and may recover any unpaid rent or such other relief to which she may be entitled.

19. Performance and Forfeiture. Time is of the essence of this agreement, and in the event said second party shall fail to pay the rent herein specified within 30 days from the date it shall fall due, or to perform any other covenants and agreements herein contained, to be kept and performed by the said second party, promptly as agreed herein, upon failure of said second party to remedy such other default or defaults within 120 days after written notice specifying said default or defaults shall have been given by said first party to said second party, it shall be optional for said first party, her heirs and assigns, at their option, to declare said term at an end and to re-enter and take possession of said leased premises, with or without process of law, and to remove said second party, its servants, agents and employees and any other persons in possession thereof, using all necessary force so to do.

20. Actions. Attorney's Fees. In any action brought to enforce any of the terms, covenants and agreements of this lease the prevailing party shall be entitled to recover, as part of the judgment rendered, reasonable attorney's fees to be fixed by the court in addition to such costs as may be allowed by law.

21. Condemnation of Leased Property. If the whole of said leased premises shall be taken by appropriation to public use, under right of eminent domain, during the term of this lease, this lease shall terminate and end and out of the award recovered for

such taking the party of the second part shall receive such sum as the Court or appraisers in the condemnation proceedings shall determine to be the reasonable value of the leasehold interest of the party of the second part and the party of the first part shall receive the remainder of said sum. If only a portion of said premises shall be taken under eminent domain and said party of the second part shall determine that the remaining portion of said leased premises are adequate for its purposes the sum received for the taking of such portion shall be divided upon the same basis above set forth above as if the whole of said leased premises were taken by condemnation.

~~22. Grazing of Cattle. Fishing.~~
22. Said party of the first part shall be permitted to graze not exceeding 50 head of cattle in each year on said leased premises during the months of May to September, both inclusive. If the right to graze during said period is denied in any year during the life of this lease, said party of the second part agrees to pay to the party of the first part the going rate per head for pasturing cattle. In connection with said grazing, said grazing shall be done so as not to interfere with the trout hatchery operations of the party of the second part and said party of the second part shall have the right to install fences for that purpose, if necessary. The right to fish and hunt on said leased premises is hereby given to said party of the first part and such relatives and friends as she may select. . but such fishing and hunting shall not interfere with the trout hatchery operations of the party of the second part. In connection with said grazing no spraying or chemical treatment of cattle shall be done upon said leased premises and no substance shall be put into the springs or streams on said leased premises that will in any way pollute the waters of said springs and streams.

23. Purchasing Power of Dollar. The parties hereto agree

that the rental herein provided shall be renegotiated upon demand in writing by either party, it being the desire of the parties hereto to keep said rental at approximately the same purchasing power of the dollar as exists in the United States on the date of this agreement, provided that no renegotiation may be demanded by either party if said purchasing power of the dollar has risen or fallen less than 5% since the date of this agreement or previous renegotiation.

The standard of the purchasing power of the dollar as contemplated by this paragraph shall be the consumer price index as determined by the Bureau of Labor Statistics of the United States Department of Labor, which establishes the purchasing power of the dollar as of the date of this agreement as _____ cents, to which the parties hereto agree.

If the parties hereto cannot agree as to the amount of renegotiated rental under this paragraph then and in that event each party shall choose a referee and such two referees shall choose a third referee and such three referees shall determine the renegotiated rental in accordance with this agreement and on such terms as they may deem fair to both parties, taking into consideration the condition of said leased premises, improvements made by the party of the second part and such other matters as they consider fair and just in determining said renegotiated rental.

Upon agreement of the parties or after arbitration as hereinabove provided, any increase or decrease in rental shall become effective on the next ensuing rental paying date and quarterly thereafter until a subsequent renegotiation of rental is made.

25. Notice to Parties. Wherever under the terms of the foregoing lease notice is required to be given to the party of the first part such notice shall be deemed to be given by personal service thereof upon said party of the first part, or by mailing such notice by registered mail addressed to said party of the first

part at Pingree, Idaho, or such other address as shall be subsequently furnished in writing by said party of the first part to said party of the second part; and wherever under the terms of this lease notice is required to be given to the party of the second part, such notice shall be deemed to have been given by personal service thereof upon the president and secretary of the party of the second part, or by mailing such notice by registered mail addressed to Idaho Springs Trout Company, Box 232, Buhl, Idaho or such other address as shall be subsequently furnished by said party of the second part, in writing, to said party of the first part.

26. Extension to heirs, etc. This lease and the covenants and conditions contained therein shall inure to and be binding upon the heirs, executors, administrators and assigns of the parties of the first part and the successors and assigns of the parties of the second part.

IN WITNESS WHEREOF said party of the first part has hereunto set her hand and said party of the second part has caused these presents to be executed by its proper officers thereunto duly authorized and its corporate seal to be hereunto affixed the day and year herein first above written.

Party of the First Part

(Corporate)
(Seal)

IDAHO SPRINGS TROUT COMPANY

By

John A. Buhl

President

Attest:

Secretary

Party of the Second Part

STATE OF IDAHO)

County of Bingham) ss

On this 1st day of February, 1968, before me, the undersigned, a Notary Public in and for said County and State, personally appeared LEVA C. RICH, a widow, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she 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.

(SEAL)

[Signature]
Notary Public for Idaho
Residing at Blackfoot, Idaho.

STATE OF IDAHO)

County of Gooding) ss

On this 15th day of December, 1968, before me, the undersigned a Notary Public in and for said County and State, personally appeared ROBERT A. ERKEL and BERNARDINE M. ERKEL, known to me to be the President and Secretary respectively, of IDAHO SPRINGS TROUT COMPANY, a corporation, who executed the foregoing instrument in behalf of said corporation and acknowledged to me that said 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.

(SEAL)

[Signature]
Notary Public for Idaho
Residing at Twin Falls, Idaho.

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FILED 3 AM 11 10

OFFICE OF THE CLERK
TWIN FALLS, IDAHO

RECEIVED

JUN 30 1998

STATE OF IDAHO
IDAHO DEPARTMENT OF WATER RESOURCES

Department of Water Resources

NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s):

Adjudication Claim No(s):

2. The following REQUIRED information must be submitted with this form:

A. A copy of the most recent DEED, TITLE POLICY, CONTRACT OF SALE or other legal document indicating your ownership of the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.

AND

B. PLAT OF PROPERTY or SURVEY MAP for parcel of ten acres or less. (These are usually attached to your deed or on file with the county.)

OR

C. For water rights or adjudication claims involving ten or more irrigated acres, a USDA Farm Service Agency AERIAL PHOTO with irrigated acres outlined and point(s) of diversion clearly marked.

3. Name and Address of Former
Owner/Claimant

4. New Owner/Claimant(s)

New Mailing Address

City, State and ZIP Code

New Telephone Number

5. Date you acquired the property

6. If you have acquired only a portion of the former owner's property, IDWR may need to split the water right(s) or adjudication claim(s). If this applies, describe in detail your portion of each water right or adjudication claim in the spaces below. If necessary, attach additional pages.

Number of acres you irrigate 7 Number and type of stock 50 pure beef cattleDiversion rate in CFS _____ Number of homes 4 Other uses fish propagation

If a water right or adjudication claim is being split and you are not sure how to identify your portion of the original right or claim, please contact the nearest IDWR office for assistance.

7. Signature of New Owner
or Claimant(s)

(Corporations or other organizations must submit a list of directors and/or officers demonstrating authority to sign form.)

8. For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him or her for all matters related to your claims..

Document #4



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Idaho Falls, Idaho 83402-1718 - (208) 525-7161 - Fax (208) 525-7177

EASTERN REGION

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

July 10, 1998

ROLAND RICH
1195 W 600 S
PINGREE ID 8362

RE: NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP
NOTICE OF CLAIM TO A WATER RIGHT A27-07013, A27-
07020

Dear Mr. Rich:

The request for Change of Water Right Ownership concerning the above-referenced Notice of Claim has been processed and the Department's records updated to reflect you as the new claimant.

The enclosed report shows this change along with the elements of the water right being claimed. Please review this report and contact this office if there are corrections or questions.

Please keep this report for your records.

Respectfully yours,

Jennifer Hoagland
Technical Records Specialist

Enclosure

cc: Violet Rich
Aqua Life Inc.

Document #5



State of Idaho
DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Idaho Falls, Idaho 83402-1718 - (208) 525-7161 - Fax (208) 525-7177

EASTERN REGION

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

August 6, 1998

ROLAND & VIOLET RICH
1195 W 600 S
BLACKFOOT ID 83221

Re: Change in Ownership of Notices of Claim Nos. A27-07013 & A27-07020.

Dear Mr. & Mrs. Rich:

After further review of the Notices referenced above we have changed the department records back to how they were originally claimed. Specifically, our records still show Aqua Life Inc. as the current owner of the claims. Aqua Life Inc. paid the filing fees on the claims and assert that, although they do not own the property where the right is appurtenant, they still own the water rights.

You still have claim No. A27-04001A on file and if you wish you may also file on the permits referenced above. In the future the department will review and examine the claims that are filed in the sub-basin where these rights pertain, and submit recommendations to the district court. If there is any party in the Snake River Basin Adjudication(SRBA) who does not agree with the claims as recommended by the department, they may file an objection in the SRBA Court after the Director's Report is submitted to the court.

If you have any questions regarding this matter, please do not hesitate to contact this office at 525-7161.

Sincerely,

Gregory J. Taylor
Sr. Water Agent

Enc: Copy of A27-07013 & A27-07020
cc: Violet Rich; Aqua Life Inc. (Ken Ellis); Tom Arkoosh

Document #6