

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

RECEIVED

JAN 11 2005

DEPARTMENT OF
WATER RESOURCES

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

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

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
31-11814		4	31-11824		4
-11816		4	11826		4
-11818		4	11828		4
11820		4	11830		4
11822		4	11832		4

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

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

Montevideo Canal Company

4. New Owner/Claimant(s)

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

New Mailing Address

City, State and ZIP Code

New Telephone Number

5. Date you acquired the property

Gaylord Mangham
 648 E 2600 N
 Montevideo, Id
 320 AC

L3 Limited Partnership
 800 E 2943N
 Montevideo
 160 AC

Dean Sanders
 Sandra
 PO BOX
 1816
 Mesquite,
 Nev
 320 AC

SUPPORT DATA

IN FILE # 31-11814

SUPPORT DATA
IN FILE # 31-11814

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s) *Gayland M. May*
(include title if applicable) Secretary Treasurer Montevideo Canal Co.

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

For Office Use Only

Received by DL Date 1/4/2005 Fee \$1600
 Received by DL Date 1/4/2005 Receipt No. E030524
 Processed by _____ AJ Date _____ WR _____ Date _____

AGREEMENT FOR TRANSFER OF OWNERSHIP OF WATER RIGHTS

This agreement is made and entered into this 3rd day of January, 2005, by and between Montevue Canal Co., Inc., an Idaho Corporation, with its principal place of business in Jefferson County, Idaho, (hereafter Company), and Gaylord Maughan, a married man with his own and separate property, at 648 East 2600 North Montevue, Idaho, 83435, and L 3 Limited Partnership, at 800 East 2943 North, Montevue, Idaho, 83435, and Dean and Sandra Sanders, husband and wife at PO box 1816, Mesquite, Nevada 89024, (hereafter called 3 Stockholders).

WITNESSETH:

That for and in consideration of the mutual covenants and promises herein set forth, the parties hereto agree as follows:

1. Company is the holder of ground water rights nos. 31-11814, 31-11816, 31-11818, 31-11820, 31-11822, 31-11824, 31-11826, 31-11828, 31-11830, 31-11832, and is the owner of several wells and pumps and a canal delivery system, pursuant to and by means of which, water is diverted and transported to some 5295 acres of the lands of its shareholders for the proper irrigation thereof. The Directors want to leave intact water right # 31-11766 and not split this right.

2. The 3 Stockholders are the record title holders of 800 acres of land within the above referenced 5295 acre service area of Company, which place of use and point of diversion is described as follows

Maughan (320 acres) Place of Use. NE1/4 of Sec 28 and NW1/4 of Sec 27, Point of diversion. SE1/4, NE1/4, NW1/4 Sec 27, Township 8 North Range 33 EBM.

L 3 Limited Partnership(160acres)Place of Use NW1/4 of Sec 26, Point of diversion, SE1/4 SW1/4, Sec 23,Township 8 North Range 33 EBM.

Sanders (320 acres)Place of Use. SE1/4 of Sec 11 and the NE1/4 of Sec 14, Point of diversion, NW1/4, NE1/4, NE 1/4 Sec 14, Township 7 North Range 33 EBM.

3. The 3 Stockholders have caused wells to be drilled upon their lands, which they believe is adequate to pump ground water in a sufficient amount for the proper irrigation thereof, and now desire to separate the above described 800 acres from the service area of Company, and to irrigate the same in the future exclusively from the wells on their own land.

4. The Company has already transferred the water rights into the wells of Maughan and L3 Limited Partnership,(Reference # 71045), and Sanders (Reference # 4492). Now the Company wants to transfer ownership of the water rights to the shareholders and to sever said land from the service area of the Company so that the future irrigation of Maughan (320), NE1/4 of Sec 28 and the NW1/4 of Sec 27 T 8N R 33 EBM, and L 3 Limited Partnership(160), NW1/4 of Sec 26, T8 N R 33 EBM, and Sanders(320) SE1/4 of Sec11 and the NE1/4 of Sec 14, Township 7 N, Range 33 EBM., will be completely independent of the operation of the Canal Company, its water rights, wells, and pumps and canal delivery system.

5. As a courtesy to the 3 Stockholders, the Company agrees to pay the filing fees and transfer fees to Water Resources but, upon receiving a bill, the 3 Stockholders agree to reimburse the Company for all these fees. Each Stockholder will pay back to the Company on a per acre share basis. Total expenses divide by 800. Maughan 320, L3 limited partnership 160, and Sanders 320. All of such costs shall be borne by the 3 Stockholders regardless of the outcome of such Application of Transfer.

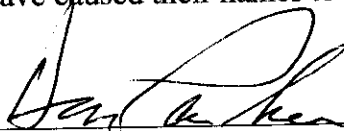
6. The parties hereby agree to cooperate fully in the effort to transfer the ownership of the water rights described herein , and **this agreement constitutes the consent of the Company to said transfer.**

7. Upon final approval by IDWR of the transfer. The 3 Shareholders shall surrender their certificates of Stock to the Company. Maughan Certificate # 89. L 3 Limited Partnership #121, and Sanders # 82, #113, and #117. And the Company shall cancel said certificates. The Company shall have no further obligation or legal responsibility for the delivery of water to the 3 Stockholders 800 acres described above. Any remaining delivery facilities used in connection therewith, may then be removed by Company without further notice.

8. Should either party default in any of the covenants or agreements contained herein, such defaulting party shall pay to the other party all costs and expenses, including, yet not limited to reasonable attorney fees, including such fees on appeal, which the offended party may incur in enforcing this agreement or in pursuing any remedy allowed by law for breach hereof, whether such is incurred by the filing of suit or otherwise.

9. This agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

WITNESS WHEREOF, the parties hereto have caused their names to be subscribed on the day and year first above written.

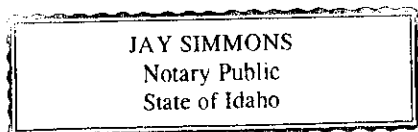


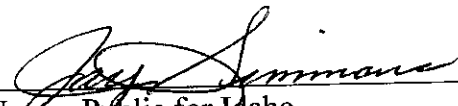
Don Parker, President of Montevue Canal Company Inc

STATE OF IDAHO)
)
County of Jefferson)

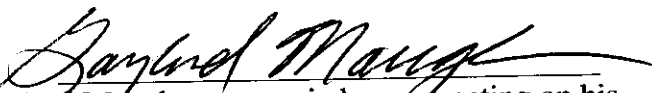
On the __3rd day of January, 2005, before me the undersigned, a notary public in and for said State, personally appeared, Don Parker known or identified to me to be the President of the Montevue Canal Company, Inc., and the person who executed the instrument on behalf of said Corporation and acknowledged to me that such corporation executed the same.

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




Notary Public for Idaho
Residing at Terreton, Idaho.
My Commission Expires June 9 2007

WITNESS WHEREOF, the parties hereto have caused their names to be subscribed on the day and year first above written.

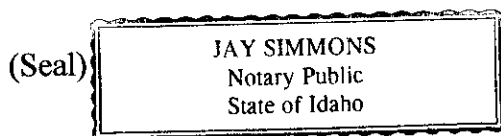

Gaylord Maughan, a married person acting on his
own personal property.

STATE OF IDAHO)
)
County of Jefferson)

On the 3rd day of January, 2005 before me the undersigned, a notary public in and for said State, personally appeared, Gaylord Maughan, known or identified to me to be the person whose name is subscribed to the 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 day and year in this certificate first above written.


Notary Public for Idaho
Residing at Terretton, Idaho
My Commission Expires June 9 2007



WITNESS WHEREOF, the parties hereto have caused their names to be subscribed on the day and year first above written.

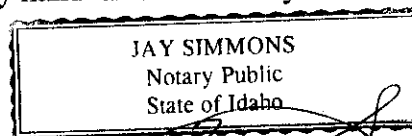
L3 Limited Partnership
by *Lane Newman*
L3 Limited Partnership by Lane Newman

SATE OF IDAHO)

County of Jefferson)

On the 20th day of December, 2004 before me the undersigned, a notary public in and for said State, personally appeared, Lane Newman, known or identified to me to be the person whose name is subscribed to the within ionstrument and acknowledged to me that hbe executed the same.

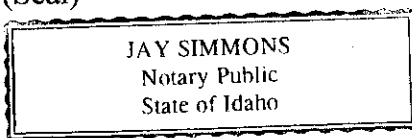
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Jay Simmons

Notary Public for Idaho
Residing at Terreton, Idaho.
My Commission Expires June 9 2007

(Seal)



WITNESS WHEREOF, the parties hereto have caused their names to be subscribed on the day and year first above written.

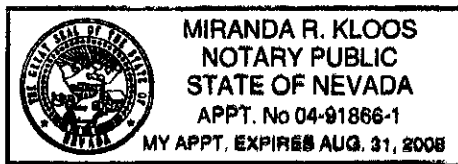
Dean Sanders and Sandra Sanders
Dean Sanders Sandra Sanders

STATE OF NEVADA)

County of CLARK)

On the 22 day of December, 2004, before me the undersigned, a notary public in and for said State, personally appeared Dean Sanders and Sandra Sanders, known or identified 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.



Miranda R. Kloos
Notary Public for Nevada

Residing at Mesaquite, NV

My commission expires Aug 31, 2008

(Seal)

MONTEVIEW CANAL COMPANY INC.

648 E 2600 N
MONTEVIEW, ID. 83435
Ph (208)657-2245
Dec. 1, 2004

State of Idaho
Department of Water Resources
900 N Skyline Dr. Suite A,
Idaho Falls, Idaho 83402

Att. Dave Carlson:

In a directors meeting on Oct 29, 2003 a motion was made and approved by all the directors, that the Montevew Canal Co transfer the water right from the Canal to the farms of Lavar Newman, and Gaylord Maughan, (Ref.# 71045).

In another meeting it was decided that in as much as we are transferring stockholders Maughan and Newman off the canal, we should also allow Dean Sanders to transfer the water right to him for his well, (Ref # 4492). Which he drilled a number of years ago

In as much as the wells have proven to be successful. The Montevew Canal Co wants to proceed with the transfer of ownership of the water rights to Maughan, Newman, and Sanders. And after the transfer the liability of the Canal will end to these individual farms.

In the matter of Douglas Fransen farm. He has 40 acres he is currently transferring from the canal into one of his wells and when and if this is completed, the directors want to split this 40 acres off from the canal also. Perhaps this could be done at the same time he transfers the water into his well?

Recently we transfered some water to the Engberson dairy. It would be all right if you follow the same pattern with these new transfers except they will go off and Engbersons are still on.

The directors are concerned about maintaining our water right and do not want to lose any of our cfs other than what we are transferring to Newman, Maughan, Sanders, and Fransen. So we want to retain 31-11766 which is the entire water right that after the split will not be split or reduced.

L 3 Limited Partnership(160 acres)
2943 N 800 E
Montevew Id 83435
Ph.(208)657-2366

Gaylord Maughan(320 acres)
648 E 2600 N
Montevew, Id 83435
Ph.(208)657-2245

Dean Sanders (320 acres)
PO box 1816
Mesquite, Nevada 89024
Ph.(702)346-8701

Don Parker, President

Mike Cope, vice/ pres & director

Douglas Fransen, director

Dale Cope, director

Gaylord Maughan director and Sec./ treasurer