

Should questions arise during the processing of this application please contact:
Steve Hannula- ERO Resources Corp. (208) 373-7983

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APR 02 2004

WATER RESOURCES
WESTERN REGION

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

Name of applicant Daniel E. and/or Carmen L. VanLith

Phone (208) 939-4943

Post Office address 4476 N. Croft Pl., Eagle, Idaho, 83616

A. Purpose of Transfer

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe the reason for the proposed changes Applicant purchased water right to irrigate their property.

B. DESCRIPTION OF RIGHT(S) OR PORTION THEREOF, AFTER THE REQUESTED CHANGE

1. Right Number Priority Amount (cfs/ac-ft) Nature of Use Period of Use
63-09972 12/9/1983 0.29/66.2 Irrigation 3/15 to 11/15
_____ to _____
_____ to _____
_____ to _____
2. Total amount of water being transferred 0.29 cubic feet per second and/or 66.2 acre-feet per annum.
3. Source of water Groundwater tributary to N/A
4. Point(s) of Diversion:

Lot	1/4	1/4	1/4	Sec.	Twp.	Rge.	County	Local name for diversion
		SW	NW	32	5N	1W	Ada	Proposed well #1
		NW	SW	32	5N	1W	Ada	Proposed well #2

5. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
5N	1W	32							3			11.7							14.7

Total acres 14.7

PART 1

6. General Information:

- a. Description of diversion system Drilled well, submersible pump, sprinkler system.
- b. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts? ____ Yes XX No. If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes.
- c. Describe the affect on the land now irrigated if the place of use is changed pursuant to this transfer: The land now irrigated are being retired and will be developed into a residential subdivision.
- d. Remarks: See attached.

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Transfer of Water Rights No. _____
And said application is hereby _____, subject to the following limitations and conditions:

Witness my hand this _____ day of _____, 20 _____.

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

WATER RIGHT NO. 63-09972

Priority: December 9, 1983

Maximum Diversion Rate: 0.60 CFS
Maximum Diversion Volume:¹ 135.0 AF

This is to certify, that FRANK N. HAM
WYOMA HAM

4415 N. LOCUST GROVE
MERIDIAN, ID 83642

has complied with the terms and conditions of the permit, issued pursuant to Application for Permit dated January 21, 1983; and has submitted Proof of Beneficial Use on January 17, 1989. An examination indicates that the works have a diversion capacity of 2.490 cfs of water from a GROUNDWATER source, and a water right has been established as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	03/15 to 11/15	0.60 CFS	135.0 AF

LOCATION OF POINT(S) OF DIVERSION:

NWNE , Sec. 31, Township 04N, Range 01E
ADA County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
04N	01E	31	SWNE	30		30

Total number of acres irrigated: 30

CONDITIONS/REMARKS:

1. The maximum diversion volume is defined as the maximum allowable volume of water that may be diverted annually from the source under this right. The use of water confirmed by this right is limited to the amount which can actually be beneficially used. The maximum diversion volume may be adjusted to more accurately describe the beneficial use or to implement accepted standards of diversion and use efficiency.
2. This water right is appurtenant to the described place of use.
3. This right is subject to all prior water rights and may be forfeited by five years of non-use.
4. Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho law.
5. This right when combined with all other rights shall provide no more than .02 cfs per acre nor more than 4.5 afa per acre for the lands above.

MICROFILMED

SEP 18 1990

PART 2

10. To your knowledge, has any portion of this water right undergone a period of five or more consecutive years of non-use?

No If yes, describe _____

B. DESCRIPTION OF PORTION OF RIGHT BEING TRANSFERRED

(If the entire right is to be changed by the applicant, omit part B and C.)

1. Amount
- 0.29/66.2
- for
- Irrigation
- purposes from
- 3/15
- to
- 11/15

(cfs/ac-ft)

Amount _____ for _____ purposes from _____ to _____

(cfs/ac-ft)

Amount _____ for _____ purposes from _____ to _____

(cfs/ac-ft)

2. Points of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
		NW	NE	31	4N	1E	Ada	

3. Lands irrigated or place of use:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
4N	1E	31			14.7														14.7

Total acres 14.7**C. DESCRIPTION OF UNCHANGED PORTION OF RIGHT (omit if there is no change)**

1. Amount
- 0.31/68.8
- for
- Irrigation
- purposes from
- 3/15
- to
- 11/15

(cfs/ac-ft)

Amount _____ for _____ purposes from _____ to _____

(cfs/ac-ft)

Amount _____ for _____ purposes from _____ to _____

(cfs/ac-ft)

2. Points of Diversion:

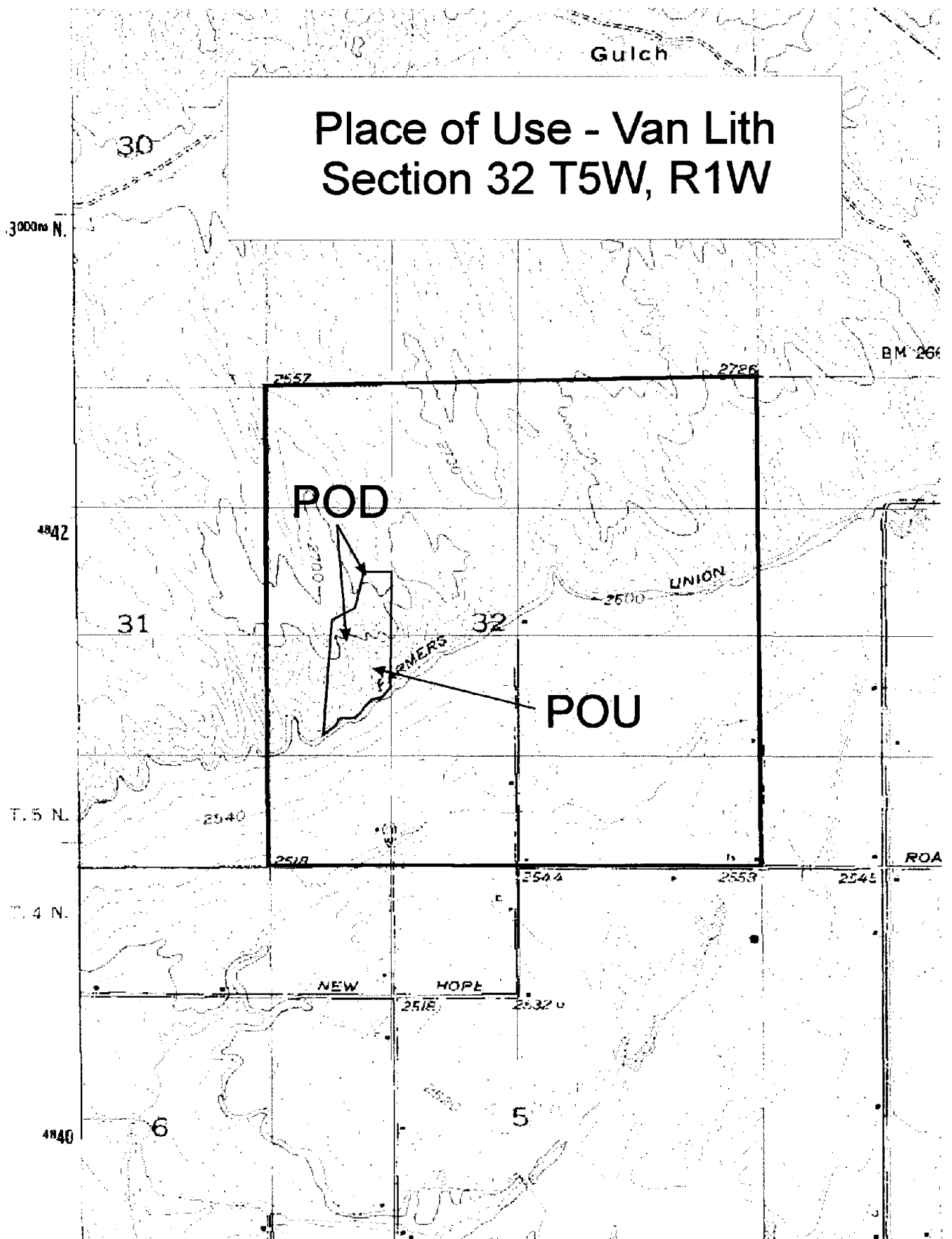
Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
		NW	NE	31	4N	1E	Ada	

3. Lands irrigated or place of use:

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
4N	1E	31			15.3														15.3

Total acres 15.3

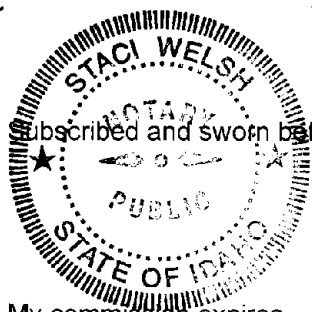
Place of Use - Van Lith Section 32 T5W, R1W



PART 3**B. CHANGES IN NATURE OF USE****N/A**

- | 1. | New Nature of Use | Amount
(cfs/ac-ft) | Hours/days/year | Period of Use |
|----|-------------------|-----------------------|-----------------|----------------|
| | _____ | _____ | _____ | _____ to _____ |
| | _____ | _____ | _____ | _____ to _____ |
2. Quantity and quality of return flows and location of discharge: _____
3. Describe effects on other water uses resulting from the proposed change: _____

I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in voiding its approval.



Carmel J. Smith
(Signature of Applicant)

Subscribed and sworn before me this

17th

day of

March

, 20 04

Staci Welsh
(Notary Public)

My commission expires

1/27/2005

FOR DEPARTMENT USE ONLY

Transfer contains _____ pages and _____ attachments

Received by DB

Date 4-2-04

Protest filed by _____

Prelim. check by g

Fee \$350 - W031468

Received by DB

Date 4-2-04

Published in _____

Copies of protest forwarded by _____

Pub. Dates _____

Hearing held by _____ Date _____

Watermaster recommendation requested on _____

Recommended for ☐ approval ☐ denial

_____ rec'd. _____

by _____

Copy of transfer sent to lien holder _____

REMARKS

Van Lith Transfer of Water Right No. 63-9972

Applicant wishes to transfer a portion of water right no. 63-9972 to a different point of diversion and a new place of use (POU). The new POU (the Van Lith property) is in the NW and SW Sec. 32 T5N R1W, in the Chukar Point subdivision north of Star, Idaho. The requested transfer will dry up 14.7 irrigated acres from 63-9972.

WATER RIGHT PURCHASE AND SALE AGREEMENT

THIS WATER RIGHT PURCHASE AND SALE AGREEMENT ("Agreement") is entered into effective this 4th day of March, 2004 by and between Renata L. Ham, d/b/a Stonecreek Turf, a sole proprietorship (the "Seller"), whose address is 5125 Morninggale Dr., Boise, ID 83713, and Carmen VanLith (the "Buyer"), whose address is 4476 N. Croft Place, Eagle, ID 83616. In consideration of the sums to be paid by Buyer to Seller, and the mutual covenants herein contained, the parties hereby agree as follows:

RECITALS

1. Seller owns a water right to divert ground water for irrigation purposes within the Boise River Basin (administrative Basin 63), which water right is represented by license number 63-9972 in the records of the Idaho Department of Water Resources ("Department"), and which water right authorizes diversion of ground water for irrigation uses on certain lands in Ada County during the irrigation season at a rate of 0.02 cubic feet per second ("cfs") per irrigated acre and a total annual diversion volume of 4.5 acre-feet per acre per year, such lands being located in the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, section 31, T4N, R1E, Boise Meridian in Ada County (the "Property"). A copy of the water right license is attached as Exhibit A to this Agreement. The Property is more particularly described on Exhibit B.
2. Seller desires to sell the approximately 49 percent (14.7/30) portion of water right no. 63-9972 that is appurtenant to 14.7 acres in the S $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, section 31, T4N, R1E within the Property (this portion of licensed water right no. 63-9972 hereinafter referred to as the "Water Right").
3. Buyer desires to purchase the Water Right and transfer its point of diversion and place of use to Buyer's property in Ada County, or, in the alternative, use the Water Right as mitigation for a new ground water permit in which the retirement of the Water Right will serve a mitigation or similar purpose.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals, and the covenants and conditions set forth below, Seller agrees to sell the Water Right to Buyer, and Buyer agrees to purchase it.

4. Purchase Price. The Purchase Price for the Water Right is _____, payable as follows:

- a. Non-refundable Earnest Money payment. Upon execution of this Agreement by Seller and Buyer, Buyer shall pay Seller _____ as a non-refundable earnest money payment ("Earnest Money"). As more particularly described below, the Earnest Money shall be applied toward the Purchase Price at Closing, but shall

be retained by Seller and not refunded to Buyer if, for any reason other than Seller's refusal to close, the purchase and sale does not close.

b. Balance of purchase price.

being the Purchase Price less the Earnest Money, shall be due and payable to Seller at Closing.

5. Buyer responsible for water right transfer. Within thirty days after this Agreement is signed, Buyer shall file, with the Idaho Department of Water Resources ("Department"), either an application to change or transfer the Water Right to Buyer's place of use, proposed nature or time of use, and point of diversion or, in the alternative, an application for a new ground water permit in which the retirement of the Water Right will serve a mitigation or similar purpose (collectively, "Transfer"), and thereafter shall diligently pursue the Transfer at Buyer's sole cost. Upon filing the Transfer, Buyer shall provide a copy of the Transfer to Seller. Upon Seller's receipt of a copy of the Transfer, the Water Right no longer will be diverted from the well on Seller's property or placed to beneficial use by Seller unless Buyer agrees in writing that it can be so used on an interim basis during the pendency of the Transfer.

6. Seller to cooperate with Buyer's Transfer efforts. Seller shall cooperate with the Buyer in pursuit of the Transfer and, at Buyer's request, Seller shall provide Buyer with any information Seller has concerning the Water Right that Buyer may reasonably request in pursuit of the Transfer; provided, that if responding to such request will require Seller to incur attorney or consultant fees or costs, the following conditions shall apply:

a. Seller shall provide Buyer a written estimate of such fees and costs and shall not be obligated to provide a response until Seller receives from Buyer a written approval of such fees and costs and a commitment from Buyer to pay them directly or reimburse Seller for Seller's payment of them. Once Seller has received such approval, Seller shall provide the response to the extent of the fees and costs covered in the approval.

b. Seller shall forward to Buyer all bills for such fees and costs within thirty days after Seller receives invoices for such expenses from a consultant or attorney, and shall inform Buyer whether Seller has paid these invoices or, in the alternative, is forwarding them to Buyer for payment.

c. Within thirty days after Buyer receives them, Buyer shall either pay such invoices directly or reimburse Seller for Seller's payment of them.

7. Closing. Closing shall occur no later than the earlier of: a) ten days after the final, unappealable approval of the Transfer ("Transfer approval"), or b) the one-year anniversary date of this Agreement. At the Closing:

a. Seller shall deliver to Buyer: i) an executed and acknowledged Water Right Grant Deed and Assignment ("Deed") in the form of the specimen attached to this

Agreement as Exhibit C; ii) all documentation, including appropriate deeds, leases, and assignments, confirming Seller's ownership of the Water Right and its entitlement to convey it to Buyer; iii) an executed and acknowledged Notice of Change of Ownership confirming Buyer's ownership of the Water Right and the assignment of the appropriate portion of the Snake River Basin Adjudication Claim for the Water Right; and iv) such other documents as Buyer may reasonably request within thirty days prior to Closing to confirm Buyer's ownership of the Water Right or its transferability. Seller shall make best efforts to provide all documents referenced in item ii of this paragraph within 10 days after the date of this Agreement.

b. Buyer shall deliver to Seller the balance of the Purchase Price by means of a cashier's check or other means of payment acceptable to Seller. Buyer shall have responsibility for recording or filing the Deed and Notice of Change of Ownership and other documents with the county recorder, the Department, the SRBA Court, or any other entities Buyer deems appropriate.

8. Failure to close; Buyer's and Seller's elections. If the Transfer approval does not occur on or before the anniversary of this Agreement, Buyer at its option may either proceed to closing within 20 days after such anniversary deadline or terminate this Agreement by written notice and forfeit its Earnest Money. If Buyer fails to close the transaction within such 20 days after the anniversary deadline or otherwise breaches this Agreement, in addition to any other remedies Seller might have, Seller at its option may terminate this Agreement and retain the Earnest Money. If this Agreement is terminated by whatever means, Buyer, at its cost, shall forthwith withdraw and cancel the Transfer and take any steps necessary to ensure that the Department cancels, reverses or otherwise nullifies the Transfer application process and any Transfer approval, and such obligations shall survive the termination.

9. Representations and Warranties.

a. Seller hereby represents and warrants that:

- i. The Water Right has been beneficially used as the sole water source to irrigate the Property;
- ii. The Property no longer will be irrigated by the Water Right after the date of this Agreement, subject to the provision for interim use in paragraph 5, above;
- iii. Seller is the owner of the Water Right and has not conveyed, mortgaged, or pledged the Water Right to any other person or entity;
- iv. Seller has not engaged or dealt with any broker or finder in connection with the sale of the Water Right;

- v. Seller has the legal power, right and authority to enter into this Agreement and to perform Seller's obligations hereunder;
 - vi. A claim for the Water Right has been filed in the Snake River Basin Adjudication, but Seller makes no representation or warranty regarding the outcome of that proceeding as it might affect the Water Right;
 - vii. The Water Right has been placed to continual beneficial use on the Property, and Seller has no knowledge of any continuous five-year period of nonuse of the Water Right; and
 - viii. Seller makes no other guarantees or warranties as to the Water Right, its yield upon transfer, or its transferability. Buyer understands and agrees that the purchase price set forth above will remain the same regardless of the amount of water Buyer ultimately is allowed to divert and place to beneficial use under the Transfer; that the amount of water could be less than the face value of the Water Right; and that, should it approve the Transfer, the Department may impose conditions on the use of the Water Right.
- b. Buyer hereby represents and warrants that:
- i. Buyer has the legal power, right and authority to enter into this Agreement and to perform Buyer's obligations hereunder; and
 - ii. Buyer has not engaged any broker or finder in connection with the purchase of the Water Right.

10. Remedies on Default. If either party breaches this Agreement, the non-breaching party shall be entitled to all remedies available at law or in equity.

11. Notices:

Seller: Renata L. Ham
5125 Morninggale Drive
Boise, ID 83713

Buyer: Carmen VanLith
4476 N. Croft Place
Eagle, ID 83616

12. General Provisions.

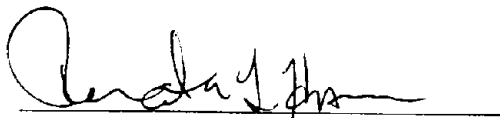
- a. This Agreement contains the entire agreement between the parties related to the purchase and sale of the Water Right, and all prior or

contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.

- b. No modification, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by both parties.
- c. If either party commences litigation for the judicial interpretation, enforcement or rescission of this Agreement, the prevailing party shall be entitled to its reasonable attorney fees and costs.
- d. Time is of the essence to this Agreement. In particular, the requirement that Closing must occur within 12 months of the date of this Agreement is a central and material term, and either party's failure to close within that time period, subject to the provisions of paragraph 8, above, shall be a breach of this Agreement.
- e. All obligations referred to herein that reasonably are to be performed, or may be performed, after Closing, and all representations and warranties contained herein, shall survive the Closing and delivery of Seller's Water Right Grant Deed and Assignment.
- f. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, representatives, successors and assigns.
- g. All notices to be given to the parties shall be in writing, delivered in hand, or by U.S. Mail, postage pre-paid directed to such parties address as stated above unless such party shall have directed in writing that notice be sent to a different address.
- h. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, this Agreement has been executed by the parties, in the State of Idaho, as of the date set forth above.

SELLER:



Renata L. Ham
Stonecreek Turf

BUYER:


Carmen VanLith



FA-171742-JB

FOR VALUE RECEIVED,

CORPORATE WARRANTY DEED

ADA COUNTY RECORDER J. DAVID NAVARRO
BOISE IDAHO 05/12/03 04:25 PM
DEPUTY Kris Vaughn
RECORDED - REQUEST OF
First American
AMOUNT 3.00



1

Irving J. Ray, Inc., an Arizona Corporation

a corporation duly organized and existing under the laws of the State of Idaho, grantor, does hereby Grant, Bargain, Sell and Convey unto

Daniel E. Vanlith and Carmen L. Vanlith, husband and wife

whose address is: 700 Rex 190, Eagle, Idaho 82616

grantee, the following described real estate, to-wit:

Lot 3 AND 4 in Block 1 of CHUKAR POINT SUBDIVISION, according to the plat thereof, filed in Book 83 of Plats at Pages 9237 and 9238, Records of Ada County, Idaho.

SUBJECT TO current years taxes, irrigation district assessment, public utility easements, subdivision restrictions and U.S. patent reservations.

TO HAVE AND TO HOLD The said premises, with their appurtenances unto the said Grantee, his heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that it is the owner in a fee simple of said premises; that they are free from all encumbrances and that it will warrant and defend the same from all lawful claims whatsoever.

IN WITNESS WHEREOF, The Grantor, pursuant to a resolution of its Board of Directors has caused its corporate name to be hereunto subscribed by its President this 12th day of May, 2003.

Irving J. Ray, Inc.

BY: [Signature]
Irving J. Ray, President



STATE OF)
COUNTY OF IDA)

On This 12th day of May, in the year 2003, before me, a Notary Public in and for said State, personally appeared Irving J. Ray, known or identified to me to be the President of the Corporation that executed the instrument or the person who executed the instrument on behalf of said Corporation, and acknowledged to me that such Corporation executed the same.

Notary Public of Boise, Idaho
Residing at [Signature]
Commission expires: 12/26/2005

First American Title Company of Idaho