



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street, P.O. Box 83720, Boise, ID 83720-0098

Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: www.idwr.idaho.gov

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

April 4, 2006

WITHERSPOON KELLEY
ATTN RYAN JENSEN
422 W RIVERSIDE AVE SUITE 1100
SPOKANE WA 99201

RE: Security Interest and Associated Documents for Water Rights 63-10666D
and 63-31194

Dear Mr. Jensen:

I have enclosed copies of documents associated with the Notice of Security Interest filed in the name of Wells Fargo Bank for water right 63-10666D and deeds associated with the land described under water right 63-31194 (split from 63-10666C) per your request. The following documents are enclosed:

- 1) Notice of Security Interest with attached security agreement
- 2) Deeds from Darwin McKay and Turf Corporation to Sundance Investments
- 3) Proof Reports for water rights 63-31194 and 63-10666D.

Please feel free to contact me at 208-287-4948 if you need additional assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Peppersack", is written over a horizontal line.

for Jeff Peppersack, Manager
Water Right Permits Section

JP:klt

Enclosures

SCANNED

DEC 27 2006



State of Idaho

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DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

March 17, 2006

JON GOULD
RINGERT CLARK CHARTERED LAWYERS
P O BOX 2773
BOISE ID 83701

RE: Security Interest Documents and Correspondence for 63-10666D, et al in
the Name of Sterling Savings Bank

Dear Mr. Gould:

I have enclosed copies of documents and correspondence associated with the
Notice of Security Interest filed in the name of Sterling Savings Bank for property
owned by Darwin McKay and The Turf Co. LLC per your request. The following
documents are enclosed:

- 1) Notice of Security Interest with attached mortgage
- 2) Letter dated January 4, 2005 from LandAmerica Financial Group Inc. to
IDWR
- 3) Letter dated January 12, 2005 from IDWR to Darwin McKay and copied to
Sterling Savings Bank and LandAmerica Financial Group Inc.
- 4) Letter dated January 31, 2006 to Sterling Savings Bank

Please feel free to contact me at 208-287-4948 if you need additional assistance.

Sincerely,


Jeff Peppersack, Manager
Water Right Permits Section

JP:klt

Enclosures

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DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

January 31, 2006

STERLING SAVINGS BANK
C/O MICHAEL E WILLIAMS
621 SW MORRISON, SUITE 550
PORTLAND OR 97205

RE: Security Interest for Water Rights 63-10666D, 63-31194 (split from 63-10666C) and
63-31885 (split from 63-10780)

Dear Mr. Williams:

On January 12, 2005, the Department of Water Resources copied a letter to you acknowledging a security interest in the name of Sterling Savings Bank for the water rights referenced above. The water rights are listed in the Department's records with Darwin L. McKay as owner.

The Notice of Security Interest submitted on January 6, 2005 included a copy of the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing as evidence of the security interest. The documentation indicates property in T3N, R1E Sec. 33 as the subject of the security interest. For the water rights referenced above, only water right 63-31885 was appurtenant to land in Sec. 33. The other two water rights, 63-10666D and 63-31194 (split from 63-10666C) are not appurtenant to land in Sec. 33 and should not have been included without additional documentation showing a security interest for the property. I am enclosing reports for the water rights for your reference.

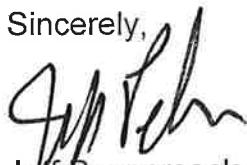
Please provide additional documentation showing a security interest for water rights 63-10666D and 63-31194. If the water rights were listed in error on the notice you submitted, please notify us in writing and we will refund the filing fee and remove the security interest from our records. In either case, we will withhold any action for 30 days to allow you time to review this information and to provide additional documentation if you feel it is necessary. If you do not respond in 30 days, we will remove the security interest from our records for water rights 63-10666D and 63-31194.

Water right 63-31885 resulted from a transfer changing a portion of water right 63-10780. That transfer was revoked by order of the Department on October 19, 2005. Sterling Savings Bank has been added to the record for 63-10780 as a security interest. I have enclosed a copy of the order and a report of the water right for your reference.

SCANNED
DEC 17 2006

Please feel free to contact me at 208-287-4948 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Peppersack".

Jeff Peppersack, Manager
Water Right Permits Section

JP:klt

Enclosure(s)

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DEC 27 2006



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

RECEIVED

AUG 24 2005

DEPARTMENT OF
WATER RESOURCES

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

August 22, 2005

DARWIN MCKAY
6100 S EAGLE RD
MERIDIAN ID 83642

Re: Withdrawal of Application for Transfer for Water Right No. 63-10666D

Dear Mr. McKay:

Thank you for your recent withdrawal of the above referenced application. The application has been removed from the records of this agency. Your application is therefore returned.

Please contact this office if you have additional questions in this matter. Also, more information about water rights and other matters administered by this agency is available on the Internet at www.idwr.idaho.gov.

Sincerely,

Steve Lester
Water Rights Supervisor

Enclosure: Original Application

SCANNED

MAR 27 2007



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street, P.O. Box 83720, Boise, ID 83720-0098

Phone: (208) 287-4800 Fax: (208) 287-6700 Web Site: www.idwr.idaho.gov

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

January 12, 2005

DARWIN L MC KAY
6100 S EAGLE RD
MERIDIAN ID 83642

RE: Security Interest for Water Rights 63-10666D, 63-31194 (split from 63-10666C)
63-31885 (split from 63-10780)

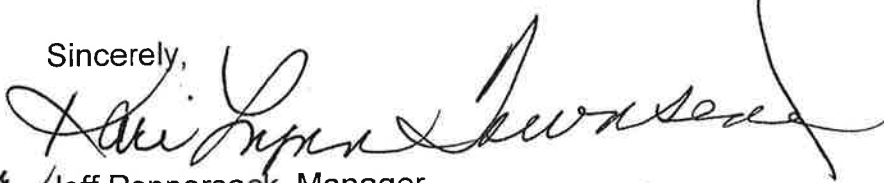
Dear Water Right Holder(s):

The department acknowledges receipt of correspondence adding a Security Interest in the name of Sterling Savings Bank to the above referenced water rights. The department has modified its records to reflect the changes and has enclosed computer-generated reports for your records.

Please note that as of July 1, 1996, water right owners are required to report any change of water right ownership and any change of mailing address of the owner of a water right to the department. Notice of the change must be provided to the department within 120 days of the change. Change reporting forms are available from any office of the department.

Please feel free to contact this office if you have any questions regarding this matter.

Sincerely,

for 
Jeff Peppersack, Manager
Water Right Permits Section

JP:klt

Enclosure

cc: STERLING SAVINGS BANK
C/O MICHAEL E WILLIAMS
621 SW MORRISON #550
PORTLAND OR 97205

LAND AMERICA FINANCIAL GROUP INC
C/O THERESA M KILMER, V P
1515 SW FIFTH AVE #850
PORTLAND OR 97201

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DEC 27 2006



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January 12, 2005

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

HOLLAND & HART LLP
ATTN: LINDA B JONES
PO BOX 2527
BOISE ID 83701-2527

RE: Termination of Security Interest in Water Right 63-10666D
Termination of Security Interest in Water Right 63-31885 (split from 63-10780)

Dear Ms. Jones:

The Department of Water Resources acknowledges receipt of your letter of January 4, 2005 advising of the Termination of Security Interest in water rights as referenced above on behalf of Wells Fargo Bank.

This information has been added to our database and Wells Fargo Bank is no longer listed as a security interest for these water rights.

If you have any questions regarding this matter, please call me at 287-4952.

Sincerely,

Kari Lynn Townsend
Secretary

KLT:k

SCANNED

DEC 27 2006



LandAmerica Financial Group, Inc.
1515 SW Fifth Avenue, Suite 850
Portland, OR 97201
phone: 503 223-5910 fax: 503 553-8079

RECEIVED
JAN 10 2005
DEPARTMENT OF
WATER RESOURCES

January 4, 2005

Idaho Dept. of Water Resources
2735 Airport Way
Boise, Idaho 83705-5082

RECEIVED

JAN 06 2005

WATER RESOURCES
WESTERN REGION

Re: Escrow: 1232264eo
The Turf Company LLC

To Whom It May Concern:

In regard to the above-referenced transaction, enclosed herewith are the following:

1. A check in the amount of \$ 75.00 for the notice fees.
2. Notice of Security Interest in a Water Right.
3. A copy of the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing.

If you have any questions regarding these enclosures, feel free to contact me.

Sincerely,

Theresa M. Kilmer
Vice President
Sr. Commercial Escrow Officer

Cc: Jody McCormick