



SPF Water Engineering, LLC
water resource consultants

RECEIVED

DEC 31 2007

WATER RESOURCES
WESTERN REGION

December 31, 2007

Steve Lester
Western Region
Idaho Dept. of Water Resources
2735 Airport Way
Boise, ID 83706

Re: Application for Permit 61-12090

Dear Steve,

In response to your correspondence dated May 17, 2007, this letter provides additional information for a permit application originally submitted by Boise-Highland Development Co. An assignment has been submitted to IDWR establishing Nevid LLC as the new owner of the application.

Nevid's authority to do business in the State of Idaho is evidenced by the enclosed copies of the *Certificate of Existence* filed in the State of Nevada, and the *Application for Registration of Foreign Limited Liability Company* filed October 26, 2007 with the Secretary of State for the State of Idaho.

Nevid LLC is the current owner of the property that is the subject of application 61-12090, as evidenced by the attached Warranty Deed conveying the property from Betsy Binnendijk-Zijderlaan, Willem Zijderlaan, and Nicholaas Willem Zijderlaan (Instrument No. 391646).

The previous owner of *Application for Permit* 61-12090 also filed an *Application for Transfer* regarding water right 61-7208. Nevid LLC did not acquire an interest in the transfer application and will not be pursuing a transfer of water right 61-7208.

We are also providing information on behalf of Nevid LLC, as required under Idaho Water Appropriation Rule 40, Rule Subsection 040.05 concerning:

1. the effect on existing water rights
2. sufficiency of supply
3. the good faith purposes of the applicant
4. the financial resources of the applicant
5. local public interest

The following paragraphs supply the information requested under Idaho Water Appropriation Rule 40.

*Subsection 040.05c - Information relative to effects on existing water rights, and
Subsection 040.05d - Information relative to the sufficiency of water supply*

SPF has completed a report entitled "Groundwater Supply Evaluation for Elk Creek Village, Application for Permit No. 61-12090" to supply the information required by Subsections 040.05c/d. A copy of the report is included with this correspondence. (Elk Creek Village is the initial phase of the planned community being developed at this site.)

As noted in the report, application 61-12090 requests appropriation of 5.0 cfs for municipal uses. Elk Creek Canyon, LLC (a related business entity) has applied for additional appropriation of groundwater under applications 61-12095 and 61-12096 (submitted April 3, 2007) for the remainder of Elk Creek Village and the Elk Creek Canyon planned community.

Subsection 040.05e – Information relative to good faith

The application is made in good faith and is not for speculative purposes. Nevid LLC is the current owner of the property which is the subject of application 61-12090, as evidenced by a copy of a Warranty Deed noted above.

Nevid LLC is developing the property in conjunction with a property (known as the "Ranch Property) directly to the north also owned by Nevid LLC. A copy of the Warranty Deed for the Ranch Property is also attached. Nevid was asked by Elmore County to delay filing an application for this planned community development until after the County had an opportunity to update the existing comprehensive plan. Preliminary concept design and significant work on the planned community application has been completed.

Subsection 040.05f – Information relative to financial resources

Nevid has made a substantial financial commitment to this project. It has purchased its property without debt financing. As shown on the enclosed settlement statements, Nevid has paid \$2,100,000 for the property in question and an additional \$6,500,000 for the Ranch Property.

Subsection 040.05g - Information relative to local public interest

As noted above, Nevid LLC is in the process of completing an application for the planned community to be known as Elk Creek Canyon. This will initiate the development process with Elmore County.

Nevid LLC is an appropriate entity to develop and operate a municipal water supply system which will be regulated by IDEQ as a public water supply. Nevid will comply with all of the requirements of the IDPUC and IDEQ.

We look forward to supplying additional information concerning applications 61-12095 and 61-12096 in the near future. Please contact me if you have questions or need additional information.

Sincerely,



Roxanne Brown

Cc: John Erickson

Enclosures
Groundwater Supply Report

SPF Job No.: 591.0010

Certificate of Existence
Application for Registration of Foreign LLC

SECRETARY OF STATE



CERTIFICATE OF EXISTENCE WITH STATUS IN GOOD STANDING

I, ROSS MILLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, non-profit corporations, corporation soles, limited-liability companies, limited partnerships, limited-liability partnerships and business trusts pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, NEVID LLC, as a limited liability company duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since May 30, 2007, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on October 18, 2007.




ROSS MILLER
Secretary of State

Electronic Certificate
Certificate Number: C20071018-1136
You may verify this electronic certificate
online at <http://secretaryofstate.biz/>



APPLICATION FOR REGISTRATION OF FOREIGN LIMITED LIABILITY COMPANY

(Instructions on back of application)

FILED EFFECTIVE
07 OCT 26 AM 8:42
SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited liability company is:

NEVID LLC

2. If the name of the limited liability company is not permissible or is not available in Idaho, the name the foreign limited liability company will use in Idaho is:

3. The jurisdiction under whose laws the limited liability company is organized is: NEVADA

and the date of its formation was: 5/30/07

4. The name and address of the registered agent in Idaho is:

KARL L. DECKER, 1000 Riverwalk Drive, Suite 200, Idaho Falls, ID 83405

5. The address of the limited liability company's office in the jurisdiction under whose laws it is organized is:

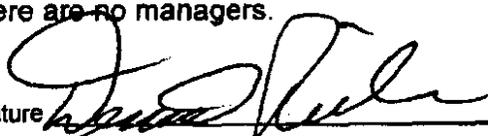
1349 GALLERIA DRIVE, SUITE 200, HENDERSON, NV 89014

6. The address of the limited liability company's principal office, if other than the address in #5 above, is:

7. The address to which correspondence should be addressed is:

1349 GALLERIA DRIVE, SUITE 200, HENDERSON, NV 89014

8. Signature of a manager, if any, or a member if there are no managers.

Signature 

Typed Name DENNIS RIDER

Manager Member

Secretary of State use only

g:\corpforms\llc_forms\appformregforllc06
Rev 06/01/02/02

IDAHO SECRETARY OF STATE
10/26/2007 05:00
CR: 1004 CT: 210965 DR: 1002522
1 @ 100.00 = 100.00 REGFORLLC 0 2

Vlet. Form

W68021

Warranty Deeds

WARRANTY DEED

FOR VALUE RECEIVED

Betsy Binnendijk-Zijderlaan, a single woman and Willem Zijderlaan, a single man and Nicholaas Willem Zijderlaan, a single man

GRANTOR(S), does(do) hereby GRANT, BARGAIN, SELL and CONVEY unto

Nevid LLC

GRANTEE(S), whose current address is: 1349 Galleria Drive, Ste. 200, Henderson, NV 89014
the following described real property in Elmore County, State of Idaho,
more particularly described as follows, to wit:

(See Attached)

Instrument # 391646
Elmore County, Idaho
04:51pm Oct. 01, 2007
for: GUARANTY TITLE INC
No. of Pages: 3 Fee: \$9.00
MARSA GRIMMETT, Recorder
Deputy: DLE

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and Grantee(s) heirs and assigns forever. And the said Grantor(s) does(do) hereby covenant to and with the said Grantee(s), that Grantor(s) is/are the owner(s) in fee simple of said premises; that said premises are free from all encumbrances, EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee(s); and subject to reservations, restrictions, dedications, easements, rights of way and agreements, (if any) of record, and general taxes and assessments, (including irrigation and utility assessments, if any) for the current year, which are not yet due and payable, and that Grantor(s) will warrant and defend the same from all lawful claims whetsoever, except those of record.

Dated: September 21, 2007

Betsy Binnendijk Zijderlaan
by Martinus Christiaan Binnendijk her
attorney in fact

Willem Zijderlaan
by Martinus Christiaan Binnendijk
attorney in fact

Nicholaas Willem Zijderlaan
by Martinus Christiaan Binnendijk his attorney in fact

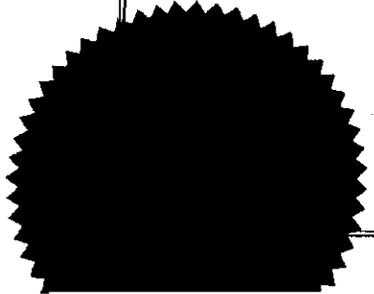
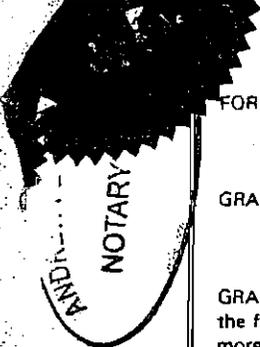
STATE OF Thorpe Bay)
COUNTY OF Essex)

On this 27th day of September in the year 2007, before me,
a Notary Public, personally appeared Martinus Christiaan Binnendijk known or identified
to me to be the person whose name is subscribed to the within instrument as the attorney in fact of Willem Zijderlaan,
Betsy Binnendijk-Zijderlaan and Nicholaas Willem Zijderlaan and acknowledged to me that he subscribed the name
of the above thereto/as principal, and his/her attorney in fact.

Notary Public: _____
Residing at: Thorpe Bay
Expires: on 22/08/08

ANDREW HURRELL
Solicitors & Notary Public
198 The Broadway,
Thorpe Bay,
Essex, SS1 3EL

ANDREW PETER HURRELL
NOTARY PUBLIC



LEGAL DESCRIPTION

Township 1 South, Range 4 East, Boise Meridian, Elmore County,
Idaho

Section 2: S1/2SE1/4, NE1/4SE1/4
Section 11: NE1/4 and NW1/4SE1/4

SAVE AND EXCEPT

This parcel is the SW1/4NE1/4 and the NW1/4SE1/4 lying South and West of the Southwesterly Right-of-Way line of U.S. Highway 10 and lying North and West of the Northerly Right-of-Way line of Simco Road in Section 11, Township 1 South, Range 4 East of the Boise Meridian and is more particularly described as follows:

Beginning at the Southwest corner of said SW1/4NE1/4; thence N 0°08'43" W along the West boundary line of said SW1/4NE1/4 a distance of 480.01 feet to a point on the Southwesterly Right-of-Way line of U.S. Highway 10; thence S 33°54'52" E along said Highway Right-of-Way line a distance of 750.70 feet to a point on the Northerly Right-of-Way line of Simco Road; thence S 46°36'32" W along said Right-of-Way line for Simco Road a distance of 572.84 feet to a point on the West boundary line of said NW1/4SE1/4; thence N 0°08'43" W a distance of 608.50 feet to the POINT OF BEGINNING.

ALSO SAVE AND EXCEPT:

Township 1 South, Range 4 East, Boise Meridian, Elmore County,
Idaho

Section 11: All that portion of the NW1/4SE1/4 lying South of Simco Road and West of Old Highway 10.

Settlement Statements

GUARANTY TITLE, INC.
206 South 3rd East St
Mountain Home, Id 83647

BUYERS SETTLEMENT STATEMENT

Buyer: Nevid LLC
Seller: Betsy Binnendijk-Zijderlaan Nicolaas Willem Zijderlaan
Willem Zijderlaan
Property Address: WNA Baseline Road
Oasis, ID 83647
Order Number: 05-1258 Settlement Date: 09/21/07
Escrow Officer:

	Expenses	Credits
Purchase Price.....	1,200,000.00	
Deposit or Earnest Money.....		10,000.00
County taxes from 01/01/07 to 09/28/07.....		501.64
Title Insurance to GUARANTY TITLE, INC.....	1,590.00	
Escrow Fee to GUARANTY TITLE, INC.....	750.00	
Recording of Deed.....	15.00	
add recordings to GUARANTY TITLE, INC.....	15.00	
assignment fees		
.....	800,000.00	
assignment fee		
Cleveland Corder.....	100,000.00	
Deposit 11-27		
.....		50,000.00
Deposit 01-31		
.....		50,000.00
Funds on deposit		
.....		800,000.00
Sub-totals	2,102,370.00	910,501.64
Balance due from Buyer		1,151,868.36
Totals	2,102,370.00	2,102,370.00

[Signature]

Escrow Officer

I/We hereby acknowledge receipt of this Statement.

[Signature]

Nevid LLC

[Handwritten mark]

A. SETTLEMENT STATEMENT		U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	
GUARANTY TITLE, INC. 206 South 3rd East St Mountain Home, Id 83647		OMB No. 2502-0265	
B. TYPE OF LOAN			
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FNMA	3. <input type="checkbox"/> CONV.UNINS.	6. File Number: 06-1048
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV.INS.		7. Loan Number:
		8. Mortgage Insurance Case Number:	
C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
D. NAME AND ADDRESS OF BORROWER:		E. NAME AND ADDRESS OF SELLER/TAX I.D.No.:	F. NAME AND ADDRESS OF LENDER:
Nevid LLC 1349 Galleria Drive, Ste. 200 Henderson, NV 89014		J.R. Cornell, Jr. Dixie Cornell HC 87 Box 700 Mountain Home, Id 83647	
G. PROPERTY LOCATION:		H. SETTLEMENT AGENT:	
NNA Base Line Road Mountain Home, Id 83647		GUARANTY TITLE, INC.	
		PLACE OF SETTLEMENT:	I. SETTLEMENT DATE:
		206 South 3rd East St Mountain Home, Id 83647	06/01/07
J. SUMMARY OF BORROWER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:		400. GROSS AMOUNT DUE TO SELLER:	
101. Contract Sales Price	5,500,000.00	401. Contract Sales Price	5,500,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	2,515.00	403.	
104. from assignee POC 1000000.00		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	5,502,515.00	420. GROSS AMOUNT DUE TO SELLER	5,500,000.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	12,405.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgageloan	
205.		505. Payoff of second mortgageloan	
206.		506. 2nd 1/2 06 tax	212.25
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes 01/01/07 to 06/01/07	175.62	511. County taxes 01/01/07 to 06/01/07	175.62
212. Assessments to		512. Assessments to	
213.		513.	
214. Deposits	700,000.00	514. Deposits	700,000.00
215.		515.	

L. SETTLEMENT CHARGES				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL SALES/BROKER'S COMMISSION					
based on price \$ 5,500,000.00 @ % =					
Division of Commission (line 700) as follows:					
701. \$	to				
702. \$	to				
703. Commission paid at Settlement					
704.					
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee		X			
802. Loan Discount		X			
803. Appraisal Fee to					
804. Credit Report to					
805. Lenders Inspection Fee					
806. Mortgage Insurance Application Fee to					
807. Assumption fee					
808.					
809.					
810.					
811.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest from	to	\$	/day		
902. Mortgage Insurance Premium for	months to				
903. Hazard Insurance Premium for	years to				
904. Flood Insurance Premium for	years to				
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard insurance	months \$		per month		
1002. Mortgage insurance	months \$		per month		
1003. City property taxes	months \$		per month		
1004. County property taxes	months \$		per month		
1005. Annual assessments	months \$		per month		
1006. Flood insurance	months \$		per month		
1007.	months \$		per month		
1008.	months \$		per month		
1100. TITLE CHARGES					
1101. Settlement or closing fee	to	GUARANTY TITLE, INC.		750.00	750.00
1102. Abstract or title search	to				
1103. Title examination	to				
1104. Title insurance binder	to				
1105. Document preparation	to				
1106. Notary fees	to				
1107. Attorney's fees	to				
(includes above items numbers:)					
1108. Title insurance	to	GUARANTY TITLE, INC.		1,750.00	11,655.00
(includes above items numbers:)					
1109. Lender's coverage	\$				
1110. Owner's coverage	\$ 6,500,000.00		13,405.00		
1111.					
1112.					
1113.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording fees: Deed \$	15.00	Mortgage \$		15.00	
1202. City/county tax stamps: Deed \$		Mortgage \$			
1203. State tax/stamps: Deed \$		Mortgage \$			
1204.					
1205.					
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey to					
1302. Pest inspection to					
1303.					