



Department of Energy

Official File

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

CORPORATE

December 5, 2005

In reply refer to: DK-7

Mr. Jon Marvel
Executive Director
Western Watersheds Project
Box 1770
Hailey, ID 83333

RE: FOIA Request #06-002

Dear Mr. Marvel:

On October 19, 2005, you submitted a Freedom of Information Act (FOIA) request to Bonneville Power Administration, designated as FOIA #06-002, in which you requested a copy a recent appraisal carried out by BPA on grazing permit values in the Sawtooth National Recreation Area in central Idaho.

BPA is hereby providing the document in response to the above request. No information has been redacted from the document. There is no fee for this request.

If you are dissatisfied with this determination, you may make an appeal within thirty (30) days of receipt of this letter to Director, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585. Both the envelope and the letter must be clearly marked "Freedom of Information Act Appeal."

If you have any questions regarding this response, you may contact me at 503-230-7303.

Sincerely,

/s/ Christina J. Brannon

Christina J. Brannon
Freedom of Information Act Officer

Enclosure

Le Moyne Appraisal L.L.C.

HENRI LEMOYNE, A.R.A., S.R.P.A., A.S.A.
ACCREDITED RURAL APPRAISER
IDAHO CERTIFIED APPRAISER

CRAIG A. MOORE
IDAHO CERTIFIED APPRAISER

BRENT STANGER, A.R.A.
ACCREDITED RURAL APPRAISER
IDAHO CERTIFIED APPRAISER

SEAN BROWN
APPRAISER TRAINEE

June 14, 2004

Karma Bragg, Project Manager
Custer Soil and Water Conservation District
P.O. Box 305
Challis, ID 83326

Dear Ms. Bragg:

Pursuant to your request for an estimate of the leasehold interest in the Term Grazing Permit Number 4504, held by Mark and Brenda Stark of Challis, Idaho, I certify that I have inspected the two units that are involved in this term permit and have gathered market information to analyze the appraisal problem. I contacted Mark by telephone on two occasions the last being on June 7, 2004. Mr. Stark was offered the opportunity to accompany me on the inspection but declined. I did personally inspect the property on June 8, 2004 and have inspected it on several previous occasions. With respect to many of the comparable sales, I had previously inspected them in relation to other appraisal assignments and other real estate activities.

You are invited to read the accompanying report of 84 pages, which contains the result of my investigation and analysis. This appraisal report is intended to comply with the Uniform Standards of Professional Appraisal Practice, (USPAP) and the Uniform Standards for Federal Land Acquisitions. An exception to the Uniform Standards for Federal Land Acquisitions is however invoked. Page 62 of those standards in paragraph A-24 indicates that "A ranch owner is not entitled to compensation for any value added to fee lands as a result of their actual or potential use, in combination with Taylor Grazing Act Permit lands, as these permits to use the public domain for grazing are revocable and create no property rights in the holder."

346 FILLMORE STREET

P.O. BOX 5225
PHONE (208) 733-0874

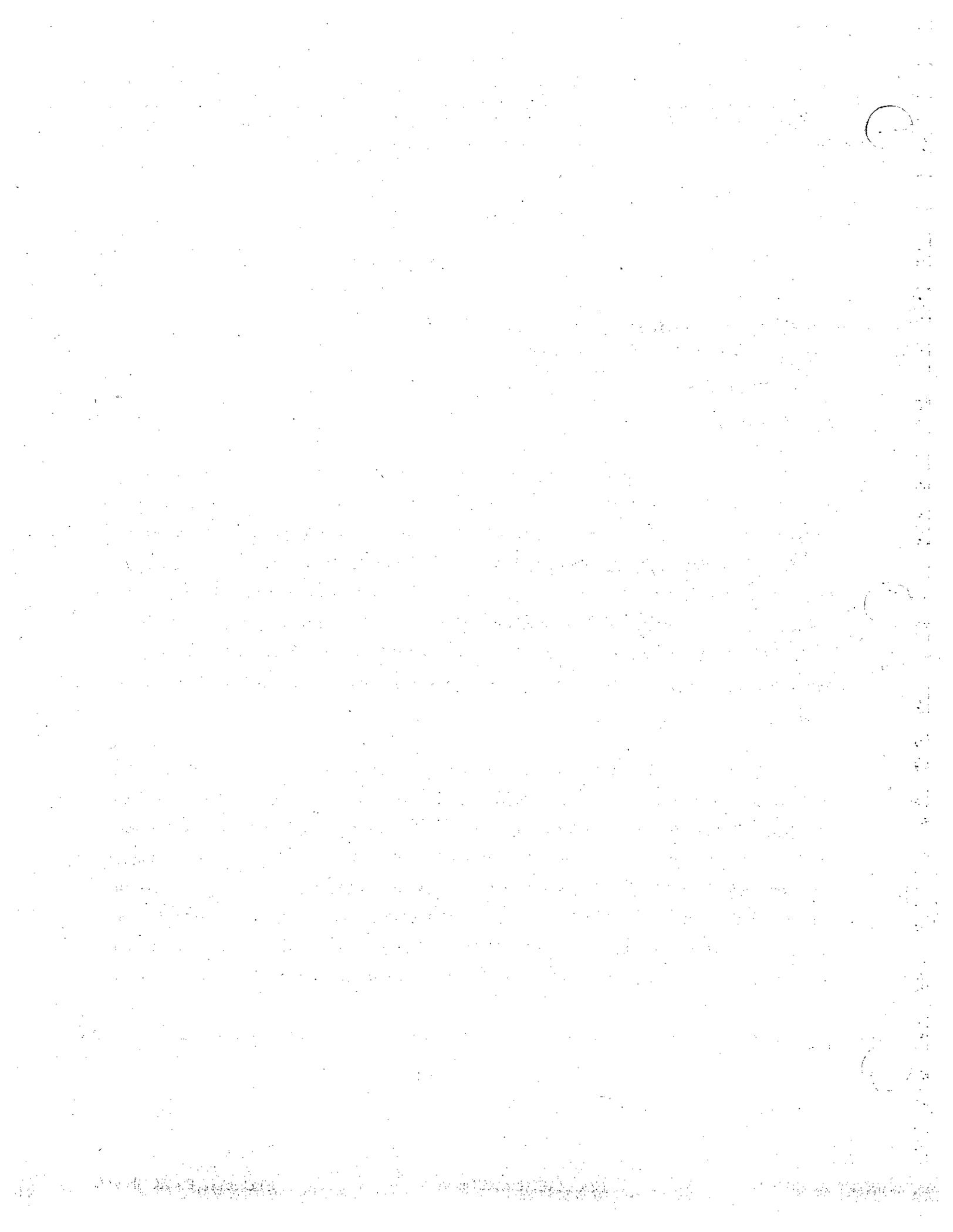
TWIN FALLS, IDAHO 83303-5225

HENRI
henri@lemoynerealty.com

CRAIG
camoore@cablone.net

BRENT
bstanger@onewest.net

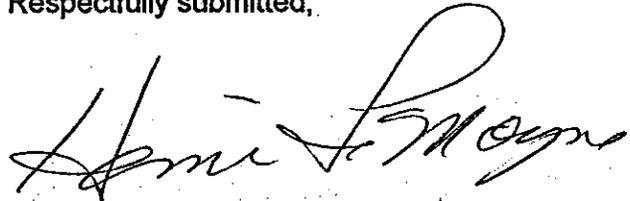
SEAN
sean@lemoynerealty.com



We have discussed this and you have instructed me to ignore that portion of the Uniform Standards for Federal Land Acquisitions for this purpose only.

In my opinion the market value of the Term Grazing Permit held by Mark and Brenda Stark was \$70,000 as of June 8, 2004.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Henri LeMoyne". The signature is written in black ink and is positioned above the printed name.

Henri LeMoyne, ARA, SRPA, ASA
Idaho Certified Appraiser # 9

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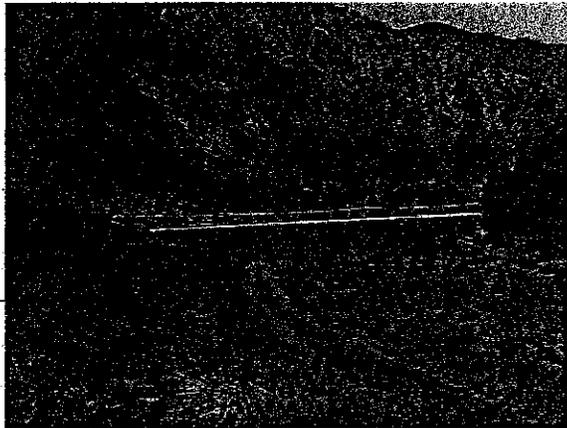
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Effective Date of Appraisal:	June 8, 2004
Owner of Record:	Mark and Brenda Stark
Location:	Stanley Basin and Salmon River Springs Allotments
Highest & Best Use:	As for the grazing of livestock, coexisting with and in many cases compatible with recreational use of the area by both the permittees and the general public.
Value Indications:	
Cost Approach:	Not applicable
Direct Sales Comparison Approach:	\$70,000
Income Approach:	Not applicable
FINAL ESTIMATE OF VALUE:	\$70,000



Taken by Henri LeMoyne
6/8/04

Looking east along a good flat on the north side of
Salmon River in the Salmon River Spring Allotment



Taken by Henri LeMoyne
6/8/04

Looking northerly from Mill Creek with Highway 75
and a portion of the allotment north of Salmon River
in the background

PHOTOGRAPH TAKEN OCTOBER 16, 2001
BY HENRI LEMOYNE



LOOKING WEST OVER SECTION 6 PARK AREA IN NORTH PORTION OF THE
STANLEY BASIN ALLOTMENT

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is based on the following limiting conditions:

1. That I assume no responsibility for matters legal in nature, nor do I render any opinion as to the title, which is assumed to be good and marketable. All existing liens and encumbrances securing payment of money have been disregarded and the property is appraised as though free and clear under responsible ownership and competent management.
2. That the legal description as furnished is correct.
3. That only under the program of utilization and conditions as described in this report does the distribution between land and improvements as stated exist. This distribution is invalid under any other program utilization.
4. That although parcel dimensions are taken from a source considered to be reliable and a very fine measurement was made, such verification should not in any way be construed as a land survey.
5. Sketches and maps in this report are for illustrative purposes only.
6. That information obtained for use in this appraisal is believed to be true and correct to the best of my ability, however, no responsibility is assumed for errors or omissions, or information not disclosed which might otherwise affect the valuation estimate.
7. That no soil report concerning construction on the subject property was available to this Appraiser. This valuation is subject to soil conditions that are adequate for standard construction with the highest and best use.
8. That neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the author, particularly as to the valuation and conclusions.
9. Testimony or attendance in court is not required by reason of this appraisal, with reference to the property in question, unless arrangements have previously been made therefore.

10. In this appraisal assignment, the existence of potentially hazardous material used in the construction or maintenance of the building, such as presence of urea-formaldehyde foam insulation, and/or the existence of toxic waste, which may or may not be present on the property, was not observed by me; nor do I have any knowledge of the existence of such materials on or in the property. The Appraiser, however, is not qualified to detect such substances. The existence of urea-formaldehyde insulation or other potentially hazardous waste material may have an effect on the value of the property. I urge the client to retain an expert in this field if desired.

11. As per standard industry practice, the Appraiser's inspection of any improvements was made to determine only their apparent condition. As the Appraiser is not a qualified building inspector, the services of professional inspectors would be necessary to accurately determine the condition of the various components of the structure.

12. ENVIRONMENTAL DISCLAIMER: The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. The Appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The Appraiser's routine inspection of and inquires about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous material and environmental conditions on or around the property that would negatively affect its value.

13. Water rights that are found in this report are based on information of record provided by the Idaho Department of Water Resources, local canal companies, irrigation districts and/or watermasters. The water rights that have been provided to me are assumed to be correct and the Appraiser accepts no liability for matters that are legal in nature regarding the water rights or their ability to be used. The appraisal uses as a basis information provided by others as to the usability and security of the water rights themselves as they are believed to be appurtenant.

PART II - FACTUAL DATA

DEFINITION OF MARKET VALUE

Market Value - Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.

APPRAISAL DEFINED

DEFINITIONS

The following additions to the DEFINITIONS section of Uniform Standards of Professional Appraisal Practice, (USPAP), have been adopted:

Appraisal: (noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

Complete Appraisal: The act or process of developing an opinion of value or an opinion of value developed without invoking the DEPARTURE RULE.

Limited Appraisal: The act or process of developing an opinion of value or an opinion of value developed under and resulting from invoking the DEPARTURE RULE.

Report: any communication, written or oral, of an appraisal, appraisal review or appraisal consulting service that is transmitted to the client upon completion of an assignment.

Jurisdictional Exception:

This appraisal report is being completed using the Uniform Standards for Federal Land Acquisitions, as well as the Uniform Standards for Professional Practice, (USPAP). Section A9 of the Uniform Standards for Federal Land Acquisitions, which are considered supplemental standards to USPAP, provide that the Appraiser shall not link an estimate of market value for Federal Land Acquisition purposes to a specific exposure time. This is contrary to USPAP Standard Rule 1-2 and Standards Rule 2-2 and therefore, this appraisal is being done under a jurisdictional exception. The legal basis and reasoning for this jurisdictional exception may be found in Section B-2 of the Uniform Standards for Federal Land Acquisitions.

AUTHORIZATION AND PURPOSE OF THE APPRAISAL

This appraisal was authorized by Karma Bragg, of the Custer Soil and Water Conservation District.

The purpose of this appraisal is to estimate the cash value of the grazing privileges held by Mark and Brenda Stark that are specifically referred to in this document. It is my understanding that the function of this appraisal is to serve as a basis of negotiation for the purchase of these privileges by the Custer Soil and Water Conservation District.

The intended users of this report are employees of the Custer Soil and Water Conservation District and employees of Bonneville Power Administration, who may ultimately review this appraisal. As such, this appraisal report is completed for their sole and specific needs. This report is not authorized for any other intended users or uses than disclosed herein. Additionally, no third party beneficiaries have been disclosed to the appraiser and as such this report is not intended to be relied upon by any third parties and does not address any other interests or concerns that may arise from the unauthorized use of this report.

This interest in real property that is being appraised has been appraised by me for the Bonneville Power Administration, effective October 24, 2001 and again effective November 6, 2002. Because of circumstances that I am not completely familiar with, the Bonneville Power Administration has chosen to work through the Custer Soil and Water Conservation District to attempt to acquire these rights, along with other real property or rights and real property that are not the subject of this appraisal. Therefore, this appraisal is being completed again utilizing some of the analysis, sales and other information found in the previous reports.

SUMMARY APPRAISAL REPORT

This is intended to be a summary appraisal report written and prepared under Standards Rule 2-2 (b). This report is intended to convey the basics of the appraisal process and descriptions of the subject property and comparable sales, however, some information necessary to lead to the conclusion or conclusions reached by the Appraiser may have been retained in the Appraiser's files.

SCOPE - EXTENT OF THE PROCESS

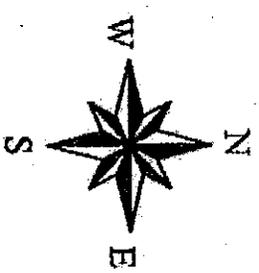
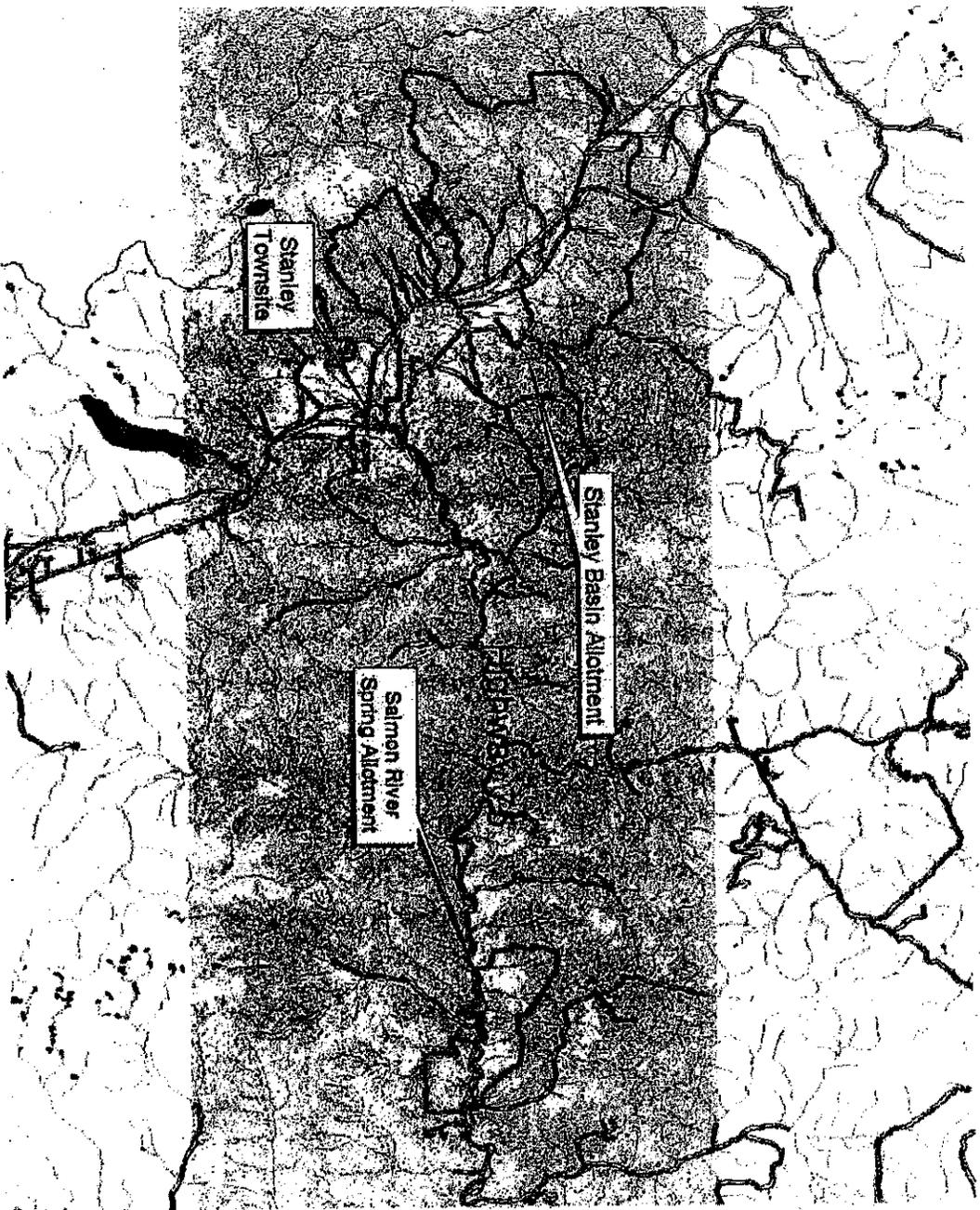
The scope of work included in this appraisal in terms of sales research, included discussions with various Forest Service and Bureau of Land Management employees responsible for range conservation and transferring in waving or dealing otherwise with permits on the Public Domain.

Confirmations of the purchase prices were made with Buyers and Sellers involved in the transactions. This type of transaction is not recorded, nor is there any rule requiring disclosure. The information gathered has been on a personal interview basis and is believed to be correct. The primary focus of the research is in the central and eastern Idaho areas, due to what I consider to be a lack of enough data to complete the assignment within the subject's immediate area, I widened the search from Forest Service areas south of Salmon River to southern Idaho, western Wyoming, northern Utah and Bureau of Land Management areas within that region:

Estate Appraised:

The estate appraised is the privilege of running livestock on National Forest in the Stanley Basin and Spring Unit Allotments, as per US Forest Service Regulations through the Stanley Ranger District. Therefore, the legal description is the Permit itself, which can be found in the Addenda of this report. This is not an appraisal of fee simple value in real estate, but an estimate of value of that right to run livestock on the properties described.

LOCATION MAP OF SUBJECT ALLOTMENTS



-  Major roads.shp
-  Roads.shp
-  Water.shp
-  Tgr1697.shp
-  Tgr1698.shp
-  Tgr1695.shp
-  Creeks.shp
-  County.shp
-  Salmon river.sp allot.shp
-  Stark allotments.shp

NEIGHBORHOOD DATA

The subject properties are located approximately 20 miles apart. The properties are near Stanley, Idaho and the Stanley Basin is a well known recreation area with high recreation demand in the summer, particularly. There is some snowmobile and other winter sport use in the area, however, the summer use is predominant and there are considerable numbers of tourist visits to the areas including the National Forest areas encompassed by the subject property's permits from June through September. Also, from September through November, there is hunting activity, particularly big game hunting in these areas.

This area is presently managed as a multiple use area, however, there are restrictions because there are a number of endangered species within the area that have been identified. Animal species include wolves, with fish being salmon and steelhead and potentially others.

Access to this neighborhood and to the forest in general in this area is rather good, particularly in the summer. This high elevation neighborhood has long been sought after for its good quality summer grazing, as pounds of gain per head per day have been notable over the years in this area and superior to many other summer grazing areas in the State.

PHYSICAL DESCRIPTION OF THE SUBJECT PROPERTY RIGHT

Legal Description:

The property right or privilege being appraised includes the right to run livestock in two separate grazing allotments, as follows:

241 head of cows with calves at their side for a period of use from June 1st through June 10th of each year in the Salmon River Spring Unit. Also, 113 head of cows with calves at their side from June 11th to October 30th in the Stanley Basin Allotment.

Location and Access:

The subject's two allotments are both accessed from State highways. The Salmon River Spring Unit is accessible from State Highway 75 and Forest Service roads. The Stanley Basin Allotment is accessed from Highway 21, county and Forest Service roads. Access during the season of use is considered to be quite good. The use areas are within a highly used recreation area, most of which is within the Sawtooth National Recreation area and a smaller amount within the Challis National Forest itself. As discussed in the Area Data, this recreation area has been very popular. The uses include not only campers day and week use, but also for individuals who wish to be involved with livestock grazing. These use areas are in some of Idaho's better high grazing country and are sought after, not only because of their good grazing, but occasionally because there are those who wish to have grazing in the beautiful surroundings of central Idaho and more particularly the Stanley area.

Allotment Descriptions:

The subject rights or privileges are located in two separate and distinct areas which are approximately 20 miles apart in an east west direction. The allotment furthest east is the Salmon River Spring Unit and is located near what is locally known as Torreys Hole and Thompson Creek, within the National Forest. This unit actually has land north of Salmon River which is in the Challis National Forest, as well as some land and use area south of the river, which is in the Sawtooth National Recreation Area. The Salmon River Spring Allotment is a fairly early season allotment with a relatively short season of use. There is a lot of steep country on this allotment. There is also some fairly good grazing land, particularly on the east end of the allotment. Also some of the northern part of the allotment on the north side of the river appears to get good use. Near the east end of the allotment there is a large bench and flat

**A SMALL MEADOW
IN MILL CREEK
SOUTH OF THE
HIGHWAY. PICTURE
IS TAKEN LOOKING
SOUTH IN SECTION
26**



**LOOKING NORTH
FROM MILL CREEK
WITH HIGHWAY 75
AND SALMON RIVER
IN BETWEEN THE
NORTH AND SOUTH
SIDES OF THE
ALLOTMENT**

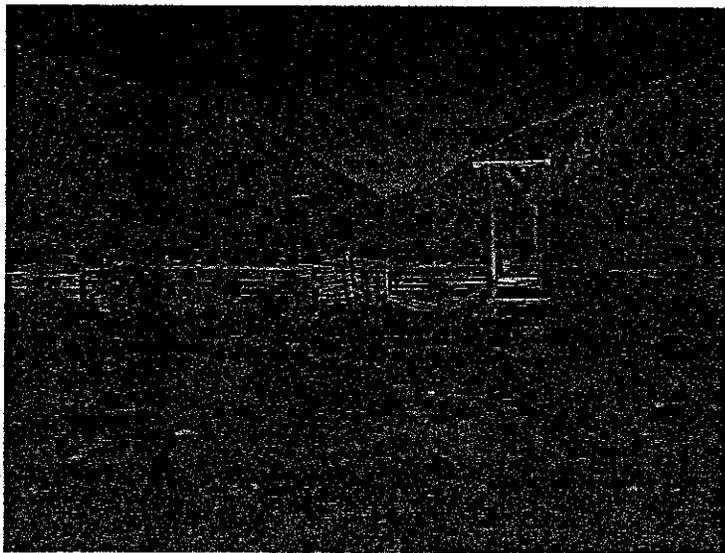
area locally known as Norton Bar. This has good spring grass and easy access, with good water from Salmon River. Other water sources north of the river are Burnt Creek and Badger Creek. South of the river, there is less land area and the vegetative cover generally has more trees on it. However, Mill Creek and Holman Creek are both good spring streams and provide good livestock water. A small portion of this side of the allotment is split by Highway 75. North of Highway 75, running to the river is a holding field where there is a corral area. Similar to Norton Bar, this is an elevated bench above Salmon River, with Salmon River providing a very good water source. According to the Starks and Seth Phalen, the acting Ranger for this allotment, the season of use is early enough that there is substantial grass re-growth. Presently, the use by livestock is only to approximately 30% of total utilization. So there has been no problem with stubble height standards and use on this allotment. Fencing appears to be good to adequate, with drift fencing primarily utilized particularly in relation to the Holman Creek Campground which is south of the river, near the east end of the allotment. Overall, this appears to be a good, albeit, a short season allotment. It is used in conjunction with the Stanley Basin Allotment, which will be discussed next and other deeded and leased lands. The property has some old modest corrals within the holding field which provide for handy loading, unloading and a gathering place. On my inspection, I found this allotment to be in good condition, even in what has been a very dry year. It appears that utilization even on fairly steep hillsides is good, as the early season grass is green and once the cattle work their way up easy slopes and through draws where they can be pushed by riding, the hillsides become much easier for cattle to utilize.

According to Cameron Sam there has been damage to the riparian area in the Salmon River Spring Allotment. This has not been the result of actions by the permittee but is rather a result of unauthorized use by someone else. Mr. Sam told me that this will have no adverse effect on Mr. Stark or his permit. The Forest Service is dealing with the unauthorized user per Mr. Sam.

The Stanley Basin Allotment is located appraisal approximately five miles northwesterly of Stanley, Idaho. This is a nine pasture allotment, with the pastures all separately fenced. There are seven different users utilizing this allotment so that it is run in common, at least in part. This will be discussed later, as it differs from the Salmon River Spring Allotment which is a private use area. Stanley Basin Allotment has, apparently with the approval of Forest Service personnel, divided into use areas so that there are only three users, (Mitch Wilson, Cal Helm and

I have been told by the previous ranger, Seth Phalen, and the operator, that full use could be made of the permit including full season use, if the south fences were repaired and cattle returned to the areas that have not been used in recent years. It is my understanding by talking with the ranger and the user, that the normal cooperating agreement will be in effect, whereby the Forest Service will pay for the fencing material and the permittees will provide labor.

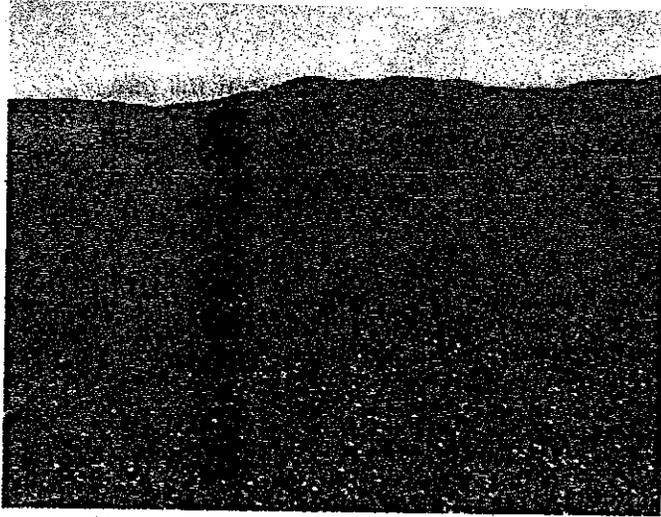
Over the years, there have been many things going on within this allotment amongst the users and the Forest Service. In the mid 1980s, the Stanley Basin Allotment was cut substantially. Subsequently, some of the users were able to get areas that they used solely by themselves. One of these users, Dan Mahoney, who had also previously run in the Salmon River Spring Allotment, was allowed to run cattle on what had formerly been deeded meadows that are north of the Valley Creek Road. Due to this change, the Starks have been allowed to run 136 head. A somewhat similar situation has occurred in the Salmon River Spring Unit. The Mahoney previous use of 101 AUMs is available to the Starks, according to Seth Phalen. Neither of these extra uses are identified on the Term Permit. However, according to Mr. Phalen, it appears that the ability to use these is the same as those on the permit and therefore, the operator simply has a greater use than that shown on the Term Permit.



**Taken by Henri LeMoyné—6/8/04
Corrals and loading chute on the
Salmon River Spring Allotment**

Mark Stark), in the portion of the allotment where the subject's privileges are utilized. In the area utilized by the subject's operator, there are 350 head now running. Of this number the Starks have the right per the term permit to run 113 head and get use for 136 head from June 11th through October 30. Generally speaking, this allotment ranges from very gentle topography with lots of tree cover and intermittent open or park areas to fairly steep areas on the north and south. For livestock use, this is a very good grazing allotment. The Stanley Basin Allotment is very well watered from numerous creeks and streams. This is an excellent use area in terms of the season of use, quality of feed and ability to utilize and manage. As stated earlier, this is high country so the grass is good and calf weights have been exceptionally good, with the Starks indicating that they have brought 600+ pound spring calves off this allotment. This is a very good weight for calves that were born in February and March.

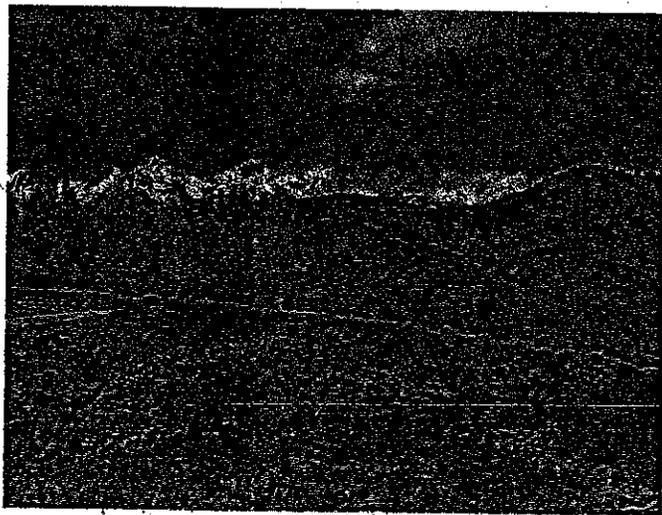
The allotment has a lot of riparian areas but according to the operator, these are already fenced and there has been no problem east of Highway 21 except for the occasional cow that will get in and is then removed. Again, I am told that the grazing is to a 30% utilization and that there has been no problem meeting standards and guides. The users have, however, generally come off earlier than the permit states, about October 15th. Part of the reason of this is that apparently some of the area west of highway 21 has been closed to grazing because of fencing problems. These areas are primarily the land south and west of Highway 21, along with a small area known as the Blind Summit Field in the northwestern portion of the allotment north of Highway 21.



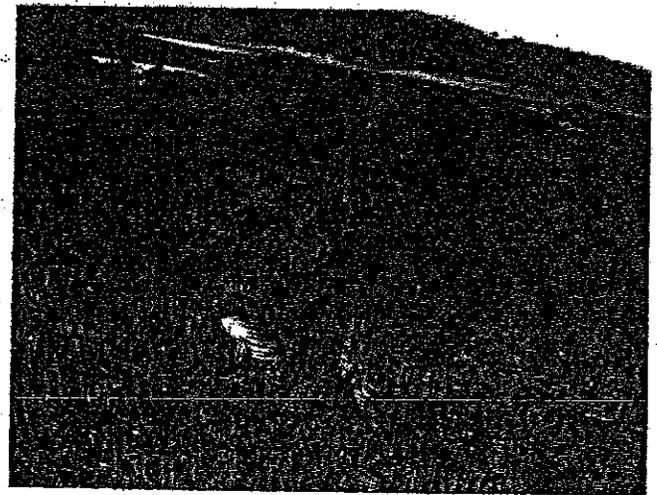
Photography taken by Henri LeMoynes—6/8/04
A view over a meadow in the Stanley Creek portion
of the Stanley Basin Allotment



Photography taken by Henri LeMoynes—6/8/04
A typical meadow view in the southeasterly
portion of the Stanley Basin Allotment



Photograph taken by Henri LeMoynes—6/8/04
Looking north over the Stanley Basin Allotment
from a high point just north of the Stanley Town site



Photograph taken by Henri LeMoynes—8/23/02
The area as seen from the air in the north-central part
of the allotment

There are some improvements on this property which are owned by the US Forest Service but are used by the allotment operators, who keep a rider at what is known as the "Cow Camp" which is in the northern portion of the allotment, north of Highway 21 and north of the old Valley Creek Road. The cow camp improvements include a modest log home, barn, spring house, storage buildings, corrals and horse pasture. As is typical, the permittee has maintenance responsibility, however, the Forest Service owns the improvements. There are also some corrals in the east end of the allotment and since the allotment is basically used from the southeast to northwest each year, these corrals are handy for delivering livestock to the allotment.

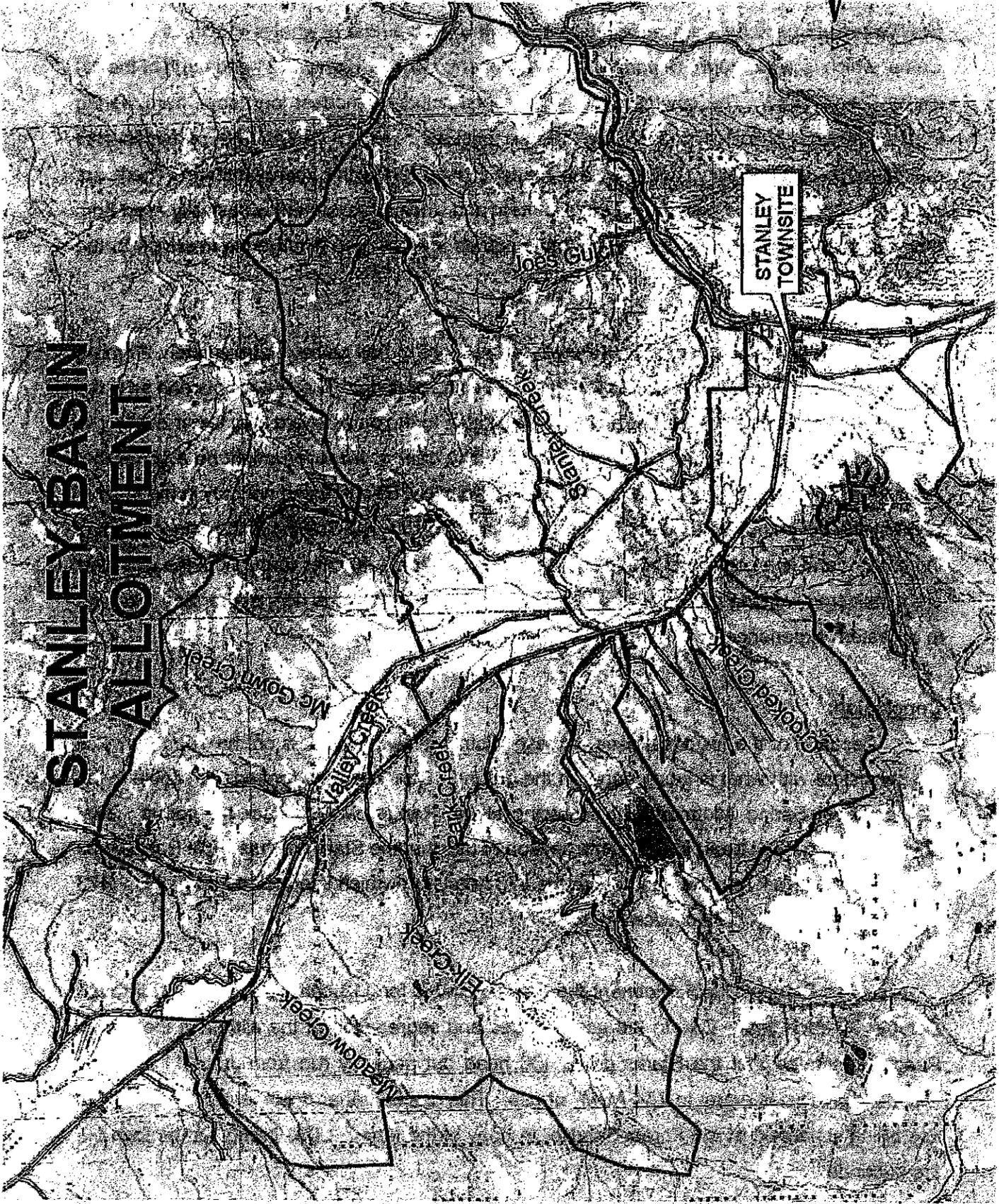
The Starks can obtain a Trail Permit, or the right to trail cattle, approximately 20 miles from the Salmon River Spring Unit to the Stanley Basin Allotment. They have not done so in the last several years, as traffic on the highway has gotten to the point where they feel it is better to truck cattle than to trail them along Highway 75. The trailing, however, might be a somewhat valuable item to certain prospective purchasers, who might be interested not only in the grazing of livestock, but in providing outdoor experiences for tourists. The Trailing of the Sheep Festival in Hailey, Idaho is an example of this and there are numerous ranches throughout the west that are considered working ranches, who allow people for a fee to come ride, gather and take part in a western experience.

Conclusion:

Because of the historical uses of these allotments what appears on the Term Permit is not consistent with what is being done on the ground. Dan Mahoney formerly ran cattle in the Salmon River Spring Allotment but according to the Ranger waived back his permit. That privilege allowed 232 head for the same season of use that the Stark use has. The Ranger has said that Mark Stark has the right to use the 473 head right which is equal to 206 AUMs, (473 head X .33 months X 1.32 cow/calf factor).

In the Stanley Basin Allotment the Stark permit is for 113 cattle from June 11 through October 30 each year. Due to the use changes and segregation of the allotment the former Ranger confirmed that the Starks graze 136 head but normally run from June 11 to about October 15. This is equal to 754 AUM" of use. This use is further documented by the actual use billing statement of the Forest Service. A copy of the May 7, 2001 billing can be found in the addenda.

permit only 712 AUM



STANLEY BASIN ALLOTMENT

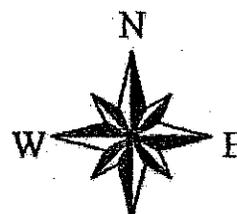
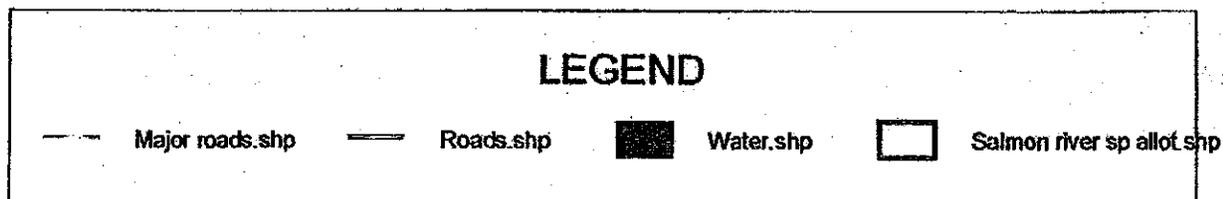
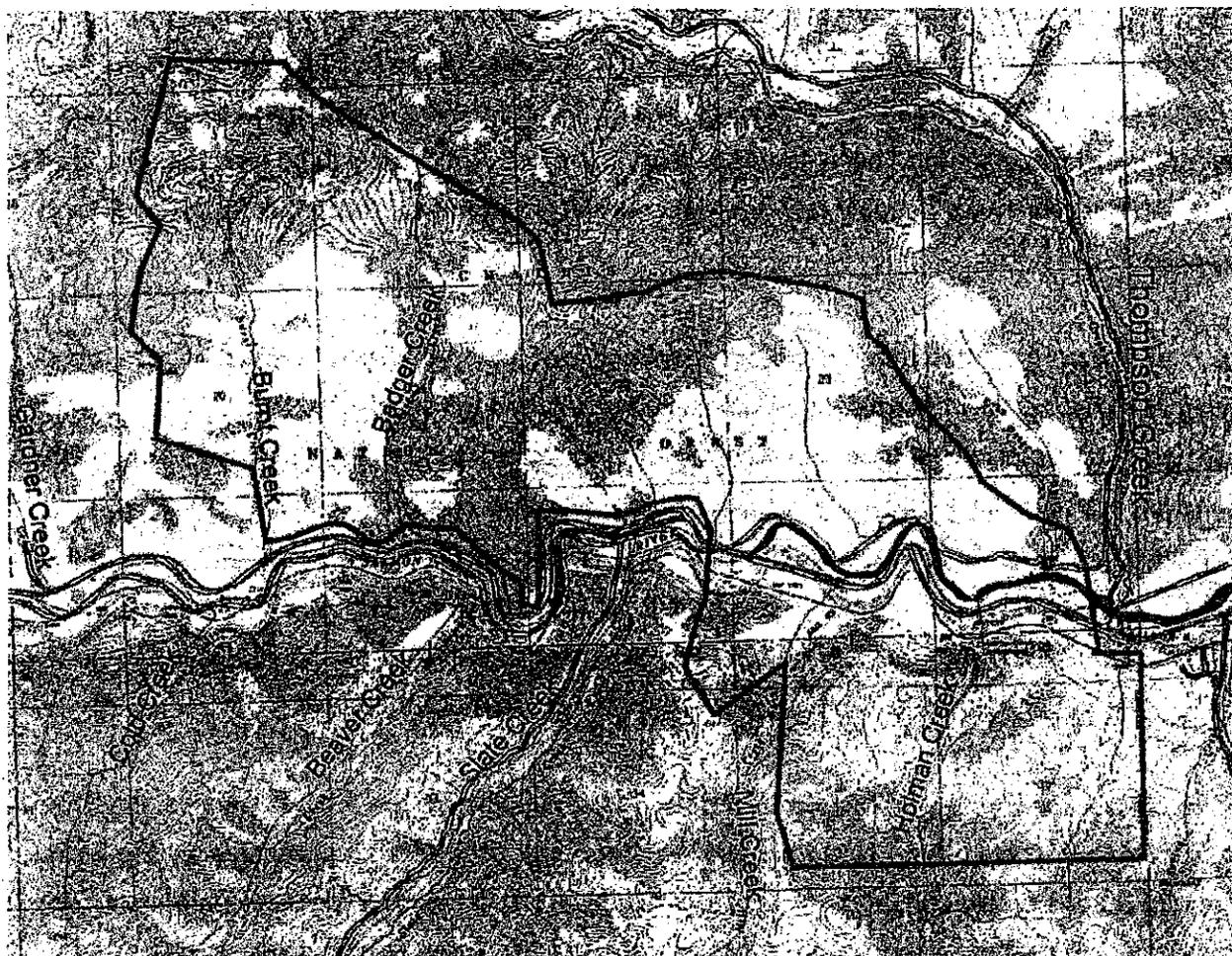
In addition, the Stark permit allows 154 AUM's of use on the west side of the allotment as stated earlier. The west side has not been open to grazing however this grazing would be available if fencing were improved in the use area. Normally the materials would be supplied by the Forest Service and the permittee would supply the labor. The previous Ranger has told me that the Forest Service does not have the funding available to supply the necessary material.

I feel that 754 AUM's are proven by recent use and this is backed up by the statements of the former Ranger. However, the 154 AUM's are not ready to be used and additionally there will be a cost, as yet undetermined, associated with putting the improvements in to make use of that portion of the grazing. These 154 AUM's are therefore highly likely to be less valuable than those AUM's, which are useable now with just normal maintenance that would allow beginning the season.

It should be noted that if the Stark Stanley Basin Allotment Permit were able to be used with the added number of cattle, (136) now being run for the full season and the use of the west side were to be allowed then the total AUM's according to the Ranger would be 1,000. However, historic use indicates 754 AUM's is the available use on the east side and 154 are potentially available on the west side. Given this I have concluded that 908 AUM's are actually available. In other terms I feel that the typical prospective purchaser would in all likely hood presume no matter what the preference were that was transferred by the Starks waiving the term permit that the useable number of AUM's would be no more than 908.

For comparison purposes, the AUMs as calculated by the Forest Service must be converted to head months. Head months are the same as AUMs as calculated by the BLM. The USFS adds a cow/calf factor of 1.32 to arrive at the AUM number for these purposes. The sale data collected is based on head months and therefore the subject's use is converted to head months to maintain consistency for analysis. The head month numbers for the subject property as used in this analysis are 156 head months in the Salmon River Spring Allotment and 571 head months in the Stanley Basin Allotment.

SALMON RIVER SPRING ALLOTMENT



PART III - ANALYSIS & CONCLUSIONS

ANALYSIS OF HIGHEST AND BEST USE

The term "Highest and Best Use" as used here is defined as, "The most reasonable and profitable use that supports the highest present value, as defined, as of the date of the appraisal". The opinion of such use may be based on the highest and most profitable continuous use to which the property is adapted and needed, or likely to be in demand in the reasonably near future. However, elements affecting value which depend upon events or a combination of occurrences which, while within the realm of possibility, are not fairly shown to be reasonably probable, should be excluded from consideration. Also, if the intended use is dependent upon an uncertain act of another person, the intention cannot be considered.¹

In estimating Highest and Best Use, the Appraiser goes through essentially four stages of analysis:

- a. Possible Use. Determine what uses are physically possible for the subject site.
- b. Permissible Use (Legal). Determine what uses are permitted by zoning and deed restrictions on the subject site.
- c. Feasible Use. Determine which of the possible and permissible uses will produce any net return to the owner of the site.
- d. Maximally Productive Use. Among the feasible uses, determine which use will produce the highest net return or the highest present worth.

Site analysis is essential before the Highest and Best Use of the site can be estimated.

Normally, a discussion of the possible and permissible uses of the subject property would be undertaken. However, the possible and permissible uses of this property are strictly described as permitted in the Grazing Permit which is a Term Permit that is effective until

¹Appraisal Terminology and Handbook - American Institute of Real Estate Appraisers, 155 Superior Street, Chicago, Illinois 60611. Copyright, 1996.

December 31, 2005. Therefore, the use of this property is not in dispute. There are, however, some finer points that should be investigated and discussed. First of all, since this permit is a fixed term, one might assume that there is some risk involved in renewing the permit. I have noted in the past that while there is some risk closures of permits are relatively rare, even in fairly sensitive areas. Seth Phalen the previous ranger and Cameron Sam the current ranger informed me that none of the subject use areas are in any danger of further cuts or closures. The market is rather clearly anticipating that nearly all allotments, with some exceptions, are secure and that the existing permittees can be confident that the permits will be renewed. Certainly, the subject permit in Stanley Basin is in a highly visible recreation area. I am aware that there may have been some complaints about cattle grazing. This is not unusual in high use recreation area, but it appears to me, that given what the former ranger has said and the condition of the allotments, that it would be unlikely that these users could be forced off the allotments.

Also, these allotments lend themselves to some competition that may not be ordinary. Custer County is very highly Federal, in terms of land ownership. This is particularly true of the Stanley Basin and even in much of the valley floor of the Stanley Basin there are conservation and scenic easements which restrict some uses, including grazing. Therefore, it appears that in Custer County, there is good competition for grazing privileges. The fact that there are endangered species, such as salmon, steelhead, sage grouse, wolves, etc., adds another element of risk but it does appear that these uses are coexisting to a certain extent and given fencing and management that are in place, one could assume that the permits would continue into the future. Therefore, it is my opinion that the Highest and Best Use of the subject site privileges is as stated, as for the grazing of livestock coexisting with an in many cases compatible with recreational use of the area by both the permittees and the general public.

EXPLANATION OF THE APPRAISAL PROCESS

The appraisal of real estate is an orderly process involving several steps, the end objective being an estimate of market value as defined.

The appraisal of real estate considers socio-economic conditions as they affect the property being valued. This encompasses the city, regional and neighborhood conditions including services and utilities and any other similar conditions that affect the property either advantageously or disadvantageously.

The estimation of value involves a systematic process in which the problem is defined, the work necessary to solve the problem is planned, and the necessary data compiled, analyzed and interpreted into an estimate of value.

Direct Sales Comparison Approach:

In the **Direct Sales Comparison Approach**, the subject property is compared to similar properties that have recently sold or that are currently offered for sale. These properties are adjusted to the subject with regard to the noted differences or similarities in time, age, location, physical characteristics, etc. This approach to value is utilized in estimating the site value for use in the **Cost Approach**.

A recognized approach for determining the most supportable and appropriate adjustment is the pairing of comparable sales. This involves two or more comparables where variances are observed. Comparing the sales and noting the difference in sales prices will then give an indication of actual market reaction to the variance. This type of analysis is usually made on a recognized unit of comparison basis that is typical for the type of property being appraised. If sufficient market data does exist for an indicated range, attributable to the variation, it will assist the appraiser in estimating the appropriate adjustment. Sale data may be analyzed in different ways, as is commonly done by buyers and sellers in normal market situations. For instance, a farm value estimate may be achieved by using both price per total acre and or prices per acre of various classifications of land that may make up the total acreage. Either or both methods may be appropriate depending on the perceptions of the market participants, as long as the sale data is analyzed consistently in relation to the property being appraised.

Income Approach:

The **Income Approach** to value is basically an analysis of anticipated future benefits and a discounting thereof to an estimated present value through the process of capitalization. Involved in the analysis is the estimation of anticipated future income and/or reversions at the end of the typical holding period. Inherent in this analysis is the net operating income (NOI) of the property being valued. The NOI is the remainder after the deductions of expenses, both fixed and operating, from the effective gross income (EGI).

Steps involved in this approach include estimating the potential gross income for the subject. This is done primarily by comparison with competing properties in the marketing area. Next, an estimation of expenses must be made, either from historical or market data. This data is then utilized to determine the projected net income stream. The projection is then capitalized into an indication of value.

There are many methods in which a capitalization rate can be estimated. If market data permits, the best indicator of overall rates for a property would come from actual sales of property rented at the time of the sales.

Cost or Summation Approach:

The **Cost Approach** to value is as market oriented as the other two approaches. It involves actual comparable sales of land which are used in the estimation of land value. Additionally, a reproduction cost new, of the buildings and other improvements must be determined. This can be done by consultation with area contractors who specialize in the type of property being appraised or through a recognized cost service manual.

After the reproduction cost, new, has been estimated, depreciation from all sources must be approximated. Depreciation is basically a measure of the loss in value inherent in the property. It is also known as a loss of utility and hence, value from any cause. Depreciation falls under three major headings: (1) Physical depreciation or diminished utility, as evidenced by actual wear and tear on the structure and its components, or structural defects, decay, etc. (2) Functional obsolescence, which is an impairment of functional capacity or efficiency, i.e., over capacity, inadequacy, or the inability of a property to perform adequately the function for which it is currently used; and (3) Economic or locational obsolescence, which is a loss in value due to factors external from the property. This can include economic or environmental forces or

nonconformity to surrounding uses. The **Cost Approach** is best utilized in new or reasonably new structures. The inherent liability in utilization of this approach to value is the estimation of actual depreciation.

Correlation:

All value estimates, as indicated by any of the three separate approaches considered to be applicable, are correlated into a final estimate of the property's worth. In the final correlation, the appraiser must weigh the relative significance and supportability of each approach as it pertains to the type of property being appraised. After the most supportable approach and/or approaches are determined, the appraiser then arrives at a conclusion as to the market value of the property.

Not all appraisals will include all of the three approaches to value, as in some cases not all apply. All are considered, however, in a complete appraisal and are used when it is reasonable to do so.

DIRECT SALES COMPARISON APPROACH

The Direct Sales Comparison Approach produces an indication of value for the subject property by comparing it with properties that are similar and that have sold under normal market conditions. In this process, the appraiser estimates the degrees of similarity or the difference between the subject property and comparable sales on the basis of ten basic elements of comparison, they are:

- 1) Property rights conveyed
- 2) Financing terms
- 3) Conditions of sale
- 4) Expenditures made immediately after purchase
- 5) Market conditions
- 6) Location
- 7) Physical characteristics
- 8) Economic characteristics
- 9) Use (zoning)
- 10) Non-realty components of value

In the typical real estate appraisal, a fee interest is analyzed and appraised. In the appraisal of the subject property, only certain rights involved in the described real estate of the term grazing permit are valued. In effect, the Term Permit gives the permit holder (permittee), the right to use and occupy the real estate for a stated term under certain conditions under the rights conveyed by the permit. A leasehold interest can be defined as the right to use and occupy a property for a specific purpose over a defined period of time. In my opinion, that in effect is what these permits confer. It is clear that in the market place buyers and sellers are viewing permits that are similar to the subject property as leaseholds. One major difference is that the terms of the permit state in part that a permittee has the first priority for receipt of a new permit. In the past, this has been construed to mean that the permit would be renewed subject to potential changes in the number and season of use of the livestock. More recently, however, it seems that prospective purchasers and permittees holding Term Permits in general, whether they be in the National Forest or Bureau of Land Management, (BLM), administered lands are recognizing that there is somewhat more risk inherent in these permits being renewed in whole or in part than had previously been considered.

The above discussed elements of comparison apply to the valuation of a leasehold interest or the rights granted under the permit. The real property rights that can be conveyed under the permit for the Forest Service are those of use and occupancy for a stated period of time and a stated period of use. The subject permit is effective until December 31, 2005. The permit contains the standard language that the permittee has the first priority for receipt of a new permit. Also, only the livestock owned by the permittee are allowed to graze on the permit lands. Any adjustment in scheduled number of livestock can only occur with one full years notice to the permittee. This provision, however, does not apply to annual adjustments for range conditions, under Paragraph 8c of the permit. The permittee also may not transfer or assign either permit, as the permit must be waived back to the Forest Service and then it could be reissued. This is rather standard procedure. Under Forest Service rules as I have come to understand them, waivers of Term Permits can take place under two conditions. When the permit is waived with the permittee selling either the livestock that run on the allotment with the permit and/or base property as defined. These conditions have become a regular part of the business that people wishing to sell their rights under the permit to a new permittee wishing to obtain the right to use and occupy a specific permit. Therefore, the real property rights that can be conveyed and are considered as saleable for the purposes of this analysis are; the right to use and occupy these permits as described earlier under the conditions of the permits as generally stated here, and as are contained in the permit. A copy of the permit can be found in the Addenda of this report.

A research for comparable data to arrive at a value for the subject property's interest has been accomplished. Since these transactions do not necessarily happen as frequently as say, residential transactions in a given neighborhood, a wider area was researched. This has been discussed previously in the scope section of this appraisal. During my research, I have identified numerous sales of Term Permits and/or grazing privileges on the BLM. I gathered data related to twenty eight transactions that occurred in Idaho between February of 1997 and April 2004. Ten of those transactions are shown in the following grid. Other transaction information, some of which are in Wyoming have not been included because they were so far away or not subject to the same types of external environmental conditions.

In previous reports involving this property interest some of the following sales information has been analyzed along with other sales information that is not included herein. For this reporting I have chosen to utilize only transactions involving Forest Service Term Permits and have not included BLM permit transactions. Following is a table which illustrates

the comparable sale data that will be used in this analysis. Further detail on these transactions has been retained in my files.

BASIC SALE DATA GRID							
File No.	Sale No.	Seller	Buyer	Date	Price	AUM's	\$ per AUM
3183-2	1	Bauscher	Anderson	Apr-04	\$9,260	76	\$65.00
3183-1	2	Bauscher	Webb	Oct-03	\$8,000	191	\$41.88
3183-3	3	Brailsford	Wolfe	Mar-04	\$21,816	303	\$72.00
3183-9	4	Robertson	NWF	Apr-03	\$52,640	470	\$112.00
3183-10	5	Hillman	NWF	Apr-03	\$56,672	506	\$112.00
3183-8	6	Little Valley	P W Cow	Sep-02	\$380,000	1,297	\$77.10
2809-1	7	Allen	Phillips	Jun-99	\$8,000	127	\$62.99
2950-15	8	Bennett	Iron Horse	Apr-02	\$25,000	534	\$46.82
2950-14	9	Soulen	Seid	May-01	\$32,338	269	\$101.63
2950-16	10	Brown	Iron Horse	Jun-02	\$35,000	534	\$65.54

Note: Sales 1,2,6 & 9 included other property or interests

Following is a brief discussion of each of the transfer or waiver transactions that I have confirmed and included.

Sale 1 or Transfer No. 1 was made by a retiring rancher to a tenant who had been leasing the unit for the five previous years. The transfer is rather recent having taken place in April 2004 and included the Deer Creek Allotment on the Fairfield Ranger District, as well as some BLM privileges in the Black Canyon Allotment and some state leased lands. This is considered relatively good range, but there have been cuts in the area in the past on other allotments. It appears that this allotment is stable at this time.

Sale 2 is from the same seller to a father and son who had a close long term relationship with the seller. According to the purchasers, they feel that the purchase of 191 head months in the War Drop Allotment, near Fairfield, was at a reduced rate and by comparing this transaction with others it appears that they are correct. According to both the buyer and the seller, the transfer of the 191 head months took place in October 2003 and included range that is in good condition. The ranger indicated that at the time of transfer the permit was cut by 21% after it was waived by the seller. This allotment is considered to be stable now, but I believe that given the relationship that existed between the parties and the reduced rate at which it sold, in comparison to the market, that this transaction is not truly representative of the current market for this type of property right.

Grazing Transfer 3 is a March 2004 transaction of 303 head months in the Indian Allotment of the Payette National Forest. The seller owned the permit for a number of years and sold to another user in the allotment who was expanding. According to the range technician there is some concern relative to Bull Trout in this area, but the range is in very good condition and there are relatively few riparian concerns because there is good fencing. As long as the fencing is maintained, according to the technician, there should be no riparian or Bull Trout related problems. The seller indicated that there had been negotiation and other offers on this permit, so it appears that it was well exposed. The seller runs a fairly large cow outfit and has a BLM permit of 1,200± south of this permit area and felt that it was not worth the time to do the work for 86 head that was required in a common allotment with so many users. The price of \$72 per head month was arrived at by the seller and she remained firm on the price during the offering period. This is considered to be a relatively similar allotment situation, although the common nature of it is likely inferior to the subject.

Transfers 4 and 5 were by different parties, to the National Wildlife Federation, in April 2003. The permits were for 470 and 506 head months respectively, in the East Beaver Allotment of the Targhee National Forest. The sellers were part of a fairly large common allotment and the buyer, in this case, was interested in replacing range that they wanted from another user in the Hebgen Lake area. The term permits were waived to the forest service by the transferors and when the permits were renewed they were put in the name of Munns Brothers, as opposed to the National Wildlife Federation. According to Delas Munns, he was in danger of losing his Hebgen Lake permit, which was a private allotment and a very good grazing area. The National Wildlife Federation was attempting to mitigate, at least in part, this loss. Barry Robertson indicated that the National Wildlife Federation paid the asking price of \$112. In my opinion, these transactions may indicate a desire to purchase that is somewhat outside the normal. This is a very large common allotment with many users and was further subject to a substantial cut. The permit was reduced 26% after it was waived, so the buyers, in effect, paid over \$150 per useable head month.

Transfer 6 was a September 2002 transaction that included a forest permit along with 320 acres of deeded grazing land. The allocation of the price was reportedly by the seller and this sale was confirmed by another state certified appraiser. The season of use is similar to the subject and according to the range technician, this is a good range with no cuts likely. The permit is in a Bull Trout area, but this has not been a big concern. The range tech felt that at the time of the transaction there was no particular problem with the range itself. Since that time

there has been a lawsuit filed, claiming damage to the range. According to the range technician, studies have been done confirming that the range is in good condition.

Transfer 7 took place between JR Allen and Frank Phillips in June of 1999. This was a relatively small permit for 141 head months with a season of use from June 15th through September 15th. When I confirmed this transaction with the transferee, he indicated that the negotiation was based on 42 head for three months or 127 head months as being the allowed amount in the permit. The seller believed that was the amount he was able to run and the negotiation took place on that basis. When the transfer papers were being drawn up, however, it was realized that the actual permit was for 46 pair for three months or 141 head months.

This range is on the west side of Cascade Reservoir and according to the Range Conservationist that I spoke with, was in good condition at the date of the transfer. This, like the subject property is an area that gets a relatively large amount of recreation. There had been no reported conflicts between people recreating in the area and the use of the livestock, according to the rangers. This is similar to what I learned about the subject property in terms of recreation. This allotment, however, had been subject to significant water quality concerns and still is. Many fencing and other improvements have been done to alleviate water quality problems and keep livestock away from the reservoir. Previous to the transfer or waiver of this permit, the permittees in the allotment had received a 62% reduction in numbers. Due to this, it is felt that the amount of livestock that can be run here are at a stable rate. The permit was originally issued in 1994 and ran until December 31, 2003. Certainly, this is smaller than the subject property right, however, physically and economically and in terms of its use it is quite similar. The heightened water quality concerns are more of a negative here than for the subject.

Transfer 8 took place in May of 2002 and is located on the Fairfield Ranger District. This is reasonably good to average range but is in an area that was unsettled because there was a cut in use coming with the ranger telling people that it may be up to 40%. This permit was for 534 head months for use from June 20th through October 9th and was used in common with two other users. The area is environmentally sensitive. The buyers recently purchased a ranch from the sellers father. In that transaction the buyer acquired about one third of the allotment and this purchase was part of an attempt to take the other users out of the allotment and have the private use of it. The potential for the 40% cut played into the negotiations and had an effect on the ultimate price. This is not considered to be quite as good of range as the subject has, as it is not as well watered. It does have good access and a relatively good location, but I feel that

it is likely to indicate more toward the lower end of the value range, because of the type and quality of feed and the steepness of the country as opposed to the subject. It is interesting to note that the previous sale of this permit was for \$18,000 in June 2001. This would indicate approximately 39% increase in value over a one season of use period. This is a very strong indicator of change however it is possible that not all of the price appreciation is due just to the passage of time. It seems that the perception of many users may have changed somewhat within the last year or two. For one thing the new administration in Washington D. C. was seen by the ranching community as more friendly to users of public lands. I have heard this comment several times recently. This might have some effect on all permit values. Particular to this allotment however, is that the 40% cut has not taken place and even the ranger feels that the cut may not take place for some time. While the ranger feels that the cut will come and that 40% is a reasonable estimate he did concede that it will take more time and he was not sure how much time. My view is that both of these factors played into the increase in value over the one season that had elapsed. In addition to these factors one must consider the motivation of the purchaser. There was apparently a strong motivation to purchase the other users grazing rights in order for the buyer to have a private allotment. As a general rule private allotments on public land will sell for more than common use.

Transaction 9 is located in the forest north of Weiser and east of Snake River. This was the Limestone Allotment that was owned by Phil Soulen and transferred to Ken Seid in May of 2001. This was mostly a Forest Term Permit but there was also a BLM Permit and 25 acres of deeded land were also transferred. In confirming this with the seller, he pulled his file on the property and went through the analysis that they made, which included allocating \$5,000 for the deeded land which left \$101.63 per head month and AUM for the grazing. This is in an area where a cut is unlikely and I also spoke to the range technician, who confirmed that for me. There are no major environmental concerns in terms of species, although a biology study had not yet been completed to look for rare plants. A good deal of this permit area is steep, however, the use area is a high plateau and is therefore considered to be very good cattle country. The purchaser is a neighboring permit holder and this fit his operation very well. The seller indicated that he checked around and put what he felt was a market price on the AUMs to sell them and that was the price agreed on.

This Term Permit and BLM right is well out of the subject's area, however, it is indicative of the larger market for Federal grazing privileges where the range is considered stable, in terms of usability into the future.

Sale 10 is a permit located near Fairfield, Idaho. This is within the Gooding Allotment and considered a relatively good allotment from a feed and accessibility standpoint. At the time of the transfer the ranger felt that a 40% cut in use was likely and this was clearly communicated to the purchaser. The purchase price of \$35,000 is in rather stark contrast to the previous sale of this permit before cuts of this magnitude were considered at \$45,000.

The sales are all considered relatively similar to the subject in terms of real property rights that were conveyed. The financing terms are for the most part, cash or short term carries that are considered similar to the subject's condition in terms of the appraisal assignment. The conditions of sale are similar for the sales in relation to the subject

The expenditures made immediately after purchase are considered to be similar in the cases of all of the sales in relation to the subject property. It is quite common for new permittees to have new ideas and very often they spend some money or make changes with the blessing of the administrators the way the allotment is used

The market conditions are considered to be similar for all of the sales. There may be some appreciation in value in this market. This data is limited and I feel that it is not sufficient data to make an adjustment for market conditions.

Locations of these permits differ somewhat, however, they are relative, in my opinion, to the type of feed and the location to the operators that purchase them to use. I believe it is safe to say, that the locations make some difference but that in terms of market activity, the locations are similar and in terms of desirability, there are some differences due to location that are also built into the physical characteristics in terms of the size, quality of the feed, etc. Physical characteristics, are of course, another element of comparison but the sales are considered similar in most physical characteristics with the exception of size in some cases. Location and physical characteristics are somewhat linked in this type of property right analysis but overall the sales are comparable to the subject in most respects.

In terms of the economic characteristics of these permits, they are felt to all be similar to the subject property and clearly their uses are limited and they are similar. Non-realty components of value are not a factor here, in my opinion, as these sales were all predicated on the available and allowable use. The price stated for the permits either does not include any value for livestock or deeded lands or the other aspects were easily separable from the

purchasers, some of the other users in the Stanley Basin Allotment would be available to utilize the Salmon River Spring area and then do as the subject operator does and move cattle to Stanley Basin. Furthermore, the subject operator has other lands, both owned and leased where he can move cattle to and in fact has other land leased in the Stanley Basin where he does run livestock. It is likely true of other users as well. It is my opinion, however, that as part of this package, the rights in excess of the 136 head in the Salmon River Spring are of lesser value. Likewise, the rights in the Stanley Basin Allotment that are not able to be used right now are of somewhat lesser value than those that can immediately be used simply by doing maintenance in the spring and turning cattle out. To analyze these differences, I have utilized the data at hand and included some judgement of my own.

After analysis, I believe that the effective range of values for good quality feed at relatively high elevations and still having good accessibility is between \$70 and \$110 per head month. The relatively recent sales of rights for \$100+ per AUM are significant, but they tend to be in areas with less recreation and public oversight and activity than the subject has. This is a major effect in my opinion. On the other hand, the subject's feed and usability are good. The former ranger indicated that the allotment is fairly stable but there is pressure to reduce livestock grazing in this area. In my view, the subject's privileges would fall within the mid to upper portion of what I consider to be the final effective range and therefore I believe that those usable rights for 136 head for the season of use in the two allotments would have a value of \$90 per head month.

As discussed in a previous appraisal prepared for the same client there is some evidence that provides at least an indication of a ratio for AUMs that will require expense to bring to full usability. Obviously, this would differ in every case, depending on the cost, the number of AUMs and the utility of them. The actual cost, or expense to the owner is unknown and can not be easily calculated, as it may depend on whether or not any of the other users are interested in helping repair fences to make the allotment portions of the Stanley Basin Allotment usable. I do feel, however, that a discount is certainly necessary and would be taken into account by any typical perspective purchaser. To account for the uncertainty in both the cost and ability to utilize in the case of the Salmon River Spring Allotment, I therefore feel that a value of \$55 per head month reasonably allows for the amount of value for those portions of the right. Following is a summary of the Direct Sales Comparison Approach analysis to value.

SALMON RIVER SPRING ALLOTMENT

45	Head months	@	\$90	=	\$4,050
111	Head months	@	\$55	=	\$6,105
<hr/>					
Subtotal for Salmon Spring Allotment					
\$10,155					

STANLEY BASIN ALLOTMENT

571	Head months	@	\$90	=	\$51,390
154	Head months	@	\$55	=	\$ 8,470
<hr/>					
Subtotal for Stanley Basin Allotment					
\$59,860					

⁷²⁵
Total value of combined rights: \$70,015, rounded to \$70,000.

VALUE INDICATED BY THE DIRECT SALES COMPARISON APPROACH

\$70,000.00

SEVENTY THOUSAND DOLLARS

134 @ 55 = 7370
712 @ 90 = 64080

\$ 71,450

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA

Forest & BLM

Transfer No. 1
 Price: \$78,615

Date of Transfer: April 2004

Confirmation:

Location / Access: Public roads in average condition. No access problems

Allotment Name: Deer Creek Allotment, Fairfield Ranger District, Sawtooth National Forest

AUM's or Head Months: 76 head months USFS, 1,067 BLM AUM's & 144 AUM's State Lease

Season of Use: 6/15 to 9/15th in Deer Creek & 4/16 to 6/15 on Black Canyon BLM

Deeded Land Included: None, 1,560 acres State Land under lease
 Number of Users: 1 in forest common BLM

Range Condition & Improvements: Both the ranges are reportedly in good condition with good water from Powell and Deer Creeks on the forest and wells & ponds for the BLM. No significant predator problems although some cougar in the area have taken a calf or two in the past in the Deer Creek area.

Association Fees, etc: None

Environmental Concerns, Remarks: The forest allotment is in an experimental area for wolves but this has not been a problem. This is not a bull trout sensitive area. Purchaser had been leasing these allotments for the last 5 years.

Potential for Changes in Capacity: This forest permit was reduced at time of transfer and no cuts are foreseen for the immediate future for either allotment. There were 646 active AUM's in the Black Canyon BLM allotment along with 215 suspended. 421 active AUM's in the Deer Creek BLM allotment.

Analysis of Data:

76 head months @	\$ 65.00	=	\$4,940
144 AUM's State Lease @	\$ 30.00	=	4,320
1,067 Aum's (active) BLM @	\$ 65.00	=	69,355
Total of Transaction			\$78,615

The seller indicated that the reduced price for the State AUM's was due to the higher fee that is paid for the State lease.

File #. 3183-2

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
Forest

Transfer No. 3
Price: \$21,816

Date of Transfer: March 2004

Confirmation: Transferor & Range Technician by HL 6/4/2004

Location / Access: Good access south & west of Council, Idaho

Allotment Name: Indian Mountain Allotment

AUM's or Head Months: 303 head months

Season of Use: July 1 to October 15

Deeded Land Included: None

Number of Users: About 10

Range Condition & Improvements: Reportedly a very good range with substantial fencing along riparian areas.

Association Fees, etc: Yes, or a normal operational nature

Environmental Concerns, Remarks: There is some concern as this is in a Bull trout area. Transferor only had 86 head and the time requirement in this allotment which was without a full time rider was more than she felt the use was worth. The purchaser was adding to existing numbers in this allotment.

Potential for Changes in Capacity: None at this time as long as streams remain protected.

Analysis of Data:

303	head months @	\$ 72.00	=	\$21,816
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File #. 3183-3

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
Forest

Transfer No. 4

Price: \$52,640 cash

Date of Transfer: April 2003

Confirmation: Barry Robertson by HL 6/8/2004, Shane Jacobsen by HL 6/7/2004,
Delas Munns by HL 6/7/2004

Location / Access: Near Spencer, Idaho

Allotment Name: East Beaver Allotment

AUM's or Head Months: 470 head months

Season of Use: June 26th to October 15th

Deeded Land Included: No

Number of Users: Common several

Range Condition & Improvements: Good range but subject some risk of having to leave the range early in dry years. Range technician indicates that there are good perennial streams in each pasture and some spring & trough development.

Association Fees, etc: No

Environmental Concerns, Remarks: No real concerns at this time

Potential for Changes in Capacity: There is some potential for a cut in the future if dry conditions persist. This permit was reduced by 26% after it was waived back to the USFS.

Analysis of Data:

470	head months @	\$ 112.00	=	\$52,640
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This permit was waived to the USFS and a new permit was renewed in the name of Munns Brothers combining the two original permits and incorporating the reduction in capacity. The buyer purchased this and another permit as part of a purchase and relocation of the Munns Brothers permit near Hebgen Lake. Good rolling hills topography and not much steep land. This is a fairly large common allotment running about 1600 cattle. If the 26% reduction in grazing is taken into consideration the price per head month would have been \$151.35.

File #. 3183-9

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
Forest

Transfer No. 5

Price: \$56,672 cash

Date of Transfer: April 2003

Confirmation: Barry Robertson by HL 6/8/2004, Shane Jacobsen by HL 6/7/2004,
Delas Munns by HL 6/7/2004

Location / Access: Near Spencer, Idaho

Allotment Name: East Beaver Allotment

AUM's or Head Months: 506 head months

Season of Use: June 26th to October 15th

Deeded Land Included: No

Number of Users: Common several

Range Condition & Improvements: Good range but subject some risk of having to leave the range early in dry years. Range technician indicates that there are good perennial streams in each pasture and some spring & trough development.

Association Fees, etc: No

Environmental Concerns, Remarks: No real concerns at this time

Potential for Changes in Capacity: There is some potential for a cut in the future if dry conditions persist. This permit was reduced by 26% after it was waived back to the USFS.

Analysis of Data: 506 head months @ \$ 112.00 = \$56,672

This permit was waived in the normal fashion to the USFS. A new permit was renewed in the name of Munns Brothers combining the two original permits and incorporating the reduction in capacity. The buyer purchased this and another permit as part of a purchase and relocation of the Munns Brothers permit near Hebgen Lake. There are approximately 20,000 acres in this allotment and 5 pastures with 1,600 cattle. Good rolling hills type country very little steep terrain. If the 26% reduction in grazing is taken into consideration the price per head month would have been \$151.35.

File #. 3183-10

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
Forest

Transfer No. 6
Price: \$380,000 \$100,000 cash balance over 5 years @ 6% with a balloon

Date of Transfer: September 2002

Confirmation: Seller by RD, 10/2002, Range conservationist by HL 6/8/2004

Location / Access: North of Juntura

Allotment Name: Flag Prairie Allotment

AUM's or Head Months: 1,297 head months plus deeded land

Season of Use: June 15th to October 20th

Deeded Land Included: Yes, approximately 320 acres allocated by seller
Number of Users:

Range Condition & Improvements: Considered good condition

Association Fees, etc: None

Environmental Concerns, Remarks: Bull trout but no other species problems

Potential for Changes in Capacity: Not likely but always a possibility

Analysis of Data:

1,297	head months @	\$ 77.10	=	\$100,000
320	acres @	\$ 875.00	=	280,000
	Total			\$380,000

Deeded land legal description: Township 16 South, Range 36 East Section 32: NW¼, E½SW¼; Township 17 South, Range 36 East Section 5: Lots 3 & 4. The price allocation was reportedly by the seller.

File #. 3183-8

GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
Forest

Transfer No. 7

Transferor: J. R. Allen

Transferee: Frank Phillips

Price: \$8,000

Date of Transfer: June 1999

Verification: Frank Phillips by HL 12/11/99

Location / Access: West side of Cascade Reservoir

Allotment Name: Cascade Reservoir

AUM's or Head Months: Negotiated based on 42 head for 3 months or 127 head months. The permit is actually for 46 pair or 141 head months

Season of Use: 6/15 to 9/15

Deeded Land Included: No

Number of Users: Buyer was other user

Range Condition at Transfer Date: Range was in good condition at date of transfer according to Monte Miller of the Cascade Ranger District. Allotment contains 867 acres.

Environmental Concerns, Remarks: The Ranger indicated that this is a high recreation area but there have been no conflicts between people recreating in the area and the use of livestock. However, there are significant water quality concerns and much fencing and other improvements were done to alleviate this problem. Previous to the transfer the permittees had received a 62% reduction in numbers. At the time of the transfer the allotment was considered stable.

Analysis of Data: Seller felt he had right for 42 head but at waiver date found that there were more but buyer would not pay more. This allotment had taken a 62% cut recently. Buyer feels that he will be able to use this for 5 years + or - before being driven off. Livestock were included in the transaction but the price above does not include the livestock.

on the basis of the negotiation

127	Head months @	\$ 62.99	\$ 8,000
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on the basis of the actual permit

141	Head months @	\$ 56.74	\$ 8,000
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File No.2809-1

**GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
FOREST**

Transfer No.8

Transferor: Marty Bennett **Transferee:** Iron Horse LLC

Price: \$ 25,000 cash terms

Date of Transfer: April 2002

Verification: John Shelley, Ranger and Marty Bennett by HL 11/12/02

Location / Access: North east of Fairfield, Idaho with good access

Allotment Name: Gooding C & H Allotment

AUM's or Head Months: 534 head months

Season of Use: June 20 to October 9

Deeded Land Included: None **Number of Users:** 2 other users

Range Condition & Improvements: Range is in average to good but quite a bit of steep country.

Association Fees, etc: None

Environmental Concerns, Remarks: Bull trout found in streams within the allotment. This is a listed species and buyer was very aware of the potential cut as his father is one of the other users in the allotment.

Potential for Changes in Capacity: The ranger said that a few years ago it was felt that a 20% cut in use was likely and now with new guidelines a 40% cut is most likely. The term permit runs until 12/31/2010. Seller felt that the cut in use would be 30% and possibly less when all was said and done. The potential for a significant future loss of use definitely effected the price in the sellers mind. This permit sold in June 2001 (2950-13) for \$18,000, indicating an appreciation rate of 3.72% on a monthly compound basis. Purchaser was gathering up the other users in the allotment and this was a motivation. Seller felt that he had to get out under the conditions and felt this was a good deal. It is likely that the new operator will take a cut in the fairly near future.

Analysis of Data:

534	Head months @	\$ 46.82	\$ 25,000
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File No.2950-15

**GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
FOREST**

Transfer No. 9

Transferor: Phil Soulen

Transferee: Ken Seid

Price: \$32,338 cash

Date of Transfer: May 16, 2001

Verification: Maura Lavery Council Ranger District and Phil Soulen by HL 11/9/01

Location / Access: Good access

Allotment Name: Limestone Allotment, Weiser Ranger District

AUM's or Head Months: 213 head months Forest (49 pair), 56 AUM's BLM and 25 acres of deeded land included within the allotment.

Season of Use: June 6 through October 15

Deeded Land Included: 25 acres

Number of Users: Private use area

Range Condition & Improvements: Reportedly in good condition. In 2001 the operator used all of the privilege and met the riparian standards and guides in a drought year. There is good bunch grass and feed is generally good but the range is short on water with Cottonwood Creek being the major water source. This is fairly steep country but good cattle range none the less. The main use area is a high plateau and the steep country is off of it.

Association Fees, etc: None

Environmental Concerns, Remarks: No animal species concerns however the biologists have not surveyed this area for plant species. There are some northern Idaho ground squirrels in a nearby area but have not migrated into this allotment yet.

Potential for Changes in Capacity: Allotment is described a stable by the range specialist. This was a sheep use allotment and took a cut to convert to cattle use so it is unlikely that there are any cuts in the near future.

Analysis of Data:

This range joined other range already owned by the buyer. The allocations are by the seller.

213	Head Months @	\$ 101.63	\$ 21,647
56	BLM AUM's @	101.63	5,691
25	acres deeded @	200.00	5,000
Total			\$ 32,338

File No.2950-14

**GRAZING PRIVILEGE TRANSFER OR WAIVER DATA
FOREST**

Transfer No. 10

Transferor: Leonard Brown **Transferee:** Iron Horse LLC

Price: \$ 35,000 cash terms

Date of Transfer: June 2002

Verification: John Shelley, Ranger and Leonard Brown by HL 11/13/02

Location / Access: North east of Fairfield, Idaho with good access

Allotment Name: Gooding C & H Allotment

AUM's or Head Months: 534 head months

Season of Use: June 20 to October 9

Deeded Land Included: None **Number of Users:** 1 other user

Range Condition & Improvements: Range is in average to good but quite a bit of steep country.

Association Fees, etc: None

Environmental Concerns, Remarks: Bull trout found in streams within the allotment. This is a listed species and buyer was very aware of the potential cut

Potential for Changes in Capacity: The ranger said that a few years ago it was felt that a 20% cut in use was likely and now with new guidelines a 40% cut is most likely. The term permit runs until 12/31/2010. The potential for a significant future loss of use very likely effected the price. Purchaser was gathering up the other users in the allotment and this was a motivation. It is likely that the new operator will take a cut in the fairly near future. Seller said he paid \$45,000 for this permit several years ago prior to threatened cuts.

Analysis of Data:

534	Head months @	\$ 65.54	\$ 35,000
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File No.2950-16

CORRELATION AND RECONCILIATION OF VALUE ESTIMATE

In traditional appraisal analysis, there are three basic approaches to value, along with other methods. The three basic approaches are the Direct Sales Comparison Approach, Cost Approach and Income Approach. In the appraisal of the subject property right, only the Direct Sales Comparison Approach has been utilized. The reason is that even though the Cost and Income Approaches were considered, they were not considered to be usable or reliable indicators that would be typical of market or prospective purchaser intentions for this type of property. One could analyze the cost participation necessary for the improvements to the public range. Then analyze differing feed cost rates and lease rates, but this in my opinion, would be of little use, as prospective purchasers and sellers have never brought this sort of analysis to my attention. They have relied heavily on their knowledge of comparable sales and conditions surrounding the particular use right.

This is not to say that operators do not consider the effective cost of utilizing a Federal Grazing right. These costs, however, are particular to each operation because of location, amount of base property, etc. and differ between operations, even when two purchasers consider the same allotment for purchase. It is therefore my conclusion that the Direct Sales Comparison Approach, which has been thoroughly researched in terms of the overall market, is the best indicator of value. Therefore, in my opinion, as of November 6, 2002, the value indicated to the subject property was \$70,000.

FINAL CORRELATION AND VALUE CONCLUSION AS OF

NOVEMBER 6, 2002

\$70,000

SEVENTY THOUSAND DOLLARS

CERTIFICATION

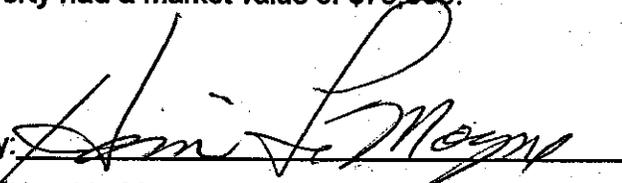
I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report on June 8, 2004, I contacted Mark Stark, by telephone, on two occasions the last being on June 7, 2004. Mr. Stark was offered the opportunity to accompany me on the inspection but declined

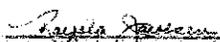
- ___ no one provided significant real property appraisal assistance to the person signing this certification. There are 84 pages, including the Introduction and Addenda, in this report.
- ___ I certify that the use of this report is subject to the requirements of the Appraisal Institute and the American Society of Farm Managers and Rural Appraisals relating to review by their duly authorized representatives.
- ___ As of the date of this report, I have completed the requirements under the continuing education program of the American Society of Farm Managers and Rural Appraisers and the American Society of Appraisers.

After weighing the factors herein reported to the best of my knowledge and experience, it is my opinion that as of June 8, 2004, this property had a market value of \$70,000.

LeMoyne Appraisals

by: 
 Henri LeMoyne, ARA, SRPA, ASA
 Idaho Certified Appraiser #9

APPRAISER'S LICENSE

Bureau of Occupational Licenses Department of Self Governing Agencies <small>The person named has met the requirements for licensure and is entitled under the laws and rules of the State of Idaho to operate as a(n)</small> CERTIFIED GENERAL APPRAISER		
HENRI W. LEMOYNE BOX 5225 TWIN FALLS ID 83303		
 Chief, B.O.L.	CGA-9 Number	06/23/2005 Expires

PART IV - ADDENDA

QUALIFICATIONS OF HENRI LEMOYNE, ARA, SRPA, ASA

CERTIFICATION

Henri LeMoyné was awarded the Certified Real Estate Appraiser designation, Certificate No. 9, by the Idaho State Certified Real Estate Appraiser Board on July 1, 1991.

EDUCATION

Henri LeMoyné is a graduate of Hagerman High School, the class of 1968. Thereafter he attended the College of Southern Idaho through 1970 and later attended the University of Idaho, graduating in 1973 with a curriculum of general studies and a B.S. in education.

Mr. LeMoyné has participated in Idaho Real Estate Education Council courses including Graduate Realtor Institute, Real Estate Licensing Courses and has a real estate sales license. Additionally, Mr. LeMoyné has a real estate broker's license and is currently the broker of LeMoyné Realty in Twin Falls, Idaho.

AREAS OF SPECIALIZATION

Henri specializes in appraisal of properties for conservation easements and appraising properties that already are encumbered by conservation and other easements. Other types of specialized work include condemnation and recreation properties, as well as farms and livestock ranches throughout the west.

SPECIALIZED EDUCATION

An extensive specialized education program has been undertaken with courses from the Society of Real Estate Appraisers, including Course 101 Introduction to Appraising Real Property, Course 102 Applied Residential Property Valuation, Course 201 Principles of Income Property Appraising, Course 202 Applied Income Property Valuation and Course A-20 Principles of Appraisal.

Other courses from the AIREA, now Appraisal Institute include Principles of Appraising Real Property, Capitalization Theory and Techniques, Urban Property Applied Valuation, Residential Appraisal.

American Society of Farm Managers and Rural Appraisal courses, A-20, A-30 and Principles of Rural Appraisal and has completed various seminars and is currently attaining continued seminar activity. Recent classes and seminars include Code of Ethics & Uniform Standards of Professional Practice in 1991 and 1994, Certification School, Advanced Rural Appraisal,

Highest & Best Use Analysis; Advanced Income Capitalization Course 510, Ranch Appraisal and Dairy Appraisal.

Developed and taught the Water Valuation portion of Course A-34 for the American Society of Farm Managers and Rural Appraisers.

ASSOCIATION MEMBERSHIPS

Currently a member in good standing of the American Society of Farm Managers and Rural Appraisers, serving in 1987 as president of the Idaho chapter.

Henri served on the Executive Council of the American Society of Farm Managers & Rural Appraisers, (ASFRMA), as the District VII Vice President of the Organization for 1996 and 1997. The area he represented was the states of Washington, Oregon, Idaho, Nevada, California, Utah and Arizona. Henri was elected President of the ASFMRA in 2000, and serves on the Executive Council.

DESIGNATIONS

Mr. LeMoyné received the ARA which is the Accredited Rural Appraiser designation from the American Society of Farm Managers and Rural Appraisers in St. Louis, Missouri in 1982. He also received the SRA and the SRPA designations from the Society of Real Estate Appraisers in 1984, and the ASA from the American Society of Appraisers in 2000.

He is currently certified under the ASFMRA Continuing Education Program.

APPRAISAL EXPERIENCE

After graduating from the University of Idaho in 1973 Mr. LeMoyné began working as a field assistant for Harry LeMoyné in his appraisal business in Twin Falls and later became the chief appraiser of LeMoyné Appraisals in Twin Falls. In 1991 he purchased LeMoyné Realty & Appraisal.

COURT EXPERIENCE

Courts in which Mr. LeMoyné has qualified as an expert witness include district courts in Twin Falls, Jerome, Minidoka, Power, Blaine and Ada Counties.

APPRAISAL AREA & TYPES OF APPRAISALS

Has appraised real estate of all types in Idaho counties of Twin Falls, Bannock, Bonneville, Gooding, Jerome, Lincoln, Minidoka, Cassia, Clark, Elmore, Ada, Custer, Lemhi, Payette and Gem and Elko County, Nevada. Types of appraisals include residential properties from one to

four family, vacant land and agricultural land, improved and unimproved particularly farm and ranch property, and recreational property.

Clients include IRS, FDIC, Wells Fargo Bank, Sanwa Bank, Farmers National Bank, First Federal Savings Bank, First Security Bank, U.S. Bank, Norwest Ag Credit, Travelers Insurance Company, Key Bank, D.L. Evans Bank, Stockman's Bank of Commerce, ABC Bank, Hawaiian Trust and other finance companies as well as Farm Credit Services, Farmers Home Administration Freddie Mac, RTC, United States Forest Service, Eastern Idaho PCA and many independent users of appraisals including but not limited to the law firms of Smith & Beeks, Hepworth, Nungester & Lezamiz, Coleman, Ritchie & Robertson, Ling & Nielson, Susan Roy, and others as well as private individuals and corporations.

PERMIT

USDA FOREST SERVICE BILL FOR COLLECTION CLOSE A COPY OF THIS BILL WITH YOUR CHECK OR MONEY ORDER. NOT SEND CASH. PLEASE INCLUDE BILL NO. AND PAYER CODE ON YOUR CHECK. USDA FOREST SERVICE	1. BILL DATE: 05/07/01 PAGE: 1 MAIL PAYMENT TO: USDA FOREST SERVICE UNIT COLLECTION OFFICER, FILE 71652 P.O. BOX 60,000 SAN FRANCISCO, CA 94160-1662
P. MARK STARK H.C. BOX 1778 CHALLIS ID 83228	PAYER INDICATE AMOUNT ENCLOSED: \$ _____ 2. NET AMOUNT DUE: \$ 873.45 3. DUE DATE: 05/27/01 4. BILL NUMBER: BR 04140480003 5. PAYER CODE: MISC C
AGREEMENT NO: _____ CONTRACT NO: _____	7. DESCRIPTION: _____

REMARKS:
 PLEASE INCLUDE COPY OF BILL WITH PAYMENT! CONTACT
 JACKIE AT 208/737-3247 IF YOU HAVE QUESTIONS ON YOUR
 BILLING.

9. PRINCIPAL:	\$ 873.45
10. INTEREST:	_____
11. ADMINISTRATIVE COSTS:	_____
12. PENALTY:	_____
13. AMOUNT DUE:	\$ 873.45
14. AMOUNT CREDITED:	_____
15. NET AMOUNT DUE:	\$ 873.45

NOTE:
 PLEASE SEND ALL CORRESPONDENCE, INQUIRIES, AND CHANGE OF ADDRESS TO:
 SAWTOOTH NATIONAL FOREST 208-737-3247
 2047 KIMBERLY RD. E.
 TRIN FALLS, ID 83301

**FAILURE TO MAKE PAYMENT BY DUE DATE WILL RESULT IN THE
 ASSESSMENT OF LATE PAYMENT CHARGES (INTEREST, ADMINISTRATIVE COST,
 AND/OR PENALTY CHARGES) IN ACCORDANCE WITH YOUR CONTRACT, PERMIT,
 AND THE DEBT COLLECTION ACT OF 1982, AS AMENDED. POSTMARKS ARE NOT
 IGNORED.**

001 GRAZING SEASON FEE: CATTLE @ \$1.95/head

COM	TO	NO	LIVESTOCK KIND CLASS	PERMIT TYPE	ALLOTMENT NAME	HEAD MONTHS	AMOUNT
6/7	- 9/30	12	Cattle CC	Temp Gr P	SAWTOOTH VALLEY C&H	48	\$ 82.10
6/11	- 10/15	138	Cattle CC	Term	STANLEY BASIN C&H	564	\$ 788.30
6/1	- 8/10	100	Cattle CC	Term	SALMON RIVER SPRING	33	\$ 443.5

16. ORG	17. JOB	18. AMOUNT	14. ORG	17. JOB	18. AMOUNT	16. ORG	17. JOB	18. AMOUNT
0414	69881301	\$ 873.45						

GRAZING PERMIT - PART 1
(Reference FSM 2230)

Page 1 of 22
Permittee Num
22
Permit Number
4504

PART 1

MARK AND BRENDA STARK of HC 63, Box 1778, Challis, ID 83226, hereinafter
(Name of Permittee) (Post Office Address, Including Zip)
called the permittee, is hereby authorized to graze livestock owned by the permittee upon
designated lands administered by the Forest Service within the Sawtooth National
Forest under the following terms and conditions:

1. Description of range. The livestock shall be grazed only upon the area delineated on
the attached maps dated 6/13/96, which are part of this permit.

SAWTOOTH NRA - Stanley Basin Allotment
- Salmon River Spring Unit Allotment

2. The number, kind, and class of livestock, period of use, and grazing allotment on
which the livestock are permitted to graze to are as follows, unless modified by the
Forest Service in the Bill for Collection:

LIVESTOCK			PERIOD OF USE		GRAZING ALLOTMENT
NUMBER	KIND	CLASS	FROM	TO	
113*	Cattle	Cow/Calf	06/11	10/30	Stanley Basin (712 AUMs)
241	Cattle	Cow/Calf	06/01	06/10	Salmon River Spring Unit

*Represents your share of 4290 total AUMs capacity of pastures currently open for use.
Numbers may vary with season equivalent to 712 AUMs as described on the Annual Bill For
Collection. Upon completion of necessary improvements for currently closed pastures, or
if capacity of open pastures increases because of improved management, your permitted
AUMs may increase to your proportionate share (15.6%=846) of the total 5098 AUMs allowed
by the 6/93 ROD-Stanley Basin FEIS, as agreed upon by other Stanley Basin permittees.

3. It is fully understood and agreed that this permit may be suspended or cancelled, in
whole or in part, after written notice, for failure to comply with any of the terms and
conditions specified in Parts 1, 2, and 3 hereof, or any of the regulations of the
Secretary of Agriculture on which this permit is based, or the instructions of Forest
officers issued thereunder; or for knowingly and willfully making a false statement or
representation in the permittee's grazing application, and amendments thereto; or for
conviction for failure to comply with Federal laws or regulations or State and local laws
relating to livestock control and to protection of air, water, soils and vegetation, fish
and wildlife, and other environmental values when exercising the grazing use authorized by
the permit. This permit can also be cancelled, in whole or in part, or otherwise
modified, at any time during the term to conform with needed changes brought about by law,
regulation, Executive order, allotment management plans, land management planning, numbers
permitted or seasons of use necessary because of resource conditions, or the lands
described otherwise being unavailable for grazing. Any suspension or cancellation action
may be appealed pursuant to 36 CFR 251, Subpart C.

4. This permit supersedes permit issued 6/09/86 to Mark Stark
by BERT F. WEBSTER, Acting Forest Supervisor.

I HAVE REVIEWED AND ACCEPT THE TERMS OF THIS PERMIT

SIGNATURE OF PERMITTEE OR HIS AUTHORIZED AGENT			DATE
<u>Mark and Brenda Stark</u>			<u>6/13/96</u>
SIGNATURE OF FOREST OFFICER	NAME (PRINT)	TITLE	DATE
<u>[Signature]</u>	<u>PAUL RIES</u>	<u>Area Ranger</u>	<u>6/13/96</u>

PART 2 - GENERAL TERMS AND CONDITIONS

1. **Validation of Permit.** The issuance of a Bill for Collection and payment of fees and actual turning on at least 90 percent of livestock the first grazing season after the permit is issued will validate this permit for the number, kind, and class of livestock, grazing allotment, and period of use for the particular year.
2. **Bill for Collection.** Each year, after validation and prior to the beginning of the grazing season, the Forest Service will send the permittee a Bill for Collection specifying for the current year the kind, number, and class of livestock allowed to graze, the period of use, the grazing allotment, and the grazing fees. This bill, when paid, authorizes use for that year and becomes part of this permit.
3. **Payment of Fees.** The permittee will not allow owned or controlled livestock to be on Forest Service-administered lands unless the fees specified in the Bill for Collection are paid.
4. **Administrative Offset and Credit Reporting.** Pursuant to 31 USC 3716 and CFR Part 3, Subpart B, any monies that are payable or may become payable from the United States, under this permit, to any person or legal entity not an agency or subdivision of a State or local government may be subject to administrative offset for a collection of a delinquent debt the person or legal entity owes to the United States. Information on the person's or legal entity's responsibility for a commercial debt or delinquent consumer debt owed the United States shall be disclosed to consumer or credit reporting agencies.
5. **Interest, Penalty, and Administrative Costs.** Pursuant to 31 USC 3717 and 7 CFR Part 3, Subpart B, interest shall be charged on any payment or fee amount not paid within 30 days from the date the payment was due. Interest shall be assessed using the most current rate prescribed by the United States Department of the Treasury Fiscal Requirements Manual (TFRM-6-8020.20). Interest shall accrue from the date the payment was due. In addition, in the event the account becomes delinquent, administrative costs may be assessed. A penalty of 6 percent per year shall be assessed on any payment or fee amount overdue in excess of 90 days from the date the first billing was due. Payments will be credited on the date received by the designated collection officer or deposit location. If the due date(s) for any of the above payments falls on a non-workday, the charges shall not apply until the close of business on the next workday.
6. **Term of Permit.** This permit is effective until 12/31/05 unless waived, cancelled, or otherwise terminated as provided herein. The permittee has first priority for receipt of a new permit at the end of the term subject to modification deemed necessary by the Forest Service.

In order to update terms and conditions, this permit may be cancelled at the end of the midyear of each decade, beginning with 1995, provided it is reissued to the existing permit holder for a new term of 10 years.

7. Ownership Requirement

(a) Only livestock owned by the permittee are authorized to graze under this permit. To exercise use of the permit, the permittee will furnish all evidence of ownership requested by the Forest Service. Livestock purchased and subsequently sold back to the original owner, or to an agent, assignee, or anyone representing or acting in concert with the original owner, within a 24-month period without prior written approval by the Forest officer in charge will not be considered valid ownership of the livestock.

(b) Base property owned and used by the permittee to qualify for a term grazing permit must meet minimum base property requirements approved by the officer in charge.

PART 2 - GENERAL TERMS AND CONDITIONS

8. Range and Livestock Management

(a) The allotment management plan for the land described on page 1. Part 1 is part of the permit, and the permittee will carry out its provisions, other, instructions, or others as issued by the Forest officer in charge for the area under permit and will require employees, agents, and contractors and subcontractors do likewise.

(b) The number, kind, and class of livestock, period of use, and grazing allotment specified in the permit may be modified when determined by the Forest Officer in charge to be needed for resource protection. Except in extreme emergencies where resource conditions are being seriously affected by livestock use or other factors, such as fire, drought, or insect damage, notice of a scheduled reduction of numbers of livestock or period of use under a term permit will be given one (1) full year before a modification in permitted numbers or period of use becomes effective. This does not apply to annual adjustment in grazing as provided for in Section 8(c).

(c) When, in the judgment of the Forest Officer in charge, the forage is not ready to be grazed at the beginning of the designated grazing season, the permittee, upon request of the Forest officer, will defer placing livestock on the grazing allotment to avoid damage to the resources. The permittee will remove livestock from Forest Service-administered lands before the expiration of the designated grazing season upon request of the Forest officer when it is apparent that further grazing will damage the resources.

(d) The permittee will allow only the numbers, kind, and class of livestock on the allotment during the period specified in Part 1 hereof or the annual Bill for Collection, including any modifications made as provided for in Section 8(c). If livestock owned by the permittee are found to be grazing on the allotment in greater numbers, or at times or places other than permitted in Part 1 hereof, or specified on the annual Bill for Collection, the permittee shall be billed for excess use at the unauthorized use rate and may face suspension or cancellation of this permit.

(e) The permittee will not allow owned or controlled livestock to be upon any area of Forest Service-administered lands not described in either Part 1 hereof or the annual Bill for Collection.

(f) The Forest officer in charge may, at any time, place, or fasten or require the permittee to place or fasten upon livestock covered by this permit appropriate marks or tags that will identify them as livestock permitted to graze on lands administered by the Forest Service. When requested by the Forest officer, the permittee will, at any time during the permitted period of use, including entry and removal dates, gather permitted livestock to enable an accurate count to be made thereof. The Forest Service may, at its option, gather and hold for counting all livestock grazing on the allotment.

(g) Only livestock marked, tagged, or branded as shown in the application upon which this permit is based, and as may be required under Section 8(f), will be allowed to graze under this permit unless the permittee has advance written approval from the Forest officer in charge to do otherwise.

(h) The permittee will pay the costs of, perform, or otherwise provide for the proportionate share of cooperative improvements and management practices on the permitted area when determined by the Forest officer in charge that such improvements and practices are essential to proper protection and management of the resources administered by the Forest Service.

PART 2 - GENERAL TERMS AND CONDITIONS

(i) This permit is issued and accepted with the provision that the permittee will maintain all range improvements, whether private or Government-owned, that are assigned for maintenance to standards of repair, orderliness, and safety acceptable to the Forest Service. Improvements to be maintained and acceptable to maintenance are specified in Part 3 of this permit. The Government may maintain or otherwise improve said improvements when, in its opinion, such action will be to its advantage.

9. Nonuse. At least 90 percent of the livestock permitted must be grazed each year, unless the Forest officer in charge approves nonuse. Failure to place livestock on the allotted range/pasture without approved nonuse may result in cancellation of the term grazing permit in whole or in part.

10. Protection. The permittee, or the permittees' agents and employees, when acting within the scope of their employment, and contractors and subcontractors will protect the land and property of the United States and other land under jurisdiction of the Forest Service covered by and used in conjunction with this permit. Protection will include taking all reasonable precautions to prevent, make diligent efforts to suppress, and report promptly all fires on or endangering such land and property. The permittee will pay the United States for any damage to its land or property, including range improvements, resulting from negligence or from violation of the provisions and requirements of this permit or any law or regulation applicable to the National Forests System.

11. General.

(a) The Forest officer in charge may at any time require the permittee to give good and sufficient bond to insure payment for all damage or costs to prevent or mitigate damages sustained by the United States through the permittee's failure to comply with the provisions and requirements of this permit or the regulations of the Secretary on which it is based.

(b) This permit will be cancelled, in whole or in part, whenever the area described in this permit is withdrawn from the National Forest System by land exchange, modification or boundaries, or otherwise, or whenever the area described in this permit is to be devoted to a public purpose that precludes grazing.

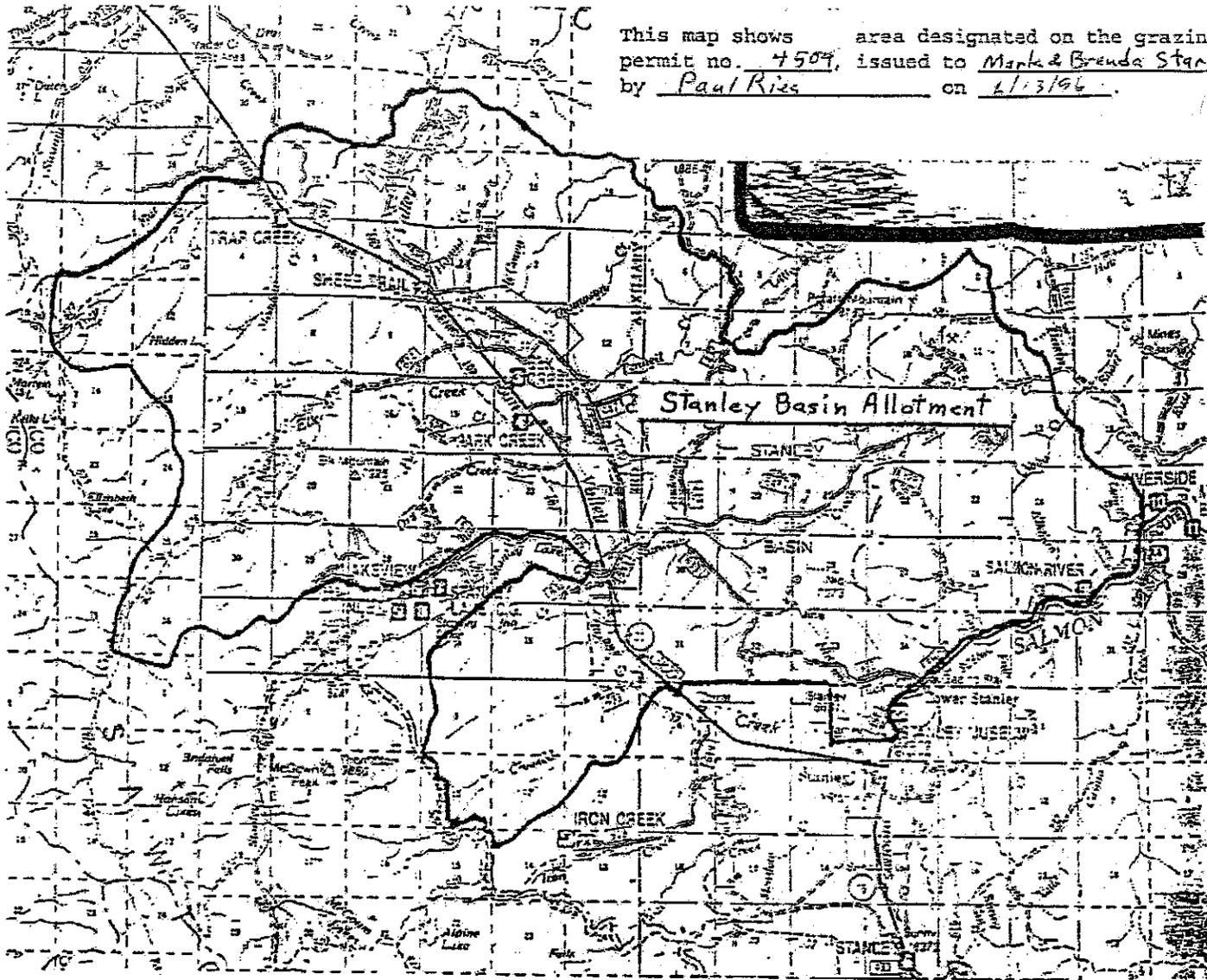
(c) The permittee will immediately notify the Forest officer in charge of any change in control of base property, ownership of livestock, or other qualifications to hold this grazing permit.

(d) The permanent improvements constructed or existing for use in conjunction with this permit are the property of the United States Government unless specifically designated otherwise or covered by a cooperative agreement. They will not be removed nor compensated for upon cancellation of this permit, except in the National Forest in the 16 contiguous Western States when cancelled, in whole or in part, to devote land to another public purpose including disposal. In the event of such cancellation on the National Forests in the 16 Contiguous Western States, the permittee will be compensated for the adjusted value of approved range improvements installed or placed by him.

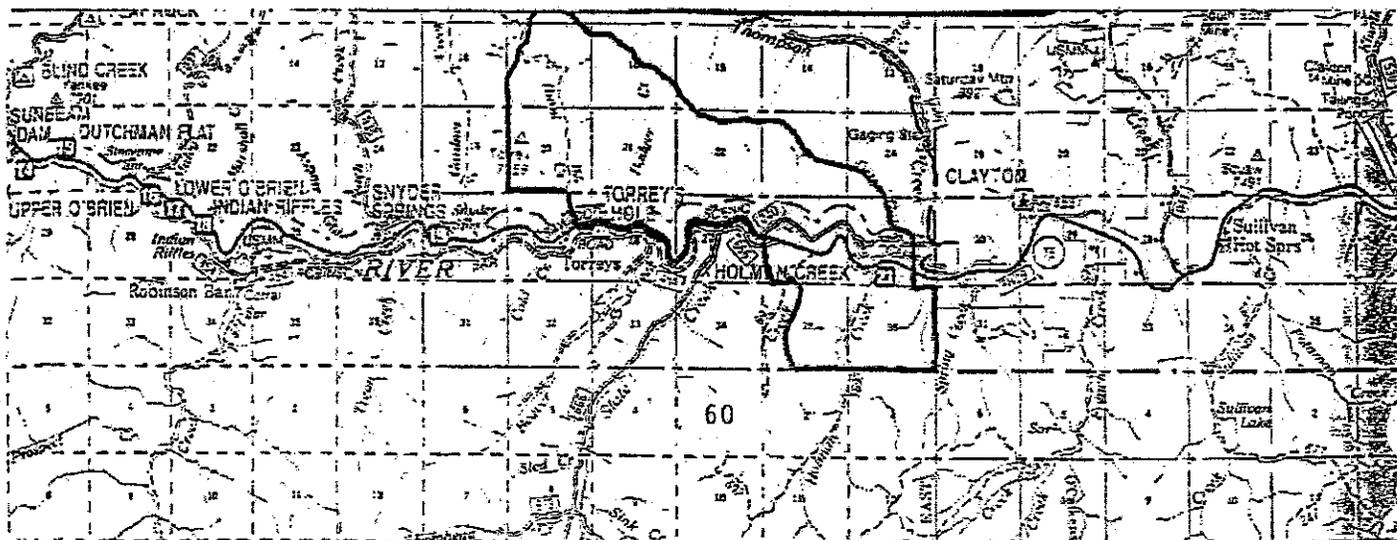
(e) The permittee may not transfer, assign, lease, or sublet this permit in whole or part.

(f) This permit includes the terms and conditions of Part 3 hereof, consisting of page 5 through 12, which follow.

This map shows area designated on the grazin permit no. 7509, issued to Mark & Brenda Stahl by Paul Rice on 6/3/96.



Salmon River Spring Allotment



FSRAMIS
IMPROVEMENT MAINTENANCE RESPONSIBILITY REPORT
SAWTOOTH NATIONAL FOREST

SAWTOOTH NRA ALLOTMENT NAME Stanley Basin C&H PERMITTEE NAME Mark Stark
 ALLOTMENT NUMBER 460 PERMIT NUMBER 4504

IMPROVEMENT NAME	IMPR NO	EXT	TYPE	UNITS	RESPONSIBILITY
Kelly Creek Bdry Fence	30002		232	0.2	Wilson/Helm/Stark
Stanley Creek Fence	30046		232	0.9	Basin Creek Permittee
Little Basin Bdry Fence	30047		232	0.3	Basin Creek Permittee
Lynch Cr Corral	46001		612	1.0	Wilson/Stark/Helm
Lynch Creek Corral Water	46002		411	1.0	Wilson/Stark/Helm
Lower Nip & Tuck Drift	46003		232	1.2	Wilson/Stark/Helm
Lower Nip & Tuck Cr Fn Ext	46003	A	232	0.2	Wilson/Stark/Helm
Nip & Tuck-Joes Gulch Drift Frce	46006		233	2.5	Wilson/Stark/Helm
Joes Gulch Water Dev	46007		411	1.0	Pivas
Stanley Basin Div	46008		233	1.0	Wilson/Stark/Helm
Tennell Crk Drift	46012		233	1.2	Pivas
Hanna Cr Water Dev	46013		411	0.6	Wilson/Stark/Helm
Valley Cr Drift	46014		232	1.0	Wilson/Stark/Helm
Blind Summit Bdry	46016		232	0.3	Wilson/Stark/Helm
Stanley-Valley Cr Drift	46019		232	1.0	Wilson/Stark/Helm
Stanley-Viy Crk Drift Fnoe	46019		233	0.2	Pivas
Highway 21 N.E. Fence	46021	A	220	0.2	Pivas
Highway 21 S.W. Fence	46022		220	8.0	(disfunctional)
Job-Stanley Lake Cr Div	46023		233	8.2	(disfunctional)
Stanley Lake Drift	46024		233	0.8	Pivas
Elk Mountain Water Dev	46026		411	0.3	(disfunctional)
				1.0	(disfunctional)

Park-Ek Cr. Div	46027		233	1.5	(disfunctional)
Elk Meadow Drill	46028		233	0.3	(disfunctional)
Trap Crk Boundary Fence	46029		232	0.1	(disfunctional)
Trap Creek Narrows Fence	46031		233	0.3	(disfunctional)
Lynch Creek Drift Fence	46032		233	0.1	(disfunctional)
Joas Gulch Fence & Gate	46034		233	0.1	Wilson/Stark/Helm
Wilson Corral	46035		612	1.0	Wilson/Stark/Helm
South Basin Pond #1	46040		413	1.0	Pivas
South Basin Pond #2	46041		413	1.0	Pivas
South Basin Pond #3	46042		413	1.0	Pivas
Upper S Basin Pond #4	46043		413	1.0	Pivas
Upper S Basin Pond #5	46044		413	1.0	Pivas
Upper S Basin Pond #6	46045		413	1.0	Pivas
Upper S Basin Pond #7	46046		413	1.0	Pivas
Upper S Basin Pond #8	46047		413	1.0	Pivas
Upper S Basin Pond #9	46048		413	1.0	Pivas
Upper S Basin Pond #10	46049		413	1.0	Pivas
L Nip & Tuck Pond #11	46050		413	1.0	Wilson/Stark/Helm
Gate Way Pond #12	46051		413	1.0	Wilson/Stark/Helm
Gate Way Pond #13	46052		413	1.0	Wilson/Stark/Helm
L North Basin Pond #14	46053		413	1.0	Wilson/Stark/Helm
L North Basin Pond #15	46054		413	1.0	Wilson/Stark/Helm
L North Basin Pond #16	46055		413	1.0	Wilson/Stark/Helm
L North Basin Pond #17	46056		413	1.0	Wilson/Stark/Helm
Upper N Basin Pond #18	46057		413	1.0	Wilson/Stark/Helm
Upper N Basin Pond #19	46058		413	1.0	Wilson/Stark/Helm
Upper Kelly Cr Pond #20	46059		413	1.0	Wilson/Stark/Helm
Sawmill Pond #21	46060		413	1.0	Wilson/Stark/Helm
Sawmill Pond #22	46061		413	1.0	Wilson/Stark/Helm
N Fk Noho Pond #23	46062		413	1.0	Wilson/Stark/Helm
W Elkhorn Pond #24	46063		413	1.0	Wilson/Stark/Helm
N Elkhorn Pond #25	46064		413	1.0	Wilson/Stark/Helm
W Basin Creek Pond #26	46065		413	1.0	Wilson/Stark/Helm
W Basin Creek Pond #27	46066		413	1.0	Wilson/Stark/Helm

Lynch Creek Pond #28	46067		413	1.0	Wilson/Stark/Helm
Crooked Cr Hwy Fence	46068		232	0.4	Pivas
N Job Hwy Fence	46070		232	1.3	(disfunctional)
East Anderson Lane Fence	46071		233	0.2	Mahoney
West Anderson Lane Fence	46072		233	0.2	Mahoney
Upper Valley Creek Fence	46073		233	2.1	Wilson/Stark/Helm
Lower Valley Creek Fence	46074		233	0.4	Pivas
E Blind Summit Fence	46075		233	1.6	Wilson/Stark/Helm
W Blind Summit Fence	46076		232	0.6	Wilson/Stark/Helm
Noho Fence	46077		233	1.7	Wilson/Stark/Helm
Elkhorn Fence	46078		233	1.7	Wilson/Stark/Helm
Nip & Tuck Fence	46079		232	1.0	Wilson/Stark/Helm
Valley Cr Bridge Fence	46088		233	0.3	Pivas
Hammond Field Road Fence	46089		233	0.3	Mahoney
Crooked Cr Bdry Fence	46091		232	0.3	Pivas
Trap Cr Protection Fence	46093		218	0.6	Wilson/Stark/Helm
Association Field Fence	46096		233	1.7	Mahoney
				.3	Wilson/Stark/Helm
Hammond Field Div Fence	46098		233	1.3	Mahoney
S Boundary Fence	46106		232	1.2	Pivas
Lower Nip & Tuck CG	46004		611	1.0	US Forest Service
Upper Nip & Tuck CG	46005		611	1.0	US Forest Service
Lynch Cr Painted CG	46009		611	1.0	US Forest Service
Stanley Lake Cr Enclosure	46011		235	0.1	US Forest Service
Blind Summit Cattleguard	46015		611	1.0	US Forest Service
Stanley Basin Div CG	46018		611	1.0	US Forest Service
Stanley-Valley Drill CG	46020		611	1.0	US Forest Service
Stanley Lake Drill CG	46025		611	1.0	US Forest Service
St Basin Excl	46030		235	0.5	US Forest Service
Valley Creek Enclosure F	46038		235	0.2	US Forest Service
Nip & Tuck Seeding Fence	46069		210	0.1	US Forest Service
Trap Cr Hwy CG	46081		611	1.0	US Forest Service
Valley Cr Hwy CG	46082		611	1.0	US Forest Service
Eik Cr Hwy CG	46085		611	1.0	US Forest Service

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Permit Number 4504Special Terms and Conditions1. Base Property Description.

The base property for this Term Grazing Permit is identified as follows:

NW1/4 SW1/4 Section 25, T14N, R19E, Boise Meridian, approximately 40 acres.

Changes in the designation of the base property must be applied for and approved in writing by the Area Ranger.

2. Responsibilities for Construction and Maintenance of Structural Improvements or for Range Rehabilitation.

A. Replacement or Installation of New Improvements - In accordance with Sections 8(a) and (h) under Part 2 of the permit, the following will be adhered to in the replacement or installation of new livestock related improvements.

Actual scheduling of project work should be coordinated with the District Ranger at least one year in advance to allow for necessary NEPA analysis, Biological Assessments, etc. Completion of work will ultimately depend upon Forest priority and permittee support. Livestock capacities will reflect forage and water availability, given that resources and other uses receive adequate consideration. Replacement of existing improvements necessary to maintain existing permitted levels will normally be considered before implementing new improvements that provide additional capacity.

The permittee will normally:

- 1) Contribute labor and/or installation, and perform such work consistent with Forest Service standards.
- 2) Pick up at the Stanley Ranger Station all necessary materials, transport them to the project site, and return all excess materials resulting from the project.
- 3) Keep an itemized record of costs incurred and provide this to the Forest Service upon completion of the project.

The Forest Service will normally:

- 1) Provide the supplies and materials needed.
- 2) Provide the design specification.
- 3) Conduct periodic inspections to see that improvements are being installed properly.

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4) Assume no liability for injury to permittee, or to employees, agents, or property thereof.

B. Maintenance of Existing Improvements - The grazing fee computation formula is partially based on permit requirements for the construction and maintenance of range improvements on federal lands. In accordance with Section 8 (i) under Part 2 of the permit, the following will be adhered to in the maintenance of existing (including new) livestock related improvements.

Maintenance will be at a level that fully serves the intended purpose and perpetuates the life of each improvement. Maintenance responsibility prior to livestock entering each year lies with the permittee. This includes furnishing of necessary materials. When it becomes apparent that improvements will need replacement in three to five more years, then the permittee shall coordinate replacement planning with the District Ranger, so that Forest Service funding for materials may be programmed.

All non-biodegradable materials will be removed from National Forest lands as they are replaced or are no longer considered necessary for livestock management. This will normally be done by the same party as was last responsible for maintenance.

In accordance with section 8(h) under Part 2 of this permit, the permittee is responsible for maintenance and replacement of the improvements listed on pages _____ of this permit.

C. Improvement Maintenance Standards:

Spring Source Facilities:

- 1) Fences around spring sources will be maintained to the standards established for "Range Fences" to prevent livestock from getting into the spring source.
- 2) Head box lids or covers shall be in place, or replaced if broken, to prevent dirt, rodents, natural litter, etc. from getting into the head box and clogging waterlines.
- 3) All outlet pipes and valves from head boxes must be functioning properly.
- 4) Silt and sand will periodically be removed from head box as necessary to limit entering pipeline.

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Permit Number 4504Water Troughs and Pipelines:

- 5) Water troughs will be kept at useable heights for livestock. Troughs which become elevated from livestock trampling will be periodically backfilled to maintain a useable height. (Archaeological clearance is required for all earth moving activity.)
- 6) Troughs which become uneven due to settling will be reset and leveled.
- 7) Bottom of troughs should be kept clear of the ground with at least 2" to 4" of clearance under the bottom of the trough to prevent rusting or decomposition.
- 8) Water shall not be allowed to overflow the sides of the troughs. Overflow pipes must be kept clear. Overflow water will be piped away from troughs at least 50 feet. Both ends of the overflow pipe must be protected from livestock damage. Water from the overflow pipe must be directed away from the trough area.
- 9) Inlet pipe shall be protected by anchoring to the trough with single post next to the vertical pipe and brace or pole supporting the horizontal pipe. Inlet and outlet pipeline will be buried as much as possible for their protection.
- 10) Wildlife escape ramps shall be maintained in a functional capacity to provide access for small mammals and birds and protect them from drowning.
- 11) Troughs, storage tanks, and pipelines will be drained and cleaned periodically to prevent moss and debris buildup, and after livestock are removed to prevent damage from freezing.
- 12) Poles, posts, and trough-framing materials used in the construction of the water development will be maintained, repaired, or replaced as needed.
- 13) Pipeline and trough leaks will be repaired or the damaged section replaced with materials similar to the original construction materials.
- 14) Pipelines with valve cover boxes will be kept covered and repaired when needed.
- 15) Pipelines may need additional air riser and drain valves installed where pipelines sag.

Stockwater Ponds:

- 16) Stockwater ponds will be kept clear of debris, floating logs, dead animals, etc.
- 17) Spillways will be cleaned and maintained to prevent washing out or becoming plugged.

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Range Fences and Corrals:

- 18) All broken wires will be spliced and repaired in such a manner that tension on a wire can be maintained. Wire splices will be made with 12 gauge size tie wire, or the type of wire used in initial construction.
- 19) Broken or rotten posts and braces, and missing staples will be replaced where and when needed to maintain the fence.
- 20) Wires will be restretched where needed.
- 21) Broken or missing stays will be replaced where needed.
- 22) Fences will be maintained to meet big game standards (bottom wire 16"-18" above ground, top wire 40-42" above ground and 12" spacing to next highest wire) on all fences constructed to this standard.
- 23) Staples will be driven so that the fence wire is free to stretch and move.
- 24) All gates will be closed before livestock enter the grazing units and opened and tied back in the fall after livestock leave the allotment.
- 25) Wire gate tension will be sufficient to prevent the gate from sagging and still be easily opened and closed. Gate loops will be made from smooth wire, not barbed wire.
- 26) Trees which fall on fences will be cut and removed when and where needed. Broken wire will be spliced and restretched; broken poles will be replaced.
- 27) Broken or rotten sections of log or pole fences and corrals will be replaced as needed.
- 28) Corrals will be kept clean of litter, in good repair, and in useable condition.
- 29) Straighten or replace metal posts where necessary. Fasten wire onto metal posts with clips.
- 30) All improvement maintenance, including erection of let-down fences, must be completed before entering the allotment or the next use pasture.
- 31) All let-down fences must be let down and winterized prior to November.

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Permit Number 4504**3. Management Practices.****A. Cattle Management Standards:**

- 1) The permittee or association will furnish sufficient riders or herders for proper distribution, protection, and management of cattle on the allotment as required by the Allotment Management Plan (AMP) and/or Annual Operating Plan.
- 2) Salt should be placed no closer than 1/4 mile from water, nor within 100 feet of roads or developed recreational use trails. Avoid salting in natural passes. Salt located in permanent sites will be placed in a container to protect the site.
- 3) Salt will be moved from areas where forage has reached proper utilization levels and/or cattle have been rotated to other pastures.
- 4) Cattle should be drifted instead of trailed whenever possible. Pastures in rotation systems must be cleaned of all cattle when proper utilization standards are met and cattle are moved to another pasture.
- 5) Dead livestock on Forest Service lands within 300 feet of any live stream, spring, trail, or roadway will be removed or buried within 3 days.
- 6) Rider and herder camps will be kept clean, with litter picked up and properly disposed of. Excess hay and other materials will be removed from the campsite after use. Holding pens or corrals used for riding stock will be cleaned up and debris hauled off or disposed of.
- 7) Livestock grazing before and after prescribed burn or revegetation treatments will be limited as necessary, to allow for the desired vegetation response.

B. Other requirements:

- 1) All predator control will be in accordance with the current approved Predator Control Plan and Federal and State laws and regulations. No poison baits or M-44's will be permitted.
- 2) Ranch employees must be informed of current fire danger, fire restrictions, and fire prevention responsibilities.
- 3) Only certified noxious weed free hay or feed is allowed on National

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4. Sawtooth Forest Plan direction applicable to livestock grazing on the Stanley Basin and Salmon River Spring Unit Allotments.

A revised AMP for this Allotment will be developed in 1997. The revised AMP will meet the requirements of the existing Forest Plan and will be included, per Part 2 paragraph 8a of your current term grazing permit (FS 2200-10 9/85), as required by the Federal Land and Management Act of 1976. You will be expected to comply with the grazing system and other management practices described in the AMP.

A. Sawtooth Forest Goals relative to range management, fish, wildlife and -- water include:

- 1) Provide for efficient utilization and management of range on a sustained yield basis to meet demand. (IV-2)
- 2) Improve range condition on suitable grazing lands in unsatisfactory condition. (IV-2)
- 3) Reduce conflicts between wildlife and fish habitat, timber, and livestock resource use, seeking solutions to minimize or eliminate these conflicts. (IV-1)
- 4) Protect and enhance wildlife and fish habitat diversity with emphasis on anadromous fisheries. (IV-1)
- 5) Protect, manage, and improve riparian areas while conducting multiple use activities on them. (IV-2)

B. Sawtooth Forest Objectives relative to range management are stated as follows:

Plans will bring most allotments to their reasonable grazing management potential. A shift in management emphasis will resolve long-standing recreation and riparian area conflicts. Some changes in grazing strategies and limited closures will solve most of the problems. Range administration will be funded at 100% of the desired level, and additional emphasis will also be given to mitigating fish habitat conflicts. The resolution of recreation and riparian conflicts may result in a reduction of AUMs. Some loss in AUMs, due to resolution of recreation and riparian problems, will be mitigated through intensified management in other areas. Range conditions will be improved on suitable range in less than satisfactory condition. In the next 20 years, 65,000 acres will be treated or retreated to achieve this goal. A high emphasis will be placed on the treatment of noxious weeds - 1,000 acres per year. (IV-4)

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Permit Number 4504**C. Sawtooth NRA Goals are as follows:**

Manage both Federal and private lands to ensure the preservation and protection of the natural, historic, pastoral, and fish and wildlife values and to provide for the enhancement of the associated values in accordance with Public Law 92-400.

The SNRA will be administered in such a manner as will best provide:

- 1) Protection and conservation of the salmon and other fisheries.
- 2) Conservation and development of scenic, natural, historic, pastoral, wildlife, and other values that contribute to and are available for public - enjoyment; this includes the preservation of sites associated with and typifying the economic and social history of the American West.
- 3) Management, utilization, and disposal of natural resources on federally owned lands (such as timber, grazing, and mineral resources) is allowed only insofar as their utilization will not substantially impair achievement of the purposes for which the Recreation Area was established. "Substantial Impairment" is defined as that level of disturbance of the values of the SNRA which is incompatible with the standards of the General Management Plan (contained in this document). The proposed activities will be evaluated as to (1) the period of impact, (2) the area affected, and (3) the importance of the impact on the SNRA values. The final determination of "Substantial Impairment" will be through the NEPA process. (IV-92)

D. Sawtooth NRA Objectives relative to range management include:

- 1) Protect the existing high quality of air and water. (IV-92)
- 2) Protect the habitat for salmon and other fisheries. (IV-92)
- 3) Protect the health and vigor of the native vegetation cover with particular emphasis on maintaining the diversity and vigor of the native plant communities. Protect and maintain the habitats of diverse wildlife and fish species with special consideration given to habitats of threatened, endangered, or unique species. (IV-93)
- 4) Provide for consumptive uses of resources including...grazing...so long as these uses do not substantially impair the recreational and associated values for which this recreation area was established. (IV-93)

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E. General Resource Protection Standards:**Forest-wide:**

- 1) Non-structural and structural habitat improvement techniques will be used to restore fishery habitat to at least 90% of its production capability levels for Riparian Potential Class I and II streams... (IV-48)
- 2) The social and economic well being of people dependent on Forest range for their livelihood will be an important consideration in planning for use of the range resource. (IV-48)
- 3) All areas within allotments that consistently show resource damage will be rehabilitated, fenced, or a management system implemented to resolve conflict. (IV-49)
- 4) All key big game winter ranges and aquatic habitats associated with riparian Class I areas are recognized as important to the health of the Forest's fish and wildlife resources. Emphasis will be given to bring these habitats to their full biologic potential over the planning period. All prescriptions and treatments will be designed to maintain or enhance habitat characteristics needed to meet the requirements of the MIS. (IV-50)
- 5) Where needed, existing fences will be modified and new fences will be constructed on big game winter ranges and antelope ranges to facilitate passage of big game. Sections of let-down fences are the preferred method. On antelope range, fences will be constructed, or reconstructed, with a smooth bottom wire which is at least 18 inches above the ground. (IV-52)
- 6) Escape ramps for small mammals and birds will be placed in all water troughs. (IV-52)
- 7) Lands classed as suitable livestock range will be maintained or restored to at least "fair" range condition. Some land may remain in lower condition classes because of environmental or economic factors, or purposes other than livestock grazing. (IV-52)
- 8) Develop range resources to their reasonably attainable potential mid to late seral ecological condition, and manage them on a sustained yield basis to protect and enhance range ecosystems. (IV-52)
- 9) Grazing will be regulated on transitory timber range to protect young tree plantations. (IV-53)
- 10) Livestock developments will be limited on secondary range that is important big game habitat. Sufficient forage will be allocated on these ranges to maintain habitat for big game populations. (IV-53)
- 11) Livestock grazing will be prohibited for a minimum of two years following treatment of aspen, if needed, to increase understory and allow for aspen regeneration. (IV-53)

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- 12) Stock driveways will be rehabilitated as necessary. (IV-53)
- 13) Stock driveways will be closed where continued use prevents attainment of satisfactory conditions. (IV-53)
- 14) Best Management Practices, in conjunction with Regional erosion prevention control practices, will be used as a guide to prevent serious injury to designated and protected beneficial uses. Meet serious injury requirements as set forth by the State. Refer to "Idaho Road Activities Handbook" and the State of Idaho "Forest Practices Water Quality Management Plan". (IV-87)
- Sawtooth NRA:**
(Management Area 4A)
- 15) Limit grazing where recreation use is high or concentrated. (IV-100)
- 16) Limit grazing in areas that are critical to fish and wildlife. (IV-100)
- 17) Fish and wildlife requirements have priority in the management of areas used in common by livestock, wildlife and fish. (IV-100)
- 18) Design and install range improvements that are economically feasible and compatible with all SNRA values. Use of native or native-like materials will be required in areas often visited or directly viewed by the public. (IV-101)
- 19) Livestock will not be permitted in developed camp and picnic grounds, or adjacent to potable water sources. (IV-102)
- 20) Prohibit livestock grazing around shorelines of all high mountain lakes where conflicts with recreation activities and/or lakeshore damage is occurring. (IV-102)
- Scenic Travel Route:**
(Management Area 4A-3)
- 21) Emphasize management of forage for elk on winter range in management areas 4A-20 and 4B-3. (IV-165)
- 22) Design all range improvements to protect the natural scenic qualities. (IV-167)
- 23) Livestock are controlled to minimize conflicts with recreation and traffic. (IV-167)

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24) Permanent fences constructed in significant foreground view areas will be of rustic design. Log worm, buck and pole will be preferable to wire-on-wood posts. Steel posts and wire are generally unacceptable in high visibility areas, but useable when set back inconspicuously in heavily wooded areas. (IV-171)

25) No water developments will be within 1/4 mile of highways where other opportunities are available. (IV-171)

26) Fence allotments to minimize the potential for livestock being on the highway during high recreation use periods. (IV-171)

F. Riparian Area Standards:

Forest-wide:

- 1) Maintain or improve streamside vegetation and bank stability. For community types with woody species component, maintain or develop variations in age classes of the shrubs with at least 10% in sprout, seedling, and sapling categories. Along all Riparian Potential Class I streams with low to moderate gradients (0-6%), trampling due to livestock use shall be limited such that bank stability is improved to or maintained at least 90% of what would be expected under natural conditions... (IV-47)
- 2) Priority for rehabilitation projects will be the improvement of soil productivity and quality of streams associated with Riparian Value Classes I and II. (IV-66)
- 3) Give special attention to land and vegetation for approximately 100 feet from the edges of all perennial streams, lakes and other bodies of water. This distance shall correspond to at least the recognizable area dominated by the riparian vegetation (CFR 219.27a). Give special attention to adjacent terrestrial areas to ensure adequate protection for riparian dependent resources. (IV-68)
- 4) Category I riparian areas will be managed to maintain them in, or improve them to the status as described below:

Class I - Potential key species (herbaceous and woody) are present, reproducing and have good vigor. Cover of key species is 90% or greater of estimated potential. Soil productivity has not been significantly reduced as evidenced by no more than 10% reduction in macro-pore space from estimated potential. Streambank stability is at least 90% of estimated potential. Fish production is at least 90% of estimated potential. (IV-69)
- 5) Grazing management plans will incorporate grazing systems and improvements necessary to facilitate recovery of riparian areas that meet objectives for riparian potential of the assigned Riparian Management Categories. (IV-70)

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6) Construction of water developments, corrals, and other facilities (excluding fences) in riparian areas will generally be prohibited. Such facilities may be approved where they will not degrade riparian areas below the potential standard assigned to the respective riparian management category, and no other reasonable alternative exists. Fences will be permitted where needed to meet management objectives. (IV-70)

7) Where possible, water developments will be constructed to draw livestock away from streams associated with riparian areas. (IV-70)

8) Livestock salting will be prohibited in riparian areas. (IV-70)

9) New stock driveways and trailing routes will be located out of Category - I riparian areas. Where such driveways and trailing routes must pass through these areas, the trail will be located to minimize the extent and/or severity of damage caused by trailing. The width and location of the trail may be fenced to prevent damage to adjacent lands. (IV-70)

Sawtooth NRA:

(Management Area 4A)

10) Grazing of livestock will be phased out or controlled along streams where continued grazing has caused or would cause substantial impairment of potential fish production capacity. (IV-100)

11) No salting within 100 yards of roads, trails, or riparian areas. (IV-101)

G. Utilization Standards:**Forest-wide:**

1) Proper range use lies within a range of usually + or - 10% of the values shown in the following for sage/grass and other open range sites. The figures are Forest-wide averages for range sites. All classes of animals are included in these use figures: 1) Season-long % use of key species...45-50%, 2) Deferred grazing % use of all species...50-55%, 3) Rest grazing system % use of all species...55-65%. (IV-48)

2) Actual utilization standards will be developed for each allotment by an inter-disciplinary team and included in the allotment management plan. Standards of use stated in allotment management plans may differ from these guidelines to reflect conditions or management situations that are unique. (IV-49)

3) Utilization of...seeded species will generally follow the guides shown above for native range plants. (IV-49)

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4) Wintering of wildlife species will be given priority for management considerations over other Forest activities on key natural winter ranges and artificial feeding sites. Utilization by livestock of key browse species will not exceed 20% on deer, mountain goat, and bighorn sheep winter ranges. Conflicts between grazing by livestock and mountain goat in cirque basins will be resolved in favor of mountain goats. (IV-49)

Sawtooth NRA:

(Management Area 4A)

5) Where continued livestock use is desirable in an area adjacent to a stream in less than desirable condition, utilization of suitable streamside forage should not exceed 30%. "Streamside" is defined as 1/2 meander width on either side of the stream. (IV-100)

6) Livestock will be removed when proper use is attained on benchmark sites determined in each allotment plan. (IV-102)