
WATER WELL AGREEMENT

THIS AGREEMENT made and entered into this 30th day of March, 2001, by and between

BUDDY J. LEUFKENS and JUDY A. LEUFKENS
P.O. Box 1030
Thompson Falls, Montana 59873

hereinafter referred to as "First Party", and

JOHN L. BLOOMQUIST and SUSAN M. BLOOMQUIST
P.O. Box 1894
Thompson Falls, Montana 59873

hereinafter referred to as "Second Party".

WITNESSETH

WHEREAS, First Party is the owner of the following described real property situated in Sanders County, Montana:

Lot 2 of Salish Bluff Major Subdivision on record at Sanders County Clerk & Records, Thompson Falls Montana, filed for record February 8, 2001, Sanders County records.

WHEREAS, Second Party is the owner of the following described real property situated in Sanders County, Montana:

Lot 1 of Salish Bluff Major Subdivision on record at Sanders County Clerk & Records, Thompson Falls Montana, filed for record February 8, 2001, Sanders County records.

WHEREAS, there is a water well located on or near the common boundary of the above properties. The parties understand that at sometime in the future, whether through themselves or subsequent owners, the water well will be developed.

WHEREAS, the parties hereto desire to divide said water well in a manner that will provide each of them a beneficial use for domestic purposes and yard and garden irrigation.

WHEREAS, the parties desire to establish, in writing, their agreement concerning said water well and appurtenant water system, and the responsibilities for maintenance and operation.

NOW, THEREFORE in consideration of the mutual promises herein, the parties hereto do hereby mutually understand and agree that the ownership and use of the above described water well shall be as follows.

1. The above recitals are incorporated herein and deemed a material part of this agreement.
2. Each party shall own an undivided one-half (1/2) interest in and to said water well. The parties agree that the development of the water system shall be reached upon mutual agreement. The parties shall consult with each other and agree upon: pump(s), pressure tanks, pump house, controls and related facilities, and costs of installation, operation, repairs and maintenance.

3. The parties grant to each other reciprocal open, perpetual easements for the following: use of an area within a thirty (30) foot radius of the well, for access to the well, for water line right of way to their respective properties, for installation of a pump house and related facilities, and for maintenance, repair and replacement of the above improvements. This right shall be appurtenant to their respective properties.
4. In the event the parties agree upon separate pumps, it is understood that neither party, in the course of installation, repair or maintenance, shall inconvenience the other through lack of water for a period greater than 24 hours.
5. If either seeks water from a separate source on his property that party shall, upon written notice to the other party, have the right to terminate his rights under the terms of this agreement and his obligations for any costs incident to the well and related facilities. That party shall thereupon execute an appropriate document to be placed of record with the Sanders County Clerk and Recorder terminating his rights to the easement for the use of said well and facilities.
7. In the event of any dispute between the users concerning the interpretation or enforcement of any provision of this agreement, such dispute shall be submitted to a mediator for a hearing and decision. The mediator shall have the right in such proceeding to award to the prevailing party reasonable attorney's fees and costs incurred by that party in the proceeding. Either party thereafter may file the dispute as a complaint in a court of Sanders County having jurisdiction for a de novo trial. The provision for attorney's fees and costs shall apply to the de novo trial and all subsequent proceedings.
8. The easements and rights granted herein shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.
9. All references to First Party and Second Party shall include all parties so designated in the introductory paragraph of this agreement if there be more than one.

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IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

FIRST PARTY:

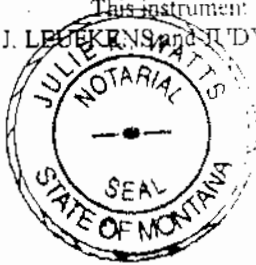
Buddy J. Leufkens
BUDDY J. LEUFKENS

Judy A. Leufkens
JUDY A. LEUFKENS

STATE OF MONTANA)

County of Sanders)

This instrument was acknowledged before me this 29th day of March, 2001 by BUDDY J. LEUFKENS and JUDY A. LEUFKENS.



Julie K. Watts
Notary Public - State of Montana
Residing at: Plains, MT
My Commission Expires: 12-01-03

SECOND PARTY:

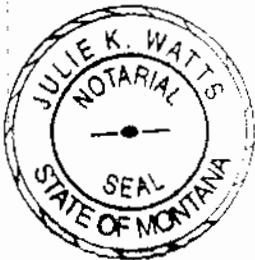
John L. Bloomquist
JOHN L. BLOOMQUIST

Susan M. Bloomquist
SUSAN M. BLOOMQUIST

STATE OF MONTANA)

County of Sanders)

This instrument was acknowledged before me this 30th day of March, 2001 by JOHN L. BLOOMQUIST and SUSAN M. BLOOMQUIST.



Julie K. Watts
Notary Public - State of Plains Montana
Residing at: Plains, MT
My Commission Expires: 12-01-03

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STATE OF MONTANA, COUNTY OF SANDERS
Recorded the 30th day of March, 2001 3:20
o'clock 9 M. Microfilm # 33572
By Pat Ingraham County Recorder
Fee 18.00 By Anna Wardman Deputy