

**JOINT RESOLUTION APPROVING WATER
RIGHTS ADDENDUM FORM**

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ben C. Ferry

Senate Sponsor: Dennis E. Stowell

LONG TITLE

General Description:

This joint resolution of the Legislature adopts the water rights addendum to land deeds and the water rights addendum to water rights deeds.

Highlighted Provisions:

This resolution adopts:

- ▶ the water rights addendum to land deeds; and
- ▶ the water rights addendum to water deeds.

Special Clauses:

None

Be it resolved by the Legislature of the state of Utah:

WHEREAS, it is the intent of the Legislature of the state of Utah that the state engineer shall use and distribute to a county recorder's office the water rights addendum to land deeds as described in Section 57-3-109; and

WHEREAS, it is the intent of the Legislature of the state of Utah that the state engineer shall use and distribute to a county recorder's office the water rights addendum to water deeds as described in Section 57-3-109:

NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah adopts the water rights addendum to land deeds incorporated by reference in, and attached to, this joint resolution.

BE IT FURTHER RESOLVED that the Legislature of the state of Utah adopts the

30 water rights addendum to water deeds incorporated by reference in, and attached to, this joint
31 resolution.

32 BE IT FURTHER RESOLVED that the Legislature of the state of Utah directs the
33 chief clerk of the Utah House of Representatives to send a copy of this joint resolution, the
34 water rights addendum to land deeds, and the water rights addendum to water deeds to the
35 state engineer for distribution as provided in Utah Code Section 57-3-109.

WATER RIGHTS ADDENDUM TO LAND DEEDS

Grantor: _____

Grantee: _____

Tax ID Number(s): _____

In connection with the conveyance of the above referenced parcel(s), Grantor hereby conveys to Grantee without warranty, except for a warranty of title as to all claiming title by or through Grantor, the following interests in water and/or makes the following disclosures:

Check one box only

Proceed to Section

- 1 All of Grantor's water rights used on Grantor's Parcel(s) are being conveyed. A
- 2 Only a portion of Grantor's water rights are being conveyed. B
(County Recorder should forward a copy of this form to the Utah Division of Water Rights if Box 1 or 2 above is checked)
- 3 No water rights are being conveyed. C
- 4 Water rights are being conveyed by separate deed. C

Important Notes
(see other side)

Section

A	The water right(s) being conveyed include Water Right No(s). _____ along with all applications pertaining to the water right(s) listed in this Section A, and all other appurtenant water rights. <i>(Proceed to Section C)</i>	N1 N2 N3
B	Only the following water rights are being conveyed: (check all boxes that apply) <input type="checkbox"/> All of Water Right No(s). _____ <input type="checkbox"/> _____ acre-feet from Water Right No. _____ for: _____ families; _____ acres of irrigated land; stock water for _____ Equivalent Livestock Units; and/or for the following other uses _____. <input type="checkbox"/> _____ acre-feet from Water Right No. _____ for: _____ families; _____ acres of irrigated land; stock water for _____ Equivalent Livestock Units; and/or for the following other uses _____. Along with all applications pertaining to the water right(s) listed in this Section B. <i>(Proceed to Section C)</i>	N1 N4 N5 N5 N2
C	Disclosures by Grantor: (check all boxes that apply) <input type="checkbox"/> Grantor is endorsing and delivering to Grantee stock certificates for _____ shares of stock in the following water company: _____ <input type="checkbox"/> Culinary water service is provided by: _____ <input type="checkbox"/> Outdoor water service is provided by: _____ <input type="checkbox"/> There is no water service available to Grantor's Parcel(s). <input type="checkbox"/> Other water related disclosures: _____	N6 N7 N8 N9 N10

Attach and sign additional copies of this form if more space is needed.

The undersigned acknowledge sole responsibility for the information contained herein even though they may have been assisted by employees of the Utah Division of Water Rights, real estate professionals, or other professionals, except to the extent that title insurance or a legal opinion concerning such information is obtained.

Grantor's Signature: _____

Grantee's Acknowledgment of Receipt: _____

Grantee's Address: _____

NOTE: GRANTEE MUST KEEP A CURRENT ADDRESS ON FILE WITH THE UTAH DIVISION OF WATER RIGHTS

NOTES TO WATER RIGHTS ADDENDUM TO LAND DEEDS

Please read the following notes carefully in order to avoid problems and the possible loss of the water rights being conveyed in connection with this transaction.

The mere purchase of a water right does not guarantee: (1) that the water right is in good standing with the Utah Division of Water Rights; (2) that the owner has clear title to the water right; (3) that the Division will recognize the ownership change; or (4) that the Division will approve any proposed changes or extensions regarding the water right. You are encouraged to conduct proper "due diligence" research into any water right before purchasing it.

- N1 Once this Water Rights Addendum has been recorded at the County Recorder's Office, Grantee must prepare a "Report of Water Right Conveyance" or "ROC" (available from the Utah Division of Water Rights) and file it with the Utah Division of Water Rights in order to: (1) have the Division's records updated with **current ownership and address information**; (2) file any application on these water rights; and (3) receive notifications concerning deadlines and other essential information pertaining to these rights. **Failure to do so PROMPTLY may result in the loss of these water rights.** Help with reviewing the water rights and completing the ROC can be obtained from the Utah Division of Water Rights and/or water professionals, such as attorneys, engineers, surveyors, and title professionals with experience in water rights and water law.
- N2 A water right often has one or more applications on file with the Utah Division of Water Rights that affect that water right, such as change applications, extension requests, and non-use applications. These applications should be transferred with the water right. The Grantee should review the water right applications and other documents on file with the Utah Division of Water Rights.
- N3 Water rights owned by the Grantor and used on Grantor's Parcel may be "appurtenant" to Grantor's Parcel. Not all appurtenant water rights have been assigned a water right number because not all water rights are "of record." If Section A is being completed, this conveyance includes all appurtenant water rights, whether or not they are listed by water right number or are of record. Grantee should investigate each water right listed and determine if there are any water rights that are not of record. If there are water rights not of record, Grantee should seriously consider making them of record by filing the appropriate forms with the Utah Division of Water Rights.
- N4 100% of the water rights listed here are being conveyed to Grantee. A Report of Water Right Conveyance (see N1 above) should be filed on each water right listed here. The Water Rights listed in Section B may not provide sufficient water for all of the historic water uses.
- N5 Less than 100% of the water right listed is being conveyed to Grantee. The exact portion to be conveyed, expressed in terms of the beneficial uses associated with this portion of the water right must be described. This description generally consists of: (1) the number of families for domestic (indoor culinary) uses (generally quantified as 0.45 acre-feet per family for a year-round residence and 0.25 acre-feet per family for a seasonal residence); (2) the number of acres irrigated (this involves issues of "irrigation duty" [the number of acre-feet of water allowed per acre of irrigated land] and "sole supply/supplemental supply"[the amount of water allocated to each water right when more than one right is used on the same land or for the same livestock]; and (3) the number of livestock being watered (expressed in terms of equivalent livestock units or "ELUs" which are quantified at the rate of 0.028 acre-feet per ELU for full-year use. Any other uses being conveyed should be similarly described. Help with evaluating, quantifying, and/or describing the uses can be obtained from the Utah Division of Water Rights and/or water professionals.
- N6 Shares of stock in water companies (including irrigation, canal, and ditch companies) are generally not transferred by deed. Each company has procedures for transferring ownership. The company should be contacted to ascertain the appropriate procedures to follow. The most common procedure is for the Grantor to endorse and deliver the stock certificate to the Grantee, who then presents that certificate to company for issuance of a new certificate in the Grantee's name. If another procedure is to be followed, that should be noted on the "Other water related disclosures" line in Section C of this form. Each company also defines how much water is associated with a particular share and what fees and assessments are charged. The Grantee should contact the company about all such issues.
- N7 If culinary water service is currently being provided to the Grantor's Parcel by a municipality, a water district, or a water company, that entity should be listed here and the Grantee should contact that entity to ascertain what is required to continue receiving such service.
- N8 If outdoor/secondary/irrigation water service is currently being provided to the Grantor's Parcel by a municipality, a water district, or a water company, that entity should be listed here and the Grantee should contact that entity to ascertain what is required to continue receiving such service.
- N9 If this box is checked, the Grantee should investigate what water IF ANY is available for use on the Grantor's Parcel.
- N10 This space should be used for any other information that the Grantor has which is relevant to water issues associated with the Grantor's Parcel.

The Utah Division of Water Rights (often referred to as the State Engineer's Office) is located at 1594 W. North Temple, Suite 220, PO Box 146300, Salt Lake City, Utah 84114-6300 Telephone: 801-538-7240 Web Address: www.waterrights.utah.gov

WATER RIGHTS ADDENDUM TO WATER DEEDS

Grantor: _____

Grantee: _____

Water Right No(s): _____

In connection with the foregoing water rights conveyance, Grantor hereby assigns to Grantee all water rights listed which are not yet capable by law of being conveyed by deed (e.g., pending or unapproved water rights) and all applications pertaining to the water rights listed (e.g., all change applications, extension applications, non-use applications, etc.). Grantor also makes the following declarations and disclosures:

SECTION 1 - TYPE OF DEED Check one box only - Must match language in the deed

- The foregoing deed is a warranty deed. (Grantor is making all standard warranties.)
The foregoing deed is a special warranty deed. (Grantor is only warranting that Grantor has not previously conveyed title to others, i.e., a warranty of title as to all claiming by or through Grantor.)
The foregoing deed is a quit claim deed. (Grantor is making no warranties.)
The language in the foregoing deed is controlling as to the type of deed and associated warranties, if any. (County Recorder should forward a copy of this form to the Utah Division of Water Rights if any box above is checked)

SECTION 2 - APPURTENANT WATER RIGHTS Check one box only

- All of Grantor's water rights approved for use on the following described parcel(s) are being conveyed.
In addition to any specifically identified rights, all other water rights owned by Grantor and approved for use on the following described parcel(s) are being conveyed.
No water rights other than those specifically identified by water right number are being conveyed.

SECTION 3 - WATER RIGHTS CONVEYED IN WHOLE OR IN PART Check all applicable boxes

- 100% of the following water rights described in the deed are being conveyed. Water Right Nos.
Only the portion indicated of the following water rights described in the deed are being conveyed.
acre-feet from Water Right No. for: families; acres of irrigated land; stock water for Equivalent Livestock Units; and/or for the following other uses:
acre-feet from Water Right No. for: families; acres of irrigated land; stock water for Equivalent Livestock Units; and/or for the following other uses:
acre-feet from Water Right No. for: families; acres of irrigated land; stock water for Equivalent Livestock Units; and/or for the following other uses:
The language in the foregoing deed is controlling as to quantity of the type of deed and associated warranties, if any.

SECTION 4 - OTHER DISCLOSURES Check all applicable boxes

- Grantor is endorsing and delivering to Grantee stock certificates for shares of stock in the following water company:
Other water related disclosures:

The undersigned acknowledge sole responsibility for the information contained herein even though they may have been assisted by employees of the Utah Division of Water Rights, real estate professionals, or other professionals, except to the extent that title insurance or a legal opinion concerning such information is obtained.

Grantor's Signature: _____

Grantee's Acknowledgment of Receipt: _____

Grantee's Address: _____

NOTE: GRANTEE MUST KEEP A CURRENT ADDRESS ON FILE WITH THE UTAH DIVISION OF WATER RIGHTS

NOTES TO WATER RIGHTS ADDENDUM TO WATER DEEDS

Please read the following notes carefully in order to avoid problems and the possible loss of the water rights being conveyed in connection with this transaction.

The mere purchase of a water right does not guarantee: (1) that the water right is in good standing with the Utah Division of Water Rights; (2) that the owner has clear title to the water right; (3) that the Division will recognize the ownership change; or (4) that the Division will approve any proposed changes or extensions regarding the water right. You are encouraged to conduct proper “due diligence” research into any water right before purchasing it.

Section

- 1-4 Once this Water Rights Addendum has been recorded at the County Recorder’s Office, **Grantee must prepare a “Report of Water Right Conveyance” or “ROC”** (available from the Utah Division of Water Rights) and file it with the Utah Division of Water Rights in order to: (1) have the Division’s records updated with **current ownership and address information**; (2) file any application on these water rights; and (3) receive notifications concerning deadlines and other essential information pertaining to these rights. **Failure to do so PROMPTLY may result in the loss of these water rights.** Help with reviewing the water rights and completing the ROC can be obtained from the Utah Division of Water Rights and/or water professionals, such as attorneys, engineers, surveyors, and title professionals with experience in water rights and water law.
- 1 There are three general types of deeds – warranty deeds, special warranty deeds, and quit claim deeds – which can be used to convey water rights. The primary difference between them is the type of warranty being given, which has a dramatic effect on the rights and responsibilities of both the Grantor and the Grantee. If you are unsure about the type of deed that you should use or accept, you should obtain legal advice on this issue.
- 2 Water rights owned by the Grantor and used on Grantor’s Parcel may be “appurtenant” to Grantor’s Parcel. Not all appurtenant water rights have been assigned a water right number because not all water rights are “of record.” If either of the first to boxes in Section 2 are checked, this conveyance includes all appurtenant water rights, whether or not they are listed by water right number or are of record. Grantee should investigate each water right listed and determine if there are any water rights that are not of record. If there are water rights not of record, Grantee should seriously consider making them of record by filing the appropriate forms with the Utah Division of Water Rights.
- 3 A Water right can be conveyed in whole (100% of the right is conveyed) or in part (only a portion of the right is conveyed). If the whole right is conveyed, you do not need to describe the beneficial uses associated with the right. If only a part is being conveyed, you need to describe exactly what beneficial uses are being conveyed. This is usually expressed in terms of acre-feet and generally consists of: (1) the number of families for domestic (indoor culinary) uses (generally quantified as 0.45 acre-feet per family for a year-round residence and 0.25 acre-feet per family for a seasonal residence); (2) the number of acres irrigated (this involves issues of “irrigation duty” [the number of acre-feet of water allowed per acre of irrigated land] and “sole supply/supplemental supply” [the amount of water allocated to each water right when more than one right is being used on the same land or for the same livestock]; and (3) the number of livestock being watered (expressed in terms of equivalent livestock units or “ELUs” which are quantified at the rate of 0.028 acre-feet per ELU for full-year use). Any other uses being conveyed should be similarly described. Help with evaluating, quantifying, and/or describing the uses can be obtained from the Utah Division of Water Rights and/or water professionals.
- 4 Shares of stock in water companies (including irrigation, canal, and ditch companies) are generally not transferred by deed. Each company has procedures for transferring ownership. The company should be contacted to ascertain the appropriate procedures to follow. The most common procedure is for the Grantor to endorse and deliver the stock certificate to the Grantee, who then presents that certificate to company for issuance of a new certificate in the Grantee’s name. If another procedure is to be followed, that should be noted on the “Other water related disclosures” line in Section 4 of this form. Each company also defines how much water is associated with a particular share and what fees and assessments are charged. The Grantee should contact the company about all such issues.

There is also space provided in this section for any other information that the Grantor believes may be relevant to the water rights being transferred or for any other water related issues.

**The Utah Division of Water Rights (often referred to as the State Engineer’s Office) is located at
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