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**SHINING MOUNTAINS WATER USERS ASSOCIATION**  
**ARTICLES OF INCORPORATION**

508901 X  
STATE OF MONTANA  
**FILED**  
MAR 03 2004  
JD  
PO#20

**SECRETARY OF STATE**

The following Articles of Incorporation are executed by the undersigned incorporator for the purpose of forming a Montana nonprofit corporation under the "Montana Nonprofit Corporation Act," Title 35, Chapter 2 of the Montana Code Annotated.

D131131

**ARTICLE I.**

The name of this nonprofit corporation shall be SHINING MOUNTAINS WATER USERS ASSOCIATION.

**ARTICLE II.**

This corporation is a mutual benefit corporation, created for the benefit of administering and using water and irrigating certain lots located in the SHINING MOUNTAINS SUBDIVISION, UNIT II. The maximum place of historical use for those water rights held by the Water Users Association is described in Exhibits A, B, and C attached hereto and incorporated by reference.

The place of use defined above may be reduced. Nothing in this description of place of use is intended to be a guarantee that water can be used on all lots described above, nor a requirement that the Association deliver water to all lots described in Article II. The place of use of the water and ditch rights of the Association may be reduced and shall be governed by the Bylaws and any other rules of the Shining Mountains Water Users Association.

**ARTICLE III.**

The purposes of the corporation are:

1. To provide for the common maintenance and distribution of water rights for use on all or part of the lots described in Article II.
2. To do such acts that are lawful and as are to the benefit of the Shining Mountains Water Users Association.
3. To allocate assessments for the administration, maintenance and distribution of water and ditch rights owned by the Association.
4. To engage in all such activities as are authorized by law under Title 35 Chapter 2- M. C.A.

#### ARTICLE IV.

The initial registered agent for the corporation, and the corporations initial registered office is:

James McFall  
Shining Mtns. Water Users Assn.  
P.O. Box 452  
Ennis, MT 59729

#### ARTICLE V.

The name and address of the incorporator is :

James McFall  
Shining Mtns. Water Users Assn.  
P.O. Box 452  
Ennis, MT 59729

#### ARTICLE VI.

The corporation shall have members. Members may only include owners of lots described in Article II above, however, the limitations on membership shall be further defined by the Bylaws of the Association and administrative rules, if any.

#### ARTICLE VII.

In the event of the dissolution, the balance of all money remaining in the corporation from any source, after the payment of all debts and obligations, shall be distributed to the corporation's members. In the event a water right is no longer deemed necessary for use by the Association, it shall be transferred to the Shining Mountain Owners Association to use or dispose of as the Shining Mountain Owners Association deems appropriate.

#### ARTICLE VIII.

A director of the corporation shall not be liable to the corporation for monetary damages for breach of a director's duties to the corporation except for (a) breaches of the director's duty of loyalty to the corporation, (b) acts or omissions not in good faith or that involve intentional conduct or a knowing violation of the law (c) transactions from which a director derived an improper economic benefit, or (d) conflict of interest transactions, loans to or guarantees for directors and officers or unlawful distributions.

#### ARTICLE IX

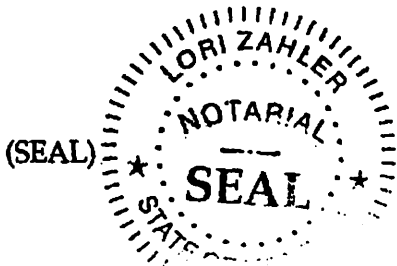
The corporation may amend these articles in a manner authorized by law at the time of the amendment.

In WITNESS WHEREOF the Articles of Incorporation have been executed  
this 23<sup>rd</sup> day of January, 2004.

J. McFall

STATE OF MONTANA     )  
                                  : ss.  
County of Madison     )

SUBSCRIBED AND SWORN to before me by 23<sup>rd</sup> this  
day of January, 2004. by James McFall, President.



Lori Zahler

Notary Public for State of Montana  
Printed Name: Lori Zahler  
Residing at: Bozeman, MT  
My Commission Expires: 5-30-2005

**EXHIBIT A**

BLAINE SPRING CREEK -      41F-W-031227-00  
   41F-W-031231-00  
   41F-B-133906-00

**MAXIMUM PLACE OF USE**

Lot #'s 1-39, 44-45, 53-64, 98-101, 142-143, 149-156

All lots in Shining Mountains Unit II are located in a portion of Sections 19 of Township 7 South, Range 1 West and a portion of Section 24, Township 7 South Range 2 West of Madison County.

This place of use as defined above is subject to revision and refinement. Revisions and refinements may be available by contacting the Water Users Association.

By defining the above lots as possibly susceptible to irrigation by these Water Rights, there is no guarantee or warranty that water can and will be delivered to each lot.

No lot owner described above is conferred a water right or a guarantee of use of a water right or portion thereof or membership in the Water Users Association. All water rights are owned by the Water Users Association and subject to use at the Board's direction and subject to the Board's Administration.

**EXHIBIT B**

**COLD SPRING CREEK- 41F-W-031230-00**

**MAXIMUM PLACE OF USE**

**Lot #'s 24-31, 65-74, 119-154, 181-182**

**All lots in Shining Mountains Unit II are located in a portion of Sections 19 of Township 7 South, Range 1 West and a portion of Section 24, Township 7 South Range 2 West of Madison County.**

**This place of use as defined above is subject to revision and refinement. Revisions and refinements may be available by contacting the Water Users Association.**

**By defining the above lots as possibly susceptible to irrigation by these Water Rights, there is no guarantee or warranty that water can and will be delivered to each lot.**

**No lot owner described above is conferred a water right or a guarantee of use of a water right or portion thereof or membership in the Water Users Association. All water rights are owned by the Water Users Association and subject to use at the Board's direction and subject to the Board's Administration.**

**EXHIBIT C**

**WIGWAM CREEK 41F-W-031229-00  
41F-W-031228-00  
41F-B-133907-00**

**MAXIMUM PLACE OF USE**

**Lot #'s 1-23, 30-45, 53-56, 58-73, 126-132, 137-138, 144-148**

**All lots in Shining Mountains Unit II are located in a portion of Sections 19 of Township 7 South, Range 1 West and a portion of Section 24, Township 7 South Range 2 West of Madison County.**

**This place of use as defined above is subject to revision and refinement. Revisions and refinements may be available by contacting the Water Users Association.**

**By defining the above lots as possibly susceptible to irrigation by these Water Rights, there is no guarantee or warranty that water can and will be delivered to each lot.**

**No lot owner described above is conferred a water right or a guarantee of use of a water right or portion thereof or membership in the Water Users Association. All water rights are owned by the Water Users Association and subject to use at the Board's direction and subject to the Board's Administration.**