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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION**OF****SAGEBRUSH HABITAT CONSERVATION FUND, INC.**

The undersigned, acting as incorporators of a corporation under the Idaho Nonprofit Corporation Act, adopt the following Articles of Incorporation for such corporation.

ARTICLE I.**NAME**

The name of the corporation is Sagebrush Habitat Conservation Fund, Inc.

ARTICLE II.**PERIOD OF DURATION**

The period of its duration shall be perpetual.

ARTICLE III.**PURPOSE**

The corporation is organized exclusively for charitable, scientific, literary or educational purposes within the meaning of and pursuant to section 501(c)(3) of the Internal Revenue Code of 1986 (or under the corresponding provision of any future United States Internal Revenue law). References in these Articles of Incorporation to the "Code" shall be to the Internal Revenue Code of 1986, as amended from time to time.

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Specifically, the corporation is organized and shall be operated exclusively to protect and restore sagebrush habitats in the western United States to benefit bird, fish, and wildlife species through the following actions:

- (1) the acquisition of livestock grazing permits on a willing-seller basis through livestock grazing retirements and related measures to mitigate the effects of livestock grazing;
- (2) the acquisition of leases, permits, easements or other contractual instruments;
- (3) the purchase or other acquisition of interests in private lands; and
- (4) the support of federal legislative efforts to permit the voluntary retirement of federal grazing permits to the extent such efforts are permitted to be conducted or carried on by an organization which is tax-exempt under the provisions of section 501(c)(3) of the Code.

ARTICLE IV.

POWERS

The corporation shall have all powers provided for nonprofit corporations under the Idaho Nonprofit Corporation Act.

ARTICLE V.

LIMITATIONS

A. No part of the income or net earnings of the corporation shall inure to the benefit of, or be distributable to, any director or officer of the corporation or any other private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes, and reimbursement may be made for any expenses incurred for the corporation by any officer, director, agent or employee, or any other

person or corporation, pursuant to and upon authorization of the Board of Directors); and provided further that no director or officer of the corporation, or any other private individual shall be entitled to share in any distribution of any of the corporate assets on dissolution of the corporation or otherwise. No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, except as otherwise provided in section 501(h) of the Code. The corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

B. No part of the assets of the corporation shall inure to the benefit of or be distributable to any organization whose income or net earnings or any part thereof inure to the benefit of any private shareholder or other individual or any substantial part of the activities of which consists of carrying on propaganda or otherwise attempting to influence legislation.

C. Upon dissolution of the corporation, all of its assets shall be paid over to one or more conservation organizations for use in projects consistent with the corporation's purposes as set forth in Article III above, as determined by the Board of Directors, provided such organization(s) are organized and operated exclusively for charitable or educational purposes and recognized by the Internal Revenue Service as organization(s) described in Section 501(c)(3) of the Code, as the Board of Directors shall determine. Any assets not so disposed shall be disposed of by a court of general jurisdiction in Ada County.

D. Notwithstanding any other provision hereof, this corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization which is tax-exempt under the provisions of section 501(c)(3) of the Code.

E. Notwithstanding any other provision of these Articles during any period that the corporation is a "private foundation" within the meaning of section 509 of the Code, the corporation shall be required to distribute its income for each taxable year of the corporation at such time and in such manner as not to subject the corporation to tax under section 4942 of the Code; and the corporation shall be prohibited from engaging in any act of self-dealing as defined in section 4941(d) of the Code, from retaining any excess business holdings in violation of the provisions of section 4943(c) of the Code, from making any investments in such manner as to subject the corporation to tax under section 4944 of the Code, and from making any taxable expenditures as defined in section 4945(d) of the Code.

ARTICLE VI.

NO MEMBERS

The corporation shall have no voting members.

ARTICLE VII.

BOARD OF DIRECTORS

All business affairs of the corporation shall be conducted by its Board of Directors. The number of directors serving on the Board of Directors shall be three (3). The Directors shall be elected, appointed, or designated as provided in the Bylaws of the Corporation. The names and addresses of the persons who are to serve as the initial directors are:

Debra K. Ellers

P.O. Box 1030
McCall, Idaho 83638

Jim Cleary

P.O. Box 1087
Colorado Springs, CO 80944

Patricia Olsson

P.O. Box 829
Boise, ID 83701

Debra Ellers is authorized on behalf of the corporation to designate and appoint an initial corporate bank and to execute any and all instruments related to the opening of such account.

ARTICLE VIII.

REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation is 1401 Shoreline Drive, Suite 2, Boise, Idaho 83702, and the name of its initial registered agent at such address is Corporation Service Company.

ARTICLE IX.

PRINCIPAL OFFICE

The address of the principal office of the corporation is P.O. Box 1478, McCall, Idaho 83638.

The names and addresses of the Incorporators are:

Western Watersheds Project, Inc.	805 E. Fork Road Clayton, ID 83227-0141
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Ruby Pipeline, LLC	1001 Louisiana Street Houston, TX 77002-5089
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ARTICLE X.

AMENDMENT

These Articles of Incorporation may only be amended by vote of at least a majority of the corporation's Directors.

ARTICLE XI.

TAXABLE YEAR

The taxable year of the corporation shall be determined by the corporation's
Directors.

ARTICLE XII.

BYLAWS

Provisions for the regulation of the internal affairs of the corporation shall be set
forth in the corporation's Bylaws.

In witness whereof, the following entities, as incorporators, have subscribed these
Articles of Incorporation this 1st day of July, 2010.

Western Watersheds Project, an Idaho non-profit corporation

Jonathan Marvel
By: JONATHAN MARVEL
Its: Executive Director

Ruby Pipeline, L.L.C, a Delaware limited liability company

William H. Healy Jr.
By: William H. Healy Jr.
Its: Vice President

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