

Weiser Irrigation District
P.O. Box 591
Weiser, Idaho 83672

RECEIVED
AUG 11 2005
DEPARTMENT OF
WATER RESOURCES

August 9, 2005

Danielle Favreau
IDWR
322 East Front Street
Boise, Idaho 83672

RE:
Weiser City Ditch and Irrigation Co. and East Weiser Irrigation District

Dear Danielle:

In previous correspondence, the East Weiser formed a separate entity in 1914. In 1931 the Weiser Ditch was re-organized. Shares were issued in the ditch with the East Weiser having shares. I am enclosing a map of the boundary of the East Weiser Irrigation District. It corresponds to the "CITY" portion of the Muir vs Allison decreed water right 67-0007.

The East Weiser Irrigation District should have a proportional share of the 67-0007 water right as defined by the Decree. I am enclosing a mortgage with the East Weiser Irrigation District and the IDWR. It states the mortgage encumbers the East Weiser's proportional share of the Decreed water.

In 1989 Weiser City Ditch filed A67-10968 that covered both the farm land and City lots. It mentioned the City lots but excluded "all that part of the W1/2SW1/4 of Sec. 33 lying north of the Weiser River, and all that port of the S1/2 of 32 lying North of the Weiser River."

The East Weiser Irrigation District requires only rights in 67-0007.

Enclosed is a copy of the map, Muir vs Allison Decree and notice of claim A67-10968.

Sincerely yours,

Jay Edwards
Enc.

Anna Galloway Dickerson, Frances H Galloway, Guy Galloway, Catherine Galloway, J W Galloway and Thomas C Galloway, Jr.: The Southwest quarter of Section 1, the South - east Quarter of Section 1, and Township 10 North Range 5 West of the Boise Meridian.

J Newton and Bessie Wingfield: The East half of the Southeast Quarter of the Southeast Quarter of Section 2, Township 10 North Range 5 West of the Boise Meridian.

Weiser City Water Ditch & Irrigating Company: All that part of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 35, lying south of said ditch; all that part of the east half of the SE $\frac{1}{4}$ of Section 34, lying south of said ditch; the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 34; all that part of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 34, lying south and west of said ditch, the SW $\frac{1}{4}$ of Section 34, all that part of the South half of the NW $\frac{1}{4}$ of Section 34, lying south of said ditch, the South half of the NE $\frac{1}{4}$ of Section 33, all that part of the south half of Section 33, lying north of the north bank of said Weiser River; all that part of the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 34, lying south of said ditch; all that part of the South half of the NE $\frac{1}{4}$ of Section 33, lying south of said ditch; the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 33; all that part of the North half of the NW $\frac{1}{4}$ of Section 33, lying south of said ditch; all that part of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 32, lying South of said ditch; all that part of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 33, lying north of the north bank of said Weiser River; all that part of the West half of the SW $\frac{1}{4}$ of Section 33, lying north of the north bank of said Weiser River; all that part of the South half of Section 32, lying north of said Weiser River; all of blocks 7, 8, 9, 6, 5, 4, 3, 2 and 1 of Shannon Addition to the City of Weiser, Idaho, as the same appear on the Official Plat of said Addition now found in the Office of the County Recorder of Washington County, Idaho.

All of blocks 9, 8, 6, 5, 4, 3, 2 and 1, except Lots 1, 2 and 3 of block 8, of Trott Addition to the City of Weiser, Idaho, as the same appears on the Official Plat of said Addition now on file in the Office of the County Recorder of Washington County, Idaho.

All of the lands and parcels of land included in the original townsite and Lots 1, 2 and 3 of Jefferys Addition to the City of Weiser as the same appear on the Official Plat of the same now on file in the office of the County Recorder of Washington County, Idaho.

All of blocks 10, 11, 12, 13, 14, 15, 16 and 17 of Watkins Addition to the City of Weiser, Idaho, as the same appear on the Official Plat of said Addition now on file in the Office of the County Recorder of Washington County, Idaho.

All of blocks 1, 6, 5, 4, 11, 7 and Lots 5, 6, 7 and 8 of block 12 and all of Lots 6, 7, 8 and all that part of Lots 16, 15, 14, 4 and 5 of said block 2 lying East of Monroe Creek, all of Morehead Addition to said City of Weiser as the same appear on the Official Plat of said addition now on file in the Office of the County Recorder of Washington County, Idaho.

All of blocks 1 and 2 of Thomas Addition to the City of Weiser, Idaho, as the same appear on the Official Plat of said Addition now on file in the Office of the County Recorder of Washington County, Idaho.

WEISER IRRIGATION DITCH.

Beginning at a point whence the southeast corner of Section 29 in Township 11 North of Range 5 West of Boise Meridian in Idaho, in Washington County, State of Idaho, bears East 660 feet; thence east 5250 ft; thence North 660 feet; thence east 660 feet intersecting east line of Sec. 28, at a point 660 feet North of Southeast corner of said Section thence south 660 feet to the corners of Sections 27, 28, 33 and 34; thence East 1320 feet; thence South 660 feet; thence East 1320 ft; thence South 660 ft; thence East 660 ft;

Muir vs

Allison

Deed

C-20-21

Weiser Mill

Ditch

Weiser City Water
Ditch Irrigations
Co

450 in

Sept 1, 1880

Muir vs
Allison

land with
East Weiser



EAST WEISER IRR. DIST. BOUNDARY
AND WATER ALLIANCE PROJECT

7

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

IN RE THE GENERAL ADJUDICATION
OF RIGHTS TO THE USE OF WATER FROM
THE SNAKE RIVER BASIN WATER SYSTEM

CIVIL CASE NUMBER: 39576

Ident. Number

AB7-10968

Date Received

10/18/89

Receipt Number

W006376

NOTICE OF CLAIM
TO A
WATER RIGHT
ACQUIRED UNDER STATE LAW

Please type or print clearly

1. Name of Claimant (s) WEISER CITY Ditch and Irrigation Co. and
EAST WEISER IRRIGATION DISTRICT Phone (208) 549-0925

Mailing Address PO BOX 671 WEISER, IDAHO Zip 83672

2. Date of Priority (Only one (1) per claim) June 21, 1921

3. Source of water supply (a) WEISER RIVER
which is tributary to (b) SNAKE RIVER

4. a. Location of existing point of diversion is: Township 10 N Range 5 W Section 1,
NW 1/4 of NW 1/4 of SW 1/4, Govt. Lot, _____ B.M., County of WASHINGTON

Additional points of diversion if any: _____

b. If instream flow, beginning point of claimed instream flow is:

Township _____ Range _____ Section _____, _____ 1/4 of _____ 1/4 of _____ 1/4,

Govt. Lot _____ B.M., County of _____

ending point is: Township _____ Range _____ Section _____, _____ 1/4 of _____ 1/4 of _____

_____ 1/4, Govt. Lot _____ B.M., County of _____

5. Description of existing diversion works (Dams, Reservoirs, Ditches, Wells, Pumps, Pipelines, Headgates, Etc),
including the dates of any changes or enlargements in use, the dimensions of the diversion works as
constructed and as enlarged and the depth of each well.

Water is diverted from Weiser River
by a dam.

MICROFILMED

OCT 05 1992

Water is claimed for the following purposes:

(both dates are inclusive)

(cfs)

(acre feet)

For IRRIGATION purposes from 3-20 to 7-20 amount 25.72 or _____
For _____ purposes from _____ to _____ amount _____ or _____
For _____ purposes from _____ to _____ amount _____ or _____
For _____ purposes from _____ to _____ amount _____ or _____

7. Total quantity claimed (a) 25.72 (cfs) and/or (b) _____ (acre feet)

8. Total consumptive use claimed is _____ acre feet per annum.

9. Non-irrigation uses; describe fully (eg. Domestic: Give number of households served; Stockwater: Type and number of livestock Etc.) _____

10. Description of place of use:

- If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- If water is used for other purposes, place a symbol of use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

TWP	RNG	SEC	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE1/4	NW1/4	SW1/4	SE1/4	NE1/4	NW1/4	SW1/4	SE1/4	NE1/4	NW1/4	SW1/4	SE1/4	NE1/4	NW1/4	SW1/4	SE1/4	
11N	5W	27											36	20					56
11N	5W	34		32	18		40	40	40	40	40	40	31	40		38	40	28	467
11N	5W	33	6	32	38	26	40	40	40	28	15		26		10	16			317
11N	5W	35												9					9
11N	5W	32	18			33					13				26	26			116
10N	5W	2		32	38	19													89
10N	5W	3	40	40	32	40	40	18	4	18									232

Total number of acres irrigated 1286

11. In which county (ies) are lands listed above as place of use located? WASHINGTON

12. Do you own the property listed above as place of use? Yes _____ No X
If your answer is No, describe in Remarks below the authority you have to claim this water right.

THIS FILING IS FOR WEISER CITY DITCH & IRRIGATION CO. and EAST WEISER IRRIGATION DIST.

13. Describe any other water rights used at the same place and for the same purposes as described above. _____ or None ()

14. Remarks:

REMARKS
ALL OF BLOCKS 7,8,9,6,5,4,3,2,1, SHANNON ADDITION TO CITY OF WEISER. ALL BLOCKS 9,8,6,5,4,3,2,1, EXCEPT LOTS 1,2, & 3, BLOCK 8, EAST WEISER TROTT ADDITION. ALL THESE LANDS SOUTH OF DITCH & NORTH OF RIVER. IRRIGATION DIST.
LOTS 1,2,3, JEFFERIES ADDITION TO CITY OF WEISER. ALL LANDS IN ORIGINAL TOWNSITE. ALL BLOCKS 10,11,12,13,14,15,16,17, WATKINS ADDITION, CITY OF WEISER. ALL BLOCKS 1,6,5,4,11,7, & LOTS 5,6,7, & 8, OF BLOCK 12 & ALL LOTS 6,7,8, & PART OF LOTS 16,15,14,4,5, SAID BLOCK 2, EAST OF MONROE CREEK. ALL MOREHEAD ADDITION TO CITY OF WEISER. ALL BLOCKS 1 & 2, THOMAS ADDITION TO CITY OF WEISER. THIS WATER CARRIED IN THE WEISER MILL DITCH.

Last name _____ Conditions of Approval _____
Ident No. _____

Copies: _____ MICROFILMED

OCT 05 1992

MORTGAGE

Verl King
This MORTGAGE is made and entered into this 6TH day of MAY, 1975, by and between East Weiser Irrigation District

hereinafter referred to as the BORROWERS, and the IDAHO WATER RESOURCE BOARD, an agency of the State of Idaho, hereinafter referred to as the SECURED PARTY.

W I T N E S S E T H :

The BORROWERS, for and in consideration of the funds advanced to the BORROWERS, under that certain agreement which is designated "Contract Agreement for Water Resource Development Loan," dated the _____ day of _____, 19____, by and between the BORROWERS and the SECURED PARTY, have granted, bargained, sold, conveyed, assigned, transferred and set over and by these presents do grant, bargain, sell, convey, assign, transfer and set over unto the SECURED PARTY, its successors and assigns, forever, the following described property to secure the payment of that certain promissory note of _____ day of _____, 19____, in the principal sum of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00), made, delivered and executed by the BORROWERS, as makers to the SECURED PARTY as payee, with terms and conditions as more particularly designated therein.

INSTRUMENT NO. 107792
STATE OF IDAHO, COUNTY OF WASHINGTON ss.
Filed for record at the request of

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

Verl King

_____ 00 Min. past 1:00 o'clock P. M.
This 22 day of July 19 76
BK 58 OF Mortg PG 385
MARY KAUTZ, Recorder, Fee: 21.00
By Elaine [Signature] Deputy

INDEXED

REAL PROPERTY - All that certain real property located in the
of Washington, State of Idaho, particularly described by
legal subdivision as follows:

The complete distribution system of the East Weiser
Irrigation District including headgate works.

All easements and rights-of-way of the project not
otherwise specifically reserved by the city.

All water rights appurtenant to the district lands,
including but not limited to, those rights referred to in
the decree of June 14, 1909, and June 20, 1921, both handed
down by Judge E.L. Bryan.

The boundaries of the East Weiser Irrigation District
are shown in the attached description.

Together with all and singular the buildings, structures, fences,
pipes, pipelines, tanks, dams, reservoirs, pumps, pumping equipment
and all other improvements and fixtures now or hereafter on or in
the above described real property, and,

Together with all water and water rights, ditches and ditch
rights, flumes, aqueducts, canals, appropriations, franchises, and all
other rights and privileges owned by the Mortgagor or belonging to,
or with, leading to, connected with, or usually had or enjoyed in
connection with the above described real property, or any part thereof,
whether or not limited to, those water rights appurtenant to the above
described real property covered or evidenced by licenses or permits
issued by the State of Idaho, Department of Water Administration, as
follows, to-wit:

No. for ___ cfs on ___ acres of
land, priority date _____

No. for ___ cfs on ___ acres of
land, priority date _____

No. for ___ cfs on ___ acres of
land, priority date _____

Also together with all rights-of-ways and agreements for rights-of-ways to be used
in connection with the above described real property or evidenced by grants issued
by the U.S. Bureau of Land Management as follows:

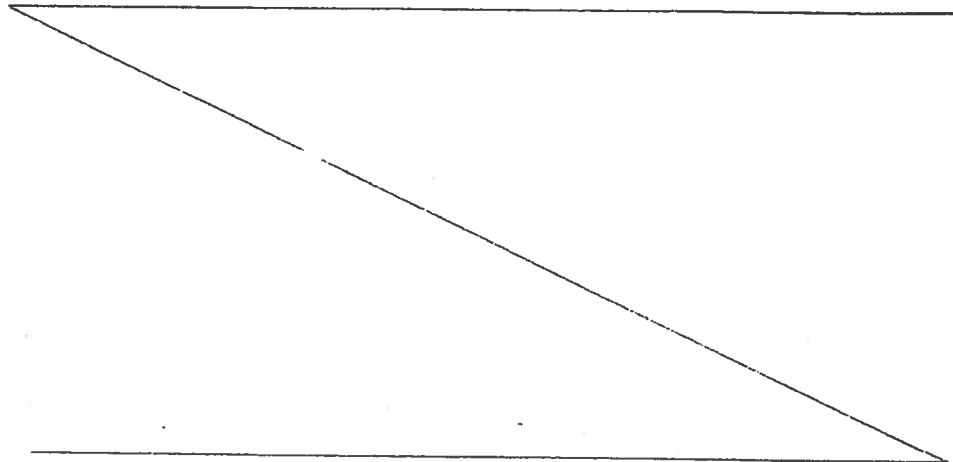
and evidenced by Agreement and Permission for water pumping from _____
Reservoir issued by _____ as follows:

and together with all and singular the tenements, hereditaments and appurtenances
thereunto belonging or in anywise appertaining and the rents, issues and proceeds
thereof.

PERSONAL PROPERTY

All those certain goods and chattels now located on or hereafter to be placed on the real property above described on or adjoining on nearby lands used in connection with the irrigation of the above described real property being in the possession of the BORROWERS, in the County of Washington, State of Idaho, to-wit:

(See attached description of the boundaries encompassing the lands of the East Weiser Irrigation District.)



Together with any and all allied equipment necessary or used in connection with the above for irrigation and with any and all other irrigation equipment which may hereafter be acquired or used by the BORROWERS in connection with or as a part of such irrigation facilities or equipment, including all such items as may be acquired hereafter as replacements or substitution for any of the items of property hereinabove described or referred to, and together with all water permits and interests in water rights which may be denominated personal property, including but not limited to,

No. _____ for _____ cfs on _____ acres of
land, priority date _____

No. _____ for _____ cfs on _____ acres of
land, priority date _____

No. _____ for _____ cfs on _____ acres of
land, priority date _____

TO HAVE AND TO HOLD the above described real and personal property and all of the same, and to the SECURED PARTY, its successors and assigns.

NOW, THEREFORE, if the BORROWERS shall pay all money specified in the Note, and shall in all other respects fully carry out and comply with the covenants set forth and enumerated herein, this MORTGAGE shall be void.

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

1. DEFAULT: In the event that the BORROWERS shall fail to pay any of the sums of money due under the Note; shall fail to comply with any of the terms, conditions, covenants or provisions of the MORTGAGE; then, as often as such failure of payment or breach of terms, conditions, covenants or provisions shall occur, the SECURED PARTY may at any time thereafter declare the whole of the principal sum, or so much thereof as at the time of such declaration may remain unpaid, with all unpaid interest accrued, together with all sums of interest accrued thereon paid by the SECURED PARTY on the Note or paid by the SECURED PARTY under the provisions of this MORTGAGE, to be at once payable, and the SECURED PARTY may, at any time after such failure of payment or breach of terms, conditions, covenants or provisions, as aforesaid, proceed to compel payment to be paid of the full amount due and payable and to proceed to foreclose this MORTGAGE and to compel payment to be paid of the full amount due and payable, or may exercise every right and remedy as a secured party under the law.

2. WARRANTY: The BORROWERS have covenanted, agreed and represented, and do hereby covenant, agree and represent to and with the SECURED PARTY as follows:

(a) That the BORROWERS have made or hold, by way of assignment, valid entries on the real property hereinbefore described pursuant to the Desert Land Laws of the United States; that they possess all of the necessary qualifications to make or hold such entry, have filed valid and allowable

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

applications to make or hold such entries and that such applications have been approved and allowed, that they will make all necessary expenditures and do or cause to be done all things necessary and proper for the reclamation, irrigation and cultivation of the lands including, but not limited to, the acquisition of the necessary water rights and irrigation facilities for the full and proper irrigation thereof; that they have or will timely make and file all necessary showings and proofs and otherwise comply with the Desert Land Laws of the United States and with the administrative regulations relating thereto, to the end that patents to all of such lands shall timely issue to the BORROWERS. That the BORROWERS will not suffer or permit the real property to become subject to a lien or encumbrance that shall have precedence over this MORTGAGE; and that the BORROWERS will render such further assurance of title as may be requested by the SECURED PARTY.

That the SECURED PARTY may, to the extent permitted by law, do all things necessary to comply with said Desert Land Laws and/or administrative regulations, to the end that patents to all of such lands shall timely issue, if the BORROWERS should refuse to do or otherwise be unable to do said necessary things.

(b) That BORROWERS do warrant and will defend title unto the SECURED PARTY against claims and demands of all persons whomsoever against all of the property subject to this MORTGAGE.

(c) That the BORROWERS will pay all sums of money specified in the Note referred to above, promptly as it becomes due, and that the BORROWERS will pay all taxes, assessments and other charges that may be levied or assessed on any property subject to this MORTGAGE when and as the same shall become due and payable, and that they will comply with all terms and conditions of this MORTGAGE and any violation thereof shall constitute a default hereunder.

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

3. BUILDINGS AND IMPROVEMENTS:

(a) BORROWERS agree to keep all buildings and improvements now erected or which may hereafter be erected on all of the property subject hereto and all personal property hereinabove described and subject hereto, including personal property hereafter acquired and used by BORROWERS in connection with and as a part of the irrigation system and facilities, continuously insured against loss or damage by fire, tornado or windstorm, and such other insurance protection as may from time to time in its sole discretion be required by the SECURED PARTY. All such insurance shall be by an insurance company or companies and in terms, amounts and forms acceptable to the SECURED PARTY, with loss, if any, payable to the SECURED PARTY as its interest may appear, pursuant to a security clause attached which shall be satisfactory to the SECURED PARTY. Forthwith, upon the issuance of such policies, the BORROWERS shall deliver the same, and all renewals thereof, to the SECURED PARTY; also the BORROWERS shall deliver to the SECURED PARTY receipts for premiums paid thereon at least ten days prior to the expiration of any existing policy. In the event of foreclosure of this Mortgage, and other transfer of title to the property covered hereby in extinguishment of the indebtedness secured hereby, all right, title and interest of the BORROWERS in and to any insurance policies then in force concerning this property shall pass to the purchaser or SECURED PARTY.

(b) In case any of said buildings or improvements or any of the personal property subject hereto are destroyed or damaged by fire, explosion, windstorm, hail, or by any other casualty against which insurance shall have been required by the SECURED PARTY, then the insurance proceeds shall be used exclusively toward the repair or replacement of the property damaged and any funds not required for such repair or replacement shall,

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

at the SECURED PARTY's election, be applied toward payment of the debt secured hereby, either in whole or in part, and whether then due or not; by the use of such proceeds the unpaid portion of the loan shall remain in force. Any such proceeds held by SECURED PARTY for repairs or replacements shall be so held without payment or allowance of interest.

(c) To keep the buildings upon the lands continuously used during the continuance of this MORTGAGE; to keep the premises and improvements thereon in good condition and repair and not to commit or suffer any waste thereof; and not to remove any building without the consent of the SECURED PARTY. The SECURED PARTY shall have the right to inspect the property at such reasonable times and intervals as the SECURED PARTY may desire.

4. ATTORNEY FEES AND COSTS:

(a) In the event suit is instituted to assert any right or privilege under this MORTGAGE, the SECURED PARTY may recover therein as attorney fees such sum as the court may adjudge reasonable in addition to the costs and disbursements allowed by law or court rule, together with the cost of any abstract of title or evidence of title procured and used in such proceeding and covering said property.

(b) In the event the SECURED PARTY becomes a party plaintiff or defendant in any suit or legal proceeding in relation to the property described or referred to or the lien or security interest created in or by this MORTGAGE or any security interest created in or by this MORTGAGE or any security agreement given by BORROWERS in connection herewith, BORROWERS agree to pay on demand all reasonable attorney fees paid or incurred by the SECURED PARTY in connection with such suit or proceeding, including, but not limited to, any expenses paid or incurred in procuring or continuing abstracts of title, title reports or title policies and search of the records for the purpose

of such litigation, and all such sums paid shall bear interest at the highest rate for which it is lawful to contract and shall constitute a lien upon the premises and property and be secured hereby, and in default of immediate repayment thereof by BORROWERS after demand, the whole indebtedness secured hereby shall, at the option of the SECURED PARTY, become due and payable forthwith without notice.

5. RELEASE OF PROPERTY: The SECURED PARTY may release for such consideration, or none, as it may require, any portion of the above described premises or property without in anywise impairing or affecting the liens and priority herein provided for in the MORTGAGE, compared to any subordinate lienholder as to the remainder of the security.

6. RECEIVER: In the event foreclosure proceedings are instituted for a breach of the terms and conditions of this MORTGAGE, the SECURED PARTY shall, at its election, as a matter of right and without regard to the sufficiency of the security or of waste or danger of misapplication of any of the properties of the BORROWERS, be entitled forthwith to have a receiver appointed of all or any part of the property hereby secured, and the BORROWERS hereby expressly consent to the appointment of a receiver by any court of competent jurisdiction and expressly stipulate, covenant and agree that such receiver may remain in possession and control of the secured property so elected until the final determination of such suit or proceeding.

7. ADDITIONAL AND COLLATERAL SECURITY:

(a) As additional and collateral security for the payment of the Note hereinabove described and of all sums to become due under this

Mortgage Exhibit B
IWRB Loan Contract No. 1-75

MORTGAGE, the BORROWERS do hereby assign to SECURED PARTY all rents, revenues, royalties, rights, and benefits accruing to the BORROWERS under all present and future oil and gas and mining leases on the premises hereby secured, or any part thereof, with the right to receive the same and apply them to the Note or other indebtedness secured hereby, after default in the conditions of the Note or this MORTGAGE, anything to the contrary notwithstanding; the SECURED PARTY is further authorized, at its option, to execute and deliver to the holders of any such oil and gas and mining leases upon said premises, binding receipts for any payments made under the terms of any such leases, and to demand, sue for, and recover any such payments when due. The BORROWERS shall perform every obligation of the lessor and shall enforce every obligation of the lessee in every lease that is assigned to the SECURED PARTY and shall not modify, alter, waive or cancel any such lease or any part thereof nor anticipate for more than one month any rents that may be collectible under such lease or that may have been assigned to the SECURED PARTY and shall not assign any such lease or any such rents without the prior written consent of the SECURED PARTY, which consent shall not unreasonably be withheld. This assignment shall terminate and become null and void upon release of this MORTGAGE. The SECURED PARTY shall not be bound hereby to demand, receive or collect any of such rents, royalties, bonuses or benefits, and shall not be responsible for failure to exercise the rights after the happening of a default which shall further not be construed as a waiver of such rights in the event of a subsequent default.

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IWRB Loan Contract No. 1-75

(b) The BORROWERS further agree, upon request by the SECURED PARTY, to assign to the SECURED PARTY, as additional and collateral security for the payment of the indebtedness hereby secured, any and all leases of the secured property, or any part thereof, hereafter made, and that no such lease shall be assigned to any party other than the SECURED PARTY without first obtaining the written consent of the SECURED PARTY to any such assignment.

(c) The BORROWERS on written demand will assign and transfer to the SECURED PARTY any and all monies, payments, and proceeds and benefits due or to become due the BORROWERS from or in connection with any governmental agriculture or conservation program to support crop prices or to increase or reduce acreage planted or to be planted to any crop or to improve or conserve the land in reference to any of the lands covered by this MORTGAGE during the life of this agreement, and the SECURED PARTY is hereby authorized and empowered, at SECURED PARTY's option and discretion, to apply for, receive, collect and sue for the same or any part thereof, and to execute and deliver such proofs, receipts, acquittances and other instruments, and to do and perform all acts and things which may be necessary or proper for such purposes or in connection therewith, either in the BORROWERS' name or in the SECURED PARTY's name with the same force and effect as if performed by the BORROWERS; and in the event the BORROWERS fail and refuse to make such demand, or in the event the BORROWERS are beyond the STATE, or avoid service of such demand on them, or if for any other reason service of such demand cannot be made on the BORROWERS, then the SECURED PARTY may serve such demands, together with a copy of this MORTGAGE, on the person, firm, corporation, or governmental agency from whom such monies, payments, proceeds

or benefits are due or to become due, and the provisions hereof, together with such demand, shall be considered to constitute an assignment and transfer thereof to the SECURED PARTY as of the date so served.

(d) The BORROWERS hereby further assign and transfer to the SECURED PARTY a security interest in all of its right, title and interest in and under all leases, permits and allotments now or hereafter acquired or used in connection with the real property subject hereto together with all renewals thereof and together with all buildings, structures, fences, windmills, pumps, pumping equipment, pipes, pipelines, wells, tanks, dams, reservoirs, and other improvements of every nature and description, now or hereafter located on the lands covered by the leases, permits or allotments, or any part thereof, and all water and water rights located thereon or appurtenant thereto. The BORROWERS covenant that they are or will be the lawful owners and holders of the leases, permits, and allotments and that the same are free from encumbrance and have not been assigned; that they will procure renewals thereof upon or prior to the expiration date thereof and execute any assignment or waiver of such renewals to the SECURED PARTY; that they will pay all rents and other charges and perform all acts and things necessary to preserve and keep in good standing all of the leases and permits and any renewals thereof; that they will take no action which would adversely affect any of its rights or preference status thereunder and that in the event of the assertion of any claim or right under this MORTGAGE, they will waive all claims for preference in any such rights upon demand from the purchaser of the secured property at any sale or any successor to such purchaser; that the lands covered by the leases, permits and allotments and renewals thereof, shall at all times be operated in conjunction with the lands hereby secured and that neither shall be transferred to any other person separately from the other without the prior written consent of the SECURED PARTY, which consent shall not unreasonably be withheld.

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IWRB Loan Contract No. 1-75

8. PAYMENT OF OBLIGATIONS BY SECURED PARTY:

If BORROWERS shall fail to keep the attached buildings and irrigation equipment insured and to deliver the policies to the SECURED PARTY, or if insurance premiums, taxes, assessments, rentals, grazing fees, or other charges on leases, permits or allotments secured or assigned to the SECURED PARTY, or other charges are not paid by the BORROWERS all as required, the SECURED PARTY may at its option and without waiver of any rights arising out of any breach of any of the covenants, procure such insurance and pay such insurance premiums, taxes, assessments, and other charges and also may redeem said premises from tax sale without obligation to inquire into the validity of such taxes, assessments, charges and tax sales, the receipt of the proper officers being conclusive evidence of the validity and amount thereof. All amounts so paid by the SECURED PARTY and all costs, expenses and attorney fees mentioned in the Note shall forthwith be due to the SECURED PARTY with interest thereon from the date of such payments at the highest rate for which it is now lawful to contract; and such amount shall be added to and be deemed a part of the debt secured by this instrument.

9. GRAZING PERMITS, LICENSES OR LEASES:

If at any time the BORROWERS shall be unable to qualify under Federal or State regulations to continue the use of any grazing permits, licenses or leases existing at the time the loan was made, causing such grazing permits, licenses or leases to be canceled or reduced, the SECURED PARTY at its option may require payment of its loan in whole or in part.

10. AFTER ACQUIRED TITLE:

The BORROWERS further covenant and agree that in the event title in fee simple to any of the lands covered by the aforesaid leases, permits or allotments or any of the property subject to this MORTGAGE shall hereafter be

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acquired by the BORROWERS, it is understood and agreed that such lands shall, upon such acquisition, become subject to the lien of this MORTGAGE to the same extent as though such lands had originally been included herein, and, further, that all of the terms, covenants, conditions and stipulations of this MORTGAGE shall extend and be applicable to any such property hereafter so acquired.

11. SUBROGATION:

The SECURED PARTY shall be subrogated for further security to the lien, though released of record, of any and all prior encumbrances upon the premises subject to this MORTGAGE.

12. CONDEMNATION:

In the event any part of the property herein described is condemned or taken by any person or entity, any award made therein shall be paid to the SECURED PARTY and the SECURED PARTY shall have the option of applying such award or any part of it to any obligations secured hereby and releasing any balance not so applied to the person or persons to whom such award was made.

13. DILIGENCE IN PERFECTING WATER RIGHT AND RIGHT-OF-WAY:

(a) In the event of any default on the part of the BORROWERS to perfect any existing or future pertinent desert entry patent or water right or permit including an associated right-of-way which is or to become appurtenant to the afore-described real property, or any part thereof, into a complete patent of appropriation, or if the BORROWERS are not proceeding with due diligence in perfecting a patent, water right, permit, or right-of-way into a complete appropriation, then and in that event, the entire debt secured hereby shall at the election of the SECURED PARTY and without notice, become immediately due and payable and this MORTGAGE may be foreclosed, or the SECURED PARTY shall have the right, at its option, to proceed to perfect any such patent water right, permit, or right-of-way into a complete appropriation, or both.

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b) BORROWERS further covenant and agree to pay the SECURED PARTY, immediately and without demand, all sums which it shall pay or expend pursuant to the provisions of the preceding paragraph (13-a), including costs of any title evidence and reasonable attorney fees, together with interest thereon from date of expenditure until paid at the highest rate for which it is now lawful to contract, and if not so paid by BORROWERS, all such sums shall be added to the debt and secured hereby.

14. CHATTELS AND PERSONAL PROPERTY:

Except for the purpose of making replacements of the CHATTELS and other personal property subject to this MORTGAGE and which the BORROWERS now have or hereafter have or acquire and use in connection with and as a part of the irrigation system and facilities hereinabove described, the BORROWERS will not sell or dispose of any of the CHATTELS or personal property, nor attempt to do so, nor part with possession of any of the same, nor permit it to be removed from the secured premises, or from the adjoining or adjacent lands where such property may be located, while this MORTGAGE shall remain in force and effect, without the written consent of the SECURED PARTY, which consent shall not unreasonably be withheld. Except insofar as prevented therefrom by fire, strikes, riots, acts of God, or other unavoidable casualties, the CHATTELS and personal property subject to this MORTGAGE shall at all times while this MORTGAGE remains in force and effect be kept and maintained by the BORROWERS, at the BORROWERS' own cost and expense, in first class order, condition and repair, and the BORROWERS shall from time to time make all replacements of such property which may reasonably be necessary for the irrigation and cultivation of the secured premises, and the BORROWERS will neither commit nor suffer any damages or waste on or to the secured premises and such property nor do or permit to be done anything that may lessen or impair the value of the secured property, real or personal, or the lien or security thereof.

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15. LEASES OR OTHER INSTRUMENTS OR AGREEMENTS SUBORDINATED:

BORROWERS covenant and agree that each and every term, condition and covenant of any and all leases or other instruments or agreements, oral or written, between the BORROWERS relating to or affecting in any way the property hereinbefore described or referred to, or any part thereof, shall be and are hereby made subject and subordinate to all of the terms, conditions and covenants of this MORTGAGE.

16. TIMELY PERFORMANCE:

BORROWERS covenant and agree to fully and timely perform each and every term, provision and condition of any and all instruments evidencing the BORROWERS' easements, rights of way, licenses or other rights, privileges or interest appurtenant to or used or enjoyed in connection with the installation, utilization or maintenance of its irrigation facilities, used or to be used in the irrigation of any of the real property hereinbefore described and referred to or for access thereto, required to be performed by the BORROWERS, and hereby assign such instruments and all of their rights and interest therein to the SECURED PARTY as further security hereunder. Any such assignment shall not affect any of the terms and conditions hereof, and shall terminate or be subject to re-assignment by the SECURED PARTY to the BORROWERS upon payment of the entire indebtedness secured or to be secured hereby. The SECURED PARTY shall have and is hereby granted the right at its option, at any time within twenty days before preformance or payment is required, to perform on behalf of the BORROWERS any or all of the terms, provisions and conditions in such instrument, or any of them, required to be performed by the BORROWERS and to pay or expend any and all sums of money as the SECURED PARTY, in its sole and exclusive judgment and

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discretion, shall deem necessary to prevent the termination of the instruments, or any of them, or the abandonment or loss of any of the BORROWERS' rights or privileges therein or thereby provided, and the BORROWERS hereby agree immediately to repay to the SECURED PARTY, without notice or demand, any sums so paid or expended with interest thereon at the same rate as specified in the Note secured hereby on the principal thereof after default and maturity, and all such sums paid or expended by the SECURED PARTY with interest shall become a part of the indebtedness secured hereby, and in default of immediate repayment thereof by the BORROWERS, the whole indebtedness secured hereby shall at the option of the SECURED PARTY become due and payable forthwith without notice.

17. INTERPRETATION:

Words used herein shall include the singular or plural, and feminine, masculine or neuter as the context may require, and if this instrument is executed by two or more persons or parties the obligations and liabilities hereunder of such BORROWERS shall be joint and several.

18. CONTINUING OBLIGATION:

The rights and obligations herein shall inure to and be binding upon the successors, heirs, executors, administrators and assigns of the respective parties.

19. APPLICABLE LAW:

This MORTGAGE shall be governed and construed according to the laws of the State of Idaho.

IN WITNESS WHEREOF, BORROWERS have hereunto affixed their hands and seals as of the day and year in this instrument hereinbefore set forth.

DATED this 6TH day of MAY, 1975.

Approved as to Legal Form and Substantive

Nathan W. Heger
Attorney General, State of Idaho
Special Asst. Attorney General

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BORROWERS:

Frank Thomas

Joseph R. Ruben

SECURED PARTY

John F. Streiff

Idaho Water Resource Board
State of Idaho



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Northern Railway Company, thence East along said northern boundary of said right of way to the intersection of the same with the eastern boundary of Fourth Street East of the said City of Weiser, about five hundred forty-six feet, thence running south along said Eastern boundary of Fourth Street East to the intersection of the same with the South line of the alley in Block Seven of Morehead Addition to said City of Weiser, about two hundred seventy-five feet thence running west across said Fourth Street East along the South line of said alley to the Northwest corner of Lot Five, in Block Twelve of said Morehead Addition about three hundred three feet, thence running south along said Lot Five to the southwest corner of said lot five about one hundred fifty-eight feet, thence running east along the south line of said block twelve projected, across said Fourth Street East to the center line of Section thirty-two, Township Eleven North, of Range Five West of the Boise Meridian, about three hundred twenty-eight feet, thence running south along said center line of Section Thirty-two, five hundred twenty feet to the intersection of the same with the Northern boundary of the Weiser River, at a point on said center line which bears South 56 degrees 30 minutes West thirty one hundred seventy feet from quarter section corner between Sections Thirty-two and Thirty-three, Township Eleven North of Range Five West of Boise, Meridian, thence North 74 degrees 30 minutes East a distance of five hundred fifty-eight feet, thence North 36 degrees 35 minutes east three hundred thirty-six feet thence North 40 degrees 18 minutes east four hundred fourteen feet thence North 63 degrees 42 minutes east three hundred thirty eight feet thence North 79 degrees 30 minutes east four hundred feet, thence south 71 degrees 11 minutes east five hundred feet, thence south 21 degrees 30 minutes east six hundred feet, thence south 19 degrees 04 minutes east five hundred feet, thence south 29 degrees 27 minutes east three hundred seventy feet, thence north 88 degrees 19 minutes east five hundred fifty feet, thence north 49 degrees 41 minutes, east six hundred fifty feet, thence

LANDS WITHIN THE EAST WEISER IRRIGATION DISTRICT

The boundaries of said district are declared to be as heretofore fixed and are as follows, to-wit:

Commencing at the intersection of East Park Street and Ninth Street East of the City of Weiser, in Washington County, Idaho, and thence running west along the center line of said East Park Street, to the eastern boundary line projected of Lot Three in Block Eight of Trote Addition to said City of Weiser, thence south along said eastern boundary line of Lot Three to the northern boundary line of the alley of said block eight, thence west along said northern boundary of the alley of Block Eight projected to the intersection of Eighth Street East of said City of Weiser, about one hundred ninety feet, thence south along said Eighth Street East about two hundred twenty-four feet to the intersection of the center line of East Liberty Street of said City of Weiser, thence west along said East Liberty Street about six hundred sixty-two feet to intersection of center line of Seventh Street East, thence South along the center line of said Seventh Street East, eight hundred sixty-six feet to the intersection of the center line of East Main Street of said City of Weiser, thence West along the center line of said East Main Street about four hundred fifty feet to the intersection of the center line of Monroe Creek as the same appears on the official plat of Hanthorn Addition to said City of Weiser, now on file in the office of the County Recorder of said Washington County, thence down the center line of Monroe Creek to intersection of center line of East Commercial Street, thence West along the center line of East Commercial Street about twelve hundred eighty-five feet to the intersection of the center line of Third Street East of said City of Weiser, thence south down the center line of said Third Street East three hundred eighty-three feet to the intersection of the North boundary line of the right of way of the Pacific and Idaho

thence north 21 degrees 03 minutes east six hundred seventy feet
thence north 38 degrees 48 minutes east seven hundred feet
thence north 31 degrees 35 minutes east two hundred feet thence
north 25 degrees 00 minutes east two hundred fifty feet, thence
north 44 degrees 05 minutes east fifty feet to intersection of
center of alley in Jeffrey's Addition to said City of Weiser,
which point bears south 33 degrees 30 minutes east twenty hundred
fifty feet from quarter section corner between said Sections
Thirty-two and Thirty-three, thence west along said center line
of alley about two hundred twenty-five feet to the intersection
of the center of Thirteenth Street East of said City of Weiser,
thence north along the center line of said Thirteenth Street
East about two hundred sixteen and five tenths feet to the inter-
section of East Main Street of said City of Weiser, thence west
along the center line of said East Main Street five hundred
three feet to the center line of Twelfth Street East of said
City of Weiser, thence North along the center line of said
Twelfth Street East about twelve hundred ninety nine feet to the
intersection of East Park Street of said City of Weiser, thence
west along the center line of said East Park Street to the inter-
section of Ninth Street East about fourteen hundred ninety seven
and five tenths feet the place of beginning.

STATE OF IDAHO)

County of NEZ PERCE ss.

On this 6TH day of MAY, in the year 1975, before
me, BONNIE KENNEDY, a Notary Public for
the State of Idaho, personally appeared JOHN F. STREET,
known to me, to be the CHAIRMAN of the IDAHO WATER RESOURCE
BOARD the party that executed the within and foregoing instrument, and
acknowledged to me that such IDAHO WATER RESOURCE BOARD executed the same.

(SEAL)

John F. Street
Notary Public
Residing at LEWIS & CLARK
My commission expires 7-26-76

STATE OF IDAHO)

County of _____) ss.

On this _____ day of _____, in the year of 19____, before
me _____ a Notary Public for the State of Idaho,
personally appeared _____
known to me, to be the person whose name is subscribed to the within instrument,
and acknowledged to me that he (or she) (or they) executed the same.



Notary Public
Residing at _____
My Commission Expires _____

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