

IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Claim Report

04/06/2001

WATER RIGHT NO. 22-2280E

CLAIM CREATED BY TRANSFER 5775

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	TREES INC C/O MICHAEL MCBRIDE PO BOX 396 TETON VILLAGE, WY 83025 (307)733-6563

Priority Date:	10/03/1966
Basis:	License
Status:	Active

<u>Source</u>	<u>Tributary to</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	04/15	10/15	0.53 CFS	136.5 AFA	
Total Diversion			0.53 CFS	136.5 AFA	

Location of Point(s) of Diversion:

GROUND WATER	SESW	Sec. 18	Township 04N	Range 45E	TETON County
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IRRIGATION Use:
Acre Limit: 39

Place(s) of use:

Place of Use Legal Description: IRRIGATION	TETON County
--	--------------

<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>
04N	45E	18		SESW	39									

Total Acres: 39

Remarks:

I. THE PERIOD OF USE FOR THE IRRIGATION DESCRIBED IN THIS RIGHT MAY BE EXTENDED TO AN ENDING DATE OF 10/31 PROVIDED THAT BENEFICIAL USE OF THE WATER CAN BE SHOWN AND OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER AFTER 10/15 IS SUBORDINATE TO ALL WATER RIGHTS HAVING NO SUBORDINATED LATE IRRIGATION USE AND A PRIORITY DATE EARLIER THAN THE DATE OF THIS APPROVAL.

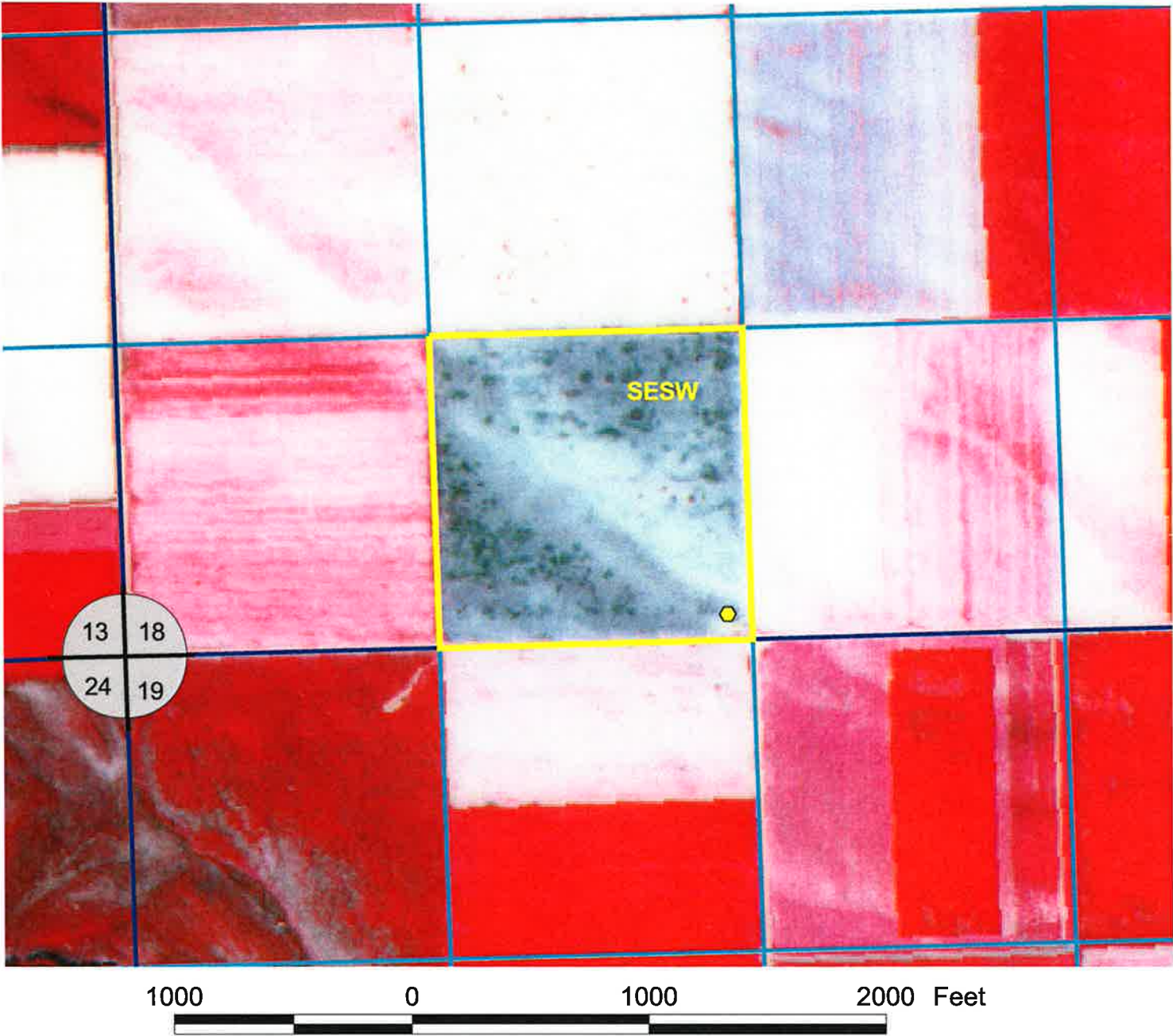
SCANNED
AUG 17 2007



State of Idaho
Department of Water Resources
Eastern Region



Claim No.(s): 22-2280E



- Place of Use
- Points Of Diversion
- Sections
- Quarter Quarter

GIS Place of Use Illustration
1987/1988 NAPP Photography
Prepared by T. Galbraith
Date: April 2006

SCANNED
AUG 17 2007

RECEIVED
JUL 26 2007
DEPARTMENT OF
WATER RESOURCES

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

In Re SRBA)

A. Subcase

22-2280 E
(Insert water right number)

Case No. 39576)
_____)

STANDARD FORM 1
OBJECTION

Please fill in the following information:

B. NAME AND ADDRESS OF PERSON OBJECTING

Name: Michael Reid
Address: 550 S 450 W
Victor ID 83455
Daytime Phone: 208 354 8024

Name & Address of Attorney, if any:

C. CLAIMANT OF WATER RIGHT AS LISTED IN DIRECTOR'S REPORT

Name: Trees Inc Michael McBride
Address: P.O. Box 396
Teton Village WY 83025

D. I object to the following elements as recommended in the Director's Report. (Please check the appropriate box(es)).

1. ☐ **Name and Address**
Should be: _____
2. ☐ **Source**
Should be: _____
3. ☒ **Quantity**
Should be: .3 cfs
4. ☐ **Priority Date**
Should be: _____
5. ☐ **Point of Diversion**
Should be: _____
6. ☐ **Instream Flow Beginning and Ending Point**
Should be: _____
7. ☒ **Purpose(s) of Use**
Should be: irrigation of hay / grain crops, not trees.
8. ☒ **Period of Year**
Should be: not extended
9. ☐ **Place of Use**
Should be: _____
10. ☐ **I object because:**
 - ☐ This water right Should not exist.
 - ☐ This water right was not recommended, but Should be recommended with the elements described above.

E. REASONS SUPPORTING OBJECTIONS(S): 1.) Owners abandoned water with non use - 6" well will not support .53 cfs
2.) Original water right did not have .53 cfs for this field
3.) Use has been changed from crop irrigation to landscape tree irrigation which takes a lot more water.

F.

VERIFICATION (must be completed)

State of Idaho)
) ss.

County of Teton)

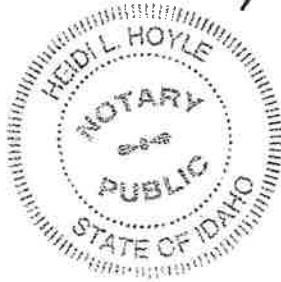
Michael Reid, duly sworn, upon oath, deposes and says:
(Name of person filing objection)

That I am the party/claimant filing this objection, as defined by I.C. §§ 42-1401A(1) and (6) or that I am the attorney for the party/claimant objecting and that I have read this objection, know its contents and believe that the statements are true to the best of my knowledge.

M L Reid
(Signature of person filing objection)

(Attorney signing in representative capacity)

Subscribed and sworn to before me on:



July 23, 2011
Heidi Hoyle
Notary Public for Idaho
Residing at: Idaho, Idaho
My Commission Expires: 3-9-2012

INSTRUCTIONS FOR MAILING

You must mail the objection, to the Clerk of the court. **FAX filings will not be accepted.** You must also send a copy to all the parties listed below in the Certificate of Mailing.

G. CERTIFICATE OF MAILING

I certify that on July 24, 2007, I mailed the original and copies of this objection, including all attachments, to the following persons:

1. Original to:

Clerk of the District court
Snake River Basin Adjudication
253 Third Avenue North
PO Box 2707
Twin Falls, ID 83303-2707

2. One copy to the claimant of the water right at the following address:

Name: Trees Inc.
Address: POB 396
Teton Village 83025

3. Copies to:

IDWR Document Depository
PO Box 83720
Boise, ID 83720-0098

United States Department of Justice
Environment & Nat'l Resources Div
550 W Fort Street, MSC 033
Boise, ID 83724

Chief, Natural Resources Division
Office of Attorney General
PO Box 44449
Boise, ID 83711-4449

Signature of objector or attorney
mailing on Objector's behalf

22-2280

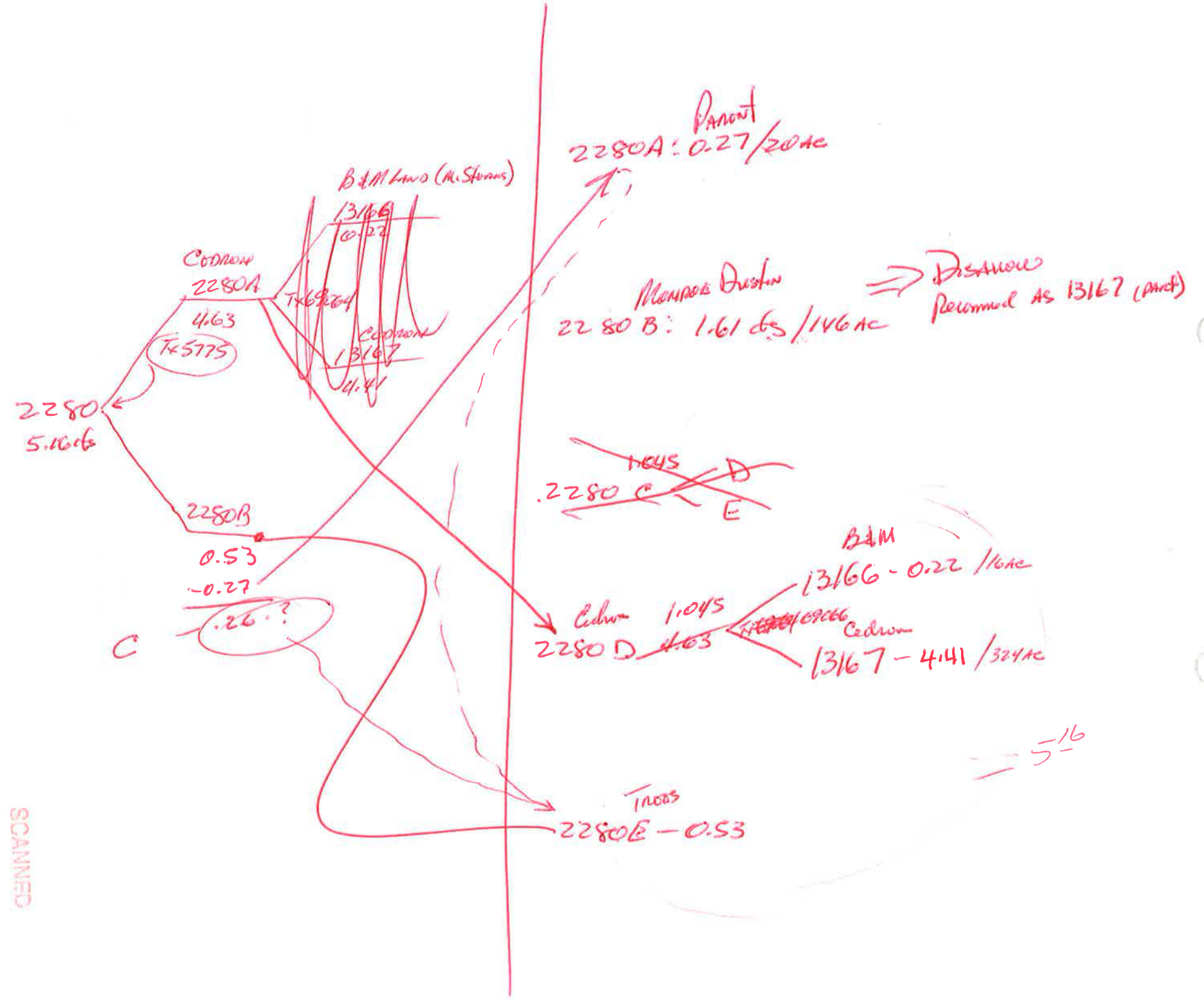
TX 575 split 2280 into 2280A 4.63 cfs and 2280B .53 cfs. This is on water right side.

On adjudication side 2280 was split into
2280A .27 cfs
2280B 1.61
2280C 1.05
2280D 4.63
2280E .53

2280B is in temporary shiks and will be disallowed if it ever get active.
2280A combines with 2280C (portion) and creates 2280E. The rest of 2280C does not exist. 2280D ~~reflects~~ reflects 2280A on water right side.
2280D is split into 22-13167 and 22-13166 by TX 690614.

2280E as well as 13166 + 13167 will be recommended as claimed - 4-5-06 TL

SCANNED
AUG 17 2007



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

DELOG
AR 5/21/04

RECEIVED

MAY 19 2004

Department of Water Resources
Eastern Region

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided, if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
22-02280					

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) are for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s) LaBall A. Kunz / Deanne Kunz
4. New Owner/Claimant(s) 434 W 525 South Victor Id 83455
- Name Connector (Check one): ☐ and, ☐ or, ☐ and/or
- New Mailing Address M O Tree Farm Mike Stearns
- City, State and ZIP Code 243 South Highway 33
- New Telephone Number Driggs, Id 83422
- (208) 354-8116 C- 313-4444
5. Date you acquired the property Sept 23 1999

4N45E

RECEIVED

7-7501
135237
WARRANTY DEED
SEP 23 1999
TETON CO. ID
CLERK RECORDER

For Value Received LARRELL A. KUNZ and DEANNE KUNZ, husband and wife

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

MD TREE FARMS, L.L.C.
whose address is:

Hereinafter called the Grantee, the following described premises situated in Teton County, Idaho, to-wit:

TOWNSHIP 4 NORTH, RANGE 45 EAST, BOISE MERIDIAN, TETON COUNTY, IDAHO
Section 19, NE1/4NW1/4

Together with 10% of Cedron Irrigation Corporation and well (equals 80% of 1 quarter mile sprinkler line) State Water Resources #22-02280

Subject to reservations in United States and State Records, existing and recorded Right of ways, Easements, Zoning, Building and Subdivision Ordinances, Taxes and Assessments as prolated between the parties hereto

TO HAVE AND TO HOLD the said premises with their appurtenances unto the said Grantee and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee that the Grantor is the owner in fee simple of said premises, that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except 1/2 Patent reservations, restrictions, easements of record, and easements visible upon the plat of said Grantor, and that Grantor will maintain and defend the same from all claims whatsoever.

IN WITNESS WHEREOF

Larrell A. Kunz
LARRELL A. KUNZ

Deanne Kunz
DEANNE KUNZ

STATE OF IDAHO

COUNTY OF TETON

On this 23rd day of September, in the year 1999, before me, a Notary Public in and for said State, personally appeared LARRELL A. KUNZ and DEANNE KUNZ, known or identified to me to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged to me that they executed the same.

Layne W. Price
Notary Public of Idaho
Residing at Idaho
Commission Expires 11-19-2000

135237

FILED

IN THE RECORDS OF

First American

30 days past

Sept 23/1999

Nelson H. Price

BY Nelson H. Price

NOTARY PUBLIC

BY Nelson H. Price

LAYNE W. PRICE
NOTARY PUBLIC
STATE OF IDAHO

Teton County
My Commission Expires 11-19-2000

135237

First American Title Company

Kune to MD Tree

T4N R45E

Sec. 19 NE1/4

w/ 10% of Cedron Irrig

And Well - Comm to 80%

of 1/4 quarter mile sprinkler line (22-2280)

What is 80% of line

1/4 mi line = 320000 ±

Nozzle size - ?

Pressure - ?

Assume: 80 x 32 = 25.6 81005

5/32 Nozzle } 5.15 gpm/

50 psi } Nozzle

0.29 cfs = 131.84 gpm

4480 cfs

SCANNED

AUG 17 2007

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

RECEIVED**MAY 20 2005**Department of Water Resources
Eastern Region

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
 Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
	22-2280				

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).
OR
 If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

4. New Owner/Claimant(s)

New Mailing Address

City, State and ZIP Code

New Telephone Number

5. Date you acquired the property

 Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

 1490 No. 800 E

 Shelley Idaho 83274

 208 357 0436

 2/26/05

SCANNED

AUG 17 2007

RECEIVED

APR 27 2005

TETON CO., ID
CLERK RECORDER

167717

Instrument # 167717

DRIGGS, TETON, IDAHO

2005-04-27

04:29:07 No. of Pages: 1

Recorded for : BRANDON STEARS

NOLAN G. BOYLE

Fee 3.00

Ex-Officio Recorder Deputy

Index to: DEED, QUIT-CLAIM

QUITCLAIM DEED

FOR VALUE RECEIVED, MD TREE FARMS, L.L.C., Grantor, does hereby convey, release, remise and forever quitclaim unto BRANDON ANN STEARS, a single woman as her sole and separate property, whose address is 1490 N. 800 E, Shelley, ID 83274, the following described premises, to-wit:

Township 4 North, Range 45 East, Boise Meridian, Teton County, Idaho

Section 19: NE1/4 NW1/4: 32-13167
22-13169

Together with 10% of Cedron Irrigation Corporation and well (equals 80% of 1 quarter mile sprinkler line). State Water Resources #22-02280

Subject to reservations in United States and State Patents; existing and recorded right-of-ways; easements, zoning, building and subdivision ordinances; Taxes and Assessments as prorated between the parties hereto.

Together with the appurtenances, this property is located in Teton County, Idaho.

This deed is intended to convey to the Grantee all right, title and interest of the Grantor in and to said property, now owned or hereafter acquired.

Dated this 11 day of April, 2005.

MD TREE FARMS, L.L.C.

Mike Stears

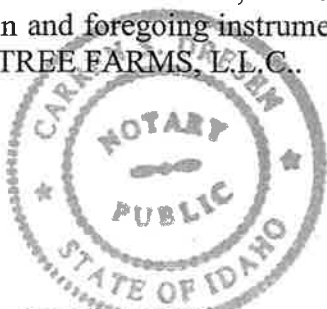
Mike Stears, member/designated agent of M.D. Tree Farms, L.L.C.

STATE OF IDAHO)

): ss.

County of Bonneville

On this 11 day of April, 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared MIKE STEARS, known to me to be a member or designated agent of MD TREE FARMS, L.L.C., the Limited Liability Company whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same on behalf of MD TREE FARMS, L.L.C..



Carmen S. Olson

NOTARY PUBLIC for Idaho

Residing at Idaho Falls

My Commission Expires: 3-1-06

167717

SCANNED

AUG 17 2007

RECEIVED

APR 27 2005

TETON CO., ID
CLERK RECORDER

167717

Instrument # 167717

DRIGGS, TETON, IDAHO

2005-04-27

04:29:07 No. of Pages: 1

Recorded for : BRANDON STEARS

NOLAN G. BOYLE

Ex-Officio Recorder Deputy

Index to: DEED, QUIT-CLAIM

Fee 3.00

QUITCLAIM DEED

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Township 4 North, Range 45 East, Boise Meridian, Teton County, Idaho

Section 19: NE1/4 NW1/4;

Together with 10% of Cedron Irrigation Corporation and well (equals 80% of 1 quarter mile sprinkler line). State Water Resources #22-02280

Subject to reservations in United States and State Patents; existing and recorded right-of-ways; easements, zoning, building and subdivision ordinances; Taxes and Assessments as prorated between the parties hereto.

Together with the appurtenances, this property is located in Teton County, Idaho.

This deed is intended to convey to the Grantee all right, title and interest of the Grantor in and to said property, now owned or hereafter acquired.

Dated this 11 day of ^{April}~~February~~, 2005.

MD TREE FARMS, L.L.C.

Mike Stears

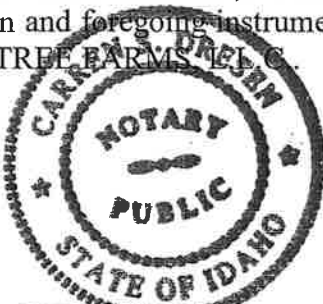
Mike Stears, member/designated agent of M.D. Tree Farms, L.L.C.

STATE OF IDAHO)

): ss.

County of Bonneville

On this 11 day of ^{April}~~February~~, 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared MIKE STEARS, known to me to be a member or designated agent of MD TREE FARMS, L.L.C., the Limited Liability Company whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same on behalf of MD TREE FARMS, L.L.C.



Carmen S. Olson

NOTARY PUBLIC for Idaho

Residing at Idaho Falls

My Commission Expires: 3.1.06 **SCANNED**

167717

AUG 17 2007



ARTICLES OF AMENDMENT TO ARTICLES OF ORGANIZATION LIMITED LIABILITY COMPANY

FILED EFFECTIVE
2005 MAY 12 AM 9:18
SECRETARY OF
STATE OF IDAHO

(Instructions on back of application)

1. The name of the limited liability company is:

M. D. TREE FARMS, L.L.C.

If the LLC has been administratively dissolved and the name is no longer available for use, #3 below must include an amendment of name.

2. The date the articles of organization were filed was:

09/13/1999

COMPLETE ONLY THE APPLICABLE ITEMS

3. The name of the limited liability company is amended to read:

Brandon STEARS TREES L.L.C.

4. The management of the limited liability company shall henceforth be vested in:



Manager(s)



Members

5. The information on the managers/members shall be amended as follows:

Name	Address	Add	Delete	Other
BRANDON STEARS	1490 No. 800E SHELLEY ID 83274	☒	☐	
MIKE STEARS	243 So. Hwy. 33 DRIQA ID. 83422	☐	☒	
ROBERT KNUDSEN JR.	2595 Hwy 39 AMERICAN FALLS 83211	☐	☒	

6. Signature of at least one manager, if any, or at least one member.

Signature: Brandon Stears

Typed Name: Brandon Stears

Capacity: president/mng.

Signature: _____

Typed Name: _____

Capacity: _____

g:\corp\form\llc\forms\amend domestic llc.pmd
Revised 08/2004

Secretary of State use only

IDAHO SECRETARY OF STATE
05/12/2005 05:00
CK: 473315687 CT: 188714 BH: 809956
1 @ 30.00 = 30.00 ORGAN AMEN # 2

SCANNED

W 9724/07

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Security Interest in a Water Right

**And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water Right**

Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s): _____
Adjudication Claim No(s): 22-2280-E

2. The following **REQUIRED** information must be submitted with this form:

A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

B) A **FEE** of \$25.00 per water right or adjudication claim.

3. Name and Mailing Address of Person or Company holding Security Interest

Zions First National Bank
1235 South Utah Avenue
Idaho Falls, ID 83402

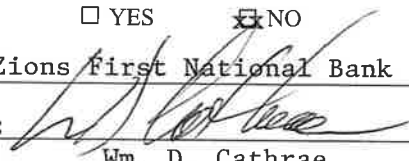
4. Name of Water Right Owner/Claimant(s)

Trees, Inc.

5. Expiration Date of Notification Period 12/5/2006

6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO

7. Signature(s) (and title if applicable) Zions First National Bank

By: 
Wm. D. Cathrae
Vice President & Commercial Loan Officer

For Office Use Only

Received by <u>gc</u>	Date <u>5-20-05</u>	Fee <u>\$25 -</u>
Receipted by <u>gc</u>	Date <u>5-20-05</u>	Receipt No. <u>E030903</u>
Processed by _____	AJ Date _____	WR _____ Date _____

RECEIVED

MAY 19 2005

Department of Water Resources
Eastern Region

SCANNED

AUG 17 2007

RECORDATION REQUESTED BY:

ZIONS FIRST NATIONAL BANK
IDAHO FALLS COMMERCIAL BANKING CENTER
1235 S UTAH AVENUE
IDAHO FALLS, ID 83402

WHEN RECORDED MAIL TO:

Zions First National Bank
Commercial Banking Center
1235 South Utah Avenue
Idaho Falls, ID 83402

Recorded 5/17/05
168091
3146 for

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY



00000000000009001074505162005

MORTGAGE

THIS MORTGAGE dated May 16, 2005, is made and executed between **BRANDON ANN STEARS**, a single woman as her sole and separate property (referred to below as "Grantor") and **ZIONS FIRST NATIONAL BANK**, whose address is 1235 S UTAH AVENUE, IDAHO FALLS, ID 83402 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in **TETON County, State of Idaho:**

Township 4 North, Range 45 East, Boise Meridian, Teton County, Idaho
Section 19: NE1/4NW1/4

Together with any and all water rights, including but not limited to 10% of Cedron Irrigation Corporation and Well (equals 80% of 1 quarter mile sprinkler line) State Water Resources #22-2280A, now owned or hereafter acquired which are appurtenant thereto.

The Real Property or its address is commonly known as **450 SOUTH 450 WEST, DRIGGS, ID 83422**. The Real Property tax identification number is **RP-04N45E192400-A**

CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all Indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2)

SCANNED
AUG 17 2007

use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Idaho law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

AUG 17 2007

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes,

SCANNED

AUG 17 2007

fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refilled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any related document.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Borrower or Grantor, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of

SCANNED
AUG 17 2007

any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to

AUG 17 2007

proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Arbitration Disclosures.

1. ARBITRATION IS FINAL AND BINDING ON THE PARTIES AND SUBJECT TO ONLY VERY LIMITED REVIEW BY A COURT.
2. IN ARBITRATION THE PARTIES ARE WAIVING THEIR RIGHT TO LITIGATE IN COURT, INCLUDING THEIR RIGHT TO A JURY TRIAL.
3. DISCOVERY IN ARBITRATION IS MORE LIMITED THAN DISCOVERY IN COURT.
4. ARBITRATORS ARE NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING IN THEIR AWARDS. THE RIGHT TO APPEAL OR SEEK MODIFICATION OF ARBITRATORS' RULINGS IS VERY LIMITED.
5. A PANEL OF ARBITRATORS MIGHT INCLUDE AN ARBITRATOR WHO IS OR WAS AFFILIATED WITH THE BANKING INDUSTRY.
6. ARBITRATION WILL APPLY TO ALL DISPUTES BETWEEN THE PARTIES, NOT JUST THOSE CONCERNING THE AGREEMENT.
7. IF YOU HAVE QUESTIONS ABOUT ARBITRATION, CONSULT YOUR ATTORNEY OR THE AMERICAN ARBITRATION ASSOCIATION.

(a) Any claim or controversy ("Dispute") between or among the parties and their employees, agents, affiliates, and assigns, including, but not limited to, Disputes arising out of or relating to this agreement, this arbitration provision ("arbitration clause"), or any related agreements or instruments relating hereto or delivered in connection herewith ("Related Agreements"), and including, but not limited to, a Dispute based on or arising from an alleged tort, shall at the request of any party be resolved by binding arbitration in accordance with the applicable arbitration rules of the American Arbitration Association (the "Administrator"). The provisions of this arbitration clause shall survive any termination, amendment, or expiration of this agreement or Related Agreements. The provisions of this arbitration clause shall supersede any prior arbitration agreement between or among the parties.

(b) The arbitration proceedings shall be conducted in a city mutually agreed by the parties. Absent such an agreement, arbitration will be conducted in Boise, Idaho or such other place as may be determined by the Administrator. The Administrator and the arbitrator(s) shall have the authority to the extent practicable to take any action to require the arbitration proceeding to be completed and the arbitrator(s)' award issued within 150 days of the filing of the Dispute with the Administrator. The arbitrator(s) shall have the authority to impose sanctions on any party that fails to comply with time periods imposed by the Administrator or the arbitrator(s), including the sanction of summarily dismissing any Dispute or defense with prejudice. The arbitrator(s) shall have the authority to resolve any Dispute regarding the terms of this agreement, this arbitration clause, or Related Agreements, including any claim or controversy regarding the arbitrability of any Dispute. All limitations periods applicable to any Dispute or defense, whether by statute or agreement, shall apply to any arbitration proceeding hereunder and the arbitrator(s) shall have the authority to decide whether any Dispute or defense is barred by a limitations period and, if so, to summarily enter an award dismissing any Dispute or defense on that basis. The doctrines of compulsory counterclaim, res judicata, and collateral estoppel shall apply to any arbitration proceeding hereunder so that a party must state as a counterclaim in the arbitration proceeding any claim or controversy which arises out of the transaction or occurrence that is the subject matter of the Dispute. The arbitrator(s) may in the arbitrator(s)' discretion and at the request of any party: (1) consolidate in a single arbitration proceeding any other claim arising out of the same transaction involving another party to that transaction that is bound by an arbitration clause with Lender, such as borrowers, guarantors, sureties, and owners of collateral; and (2) consolidate or administer multiple arbitration claims or controversies as a class action in accordance with Rule 23 of the Federal Rules of Civil Procedure.

(c) The arbitrator(s) shall be selected in accordance with the rules of the Administrator from panels maintained by the Administrator. A single arbitrator shall have expertise in the subject matter of the Dispute. Where three arbitrators conduct an arbitration proceeding, the Dispute shall be decided by a majority vote of the three arbitrators, at least one of whom must have expertise in the subject matter of the Dispute and at least one of whom must be a practicing attorney. The arbitrator(s) shall award to the prevailing party recovery of all costs and fees (including attorneys' fees and costs, arbitration administration fees and costs, and arbitrator(s)' fees). The arbitrator(s), either during the pendency of the arbitration proceeding or as part of the arbitration award, also may grant provisional or ancillary remedies including but not limited to an award of injunctive relief, foreclosure, sequestration, attachment, replevin, garnishment, or the appointment of a receiver.

(d) Judgement upon an arbitration award may be entered in any court having jurisdiction, subject to the following limitation: the arbitration

JOANNE
AUG 17 2007

award is binding upon the parties only if the amount does not exceed Four Million Dollars (\$4,000,000.00); if the award exceeds that limit, either party may demand the right to a court trial. Such a demand must be filed with the Administrator within thirty (30) days following the date of the arbitration award; if such a demand is not made with that time period, the amount of the arbitration award shall be binding. The computation of the total amount of an arbitration award shall include amounts awarded for attorneys' fees and costs, arbitration administration fees and costs, and arbitrator(s)' fees.

(e) No provision of this arbitration clause, nor the exercise of any rights hereunder, shall limit the right of any party to: (1) judicially or non-judicially foreclose against any real or personal property collateral or other security; (2) exercise self-help remedies, including but not limited to repossession and setoff rights; or (3) obtain from a court having jurisdiction thereover any provisional or ancillary remedies including but not limited to injunctive relief, foreclosure, sequestration, attachment, replevin, garnishment, or the appointment of a receiver. Such rights can be exercised at any time, before or after initiation of an arbitration proceeding, except to the extent such action is contrary to the arbitration award. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration, and any claim or controversy related to the exercise of such rights shall be a Dispute to be resolved under the provisions of this arbitration clause. Any party may initiate arbitration with the Administrator. If any party desires to arbitrate a Dispute asserted against such party in a complaint, counterclaim, cross-claim, or third-party complaint thereto, or in an answer or other reply to any such pleading, such party must make an appropriate motion to the trial court seeking to compel arbitration, which motion must be filed with the court within 45 days of service of the pleading, or amendment thereto, setting forth such Dispute. If arbitration is compelled after commencement of litigation of a Dispute, the party obtaining an order compelling arbitration shall commence arbitration and pay the Administrator's filing fees and costs within 45 days of entry of such order. Failure to do so shall constitute an agreement to proceed with litigation and waiver of the right to arbitrate. In any arbitration commenced by a consumer regarding a consumer Dispute, Lender shall pay one half of the Administrator's filing fee, up to \$250.

(f) Notwithstanding the applicability of any other law to this agreement, the arbitration clause, or Related Agreements between or among the parties, the Federal Arbitration Act, 9 U.S.C. Section 1 et seq., shall apply to the construction and interpretation of this arbitration clause. If any provision of this arbitration clause should be determined to be unenforceable, all other provisions of this arbitration clause shall remain in full force and effect.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Mortgage has been accepted by Lender in the State of Idaho.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of ADA County, State of Idaho.

Joint and Several Liability. All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Mortgage.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Idaho as to all Indebtedness secured by this Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means BRANDON A STEARS and includes all co-signers and co-makers signing the Note.

Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.,

the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means BRANDON ANN STEARS.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means and includes without limitation all Loans, together with all other obligations, debts and liabilities of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower, or any one or more of them; whether now or hereafter existing, voluntary or involuntary, due or not due, absolute or contingent, liquidated or unliquidated; whether Borrower may be liable individually or jointly with others; whether Borrower may be obligated as a guarantor, surety, or otherwise; whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations; and whether such indebtedness may be or hereafter may become otherwise unenforceable.

Lender. The word "Lender" means ZIONS FIRST NATIONAL BANK, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated May 16, 2005, in the original principal amount of \$500,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:


BRANDON ANN STEARS

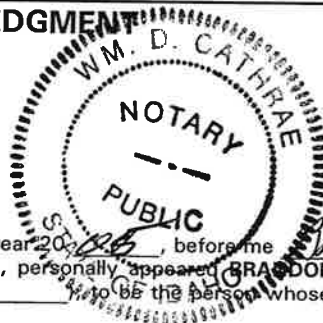
SCANNED
AUG 17 2007

INDIVIDUAL ACKNOWLEDGMENT

STATE OF IDAHO

COUNTY OF BONNEVILLE

)
) SS
)



On this 16th day of MAY, in the year 2006, before me, WM. D. CATHRAE, a notary public in and for the State of Idaho, personally appeared BRADON ANN STEARS, known or identified to me (or proved to me on the oath of STEARS) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same.

Notary Public for Idaho

Residing at IDAHO FALLS

My commission expires 3/5/06

SCANNED
AUG 17 2007

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT

TRANSFER NO. 5775
WATER RIGHT NO. 22-02280B

RECEIVED

AUG 11 2000

This is to certify that: TREES INC
C/O MICHAEL MCBRIDE
PO BOX 396
TETON VILLAGE WY 83025

Department of Water Resources
Eastern Region

has requested a change to the above captioned water right(s). This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code, provided the conditions listed below are met.

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	04/15 to 10/15	0.53 CFS	136.5 AF

SOURCE

GROUNDWATER

Priority: 10/03/1966

LOCATION OF POINT(S) OF DIVERSION:

SESW , Sec. 18, Township 04N, Range 45E
TETON County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
04N	45E	18	SESW	39		39

Total number of acres irrigated: 39

CONDITIONS OF APPROVAL AND REMARKS

1. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
2. After specific notification by the department, the right holder shall install a suitable measuring device or shall enter into an agreement with the department to determine the amount of water diverted from power records and shall annually report the information to the department.
3. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.

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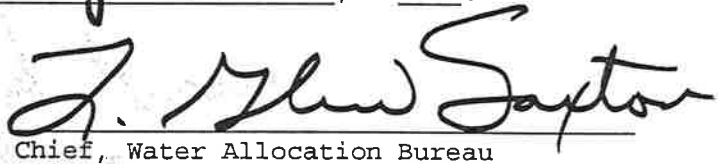
AUG 17 2007

TRANSFER NO. 5775
WATER RIGHT NO. 22-02280B

CONDITIONS OF APPROVAL AND REMARKS

4. The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
5. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
6. Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.
7. The period of use for the irrigation described in this approval may be extended to an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water after 10/15 is subordinate to all water rights having no subordinated late irrigation use and a priority date earlier than the date of this approval.

Dated this 4th day of August, 2000.


Chief, Water Allocation Bureau

SCANNED
AUG 17 2007

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

Name of Applicant Trees, Inc. c/o Michael McBride Phone 307-733-6563
Post Office address P.O. Box 396 Teton Village, WY 83025

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☐ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe the reason for the proposed changes Applicants have purchased a portion of this right & need their own well.

B. DESCRIPTION OF RIGHT(S) OR PORTION THEREOF, AFTER THE REQUESTED CHANGE

1. Right Number Priority Amount (cfs/ac-ft) Nature of Use Period of Use
22-02280 B 10/63/1966 0.53 cfs Dmg 4/15 to 10/15

2. Total amount of water being transferred 0.53 cubic feet per second and/or _____ acre-feet per annum.
3. Source of water Groundwater tributary to _____
4. Point(s) of Diversion:

Lot	1/4	1/4	1/4	Sec	Twp	Rge	County	Local name for diversion
		SE	SW	18	4N	45E	Teton	

5. Lands irrigated or place of use:

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	45E	18												39					39

SCANNED

AUG 17 2007
Total Acres 39

6. General Information:

a. Description of diversion system well + pump to sprinkler system

b. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?
NA Yes _____ No. If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes.

c. Describe the affect on the land now irrigated if the place of use is changed pursuant to this transfer:
NA.

d. Remarks:
Corporate officer - List Pres. Michael McBride
U.P. Pat Comfort

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Transfer of Water Rights No. _____

And the said application is hereby _____, subject to the following conditions:

Witness my hand this _____ day of _____, 20_____.

For the Director

SCANNED
AUG 17 2007

A. DESCRIPTION OF RIGHT AS RECORDED:

Water Right No. 22-02280

STAGE: LICENSE

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	04/15 to 10/15	5.16 CFS	1140.0 AF

SOURCE

GROUNDWATER

Priority: 10/03/1966

LOCATION OF POINT(S) OF DIVERSION: SENW , Sec. 19, Township 04N, Range 45E
TETON County

PLACE OF USE:

IRRIGATION

				NE				NW				SW				SE										
				NENE	NWNE	SWNE	SENE	:	NENW	NWNW	SWNW	SENW	:	NESW	NWSW	SWSW	SESW	:	NESE	NWSE	SWSE	SESE	:			
T	R	S	:	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	:	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	:	SUM
04N	45E	18	:					:			02-37		:	40	03-39	04-38	39	:	39	40	39			:	311.0	
04N	45E	19	:					:	39			30	:					:						:	69.0	
																							TOTAL ACRES	380.0		

CONDITIONS/REMARKS:

Describe any other water rights used for the same purpose as described above:

To your knowledge has any portion of this water right undergone a period of five or more consecutive years of non-use? NO If yes, describe:

Attach a copy of last year's tax notice for the property to which the water right is appurtenant or other documents which show ownership. Label document as attachment A. Check appropriate box below:

☐ Tax Notice ☒ Warranty Deed ☐ Other _____

SCANNED
AUG 17 2007

10. To your knowledge, has any portion of this water right undergone a period of five or more consecutive years of non-use?
NO If yes, describe _____

B. DESCRIPTION OF PORTION OF RIGHT BEING TRANSFERRED

(If the entire right is to be changed by the applicant, omit part B and C.)

1. amount 0.53 cfs for Irrigation purposes from 4/15 to 10/15
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)

2. Point(s) of Diversion:

Lot	1/4	1/4	1/4	Sec	Twp	Rge	County	Local name for diversion
		SE	NW	19	4N	4SE	Teton	

3. Lands irrigated or place of use:

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	4SE	18												39					39

Total Acres 39

C. DESCRIPTION OF UNCHANGED PORTION OF RIGHT (omit if there is no change)

1. amount 4.63 cfs for Irrigation purposes from 4/15 to 10/15
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)

2. Point(s) of Diversion:

Lot	1/4	1/4	1/4	Sec	Twp	Rge	County	Local name for diversion
		SE	NW	19	4N	4SE	Teton	

3. Lands irrigated or place of use:

Twp	Rge	Sec	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	4SE	18							37		40	39	38		39	40	39		272
									2-3			2-3	2-4						
		19					39			30									69

SCANNED

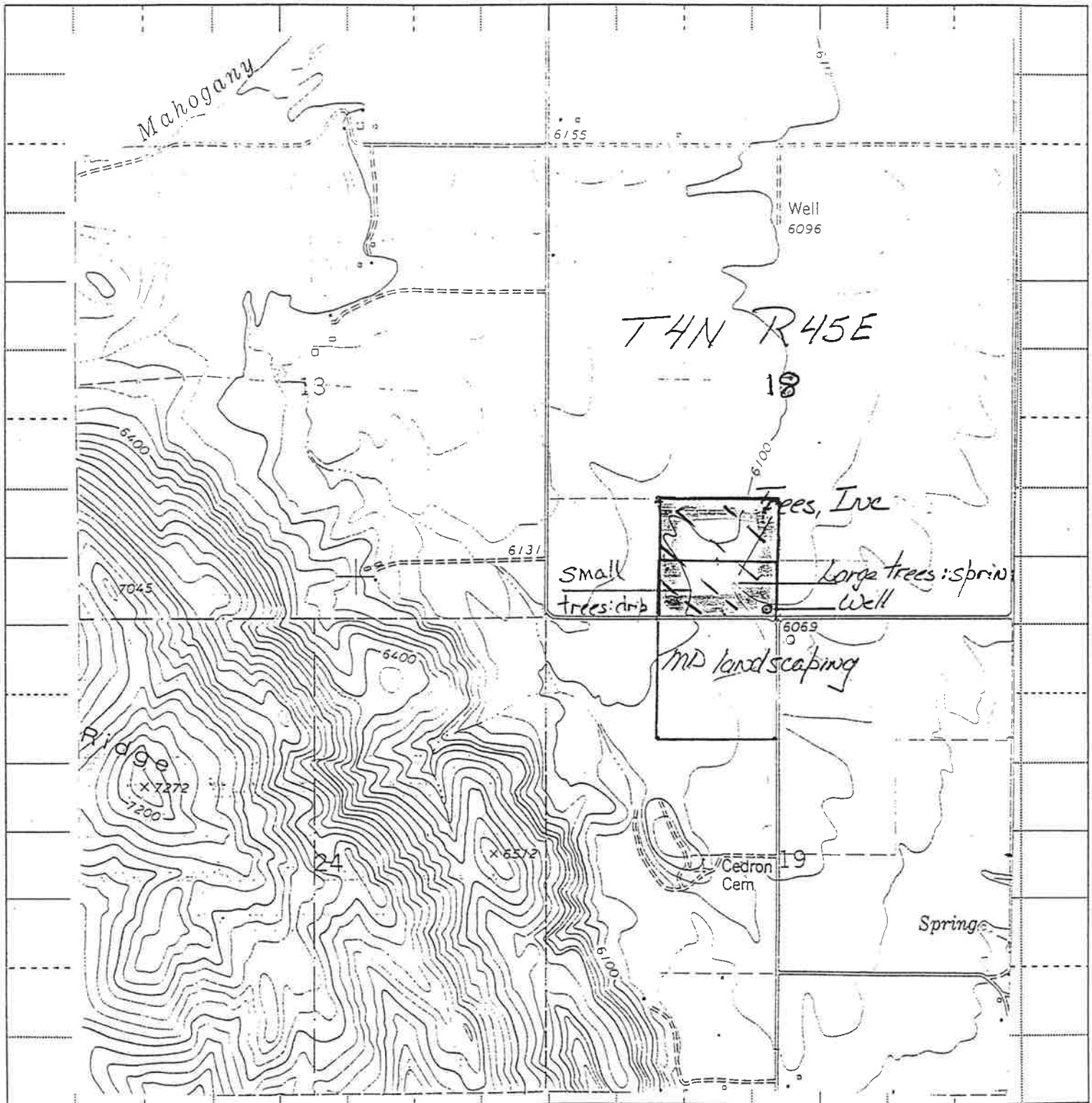
Total Acres 341

AUG 17 2007

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3

- A. Draw a map or attach a USGS map indicating the new point(s) of diversion and/or the new place of use for the rights described in part 1. Clearly depict the land by section, township and range number.



Scale: 2 inches equal 1 mile. Draw plan in ink.

SCANNED

AUG 17 2007

PART 3

B. CHANGES IN NATURE OF USE

1.

New Nature of Use

Amount(cfs/af-ft)

Hours/days/year

Period of Use

to

to
2.

Quantity and quality of return flows and location of discharge:
3.

Describe effects on other water uses resulting from the proposed change:

I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. The information contained in this application is true to the best of my knowledge.

I understand that any willful misrepresentations made in this application may result in voiding its approval.

Subscribed and sworn to before me this

6/19/2005

day of

My commission expires

10/14/2005

Michael J McBrat

(Signature of Applicant)

Bryce A. Contor

(Notary Public)

STATE OF IDAHO

NOTARY PUBLIC

BRYCE A. CONTOR

STATE OF IDAHO

NOTARY PUBLIC

BRYCE A. CONTOR

FOR DEPARTMENT USE ONLY

Transfer contains

6

pages and

1

attachments

Received by

HLJ

Date

6-19-00

Protest filed by

Prelim. Check by

Fee

\$100.00

Receipted by

HLJ #B025914

Date

6-19-00

Published in

Teton Valley News

Copies of protest forwarded by

Pub. Dates

7/6 & 7/13/00-

Hearing held by

Date

Watermaster recommendations requested on

Recommended for

☐ approval

☐ denial

received

by

Copy of transfer sent to lien holder

SCANNED
AUG 17 2007

date

Paradise Springs Farm
c/o Michael Reid
550 South 450 West
Victor, ID 83455

RE: LETTER INQUIRY DATED NOVEMBER 22, 2004

Dear Mr. Reid:

Your letter dated November 22, 2004 to Director Karl Dreher has been referred to me for response. In your letter you request a hearing to determine whether the replacement of a 6 inch diameter water well with a 12 inch diameter water well by Trees, Inc, will injure your water right diverted from Paradise Springs. Your letter was accompanied by a report titled Evaluation of the Impact of Groundwater Pumping on Paradise Springs, Teton County, Idaho ("Brockway Report") prepared for you by Brockway Engineering and dated March 18, 2003.

In your letter you advised that Trees, Inc, has drilled a 12-inch diameter well to replace a 6-inch diameter well and as a result may divert more water than authorized under its water right. You also state that requiring the installation of a measuring device on the well used by Trees Inc. will satisfy your request for hearing.

The department's Idaho Falls office has advised me that Trees, Inc. did construct a 12-inch diameter replacement well, since the 6-inch diameter well started to fail, but has not yet diverted water from the larger well. The office also advised that the Trees, Inc. well is located about a mile from Paradise Springs and that there are many wells between the springs and Trees' wells.

Department records show the following for the water rights referenced in your letter:

Identification No:	22-0405
Owner:	Michael L. Reid
Source:	Paradise Spring tributary to Teton River
Priority:	June 1, 1904
Rate of diversion:	0.5 cubic feet per second ("cfs")
Point of diversion:	SW1/4NE1/4NW1/4 Section 30, T4N, R45E, B.M.
Use:	Irrigation
Season of use:	April 15 to October 31
Place of use:	35.6 acres in SE1/4NW1/4 Section 30, T4N, R45E, B.M.
Basis:	Decreed

Identification No:	22-2280B
Owner:	Trees, Inc.
Source:	Ground water

SCANNED

AUG 17 2007

Priority: October 3, 1966
Rate of diversion: 0.53 cfs
Annual volume: 136.5 AF
Point of diversion: SE1/4SW1/4 Section 18, T4N, R45E, B.M.
Use: Irrigation
Season of use: April 15 to October 15
Place of use: 39 acres in SE1/4SW1/4 Section 18, T4N, R45E, B.M.
Basis: License w/ Transfer No. 5775
Conditions of approval: The period of use for the irrigation described in this approval may be extended to an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water after 10/15 is subordinate to all water rights having no subordinated late irrigation use and a priority date earlier than the date of this approval.
Remarks: Transfer No. 5775 issued on August 4, 2000 authorized the use described above.

The Brockway Report found that pumping of the Kunz and Cedron irrigation wells that are located about ½ mile from Paradise Springs affected discharge from the springs. The investigation, however, did not include the effect of other irrigation wells such as the well of Trees, Inc. that is located about a mile from Paradise Springs.

There is not a procedure for the department to grant a hearing in connection with the transfer that was approved over 4 1/2 years ago. It appears that conjunctive management of hydraulically connected surface and ground water rights in the area would better achieve administration of water rights among users. To do this, the rights must be decreed and administered by the water master of a water district. This solution obviously is not immediate, since a number of steps and time are involved.

When the rights can be conjunctively administered, data on past water use will be needed including information on the amount of water (both rate and volume) diverted by ground water and surface water users in the area. To start the compilation of this data, it is reasonable for the department to require installation of measuring devices on ground water users and reporting of the measuring data. This action would also show whether Trees, Inc. is diverting water within the parameters of its water right. The department will review the need to issue such measuring device installation and reporting orders.

If you have questions, please feel free to contact our Idaho Falls office or me.

Sincerely,

L. GLEN SAXTON, P.E.
Administrator
Water Management Division

c: Roger Warner – IDWR
Trees, Inc.

SCANNED
AUG 17 2007

Dec 09 04 05:24p

ID De of Water Resource 200

KARL



Post-it® Fax Note 7671		Date 12/9	# of pages 2
To Ron Carlson	From Glen Sutton		
Co. Dennis Dunn	Co.		
Phone #	Phone #		
Fax #	Fax #		

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DEC - 9 2004

DEPARTMENT OF
WATER RESOURCES

11/22/04

Mr. Karl Dreher
IDWR
1301 N Orchard St.
Boise, ID 83706

Dear Mr. Dreher,

Recently, Trees Inc, owners of junior priority groundwater right #22-2280E, drilled a 12" casing to replace their 6" well casing. This enlargement and change of point of diversion was not advertised, but simply permitted by Idaho Department of Water Resources.

I formally request a hearing to determine whether these actions will further injure my right, #22-0405, which I take from Paradise Springs, Teton County, Idaho.

As shown in the report, this well is clearly within the Paradise Springs response zone. Further, I have been able to detect the negative influence of the original 6" casing using the measuring equipment in the Springs, and so I expect to detect a larger negative influence with a 12" casing.

The original 6" casing was drilled and used unauthorized until transfer of 22-2280B codified the right of Trees, Inc., to pump their water from this point of diversion. At that time I strongly considered protesting the transfer, but I was shown clearly that the quantity of water pumped from a 6" casing could not equal 0.53cfs, and I would therefore have a difficult time proving additional harm without years of study. I do not believe I will have this same difficulty with a 12" casing and after such years of study, and I now ask for protection of my senior surface right and a hearing.

Trees, Inc. uses mostly drip irrigation so it is impossible to visually assess the amount of water being used; however, since they moved in there has been a pond at the low point on their property that appears to come from over-saturation of the soil due to excessive watering. The original Cedron well was only used in July for 2nd crop hay and barley from its inception through 1999. Trees, Inc. dug their 6" casing because they could not get enough water for their extensive tree operation from the existing rotation system of Cedron Irrigation. Trees, Inc. use their well every day from April to November, making the 6" well an acre-foot enlargement of the Cedron Irrigation water use to begin with, much less what may happen with 12". Trees, Inc., is currently watering (today) even though our irrigation season officially ends October 15th. Trees, Inc., has abandoned any additional water outside of their 6" casing since they pumped this

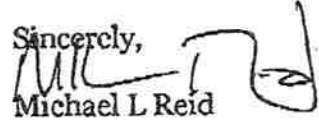
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6" casing for 5 years, and that amount of water has obviously been sufficient to weather the worst drought in recent memory.

These issues and more provide ample cause for a hearing unless the Director will summarily agree to the installation of a proper water measuring device on the well and that Trees, Inc., has abandoned any extra flow a 12" casing would provide. If you deny my request for a hearing, please send me notification of your decision.

Sincerely,


Michael L Reid

CC: Trees, Inc., Ronald Carlson, Dennis Dunn

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IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report 22-2280B

WATER RIGHT NUMBER: 22-2280B

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	TREES INC C/O MICHAEL MCBRIDE PO BOX 396 TETON VILLAGE, WY 83025 (307)733-6563
Original Owner	BURTON W KUNZ
Original Owner	, ZZ MONROE DUSTIN JR
Original Owner	, ZZ WILLIAM E SCHIESS 495 W 675 S VICTOR, ID 83455 (208)787-2760

Priority Date: 10/03/1966
Basis: License
Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	4/15 to 10/15	0.530 CFS	136.50 AF
	<u>Total Diversion:</u>	0.530 CFS	136.50 AF

<u>Location of Point(s) of Diversion</u>		
GROUND WATER	SE1/4SW1/4	Sec. 18, Twp 04N, Rge 45E, B.M.
TETON County		

Place of Use
IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	45E	18												39.0					39.0

Total Acres: 39

- Conditions of Approval:
- 01M After specific notification by the department, the right holder shall install a suitable measuring device or shall enter into an agreement with the department to determine the amount of water diverted from power records and shall annually report the information to the department.
 - 046 Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.

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IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report 22-2280B

3. R63 This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.
4. T07 The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
5. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
6. T09 Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.

Remarks:

1. General The period of use for the irrigation described in this approval may be extended to an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water after 10/15 is subordinate to all water rights having no subordinated late irrigation use and a priority date earlier than the date of this approval.

Comments:

1. PSKAGGS 8/3/2000 TRANSFER 5775

Comment: Transfer 5775 changes the point of diversion under a portion of Right 22-02280, splitting the right into Parts A & B.

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IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Claim Report 22-405

WATER RIGHT NUMBER: 22-405

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	MICHAEL L REID 550 S 450 W VICTOR, ID 83455 (208)354 8024

Priority Date: 06/01/1904
Basis: Decreed
Status: Active

<u>Source</u>	<u>Tributary</u>
PARADISE SPRING	TETON RIVER

<u>Beneficial Use</u>	<u>From</u> <u>To</u>	<u>Diversion Rate</u>	<u>Annual Volume</u>
IRRIGATION	04/15 to 10/31	0.500 CFS	
	<u>Total Diversion:</u>	0.500 CFS	

<u>Location of Point(s) of Diversion</u>		
PARADISE SPRING	SW1/4NE1/4NW1/4	Sec. 30, Twp 04N, Rge 45E, B.M.
TETON County		

Place of Use
IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
04N	45E	30	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	35.6

Total Acres: 35.6

Conditions of Approval:

Remarks:

1. DECREEED RIGHT 22-405 WAS SPLIT BY THE MILLER BROTHERS IN ABOUT 1925-1930. PART OF 22-405 HAS BEEN CLAIMED AS 22-12714. THIS CLAIM IS FOR HALF OF THE REMAINING PORTION, PURCHASED BY CLAIMANT FROM DON MILLER.

DECREEED PLACE OF USE APPEARS TO BE AN ERROR; TOPOGRAPHY PREVENTS WATER REACHING PLACE OF USE. CLAIMED PLACE OF USE IS PART OF ACTUAL ORIGINAL PLACE OF USE.

Comments:

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IDAHO DEPARTMENT OF WATER RESOURCES
WELL DRILLER'S REPORT

Office Use Only			
Well ID No.			
Inspected by			
Twp	Rge	Sec	
1/4	1/4	1/4	
Lat:	:	Long:	:

1. WELL TAG NO. D 2033163
DRILLING PERMIT NO. _____
Water Right or Injection Well No. _____

2. OWNER: Mike McBride Trees inc.
Name Mike McBride Trees inc.
Address P.O. Box 396
City Teton Village State WY Zip 83025

3. LOCATION OF WELL by legal description:

You must provide address or Lot, Blk, Sub. or Directions to well.

Twp. 4 North ☒ or South ☐
Rge. 45 East ☒ or West ☐
Sec. 18 1/4 SE 1/4 SW 1/4
Gov't Lot _____
County Teton

Lat: _____ Long: _____
Address of Well Site hates Ro

(Give at least name of road + Distance to Road or Landmark) City Driggs

Lt. _____ Blk. _____ Sub. Name _____

4. USE:

☒ Domestic ☐ Municipal ☐ Monitor ☒ Irrigation
☐ Thermal ☐ Injection ☐ Other _____

5. TYPE OF WORK check all that apply (Replacement etc.)
☒ New Well ☐ Modify ☐ Abandonment ☐ Other _____

6. DRILL METHOD:

☒ Air Rotary ☐ Cable ☐ Mud Rotary ☐ Other _____

7. SEALING PROCEDURES

Seal Material	From	To	Weight / Volume	Seal Placement Method
<u>Bentonite</u>	<u>0'</u>	<u>18'</u>	<u>600#</u>	<u>airbore</u>

Was drive shoe used? ☒ Y ☐ N Shoe Depth(s) _____

Was drive shoe seal tested? ☐ Y ☒ N How? _____

8. CASING/LINER:

Diameter	From	To	Gauge	Material	Casing	Liner	Welded	Threaded
<u>12"</u>	<u>+1</u>	<u>120'</u>	<u>.25</u>	<u>Steel</u>	☒	☐	☒	☐
					☐	☐	☐	☐

Length of Headpipe _____ Length of Tailpipe _____

Packer ☐ Y ☐ N Type _____

9. PERFORATIONS/SCREENS PACKER TYPE

Perforation Method _____

Screen Type & Method of Installation Johnson Screen

From	To	Slot Size	Number	Diameter	Material	Casing	Liner
<u>115'</u>	<u>135'</u>	<u>10 SD</u>		<u>10"</u>	<u>Stainless</u>	☐	☐
						☐	☐

10. FILTER PACK

Filter Material	From	To	Weight / Volume	Placement Method

11. STATIC WATER LEVEL OR ARTESIAN PRESSURE:

50 ft. below ground Artesian pressure _____ lb.
Depth flow encountered _____ ft. Describe access port or control devices: _____

12. WELL TESTS:

☐ Pump ☐ Flow ☐ Air ☐ Flowing Artesian

Yield gal./min.	Drawdown	Pumping Level	Time

Water Temp. _____ Bottom hole temp. _____

Water Quality test or comments: _____

13. LITHOLOGIC LOG

Describe repairs or abandonment)

Water

Bore Dia.	From	To	Remarks: Lithology, Water Quality & Temperature	Y	N
<u>14"</u>	<u>0'</u>	<u>20'</u>	<u>ay Sand gravel</u>		☒
<u>12"</u>	<u>20'</u>	<u>60'</u>	<u>ay Sand gravel</u>	☒	
	<u>60'</u>	<u>90'</u>	<u>ay</u>		☒
	<u>90'</u>	<u>100'</u>	<u>ay Sand gravel</u>	☒	
	<u>100'</u>	<u>105'</u>	<u>clay</u>		☒
	<u>105'</u>	<u>110'</u>	<u>clay gravel mostly Sand</u>	☒	
	<u>110'</u>	<u>115'</u>	<u>clay gravel clay</u>	☒	

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Department of Water Resources
Eastern Region

Completed Depth: 135' (Measurable)

Date: Started 8-3-04 Completed 8-18-04

14. DRILLER'S CERTIFICATION

I/We certify that all minimum well construction standards were complied with at the time the rig was removed.

Company Name Quinn Well Drilling Firm No. 518

Principal Driller: [Signature] Date 8-23-04

Driller or Operator II: [Signature] Date 8-18-04

Operator I _____ Date _____

Principal Driller and Rig Operator Required.

Operator must have signature of Driller/Operator II.

FORWARD WHITE COPY TO WATER RESOURCES

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Claim No. 22-2280E

Document Checklist

☒ Copy License/Decree

☐ Copy Transfer

☒ Copy Licensing Field Exam

☐ Check if Ownership/Address Change is Required

☐ Generate, mail and file "Evidence of Priority" letter

☒ Generate Arcview Map

500 Length
250 Number of lines
000
2500
1000
125000
Total
HAS 2000
APP 161
CELL # 307-413-2252
per 413-2249
Adjustable
per R. SET

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AUG 17 2007

Claim no. _____

Claimant Contact Log

Date	Remarks	Agent initials
------	---------	----------------

Made An Appointment with mother
and bride. met him at pod

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Contacts Data Entry Form

Claim Number: _____

Owner Type	Full Name	Address	City	State	Zip
------------	-----------	---------	------	-------	-----

Current Owner: _____ Phone No.: _____

Current Owner: _____ Phone No.: _____

Current Owner: _____ Phone No.: _____

Name connector: and _____, or _____, and/or _____.

Representing Attorney: _____ Phone No.: _____

Accompanied By: _____ Phone No.: _____

Relationship to Claimant: _____ Date of Field Exam: _____

Discussion of right origin and split history. Questions and problems.

I MET MIKE MC BRIDE AT pod TAGE 6
+ CPS. pod- WALKED THROUGH TREE FARM
IRRIGATION OUT OF WELL FROM 2" PIPE
TO SEVERAL SETS OF DRIP LINES.
HAS 250 500 FT DRIP LINES AND
25 EACH SPRINKLER HEADS. 3/2" 1/2" SCATTERED THROUGH
OUT. FARM. HAS ABOUT 125 000 FT OF
DRIP LINE

THE WELL BEING USED IS A 6" CASING
ALSO HAS A 12" CASING WELL WITHIN
10' OF 6" WELL. SAID THE 6" WELL WAS
FAILING SO HE DUG A NEW 12" WELL
BUT DEEPER TO REPLACE 6" WELL

EVERY THING SEEMED TO BE IN
ORDER. IS IRRIGATING THE FULL 39 AC
WITH A 2" PLASTIC TUBE & DRIP &
SPRINKLER. SYSTEM

RUNS ABOUT 2000 FT OF DRIP LINE
PER SET -

Reviewer: NICK Date: 6-10-05

SCANNED

AUG 17 2007

Priority Date Data Entry Form

Claim Number: _____

Water Right Priority Date: _____ Water Right Basis: LICENSE

Claimed Priority Date: _____ Claimed Basis: WIC 1052

Recommended Priority Date: _____ Recommended Basis: _____

Document the evidence submitted/reviewed for the priority date claimed, include your analysis of the evidence:

PRIORITY DATA SAME. AS LICENSK 10-3-1966

Reviewer: _____

Date: _____

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Point of Diversion and Source Data Entry Form

Claim Number: A22-002280EWater Right Point(s) of diversion and Source.

Water Right Point of Diversion: T _____, R _____, Sec. _____, _____, _____, _____, County: _____

Source: _____ Tributary to: _____

Water Right Point of Diversion: T _____, R _____, Sec. _____, _____, _____, _____, County: _____

Source: _____ Tributary to: _____

Claimed Point(s) of Diversion and Source.

Twp	Rge	Sec	Gov Lot	QQQ of QQ of Q	County	Source	Tributary to

Recommended Point(s) of Diversion and Source.

Twp	Rge	Sec	Gov Lot	QQQ of QQ of Q	County	Source	Tributary to
4N	43E	18		SE SE SW	TETON	Ground Water	

Other rights from this POD? NO NIETransfers Pending or approved: YES APPROVED JAN 27 1975Document how the POD and Source were verified:

TRANSFERRED. P.O.D. RIGHT WAS TRANSFERRED FROM
CEDRON IRRIGATION WELL. TO A WELL THAT WAS DRILLED
ON THE PROPERTY OF PO4.

Reviewer: NICK Date: 6-10-05

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Place Of Use Data Entry Form

Claim Number: A22-02280E

Claimed Place Of Use

Twp	Rge	Sec	QQ	Q	County	Lot Num	Acres	Purpose of Use

Total acres _____

Recommended Place of Use

Twp	Rge	Sec	QQ	Q	County	Lot Num	Acres	Purpose of Use
4N	45E	18	SESW		Teton		39	Irrigation

Total acres 39Pending or approved Transfers: YES Approved # 5975Overlapping rights: NONE

Document how the POU was verified:

THE ENTIRE 39 ACRES IS PLANTED INTO TREES. PART OF IT IS SPRINKLED + THE REMAINDER HAS A DRIP IRRIGATION SYSTEM. THE POU HAS 250' - 500' DRIP LINES APPROXIMATELY 85% THE REMAINING 15% IS IRRIGATED WITH INDIVIDUAL SPRINKLERS FROM A GARDEN HOSE.

Reviewer: NICK Date: 6-10-05

SCANNED

AUG 17 2007

Season of Use and Quantity Data Entry Form

Claim Number: _____

Water Right Period of Use and Diversion Rate

Water Use	Start	End	Rate	Volume
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Overall Diversion Rate _____

Overall Diversion Volume _____

Claimed Period of Use and Diversion Rate

Water Use	Start	End	Rate	Volume
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Overall Diversion Rate _____

Overall Diversion Volume _____

Recommended Period of Use and Diversion Rate

Water Use	Start	End	Rate	Volume
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Overall Diversion Rate _____

Overall Diversion Volume _____

Document how the Period of Use and/or Diversion Rate were verified:

POU on LICENSE From 4-15 To 10-15
IDWR. STD. POU. 4-15 Thru 10-31
HAVE TRANSFERRED. pod.

Reviewer: _____

Wish @

Date: _____

6-10-05

SCANNED

AUG 17 2007

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

License of Water Right No. 33243/22-2280 Priority Oct. 3, 1966 Amount 5.16 cfs

THIS IS TO CERTIFY, that CEDRON IRRIGATION CORPORATION
of Victor, Idaho, has complied with the terms and conditions of Permit
No. 33243/22-2280 issued pursuant to Application for Permit dated October 3, 1966,
and has submitted proof to the Department of Water Resources on September 4, 1969,
that he has applied water to a beneficial use; an examination by the Department indicates that the works have a
capacity for the diversion of 5.16 cfs of water from a ground water source,
tributary to _____, and that the permit holder has applied to a beneficial use and
established a right to use water as follows:

Beneficial Use	Period of Use	Rate of Diversion	Annual Volume
<u>Irrigation</u>	from <u>April 15</u> to <u>Oct. 15</u>	at <u>5.16</u> cfs and	<u>1,140 acre feet or</u>
	from _____	_____ cfs and	<u>3.0 af per acre</u>
	from _____	at _____ cfs and	_____
(both dates inclusive)			

Subject, however, to the condition that no more than 5.16 cfs of water be diverted at any one time, and
that the amount of water so diverted and to which such right is entitled and confirmed for the purpose
aforementioned and is limited to the amount which can actually be beneficially used and shall not exceed
1,140 acre feet per year, said waters to be diverted within the SE 1/4 NW 1/4 of Sec. 19,
Twp. 4 N, Rge. 45 E, B.M. in the County of Teton

Description and location of place of use:

Twp.	Range	Sec.	Section												Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4 N	45 E	18							1.2		40	1.3	1.4		311
		19						37			39	38	39		69

Total number of acres irrigated 380

NOTE: Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho Code, or the applicable Idaho Law. This right may be forfeited by five years of non-use.

The right to the use of the water hereby confirmed is restricted and appurtenant to the lands or place of use herein described, as provided by the laws of Idaho.

Witness the seal and signature of the Director, affixed at Boise, Idaho, this 27 day of
January, 19 75.

Director

MICROFILMED

AUG 17 2007

FIELD REPORT

Name of permit holder c/o William E. Schless Western Nitration Corporation Moore, O.S. Co.	Post office address Victor, Idaho 83455 Burton Telephone
---	--

Phone

--	--

Tributary to

(Proof states 4.04 c.f.s.)

AF/Annum

May 15 to September 15

(mo-day) inclusive (mo-day)

AF/Annum

↓

(mo-day) inclusive (mo-day)

AF/Annum

to _____

(mo-day) inclusive (mo-day)

Other uses:

Total amount to be appropriated:

Max Rate of Diversion 0.0 cubic feet per second and annual volume AF/Annum.

Location of Point(s) of Diversion:

1/4 NW 1/4, Section 17, Subdivision 35, B.M., Section 17, Township 35 N., Range 35 E.,

_____ N/S, KONGE _____ E/W, B.M., SECTION _____, SUBDIVISION _____ 1/4 _____ 1/4 _____

Ownership _____ N/S, Range _____ E/W, B.M., Section _____, Subdivision _____ 1/4 _____ 1/4 _____

Other Points of Diversions:

_____ casing = 16", depth of well = 111'.

Measuring device required: ☐ yes ☒ no

stands to be irrigated or place of use.

MICROFILMED

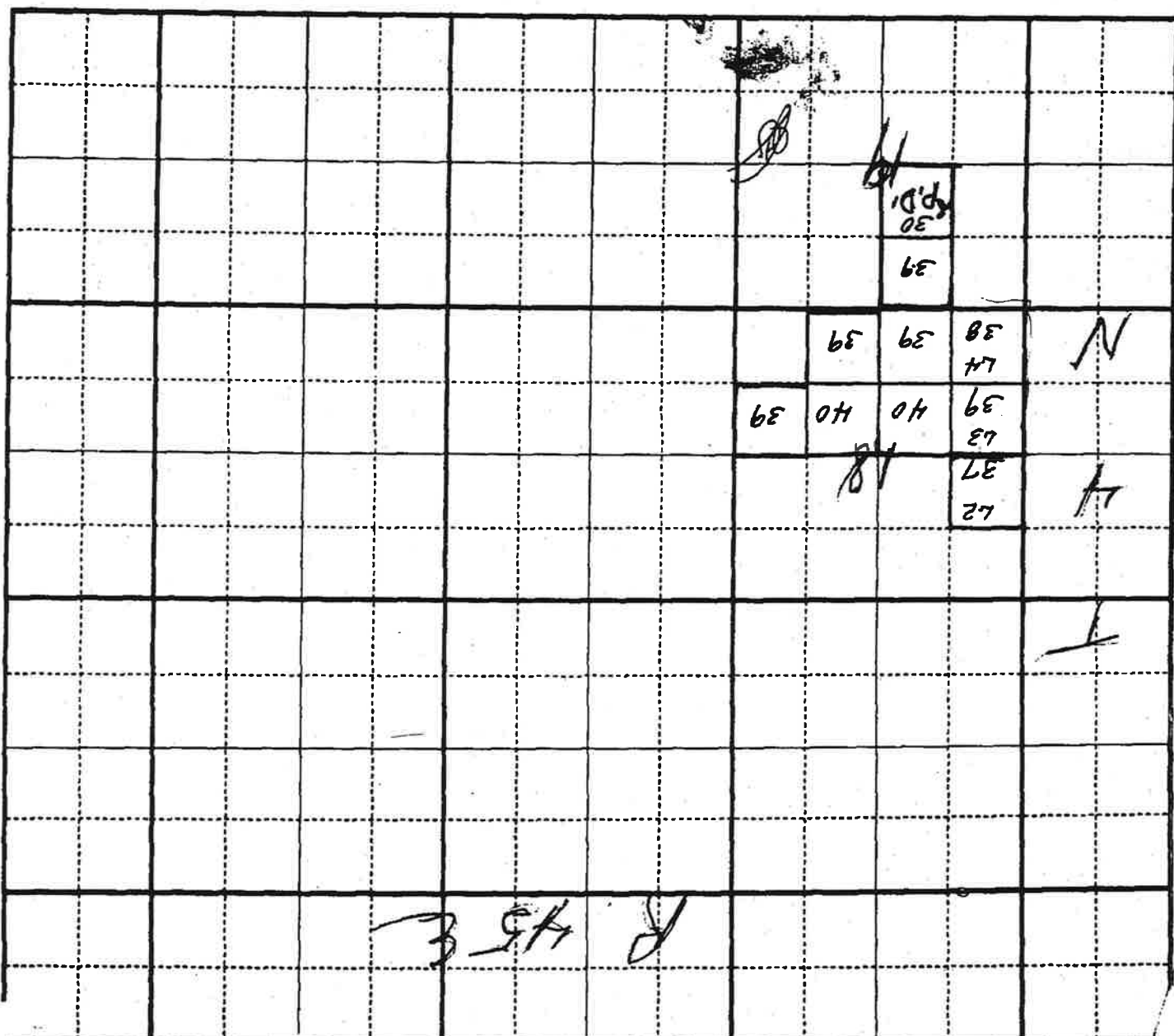
TOTAL ACREAGE 400

007

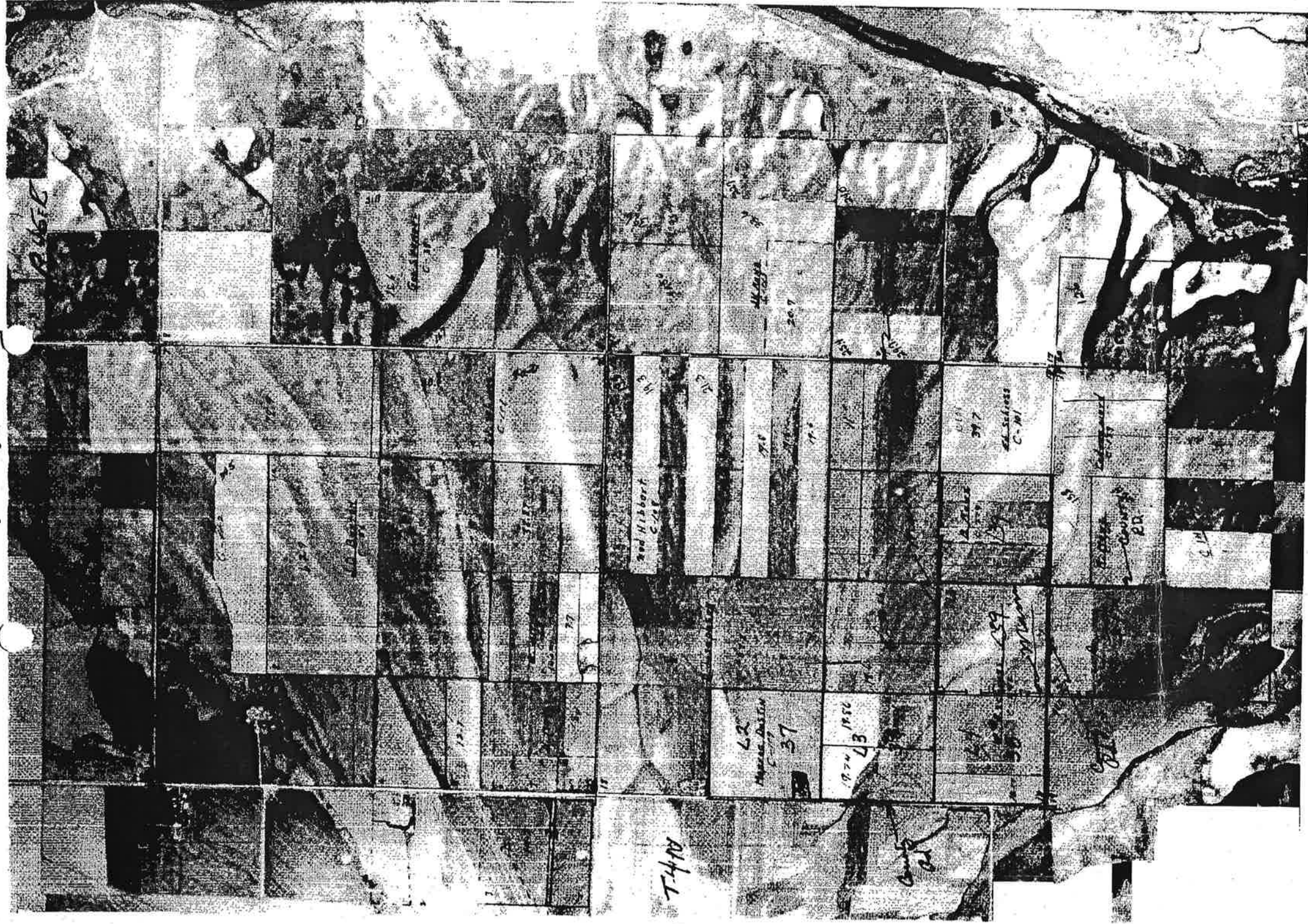
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Diagram of System



22-2280



DATE OF EXAM June 19, 1974

ACREAGE
Found 380
Recommended 380

Irrigation Requirement 3 Ac Ft/Ac

USE
Irrigation Q = 5.16 c.f.s. V = 1140 AF/Ann. from May 15 to Sept 15
Domestic Q = _____ c.f.s. V = _____ AF/Ann. from _____ to _____
Livestock Q = _____ c.f.s. V = _____ AF/Ann. from _____ to _____

Is water co-mingled? yes _____ no ☒

Name source: _____
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ 1/4 _____ 1/4 _____ County _____

Exchange? yes _____ no ☒

Name source exchanged with: N/A
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ 1/4 _____ 1/4 _____ County _____

Point of injection: _____
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ 1/4 _____ 1/4 _____ County _____

Point of exchange: N/A
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ 1/4 _____ 1/4 _____ County _____

Total Q measured 5.16 CFS Method of measurement Potot tube

Total Q recommended 5.16 CFS Meter No. _____ Type _____ Condition _____

Total V recommended 1140 AF/ANN

Recommended Amendments:

P.D. _____
Place of Use _____
Other _____
None ☒

MEASUREMENT CALCULATION:

55 psi at thru system 4 lines by 1 3/4" D Model 30 Rainbird at 32 nozzles/
line 8.87 gal/min/head * 128 heads = 1137 gal/min + 4 lines 3/16" D Model 30
at 32 nozzles/line 7.51 gal/min/head * 128 heads = 963 gal/min + 1 line at
25 nozzles 1 3/4" 8.87 gal/min * 25 heads = 222 gal/min Q = 1137 + 963 + 222 = 2322 gal/min
= 448.8 = 5.16 CFS

$$V = (380)(3) = 1140 < (5.16)(1.983)(123) = 1270$$

SYSTEM DESCRIPTION:

150 HP B & M motor # CBJ330162 with Lanne-Bowler pump #
D14553 10" D discharge north to thru gate & check valve

REMARKS:

System shown by Laddie E. Schiess (son of permit
holder) at Schiess
Lot along west side of Sec 18 contains total acreage of
approx 40 Acres said.

Examiner's Signature John Fitchner Date June 19, 1974
Checked by LC Hahn Date Sept 12, 1974
Approved by _____ Date _____

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AUG 17 2007

Eastern

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
TRANSFER OF WATER RIGHT

TRANSFER NO. 5775
WATER RIGHT NO. 22-02280B

RECEIVED

AUG 11 2000

This is to certify that: TREES INC
C/O MICHAEL MCBRIDE
PO BOX 396
TETON VILLAGE WY 83025

Department of Water Resources
Eastern Region

has requested a change to the above captioned water right(s). This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code, provided the conditions listed below are met.

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
IRRIGATION	04/15 to 10/15	0.53 CFS	136.5 AF

SOURCE

GROUNDWATER

Priority: 10/03/1966

LOCATION OF POINT(S) OF DIVERSION: SESW , Sec. 18, Township 04N, Range 45E
TETON County

PLACE OF USE: IRRIGATION

<u>TWN</u>	<u>RGE</u>	<u>SEC</u>	<u>ACRES</u>	<u>ACRES</u>	<u>ACRES</u>	<u>TOTAL</u>
04N	45E	18	SESW	39		39
Total number of acres irrigated:						39

CONDITIONS OF APPROVAL AND REMARKS

1. Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
2. After specific notification by the department, the right holder shall install a suitable measuring device or shall enter into an agreement with the department to determine the amount of water diverted from power records and shall annually report the information to the department.
3. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the lands above.

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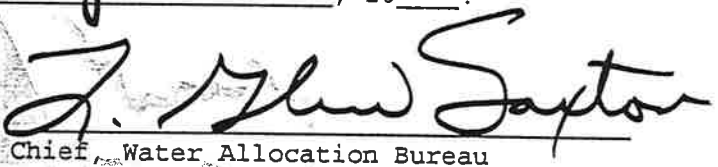
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TRANSFER NO. 5775
WATER RIGHT NO. 22-02280B

CONDITIONS OF APPROVAL AND REMARKS

4. The right holder shall accomplish the change authorized by this transfer within one (1) year of the date of this approval.
5. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
6. Approval of this transfer does not preclude the opportunity for review of the validity of the water right(s) in the ongoing Snake River Basin Adjudication.
7. The period of use for the irrigation described in this approval may be extended to an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water after 10/15 is subordinate to all water rights having no subordinated late irrigation use and a priority date earlier than the date of this approval.

Dated this 4th day of August, 2000.


Chief, Water Allocation Bureau

SCANNED

AUG 17 2007

Water Right No(s). A22 0 2280 E



GPS DATA:

Tag # A0 009565 Location: WELL CASING

Diversion Data:

Source: GROUND WATER Trib to: _____

MOTOR

Make: SUBMERGABLE PUMP Model: _____ Hp: _____
SN: _____

PUMP

Make: SUBMERGABLE PUMP Model: NA Disch: NK
SN: NA

NOTES:

photo Taken IN EAST DIRECTION
also some photos OF DRAIN SYSTEM

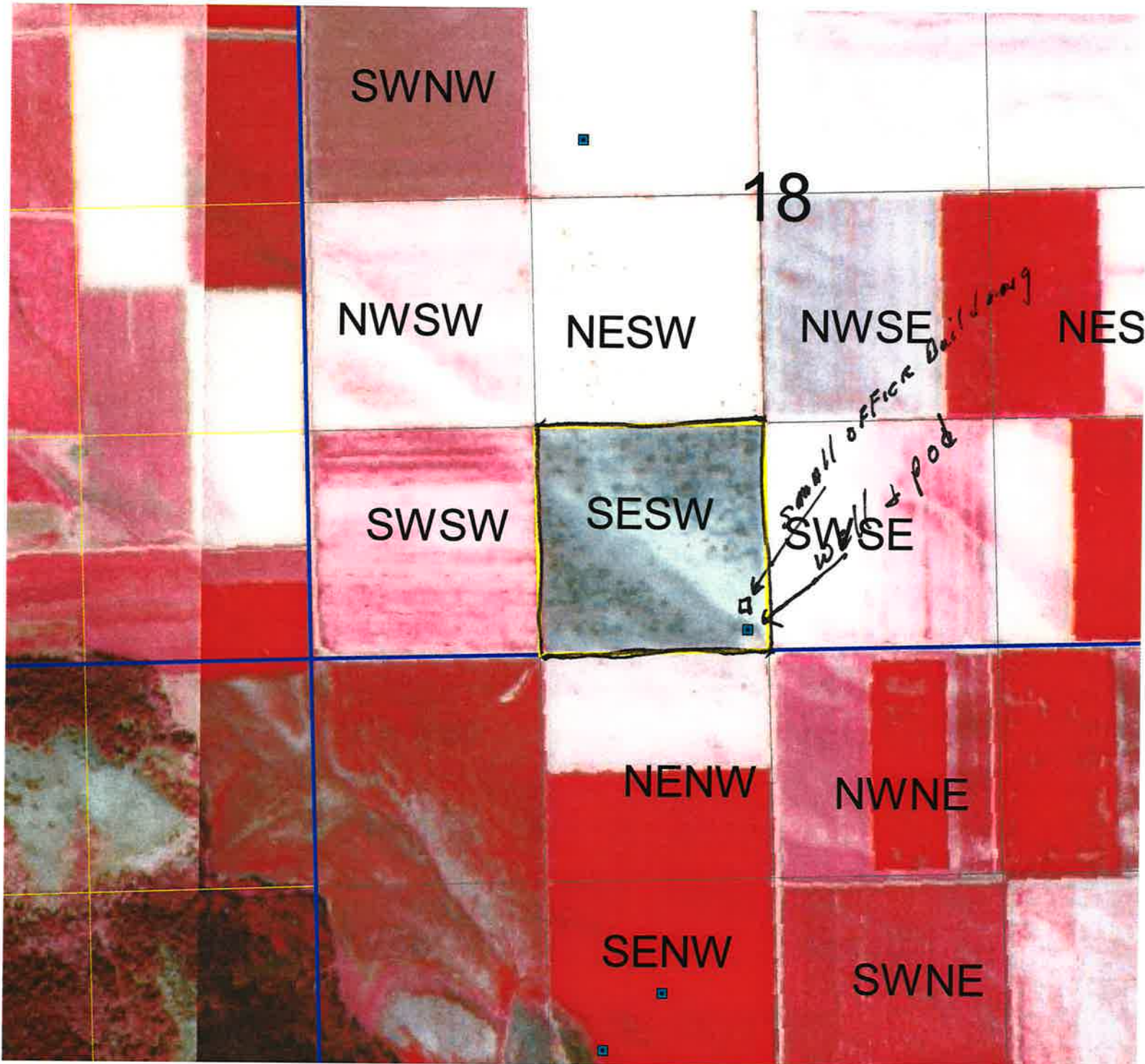
Field Exam Date: 6-10-05 Agent: Nick Olson

SCANNED
AUG 17 2007



SCANNED
AUG 17 2007

22-2280E
4N 45E



SCANNED

AUG 17 2007

T04N R45E

18

SESW



19

Water Right No(s).

A22 0 2280 E



GPS DATA:

Tag # A0 009566 Location: WELL CASING

Diversion Data:

Source: GROUND WATER Trib to: _____

MOTOR

Make: SUBMERGABLE PUMP Model: _____ Hp: _____
SN: _____

PUMP

Make: SUBMERGABLE PUMP Model: NA Disch: N/A
SN: NA

NOTES:

photo TAKEN IN EAST DIRECTION
ALSO SOME PHOTOS OF DRIP SYSTEM

Field Exam Date: 6-10-05 Agent: Nick Olson

SCANNED

AUG 17 2007

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 22-2280E
Date Received: 4/6/01
Receipt No:
Received By:

**NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW**

A2202280E



1. Name of Claimant(s)

TREES INC Phone: (307)733-6563

C/O MICHAEL MCBRIDE
PO BOX 396
TETON VILLAGE WY USA 83025

2. Date of Priority: 10/03/1966

3. Source: GROUND WATER Trib. to:

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4 Lot	County	Type
04N	45E	18	SE SW	TETON	

5. Description of diverting works:

WELL, PUMP AND SPRINKLER SYSTEM.

6. Water is used for the following purposes:

Purpose	From	To	C.F.S.	(or) A.F.A
IRRIGATION	04/15	10/15	0.53	136.5

7. Total Quantity Appropriated is:
0.53 C.F.S. and/or 136.5 A.F.A.

8. Total consumptive use:

9. Non-irrigation uses:

10. Place of use:

Township	Range	Section	1/4 of 1/4 Lot	Use	Acres
04N	45E	18	SE SW	IRRIGATION	39

22-2280E

04/06/2001

SCANNED

AUG 17 2007 1

Section Acres 39

Total Acres 39

11. Place of use in counties: TETON

12. Do you own the property listed above as place of use? Yes

13. Other Water Rights Used:

14. Remarks:

THE PERIOD OF USE FOR THE IRRIGATION DESCRIBED IN THIS RIGHT MAY BE EXTENDED TO AN ENDING DATE OF 10/31 PROVIDED THAT BENEFICIAL USE OF THE WATER CAN BE SHOWN AND OTHER ELEMENTS OF THE RIGHT ARE NOT EXCEEDED. THE USE OF WATER AFTER 10/15 IS SUBORDINATE TO ALL WATER RIGHTS HAVING NO SUBORDINATED LATE IRRIGATION USE AND A PRIORITY DATE EARLIER THAN THE DATE OF THIS APPROVAL.

15. Basis of Claim: License

16. Signature(s)

(a.) By signing below, I/We acknowledge that I/We have received, read and understand the form entitled "How you will receive notice in the Snake River Basin Adjudication." (b.) I/We do _____ do not _____ wish to receive and pay a small annual fee for monthly copies of the docket sheet.

Number of attachments: _____

For Organizations:

I do solemnly swear or affirm that I am _____ of
_____, Title
_____, that I have signed the foregoing
Organization
document in the space below as _____ of
_____, Title
_____ and that the statements contained in the
Organization
foregoing document are true and correct. _____
Signature of Authorized Agent

Title and Organization

Date

State of Idaho)
County of _____) SS.

Subscribed and sworn (or affirmed) before me this
of _____ 20____

Notary Public

Residing at _____

My commission Expires _____

IDAHO DEPARTMENT OF WATER RESOURCES
PRELIMINARY RECOMMENDATION OF WATER RIGHTS ACQUIRED UNDER STATE LAW

EXPLANATORY MATERIAL: BASIS OF CLAIM - License