

03/04/2002

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

RIGHT NUMBER: 29-11027

NAME AND ADDRESS: IDAHO RAIL INVESTMENT LLC
1785 KRAFT RD
POCATELLO ID 83204

SOURCE: GROUND WATER

TRIBUTARY:

QUANTITY: 0.11 CFS
9.6 AFY

PRIORITY DATE: 12/14/1917

POINT OF DIVERSION:

T06S R34E S21 NWNWNE Within BANNOCK County

PURPOSE AND
PERIOD OF USE:

<u>PURPOSE OF USE</u>	<u>PERIOD OF USE</u>	<u>QUANTITY</u>
INDUSTRIAL	01/01 12/31	0.110 CFS 4.00 AFY
IRRIGATION	04/01 10/01	0.040 CFS 5.60 AFY

PLACE OF USE: INDUSTRIAL Within BANNOCK County

T06S R34E S21 NWNE

IRRIGATION Within BANNOCK County

T06S R34E S21 NWNE 1.4

0.8 ACRES TOTAL

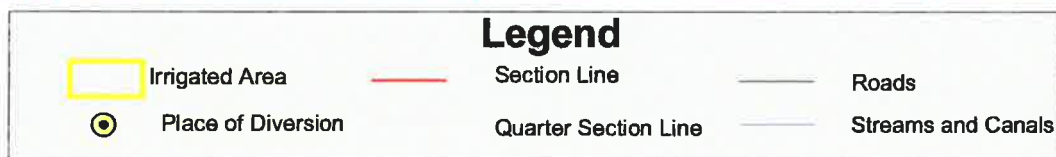
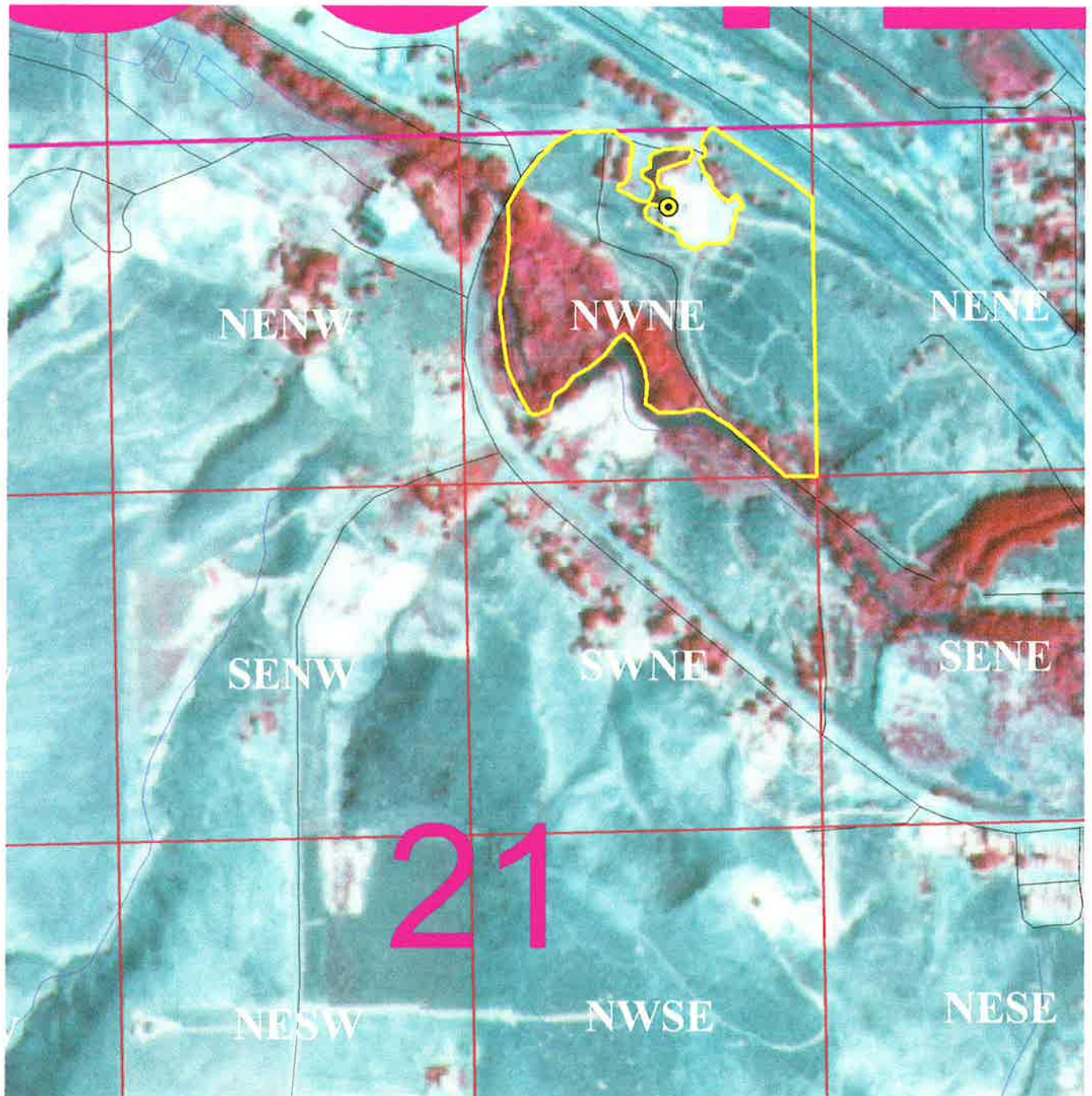
OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS
NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT
ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY
DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE
ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

EXPLANATORY MATERIAL: Beneficial Use

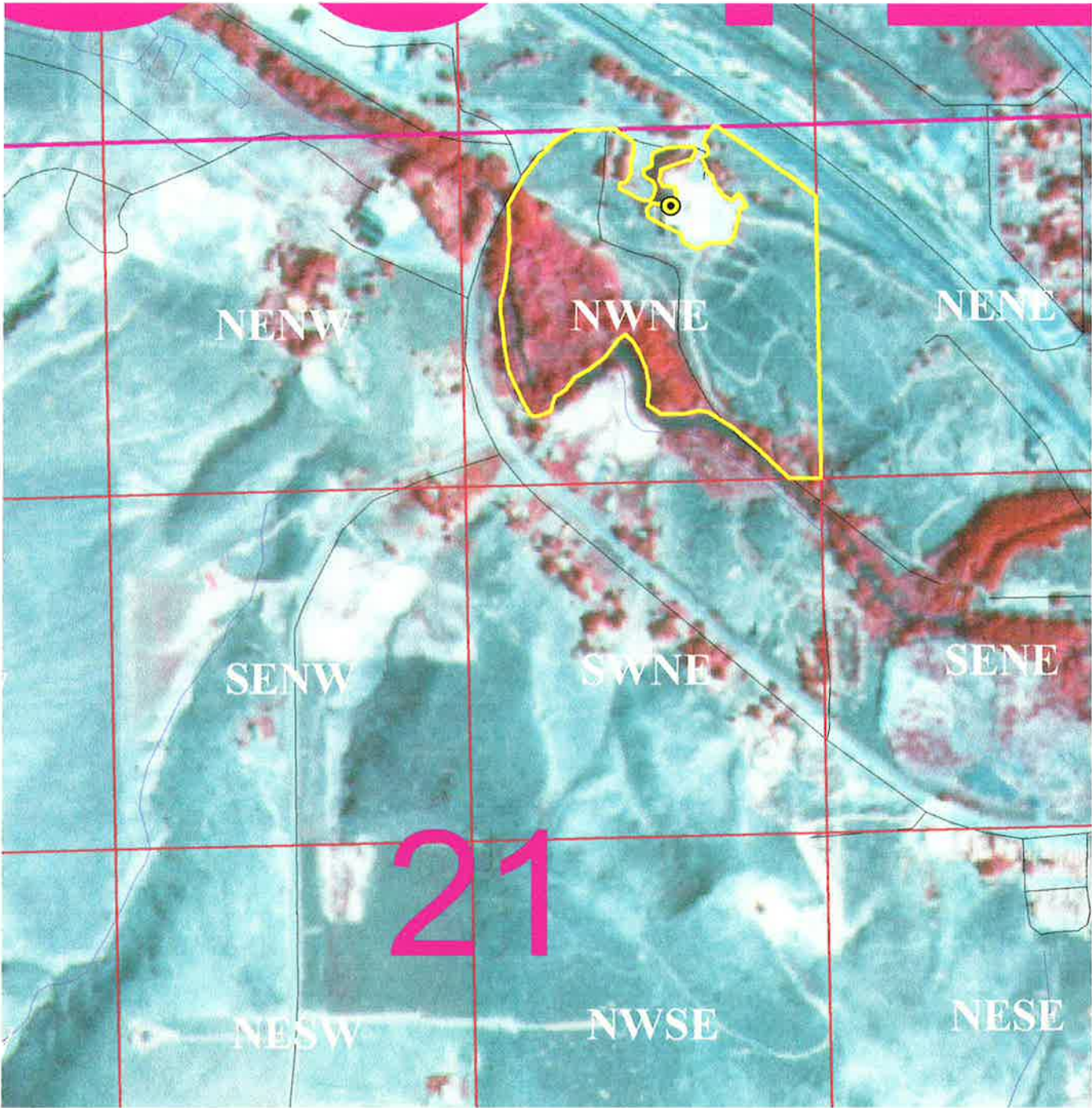
Water Right Claim Number A29-11027
Township , 6S34E

09/26/2000



Water Right Claim Number A29-11027
Township , 6S34E

09/26/2000



Irrigated Area

Place of Diversion

Legend

Section Line

Roads

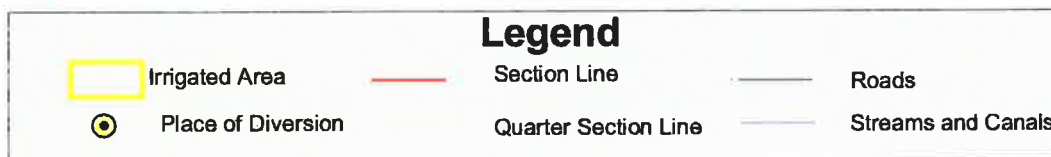
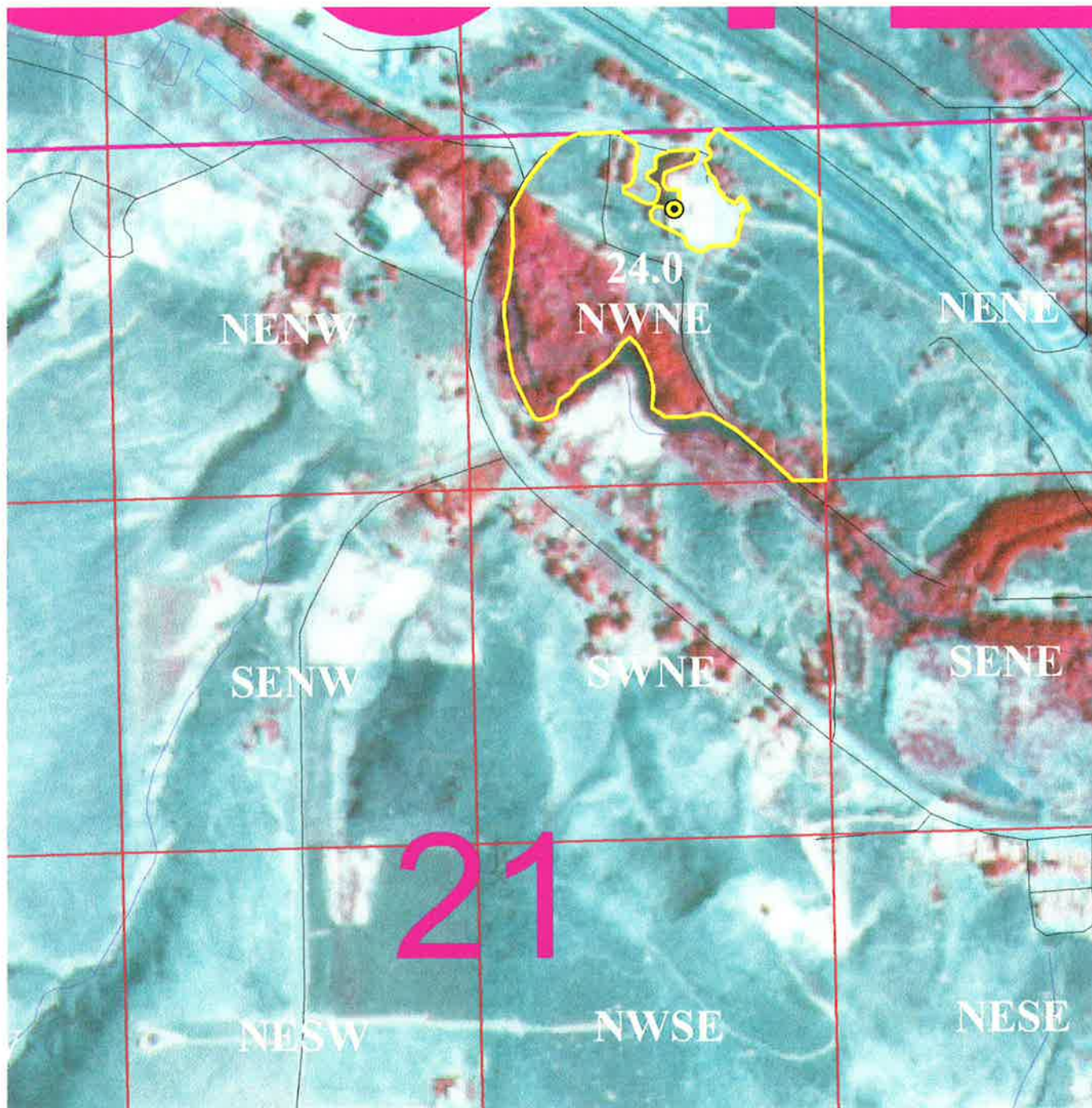
Streams and Canals

Quarter Section Line



Water Right Claim Number A29-11027
Township , 6S34E

09/26/2000



400 0 400 800 Feet



02/18/2003

Craig

NOTICE OF ERROR
REPLY

Please type or print clearly, fill out this form completely and mail.

Return this reply form to IDWR by the deadline date printed below if you want IDWR to change your recommendation or you want to let IDWR know that you agree with its recommendation.

YOUR DEADLINE FOR RETURNING A NOTICE OF ERROR REPLY IS: April 21, 2003

Water right number: 29-11027

IDAHO RAIL INVESTMENT LLC
1785 KRAFT RD
POCATELLO ID 83204

1. Describe the portion of the proposed recommendation with which you disagree (e.g. priority date, period of use, source):

2. Describe the changes you wish to make in the proposed recommendation:

3. Give a brief explanation as to why you disagree with these portions:

☒ I AGREE with this proposed recommendation: no changes need to be made.

DATE: 2/27/03 SIGNATURE: *Heroy Bartu*

Please print your name: Heroy Bartu

IDWR Regional Office, 900 N Skyline Dr Ste A, Idaho Falls, ID 83402, 2085257161

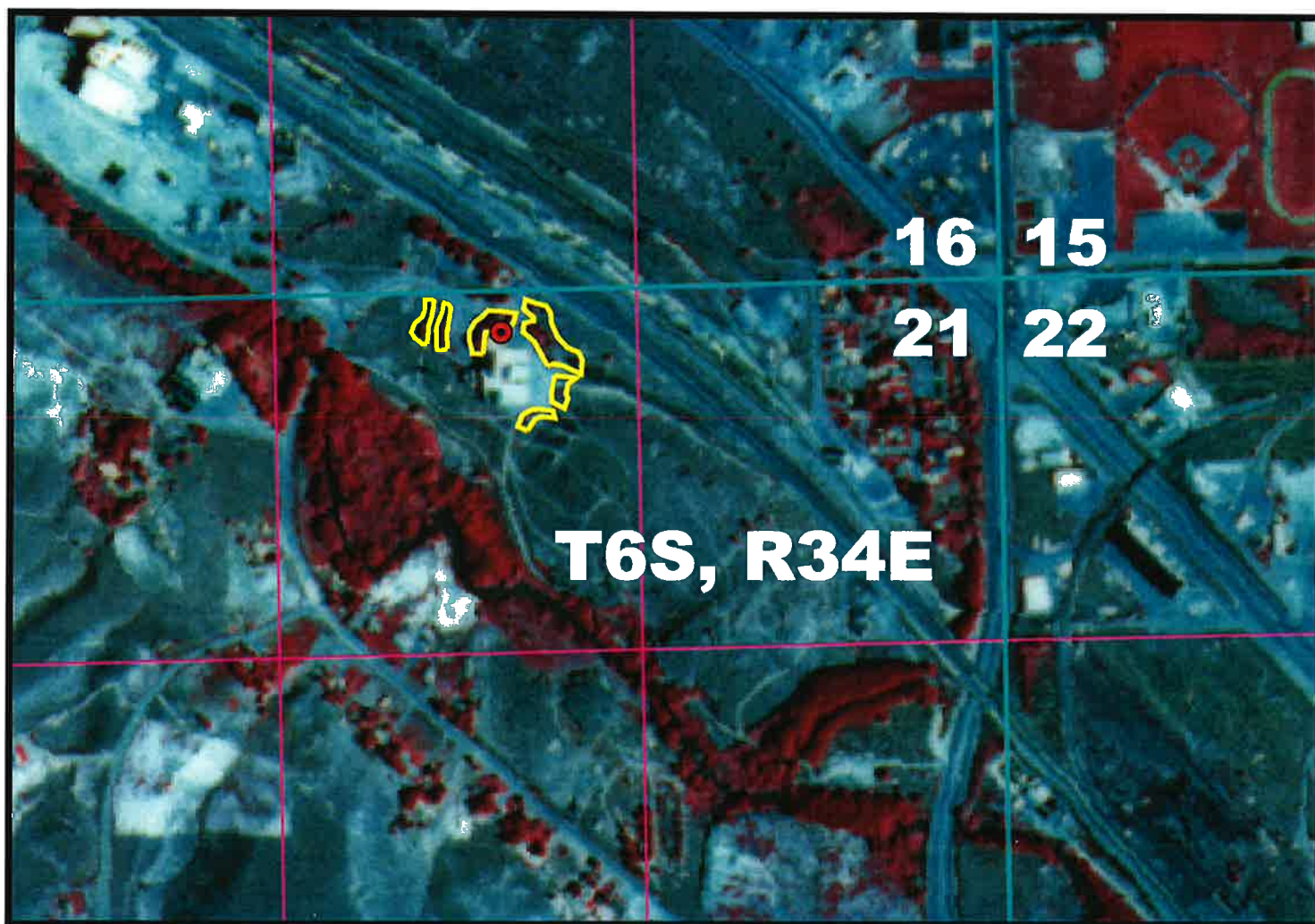
RECEIVED
FEB 28 2003
Department of Water Resources
Eastern Region



STATE OF IDAHO

Department of Water Resources
Eastern Region

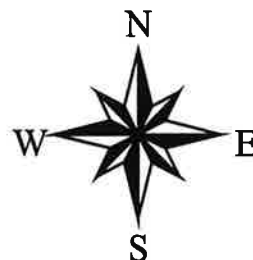
Water Right(s): 29-11027



1320 0 1320 Feet

Total Irrigated Acres: 1.4

-  Point(s) of Diversion
-  Place of Use
-  Quarter Quarter Lines
-  Section Lines



GIS Place of Use Illustration
1987/1988 NAPP Photography
Prepared by: C. Saxton
Date: March 2002

IDAHO DEPARTMENT OF WATER RESOURCES

Adjudication Recommendation Report 29-11027 V1

WATER RIGHT NUMBER: 29-11027 V1

<u>Owner Type</u>	<u>Name and Address</u>
Original Owner	CORY W LAMB 2026 S GRANT POCATELLO, ID 83204 (208)233-1858
Current Owner	IDAHO RAIL INVESTMENT LLC 1785 KRAFT RD POCATELLO, ID 83204

Priority Date: 12/14/1917

Basis: Beneficial Use

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>
INDUSTRIAL	01/01 to 12/31	0.110 CFS	4.00 AF
IRRIGATION	04/01 to 10/01	0.040 CFS	5.60 AF
	<u>Total Diversion:</u>	0.110 CFS	9.60 AF

Location of Point(s) of Diversion

GROUND WATER	NW1/4NW1/4NE1/4	Sec. 21, Twp 06S, Rge 34E, B.M.
BANNOCK County		

Place of UseINDUSTRIAL Within BANNOCK County

T06S R34E S21 NWNE

IRRIGATION Within BANNOCK County

T06S R34E S21 NWNE 1.4

Total Acres: 0.8

Conditions of Approval:

1. C18 THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

Remarks:

IDAHO DEPARTMENT OF WATER RESOURCES
Adjudication Recommendation Report 29-11027 V1

Comments:

1. csaxton 2/7/2002 Irrigation
Comment: Only 0.8 acres of irrigation found.
2. csaxton 2/7/2002 Quantity
Comment: Intrepid Engineer found capacity of well to be 0.11 cfs.

Dates and Other Information:

Decreed Date:
 Enlargement Use Priority Date:
 Enlargement Statute Priority Date:
 Defendant:
 Plaintiff:
 Civil Case Number:
 Judicial District:
 Notice of Error Flag:
 State or Federal: S
 Owner Name Connector:
 Water District Number:
 Generic Max Rate Per Acre:
 Generic Max Volume Per Acre:
 Swan Falls Trust or Nontrust:
 Swan Falls Dismissed:
 DLE Act Number:
 Carey Act Number:
 Mitigation Plan: False

Element Reviewed/Verified Dates:

<u>Element</u>	<u>Last Reviewed Date</u>	<u>Reviewer</u>	<u>Last Verified Date</u>	<u>Verifier</u>	<u>Status</u>
Priority Date	2/7/2002 3:42:28 PM	csaxton			Active
POD	2/7/2002 3:44:00 PM	csaxton			Active
Source	2/7/2002 3:48:08 PM	csaxton			Active
POU	2/7/2002 3:49:01 PM	csaxton			Active
Use	2/7/2002 3:50:50 PM	csaxton			Active
Season	2/7/2002 3:55:15 PM	csaxton			Active
Quantity	2/7/2002 4:01:37 PM	csaxton			Active
Quantity	3/4/2002 11:41:45 AM	csaxton			Active
Summary			03/04/2002	csaxton	Active

Verification Log:

<u>Element</u>	<u>Date Time Stamp</u>	<u>Reviewer</u>	<u>Log text</u>
POU	2/7/2002 3:49:15 PM	csaxton	Edited shape boundary

IDAHO DEPARTMENT OF WATER RESOURCES

Adjudication Recommendation Report 29-11027 V1

Use	2/7/2002 3:50:51 PM	csaxton	(No) 1. Is the basis of this claim a Decree or License? (No) 2. Is the basis of this claim a Application or Permit? (No) 6. Is there evidence that there has been a change in the Purpose of Use? (Yes) 11. Does the file contain all the necessary information to verify the Water Use? (No) 13. Is a Purpose of Use remark and/or condition required?
POU	2/7/2002 3:49:33 PM	csaxton	Edited PLS
Contacts	2/7/2002 3:41:20 PM	csaxton	(No) 1. Do you want to schedule an appointment? Comment for 1: Intrepid Engineering field exam on 9/12/01.
Priority Date	2/7/2002 3:42:29 PM	csaxton	(No) 1. Should this water use have been included in a later court decree of the water rights from this source? (No) 4. Is the basis of claim decree or license? (No) 7. Is the basis of claim a Application or Permit? (No) 8. Is the basis of claim a posted notice? (No) 9. Is the Priority Date claimed after the date a permit is required for the source and the water use? (Yes) 12. Does the claim file contain sufficient evidence of Priority Date? (Yes) 15. Is the basis of claim coded correctly? (No) 16. Is a Priority Date remark and/or condition required? Description for Question 12/13 - Site history analysis indicates building was built in 1915.
POD	2/7/2002 3:44:01 PM	csaxton	(No) 1. Is the basis of this claim a Decree or License? (No) 2. Is the basis of this claim a Application or Permit? (No) 6. Is there evidence that there has been a change in the POD? (Yes) 9. Does the file contain all the necessary information to verify the POD? (No) 10. Is a POD remark and/or condition required?
POD	2/7/2002 3:46:15 PM	csaxton	Edited point location
Source	2/7/2002 3:48:09 PM	csaxton	(No) 1. Is the basis of claim Decree or License? (No) 2. Is the basis of claim an Application or Permit? (No) 6. Is the basis of claim a Posted Notice? (No) 7. Is there evidence that there has been a change in the source? (Yes) 10. Does the file contain all the necessary information to verify the source? (No) 11. Is a Source remark and/or condition required? Description for Question 10 - Intrepid engineering 9/12/01

IDAHO DEPARTMENT OF WATER RESOURCES

Adjudication Recommendation Report 29-11027 V1

POU	2/7/2002 3:49:03 PM	csaxton	(No) 1. Is the basis of this claim a Decree or License? (Yes) 2b. Is the POU required? (No) 3. Is the basis of claim a Application or Permit? (No) 7. Is there evidence that there has been a change in the POU? (Yes) 13. Does the file contain all the necessary information to verify the POU? (No) 14. Is a POU remark and/or condition required? Description for Question 13 - NAPP photography and tax lot information.
Season	2/7/2002 3:55:16 PM	csaxton	(No) 1. Is the basis of claim Decree or License? (No) 2. Is the basis of claim a Application or Permit? (No) 6. Is there evidence that there has been a change in the Period of Use? (Yes) 12. Does the file contain all the necessary information to verify the Period of Use? (No) 13. Is the basis of claim a decree, license, or a transferred beneficial use right that has had the Period of Use administratively determined? (Yes) 15. Is irrigation claimed as a Purpose of Use? (No) 18. Is a Period of Use remark and/or condition required?
POD	2/7/2002 4:01:39 PM	csaxton	(No) 1. Is the basis of this claim a Decree or License? (No) 2. Is the basis of this claim a Application or Permit? (No) 6. Is the basis of claim a posted notice? (Yes) 7. Is a flow measurement required? (Yes) 9. Is the source Groundwater and does the purpose of use require a diversion volume limit? (Yes) 10. Is a irrigation a purpose of use? (No) 12. Is a Quantity remark or condition required? Description for Question 7 - Intrepid Engineering Description for Question 10 - IDWR Standard for irrigation
POU	3/4/2002 11:39:39 AM	csaxton	Edited PLS
POU	3/4/2002 11:39:27 AM	csaxton	Edited shape boundary
POD	3/4/2002 11:41:45 AM	csaxton	(No) 1. Is the basis of this claim a Decree or License? (No) 2. Is the basis of this claim a Application or Permit? (No) 6. Is the basis of claim a posted notice? (Yes) 7. Is a flow measurement required? (Yes) 9. Is the source Groundwater and does the purpose of use require a diversion volume limit? (Yes) 10. Is a irrigation a purpose of use? (No) 12. Is a Quantity remark or condition required? Description for Question 7 - Intrepid Engineers Description for Question 10 - For irrigation 4 af/acre. For Industrial - see calculations in file.

IDAHO DEPARTMENT OF WATER RESOURCES

Adjudication Recommendation Report 29-11027 V1

Summary	3/4/2002 11:43:49 AM	csaxton	(No) 1. Is the basis of this claim a Decree, License, Permit, Application or Posted Notice? (Yes) 3. Is the water being used for all of the purposes claimed and to the extent claimed? (Yes) 5. Is an additional remark and/or condition required? (Yes) 6. Would you like to view the recommended right? (No) 7. Is this a split or combined right? (No) 8. Do you have documents you would like to attach or link to the file? (Yes) 9. Would you like to set the verification date?
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29-11027

7/9/01 stopped at the "Rail Shop" Found out current owner is Larry Barta. Left card and c/o.

Initial inspection -

1) Well Not Capped. Well in use.

2) Incidental Irrigation. Probably $\frac{1}{2}$ acre. lawn + some trees to west.

Actually - Water seems to be from a Fire Hydrant. Maybe original well is Capped. Find out if using city water

7/10/01

Spoke with Larry Barta - said well wasn't capped. However, when he bought the place he couldn't pull the old pump because it was filled with gravel. Had to dig a new well.

- said the place used to be a Kraft plant in 1914 or 1917. He will send a c/o with Priority Evidence

8/23/01 Confirmed Parcel # and ownership with Accessors office.

8/7/02 : Priority Good

: Irr = 0.8 ac - Industrial Oil ops

: POA, 18 ac of irrigation claimed. None of the following sources indicate 18 acres of irrigation: 1985 USGS Ortho Quad, 1987 WAPP, 1992 Terraserver.



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

February 8, 2002

IDAHO RAIL INVESTMENT LLC
ATTN: LEROY BARTU
1785 KRAFT RD
POCATELLO ID 83204

RECEIVED

FEB 15 2002

WATER RESOURCES
WESTERN REGION

RE: Snake River Basin Adjudication (SRBA) claim 29-11027

Dear Leroy,

After our conversation on February 8, 2002, I tried to find three acres of irrigation. At this time I found 0.80 acres of irrigation. Enclosed is a map of what I found as the irrigated place of use. Please look over this map and if you feel my findings are inaccurate, please make the changes on the map and return it to this office.

it's about two acres not 3

In addition, in order to recommend a diversion volume that most accurately represents your water use, I need a more detailed breakdown of your water use from the well.

If your bathroom facilities are serviced from the well, I need the following:

Number of toilets = 5
Number of showers =
Number of sink = 5
Number of Employees = 15

You mentioned that you wash trucks with the well water:

How many trucks per day do you wash? *we wash rail cars 15 cars per day*
Estimate how long it takes to wash a truck: *we use 200 gal per car*

Please list any additional uses from the well water.

I apologize for the inconvenience, but working out these necessary details will ensure that an accurate recommendation for your water use. Please feel free to contact me if you have any questions.

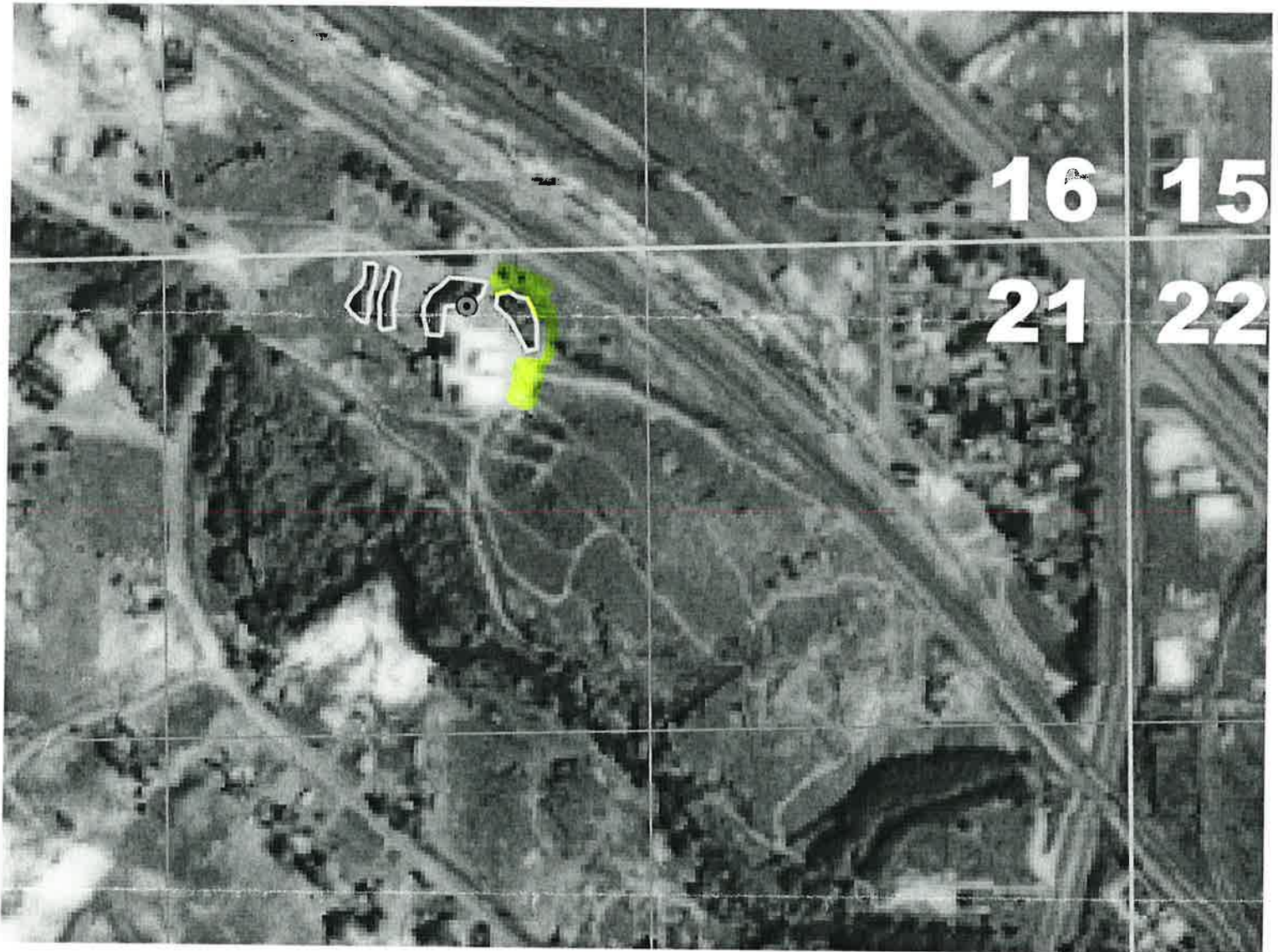
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Craig L. Saxton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Craig L. Saxton
Water Resource Agent
Adjudication Bureau

Idaho Rail - Potential Recommendation

29-11027



Point of Diversion

Total Irrigated Acreage: 0.8



Irrigated Place of Use - N/A



Tax Lot Boundary - N/A



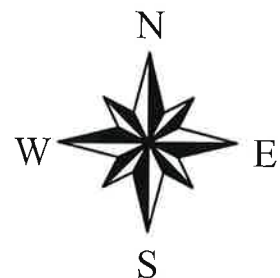
Irrigated Place of Use



Section Lines



Quarter Quarter Lines



Prepared By: Craig Saxton
February 2002



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

FAX (208) 334-2348

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

February 8, 2002

IDAHO RAIL INVESTMENT LLC
ATTN: LEROY BARTU
1785 KRAFT RD
POCATELLO ID 83204

RE: Snake River Basin Adjudication (SRBA) claim 29-11027

Dear Leroy,

After our conversation on February 8, 2002, I tried to find three acres of irrigation. At this time I found 0.80 acres of irrigation. Enclosed is a map of what I found as the irrigated place of use. Please look over this map and if you feel my findings are inaccurate, please make the changes on the map and return it to this office.

In addition, in order to recommend a diversion volume that most accurately represents your water use, I need a more detailed breakdown of your water use from the well.

If your bathroom facilities are serviced from the well, I need the following:

Number of toilets =
Number of showers =
Number of sink =
Number of Employees =

You mentioned that you wash trucks with the well water:

How many trucks per day do you wash?
Estimate how long it takes to wash a truck:

Please list any additional uses from the well water.

I apologize for the inconvenience, but working out these necessary details will ensure that an accurate recommendation for your water use. Please feel free to contact me if you have any questions.

Respectfully submitted,

Craig L. Saxton
Water Resource Agent
Adjudication Bureau



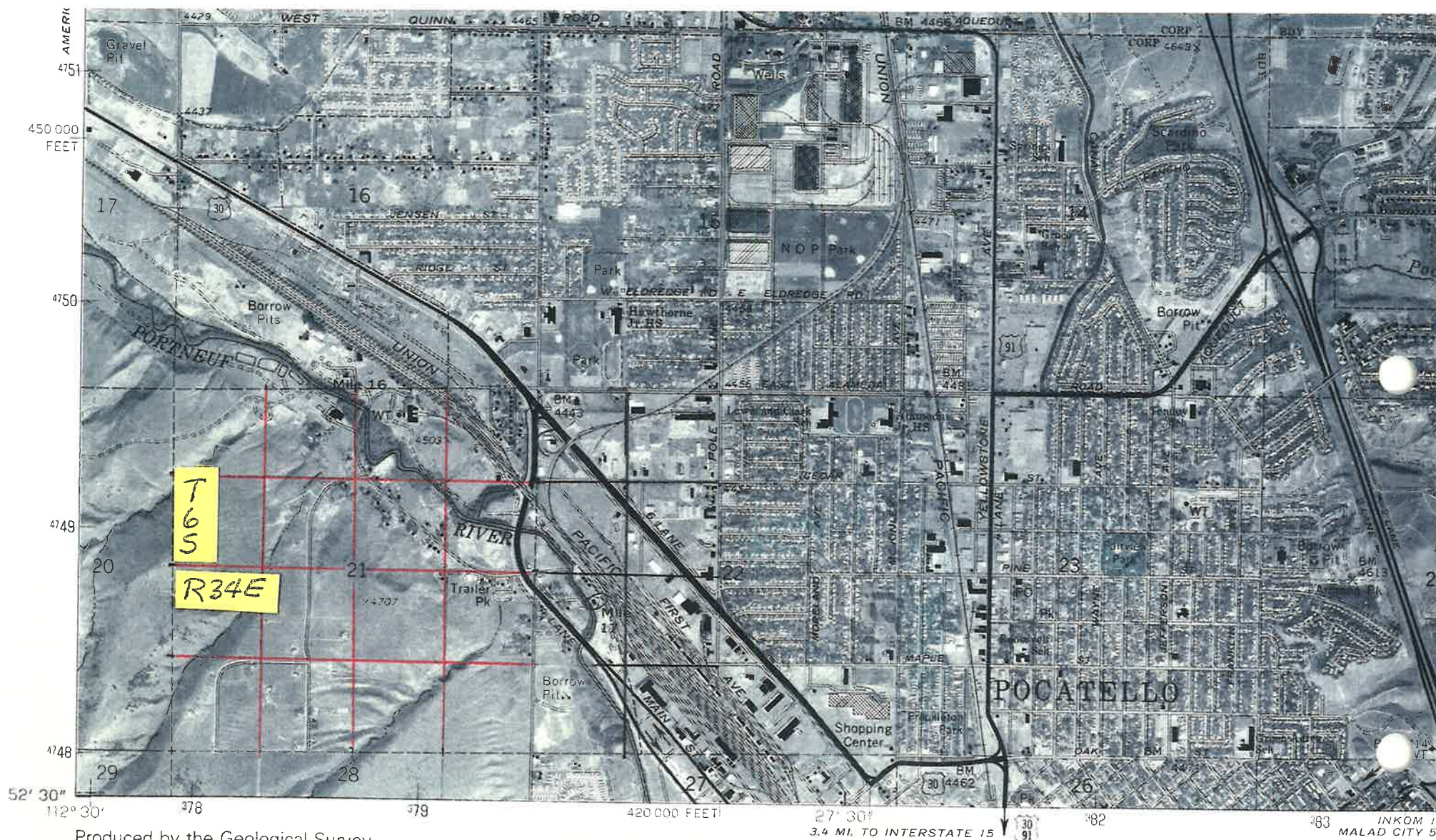
Digital OrthoPhoto Quadrangle Image

The image you are viewing is 800 pixels wide by 600 pixels high. Each pixel represents 2 by 2 meters of earth. This image was extracted from a Color Infra-Red (CIR) digital orthophoto quadrangle provided by the USGS.

The image was photographed on 07 Jun 1992 by the National Aerial Photography Program and digitized by the USGS DOQ Program on 14 Apr 1998.

The USGS DOQ below is projected in Universal Transverse Mercator (UTM) Zone 12 on the North American datum of 1983





Produced by the Geological Survey
in cooperation with the Bureau of Indian Affairs

Orthophotograph prepared from 1:40,000-scale aerial
photographs taken September 25, 1985

Projection and 10,000-foot grid ticks

Idaho coordinate system, east zone

(Transverse Mercator)

1,000-meter Universal Transverse Mercator grid ticks,
zone 12, 1927 North American Datum

Photoimagery rectified by optical scanning

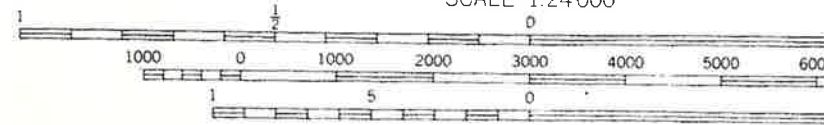
Where double or mismatched image occur use the
mean of image position for map point

To place on the predicted North American Datum 1983 move
the projection lines 12 meters north and 67 meters east

1985

NORTH

SCALE 1:24 000



THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARD
FOR SALE BY U. S. GEOLOGICAL SURVEY, MENLO PARK, CALI



IDAHO DEPARTMENT OF WATER RESOURCES

SNAKE RIVER BASIN ADJUDICATION - BASIN 29

RIGHT ID
POD ID
Quad
Claim Type
Easting
Northing
GPSID

Diversion Description

Located in front of old Kraft Cheese plant in Pocatello. Old well was under a water tower, but failed approx 1998. Replaced with new well in 10 inch casing; 3 hp submersible pump with panel in basement.

Assumptions

Invoice

2000-037-01-0

Phase-0 (No Attention)
Phase-I (Ready to Go to Field)
Phase-II (Site Visit - Data Missin
Phase-III (Complete w/issues)
Phase-IV (Total Complete)

Linked

OD ID 204225 01.JPG

Photos

OD ID 204225 02.JPG

EPE (ft)

Date (M/D/Y)

Time

Flow Rate (CFS)

09-12-01

16:00

0.113035452322738

Open Channel Flow

☐ Complete one box from both Area and Calculation sections

Cross Sectional Area

☐ Circular Channel

- ☐ Less than half full
☐ Half full
☐ More than half full
☐ Full

Diameter

Depth

☐ Rectangular Channel

Width

Depth

Flow Calculation

☐ Continuity

Velocity

☐ Orifice

(Use only for head over a pipe flowing full with free discharge)

Depth of Water above orifice centerline

☐ Weir

(Use only for water flowing freely over weir)

Height of water above nappe

Width of weir

☐ Manning (If used, include photo of representative channel section)

Channel Slope

Channel Description	Concrete lined	.016
	Smooth earth	.025
	Earth	.033
	Rough bed, weeds on sides	.04
	Smooth natural stream	.033
	Rough natural stream	.1

Pumped System



HP

Pressure Head (psi)

Elevation Head (ft)

Motor Mfg

Motor Serial #

Pump Type

Pump Mfg

Pump Serial#

New Contact Information

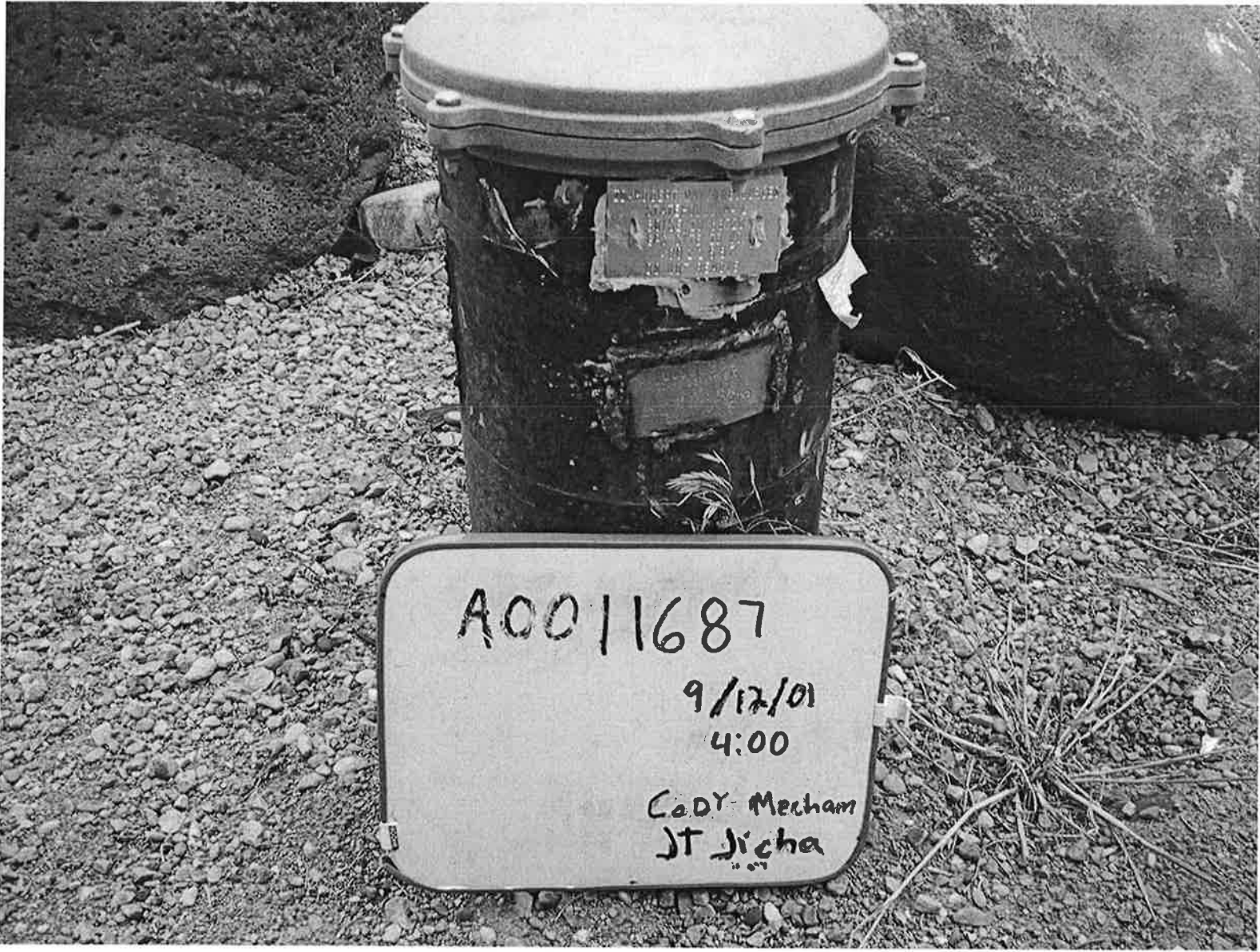


New Contact Comments

This Form and the associated query are the exclusive intellectual property of Intrepid Engineering Services, and may not be copied, modified, or distributed without the express written consent of Intrepid Engineering Servc, Inc.







A0011687

9/12/01

4:00

Cady Mecham

JT Jicha



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161- Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 23, 2001

IDAHO RAIL INVESTMENT LLC
1785 KRAFT RD
POCATELLO ID 83204

RE: NOTICE(S) OF CHANGE OF WATER RIGHT OWNERSHIP
NOTICE(S) OF CLAIM TO A WATER RIGHT 29-11027

Dear Mr. Bartu:

The request for Change of Water Right Ownership concerning the above-referenced Notice(s) of Claim has been processed and the Department's records updated to reflect you as the new claimant.

The enclosed report shows this change along with listing the elements of the water right being claimed. Please review this report and contact this office if there are corrections or questions.

Respectfully yours,

Jennifer Crabtree
Technical Records Specialist

Enclosure



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161- Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

July 13, 2001

IDAHO RAIL SHOP
1785 KRAFT RD
POCATELLO ID 83204

RE: EVIDENCE OF PRIORITY AND OWNERSHIP CHANGE FOR 29-11027

Dear Sir or Madam:

Thank you for submitting the evidence of priority for the above referenced water right. However, in order for our office to change the ownership of this right, we need additional information. Please provide a warranty deed or other legal document indicating the sale of property from Cory and Teri Lamb to the Idaho Rail Shop. Please sign the "Notice of Change in Water Right Ownership" form and return the entire packet to our office.

Upon receipt of this information I will process your request as soon as possible.

Sincerely,

Jennifer Crabtree
Technical Records Specialist

Enclosure

DELOG CS 8/9/01

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

RECEIVED**JUL 12 2001**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
	29-11027				

RECEIVED**AUG 08 2001**Department of Water Resources
Eastern Region

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

A. ~~The appropriate FILING FEE.~~ See instructions for fee amounts. *no fee*

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)

4. New Owner/Claimant(s)

New Mailing Address

City, State and ZIP Code

New Telephone Number

5. Date you acquired the property

Idaho Rail Shop

Name Connector (Check one): [] and, [] or, [] and/or

*1785 Kraft Rd.**Pocatello ID 83204**(208) 234-2535**July 1999*

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

INSTRUCTIONS FOR FILING NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

This form has been prepared to assist all claimants and owners of water rights to comply with the requirements of Sections 42-248 and 42-1409(6), Idaho Code. All claimants and owners of water rights are required to notify the Department of Water Resources (IDWR) of any change in mailing address or change in ownership of all or part of a water right. In addition, all purchasers of water rights within a pending general adjudication area must inquire whether a notice of claim has been filed and, if not, shall file a notice of claim if necessary.

Separate brochures are available from IDWR describing the adjudication of water rights and the requirement to notify IDWR of changes in ownership. Please contact your nearest IDWR office, or call 1-800-451-4129, if you would like more information or need help completing this form. Please attach additional sheets to the form if you require additional space to describe or explain any of the items on the form.

1. If there are water rights associated with the property, **the seller should be able to provide you with the water right or adjudication claim number(s)**. Please enter the number(s) at **Item 1**. Corresponding water right and adjudication claim numbers should be listed next to each other on the form. You may have purchased only a portion of the water right(s) held by the seller. If so, the water right(s) held by the seller may need to be "split" to provide you your share of each right. Indicate if a split is required by checking in the space provided next to each water right.

If you receive water from a municipal provider, an irrigation district or other water delivery organization, where the water rights are held by the organization, please do not use this form to record a change. You may need to contact the water delivery organization to determine if any action is necessary.

If you or the seller believes there are water rights for the property but the numbers are unknown, you may wish to contact IDWR for assistance in identifying the water rights for the property in question. If adjudication claims for the rights are required and have not been filed, IDWR will so advise you.

2. The information described at **Item 2** is required, since IDWR cannot process the requested change without documentation of ownership. The preferred types of documentation are shown; contact IDWR if you have difficulty obtaining this information. Do not obtain a new survey for purposes of this form before contacting IDWR.
3. Please provide the name and address of the former owner/claimant(s) of the water right(s) at **Item 3**.
4. The name, mailing address, and telephone numbers of the new owner/claimant(s) is entered at **Item 4**. Please indicate the relationship between multiple owners by using the connector "and", "or", or "and/or." If an "and" is used, all parties must sign this form. If an "and/or" or "or" is used, all parties may sign; however, only one of the named parties is required to sign.
5. At **Item 5**, please provide the date the property in question was acquired. This may be the date of "closing" in the case of a real estate transaction or the date of court order for other types of ownership changes.
6. You may have purchased only a portion of the water right(s) held by the seller. If this change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. For each water right requiring a split between owners, fill in the appropriate spaces in the box(es) at **Item 6**. Copy the page as many times as necessary to fully describe each water right after the change. Include documentation as necessary to describe nonstandard agreements or arrangements regarding division of the water right(s). **If the water right(s) will not be split, skip Item 6 and go to Item 7.**
7. The new owner(s) must sign the form in the space(s) provided at **Item 7**. If an "and" connector is used at Item 4, all parties must sign this form. If an "and/or" or "or" connector is used, all parties may sign; however, only one of the named parties is required to sign. If someone other than the owner signs the notice, evidence of authority to sign for the owner must be attached. If the new owner is a corporation or other organization, the person signing the notice must be an officer of the corporation or otherwise have authority to sign for the organization and must include their title with the signature.
8. The filing fee is \$25 per water right, except for those water rights which will be divided as a result of the change in ownership. The filing fee for division of a water right is \$100 per water right to be divided. When complete, you should retain a copy and return the original of the form to the IDWR office nearest you:

Escrow #: 52254SW, 1X

Approved by: 

WARRANTY DEED

2-1
99000132

FOR VALUE RECEIVED, HENRY FERNANDEZ AND ARDY FERNANDEZ, HUSBAND AND WIFE

the Grantor(s), do(es) hereby grant, bargain, sell, and convey unto IDAHO RAIL INVESTMENT LLC.

the Grantee(s), whose address is RT 2N BOX 54C, POCA TELLO, ID 83202

(Mailing Address), NNA KRAFT ROAD, POCA TELLO, ID 83204

(Property Address),

the following described premises, situated in BANNOCK County, Idaho:

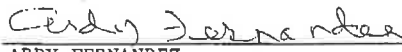
LEGAL DESCRIPTION EXHIBIT "A" ATTACHED

Parcel No. RPLPDX/5801

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s) and Grantee(s) heirs, successors, and assigns forever. The Grantor(s) do(es) hereby covenant and warrant to and with the Grantee(s) that the Grantor(s) is/are the owner(s) in fee simple of such premises; that such premises are free from all encumbrances, EXCEPT those to which this conveyance is expressly made subject; those set forth in Pioneer Title Company Title of Bannock County, Commitment No. 52254SW, dated September 09, 1998; those made, suffered, assumed, or created by the Grantee(s); reservations, restrictions, dedications, covenants, easements of record or use; rights of parties in possession, encroachments, overlaps, boundary-line disputes, or other matters that would be disclosed by an accurate survey or inspection of the property; rights-of-way and agreements, if any, of record; general taxes and assessments (including irrigation and utility assessments, if any, for the current year) that are not yet due and payable; and that the Grantor(s) will warrant and defend the same from all lawful claims whatsoever.

DATED this 04 day of January, 1999,


HENRY FERNANDEZ


ARDY FERNANDEZ

STATE OF IDAHO

County of BANNOCK

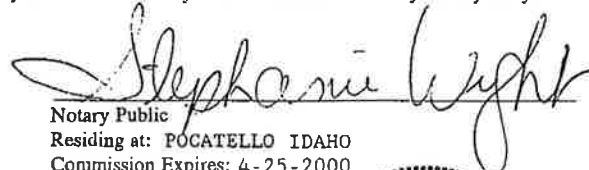
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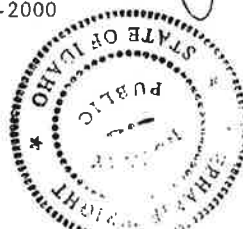
On this 04 day of January, 19 99, before me, the undersigned, personally appeared HENRY FERNANDEZ AND ARDY FERNANDEZ known or identified to me to be the person(s) whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said County the day and year first above written.

99000132
RECORDED AT REQUEST OF
PIONEER TITLE
'99 JAN 4 PM 4 17

OFFICIAL BOOK NO. 730
COUNTY IDAHO
L.V. RECORDER
FEE 6.00
DEPUTY 


Notary Public
Residing at: POCA TELLO IDAHO
Commission Expires: 4-25-2000



A tract of land in the NW1/4 NE1/4, Section 21, Township 6 South, Range 34 East, Boise Meridian, Bannock County, Idaho, more particularly described as follows:

Commencing at the North quarter corner of Section 21, Township 6 South, Range 34 East, Boise Meridian, thence North 89°49' East 409.8 feet, more or less, to center of a county road; thence South 68°05' East along the centerline of county road, 206.0 feet; thence South 01°30' West 26.68 feet, more or less, to the Southerly right of way line of the said County Road, the true point of beginning;

thence South 68°05' East on the said Southerly right of way line 145.0 feet; thence Northeasterly on a curve to the left with a radius of 131.10 feet and a central angle of 39°10', for an arc distance of 89.60 feet; thence South 38°30' East 258.65 feet; thence South 01°30' West 175.00 feet; thence North 88°30' West 390.00 feet; thence North 01°30' East 425.00 feet, more or less, to the true point of beginning.

ALSO: A tract of land in the NW1/4 NE1/4 of Section 21, Township 6 South, Range 34 East, Boise Meridian, Bannock County, Idaho, more particularly described as follows:

Commencing at the North quarter corner of Section 21, Township 6 South, Range 34 East, Boise Meridian, thence North 89°49' East on the North line of said Section 21, 409.8 feet, more or less, to the centerline of County Road;

thence South 68°05' East on the centerline of County Road, 171.3 feet, more or less, to P.T. of curve on Kraft Cheese F.A.G.S. 57 highway; thence South 21°55' West, 25.0 feet, more or less, to South right of way line of County Road, the true point of beginning;

thence South 21°55' West 25.0 feet (on record as South 21°01' West 25.0 feet); thence Southwesterly on the Easterly right of way line of Kraft Cheese F.A.G.S. 57 highway on a curve to the left with a radius of 236.5 feet and a central angle of 83°21', for an arc distance of 344.04 feet;

thence South 28°34' West (on record as South 27°40' East) on the said Easterly right of way line, 172.0 feet; more or less, to the Centerline of Portneuf River; thence Southeasterly along the centerline of Portneuf River, 2213.0 feet, more or less to the East 1/16 line of said Section 21;

thence North 00°31' West on the East 1/16 line of said Section 21, a distance of 1156.0 feet, more or less, to the Southwesterly right of way line of the Oregon Short Line Railroad; thence Northwesterly on the said Southwesterly right of way line of the Oregon Short Line Railroad, said line is 50.0 feet at right angle from the Centerline of the Westbound main track, for a distance of 487.0 feet, more or less, to the Easterly right of way line of a County Road;

thence South 34°55' West, 60.0 feet, more or less, to a point of curvature; thence Southwesterly on a curve to the right with a radius of 131.10 feet; for an arc distance of 86.60 feet; thence South 38°30' East 258.65 feet; thence South 01°30' West 175.00 feet; thence North 88°30' West 390.00 feet; thence North 01°30' East 425.00 feet; more or less, to the South right of way of a County Road; thence North 68°05' West on said South right of way of County Road, 44.00 feet, more or less, to the true point of beginning.

And also: Beginning at the intersection of the South right of way line of the Oregon Short Line Railroad and the East 1/16 Section Line of Section 21, Township 6 South, Range 34 East, Boise Meridian, which is 349 feet South of the Northwest corner of the NE1/4 NE1/4 of said Section 21, Township 6 South, Range 34 East, Boise Meridian;

thence South along the East 1/16th Section Line of said Section 21, Township 6 South, Range 34 East, Boise Meridian 185.5 feet; thence South 66° East 403.5 feet; thence North 48° East 11.5 feet to the intersection of the South right of way line of the Oregon Short Line Railroad, said point being 50 feet distant and at right angles to the Westbound track;

thence in a Northwesterly direction along said South right of way line of the Oregon Short Line Railroad 50 feet distant and parallel to the Westbound track 503.8 feet, more or less, to the place of beginning, being a portion of the NE1/4 NE1/4 of Section 21, Township 6 South, Range 34 East, Boise Meridian.

33000132

A tract of land in the NW1/4 NE1/4, Section 21, Township 6 South, Range 34 East, Boise Meridian, Bannock County, Idaho, more particularly described as follows:

Commencing at the North quarter corner of Section 21, Township 6 South, Range 34 East, Boise Meridian, thence North 89°49' East 409.8 feet, more or less, to center of a county road; thence South 68°05' East along the centerline of county road, 206.0 feet; thence South 01°30' West 26.68 feet, more or less, to the Southerly right of way line of the said County Road, the true point of beginning;

thence South 68°05' East on the said Southerly right of way line 145.0 feet; thence Northeasterly on a curve to the left with a radius of 131.10 feet and a central angle of 39°10', for an arc distance of 89.60 feet; thence South 38°30' East 258.65 feet; thence South 01°30' West 175.00 feet; thence North 88°30' West 390.00 feet; thence North 01°30' East 425.00 feet, more or less, to the true point of beginning.

ALSO: A tract of land in the NW1/4 NE1/4 of Section 21, Township 6 South, Range 34 East, Boise Meridian, Bannock County, Idaho, more particularly described as follows:

Commencing at the North quarter corner of Section 21, Township 6 South, Range 34 East, Boise Meridian, thence North 89°49' East on the North line of said Section 21, 409.8 feet, more or less, to the centerline of County Road;

thence South 68°05' East on the centerline of County Road, 171.3 feet, more or less, to P.T. of curve on Kraft Cheese F.A.G.S. 57 highway; thence South 21°55' West, 25.0 feet, more or less, to South right of way line of County Road, the true point of beginning;

thence South 21°55' West 25.0 feet (on record as South 21°01' West 25.0 feet); thence Southwesterly on the Easterly right of way line of Kraft Cheese F.A.G.S. 57 highway on a curve to the left with a radius of 236.5 feet and a central angle of 83°21', for an arc distance of 344.04 feet;

thence South 28°34' West (on record as South 27°40' East) on the said Easterly right of way line, 172.0 feet; more or less, to the Centerline of Portneuf River; thence Southeasterly along the centerline of Portneuf River, 2213.0 feet, more or less to the East 1/16 line of said Section 21;

thence North 00°31' West on the East 1/16 line of said Section 21, a distance of 1156.0 feet, more or less, to the Southwesterly right of way line of the Oregon Short Line Railroad; thence Northwesterly on the said Southwesterly right of way line of the Oregon Short Line Railroad, said Line is 50.0 feet at right angle from the Centerline of the Westbound main track, for a distance of 487.0 feet, more or less, to the Easterly right of way line of a County Road;

thence South 34°55' West, 60.0 feet, more or less, to a point of curvature; thence Southwesterly on a curve to the right with a radius of 131.10 feet; for an arc distance of 86.60 feet; thence South 38°30' East 258.65 feet; thence South 01°30' West 175.00 feet;

thence North 88°30' West 390.00 feet; thence North 01°30' East 425.00 feet; more or less, to the South right of way of a County Road; thence North 68°05' West on said South right of way of County Road, 44.00 feet, more or less, to the true point of beginning.

AND ALSO: Beginning a the intersection of the South right of way line of the Oregon Short Line Railroad and the East 1/16 Section Line of Section 21, Township 6 South, Range 34 East, Boise Meridian, which is 349 feet South of the Northwest corner of the NE1/4 NE1/4 of said Section 21, Township 6 South, Range 34 East, Boise Meridian;

thence South along the East 1/16th Section Line of said Section 21, Township 6 South, Range 34 East, Boise Meridian 185.5 feet; thence South 66° East 403.5 feet; thence North 48° East 11.5 feet to the intersection of the South right of way line of the Oregon Short Line Railroad, said point being 50 feet distant and at right angles to the Westbound track;

thence in a Northwesterly direction along said South right of way line of the Oregon Short Line Railroad 50 feet distant and parallel to the Westbound track 503.8 feet, more or less, to the place of beginning, being a portion of the NE1/4 NE1/4 of Section 21, Township 6 South, Range 34 East, Boise Meridian.

Policy No. SV 3080466**52254**

This policy does not insure against loss or damage by reason of the following:

- (a) Rights or claims of parties in possession not shown by the public records.
- (b) Easements, or claims of easements, not shown by the public records.
- (c) Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
- (d) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- (e) Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
- (f) Any service, installation or connection charge for sewer, water or electricity.
- (g) General taxes not now payable; matters relating to special levies or assessments, if any, preceding the same becoming a lien.

SPECIAL EXCEPTIONS

1. General taxes for the year 1999, which are liens, are not yet due and payable.

2. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Right of way
In Favor of: Idaho Power Company
Recorded: December 8, 1920
Instrument No.: Book 41 of Deeds, page 393, as filing No. 80579

3. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Right of way
In Favor of: Idaho Power Company
Recorded: December 14, 1923
Instrument No.: Book 47 of Deeds, page 594, as filing no. 104613

Policy No. SV 3080466

52254

4. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Power lines

In Favor of: Idaho Power Company

Recorded: August 12, 1939

Instrument No.: Book 79 of Deeds, page 388, as filing no. 203985

Affects: Commencing at the Northwest corner of the NE1/4 of Section 21, Township 6 South, Range 34 East, Boise Meridian, thence South along the center line of said Section 21 a distance of 125.8 feet, more or less, to a pole erected by Idaho Power Company which is a real point of beginning;

thence South 50°44' East upon and along the pole line of the Idaho Power Company 984.6 feet, more or less to a point forming an intersection with the other easement and pole line (herein described as running from said intersection in a generally Northwest direction); thence along said pole line South 24°30' East 545 feet, more or less, to the center line of the Portneuf River.

ALSO, commencing at the intersection hereinbefore referred to and running thence upon and along a pole line erected by the Idaho Power Company, 24°30' West 303.8 feet to a point; thence continuing along said pole line North 8°2' West 101.2 feet to a point; thence continuing along said pole line 2°35' West 266 feet, more or less to the Northerly boundary of the property of the Kraft-Phoenix Cheese Corporation, located in said Section 21.

5. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Railroad right of way

In Favor of: Oregon Short Line Railroad Company

Recorded: April 12, 1945

Instrument No.: Book 93 of Deeds, page 62, as filing no. 236591

Affects: TRACK "A". Commencing at a point in the center line of the Southerly or Eastbound main track of the Grantee opposite Railroad Survey Station 11437 + 77.0 on the center line between the double tracks of the Grantee which is a point thereon that is 1151.2 feet distant Northwesterly from the East line of said Section 21, measured along said center line between double tracks;

thence Northwesterly along a 7° and 6' curve to the left, tangent at its point of beginning to the center line of said Southerly or Eastbound main track a distance of 249.5 feet to a point; thence Northwesterly along a straight line tangent to the end of the last described curve, a distance of 13.2 feet to a point in the Southwesterly line of the right of way of the Grantee's main tracks which said point is 1664.2 feet, more or less, distant East and 652.7 feet, more or less, distant South of the North quarter corner of said Section 21 and which said point is 43.5 feet distant Southwesterly from said center line between said

thence continuing Northwesterly along the last described straight line produced a distance of 377.8 feet to a point; thence Northwesterly along an 8° curve to the left, tangent at its point of beginning to the last described line, a distance of 150.3 feet to a point; thence Northwesterly along a straight line tangent to the end of the last described curve, a distance of 115 feet to point;

thence Westerly along a 6° curve to the left, tangent at its point of beginning to the last described straight line, a distance of 197.2 feet to a point; thence Westerly along a straight line tangent to the end of the last described curve, a distance of 95.4 feet to the end of said track.

TRACK "B". Beginning at a point in the above described center line of Track "A" that is 790.8 feet distant Northwesterly measured along said center line of Track "A", from the point of connection of said Track "A" with the Southerly, or Eastbound main track of the Grantee opposite Railroad Survey Station 11437 + 77.0 hereinbefore referred to, on said center line between double tracks;

thence Westerly along a 12° and 30' curve to the left, tangent at its point of beginning to said center line of Track "A", a distance of 175 feet to a point; thence Southwesterly along a straight line tangent to the end of the last described curve a distance of 39 feet to a point;

thence Westerly along an 8° curve to the right tangent at its point of beginning to the last described straight line a distance of 126.2 feet to a point; thence Westerly along a straight line tangent to the end of the last described curve a distance of 72.8 feet to the end of said Track "B".

6. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For:	Right of way
In Favor of:	Intermountain Gas Company
Recorded:	April 28, 1958
Instrument No.:	Book 132, as filing No. 331775

Policy No. SV 3080466

52254

7. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For:

In Favor of: City of Pocatello

Recorded: February 18, 1966

Instrument No.: 424898

Affects: Beginning at the North quarter corner Section 21, Township 6 South, Range 34 East, Boise Meridian; thence South 0°10' West 173.5 feet; thence South 57°23' East to Sta. 132 + 86.6, which is the place of beginning, at the Easterly right of way line of Kraft Road;

thence South 57°23' East 111.4 feet; thence South 54°33' East 487 feet; thence South 22°38' East 493 feet; thence South 49°27' East 581.8 feet to Sta. 149 + 61.8 which is the intersection of said center line with the East 1/16 line Section 21, Township 6 South, Range 34 East, Boise Meridian, said intersection being 109.5 feet South of the Northeast 1/16 corner of Section 21.

8. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For:

Perpetual flowage easement

In Favor of: Bannock County, Idaho

Recorded: March 3, 1966

Instrument No.: 425283

Affects: Portion of said premises

9. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Perpetual flowage easement

In Favor of: Bannock County, Idaho

Recorded: March 23, 1966

Instrument No.: 425989

Affects: Subject property

10. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Telephone and telegraph lines

In Favor of: American Telephone and Telegraph Company of Wyoming

Recorded: September 23, 1929

Instrument No.: Book 62, instrument no. 146897

Policy No. SV 3080466**52254**

11. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein and for any incidental purposes.

For: Sewer lines

In Favor of: City of Pocatello

Recorded: March 24, 1958

Instrument No.: 330728

Affects: A strip of land 10 feet both sides of the following described centerline;

Commencing at the North quarter corner of Section 21, Township 6 South, Range 34 East, Boise Meridian; thence South along the meridional centerline of said Section 21 a distance of 173.5 feet; thence South 61°52' East 121.0 feet; thence South 53°37' East 29.0 feet to the Northwesternly right of way line of Kraft Road, the true point of beginning; thence South 53°37' East 100.9 feet to the Southeasterly right of way line of said Kraft Road.

12. A Deed of Trust and Assignment of Rents to secure an indebtedness of \$465,800.00, and any other amounts payable under the terms thereof.

Dated: January 4, 1999

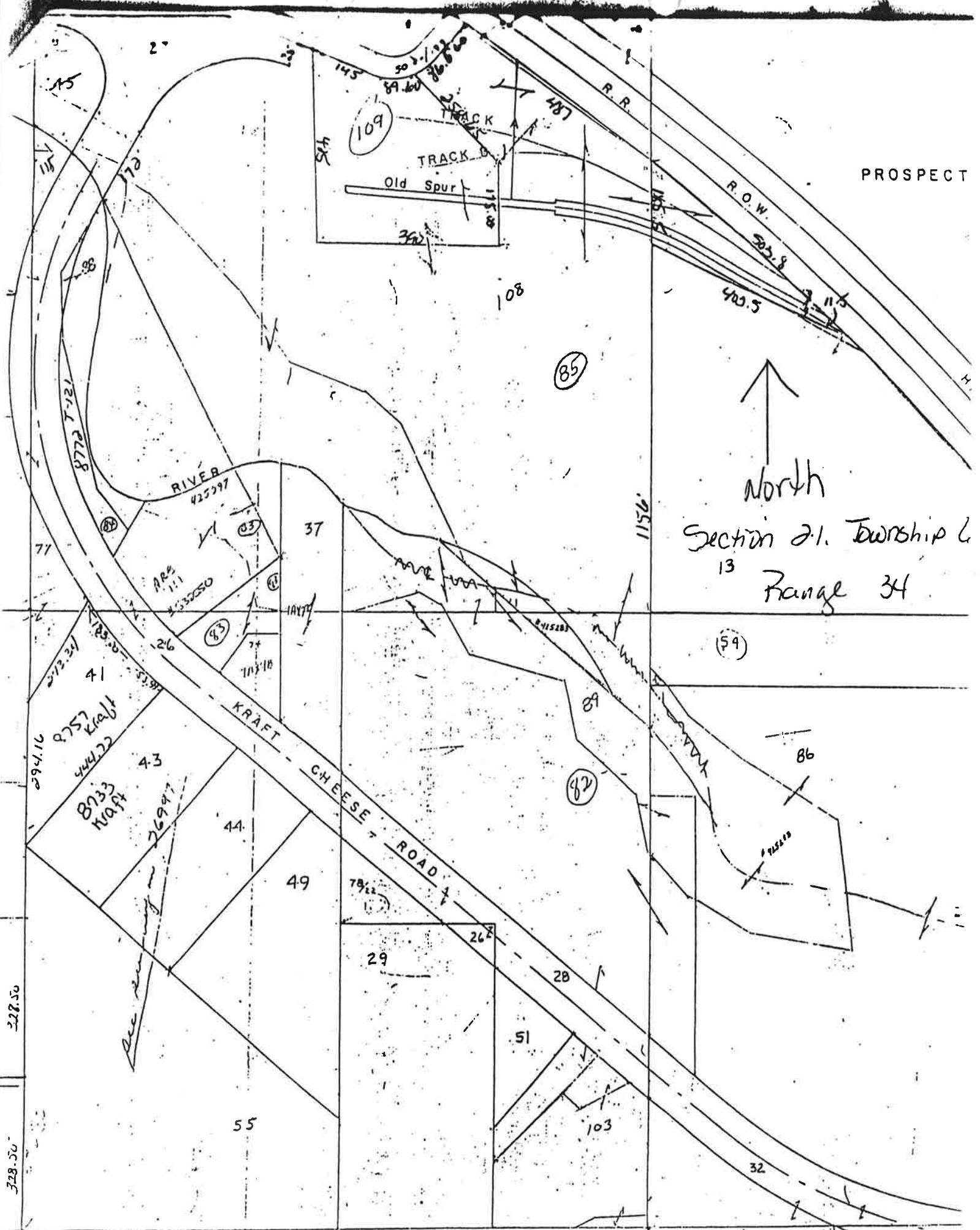
Grantor: Idaho Rail Investments, L.L.C.

Trustee: Pioneer Title Company

Beneficiary: Ireland Bank

Recorded: January 4, 1999

Instrument No.: 99000133



PROSPECT



North

Section 21, Township 6
Range 34

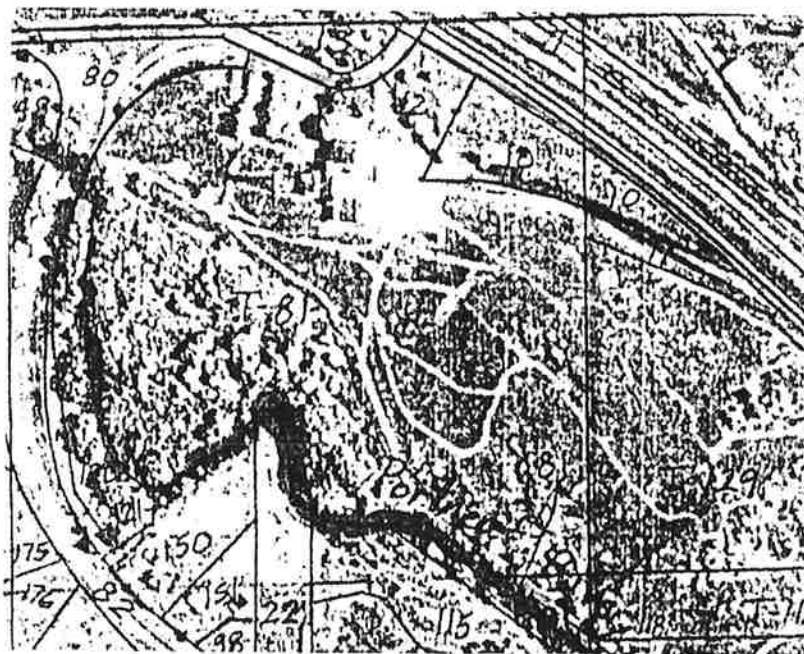
328.50'

228.50'

PROPERTY BOUNDARIES DESCRIPTIVE

Note: The following description, any sketch appearing in or attached to this report, or any statement of dimensions, capacities, quantities or distances, are approximate and are included to assist the reader in visualizing the property. Reeve & Associates has made no survey of the property.

Real property situated in the W ½ of the NE ¼ of Section 21, Township 6 South, Range 34 E.B.M., Bannock County, Idaho, and more particularly described in the legal description attached to this report. The total area of the defined property is 29.29 acres of which 6.8 acres is in the Portneuf River flood plain.



STRUCTURES AND IMPROVEMENTS

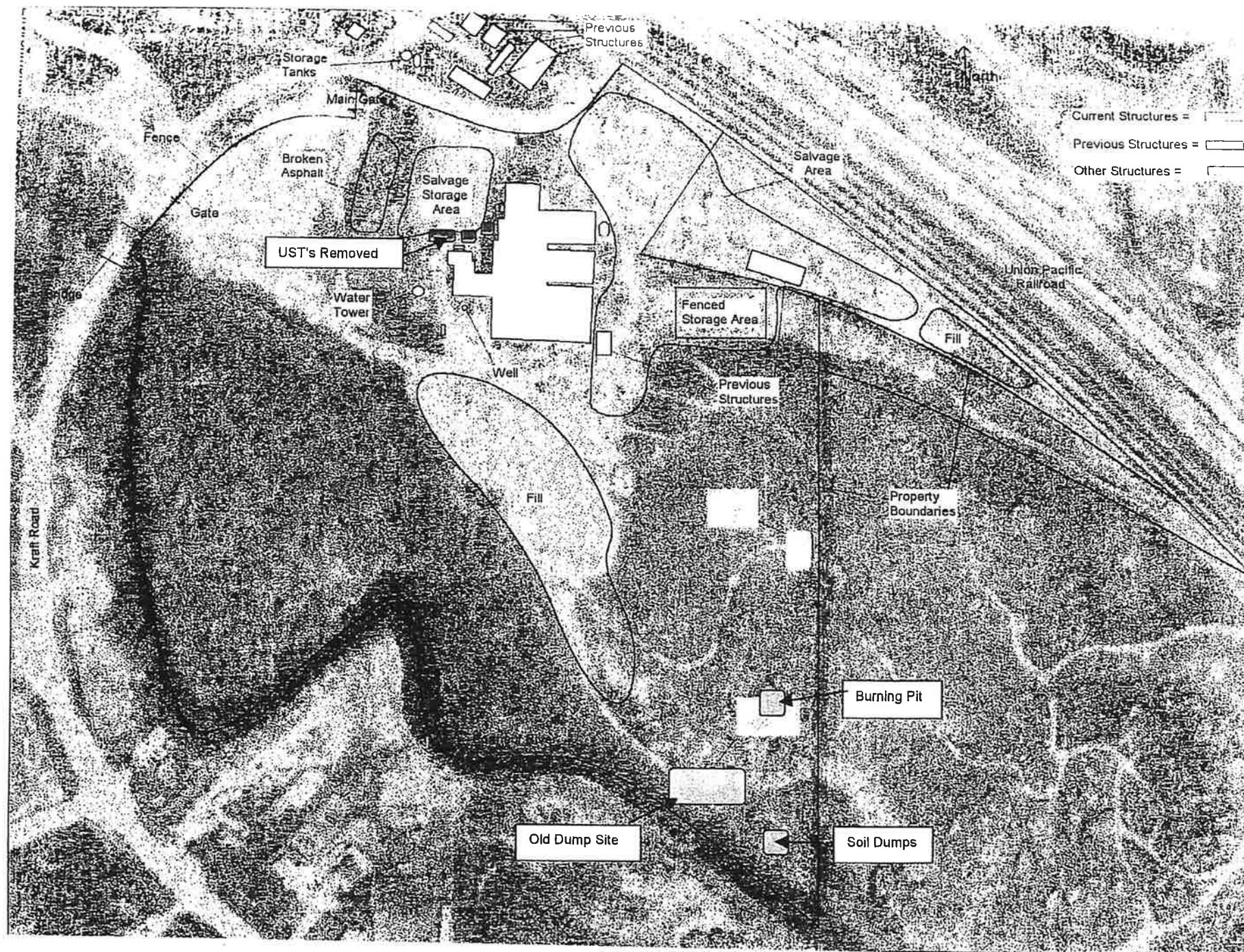
The main building was constructed in 1915. It is a four-story concrete block construction with brick and concrete floors. The office area was added in 1946. The receiving and docking warehouses were added with final construction date in 1963. The receiving and docking floors are wood, all other floors are concrete or brick.

Other improvements include:

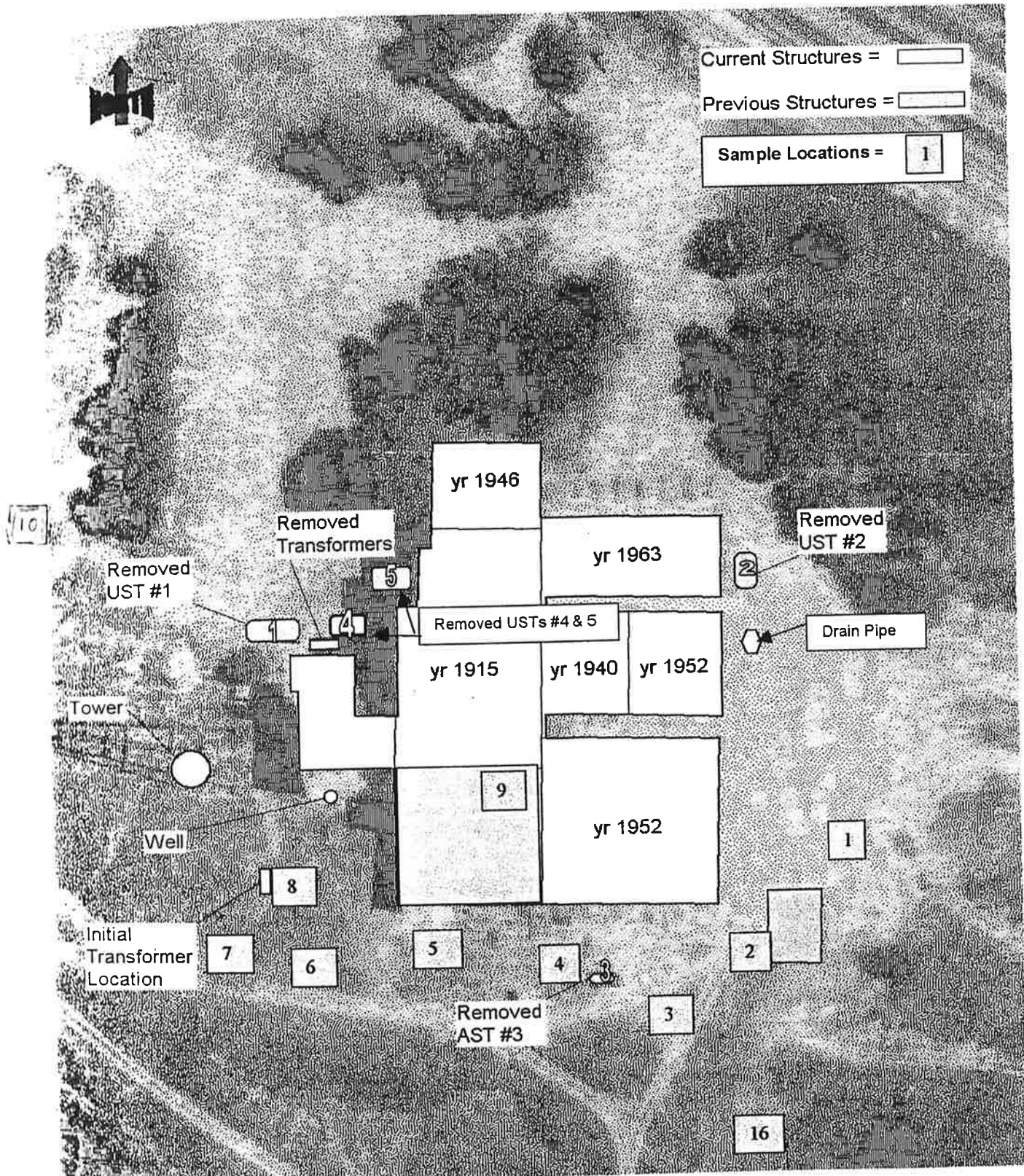
- Two Union Pacific Railroad spurs
- Private well
- 30,000 gallon elevated water tank
- Fire plugs
- Asphalt drive and parking areas
- Perimeter fencing

The site is served by a municipal sanitary sewer systems. The site is also served by a Union Pacific operated water system.

SITE PLAN



OPERATING AREA PLAN



SITE HISTORY

Site Line of Ownership: (Per records of the Bannock County Assessor's and Recorder's Offices)

<u>Date</u>	<u>Ownership Succession</u>	<u>Record #</u>
Dec 1996:	Henry Fernandez	Not recorded
12/23/1997:	Cory W. and Teri Lamb	805985
07/31/1987:	Tim L. and Lorri K. Scott	798956-60
01/31/1974:	Idaho Bank and Trust - Trustee	520787
03/25/1974:	James B. Green & Lorraine Green Archie W. Service & Anastasia J. Service E. Clark Gasser & Sallee C. Gasser Gaylon W. Bean & Judith B. Bean	520786
Prior:	Kraftco Corporation, a unit of National Dairy Products.	
05/31/1957:	Kraft Food Products merged into National Dairy Products.	326128
Prior:	Kraft Food Products	

Site Operations:

The following information was obtained from interviews and records pertaining to the condition of the site and its historical use. Persons interviewed were queried in their relationship to the property and if they have any knowledge of hazardous or potentially hazardous material used or disposed on that site.

Present: Current operations of the owner-operator - Henry Fernandez - entail receiving, sorting, storing and loading out of salvageable items of value. Major items observed were industrial equipment of all sorts, car bodies, industrial batteries, paints, electronic equipment and other metallic type of salvageable items. The owner-operator is currently clearing the site for an intended sale of the property. Tank removals and spill cleanups have been ongoing for the past 6 months.

There is one renter of the center east warehouse - Dave Ax, a painting contractor that stores paints, solvents, and painting accessories within the building.

There is one renter of yard space – Whittier – that stores portable-type fiberglass toilets near the southwest entrance to the site.

About 1992-

Present - Henry Fernandez operated his salvage-recycle business at the site as described above. There were no reports of any major spillages of petroleum products or hazardous substances. Minor spills were cleaned up and placed into a storage container on the site, which later became known as waste pile #7. This material tested above regulatory levels for TCLP Lead.

1985 -

The Polk's Directory indicates that Maxway Trucking was located at this site for this year only. There were no reports on their operational activities.

1978-1982

Pacific Fruit and Produce Co. was listed as an occupant with an address of 4519 Kraft Road. There were no reports on their operational activities.

1915-1972

The site was operated as a cheese producing, storage and distribution facility. The facility was operated under the names of Kraft Cheese Company, Kraft Phoenix Cheese Corporation, Kraft Foods Company, and Kraft Foods Division of National Dairy Products. Operations entailed receiving of milk, processing to make cheese, wrapping, handling and shipping. Plant refrigeration requirements were provided with a high-pressure system using ammonia as the refrigerant. A boiler provided plant heating requirements. Initial boiler fuel may have been coal, but the main fuel used was Bunker C fuel oil. Later, about 1957, natural gas became available and the boiler was converted to burn natural gas. Diesel fuel was stored and used as a backup fuel. Waste products were non-hazardous and initially were either burned or dumped on the site or were discharged to the river.

SUMMARY OF ENVIRONMENTAL CONDITIONS REPORTED OR FOUND – ON SITE

Storage Facilities

The three warehouse additions and the ground floor of the main building are used for storage. Items that may contain hazardous materials include industrial batteries, paints, solvents, and petroleum products.

The yard area surrounding the buildings is used for storage of equipment and items scheduled for recycling or salvage. Small spillages of oil-like fluids have been largely cleaned up prior to this report, however some oil-stained soils remain. Items in the yard storage area that may contain hazardous materials include industrial batteries, solvents, an air-conditioning unit, and petroleum products.

Underground Storage Tanks

All known underground storage tanks have been removed from the site. The tanks had been used for storage of petroleum fuels – primarily Bunker C and Diesel. Contaminated soils due to leaking underground storage tanks have been mostly removed from the site. One small pile of contaminated soil remains but it is scheduled to be removed by Kraft within the next month. Final closure of the tank sites is awaiting the receipt of closure documentation and a letter of "no further action is required" from the IDEQ (Idaho Division of Environmental Quality).

A search of government databases indicated a 10,000 gallon fiberglass reinforced UST was installed in 1979 at the address of Kraft Road and North Main. The tank was registered with the IDEQ in 1992. Since Kraft no longer owned the property at that time, it is reasoned that the address given was incorrect and should have been 221 N Kraft Court – their relocated location.

Above Ground Storage Tanks

One above ground diesel fuel 500-gallon storage tank has been removed from the site. The soils contaminated from spillage at this tank site have been removed from the site. Final closure of this tank site has been requested.

One 30,000-gallon elevated water storage tank has no known environmental hazards associated with its presence or future use.

Waste Sites

On-site waste disposal was practiced during the facility's usage for cheese production. Identifiable wastes included cardboard, wood, aluminum wrapping, off-grade cheese and other type items, which were disposed by burning at the on-site burn pit. Metallic wastes were primarily steel banding which was placed at an on-site dump.

Other wastes identified include composition type roofing, lumber and concrete demolition materials. There is also a large amount of fill material that has been deposited on site from unknown sources.

The IDEQ had an anonymous complaint, dated 12/27/96, that 400-500 gallons of waste oil was buried on the subject site.

All of the above items were investigated in a prior Phase 2 Environmental Assessment and no hazardous component was found or identified.

Drinking Water

An abandoned water well is on the site. It is not known if it will be placed back into service. A water analysis report, dated 2/7/64, was found that showed the well water quality to be:

pH = 7.5,

Total Alkalinity = 310 ppm

Total Hardness = 342 ppm

Chloride = 78 ppm

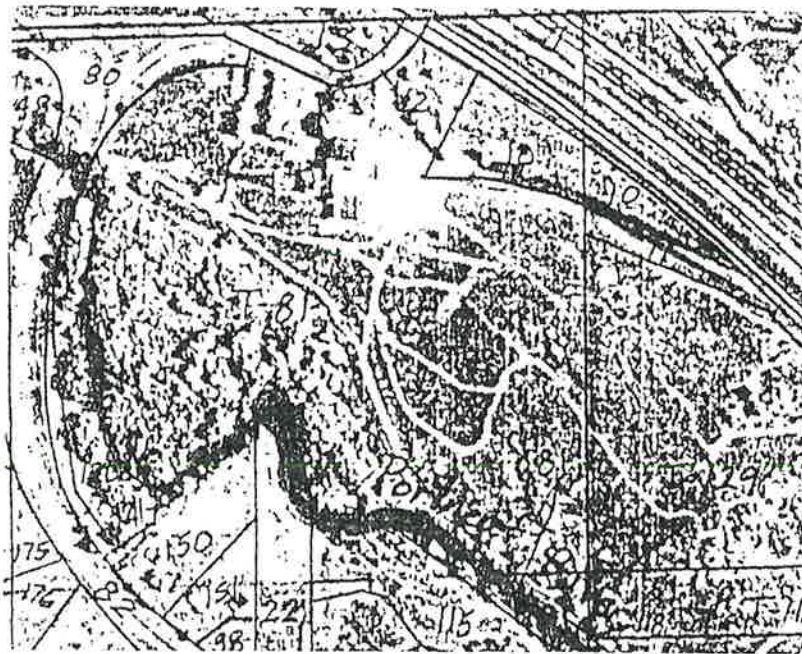
Silica = 50 ppm

Conductivity = 750 ppm

PROPERTY BOUNDARIES DESCRIPTION

Note: The following description, any sketch appearing in or attached to this report, or any statement of dimensions, capacities, quantities or distances, are approximate and are included to assist the reader in visualizing the property. Reeve & Associates has made no survey of the property.

Real property situated in the W ½ of the NE ¼ of Section 21, Township 6 South, Range 34 E.B.M., Bannock County, Idaho, and more particularly described in the legal description attached to this report. The total area of the defined property is 29.29 acres of which 6.8 acres is in the Portneuf River flood plain.



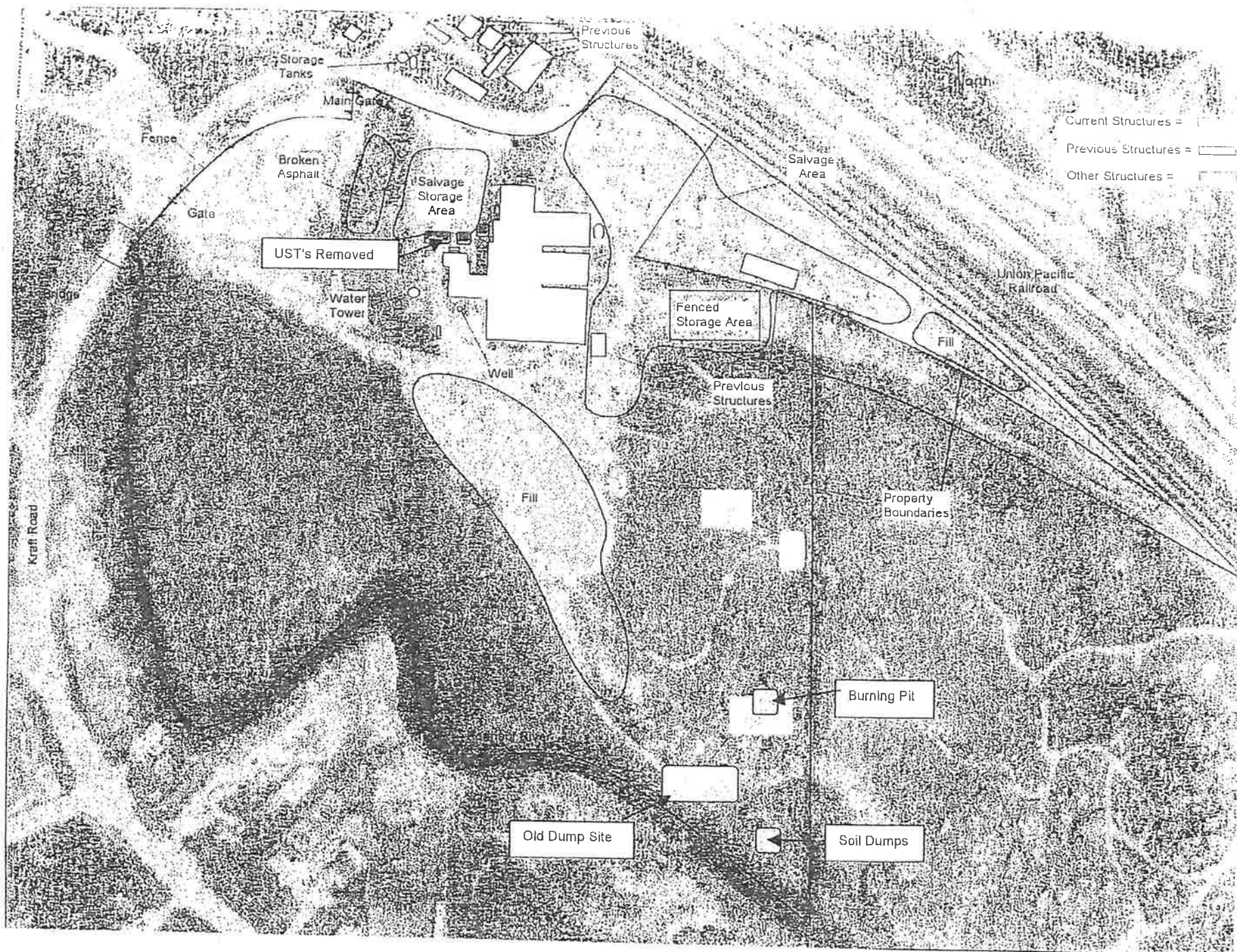
STRUCTURES AND IMPROVEMENTS

The main building was constructed in 1915. It is a four-story concrete block construction with brick and concrete floors. The office area was added in 1946. The receiving and docking warehouses were added with final construction date in 1963. The receiving and docking floors are wood, all other floors are concrete or brick.

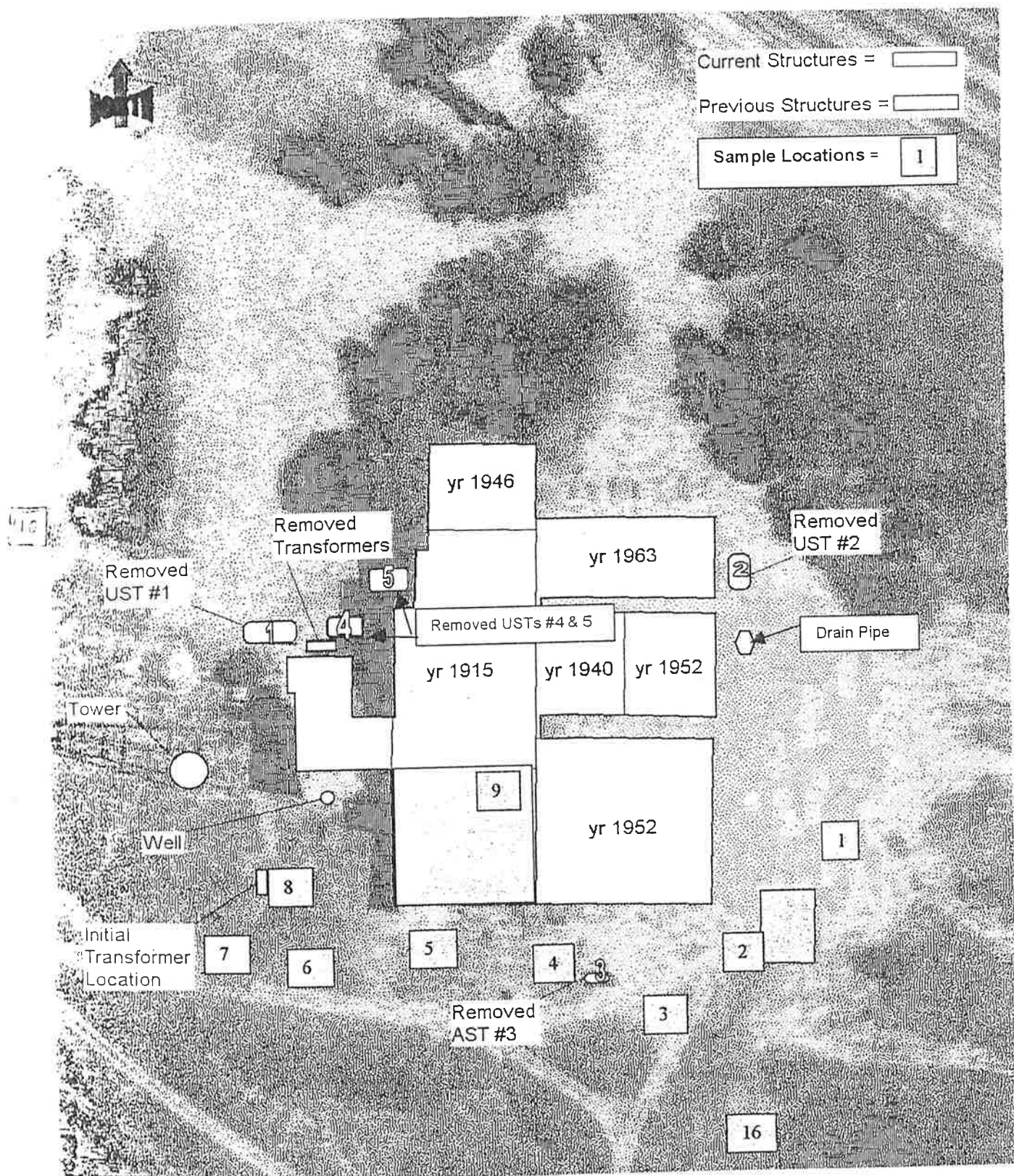
Other improvements include:

- Two Union Pacific Railroad spurs
- Private well
- 30,000 gallon elevated water tank
- Fire plugs
- Asphalt drive and parking areas
- Perimeter fencing

The site is served by a municipal sanitary sewer systems. The site is also served by a Union Pacific operated water system.



OPERATING AREA PLAN



SITE HISTORY

Site Line of Ownership: (Per records of the Bannock County Assessor's and Recorder's Offices)

<u>Date</u>	<u>Ownership Succession</u>	<u>Record #</u>
Dec 1996:	Henry Fernandez	Not recorded
12/23/1997:	Cory W. and Teri Lamb	805985
07/31/1987:	Tim L. and Lorri K. Scott	798956-60
01/31/1974:	Idaho Bank and Trust - Trustee	520787
03/25/1974:	James B. Green & Lorraine Green Archie W. Service & Anastasia J. Service E. Clark Gasser & Sallee C. Gasser Gaylon W. Bean & Judith B. Bean	520786
Prior:	Kraftco Corporation, a unit of National Dairy Products.	
05/31/1957:	Kraft Food Products merged into National Dairy Products.	326128
Prior:	Kraft Food Products	

Site Operations:

The following information was obtained from interviews and records pertaining to the condition of the site and its historical use. Persons interviewed were queried in their relationship to the property and if they have any knowledge of hazardous or potentially hazardous material used or disposed on that site.

Present: Current operations of the owner-operator - Henry Fernandez - entail receiving, sorting, storing and loading out of salvageable items of value. Major items observed were industrial equipment of all sorts, car bodies, industrial batteries, paints, electronic equipment and other metallic type of salvageable items. The owner-operator is currently clearing the site for an intended sale of the property. Tank removals and spill cleanups have been ongoing for the past 6 months.

There is one renter of the center east warehouse - Dave Ax, a painting contractor that stores paints, solvents, and painting accessories within the building.

There is one corner of yard space – Whittier – that has portable-type fiberglass toilets near the southwest entrance to the site.

About 1992-

Present - Henry Fernandez operated his salvage-recycle business at the site as described above. There were no reports of any major spillages of petroleum products or hazardous substances. Minor spills were cleaned up and placed into a storage container on the site, which later became known as waste pile #7. This material tested above regulatory levels for TCLP Lead.

1985 -

The Polk's Directory indicates that Maxway Trucking was located at this site for this year only. There were no reports on their operational activities.

1978-1982

Pacific Fruit and Produce Co. was listed as an occupant with an address of 4519 Kraft Road. There were no reports on their operational activities.

1915-1972

The site was operated as a cheese producing, storage and distribution facility. The facility was operated under the names of Kraft Cheese Company, Kraft Phoenix Cheese Corporation, Kraft Foods Company, and Kraft Foods Division of National Dairy Products. Operations entailed receiving of milk, processing to make cheese, wrapping, handling and shipping. Plant refrigeration requirements were provided with a high-pressure system using ammonia as the refrigerant. A boiler provided plant heating requirements. Initial boiler fuel may have been coal, but the main fuel used was Bunker C fuel oil. Later, about 1957, natural gas became available and the boiler was converted to burn natural gas. Diesel fuel was stored and used as a backup fuel. Waste products were non-hazardous and initially were either burned or dumped on the site or were discharged to the river.

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Other wastes identified include composition type roofing, lumber and concrete demolition materials. There is also a large amount of fill material that has been deposited on site from unknown sources.

- The IDEQ had an anonymous complaint, dated 12/27/96, that 40,000 gallons of waste oil was buried on the subject site.

All of the above items were investigated in a prior Phase 2 Environmental Assessment and no hazardous component was found or identified.

Drinking Water

An abandoned water well is on the site. It is not known if it will be placed back into service. A water analysis report, dated 2/7/64, was found that showed the well water quality to be:

pH = 7.5,

Total Alkalinity = 310 ppm

Total Hardness = 342 ppm

Chloride = 78 ppm

Silica = 50 ppm

Conductivity = 750 ppm



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161- Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

July 13, 2001

RECEIVED

JUL 18 2001

Department of Water Resources
Eastern Region

IDAHO RAIL SHOP
1785 KRAFT RD
POCATELLO ID 83204

RE: EVIDENCE OF PRIORITY AND OWNERSHIP CHANGE FOR 29-11027

Dear Sir or Madam:

Thank you for submitting the evidence of priority for the above referenced water right. However, in order for our office to change the ownership of this right, we need additional information. Please provide a warranty deed or other legal document indicating the sale of property from Cory and Teri Lamb to the Idaho Rail Shop. Please sign the "Notice of Change in Water Right Ownership" form and return the entire packet to our office.

Upon receipt of this information I will process your request as soon as possible.

Sincerely,

Jennifer Crabtree
Technical Records Specialist

Enclosure

JUN 15 2001

Log for claim A29-11027

Spatial Dynamics LTD

9/26/00

TR	SEC	QQ	Acres Claimed	Acres Found	COMMENT
06s34e	21	NWNE	18	24	
Totals:			18	24	

6/14/01 Cory Lamb called. He does not own the Levalle Plant anymore - Owned by Leroy Barto? and Cory thinks the well has been sealed off.

Leroy Barto



State of Idaho

DEPARTMENT OF WATER RESOURCES

900 N. Skyline Dr., Suite A, Idaho Falls, Idaho 83402-1718 - (208) 525-7161- Fax (208) 525-7177

EASTERN REGION

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

May 20, 2001

29-11027
CORY W LAMB
2026 S GRANT
POCATELLO ID 83204

RE: EVIDENCE OF PRIORITY

Dear Claimant (s):

The Idaho Department of Water Resources has recently begun its water right review in Basin 29. The Notice(s) of Claim identified with the number shown above in the "address" label and at the "end" of this letter has been filed in the Snake River Basin Adjudication (SRBA). The Notice indicates water usage is based on "Beneficial Use". Water rights of this type are established by the historical use of water, dating back to when water was first used for the purpose claimed, at or on the place of use identified on the Notice. The date the water was first put to use, known as the priority date, has not been confirmed by a license, Decree, or Permit. For this reason, proof must be provided supporting the priority date. As the claimant, you are responsible for submitting the necessary proof to support the priority date.

It is important that each element of the Notice be substantiated. For instance, regarding claims for irrigation, the evidence should tend to show that diversion works were in place, that they were capable of diverting the claimed diversion rate, and that the diverted water was beneficially used on the entire claimed place of use on or before the claimed priority date.

For your reference, I have provided a printout of your Notice and the pamphlet entitled "**Evidence of Priority**". The pamphlet describes the types of evidence required and suggests which documents will fulfill this requirement. While I encourage you to read the entire pamphlet, I direct your attention to the two sections entitled "**What Kind of Evidence is Required**" and "**Some examples of Documents Which May Be Evidence of the Priority Date**".

It is our goal to recommend historical water rights within the Snake River Basin as accurately as possible. Field exams to verify other items of the Notice have been or soon will be conducted by Department personnel.

.....
The Department can not recommend the Notice be decreed by the court if no evidence of a priority date is submitted.
.....

Please submit the documentation supporting the priority date by June 22, 2001, referencing all documents with the corresponding Notice number. If you have any questions not covered by this letter or the enclosed pamphlet, please feel free to contact me at 525-7161.

Respectfully submitted,



Craig L. Saxton
Water Resource Agent
Adjudication Bureau

Enclosure: . Brochure on "Evidence of Priority"
Notice of Claim 29-11027

AJ5809NP
No. A29-11027

IDAHO DEPARTMENT OF WATER RESOURCES
ADJUDICATION CLAIM PROFILE REPORT

DATE: 05/24/00
PAGE: 164

OWNER CODE	NAME & ADDRESS	PRIORITY DATE	WATER USE	USE PERIOD FROM TO	DIVERSION RATE	DIVERSION VOLUME
C	CORY W LAMB 2026 S GRANT POCATELLO ID 83204 (208) 233-1858	12/14/1917	IRRIGATION INDUSTRIAL	03-15 11-15 01-01 12-31	0.360 CFS 1.000 CFS	
TOTAL DIVERSION:					1.360 CFS	
CONSUMPTIVE USE:						45.00 AFA

Water Source: GROUNDWATER

Tributary to:

Stage: BENEFICIAL USE

Point(s) of Diversion:

T06S R34E S21

NWNWNE

BANNOCK County

Place of use Legal Description for: IRRIGATION

				NE				NW				SW				SE					
T	R	S	:	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	SUM	
06S	34E	21	:			18														18.0	
																				TOTAL ACRES	18.0

Place of use Legal Description for: INDUSTRIAL

				NE				NW				SW				SE				
T	R	S	:	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	Lt	Ac	
06S	34E	21	:			I														

POU County: BANNOCK

Non-Irrigation Uses: I/ KRAFT PLANT

Other Rights: NONE

Dates: Exam Made Date:

Verified Date:

Objection Filed Date:

Misc: Water District Number:

Field Inspection Flag:
Presumption Flag:

Audit: 04/11/90 CARLSON 08/04/94 THOMPSON 03/29/95 POST-STD

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 29-11027
Date Received: 4/11/90
Receipt No: E013070
Received By:

NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW

1. Name of Claimant(s)

IDAHO RAIL INVESTMENT LLC Phone:

1785 KRAFT RD
POCATELLO ID USA 83204

2. Date of Priority: 12/14/1917

3. Source: GROUND WATER Trib. to:

4. Point of Diversion:

Township	Range	Section	1/4 of 1/4 of 1/4 Lot	County	Type
06S	34E	21	NW NW NE	BANNOCK	

5. Description of diverting works:

320' DEEP 12 TO 14" CASING 15 HP MOTOR

6. Water is used for the following purposes:

Purpose	From	To	C.F.S.	(or) A.F.A
IRRIGATION	3/15	11/15	0.36	
INDUSTRIAL	1/01	12/31	1	

7. Total Quantity Appropriated is:
1.36 C.F.S.

8. Total consumptive use:

9. Non-irrigation uses:

10. Place of use:

Township	Range	Section	1/4 of 1/4	Lot	Use	Acres
06S	34E	21	NW	NE	INDUSTRIAL	
			NW	NE	IRRIGATION	18
					Section Acres	18
					Total Acres	18

11. Place of use in counties: BANNOCK

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

13. Other Water Rights Used:

14. Remarks:

CHANGED OWNERSHIP PER CLAIMANT REQUEST (CSAXTON 8/23/01).

15. Basis of Claim: Beneficial Use

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.

JUN 15 2001

168⁰⁰

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: A29-11027

Date Received: 4/03/1990

Receipt No: EO 13070 *Jo*

Received By: _____

RECEIVED

APR 11 1990

Department of Water Resources
Eastern District Office

NOTICE OF CLAIM TO A WATER RIGHT
ACQUIRED UNDER STATE LAW

1. Name: CORY W. LAMB *Levy Bartol* 208-233-1858
Address: 2026 S. GRANT *2*
POCATELLO, ID 83204

2. Date of Priority: DEC 14, 1917

3. Source: GROUNDWATER *71*

Trib. to:

4. Point of Diversion:

Township	Range	Section	1/4 of	1/4 of	1/4 of	Lot	County
06S	34E	21	NW	NW	NE		BANNOCK

5. Description of diverting works:
320' DEEP 12 TO 14" CASING 15 HP MOTOR

6. Water is used for the following purposes:

Purpose	From	To	C.F.S.	(or)	A.F.A.
INDUSTRIAL	01/01	12/31	1.000		
IRRIGATION	03/15	11/15	0.360		

7. Total Quantity Appropriated is:
1.360 C.F.S. (and/or)

A.F.A.

8. Total consumptive use is 45.0 Acre Feet Per Annum.

9. Non-irrigation uses:
I/ KRAFT PLANT

10. Place of Use:

Township	Range	Section	1/4 of	1/4 of	Lot	Use	Acres
06S	34E	21	NW	NE		IRR	18.0
			NW	NE		INDUST	

Section Acres 18.0

A29-11027

Page 1

Date: 04/03/90

MICROFILMED

NOV 16 1992



Total Acres	18.0
-------------	------

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

14. Remarks:

15. Basis of Claim: BENEFICIAL USE

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 Individuals:

I/We do solemnly swear or affirm that the statements contained in the foregoing document are true and correct. 1

Signature of Claimant(s): Ray W. Famb Date: 4-3-90
Date: _____

State of Idaho)
County of Damoc) SS.

Subscribed and sworn (or affirmed) before me this 23 day

of April 19 90

John Paul Carlson
Notary Public

Seal

Residing at B013, Tel

My Commission Expires 6/3/90

03/90
MICROFILMED
NOV 16 1992



MICROFILMED
NOV 16 1992