

1978 JUL -2 PM 2:01
DISTRICT COURT-SRBA
TWIN FALLS CO., IDAHO
FILED

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

Case No. 39576

NOTICE OF COMPLETED
ADMINISTRATIVE PROCEEDINGS

SUB CASE NO. 36-02319, 36-08004,
36-08011A, 36-08011B

IDWR has completed the following Administrative proceeding: **SUBSTITUTION OF PARTY**

Does the change in "ownership" result in a splitting of the water right claimed? ☐ Yes ☒ No

FROM: Claimant/Seller(s):

Name and Address of Claimant/Seller(s):

Sunrise Organic Farms Inc
12050 N Pecos Ste 200
Westminster CO 80234-2711

Phone: (303) 280-1010

TO: Claimant/Purchaser(s):

Name and Address of Claimant/Purchaser(s):

Horizon Organic Dairy Idaho Farm Inc
6311 Horizon Ln
Longmont CO 80503

Phone: (303) 530-2711

IDWR certifies that it has completed its investigation into the changes to the elements of the water rights listed above as set forth in the attached *Amended Director's Reports* for said water rights. No other changes have been made to the elements of these water rights except as set forth above.

IDWR has served copies of the *Notice of Completed Administrative Proceeding* and *Amended Director's Report(s)* on the claimant(s), prior claimant(s) and all parties in the subcases affected, if any, as reflected on the attached certificate of mailing.

DATED: 6/30/98


Signature of IDWR Representative

CERTIFICATE OF MAILING

I certify that on 7-2, 1998, I mailed the original and copies of this form to the following persons, postage prepaid and addressed as follows:

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:
Claimant/Seller for Substitution of Party or attorney of record:
Norman M Semanko
Rosholt Robertson & Tucker
PO Box 1906
Twin Falls ID 83303-1906
3. One Copy to:
Claimant/Purchaser for Substitution of Party or attorney of record:
Norman M Semanko
Rosholt Robertson & Tucker
PO Box 1906
Twin Falls ID 83303-1906
4. One Copy to:
Each party in the subcase or attorney of record:
US Dept of Interior
Bureau of Reclamation
1150 N Curtis
Boise ID 83706-1234
5. One Copy to:
Chief Natural Resources Division
Office of the Attorney General
PO Box 44449
Boise ID 83711-4449
6. One Copy to:
United States Dept Of Justice
Environment & Natural Resource Div
550 West Fort Street MSC 033
Boise ID 83724



Signature of person or attorney mailing the form

AJ5856NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: JUN-24-1998
PAGE: A-1

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-02319

NAME & ADDRESS: HORIZON ORGANIC DAIRY IDAHO FARM INC
6311 HORIZON LN
LONGMONT CO 80503

SOURCE: GROUNDWATER

QUANTITY: 3.08 CFS

USE OF THIS RIGHT WITH RIGHT NO. 36-08004 IS LIMITED TO A
TOTAL COMBINED DIVERSION RATE OF 3.44 CFS AND A TOTAL COMBINED
ANNUAL DIVERSION VOLUME OF 728.0 AF.

PRIORITY DATE: 05/11/1957

POINT OF DIVERSION: T09S R21E S18 NENWSE Within JEROME County

PURPOSE AND PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	IRRIGATION	04-01 10-31	3.08 CFS

PLACE OF USE:	IRRIGATION	Within JEROME County
	T09S R21E S17	S17 SWNW 34 NWSW 32 SWSW 1
	S18	NESW 40 SESW 15 NESE 27 NWSE 24
		SWSE 6 SESE 3
	182 ACRES TOTAL	

USE OF THIS RIGHT WITH RIGHT NO. 36-08004 IS LIMITED TO THE
IRRIGATION OF A COMBINED TOTAL OF 182 ACRES IN A SINGLE
IRRIGATION SEASON.

THIS RIGHT IS LIMITED TO THE IRRIGATION OF 177 ACRES WITHIN
THE PLACE OF USE DESCRIBED ABOVE IN A SINGLE IRRIGATION SEASON.

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE

RIGHT INCLUDES ACCOMPLISHED CHANGE IN POINT OF DIVERSION
PURSUANT TO SECTION 42-1425, IDAHO CODE.

RIGHT INCLUDES ACCOMPLISHED CHANGE IN PLACE OF USE PURSUANT TO
SECTION 42-1425, IDAHO CODE.

RIGHT NO. 36-08004 IS ALSO DIVERTED THROUGH POINT OF
DIVERSION DESCRIBED ABOVE.

AJ5856NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: JUN-24-1998

PAGE: A-2

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-08004

NAME & ADDRESS: HORIZON ORGANIC DAIRY IDAHO FARM INC
6311 HORIZON LN
LONGMONT CO 80503

SOURCE: GROUNDWATER

QUANTITY: 2.00 CFS

USE OF THIS RIGHT WITH RIGHT NO. 36-02319 IS LIMITED TO A
TOTAL COMBINED DIVERSION RATE OF 3.44 CFS AND A TOTAL COMBINED
ANNUAL DIVERSION VOLUME OF 728.0 AF.

PRIORITY DATE: 10/19/1981

POINT OF DIVERSION: T09S R21E S18 NENWSE Within JEROME County

PURPOSE AND

PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	IRRIGATION	04-01 10-31	2.00 CFS

PLACE OF USE:	IRRIGATION	Within JEROME County
	T09S R21E S17	S17 34
	S18	NESW 40
		SWSE 6
		NWSW 32
		SESW 15
		SESE 3
		SWSW 1
		NESE 27
		NWSE 24
	182 ACRES TOTAL	

USE OF THIS RIGHT WITH RIGHT NO. 36-02319 IS LIMITED TO THE
IRRIGATION OF A COMBINED TOTAL OF 182 ACRES IN A SINGLE
IRRIGATION SEASON.

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE

RIGHT NO. 36-02319 IS ALSO DIVERTED THROUGH POINT OF
DIVERSION DESCRIBED ABOVE.

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-08011A

NAME & ADDRESS: HORIZON ORGANIC DAIRY IDAHO FARM INC
6311 HORIZON LN
LONGMONT CO 80503

SOURCE: GROUNDWATER

QUANTITY: 0.15 CFS
7.8 AFY

PRIORITY DATE: 12/24/1981

POINT OF DIVERSION: T09S R21E S16 NENENE Within JEROME County

TWO POINTS OF DIVERSION LOCATED IN T09S, R21E, S16, NENENE.

PURPOSE AND PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	DOMESTIC 11 HOMES	01-01 12-31	0.15 CFS
			7.8 AFY

PLACE OF USE: DOMESTIC Within JEROME County
T09S R21E S16 NENE

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE

AJ5856NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: JUN-24-1998
PAGE: A-4

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-08011B

NAME & ADDRESS: HORIZON ORGANIC DAIRY IDAHO FARM INC
6311 HORIZON LN
LONGMONT CO 80503

SOURCE: GROUNDWATER

QUANTITY: 0.14 CFS
8.1 AFY

PRIORITY DATE: 12/24/1981

POINT OF DIVERSION: T09S R21E S33 NENENE Within JEROME County

TWO POINTS OF DIVERSION LOCATED IN T09S, R21E, S33, NENENE.

PURPOSE AND

PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	STOCKWATER	01-01 12-31	0.14 CFS
			8.1 AFY

PLACE OF USE: STOCKWATER Within JEROME County
T09S R21E S27 SWSW
S34 NWNW

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE
STOCKWATER, 600 DAIRY CALVES.



State of Idaho

DEPARTMENT OF WATER RESOURCES

1341 Fillmore Street, Suite 200, Twin Falls, ID 83301-3380

Phone: (208) 736-3033 FAX: (208) 736-3037

July 2, 1998

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

NORMAN M SEMANKO
ROSHOLT ROBERTSON & TUCKER
PO BOX 1906
TWIN FALLS ID 83303-1906

RE: SRBA Claim(s) 36-02319, 36-08004, 36-08011A, 36-08011B

Dear Mr. Semanko:

Please find the enclosed copy of the Notice of Completed Administrative Proceeding which the department has filed with the SRBA Court regarding the above referenced claims. You have received this notice pursuant to SRBA Court Administrative Order 11 requiring IDWR to report to the court and interested parties any pending changes to adjudication claims in basins for which a Director's Report has been filed with the court.

Please contact this office if you have any questions about the notice or the administrative process.

Sincerely,

Trish Fawcett
Technical Records Specialist

/tf

cc: Bureau of Reclamation
Bureau of Land Management

RECEIVED

MAR 27 1998

STATE OF IDAHO
IDAHO DEPARTMENT OF WATER RESOURCES

Department of Water Resources
Southern Region

NOTICE OF CHANGE OF WATER RIGHT OWNERSHIP

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):

02430; 010907; (08004); 08016; 36-02310; 02376; 07351; 08005; 08011; 02254A; 02254B; 02284; 02319; 02248; 02249; 07688; 14601; 08008; 08014; 08113

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

A. A copy of the most recent DEED, TITLE POLICY, CONTRACT OF SALE or other legal document indicating your ownership of the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.

B. PLAT OF PROPERTY or SURVEY MAP for parcel of ten acres or less. (These are usually attached to your deed or on file with the county.)

OR

C. For water rights or adjudication claims involving ten or more irrigated acres, a USDA Farm Service Agency AERIAL PHOTO with irrigated acres outlined and point(s) of diversion clearly marked.

Name and Address of Former Owner/Claimant

SUNRISE ORGANIC FARMS, INC.
12050 NORTH PECOS, SUITE 200
WESTMINSTER CO 80234-2711

New Owner/Claimant(s)

HORIZON ORGANIC DAIRY, IDAHO FARM, INC.

New Mailing Address

Name Connector (Check one): [] and, [] or, [] and/or
6311 HORIZON LANE

City, State and ZIP Code

LONGMONT, CO 80503

New Telephone Number

(303) 530-2711

Date you acquired the property

MAY 29, 1997

If you have acquired only a portion of the former owner's property, IDWR may need to split the water right(s) or adjudication claim(s). If this applies, describe in detail your portion of each water right or adjudication claim in the spaces below. If necessary, attach additional pages.

Number of acres you irrigate

Number and type of stock

Diversion rate in CFS

Number of homes

Other uses

If a water right or adjudication claim is being split and you are not sure how to identify your portion of the original right or claim, please contact the nearest IDWR office for assistance.

Signature of New Owner or Claimant(s)

HORIZON ORGANIC DAIRY, IDAHO FARM INC.
BARNEY FEINBLUM, PRESIDENT

* (Corporations or other organizations must submit a list of directors and/or officers demonstrating authority to sign form.)

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him or her for all matters related to your claims..

T H 5 2 8 2

LAW OFFICES OF

KRENDL HOROWITZ & KRENDL

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

370 SEVENTEENTH STREET, SUITE 5350

DENVER, COLORADO 80202

(303) 629-2400

Telecopier No. (303) 629-2406

JAMES R. KRENDL
JAY E. HOROWITZ
CATHY S. KRENDL
DANIEL F. WAKE
KIM E. IKLER
LEE F. SACHNOFF
SHERI D. WAY
CHARLES D. BYBEE
PHILIP L. GORDON
ROBERT G. HURSTON
E. LEX REICHERT
ROBERT T. FISHMAN
JENNIFER A. D'ALESSANDRO

June 18, 1997

Internal Revenue Service
Attention: Taxpayer Services
1160 West 1200 South
Ogden, Utah 84201

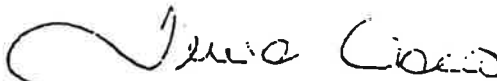
Re: Change of Corporate Name

Dear Sir or Madam:

Please change your records to reflect that our client, Sunrise Organic Farms, Inc. (FEIN # 82-0460690) changed its corporate name effective May 29, 1997 to Horizon Organic Dairy, Idaho Farm, Inc. Attached to evidence such name change is a copy of the Articles of Amendment as filed of record with the Colorado Secretary of State.

Sincerely,

KRENDL HOROWITZ & KRENDL



Teresa K. Ciacco
Paralegal

Enclosure

cc: Mr. Barnet Feinblum
Mr. Marc Peperzak

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION**

OF
SUNRISE ORGANIC FARMS, INC.
n/k/a HORIZON ORGANIC DAIRY, IDAHO FARM, INC.

19971066077 C
\$ 60.00
SECRETARY OF STATE
05-29-97 16:45:07

These Amended and Restated Articles of Incorporation of Sunrise Organic Farms, Inc., which include amendments, correctly set forth the provisions of the corporation's Articles of Incorporation, as amended, and supersede the corporation's original Articles of Incorporation and all amendments thereto. These Amended and Restated Articles of Incorporation were recommended by the board of directors and approved by the shareholders of the corporation on May 14, 1997. The number of votes cast for such Amended and Restated Articles of Incorporation by each voting group entitled to vote separately on the amendment was sufficient for approval by that voting group.

FIRST: The name of the corporation is Horizon Organic Dairy, Idaho Farm, Inc.

SECOND: The corporation shall have and may exercise all of the rights, powers and privileges now or hereafter conferred upon corporations organized under the laws of Colorado. In addition, the corporation may do everything necessary, suitable or proper for the accomplishment of any of its corporate purposes. The corporation may conduct part or all of its business in any part of Colorado, the United States or the world and may hold, purchase, mortgage, lease and convey real and personal property in any of such places.

THIRD: (a) The aggregate number of shares which the corporation shall have authority to issue is 10,000,000 shares of common stock. The shares of this class of common

stock shall have unlimited voting rights and shall constitute the sole voting group of the corporation, except to the extent any additional voting group or groups may hereafter be established in accordance with the Colorado Business Corporation Act. The shares of this class shall also be entitled to receive the net assets of the corporation upon dissolution.

(b) Each shareholder of record shall have one vote for each share of stock standing in his name on the books of the corporation and entitled to vote, except that in the election of directors, each shareholder shall have as many votes for each share held by him as there are directors to be elected and for whose election the shareholder has a right to vote. Cumulative voting shall not be permitted in the election of directors or otherwise.

(c) Unless otherwise ordered by a court of competent jurisdiction, at all meetings of shareholders one-third of the shares of a voting group entitled to vote at such meeting, represented in person or by proxy, shall constitute a quorum of that voting group.

FOURTH: The number of directors of the corporation shall be fixed by the bylaws, or if the bylaws fail to fix such a number, then by resolution adopted from time to time by the board of directors, provided that the number of directors shall not be less than one nor more than nine.

FIFTH: The street address of the registered office of the corporation is 370 17th Street, Suite 5350, Denver, Colorado 80202. The name of the registered agent of the corporation at such address is Lee F. Sachnoff.

SIXTH: The address of the principal office of the corporation is 7490 Clubhouse Rd., Suite 103, Boulder, Colorado 80301.

SEVENTH: The following provisions are inserted for the management of the business and for the conduct of the affairs of the corporation, and the same are in furtherance of and not in limitation or exclusion of the powers conferred by law.

(d) Conflicting Interest Transactions. As used in this paragraph, "conflicting interest transaction" means any of the following: (i) a loan or other assistance by the corporation to a director of the corporation or to an entity in which a director of the corporation is a director or officer or has a financial interest; (ii) a guaranty by the corporation of an obligation of a director of the corporation or of an obligation of an entity in which a director of the corporation is a director or officer or has a financial interest; or (iii) a contract or transaction between the corporation and a director of the corporation or between the corporation and an entity in which a director of the corporation is a director or officer or has a financial interest. No conflicting interest transaction shall be void or voidable, be enjoined, be set aside, or give rise to an award of damages or other sanctions in a proceeding by a shareholder or by or in the right of the corporation, solely because the conflicting interest transaction involves a director of the corporation or an entity in which a director of the corporation is a director or officer or has a financial interest, or solely because the director is present at or participates in the meeting of the corporation's board of directors or of the committee of the board of directors which authorizes, approves or ratifies a conflicting interest transaction, or solely because the director's vote is counted for such purpose if: (A) the material facts as to the director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the board of directors or the committee, and the board of directors or committee in good faith authorizes, approves or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested

directors, even though the disinterested directors are less than a quorum; or (B) the material facts as to the director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the shareholders entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved or ratified in good faith by a vote of the shareholders; or (C) a conflicting interest transaction is fair as to the corporation as of the time it is authorized, approved or ratified by the board of directors, a committee thereof, or the shareholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorizes, approves or ratifies the conflicting interest transaction.

(e) Loans and Guaranties for the Benefit of Directors. Neither the board of directors nor any committee thereof shall authorize a loan by the corporation to a director of the corporation or to an entity in which a director of the corporation is a director or officer or has a financial interest, or a guaranty by the corporation of an obligation of a director of the corporation or of an obligation of an entity in which a director of the corporation is a director or officer or has a financial interest, until at least ten days after written notice of the proposed authorization of the loan or guaranty has been given to the shareholders who would be entitled to vote thereon if the issue of the loan or guaranty were submitted to a vote of the shareholders. The requirements of this paragraph (b) are in addition to, and not in substitution for, the provisions of paragraph (a) of Article SEVENTH.

(f) Indemnification. The corporation shall indemnify, to the maximum extent permitted by law, any person who is or was a director, officer, agent, fiduciary or employee of the corporation against any claim, liability or expense arising against or incurred by

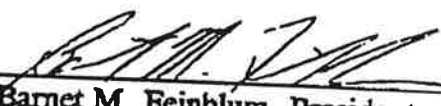
such person made party to a proceeding because he is or was a director, officer, agent, fiduciary or employee of the corporation or because he is or was serving another entity as a director, officer, partner, trustee, employee, fiduciary or agent at the corporation's request. The corporation shall further have the authority to the maximum extent permitted by law to purchase and maintain insurance providing such indemnification.

(g) Limitation on Director's Liability. No director of this corporation shall have any personal liability for monetary damages to the corporation or its shareholders for breach of his fiduciary duty as a director, except that this provision shall not eliminate or limit the personal liability of a director to the corporation or its shareholders for monetary damages for: (i) any breach of the director's duty of loyalty to the corporation or its shareholders; (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) voting for or assenting to a distribution in violation of Colorado Revised Statutes § 7-106-401 or the articles of incorporation if it is established that the director did not perform his duties in compliance with Colorado Revised Statutes § 7-108-401, provided that the personal liability of a director in this circumstance shall be limited to the amount of the distribution which exceeds what could have been distributed without violation of Colorado Revised Statutes § 7-106-401 or the articles of incorporation; or (iv) any transaction from which the director directly or indirectly derives an improper personal benefit. Nothing contained herein will be construed to deprive any director of his right to all defenses ordinarily available to a director nor will anything herein be construed to deprive any director of any right he may have for contribution from any other director or other person.

(h) Negation of Equitable Interests in Shares or Rights. Unless a person is recognized as a shareholder through procedures established by the corporation pursuant to Colorado Revised Statutes § 7-107-204 or any similar law, the corporation shall be entitled to treat the registered holder of any shares of the corporation as the owner thereof for all purposes permitted by the Colorado Business Corporation Act, including without limitation all rights deriving from such shares, and the corporation shall not be bound to recognize any equitable or other claim to, or interest in, such shares or rights deriving from such shares on the part of any other person including without limitation, a purchaser, assignee or transferee of such shares, unless and until such other person becomes the registered holder of such shares or is recognized as such, whether or not the corporation shall have either actual or constructive notice of the claimed interest of such other person. By way of example and not of limitation, until such other person has become the registered holder of such shares or is recognized pursuant to Colorado Revised Statutes §7-107-204 or any similar applicable law, he shall not be entitled: (i) to receive notice of the meetings of the shareholders; (ii) to vote at such meetings; (iii) to examine a list of the shareholders; (iv) to be paid dividends or other distributions payable to shareholders; or (v) to own, enjoy and exercise any other rights deriving from such shares against the corporation. Nothing contained herein will be construed to deprive any beneficial shareholder, as defined in Colorado Revised Statutes § 7-113-101(1), of any right he may have pursuant to Article 113 of the Colorado Business Corporation Act or any subsequent law.

EIGHTH: These Amended and Restated Articles of Incorporation shall become effective on the date that they are filed with the Colorado Secretary of State.

SUNRISE ORGANIC FARMS, INC., n/k/a
HORIZON ORGANIC DAIRY, IDAHO FARM,
INC.

By: 

Barnet M. Feinblum, President

Lee F. Sachnoff hereby agrees to continue as the registered agent for Sunrise Organic Farms, Inc., n/k/a Horizon Organic Dairy, Idaho Farm, Inc.


Lee F. Sachnoff

ACQUISITION AGREEMENT

THIS ACQUISITION AGREEMENT (the "Agreement") is made as of the 20th day of March, 1997 among HORIZON ORGANIC DAIRY, INC., a Colorado corporation ("Horizon"), HORIZON ORGANIC HOLDING CORPORATION, a Delaware corporation ("Holding Co."), SUNRISE ORGANIC FARMS, INC., a Colorado corporation ("Company"), and the shareholders of the Company other than Horizon who are listed on the signature page of this Agreement (collectively, the "Shareholders" and together with the Company, the "Sellers").

RECITALS

WHEREAS, the Company is a corporation duly organized and existing under the laws of the State of Colorado;

WHEREAS, Horizon currently holds 107,666 (approximately twenty-seven percent (27%)) of the Company's issued and outstanding stock;

WHEREAS, Horizon and Holding Co. desire to acquire the remaining approximately seventy-three percent (73%), which is 293,694 shares, of the Company's issued and outstanding stock (the "Company Stock");

WHEREAS, the agreed upon value of the Company's common stock is \$20.2394 per share, for an aggregate purchase price of \$5,944,190;

WHEREAS, it is the intent of the parties that the shareholders of the Company transfer some of their shares in the Company in a nonrecognition exchange under Section 351 of the Internal Revenue Code to Holding Co., and for the shareholders of Horizon to transfer all their shares to Holding Co., resulting in Horizon and the Company becoming wholly-owned subsidiaries of Holding Co.; and

WHEREAS, the Board of Directors of Horizon and the Board of Directors of the Company (both of which corporations are hereinafter collectively referred to as "Constituent Corporations") deem it advisable and in the best interests of the Constituent Corporations and their respective shareholders that Horizon acquire at this time a portion of the Shareholders' stock in the Company for subordinated promissory notes, and subsequently have Holding Co. acquire the remaining shares in the Company in exchange for shares in Holding Co. pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements, representations, warranties, provisions and covenants herein contained, the parties hereto hereby agree as follows:

shall be placed in escrow and not released until the earlier of the Second Closing or such other events more fully described in the Escrow Agreement substantially in the form attached hereto as Exhibit 7.18. While such shares of the Company Stock are in escrow, the Shareholders shall have the right to receive any dividends or other distributions, if any, on such shares, and they shall have the right to vote such shares in the event any matter is submitted to the vote of Company's shareholders.

8. COVENANTS AFTER CLOSING.

8.1 Release From Guarantees. After the Closing, Horizon and Holding Co. shall use their best efforts to have the Shareholders released from those personal guarantees specified on Schedule 8.1 of indebtedness of the Company.

8.2 Continued Operations. Horizon and Holding Co. agree to operate the Company as it has been historically operated, subject to legal compliance, until such time that the releases identified on Schedule 8.1 have been obtained.

8.3 Officers and Directors. The parties agree that following the First Closing, they shall cause the following individuals to be elected to as directors of the Company until their successors are duly elected and qualified: Barnet M. Feinblum, Marcus B. Peperzak, Mark A. Retzloff and Paul B. Repetto. The parties further agree that following the First Closing, they shall cause the following individuals to be elected to the following offices of the Company:

<u>Officer</u>	<u>Office</u>
President	Barnet M. Feinblum
Vice President	Barney Little
Vice President	Marcus B. Peperzak
Secretary	Paul B. Repetto
Treasurer	Mark A. Retzloff

8.4 Name Change. Immediately following the Second Closing, Horizon shall cause the Company to amend its Articles of Incorporation to change the corporation's name to "Horizon Organic Farms, Inc." and to make such other changes necessary to conform the Company's articles of incorporation to the Colorado Business Corporations Act of 1994.

8.5 Subordination of Notes. The Shareholders agree to execute the standard form subordination agreement(s) which the then current commercial lender, facilities lender or principal lender, and any successors thereto, of Company, Horizon and/or Holding Co. shall require from time to time in order to subordinate the Notes to any debt owed to such lenders.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HORIZON ORGANIC DAIRY, INC.

By: B. M. J. M.
Barnet M. Feinblum, President

HORIZON ORGANIC HOLDING CORPORATION

By: B. M. J. M.
Barnet M. Feinblum, President

SUNRISE ORGANIC FARMS, INC.

By: M. B. P.
Marcus B. Peperzak, President

SHAREHOLDERS:

M. B. P.
Marcus B. Peperzak

Barney Little

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HORIZON ORGANIC DAIRY, INC.

By: _____
Barnet M. Feinblum, President

HORIZON ORGANIC HOLDING CORPORATION

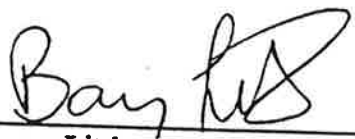
By: _____
Barnet M. Feinblum, President

SUNRISE ORGANIC FARMS, INC.

By: _____
Marcus B. Peperzak, President

SHAREHOLDERS:

Marcus B. Peperzak



Barney Little

AURORA DAIRY CORPORATION

By: Marcus B. Peperzak
 Marcus B. Peperzak, President

David Sumrall

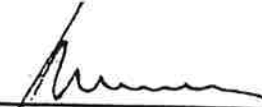
Gregory S. McDonald

THE MCCLOSKEY CHILDREN'S TRUST

By: William R. Jordan, III, Trustee

ID CONSOLIDATED

By: Gregory S. McDonald, General Partner

**AURORA DAIRY CORPORATION PENSION &
PROFIT SHARING PLAN**By: _____
Marcus B. Peperzak, Trustee**AURORA DAIRY CORPORATION**By: _____
Marcus B. Peperzak, President

David Sumrall_____
Gregory S. McDonald**THE MCCLOSKEY CHILDREN'S TRUST**

By: _____

William R. Jordan, III, Trustee**ID CONSOLIDATED**

By: _____

Gregory S. McDonald, General Partner

AURORA DAIRY CORPORATION PENSION &
PROFIT SHARING PLAN

By: _____
Marcus B. Peperzak, Trustee

AURORA DAIRY CORPORATION

By: _____
Marcus B. Peperzak, President

David Sumrall

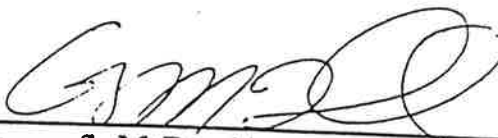


Gregory S. McDonald

THE MCCLOSKEY CHILDREN'S TRUST

By: _____
William R. Jordan, III, Trustee

ID CONSOLIDATED

By: 

Gregory S. McDonald, General Partner

AURORA DAIRY CORPORATION PENSION &
PROFIT SHARING PLAN

By: _____
Marcus B. Peperzak, Trustee

AURORA DAIRY CORPORATION

By: _____
Marcus B. Peperzak, President

David Sumrall

Gregory S. McDonald

THE MCCLOSKEY CHILDREN'S TRUST

By: William R. Jordan III, Trustee
William R. Jordan, III, Trustee

ID CONSOLIDATED

By: _____
Gregory S. McDonald, General Partner

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

Case No. 39576

**NOTICE OF COMPLETED
ADMINISTRATIVE PROCEEDINGS**

SUB CASE NO. 36-08011

IDWR has completed the following Administrative proceeding: I.C. § 42-222 TRANSFER

An Administrative Proceeding pursuant to I.C. § 42-222 has been completed. The following changes have been made to the water right(s):

☒ Change in Ownership
☒ Point of Diversion
☐ Period of Use

☒ Split of Water Right
☒ Place of Use
☐ Nature of Use

FROM: Claimant/Seller(s):

Name and Address of Claimant/Seller(s):
Aurora Farms Inc
1333 W 120th Ave Ste 317
Westminster CO 80234

Phone: (208) 438-5437

TO: Claimant/Purchaser(s):

Name and Address of Claimant/Purchaser(s):
Sunrise Organic Farms Inc
12050 N Pecos Ste 200
Westminster CO 80234-2711

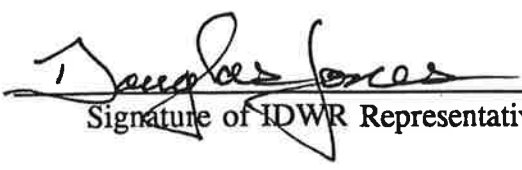
Phone: (208) 280-1011

The Claimant has filed Objections or Responses to the following water rights: None

IDWR certifies that it has completed its investigation into the changes to the elements of the water rights listed above as set forth in the attached *Amended Director's Reports* for said water rights. No other changes have been made to the elements of these water rights except as set forth above.

IDWR has served copies of the *Notice of Completed Administrative Proceeding* and *Amended Director's Report(s)* on the claimant(s), prior claimant(s) and all parties in the subcases affected, if any, as reflected on the attached certificate of mailing.

DATED: 2/14/97


Signature of IDWR Representative

CERTIFICATE OF MAILING

I certify that on 2-24, 1997, I mailed the original and copies of this form to the following persons, postage prepaid and addressed as follows:

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:

Claimant/Seller for Substitution of Party or attorney of record:

Aurora Farms Inc
1333 W 120th Ave Ste 317
Westminster CO 80234

3. One Copy to:

Claimant/Purchaser for Substitution of Party or attorney of record:

Sunrise Organic Farms Inc	Rosholt Robertson & Tucker
12050 N Pecos Ste 200	PO Box 1906
Westminster Co 80234-1010	Twin Falls ID 83303-1906

4. One Copy to:

Each party in the subcase or attorney of record:

5. One Copy to:

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

6. One Copy to:

United States Dept Of Justice
Environment & Natural Resource Div
550 West Fort Street MSC 033
Boise ID 83724



Signature of person or attorney mailing the form

AJ5859NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: FEB-11-1997

PAGE: A-1

RIGHT NUMBER: 36-08011

SPLIT RIGHT: SEE RIGHT NOS. 36-08011A AND 36-08011B.

FEB 24 PM 3:11

DISTRICT COURT-SE
TWIN FALLS CO., IDAHO
FILED

AJ5856NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: FEB-19-1997

PAGE: A-5

1997 FEB 24 PM 3:51

RIGHTS FROM: SOURCE: GROUNDWATER

DISTRICT 11-12-34
TWIN FALLS COUNTY, IDAHO
FILED

RIGHT NUMBER: 36-08011A

NAME & ADDRESS: SUNRISE ORGANIC FARMS INC
12050 N PECOS STE 200
WESTMINSTER CO 80234-2711

SOURCE: GROUNDWATER

QUANTITY: 0.15 CFS
7.8 AFY

PRIORITY DATE: 12/24/1981

POINT OF DIVERSION: T09S R21E S16 NENENE Within JEROME County

TWO POINTS OF DIVERSION LOCATED IN T09S, R21E, S16 NENENE

PURPOSE AND PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	DOMESTIC 11 MOBILE HOMES	01-01 12-31	0.15 CFS
			7.8 AFY

PLACE OF USE: DOMESTIC Within JEROME County
T09S R21E S16 NENE

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE
AS A RESULT OF APPROVED TRANSFER NO. 4185, THE ORIGINAL RIGHT HAS
BEEN SPLIT INTO PARTS A & B. THE DOMESTIC PART IS NOW 36-08011A
AND THE STOCKWATER PART IS 36-08011B.

AJ5856NP

IDAHO DEPARTMENT OF WATER RESOURCES
RECOMMENDED WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: FEB-19-1997

PAGE: A-6

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-08011B

NAME & ADDRESS: SUNRISE ORGANIC FARMS INC
12050 N PECOS STE 200
WESTMINSTER CO 80234-2711

SOURCE: GROUNDWATER

QUANTITY: 0.14 CFS

PRIORITY DATE: 12/24/1981

POINT OF DIVERSION: T09S R21E S33 NENENE Within JEROME County

TWO POINTS OF DIVERSION LOCATED IN T09S, R21E, S33, NENENE

PURPOSE AND
PERIOD OF USE:

PURPOSE OF USE
STOCKWATER

PERIOD OF USE
01-01 12-31

QUANTITY
0.14 CFS

PLACE OF USE: STOCKWATER Within JEROME County
T09S R21E S27 SWSW
S34 NWNW

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE
STOCKWATER, 600 DAIRY CALVES

1997 FEB 24 PM 3:21

DISTRICT COURT
TWIN FALLS CO, IDAHO
FILED

RIGHTS FROM: SOURCE: GROUNDWATER

RIGHT NUMBER: 36-08011B

NAME & ADDRESS: SUNRISE ORGANIC FARMS INC
12050 N PECOS STE 200
WESTMINSTER CO 80234-2711

SOURCE: GROUNDWATER

QUANTITY: 0.14 CFS

PRIORITY DATE: 12/24/1981

POINT OF DIVERSION: T09S R21E S33 NENENE Within JEROME County

PURPOSE AND

PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	STOCKWATER STOCKWATER, 600 DAIRY calves EXP	01-01 12-31	0.14 CFS

PLACE OF USE: STOCKWATER Within JEROME County
T09S R21E S27 SWSW
S34 NWNW

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

PURSUANT TO APPROVED TRANSFER NO. 4185:

1. THE CHANGE AUTHORIZED BY THIS TRANSFER SHALL BE ACCOMPLISHED WITHIN ONE (1) YEAR OF THE DATE OF THIS APPROVAL.
2. FAILURE TO COMPLY WITH THE CONDITIONS OF THIS TRANSFER IS CAUSE FOR THE DIRECTOR TO ISSUE AN ORDER TO SHOW CAUSE WHY THE APPROVAL OF THIS TRANSFER SHOULD NOT BE RESCINDED.
3. THE CHANGE APPROVED BY THIS TRANSFER IS SUBJECT TO THE TERMS OF THE COURT'S FINAL DECREE OF THIS RIGHT IN THE ONGOING SNAKE RIVER BASIN ADJUDICATION.
4. TWO POINTS OF DIVERSION LOCATED IN NENENE, S33, T09S, R21E.

EXPLANATORY MATERIAL: BASIS OF CLAIM - LICENSE



State of Idaho

DEPARTMENT OF WATER RESOURCES

1341 Fillmore Street, Suite 200, Twin Falls, ID 83301-3380

Phone: (208) 736-3033 FAX: (208) 736-3037

February 24, 1997

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

SUNRISE ORGANIC FARMS INC
12050 N PECOS STE 200
WESTMINSTER CO 80234-2711

RE: SRBA Claim(s) 36-02248, 36-02249, 36-02254A, 36-02254B,
36-02284, 36-02310, 36-02319, 36-02376,
36-02430, 36-07351, 36-07688, 36-08004,
36-08005, 36-08008, 36-08011A, 36-08011B,
36-08014, 36-08113

Decreed Water Rights 36-08016, 36-10907, 36-14601

Dear Claimants:

Pursuant to the change in ownership request that has been submitted to the Department, we have changed the record of current ownership to you. Please find the enclosed copies of the computer record of the decreed water rights noting the change in claimant. Review these records and if there is an error, or you have any questions, please contact this office.

Also enclosed is your copy of the Notice of Completed Administrative Proceeding the department filed with the SRBA Court. This conforms with Administrative Order 11 which requires IDWR to report to the court all changes to SRBA Claims in basins where a Director's Report has been filed and decrees have not been issued.

Sincerely,

Trish Fawcett
Technical Records Specialist

enc.

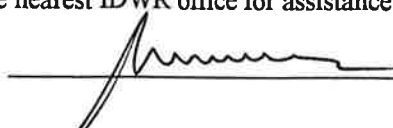
cc: Aurora Farms Inc., Rosholt, Robertson & Tucker

RECEIVED
DEC 06 1996
Water Resource
Southern Region

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

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 Number(s) _____
 Adjudication Claim Number(s) 36-02310; 02376; 07351; 08005; 08011; 02254A; 02254B; 02284; 02430; 10907; 08004; 08016; 02319; 02248; 02249; 07688; 14601; 08008; 08014; 08113
2. The following **REQUIRED** information must be submitted with this form.
 - A. A copy of the most recent DEED, TITLE POLICY, CONTRACT OF SALE, or other legal document indicating your ownership of the property and water rights or claims in question, WITH ATTACHED LEGAL DESCRIPTION.
 AND
 - B. PLAT OF PROPERTY or SURVEY MAP for parcel of ten acres or less. (These are usually on file with the county.)
 OR
 - C. For water rights or adjudication claims involving ten or more irrigated acres, a USDA Farm Service Agency (formerly ASCS) AERIAL PHOTO with irrigated acres outlined and point(s) of diversion clearly marked.
3. Name and Address of Former Owner/Claimant(s) AURORA FARMS, INC.
1333 W. 120th AVENUE, SUITE 317; WESTMINISTER, CO 80234
4. New Owner/Claimant(s) SUNRISE ORGANIC FARMS, INC.
 Name connector (Check one): ☐ AND, ☐ OR, ☐ AND/OR
 New Mailing Address 12050 NORTH PECOS, SUITE 200
 City, State and ZIP Code WESTMINISTER, CO 80234-2711
 New Telephone Number (208) 280-1010
5. Date you acquired the property _____
6. If you have acquired only a portion of the former owner's property, IDWR may need to split the water right(s) or adjudication claim(s). If this applies, describe in detail your portion of each water right or adjudication claim in the spaces below. If necessary, attach additional pages.
 Number of acres actually irrigated _____ Number and type of stock _____
 Diversion rate in CFS _____ Number of homes _____ Other uses _____
cubic feet per second
 If a water right or adjudication claim is being split and you are not sure how to identify your portion of the original right or claim, please contact the nearest IDWR office for assistance.
7. Signature of New Owner/Claimant(s)  Date 12/3/96
 _____ Date _____
8. (Corporations or other organizations must submit a list of directors/officers demonstrating authority to sign form.)
 For Snake River Basin Adjudication Claims: If you are represented by an attorney and you want IDWR to correspond directly with your attorney for all matters related to your claims, please attach a Notice of Appearance completed by your attorney.

No. C102571 Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FEE REQUIRED * FIRST NOTICE *	Annual Report Form <i>Due No Later Than November 30, 1996</i> 1. Mailing Address - Please Correct, If Not Correct SUNRISE ORGANIC FARMS, INC. MARCUS B PEPERZAK 12050 N PECOS, STE 200 WESTMINSTER CO 80234	2. Registered Agent and Office NOT A P.O. BOX GREGORY S McDONALD 2536 KIMBERLY RD TWIN FALLS ID 83301 3. Organized Under the Laws of: CO C102571
4. Corporations: Enter Names and Addresses of President, Secretary and Directors Limited Liability Companies: Enter Names and Addresses of ☐ Managers or ☐ Members (check one)		
<u>Office held</u>	<u>Name</u>	<u>Street or P.O. Address</u>
<u>City</u>	<u>State</u>	<u>Zip</u>
President:	Marcus B. Peperzak	12050 N. Pecos, Ste. 200 Westminster CO 80234
Secretary:	Christina Krueger	12050 N. Pecos, Ste. 200 Westminster CO 80234
Directors:	Marcus B. Peperzak	"same"
	Gregory S. McDonald	2536 Kimberly Road Twin Falls, ID 83301
	Barney Little	Rt. 2, Box 2668 Paul, ID 83347
	David P. Sumrall	12050 N. Pecos, Ste. 200 Westminister, CO 80234
	Thomas McCloskey	12050 N. Pecos, Ste. 200 Westminister, CO 80234
5. NATURE OF BUSINESS DAIRY FARMING		6. I certify that this Annual Report has been examined by me and is to the best of my knowledge true, correct and complete. Signature _____ Date _____ Name (Typed or Printed) _____ Title _____

ISSUED: 07-06-1996

4468

C

Fold, seal and mail this portion.

Detach at this perforation and discard this lower portion.

INSTRUCTIONS FOR THE IDAHO ANNUAL REPORT FORM

- 1.) Please pay special attention to the mailing address. If it is incorrect, please make the appropriate corrections.
NOTE: The name of the business entity cannot be altered on the annual report form.
- 2.) If the registered agent has changed or moved, please make that correction on this form. The registered agent must be found IN IDAHO at a PHYSICAL ADDRESS. PO Boxes WILL NOT be accepted. If report is for a Limited Liability please refer to #4 below.
- 3.) Corporation: Enter names and addresses of ONLY the president, secretary, and directors in block 4.
Limited Liability Company: Enter the names and addresses of the managers or members in block 4.
NOTE: Putting "same as last year" WILL NOT be accepted.
- 4.) Corporation: If the pre-filled information pertaining to the nature of business, in block 5, is incorrect please correct it. If the block says "any lawful" please enter the nature of business. Please be specific. "Nonprofit" or "General Business" is too broad.
Limited Liability Company: If the registered agent has been changed in block 2, then the NEW registered agent must accept that position by signing in block 5.
- 5.) Block 6 must be signed by an authorized person.

If the business entity is no longer doing business in Idaho, please contact the Secretary of State's office at 208 334-2301 for further instructions.

NOTE: The annual report must be received by the Office of the Secretary of State on or before November 30 or the Business Entity will forfeit its right to do business. Postmark date will not be accepted. If a corporation does forfeit, there will be a \$20.00 fee due to reinstate. If a limited liability company does cancel there will be a \$10.00 fee due to reinstate.

DUE NO LATER THAN NOVEMBER 30

CHANGE OF NAME

Mail to: Secretary of State
Corporations Section
1560 Broadway, Suite 200
Denver, CO 80202
(303) 894-2251
Fax (303) 894-2242

For office use only

951068496 C \$25.00
SECRETARY OF STATE
05-24-95 15:11

MUST BE TYPED
FILING FEE: \$25.00
MUST SUBMIT TWO COPIES

Please include a typed
self-addressed envelope

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION

Pursuant to the provisions of the Colorado Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

- FIRST: The name of the corporation is Aurora Dairy Corporation of Idaho
- SECOND: The following amendment to the Articles of Incorporation was adopted on May 22, 1995, as prescribed by the Colorado Business Corporation Act, in the manner marked with an X below:
- No shares have been issued or Directors Elected - Action by Incorporators
- No shares have been issued but Directors Elected - Action by Directors
- Such amendment was adopted by the board of directors where shares have been issued.
- X Such amendment was adopted by a vote of the shareholders. The number of shares voted for the amendment was sufficient for approval.

"I. Name. The name of the corporation is: Sunrise Organic Farms, Inc."

- THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification, or cancellation of issued shares provided for in the amendment shall be effected, is as follows:

If these amendments are to have a delayed effective date, please list that date: _____
(Not to exceed ninety (90) days from the date of filing)

AURORA DAIRY CORPORATION OF IDAHO

By: Marcus B. Peperzak
Marcus B. Peperzak, President



STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, VICTORIA BUCKLEY, Secretary of State of the State of Colorado hereby certify that ACCORDING TO THE RECORDS OF THIS OFFICE,

SUNRISE ORGANIC FARMS, INC.
(COLORADO CORPORATION)

BECAME INCORPORATED UPON THE ISSUANCE OF A CERTIFICATE OF INCORPORATION DATED 04/27/93.

Dated: MAY 24, 1995

Victoria Buckley

SECRETARY OF STATE

ARTICLES OF MERGER

The undersigned corporations, in accordance with Section 7-111-101 of the Colorado Business Corporation Act, hereby adopt the following Articles of Merger:

Article 1. The parties hereto agree to effect this merger.

Article 2. The parties to these Articles of Merger are Aurora Dairy Corporation of Idaho, a Colorado corporation ("ADCI") and Aurora Farms, Inc., a Colorado corporation ("Farms").

Article 3. The corporation to survive the Merger is Aurora Dairy Corporation of Idaho, a Colorado corporation, which shall continue under the same name.

Article 4. No amendment to the Articles of Incorporation of the surviving corporation is to be effected by the Merger.

Article 5. The total number of shares capital of stock of all classes which the parties hereto have authority to issue is as follows:

<u>Corporation</u>	<u>Class of Stock</u>	<u>Number of shares authorized</u>
ADCI	Common	100,000
Farms	Common	100,000

Article 6. The manner and basis of exchanging and converting the issued and outstanding stock of Farms is as follows: Each share of issued and outstanding Common Stock of Farms shall be converted into .082 shares of Common Stock of ADCI. Upon the surrender of certificates representing shares of Farms stock by holders thereof, certificates for 82 shares of ADCI stock will be issued in exchange by ADCI. Shares of the Common Stock outstanding at the date of this Merger shall not be converted or exchanged but shall remain outstanding as shares of Common Stock of the surviving corporation.

Article 7. The principal offices of both Farms and ADCI are located in Westminster, Colorado.

Article 8. The Plan of Merger was duly adopted by the directors of Farms and ADCI by a Unanimous Consent of all of the directors of each corporation pursuant to C.R.S. § 7-108-202 and approved by the shareholders of Farms by an informal action pursuant to C.R.S. § 7-107-104 in which 100% of the shareholders of Farms voted in favor of the Plan of Merger.

Article 9. Shareholder approval of the Plan of Merger by the shareholders of ADCI was not required pursuant to C.R.S. § 7-111-103(7) because,

- (a) the articles of incorporation of the Corporation, as the surviving corporation, will not differ from its articles of incorporation before the merger,

(b) each shareholder of the Corporation whose shares were outstanding immediately before the merger will hold the same number of shares, with identical designations, preferences, limitations, and relative rights, immediately after the merger,

(c) the number of shares, which shares entitle their holders to vote unconditionally in elections of directors, outstanding immediately after the merger, plus the number of such shares issuable as a result of the merger either by the conversion of securities issued pursuant to the merger or by the exercise of rights or warrants issued pursuant to the merger, will not exceed by more than twenty percent the total number of such shares of the Corporation outstanding immediately before the merger, and

(d) the number of shares, which shares entitle their holders to participate without limitation in distributions, immediately after the merger, plus the number of such shares issuable as a result of the merger either by the conversion of securities issued pursuant to the merger, or by the exercise of rights or warrants issued pursuant to the merger, will not exceed by more than twenty percent the total number of such shares outstanding immediately before the merger;

Article 10. The Plan of Merger is as follows:

10.1. The Articles of Incorporation of ADCI, as in effect on the effective date of the Merger, shall continue in full force and effect as the Articles of Incorporation of ADCI and shall not be changed or amended by the Merger.

10.2. ADCI reserves the right and power, after the effective date of the Merger, to alter, amend, change, or repeal any of the provisions contained in its Articles of Incorporation in the manner now or hereafter prescribed by statute, and all rights conferred on officers, directors, or stockholders herein are subject to this reservation.

10.3. The By-Laws of ADCI, as such By-Laws exist on the effective date of the Merger, shall remain and be the By-Laws of ADCI until altered, amended, or repealed, or until new By-Laws shall be adopted in accordance with the provisions thereof, the Articles of Incorporation, or in the manner permitted by the applicable provisions of law.

10.4. The directors of ADCI as of the effective date of the Merger shall continue in office until the next Annual Meeting of the shareholders of ADCI. The number of directors shall be one (1) and shall be the following person: Marcus B. Peperzak.

10.5. The following officers of ADCI immediately prior to the effective date of the Merger shall continue in office after the effective date of the Merger and until the next Annual Meeting of the board of directors of ADCI:

Marcus B. Peperzak President
Donna Getman Secretary

10.6. Each share of issued and outstanding Common Stock of Farms shall be converted into .082 shares of Common Stock of ADCI. Upon the surrender of certificates representing shares of Farms stock by holders thereof, certificates for 82 shares of ADCI stock will be issued in exchange by ADCI. Shares of the Common Stock outstanding at the date of this Merger shall not be converted or exchanged but shall remain outstanding as shares of Common Stock of the surviving corporation.

10.7. On the effective date of the Merger, the separate existence of Farms shall cease (except to the extent continued by statute), and all of its property, rights, privileges, and franchises, of whatsoever nature and description, shall be transferred to, vest in, and devolve upon the surviving corporation, without further act or deed. Confirmatory deeds, assignments, or other like instruments, when deemed desirable by ADCI to evidence such transfer, vesting, or devolution of any property, right, privilege, or franchise, shall at any time, or from time to time, be made and delivered in the name of Farms by the last acting officers thereof, or by the corresponding officers of the surviving corporation.

Article 11. The effective date of the Merger shall be the date when these Articles of Merger are executed by ADCI.

IN WITNESS WHEREOF, ADCI has caused these Articles of Merger to be signed in its corporate names and on its behalf by its Directors as of the date or dates indicated below.

12/14/94
Date

Aurora Dairy Corporation of Idaho, a
Colorado Corporation

[Signature]
Marcus B. Peperzak,
Director & President
Aurora Dairy Corporation

12/14/94
Date

Aurora Farms, Inc., a Colorado Corporation

[Signature]
Marcus B. Peperzak,
Director
Aurora Farms, Inc.

**UNANIMOUS CONSENT OF THE DIRECTORS OF
AURORA FARMS, INC.**

The undersigned, being all of the Board of Directors of Aurora Farms, Inc., a Colorado corporation (the "Corporation"), in accordance with Section 7-108-202 of the Colorado Business Corporation Act, hereby consent to the following actions without a meeting, which actions shall be effective, December 15, 1994.

RESOLVED, that the Board of Directors adopt the attached PLAN OF MERGER of the Corporation into Aurora Dairy Corporation of Idaho, a Colorado corporation ("ADCI") pursuant to C.R.S. § 7-111-103(1);

RESOLVED, that such PLAN OF MERGER shall be submitted to the shareholders of the Corporation for approval pursuant to C.R.S. § 7-111-103(1).

This Consent of the Board of Directors may be executed in counterparts.

This Consent of the Board of Directors, when signed by the undersigned, may be certified by any proper officer of the Corporation as having been unanimously adopted by a vote of the Directors on the 29th day of November, 1994.

IN WITNESS WHEREOF, the undersigned being all of the directors of the Corporation have signed this UNANIMOUS CONSENT OF THE DIRECTORS OF AURORA FARMS, INC. on the date or dates indicated below, to be effective on the date specified above.

12/15/94
Date of Execution



Marcus B. Peperzak
Director, Aurora Farms, Inc.

**INFORMAL ACTION
OF THE SHAREHOLDER
OF AURORA FARMS, INC.**

Pursuant to the provisions of Section 7-107-104 of the Colorado Business Corporations Act, the undersigned, being the shareholder of Aurora Farms, Inc., a Colorado corporation (the "Corporation") entitled to cast a vote on this matter, does hereby adopt and approve the following action:

RESOLVED, that the attached PLAN OF MERGER of the Corporation into Aurora Dairy Corporation of Idaho, a Colorado corporation shall be approved pursuant to C.R.S. § 7-111-103(2).

IN WITNESS WHEREOF, the undersigned shareholder has evidenced his approval of the above proceedings as of the date of execution.

12/24/94
Date of Execution



Marcus B. Peperzak,
Shareholder, Aurora Farms, Inc.

COUNTY OF BOULDER)
) ss.
STATE OF COLORADO)

The foregoing ARTICLES OF MERGER was subscribed, sworn to and acknowledged before me this 14th day of Dec., 1994 by Marcus B. Peperzak the Director + President of Aurora Dairy Corporation of Idaho, a Colorado corporation.

My Commission expires: Feb. 18, 1996



MY COMMISSION EXPIRES
02/18/96
BOULDER
COLORADO 80302

Anne M. Trott
Notary Public

COUNTY OF BOULDER)
) ss.
STATE OF COLORADO)

The foregoing ARTICLES OF MERGER was described, sworn to and acknowledged before me this 14th day of December, 1994 by Marcus B. Peperzak, the Director of Aurora Farms, Inc., a Colorado corporation.

My Commission expires: April 9, 1998



Klaus J. Zama
Notary Public

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

DEC 14 1993

TRANSFER OF WATER RIGHT

Department of Water Resources
Southern Region Office

TRANSFER NO. 4185
WATER RIGHT NO. 36-08011B

This is to certify that: **AURORA FARMS INC**
1333 W 120TH AVE
STE 317
WESTMINSTER CO 80234

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>
STOCKWATER	01/01 to 12/31	0.14 CFS	8.1 AF

SOURCE

GROUNDWATER

Priority: 12/24/1981

LOCATION OF POINT(S) OF DIVERSION:

NENENE , Sec. 33, Township 09S, Range 21E
JEROME County

PLACE OF USE: STOCKWATER

TWN RGE SEC
09S 21E 16

NENE

*Needs
Correction*

*Spoke w/ S.O. & will
be taken care of.
Df 12/29/13*

CONDITIONS/REMARKS:

1. The change authorized by this transfer shall be accomplished within one (1) year of the date of this approval.
2. Failure to comply with the conditions of this transfer is cause for the director to issue an order to show cause why the approval of the transfer should not be rescinded.
3. The change approved by this transfer is subject to the terms of the court's final decree of this right in the ongoing Snake River Basin Adjudication.
4. Two points of diversion located in NENENE, S33, T9S, R21E.

Dated this 1st day of December, 1993.

[Signature]
Chief, Water Alloc. Bureau

5817
T & 4185
36-08011B

Page 1 of 6STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

Transfer No. 4185

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1

Department of Water Resources
Southern Region OfficeName of applicant AURORA FARMS, INC. Phone 438-8864Post Office address 1333 W. 120TH AVE. STE. 317, WESTMINSTER, CO 80234

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 SPLIT
2. Describe the reason for the proposed changes STOCK MOVED

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
- | | | | | |
|-----------|------------|------|------------|--------------|
| 36-08011B | 12-24-1981 | 0.14 | STOCKWATER | 1/1 to 12/31 |
| | | | | to |
| | | | | to |
| | | | | to |
2. Total amount of water being transferred 0.14 cubic feet per second and/or 8.1 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
	NE	NE	NE	33	9S	21E	JEROME	2 points of diversion

5. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
9S	21E	34						S											
9S	21E	27										S							

PART 1

6. General Information:

a. Description of diversion system EXISTING WELL AND PUMP

b. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts? _____ Yes X 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:

N/A

d. Remarks:

STOCKWATER TRANSFER ONLY - 600 HEAD NON-MILKING CATTLE.

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

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

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

Witness my hand this _____ day of _____, 19 _____.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT

PART 2
(Attach one copy for each right)

A. DESCRIPTION OF RIGHT AS RECORDED

1. Right evidenced by:
- a. Decree No. _____ Decreed to _____
in case of _____ vs. _____
dated _____ in _____ county of _____
- b. License No. 36-08011 issued by the Idaho Department of Water Resources.
- c. Claim No. 36-08011 on file with the Idaho Department of Water Resources.
- d. Transfer No. _____ which produced this right.
2. 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 _____
3. Source of water GROUNDWATER tributary to _____
4. Date or priority 12-24-1981
5. Water is used for the following purpose:
- amount 0.14 for STOCKWATER purposes from 1/1 to 12/31
(cfs/ac-ft)
amount 0.15 for DOMESTIC purposes from 1/1 to 12/31
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)
6. Total amount of water under right 0.29 cubic feet per second and/or 15.9 acre-feet per annum.

7. Point(s) of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
	NE	NE	NE	16	9S	21E	JEROME	<u>2 points of diversion</u>

8. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
9S	21E	16	S																
9S	21E	16	D																

Total acres N/A

9. Describe any other water rights used for the same purpose as described above
- N/A

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 0.14 for STOCKWATER purposes from 1/1 to 12/31
 (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	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
	NE	NE	NE	16	9S	21E	JEROME	

3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
9S	21E	16	S																

Total acres N/A**C. DESCRIPTION OF UNCHANGED PORTION OF RIGHT (omit if there is no change)**

1. amount 0.15 for DOMESTIC purposes from 1/1 to 12/31
 (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	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
	NE	NE	NE	16	9S	21E	JEROME	

3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
9S	21E	16	D																

Total acres _____

GEOLICAL SURVEY

114°00'
42°37'30"

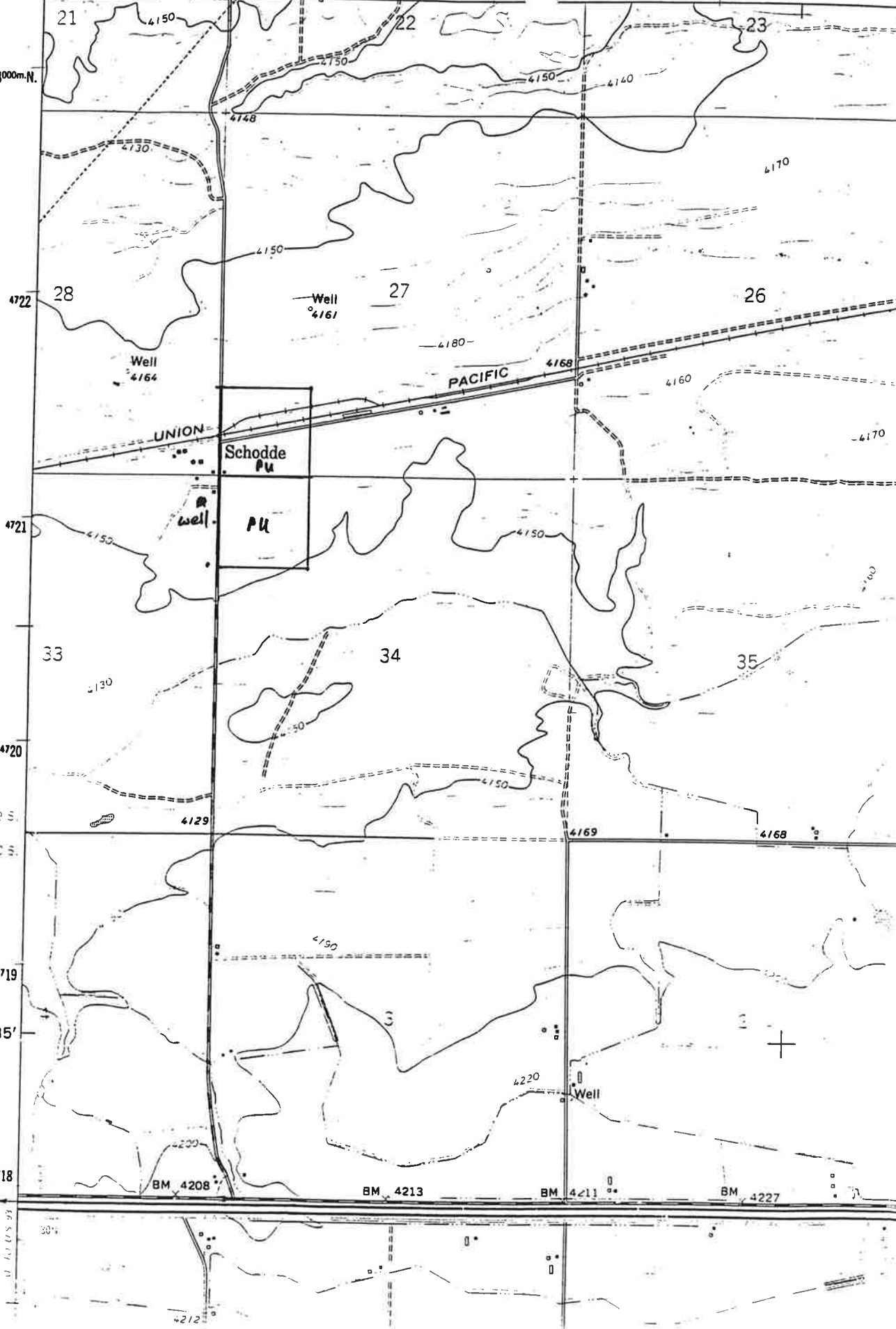
255000m.E

256

257

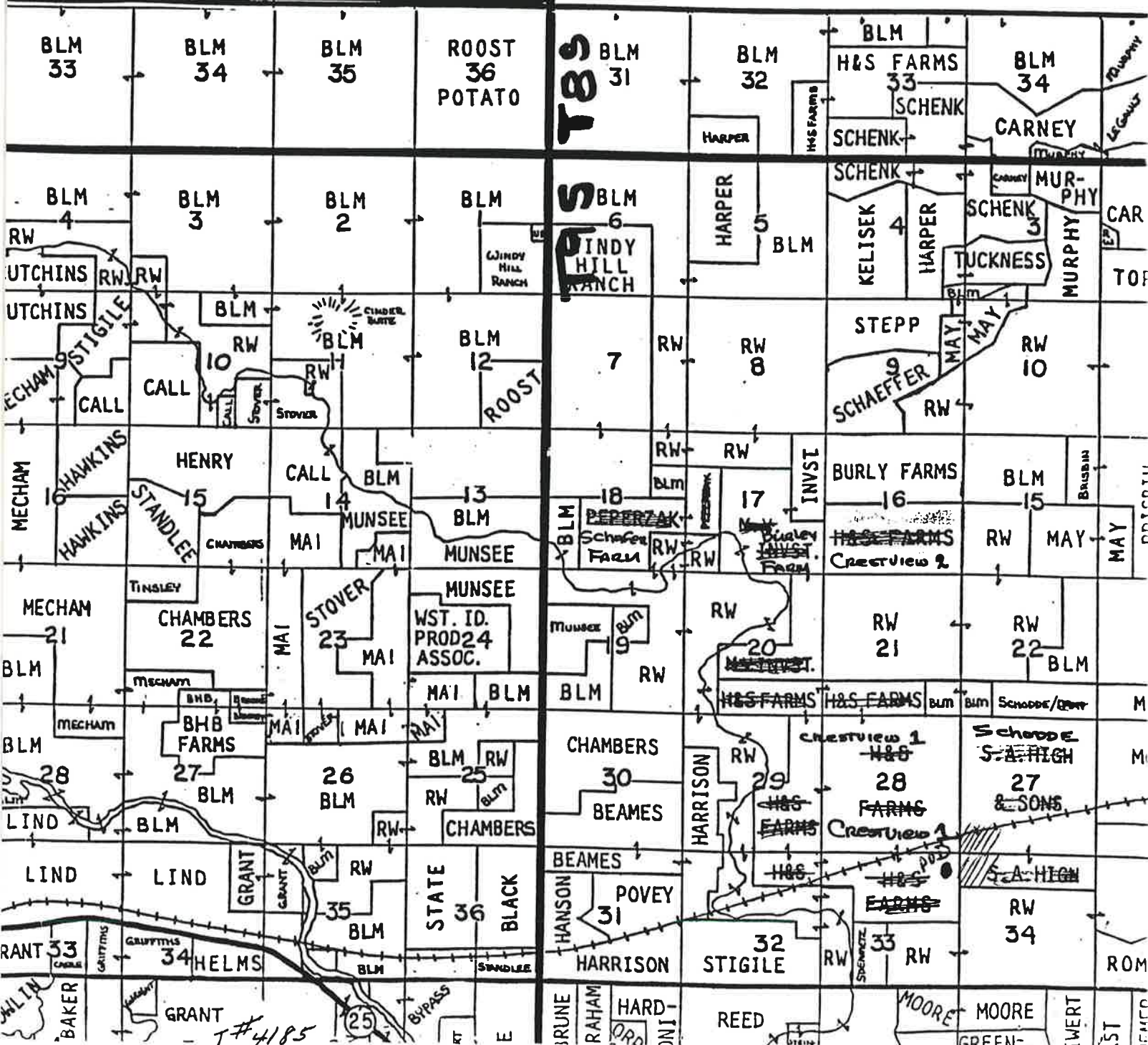
57'30"

4723000m.N.



T # 4185

R21E



PART 3**B. CHANGES IN NATURE OF USE**

1	<u>New Nature of Use</u>	<u>Amount</u> (cfs/ac-ft)	<u>Hours/days/year</u>	<u>Period of Use</u>
	<u>N/A</u>			_____ to _____ _____ to _____
2.	Quantity and quality of return flows and location of discharge: <u>N/A</u>			
3.	Describe effects on other water uses resulting from the proposed change: <u>N/A</u>			

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 28th day of June, 19 93.

Agent

(Signature of Applicant)

My commission expires 12-17-97

Karon Van Strickland
Residing at Dooking
(Notary Public)

FOR DEPARTMENT USE ONLYTransfer contains 6 pages and 2 attachmentsReceived by IS Date 6/29/93Prelim. check by J. G. Stanton Fee \$30 #015923Receipted by IS Date 6/29/93Published in North Side NewsPub. dates 8/18 & 8/25/93Watermaster recommendation requested on N/A

_____ rec'd. _____

Copy of transfer sent to lien holder _____

Protest filed by _____

Copies of protest forwarded by _____

Hearing held by _____ Date _____

Recommended for ☒ approval ☐ denialby IS

9:30126

RECORDED - REQUEST

of Land Title & Escrow, Inc.

JAN 7 3 08 PM '93

JEROME COUNTY, IDAHO

FEES 36.00

COPY

WARRANTY DEED

FOR VALUE RECEIVED, IDAHO CONSOLIDATED DAIRY FARMS, a general partnership, hereinafter called "Grantor," hereby grants, bargains, sells and conveys unto AURORA FARMS, INC., a Colorado Corporation, whose mailing address is 1333 S. 120th Ave., Ste. 317, Westminster, Colorado 80234, hereinafter called "Grantee," the following described premises, in Jerome County, Idaho, to wit:

SEE EXHIBIT "A"

Together with the water rights appurtenant thereto including, but not limited to, the following, to wit:

SEE EXHIBIT "B"

Together with the fixtures attached thereto including, but not limited to, the following, to wit:

SEE EXHIBIT "C"

Together with the mobile homes attached thereto including, but not limited to, the following, to wit:

SEE EXHIBIT "D"

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 they are free from encumbrances, except as described above, and subject to, any restrictions, easements or rights-of-way of record and that Grantor will warrant and defend the same from all lawful claims whatsoever.

DATED this 5 day of January, 1993.

IDAHO CONSOLIDATED DAIRY FARMS,
a California general partnership

By: Duane L. Kent
Duane L. Kent
Its: Managing General Partner

This Warranty Deed is being re-recorded to correct the legal description.

WARRANTY DEED
P:\FILEU\44\WARDEED

EXHIBIT "A"

BURLEY FARMS

Parcel No. 1.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO.

Section 16: NW $\frac{1}{4}$; W $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ NE $\frac{1}{4}$,

EXCEPTING THEREFROM the following described
parcel of land:

Beginning at the Northeast corner of Section
16;

Thence West along the North line of Section
16, a distance of 674 feet;

Thence South parallel with the East line of
Section 16, 327 feet;

Thence East parallel with the North line of
Section 16, 674 feet, more or less, to
the East line;

Thence North along said East line, 327 feet to
THE POINT OF BEGINNING.

EXCEPTING THEREFROM the highway.

Section 17: NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$;

Section 20: E $\frac{1}{2}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$;

EXCEPTING THEREFROM a tract of land in the
E $\frac{1}{2}$ E $\frac{1}{2}$, Section 17 and NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 16,
Township 9 South, Range 21, East of the Boise
Meridian, Jerome County, Idaho, more
particularly described as follows:

Beginning at the Northeast corner of said
Section 17 also being the Northwest
corner of said Section 16;

Thence South 89°44'20" West, 1,320.16 feet to
the Northwest corner of said E $\frac{1}{2}$ E $\frac{1}{2}$,
Section 17;

Thence South 0°07'52" East, 3,201.08 feet
along the Westerly boundary of said E $\frac{1}{2}$ E $\frac{1}{2}$,
Section 17;

Thence North 89°43'25" East, 1,318.92 feet to
a point on the Easterly boundary of said
Section 17;
Thence North 0°06'32" West, 3,060.73 feet
along the Easterly boundary of said
Section 17;
Thence North 89°46'14" East, 945.00 feet
parallel with the Northerly boundary of
said Section 16;
Thence North 0°06'32" West, 140.00 feet
parallel with the Westerly boundary of
said Section 16 to the Northerly boundary
of said Section 16;
Thence South 89°46'14" West, 945.00 feet
along the Northerly boundary of said
Section 16 to THE POINT OF BEGINNING.

Parcel No. 2.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 16: That part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$, described as follows:
Beginning at the Northeast corner of Section
16;
Thence West along the North line of Section
16, a distance of 674 feet;
Thence South parallel with the East line of
Section 16, 327 feet;
Thence East parallel with the North line of
Section 16, 674 feet, more or less, to
the East line;
Thence North along said East line, 327 feet to
THE POINT OF BEGINNING.

EXCEPTING THEREFROM the highway.

CRESTVIEW

Parcel No. 1.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{4}$ SE $\frac{1}{4}$;

Section 21: S $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$;

Section 28: All of Section 28;
Section 29: E $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$;
Section 32: N $\frac{1}{2}$ NE $\frac{1}{4}$;
Section 33: N $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{2}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$;

Parcel No. 2.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 16: S $\frac{1}{4}$;

EXCEPTING THEREFROM the highway.

SCHAFER FARM

Parcel No. 2.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 17: SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Section 18: N $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$;

SCHODDE FARM

Parcel No. 1.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 22: SE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 27: E $\frac{1}{2}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$;

NE $\frac{1}{4}$ SW $\frac{1}{4}$, EXCEPTING THEREFROM the following
described parcel of land:

From a point of Beginning located at 714.75
feet, more or less, North from the
Southwest corner of Section 27, to the

point of intersection of said Section line or County road center line with the North boundary of the Oregon Short Line Railroad North Side Branch right of way; Thence running North along the Section line or center line of said County road, 275.27 feet; Thence North 78°46' East and parallel to the said railroad right of way center line, 2691.57 feet, more or less, to the point of intersection with the North-South mid-section line; Thence South along said mid-section line 275.27 feet, more or less, to the point of intersection with the North railroad right-of-way boundary; Thence South 78°46' West and along said North railroad right-of-way boundary, 2691.57 feet, more or less, to THE POINT OF BEGINNING.

AND EXCEPTING THEREFROM railroad rights of way.

TOGETHER WITH a permanent easement and right of way, including the perpetual right to enter upon the excepted portion of the above described property in the SW $\frac{1}{4}$ of Section 27, Township 9 South, Range 21, East of the Boise Meridian, for the purpose of constructing, maintaining and repairing underground pipelines for irrigation water as set forth in Easement Agreement recorded May 15, 1963 in Book 174 Page 53 as Instrument Number 154714, Jerome County records.

Section 34: N $\frac{1}{2}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ NE $\frac{1}{4}$;

Parcel No. 2.:

TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 27: NE $\frac{1}{2}$ NW $\frac{1}{4}$;

EXHIBIT "B"

BURLEY FARM

WATER RIGHT NO.

✓ 36-08005 ✓

✓ 36-08011 ✓

✓ A36-02310 ✓

A36-02376 ✓

A36-07351 ✓

PURPOSE

IRRIGATION

STOCKWATER
DOMESTIC

IRRIGATION

IRRIGATION

IRRIGATION

CRESTVIEW I

WATER RIGHT NO.

A36-10907 ✓

A36-02254 ✓

36-08113 ✓

36-08014 ✓

A36-02284 ✓

PURPOSE

DOMESTIC

IRRIGATION
DOMESTIC

DOMESTIC

STOCKWATER
COMMERCIAL
DOMESTIC

IRRIGATION

CRESTVIEW II

WATER RIGHT NO.

A36-02430 ✓

A36-08008 ✓

PURPOSE

IRRIGATION

IRRIGATION

SCHAFFER FARM

WATER RIGHT NO.

36-08016 ✓

36-08004 ✓

A36-02319 ✓

PURPOSE

STOCKWATER
DOMESTIC

IRRIGATION

IRRIGATION

SCHODDE FARM

WATER RIGHT NO.

A36-02248 ✓

A36-02249 ✓

36-07688 ✓

A36-14601 ✓

PURPOSE

IRRIGATION

IRRIGATION

IRRIGATION

DOMESTIC

DAIRY HEIFER

36-8163 ✓

DOMESTIC