

RECEIVED

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

NOV 17 2021

## NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Department of Water Resources  
Eastern Region

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #7 of the instructions.

| Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? | Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? |
|-----------------------|------------------------------|------------------------------|-----------------------|------------------------------|------------------------------|
| 1-7006                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-7087                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-10011               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-7106               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-10069              | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |

2. Previous Owner's Name: Covington Brothers  
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): E&R Land LLC  
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or  
2339 Westcliff Drive Idaho Falls ID 83402  
Mailing address City State Zip  
(208) 390-6138 eric@peakaccounting.org  
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?  
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.  
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 9/15/2021
6. Do you own the land identified as the water right place of use? Yes ☒ No ☐  
☐ If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.
7. This form must be signed and submitted with the following **REQUIRED** items:  
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.  
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).  
☒ Filing fee (see instructions for further explanation):  
    ☐ \$25 per *undivided* water right.  
    ☐ \$100 per *split* water right.  
    ☐ No fee is required for pending adjudication claims.  
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.  
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

SUPPORT DATA

IN FILE # 1-7006

8. Signature:  Managing Member 11/1/2021  
Signature of new owner/claimant Title, if applicable Date  
Jared Neville  
Print name

Signature: \_\_\_\_\_ Managing Member \_\_\_\_\_ Date \_\_\_\_\_  
Signature of new owner/claimant Title, if applicable Date  
Print name

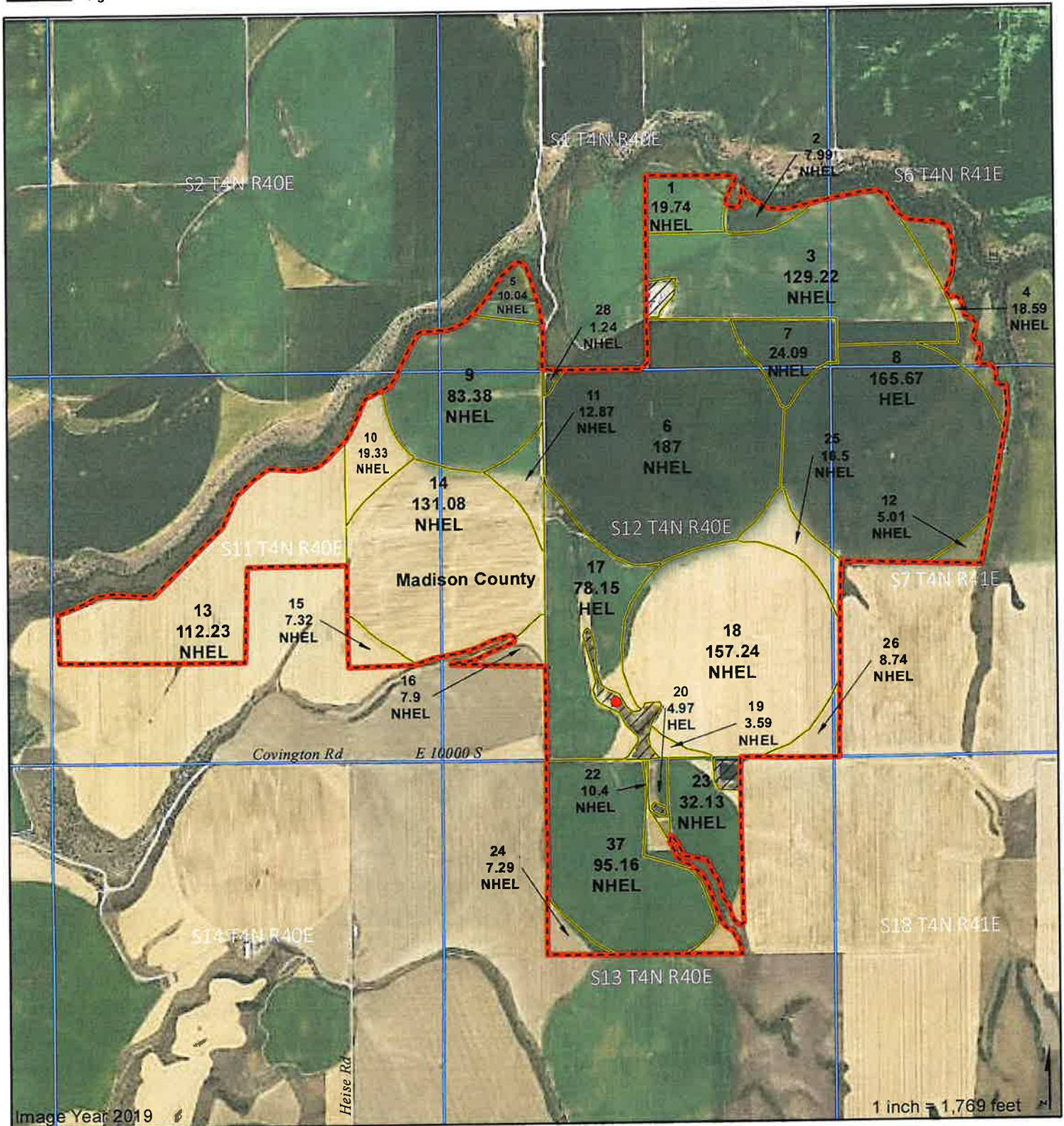
For IDWR Office Use Only:

Received by m. fettes Date 11-17-21 Receipt No. E047547 Receipt Amt. 125.00  
Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐  
Name on W-9 \_\_\_\_\_ Approved by JB Processed by JB Date 2/1/2022



United States  
Department of  
Agriculture

## Madison County, Idaho



### Common Land Unit

- Tract Boundary
- PLSS
- Non-Cropland
- Cropland
- County Boundary

### Wetland Determination Identifiers

- Restricted Use
- Limited Restrictions
- Exempt from Conservation Compliance Provisions

Tract Cropland Total: 1356.87 acres

2021 Program Year

Map Created February 23, 2021

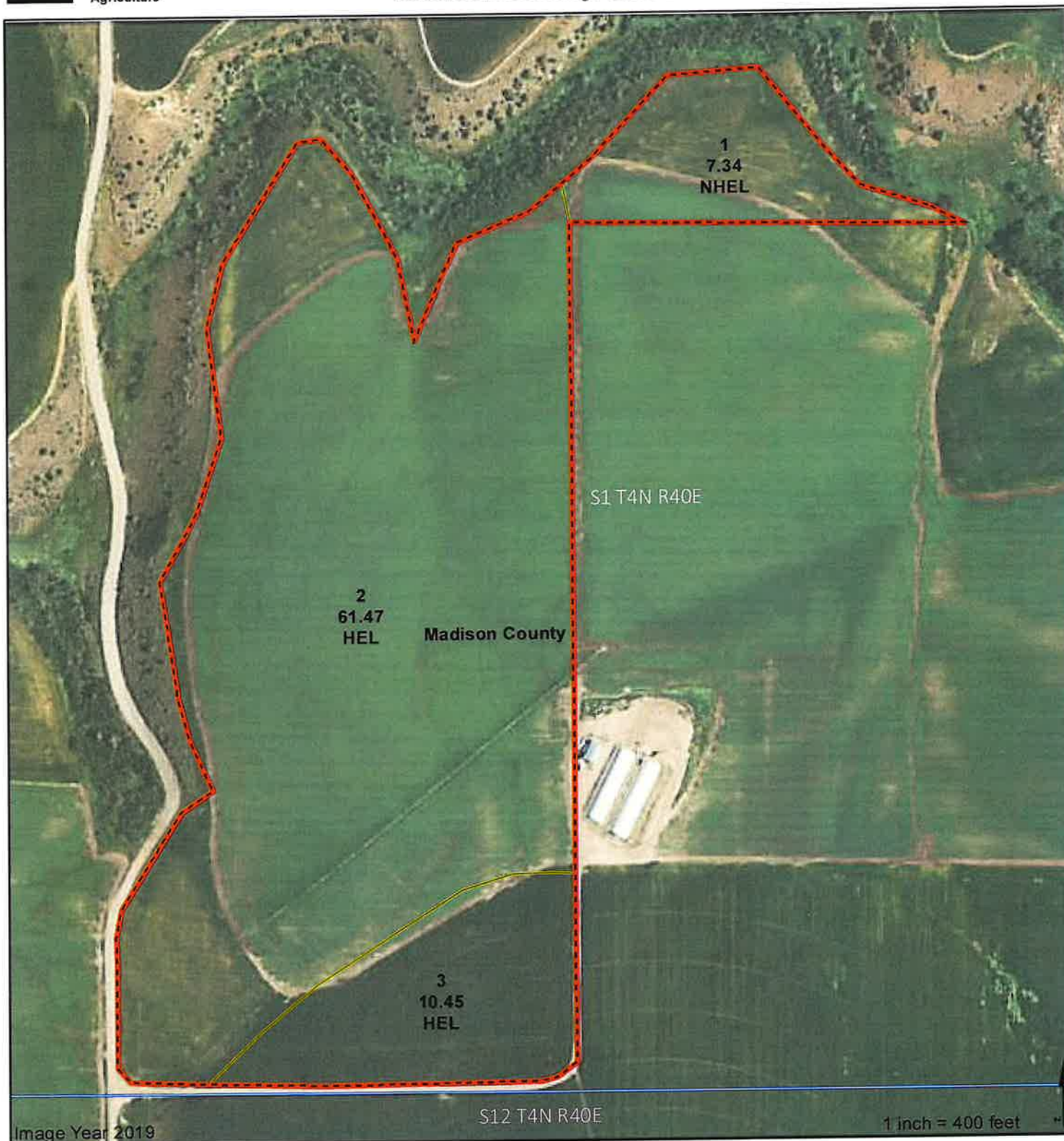
Farm **388**  
Tract **1216**

United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact USDA Natural Resources Conservation Service (NRCS).



United States  
Department of  
Agriculture

## Madison County, Idaho



### Common Land Unit

PLSS

Cropland

County Boundary

Tract Boundary

### Wetland Determination Identifiers

- Restricted Use
- ▼ Limited Restrictions
- Exempt from Conservation Compliance Provisions

Tract Cropland Total: 79.26 acres

2021 Program Year

Map Created February 23, 2021

Farm 388

Tract 1215

United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact USDA Natural Resources Conservation Service (NRCS).



Microfile No. 443866  
15 DAY Sep 2021  
At 05 O'Clock 02 PM  
KIM H. MUIR  
MADISON CO RECORDER  
Fee \$15.00  
Deputy  
Recorded at Request of  
ALLIANCE TITLE - REXBURG OFFICE

## WARRANTY DEED

**Covington Brothers Limited Liability Company**, an Idaho limited liability company, of P.O. Box 183, Rexburg, ID 83440 (hereinafter "Grantor"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfers, grants, conveys, and warrants unto **E&R Land LLC**, an Idaho limited liability company, of P.O. Box 460, Iona, ID 83427 (hereinafter collectively "Grantee"), all of Grantor's interest in and to the following described real property (hereinafter referred to as the "Subject Property") located in Madison County, Idaho and Jefferson County, Idaho, to wit:

**See attached Exhibit 1, which is attached hereto and incorporated herein by reference.**

**Together with:** Except as provided herein, all and singular the tenements; hereditaments; appurtenances; improvements; easements; rights; rights of way, water rights (including without limitation all of Grantor's rights in The Palisade Irrigation Company Inc.) the reversion and reversions; remainder and remainders; rents; issues; profits thereof; and all estate, right, title, and interest in and to the said Subject Property, as well in law as in equity.

**Subject to:** All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record; all facts and circumstances that would be revealed by inspection of the property of inquiry of persons in possession thereof; all items set forth in Schedule BII of the standard owner's policy of title insurance furnished by Grantor to Grantee in connection with this conveyance, except this conveyance is not subject to the liens of materialmen and laborers; the existing, unrecorded leases disclosed to Grantee in the purchase and sale agreement between Grantor and Grantee; and payment of present year's property taxes, which are an accruing lien not yet due.

**Except:** With respect to Madison County Parcel #5 (Railroad Parcel) (which is described more fully in Exhibit 1 attached hereto) only, all minerals and mineral right of every kind and character now known to exist or hereafter discovered underlying Parcel #5, including

WARRANTY DEED - PAGE 1

without limiting the generality of the foregoing, oil and gas rights thereto, together with the sole, exclusive and perpetual rights to explore for, remove and dispose of said minerals by any means or methods suitable to the owner thereof, its successors and assigns, but without entering upon or using the surface of Madison County Parcel #5, and in such a manner as not to damage the surface of Madison County Parcel #5, or to interfere with the use thereof by the owner of Parcel #5, its successors and assigns (from Madison County, Idaho Instrument No. 332765).

Grantor, for itself, its heirs, successors, and assigns, warrants and represents as follows:

Grantor is the owner of the Subject Property described in this Warranty Deed and has the legal right to convey the Subject Property described herein to Grantee.

The Subject Property described in this deed is free from all liens, encumbrances, and defects in title, except as otherwise shown in this deed or of record.

Grantor will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this deed to Grantee, Grantee's successors in interest, heirs, and assigns against all lawful claims.

Date: September 15, 2021.

**COVINGTON BROTHERS LIMITED LIABILITY COMPANY**

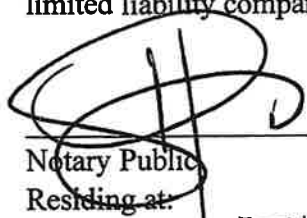
  
By: Jay Covington  
Its: Manager

  
By: Michelle Green  
Its: Manager

**Acknowledgment**

State of Idaho  
County of Madison ss.

On this 15th day of September, 2021, before me, the undersigned, a notary public, personally appeared Jay Covington, known or identified to me to be a manager of Covington Brothers Limited Liability Company, *an Idaho limited liability company*, and the person whose names are subscribed to the within instrument, and acknowledged to me that such limited liability company executed the same.

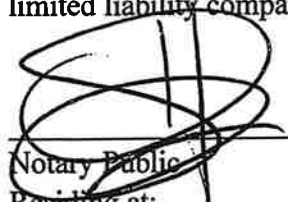
  
\_\_\_\_\_  
Notary Public  
Residing at:  
(Seal) Residing in Idaho Falls, ID  
Commission Expires 06-11-2025

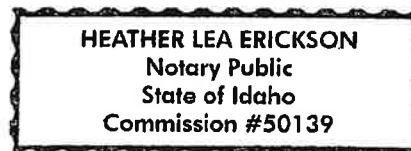


**Acknowledgment**

State of Idaho  
County of Madison ss.

On this 15th day of September, 2021, before me, the undersigned, a notary public, personally appeared Michelle Green, known or identified to me to be a manager of Covington Brothers Limited Liability Company, *an Idaho limited liability company*, and the person whose names are subscribed to the within instrument, and acknowledged to me that such limited liability company executed the same.

  
\_\_\_\_\_  
Notary Public  
Residing at:  
(Seal) Residing in Idaho Falls, ID  
Commission Expires 06-11-2025



# Exhibit 1

569137

Parcel 1:

The following described property located in Township 4 North, Range 40 East, Boise Meridian, Madison County, Idaho.

Section 1: Southeast Quarter, Southwest Quarter of the Southwest Quarter.

Less and Excepting therefrom (Parcel B):

Situated in the State of Idaho, county of Madison, being part of Section 1, Township 4 North, Range 40 East of the Boise Meridian, being more particularly described as follows:

Commencing at a rebar with an aluminum cap set, marking the West Quarter Corner of said Section 1; thence South  $00^{\circ}13'16''$  East, a distance of 1,321.59 feet to a rebar with a plastic cap set stamped, "PLS 13856", marking the point of beginning; thence North  $89^{\circ}54'11''$  East, a distance of 513.14 feet to a point; thence South  $43^{\circ}58'10''$  West, a distance of 736.16 feet to a point; thence North  $00^{\circ}13'16''$  West, a distance of 528.96 feet to the point of beginning more or less.

Section 11: East Half of the Northeast Quarter; Northeast Quarter of the Southeast Quarter; Southwest Quarter of the Northeast Quarter; Southeast Quarter of the Northwest Quarter; North Half of the Southwest quarter.

Less and Excepting therefrom ( Parcel A):

Situated in the State of Idaho, County of Madison, being part of Section 11, Township 4 North, Range 40 East of Boise Meridian, being more particularly described as follows:

Beginning at a rebar with an aluminum cap found marking the West Quarter corner of said Section 11, Stamped "PLS 13856"; thence South  $89^{\circ}58'24''$  East, a distance of 1,326.88 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North  $00^{\circ}10'57''$  East, a distance of 1,314.15 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North  $89^{\circ}56'44''$  East, a distance of 1,325.63 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence continuing North  $89^{\circ}56'44''$  East along said line, a distance of 1,325.64 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence South  $00^{\circ}04'24''$  West, a distance of 1,317.89 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North  $89^{\circ}58'24''$  West, a distance of 1,326.89 feet to a rebar with an aluminum cap set marking the center Quarter Corner of said Section 11; thence South  $00^{\circ}07'40''$  West, a distance of 1,316.01 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North  $89^{\circ}53'33''$  West, a distance of 2,656.26 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North  $00^{\circ}14'14''$  East, a distance of 1,312.28 feet to a point of beginning.

Section 12: Northeast Quarter; Southeast Quarter; Northwest Quarter; East Half of the Southwest Quarter; Northwest Quarter of the Southwest Quarter.

Section 13: West Half of the Northeast Quarter; East Half of the Northwest Quarter.

Parcel 2:

Situated in the State of Idaho, County of Madison, being part of Section 1, Township 4 North, Range 40 East of the Boise Meridian, being more particularly described as follows:

Commencing at a rebar with an aluminum cap found marking the Center Quarter Corner of said Section 1; thence South 00°23'45" East, a distance of 1,318.56 feet to a point; thence South 89°54'11" West, a distance of 1,490.23 feet to a rebar with a plastic cap set Stamped, "PLS 13856", marking the point of beginning; thence continuing South 89°54'11" West along said line, a distance of 388.35 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence North 42°52'00" East, a distance of 245.55 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence East, a distance of 95.66 feet to a rebar with a plastic cap set stamped, "PLS 13856"; thence South 35°01'07" East, a distance of 218.95 feet to the point of beginning more or less.

Parcel 3:

Situated in the State of Idaho, County of Madison, being part of Section 2, Township 4 North, Range 40 East, of Boise Meridian being more particularly described as follows:

Beginning at a rebar with an aluminum cap set, marking the Southeast Corner of said Section 2, Stamped "PLS 13856"; thence South 89°51'52" West, a distance of 863.87 feet to a point ; thence North 32°54'35" East, a distance of 844.78 feet to a point; thence North 77°59'39" East, a distance of 410.80 feet to a point; thence South 00°13'16" East, a distance of 792.63 feet to a point, to the point of beginning.

Parcel No. 4:

Situated in the State of Idaho, county of Madison, being part of Sections 6 and 7, Township 4 North, Range 41 East, of the Boise Meridian, being more particularly described as follows:

Beginning at a rebar with an aluminum cap found marking the West Quarter Corner of Section 6; thence South 89°51'27" East, a distance of 1,305.42 feet to a rebar with a rebar with a plastic cap set, stamped "PLS 13856"; thence South 00°24'21" East, a distance of 396.66 feet to a point in the center of canyon; thence along the center of the canyon the following eleven (11) courses:

1. thence South 74°04'31" East, a distance of 292.75 feet to a point;
2. thence South 20°07'33", a distance of 336.90 feet to a point;
3. thence South 25°19'14" East, a distance of 668.15 feet to a point;
4. thence South 29°56'23" East, a distance of 292.81 feet to a point;

5. thence South 05°42'11" East, a distance of 572.22 feet to a point;
6. thence South 21°41'23" East, a distance of 455.48 feet to a point;
7. thence South 24°54'46" East, a distance of 158.15 feet to a point;
8. thence South, a distance of 344.79 feet to a point;
9. thence South 10°31'00" West, a distance of 858.88 feet to a point;
10. thence South 08°52'28" West, a distance of 908.07 feet to a point;
11. thence South 14°45'38" West, a distance of 430.74 feet to a point;

thence South 89°46'31" West, a distance of 1999.44 feet to a rebar with an aluminum cap set stamped "PLS 13856, marking the West Quarter corner of Section 7; thence North 00°15'09" West, a distance of 2,654.19 feet to a rebar with an aluminum cap set stamped "PLS 13856", marking the Southwest corner of Section 6; thence North 00°15'09" West, a distance of 2,646.97 feet to a point, to the point of beginning more or less

**Parcel 5:**

All that portion of the Southeast Quarter of the Northeast Quarter (SE¼NE¼) of Section 9 Township 4 North, Range 40 East of the Boise Meridian, Madison County, Idaho, lying East of a line which is 50 feet Easterly from and parallel with the center line of the main track of the Snake River Belt line of the Oregon Short Line Railroad.

**Jefferson County:**

**Parcel 1:**

Beginning at the Southeast Corner of the Southwest Quarter Southwest Quarter Section 27, Township 4 North, Range 40 East, Boise Meridian and thence North to the point of intersection with the south bank of the dry bed being the true point of beginning and thence West 200 feet; thence South 200 feet; thence East 200 feet thence North 200 feet to the point of beginning.

Less and excepting the county road right-of-way.

Instrument # 467029

RIGBY, JEFFERSON, IDAHO

09-15-2021 04:56:05 PM

No. of Pages: 7

Recorded for: ALLIANCE TITLE - DRIGGS OFFICE

COLLEEN C POOLE

Fee: \$15.00

Ex-Officio Recorder Deputy: LK

Index To: WARRANTY DEED

Electronically Recorded by Simplifile

569137

## WARRANTY DEED

**Covington Brothers Limited Liability Company**, an Idaho limited liability company, of P.O. Box 183, Rexburg, ID 83440 (hereinafter "Grantor"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfers, grants, conveys, and warrants unto **E&R Land LLC**, an Idaho limited liability company, of P.O. Box 460, Iona, ID 83427 (hereinafter collectively "Grantee"), all of Grantor's interest in and to the following described real property (hereinafter referred to as the "Subject Property") located in Madison County, Idaho and Jefferson County, Idaho, to wit:

**See attached Exhibit 1, which is attached hereto and incorporated herein by reference.**

**Together with:** Except as provided herein, all and singular the tenements; hereditaments; appurtenances; improvements; easements; rights; rights of way, water rights (including without limitation all of Grantor's rights in The Palisade Irrigation Company Inc.) the reversion and reversions; remainder and remainders; rents; issues; profits thereof; and all estate, right, title, and interest in and to the said Subject Property, as well in law as in equity.

**Subject to:** All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record; all facts and circumstances that would be revealed by inspection of the property of inquiry of persons in possession thereof; all items set forth in Schedule BII of the standard owner's policy of title insurance furnished by Grantor to Grantee in connection with this conveyance, except this conveyance is not subject to the liens of materialmen and laborers; the existing, unrecorded leases disclosed to Grantee in the purchase and sale agreement between Grantor and Grantee; and payment of present year's property taxes, which are an accruing lien not yet due.

**Except:** With respect to Madison County Parcel #5 (Railroad Parcel) (which is described more fully in Exhibit 1 attached hereto) only, all minerals and mineral right of every kind and character now known to exist or hereafter discovered underlying Parcel #5, including

WARRANTY DEED - PAGE 1

without limiting the generality of the foregoing, oil and gas rights thereto, together with the sole, exclusive and perpetual rights to explore for, remove and dispose of said minerals by any means or methods suitable to the owner thereof, its successors and assigns, but without entering upon or using the surface of Madison County Parcel #5, and in such a manner as not to damage the surface of Madison County Parcel #5, or to interfere with the use thereof by the owner of Parcel #5, its successors and assigns (from Madison County, Idaho Instrument No. 332765).

Grantor, for itself, its heirs, successors, and assigns, warrants and represents as follows:

Grantor is the owner of the Subject Property described in this Warranty Deed and has the legal right to convey the Subject Property described herein to Grantee.

The Subject Property described in this deed is free from all liens, encumbrances, and defects in title, except as otherwise shown in this deed or of record.

Grantor will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this deed to Grantee, Grantee's successors in interest, heirs, and assigns against all lawful claims.

Date: September 15, 2021.

**COVINGTON BROTHERS LIMITED LIABILITY COMPANY**

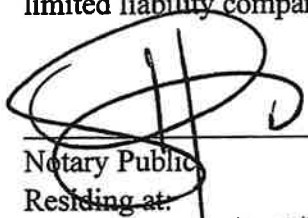
  
\_\_\_\_\_  
By: Jay Covington  
Its: Manager

  
\_\_\_\_\_  
By: Michelle Green  
Its: Manager

**Acknowledgment**

State of Idaho  
County of Madison ss.

On this 15th day of September, 2021, before me, the undersigned, a notary public, personally appeared Jay Covington, known or identified to me to be a manager of Covington Brothers Limited Liability Company, *an Idaho limited liability company*, and the person whose names are subscribed to the within instrument, and acknowledged to me that such limited liability company executed the same.

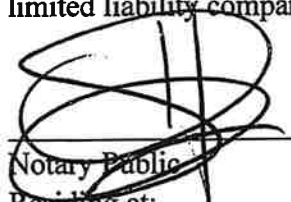
  
\_\_\_\_\_  
Notary Public  
Residing at:  
(Seal) Residing in Idaho Falls, ID  
Commission Expires 06-11-2025



**Acknowledgment**

State of Idaho  
County of Madison ss.

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Commission Expires 06-11-2025



# Exhibit 1

569137

Parcel 1:

The following described property located in Township 4 North, Range 40 East, Boise Meridian, Madison County, Idaho.

Section 1: Southeast Quarter, Southwest Quarter of the Southwest Quarter.

Less and Excepting therefrom (Parcel B):

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Commencing at a rebar with an aluminum cap set, marking the West Quarter Corner of said Section 1; thence South  $00^{\circ}13'16''$  East, a distance of 1,321.59 feet to a rebar with a plastic cap set stamped, "PLS 13856", marking the point of beginning; thence North  $89^{\circ}54'11''$  East, a distance of 513.14 feet to a point; thence South  $43^{\circ}58'10''$  West, a distance of 736.16 feet to a point; thence North  $00^{\circ}13'16''$  West, a distance of 528.96 feet to the point of beginning more or less.

Section 11: East Half of the Northeast Quarter; Northeast Quarter of the Southeast Quarter; Southwest Quarter of the Northeast Quarter; Southeast Quarter of the Northwest Quarter; North Half of the Southwest quarter.

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Section 12: Northeast Quarter; Southeast Quarter; Northwest Quarter; East Half of the Southwest Quarter; Northwest Quarter of the Southwest Quarter.

Section 13: West Half of the Northeast Quarter; East Half of the Northwest Quarter.

Parcel 2:

Situated in the State of Idaho, County of Madison, being part of Section 1, Township 4 North, Range 40 East of the Boise Meridian, being more particularly described as follows:

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Parcel 3:

Situated in the State of Idaho, County of Madison, being part of Section 2, Township 4 North, Range 40 East, of Boise Meridian being more particularly described as follows:

Beginning at a rebar with an aluminum cap set, marking the Southeast Corner of said Section 2, Stamped "PLS 13856"; thence South 89°51'52" West, a distance of 863.87 feet to a point ; thence North 32°54'35" East, a distance of 844.78 feet to a point; thence North 77°59'39" East, a distance of 410.80 feet to a point; thence South 00°13'16" East, a distance of 792.63 feet to a point, to the point of beginning.

Parcel No. 4:

Situated in the State of Idaho, county of Madison, being part of Sections 6 and 7, Township 4 North, Range 41 East, of the Boise Meridian, being more particularly described as follows:

Beginning at a rebar with an aluminum cap found marking the West Quarter Corner of Section 6; thence South 89°51'27" East, a distance of 1,305.42 feet to a rebar with a rebar with a plastic cap set, stamped "PLS 13856"; thence South 00°24'21" East, a distance of 396.66 feet to a point in the center of canyon; thence along the center of the canyon the following eleven (11) courses:

1. thence South 74°04'31" East, a distance of 292.75 feet to a point;
2. thence South 20°07'33", a distance of 336.90 feet to a point;
3. thence South 25°19'14" East, a distance of 668.15 feet to a point;
4. thence South 29°56'23" East, a distance of 292.81 feet to a point;

5. thence South 05°42'11" East, a distance of 572.22 feet to a point;
6. thence South 21°41'23" East, a distance of 455.48 feet to a point;
7. thence South 24°54'46" East, a distance of 158.15 feet to a point;
8. thence South, a distance of 344.79 feet to a point;
9. thence South 10°31'00" West, a distance of 858.88 feet to a point;
10. thence South 08°52'28" West, a distance of 908.07 feet to a point;
11. thence South 14°45'38" West, a distance of 430.74 feet to a point;

thence South 89°46'31" West, a distance of 1999.44 feet to a rebar with an aluminum cap set stamped "PLS 13856, marking the West Quarter corner of Section 7; thence North 00°15'09" West, a distance of 2,654.19 feet to a rebar with an aluminum cap set stamped "PLS 13856", marking the Southwest corner of Section 6; thence North 00°15'09" West, a distance of 2,646.97 feet to a point, to the point of beginning more or less

**Parcel 5:**

All that portion of the Southeast Quarter of the Northeast Quarter (SE¼NE¼) of Section 9 Township 4 North, Range 40 East of the Boise Meridian, Madison County, Idaho, lying East of a line which is 50 feet Easterly from and parallel with the center line of the main track of the Snake River Belt line of the Oregon Short Line Railroad.

**Jefferson County:**

**Parcel 1:**

Beginning at the Southeast Corner of the Southwest Quarter Southwest Quarter Section 27, Township 4 North, Range 40 East, Boise Meridian and thence North to the point of intersection with the south bank of the dry bed being the true point of beginning and thence West 200 feet; thence South 200 feet; thence East 200 feet thence North 200 feet to the point of beginning.

Less and excepting the county road right-of-way.

File No./Escrow No.: 569137  
Officer/Escrow Officer: Heather EricksonAlliance Title & Escrow, LLC  
130 E Main St.  
Rexburg, ID 83440  
(208)356-9323Property Address: BARE FARM GROUND  
REXBURG, ID 83440 (MADISON)  
(RP04N41E064802, RP04N40E130602, RP04N40E122401, RP04N40E125401)SEC 27, 4N R40 E, N/A  
RIRIE, ID 83443 (JEFFERSON)  
(RP04N40E276096)PRT SECCION 1 T4N R40E, NNA  
REXBURG, ID 83440 (MADISON)  
(RP04N40E015410)PRT SEC 2 T4N R40E, NNA  
REXBURG, ID 83440 (MADISON)  
(RP04N40E020012)SE¼NE¼ SEC 9, NNA  
REXBURG, ID 83440 (MADISON)  
(RP04N40E092500)Borrower: E&R LAND LLC, AN IDAHO LIMITED LIABILITY COMPANY  
PO Box 460  
Iona, ID 83427Seller: COVINGTON BROTHERS LIMITED LIABILITY COMPANY, AN IDAHO LIMITED LIABILITY COMPANY  
PO Box 183  
Rexburg, ID 83440

Lender:

Settlement Date: 9/15/2021

Disbursement Date: 9/15/2021

| Description                                                                                 | Borrower       |                |
|---------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                             | Debit          | Credit         |
| <b>Deposits, Credits, Debits</b>                                                            |                |                |
| Sale Price of Property                                                                      | \$6,560,000.00 |                |
| Sale Price of Any Personal Property Included in Sale                                        | \$1,390,000.00 |                |
| Deposit                                                                                     |                | \$25,000.00    |
| Sales Price of Jefferson Property                                                           | \$50,000.00    |                |
| Seller Financing for Assets                                                                 |                | \$1,171,825.00 |
| <b>Prorations</b>                                                                           |                |                |
| County Taxes 1/1/2021 to 9/15/2021 @ \$1,152.26/Year                                        |                | \$811.32       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$1,646.30/Year                                        |                | \$1,159.18     |
| County Taxes 1/1/2021 to 9/15/2021 @ \$3,315.86/Year                                        |                | \$2,334.73     |
| County Taxes 1/1/2021 to 9/15/2021 @ \$387.42/Year                                          |                | \$272.78       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$348.44/Year                                          |                | \$667.81       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$19.76/Year                                           |                | \$13.91        |
| County Taxes 1/1/2021 to 9/15/2021 @ \$184.08/Year                                          |                | \$128.61       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$346.02/Year                                          |                | \$243.64       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$1,589.44/Year                                        |                | \$1,119.14     |
| County Taxes 1/1/2021 to 9/15/2021 @ \$387.52/Year                                          |                | \$272.86       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$895.92/Year                                          |                | \$630.83       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$1,320.52/Year                                        |                | \$929.79       |
| County Taxes 1/1/2021 to 9/15/2021 @ \$7,429.98/Year                                        |                | \$5,231.52     |
| <b>New Loans</b>                                                                            |                |                |
| Loan Amount                                                                                 |                | \$5,828,375.00 |
| <b>Title Charges</b>                                                                        |                |                |
| Title - Lender's Title Insurance to Alliance Title & Escrow, LLC                            | \$75.00        |                |
| Title - Settlement or closing fee to Alliance Title & Escrow, LLC                           | \$2,000.00     |                |
| Title - eRecording Fee paid to SimpliTitle - Buyer/Borrower to Alliance Title & Escrow, LLC | \$19.00        |                |
| <b>Government Recording and Transfer Charges</b>                                            |                |                |
| Recording fees: Deed \$30.00                                                                | \$30.00        |                |
| Mortgage \$90.00                                                                            | \$90.00        |                |

|                   | Debit          | Credit         |
|-------------------|----------------|----------------|
| Subtotals         | \$8,002,214.00 | \$7,038,817.13 |
| Due From Borrower |                | \$963,396.87   |
| Totals            | \$8,002,214.00 | \$8,002,214.00 |

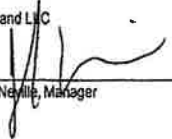
CONSUMER PROTECTION ALERT: Alliance Title & Escrow Corp. does not deliver wire instructions via e-mail to you or your agent, without a verbal request and confirmation of receipt, to include verification of the accuracy of wire information. If you wish to wire funds for closing, please ask your escrow officer for wire account information and options to deliver that information to you.

#### Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize Alliance Title & Escrow, LLC to cause the funds to be disbursed in accordance with this statement.

BORROWER(S)

E&R Land LLC

  
Jared Neville, Manager

SETTLEMENT COORDINATOR

  
Heather Erickson



State of Idaho

## DEPARTMENT OF WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls ID 83402-1718

Phone: (208) 525-7161 • Fax: (208) 525-7177

Website: [idwr.idaho.gov](http://idwr.idaho.gov) • Email: [easterninfo@idwr.idaho.gov](mailto:easterninfo@idwr.idaho.gov)

BRAD LITTLE  
Governor

GARY SPACKMAN  
Director

March 9, 2021

COVINGTON BROS LLC  
PO BOX 183  
REXBURG ID 83440-0183

Re: Transfer No: 84612  
Water Right No(s): 1-7006, 1-7087, 1-10011, 25-7106, 25-10069

### Transfer Approval Notice

Dear Water Right Holder:

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's home page on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

**STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES**

**TRANSFER OF WATER RIGHT  
TRANSFER NO. 84612**

This is to certify that: **COVINGTON BROS LLC**  
PO BOX 183  
REXBURG, ID 83440-0183

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

**Summary of Water Rights Before the Proposed Changes**

| <u>Water Right</u> | <u>Origin/Basis</u> | <u>Priority Date</u> | <u>Diversion Rate</u> | <u>Diversion Volume</u> | <u>Acre Limit</u> | <u>Total Acres</u> | <u>Source</u> |
|--------------------|---------------------|----------------------|-----------------------|-------------------------|-------------------|--------------------|---------------|
| 1-10011            | WR/DECREED          | 7/1/1985             | 2.070 cfs             | N/A                     | 388.0             | 1348.0             | SNAKE RIVER   |
| 1-7006             | WR/DECREED          | 11/12/1974           | 7.380 cfs             | 3132.6 af               | 960.0             | 1348.0             | SNAKE RIVER   |
| 1-7087             | WR/LICENSE          | 7/1/1985             | 4.600 cfs             | N/A                     | 230.0             | 1348.0             | SNAKE RIVER   |
| 25-10069           | WR/DECREED          | 7/1/1985             | 0.100 cfs             | 10.0 af                 | 374.0             | 1334.0             | GROUND WATER  |
| 25-7106            | WR/DECREED          | 4/15/1977            | 5.310 cfs             | 2254.0 af               | 960.0             | 1334.0             | GROUND WATER  |

**Purpose of Transfer (Changes Proposed)**

| <u>Current Number</u> | <u>Split</u> | <u>POD</u> | <u>POU</u> | <u>Add POD</u> | <u>Period of Use</u> | <u>Nature of Use</u> |
|-----------------------|--------------|------------|------------|----------------|----------------------|----------------------|
| 1-10011               | NO           | NO         | YES        | NO             | NO                   | NO                   |
| 1-7006                | NO           | NO         | YES        | NO             | NO                   | NO                   |
| 1-7087                | NO           | NO         | YES        | NO             | NO                   | NO                   |
| 25-10069              | NO           | NO         | YES        | NO             | NO                   | NO                   |
| 25-7106               | NO           | NO         | YES        | NO             | NO                   | NO                   |

**Summary Of Water Rights After the Approved Change**

| <u>Existing Right</u>  | <u>New No. (Changed Portion)</u> | <u>Transfer Rate</u> | <u>Transfer Volume</u> | <u>Acre Limit</u> | <u>Total Acres</u> | <u>New No. (remaining portion)</u> | <u>Remaining Rate</u> | <u>Remaining Volume</u> | <u>Remaining Acre Limit</u> | <u>Remaining Total Acres</u> |
|------------------------|----------------------------------|----------------------|------------------------|-------------------|--------------------|------------------------------------|-----------------------|-------------------------|-----------------------------|------------------------------|
| 1-10011                | 1-10011                          | 2.070 cfs            | N/A                    | 388.0             | 1348.0             | N/A                                | N/A                   | N/A                     | N/A                         | N/A                          |
| 1-7006                 | 1-7006                           | 7.380 cfs            | N/A                    | 960.0             | 1348.0             | N/A                                | N/A                   | N/A                     | N/A                         | N/A                          |
| 1-7087                 | 1-7087                           | 4.600 cfs            | N/A                    | 230.0             | 1348.0             | N/A                                | N/A                   | N/A                     | N/A                         | N/A                          |
| 25-10069               | 25-10069                         | 0.100 cfs            | N/A                    | 374.0             | 1348.0             | N/A                                | N/A                   | N/A                     | N/A                         | N/A                          |
| 25-7106                | 25-7106                          | 5.310 cfs            | N/A                    | 960.0             | 1348.0             | N/A                                | N/A                   | N/A                     | N/A                         | N/A                          |
| <b>COMBINED TOTALS</b> |                                  | <b>14.000 cfs</b>    | <b>N/A</b>             | <b>1348.0</b>     | <b>1348.0</b>      |                                    | <b>N/A</b>            | <b>N/A</b>              | <b>N/A</b>                  | <b>N/A</b>                   |

Transfer No. 84612

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT  
TRANSFER NO. 84612

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 9<sup>th</sup> day of March, 2021.



Regional Manager

Transfer No. 84612

**WATER RIGHT NO. 1-7087**  
**As Modified by Transfer No. 84612**

In accordance with the approval of Transfer No. 84612, Water Right No. 1-7087 is now described as follows:

**Right Holder:** COVINGTON BROS LLC  
 PO BOX 183  
 REXBURG, ID 83440-0183

**Priority Date:** 7/1/1985

**Source:** SNAKE RIVER                      **Tributary:** COLUMBIA RIVER

|                              |                    |                  |                              |
|------------------------------|--------------------|------------------|------------------------------|
| <b><u>BENEFICIAL USE</u></b> | <b><u>From</u></b> | <b><u>To</u></b> | <b><u>Diversion Rate</u></b> |
| IRRIGATION                   | 04/01              | to 10/31         | 4.600 cfs                    |
|                              |                    |                  | 4.600 cfs                    |

**LOCATION OF POINT(S) OF DIVERSION**

SNAKE RIVER                      L9 (NWNE)                      Sec 26 Twp 04N Rge 40E JEFFERSON County

**PLACE OF USE: IRRIGATION**

| Twp | Rng | Sec | NE   |      |      |      | NW   |      |      |      | SW   |      |      |      | SE   |      |      |      | Totals |
|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|     |     |     | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   |        |
| 04N | 40F | 1   |      |      | 7.0  |      |      |      |      | 2.0  | 29.0 | 1.0  | 30.0 | 36.0 | 29.0 | 40.0 | 36.0 | 40.0 | 250.0  |
| 04N | 40E | 2   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 6.0  | 6.0    |
| 04N | 40E | 11  | 34.0 |      | 21.0 | 40.0 |      |      |      |      |      |      |      |      | 39.0 |      |      |      | 134.0  |
| 04N | 40E | 12  | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 39.0 | 33.0 |      | 36.0 | 40.0 | 40.0 | 37.0 | 39.0 | 584.0  |
| 04N | 40F | 13  |      | 37.0 | 40.0 |      | 40.0 |      |      | 40.0 |      |      |      |      |      |      |      |      | 157.0  |
| 04N | 41E | 6   |      |      |      |      |      |      |      |      | 4.0  | 28.0 | 40.0 | 14.0 |      |      |      |      | 86.0   |
|     |     |     |      |      |      |      |      |      |      |      | L 6  | L 7  |      |      |      |      |      |      |        |
| 04N | 41E | 7   |      |      |      |      | 28.0 | 40.0 | 40.0 | 23.0 |      |      |      |      |      |      |      |      | 131.0  |
|     |     |     |      |      |      |      | L 1  | L 2  |      |      |      |      |      |      |      |      |      |      |        |

Right Acre Limit: 230.0

POU Total Acres: 1348.0

**CONDITIONS OF APPROVAL**

1. This right is limited to the irrigation of 230 acres within the authorized place of use in a single irrigation season.
2. Rights 01-10011, 01-7006 and 01-7087 when combined shall not exceed a total diversion rate of 8.69 cfs, and a total annual maximum diversion volume of 3700 af at the field headgate.
3. Rights 01-10011, 01-7006, 01-7087, 25-7106 and 25-10069 when combined shall not exceed the irrigation of 1348 acres.
4. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.

Transfer No. 84612

**WATER RIGHT NO. 1-7087**  
**As Modified by Transfer No. 84612**

**CONDITIONS OF APPROVAL**

5. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
6. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
7. This right does not grant any right-of-way or easement across the land of another.
8. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
9. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
10. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

**WATER RIGHT NO. 25-7106****As Modified by Transfer No. 84612**

In accordance with the approval of Transfer No. 84612, Water Right No. 25-7106 is now described as follows:

**Right Holder:** COVINGTON BROS LLC  
PO BOX 183  
REXBURG, ID 83440-0183

**Priority Date:** 4/15/1977

**Source:** GROUND WATER

**BENEFICIAL USE**

IRRIGATION

**From**

04/01

**To**

to 11/01

**Diversion Rate**

5.310 cfs

5.310 cfs

**LOCATION OF POINT(S) OF DIVERSION**

|              |           |                        |                  |     |
|--------------|-----------|------------------------|------------------|-----|
| GROUND WATER | L9 (NWNE) | Sec 26 Twp 04N Rge 40E | JEFFERSON County | (R) |
| GROUND WATER | SWSW      | Sec 27 Twp 04N Rge 40E | JEFFERSON County | (I) |
| GROUND WATER | SWSW      | Sec 27 Twp 04N Rge 40E | JEFFERSON County |     |

**PLACE OF USE: IRRIGATION**

| Twp | Rng | Sec | NE   |      |      |      | NW   |      |      |      | SW   |      |      |      | SE   |      |      |      | Totals |
|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|     |     |     | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   |        |
| 04N | 40E | 1   |      |      | 7.0  |      |      |      |      | 2.0  | 29.0 | 1.0  | 39.0 | 36.0 | 29.0 | 40.0 | 36.0 | 40.0 | 250.0  |
| 04N | 40E | 2   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 6.0  | 6.0    |
| 04N | 40E | 11  | 34.0 |      | 21.0 | 40.0 |      |      |      |      |      |      |      |      | 30.0 |      |      |      | 134.0  |
| 04N | 40E | 12  | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 39.0 | 33.0 |      | 35.0 | 40.0 | 40.0 | 37.0 | 39.0 | 584.0  |
| 04N | 40E | 13  |      | 37.0 | 40.0 |      | 40.0 |      |      | 40.0 |      |      |      |      |      |      |      |      | 157.0  |
| 04N | 41E | 6   |      |      |      |      |      |      |      |      | 4.0  | 28.0 | 40.0 | 14.0 |      |      |      |      | 86.0   |
| 04N | 41E | 7   |      |      |      |      | 28.0 | 40.0 | 40.0 | 23.0 |      | L 6  | L 7  |      |      |      |      |      | 131.0  |
|     |     |     |      |      |      |      | L 1  | L 2  |      |      |      |      |      |      |      |      |      |      |        |

Right Acre Limit: 960.0

POU Total Acres: 1348.0

**CONDITIONS OF APPROVAL**

1. This right is limited to the irrigation of 960 acres within the place of use described above in a single irrigation season.
2. Rights 25-7106 and 25-10069 when combined shall not exceed a total diversion rate of 5.31 cfs, a total annual maximum diversion volume of 2264 af at the field headgate, and the irrigation of 1334 acres.
3. Rights 01-10011, 01-7006, 01-7087, 25-7106 and 25-10069 when combined shall not exceed the irrigation of 1348 acres.

Transfer No. 84612

**WATER RIGHT NO. 25-7106**  
**As Modified by Transfer No. 84612**

**CONDITIONS OF APPROVAL**

4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.
5. Prior to the diversion and use of water under Transfer approval 84612 the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
6. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
7. Water diverted under this right is exchanged by injecting the water into Dry Bed at the point of injection described above, and diverting an equal amount from South Fork Snake River at the point of rediversion described above.
8. Use of this right is combined with water from Palisades Water Users Association.
9. Right No. 25-10069 is an enlargement of this right pursuant to Idaho Code § 42-1426.
10. This right does not grant any right-of-way or easement across the land of another.
11. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
12. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
13. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 84612

**WATER RIGHT NO. 1-7006**  
**As Modified by Transfer No. 84612**

In accordance with the approval of Transfer No. 84612, Water Right No. 1-7006 is now described as follows:

**Right Holder:** COVINGTON BROS LLC  
 PO BOX 183  
 REXBURG, ID 83440-0183

**Priority Date:** 11/12/1974

**Source:** SNAKE RIVER

**Tributary:** COLUMBIA RIVER

**BENEFICIAL USE**  
 IRRIGATION

**From** 04/01 **To** 11/01

**Diversion Rate**  
 7.380 cfs  
 7.380 cfs

**LOCATION OF POINT(S) OF DIVERSION**

SNAKE RIVER L9 (NWNE) Sec 26 Twp 04N Rge 40E JEFFERSON County

**PLACE OF USE: IRRIGATION**

| Twp | Rng | Sec | NE   |      |      |      | NW   |      |      |      | SW   |      |      |      | SE   |      |      |      | Totals |
|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|     |     |     | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   |        |
| 04N | 40E | 1   |      |      | 7.0  |      |      |      |      | 2.0  | 29.0 | 1.0  | 30.0 | 36.0 | 29.0 | 40.0 | 36.0 | 40.0 | 250.0  |
| 04N | 40E | 2   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 6.0  | 6.0    |
| 04N | 40E | 11  | 34.0 |      | 21.0 | 40.0 |      |      |      |      |      |      |      |      | 39.0 |      |      |      | 134.0  |
| 04N | 40E | 12  | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 39.0 | 33.0 |      | 36.0 | 40.0 | 40.0 | 37.0 | 39.0 | 584.0  |
| 04N | 40E | 13  |      | 37.0 | 40.0 |      | 40.0 |      |      | 40.0 |      |      |      |      |      |      |      |      | 157.0  |
| 04N | 41E | 6   |      |      |      |      |      |      |      |      | 4.0  | 28.0 | 40.0 | 14.0 |      |      |      |      | 86.0   |
| 04N | 41E | 7   |      |      |      |      | 28.0 | 40.0 | 40.0 | 23.0 |      |      | L 6  | L 7  |      |      |      |      | 131.0  |
|     |     |     |      |      |      |      | L 1  | L 2  |      |      |      |      |      |      |      |      |      |      |        |

Right Acre Limit: 960.0  
 POU Total Acres: 1348.0

**CONDITIONS OF APPROVAL**

1. This right is limited to the irrigation of 960 acres within the authorized place of use in a single irrigation season.
2. Rights 01-10011 and 01-7006 when combined shall not exceed a total diversion rate of 7.38 cfs.
3. Rights 01-10011, 01-7006 and 01-7087 when combined shall not exceed a total diversion rate of 8.69 cfs, and a total annual maximum diversion volume of 3700 af at the field headgate.
4. Rights 01-10011, 01-7006, 01-7087, 25-7106 and 25-10069 when combined shall not exceed the irrigation of 1348 acres.

Transfer No. 84612

**WATER RIGHT NO. 1-7006**  
**As Modified by Transfer No. 84612**

**CONDITIONS OF APPROVAL**

5. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.
6. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
7. Use of this right is combined with water from Palisades Water Users Association.
8. Right No. 01-10011 is an enlargement of this right pursuant to Idaho Code § 42-1426.
9. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
10. This right does not grant any right-of-way or easement across the land of another.
11. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
12. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
13. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 84612

**WATER RIGHT NO. 1-10011****As Modified by Transfer No. 84612**

In accordance with the approval of Transfer No. 84612, Water Right No. 1-10011 is now described as follows:

**Right Holder:** COVINGTON BROS LLC  
PO BOX 183  
REXBURG, ID 83440-0183

**Priority Date:** 7/1/1985

**Source:** SNAKE RIVER

**Tributary:** COLUMBIA RIVER

**BENEFICIAL USE**  
IRRIGATION

**From** 04/01 to **To** 10/31

**Diversion Rate**  
2.070 cfs  
2.070 cfs

**LOCATION OF POINT(S) OF DIVERSION**

SNAKE RIVER L9 (NWNE) Sec 26 Twp 04N Rge 40E JEFFERSON County

**PLACE OF USE: IRRIGATION**

| Twp | Rng | Sec | NE   |      |      |      | NW   |      |      |      | SW   |      |      |      | SE   |      |      |      | Totals |
|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|     |     |     | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   |        |
| 04N | 40E | 1   |      |      | 7.0  |      |      |      |      | 2.0  | 29.0 | 1.0  | 30.0 | 36.0 | 29.0 | 40.0 | 36.0 | 40.0 | 250.0  |
| 04N | 40E | 2   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 6.0  | 6.0    |
| 04N | 40E | 11  | 34.0 |      | 21.0 | 40.0 |      |      |      |      |      |      |      |      | 39.0 |      |      |      | 134.0  |
| 04N | 40E | 12  | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 39.0 | 33.0 |      | 36.0 | 40.0 | 40.0 | 37.0 | 39.0 | 584.0  |
| 04N | 40E | 13  |      | 37.0 | 40.0 |      | 40.0 |      |      | 40.0 |      |      |      |      |      |      |      |      | 157.0  |
| 04N | 41E | 6   |      |      |      |      |      |      |      |      | 4.0  | 28.0 | 40.0 | 14.0 |      |      |      |      | 86.0   |
| 04N | 41E | 7   |      |      |      |      | 28.0 | 40.0 | 40.0 | 23.0 |      |      | 1.6  | 1.7  |      |      |      |      | 111.0  |

Right Acre Limit: 388.0

POU Total Acres: 1348.0

**CONDITIONS OF APPROVAL**

1. Rights 01-10011 and 01-7006 when combined shall not exceed a total diversion rate of 7.38 cfs.
2. Rights 01-10011, 01-7006 and 01-7087 when combined shall not exceed a total diversion rate of 8.69 cfs, and a total annual maximum diversion volume of 3700 af at the field headgate.
3. Rights 01-10011, 01-7006, 01-7087, 25-7106 and 25-10069 when combined shall not exceed, and the irrigation of 1348 acres.
4. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.

Transfer No. 84612

**WATER RIGHT NO. 1-10011**  
**As Modified by Transfer No. 84612**

**CONDITIONS OF APPROVAL**

5. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
6. This right is based upon an enlargement of Right No. 01-7006 pursuant to Idaho Code § 42-1426.
7. This right is for an enlargement of 388 acres within the place of use described for this right.
8. This water right is subordinate to all water rights with a priority date earlier than April 12, 1994, that are not decreed as enlargements pursuant to Idaho Code § 42-1426. As between water rights decreed as enlargements pursuant to Idaho Code § 42-1426, the earlier priority right is the superior right.
9. Use of this right is combined with water from Palisades Water Users Association.
10. This right does not grant any right-of-way or easement across the land of another.
11. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
12. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
13. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
14. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

**WATER RIGHT NO. 25-10069****As Modified by Transfer No. 84612**

In accordance with the approval of Transfer No. 84612, Water Right No. 25-10069 is now described as follows:

**Right Holder:** COVINGTON BROS LLC  
PO BOX 183  
REXBURG, ID 83440-0183

**Priority Date:** 7/1/1985

**Source:** GROUND WATER

**BENEFICIAL USE**

IRRIGATION

**From**

04/01

**To**

to 10/31

**Diversion Rate**

0.100 cfs

0.100 cfs

**LOCATION OF POINT(S) OF DIVERSION**

|              |           |                        |                      |
|--------------|-----------|------------------------|----------------------|
| GROUND WATER | L9 (NWNE) | Sec 26 Twp 04N Rge 40E | JEFFERSON County (R) |
| GROUND WATER | SWSW      | Sec 27 Twp 04N Rge 40E | JEFFERSON County (I) |
| GROUND WATER | SWSW      | Sec 27 Twp 04N Rge 40E | JEFFERSON County     |

**PLACE OF USE: IRRIGATION**

| Twp | Rng | Sec | NE   |      |      |      | NW   |      |      |      | SW   |      |      |      | SE   |      |      |      | Totals |
|-----|-----|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|     |     |     | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   | NE   | NW   | SW   | SE   |        |
| 04N | 40E | 1   |      |      | 7.0  |      |      |      |      | 2.0  | 29.0 | 1.0  | 30.0 | 36.0 | 29.0 | 40.0 | 36.0 | 40.0 | 250.0  |
| 04N | 40E | 2   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 6.0  | 6.0    |
| 04N | 40E | 11  | 34.0 |      | 21.0 | 40.0 |      |      |      |      |      |      |      |      | 39.0 |      |      |      | 134.0  |
| 04N | 40E | 12  | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 39.0 | 33.0 |      | 36.0 | 40.0 | 40.0 | 37.0 | 39.0 | 584.0  |
| 04N | 40E | 13  |      | 37.0 | 40.0 |      | 40.0 |      |      | 40.0 |      |      |      |      |      |      |      |      | 157.0  |
| 04N | 41E | 6   |      |      |      |      |      |      |      |      | 4.0  | 28.0 | 40.0 | 14.0 |      |      |      |      | 86.0   |
| 04N | 41E | 7   |      |      |      |      | 28.0 | 40.0 | 40.0 | 23.0 |      | L 6  | L 7  |      |      |      |      |      | 131.0  |
|     |     |     |      |      |      |      | L 1  | L 2  |      |      |      |      |      |      |      |      |      |      |        |

Right Acre Limit: 374.0

POU Total Acres: 1348.0

**CONDITIONS OF APPROVAL**

1. Rights 25-7106 and 25-10069 when combined shall not exceed a total diversion rate of 5.31 cfs, a total annual maximum diversion volume of 2264 af at the field headgate, and the irrigation of 1334 acres.
2. Rights 01-10011, 01-7006, 01-7087, 25-7106 and 25-10069 when combined shall not exceed the irrigation of 1348 acres.

Transfer No. 84612

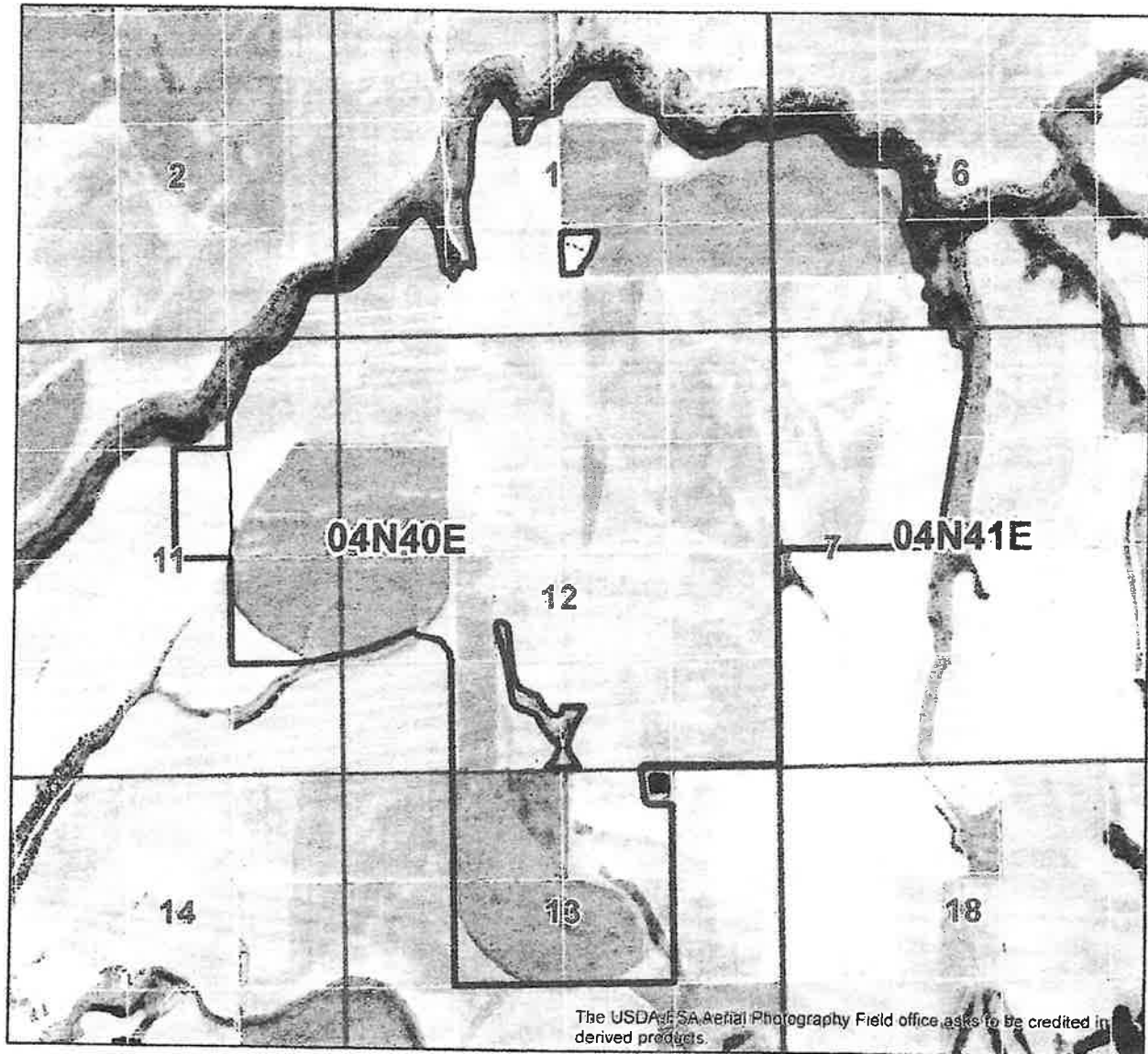
**WATER RIGHT NO. 25-10069**  
**As Modified by Transfer No. 84612**

**CONDITIONS OF APPROVAL**

3. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.
4. Prior to the diversion and use of water under Transfer approval 84612 the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
5. Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
6. This right is based upon an enlargement of Right No. 25-7106 pursuant to Idaho Code § 42-1426
7. This right is for an enlargement of 374 acres within the place of use described for this right.
8. Water diverted under this right is exchanged by injecting the water into Dry Bed at the point of injection described above, and diverting an equal amount from South Fork Snake River at the point of redirection described above.
9. Use of this right is combined with water from Palisades Water Users Association.
10. This right does not grant any right-of-way or easement across the land of another.
11. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
12. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
13. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.
14. This water right is subordinate to all water rights with a priority date earlier than April 12, 1994, that are not decreed as enlargements pursuant to Idaho Code § 42-1426. As between water rights decreed as enlargements pursuant to Idaho Code § 42-1426, the earlier priority right is the superior right.

## Attachment to Transfer Approval 84612

This map depicts the place of use boundary at the time of this transfer approval and is attached to the approval document solely for illustrative purposes.

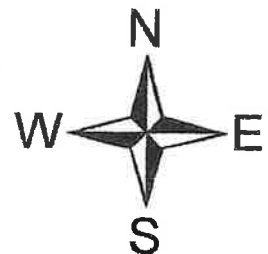
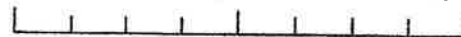


The USDA/ESA Aerial Photography Field office asks to be credited in derived products.

### Legend

-  WR POD  
 WR POU  
 Township/Range  
 Sections  
 QQ

0 1,250 2,500 5,000 Feet



Date: 3/9/2021

## **CERTIFICATE OF SERVICE**

I hereby certify that on March 9, 2021 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

**Re: Transfer No.: 84612**

**Water Right No(s): 1-7006, 1-7087, 1-10011, 25-7106, 25-10069**

**COVINGTON BROS LLC  
PO BOX 183  
REXBURG ID 83440-0183**

**ROBERT L HARRIS  
PO BOX 50130  
IDAHO FALLS ID 83405-0130**



---

**Christina Henman  
Administrative Assistant**

|                             |           |
|-----------------------------|-----------|
| Recorded Electronically     |           |
| ID                          | 443854    |
| County                      | Madison   |
| Date                        | 9/15/2011 |
| Time                        | 2:48 P.M. |
| Simplifile.com 800.460.5657 |           |

## CORRECTED WARRANTY DEED

(SUPERSEDES INSTRUMENT NO. 442647)

**Covington Brothers Limited Liability Company**, an Idaho limited liability company, of P.O. Box 183, Rexburg, ID 83440 (hereinafter "Grantor"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfers, grants, conveys, and warrants unto **Lee H. Sutton**, of 1577 E. 10000 S., Rexburg, ID 83440 (hereinafter collectively "Grantee"), the following described real property (hereinafter referred to as the "Subject Property") located in Madison County, Idaho, to wit:

**See attached Exhibit A, which is attached hereto and incorporated herein by reference, BUT RESERVING AND EXCEPTING THEREFROM ALL WATER RIGHTS APPURTENANT TO THE SUBJECT PROPERTY. THE CONVEYANCE EFFECTED BY THIS WARRANTY DEED DOES NOT INCLUDE ANY WATER RIGHTS WHATSOEVER.**

**Together with:** Except as provided herein, all and singular the tenements; hereditaments; appurtenances; improvements; easements; rights; rights of way, the reversion and reversions; remainder and remainders; rents; issues; profits thereof; and all estate, right, title, and interest in and to the said Subject Property, as well in law as in equity, **but expressly excepting therefrom and reserving unto Grantor all Grantor's water rights appurtenant to the Subject Property.**

**Subject to:** All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record; all facts and circumstances that would be revealed by inspection of the property of inquiry of persons in possession thereof; all items set forth in Schedule BII of the standard owner's policy of title insurance furnished by Grantor to Grantee in connection with this conveyance, except this conveyance is not subject to the liens of materialmen and laborers; and payment of present year's property taxes, which are an accruing lien not yet due.

Grantor, for itself, its heirs, successors, and assigns, warrants and represents as follows:

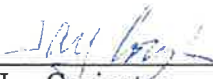
Grantor is the owner of the Subject Property described in this Warranty Deed and has the legal right to convey its interest in the Subject Property described herein to Grantee. The Subject Property described in this deed is free from all liens, encumbrances, and defects in title, except as otherwise shown in this deed or of record.

Grantor will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this deed to Grantee, Grantee's successors in interest, heirs, and assigns against all lawful claims.

This instrument is given to replace and supersede the warranty deed recorded in the records of Madison County, Idaho as Instrument No. 442647.

Date: September 15, 2021.

**COVINGTON BROTHERS LIMITED LIABILITY COMPANY**

  
\_\_\_\_\_  
By: Jay Covington  
Its: Manager

  
\_\_\_\_\_  
By: Michelle Green  
Its: Manager

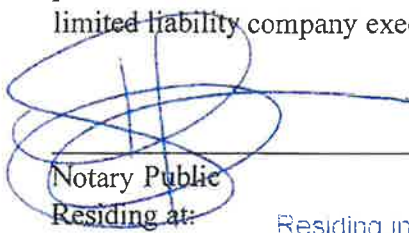
**Acknowledgment**

State of Idaho

County of Madison

ss.

On this 15<sup>th</sup> day of September, 2021, before me, the undersigned, a notary public, personally appeared Jay Covington and Michelle Green, known or identified to me to be the managers of Covington Brothers Limited Liability Company, *an Idaho limited liability company*, and the persons whose names are subscribed to the within instrument, and acknowledged to me that such limited liability company executed the same.

  
\_\_\_\_\_  
Notary Public

Residing at:  
(Seal)

Residing in Idaho Falls, ID  
Commission Expires 06-11-2025

HEATHER LEA ERICKSON  
Notary Public  
State of Idaho  
Commission #50139

## Exhibit 1

### Parcel #1 (Tract #5 from Rowe Survey)

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A REBAR WITH AN ALUMINUM CAP FOUND MARKING THE WEST 1/4 CORNER OF SAID SECTION 11, STAMPED "PLS 13856";

THENCE SOUTH 89°58'24" EAST, A DISTANCE OF 1,326.88 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 00°10'57" EAST, A DISTANCE OF 1,314.15 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°56'44" EAST, A DISTANCE OF 1,325.63 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE CONTINUING NORTH 89°56'44" EAST ALONG SAID LINE, A DISTANCE OF 1,325.64 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE SOUTH 00°04'24" WEST, A DISTANCE OF 1,317.89 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°58'24" WEST, A DISTANCE OF 1,326.89 FEET TO A REBAR WITH AN ALUMINUM CAP SET MARKING THE CENTER 1/4 CORNER OF SAID SECTION 11;

THENCE SOUTH 00°07'40" WEST, A DISTANCE OF 1,316.01 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°53'33" WEST, A DISTANCE OF 2,656.26 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 00°14'14" EAST, A DISTANCE OF 1,312.28 FEET TO A POINT, TO THE POINT OF BEGINNING. CONTAINING 160.23 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

**Parcel #2 (Tract #3 from Rowe Survey)**

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 1, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A REBAR WITH AN ALUMINUM CAP SET, MARKING THE WEST QUARTER CORNER OF SAID SECTION 1;

THENCE SOUTH  $00^{\circ}13'16''$  EAST, A DISTANCE OF 1,321.59 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856", MARKING THE POINT OF BEGINNING;

THENCE NORTH  $89^{\circ}54'11''$  EAST, A DISTANCE OF 513.14 FEET TO A POINT;

THENCE SOUTH  $43^{\circ}58'10''$  WEST, A DISTANCE OF 736.16 FEET TO A POINT;

THENCE NORTH  $00^{\circ}13'16''$  WEST, A DISTANCE OF 528.96 FEET TO THE POINT OF BEGINNING, CONTAINING 3.12 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

# CORRECTED WARRANTY DEED

(SUPERSEDES INSTRUMENT NO. 442647)

**Covington Brothers Limited Liability Company**, an Idaho limited liability company, of P.O. Box 183, Rexburg, ID 83440 (hereinafter "Grantor"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfers, grants, conveys, and warrants unto **Lee H. Sutton**, of 1577 E. 10000 S., Rexburg, ID 83440 (hereinafter collectively "Grantee"), the following described real property (hereinafter referred to as the "Subject Property") located in Madison County, Idaho, to wit:

**See attached Exhibit A, which is attached hereto and incorporated herein by reference, BUT RESERVING AND EXCEPTING THEREFROM ALL WATER RIGHTS APPURTENANT TO THE SUBJECT PROPERTY. THE CONVEYANCE EFFECTED BY THIS WARRANTY DEED DOES NOT INCLUDE ANY WATER RIGHTS WHATSOEVER.**

**Together with:**

Except as provided herein, all and singular the tenements; hereditaments; appurtenances; improvements; easements; rights; rights of way, the reversion and reversions; remainder and remainders; rents; issues; profits thereof; and all estate, right, title, and interest in and to the said Subject Property, as well in law as in equity, **but expressly excepting therefrom and reserving unto Grantor all Grantor's water rights appurtenant to the Subject Property.**

Microfile No. **443854**  
15 DAY Sep 2021  
At 02 O'Clock 48 PM  
KIM H. MUIR  
MADISON CO RECORDER  
Fee \$15.00  
Deputy  
Recorded at Request of  
BEARD ST. CLAIR GAFFNEY PA

**Subject to:**

All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record; all facts and circumstances that would be revealed by inspection of the property of inquiry of persons in possession thereof; all items set forth in Schedule BII of the standard owner's policy of title insurance furnished by Grantor to Grantee in connection with this conveyance, except this conveyance is not subject to the liens of materialmen and laborers; and payment of present year's property taxes, which are an accruing lien not yet due.

Grantor, for itself, its heirs, successors, and assigns, warrants and represents as follows:

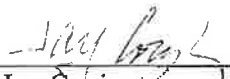
Grantor is the owner of the Subject Property described in this Warranty Deed and has the legal right to convey its interest in the Subject Property described herein to Grantee. The Subject Property described in this deed is free from all liens, encumbrances, and defects in title, except as otherwise shown in this deed or of record.

Grantor will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this deed to Grantee, Grantee's successors in interest, heirs, and assigns against all lawful claims.

This instrument is given to replace and supersede the warranty deed recorded in the records of Madison County, Idaho as Instrument No. 442647.

Date: September 15, 2021.

**COVINGTON BROTHERS LIMITED LIABILITY COMPANY**

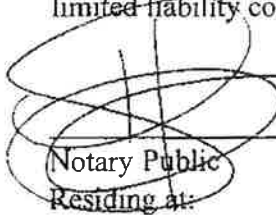
  
By: Jay Covington  
Its: Manager

  
By: Michelle Green  
Its: Manager

**Acknowledgment**

State of Idaho  
County of Madison ss.

On this 15<sup>th</sup> day of September, 2021, before me, the undersigned, a notary public, personally appeared Jay Covington and Michelle Green, known or identified to me to be the managers of Covington Brothers Limited Liability Company, *an Idaho limited liability company*, and the persons whose names are subscribed to the within instrument, and acknowledged to me that such ~~limited liability~~ company executed the same.

  
Notary Public  
Residing at:  
(Seal) Residing in Idaho Falls, ID  
Commission Expires 06-11-2025

HEATHER LEA ERICKSON  
Notary Public  
State of Idaho  
Commission #50139

## Exhibit 1

### Parcel #1 (Tract #5 from Rowe Survey)

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 11, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A REBAR WITH AN ALUMINUM CAP FOUND MARKING THE WEST 1/4 CORNER OF SAID SECTION 11, STAMPED "PLS 13856";

THENCE SOUTH 89°58'24" EAST, A DISTANCE OF 1,326.88 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 00°10'57" EAST, A DISTANCE OF 1,314.15 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°56'44" EAST, A DISTANCE OF 1,325.63 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE CONTINUING NORTH 89°56'44" EAST ALONG SAID LINE, A DISTANCE OF 1,325.64 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE SOUTH 00°04'24" WEST, A DISTANCE OF 1,317.89 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°58'24" WEST, A DISTANCE OF 1,326.89 FEET TO A REBAR WITH AN ALUMINUM CAP SET MARKING THE CENTER 1/4 CORNER OF SAID SECTION 11;

THENCE SOUTH 00°07'40" WEST, A DISTANCE OF 1,316.01 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 89°53'33" WEST, A DISTANCE OF 2,656.26 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 00°14'14" EAST, A DISTANCE OF 1,312.28 FEET TO A POINT, TO THE POINT OF BEGINNING. CONTAINING 160.23 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

**Parcel #2 (Tract #3 from Rowe Survey)**

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 1, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A REBAR WITH AN ALUMINUM CAP SET, MARKING THE WEST QUARTER CORNER OF SAID SECTION 1;

THENCE SOUTH 00°13'16" EAST, A DISTANCE OF 1,321.59 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856", MARKING THE POINT OF BEGINNING;

THENCE NORTH 89°54'11" EAST, A DISTANCE OF 513.14 FEET TO A POINT;

THENCE SOUTH 43°58'10" WEST, A DISTANCE OF 736.16 FEET TO A POINT;

THENCE NORTH 00°13'16" WEST, A DISTANCE OF 528.96 FEET TO THE POINT OF BEGINNING, CONTAINING 3.12 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

First American Title Company

## WARRANTY DEED

987649-RX

Lee H. Sutton, an unmarried man, of 1577 E. 10000 S., Rexburg, ID 83440, and Lee H. Sutton, not individually, but as the personal representative of the estate of Heddy Sutton, deceased, of 1577 E. 10000 S., Rexburg, ID 83440, as their interests may appear (hereinafter collectively "Grantors"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfer, grant, convey, and warrant unto Covington Brothers Limited Liability Company, an Idaho limited liability company, of P.O. Box 183, Rexburg, ID 83440 (hereinafter collectively "Grantee"), the following described real property (hereinafter referred to as the "Subject Property") located in Madison County, Idaho, to wit:

See attached Exhibit A, which is attached hereto and incorporated herein by reference, **BUT RESERVING AND EXCEPTING THEREFROM ALL WATER RIGHTS APPURTENANT TO THE SUBJECT PROPERTY. THE CONVEYANCE EFFECTED BY THIS WARRANTY DEED DOES NOT INCLUDE ANY WATER RIGHTS WHATSOEVER.**

**Together with:** Except as provided herein, all and singular the tenements; hereditaments; appurtenances; improvements; easements; rights; rights of way, the reversion and reversions; remainder and remainders; rents; issues; profits thereof; and all estate, right, title, and interest in and to the said Subject Property, as well in law as in equity, **but expressly excepting therefrom and reserving unto Grantor all Grantor's water rights appurtenant to the Subject Property.**

**Subject to:** All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record; all facts and circumstances that would be revealed by inspection of the property of inquiry of persons in possession thereof; all items set forth in Schedule BII of the standard owner's policy of title insurance furnished by Grantor to Grantee in connection with this conveyance, except this conveyance is not subject to the liens of materialmen and laborers; and payment of present year's property taxes, which are an accruing lien not yet due.

Grantor, for himself, his heirs, successors, and assigns, warrants and represents as follows:

Grantors are the owners of the Subject Property described in this Warranty Deed and have the legal right to convey the Subject Property described herein to Grantee.

The Subject Property described in this deed is free from all liens, encumbrances, and defects in title, except as otherwise shown in this deed or of record.

Grantors will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this deed to Grantee, Grantee's successors in interest, heirs, and assigns against all lawful claims.

Date: July 29, 2021.

Lee H. Sutton  
Lee H. Sutton

#### Acknowledgment

State of Idaho  
County of Madison SS.

On this 29 day of July, 2021, before me, the undersigned, a notary public, personally appeared Lee H. Sutton, an unmarried man, known or identified to me to be and the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

[Signature]  
Notary Public  
Residing at: Rexburg  
(Seal)



Lee H. Sutton  
Lee H. Sutton, personal representative of the estate  
of Heddy Sutton

**Acknowledgment**

State of Idaho  
County of Madison ss.

On this 29 day of July, 2021, before me, the undersigned, a notary public, personally appeared Lee H. Sutton, personal representative of the estate of Heddy Sutton, known or identified to me to be and the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

[Signature]  
Notary Public  
Residing at:  
(Seal)

Rexburg

KATE MCNAIR  
COMMISSION NUMBER 20170823  
NOTARY PUBLIC  
State of Idaho  
My Commission Expires 10/02/2023

## **Exhibit 1**

### **Parcel #1 (Parcel #2 from Rowe Survey)**

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 1, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A REBAR WITH AN ALUMINUM CAP FOUND MARKING THE CENTER QUARTER CORNER OF SAID SECTION 1;

THENCE SOUTH 00°23'45" EAST, A DISTANCE OF 1,318.56 FEET TO A POINT;

THENCE SOUTH 89°54'11" WEST, A DISTANCE OF 1,490.23 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856", MARKING THE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 89°54'11" WEST ALONG SAID LINE, A DISTANCE OF 388.35 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE NORTH 42°52'00" EAST, A DISTANCE OF 245.55 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE EAST, A DISTANCE OF 95.66 FEET TO A REBAR WITH A PLASTIC CAP SET STAMPED, "PLS 13856";

THENCE SOUTH 35°01'07" EAST, A DISTANCE OF 218.95 FEET TO THE POINT OF BEGINNING. CONTAINING 1.00 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

**Parcel #2 (Parcel #4 from Rowe Survey)**

SITUATED IN THE STATE OF IDAHO, COUNTY OF MADISON, BEING PART OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 40 EAST, OF B.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A REBAR WITH AN ALUMINUM CAP SET, MARKING THE SOUTHEAST CORNER OF SAID SECTION 2, STAMPED "PLS 13856";

THENCE SOUTH 89°51'52" WEST, A DISTANCE OF 863.87 FEET TO A POINT;

THENCE NORTH 32°54'35" EAST, A DISTANCE OF 844.78 FEET TO A POINT;

THENCE NORTH 77°59'39" EAST, A DISTANCE OF 410.80 FEET TO A POINT;

THENCE SOUTH 00°13'16" EAST, A DISTANCE OF 792.63 FEET TO A POINT, TO THE POINT OF BEGINNING. CONTAINING 10.68 ACRES OF LAND, MORE OR LESS.

THE ABOVE DESCRIPTION WAS PREPARED BY JEFFREY M. ROWE, PLS 13856 IN JUNE 2021, AND IS SUBJECT TO EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

## RENTAL AGREEMENT

THIS AGREEMENT, Made and entered into this 15<sup>th</sup> day of January, 2021, by and between, Wilcox Brothers LLC, 1110 Golden Beauty Drive, Rexburg, Idaho 83440, hereinafter called "Landlord" and Covington Brothers, LLC., hereinafter called "Tenant", P.O. Box 183, Rexburg, Idaho 83440

### WITNESSETH:

#### 1. PROPERTY LEASED.

Landlord does hereby lease to Tenant and Tenant hereby leases from Landlord, for farming the following described real estate located in Madison County, State of Idaho, containing approximately 81 acres, more or less; located in Section 1, Twp 4, Rge 40 E.B.M. and includes portions of the following quarter sections: SE1/4NE14, SE1/4NW1/4, NE1/4SW1/4, and SE4SW1/4 and outlined in the attached map.

#### 2. TERM OF LEASE.

This lease shall run for a term of one year, commencing February 1, 2021.

#### 3. CASH RENT.

Landlord shall receive as rental the sum of One Hundred (\$100) dollars per acre for the use of the property described above. Rent will be due and payable by February 1, 2022.

The rental sum indicated above is in recognition of Tenant's use of Tenant's water, irrigation equipment and system, power and all other costs associated with bringing water to the property, should tenant be able to do so.

#### 4. FARMING PRACTICES:

Tenant shall, at his own expense, furnish all machinery and equipment, supply all work and labor, provide all other supplies, seed, and materials, and expend all monies necessary to prepare, plant, grow, harvest, and deliver all crops in a good manner. The purchase of fertilizer and chemicals shall be the sole responsibility of the Tenant. Crop rotation, irrigation, fertilizer, weed control, soil conservation and other farming practices shall be done in a timely manner and in accordance with the best farming practices of the locality.

#### 5. IRRIGATION EQUIPMENT AND SYSTEM.

Tenant shall use water carefully and not wastefully in harmony with soil and water conservation practices. Irrigation shall be done timely and in accordance with good farming practices. The irrigation system shall be kept by tenant in good condition and repair.

Tenant agrees to use Tenant's water, irrigation equipment and system, power and all other costs associated with bringing water to the property.

6. TAXES AND WATER ASSESSMENT

Landlord shall pay all real property taxes assessed against the above-described property during the term of the lease.

7. HEIRS AND SUCCESSORS

This lease is binding upon the heirs and successors of the landlord and tenant.

8. OTHER CONDITIONS

A. The tenant agrees to surrender possession and occupancy of the premises peaceably at the termination of the lease.

B. This shall not be deemed to give rise to a partnership in relation and neither party shall have authority to obligate the other without written consent, except specifically provided in the lease.

IN WITNESS WHEREOF, The parties have executed this 13<sup>th</sup> day of January, 2021.

"Landlord"

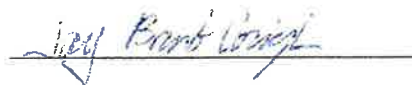
WILCOX BROTHERS LLC



By Terry Wilcox – Executive Secretary

"Tenant"

COVINGTON BROTHERS, LLC.



By Jay Brent Covington – Co-Manager

# Madison County, Idaho

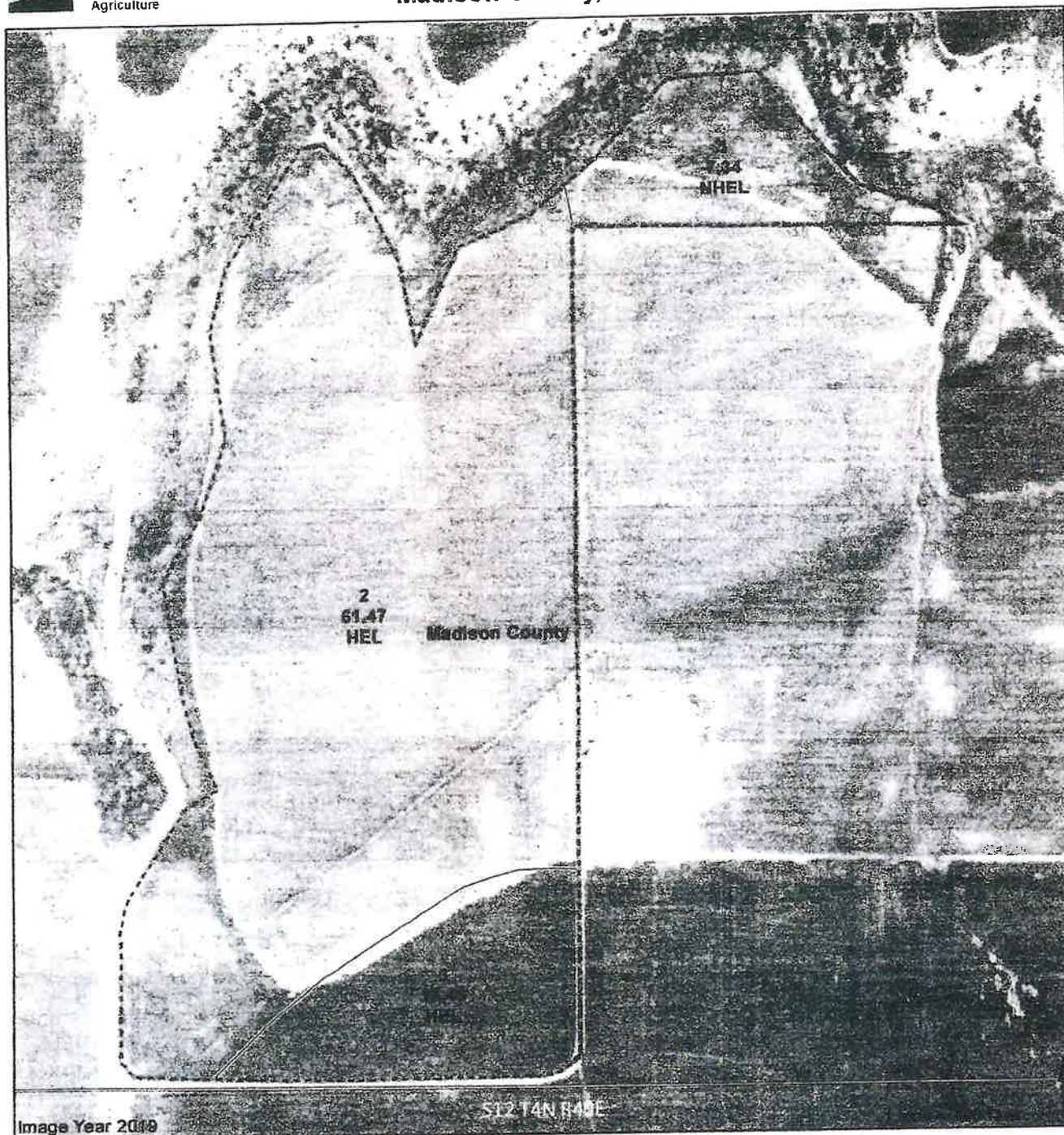


Image Year 2019

**Common Land Unit** PLSS  
 Cropland  
 Tract Boundary

## Wetland Determination Identifiers

- Restricted Use
- ▽ Limited Restrictions
- Exempt from Conservation Compliance Provisions

Tract Cropland Total: 79.26 acres

2020 Program Year

Map Created December 11, 2019

**Farm 388**

**Tract 1215**

United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact USDA Natural Resources Conservation Service (NRCS).

## Barg, Jonie

---

**From:** Eric Reed <eric@peakaccounting.org>  
**Sent:** Monday, December 27, 2021 5:44 PM  
**To:** Barg, Jonie  
**Cc:** Aaron M. Worthen  
**Subject:** RE: Ownership Change additional information/filing fees  
**Attachments:** IDWR Letter.pdf; 20210915 Recorded Corrected Warranty Deed (ID No. 443854).pdf; 20210729 Warranty Deed to Covington Brothers (ID No. 442648) .pdf; Rental Agreement Covington 01-13-2021.pdf

Hello Jonie,

We have done additional research regarding the evidence of ownership referenced in the attached letter, and we do not believe a split is required.

The map attached to your letter appears to show there are two parcels in which the legal description does not cover the entire place of use of the water rights. The parcel to the east is referred to as the Sutton Property and the parcel to the north is referred to as the Wilcox Property. When Covington's sold the farm to E&R Land it was agreed that E&R Land was also purchasing the water rights associated with the Sutton Property and the Wilcox Property.

**Sutton Property.** Michael Brown is the attorney for the Covington's and he provided the attached Warranty Deed, which shows that when Covington's conveyed this property to Sutton, the Covington's reserved the water rights. The Warranty Deed says: "expressly excepting therefrom and reserving unto Grantor all Grantor's water rights appurtenant to the Subject Property."

This is the explanation from Michael Brown:

*"Covington Brothers and Lee Sutton swapped property with each other a few weeks prior to the sale to E&R. Attached to this email is a copy of the deed whereby Covington Brothers conveyed property to Lee Sutton. Your understanding about the water rights is correct - Covington Brothers reserved all appurtenant water rights in this deed. (The deed attached to this email is a correction deed because it was discovered after closing that the legal description prepared by the surveyor contained an incorrect section number, so that error was corrected in the correction deed.)"*

*Also attached is a copy of the deed whereby Lee Sutton deeded property to Covington Brothers as part of the aforementioned exchange. You will note that deed also includes a reservation of water rights provision as well."*

**Wilcox Property.** Attached is a rental agreement between the Covington's and the Wilcox's, showing that the water used on the Wilcox Property belonged to the Covington's.

I have copied Aaron Worthen on this email. He is the attorney at Parson Behle & Latimer who researched these water rights. Please email myself and Aaron if you have any additional questions.

Thank you,



**Eric Reed, CPA**  
(208) 390-6138  
[www.peakaccounting.org](http://www.peakaccounting.org)

**From:** Barg, Jonie <Jonie.Barg@idwr.idaho.gov>  
**Sent:** Friday, December 3, 2021 8:03 AM  
**To:** Eric Reed <eric@peakaccounting.org>  
**Subject:** Ownership Change additional information/filing fees

Please find attached correspondence in reference to the ownership changes received October 6, 2021. Hard copies of these letters will be mailed today. If you have any questions please contact me via email or at the number below.

*Jonie Barg*

Jonie Barg  
Technical Records Specialist  
Idaho Department of Water Resources  
900 N Skyline Dr Ste A  
Idaho Falls ID 83402  
Phone number: (208)525-7161  
Email address: [jonie.barg@idwr.idaho.gov](mailto:jonie.barg@idwr.idaho.gov)

## Barg, Jonie

---

**From:** Aaron M. Worthen <AWorthen@parsonsbehle.com>  
**Sent:** Friday, January 28, 2022 7:38 AM  
**To:** Barg, Jonie  
**Cc:** Eric Reed  
**Subject:** RE: Ownership Change additional information/filing fees  
**Attachments:** Notice of Delivery of Certified letter - Terry Wilcox received.PDF; Notice of Delivery of Certified Mail Letter -Lee Sutton.PDF; 2019-01-19 Letter to Lee Sutton.PDF; 2019-01-19 Letter to Terry Wilcox.PDF

Jonie,

The attached letters were sent to Lee Sutton and Wilcox Brothers LLC. I have also attached the proof of receipt for both letters.

Please let me know if you need anything else from us for the notice of ownership to be processed.

Thanks,  
Aaron



A Professional  
Law Corporation

Aaron M. Worthen • Attorney at Law  
Parsons Behle & Latimer  
350 Memorial Drive, Suite 300 • Idaho Falls, Idaho 83402  
Main +1 208.522.6700 • Direct +1 208.528.5226

[parsonsbehle.com](http://parsonsbehle.com) • [AWorthen@parsonsbehle.com](mailto:AWorthen@parsonsbehle.com) • vCard

**CONFIDENTIALITY NOTICE:** This electronic mail message and any attachment(s) are confidential and may also contain privileged attorney-client information or work product. The message is intended only for the use of the addressee. If you are not the intended recipient, or the person responsible to deliver it to the intended recipient, you may not use, distribute, or copy this communication. If you have received the message in error, please immediately notify us by reply electronic mail or by telephone at 801.532.1234, and delete this original message.

**From:** Barg, Jonie <Jonie.Barg@idwr.idaho.gov>  
**Sent:** Tuesday, January 4, 2022 8:59 AM  
**To:** Eric Reed <eric@peakaccounting.org>  
**Cc:** Aaron M. Worthen <AWorthen@parsonsbehle.com>  
**Subject:** RE: Ownership Change additional information/filing fees

Eric:

My supervisor and I have gone through all the evidence of ownership, and it does appear it can be complete without a split, however according to Idaho statute 42-248(6) *(If the person filing the notice of a change of water right ownership does not own the land identified as the place of use for the water right, the notice shall be accompanied by evidence that written notice of the change of water right ownership has been mailed or hand-delivered to the landowner of record, as identified in the records of the county recorder.)* the department will

require evidence that the property owner has been notified of the ownership change. Once evidence the property owner has been notified is received the department will update the ownership.

If you have any questions, please don't hesitate to contact me. Thank you.



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

**Jonie Barg | Technical Records Specialist**

900 N Skyline Drive Ste. A, Idaho Falls, ID 83402

Phone number: (208) 525-7161

Fax number: (208) 525-7177

Email: [jonie.barg@idwr.idaho.gov](mailto:jonie.barg@idwr.idaho.gov)

Website: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

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**Sent:** Monday, December 27, 2021 5:44 PM  
**To:** Barg, Jonie <[Jonie.Barg@idwr.idaho.gov](mailto:Jonie.Barg@idwr.idaho.gov)>  
**Cc:** Aaron M. Worthen <[AWorthen@parsonsbehle.com](mailto:AWorthen@parsonsbehle.com)>  
**Subject:** RE: Ownership Change additional information/filing fees

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**Wilcox Property.** Attached is a rental agreement between the Covington's and the Wilcox's, showing that the water used on the Wilcox Property belonged to the Covington's.

I have copied Aaron Worthen on this email. He is the attorney at Parson Behle & Latimer who researched these water rights. Please email myself and Aaron if you have any additional questions.

Thank you,



**Eric Reed, CPA**  
(208) 390-6138  
[www.peakaccounting.org](http://www.peakaccounting.org)

**From:** Barg, Jonie <[Jonie.Barg@idwr.idaho.gov](mailto:Jonie.Barg@idwr.idaho.gov)>  
**Sent:** Friday, December 3, 2021 8:03 AM  
**To:** Eric Reed <[eric@peakaccounting.org](mailto:eric@peakaccounting.org)>  
**Subject:** Ownership Change additional information/filing fees

Please find attached correspondence in reference to the ownership changes received October 6, 2021. Hard copies of these letters will be mailed today. If you have any questions please contact me via email or at the number below.

*Jonie Barg*

Jonie Barg  
Technical Records Specialist  
Idaho Department of Water Resources  
900 N Skyline Dr Ste A  
Idaho Falls ID 83402  
Phone number: (208)525-7161  
Email address: [jonie.barg@idwr.idaho.gov](mailto:jonie.barg@idwr.idaho.gov)

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

TERRY Wilcox  
Wilcox Brothers LLC  
1110 Golden Beauty Drive  
Rexburg, ID 83440



9590 9402 4554 8278 4504 20

## 2. Article Number (Transfer from service label)

9171 9690 0935 0197 2794 22

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

x Kasydee Parkinson

☒ Agent☐ Addressee

## B. Received by (Printed Name)

Kasydee Parkinson

## C. Date of Delivery

1/21/22

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

## 3. Service Type

☒ Adult Signature☐ Adult Signature Restricted Delivery☒ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Insured Mail☐ Insured Mail Restricted Delivery  
(over \$500)☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted  
Delivery☐ Return Receipt for  
Merchandise☐ Signature Confirmation™☐ Signature Confirmation  
Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

**PARSONS  
BEHLE &  
LATIMER**

350 Memorial Drive, Suite 300  
Idaho Falls, Idaho 83402  
Main 208.522.6700  
Fax 208.522.5111

A Professional  
Law Corporation

**Aaron M. Worthen**  
Attorney at Law  
Direct 208.528.5226  
AWorthen@parsonsbehle.com

January 19, 2022

Terry Wilcox  
Wilcox Brothers LLC  
1110 Golden Beauty Drive  
Rexburg, Idaho 83440

**Re: Notice of Change of Water Right Ownership**

Dear Terry,

As you may be aware, E&R Land LLC ("E&R Land") recently purchased Covington Brother's LLC's operations, land, and correlating water rights in Rexburg, Idaho. Specifically, E&R Land purchased Water Right Nos. 1-7006, 1-7087, 1-10011, 25-7106, and 25-10069 ("Water Rights"). The Notice of Change of Ownership filed with the Idaho Department of Water Rights for those Water Rights is attached hereto as **Exhibit A**.

Because a portion of the Water Rights are used on land owned by Wilcox Brothers LLC, the IDWR requires E&R Land to provide notice to Wilcox Brothers LLC of the change in ownership. See Idaho Code § 42-248(6). This letter constitutes that notice.

If you have any questions about this or if you would like further explanation, you can contact me at (208) 528-5226, or you can contact E&R Land LLC through Jared Neville at (208) 243-1014, or Eric Reed at (208) 390-6138.

Please let us know if you have any questions.

Sincerely,

PARSONS BEHLE & LATIMER



Aaron M. Worthen  
Attorney at Law

AMW:

# Exhibit A

RECEIVED

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

NOV 17 2021

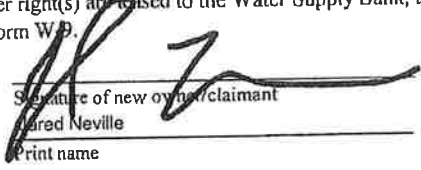
## NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Department of Water Resources  
Eastern Region

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #7 of the instructions.

| Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? | Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? |
|-----------------------|------------------------------|------------------------------|-----------------------|------------------------------|------------------------------|
| 1-7006                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-7087                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-10011               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-7106               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-10069              | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |

2. Previous Owner's Name: Covington Brothers  
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): E&R Land LLC  
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or
- 2339 Westcliff Drive Idaho Falls ID 83402  
Mailing address City State Zip  
(208) 390-6138 eric@peakaccounting.org  
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur?  
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.  
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 9/15/2021
6. Do you own the land identified as the water right place of use? Yes ☒ No ☐  
o If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.
7. This form must be signed and submitted with the following **REQUIRED** items:  
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.  
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).  
☒ Filing fee (see instructions for further explanation):  
o \$25 per undivided water right.  
o \$100 per split water right.  
o No fee is required for pending adjudication claims.  
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.  
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature:  Managing Member 11/1/2021  
Signature of new owner/claimant Title, if applicable Date  
Jared Neville  
Print name

Signature: \_\_\_\_\_ Title, if applicable \_\_\_\_\_ Date \_\_\_\_\_  
Signature of new owner/claimant  
Print name

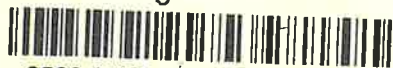
Received by m. pettis Date 11-17-21 For IDWR Office Use Only: Receipt No. E047547 Receipt Amt. 125.00  
Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐  
Name on W-9 \_\_\_\_\_ Approved by \_\_\_\_\_ Processed by \_\_\_\_\_ Date \_\_\_\_\_

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

**1. Article Addressed to:**

Lee H. Sutton  
1577 E. 10000 S.  
Rexburg, ID 83440



9590 9402 4554 8278 4504 37

**2. Article Number (Transfer from service label)**

9171 9690 0935 0197 2794 15

PS Form 3811, July 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

**A. Signature**

☒ *Lee H. Sutton* ☐ Agent ☒ Addressee

**B. Received by (Printed Name)**

Lee H. Sutton

**C. Date of Delivery**

1-24-22

**D. Is delivery address different from item 1?** ☐ Yes  
If YES, enter delivery address below: ☐ No

**3. Service Type**

- |                                                                        |                                                                     |
|------------------------------------------------------------------------|---------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Adult Signature                    | <input type="checkbox"/> Priority Mail Express®                     |
| <input type="checkbox"/> Adult Signature Restricted Delivery           | <input type="checkbox"/> Registered Mail™                           |
| <input checked="" type="checkbox"/> Certified Mail®                    | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery            | <input type="checkbox"/> Return Receipt for Merchandise             |
| <input type="checkbox"/> Collect on Delivery                           | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery       | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail                                  |                                                                     |
| <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) |                                                                     |

Domestic Return Receipt

**PARSONS  
BEHLE &  
LATIMER**

350 Memorial Drive, Suite 300  
Idaho Falls, Idaho 83402  
Main 208.522.6700  
Fax 208.522.5111

A Professional  
Law Corporation

**Aaron M. Worthen**  
Attorney at Law  
Direct 208.528.5226  
AWorthen@parsonsbehle.com

January 19, 2022

Lee H. Sutton  
1577 E. 10000 S.  
Rexburg, Idaho 83440

**Re: Notice of Change of Water Right Ownership**

Dear Lee,

As you may be aware, E&R Land LLC ("E&R Land") recently purchased Covington Brother's LLC's operations, land, and correlating water rights in Rexburg, Idaho. Specifically, E&R Land purchased Water Right Nos. 1-7006, 1-7087, 1-10011, 25-7106, and 25-10069 ("Water Rights"). The Notice of Change of Ownership filed with the Idaho Department of Water Rights ("IDWR") for those Water Rights is attached hereto as **Exhibit A**.

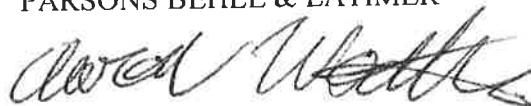
The current IDWR records indicate that a portion of the Water Rights are used on property that was recently deeded to you by Covington Brothers ("Property"). Although the warranty deed expressly reserved all water rights appurtenant to the Property, the IDWR's records were never updated to reflect that the Water Rights were no longer used on the deeded Property. Accordingly, Idaho law requires E&R Land to provide notice of the change of ownership to you. *See* Idaho Code § 42-248(6). This letter constitutes that notice.

If you have any questions about this or if you would like further explanation, you can contact me at (208) 528-5226, or you can contact E&R Land LLC through Jared Neville at (208) 243-1014, or Eric Reed at (208) 390-6138.

Please let us know if you have any questions.

Sincerely,

PARSONS BEHLE & LATIMER



Aaron M. Worthen  
Attorney at Law

AMW:

# Exhibit A

RECEIVED

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

NOV 17 2021

## NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Department of Water Resources

Eastern Region

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #7 of the instructions.

| Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? | Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? |
|-----------------------|------------------------------|------------------------------|-----------------------|------------------------------|------------------------------|
| 1-7006                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-7087                | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 1-10011               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-7106               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
| 25-10069              | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |

2. Previous Owner's Name: Covington Brothers  
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): E&R Land LLC  
New owner(s) as listed on the conveyance document      Name connector ☐ and ☐ or
- 2339 Westcliff Drive      Idaho Falls      ID      83402  
Mailing address      City      State      Zip
- (208) 390-6138      eric@peakaccounting.org  
Telephone      Email
4. If the water rights and/or adjudication claims were split, how did the division occur?  
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.  
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 9/15/2021
6. Do you own the land identified as the water right place of use? Yes ☒ No ☐  
☐ If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.
7. This form must be signed and submitted with the following **REQUIRED** items:  
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.  
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).  
☒ Filing fee (see instructions for further explanation):  
☐ \$25 per *undivided* water right.  
☐ \$100 per *split* water right.  
☐ No fee is required for pending adjudication claims.  
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.  
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: [Signature]      Managing Member      11/1/2021  
Signature of new owner/claimant      Title, if applicable      Date  
Jared Neville  
Print name

Signature: \_\_\_\_\_      Title, if applicable      Date  
Signature of new owner/claimant  
Print name

Received by m. jettis Date 11-17-21 For IDWR Office Use Only:      Receipt No. E047547      Receipt Amt. 125.00  
Active in the Water Supply Bank? Yes ☐ No ☐      If yes, forward to the State Office for processing      W-9 received? Yes ☐ No ☐  
Name on W-9 \_\_\_\_\_      Approved by \_\_\_\_\_      Processed by \_\_\_\_\_      Date \_\_\_\_\_

# Idaho Department of Water Resources Receipt

Receipt ID: E047547

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|                |          |               |            |        |         |
|----------------|----------|---------------|------------|--------|---------|
| Payment Amount | \$125.00 | Date Received | 11/17/2021 | Region | EASTERN |
|----------------|----------|---------------|------------|--------|---------|

|              |       |              |      |
|--------------|-------|--------------|------|
| Payment Type | Check | Check Number | 1024 |
|--------------|-------|--------------|------|

Payer Peak Accounting Solutions PLLC

Comments Notice of Change in Water Right Ownership  
Covington Brothers  
E&R Land LLC  
1-7006, 1-7087, 1-10011, 25-7106, 25-10069

## Fee Details

| Amount   | Description                          | PCA   | Fund | Fund Detail | Subsidiary | Object |
|----------|--------------------------------------|-------|------|-------------|------------|--------|
| \$125.00 | OWNERSHIP CHANGES/SECURITY INTERESTS | 63140 | 0229 | 21          |            | 1155   |

---



Signature Line (Department Representative)



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718

Phone: 208-525-7161 • Fax: 208-525-7177 • Email: [easterninfo@idwr.idaho.gov](mailto:easterninfo@idwr.idaho.gov) • Web: [idwr.idaho.gov](http://idwr.idaho.gov)

**Governor Brad Little**

**Director Gary Spackman**

February 01, 2022

E&R LAND LLC  
2339 WESTCLIFF DR  
IDAHO FALLS ID 83402-3801

Re: Change in Ownership for Water Right No(s): 1-7006, 1-7087, 1-10011, 25-7106, 25-10069

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 497-3787.

Sincerely,

Jonie Barg  
Technical Records Specialist 1

Enclosure(s)

cc: WATER DISTRICT 01  
MADISON GROUND WATER DISTRICT



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718

Phone: 208-525-7161 • Fax: 208-525-7177 • Email: [easterninfo@idwr.idaho.gov](mailto:easterninfo@idwr.idaho.gov) • Web: [idwr.idaho.gov](http://idwr.idaho.gov)

**Governor Brad Little**

**Director Gary Spackman**

December 2, 2021

E & R LAND LLC  
2339 WESTCLIFF DR  
IDAHO FALLS ID 83402

RE: Change in Ownership Water Right No. 1-7006, 1-7087, 1-10011, 25-7106, 25-10069

Dear Sir/Madam:

The Department of Water Resources acknowledges receipt of your Notice of Change in Water Right Ownership.

Thank you for responding to our November 17, 2021, letter and submitting a copy of the recorded Warranty Deed. Our review of your notice indicates that additional information is required before we can process the change. The information required is indicated below:

\*\*\*\* **Evidence of Ownership/Filing Fee:** It appears the legal description does not cover the entire place of use of the water rights listed above. Please review the map attached showing the place of use of the water right and the property boundary as per our review of your Warranty Deed. If you believe a split is required, an additional filing fee is required. The fee for a split ownership change is \$100.00 per water right, the department received \$125.00 with your original application, however the fee to split 5 water rights would be \$500.00, therefore an additional \$3375.00 is required. If you believe a split is not required, please submit evidence of ownership indicating your ownership in the entire place of use of the water right as described on the map attached.

Because the Department cannot process the ownership change without proper documentation/fees, we will hold any action on your notice pending receipt of the necessary information/fees. If we do not receive the necessary information/fees within 30 days we will return your notice and all attachments and your notice will not be processed.

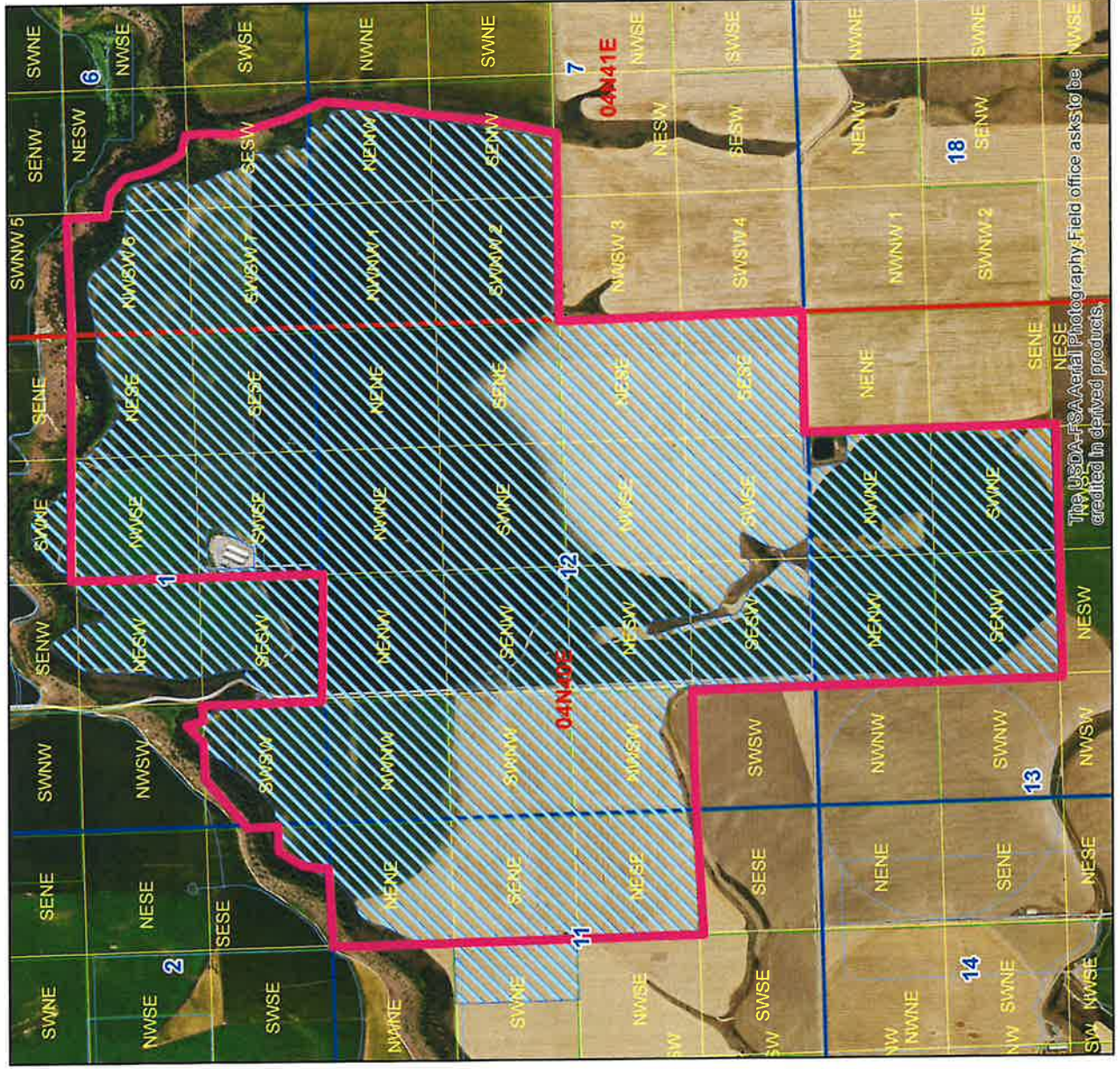
Please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: [www.idwr.idaho.gov](http://www.idwr.idaho.gov).

Please feel free to contact the Department if you have any questions.

Sincerely,

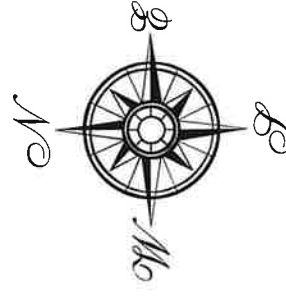
Jonie Barg  
Technical Records Specialist

# Idaho Department of Water Resources



## Legend

-  1-7006, 1-7087, 1-10011, 25-7106, 25-10069
-  E & R Land LLC
-  Township/Range
-  Sections
-  QQ
-  Water Right POU
-  Parcels



Layout Created By:  
Jonie Barg  
Date:  
December 2, 2021