

RECEIVED

FEB 29 2012

Department of Water Resources
Eastern RegionSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right**
And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water RightRECEIVED
MAR 05 2012DEPT. OF WATER RESOURCES
SOUTHERN REGIONPlease print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

1. Water Right No(s).: See Exhibit A attached hereto and made a part hereof
Adjudication Claim No(s).: See Exhibit A attached hereto and made a part hereof
2. The following **REQUIRED** information must be submitted with this form:
 - A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**
 - B) A **FEE of \$25.00 per water right** or adjudication claim.
3. Name and Mailing Address of Person or Company holding Security Interest
Wells Fargo Bank, National Association MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin
4. Name of Water Right Owner/Claimant(s)
See Exhibit A attached hereto and made a part hereof
5. Expiration Date of Notification Period None **SUPPORT DATA**
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO **IN FILE # 36-2087F**
7. Signature(s) of Security Interest holder(s) (and title if applicable)
WELLS FARGO BANK, NATIONAL ASSOCIATION
By: Scott J. Manookin
Its: Senior Vice President

For Office Use Only

Received by <u>[Signature]</u>	Date <u>2/29/2012</u>	Fee <u>\$ 2450.</u>
Received by <u>[Signature]</u>	Date <u>3/1/2012</u>	Receipt No. <u>E087366</u>
Processed by <u>AJ</u>	Date <u></u>	WR <u></u> Date <u></u>

Exhibit A

Any and all water rights and interests listed in the following table:

Owner of Water Right	Water Rights
Aardema Dairy Limited Partnership	Idaho Department of Water Right No.: 36-7290
Aardema Dairy Limited Partnership	Idaho Department of Water Right No. 36-8169 36-2726D 36-15256D 36-16763 36-10685 36-10686
Aardema Dairy Limited Partnership	Idaho Department of Water Right No. 36-14657
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-7049 36-7329 36-11075 36-11075A 36-11074 36-15256C 36-16762 36-4002 36-2519 36-2412D 36-8517

Owner of Water Right	Water Rights
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-16257 36-16259 36-16261 36-16263 36-16265 36-16267 36-16269 36-16271 36-16273 36-16275 36-16277 36-16279 36-16281 36-16283 36-16285 36-16287F 36-11076 36-11076A 36-2087F 36-2113F 36-2161F 36-2289H 36-2311F 36-2500F 36-2614F 36-7307F 36-7362F 36-7477F 36-7606F 36-7779F 36-7832F 36-10225F 36-15169F
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-16449 36-16447 36-14031 36-16446 36-16448 36-2586B 36-14035B
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-14430 36-8179 36-2575B
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-7734 36-7250
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-8418

Owner of Water Right	Water Rights
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-15111 36-15110 36-2719 36-7215 36-2242
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-2412A
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14960
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-15000
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14106
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14166
Double A Dairy	Idaho Department of Water Right Nos. 36-14492 36-15557 36-15559 36-15561 36-15563
Double A Dairy	Idaho Department of Water Right No. 37-2592D 37-2592F 37-2527B 37-7533B
Double A Dairy	Idaho Department of Water Right Nos. 37-8908 37-8909
Double A Dairy (recently purchased from Notch Butte Farms, LLC)	Idaho Department of Water Right Nos. 36-22609 36-22610 36-22611 36-22606 36-22607 36-22608 36-22612 36-22613 36-22614 36-22615 36-22616 36-22617

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FEB 29 2012

Department of Water Resources
Eastern Region

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MACU1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin

Instrument # 237788
GOODING, GOODING, IDAHO
5-12-2011 04:15:44 No. of Pages: 93
Recorded for : LAND TITLE AND ESCROW, INC BURL
DENISE M. GILL Fee: 286.00
Ex-Officio Recorder Deputy 

**MORTGAGE, SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS**

THIS MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS (this "Mortgage," which term shall include any amendment, modification, supplement, extension, renewal, replacement, or restatement hereof), is made as of May 11, 2011, by AARDEMA FARMS LIMITED PARTNERSHIP, an Idaho limited partnership; and DOUBLE A DAIRY, an Idaho general partnership; and AARDEMA DAIRY, an Idaho general partnership, SAWTOOTH CATTLE COMPANY, L.L.C., an Idaho limited liability company, ST. BRIDGET DAIRY, L.L.C., an Idaho limited liability company (collectively, "Mortgagor"), to WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Mortgagee").

Capitalized terms used herein but not defined herein have the meanings given to them in the Amended and Restated Credit Agreement of even date herewith, by and among Mortgagor, the other "Credit Parties" party thereto, and Mortgagee (the "Credit Agreement," which term shall include any amendment, modification, supplement, extension, renewal, replacement, or restatement thereof).

Mortgagor, for valuable consideration, the receipt of which is hereby acknowledged, and in consideration of and to secure the repayment in accordance with the terms of several promissory notes of even date, does hereby irrevocably GRANT, BARGAIN, SELL, CONVEY, MORTGAGE, ASSIGN, TRANSFER AND SET OVER unto Mortgagee and to its successors and assigns, all the hereinafter described real located in the Counties of Gooding, Jerome, and Lincoln, State of Idaho, described in Exhibit A attached hereto and by this reference incorporated herein, and all machinery, equipment and personal property now or hereafter located on, in or under the Property and the Improvements (as defined below), or usable in connection with the Property or the Improvements, and which are owned by Mortgagor or in which Mortgagor has an interest, including any construction and building materials stored on and to be included in the Improvements, plus any repairs, replacements and betterments to any of the foregoing and the proceeds and products thereof, all of the foregoing which is herein collectively called the "Property";

TOGETHER WITH all present and future rights, title and interests of Mortgagor, however acquired, in, to, and under the leases and sublease described on Exhibit A hereto or disclosed in the Credit Agreement (collectively, as amended, renewed and extended from time to time together with any new lease of the Property entered into by Mortgagor in replacement, extension or renewal of or substitution for said leases and subleases, the "Site Lease"), all present and future right, title and interest of Mortgagor, as lessee or otherwise in and to the Property, the Personal Property (hereinafter defined), and any other real or personal property (collectively the "Leased Property") which is subject to the Site Lease or which is created under or pursuant to the Site Lease and all present and future amendments, renewals and supplements thereto, including all of Mortgagor's unexpired estate, title, interest and term of years in the Leased Property by virtue of the Site Lease and any and all credits, deposits, options to renew or extend, options to purchase, rights of first refusal, and any other rights and privileges of Mortgagor thereunder (all of the foregoing are herein referred to collectively as the "Leasehold Estate"), and all rights of Mortgagor and Mortgagor's bankruptcy trustee to deal with the Site Lease, which rights may arise as a result of the commencement of a case under the federal bankruptcy laws by or against (i) Mortgagor or (ii) the lessor ("Lessor") under the Site Lease, including, without limitation, the right to assume or reject, or compel the assumption or rejection of such Site Lease pursuant to the Bankruptcy Code, the right to seek and obtain extensions of time to assume or reject such Site Lease, and the right to elect whether to treat such Site Lease as terminated by the Lessor's rejection of such Site Lease or to remain in possession and offset damages pursuant to the Bankruptcy Code or any successor law,

TOGETHER WITH all leasehold estate, right, title and interest of Mortgagor in, to or under all leases (including all oil and gas leases) or subleases covering the Mortgaged Property or any portion thereof now or hereafter existing or entered into, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

TOGETHER WITH all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto; and all water, water rights appropriations, irrigation works, lines, pivots, drip systems, handlines, wheel lines, pumps, motors, equipment and electric panels of every kind and nature, ditches, canals, wells, franchises upon, leading to or connected with said property, in addition to any replacements, substitutions and additions thereto, and all other rights and privileges now or hereafter owned by Mortgagor, or belonging to, with, leading to, connected with, or usually had or enjoyed in connection with the Mortgaged Property, whether represented by securities, certificated securities, partnership interests, limited liability company interests, or equity interests in any ditch or irrigation company or by actual individual ownership or otherwise appurtenant to the Mortgaged Property, or which may hereafter be acquired by Mortgagor, during the existence of this mortgage;

TOGETHER WITH all right, title and interest of Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any road adjoining the Mortgaged Property;

TOGETHER WITH any and all buildings, structures, fences, pipelines, pipes, tanks, dams, reservoirs, pumps, pumping equipment and all other improvements and fixtures now located or hereafter erected thereon, including, but not limited to, the fixtures, attachments,

equipment, grain storage facilities and attachments used to move grain within storage facilities or maintain or modify grain quality, machinery, and other articles attached to said buildings and improvements, including all milk handling, milk storage and milking equipment, all livestock handling fixtures and other non-rolling stock necessary to run the dairy business, but not including farm machinery and vehicles (the "Improvements");

TOGETHER WITH, all right, title and interest in and to the timber of every kind and nature now or hereafter standing, growing, located, decked or stored upon the Mortgaged Property;

TOGETHER WITH, all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in the Mortgaged Property, and any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Mortgaged Property; and

TOGETHER WITH all rents, issues, profits, bonuses, royalties and income derived from the Mortgaged Property including, without limitation, those arising out of any oil, gas or mineral leases, and all the estate, right, title and interest of every nature whatsoever of Mortgagor in and to the same. Mortgagor will execute such assignments as Mortgagee may from time to time reasonably request, which shall include, but not be limited to, assignments of rents, issues, profits, bonuses, royalties and income in reasonable form acceptable to Mortgagee. Mortgagor shall pay the cost of recording any such assignments. Mortgagee is authorized to notify any or all lessees, tenants or occupants of all or part of said Mortgaged Property of the assignment of rents, issues, profits, bonuses, royalties or income made hereunder or under any such special assignments. Mortgagee shall have no personal liability for the performance of Mortgagor's covenants under any of said leases or occupancy agreements. Mortgagee shall not be liable to Mortgagor for any action taken or omitted in connection with any such leases or occupancy agreements or the operation of said Property. Until the occurrence of a default as hereinafter provided, Mortgagor may use and occupy the Mortgaged Property and receive all rents, issues, profits, bonuses, royalties and income thereof.

The entire estate, property (both real and personal) and interest hereby conveyed to Mortgagee may hereafter collectively be referred to as the "Mortgaged Property." All property except the real property may hereinafter be referred to as the "Personal Property."

FOR THE PURPOSE OF SECURING:

- (a) The Term Loan Notes and the Revolving Loan Note, and any amendment, modification, supplement, extension, renewal, replacement, or restatement thereof;
- (b) All present and future Indebtedness of Mortgagor or any other Credit Party to Mortgagee, whether under the Credit Agreement or any other Loan Document or otherwise;
- (c) All obligations of Mortgagor and rights of Mortgagee under this Mortgage;

- (d) All present and future obligations of Credit Parties to Mortgagee of other kinds;
- (e) Payment of all sums advanced by Mortgagee to protect the Mortgaged Property, with interest thereon at the maximum lawful rate per annum payable under any Loan Document for delayed or default interest; and
- (f) Performance of all obligations of any guarantor of any of the obligations of Mortgagor contained in the Loan Documents or any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby or thereby.

The word "Indebtedness" is used herein in its most comprehensive sense and includes any and all Obligations (as defined in the Credit Agreement), any and all advances, debts, obligations and liabilities of Credit Parties, or any of them, heretofore, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, including under any swap, derivative, foreign exchange, hedge, deposit, treasury management or other similar transaction or arrangement, and whether Credit Parties may be liable individually or jointly with others, or whether recovery upon such Indebtedness may be or hereafter becomes unenforceable.

TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR HEREBY COVENANTS AND AGREES:

ARTICLE 1

COVENANTS AND AGREEMENTS OF MORTGAGOR

Mortgagor hereby covenants and agrees:

- 1.1 Title. That at the time of delivery hereof Mortgagor is the lawful owner of the premises hereinabove granted (including, without limitation, the water rights listed on Exhibit A hereto), and is seized of a good, marketable and indefeasible title in fee simple therein, free and clear of all liens, encumbrances, easements, covenants, conditions, restrictions and reservations except those listed on Exhibit B attached hereto, and that Mortgagor will warrant and defend the same in the quiet and peaceful possession of the Mortgagee, its successors and assigns, forever, against the claims of all persons whomsoever, except for a Mortgage, Security Agreement and Assignment of Rents dated as of June 14, 2007 (the "2007 Mortgage"), executed by Mortgagor to or for the benefit of The **Metropolitan Life Insurance Company** and recorded on June 15, 2007, as Instrument No. 183300, records of Lincoln County, Idaho, and on June 15, 2007, as Instrument No. 2073611, records of Jerome, County, Idaho, and on June 15, 2007, as Instrument No. 222037, records of Gooding, County, Idaho, as modified by a Modification and Supplement to Mortgage, Security Agreement and Assignment of Rents dated as of December 26, 2007 (together with the 2007 Mortgage, the "Senior Mortgage") executed by Mortgagor to or for the benefit of

The Metropolitan Life Insurance Company and recorded on December 28, 2007, as Instrument No. 184240, records of Lincoln County, Idaho, and on December 28, 2007, as Instrument No. 2077687, records of Jerome, County, Idaho, and on December 28, 2007, as Instrument No. 224708, records of Gooding, County, Idaho. The Site Lease is in full force and effect and has not been modified or terminated; Mortgagor is not in default under the Site Lease and has good and lawful right to sell, mortgage and convey the Site Lease.

- 1.2 Payment of Secured Obligations. As described more fully in the Credit Agreement, Credit Parties have executed and delivered to Mortgagee certain Loan Documents, including notes and guaranties, and Mortgagor agrees to pay when due the principal of, and the interest on, the Indebtedness secured hereby, charges, fees and all other sums as provided in the Loan Documents, and the principal of, and interest on, any future advances secured by this Mortgage.
- 1.3 Maintenance, Repair, Alterations. To keep the Mortgaged Property in good condition and repair, not to remove, demolish or substantially alter (except such alterations as may be required by laws, ordinances or regulations) any of the Improvements; to complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Mortgaged Property or any part thereof; not to commit or permit any waste or deterioration of the Mortgaged Property; not to commit, suffer or permit any act to be done in or upon the Mortgaged Property in violation of any law, ordinance or regulation; and take all actions necessary or appropriate to keep all water rights related to or benefiting the Mortgaged Property (including those water rights listed on Exhibit A hereto) in full force and effect, including, without limitation, if the water rights (or other Mortgaged Property) consists of securities or other equity interests and so long as no Event of Default exists, to vote said securities and to give consents, waivers and ratifications with respect thereto, provided that no vote shall be cast or consent, waiver or ratification given or action taken which would impair Mortgagee's interest in the Mortgaged Property or be inconsistent with or violate any provisions of the Loan Documents.
- 1.4 Required Insurance. To at all times provide, maintain and keep in force the following policies of insurance:
 - (a) Physical hazard insurance covering the perils of fire, flood, tornado, lightning, and extended coverage in an amount equal to at least the full insurable value of the Mortgaged Property, and such additional coverage as Mortgagee may from time to time require.
 - (b) Such other insurance, and in such amounts, as may from time to time be required by Mortgagee against the same or other hazards.

- (c) All policies of insurance required by the terms of this Mortgage shall contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of said insurance and the further agreement of the insurer waiving all rights of setoff, counterclaim or deductions against Mortgagor.

1.5 Delivery of Policies, Payment of Premiums. That all policies of insurance shall be issued by companies and in amounts in each company satisfactory to Mortgagee. All policies of insurance shall have attached thereto a lender's loss payable endorsement for the benefit of Mortgagee in form satisfactory to Mortgagee. Mortgagor shall furnish Mortgagee copies of all policies of required insurance. All such policies shall contain a provision that such policies will not be canceled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least thirty (30) days' prior written notice to Mortgagee. In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee the policies of insurance required by this Section, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums together with interest thereon at the maximum lawful rate per annum payable under any Loan Document for delayed or default interest shall be secured by this Mortgage.

1.6 Insurance Proceeds. That after the happening of any casualty to the Mortgaged Property or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee. Subject to the terms of the MetLife Intercreditor Agreement for so long as the same is in effect:

- (a) In the event of any damage or destruction of the Improvements, Mortgagee shall have the option in its sole discretion of applying all or part of the insurance proceeds (i) to any Indebtedness secured hereby and in such order as Mortgagee may determine, or (ii) to the restoration of the Improvements provided the Improvements are restored to good working condition, or (iii) to Mortgagor, provided that, notwithstanding the foregoing, at Mortgagor's election, the Net Proceeds may be applied to restoration of the Improvements if permitted and subject to the conditions provided in the Credit Agreement and there is not then in default under the Credit Agreement or this Mortgage.
- (b) In the event of such loss or damage, all proceeds of insurance shall be payable to Mortgagee, and Mortgagor hereby authorizes and directs any affected insurance company to make payment of such proceeds directly to Mortgagee. If the Net Proceeds are applied to all Indebtedness secured hereby, the balance of such proceeds, if any, shall be promptly paid to Mortgagor. Mortgagee is hereby authorized and empowered by Mortgagor to settle, adjust, or compromise any claims for loss, damage, or

destruction under any policy or policies of insurance.

- (c) Except to the extent that insurance proceeds are received by Mortgagee and applied to the indebtedness secured hereby, nothing herein contained shall be deemed to excuse Mortgagor from repairing or maintaining the Mortgaged Property or restoring all damage or destruction to the Mortgaged Property, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Mortgagee, of any insurance proceeds shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.7 Assignment of Policies Upon Foreclosure. That in the event of foreclosure of this Mortgage or other transfer of title or assignment of the Mortgaged Property in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Mortgagor in and to all policies of insurance required by this Section shall inure to the benefit of and pass to the successor in interest to Mortgagor or the purchaser or grantee of the Mortgaged Property.

1.8 Indemnification; Subrogation; Waiver of Offset:

- (a) If Mortgagee is made a party defendant to any litigation concerning this Mortgage or the Mortgaged Property or any part thereof or interest therein (unless Mortgagee is made a party defendant incident to its act or omission), or the occupancy thereof by Mortgagor, then Mortgagor shall indemnify, defend and hold Mortgagee harmless from all liability by reason of said litigation, including reasonable attorney's fees and expenses incurred by Mortgagee in any such litigation, whether or not any such litigation is prosecuted to judgment. If Mortgagee commences an action against Mortgagor to enforce any of the terms hereof or because of the breach by Mortgagor of any of the terms hereof, or for the recovery of any sum secured hereby, Mortgagor shall pay to Mortgagee reasonable attorney's fees and expenses, and the right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Mortgagor breaches any term of this Mortgage, Mortgagee may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Mortgagor, Mortgagor shall pay Mortgagee reasonable attorney's fees and expenses incurred by Mortgagee, whether or not an action is actually commenced against Mortgagor by reason of breach.
- (b) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Mortgaged Property, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this

Mortgage.

- (c) All sums payable by Mortgagor hereunder shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Mortgagor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Property or any part thereof; (ii) any restriction or prevention of or interference with any use of the Mortgaged Property or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or the Improvements or any part thereof by title paramount or otherwise; (iv) subject to provisions of applicable law, any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagee, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagee, or by any court, in any such proceeding; (v) any claim which Mortgagor has or might have against Mortgagee; (vi) any default or failure on the part of Mortgagee to perform or comply with any of the terms hereof or of any other agreement with Mortgagor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Mortgagor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, and except as otherwise prohibited by applicable law, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Mortgagor.

1.9 Taxes and Impositions.

- (a) Mortgagor agrees to pay, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever ("Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.
- (b) Mortgagor covenants to furnish Mortgagee within forty-five (45) days after the date upon which any such Imposition is due and payable by Mortgagor, official receipts of the appropriate taxing authority, or other proof satisfactory to Mortgagee, evidencing the payments thereof.

- (c) Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Mortgagor's covenant to pay any such Imposition at the time and in the manner provided in this Section.

1.10 Power and Utilities. To pay when due all power and utility charges which are incurred by Mortgagor for the benefit of the Mortgaged Property or which may become a charge or lien against the Mortgaged Property.

1.11 Actions by Mortgagee to Preserve Mortgaged Property. That should Mortgagor fail to make any payment or to do any act as and in the manner provided in any of the Loan Documents, Mortgagee, in its own discretion, without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation, may reasonably make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof. Mortgagor shall, immediately upon demand therefor by Mortgagee, pay all reasonable costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and attorney's fees.

That in the event Mortgagee is called upon to pay any sums of money to protect this Mortgage and the obligations secured hereby as aforesaid, all monies advanced or due hereunder shall become immediately due and payable, together with the maximum lawful rate per annum payable under any Loan Document for delayed or default interest.

1.12 Survival of Warranties. To fully and faithfully satisfy and perform the obligations of Mortgagor contained in any of the Loan Documents. All representations, warranties and covenants of Mortgagor contained therein shall survive the close of escrow and the execution of the Credit Agreement and the other Loan Documents and shall remain continuing obligations, warranties and representations of Mortgagor during any time when any portion of the obligations secured by this Mortgage remain outstanding.

1.13 Eminent Domain. That should the Mortgaged Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice or other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee.

- (a) Mortgagee shall be entitled to all compensation, awards and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Mortgagee shall also be entitled to make any compromise or settlement in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds awarded to

Mortgagor (the "Proceeds") are hereby assigned to Mortgagee and Mortgagor agrees to execute such further assignments of the Proceeds as Mortgagee may require.

- (b) In the event any portion of the Mortgaged Property is so taken or damaged, Mortgagee shall have the option, in its sole and absolute discretion, to apply all such Proceeds, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit), including attorney's fees, incurred by it in connection with such Proceeds, upon any Indebtedness secured hereby and in such order as Mortgagee may determine, or to apply all such Proceeds, after such deductions, to the restoration of the Mortgaged Property upon such conditions as Mortgagee may determine. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

- 1.14 Additional Security. That in the event Mortgagee at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.
- 1.15 Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 1.16 Inspections. That Mortgagee, or its agents, representatives or workmen, upon giving reasonable notice to Mortgagor, are authorized to enter at any reasonable time upon or in any part of the Mortgaged Property for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the Loan Documents.
- 1.17 Liens. To pay and promptly discharge, at Mortgagor's cost and expense, all liens, encumbrances and charges upon the Mortgaged Property, or any part thereof or interest therein, including, without limitation, the Senior Mortgage. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall first deposit with Mortgagee a bond or other security satisfactory to Mortgagee in such amounts as Mortgagee shall reasonably require, but not more than one and one-half (150%) of the amount of the claim, and provided further that Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond or the amount claimed or otherwise giving security for

such claim, or in such manner as is or may be prescribed by law.

- 1.18 Other Mortgages. That Mortgagor will not create, assume or suffer to exist in respect of the Mortgaged Property, or any part thereof, any mortgage other than this Mortgage and the Senior Mortgage. Mortgagor warrants, represents, and covenants that it is and will be in full compliance with all obligations contained in or secured by the Senior Mortgage. Mortgagor shall immediately forward to Mortgagee a copy of any notice of default or failure to perform under any obligations contained in or secured by the Senior Mortgage.
- 1.19 Financial Statements. That Mortgagor will cause to be delivered to Mortgagee, without expense to Mortgagee, such financial records and information as are required by the Mortgagee from time to time.

ARTICLE 2

SECURITY AGREEMENT

- 2.1 Creation of Security Interest. Mortgagor hereby grants to Mortgagee a security interest in the Personal Property described in the Loan Documents and in this Mortgage now or hereafter located on or at the Property, including without limitation any and all property of similar type or kind hereafter located on or at the Property for the purpose of securing all obligations of Mortgagor contained in any of the Loan Documents.

Mortgagee shall also receive from Mortgagor an assignment of the proceeds of the sale of Mortgagor's milk and cream the obligations secured hereby, and Mortgagor hereby grants to Mortgagee a security interest therein. The provisions of this paragraph shall apply to any replacement milk contracts.

- 2.2 Warranties, Representations and Covenants of Mortgagor. Mortgagor hereby warrants, represents, and covenants as follows:

- (a) Except for the security interest granted hereby, under the Senior Mortgage, Mortgagor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever. Mortgagor will notify Mortgagee of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.
- (b) Mortgagor will not lease, sell, convey, or in any manner transfer the Personal Property without the prior written consent of Mortgagee, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor.
- (c) The Personal Property will be kept on or at the Property and Mortgagor

will not remove the Personal Property from the Property without the prior written consent of Mortgagee, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor. Mortgagor may replace any item of Personal Property in the ordinary course of business without the prior consent of Mortgagee.

- (d) Mortgagor maintains a place of business in the State of Idaho that is Mortgagor's chief executive office and Mortgagor will immediately notify Mortgagee in writing of any change in its place of business as set forth in the beginning of this Mortgage.
- (e) At the request of Mortgagee, Mortgagor will join Mortgagee in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Idaho in form satisfactory to Mortgagee, and will pay the cost of filing the same in all public offices wherever filing is deemed by Mortgagee to be necessary or desirable.
- (f) All covenants and obligations of Mortgagor contained herein relating to the Mortgaged Property shall be deemed to apply to the Personal Property whether or not expressly referred to herein.
- (g) Mortgagor understands and agrees that certain items of irrigation equipment and dairy equipment hereinbefore described or referred to as "personal property" actually and as a matter of law are fixtures and are deemed a part of the land covered by this Mortgage, and that said designation as "personal property" is for convenience only and shall be disregarded in the case of any fixtures described or referred to following such designation. Mortgagor will not sell or dispose of any of said personal property, nor attempt to do so, nor part with possession of any of the same, nor remove the mortgaged personal property or any of the same, nor permit it to be removed, from the Mortgaged Property, or from the adjoining or adjacent lands where said personal property may be located, while this Mortgage shall remain in force and effect, without the written consent of the Mortgagee. Provided, however, that the language of this paragraph shall not prevent Mortgagor from replacing or upgrading any personal property subject to the Loan Documents in the ordinary course of business without the written consent of the Mortgagee. All upgrades or replacements shall become subject to the Security Agreement and security interest herein provided for. All the mortgaged personal property shall at all times while this Mortgage remains in force and effect be kept and maintained by Mortgagor, at Mortgagor's own cost and expense, in good working order, condition and repair, and Mortgagor will from time to time make all replacements of such personal property which may reasonably be necessary for the irrigation and cultivation of the Mortgaged Property and Mortgagor will neither commit nor suffer any damages or waste on or to the Mortgaged Property and said personal property nor do or permit to be

done anything that may lessen or impair the value of the mortgaged property, real or personal, or the lien or security thereof.

- (h) Subject to the provisions of the MetLife Intercreditor Agreement, for so long as the same is in effect, Mortgagor agrees to deliver to Mortgagee immediately upon issuance or receipt, any and all stock certificate or other certificated securities representing any equity interests owned or held by Mortgagor, in which Mortgagor has an interest, or which benefit the Mortgaged Property (collectively, "Equity Certificates"), including without limitation, any and all certificates or other certificated securities representing interests in water rights, or any ditch or irrigation companies or other similar interests, together with stock certificates, endorsements in blank or other similar stock powers executed by Mortgagor (or the owner thereof) with respect to such Equity Certificates, as may be required by Mortgagee, and that it will not opt-in or otherwise elect to be covered by Article 8 of the UCC with respect to any equity interests in a partnership or limited liability company without obtaining the prior written consent of Mortgagee and delivering all Equity Certificates together with stock certificates, endorsements in blank or other similar stock powers executed by Mortgagor with respect to such Equity Certificates, as may be required by Mortgagee, and to cooperate with Mortgagee in perfecting all security interests granted herein, including delivery of all collateral that can be perfected by possession or control, and in obtaining such agreements from third parties as Mortgagee deems necessary, proper or convenient in connection with the preservation, perfection or enforcement of any of its rights hereunder.
- (i) This Mortgage constitutes a Security Agreement as that term is used in the Uniform Commercial Code of Idaho.

ARTICLE 3

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

- 3.1 Assignment of Rents. Mortgagor hereby presently and irrevocably assigns and transfers to Mortgagee all the leases, royalties, subleases, franchises, rents, issues, profits and bonuses of or relating to the Mortgaged Property (hereinafter collectively referred to as "rents"), and hereby gives to and confers upon Mortgagee the right, power and authority to collect such rents. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Mortgagor or Mortgagee, for all such rents, and apply the same to the Indebtedness secured hereby; provided, however, that Mortgagor shall have the right to collect such rents (but not more than thirty days in advance) prior to or at any time there is not an event of default under any of the Loan Documents. As used herein "rents" includes, without limitation, all bonuses, delay rentals,

royalties and other benefits accruing under any oil, gas or mineral leases or similar agreements. This assignment shall not impose upon Mortgagee any duty to produce rents from the Mortgaged Property, nor cause Mortgagee to be: (a) a "mortgagee in possession" for any purpose; (b) responsible for performing any of the obligations of the lessor or landlord under any lease; or (c) responsible for any waste committed by any person or entity at any time in possession of the Mortgaged Property or any part thereof, or for any dangerous or defective condition of the Mortgaged Property, or for any negligence in the management, upkeep, repair or control of the Mortgaged Property. This is an absolute assignment, not an assignment for security only, and Mortgagee's right to rents is not contingent upon and may be exercised without taking possession of the Mortgaged Property. Mortgagor agrees to execute and deliver to Mortgagee, within five (5) days of Mortgagee's written request, such additional documents as Mortgagee may reasonably request to further evidence the assignment to Mortgagee of any and all leases and rents. Mortgagor, at Mortgagor's option and without notice, may notify any lessee or tenant of this assignment of the leases and rents.

- 3.2 Collection Upon Default. Upon any event of default under any of the Loan Documents, subject to the notice and cure provisions in Section 4.2 below, Mortgagee may, at any time without notice, enter upon and take possession of the Mortgaged Property, or any part thereof, in its own name sue for or otherwise collect such rents including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorney's fees, upon any Indebtedness secured hereby, and in such order as Mortgagee may determine. The collection of such rents or the entering upon and taking possession of the Mortgaged Property, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.
- 3.3 Restriction on Further Assignments, etc. Except as herein specifically provided, Mortgagor will not, without prior written consent of the Mortgagee, assign such rents, or any part thereof, from the Mortgaged Property; and will not consent to the modification, cancellation or surrender of any lease, sublease or other agreement giving rise to such rents covering the Mortgaged Property, or any part thereof. Any action of Mortgagor in violation of the terms of this Section shall be void as against Mortgagee in addition to being a default under this Mortgage. Without the prior written consent of Mortgagee, Mortgagor shall not collect any rents more than one month in advance.
- 3.4 To protect the security of this assignment, Mortgagor agrees:
- (a) At Mortgagor's sole cost and expense: (i) to perform each obligation to be performed by the lessor or landlord under each lease and to enforce or secure the performance of each obligation to be performed by the lessee or tenant under each lease; (ii) not to modify any lease in any material respect, nor accept surrender under or terminate the term of any lease; (iii)

not to anticipate the rents under any lease; and (iv) not to waive or release any lessee or tenant of or from any lease obligations. Mortgagor assigns to Mortgagee all of Mortgagor's right and power to modify the terms of any lease, to accept a surrender under or terminate the term of or anticipate the rents under any lease, and to waive or release any lessee or tenant of or from any lease obligations, and any attempt on the part of Mortgagor to exercise any such rights or powers without Mortgagee's prior written consent shall be a breach of the terms hereof.

- (b) At Mortgagor's sole cost and expense, to defend any action in any manner connected with any lease or the obligations thereunder, and to pay all costs of Mortgagee, including reasonable attorneys' fees, in any such action in which Mortgagee may appear.
- (c) That, should Mortgagor fail to do any act required to be done by Mortgagor under a lease, then Mortgagee, but without obligation to do so and without notice to Mortgagor and without releasing Mortgagor from any obligation hereunder, may make or do the same in such manner and to such extent as Mortgagee deems necessary to protect the security hereof, and, in exercising such powers, Mortgagee may employ attorneys and other agents, and Mortgagor shall pay necessary costs and reasonable attorneys' fees incurred by Mortgagee, or its agents, in the exercise of the powers granted herein. Mortgagor shall give prompt notice to Mortgagee of any default by any lessee or tenant under any lease, and of any notice of default on the part of Mortgagor under any lease received from a lessee or tenant thereunder, together with an accurate and complete copy thereof.
- (d) To pay to Mortgagee immediately upon demand all sums expended under the authority hereof, including reasonable attorneys' fees, together with interest thereon at the highest rate per annum payable under any obligations secured hereby, and the same, at Mortgagee's option, may be added to any obligations secured hereby and shall be secured hereby.

ARTICLE 4

REMEDIES UPON DEFAULT

4.1 Events of Default. Any of the following events shall be deemed an event of default hereunder:

- (a) (i) Any default in the payment or performance of any obligation, or any defined event of default, under (x) any contract or instrument evidencing any Indebtedness, or (y) any other agreement between any Credit Party and Mortgagee, including without limitation the Credit Agreement, all other Loan Documents, and any other loan agreement, relating to or executed in connection with any Indebtedness; (ii) any representation or warranty made by any Credit Party herein, in the Credit Agreement, or in

any other Loan Document shall prove to be incorrect, false or misleading in any material respect when made; (iii) any Mortgagor shall fail to observe or perform any obligation or agreement contained herein; (iv) any impairment of the rights of Mortgagee in any of the Mortgaged Property, or any attachment or like levy on any property of any Credit Party; and (v) Mortgagee, in good faith, believes any or all of the Mortgaged Property to be in danger of misuse, dissipation, commingling, loss, theft, damage or destruction, or otherwise in jeopardy or unsatisfactory in character or value; or

- (b) Failure in the due, prompt and complete performance or observance of any covenant, agreement, condition, provision, representation, warranty or obligation of Mortgagor contained in any of the Loan Documents or any part thereof or contained in or secured by the Senior Mortgage; or
- (c) Mortgagor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition seeking reorganization, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or
- (d) In the event that the Mortgaged Property (including the Leasehold Estate) is sold, assigned, leased, disposed of or otherwise transferred, in whole or in part, to any other party, whether voluntarily or by operation of law or otherwise, or a contract for the sale of all or part of the property is entered into, or the composition, form of business association or ownership of stock or partnership interest of Mortgagor is changed in any manner, whether voluntarily or by operation of law unless permitted by Section 4.7 below; or
- (e) In the event any assignment of the rents, issues or profits, or any part thereof, from the Mortgaged Property or any part thereof, or any modification, cancellation or surrender of any lease or sublease covering the Mortgaged Property, or any part thereof, is entered into without the prior written consent of Mortgagee, except as otherwise specifically provided in the Loan Documents; or
- (f) Any event of default, however denominated or defined, on the part of a Mortgagor occurs under the Leasehold Estate or any lien, encumbrance, easement, covenant, condition, restriction, reservation or lease on the Mortgaged Property, including, without limitation, the Senior Mortgage.

4.2 Acceleration Upon Default, Additional Remedies. In the event of any event of default and after written notice to Mortgagor has been given and the stated time to cure has elapsed, Mortgagee may declare all Indebtedness secured hereby to be

due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or notice of any kind. Thereafter Mortgagee may:

- (a) At its sole option, enter upon and take possession of the Mortgaged Property, or any part thereof, in its own name, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Mortgaged Property, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Mortgaged Property, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorney's fees, upon any Indebtedness secured hereby, all in such order as Mortgagee may determine. The entering upon and taking possession of the Mortgaged Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Mortgaged Property or the collection, receipt and application of rents, Mortgagee shall be entitled to exercise every right provided for in any of the Loan Documents or by law upon occurrence of any event of default;
- (b) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof, without regard to: (i) the adequacy of the security for the repayment of the obligation secured hereby; (ii) the existence of a declaration that the obligation secured hereby are immediately due and payable; or (iii) the filing of a notice of default; and Mortgagor consents to such appointment;
- (c) Take such other and further legal action as is available under Idaho law;
- (d) In the event of default hereunder, the interest rate shall be the maximum lawful rate per annum payable under any Loan Document for delayed or default interest.
- (e) Subject to the Idaho one-action rule, to resort to and realize upon the security hereunder and any other security now or later held by Mortgagee concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken non-judicial proceedings, or both, and to apply the proceeds received in accordance with the Section hereof entitled Application of Foreclosure Sale Proceeds, all in such order and manner as Mortgagee shall determine in its sole discretion.
- (f) Upon sale of the Mortgaged Property at any judicial foreclosure, Mortgagee may credit bid (as determined by Mortgagee in its sole discretion) all or any portion of the obligations secured hereby. In

determining such credit bid, Mortgagee may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Mortgaged Property as such appraisals may be discounted or adjusted by Mortgagee in its sole underwriting discretion; (ii) expenses and costs incurred by Mortgagee with respect to the Mortgaged Property prior to foreclosure; (iii) expenses and costs which Mortgagee anticipates will be incurred with respect to the Mortgaged Property after foreclosure, but prior to resale, including without limitation, costs of structural reports and other due diligence, costs to carry the Mortgaged Property prior to resale, costs of resale (e.g., commissions, attorneys' fees, and taxes), Hazardous Materials clean-up and monitoring, deferred maintenance, repair, refurbishment and retrofit, and costs of defending or settling litigation affecting the Mortgaged Property; (iv) declining trends in real property values generally and with respect to properties similar to the Mortgaged Property; (v) anticipated discounts upon resale of the Mortgaged Property as a distressed or foreclosed property; (vi) the existence of additional collateral, if any, for the obligations secured hereby; and (vii) such other factors or matters that Mortgagee deems appropriate. Mortgagor acknowledges and agrees that: (A) Mortgagee is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (B) this Section does not impose upon Mortgagee any additional obligations that are not imposed by law at the time the credit bid is made; (C) the amount of Mortgagee's credit bid need not have any relation to any loan-to-value ratios specified in any agreement between Mortgagor and Mortgagee or previously discussed by Mortgagor and Mortgagee; and (D) Mortgagee's credit bid may be, at Mortgagee's sole discretion, higher or lower than any appraised value of the Mortgaged Property.

Provided, however, prior to initiating any remedy to which Mortgagee may be entitled, including but not limited to acceleration of the balance of the obligations secured hereby and foreclosure of this Mortgage, Mortgagee shall first give to Mortgagor, any notice and cure opportunity required by applicable state or federal law.

- 4.3 Appointment of Receiver. If any event of default described herein shall have occurred and be continuing, the right of Mortgagee to seek the appointment of a receiver shall not be subject to any requirement for notice and opportunity to cure, the provisions of Paragraph 4.2 above and of any Loan Document notwithstanding. Mortgagee shall have the right to immediately apply to any court having jurisdiction to appoint a receiver or receivers of the Mortgaged Property, without notice except as may be required by applicable law. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of the Mortgagee in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Mortgaged Property unless such receivership is sooner terminated.

- 4.4 Application of Foreclosure Sale Proceeds. After deducting all costs, fees and expenses of sale, including costs of evidence of title and attorneys' fees in connection with a sale, all proceeds of any foreclosure sale shall be applied first, to payment of all obligations secured hereby (including without limitation, all sums expended by Mortgagee under the terms hereof and not then repaid, with accrued interest at the maximum lawful rate per annum payable under any Loan Document for delayed or default interest), in such order and amounts as Mortgagee in its sole discretion shall determine; and the remainder, if any, to the person or persons legally entitled thereto.
- 4.5 Application of Other Sums. All rents or other sums received by Mortgagee or any agent or receiver hereunder, less all costs and expenses incurred by Mortgagee or such agent or receiver, including reasonable attorneys' fees, shall be applied to payment of the obligations secured hereby in such order as Mortgagee shall determine in its sole discretion; provided however, that Mortgagee shall have no liability for funds not actually received by Mortgagee.
- 4.6 Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any Loan Documents, or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said Indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, 'but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Documents to Mortgagee or to which it may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by Mortgagee.
- 4.7 Sale of Premises. In the event that the Mortgaged Property or any interest therein is sold, assigned, leased with option of sale, disposed of or otherwise transferred, in whole or in part, to any other party, whether voluntarily or by operation of law or otherwise, or a contract for the sale of all or part of the Property is entered into (except as expressly permitted hereby or by the other Loan Documents), or the composition, form of business association or ownership of 10% or more of the capital stock or membership or partnership interest of Mortgagor is changed in any manner, whether voluntarily or by operation of law, without Mortgagee's prior written consent, in its sole discretion, then in any of such events, Mortgagee, in its sole discretion, shall have the option to declare the whole principal balance,

all accrued and unpaid interest and late payment charges, if any, to become at once due and payable. Mortgagor acknowledges that as a condition to obtaining Mortgagee's consent, Mortgagee may, in its sole discretion, require modification of this Mortgage or the Loan Documents, including without limitation an increase in the interest rate thereunder, change in maturity date and/or payment of an assumption fee. It shall not, however, be an event to which this provision applies if there is any sale or transfer of stock or membership or partner interest or the Property from one of the persons or entities comprising Mortgagor to another person or entity comprising Mortgagor, or another existing shareholder, member or partner of Mortgagor or to the spouse or issue of any shareholder, member, or partner of or individual Mortgagor, or to any trust, family limited partnership or limited liability company composed of Mortgagor, or any shareholder, member or partner of Mortgagor, and their issue.

ARTICLE 5

MISCELLANEOUS

- 5.1 Governing Law. This Mortgage shall be governed by the laws of the State of Idaho. In the event that any provision or clause of any of the Loan Documents conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Documents which can be given effect without the conflicting provision, and to this end the provisions of the Loan Documents are declared to be severable.
- 5.2 Notices. All notices, requests, and demands which any party is required or may desire to give to any other party under any provision of this Mortgage must be in writing delivered to each party at the following address:

Mortgagee: WELLS FARGO BANK, NATIONAL ASSOCIATION
MAC UI228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin
E-mail: smanook@wellsfargo.com
Facsimile: 801-363-4330

With a copy to:

Dorsey & Whitney LLP
136 South Main Street, Suite 1000
Salt Lake City, UT 84101
Attn: Annette W. Jarvis
E-mail: jarvis.annette@dorsey.com
Facsimile: 801-933-7373

Mortgagor: AARDEMA FARMS LIMITED PARTNERSHIP
DOUBLE A DAIRY

AARDEMA DAIRY
SAWTOOTH CATTLE COMPANY, L.L.C.
ST. BRIDGET DAIRY, L.L.C.,
c/o Aardema Dairy
2306 East 3600 South
Wendell, ID 83355
Attn: Ronald Aardema
E-mail: RAardema@IdahoMilk.us
Facsimile: 208-324-0445

With a copy to:

c/o Aardema Dairy
2306 East 3600 South
Wendell, ID 83355
Attn: Vice President Finance
E-mail: connie@aardemagroup.com
Facsimile: 208-324-2833

or to such other address as any party may designate by written notice to all other parties. Each such notice, request and demand shall be deemed given or made as follows: (a) if sent by hand delivery or e-mail, upon delivery; (b) if sent by mail, upon the earlier of the date of receipt or three (3) days after deposit in the U.S. mail, first class and postage prepaid; (c) if sent by overnight courier, the first business day after the date of sending, and (d) if sent by facsimile, upon receipt.

- 5.3 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.
- 5.4 Number, Gender, Succession. Words used herein shall include the singular or plural, and feminine, masculine or neuter, as the context may require, and if this instrument is executed by two or more persons or parties the obligations and liabilities hereunder of such Mortgagors shall be JOINT AND SEVERAL. The rights and obligations herein shall inure to and be binding upon the successors, heirs, executors, administrators and assigns of the respective parties.
- 5.5 Subsidy and Payment, in Kind Compensation. Mortgagor shall not register the premises, or any portion thereof, with any federal, state, or local government office for the purpose of obtaining subsidy or payment-in-kind compensation without first obtaining Mortgagee's prior written consent. Mortgagor hereby grants to Mortgagee a security interest in any such subsidy or payment-in-kind compensation whether or not Mortgagee gives its written consent to Mortgagor to register the Mortgaged Property, or any portion thereof, for such compensation. Mortgagor, upon the written request of Mortgagee, shall execute any documents necessary to further perfect Mortgagee's security interest in such compensation. Any such document is to be in form and substance acceptable to Mortgagee. Mortgagor hereby appoints Mortgagee its attorney-in-fact to execute such

documents in Mortgagor's name and behalf. Upon Mortgagee's request, Mortgagor shall deliver to Mortgagee any document of title Mortgagee desires to hold to secure Mortgagee's interest in any such government compensation.

- 5.6 Habendum Clause. Upon payment in full of the Indebtedness secured hereby and the performance by Mortgagor of all of the obligations imposed on Mortgagor herein and in the Loan Documents, these presents shall be null and void, and Mortgagee shall release this Mortgage and the lien hereof by proper instrument executed in recordable form.

- 5.7 Hazardous Substances. Mortgagor represents and warrants that to the best of Mortgagor's knowledge that, except for methane gas generated by cow manure maintained in full compliance with any and all applicable codes and regulations, (1) the Property (including, without limitation, the subsurface soil and the ground water thereunder) does not contain any "hazardous or toxic substances" (as hereinafter defined); (2) there has been no generation, transportation, storage, treatment or disposal of any hazardous or toxic substances on the Property, or within one-half mile thereof, now or in the past; (3) there are no pending or threatened litigation or proceedings before any court or administrative agency in which any person or entity alleges, or threatens to allege, the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment, or disposal at the Property, of any hazardous substance; (4) Mortgagor has not received any notice of and has no knowledge that any governmental authority or any employee or agent thereof has determined or alleged, or is investigating the possibility, that there is a presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment, or disposal at the Property, of any hazardous or toxic substance; (5) there have been no communications or agreements with any governmental authority or agency (federal, state or local) or any private person or entity (including, without limitation, any prior owner of the Property) relating in any way to the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property, of any hazardous or toxic substance.

For the purposes of this paragraph, "hazardous or toxic substance" shall mean and include (1) a "hazardous substance" as defined in 42 U.S.C. § 9601(14) and as hereafter amended from time to time, or as defined under applicable state health, safety and water codes, and (2) any other material, gas or substance known or suspected to be toxic or hazardous (including, without limitation, any radioactive substance, methane gas, volatile hydrocarbons, industrial solvents and asbestos) or which could cause a material detriment to, or materially impair the beneficial use of the Property, or constitute a material health, safety or environmental risk to tenants, occupants or patrons of the Property.

- 5.8 Milk Agreement. Mortgagor covenants and agrees that it will make no further or future assignments of the proceeds of the milk agreement or otherwise alter the operations on the Mortgaged Property in a manner which would alter or eliminate

Mortgagee's right to receive from Mortgagor's milk agreement a sum sufficient to satisfy the obligations secured hereby. A breach of this covenant shall constitute default under the Credit Agreement at the option of the Mortgagee.

5.9 Legal Compliance. Mortgagor shall furnish evidence satisfactory to Mortgagee confirming the issuance on terms and conditions satisfactory to Mortgagee, by the appropriate federal, state, county, regional, or local authorities (including authorities whose jurisdiction involve environmental protection) of all licenses, approvals, or permits necessary in conjunction with the operation of Mortgagor's dairy business and lawful occupancy thereof for the purpose for which such project was created (including the issuance by any federal, state, county, regional, or local authorities where jurisdiction involves environmental protection of such licenses, approvals, or permits), and possession of all Mortgaged Property in connection therewith and continue to maintain compliance with all laws and regulations.

5.10 Disclosure. The obligations secured hereby, and the Loan Documents, may provide that the interest rate, payment terms, or balance due may be indexed, adjusted, renewed or renegotiated as set forth therein.

5.11 Counterparts. For the purpose of facilitating the recording hereof, this Mortgage has been executed in four counterparts, each of which shall be and shall be taken to be an original, and all of which together or any one thereof shall be deemed to constitute but one and the same instrument.

5.12 Fixture Filing. This instrument shall be deemed to be a Fixture Filing within the meaning of the Idaho Uniform Commercial Code, and for such purpose, the following information is given:

- (a) Name and address of Debtor: Aardema Farms Limited Partnership
Double A Dairy
Aardema Dairy
Sawtooth Cattle Company, L.L.C.
St. Bridget Dairy, L.L.C.,
c/o Double A Dairy
2306 East 3600 South
Wendell, ID 83355
- (b) Type of organization: See opening paragraph on page 1 hereof
- (c) Jurisdiction of organization: See opening paragraph on page 1 hereof
- (d) Organization ID Nos: Aardema Farms Limited Partnership (L-4288)
Double A Dairy (D-40106)
Aardema Dairy (D-62088)
Sawtooth Cattle Company, L.L.C. (W-24482)

St. Bridget Dairy, L.L.C. (W-31113)

(e) Name and address of Secured Party: Wells Fargo Bank, National Association
MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111

(f) Description of the types (or items) of property covered by this Fixture Filing: See granting clause on pages 1, 2 and 3 hereof.

(g) Description of real estate to which the collateral is attached or upon which it is or will be located: See Exhibit A hereto.

Some of the above-described collateral is or is to become fixtures upon the above-described real estate, and this Fixture Filing is to be filed for record in the public real estate records.

5.13 Incorporation. All terms of the Loan Documents are incorporated herein by this reference. All persons who may have or acquire an interest in the Mortgaged Property are hereby deemed to have notice of the terms of the Loan Documents and to have notice, if provided therein, that: (a) the Loan Documents or any other obligation secured hereby may permit borrowing, repayment and reborrowing; and (b) the rate of interest on one or more of the obligations secured hereby may vary from time to time.

5.14 Waivers.

- (a) Each Mortgagor waives any right to require Mortgagee to: (1) proceed against any Credit Party or any other person; (2) marshal assets or proceed against or exhaust any security held from any Credit Party or any other person; (3) give notice of the terms, time and place of any public or private sale or other disposition of personal property security held from any Credit Party or any other person; (4) take any action or pursue any other remedy in Mortgagee's power; or (5) make any presentment or demand for performance, or give any notice of nonperformance, protest, notice of protest or notice of dishonor hereunder or in connection with any obligations or evidences of Indebtedness held by Mortgagee as security for or which constitute in whole or in part the obligations secured hereby, or in connection with the creation of new or additional obligations.
- (b) Each Mortgagor waives any defense to its obligations hereunder based upon or arising by reason of: (1) any disability or other defense of any Credit Party or any other person; (2) the cessation or limitation from any

cause whatsoever, other than payment in full, of any obligation secured hereby; (3) any lack of authority of any officer, director, partner, agent or any other person acting or purporting to act on behalf of any Credit Party which is a corporation, partnership or other type of entity, or any defect in the formation of any such Credit Party; (4) the application by any Credit Party of the proceeds of any obligation secured hereby for purposes other than the purposes represented by any Credit Party to, or intended or understood by, Mortgagee or any Mortgagor; (5) any act or omission by Mortgagee which directly or indirectly results in or aids the discharge of any Credit Party or any portion of any obligation secured hereby by operation of law or otherwise, or which in any way impairs or suspends any rights or remedies of Mortgagee against any Credit Party; (6) any impairment of the value of any interest in any security for the obligations secured hereby or any portion thereof, including without limitation, the failure to obtain or maintain perfection or recordation of any interest in any such security, the release of any such security without substitution, and/or the failure to preserve the value of, or to comply with applicable law in disposing of, any such security; (7) any modification of any obligation secured hereby, in any form whatsoever, including without limitation the renewal, extension, acceleration or other change in time for payment of, or other change in the terms of, any obligation secured hereby or any portion thereof, including increase or decrease of the rate of interest thereon; or (8) any requirement that Mortgagee give any notice of acceptance of this Mortgage. Until all obligations secured hereby shall have been paid in full, no Mortgagor shall have any right of subrogation, and each Mortgagor waives any right to enforce any remedy which Mortgagee now has or may hereafter have against any Credit Party or any other person, and waives any benefit of, or any right to participate in, any security now or hereafter held by Mortgagee. Each Mortgagor further waives all rights and defenses it may have arising out of: (I) any election of remedies by Mortgagee, even though that election of remedies, such as a non-judicial foreclosure with respect to any security for any portion of the obligations secured hereby, destroys such Mortgagor's rights of subrogation or such Mortgagor's rights to proceed against any Credit Party for reimbursement; or (II) any loss of rights any Mortgagor may suffer by reason of any rights, powers or remedies of any Credit Party in connection with any anti-deficiency laws or any other laws limiting, qualifying or discharging any Credit Party's obligations.

- (c) If any of said waivers is determined to be contrary to any applicable law or public policy, such waiver shall be effective to the extent permitted by applicable law or public policy.

ARTICLE 6

COVENANTS REGARDING SITE LEASE

- 6.1 The Site Lease is a valid and subsisting lease, is in full force and effect in accordance with the terms thereof and has not been modified except as herein set forth. All of the rents and other charges payable under the Site Lease prior to the execution hereof have been paid, all of the terms, conditions, and agreements contained in the Site Lease have been performed and no default exists under the Site Lease. This Mortgage is lawfully executed and delivered in conformity with the Site Lease and is, and will be kept, a valid lien on the interests of Mortgagor therein.
- (a) Mortgagor will promptly pay, or cause to be paid, all rents, charges and other sums or amounts required to be paid by Mortgagor under the terms of the Site Lease, will further timely and fully keep and perform all of the covenants, terms, conditions and provisions of the Site Lease required to be performed and complied with by the tenant thereunder, and will not do or suffer to be done anything the doing of which, or refrain from doing anything the omission of which, will impair the security of this Mortgage.
 - (b) Mortgagor also covenants that it will not modify, extend, supplement, or in any way alter the terms of the Site Lease or cancel or surrender the Site Lease, or waive, excuse, condone or in any way release or discharge the Lessor thereunder of or from any obligations, covenants, conditions and agreements by said Lessor to be done and performed, without Mortgagee's prior written consent. Mortgagor does by these presents expressly release, relinquish and surrender unto Mortgagee all its right, power and authority to cancel, surrender, amend, modify, supplement or alter in any way the terms and provisions of the Site Lease and any attempt on the part of Mortgagor to exercise any such right without the prior written consent of Mortgagee thereto shall constitute a default under the terms hereof. Mortgagor also covenants that it will promptly notify Mortgagee of any breach by the Lessor under the Site Lease and of any inability of such Lessor to perform its obligations under the Site Lease and will enforce the obligations of the Lessor under the Site Lease, to the end that Mortgagor may enjoy all of the rights granted to it as lessee under the Site Lease. Mortgagor assigns to Mortgagee the proceeds of any claim Mortgagor may have against such Lessor for such breach or inability. Mortgagee shall have the sole right to choose either (i) to proceed against such Lessor as if Mortgagee were the named lessee thereunder, in Mortgagor's name or in Mortgagee's name as agent for Mortgagor, and Mortgagor agrees to cooperate with Mortgagee in such action and to execute all documents required by Mortgagee in furtherance of such action, or (ii) to have Mortgagor proceed on its and Mortgagee's behalf, in which event Mortgagee may participate in such proceedings, and Mortgagor will deliver to Mortgagee all documents required by Mortgagee for such

participation. Mortgagor shall, at its expense, diligently prosecute such proceedings, shall deliver to Mortgagee copies of all papers served in connection therewith and shall consult and cooperate with Mortgagee and its attorneys and agents, provided that no settlement of such proceedings may be made by Mortgagor without Mortgagee's prior written consent.

- (c) Mortgagor shall give Mortgagee immediate notice of any material default by Mortgagor under the Site Lease or of the receipt by it of any notice of default from the Lessor thereunder or notice of termination of the Site Lease pursuant to the provisions thereof and shall furnish to Mortgagee immediately any and all information which Mortgagee may reasonably request concerning the performance by Mortgagor of the covenants of the Site Lease or of this Mortgage. Mortgagor shall permit forthwith Mortgagee or its representatives at all reasonable times to make investigation or examination concerning the performance by Mortgagor of the covenants of the Site Lease or of this Mortgage. Mortgagor further covenants and agrees that it will promptly deposit with Mortgagee a copy of the Site Lease, certified as true, correct and complete by a duly elected and authorized officer of Mortgagor, and any and all documentary evidence received by it showing compliance by Mortgagor with the provisions of the Site Lease and will also deposit with Mortgagee an exact copy of any notice, communication, plan, specification or other instrument or document received or given by it in any way relating to or affecting the Site Lease which may concern or affect the estate of the Lessor or the lessee in or under the Site Lease or in the real estate thereby demised.

6.2 Bankruptcy Rights and Remedies. The lien of this Mortgage attaches to all of Mortgagor's rights and remedies at any time arising under or pursuant to Section 365 of the Bankruptcy Code, including, without limitation, all of Mortgagor's rights to remain in possession of the Mortgaged Property, and the following rights:

- (a) If the Lessor rejects or disaffirms the Site Lease pursuant to Section 365(a) of the Bankruptcy Code, Mortgagor covenants that it will not elect to treat the Site Lease as terminated under Section 365(h) of the Bankruptcy Code, and hereby assigns to Mortgagee the sole and exclusive right to make or refrain from making such election.
- (b) If the Lessor under the Site Lease rejects or disaffirms such Site Lease pursuant to the Bankruptcy Code and Mortgagee elects to have Mortgagor remain in possession under any legal right Mortgagor may have to occupy the premises leased pursuant to the Site Lease, then (i) Mortgagor shall remain in such possession and shall perform all acts necessary for Mortgagor to retain its right to remain in such possession for the unexpired term of the Site Lease (including all renewals thereof), whether such acts are required under the then existing terms and provisions of the Site Lease or otherwise and (ii) all of the terms and provisions of this Mortgage and

the lien created thereby shall remain in full force and effect and shall be extended automatically to such possession, occupancy and interest of Mortgagor.

- (c) If, pursuant to Subsection 365(h)(1)(B) of the Bankruptcy Code, Mortgagor seeks to offset against the rent reserved in the Site Lease the amount of any damages caused by the non-performance by Lessor of any of the obligations of Lessor under the Site Lease after the rejection by the Lessor of the Site Lease under the Bankruptcy Code, Mortgagor shall, prior to effecting such offset, notify Mortgagee of its intent so to do, setting forth the amount proposed to be so offset, and in the event of an objection thereto by Mortgagee, Mortgagor shall not effect any offset of the amount so objected to by Mortgagee. If Mortgagee has failed to object as aforesaid within twenty (20) days after notice from Mortgagor in accordance with the first sentence of this paragraph, Mortgagor may proceed to effect such offset in the amounts set forth in Mortgagor's notice. Neither the failure to object as aforesaid nor any objection or other communication between Mortgagee and Mortgagor relating to such offset shall constitute an approval of any such offset by Mortgagee. Mortgagor shall indemnify and save Mortgagee harmless from and against any and all claims, demands, actions, suits, proceedings, damages, losses, costs and expenses of every nature whatsoever (including, without limitation, attorneys' fees) arising from or relating to any offset by Mortgagor against the rent reserved in the Site Lease.
- (d) Mortgagor hereby unconditionally assigns, transfers and sets over to Mortgagee all of Mortgagor's claims and rights to the payment of damages arising from any rejection by Lessor of the Site Lease under the Bankruptcy Code. Mortgagee shall have the right to proceed in its own name or in the name of Mortgagor in respect of any claim, suit, action or proceeding relating to the rejection of the Site Lease, including, without limitation, the right to file and prosecute, to the exclusion of Mortgagor, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of Lessor under the Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until all of the Obligations shall have been satisfied and discharged in full. Any amounts received by Mortgagee as damages arising out of the rejection of the Site Lease as aforesaid shall be applied first to all costs and expenses of Mortgagee (including, without limitation, attorneys' fees) incurred in connection with the exercise of any of its rights or remedies under this paragraph.
- (e) If any action, proceeding, motion, or notice shall be commenced or filed in respect of the Site Lease or the Mortgaged Property in connection with any case under the Bankruptcy Code the subject of which is Lessor, Mortgagee shall have the option, to the exclusion of Mortgagor, to

conduct and control any such litigation with counsel of Mortgagee's choice. Mortgagee may proceed with any such litigation and Mortgagor agrees to execute any and all powers, authorizations, consents, or other documents required by Mortgagee in connection therewith. Mortgagor shall, upon demand, pay to Mortgagee all costs and expenses (including attorneys' fees) paid or incurred by Mortgagee in connection with the prosecution or conduct of any such proceedings. Any such costs or expenses not paid by Mortgagor as aforesaid shall be secured by the lien of this Mortgage and shall be added to the principal amount of the Obligations. Mortgagor shall not commence any action, suit, proceeding or case, or file any application or make any motion, in respect of the Site Lease in any such case under the Bankruptcy Code without the prior written consent of Mortgagee.

- (f) Mortgagor shall promptly, after obtaining knowledge thereof, notify Mortgagee orally of any filing by or against Lessor or Mortgagor of a petition under the Bankruptcy Code. Mortgagor shall thereafter forthwith give written notice of such filing to Mortgagee, setting forth any information available to Mortgagor as to the date of such filing, the court in which such petition was filed and the relief sought therein. Mortgagor shall promptly deliver to Mortgagee, following receipt, any and all notices, summons, pleadings, applications, and other documents received by Mortgagor in connection with any such petition and any proceedings relating thereto.
- (g) If there shall be filed by or against Mortgagor a petition under the Bankruptcy Code, and Mortgagor, as lessee under the Site Lease, shall determine to reject the Site Lease pursuant to Section 365(a) of the Bankruptcy Code, Mortgagor shall give the Mortgagee not less than twenty (20) days' prior notice of the date on which Mortgagor shall apply to the bankruptcy court for authority to reject the Site Lease. In the alternative, should Mortgagor determine not to assume the Site Lease pursuant to Section 365(a) of the Bankruptcy Code, Mortgagor shall give Mortgagee written notice thereof not less than twenty (20) days before the Site Lease will be deemed rejected under Section 365(d)(4) of the Bankruptcy Code. Mortgagee shall have the right, but not the obligation, to serve upon Mortgagor within such twenty (20) day period a notice stating that (i) Mortgagee demands that Mortgagor assume and assign the Site Lease to Mortgagee pursuant to Section 365 of the Bankruptcy Code and (ii) Mortgagee covenants to cure or provide adequate assurance of prompt cure of all defaults and provide adequate assurance of future performance under the Site Lease. If Mortgagee serves upon Mortgagor the notice described in the preceding sentence, Mortgagor shall not seek to reject the Site Lease and shall assume and assign the Site Lease to Mortgagee prior to the date it would be deemed rejected pursuant to Section 365(d)(4) of the Bankruptcy Code, subject to the performance by Mortgagee of the covenant set forth in clause (ii) of the preceding

sentence.

- (h) Effective upon the entry of an order for relief in respect of Mortgagor under Chapter 7 of the Bankruptcy Code, Mortgagor hereby assigns and transfers to Mortgagee a non-exclusive right to apply to the bankruptcy court under Subsection 365(d)(1) of the Bankruptcy Code for an order extending the period during which the Site Lease may be rejected or assumed.
- (i) All references to particular sections or subsections of the Bankruptcy Code shall be deemed to include any and all successor or replacement sections or subsections thereto.

6.3 Mortgagee's Lease. Notwithstanding the foregoing provisions of the foregoing paragraphs regarding termination of the Site Lease, upon a termination or rejection of the Site Lease, Mortgagor acknowledges that Mortgagee may enter into (1) an instrument recognizing, confirming and giving legal effect to the continued existence of the Site Lease in favor of Mortgagee or its designee, or (2) a new lease in favor of Mortgagee or its designee (in either event the "Mortgagee's Lease") for the Mortgaged Property pursuant to the terms of the Site Lease, or the provisions of a separate agreement between Mortgagee and Lessor, under the following terms and conditions:

- (a) Mortgagee's Lease shall be encumbered by the lien and security interest of this Mortgage which shall constitute the on the Mortgagee's Lease, subject only to the encumbrances permitted hereby.
- (b) Mortgagee's execution of the Mortgagee's Lease shall not be deemed to be in satisfaction in whole or in part of the Indebtedness secured hereby and all of the other terms, covenants, and conditions contained in this Mortgage shall remain as a lien on the Mortgaged Property.
- (c) Mortgagor hereby releases, remises, and quitclaims to Mortgagee any interest Mortgagor may have in the Mortgagee's Lease and further agrees and acknowledges that Mortgagee may assign the Mortgagee's Lease without notice, consent, or joinder of Mortgagor. Mortgagor further waives any right Mortgagor may have to challenge the adequacy of any consideration received therefore provided that in the event of an assignment of the Mortgagee's Lease, the proceeds thereof, if any, less costs and fees, including but not limited to, customary closing costs and reasonable attorneys' fees, shall be applied to reduce the Indebtedness secured hereby.
- (d) Mortgagee or its designee shall pay or cause to be paid to the Lessor at the time of the execution and delivery of such Mortgagee's Lease, any and all sums which are at the time of execution and delivery of the Mortgagee's Lease due under the Site Lease and in addition, all reasonable expenses,

including reasonable attorneys' fees which the Lessor shall have incurred by reason of the actual or deemed rejection of the Site Lease and the execution and delivery of the Mortgagee's Lease. Such payments by Mortgagee to the Lessor shall be deemed to have been made for the protection of the Mortgage and shall constitute part of the Indebtedness secured hereby.

6.4 Arbitration. The arbitration provisions of the Credit Agreement are fully incorporated herein by reference.

[Signature Pages Follow]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the day and year first above written.

MORTGAGOR:

AARDEMA FARMS LIMITED PARTNERSHIP

By: *Donald John Aardema*
Name: Donald John Aardema
Its: General Partner

By: *Evelyn Aardema*
Name: Evelyn Aardema
Its: General Partner

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

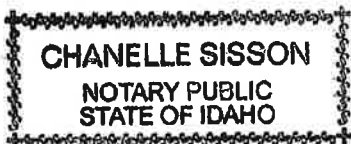
On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Evelyn Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

DOUBLE A DAIRY

By: Ronald Aardema

Name: Ronald Aardema

Its: Partner

By: Donald Jay Aardema

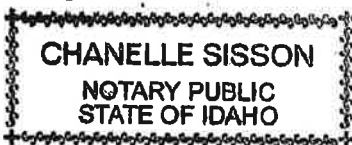
Name: Donald Jay Aardema

Its: Partner

STATE OF Idaho)

COUNTY OF Gooding) ss.

On May 2nd, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be one of the partners in the partnership of **Double A Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

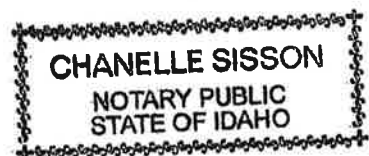
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)

COUNTY OF Gooding) ss.

On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be one of the partners in the partnership of **Double A Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

AARDEMA DAIRY

By: [Signature]
Name: Donald John Aardema
Its: Partner

By: [Signature]
Name: Ronald Aardema
Its: partner

By: [Signature]
Name: Donald Jay Aardema
Its: Partner

By: [Signature]
Name: Frans Aardema
Its: Partner

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.

[Signature]

Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.

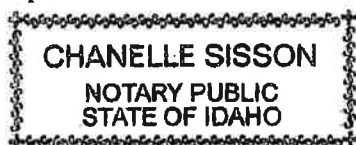
[Signature]

Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

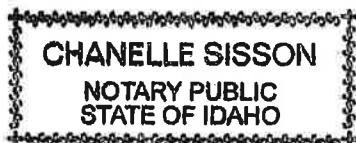
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Frans Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

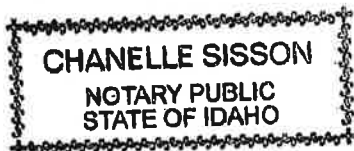
SAWTOOTH CATTLE COMPANY, L.L.C.

By: Ronald Aardema
Name: Ronald Aardema
Its: Member

By: Donald Jay Aardema
Name: Donald Jay Aardema
Its: Member

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

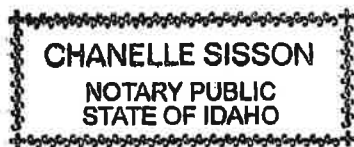
On May 2nd, 2011, before me, a Notary Public, personally appeared Ronald Aardema, known or identified to me, to be a member of Sawtooth Cattle Company, L.L.C., an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared Donald Jay Aardema, known or identified to me, to be a member of Sawtooth Cattle Company, L.L.C., an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

Exhibit A

Legal Description

PARCEL NO. 1

TOWNSHIP 9 SOUTH, RANGE 16, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 2: W $\frac{1}{2}$ SW $\frac{1}{4}$

PARCEL NO. 2

TOWNSHIP 9 SOUTH, RANGE 15 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 2: A parcel of land located in Gov't Lots 2 and 3 of said Section, described as follows:

Commencing at the Northwest corner of said Section 2;
Thence South 89°43'41" East along the North boundary of the NW $\frac{1}{4}$ of Section 2
for a distance of 1321.83 feet to the Northwest corner of Gov't Lot 3 and being
THE TRUE POINT OF BEGINNING;
Thence continuing South 89°43'41" East along the North boundary of Gov't Lots
3 and 2 for a distance of 2643.65 feet to the Northeast corner of Gov't Lot 2;
Thence South 00°20'26" East along the East boundary of Gov't Lot 2 for a
distance of 1308.29 feet to the Southeast corner of Gov't Lot 2;
Thence South 89°50'57" West along the South boundary of Gov't Lots 2 and 3 for
a distance of 2647.25 feet to the Southwest corner of Gov't Lot 3;
Thence North 00°10'46" West along the West boundary of Gov't Lot 3 for a
distance of 1327.80 feet to THE TRUE POINT OF BEGINNING.

PARCEL NO. 3

TOWNSHIP 9 SOUTH, RANGE 15, EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 2: S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, The West 54 rods of SW $\frac{1}{4}$ SE $\frac{1}{4}$, Gov't Lots 2, 3 and 4; and a
tract of land in the NW $\frac{1}{4}$ SE $\frac{1}{4}$, described as follows:

Beginning at the Center of Section 2, (which is the Northwest corner of the
NW $\frac{1}{4}$ SE $\frac{1}{4}$);
Thence South 23°15' East, 695.44 feet;
Thence South 39°23' East, 483.35 feet;
Thence South 44°56' East, 440.0 feet to the South line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence North 89°44'45" West along the South line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$, 896.51 feet

to the Southwest corner of said NW $\frac{1}{4}$ SE $\frac{1}{4}$
Thence North 0°11'45" East along the West line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ 1320.4 feet to
THE POINT OF BEGINNING.

EXCEPTING THEREFROM a parcel of land located in Gov't Lot 4 of said
Section, described as follows:

Commencing at the Northwest corner of said Section 2;
Thence South 89°43'41" East along the North boundary of Gov't Lot 4 of Section
2 for a distance of 238.43 feet to a point on the centerline of an irrigation lateral
being THE TRUE POINT OF BEGINNING;
Thence continuing South 89°43'41" East along the North boundary of Gov't Lot 4
of Section 2 for a distance of 415.27 feet;
Thence South 00°16'19" West for a distance of 169.40 feet to a point on an arc;
Thence South 62°22'10" West for a distance of 182.81 feet;
Thence North 89°43'41" West parallel with the North boundary of Gov't Lot 4 for
a distance of 292.75 feet to a point on the centerline of the irrigation lateral;
Thence Northeasterly along the centerline of the irrigation lateral on the arc of a
curve left for a distance of 62.52 feet to the point of tangent, said arc having a
radius of 295.00 feet and a long chord bearing and distance of North 12°24'00"
East, 62.40 feet;
Thence continuing along the center of the irrigation lateral on a bearing of North
08°49'09" East for a distance of 156.52 feet;
Thence continuing along the center of the irrigation lateral on a bearing of North
04°09'47" East for a distance of 39.25 feet to THE TRUE POINT OF
BEGINNING.

EXCEPTING THEREFROM that part of Gov't Lots 2 and 3 described as follows:

Commencing at the Northwest corner of said Section 2;
Thence South 89°43'41" East along the North boundary of the NW $\frac{1}{4}$ of Section 2
for a distance of 1321.83 feet to the Northwest corner of Gov't Lot 3 and being
THE TRUE POINT OF BEGINNING;
Thence continuing South 89°43'41" East along the North boundary of Gov't Lots
3 and 2 for a distance of 2643.65 feet to the Northeast corner of Gov't Lot 2;
Thence South 00°20'26" East along the East boundary of Gov't Lot 2 for a
distance of 1308.29 feet to the Southeast corner of Gov't Lot 2;
Thence South 89°50'57" West along the South boundary of Gov't Lots 2 and 3 for
a distance of 2647.25 feet to the Southwest corner of Gov't Lot 3;
Thence North 00°10'46" West along the West boundary of Gov't Lot 3 for a
distance of 1327.80 feet to THE TRUE POINT OF BEGINNING.

Section 3: E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, Gov't Lot 1;

Section 11: The West 54 rods of Gov't Lot 1; Gov't Lots 2 and 3 North of the Canyon Rim
except a tract conveyed to Idaho Power Company in Gov't Lot 3; recorded July
16, 1928 in Book 22 Deeds Page 162 and recorded March 23, 1931 in Book 22

PARCEL NO. 4

TOWNSHIP 9 SOUTH, RANGE 15 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 2: A parcel of land located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section,
described as follows:

Commencing at the North quarter corner of said Section 2, from which the
Northwest corner of said Section 2 bears North 89°43'41" West 2643.65 feet;
Thence South 00°15'37" East along the West boundary of the NE $\frac{1}{4}$ of Section 2
for a distance of 1318.04 feet to the Northwest corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section
2 and being THE TRUE POINT OF BEGINNING;
Thence North 89°50'57" East along the North boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of
Section 2 for a distance of 1323.61 feet to the Northeast corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$
of Section 2;
Thence South 00°20'26" East along the East boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of
Section 2 for a distance of 900.00 feet;
Thence parallel with and approximately 30.0 feet Westerly of the wheel path of an
irrigation sprinkler pivot on approximately the following courses:

South 49°45'29" West 55.40 feet;
South 49°10'56" West 71.81 feet;
South 48°19'13" West 109.73 feet;
South 45°47'12" West 105.11 feet;
South 42°43'57" West 104.87 feet;
South 39°39'00" West 108.60 feet;
South 33°09'09" West 109.53 feet;
South 30°55'58" West 109.24 feet;
South 28°31'44" West 103.91 feet;
South 23°41'34" West 112.12 feet;
South 18°21'15" West 109.82 feet;
South 15°45'15" West 104.04 feet;
South 11°19'14" West 107.30 feet;
South 06°59'33" West 35.58 feet;

Thence leaving the parallel line on a bearing of North 81°20'31" West for a
distance of 354.23 feet to an existing property corner;
Thence North 23°40'50" West along the property line for a distance of 695.46 feet
to the Southwest corner of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 2;
Thence North 00°15'51" West along the West boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of
Section 2 for a distance of 1320.18 feet to THE TRUE POINT OF BEGINNING.

PARCEL NO. 5

TOWNSHIP 8 SOUTH, RANGE 16 EAST OF THE BOISE

MERIDIAN, JEROME COUNTY, IDAHO

Section 25: W $\frac{1}{2}$ /SW $\frac{1}{4}$; SE $\frac{1}{4}$ /SW $\frac{1}{4}$, EXCEPTING THEREFROM that part of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ described as follows:

Commencing at the West quarter corner of said Section 25, from which the Southwest corner of Section 25 bears South 00°01'31" East, 2643.34 feet. Said West quarter corner being THE TRUE POINT OF BEGINNING;
Thence South 89°39'19" East along the North boundary of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ of Section 25 for a distance of 666.83 feet to the center of an irrigation canal;
Thence along the center of the irrigation canal on the following courses:
South 24°30'22" East, 32.00 feet to the point of curve of a curve right;
Thence Southwesterly along the center of the canal on the arc of the curve right for a distance of 299.98 feet to the point of tangent, said arc having a radius of 266.64 feet and a long chord bearing and distance of South 07°43'28" West, 284.41 feet;
Thence South 39°57'17" West, 121.90 feet;
Thence South 45°09'51" West, 117.12 feet;
Thence South 54°28'01" West, 65.66 feet;
Thence South 60°46'07" West, 84.20 feet;
Thence South 64°28'03" West, 110.08 feet to the point of a curve left;
Thence Southeasterly along the center of the canal on the arc of the curve left for a distance of 249.00 feet to the point of tangent, said arc having a radius of 155.84 feet and a long chord bearing and distance of South 16°49'59" West, 218.97 feet;
Thence South 27°47'50" East, 130.51 feet;
Thence South 48°17'38" East, 179.45 feet;
Thence South 54°28'28" East, 63.66 feet;
Thence leaving the center of the canal on a bearing of South 89°30'39" West for a distance of 437.04 feet to a point on the West boundary of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ of Section 25;
Thence North 00°01'31" West along the West boundary of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ of Section 25 for a distance of 1102.85 feet to THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM that portion for a County right of way being part of the S $\frac{1}{2}$ /SW $\frac{1}{4}$ as set forth in Warranty Deed given by Aardema Farms Limited Partnership, Grantor to Jerome Highway District, a body politic and corporate of the State of Idaho, dated June 23, 2008, recorded July 1, 2008 as Instrument No. 2083584, Jerome County records

PARCEL NO. 6

TOWNSHIP 8 SOUTH, RANGE 16 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 34: SE $\frac{1}{4}$ /SE $\frac{1}{4}$

PARCEL NO. 7

TOWNSHIP 9 SOUTH, RANGE 16, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 2: SW $\frac{1}{4}$ NW $\frac{1}{4}$

PARCEL NO. 8

TOWNSHIP 9 SOUTH, RANGE 16 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 11: That part of the NE $\frac{1}{4}$ NW $\frac{1}{4}$, described as follows:

Beginning at the North quarter corner of said Section 11;
Thence South 0°00'55" East, along the East boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$, 1320.07
feet to the Southeast corner of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 89°41'33" West, along the South boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$,
1325.85 feet to the Southwest corner of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 0°01'42" West, 619.49 feet along the Westerly boundary of said
NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence South 89°42'33" East, 618.00 feet parallel with the Northerly boundary of
said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 0°01'42" West, 700.25 feet parallel with the Westerly boundary of
said NE $\frac{1}{4}$ NW $\frac{1}{4}$ to a point on the Northerly boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence South 89°42'33" East, along the North boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$,
708.15 feet to THE POINT OF BEGINNING.

EXCEPTING THEREFROM easements for road purposes as shown on the
recorded plat of Sonnichsen Subdivision and as granted in Warranty Deed
recorded August 16, 1977 in Book 197 Deeds Page 3913, as Instrument Number
227486, Jerome County records.

FURTHER EXCEPTING THEREFROM the following described parcel:

Commencing at the North quarter corner of Section 11;
Thence on a bearing of South 0°02'00" East a distance of 770.41 feet along the
East boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 11 to the centerline of the N-24 Canal
and THE REAL POINT OF BEGINNING;
Thence from this REAL POINT OF BEGINNING and continuing along the East
boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ on a bearing of South 0°02'00" East a distance of
550.76 feet to the Southeast corner of the said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence along the South boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ on bearing of North
89°31'55" West a distance of 353.59 feet;
Thence on a bearing of North 0°02'00" West a distance of 29.54 feet to the
approximate centerline of the N-24 Canal;
Thence along the approximate centerline of the N-24 Canal the following courses
and distances:

North 38°54'11" East, 206.03 feet;
North 27°12'31" East, 101.69 feet;
North 32°24'53" East, 233.01 feet;
North 61°11'25" East, 35.84 feet;
North 21°28'39" East, 57.59 feet to THE REAL POINT OF BEGINNING.

PARCEL NO. 9

TOWNSHIP 8 SOUTH, RANGE 16 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 35: A parcel of land located in the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ /NW $\frac{1}{4}$ described as follows:

Commencing at the Northwest corner of Section 35;
Thence South 0°01'40" East 2293.47 feet along the West section line of Section 35 to a point on said line which is THE TRUE POINT OF BEGINNING;
Thence South 0°01'40" East 348.23 feet continuing along said section line to the West quarter corner of Section 35;
Thence South 0°01'04" East, 1321.08 feet along the West section line to a point on said line which is the Southwest corner of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ of Section 35;
Thence South 89°43'28" East, 1320.18 feet along the South boundary of said NW $\frac{1}{4}$ /SW $\frac{1}{4}$ to the Southeast corner of said NW $\frac{1}{4}$ /SW $\frac{1}{4}$;
Thence North 0°00'36" West, 1321.05 feet along the East boundary of said NW $\frac{1}{4}$ /SW $\frac{1}{4}$ to the Northeast corner of said NW $\frac{1}{4}$ /SW $\frac{1}{4}$ and the Southeast corner of the SW $\frac{1}{4}$ /NW $\frac{1}{4}$;
Thence North 0°00'54" West, 1320.90 feet along the East boundary of the SW $\frac{1}{4}$ /NW $\frac{1}{4}$ to the Northeast corner of said SW $\frac{1}{4}$ /NW $\frac{1}{4}$;
Thence North 89°43'31" West, 161.57 feet along the North boundary of said SW $\frac{1}{4}$ /NW $\frac{1}{4}$ to a point;
Thence Southwesterly 1599.83 feet along a 1360.00 foot radius curve left, Delta 67°23'59", with a chord length of 1509.10 feet and a Long Chord Bearing of South 50°08'57" West to THE TRUE POINT OF BEGINNING.

PARCEL NO. 10

TOWNSHIP 9 SOUTH, RANGE 15 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 3: Lots 3 and 4; SW $\frac{1}{4}$ /NW $\frac{1}{4}$, and that part of the NW $\frac{1}{4}$ /SW $\frac{1}{4}$ lying North of the Canyon Rim.

PARCEL NO. 11

TOWNSHIP 9 SOUTH, RANGE 15 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 4: Lots 1, 2; S $\frac{1}{2}$ /NE $\frac{1}{4}$, and that part of the NE $\frac{1}{4}$ /SE $\frac{1}{4}$ lying North of the Canyon Rim.

PARCEL NO. 12

TOWNSHIP 8 SOUTH, RANGE 16, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 26: SW $\frac{1}{4}$ N $\frac{1}{2}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM that portion for a County right of way being part of the S $\frac{1}{2}$ SW $\frac{1}{4}$ as set forth in Warranty Deed given by Aardema Farms Limited Partnership, Grantor to Jerome Highway District, a body politic and corporate of the State of Idaho, dated June 23, 2008, recorded July 1, 2008 as Instrument No. 2083586, Jerome County records

PARCEL NO. 13

TOWNSHIP 9 SOUTH, RANGE 15, EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, and NW $\frac{1}{4}$ NE $\frac{1}{4}$ (also shown as Lot 2)

PARCEL NO. 14

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8 and part of the S $\frac{1}{2}$ SW $\frac{1}{4}$ and part of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, described as follows:

Commencing at a point in the center of the Jerome Branch of Sawtooth Park Highway, from which the Southeast corner of said Section 9 bears South 89°32' East, 1321.00 feet;
Thence North 0°02' West, 40.00 feet to Corner No. 1, a point on the Northerly Right of Way line of said Highway and on the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 9, and being THE TRUE POINT OF BEGINNING;
Thence North 0°02' West along the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 9, 250.00 feet to Corner No. 2;
Thence North 89°32' West, 1600.00 feet to Corner No. 3;
Thence North 0°02' West, 250.00 feet to Corner No. 4;
Thence North 89°32' West, 1350.00 feet to Corner No. 5;
Thence North 0°28' East, 500.00 feet to Corner No. 6;
Thence North 89°32' West, 730.00 feet to Corner No. 7;
Thence South 66°32' West, 560.00 feet to Corner No. 8;
Thence South 47°50' West, 483.20 feet to Corner No. 9;
Thence South 79°18' West, 600.00 feet to Corner No. 10;
Thence South 0°03' East, 341.39 feet to Corner No. 11, a point on the Northerly right of way line of said Highway;

Thence North 89°58' East along said right of way line, 1380.92 feet to Corner No. 12, a Highway Monument;
Thence South 89°32' East, 3756.42 feet to Corner No. 1, THE POINT OF BEGINNING.

PARCEL NO. 15

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 8: N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 9: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 8 and part of the S $\frac{1}{2}$ SW $\frac{1}{4}$ and part of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, described as follows:

Commencing at a point in the center of the Jerome Branch of Sawtooth Park Highway, from which the Southeast corner of said Section 9 bears South 89°32' East, 1321.00 feet;
Thence North 0°02' West, 40.00 feet to Corner No. 1, a point on the Northerly Right of Way line of said Highway and on the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 9, and being THE TRUE POINT OF BEGINNING;
Thence North 0°02' West along the East line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 9, 250.00 feet to Corner No. 2;
Thence North 89°32' West, 1600.00 feet to Corner No. 3;
Thence North 0°02' West, 250.00 feet to Corner No. 4;
Thence North 89°32' West, 1350.00 feet to Corner No. 5;
Thence North 0°28' East, 500.00 feet to Corner No. 6;
Thence North 89°32' West, 730.00 feet to Corner No. 7;
Thence South 66°32' West, 560.00 feet to Corner No. 8;
Thence South 47°50' West, 483.20 feet to Corner No. 9;
Thence South 79°18' West, 600.00 feet to Corner No. 10;
Thence South 0°03' East, 341.39 feet to Corner No. 11, a point on the Northerly right of way line of said Highway;
Thence North 89°58' East along said right of way line, 1380.92 feet to Corner No. 12, a Highway Monument
Thence South 89°32' East, 3756.42 feet to Corner No. 1, THE POINT OF BEGINNING

AND EXCEPTING THEREFROM that portion deeded to the State of Idaho by Quitclaim Deed recorded June 8, 1934 in Book 100 Page 207, Jerome County records.

Section 9: N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 9: E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, EXCEPTING THEREFROM a parcel located in the W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$, described as follows:

Beginning at the Southeast corner of Section 9;
Thence North 89°06' West, 700.14 feet along the Southerly boundary of Section 9;
Thence North 0°54'00" East, 40.00 feet to the Northerly boundary of an existing Highway Right-of-Way, THE TRUE POINT OF BEGINNING;
Thence North 0°54'00" East, 163.00 feet;
Thence North 89°06' West, 143.56 feet;
Thence North 0°54'00" East, 299.00 feet;
Thence North 89°06' West, 452.10 feet;
Thence South 0°54'00" West, 392.00 feet to the center of an existing Irrigation Lateral;
Thence along the center of said Lateral;
South 52°03'05" East, 72.30 feet;
South 83°42'49" East, 193.54 feet;
South 0°03'04" East, 8.27 feet to the Northerly Highway Right-of-Way;
Thence departing said Lateral, South 89°06' East, 345.13 feet along the Northerly Highway Right-of-Way to THE TRUE POINT OF BEGINNING.

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 10: N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$;

EXCEPTING THEREFROM part of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10, described as follows:

Beginning at the intersection of the West line of SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section with the North boundary line of State Highway No. 79;
Thence North along the West boundary line of said SW $\frac{1}{4}$ SW $\frac{1}{4}$, 200 feet;
Thence East 400 feet;
Thence South 200 feet to the North boundary of State Highway No. 79;
Thence West along the North boundary of said highway, 400 feet to THE POINT OF BEGINNING.

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 10: That part of the SW $\frac{1}{4}$ SW $\frac{1}{4}$, described as follows:

Beginning at the intersection of the West line of SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section with the North boundary line of State Highway No. 79;
Thence North along the West boundary line of said SW $\frac{1}{4}$ SW $\frac{1}{4}$, 200 feet;
Thence East 400 feet;
Thence South 200 feet to the North boundary of State Highway No. 79;

Thence West along the North boundary of said highway, 400 feet to THE POINT OF BEGINNING.

PARCEL NO. 16

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 9: That part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$, described as follows:

Beginning at the Southeast corner of Section 9;
Thence North 89°06' West, 700.14 feet along the Southerly boundary of Section 9;
Thence North 0°54'00" East, 40.00 feet to the Northerly boundary of an existing highway right-of-way, THE TRUE POINT OF BEGINNING;
Thence North 0°54'00" East, 163.00 feet;
Thence North 89°06' West, 143.56 feet;
Thence North 0°54'00" East, 299.00 feet;
Thence North 89°06' West, 452.10 feet;
Thence South 0°54'00" West, 392.00 feet to the center of an existing Irrigation Lateral;
Thence along the center of said Lateral;
South 52°03'05" East, 72.30 feet;
South 83°42'49" East, 193.54 feet;
South 0°03'04" East, 8.27 feet to the Northerly highway right-of-way;
Thence departing said Lateral, South 89°06' East, 345.13 feet along the Northerly highway right-of-way to THE TRUE POINT OF BEGINNING.

PARCEL NO. 17

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 10: SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM the South 40 feet of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 10 deeded to the State of Idaho by Deed dated December 4, 1933 and recorded in Book 102, Page 472, Jerome County records, for a Public Highway forever.

ALSO EXCEPTING THEREFROM a parcel of land in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10, Township 7 South, Range 17 East Boise Meridian, Jerome County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of said SE $\frac{1}{4}$ SW $\frac{1}{4}$ also being the Southwest corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence North 89°46'00" West a distance of 204.39 feet along the Southerly boundary of said SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Thence North 05°11'17" East a distance of 255.65 feet;

Thence South 85°20'14" East a distance of 159.57 feet;
Thence South 01°21'16" East a distance of 46.29 feet;
Thence South 49°29'21" East a distance of 43.51 feet;
Thence South 89°12'58" East a distance of 88.40 feet;
Thence South 83°39'03" East a distance of 151.51 feet;
Thence South 01°51'25" West a distance of 151.04 feet to the Southerly
boundary of said SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence North 89°46'00" West a distance of 246.02 feet along the Southerly
boundary of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ to the POINT OF BEGINNING.

PARCEL NO. 18

TOGETHER WITH AN EASEMENT for the purpose of ingress
and egress and for the purpose of maintaining a buried irrigation
mainline as created in a Grant of Easement dated December 30,
1997, recorded December 30, 1997 as Instrument Number 975892,
Jerome County records, over, across and under the following
described parcel:

**THE EAST 42 FEET OF THE FOLLOWING DESCRIBED
PARCEL:**

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 15: NE $\frac{1}{4}$ NW $\frac{1}{4}$

Excepting therefrom the North 40 feet deeded to the State of Idaho by Deed dated
December 4, 1933, filed December 6, 1933 and recorded in Book 102, Page 472,
Jerome County records, for a public highway forever.

AND EXCEPTING THEREFROM THE FOLLOWING PARCEL:

A parcel of land located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 7 South,
Range 17 East, Boise Meridian, Jerome County, Idaho, more particularly
described as follows:

Beginning at the Northeast corner of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 89°46'00" West a distance of 1320.70 feet along the Northerly
boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$ to the Northwest corner thereof;
Thence South 0°00'04" East a distance of 40.00 feet to the Southerly boundary of
property deeded to the State of Idaho by Deed dated December 4, 1933 and
recorded in Book 102, Page 472 of the Jerome County records which point is the
TRUE POINT OF BEGINNING;
Thence South 89°46'00" East a distance of 208.71 feet parallel with and 40 feet
Southerly from the Northerly boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence South 0°00'04" East a distance of 208.71 feet;
Thence North 89°46'00" West a distance of 208.71 feet to a point of the Westerly

boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Thence North 0°00'04" West a distance of 208.71 feet along the Westerly
boundary of said NE $\frac{1}{4}$ NW $\frac{1}{4}$ to the Northwest corner thereof.

TOGETHER WITH AN EASEMENT for the purpose of ingress and egress and
for the purpose of maintaining a buried irrigation mainline as created in a Grant of
Easement dated June 27, 2001, recorded June 28, 2001 as Instrument Number
2012971, Jerome County records, over, across and under the following described
parcel:

**THE EAST 42 FEET OF THAT PORTION OF THE FOLLOWING
DESCRIBED PARCEL LYING IN THE SE $\frac{1}{4}$ SW $\frac{1}{4}$**

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 10: Part of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$

Beginning at the Southeast corner of said SE $\frac{1}{4}$ SW $\frac{1}{4}$ also being the Southwest
corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence North 89°46'00" West a distance of 204.39 feet along the Southerly
boundary of said SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Thence North 05°11'17" East a distance of 255.65 feet;
Thence South 85°20'14" East a distance of 159.57 feet;
Thence South 01°21'16" East a distance of 46.29 feet;
Thence South 49°29'21" East a distance of 43.51 feet;
Thence South 89°12'58" East a distance of 88.40 feet;
Thence South 83°39'03" East a distance of 151.51 feet;
Thence South 01°51'25" West a distance of 151.04 feet to the Southerly boundary
of said SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence North 89°46'00" West a distance of 246.02 feet along the Southerly
boundary of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ to the POINT OF BEGINNING.

PARCEL NO. 19

(Sauer 40 acre North parcel)

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 10: SE $\frac{1}{4}$ SE $\frac{1}{4}$

EXCEPTING THEREFROM the South 40 feet of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10 as
conveyed to the State of Idaho by Deed filed February 24, 1933 in Book 102,
Page 389, Jerome County records.

PARCEL NO. 20

TOWNSHIP 8 SOUTH, RANGE 15, EAST BOISE MERIDIAN,

GOODING COUNTY, STATE OF IDAHO

Section 34: NE $\frac{1}{4}$ /SW $\frac{1}{4}$, S $\frac{1}{2}$ /SW $\frac{1}{4}$, SE $\frac{1}{4}$, NW $\frac{1}{4}$ /SW $\frac{1}{4}$

Section 36: SE $\frac{1}{4}$, NE $\frac{1}{4}$

TOWNSHIP 8 SOUTH, RANGE 16, EAST BOISE MERIDIAN,
GOODING COUNTY, STATE OF IDAHO

Section 31: The West 660 feet of Lot 4 AND that part of Lot 4 described as follows:

Commencing at the Southwest corner of said Lot 4;
Thence South 89°53'05" East, 660.00 feet along the Southerly boundary of said Lot 4 to THE TRUE POINT OF BEGINNING;
Thence South 89°53'05" East, 162.00 feet along said Southerly boundary, said point lies North 89°53'05" West, 239.12 feet from the Southeast corner of said Lot 4;
Thence North 1°53'56" East, 121.07 feet;
Thence North 89°39'20" East, 96.49 feet;
Thence North 2°06'56" East, 108.20 feet;
Thence North 88°57'04" East, 117.79 feet to a point that lies North 0°13'26" West, 232.64 feet and South 88°57'04" West, 15.95 feet from the Southeast corner of said Lot 4;
Thence North 0°50'02" West, 505.10 feet;
Thence North 89°46'34" East, 21.33 feet to the Easterly boundary of said Lot 4;
Thence North 0°13'26" West, 581.58 feet along the Easterly boundary of said Lot 4 to the Northeast corner of said Lot 4;
Thence North 89°53'09" West, 395.98 feet along the Northerly boundary of said Lot 4;
Thence South 1319.03 feet to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM that part of Government Lot 4, described as follows

Beginning at the Southwest corner for Section 31;
Thence South 89°53'05" East, 778.23 feet along the Southerly boundary of Section 31 to the TRUE POINT OF BEGINNING;
Thence South 89°53'05" East, 43.77 feet along said Southerly boundary;
Thence North 1°53'56" East, 121.07 feet;
Thence North 89°39'20" East, 96.49 feet;
Thence North 2°06'56" East, 108.20 feet;
Thence North 88°57'04" East, 40.98 feet;
Thence North 89°53'05" West, 188.77 feet;
Thence South 0°06'55" West, 230.75 feet to THE TRUE POINT OF BEGINNING.

Subject to a 25.00 feet, in width, County Road Right-of-Way along the Southerly boundary.

Section 31: That part of Lot 3, described as follows:

Commencing at the Northwest corner of said Lot 3;
Thence South along the West boundary of Lot 3, 1288.58 feet to THE POINT OF BEGINNING;
Thence South 89°40'43" East, 1055.89 feet to a point on the East boundary of said Lot 3;
Thence South 0°13'26" East along the East boundary of Lot 3, 26.61 feet to the Southeast corner of said Lot 3;
Thence West along the South boundary of said Lot 3 to the Southwest corner of Lot 3;
Thence North along the West boundary of Lot 3, 30.43 feet to THE TRUE POINT OF BEGINNING.

PARCEL NO. 21: (Sauer 40 acre South parcel)

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 14: NW¼NW¼

EXCEPTING THEREFROM the North 40 feet of the NW¼NW¼ of Section 14,
all in Township 7 South, Range 17 East, as conveyed to the State of Idaho by
Deed filed March 27, 1934 in Book 102, Page 561, Jerome County records.

PARCEL NO. 22: (93 PROPERTY)

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 14: SW¼, S½NW¼

Section 15: E½SE¼

Section 23: W½

EXCEPTING THEREFROM Right of Way of State Highway 93.

EXCEPTING THEREFROM the following described parcel:

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 14: Part of the SE¼SW¼, described as follows:

Beginning at the South quarter section corner of Section 14, Township 7 South,
Range 17 East Boise Meridian, said corner marked by a 5/8" rebar;
Thence North 00°04'26" West along the quarter section line for a distance of
80.78 feet;

Thence North 86°43'09" West for a distance of 76.91 feet to a 1/2" rebar;
 Thence North 86°43'09" West for a distance of 124.30 feet to the West right of
 way of State Highway 93;
 Thence North 00°04'30" West along said right of way for a distance of 144.34
 feet to a 1/2" rebar which shall be the POINT OF BEGINNING;
 Thence North 88°18'21" West for a distance of 85.66 feet to a 1/2" rebar;
 Thence North 00°04'36" West for a distance of 135.84 feet to a 1/2" rebar;
 Thence North 70°37'28" West for a distance of 203.22 feet to a 1/2" rebar;
 Thence North 00°04'48" East for a distance of 10.62 feet to a 1/2" rebar;
 Thence North 18°14'10" East for a distance of 290.23 feet to a 1/2" rebar;
 Thence North 89°36'35" East for a distance of 186.03 feet to the West right of
 way of State Highway 93;
 Thence South 00°04'30" East along the West right of way of State Highway 93
 for a distance of 493.33 feet to the POINT OF BEGINNING.

AND EXCEPTING THEREFROM the following described parcel:

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
 MERIDIAN, JEROME COUNTY, IDAHO

Section 14: Part of the SE 1/4 SW 1/4, more particularly described as follows:

Beginning at the South 1/4 section corner of Section 14 of Township 7 South,
 Range 17, East of the Boise Meridian, said corner marked by a 5/8" rebar;
 Thence North 00°04'26" West along the 1/4 section line for a distance of 80.78
 feet;
 Thence North 86°43'09" West for a distance of 76.91 feet to a 1/2" rebar;
 Thence North 86°43'09" West for a distance of 124.30 feet to the West right of
 way of State Highway 93 which shall be the POINT OF BEGINNING;
 Thence North 86°43'09" West for a distance of 30.27 feet to a 1/2" rebar;
 Thence North 05°00'43" West for a distance of 144.42 feet to a 1/2" rebar;
 Thence South 88°18'21" East for a distance of 42.67 feet to a 1/2" rebar on the
 West right of way of State Highway 93;
 Thence South 00°04'30" East along said Highway right of way for a distance of
 144.34 feet to the POINT OF BEGINNING.

AND EXCEPTING THEREFROM the following described parcel:

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE
 MERIDIAN, JEROME COUNTY, IDAHO

Section 14: Part of the SE 1/4 SW 1/4, more particularly described as follows:

Beginning at the South 1/4 section corner of Section 14 of Township 7 South,
 Range 17 East of the Boise Meridian, said corner marked by a 5/8" rebar;
 Thence North 00°04'26" West along the 1/4 section line for a distance of 80.78
 feet;

Thence North 86°43'09" West for a distance of 76.91 feet to a 1/2" rebar;
 Thence North 86°43'09" West for a distance of 124.30 feet to the West right of way of State Highway 93;
 Thence North 00°04'30" West along said right of way for a distance of 144.34 feet to a 1/2" rebar;
 Thence North 88°18'21" West for a distance of 85.66 feet to a 1/2" rebar which shall be the POINT OF BEGINNING;
 Thence North 88°18'21" West for a distance of 185.54 feet to a 1/2" rebar;
 Thence North 01°51'50" West for a distance of 197.88 feet to a 1/2" rebar;
 Thence South 70°37'28" East for a distance of 203.22 feet to a 1/2" rebar;
 Thence South 00°04'36" East for a distance of 135.84 feet to the POINT OF BEGINNING.

AND EXCEPTING THEREFROM the following described parcel:

TOWNSHIP 7 SOUTH, RANGE 17, EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

Section 23: Part of the NE 1/4 NW 1/4, more particularly described as follows:

Beginning at the North 1/4 section corner of Section 23 of Township 7 South, Range 17 East of the Boise Meridian, said corner marked by a 5/8" rebar;
 Thence South 53°16'23" West for a distance of 250.36 feet to a 1/2" rebar on the West right of way of State Highway 93 which shall be the POINT OF BEGINNING;
 Thence South 00°04'30" East along said Highway right of way for a distance of 320.02 feet to a 1/2" rebar;
 Thence South 89°55'30" West for a distance of 136.11 feet to a 1/2" rebar;
 Thence North 00°04'30" West for a distance of 320.02 feet to a 1/2" rebar;
 Thence North 89°55'30" East for a distance of 136.11 feet to the POINT OF BEGINNING.

SUBJECT TO a right of ingress and egress over and across the following described property:

20 FEET WIDE ACCESS EASEMENT

Part of the NE 1/4 NW 1/4 of Section 23 and part of the SE 1/4 SW 1/4 of Section 14 of Township 7 South, Range 17 East of the Boise Meridian, Jerome County, Idaho.

Beginning at the North 1/4 section corner of Section 23 of Township 7 South, Range 17, East of the Boise Meridian said corner marked by a 5/8" rebar;
 Thence South 53°16'23" West for a distance of 250.36 feet to a 1/2" rebar on the West right of way of State Highway 93;
 Thence South 89°55'30" West for a distance of 33.16 feet to the POINT OF BEGINNING;
 Thence South 89°55'30" West for a distance of 20.13 feet;

Thence North 06°40'19" West for a distance of 101.40 feet;
Thence North 34°13'57" East for a distance of 63.62 feet;
Thence North 86°39'19" East for a distance of 29.13 feet to the West right of way
of State Highway 93;
Thence South 00°04'30" East along the West right of way of State Highway 93
for a distance of 20.03 feet;
Thence South 86°39'19" West for a distance of 18.14 feet;
Thence South 34°13'57" West for a distance of 46.31 feet;
Thence South 06°40'19" East for a distance of 96.26 feet to the POINT OF
BEGINNING.

PARCEL NO. 23: (Crouch Property)

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 11: SW¹/₄ SE¹/₄ SW¹/₄

EXCEPTING THEREFROM that part deeded to the State of Idaho for a public
road by Deed recorded April 13, 1931 in Book 102, Page 129 and in Deed
recorded March 14, 1936 in Book 107, Page 404, Jerome County records.

FURTHER EXCEPTING that portion deeded to the State of Idaho by Warranty
Deed dated September 21, 1984, recorded March 18, 1985 as Instrument Number
288551, Jerome County records.

Section 13: S¹/₂ NW¹/₄ N¹/₂ SW¹/₄

Section 14: S¹/₂ NE¹/₄ NE¹/₄ SE¹/₄ NW¹/₄ NE¹/₄ NW¹/₄

EXCEPTING THEREFROM that part deeded to the State of Idaho for a public
road by Deed recorded March 14, 1936 in Book 107, Page 402 and in Book 107,
Page 403, Jerome County records.

FURTHER EXCEPTING that portion deeded to the State of Idaho Transportation
Board by and through the Divisions of Highways by Warranty Deed recorded
January 15, 1985 as Instrument Number 287166, Jerome County records and
Quitclaim Deed recorded January 15, 1985 as Instrument Number 287167,
Jerome County records.

FURTHER EXCEPTING that portion deeded to the State of Idaho by and through
the Idaho Transportation Board for the Divisions of Highways as recorded in
Warranty Deed recorded March 18, 1985 as Instrument Number 288549, Jerome
County records.

FURTHER EXCEPTING that portion deeded to the State of Idaho by and through
the Idaho Transportation Board for the Division of Highways as recorded in
March 18, 1985 as Instrument Number 288550, Jerome County records.

PARCEL NO. 24 (Crouch Property)

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 15: NE $\frac{1}{4}$, EXCEPTING the North 40 feet of the N $\frac{1}{2}$ NE $\frac{1}{4}$ deeded to the State of Idaho by Deed recorded June 15, 1934 in Book 107, Page 37, Jerome County records.

PARCEL NO. 25

TOWNSHIP 6 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, LINCOLN COUNTY, IDAHO

A parcel of land located in the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31 and that part of the SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 32 described as follows:

Commencing at the Southwest corner of said Section 32, Thence North 89°58'09" East along the South boundary of the SW $\frac{1}{4}$ of said Section 32 for a distance of 505.37 feet to the TRUE POINT OF BEGINNING;
Thence North 71°43'26" West for a distance of 91.34 feet to the point of curvature of a non-tangent curve right
Thence Northwesterly along the arc of the non-tangent curve right for a distance of 1407.50 feet, said arc having a radius of 1191.36 feet and a long chord bearing and distance of North 43°55'14" West, 1327.06 feet;
Thence North 00°51'54" East for a distance of 336.36 feet;
Thence North 00°04'40" West for a distance of 187.04 feet;
Thence North 35°57'51" East for a distance of 81.21 feet;
Thence North 79°16'25" East for a distance of 129.41 feet;
Thence South 87°13'47" East for a distance of 253.36 feet;
Thence South 62°39'50" East for a distance of 275.78 feet;
Thence South 59°50'39" East for a distance of 167.23 feet;
Thence South 57°02'23" East for a distance of 98.96 feet;
Thence South 79°21'43" East for a distance of 76.37 feet;
Thence South 70°42'40" East for a distance of 113.99 feet;
Thence North 00°42'33" East for a distance of 216.85 feet;
Thence North 05°29'38" West for a distance of 223.54 feet;
Thence North 01°33'27" West for a distance of 196.61 feet;
Thence North 08°54'50" West for a distance of 412.10 feet;
Thence North 08°48'20" West for a distance of 186.62 feet;
Thence South 77°55'11" East for a distance of 1528.06 feet;
Thence North 30°03'07" East for a distance of 106.44 feet;
Thence North 37°22'01" East for a distance of 104.16 feet;
Thence North 43°16'55" East for a distance of 105.34 feet;
Thence North 46°57'21" East for a distance of 105.18 feet;
Thence North 47°56'54" East for a distance of 106.17 feet;
Thence North 46°30'38" East for a distance of 105.01 feet;

Thence North 47°15'30" East for a distance of 100.39 feet;
 Thence North 45°02'14" East for a distance of 104.17 feet;
 Thence North 42°24'14" East for a distance of 107.69 feet;
 Thence North 33°48'01" East for a distance of 103.38 feet;
 Thence North 24°41'39" East for a distance of 103.19 feet;
 Thence North 19°24'28" East for a distance of 111.60 feet;
 Thence North 22°29'28" East for a distance of 203.05 feet;
 Thence North 33°29'06" East for a distance of 53.28 feet;
 Thence South 80°13'38" East for a distance of 426.31 feet;
 Thence South 89°34'32" East for a distance of 640.61 feet;
 Thence South 44°36'30" East for a distance of 22.55 feet;
 Thence South 36°10'23" East for a distance of 48.79 feet to a point on the East boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32;
 Thence South 00°06'30" East along the East boundary of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32 for a distance of 600.46 feet to the Northeast corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32;
 Thence South 00°00'43" East for a distance of 1323.73 feet to the Northeast corner of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32;
 Thence North 89°55'57" East along the North boundary of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 32 for a distance of 753.07 feet;
 Thence South 16°36'41" East for a distance of 13.22 feet;
 Thence South 04°15'56" East for a distance of 232.45 feet;
 Thence South 53°27'07" West for a distance of 119.30 feet;
 Thence South 02°16'34" West for a distance of 283.38 feet;
 Thence South 30°04'12" West for a distance of 162.92 feet;
 Thence South 39°05'46" West for a distance of 230.42 feet;
 Thence South 46°19'49" West for a distance of 359.73 feet;
 Thence South 61°21'05" West for a distance of 204.70 feet;
 Thence South 00°00'43" East for a distance of 59.60 feet to a point on the South boundary of the SE $\frac{1}{4}$ of said Section 32;
 Thence South 89°59'15" West along the South boundary of the SE $\frac{1}{4}$ of said Section 32 for a distance of 1133.55 feet to the Section corner common to Sections 3 and 4 of Township 7 South, Range 17 East.
 Thence South 89°59'00" West along the South boundary of the SE $\frac{1}{4}$ of said Section 32 for a distance of 184.53 feet to the South on quarter (S $\frac{1}{4}$) corner of said Section 32;
 Thence South 89°53'20" West along the South boundary of the SW $\frac{1}{4}$ of said Section 32 for a distance of 224.22 feet to an angle point on the South boundary of the SW $\frac{1}{4}$ of said Section 32;
 Thence South 89°58'50" West along the South boundary of the SW $\frac{1}{4}$ of said Section 32 for a distance of 1908.67 feet to the TRUE POINT OF BEGINNING.

PARCEL NO. 26

TOWNSHIP 6 SOUTH, RANGE 17 EAST OF THE BOISE
 MERIDIAN, LINCOLN COUNTY, IDAHO

Section 32: A tract of land located in the SW $\frac{1}{4}$, more particularly described as follows:

Beginning at the Northwest corner of said SW $\frac{1}{4}$ which point bears South 00°05'59" West a distance of 2640.31 feet from the Northwest corner of said Section 32;
Thence North 89°52'45" East a distance of 472.97 feet along the Northerly boundary of said SW $\frac{1}{4}$;
Thence South 00°06'26" East a distance of 66.36 feet to the TRUE POINT OF BEGINNING;
Thence North 89°53'34" East a distance of 1846.45 feet;
Thence South 47°49'07" West a distance of 116.69 feet;
Thence South 46°57'21" West a distance of 105.18 feet;
Thence South 43°16'55" West a distance of 105.34 feet;
Thence South 37°22'01" West a distance of 104.16 feet;
Thence South 30°03'07" West a distance of 106.44 feet;
Thence North 77°55'11" West a distance of 1528.06 feet;
Thence North 00°06'26" West a distance of 78.50 feet to the TRUE POINT OF BEGINNING.

PARCEL NO. 27

TOWNSHIP 9 SOUTH, RANGE 15 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 1: Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$

EXCEPTING THEREFROM the following described tract of land:

Beginning at the Northeast corner of said Lot 1 in said Section 1;
Thence South along the East boundary thereof, 303.8 feet;
Thence West and parallel to the North boundary of said Lot 1, 716.9 feet;
Thence North and parallel to the East boundary of said Lot to the North boundary line thereof, 303.8 feet;
Thence East along the North boundary of said Lot 1, 716.9 feet to THE POINT OF BEGINNING.

TOWNSHIP 9 SOUTH, RANGE 16 EAST OF THE BOISE
MERIDIAN, GOODING COUNTY, IDAHO

Section 6: Lot 5, EXCEPTING THEREFROM the East 340 feet thereof.

PARCEL NO. 28:

TOWNSHIP 6 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, LINCOLN COUNTY, IDAHO

Section 32: A tract of land located in Section 32, more particularly described as follows:

Beginning at the Southwest corner of the Northwest corner of said Section 32

which point bears South 00°05'59" East a distance of 2640.31 feet from the Northwest corner of said Section 32;
 Thence North 00°05'59" West a distance of 1936.24 feet along the Westerly boundary of said Section 32;
 Thence South 87°15'30" East a distance of 57.57 feet;
 Thence North 50°43'14" East a distance of 880.89 feet;
 Thence North 72°48'14" East a distance of 313.94 feet;
 Thence South 89°03'20" East a distance of 680.46 feet;
 Thence South 73°30'39" East a distance of 312.26 feet;
 Thence South 57°52'13" East a distance of 631.93 feet;
 Thence South 27°23'10" East a distance of 265.05 feet;
 Thence South 35°33'42" East a distance of 311.52 feet;
 Thence South 06°59'28" East a distance of 314.61 feet;
 Thence South 00°12'15" West a distance of 399.99 feet;
 Thence South 10°26'02" West a distance of 209.14 feet;
 Thence South 33°29'06" West a distance of 53.28 feet;
 Thence South 22°29'28" West a distance of 203.05 feet;
 Thence South 19°24'28" West a distance of 111.60 feet;
 Thence South 24°41'39" West a distance of 103.19 feet;
 Thence South 33°48'34" West a distance of 48.55 feet;
 Thence South 33°48'01" West a distance of 54.85 feet;
 Thence South 42°24'14" West a distance of 107.69 feet;
 Thence South 45°02'14" West a distance of 104.17 feet;
 Thence South 47°15'30" West a distance of 100.39 feet;
 Thence South 46°30'38" West a distance of 94.49 feet;
 Thence South 89°53'34" West a distance of 1846.45 feet;
 Thence South 00°06'26" East a distance of 78.50 feet;
 Thence South 08°48'20" East a distance of 186.62 feet;
 Thence South 08°54'50" East a distance of 412.10 feet;
 Thence North 64°25'16" West a distance of 159.15 feet;
 Thence North 56°28'30" West a distance of 177.52 feet;
 Thence North 23°19'53" West a distance of 178.25 feet;
 Thence North 42°55'16" West a distance of 301.39 feet;
 Thence North 00°32'05" East a distance of 184.27 feet to the POINT OF BEGINNING.

PARCEL NO. 29

TOWNSHIP 6 SOUTH, RANGE 16 EAST OF THE BOISE
 MERIDIAN, LINCOLN COUNTY, IDAHO

Section 36: A parcel of land located in the SE¼ being more particularly described as follows:

Commencing at the Southeast corner of said Section 36, from which the S¼
 Corner of said Section 36 bears N89°45'17"W 2655.72 feet, said Southeast corner
 of Section 36 being the TRUE POINT OF BEGINNING;
 Thence N89°45'17"W along the South boundary of the SE¼ of said Section 36 for

a distance of 2655.72 feet to the South $\frac{1}{4}$ corner of said Section 36;
Thence N00°15'35"E along the West boundary of the SE $\frac{1}{4}$ of said Section 36 for
a distance of 1070.00 feet;
Thence S89°45'17"E parallel with the South boundary of the SE $\frac{1}{4}$ of said Section
36 for a distance of 2373.32 feet;
Thence S58°43'23"E for a distance of 326.63 feet to a point on the East boundary
of the SE $\frac{1}{4}$ of said Section 36;
Thence S00°06'10" W along the East boundary of the SE $\frac{1}{4}$ of said Section 36 for
a distance of 901.62 feet to the TRUE POINT OF BEGINNING.

AND

PARCEL NO. 30

TOWNSHIP 6 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, LINCOLN COUNTY, IDAHO

Section 31: A Parcel of land located in the SW $\frac{1}{4}$ being more particularly described as follows:

Commencing at the Southwest corner of said Section 31 from which the South $\frac{1}{4}$
corner of said Section 31 bears S88°57'17"E 2949.36 feet, said Southwest corner
of Section 31 being the TRUE POINT OF BEGINNING:
Thence N00°06'10"E along the West boundary of the SW $\frac{1}{4}$ of said Section 31 for
a distance of 844.37 feet;
Thence S25°47'22"E for a distance of 81.18 feet;
Thence S43°45'03"E for a distance of 48.21 feet;
Thence S61°49'07"E for a distance of 77.56 feet;
Thence S69°51'01"E for a distance of 99.28 feet;
Thence S81°09'59"E for a distance of 128.46 feet;
Thence N89°49'06"E for a distance of 483.23 feet;
Thence S86°27'55"E for a distance of 212.70 feet;
Thence S88°08'42"E for a distance of 441.39 feet;
Thence S00°00'23"E for a distance of 647.31 feet to a point on the South
boundary of the SW $\frac{1}{4}$ of said Section 31;
Thence N88°57'17"W along the South boundary of the SW $\frac{1}{4}$ of said Section 31
for a distance of 1495.68 feet to the TRUE POINT OF BEGINNING.

PARCEL NO. 31

TOWNSHIP 7 SOUTH, RANGE 17 EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 6: A parcel of land located in Section 6, being more particularly
described as follows:

Commencing at the Northeast corner of said Section 6, from which the E $\frac{1}{4}$ corner
of said Section 6 bears S00°18'20"E 1378.10 feet, said Northeast corner of
Section 6 being the TRUE POINT OF BEGINNING:

Thence S00°18'20"E along the East boundary of the NE¼ of said Section 6 for a distance of 737.02 feet to point on the arc of a circular curve left;
 Thence Northwesterly along the arc of the curve left for a distance of 1706.99 feet to a point on the West boundary of Government Lot 1 of said Section 6, said arc having a radius of 707.00 feet and a chord bearing and distance of N87°18'07"W 1321.56 feet;
 Thence N00°19'51"W along the West boundary of said Government Lot 1 for a distance of 679.79 feet to the Northwest corner of said Government Lot 1;
 Thence S89°48'59"E along the North boundary of the NE¼ of said Section 6 for a distance of 625.14 feet to the Township corner common to Section 36 of Township 6 South, Range 16 East and Section 31 of Township 6 South, Range 17 East;
 Thence S89°45'17"E along the North boundary of the NE¼ of said Section 6 for a distance of 694.96 feet to the TRUE POINT OF BEGINNING.

PARCEL NO. 32

A 50.00 feet in width strip of land for a roadway and pipeline easement located in parts of Sections 3, 4, 9 and 10 of Township 7 South, Range 17 East of the Boise Meridian, Jerome County, Idaho, and the centerline of said easement more particularly described as follows:

Commencing at the Northwest corner of Section 3 from which the Southwest corner of said Section 3 bears South 00°12'29" West, 3972.29 feet;
 Thence South 89°34'31" East along the Northerly boundary of Section 3 for a distance of 22.59 feet to the POINT OF BEGINNING of said roadway easement centerline;
 Thence South 00°14'05" West for a distance of 1,290.00 feet;
 Thence South 02°09'50" West for a distance of 80.00 feet;
 Thence Southerly 150.00 feet along a curve right having a radius of 1,145.92 feet, delta angle of 07°30'00", and a long chord bearing South 05°54'50" West for a distance of 149.89 feet to the point of curve to the left, of which the radius point lies South 80°20'11" East, a radial distance of 1,096.47 feet;
 Thence Southerly along the arc for a distance of 184.06 feet, through a central angle of 09°37'05", and a long chord bearing South 04°51'16" West for a distance of 183.85 feet;
 Thence South 00°02'44" West for a distance of 790.00 feet;
 Thence South 02°34'50" West for a distance of 275.00 feet;
 Thence South 03°28'31" West for a distance of 89.04 feet;
 Thence South 06°25'27" West for a distance of 85.00 feet;
 Thence Southerly 168.49 feet along a curve left having a radius of 516.06 feet, delta angle of 18°42'23", and a long chord bearing South 02°55'45" East for a distance of 167.74 feet;
 Thence South 12°16'56" East for a distance of 380.00 feet;
 Thence South 08°41'30" East for a distance of 230.00 feet;
 Thence South 02°33'22" East for a distance of 194.43 feet;
 Thence Southerly 140.93 feet along a curve right having a radius of 470.15 feet,

delta angle of 17°10'31", and a long chord bearing South 06°01'54" West for a distance of 140.41 feet, from which the Section corner common to Sections 3, 4, 9, and 10 bears North 52°10'21" West. 111.25 feet;
 Thence South 14°37'09" West for a distance of 92.23 feet;
 Thence Southerly 89.84 feet along a curve left having a radius of 622.92 feet, delta angle of 08°15'50", and a long chord bearing South 10°29'14" West for a distance of 89.77 feet;
 Thence South 06°21'19" West for a distance of 342.17 feet;
 Thence Southerly 239.77 feet along a curve left having a radius of 2,245.12 feet, delta angle of 06°07'08", and a long chord bearing South 03°17'45" West for a distance of 239.66 feet;
 Thence South 00°14'11" West for a distance of 1,816.27 feet to the POINT OF TERMINUS of said easement centerline and being the Quarter corner common to Section 9 and 10.

TOGETHER WITH:

A Parcel of land for a pipeline and waste water pond easement located in Section 3, Township 7 South, Range 17 East of the Boise Meridian, Jerome County, Idaho, and more particularly described as follows:

Commencing at the Southwest corner of Section 3 from which the Northwest corner of said Section 3 bears North 00°12'29" East, 3972.29 feet;
 Thence North 00°12'29" East along the Westerly boundary of Section 3 for a distance of 1,810.72 feet to the POINT OF BEGINNING;
 Thence continue North 00°12'29" East along said line for a distance of 400.00 feet;
 Thence South 89°47'31" East for a distance of 73.00 feet;
 Thence South 19°58'13" East for a distance of 426.16 feet;
 Thence North 89°47'31" West for a distance of 220.00 feet to the POINT OF BEGINNING.

LEASEHOLD PARCEL: Feedlot Lease Agreement dated May 31, 2003, by and between Last Ranch, LLC and Sawtooth Cattle Company, as amended by that certain Feedlot Lease Agreement – Phase II dated June 10, 2004, as further amended by that certain Feedlot Lease Agreement – Phases I, II and III, and Office Facility dated August 20, 2007, as further amended by that certain Amended Feedlot Lease Agreement Phases I, II and III and Office Facility dated December 21, 2007, as further amended by that certain Second Amended Lease Agreement dated September 11, 2009.

PARCEL NO. 33:

TOWNSHIP 6 SOUTH, RANGE 18 EAST OF THE BOISE
 MERIDIAN, LINCOLN COUNTY, IDAHO

Section 34: W½NE¼, SE¼NE¼, SE¼

Section 35: $N\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$, $S\frac{1}{2}NW\frac{1}{4}$ EXCEPT a strip of land 50 feet wide, 25 feet on each side of the following described line, to be used as a public road:

Beginning at a point 1025 feet North of the quarter corner between Sections 34 and 35, Township 6 South, Range 18, East Boise Meridian;
Thence in a Northeasterly direction 600 feet to an intersection of the North line of the $S\frac{1}{2}NW\frac{1}{4}$ of Section 35, Township 6 South, Range 18, East Boise Meridian.

Section 36: $W\frac{1}{4}$ That part of the $E\frac{1}{2}$ West of the canal, described as follows:

Commencing at the North quarter corner of Section 36;
Thence East on the Section line 202 feet, more or less, to a point in the American Falls Canal;
Thence South 32° East 336 feet;
Thence South 55° East 410 feet;
Thence South 22° East 925 feet;
Thence South $27^{\circ}30'$ West 841 feet;
Thence South 6° East 378 feet;
Thence South 6° East 967 feet;
Thence South 13° West 1051 feet;
Thence South 15° East approximately 521 feet to South boundary line;
Thence West 774 feet, more or less, to the South quarter corner of said Section;
Thence North on the North and South center line to the North quarter corner of said Section, which is THE PLACE OF BEGINNING;

TOWNSHIP 7 SOUTH, RANGE 18 EAST OF THE BOISE
MERIDIAN, LINCOLN COUNTY, IDAHO

Section 1: Lots 1, 3, 4; $S\frac{1}{2}N\frac{1}{2}$, $S\frac{1}{2}$

Section 12: $NE\frac{1}{4}NE\frac{1}{4}$, $W\frac{1}{2}NE\frac{1}{4}$, $NW\frac{1}{4}SE\frac{1}{4}$

TOWNSHIP 7 SOUTH, RANGE 19 EAST OF THE BOISE
MERIDIAN, LINCOLN COUNTY, IDAHO

Section 6: Lots 8 through 11

ST. BRIDGET DAIRY, L.L.C.

By: Ronald Aardema
Name: Ronald Aardema
Its: Member

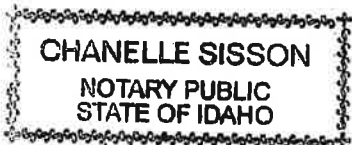
By: Donald Jay Aardema
Name: Donald Jay Aardema
Its: Member

By: Donald John Aardema
Name: Donald John Aardema
Its: Member

By: Evelyn Aardema
Name: Evelyn Aardema
Its: Member

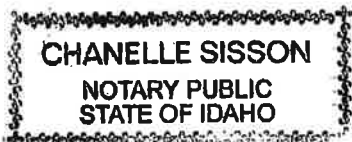
STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.

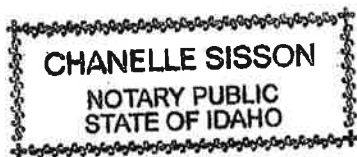


Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
COUNTY OF Gooding)ss.

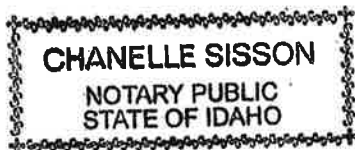
On May 2nd, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
COUNTY OF Gooding)ss.

On May 2nd, 2011, before me, a Notary Public, personally appeared **Evelyn Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

Together with any and all water rights belonging or in any wise appertaining thereto, and including as applicable, but not limited, to the following:

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
1	36-7329	18-Apr-73	0.8 cfs	160 AFA	40	b
	36-7049	10-Jan-69	2.41 cfs	504 AFA	126	b
	36-4002	2-Apr-50	1.73 cfs	568 AFA	142	
	36-2726c	23-May-62	1.83 cfs	APA		c
	36-15256c	15-Mar-75	0.92 cfs	APA	524.4	c
	36-16257	23-Jan-50	0.59 cfs	151.2 AFA	302.7	a
	36-16259	12-Mar-51	0.3 cfs	61.4 AFA		a
	36-16261	11-Jan-52	0.17 cfs	36.5 AFA		a
	36-16263	2-Dec-55	0.03 cfs	19.9 AFA		a
	36-16265	23-Nov-56	0.37 cfs	74.2 AFA		a
	36-16267	18-Jul-61	0.24 cfs	75.3 AFA		a
	36-16269	7-Jun-65	0.51 cfs	115.9 AFA		a
	36-16270	26-Feb-73	0.36 cfs	77 AFA		a
	36-16273	2-Aug-73	0.61 cfs	260.5 AFA		a
	36-16275	28-May-74	0.19 cfs	39.4 AFA		a
	36-16279	22-Feb-78	0.57 cfs	120.2 AFA		a
	36-16281	11-Dec-78	0.03 cfs	18.8 AFA		a
	36-16283	1-May-85	0.17 cfs	36 AFA		a
	36-16285	11-Feb-69	1.72 cfs	646 AFA		a
	Limitations		9.45 cfs	2512.4 AF	1135.1	

Northside Canal Company

Certificate No.	No. of Shares	No. of acres
23802	140.810	140.61
23820	80.000	80
23801	65.000	120
23803	80.460	120
Total Shares:	366.060	460.61

- a when combined these rights shall not exceed a total diversion rate of 5.89cfs, a total annual maximum diversion volume of 1210.8AF at the field head gate, and the Irrigation of 302.7 acres
- b when combined these rights are limited to a total combined diversion rate of 2.63 cfs when combined these rights are limited to a total combined diversion rate of 1.83 cfs and to a total combined diversion volume of 733.6AF when combined with water from Northside Canal is limited to the Irrigation of 524.4 acres within the place of use.
- c

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
2	36-2242	31-Dec-53	2.6 cfs	568 afa	142	
	36-2719	2-Feb-51	2.44 cfs			
	36-7215	3-Jan-72	0.84 cfs	656 af	164	combined annual volume
	36-2412a	22-Jan-60	0.61 cfs	156 afa	39	
		Limitations	6.49 cfs	1380 AF	345	

Northside Canal Company

Certificate No.	No. of Shares	No. of acres
24857	34.920	34.92
24858	84.280	64.62
Total Shares:	119.180	99.54

Northside Canal Company

Tract No.	Certificate No.	No. of Shares	No. of acres
3	23823	114.000	108.94
	23827	240.000	240.00
Total Shares:		354.000	348.94

Northside Canal Company

Tract No.	Certificate No.	No. of Shares	No. of acres
4	23825	72.520	72.43
	23821	40.000	40
Total Shares:		112.520	112.43

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
5	36-7734	11-Mar-77	0.06 cfs	120 afa	30	

Northside Canal Company

Certificate No.	No. of Shares	No. of acres
23824	40.000	40
Total Shares:	40.000	40

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
6	36-7290	23-Jan-73	1.6 cfs	320 afa	80	

Certificate No.	No. of Shares	No. of acres
23822	19.000	27.96
Total Shares:	19.000	27.96

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
7	36-15557	5-Nov-61				
	36-15559	18-Feb-59				
	36-15561	19-Aug-65				
	36-15563	26-Feb-79	8.04 cfs	2432 af	608	d
	36-2586c	28-Jan-64				
	36-14035c	26-May-76	9.41 cfs	2094.4 af	523.6	f
		Limitations	17.45 cfs	4526.4 af	1131.6	
d	608 acre limit * these rights are currently in the name Notch Butte					
f	523.6 acre limit					

Northside Canal Company

Certificate No.	No. of Shares	No. of acres
1824P	180.000	157.58
1823P	40.000	38.79
1626P	102.300	245
1633P	27.700	110.79
1828P	180.000	152.66
1622P	38.000	38.79
24454	40.000	38.79
24455	10.000	39.66
24456	25.000	40
24457	80.000	76.74
Total Shares:	773.000	938.8

TRACT LOCATION	RIGHT NUMBER	PRIORITY DATE	DIVERSION RATE	DIVERSION VOLUME	Acres	LIMITATION REFERENCE
8	37-7533a	29-Sep-76		194.4 afa		g
	37-2592e	21-Dec-56		61.2 afa		g
	37-2592c	21-Dec-56		0.95 afa		g
	37-2527a	4-Dec-51	4.62 cfs	3.44 afa		g
		Limitations	4.62 cs	259.99 afa	331	
g	331 acre limit					

COMMERCIAL STOCKWATER RIGHT SUMMARY

Tract 1 - 3600 South Freestall Dairy

This dairy facility has one decreed water permit and license for a total diversion rate of .65 cfs and total annual volume of 163 acre feet. The licenses are a combined right with two points of diversion with two wells being located in T9SR15E, SWNE, Section 2 of Gooding County.

Decreed Date: 12/29/1997

Water Right No.	Diversion cfs	Volume Acre Feet	Use	Priority Date
36-2412D	.33	123.8	Stock Water	1/22/1960
	.32	39.2	Commercial	1/22/1960
Combined Right	.65	163.0		

Annual Water Use and Well Reports:

	Annual Diversion Acre feet	Reporting Year						Average Diversion Acre feet
		1999	2001	2002 ¹	2003	2004	2005	
South Well		215.9	128.9	120.9	181.4	114.2	111.5	145.5
North Well		68.4	139.1	62.9	185.1	163.0	141.1	116.8
Total Acre feet		284.4	268	183.9	366.5	272.2	252.6	262.2
Difference ²	163.0	(121.6)	(104.0)	(20.1)	(203.5)	(114.2)	(89.6)	(99.2)

¹ 2002 Well readings were not reported for South well; Only part of the yearly use was reported for the North well.

² Currently the Idaho Department of Water Resources is taking no enforcement or restrictive actions for commercial-stock water right holders that are using more water than their license appropriates

Tract 5 - 400 South Openlot (St Bridget's)

This dairy facility has two decreed water permits and licenses for a total diversion rate of 1.25 cfs and total annual volume of 189.8 acre feet. The commercial use is designated for dairy. The licenses are a combined right with two points of diversion with two wells being located in T9SR16E, SESWSW, Section 2 of Jerome County.

Decreed Date: 1/15/1998

Water Right No.	Diversion cfs	Volume Acre Feet	Use	Priority Date
36-7250	.25	34.7	Stock Water	7/21/1972
	.25	12.7	Commercial	7/21/1972
	.06	2.4	Domestic	7/21/1972
36-7734	.6	120	Irrigation	3/11/1977
	.85	52	Stock Water	3/11/1977
	.15	18.8	Commercial	3/11/1977
	.1	4.8	Domestic	3/11/1977
Combined Right	1.25	189.8		

Annual Water Use and Well Reports:

	Annual Diversion Acre feet	Reporting Year					Average Diversion Acre feet
		2001	2002	2003	2004	2005	
Well 50hp		123.6	121.1	0 ¹	109.9	104.9	91.9
Well 20 hp		49.8	54.4	56.5	65.5	67.6	58.8
Total Acre Feet		173.4	175.5	56.5	175.4	172.5	174.2
Difference	189.8	16.4	14.3	133.3	14.4	17.3	15.6

Summary

This facility has an appropriated water right for 189.8 acre feet. This is a Jersey dairy which has much smaller animals that have a lower drinking water requirement than Holsteins.

¹ The reporting year for 2003 dropped from the average due to the reporting error for the 50hp pump well. There were mechanical problems with the meter and the data was not utilized by the Idaho Department of Water Resources. This dairy has been staying well within their water right.

Tract 7 – 700 North Freestall (Franco Dairy)

This dairy has two decreed water permits and licenses for a total diversion rate of .42 cfs and total annual volume of 131 acre feet. The licenses are a combined right with two points of diversion. Both wells are located in T7SR17E, SESE, Section 09 of Jerome County.

Decreed Date: 1/15/1998

Water Right No.	Diversion cfs	Volume Acre Feet	Use	Priority Date
36-2586B	.2	54.9	Stock Water	1/28/1964
	.2	29.6	Commercial	1/28/1964
36-14035B	.42	85.1	Stock Water	5/25/1976
	.42	45.9	Commercial	5/25/1976
Combined Right	.42	131		

Annual Water Use and Well Reports:

	Annual Diversion Acre feet	Reporting Year					Average Diversion Acre feet
		2001 ¹	2002	2003	2004	2005	
Meter Reading		20.7	62.5	100.4	111.0	185.4 ²	132.4
Difference	131	110.3	68.5	30.6	20.0	(54.6)	(1.29)

Summary

This facility has a total annual diversion of 131 acre feet.

¹ The average annual diversion has been calculated using the reporting years of 2003, 2004 and 2005. The 2001 and 2002 reporting years were start up years for this facility and do not reflect the actual water usage of the operation since the dairy was continually building cattle numbers.

² The total diversion for 2005 was well over the water right appropriated and a more reporting data will determine if this facility can stay within its water right.

Tract 8 -800 North Freestall (Double A Dairy)

Double A Dairy has four decreed water permits and licenses for a total diversion rate of 1.42 cfs and total annual volume of 612 acre feet. The licenses are a combined right with four points of diversion with four wells that are located in T6SR17E, SWSW, Sec 32 of Lincoln County.

Decreed Date: 12/11/2002

Water Right No.	Diversion cfs	Volume Acre Feet	Use	Priority Date
37-2527B	1.06	198	Stock Water	12/4/1951
	1.06	198	Commercial	12/4/1951
37-2592D	.29	48	Stock Water	12/21/1956
	.29	48	Commercial	12/21/1956
37-2592F	.04	14.1	Stock Water	12/21/1956
	.04	14.1	Commercial	12/21/1956
37-7533B	.12	45.9	Stock Water	9/29/1976
	.12	45.9	Commercial	9/29/1976
Total Diversion	1.42	612		

Annual Water Use and Well Reports:

	Annual Diversion Acre feet	Reporting Year					Average Diversion Acre feet
		2001	2002	2003	2004	2005	
North Barn		171.6	253.7	263.6	87.2	204.9	196.2
South Barn		0	.7	107.6	167.0	237.4	102.5
North Tank		70.2	22.5	0	0	147.1	48.0
Total Acre Feet		241.7	276.9	371.2	254.2	589.4	346.7
Difference	612	276.6	241.4	147.1	264.1	22.6	71.6

Summary

This dairy is currently pumping an average of 171.0 acre feet annually under their appropriated water rights over the last five years. Note that the water diverted in 2005 was 589.4 acre feet, due to completion of the last expansion phase. With an annual diversion in 2005 of 589.4 acre feet and a total diversion right of 612 acre feet, this facility is within 4.0 % of pumping its full water right. The dairy appears to have ample water available to accommodate the animals and permit capacity for this facility.

Tract 9 – 800 N Heifer Facilities (Notch Butte Heifer Ranch)

This heifer facility has two decreed water permits and licenses for a total diversion rate of .2 cfs and total annual volume of 51 acre feet. The licenses are a combined right with two points of diversion with the wells located in T6SR16E, SESE, Section 36 of Lincoln County.

Decreed Date: 5/31/2002

Water Right No.	Diversion cfs	Volume Acre Feet	Use	Priority Date
37-8908	.2	46.8	Stock Water	6/23/1952
37-8909	.02	4.2	Commercial	3/15/1974
Total Diversion	.2	51		

Annual Water Use and Well Reports:

	Annual Diversion Acre feet	Reporting Year			
		2003	2004	2005	Average Diversion Acre feet
Reported Volume		8.6	32.3	32.6	24.5
Difference	51	42.4	18.7	18.4	26.5

Summary

The calf ranch has a total annual diversion of 51.0 acre feet. This facility appears to have more than adequate water at its current capacity. They have diverted 64.0% of the appropriated water for the 2004 and 2005 operating years.

Exhibit B

Permitted Liens

1. Taxes for 2011 and subsequent years, a lien, but not yet due or payable.
2. Assessments of the North Side Canal Company and the rights and powers of said Company as by law provided. (Assessments Paid Current)
3. Assessments of the North Side Pumping Company and the rights and powers of said Company as by law provided. (Assessments Paid Current)
4. Right of way for canals, laterals and waste ditches of the North Side Canal Company, Ltd.
5. Right of way for roads, canals, laterals and waste ditches as contained in an Agreement by and between the State of Idaho, and the Twin Falls North Side Land and Water Company, dated August 21, 1907, recorded in Book 15 Page 589, Jerome County records.

PARCEL NO. 1:

6. Underground Power Line Easement given by Reliance Credit Corporation, to Idaho Power Company, a corporation, dated December 11, 1972, recorded April 5, 1973 in Book 184 Page 712 as Instrument Number 199467, Jerome County records, affecting the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 2, Township 9 South, Range 16, East Boise Meridian. (Parcel No. 1)
7. Underground Power Line Easement given by Reliance Corp. to Idaho Power Company, a corporation, dated February 15, 1973, recorded April 5, 1973 in Book 184 Page 719 as Instrument Number 199474, Jerome County records, affecting the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 2, Township 9 South, Range 16, East Boise Meridian. (Parcel No. 1)
8. Power Line Easement given by Holstein Farms, Marcus B. Peperzak, President, and S. M. Frank, Secretary, to Idaho Power Company, a corporation, dated September 16, 1977, recorded February 21, 1978 in Book 184 Page 1627 as Instrument Number 231310, Jerome County records, affecting a portion of the E $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, Township 9 South, Range 16, East Boise Meridian. (Parcel No. 1)
9. Order of the North Snake Ground Water District (Aardema Dairies - owner) dated June 18, 2002, recorded July 18, 2002 as Instrument Number 2023779, Jerome County records. (Parcel No. 1)
10. Easement given by Aardema Farms Limited Partnership, Grantor, to the Jerome Highway District and its successors and assigns, dated May 3, 2005, recorded June 30, 2005 as Instrument Number 2053488, Jerome County records, affecting a portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, Township 9 South, Range 16, East Boise Meridian. (Parcel No. 1)

11. Agriculture Site Zoning Permit for an Agricultural Shop executed by Don Aardema recorded October 2, 2006 as Instrument Number 2066055, Jerome County records. (Parcel No. 1)

PARCEL NO. 2, 3 AND 4:

12. Agreement regarding a system of ditches by and between Lewis E. McMahon and Twin Falls North Side Land and Water Company, dated October 14, 1911, recorded October 24, 1911 as Instrument Number 24086, Gooding County records, affecting the SW $\frac{1}{4}$ /SE $\frac{1}{4}$ and Lot 5 in Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
13. Terms and conditions of Warranty Deed given by A. S. Henson and Walter T. Ivy, the duly appointed and qualified, acting executors of the Last Will and Testament of Jas. H. Mays, deceased, to Frank A. Reid, dated July 16, 1928, recorded July 16, 1928 in Book 22 Deeds, Page 162, as Instrument Number 46459, Gooding County records. Said terms are for water, road right of ways, electric transmission lines, and pipe or flume lines. (Parcel No. 4)
14. Transmission Line Easement given by Idaho Farms Company, a corporation, to Idaho Power Company, dated May 17, 1937, recorded May 29, 1937 in Book 4 Page 171 as Instrument Number 67794, Gooding County records, affecting a portion of the SW $\frac{1}{4}$ /SE $\frac{1}{4}$, SE $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 3 and the SW $\frac{1}{4}$ /SW $\frac{1}{4}$, SE $\frac{1}{4}$ /SW $\frac{1}{4}$ of Section 2, both in Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
15. Transmission Line Easement given by Ida Owen Mays to Idaho Power Company, dated August 21, 1937, recorded August 26, 1937 in Book 4 Page 194 as Instrument Number 68410, Gooding County records, affecting a portion of the SW $\frac{1}{4}$ /SE $\frac{1}{4}$, Lots 5 and 6 in Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
16. Power Line Easement given by James R. Stringham and Joy Stringham, husband and wife, to Idaho Power Company, a corporation, dated May 12, 1953, recorded May 29, 1953 in Book 7 Page 226 as Instrument Number 121466, Gooding County records, affecting Sections 1 and 2 of Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 2 and 3)
17. Power Line Easement given by Ray Armstrong and Ethel Armstrong, husband and wife, to Idaho Power Company, dated April 22, 1953, recorded May 29, 1953 as Instrument Number 121467, Gooding County records, affecting the SE $\frac{1}{4}$ /NW $\frac{1}{4}$ of Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
18. Power Line Easement given by Florina E. Schmidt, a widow, to Idaho Power Company, a corporation, dated March 10, 1953, recorded May 29, 1953 as Instrument Number 121468, Gooding County records, affecting Lot 3 in Section 2, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 2)
19. Power Line Easement given by R. A. Armstrong and Ethel Armstrong, husband and wife, to Idaho Power Company, dated February 17, 1954, recorded March 19, 1955 in Book 7

Page 392 as Instrument Number 126754, Gooding County records, affecting the SW $\frac{1}{4}$ of Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)

20. Power Line Easement given by James R. Stringham and Joy K. Stringham, husband and wife, to Idaho Power Company, dated May 8, 1955, recorded September 7, 1956 in Book 7 Page 503 as Instrument Number 130737, Gooding County records, affecting the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
21. Power Line Easement given by Riviera Rentals Corporation, to Idaho Power Company, dated April 2, 1969, recorded May 16, 1969 as Instrument Number 28757, Gooding County records, affecting the S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ and a portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2; E $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3; Lot 1, 2 and 3 of Section 11, all in Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
22. Power Line Easement given by Helmut Moss, to Idaho Power Company, a corporation, dated November 4, 1971, recorded August 4, 1972 as Instrument Number 41414, Gooding County records, affecting the W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 3)
23. Power Line Easement given by Don Aardema and Kristy Aardema to Idaho Power Company, a corporation, dated September 20, 1996, recorded November 26, 1996 as Instrument Number 167741, Gooding County records, affecting a parcel of land located in Government Lot 4 of Section 2, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 3)
24. Power Line Easement given by Donald J. Aardema and Evelyn Aardema to Idaho Power Company, a corporation, dated September 26, 1996, recorded December 6, 1996 as Instrument Number 168856, Gooding County records, affecting the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 4)
25. Power Line Easement given by Donald J. Aardema and Evelyn Aardema to Idaho Power Company, a corporation, dated September 26, 1996, recorded December 6, 1996 as Instrument Number 168857, Gooding County records, affecting the W $\frac{1}{2}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 4)
26. Power Line Easement given by Donald T. Aardema to Idaho Power Company, a corporation, dated March 22, 1997, recorded August 29, 1997 as Instrument Number 172173, Gooding County records, affecting a parcel of land in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 2, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 3)
27. Order of the Board of Directors of the North Snake Ground Water District filed July 18, 2002 as Instrument Number 196111, Gooding County records. (AARDEMA DAIRIES) (Parcel No. 3 and 4)

PARCEL NO. 5:

28. Power Line Easement given by Richard H. Waite and Joy Lou Waite, husband and wife, to Idaho Power Company, a corporation, dated December 21, 1966, recorded May 2, 1967 in Book 184 Page 117 as Instrument Number 172034, Jerome County records, affecting the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 25, Township 8 South, Range 16 East, Boise Meridian. (Parcel No. 5)
29. Power Line Easement given by Lloyd H. Miller and Donnette Miller, his wife, to Idaho Power Company, a corporation, dated December 17, 1976, recorded February 16, 1977 in Book 184 Misc., Page 1388, as Instrument Number 223105, Jerome County records, affecting the West 100 feet of the SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 25, Township 8 South, Range 16 East, Boise Meridian. (Parcel No. 5)
30. Easement given by Norman R. Eakin and Kathleen M. Eakin, husband and wife, Grantors, to Eugene Hite and Sylvia Hite, husband and wife, and Gerald J. Hite and Dolly J. Hite, husband and wife, Grantees, dated November 4, 1982, recorded December 2, 1982 as Instrument Number 269272, Jerome County records. (Parcel No. 5)
31. Subject to a 25.0 foot wide county road easement along the Westerly boundary of the of Parcel No. 5 and subject to an easement to the Northside Canal Company for the use and maintenance of the canal along the East boundary of Parcel No. 5 as disclosed in Warranty Deed recorded March 17, 1997 as Instrument Number 970957 Jerome County records. (Parcel No. 5)

PARCEL NO. 6:

None

PARCEL NO. 7:

32. Order of the North Snake Ground Water District (Aardema Dairies - owner) dated June 18, 2002, recorded July 18, 2002 as Instrument Number 2023779, Jerome County records. (Parcel No. 7)

PARCEL NO. 8:

33. Power Line Easement given by Elsie Sonnichsen to Idaho Power Company, a corporation, dated February 5, 1941, recorded September 4, 1941 in Book 120 Page 363 as Instrument Number 81351, Jerome County records, affecting the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, Township 9 South, Range 16 East, Boise Meridian. (Parcel No. 8)
34. Power Line Easement given by Elsie Sonnichsen, a widow, to Idaho Power Company, a corporation, dated October 20, 1977, recorded January 26, 1978 in Book 184 Page 1595 as Instrument Number 230666, Jerome County records, affecting the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, Township 9 South, Range 16 East, Boise Meridian. (Parcel No. 8)

PARCEL NO. 9:

35. Terms and conditions of Agreement by and between Don Aardema and Evelyn Aardema, husband and wife, and Bart Patterson and Kristi Patterson, husband and wife, dated August 26, 2003, recorded December 9, 2005 as Instrument Number 2056882, Jerome County records, pertaining to irrigation pivot. (Parcel No. 9)

PARCEL NO. 10 AND 11:

36. Transmission Line Easement given by R. E. Shepherd and ___, his wife, to Idaho Power Company, a corporation, dated May 17, 1937, recorded May 20, 1937 as Instrument Number 67672, Gooding County records, affecting the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 4 and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 3, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 10)
37. Power Line Easement given by R. E. Shepherd and ___, his wife, to Idaho Power Company, a corporation, dated February 6, 1941, recorded May 12, 1941 as Instrument Number 81992, Gooding County records, affecting W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 3, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 10)
38. Power Line Easement given by Jerry Callen, a single man, to Idaho Power Company, a corporation, dated August 18, 1949, recorded March 8, 1950 as Instrument Number 111121, Gooding County records, affecting NE $\frac{1}{4}$ NE $\frac{1}{4}$ (Lot 1) Section 4, Township 9 South, Range 15 East Boise Meridian and Lot 3 of Section 3, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 10)
39. Easement in favor of The Mountain States Telephone and Telegraph Company dated February 3, 1954, recorded February 7, 1955 as Instrument Number 126364, Gooding County records, affecting Section 3 and Section 4, Township 9 South, Range 15 East, Boise Meridian. (Parcel No. 10 and 11)

PARCEL NO. 12:

40. Power Line Easement given by Ted Peterson and Lois Peterson, husband and wife, to Idaho Power Company, a corporation, dated February 15, 1985, recorded July 12, 1985 as Instrument Number 291460, Jerome County records, affecting a portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 26, Township 8 South, Range 16, East Boise Meridian. (Parcel No. 12)

PARCEL NO. 13:

41. Transmission Line Easement given by Josiah Note, a single man, Grantor, to Idaho Power Company, Grantee, dated May 24, 1937, recorded May 29, 1937 in Book 4 Page 170 as Instrument Number 67793, Gooding County records, affecting a portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ and NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 3, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 13)
42. Power Line Easement given by Josiah Note and his wife, Grantors, to Idaho Power Company, a corporation, Grantee, dated February 6, 1941, recorded November 12, 1941

in Book 5 Page 33 as Instrument Number 81993, Gooding County records, affecting Lot 2, Section 3, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 13)

43. Power Line Easement given by Ed Bowman and Bette Bowman, husband and wife, Grantors, to Idaho Power Company, a corporation, Grantee, dated September 3, 1971, recorded November 15, 1971 as Instrument Number 37710, Gooding County records, affecting the NW $\frac{1}{4}$ /NW $\frac{1}{4}$ /NW $\frac{1}{4}$ /NE $\frac{1}{4}$ of Section 3, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 13)

PARCEL NO. 14, 15, 16, 17 AND 18:

44. Easement for relocated of irrigation and drainage ditches necessary for the proper construction of the Highway, granted to the State of Idaho by Instrument dated December 4, 1933, filed December 6, 1933 and recorded in Book 102, Page 472, Jerome County records. (Parcel No. 17 and 18)
45. Easement contained in Quitclaim Deed from Flora Frances Deahl, unmarried, to the State of Idaho, dated June 1, 1934, recorded June 8, 1934 in Book 100 Page 207 as Instrument Number 57073, Jerome County records, affecting the SE $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 8, and the S $\frac{1}{4}$ /SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 9 all in Township 7 South, Range 17, East Boise Meridian. (Parcel No. 14 and 15)
46. Easement and Right of Way Contract given by Clida Schwartz, a widow, to Intermountain Gas Company, dated July 6, 1965, recorded October 7, 1965 in Book 168 Page 545 as Instrument Number 165476, Jerome County records, affecting a 50 foot strip located in the NW $\frac{1}{4}$ of Section 10, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 15)
47. Easement and Right of Way Contract given by Fred A. Schwartz and Gwynne D. Schwartz, husband and wife, and Kenneth W. Marshall and Helen L. Marshall, husband and wife, to Intermountain Gas Company, dated July 6, 1965, recorded November 15, 1965 in Book 168 Page 554 as Instrument Number 165790, Jerome County records, affecting a 50 foot strip located in the SW $\frac{1}{4}$ of Section 10, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 15)
48. Easement for power line over the NE $\frac{1}{4}$ /NW $\frac{1}{4}$ of Section 15, Township 7 South, Range 17 East, Boise Meridian, together with the right of ingress and egress, and the right to trim trees, granted to the Idaho Power Company by Instrument Number 124946, dated April 26, 1954, filed February 23, 1955 and recorded in Book 2 of Orders, page 102, Jerome County records. (Parcel No. 18)
49. Easement for Power Line with right of ingress and egress and the Right to trim trees, over the SE $\frac{1}{4}$ /SE $\frac{1}{4}$ /SE $\frac{1}{4}$ /SW $\frac{1}{4}$ and SW $\frac{1}{4}$ /SW $\frac{1}{4}$ /SW $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 10, Township 7 South, Range 17 East Boise Meridian, granted to the Idaho Power Company by Instrument dated December 10, 1969, recorded March 19, 1970 under Instrument Number 184133 in Book 184 of Miscellaneous, Page 341, Jerome County records. (Parcel No. 17)

50. Right of Way Option given by Dannis M. Adamson and Warren M. Adamson, to Pacific Power & Light Company, a corporation, dated June 3, 1975, recorded June 5, 1975 in Book 184 Page 1073 as Instrument Number 212448, Jerome County records, affecting an easement for right of way 175 feet in width located in Section 10, Township 7 South, Range 17, East Boise Meridian. AGREEMENT TO EXTEND OPTION dated May 26, 1976, recorded May 27, 1976 in Book 184 Page 1272 as Instrument Number 218814, Jerome County records. (Parcel No. 15 and 16)
51. Power Line Easement given by D.W.J. Model Farms, Inc., Warren Adamson and Louise Adamson, to Idaho Power Company, a corporation, dated August 24, 1976, recorded February 16, 1977 in Book 184 Page 1390 as Instrument Number 223107, Jerome County records, affecting the SE $\frac{1}{4}$ /SE $\frac{1}{4}$ of Section 9, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 15 and 16)
52. Right of Way Easement given by D.J.W. Model Farms Inc., to Pacific Power & Light Company, a corporation, dated January 14, 1977, recorded March 7, 1977 in Book 184 Page 1398 as Instrument Number 223423, Jerome County records, affecting the N $\frac{1}{4}$ /NW $\frac{1}{4}$ /NW $\frac{1}{4}$ of Section 10, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 15 and 16)
53. Well Agreement between Farm Credit Bank of Spokane, a corporation, and Donald F. Thibault and Phyllis N. Thibault, husband and wife, dated May 17, 1989, recorded May 17, 1989 as Instrument Number 315941, Jerome County records. (Parcel No. 15 and 16)
54. Easement and Scale Use Agreement between Farm Credit Bank of Spokane, a corporation, and Donald F. Thibault and Phyllis N. Thibault, husband and wife, dated May 17, 1989, recorded May 17, 1989 as Instrument Number 315942, Jerome County records. (Parcel No. 15 and 16)
55. Subject to the Westerly 25.00 feet for access easement as contained in Warranty Deed dated May 11, 1989, recorded May 17, 1989 as Instrument Number 315943, Jerome County records. (Parcel No. 16)
56. Conditions pertaining to an undivided one-half interest in a domestic well and easement for the purposes of delivery of water and subject to conditions of easements and excepting and reserving to Seller all mineral and royalty rights, interest, estates and titles heretofore acquired, reserved or excepted by Seller prior to January 22, 1986 contained in Warranty Deed given by Farm Credit Bank of Spokane, successor by merger to The Federal Land Bank of Spokane, to Donald F. Thibault, dated May 11, 1989, recorded May 17, 1989 as Instrument Number 315943, Jerome County records. (Parcel No. 16)
57. Subject to conditions of easements and excepting and reserving to Seller all mineral and royalty rights, interest, estates and titles heretofore acquired, reserved or excepted by Seller prior to January 22, 1986 contained in Memorandum of Real Estate Contract recorded May 18, 1989 as Instrument Number 315952, Jerome County records. (Parcel No. 15)

58. Grant of Easement by and between Max O. Suter and Shirley Suter, husband and wife, and Randy Suter and Cheri Suter, husband and wife, tenants in common, Grantors, and Frank O. Fish and Bobbie C. Fish, husband and wife, Grantees, dated December 30, 1997, recorded December 30, 1997 as Instrument Number 975892, Jerome County records. (Parcel No. 17 and 18)
59. Power Line Easement given by Lane M. Franco and Fatima M. Franco to Idaho Power Company, a corporation, dated July 8, 1997, recorded January 29, 1998 as Instrument Number 980420, Jerome County records, affecting a parcel of land in the SE $\frac{1}{4}$ Section 9, Township 7 South, Range 17 East Boise Meridian. (Parcels No. 14 thru 18)
60. Power Line Easement given by Lane Franco and Fatima Franco, husband and wife to Idaho Power Company, a corporation, dated March 31, 1999, recorded August 30, 1999 as Instrument Number 994481, Jerome County records, affecting a strip of land being 35 feet in width situated in Section 9, Township 7 South, Range 17 East Boise Meridian. (Parcels No. 14 thru 18)
61. Grant of Easement given by Frank O. Fish and Bobbie C. Fish, husband and wife to Lane M. Franco and Fatima M. Franco, husband and wife, dated June 27, 2001, recorded June 28, 2001 as Instrument Number 2012971, Jerome County records, granting an easement for the purpose of ingress and egress and for the purpose of maintaining a buried irrigation mainline and subject to the following condition: Grantees will keep the buried irrigation mainline in a good condition and repair so as to prevent leaks. (Parcels No. 14 thru 18)
62. Order of The Board of Directors of the North Snake Ground Water District on the Petitions for Annexation of Land and Facilities into the North Snake Ground Water District, dated June 18, 2002, recorded July 18, 2002 as Instrument Number 2023779, Jerome County records. (Franco Dairy) (Parcels No. 14 thru 18)
63. Power Line Easement given by Lane M. Franco and Fatima M. Franco, husband and wife to Idaho Power Company, a corporation, dated April 25, 2003, recorded June 19, 2003 as Instrument Number 2033700, Jerome County records, affecting a strip of land 100 feet in width and being 50.0 on each side of a centerline located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 10, Township 7 South, Range 17 East Boise Meridian. (Parcel No. 15)

PARCEL NO. 19:

64. Easement contained in Right of Way Deed from North Side Pumping Company, a corporation of Jerome Idaho, to the State of Idaho, dated November 22, 1932, recorded February 24, 1933 in Book 102 Page 389 as Instrument Number 52318, Jerome County records, affecting a portion of SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10 and a portion SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11, Township 7 South, Range 17 East, Boise Meridian. (Parcel No. 19)
65. Power Line Easement in favor of Idaho Power Company, a corporation, recorded May 19, 1976 in Book 184, Page 1259 as Instrument Number 218639, Jerome County records, affecting the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10, Township 7 South, Range 17 East, Boise Meridian. (Parcel No. 19)

PARCEL NO. 20:

66. Power Line Easement given by W.E. McMaster and Ethel McMaster, husband and wife to Idaho Power Company, a corporation, dated February 13, 1941, recorded November 12, 1941 as Instrument Number 81985, Gooding County records, granting to said corporation, a right of way and easement for erection and maintenance of an electric transmission line over and across the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 34, Township 8 South, Range 15, East Boise Meridian. (Parcel No. 20)
67. Power Line Easement given by J.A. McEwen and Inez Puckett McEwen, husband and wife to Idaho Power Company, a corporation, dated October 26, 1949, recorded June 12, 1950 as Instrument Number 112192, Gooding County records, granting to said corporation a right of way and easement for erection and maintenance of an electric transmission line over and across the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, Township 8 South, Range 15, East Boise Meridian. (Parcel No. 20)
68. Power Line Easement given by Sigmund S. Reinke and Henrietta Reinke, husband and wife, to Idaho Power Company, a corporation, dated April 29, 1952, recorded February 4, 1954 as Instrument Number 123381, Gooding County records, granting to said corporation a right of way and easement for erection and maintenance of an electric transmission line over and across the W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 36, Township 8 South, Range 15, East Boise Meridian. (Parcel No. 20)
69. Power Line Easement given by Ernest E. France and Vern France to Idaho Power Company, a corporation, dated March 22, 1973, recorded June 21, 1973 as Instrument Number 45939, Gooding County records, granting to said corporation a right of way and easement for erection and maintenance of an electric transmission line over and across the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 31, Township 8 South, Range 16, East Boise Meridian. (Parcel No. 20)
70. Power Line Easement given by Peter Janss-Pres. and Allison Janss-Sec. to Idaho Power Company, a corporation, dated July 8, 1980, recorded January 7, 1981 as Instrument Number 87130, Gooding County records, affecting a parcel of land in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ in Section 31, Township 8 South, Range 16, East Boise Meridian, Gooding County, Idaho. (Parcel No. 20)
71. Easement by and between Janss Farms, Inc., an Idaho corporation, Grantors, and Wendell Highway District and its successors and assigns, dated February 13, 1984, recorded April 2, 1984 as Instrument Number 107237, Gooding County records. (Parcel No. 20)

PARCEL NO. 21, 22, 23 AND 24:

72. Power Line Easement given by William Reuben Sauer and Ella Sauer, husband and wife, to Idaho Power Company, a corporation, dated January 24, 1979, recorded January 25, 1979 in Book 184 Page 1795 as Instrument Number 238886, Jerome County records, affecting a portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, all in Township 7 South, Range 17 East, Boise Meridian. (Parcel No. 21)

73. Power Line Easement given by John R. Marshall and Marjorie Louise Marshall, husband and wife, to Idaho Power Company, a corporation, dated April 10, 1962, recorded May 15, 1962 in Book 168 Page 175 as Instrument Number 150603, Jerome County records, affecting the SW¹/₄SE¹/₄ and the SE¹/₄SE¹/₄ of Section 14, and the NE¹/₄NE¹/₄ of Section 23, all in Township 7 South, Range 17, East Boise Meridian. (Parcel No. 22)
74. Power Line Easement given by James J. Marshall and Shirley M. Marshall, husband and wife, to Idaho Power Company, a corporation, dated March 23, 1965, recorded August 16, 1965 in Book 168 Page 516 as Instrument Number 164945, Jerome County records, affecting the SE¹/₄SW¹/₄ of Section 14, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 22)
75. Reservation for right of way for a Federal Aid Highway contained in Patent dated December 3, 1965, recorded December 7, 1965 in Book 181 Page 78 as Instrument Number 166107, Jerome County records. (Parcel No. 22)
76. Reservation for transmission line right of way and right of way for a Federal Aid Highway contained in Patent dated February 18, 1964, recorded February 7, 1966 in Book 182 Page 50 as Instrument Number 166804, Jerome County records. (Parcel No. 22)
77. Reservation for transmission line right of way and right of way for a Federal Aid Highway contained in Patent dated November 21, 1969, recorded January 6, 1970 in Book 182 Page 1611 as Instrument Number 183473, Jerome County records. (Parcel No. 22)
78. Power Line Easement given by James J. Marshall and Shirley Marshall, husband and wife, to Idaho Power Company, a corporation, dated August 14, 1974, recorded January 28, 1975 in Book 184 Page 994 as Instrument Number 209747, Jerome County records, affecting the NE¹/₄NW¹/₄ of Section 23, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 22)
79. Power Line Easement given by Byron O. Belmont and Marcia A. Belmont, husband and wife, James R. O'Brien and Jennie O'Brien, husband and wife, and Robert Kennedy and Janet Kennedy, husband and wife, to Idaho Power Company, a corporation, dated January 25, 1979, recorded January 25, 1979 in Book 184 Page 1794 as Instrument Number 238885, Jerome County records, affecting the W¹/₂W¹/₂ of Section 23 and the W¹/₂SW¹/₄ of Section 14, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 22)
80. Power Line Easement given by Byron O. Belmont, Robert F. Kennedy and James R. O'Brien, Partners, to Idaho Power Company, a corporation, dated February 6, 1980, recorded November 5, 1980 as Instrument Number 253281, Jerome County records, affecting a portion of the NE¹/₄NW¹/₄ of Section 23, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 22)
81. Conditions and restrictions as to easements of access, ingress or egress for vehicular travel between the E¹/₂W¹/₂ of Section 23 and the E¹/₂SW¹/₄ and the SE¹/₄NW¹/₄ of Section

14, Township 7 South, Range 27 East, Boise Meridian and restrictions as to buildings and structures next to right of way contained in Quitclaim Deed from Robert F. Kennedy and Janet E. Kennedy, husband and wife; James R. O'Brien and Jennie A. O'Brien, husband and wife, and Byron Belmont, to the State of Idaho, acting by and through its Idaho Transportation Board for the Division of Highways, dated September 21, 1984, recorded February 4, 1986 as Instrument Number 295658, Jerome County records, and also in Quitclaim Deed recorded February 4, 1986 as Instrument Number 295659, Jerome County records, and Quitclaim Deed recorded February 4, 1986 as Instrument Number 295660, Jerome County records. (Parcel No. 22)

82. Well Agreement by and between Notch Butte Dairy, LLC, and LaVern and Ella May Jorgenson, husband and wife, dated December 29, 2000 and recorded January 2, 2001 as Instrument Number 2010025, Jerome County records. (Parcel No. 22)
83. Reserving unto the Grantors, Notch Butte Dairy, LLC, right of ingress and egress over and across a 20 feet wide access easement as disclosed in Warranty Deed dated October 28, 2003, recorded October 28, 2003 as Instrument Number 2036877, Jerome County records. (Parcel No. 22)
84. Conditions contained in Right of Way Deed given by Twin Falls North Side Investment Company, to the State of Idaho, dated March 2, 1936, recorded March 14, 1936 in Book 107 Page 402 as Instrument Number 62532, Jerome County records, wherein there is granted hereby an easement adjacent to the highway right of way located in a portion of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, Township 7 South, Range 17, East Boise Meridian, for relocation of all irrigation and/or drainage ditches and structures now located on such right of way and such surface drain ditches as may be necessary to the proper construction of the highway. (Parcel No. 23 and 24)
85. Conditions contained in Right of Way Deed given by Twin Falls North Side Investment Company, to the State of Idaho, dated March 2, 1936, recorded March 14, 1936 in Book 107 Page 403 as Instrument Number 62533, Jerome County records, wherein there is granted hereby an easement adjacent to the highway right of way located in a portion of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 14, Township 7 South, Range 17, East Boise Meridian, for relocation of all irrigation and/or drainage ditches and structures now located on such right of way and such surface drain ditches as may be necessary to the proper construction of the highway. (Parcel No. 23 and 24)
86. Conditions contained in Right of Way Deed given by Twin Falls North Side Investment Company, to the State of Idaho, dated March 2, 1936, recorded March 14, 1936 in Book 107 Page 404 as Instrument Number 62534, Jerome County records, wherein there is granted hereby an easement adjacent to the highway right of way located in a portion of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 11, Township 7 South, Range 17, East Boise Meridian, for relocation of all irrigation and/or drainage and structures now located on such right of way and such surface drain ditches as may be necessary to the proper construction of the highway. (Parcel No 23 and 24)

87. Power Line Easement given by Chas. W. Barlow and Hester C. Barlow, husband and wife, to Idaho power Company, a corporation, dated August 4, 1943, recorded June 2, 1944 in Book 128 Page 354, as Instrument Number 90045, Jerome County records, granting to said corporation a right of way and easement for erection and maintenance of an electric transmission line over and across the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 14, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
88. Power Line Easement given by Leo Nancolas and Alberta Nancolas, husband and wife, to Idaho Power Company, a corporation, dated March 5, 1962, recorded May 15, 1962 in Book 168 Page 173 as Instrument Number 150600, Jerome County records, affecting the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
89. Power Line Easement given by Leo Nancolas and Alberta Nancolas, husband and wife, to Idaho Power Company, a corporation, dated May 1, 1962, recorded March 19, 1963 in Book 168 Page 236 as Instrument Number 153918, Jerome County records, affecting the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
90. Terms and conditions of an Agreement by and between Keith Johansen and Barbara Johansen, husband and wife, Richard Van Dylk and Marie Van Dylk, husband and wife, Edward Meyers and Helen R. Meyers, husband and wife, and R. M. Thackeray and Charlotte E. Thackeray, husband and wife, dated June 5, 1980, recorded June 5, 1980 as Instrument Number 250375, Jerome County records, pertaining to the replacement and maintenance of a water delivery system. (Parcel No. 23 and 24)
91. Power Line Easement given by Arthur B. Crouch and Catherine F. Crouch, and Arlen B. Crouch, managing partner, to Idaho Power Company, a corporation, dated December 3, 1973, and recorded November 20, 1975 as Instrument Number 215158 in Book 184 Page 1176, Jerome County records, granting to said corporation a right of way and easement for erection and maintenance of an electric transmission line over and across the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section Township 7 South, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
92. Terms and conditions of License Agreement between Northeast Farm Company, a corporation, as Licensor, and Northside Ranch Company, a partnership of which Arlen B. Crouch, Arthur Ben Crouch, Joseph F. Tittle, Richard Dean Bubak, Fay L. Evans, Vaun Barber, John R. Overturf, Ester T. Robison, Richard G. Thomas, Howard B. Morgan, Robert F. Bitner, Millen C. Clawson and Ray E. Sessions, profit and pension, partners, as Licensee, dated January __, 1976, and recorded February 17, 1976 as Instrument Number 216533 in Book 189 Page 775, Jerome County records, pertaining to draining waste irrigation water from the land owned by the Licensee located in the S $\frac{1}{2}$ NW $\frac{1}{4}$ and the N $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 13 and the S $\frac{1}{2}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 14, all in Township 7 South, Range 17 East Boise Meridian, on to the land of the Licensor located in the N $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 13 and the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 14, Township 7 South, Range 17 East of the Boise Meridian, Jerome County, Idaho. (Parcel No. No. 23 and 24)

93. Power Line Easement given by Northside Ranch, Arland L. Larsen, partner, and Arlen B. Crouch, partner, to Idaho Power Company, a corporation, dated January 15, 1981, recorded August 11, 1981 as Instrument Number 259587, Jerome County records, affecting a portion of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
94. Terms, conditions and provisions contained in Warranty Deed recorded January 15, 1985 as Instrument Number 287166, Jerome County records; in Quitclaim Deed recorded January 15, 1985 as Instrument Number 287167, Jerome County records; and in Warranty Deeds recorded March 19, 1985 as Instrument Numbers 288549, 288550 and 288551, Jerome County records, all in favor of the State of Idaho, affecting a portion of Section 14, Township 7 Range 17, East Boise Meridian and a portion of Section 11, Township 7, Range 17, East Boise Meridian. (Parcel No. 23 and 24)
95. Right-of-Way Easement by and between Arlen B. Crouch, Grantor, and The Mountain States Telephone and Telegraph Company, a Colorado corporation, Grantee, dated July 19, 1985, recorded January 30, 1986 as Instrument Number 295580, Jerome County records, affecting Section 14, Township 7 South, Range 14, East Boise Meridian. (Parcel No. 23 and 24)
96. Agreement between Double A Dairy, a partnership, and John R. and Louise Marshall, husband and wife, and Steven and Mary Marshall, husband and wife, dated May 16, 2005, recorded January 26, 2006 as Instrument Number 2060494, Jerome County records. (Parcel No. 21 thru 24)

PARCEL NO. 25 AND 26:

97. Power Line Easement given by Enoch Wall and Ethel Wall, husband and wife, to Idaho Power Company, a corporation, dated October 18, 1955, recorded October 31, 1957 as Instrument Number 106716, Lincoln County records, affecting the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 25 and 26)
98. Power Line Easement given by George M. Likeness and Mary E. Likeness, husband and wife, to Idaho Power Company, a corporation, dated November 7, 1961, recorded August 20, 1962 as Instrument Number 113087, Lincoln County records, affecting the NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 25 and 26)
99. Underground Power Line Easement given by Milford D. Jones and Hazel H. Jones, husband and wife, to Idaho Power Company, a corporation, dated March 20, 1975, recorded February 18, 1976 as Instrument Number 131215, Lincoln County records, affecting a portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$, part of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ and part of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 25 and 26)
100. Underground Power Line Easement given by Curtis W. Perkins and Marilyn A. Perkins, husband and wife, to Idaho Power Company, a corporation, dated February 4, 1975, recorded February 18, 1976 as Instrument Number 131216, Lincoln County records,

affecting a portion of the SW¹/₄SW¹/₄SW¹/₄, part of the NW¹/₄SW¹/₄SW¹/₄ and part of the SE¹/₄SW¹/₄NW¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 25 and 26)

101. Power Line Easement given by Mike Aardema, to Idaho Power Company, a corporation, dated August 14, 2000, recorded August 25, 2000 as Instrument Number 169148, Lincoln County records, affecting a parcel of land located in the SE¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17 East of the Boise Meridian. (Parcel No. 25 and 26)
102. Power Line Easement given by Mike Aardema, to Idaho Power Company, a corporation, dated August 14, 2000, recorded August 25, 2000 as Instrument Number 169149, Lincoln County records, affecting a parcel of land located in the SE¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17 East of the Boise Meridian. (Parcel No. 25 and 26)
103. Power Line Easement given by Mike Aardema, to Idaho Power Company, a corporation, dated November 22, 2000, recorded June 26, 2001 as Instrument Number 170722, Lincoln County records, affecting a parcel of land located in the SE¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17 East of the Boise Meridian. (Parcel No. 25 and 26)
104. Power Line Easement given by Mike Aardema to Idaho Power Company, a corporation, dated November 8, 2002, recorded January 23, 2003 as Instrument Number 174119, Lincoln County records, affecting a parcel of land located in the NW¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17 East Boise Meridian. (Parcel No. 25 and 26)
105. Order of the Board of Directors of the North Snake Ground Water District dated December 7, 2004, recorded December 13, 2004 as Instrument No. 177948, Lincoln County records. (Double A Dairy) (Parcel No. 25 and 26)

PARCEL NO. 27:

106. Power Line Easement given by Helmut Moss, a bachelor, to Idaho Power Company, a corporation, dated February 9, 1972, recorded January 29, 1973 as Instrument Number 43785, Gooding County records, affecting a portion of Section 1, Township 9 South, Range 15, East Boise Meridian. (Parcel No. 27)

PARCEL NO. 28:

107. Power Line Easement given by Enoch Wall and Ethel Wall, husband and wife, to Idaho Power Company, a corporation, dated October 18, 1955, recorded October 31, 1957 as Instrument Number 106716, Lincoln County records, affecting the NW¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 28)
108. Power Line Easement given by George M Likeness and Mary E. Likeness, husband and wife, to Idaho Power Company, a corporation, dated November 7, 1961, recorded August 20, 1962 as Instrument Number 113087, Lincoln County records, affecting the NW¹/₄NW¹/₄, SW¹/₄NW¹/₄ and NW¹/₄SW¹/₄ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 28)

109. Underground Power Line Easement given by Milford D. Jones and Hazel H. Jones, husband and wife, to Idaho Power Company, a corporation, dated May 31, 1974, recorded April 2, 1975 as Instrument Number 129938, Lincoln County records, affecting the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 32, Township 6 South, Range 17, East Boise Meridian. (Parcel No. 28)
110. Right of Way Easement given by Curtis Perkins and Marilyn Perkins, Grantor, to Pacific Power & Light Company, a corporation, Grantee, dated September 5, 1978, recorded November 6, 1978 in Book 184 Page 1740 as Instrument Number 237206, Jerome County records, affecting a portion of the N $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, Township 7 South, Range 17, East Boise Meridian. (Parcel No. 28)

PARCELS NO. 1 THROUGH 28:

111. Mortgage, Security Agreement and Assignment of Rents to secure an indebtedness of \$76,000,000.00.
- Recorded: June 15, 2007, as Instrument No. 2073611, Jerome County records.
June 15, 2007, as Instrument No. 222037, Gooding County records.
June 15, 2007, as Instrument No. 183300, Lincoln County records.
- Dated: June 14, 2007
- Mortgagor: Aardema Farms Limited Partnership, an Idaho limited partnership;
Double A Dairy, an Idaho general partnership; Notch Butte Farms, LLC, an Idaho limited liability company; and Aardema Dairy, an Idaho general partnership
- Mortgagee: Metropolitan Life Insurance Company

(Covers Parcels No. 1 through 28)

Modification and Supplement to Mortgage, Security Agreement and Assignment of Rents

Dated: December 26, 2007

Recorded: December 28, 2007 as Instrument No. 184240, Lincoln County records
December 28, 2007 as Instrument No. 224708, Gooding County records
December 28, 2007 as Instrument No. 2077687, Jerome County records

(To add Parcels No. 29 through 32)

112. Financing Statement.
- Recorded: June 18, 2007, as Instrument No. 222065, Gooding County Records

- Debtor: Aardema Dairy, Aardema Farms Limited Partnership, Double A Dairy, Notch Butte Farms LLC
- Secured Party: Metropolitan Life Insurance Company
113. Financing Statement.
Recorded: June 18, 2007, as Instrument No. 2073645, Jerome County records
- Debtor: Aardema Dairy, Aardema Farms Limited Partnership, Double A Dairy, Notch Butte Farms LLC
- Secured Party: Metropolitan Life Insurance Company
- Amendment** recorded January 7, 2008 as Instrument No. 2080104, Jerome County records.
114. Financing Statement.
Recorded: June 18, 2007, as Instrument No. 183314, Lincoln County records
- Debtor: Aardema Dairy, Aardema Farms Limited Partnership, Double A Dairy, Notch Butte Farms LLC
- Secured Party: Metropolitan Life Insurance Company
- Amendment** recorded January 7, 2008 as Instrument No. 184312, Lincoln County records.

PARCEL NO. 29 THROUGH 32

115. Right of way for canals, laterals and waste ditches of Big Wood Canal Company. (Parcels No. 29, 30 and 31)
116. Exceptions and reservations contained in Deeds from the State of Idaho, whereby mineral rights are reserved to the State, as follows:
1. Dated June 4, 1963, recorded June 25, 1963 as Instrument Number 114464, as to North 920 feet of NE $\frac{1}{4}$ /SE $\frac{1}{4}$ Section 36, Township 6 South, Range 16, East Boise Meridian.
 2. Dated June 4, 1963, recorded June 25, 1963 as Instrument Number 114465, as to NE $\frac{1}{4}$ Section 36, Township 6 South, Range 16, East Boise Meridian.
 3. Dated January 3, 1977, recorded January 8, 1977 as Instrument Number 132644, as to NW $\frac{1}{4}$ /SE $\frac{1}{4}$ South 400 feet of NE $\frac{1}{4}$ /SE $\frac{1}{4}$ and North 250 feet of S $\frac{1}{2}$ /SE $\frac{1}{4}$ Section 36, Township 6 South, Range 16, East Boise Meridian.
all records of Lincoln County, Idaho. (Parcel No. 30)
117. Rights of way for ditches, tunnels and telephone and transmission lines constructed by authority of the United States as granted to the United States under the provisions of Section 58-604 Idaho Code 1947. (Parcel No. 30)

118. Power Line Easement given by H. S. Jones et ux to Idaho Power Company, a corporation, recorded February 20, 1958 in Book 6 of Agreements at Page 12, Lincoln County records. (Parcel No. 30)
119. Power Line Easement given by Milfred Jones et ux to Idaho Power Company, a corporation, recorded July 21, 1958 in Book 6 of Agreements Page 27, Lincoln County records. (Parcel No. 30)
120. Power Line Easement given by Authur H. Sheer et ux to Idaho Power Company, a corporation, recorded July 2, 1958 in Book 6 of Agreements Page 29, Lincoln County records. (Parcel No. 30)
121. Power Line Easement given by Milfred Jones to Idaho Power Company, a corporation, recorded January 6, 1960 in Book 6 of Agreements Page 67, Lincoln County records. (Parcel No. 30)
122. Subject to a 15 foot easement along the East boundary of that portion of Lots 2, 3 and 4 owned by the Grantors in Warranty Deed given by Herbert J. Jones and Alma M. Jones, husband and wife, to Seldom Shirley and Hazel Shirley, husband and wife, dated February 13, 1957, recorded April 20, 1957 in Book 45 Deeds Page 606 as Instrument Number 106047, Lincoln County records. (Parcel No. 30)
123. Terms and conditions as contained in Easement given by Arthur H. Sheer and Gladys M. Sheer, husband and wife, parties of the first part, and H. J. Jones, the party of the second part, dated February 11, 1957, recorded December 23, 1957 in Book 6 Agreements Page 8 as Instrument Number 106996, Lincoln County records. (Parcel No. 30)
124. Agreement Regulating Water Use between Herbert J. Jones and Alma M. Jones, husband and wife, parties of the first part, and Kelvin S. Jones and Sharon Lee Jones, husband and wife, parties of the second part, dated June 15, 1973, recorded July 10, 1973 as Instrument Number 127742, Lincoln County records. (Parcel No. 30)
125. Subject to Road Right of Way Easement as contained in Warranty Deed given by Herbert J. Jones and Alma M. Jones, husband and wife, Grantors, and Kelvin S. Jones and Sharon Lee Jones, husband and wife, Grantees, dated July 9, 1973, recorded July 10, 1973 as Instrument Number 127743, Lincoln County records. (Parcel No. 30)
126. Power Line Easement given by Kelvin S. Jones and Sharon L. Jones, his wife to Idaho Power Company, a corporation, dated August 28, 1973, recorded January 3, 1974 as Instrument Number 128393, Lincoln County records, affecting a portion of the W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 6 South, Range 17 East of the Boise Meridian. (Parcel No. 30)
127. Reservation for right of way for ingress and egress and interest in a deep well and pump as contained in Agreement of Sale dated May 24, 1990, recorded May 25, 1990 as Instrument Number 154014, Lincoln County records. (Parcel No. 30)

128. Terms, conditions and easements as set forth in Warranty Deed dated January 22, 1958, recorded February 7, 1958 in Book 163, Page 137 as Instrument Number 134540, Jerome County records. (Parcel No. 31)
129. Power Line Easement given to Idaho Power Company, a corporation, dated February 21, 1953, recorded April 27, 1954 in Book 150, Page 401, as Instrument Number 122149, Jerome County records, affecting NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 6 Township 7 South, Range 17 East, Boise Meridian. (Parcel No. 31)
130. Power Line Easement given to Idaho Power Company, a corporation, dated September 28, 1960, recorded November 8, 1960 in Book 168, Page 43 as Instrument Number 144563, Jerome County records, affecting NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Township 7 South, Range 17 East, Boise Meridian. (Parcel No. 31)
131. Mortgage as amended by:
Mortgagor: Modification and Supplement to Mortgage, Security Agreement and Assignment of Rents
Aardema Farms Limited Partnership, an Idaho limited partnership; and Double A Dairy, an Idaho general partnership; and Notch Butte Farms, LLC, an Idaho limited liability company; and Aardema Dairy, an Idaho general partnership
Mortgagee: Metropolitan Life Insurance Company
Dated: December 26, 2007
Recorded: December 28, 2007 as Instrument No. 184240, Lincoln County records
December 28, 2007 as Instrument No. 224708, Gooding County records
December 28, 2007 as Instrument No. 2077687, Jerome County records
(Covers Parcels No. 29 through 32)
132. Terms and conditions of Easement Agreement by and between Notch Butte Farms, LLC, Grantor and Ron Aardema and Don Aardema, d/b/a/ Double A Dairy, Grantee, dated December 21, 2007, recorded December 21, 2007 as Instrument No. 2077558, Jerome County records. (Parcel No. 32)
133. Financing Statement Amendment
Recorded: January 7, 2008, as Instrument No. 184312, Lincoln County records.
Recorded: January 7, 2008, as Instrument No. 2080104, Jerome County records.
Debtor: Aardema Dairy
Secured Party: Metropolitan Life Insurance Company

(to add Parcels No. 29 through 32)

PARCEL NO. 33:

134. Assessments of the American Falls Reservoir District No. 2 and the rights and powers of said District as by law provided.
135. Assessments of the Big Wood Canal Company and the rights and powers of said Company as by law provided.
136. Right of way for canals, laterals and waste ditches of Big Wood Canal Company.
137. Power Line Easement given by J. H. Grieve and Vere V. Grieve, his wife, to Idaho Power Company, a corporation, dated January 7, 1955, recorded February 20, 1958 as Instrument Number 107209, Lincoln County records, affecting S1/2SE1/4 of Section 35 and S1/2SW1/4 of Section 36 and that portion of SW1/4SE1/4 West of Milner-Gooding Canal in Section 36, all in Township 6 South, Range 18, East Boise Meridian, Lincoln County, Idaho.
138. Power Line Easement given by Leonard D. Seifers and Hilda P. Seifers, his wife to Idaho Power Company, a corporation, dated December 16, 1969, recorded March 19, 1970 as Instrument Number 123244, Lincoln County records, affecting the SW1/4SW1/4 of Section 1, Township 7 South, Range 18, East Boise Meridian, Lincoln County, Idaho.
139. Power Line Easement given by James A. Whittaker and Lurline L. Whittaker, his wife to Idaho Power Company, a corporation, dated August 30, 1971, recorded November 4, 1971 as Instrument Number 125146, Lincoln County records, affecting the S1/2SE1/4 of Section 34, Township 6 South, Range 18, East Boise Meridian, Lincoln County, Idaho.
140. Power Line Easement given by J. A. Whittaker and Lurline L. Whittaker, his wife to Idaho Power Company, a corporation, dated April 6, 1972, recorded August 7, 1972 as Instrument Number 126340, Lincoln County records, affecting the NW1/4SW1/4 of Section 35, Township 6 South, Range 18, East Boise Meridian, Lincoln County, Idaho.
141. The effect of an Assignment of Right-of-Way by and between Big Wood Canal Company, and Bonneville Pacific Corporation, dated April 14, 1988, recorded April 14, 1988 as Instrument Number 152042, Lincoln County records, and the terms and conditions set forth in the original unrecorded right-of-way, dated September 5, 1984.
142. Grant of Easement by and between James A. Whittaker, a widower, and Kenneth Darrell Steelman and Terry Lee Steelman, husband and wife, dated March 20, 1989, recorded March 21, 1989 as Instrument Number 152890, Lincoln County records, affecting SW1/4NE1/4 of Section 12, Township 7 South, Range 18, East Boise Meridian, Lincoln County, Idaho.

143. License by and between the Big Wood Canal Company, an Idaho Corporation, or American Falls Reservoir District No. 2 (Licensor) and Lita West (Licensee), dated November 17, 1997, recorded November 18, 1997 as Instrument Number 163081, Lincoln County records, affecting the SE1/4SE1/4 of Section 1, Township 7 South, Range 18, East of the Boise Meridian.
144. License Agreement by and between Big Wood Canal Company, an Idaho corporation, or American Falls Reservoir District No. 2 (Licensor) and Last Ranch, Ron Ambrose (Manager) (Licensee), dated April 30, 2002, recorded August 15, 2002 as Instrument Number 173144, Lincoln County records, affecting the NE1/4 and SE1/4 of Section 35, Township 6 South, Range 18, East of the Boise Meridian.
145. A Mortgage to secure payment of a note for ~~\$1,400,000.00~~ and any other amounts as therein provided, together with interest and any other obligations secured thereby:

Recorded: March 20, 2003 as Instrument No. 174479, records of Lincoln County, Idaho
Dated: March 19, 2003
Mortgagor: Notch Butte Farms, a limited liability company; Last Ranch, LLC, a limited liability company
Mortgagee: Northwest Farm Credit Services, FLCA

146. A Mortgage to secure an original indebtedness of ~~\$3,500,000.00~~ and ~~\$1,400,000.00~~ and any other amounts and/or obligations secured thereby.

Recorded: July 29, 2004, as Instrument No. 177224, Lincoln County records
Dated: July 28, 2004
Mortgagor: Notch Butte Farms, LLC, a limited liability company; Last Ranch, LLC, a limited liability company
Mortgagee: Northwest Farm Credit Services, FLCA

147. Feedlot Lease Agreement dated June 10, 2004 between Last Ranch, LLC, a limited liability company, Lessor and Ron Aardema, Don Aardema and Mike Aardema, individually and also d/b/a Sawtooth Cattle Company, LLC, a limited liability company, Lessee.
LESSOR'S ASSIGNMENT of Leasehold Interest-Farm Lease given by Last Ranch, LLC, a limited liability company, as Assignor and Northwest Farm Credit Services, FLCA, a corporation, as Assignee, dated July 28, 2004, recorded July 29, 2004 as Instrument Number 177226, Lincoln County records.
LESSOR'S ASSIGNMENT of Leasehold Interest - Feedlot form Last Ranch, LLC, a limited liability company, ("Borrower") to Northwest Farm Credit Services, FLCA, a corporation, ("Lender"), dated October 31, 2008, recorded November 7, 2008 as Instrument Number 185918, Lincoln County records.
148. Memorandum with Agreement attached by and between Lincoln County and Last Ranch, LLC., dated November 1, 2004, recorded November 19, 2004 as Instrument No. 177822, Lincoln County records, pertaining to restrictions and conditions of dairy herd feedlot and feedlot corrals.
149. Feedlot Lease Agreement dated August 10, 2007 between Notch Butte Farms, LLC, a limited liability company and Last Ranch, LLC, a limited liability company, Lessor and Sawtooth Cattle Company, LLC, Lessee.
Lessor's Assignment of Leasehold Interest-Farm Lease given by Notch Butte Farms, LLC, a limited liability company and Last Ranch, LLC, a limited liability company, as Assignor and Northwest Farm Credit Services, FLCA, a corporation, as Assignee, dated November 6, 2007, recorded November 21, 2007 as Instrument Number 184052, re-recorded December 12, 2007 as Instrument Number 184141, Lincoln County records.
LESSOR'S ASSIGNMENT of Leasehold Interest - Feedlot Leases, from Last Ranch, LLC, a limited liability company ("Borrower") to Northwest Farm Credit Services, FLCA, a corporation, ("Lender"), dated October 31, 2008, recorded November 7, 2008 as Instrument Number 185917, Lincoln County records.
LESSOR'S ASSIGNMENT of Leasehold Interest - Feedlot Lease, from Last Ranch, LLC, a limited liability company, ("Borrower") and Notch Butte Farms, LLC, a limited liability company ("Notch Butte") to Northwest Farm Credit Services, FLCA, a corporation ("Lender"), dated October 31, 2008, recorded November 7, 2008 as Instrument Number 185919, re-recorded August 20, 2009 as Instrument Number 187464, Lincoln County records.
150. A Mortgage to secure an original indebtedness of ~~\$12,000,000.00~~, and any other amounts and/or obligations secured thereby.
Recorded: August 15, 2007 as Instrument No. 183601, Lincoln County records.
Dated: August 13, 2007
Mortgagor: Notch Butte Farms, LLC, a limited liability company; Last Ranch, LLC, a limited liability company
Mortgagee: Northwest Farm Credit Services, FLCA
MODIFICATION OF MORTGAGE dated November 1, 2007, recorded November 21, 2007 as Instrument Number 184054, Lincoln County records, wherein said Mortgage is

hereby modified to read as follows: Principal Amount - ~~\$2,500,000.00~~.

151. Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (Closed End) to secure an indebtedness of \$900,000.00.
Recorded: March 27, 2008, as Instrument No. 184711, Lincoln County records.
Dated: March 26, 2008
Mortgagor: Last Ranch, LLC, an Idaho limited liability company
Mortgagee: Northwest Farm Credit Services, FLCA
152. Mortgage (This Mortgage is also intended to be a Fixture Filing) to secure notes in the amount of ~~\$400,000.00, \$2,400,000.00, \$3,500,000.00, \$2,200,000.00 and \$900,000.00~~.
Recorded: November 7, 2008, as Instrument No. 185916, Lincoln County records.
Dated: October 31, 2008
Mortgagor: Last Ranch, LLC, a limited liability company
Mortgagee: Northwest Farm Credit Services, FLCA

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin

Instrument # 239426
GOODING COUNTY, GOODING, IDAHO
11-09-2011 09:06:47 No. of Pages: 16
Recorded for: LAND TITLE AND ESCROW - JEROME
DENISE GILL Fee: \$52.00
Ex-Officio Recorder Deputy: DAL
Electronically Recorded by Simplifile

AMENDMENT TO
MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS

THIS AMENDMENT TO MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS (this "Amendment") is made as of Oct 30, 2011, between AARDEMA FARMS LIMITED PARTNERSHIP, an Idaho limited partnership; and DOUBLE A DAIRY, an Idaho general partnership; and AARDEMA DAIRY, an Idaho general partnership, SAWTOOTH CATTLE COMPANY, L.L.C., an Idaho limited liability company, ST. BRIDGET DAIRY, L.L.C., an Idaho limited liability company (collectively, "Mortgagor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Mortgagee").

A. Mortgagor executed that certain Mortgage, Security Agreement and Assignment of Rents dated as of May 11, 2011 (the "Mortgage"), recorded on May 12, 2011, as Instrument No. 237788, in the Official Records of Gooding County, Idaho, and on May 12, 2011, as Instrument No. 2112446 in the Official Records of Jerome County, Idaho, and on May 12, 2011, as Instrument No. 190363 in the Official Records of Lincoln County, Idaho relating in part to the real property legally described on Exhibit A attached thereto.

B. Mortgagor has identified additional property and interests that, pursuant to the agreements between Mortgagor and Mortgagee, should have been included in the Mortgage, and Mortgagor and Mortgagee wish to amend the Mortgage as hereinafter provided to include said property and interests. Capitalized terms used herein but not defined herein have the meanings assigned to them in the Mortgage.

NOW, THEREFORE, in consideration of the foregoing premises, which are hereby incorporated herein by reference, and the accuracy of which are hereby confirmed by the parties hereto; of the mutual agreements herein set forth; of the execution of this Amendment; and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby covenanted and agreed by and between the parties hereto as follows:

1. Amendments to the Mortgage. The Mortgage is hereby amended as follows:

Instrument # 2115205

JEROME COUNTY, JEROME, IDAHO
11-9-2011 10:56:07 No. of Pages: 15
Recorded for : LAND TITLE AND ESCROW INC
MICHELLE EMERSON Fee: 52.00
Ex-Officio Recorder Deputy *[Signature]*

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin

STATE OF IDAHO - COUNTY OF LINCOLN	
Recorded at the request of <i>[Signature]</i>	
NOV 09 2011	
At 15 minutes past 2 PM	
Recorded by <i>[Signature]</i>	
Fee: 52 Return to: <i>[Signature]</i>	
Recorded Electronically	
ID	239426
County	Gooding
Date	11-9-11
Time	9:06 AM
Simplifile.com 800.460.5657	

AMENDMENT TO
MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS

THIS AMENDMENT TO MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS (this "Amendment") is made as of Oct 30, 2011, between AARDEMA FARMS LIMITED PARTNERSHIP, an Idaho limited partnership; and DOUBLE A DAIRY, an Idaho general partnership; and AARDEMA DAIRY, an Idaho general partnership, SAWTOOTH CATTLE COMPANY, L.L.C., an Idaho limited liability company, ST. BRIDGET DAIRY, L.L.C., an Idaho limited liability company (collectively, "Mortgagor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Mortgagee").

A. Mortgagor executed that certain Mortgage, Security Agreement and Assignment of Rents dated as of May 11, 2011 (the "Mortgage"), recorded on May 12, 2011, as Instrument No. 237788, in the Official Records of Gooding County, Idaho, and on May 12, 2011, as Instrument No. 2112446 in the Official Records of Jerome County, Idaho, and on May 12, 2011, as Instrument No. 190363 in the Official Records of Lincoln County, Idaho relating in part to the real property legally described on Exhibit A attached thereto.

B. Mortgagor has identified additional property and interests that, pursuant to the agreements between Mortgagor and Mortgagee, should have been included in the Mortgage, and Mortgagor and Mortgagee wish to amend the Mortgage as hereinafter provided to include said property and interests. Capitalized terms used herein but not defined herein have the meanings assigned to them in the Mortgage.

NOW, THEREFORE, in consideration of the foregoing premises, which are hereby incorporated herein by reference, and the accuracy of which are hereby confirmed by the parties hereto; of the mutual agreements herein set forth; of the execution of this Amendment; and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby covenanted and agreed by and between the parties hereto as follows:

1. Amendments to the Mortgage. The Mortgage is hereby amended as follows:

1.1 The description of property and interests set forth on Exhibit A-1 hereto ("Additional Mortgaged Property") is hereby added to the description of the Mortgaged Property as set forth in the Mortgage and on Exhibit A thereto, for all purposes therein, including without limitation with reference to the definitions of "Property," "Site Lease," "Leased Property," and "Leasehold Estate," and for purposes of Section 2.2(h) thereof. Mortgagor, does hereby irrevocably mortgage, grant, convey and assign, with the right of entry and possession, to Mortgagee, its successors and assigns forever, with power of sale, all of Mortgagor's right, title and interest in the Additional Mortgaged Property, including all rights, easements, privileges and appurtenances thereunto belonging or in anywise appertaining, all improvements thereon, all other Mortgaged Property (as that term is defined in the Mortgage) now or hereafter owned by Mortgagor, and now or hereafter attached or affixed to or installed or located within, and used in connection with, the Additional Mortgaged Property, and all leases thereof and rents, issues, income and profits therefrom or from the sale thereof, and hereby grants to Mortgagee a security interest therein, to the extent that a security interest may be granted therein under the Uniform Commercial Code, as enacted and in effect in the State of Idaho, as additional security for the indebtedness and obligations secured by the Mortgage, and hereby irrevocably assigns to Mortgagee all of Mortgagor's right, title and interest in, to and under all leases and any and all other rents (as defined in the Mortgage) of the Additional Mortgaged Property. The words "located in the Counties of Gooding, Jerome, and Lincoln, State of Idaho," in Section 1.1(a) of the Mortgage are hereby deleted and replaced with the word "property."

2. Representations and Warranties of Mortgagor. All representations and warranties made by Mortgagor to Mortgagee in the Mortgage are true, correct and complete as if made on the date hereof.

3. Ratification and Confirmation of Mortgage. This Amendment is an amendment of the Mortgage and is not a waiver, an impairment or a novation of the same. Except as amended and modified hereby, the provisions, representations and conditions set forth in the Mortgage, which are hereby incorporated herein by reference, are unmodified and shall remain in full force and effect, as if this Amendment had not been executed or delivered; and Mortgagor does hereby ratify and confirm the Mortgage and such provisions, representations and conditions, as amended hereby.

4. Lien of Mortgage. Mortgagor hereby ratifies, confirms and adopts all mortgages, liens, security interests, assignments and encumbrances created under and by virtue of the Mortgage, acknowledges that the same are valid and subsisting, and agrees that the Mortgage shall continue in full force and effect for the purpose of evidencing and securing all the indebtedness therein and herein described, including specifically, without limitation, all of the Indebtedness secured thereby and indebtedness evidenced by the Term Loan Notes and the Revolving Loan Note, and all renewals, extensions, restatements and replacements thereof. This Amendment shall not be deemed to release or impair any such mortgage, lien, security interest, assignment or encumbrance or to subordinate the same to any other mortgage, lien, security interest, assignment or encumbrance or otherwise adversely affect the priority thereof, except as hereinabove expressly provided.

5. No Waiver. The execution of this Amendment by Mortgagee does not and shall not constitute a waiver of any default or event of default of Mortgagor which may have heretofore occurred or which may hereafter occur under or with respect to the Mortgage, whether or not Mortgagee has knowledge of the same on the date hereof.

6. Severability of Provisions. A determination that any provision of this Amendment is unenforceable or invalid shall not affect the enforceability or validity of any other provision hereof, or of the Mortgage, and any determination that the application of any provision of this Amendment to any person or circumstance is illegal, invalid or unenforceable shall not affect the legality, validity or enforceability of such provision as it may apply to any other persons or circumstances.

7. Governing Law. The terms and conditions of this Amendment shall be governed by the laws of the State of Idaho.

8. Interpretation. Within this Amendment, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. The Paragraph headings used herein are intended for reference purposes only and shall not be considered in the interpretation of the terms and conditions hereof.

9. Successors and Assigns. The terms and conditions of this Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, legal representatives, successors and permitted assigns.

10. Recording. Mortgagor agrees to pay the recording fee payable in order to record this Amendment.

11. Amendments to the Environmental Indemnity. The Hazardous Materials Indemnity Agreement dated as of May 11, 2011 ("Indemnity Agreement," which term shall include any amendment, modification, supplement, extension, renewal, replacement, or restatement thereof), from Mortgagor and certain other Indemnitors identified therein is hereby amended to add the Additional Mortgaged Property to the legal description of the Property as set forth on Exhibit A to the Indemnity Agreement, for all purposes therein.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed as of the day and year first above written.

MORTGAGOR:

AARDEMA FARMS LIMITED PARTNERSHIP

By: *Donald John Aardema*
Name: Donald John Aardema
Its: General Partner

By: *Evelyn Aardema*
Name: Evelyn Aardema
Its: General Partner

STATE OF Idaho)
)ss.
COUNTY OF Terre)

On October 30, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



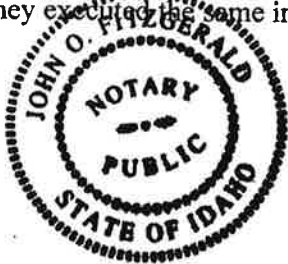
John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Terre)

On October 30, 2011, before me, a Notary Public, personally appeared **Evelyn Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

DOUBLE A DAIRY,

By: Ronald Aardema

Name: Ronald Aardema

Its: Partner

By: Donald Jay Aardema

Name: Donald Jay Aardema

Its: Partner

STATE OF Idaho)

)ss.

COUNTY OF Teton)

On October 30, 2011, before me, a Notary Public, personally appeared Ronald Aardema, known or identified to me, to be one of the partners in the partnership of Double A Dairy, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

STATE OF Idaho)

)ss.

COUNTY OF Teton)

On October 30, 2011, before me, a Notary Public, personally appeared Donald Jay Aardema, known or identified to me, to be one of the partners in the partnership of Double A Dairy, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

AARDEMA DAIRY

By: *Donald John Aardema*
Name: Donald John Aardema
Its: Partner

By: *Ronald Aardema*
Name: Ronald Aardema
Its: partner

By: *Donald Jay Aardema*
Name: Donald Jay Aardema
Its: Partner

By: *Frans Aardema*
Name: Frans Aardema
Its: Partner

STATE OF *Idaho*)
)ss.
COUNTY OF *Tennet*)

On *October 30*, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



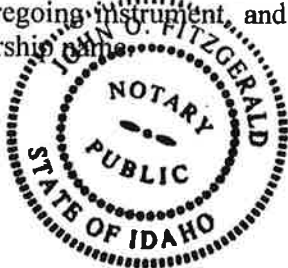
John D. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: *1/14/2015*

STATE OF *Idaho*)
)ss.
COUNTY OF *Tennet*)

On *October 30*, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



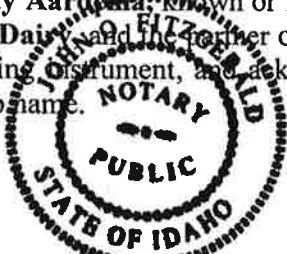
John D. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: _____

STATE OF Idaho)
)ss.
COUNTY OF Tennsee)

On October 30, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Tennsee)

On October 30, 2011, before me, a Notary Public, personally appeared **Frans Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

SAWTOOTH CATTLE COMPANY, L.L.C.

By: Ronald Aardema

Name: Ronald Aardema

Its: Member

By: Donald Jay Aardema

Name: Donald Jay Aardema

Its: Member

STATE OF Idaho)
)ss.
COUNTY OF Teton)

On October 20, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be a member of **Sawtooth Cattle Company, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Teton)

On October 20, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be a member of **Sawtooth Cattle Company, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho

Printed Name: _____

Commission Expires: 1/14/2015

ST. BRIDGET DAIRY, L.L.C.

By: Ronald Aardema
Name: Ronald Aardema
Its: Member

By: Donald Jay Aardema
Name: Donald Jay Aardema
Its: Member

By: Donald John Aardema
Name: Donald John Aardema
Its: Member

By: Evelyn Aardema
Name: Evelyn Aardema
Its: Member

STATE OF Idaho)
)ss.
COUNTY OF Ternue)

On October 30, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho
Printed Name: _____
Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Ternue)

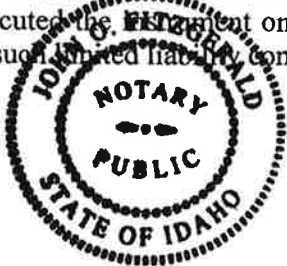
On October 30, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho
Printed Name: _____
Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Twinne)

On October 30, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho
Printed Name: _____
Commission Expires: 1/14/2015

STATE OF Idaho)
)ss.
COUNTY OF Twinne)

On October 30, 2011, before me, a Notary Public, personally appeared **Evelyn Aardema**, known or identified to me, to be a member of **St. Bridget Dairy, L.L.C.**, an Idaho limited liability company, that executed the above instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company executed the same.



John O. Fitzgerald
Notary Public for Idaho
Printed Name: _____
Commission Expires: 1/14/2015

ACCEPTED AND AGREED:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: *Scott J. Manookin*
Name: Scott J. Manookin
Its: Senior Vice President

State of Utah)
) ss.
County of Salt Lake)

On Sept. 20th, 2011, before me, a Notary Public in and for said State, personally appeared Scott J. Manookin, Senior Vice President of WELLS FARGO BANK, NATIONAL ASSOCIATION, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Tiffany S. Nelson
Notary Public

My commission expires: 10.9.14

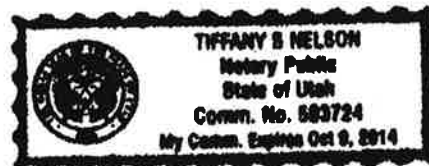


EXHIBIT A-1
(Description of Additional Mortgaged Property)

All present and future rights, title and interests of Mortgagor, however acquired, in, to, and under the following leases:

1. Lease Agreement by and between Aardema Farms Limited Partnership, an Idaho limited partnership, Lessor and Aardema Dairy, an Idaho general partnership, Lessee, dated May 25, 2011, as evidenced by that certain Memorandum of Lease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Gooding County Recorder, Idaho on June 29, 2011 as Instrument No. 238208 and in the Office of the Jerome County Recorder, Idaho on June 29, 2011 as Instrument No. 2113145.
2. Lease Agreement by and between Aardema Dairy Limited Partnership, an Idaho limited partnership, Lessor and Aardema Dairy, an Idaho general partnership, Lessee, dated May 25, 2011, as evidenced by that certain Memorandum of Lease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Gooding County Recorder, Idaho on June 29, 2011 as Instrument No. 238209 and in the Office of the Jerome County Recorder, Idaho on June 29, 2011 as Instrument No. 2113146.
3. Sublease Agreement by and between Aardema Dairy, an Idaho general partnership, Sublessor and Sawtooth Cattle Company, L.L.C., Sublessee, dated May 25, 2011, as evidenced by that certain Memorandum of Sublease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Gooding County Recorder, Idaho on June 29, 2011 as Instrument No. 238210.
4. Sublease Agreement by and between Aardema Dairy, an Idaho general partnership, Sublessor and St. Bridget Dairy, L.L.C., Sublessee, dated May 25, 2011, as evidenced by that certain Memorandum of Sublease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Jerome County Recorder, Idaho on September 15, 2011 as Instrument No. 2114316.

Any and all water rights and interests listed in the following table:

	For reference only: Common Site Name	For reference only: Owner of Land	For reference only: Title Comm. Parcel No.	Water Rights
6	<u>AARDEMA DAIRY</u> <u>NO. 5 AND</u> <u>ASSOCIATED</u> <u>FARMLAND</u> 2175 E 3600 S Wendell, ID (3600 South Freestall Dairy)	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 Parcel Nos. 2, 3, 4, 11, and section 34 of Parcel 20	Idaho Department of Water Right Nos. 36-7049 36-7329 36-11075 36-11075A 36-11074 36-15256C 36-16762 36-4002 36-2519 36-2412D 36-8517 Northside Canal Company Cert No. 23801, 65 shares Cert No. 23803, 80.45 shares Cert. No. 25490, 20.14 shares

	For reference only: Common Site Name	For reference only: Owner of Land	For reference only: Title Comm. Parcel No.	Water Rights
7	<u>SAWTOOTH</u> <u>SOUTH CALF</u> <u>RANCH</u> <u>(ADJACENT TO</u> <u>AARDEMA DAIRY</u> <u>#5)</u> 2050 E 3600 S Wendell, ID	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 Parcel Nos. 10, 13 and Section 3 of Parcel No. 3.	Idaho Department of Water Right Nos. 36-16257 36-16259 36-16261 36-16263 36-16265 36-16267 36-16269 36-16271 36-16273 36-16275 36-16277 36-16279 36-16281 36-16283 36-16285 36-16287F 36-11076 36-11076A 36-2087F 36-2113F 36-2161F 36-2289H 36-2311F 36-2500F 36-2614F 36-7307F 36-7362F 36-7477F 36-7606F 36-7779F 36-7832F 36-10225F 36-15169F Northside Canal Company Cert. No. 23802, 140.61 shares Cert. No. 23626, 200 shares

	For reference only: Common Site Name	For reference only: Owner of Land	For reference only: Title Comm. Parcel No.	Water Rights
8	<u>AARDEMA DAIRY NO. 6</u> 300 E 700 N Jerome, ID (700 N Freestall Facility Watering & Fuel Tanks)	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 Parcel Nos. 14, 15, 16, 17, 18, & 19	Idaho Department of Water Right Nos. 36-16449 36-16447 36-14031 36-16446 36-16448 36-2586B 36-14035B Northside Canal Company Cert. No. 25398, 40 shares Cert. No. 24455, 10 shares Cert. No. 24457, 80 shares Cert No. 24456, 25 shares Cert. No. 1622, 38 shares
10	<u>ST. BRIDGET DAIRY</u> 180 W 400 S Jerome, ID (St. Bridget 400 South Facility)	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 Parcel Nos. 1 & 7	Idaho Department of Water Right No. 36-7734 36-7250 Northside Canal Company Cert. No. 23620, 80 shares Cert. No. 23624, 40 shares
12	<u>MAIN OFFICES & STORAGE (THE JANSS FARMLAND)</u> 2306 E 3600 S Wendell, ID (The property north of 3600 S.)	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 section numbers 36 and 31 of Parcel No. 20	Idaho Department of Water Right Nos. 36-15111 36-15110 36-2719 36-7215 36-2242 Northside Canal Company None
13	<u>MILLER- LEDBETTER FARMLAND</u> 3600 S. 2300 E. Wendell, Idaho (The property south of 3600 S.)	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJL-40045 Parcel No. 27.	Idaho Department of Water Right Nos. 36-2412A Northside Canal Company Cert. No. 25488, 64.28 shares

40127/40181
Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin

Instrument # 239427
GOODING COUNTY, GOODING, IDAHO
11-09-2011 09:06:47 No. of Pages: 13
Recorded for: LAND TITLE AND ESCROW - JEROME
DENISE GILL Fee: \$46.00
Ex-Officio Recorder Deputy: DAL
Electronically Recorded by Simplifile

**AMENDMENT TO AMENDED AND RESTATED
MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS**

THIS AMENDMENT TO AMENDED AND RESTATED MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS (this "Amendment") is made as of July 29, 2011, between AARDEMA DAIRY, an Idaho general partnership, AARDEMA DAIRY LIMITED PARTNERSHIP, an Idaho limited partnership, and AARDEMA FARMS LIMITED PARTNERSHIP, an Idaho limited partnership (collectively, "Mortgagor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Mortgagee").

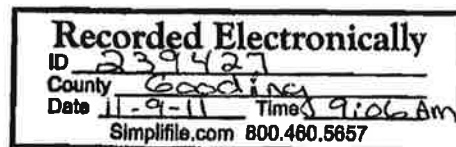
A. Aardema Dairy Limited Partnership, an Idaho limited partnership, and Aardema Farms Limited Partnership, an Idaho limited partnership (collectively, "Original Mortgagor"), executed that certain Mortgage and Assignment of Rents and Leases dated as of December 28, 2009 (the "Original Mortgage," which term shall include any amendment, modification, supplement, extension, renewal, replacement, or restatement thereof), to Mortgagee, recorded on December 31, 2009, as Instrument No. 233025, in the Official Records of Gooding County, Idaho.

B. Mortgagor and Mortgagee amended and restated the Original Mortgage pursuant to that certain Amended and Restated Mortgage, Security Agreement and Assignment of Rents dated as of May 11, 2011 (the "Mortgage"), recorded on May 12, 2011, as Instrument No. 237790, in the Official Records of Gooding County, Idaho, and on May 12, 2011, as Instrument No. 2112448 in the Official Records of Jerome County, Idaho relating in part to the real property legally described on Exhibit A attached thereto (hereinafter referred to as the "Premises").

C. Mortgagor has identified additional property and interests that, pursuant to the agreements between Mortgagor and Mortgagee, should have been included in the Mortgage, and Mortgagor and Mortgagee wish to amend the Mortgage as hereinafter provided to include said property and interests. Capitalized terms used herein but not defined herein have the meanings assigned to them in the Mortgage.

40127/40181
Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MAC U1228-062299
299 South Main Street, 6th Floor
Salt Lake City, UT 84111
Attn: Scott J. Manookin

Instrument # 2115206
JEROME COUNTY, JEROME, IDAHO
11-9-2011 11:02:43 No. of Pages: 13
Recorded for: LAND TITLE AND ESCROW
MICHELLE EMERSON Fee: 46.00
Ex-Officio Recorder Deputy *[Signature]*



**AMENDMENT TO AMENDED AND RESTATED
MORTGAGE, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS**

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NOW, THEREFORE, in consideration of the foregoing premises, which are hereby incorporated herein by reference, and the accuracy of which are hereby confirmed by the parties hereto; of the mutual agreements herein set forth; of the execution of this Amendment; and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby covenanted and agreed by and between the parties hereto as follows:

1. Amendments to the Mortgage. The Mortgage is hereby amended as follows:

1.1 The legal description of the land set forth on Exhibit A-1 hereto is hereby added to the legal description of the Premises as set forth on Exhibit A to the Mortgage ("Additional Premises"), for all purposes therein, including with reference to the definition of the "Subject Property," and the description of the other property and interests set forth on Exhibit A-1 hereto (collectively, with the Additional Premises, the "Additional Subject Property") is hereby added to the description of the Subject Property as set forth in the Mortgage and on Exhibit A thereto, for all purposes therein, including without limitation for purposes of Section 4.10 thereof. Mortgagor does hereby irrevocably mortgage, grant, convey and assign, with the right of entry and possession, to Mortgagee, its successors and assigns forever, with power of sale, all of Mortgagor's right, title and interest in the Additional Subject Property, including all rights, easements, privileges and appurtenances thereunto belonging or in anywise appertaining, all improvements thereon, all other Subject Property (as that term is defined in the Mortgage) now or hereafter owned by Mortgagor, and now or hereafter attached or affixed to or installed or located within, and used in connection with, the Additional Subject Property, and all leases thereof and rents, issues, income and profits therefrom or from the sale thereof, and hereby grants to Mortgagee a security interest therein, to the extent that a security interest may be granted therein under the Uniform Commercial Code, as enacted and in effect in the State of Idaho, as additional security for the indebtedness and obligations secured by the Mortgage, and hereby irrevocably assigns to Mortgagee all of Mortgagor's right, title and interest in, to and under all Leases and any and all other Rents of the Additional Subject Property. The words "located in Gooding County, Idaho, and" in Section 1.1(a) of the Mortgage are hereby deleted.

2. Representations and Warranties of Mortgagor. All representations and warranties made by Mortgagor to Mortgagee in the Mortgage are true, correct and complete as if made on the date hereof.

3. Ratification and Confirmation of Mortgage. This Amendment is an amendment of the Mortgage and is not a waiver, an impairment or a novation of the same. Except as amended and modified hereby, the provisions, representations and conditions set forth in the Mortgage, which are hereby incorporated herein by reference, are unmodified and shall remain in full force and effect, as if this Amendment had not been executed or delivered; and Mortgagor does hereby ratify and confirm the Mortgage and such provisions, representations and conditions, as amended hereby.

4. Lien of Mortgage. Mortgagor hereby ratifies, confirms and adopts all mortgages, liens, security interests, assignments and encumbrances created under and by virtue of the Mortgage, acknowledges that the same are valid and subsisting, and agrees that the Mortgage

shall continue in full force and effect for the purpose of evidencing and securing all the indebtedness therein and herein described, including specifically, without limitation, all of the Secured Obligations and indebtedness evidenced by the Term Loan Notes and the Revolving Loan Note, and all renewals, extensions, restatements and replacements thereof. This Amendment shall not be deemed to release or impair any such mortgage, lien, security interest, assignment or encumbrance or to subordinate the same to any other mortgage, lien, security interest, assignment or encumbrance or otherwise adversely affect the priority thereof, except as hereinabove expressly provided.

5. No Waiver. The execution of this Amendment by Mortgagee does not and shall not constitute a waiver of any default or event of default of Mortgagor which may have heretofore occurred or which may hereafter occur under or with respect to the Mortgage, whether or not Mortgagee has knowledge of the same on the date hereof.

6. Severability of Provisions. A determination that any provision of this Amendment is unenforceable or invalid shall not affect the enforceability or validity of any other provision hereof, or of the Mortgage, and any determination that the application of any provision of this Amendment to any person or circumstance is illegal, invalid or unenforceable shall not affect the legality, validity or enforceability of such provision as it may apply to any other persons or circumstances.

7. Governing Law. The terms and conditions of this Amendment shall be governed by the laws of the State of Idaho.

8. Interpretation. Within this Amendment, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires. The Paragraph headings used herein are intended for reference purposes only and shall not be considered in the interpretation of the terms and conditions hereof.

9. Successors and Assigns. The terms and conditions of this Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, legal representatives, successors and permitted assigns.

10. Recording. Mortgagor agrees to pay the recording fee payable in order to record this Amendment.

11. Amendments to the Environmental Indemnity. The Hazardous Materials Indemnity Agreement dated as of May 11, 2011 ("Indemnity Agreement," which term shall include any amendment, modification, supplement, extension, renewal, replacement, or restatement thereof), from Mortgagor and certain other Indemnitors identified therein is hereby amended to add the Additional Subject Property to the legal description of the Property as set forth on Exhibit A to the Indemnity Agreement, for all purposes therein.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed as of the day and year first above written.

MORTGAGORS:

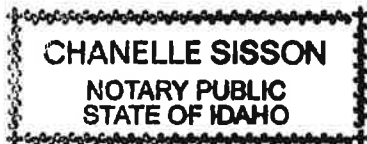
AARDEMA DAIRY LIMITED PARTNERSHIP

By: *Frans Aardema*
Name: Frans Aardema
Its: General Partner

By: *Cornelia Aardema*
Name: Cornelia Aardema
Its: General Partner

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

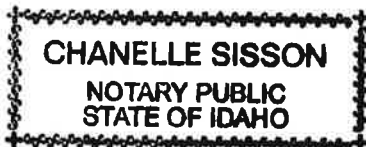
On July 29th, 2011, before me, a Notary Public, personally appeared **Frans Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Dairy Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.
COUNTY OF Gooding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Cornelia Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Dairy Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson
Notary Public for Idaho
Printed Name: Chanelle Sisson
Commission Expires: 02/12/2015

AARDEMA FARMS LIMITED PARTNERSHIP

By: *Donald John Aardema*
Name: Donald John Aardema
Its: General Partner

By: *Evelyn Aardema*
Name: Evelyn Aardema
Its: General Partner

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

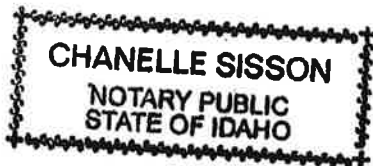
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Evelyn Aardema**, known or identified to me, to be one of the general partners in the partnership of **Aardema Farms Limited Partnership**, and the general partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

AARDEMA DAIRY

By: Donald John Aardema

Name: Donald John Aardema

Its: Partner

By: Ronald Aardema

Name: Ronald Aardema

Its: partner

By: Donald Jay Aardema

Name: Donald Jay Aardema

Its: Partner

By: Frans Aardema

Name: Frans Aardema

Its: Partner

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Donald John Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

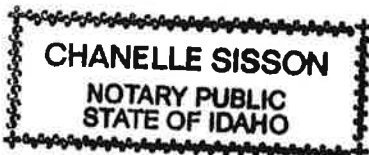
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Gooding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Ronald Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

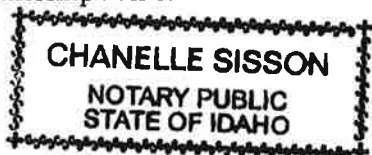
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Garding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Donald Jay Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

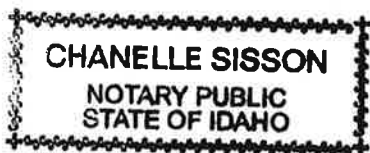
Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

STATE OF Idaho)
)ss.

COUNTY OF Garding)

On July 29th, 2011, before me, a Notary Public, personally appeared **Frans Aardema**, known or identified to me, to be one of the partners in the partnership of **Aardema Dairy**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that he/she/they executed the same in said partnership name.



Chanelle Sisson

Notary Public for Idaho

Printed Name: Chanelle Sisson

Commission Expires: 02/12/2015

ACCEPTED AND AGREED:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: Scott J. Manookin

Name: Scott J. Manookin

Its: Senior Vice President

State of Utah)
) ss.
County of Salt Lake)

On Sept. 20th, 2011, before me, a Notary Public in and for said State, personally appeared Scott J. Manookin, Senior Vice President of WELLS FARGO BANK, NATIONAL ASSOCIATION, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Tiffany S. Nelson
Notary Public

My commission expires: 10.9.14

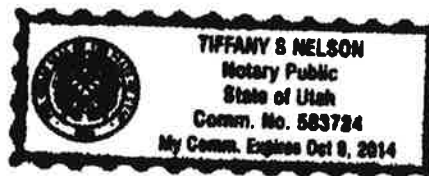


EXHIBIT A-1
(Description of Additional Subject Property)

SLADE CORNER

PARCEL NO. 1

TOWNSHIP 8 SOUTH, RANGE 15, EAST OF THE BOISE MERIDIAN,
GOODING COUNTY, IDAHO

Section 36: Part of the SW $\frac{1}{4}$ SW $\frac{1}{4}$, described as follows:

Beginning at the Southwest corner of said SW $\frac{1}{4}$ SW $\frac{1}{4}$;
Thence North 0°01'00" West, 820.08 feet along the Westerly boundary of said
SW $\frac{1}{4}$ SW $\frac{1}{4}$;
Thence North 89°59'00" East, 50.00 feet;
Thence Southeasterly 1088.43 feet on the arc of a non-tangent curve to the left,
the radius point of which is the center of a circular pivot irrigation system,
with a radius of 1384.62 feet, a central angle of 45°02'21" and a chord
which bears South 43°30'50" East, 1060.62 feet;
Thence South 0°02'00" West, 51.38 feet to the Southerly boundary of said
SW $\frac{1}{4}$ SW $\frac{1}{4}$;
Thence North 89°58'00" West, 780.00 feet to THE POINT OF BEGINNING.

HITE FARMLAND

PARCEL NO. 2

TOWNSHIP 8 SOUTH, RANGE 16 EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

Section 35: E $\frac{1}{2}$ NE $\frac{1}{4}$

EXCEPT

Beginning at the Northeast corner of Section 35;
Thence North 89°40'55" West 40.00 feet along the Northerly boundary of Section
35 to the TRUE POINT OF BEGINNING;
Thence North 89°40'55" West, 1280.82 feet along said Northerly boundary to the
Northwest corner of E $\frac{1}{2}$ NE $\frac{1}{4}$;
Thence South 0°03'20" West, 176.85 feet along the Westerly boundary of
E $\frac{1}{2}$ NE $\frac{1}{4}$;
Thence South 89°40'55" East, 1280.76 feet;
Thence North 0°04' East, 176.85 feet to the TRUE POINT OF BEGINNING.

AND EXCEPTING THEREFROM a parcel of land in the fee for a County Road
right of way conveyed to Jerome Highway District by Warranty Deed dated June

23, 2008, recorded July 1, 2008 as Instrument Number 2083585, Jerome County records, being part of an entire tract of property, situate in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 35, Township 8 South, Range 16 East of the Boise Meridian, Jerome County, Idaho. The boundaries of said parcel of land are described as follows:

Beginning at the Northeast corner of said entire tract, which point is the Northeast corner of said Section 35;
Thence South 0°23'37" West, 60.73 feet along the section line and the Easterly boundary line of said entire tract;
Thence North 89°36'23" West, 25.00 feet to the Westerly highway right of way line of 100 West Street;
Thence North 0°23'37" East, 10.00 feet along said highway right of way line;
Thence Westerly 15.02 feet along the arc of a 8196.50-foot radius curve to the right, chord bears South 89°18'42" West, 15.02 feet to a Westerly boundary line of said entire tract, at a point 46.50 feet radially distant Southerly from the center line of Bob Barton Road, Project No. STP-2765 (100), opposite approximate Engineers Station 311+01.55;
Thence North 0°24'44" East, 51.19 feet along said boundary line to a Northwest corner of said entire tract and the Northerly section line of said Section 35;
Thence South 89°20'41" East, 40.00 feet along said section line and the Northerly boundary line of said entire tract to the POINT OF BEGINNING.

Section 35: W $\frac{1}{2}$ NE $\frac{1}{4}$

EXCEPT

Beginning at the North Quarter corner of Section 35;
Thence South 89°40'55" East 30.00 feet along the Northerly boundary of Section 35 to THE TRUE POINT OF BEGINNING;
Thence South 0°02'55" West 170.00 feet;
Thence South 89°40'55" East 654.58 feet;
Thence South 86.82 feet;
Thence South 89°40'55" East 145.00 feet;
Thence North 86.82 feet;
Thence South 89°40'55" East 461.21 feet to a point 30.00 feet Westerly of the East boundary of the W $\frac{1}{2}$ NE $\frac{1}{4}$;
Thence North parallel to and 30.00 feet West of the East boundary of the W $\frac{1}{2}$ NE $\frac{1}{4}$ 170.00 feet to the North boundary of Section 35;
Thence North 89°40'55" West 1260.82 feet along said Northerly boundary to THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM a parcel of land for a county road right of way conveyed to Jerome Highway District by Warranty Deed dated June 23, 2008, recorded July 1, 2008 as Instrument Number 2083585, Jerome County records, being a part of the entire tract of property, situate in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 35, Township 8 South, Range 16 East of the

Boise Meridian, Jerome County, Idaho. The boundaries of said parcel of land are described as follows:

Beginning at the Northwest corner of said entire tract, which point is the North quarter corner of said Section 35;
Thence South 89°20'41" East, 30.00 feet along the Section line and the Northerly boundary line to a Northeast corner of said entire tract;
Thence South 0°23'09" West, 38.32 feet along a Easterly boundary line of said entire tract to a point 35.00 feet perpendicularly distant Southerly from the center line of Bob Barton Road, Project No. STP-2765 (100), opposite approximate Engineers Station 285+30.32;
Thence North 89°29'49" West, 29.99 feet to the Westerly boundary line of said entire tract;
Thence North 0°22'42" East, 38.40 feet along said boundary line to THE POINT OF BEGINNING.

AND EXCEPTING THEREFROM a parcel of land in fee for a County Road right of way conveyed to Jerome Highway District by Warranty Deed dated June 23, 2008, recorded July 1, 2008 as Instrument Number 2083585, Jerome County records, being part of an entire tract of property, situate in the NW¼NE¼ of Section 35, Township 8 South, Range 16 East of the Boise Meridian, Jerome County, Idaho. The boundaries of said parcel of land are described as follows:

Beginning at the Northeast corner of said entire tract, which point is 1320.82 feet South 89°20'41" East along the section line from the North quarter corner of said Section 35;
Thence South 0°08'41" West, 25.00 feet along the Easterly boundary line of said entire tract to a point 35.06 feet perpendicularly distant Southerly from the center line of Bob Barton Road, Project No. STP-2765 (100), opposite approximate Engineers Station 298+20.27;
Thence North 89°20'41" West 30.11 feet to a Westerly boundary line of said entire tract;
Thence North 0°23'45" East, 25.00 feet along said boundary line to a Northwesterly corner of said entire tract and the Northerly section line of said Section 35;
Thence South 89°20'41" East 30.00 feet along said section line and a Northerly boundary line of said entire tract to THE POINT OF BEGINNING.

All present and future rights, title and interests of Mortgagor, however acquired, in, to, and under the following leases:

1. Lease Agreement by and between Aardema Farms Limited Partnership, an Idaho limited partnership, Lessor and Aardema Dairy, an Idaho general partnership, Lessee, dated May 25, 2011, as evidenced by that certain Memorandum of Lease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Gooding County Recorder, Idaho on June 29, 2011 as Instrument No. 238208 and in the Office of the Jerome County Recorder, Idaho on June 29, 2011 as Instrument No. 2113145.
2. Lease Agreement by and between Aardema Dairy Limited Partnership, an Idaho limited partnership, Lessor and Aardema Dairy, an Idaho general partnership, Lessee, dated May

25, 2011, as evidenced by that certain Memorandum of Lease Agreement and Subordination dated May 25, 2011 and recorded in the Office of the Gooding County Recorder, Idaho on June 29, 2011 as Instrument No. 238209 and in the Office of the Jerome County Recorder, Idaho on June 29, 2011 as Instrument No. 2113146.

Any and all water rights listed in the following table:

	For reference only: Common Site Name	For reference only: Owner of Land	For reference only: Title Comm. Parcel No.	Water Rights
1	<u>FARMLAND ACROSS FROM OFFICE</u> 2343 E. 3600 S. Wendell, ID	Aardema Dairy Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GG- 10380/GJ-40127/PH Parcel No. 5	Idaho Department of Water Right No.: 36-7290 Northside Canal Company Cert no. 26164, 55.26 shares
2	<u>AARDEMA DAIRY NO. 2</u> 2182 E 3600 S. Wendell, ID	Aardema Dairy Limited Partnership .	First American Title Insurance Company, Title Commitment Order No. GG- 10380/GJ-40127/PH Parcel Nos. 1, 2, & 3	Idaho Department of Water Right No. 36-8169 36-2726D 36-15256D 36-16763 36-10685 36-10686 Northside Canal Company Cert. No. 26162, 17.2 shares
3	<u>SLADE CORNER</u> Across the street from Aardema Dairy # 2	Aardema Dairy Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJ-40181 Parcel No. 1	
4	<u>AARDEMA DAIRY NO. 3</u> 343 Golf Course Rd Jerome, ID	Aardema Dairy Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GG- 10380/GJ-40127/PH Parcel No. 10	Idaho Department of Water Right No. 36-14657 Northside Canal Company Cert. No. 26165, 80 shares
5	<u>FARMLAND ASSOCIATED WITH AARDEMA DAIRY NO. 2</u> 2182 E 3600 Wendell, ID	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GG- 10380/GJ-40127/PH Parcel No. 4	Northside Canal Company Cert. No. 23800, 115 shares

	For reference only: Common Site Name	For reference only: Owner of Land	For reference only: Title Comm. Parcel No.	Water Rights
18	<u>HITE FARMLAND</u> Approx. 125 W. Bob Barton Road Jerome, ID	Aardema Farms Limited Partnership	First American Title Insurance Company, Title Commitment Order No. GJ-40181 Parcel No. 2	Northside Canal Company Cert No. 26169, 149.60 shares



State of Idaho

DEPARTMENT OF WATER RESOURCES

Southern Region • 1341 Fillmore Street, Suite 200 • Twin Falls, Idaho 83301

Phone: (208) 736-3033 • Fax: (208) 736-3037 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

March 23, 2012

WELL FARGO BANK NA MAC U1228-062299
ATTN SCOTT MANOOKIN
299 S MAIN ST 6TH FLOOR
SALT LAKE CITY UT 84111

Re: Security Interest for Water Right – See Attached Exhibit A

Dear Interested Party:

The Department of Water Resources acknowledges receipt your correspondence requesting we remove the security interest from the above referenced water rights. The Department has removed the security interest from its computer records as requested.

Please feel free to contact this office with any questions regarding this matter.

Sincerely,

A handwritten signature in cursive script that reads "Trish Fawcett".

Trish Fawcett
Technical Records Specialist

Exhibit A

Any and all water rights and interests listed in the following table:

Owner of Water Right	Water Rights
Aardema Dairy Limited Partnership	Idaho Department of Water Right No.: 36-7290
Aardema Dairy Limited Partnership	Idaho Department of Water Right No. 36-8169 36-2726D 36-15256D 36-16763 36-10685 36-10686
Aardema Dairy Limited Partnership	Idaho Department of Water Right No. 36-14657
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-7049 36-7329 36-11075 36-11075A 36-11074 36-15256C 36-16762 36-4002 36-2519 36-2412D 36-8517

Owner of Water Right	Water Rights
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-16257 36-16259 36-16261 36-16263 36-16265 36-16267 36-16269 36-16271 36-16273 36-16275 36-16277 36-16279 36-16281 36-16283 36-16285 36-16287F 36-11076 36-11076A 36-2087F 36-2113F 36-2161F 36-2289H 36-2311F 36-2500F 36-2614F 36-7307F 36-7362F 36-7477F 36-7606F 36-7779F 36-7832F 36-10225F 36-15169F
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-16449 36-16447 36-14031 36-16446 36-16448 36-2586B 36-14035B
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-14430 36-8179 36-2575B
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-7734 36-7250
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-8418

Owner of Water Right	Water Rights
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-15111 36-15110 36-2719 36-7215 36-2242
Aardema Farms Limited Partnership	Idaho Department of Water Right Nos. 36-2412A
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14960
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-15000
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14106
Aardema Farms Limited Partnership	Idaho Department of Water Right No. 36-14166
Double A Dairy	Idaho Department of Water Right Nos. 36-14492 36-15557 36-15559 36-15561 36-15563
Double A Dairy	Idaho Department of Water Right No. 37-2592D 37-2592F 37-2527B 37-7533B
Double A Dairy	Idaho Department of Water Right Nos. 37-8908 37-8909
Double A Dairy (recently purchased from Notch Butte Farms, LLC)	Idaho Department of Water Right Nos. 36-22609 36-22610 36-22611 36-22606 36-22607 36-22608 36-22612 36-22613 36-22614 36-22615 36-22616 36-22617



RECEIVED

FEB 29 2012

Department of Water Resources
Eastern Region



K. KIMBERLY HALEY
Senior Paralegal
(612) 492-6542
FAX (612) 340-2644
haley.kimberly@dorsey.com

February 28, 2012

VIA FEDEX

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

Re: Notice of a Security Interest in a Water Right in the State of Idaho
Our File No. 300403-151

Dear Sir or Madam:

Enclosed please find (i) Notice of Security Interest in a Water Right form; (ii) copies of the applicable security interest; and (iii) a check in the amount of \$2,450.00 for the requisite fees.

Please return evidence of the completed filing in the provided self-addressed, stamped envelope.

Sincerely,

K. Kimberly Haley

Enclosures

cc: Cassandra Headrick via email
Jean Diekmann via email

RECEIVED

MAR 05 2012

DEPT. OF WATER RESOURCES
SOUTHERN REGION