

RECEIVED

JUL 23 2015

Department of Water Resources
Eastern RegionSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No.

80310

MINIMUM REQUIREMENTS CHECKLIST
TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at www.idwr.idaho.gov.

Name of Applicant(s) HERITAGE FARMS, LLCCheck whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.Yes N/A * Means the item is always required and must be included with the application.

- ☒ * Completed Application for Transfer of Water Right form, Part 1.
- ☒ * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative.
- ☒ * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded.
- ☒ ☐ Complete and attach an Application for Transfer Part 2B for each water right for which only a portion is proposed to be changed through this transfer application.
- ☒ * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s).
- ☒ * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.)

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-10.

- ☐ ☒ #1 If the applicant is a business, partnership, organization, or association, and not currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.)
- ☐ ☒ #2a Water Right ownership documentation if Dept. records do not show the applicant as the current water right owner. **
- ☐ ☒ #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). **
** Additional fee(s) required for water right ownership changes; see fee schedule.
- ☐ ☒ #3 Documentation of authority to make the change if the applicant is not the water right owner.
- ☒ ☐ #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.)
- ☐ ☒ #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.
- ☐ ☒ #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.)
- ☒ * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.)
- ☒ ☐ #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. If some or all of any right is leased to the Water Supply Bank, you must also show the the specific location and/or acres to be idled at the new, proposed place of use to satisfy lease requirements.
- ☐ ☒ #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.) Additional fee required for proposed changes to nature of use; see fee schedule.
- ☐ ☒ #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.)
- ☐ ☒ #9 Water Supply Bank information for all rights proposed for transfer and currently leased to the Bank. (Attachment WSB)
- ☐ ☒ #10 Other. Please describe: _____

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

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Department of Water Resources
Eastern Region

APPLICATION FOR TRANSFER OF WATER RIGHT PART 1

Name of Applicant(s) HERITAGE FARMS, LLC Phone 208-397-7222

Mailing address P. O. BOX 10, AMERICAN FALLS, IDAHO 83221 Email dirk.driscoll@driscollbros.com

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it Attachment #1.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it Attachment #2a.
- ☐ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it Attachment #2b.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it Attachment #3.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

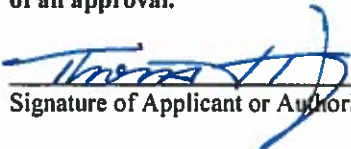
☐ No Representative

Name of Representative THOMAS J. BUDGE Phone 208-232-6101

Mailing address P. O. BOX 1391, POCATELLO, IDAHO 83204-1391 Email tjb@racinelaw.net

- ☐ Send all correspondence for this application to the representative and not to the applicant.
OR
- ☒ Send original correspondence to the applicant and copies to the representative.
- ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant.
OR
- ☒ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it Attachment #4.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.


Signature of Applicant or Authorized Representative

Thomas J. Budge, Attorney
Print Name and Title if applicable

7-21-15
Date

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☐ Change nature of use ☐ Change period of use ☐ Other _____

2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it Part 1A.2.

change point of diversion and place of use of a 20-acre portion of water right no. 35-2610

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☐ ☒	35-2610	0.38	irrigation	4/01 to 10/31	ground water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.38 cfs and/or _____ acre-feet.

2. Total amount of water proposed to be transferred or changed 0.38 cubic feet per second and/or _____ acre-feet per year.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed - the following chart is therefore not completed. (Proceed to #4.)
- ☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
Label it Attachment #5. (N/A - adjoining Model cell)

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
No		SE	NE		7	7S	30E	Power	ground water	

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed - the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
7S	30E	7	5	5	5	5													20
Total Acres (for irrigation use)																			20

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future:
existing groundwater well used to divert water right nos. 35-2432B and 35-7391B

- b. Who owns the property at the point(s) of diversion? applicant
If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system:

- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts? If yes, ☐ attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it Attachment #6. List the name of the entity and type of lien:

It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.

- d. Are any of the water rights proposed for transfer currently leased to the Water Supply Bank? If yes, ☐ complete Attachment WSB.
- e. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer:
Land has been sold without water rights (deed attached).

- f. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use:
water right nos. 35-2432B and 35-7391B

- g. To your knowledge, has/is any portion of the water right(s) proposed to be changed:

Yes No

- ☐ ☒ undergone a period of five or more consecutive years of non-use,
☐ ☒ currently leased to the Water Supply Bank,
☐ ☒ currently used in a mitigation plan limiting the use of water under the right, or
☐ ☒ currently enrolled in a Federal set-aside program limiting the use of water under the rights?

If yes, describe:

Current Owner:	HERITAGE FARMS LLC
Priority Date:	9/15/1960
Origin:	Water Right
Status:	Active
Basis:	Decreed

GROUND WATER

Location of Point(s) of Diversion

GROUND WATER
POWER County

NW1/4SE1/4SE1/4 Sec. 32, Twp 06S, Rge 30E B.M.

IRRIGATION Within POWER County

T06S R30E S32	NENE	37.70	T06S R30E S32	SENE	39.00
T06S R30E S32	NESW	39.00	T06S R30E S32	SESW	38.00
T06S R30E S32	NESE	39.00	T06S R30E S32	NWSE	40.00
T06S R30E S32	SWSE	38.50	T06S R30E S32	SESE	38.60

Total Acres: 309.8

Conditions of Approval:

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

80310

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 2

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ www.idwr.idaho.gov, Water Right Transfers, Step 1.

Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the Part 2B form can be obtained from any Department office or from the Department's website @ www.idwr.idaho.gov, Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number: 35-2610

- [illegible]

2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per $\frac{1}{4}$ $\frac{1}{4}$ tract.)

[illegible]

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 3

A. PLAT MAP (See Part 3A of Instructions for application for transfer for complete requirements.)

- ☒ Attach a map of the diversion, measurement, control, and distribution system. Label it **Attachment #7a.**
- ☒ If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. Label it **Attachment #7b.**

If the place of use currently consists of a permissible place of use, then the attachment is not required if the application contains a clear statement that the boundaries for the place of use are not proposed to be changed by the transfer and the total number of irrigated acres within the place of use before and after the transfer is clearly stated.

If any part of the irrigation water right is leased to the Water Supply Bank, you must also specify the location and number of acres that will remain idled for the duration of the lease contract at the new, proposed place of use.

B. CHANGES IN NATURE OF USE (Water Balance)

- ☐ If you propose to change the nature of use or period of use of all or part of the right(s) listed in this application, attach documentation describing the extent of historic beneficial use of the portion of the right(s) proposed to be changed. Also attach documentation showing that the portion of the right(s) to be changed will not be enlarged in rate, volume, or consumptive use through the proposed change. Label it Attachment #8a.

C. PLACE OF USE CHANGES TO SUPPLEMENTAL IRRIGATION RIGHTS

- ☐ If you propose to change the place of use of a supplemental irrigation right, answer below and attach supporting documentation. Label it **Attachment #8b**.

Describe how the supplemental water rights have been used historically in conjunction with other water rights at the existing place of use. Describe the time during the irrigation season that the supplemental rights have been used. Include information about the availability or reliability of the primary right(s) being supplemented, both before and after the change. If the applicant is proposing to change a supplemental irrigation right to a primary right, provide the information required on Part 3B above:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slightly textured appearance and is set against a dark background.

FOR DEPARTMENT USE ONLY

Transfer contains _____ pages and _____ attachments.
 Received by MH Date 8/11/15 Preliminary check by MH Date 8/11/15
 Fee paid 500- Date 7/23/15 Received by SC Receipt # E041284
 Add'l fee paid _____ Date _____ Received by _____ Receipt # _____

Check all that apply: Attachment WSB ☐ (copy sent to state office) Lessor Designation form ☐ &/or W-9 ☐ (originals to state office)

SPECIAL POWER OF ATTORNEY FOR WATER RIGHTS

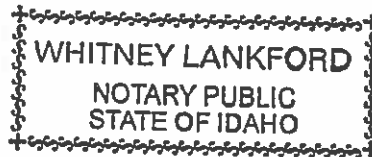
Heritage Farms, LLC, hereby appoints the law firm of RACINE OLSON NYE BUDGE & BAILEY, CHARTERED, 201 E. Center Street, Post Office Box 1391, Pocatello, Idaho 83204, its true and lawful attorney for the purpose of dealing with the Idaho Department of Water Resources relative to the management and transaction of water rights, and authorizes the firm to receive all information, opinions, and records regarding water rights, and to sign and submit applications and other filings on its behalf.

DATED this 17 day of July, 2015.

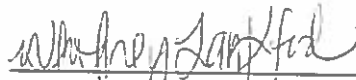


BRADEN DRISCOLL
119 Harrison
American Falls, Idaho 83211

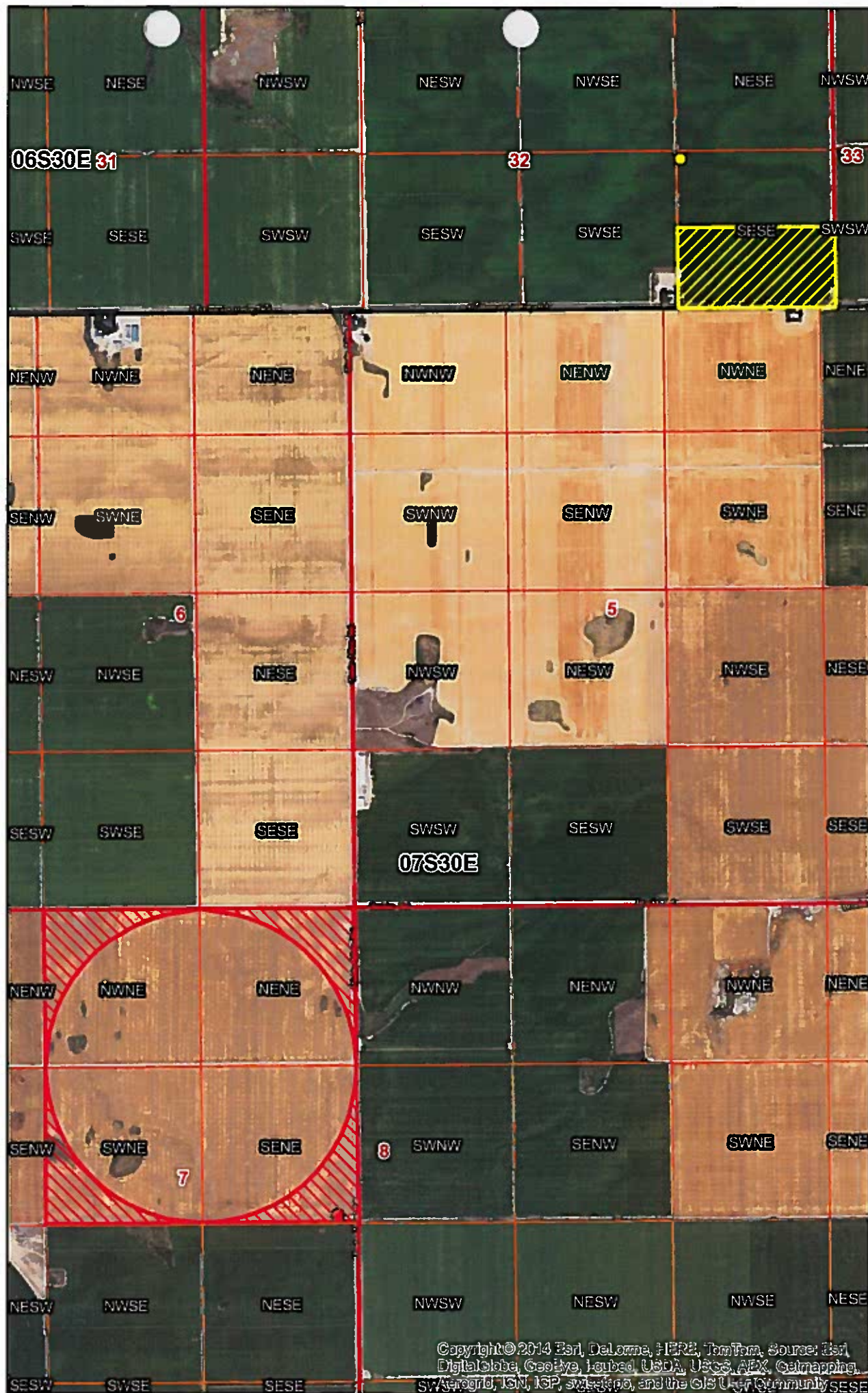
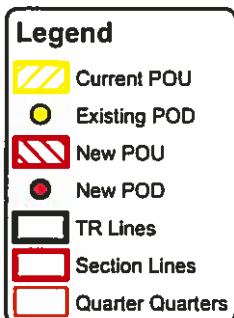
STATE OF IDAHO)
County of power :ss



On this 17 day of July, 2015, before me, the undersigned Notary Public in and for said State, personally appeared BRADEN DRISCOLL, known or identified to me to be a member of Heritage Farms, LLC, and the person whose name who executed this instrument on behalf of said LLC, and acknowledged to me that said LLC executed the same.



NOTARY PUBLIC FOR IDAHO
Residing at: 614 Hillcrest American Falls, ID 83211
Commission expires: 6/26/2019



Instrument # 207665

POWER COUNTY, IDAHO
06-17-2015 02:21:26 PM No. of Pages: 5
Recorded for: ALLIANCE TITLE - POCATELLO OFF
SHARIE SPRAGUE Fee: \$22.00
Ex-Officio Recorder Deputy: maureen schelske
Electronically Recorded by Simplifile

WARRANTY DEED

For Value Received, Heritage Farms, LLC, an Idaho limited liability company, ("Grantor"), hereby grants, bargains, sells and conveys unto Lansing Trade Group, LLC, a Delaware limited liability company ("Grantee"), the premises located in Power County, Idaho, and legally described in the attached Exhibit A. Grantee's address is provided below:

Lansing Trade Group, LLC
ATTN: Jason Phelps
10975 Benson Dr., Suite 400
Overland Park, KS 66210

Grantor conveys said premises, with their appurtenances (except for water rights), to Grantee and to its successors and assigns to have and to hold forever. Grantor does hereby covenant to and with Grantee that Grantor owns said premises in fee simple, that the premises are free from all encumbrances, except as otherwise provided below, and that Grantor will forever warrant the title to said premises.

Notwithstanding the foregoing, any and all water rights now appurtenant to the property described in this Warranty Deed, are retained by Grantor and are not conveyed to Grantee. Subject to the requirements of Idaho law generally, and Idaho Code section 42-111 in particular, Grantee may, however, drill a well at its own expense to obtain water for domestic purposes only.

Furthermore, this conveyance is subject to the following:

1. All federal patents; building and use restrictions; building and zoning regulations and ordinances of any governmental unit; all rights of way, ditch rights, and easements claimed, established or of record; accruing taxes and assessments; encumbrances which are not shown by public records and which were created prior to Grantor's ownership of the property; discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records; and unpatented mining claims.
2. All of the property interests listed in the attached Exhibit B.
3. That certain right of first refusal that is recited in the attached Exhibit C.

GRANTOR:

Heritage Farms, LLC

Date: 6-17-2015

By: Dirk Driscoll
Dirk Driscoll, Manager and Member of
Driscoll Enterprises, LLC
Sole Member of Heritage
Farms, LLC

1346Herit/061213

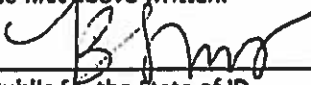
WARRANTY DEED Page 1

80310

State of ID) ss
County of Bannock)

On this 17th day of June in the year 2015, before me, the undersigned, a Notary Public in and for said state, personally appeared Dirk Driscoll known or identified to me to be the Managing Member in the Limited Liability Company known as Driscoll Enterprises, LLC, which is the sole member of Heritage Farms, LLC, who executed the foregoing Instrument, and acknowledged to me that he executed the same in said LLC name.

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



Notary Public for the State of ID
Residing at: Pocatello, ID
Commission Expires: 04-21-21





Part of the SE1/4SE1/4 of Section 32, Township 6 South, Range 30 East, B.M. Power County, Idaho described as;

Commencing at the Southeast corner of said Section 32; thence N 00° 04' 38" E 30.00 feet along the East line of said Section 32; thence N 89° 58' 29" W 30.00 feet to the West right-of-way line of Maple Road and the North right-of-way line of North Pleasant Valley Road and the Point of Beginning; thence N 89° 58' 29" W 1225.00 feet along said North right-of-way line; thence N 00° 04' 38" E 711.18 feet; thence S 89° 58' 29" E 1225.00 feet to the West right-of-way line of Maple Road; thence S 00° 04' 38" W 711.18 feet along said West right-of-way line to the Point of Beginning.



- An easement for the purpose shown below and rights incidental thereto as set forth in document:
Granted To: Power County Highway District
Purpose: Public Utilities
Recorded: November 7, 1991
Instrument No.: 156062
- An easement for the purpose shown below and rights incidental thereto as set forth in document:
Granted To: Idaho Power Company
Purpose: Public Utilities
Recorded: June 16, 1975
Instrument No.: 106105
- An easement for the purpose shown below and rights incidental thereto as reserved in a document:
Purpose: Irrigation Line
Recorded: July 16, 2001
Instrument No.: 177701
- All minerals in or under said land including but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights and easement rights or other matters relating thereto, whether expressed or implied.



Right of First Refusal

Before Buyer accepts a bona fide offer by a person or entity to purchase all or any portion of the Property, or enters into an agreement with a person to sell all or any portion of the property Buyer shall provide notice of such offer to Seller. Such notice shall include all of the terms and conditions of the offer ("Offer Terms") and a description of the property that Buyer proposes to sell ("Option Property"). Within 30 days after receipt of the Offer Terms, Seller may at its option purchase the Option Property pursuant to the Offer Terms. If after 30 days Buyer has not received written notice of acceptance of the Offer Terms from Seller, then Buyer may proceed with the sale of the Option Property pursuant to the Offer Terms. This right of first refusal shall expire on the June 1, 2035. This right of first refusal shall apply to each and every arrangement that Buyer proposes to enter into to sell all or any portion of the Property, provided that this right of first refusal shall not be applicable and Buyer shall have no obligation to comply with the foregoing provisions when the sale of the Property is part of a larger transaction, not in the ordinary course of business, in which Buyer sells all, or the majority, of its other assets located in Idaho as a bulk sale to a third party commercial grain company. Seller will waive the right of first refusal will respect to Buyer's sale of the Property to the third party but the third party buyer's contract of sale with, and its deed to, the third party will require that the third party take title subject to, and be bound by, Seller's right of first refusal if the third party subsequently should seek to transfer ownership of the Property. Seller's right of first refusal shall be included as an exception in Seller's warranty deed to Buyer.