

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Change in Water Right Ownership

RECEIVED

FEB 20 2014

Department of Water Resources
Eastern Region

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
31-7516 <i>OK</i>	Yes ☐	Yes ☐		Yes ☐	Yes ☐
31-10348 <i>OK</i>	Yes ☐	Yes ☐		Yes ☐	Yes ☐
31-10349 <i>OK</i>	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Quality Farms, Inc.
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Jacobs Land, LLC
New owner(s) as listed on the conveyance document
- P.O. Box 119 Hamer Name connector ☐ and ☐ or ☐ and/or
Mailing address City ID 83425
State ZIP
- Telephone _____ Email _____
4. If the water rights and/or adjudication claims were split, how did the division occur?
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: _____
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
 ☐ \$25 per *undivided* water right.
 ☐ \$100 per *split* water right.
 ☐ No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

SUPPORT DATA

IN FILE # 31-7516

8. Signature: [Signature] Attorney 02/19/2015
Signature of new owner/claimant Title, if applicable Date
- Signature: _____ Title, if applicable _____ Date _____
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by JB Date 2/20/2015 Receipt No. E040661 Receipt Amt. \$75. - for this app
 Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐
 Name on W-9 _____ Approved by JB Processed by JB Date 3/10/2015

WARRANTY DEED

THIS INDENTURE is made this 30th day of January, 2015, by QUALITY FARMS, INC., an Idaho corporation, the "Grantor", to JACOBS LAND, LLC, an Idaho limited liability company, whose mailing address is P.O. Box 119, Hamer, Idaho 83425, the "Grantee".

KMF

WITNESSETH:

That the Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) lawful money of the United States of America, and other good and valuable consideration, to the Grantor in hand paid by the Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, sold, and by these presents does grant, bargain, sell, convey and confirm unto the Grantee, and to the Grantee's successors and assigns forever, all of the following described real property in the County of Jefferson, State of Idaho, to-wit:

TRACT 1:

TOWNSHIP 8 NORTH, RANGE 36 E.B.M., JEFFERSON COUNTY, IDAHO.

SECTION 33: E $\frac{1}{2}$ SE $\frac{1}{4}$

SECTION 34: S $\frac{1}{2}$

SECTION 35: W $\frac{1}{2}$ SW $\frac{1}{4}$

TRACT 2:

TOWNSHIP 7 NORTH, RANGE 36 E.B.M., JEFFERSON COUNTY, IDAHO.

SECTION 4: LOT 1; THAT PORTION OF LOT 2 LYING EAST OF THE RAILROAD.

TRACT 3:

TOWNSHIP 7 NORTH, RANGE 36 E.B.M., JEFFERSON COUNTY, IDAHO.

SECTION 4: THAT PORTION OF THE SW $\frac{1}{4}$ NE $\frac{1}{4}$ AND NW $\frac{1}{4}$ SE $\frac{1}{4}$ LYING EAST OF THE OREGON SHORTLINE RAILROAD RIGHT OF WAY.

EXCEPTING THEREFROM: BEGINNING AT A POINT 1429.8 FEET SOUTH AND 1062.5 FEET EAST FROM THE N $\frac{1}{4}$ CORNER OF SAID SECTION 4 AND RUNNING THENCE N2°43'E 150 FEET; THENCE S89°14'E 150 FEET ALONG THE EXISTING FENCE; THENCE S2°43'W 150 FEET; THENCE N89°14'W 150 FEET TO THE POINT OF BEGINNING.

TRACT 4:

TOWNSHIP 7 NORTH, RANGE 36 E.B.M., JEFFERSON COUNTY, IDAHO.

SECTION 4: BEGINNING AT A POINT 1429.8 FEET SOUTH AND 1062.5 FEET EAST FROM THE N¼ CORNER OF SAID SECTION 4 AND RUNNING THENCE N2°43'E 150 FEET; THENCE S89°14'E 150 FEET ALONG THE EXISTING FENCE; THENCE S2°43'W 150 FEET; THENCE N89°14'W 150 FEET TO THE POINT OF BEGINNING.

TRACT 5:
TOWNSHIP 7 NORTH, RANGE 36 E.B.M., JEFFERSON COUNTY, IDAHO.
SECTION 3: LOT 3

SUBJECT TO the following:

1. Right-of-way or easement of County Road (2375 East).
2. Easement granted to Utah Power & Light Company, recorded August 15, 1966 as Instrument No. 142235.
3. Subject to the reservations as set forth in that certain Warranty Deed by and between William Flint and Floetta Flint, his wife, parties of the first part, and Max C. Mortensen and Golden C. Linford, doing business as Quality Pak, a partnership, parties of the second part, recorded April 2, 1968, Instrument No. 147358: "Reserving in parties of the first part, their heirs and assigns a perpetual road right-of-way 20 feet in width, across the south end of the property conveyed, appurtenant to adjacent land owned by parties of the first part. The right-of-way shall be located so as to not unreasonably interfere with use of the property by parties of the second part and parties of the first part shall maintain the right-of-way."
4. Easement granted to Utah Power & Light Company, recorded July 15, 1968 as Instrument No. 148570.
5. Easement granted to Utah Power & Light Company, recorded July 15, 1968 as Instrument No. 148571.
6. Easement granted to Utah Power & Light Company, recorded April 29, 1970, as Instrument No. 154386.
7. Easement granted to Utah Power & Light Company, recorded September 13, 1977 as Instrument No. 187927.

8. Exceptions and Reservations in favor of United States of America, as evidenced by that certain Patent, recorded January 2, 1986, as Instrument No. 236111.

a. A right-of-way thereon for ditches or canals constructed by the authority of the United States pursuant to the Act of August 30, 1890, 26 Stat. 391; 34 U.S.C. 945.

b. All mineral deposits in the lands so patented pursuant to the Act of October 21, 1976 (90 Stat. 2757; 43 U.S.C. 1719), and to it, or persons authorized by it, the right to prospect, mine and remove such deposits from the same under applicable law and such regulations as the Secretary of the Interior may prescribe.

9. Real Estate Mortgage dated November 20, 2006, to secure an original indebtedness of \$121,000.00.

Recorded: November 28, 2006, as Instrument No. 354005

Mortgagor: Kent M. Linford and Jan L. Linford, husband and wife; and Quality Farms, Inc., an Idaho Corporation, By: Kent M. Linford, President, and Attest: Jan L. Linford, Secretary

Mortgagee: Idaho AgCredit, FLCA

10. Real Estate Mortgage dated November 20, 2006, to secure an original indebtedness of \$890,000.00, and any other amounts and/or obligations secured thereby.

Recorded: November 28, 2006, as Instrument No. 354006

Mortgagor: Kent M. Linford and Jan L. Linford, husband and wife; and Quality Farms, Inc., an Idaho Corporation, By: Kent M. Linford, President, and Attest: Jan L. Linford, Secretary

Mortgagee: Idaho AgCredit, FLCA

11. Financing Statement covering irrigation equipment

Recorded: March 31, 2010, as Instrument No. 383631

Debtor: Kirk M. Jacobs

Secured Party: Diversified Financial Services, LLC

12. Real Estate Mortgage and Fixture Filing dated May 30, 2013, to secure an original indebtedness of \$740,000.00, and any other amounts and/or obligations secured thereby.

Recorded: June 5, 2013, as Instrument No. 405466

Mortgagor: Kent M. Linford aka Kent Merrill Linford and Jan L. Linford, husband and wife dba Triple K Desert Farms and Quality Farms, Inc., an Idaho corporation by Kent M. Linford, President and attest, Jan L. Linford, Secretary
Mortgagee: Idaho AgCredit, FLCA

13. Real Estate Mortgage and Fixture Filing dated May 28, 2013, to secure an original indebtedness of \$552,000.00, and any other amounts and/or obligations secured thereby.

Recorded: June 5, 2013, as Instrument No. 405467

Mortgagor: Kent M. Linford aka Kent Merrill Linford and Jan L. Linford, husband and wife dba Triple K Desert Farms and Quality Farms, Inc., an Idaho corporation by Kent M. Linford, President and attest, Jan L. Linford, Secretary
Mortgagee: Idaho AgCredit, FLCA

TOGETHER with the tenements, hereditaments, water rights (including but not limited to Water Right Nos. 31-2429, 31-2430, 31-10348, 31-7516, and 31-10349), and other appurtenances thereunto belonging or in anywise appertaining, and any reversions, remainders, rents, issues and profits therefrom; and all estate, right, title and interest in and to the property, as well in law as in equity, of the Grantor.

TOGETHER with all pumps, panels, mainline, and all other irrigation equipment of any nature owned by Grantor and located on the property, including without limitation those items listed on Exhibit "A" attached hereto.

TO HAVE AND TO HOLD the property and the appurtenances unto the Grantee, and to the Grantee's successors and assigns forever. The Grantor and the Grantor's successors shall warrant and defend the property in the quiet and peaceable possession of the Grantee and the Grantee's successors and assigns, against the Grantor and the Grantor's successors, and against every person whomsoever who lawfully holds (or who later lawfully claims to have held) rights in the property as of the date hereof, subject to the matters set forth above.

In construing this Warranty Deed and where the context so requires, the singular includes the plural.

IN WITNESS WHEREOF, the Grantor has executed the within instrument the day and year first above written.

GRANTOR:

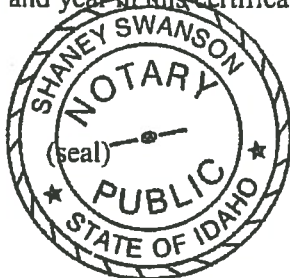
QUALITY FARMS, INC.

By: Kent Lindord
Kent Lindord, President

STATE OF IDAHO)
)ss.
County of Jefferson)

On the 2nd day of February, 2015, before me the undersigned, a notary public in and for said State, personally appeared Kent Linford, known or identified to me to be the President of Quality Farms, Inc., an Idaho corporation, and the person who subscribed said corporation's name to the foregoing instrument, and acknowledged to me that such person executed the same in said corporation's 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.



Shaney Swanson
Notary Public for Idaho
Residing at 2222 Falls rd
My Commission Expires: 1-3-21

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Exhibit "A"
to
Warranty Deed

IRRIGATION EQUIPMENT

- 6 Valley center pivots
- 2 half-mile plastic mainlines
- 1 quarter-mile plastic mainline
- 2 200 hp electric pumps (with 2 main power boxes)
- 1 100 hp electric pump (with 1 main power box)
- 1 60 hp electric pump (with 1 main power box)