

February 12, 2015

To IDWR,

In April, 2013, I sold 640 acres in Owyhee County, Idaho, to Sevy Dairy, INC., Kenneth Lewis Sevy, and Sarah Marlene Sevy.

I did not sell them approximately 30 acres which included several homes, 2 large shops and a portion of farmland irrigated by a pivot.

I am retaining the water rights for these approximately 30 acres. I had a survey completed and the result showed that there are 32.99 acres in this parcel.

I am providing a copy of the Real Estate Purchase Contract for this sale which clearly indicates that this approximately 30 acre (32.99) parcel is not included. This contract also specifies that 4 acre feet of irrigation water rights per acre are to be assigned to these 32.99 acres. See Items 5), 8) and 17).

I have also provided maps which indicate where this 32.99 acre parcel lies and maps of the pertinent water rights. The water rights affected by these 32.99 acres are 2-2144, 2-7002 and 2-10011.

If you need anything further from me, please let me know.

Thank you,

Rodney St.Clair

8319 Clark Rd

Marsing, ID 83639

208-250-0449 cell phone

REAL ESTATE PURCHASE CONTRACT

Rodney and Virginia St.Clair, of 8319 Clark Rd, Marsing, Idaho, agree to sell 640 acres at this address to Sevy Dairy Inc. of 7808 Sommercamp Rd. Givens Hot Springs, Idaho 83641.

- 1) The purchase price is to be \$4,608,000. Four million, six hundred and eight thousand dollars.
- 2) Earnest money in the amount of \$300,000.00 will be paid to the seller at signing and notarizing of this document.
- 3) Earnest money is to be non-refundable. If this transaction does not close, the earnest money in its entirety will be retained by the seller and the buyer will be allowed to continue farming and will retain all growing crops and harvest for the 2013 crop year. Possession of the property will return to the seller by 2014.
- 4) A legal description of this property is attached as Addendum #1.
- 5) The legal description, Addendum #1, describes +/- 672 acres, including approximately 30 acres upon which several houses, 2 large shop buildings and other improvements are located. This lot of approximately 30 acres is not included in the sale of these 640 acres. Prior to closing, the seller will engage a surveyor who will survey the acreage to be reserved from the sale and create a new parcel number and legal description. The new survey will indicate the correct number of acres in the lot with the homes and other improvements.
- 6) This transaction includes all irrigation pivots, irrigation pumps and pertinent irrigation equipment. See Addendum #2 for a complete list.
- 7) Sellers will retain 2 ports at the pumping station located on the Snake River.
- 8) Sellers will retain 4 acre feet of irrigation water rights, per acre, from the existing water rights, to be used on the 30+/- acre lot they are retaining.
- 9) Sellers reserve the right to access gravel from the gravel pit on the 640 acres for their personal use. They will not sell gravel from the pit to other parties.
- 10) Sellers reserve the right to install a new 12 inch pipeline adjacent to the existing irrigation mainline from the river on the existing pipeline right of way.
- 11) A new pipeline that is adequate to service the property is to be installed to service the 640 acre property to be installed as soon as possible after signing to insure water availability for 2013 irrigation season. Buyer is to be involved in the final decision making and to assist in the cost with \$30,000.00.
- 12) Sellers reserve the right to access the irrigation right of way access road to the river for purposes of maintaining the pump and 12 inch mainline which will serve the newly created 30 acre parcel with homes, shops and 24+/- acre field.
- 13) Sellers personal property is excluded from this sale.
- 14) Buyers are to abide by any and all NRCS Program Requirements currently in place.
- 15) Buyers are to have access to livestock water from a domestic well located near the homes on the west end of the 30 acre parcel being reserved by the Sellers.

Any costs incurred by this access will be carried by the buyer.

16) Any costs associated with securing financing for this purchase will be the responsibility of the Buyers.

17) Property includes all Snake River water rights associated with the property with the exception of four acre feet per acre for the 30 acre parcel reserved by the seller.

18) Irrigation power costs for 2013 will be paid by the buyer.

19) Pioneer Title, 610 S. Kimball, Caldwell, will serve as the closing agency. Kathy McDonald shall serve as the closing agent.

20) Sellers will pay for standard title insurance.

21) Seller and Buyer will share the settlement or closing fee equally (50/50).

22) Seller and Buyer will share the recording fees equally (50/50).

23) Real estate taxes shall be pro-rated as of the date of closing.

24) Closing date shall be no later than June 1, 2013.

25) Buyer will assume possession at the signing of this agreement and transfer of deposit to the seller.

26) This document must be signed, notarized and earnest money paid in order to be binding.

27) The road through the property to the back housing will be shared by both parties until survey and later agreement.

28) The Sevy Family retains first right of refusal should the St. Clairs ever decide to sell the retained 30 acre parcel.

29) The Dairy permit held by Rod St. Clair will be transferred to the Sevys if allowed by Owyhee County.

Signed,

Rodney D St Clair

Rodney D St Clair

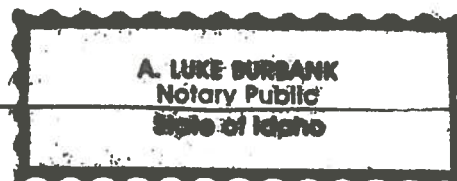
Kenneth L Sevy

Kenny Sevy

State of IDAHO)

S.S.

County of OWYHEE)



On this 30th day of Jul, in the year of 2013, before me A. Luke Burbank a notary public, personally appeared RODNEY ST CLAIR KENNETH SEVY, 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 that he (she) (they) executed the same.

A. Luke Burbank

Notary Public

Figure 1 shows a 1D beam element of length 400. The coordinate system is defined such that the left end is at 0 and the right end is at 400. A point 'C' is located at the midpoint, 200. The beam is divided into two segments: 0 to 200 and 200 to 400. The length of the beam is labeled as 400. The coordinate system is labeled 'x'.

-----	PROXIMITY BOUNDARY LINE
-----	INGRESS/EGRESS EASEMENT
-----	SECTIONAL LINE
	DRILL CAP ATTEMPT
	FOUND 5/8" REBAR AS NOTED
	SET 5/8" REBAR CAP
	CALCULATED POINT
()	RECORD INFORMATION

1) RECORD OF SURVEY INSTRUMENT NO. 161527
2) RECORD OF SURVEY INSTRUMENT NO. 217078
3) WARRANTY DEED INSTRUMENT NO. 203408, 214405, 215474
4) ILL. HIGHWAY 78 PLANS PAP NO. S-3707 (2)

I, GARE PORTER, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR LICENSED BY THE STATE OF IDAHO, AND THAT THIS MAP WAS DRAWN FROM AN AERIAL SURVEY ON THE GROUND UNDER MY DIRECT SUPERVISION, AND ACCURATELY REPRESENTS THE POINTS SHOWN HEREON, AND IS IN CONFORMITY WITH THE STATE OF IDAHO CODE RELATING TO PLATS, SURVEYS, AND THE CORNER PERPETUATION AND PLACING ACT, IDAHO CODE.



SURVEY INDEX NO. 244-35-4-0-0-00-00
SURVEY INDEX NO. 244-26-3-0-0-00-00

CURVE	ARC LENGTH	DELTA ANGLE	RADIUS	CHORD BEARING	CHORD LENGTH
C1	1044.90'	10°16'11"	5729.58'	S 46°40'27" E	1043.50'
C2	131.64'	1°18'59"	5729.58'	S 53°01'47" E	131.64'
C3	187.10'	1°50'20"	5729.58'	S 52°45'14" E	187.09'
C4	3410.38'	34°06'14"	5729.58'	S 35°17'08" E	3380.76'
C5	1985.00'	19°51'00"	5729.58'	S 43°41'44" E	1975.09'

FOUND 110 STATION 30.7+50.9 RIGHT OF
WAY BRASS CAPS 33' LEFT AND 33' RIGHT
OF CENTERLINE. REPRODUCED CENTERLINE TO
110 CENTERLINE STATION 28.7+45.9. AND PI
FOUND RIGHT OF WAY BRASS CAP STATION
28.7+45.9. 100 R6411 AND CURVE DATA
PER PLAN NO. S 3707 (2) REVIS. WELL

LINE	BEARING	DISTANCE
L1	N 69°46'59" W	141.70
L2	N 26°17'26" W	120.04
L3	N 25°02'36" W	152.43
L4	N 69°27'33" W	73.21
L5	N 74°47'33" W	215.18
L6	N 86°01'20" W	215.18
L7	N 71°03'41" W	119.01
L8	N 79°58'56" W	98.70
L9	N 73°41'11" W	105.45
L10	S 82°34'07" W	575.45
L11	N 10°27'39" W	55.39
L12	N 65°59'00" E	113.92
L13	S 0°31'17" E	250.46
L14	S 71°34'41" W	108.74
L15	S 56°42'37" W	87.34
L16	S 85°10'37" W	98.45
L17	S 63°51'56" W	92.43
L18	S 74°12'55" W	48.93
L19	S 74°12'55" W	48.93
L20	N 79°04'58" W	52.85
L21	N 80°39'48" W	48.40

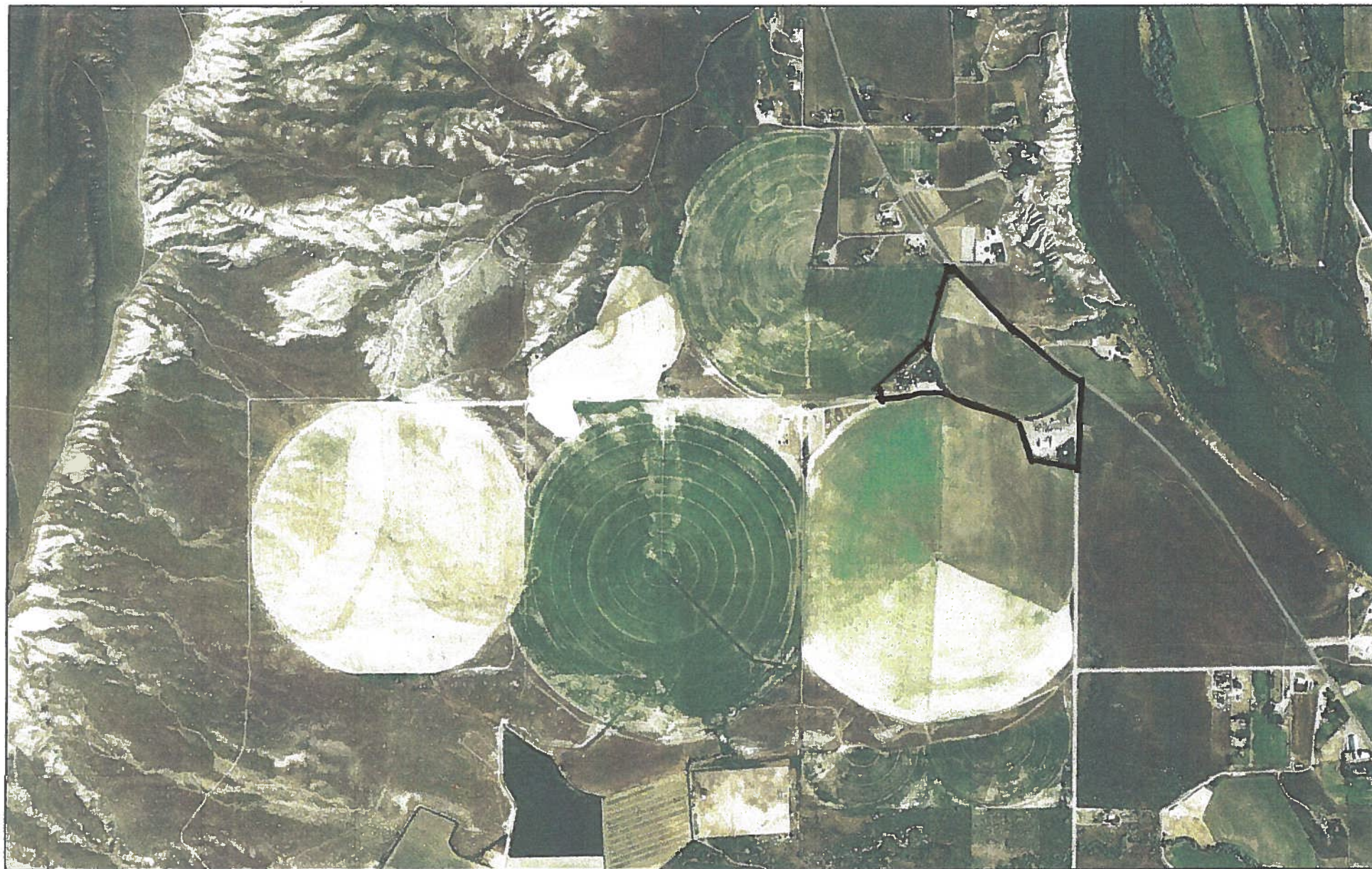
CLARK ROAD

OPALINE ROAD



Conservation Plan Map

Customer(s): RODNEY & VIRGINIA ST CLAIR



1,200 0 1,200 2,400 3,600 4,800 Feet

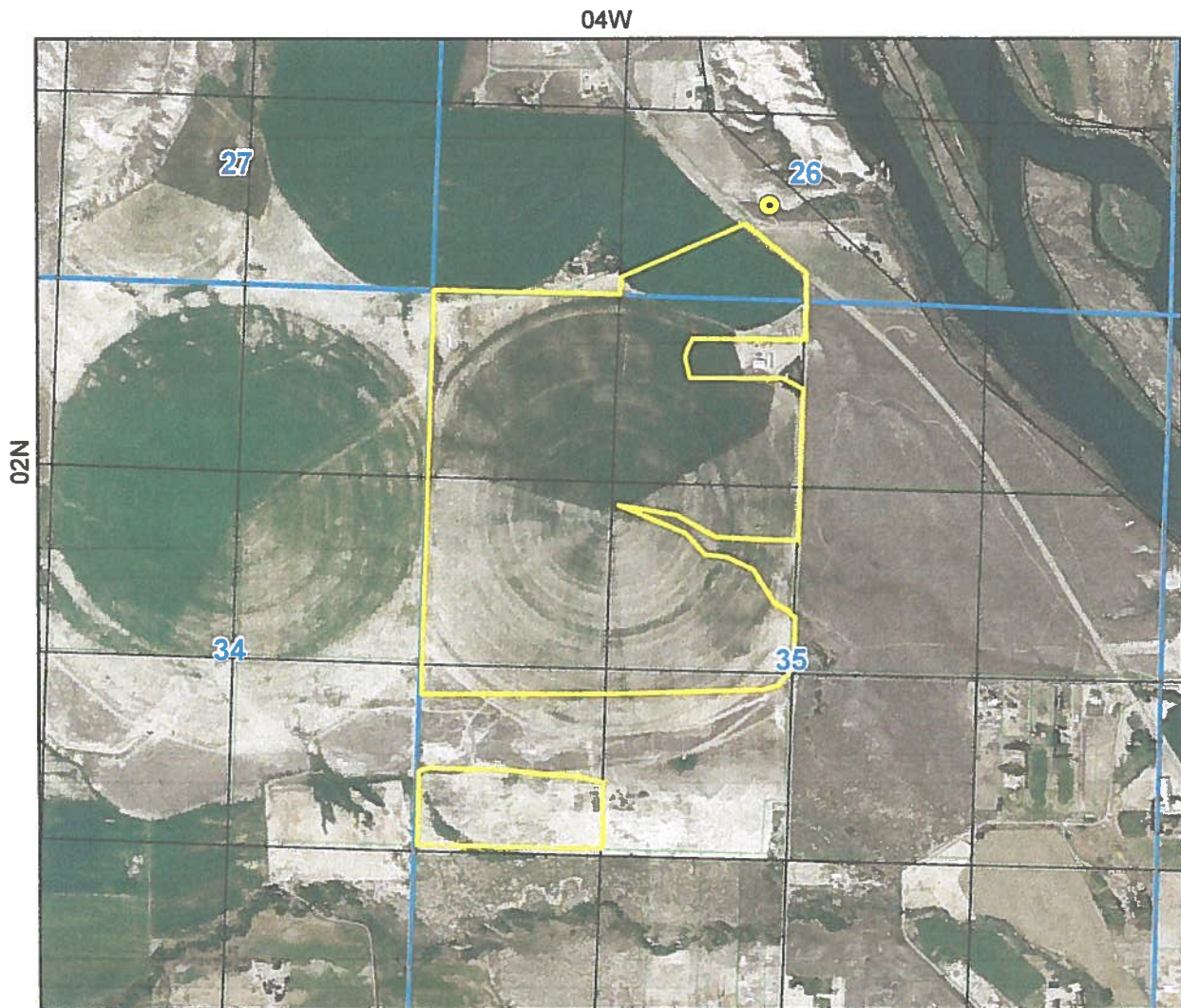


State of Idaho
Department of Water Resources

**Water Right
2-2144**

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Taxlots

0 0.15 0.3 0.6 Miles

