

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
JAN 07 2014
DEPT. OF WATER RESOURCES
SOUTHERN REGION

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 Right

RECEIVED

JAN 13 2014

Department of Water Resources
Eastern Region

Please 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): 21-7589, 21-2056 *OK OK*

Adjudication Claim No(s): _____

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

D. L. Evans Bank

P.O. Box 87

Twin Falls, ID 83303

4. Name of Water Right Owner/Claimant(s) HENRYS FORK PROPERTIES LLC

5. Expiration Date of Notification Period 10/05/2033

6. Is this a Renewal of Request for Notification? ☒ YES ☐ NO

7. Signature(s) (and title if applicable)

[Signature]
Loan Officer

For Office Use Only

Received by DM

Date

Received by DM

Date 1-9-2014

Processed by AJ

Date

Fee \$50-

Receipt No. 5033749

WR 21-2056

Date 1/15/2014

'recorded' mortgage. Matching current owner WR #s listed. 'recorded' document would be signed & notarized.

SUPPORT DATA

FILE # 21-2056

473675-RX

RECORDATION REQUESTED BY:

D. L. Evans Bank
Idaho Falls Branch
888 East 17th St
Idaho Falls, ID 83404

WHEN RECORDED MAIL TO:

D. L. Evans Bank
Idaho Falls Branch
888 East 17th St
Idaho Falls, ID 83404

SEND TAX NOTICES TO:

Henry's Fork Properties, LLC
4194 Sunset View Drive
Salt Lake City, UT 84124

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE dated November 25, 2013, is made and executed between Henry's Fork Properties, LLC, an Idaho limited liability company (referred to below as "Grantor") and D. L. Evans Bank, whose address is 888 East 17th St, Idaho Falls, ID 83404 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages, grants, bargains, sells and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Fremont County, State of Idaho:

PARCEL 3:

TOWNSHIP 9 NORTH, RANGE 43 E.B.M., FREMONT COUNTY, IDAHO SECTION 18:

W $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$ NORTH OF RIVER; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$; ALSO, THAT PORTION OF THE FOLLOWING DESCRIBED PROPERTY, LYING NORTH OF THE RIVER, BEGINNING AT THE SE CORNER OF THE NW $\frac{1}{4}$ SW $\frac{1}{4}$ AND RUNNING W. 285 FEET; THENCE N. 1320 FEET; MORE OR LESS; THENCE E. 285 FEET; THENCE S. 1320 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM:

ALL THAT PORTION LYING WITHIN THE PLATTED BOUNDARY OF THE FIRST AMENDED RIVERS EDGE ON THE HENRY'S FORK - DIV. NO. 1, FREMONT COUNTY, IDAHO, AS SHOWN ON THE PLAT RECORDED APRIL 17, 2012, AS INSTRUMENT NO. 538241. AFFIDAVIT OF CORRECTION RECORDED APRIL 17, 2012, AS INSTRUMENT NO. 538242.

ALSO EXCEPTING THEREFROM:

ALL THAT PORTION OF THE SW $\frac{1}{4}$ 4SE $\frac{1}{4}$ OF SECTION 18 TOWNSHIP 9 NORTH, RANGE 43 E.B.M., FREMONT COUNTY, IDAHO LYING SOUTH OF THE PLATTED BOUNDARY OF THE FIRST AMENDED RIVERS EDGE ON THE HENRY'S FORK - DIV. NO. 1, FREMONT COUNTY, IDAHO, AS SHOWN ON THE PLAT RECORDED APRIL 17, 2012, AS INSTRUMENT NO. 538241. AFFIDAVIT OF CORRECTION RECORDED APRIL 17, 2012, AS INSTRUMENT NO. 538242.

TOGETHER WITH ALL IRRIGATION EQUIPMENT AND ADDITIONS THERETO AND REPLACEMENTS THEREOF NOW OWNED OR HEREAFTER ACQUIRED BY THE BORROWERS AND USED IN THE IRRIGATION OF THE ABOVE PREMISES, ESPECIALLY BUT NOT LIMITED TO PUMPS, PIPE, CASING, MOTOR AND ELECTRICAL PANELS AND ACCESSORIES TO EACH, DESCRIBED AS FOLLOWS: A Valley 6000 Irrigation Pivot with 9 towers, Serial No. ISRP311VM, Alternate Serial No. 1812020 Rev K.

TOGETHER WITH THE WATER RIGHTS REPRESENTED BY IDAHO STATE DEPARTMENT OF WATER RESOURCES WATER RIGHT NO. 21-2056 WITH A CLAIMED PRIORITY OF MARCH 18, 1913 TO 0.600 CFS OF IRRIGATION WATER FROM UNNAMED STREAM A TRIBUTARY OF HENRY'S FORK AND WATER RIGHT NO. 21-7589 TO 5.20 AF OF RECREATION STORAGE FROM COLEMAN CANYON A TRIBUTARY OF HENRY'S FORK TOGETHER WITH ANY AND ALL OTHER WATER RIGHTS AND DITCH RIGHTS APPURTENANT TO THE ABOVE DESCRIBED PREMISES.

TOGETHER WITH 150 SHARES OF THE CAPITAL STOCK OF THE PALISADES WATER USERS, INCORPORATED CANAL COMPANY CERTIFICATE NO. 1018, TOGETHER WITH ANY AND ALL OTHER WATER RIGHTS AND DITCH RIGHTS APPURTENANT TO THE ABOVE DESCRIBED PREMISES

The Real Property or its address is commonly known as Bare Land, Ashton, ID 83447. The Real Property tax identification number is RP09N43E181202.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under,