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November 6, 2012

To: The Idaho Department of Water Resources

From: Garn Lovell, Lending Officer, Western AgCredit, FLCA, Servicing Agent

Subject: Transfer of Water Rights: Lee and Heddy Sutton (Idaho Department of Water Resources Transfer No. 77997—Water Right Nos. 22-2242B and 22-10897)

The Bank of Commerce is the mortgagee for certain property owned by Lee and Heddy Sutton. The mortgage is being serviced by Western AgCredit, FLCA.

On March 22, 2012, Western AgCredit filed a *Notice of Security Interest in a Water Right* for a portion of Water Right Nos. 22-2242B and 22-10897, a copy of which is attached as hereto as Exhibit A. The mortgage was included with the *Notice of Security Interest in a Water Right*, a copy of which is attached hereto as Exhibit B. The mortgage has been recorded as Instrument No. 373559 in the records of Madison County, Idaho.

My understanding is that the Suttons have submitted an application to amend Water Right Nos. 22-2242B and 22-10897 through a transfer application that has been assigned No. 77997 by the Idaho Department of Water Resources ("IDWR"). It is my further understanding that the transfer was necessary to rearrange the place of use of the water rights to better allow the use of rented water rights for a portion of land rented by the Suttons. Based upon our review of the land which the mortgage is associated, the transfer will actually increase the number of irrigated acres within these parcels by a total of 4.6 acres.

This letter will serve to convey our consent to Transfer No. 77997 to amend Water Right Nos. 22-2242B and 22-10897. This consent **does not** release the security interest of the Bank of Commerce (or any rights held by Western AgCredit, FLCA) to the land described in the

mortgage or water rights at issue in Transfer No. 77997. Rather, this document merely evidences our consent to the amendment of Water Right Nos. 22-2242B and 22-10897 through Transfer No. 77997.

The Bank of Commerce

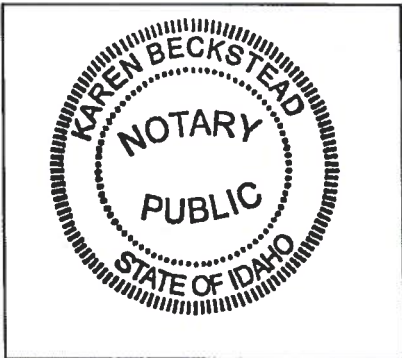
By: Western AgCredit, FLCA, Servicing Agent

By: *Garn Lovell*
Garn Lovell
Lending Officer

STATE OF Idaho)
) ss.
COUNTY OF Bonneville)

On this 6th day of November, 2012, before me personally appeared Garn Lovell and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as authorized agent for Western AgCredit, FLCA, the servicing agent for The Bank of Commerce, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: November 6, 2012



Karen Beckstead
Notary Public for the State of Idaho
Print Name Karen Beckstead
My commission expires 7-20-2015
Residing at: Idaho Falls