



State of Idaho

DEPARTMENT OF WATER RESOURCES

Eastern Region, 900 North Skyline Drive, Suite A • Idaho Falls, Idaho 83402-1718

Phone: (208) 525-7161 • Fax: (208) 525-7177 • Web Site: www.idwr.idaho.gov

January 27, 2011

USDA Farm Service Agency
Franklin County FSA Office
98 East 800 North Ste 2
Preston ID 83263

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

RE: Security Interest Water Right No. 29-2351 & 29-10553

Dear Sir/Madam:

The Department of Water Resources acknowledges receipt of your Notice of Change in Water Right Ownership.

The "Security Interest" FOR 29-2351 & 29-10553 has been returned for the following items.

**** Filing Fees. The fee for a Notice of Security Interest is \$25.00 per water right.

Please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.idaho.gov.

Please enclose the requested item(s) and resubmit the entire packet to our Idaho Falls Office at the address below:

Idaho Department of Water Resources
Eastern Region Office
900 N Skyline Dr Ste A
Idaho Falls ID 83402-1718

Please feel free to contact the Department if you have any questions.

Sincerely,

Jonie Barg
Technical Records Specialist

Enclosure(s)

RECEIVED

FEB 01 2011

Department of Water Resources
Eastern RegionSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**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**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): 29-2351 & 29-10553
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

USDA FARM SERVICE AGENCY
FRANKLIN COUNTY FSA OFFICE
98 EAST 800 NORTH, SUITE 2
PRESTON, ID. 83263

4. Name of Water Right Owner/Claimant(s) LARIN A. WESTERBERG

5. Expiration Date of Notification Period 08-25-2050

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

7. Signature(s) of Security Interest holder(s) Todd T. Tueller
(and title if applicable)

TODD T. TUELLER
FARM LOAN MANAGER, USDA-FARM SERVICE AGENCY**For Office Use Only**

Received by _____	Date _____	Fee _____
Receipted by _____	Date _____	Receipt No. _____
Processed by _____ AJ	Date _____	WR _____ Date _____

INSTRUCTIONS

This form has been prepared to assist persons having a security interest in a water right to request notification from the Department of Water Resources (IDWR) regarding any change in ownership of the water right or of any proposed or final action to amend, transfer or otherwise modify the water right as provided in Section 42-248(6), **Idaho Code**. The filing of a request for notification is a voluntary action by the holder of the security interest and is not required by law.

1. Please enter the water right or adjudication claim number(s) at **Item 1**. If you believe there are water rights for the property but the numbers are unknown, you may wish to contact IDWR for assistance in identifying the water rights for the property in question. If claims for the rights are required, and have not been filed, IDWR will so advise you.
2. The information described at **Item 2** is required, since IDWR cannot process the request without documentation of a security interest. Common types of documentation are shown.
3. The name, mailing address, and telephone number of the person or company desiring notification is entered at **Item 3**.
4. At **Item 4**, please provide the name of the owner/claimant of the water right(s) listed.
5. At **Item 5**, please enter expiration date of the security interest or other date defining the end of the period for which notification is requested. The notification period can be renewed by completing a new form with the appropriate fees as shown below. If the security interest is terminated prior to the expiration date requested, the holder must notify IDWR within 60 days of termination.
6. At **Item 6**, please indicate if this is a renewal of a prior notice.
7. The person(s) desiring notification must sign the form in the space(s) provided at **Item 7**. For corporations or other organizations, the person signing must be an officer of the corporation or otherwise have authority to sign for the organization and must include their title with the signature.
8. Include the appropriate filing fee. There is a fee of \$25.00 per water right or adjudication claim. Renewals, if necessary, are also \$25.00 per water right or adjudication claim.
9. When complete, you should retain a copy and return the completed original form to the IDWR office nearest you:

IDWR Western Region
2735 Airport Way
Boise, ID 83705-5082
(208) 334-2190

IDWR Southern Region
1341 Fillmore St., Suite 200
Twin Falls, ID 83301-3380
(208) 736-3033

IDWR Northern Region
7600 Mineral Dr., Suite 100
Coeur d'Alene, ID 83815
(208) 762-2800

IDWR Eastern Region
900 N. Skyline Dr., Suite A
Idaho Falls, ID 83402-1718
(208) 525-7161

20100593MOLT

FSA-2029 ID
(6-01-08)

Position 5

Recorded Electronically	
ID	21014158
County	Bannock
Date	8/25/10 Time 3:03
Simplifile.com 800.460.5657	

UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency

MORTGAGE FOR IDAHO

THIS MORTGAGE ("instrument") is made on AUGUST 25, 20 10. The mortgagor is LARIN A. WESTERBERG,
A SINGLE MAN

____ ("Borrower" whose mailing address is 1386 JANE STREET, POCATELLO, IDAHO
83201

____ This instrument is given to the United States of America, acting
through the Farm Service Agency, United States Department of Agriculture ("Government") located at 98 EAST 800 NORTH,
SUITE 2, PRESTON, IDAHO 83263

This instrument secures the following promissory notes, assumption agreements, and/or shared appreciation agreements (collectively called "note"), which have been executed or assumed by the Borrower unless otherwise noted, are payable to the Government, and authorize acceleration of the entire debt upon any default:

<u>Date of Instrument</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Due Date of Final Installment</u>
AUGUST 25, 2010	\$230,000.00	4.625%	AUGUST 25, 2050
AUGUST 25, 2010	\$48,390.00	4.625%	AUGUST 25, 2050

(The interest rate for any limited resource farm ownership or limited resource operating loans secured by this instrument may be increased as provided in Government regulations and the note.)

By execution of this instrument, Borrower acknowledges receipt of all of the proceeds of the loan or loans evidenced by the above note.

This instrument secures to the Government: (1) payment of the note and all extensions, renewals, and modifications thereof; (2) recapture of any amount due under any Shared Appreciation Agreement entered into pursuant to 7 U.S.C. § 2001; (3) payment of all advances and expenditures, with interest, made by the Government; and (4) the obligations and covenants of Borrower set forth in this instrument, the note, and any other loan agreements.

In consideration of any loan made by the Government pursuant to the Consolidated Farm and Rural Development Act, 7 U.S.C. § 1921 et seq. as evidenced by the note, Borrower irrevocably mortgages, grants and conveys to the Government the following described property situated in the State of Idaho, County or Counties of BANNOCK

See attached Exhibit A for legal description.

together with all rights (including the rights to mining products, gravel, oil, gas, coal or other minerals), interests, easements, fixtures, hereditaments, appurtenances, and improvements now or later attached thereto, the rents, issues and profits thereof, revenues and income therefrom, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, or condemnation of any part thereof or interest therein (collectively called "the property"). This instrument constitutes a security agreement and financing statement under the Uniform Commercial Code and creates a security interest in all items which may be deemed to be personal property, including but not limited to proceeds and accessions, that are now or hereafter included in, affixed, or attached to "the property."

Borrower COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the property and that the property is unencumbered, except for encumbrances of record. Borrower warrants and will defend the title to the property against all claims and demands, subject to any encumbrances of record.

This instrument combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform mortgage covering real property.

Initial AW date 8-25-10

UNIFORM COVENANTS. Borrower COVENANTS AND AGREES as follows:

1. **Payment.** Borrower shall pay promptly when due any indebtedness to the Government secured by this instrument.
2. **Fees.** Borrower shall pay to the Government such fees and other charges that may now or later be required by Government regulations.
3. **Application of payments.** Unless applicable law or Government's regulations provide otherwise, all payments received by the Government shall be applied in the following order of priority: (a) to advances made under this instrument; (b) to accrued interest due under the note; (c) to principal due under the note; (d) to late charges and other fees and charges.
4. **Taxes, liens, etc.** Borrower shall pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property and promptly deliver to the Government without demand receipts evidencing such payments.
5. **Assignment.** Borrower grants and assigns as additional security all the right, title and interest in: (a) the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or taking by eminent domain or otherwise of any part of the property, or for conveyance in lieu of condemnation; (b) all bonuses, rentals, royalties, damages, delay rentals and income that may be due or become due and payable to the Borrower or Borrower's assigns under any existing or future oil, gas, mining or mineral lease covering any portion of the property; and (c) all rents, issues, profits, income and receipts from the property and from all existing or future leases, subleases, licenses, guaranties and any other agreements for the use and occupancy of any portion of the property, including any extensions, renewals, modifications or substitutions of such agreements. Borrower warrants the validity and enforceability of this assignment.

Borrower authorizes and directs payment of such money to the Government until the debt secured by this instrument is paid in full. Such money may, at the option of the Government, be applied on the debt whether due or not. The Government shall not be obligated to collect such money, but shall be responsible only for amounts received by the Government. In the event any item so assigned is determined to be personal property, this instrument will also be regarded as a security agreement.

Borrower will promptly provide the Government with copies of all existing and future leases. Borrower warrants that as of the date of executing this instrument no default exists under existing leases. Borrower agrees to maintain, and to require the tenants to comply with, the leases and any applicable law. Borrower will obtain the Government's written authorization before Borrower consents to sublet, modify, cancel, or otherwise alter the leases, or to assign, compromise, or encumber the leases or any future rents. Borrower will hold the Government harmless and indemnify the Government for any and all liability, loss or damage that the Government may incur as a consequence of this assignment.
6. **Insurance.** Borrower shall keep the property insured as required by and under insurance policies approved by the Government and, at its request, deliver such policies to the Government. If property is located in a designated flood hazard area, Borrower also shall keep property insured as required by 42 U.S.C. § 4001 et seq. and Government regulations. All insurance policies and renewals shall include a standard mortgagee clause.
7. **Advances by Government.** The Government may at any time pay any other amounts required by this instrument to be paid by Borrower and not paid by Borrower when due, as well as any cost for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. Advances shall include, but not be limited to, advances for payments of real property taxes, special assessments, prior liens, hazard insurance premiums, and costs of repair, maintenance, and improvements. All such advances shall bear interest at the same rate as the note which has the highest interest rate. All such advances, with interest, shall be immediately due and payable by Borrower to the Government without demand. No such advance by the Government shall relieve Borrower from breach of Borrower's covenant to pay. Any payment made by Borrower may be applied on the note or any secured debt to the Government, in any order the Government determines.
8. **Protection of lien.** Borrower shall pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and its priority and the enforcement or compliance with this instrument and the note. Such expenses include, but are not limited to: costs of evidence of title to, and survey of, the property, costs of recording this and other instruments; attorneys' fees; trustees' fees; court costs; and expenses of advertising, selling, and conveying the property.
9. **Authorized purposes.** Borrower shall use the loan evidenced by the note solely for purposes authorized by the Government.
10. **Repair and operation of property.** Borrower shall: (a) maintain improvements in good repair; (b) make repairs required by the Government; (c) comply with all farm conservation practices and farm management plans required by the Government; and (d) operate the property in a good and husbandlike manner. Borrower shall not (e) abandon the property; (f) cause or permit waste, lessening or impairment of the property; or (g) cut, remove, or lease any timber, gravel, oil, gas, coal, or other minerals without the written consent of the Government, except as necessary for ordinary domestic purposes.
11. **Legal compliance.** Borrower shall comply with all laws, ordinances, and regulations affecting the property.
12. **Transfer or encumbrance of property.** Except as provided by Government regulations, the Borrower shall not lease, assign, sell, transfer, or encumber, voluntarily or otherwise, any of the property without the written consent of the Government. The Government may grant consents, partial releases, subordinations, and satisfactions in accordance with Government regulations.
13. **Inspection.** At all reasonable times the Government may inspect the property to ascertain whether the covenants and agreements contained in this instrument are being performed.
14. **Hazardous substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on or in the property. The preceding sentence shall not apply to the presence, use, or storage on the property of small quantities of hazardous substances that are generally recognized to be appropriate to normal use and maintenance of the property. Borrower covenants that Borrower has made full disclosure of any such known, existing hazardous conditions affecting the property. Borrower shall not do, nor allow anyone else to do, anything affecting the property that is in violation of any federal, state, or local

environmental law or regulation. Borrower shall promptly give the Government written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the property and any hazardous substance or environmental law or regulation of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with applicable environmental law and regulations. As used in this paragraph, "hazardous substances" are those substances defined as toxic or hazardous substances by environmental law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph, "environmental law" means Federal laws and regulations and laws and regulations of the jurisdiction where the property is located that relate to health, safety or environmental protection.

15. **Adjustment; release; waiver; forbearance.** In accordance with Government regulations, the Government may (a) adjust the interest rate, payment, terms or balance due on the loan, (b) increase the mortgage by an amount equal to deferred interest on the outstanding principal balance, (c) extend or defer the maturity of, and renew and reschedule the payments on the note, (d) release any party who is liable under the note from liability to the Government, (e) release portions of the property and subordinate its lien, and (f) waive any other of its rights under this instrument. Any and all of this can and will be done without affecting the lien or the priority of this instrument or Borrower's liability to the Government for payment of the note secured by this instrument unless the Government provides otherwise in writing. HOWEVER, any forbearance by the Government - whether once or often - in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

16. **Graduation.** If the Government determines that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, upon the Government's request, apply for and accept such a loan in sufficient amount to pay the note secured by this instrument and to pay for stock necessary to be purchased in a cooperative lending agency in connection with such loan.

17. **Forfeiture.** Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in the Government's good faith judgment could result in forfeiture of the property or otherwise materially impair the lien created by this instrument or the Government's security interest. Borrower may cure such default by causing the action or proceeding to be dismissed with a ruling that precludes forfeiture of the Borrower's interest in the property or other material impairment of the lien created by this security instrument or the Government's security interest.

18. **False statement.** Borrower also shall be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to the Government (or failed to provide the Government with any material information) in connection with the loan evidenced by the note.

19. **Cross Collateralization.** Default under this instrument shall constitute default under any other security instrument held by the Government and executed or assumed by Borrower. Default under any other such security instrument shall constitute default under this instrument.

20. **Highly erodible land; wetlands.** Any loan secured by this instrument will be in default if Borrower uses any loan proceeds for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity as provided in 7 C.F.R. part 1940, subpart G, or any successor Government regulation.

21. **Non-discrimination.** If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so: (a) neither Borrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex, national origin, disability, familial status or age, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex, national origin, disability, familial status or age.

22. **Notices.** Notices given under this instrument shall be sent by certified mail unless otherwise required by law. Such notices shall be addressed, unless and until some other address is designated in a notice, in the case of the Government to the State Executive Director of the Farm Service Agency at the mailing address shown above, and in the case of Borrower at the address shown in the Government's Finance Office records (which normally will be the same as the mailing address shown above).

23. **Governing law; severability.** This instrument shall be governed by Federal law. If any provision of this instrument or the note or its application to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this instrument or the note which can be given effect without the invalid provision or application. The provisions of this instrument are severable. This instrument shall be subject to the present regulations of the Government, and to its future regulations not inconsistent with the express provisions hereof. All powers and agencies granted in this instrument are coupled with an interest and are irrevocable by death or otherwise; and the rights and remedies provided in this instrument are cumulative to remedies provided by law.

24. **Successors and assigns; joint and several covenants.** The covenants and agreements of this instrument shall bind and benefit the successors and assigns of Government and Borrower. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this instrument but does not execute the Note: (a) is co-signing this instrument only to mortgage, grant and convey that Borrower's interest in the property under this instrument; (b) is not personally obligated to pay the sums secured by this instrument; and (c) agrees that the Government and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this instrument or the note without that Borrower's consent.

25. **No merger.** If this instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the property, the leasehold and the fee title shall not merge unless the Government agrees to the merger in writing. If the property is conveyed to the Government, title shall not merge (unless the Government elects otherwise) and the lien provided under this instrument shall not be affected by such conveyance.

26. **Time is of the essence.** Time is of the essence in the Borrower's performance of all duties and obligations under this instrument.

NON-UNIFORM COVENANTS. Borrower further COVENANTS AND AGREES as follows:

27. **Default; death; incompetency; bankruptcy.** Should default occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should the Borrower die or be declared incompetent, or should the Borrower be discharged in bankruptcy or declared an insolvent or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any debt to the Government hereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of, and take possession of, operate or rent the property, (c) upon application by it and production of this instrument, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, (d) foreclose this instrument and sell the property as prescribed by law, and (e) enforce any and all other rights and remedies provided herein or by present or future law.

28. **State law.** Borrower agrees that the Government will not be bound by any present or future State laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of any action for a deficiency judgment or limiting the amount thereof or the time within which such action must be brought, (c) prescribing any other statute of limitations, (d) allowing any right of redemption or possession following any foreclosure sale, or (e) limiting the conditions which the Government may by regulation impose, including the interest it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State laws.

29. **Assignment of lease and rents.** Borrower agrees that the assignment of leases and rents in this instrument is immediately effective on the recording of this instrument. Upon default, the Borrower will receive any rents in trust for the Government, and Borrower will not commingle the rents with any other funds. Any amounts collected shall be applied at the Government's discretion first to costs of managing, protecting and preserving the property, and to any other necessary related expenses. Any remaining amounts shall be applied to reduce the debt evidenced by the note(s). Borrower agrees that the Government may demand that Borrower and Borrower's tenants pay all rents due or to become due directly to the Government if the Borrower defaults and the Government notifies Borrower of the default. Upon such notice, Borrower will endorse and deliver to the Government any payments of rents. If the Borrower becomes subject to a bankruptcy, then Borrower agrees that the Government is entitled to receive relief from the automatic stay in bankruptcy for the purpose of enforcing this assignment.

30. **Application of foreclosure proceeds.** The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses incident to enforcing or complying with this instrument, (b) any prior liens required by law or a competent court to be so paid, (c) the debt evidenced by the note and all other debt to the Government secured by this instrument, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Government's option, any other debt of Borrower to the Government, and (f) any balance to Borrower. If the Government is the successful bidder at foreclosure or other sale of all or any part of the property, the Government may pay its share of the purchase price by crediting such amount on any debts of Borrower owing to the Government in the order prescribed above.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this instrument and in any rider executed by Borrower and recorded with this instrument.


LARIN A. WESTERBERG (SEAL)

(SEAL)

(SEAL)

ACKNOWLEDGMENTS

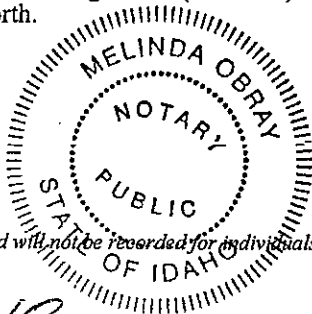
STATE OF IDAHO }
COUNTY OF Bannock } ss. (Individual)

On this 25TH day of AUGUST, 2010, before me personally appeared LARIN A. WESTERBERG

, to be known to me to be the same person(s) whose name is subscribed to the foregoing instrument, and acknowledged that (he or she) signed and delivered the instrument as (his or her) free and voluntary act, for the uses and purposes set forth.

My commission expires:

2-12-2013



Note: Page 5 of 5 applies to entities only and will not be recorded for individuals.

Initial 2 date 8-25-10

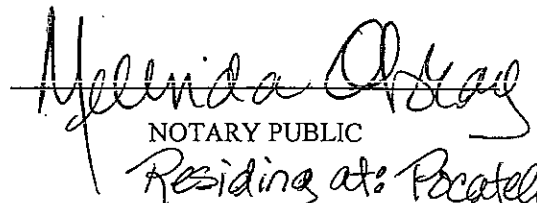

NOTARY PUBLIC
Residing at: Pocatello

Exhibit A

A parcel of land in Section 21, Township 11 South, Range 37 East of the Boise Meridian, Bannock County, Idaho, lying Northeast of the Railroad right-of-way line and described as follows:

Beginning at the N $\frac{1}{4}$ corner (Northwest corner of the NW $\frac{1}{4}$ NE $\frac{1}{4}$) of said Section, said point being marked with a 5/8" rebar and plastic cap stamped PELS 2341;
Thence, S 89°38'33" E, along the North line of said Section, 1328.17 feet to a 5/8" rebar and plastic cap stamped PLS 843;
Thence, S 00°00'23" W, leaving said North line and along the East line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section, 1237.83 feet;
Thence, N 89°39'19" W, leaving said East line, 1267.76 feet to a 1/2" rebar and plastic cap stamped PLS 843;
Thence, S 00°00'46" E, 178.14 feet to a 1/2" rebar and plastic cap stamped PLS 843;
Thence from a tangent bearing of S 76°45'50" E, along a curve to the right having a radius of 1601.00 feet, through a central angle of 65°23'46", for an arc length of 1827.35 to a 1/2" rebar and plastic cap stamped PLS 843 on the North line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence, S 89°40'04" E, along said North line, 64.52 feet to the Northeast corner of said NW $\frac{1}{4}$ SE $\frac{1}{4}$;
Thence, S 00°00'23" W, leaving said North line and along the East line of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$, a distance of 2652.05 feet to the Southeast corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$, said point being marked with a 5/8" rebar and plastic cap stamped PLS 843;
Thence, N 89°42'42" W, along the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$, a distance of 671.65 feet to the point of intersection with the E'ly right-of-way line of said Railroad;
Thence, N 23°07'40" W, leaving the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ and along the E'ly right-of-way line of said Railroad, 4337.32 feet to the point of intersection with the North line of the SE $\frac{1}{4}$ NW $\frac{1}{4}$, said point being marked with a 1/2" rebar and plastic cap stamped PLS 843;
Thence, S 89°39'26" E, along the last aforementioned North line, 1048.03 feet to the Northeast corner of said SE $\frac{1}{4}$ NW $\frac{1}{4}$, said point being marked with a 5/8" rebar and plastic cap stamped PLS 843;
Thence, N 00°00'46" W, leaving said North line and along the West line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$, a distance of 1326.10 feet to the TRUE POINT OF BEGINNING.

*****EASEMENT TO BE RESERVED ON WARRANTY DEED*****

An easement for the purpose of construction and maintenance of irrigation facilities, described as the an easement being 20.00 feet in width in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, Township 11 South, Range 37 East of the Boise Meridian, said easement beginning at a point on the North line of said NW $\frac{1}{4}$ NE $\frac{1}{4}$ which is 45.00 feet W'ly from the Northeast corner of said NW $\frac{1}{4}$ NE $\frac{1}{4}$;
Thence, S 00°00'23" W, 1237.83 feet to the point of termination, the east line of said easement being contiguous with the W'ly right-of-way line of Simpson Road.

Jan 25-10

EXHIBIT B

IRRIGATION SUPPLEMENT

Equipment:

- (3) ¼ mile wheel lines
- (3) ¼ mile hand lines
- 20 h.p. Baldor motor with Berkeley centrifugal pump (north pumping station)
- 30 h.p. G.E. motor with Vertiline turbine pump (north well)
- 30 h.p. U.S. motor with Layne & Bowler turbine pump (east well)
- 15 h.p. Century motor with centrifugal pump (south pumping station)
- Approximately 4,000 feet of portable aluminum mainline

Water Rights:

Irrigation:

(Note: Water Rights #29-2351 and 29-10553 are limited to a combined diversion rate of 2.22 CFS & 111 combined total acres.)

- W.R. # 29-2351 - Priority Date: 07/29/1954; Basis: Decreed; Status: Active; Source: Ground water;
Beneficial Use: Irrigation; Diversion Rate: 0.4 CFS; Total Acres: 111;
- W.R. # 29-10553 - Priority Date: 07/29/1959; Basis: Decreed; Status: Active; Source: Ground water;
Beneficial Use: Irrigation; Diversion Rate: 1.82 CFS; Total Acres: 111;

Canal Water:

- 162.33 total Shares of Portneuf Marsh Valley Canal Company from Certificates #JB1- 175 shares and #JB14 - 25 shares.

Jan 8-25-10