

RECEIVED *DE*

MAY 20 2010

WATER RESOURCES
WESTERN 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): 65-2931, 65-3585, 65-7312, 65-7649, 65-7777, 65-3580, 65-4031A, 65-4031B, 65-4031X,
65-13619, 65-2536, 65-2832, 65-~~3924~~ 65-2931, 65-3579, 65-3583, 65-12202, 65-13019, 65-2002 (not in cattle Co.
2920 2940 3578 name)

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

Rabo Agrifinance, Inc.P.O. Box 411995, St. Louis MO 63141

4. Name of Water Right Owner/Claimant(s) Davis Cattle Company

5. Expiration Date of Notification Period July 1, 2025

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

7. Signature(s) of Security Interest holder(s) *Judy Cochran*
 (and title if applicable)

Judy Cochran, Assistant Vice President**For Office Use Only**

Received by *Jmk*
 Received by *Jmk*
 Processed by _____ AJ

Date 5-20-10
 Date 5-20-10
 Date _____

Fee \$475
 Receipt No. W038387
 WK *Jmk* Date 6-16-10



**Rabo
AgriFinance**
Maureen E. Fintel
 Sr. Loan Closing Specialist

Office Address One CityPlace Drive, Suite 200, St. Louis, MO 63141
 Tel 314-687-4000
 Direct 314-687-4113
 Fax 314-687-4432
 Email maureen.fintel@raboag.com
www.RaboAg.com

SUPPORT DATA
IN FILE # 65-2536

[] The following additional new or existing Promissory Notes:

- Note dated _____ in the stated principal amount of _____ Dollars
- Note dated _____ in the stated principal amount of _____ Dollars

[] A guaranty or guaranties dated as of _____, guaranteeing the indebtedness of the borrowers as defined in the guaranty or guaranties.

(2) the payment of such additional loans or advances and such other debts, obligations and liabilities of every kind and character, of Mortgagor or the maker of the Note, evidenced by a promissory note, guaranty or otherwise, whether one or more, now existing or arising in the future, in favor of the applicable Mortgagee, whether direct or indirect, absolute or contingent, or originally payable to the applicable Mortgagee or any other person; PROVIDED HOWEVER, THAT, such other additional loans, advances, debts, obligations and liabilities shall be secured by this Mortgage only if the promissory note, guaranty, or other document evidencing such shall recite that it is to be secured by this Mortgage; and provided, however, if the Property includes Mortgagor's principal dwelling or is otherwise a one to four family dwelling, the Property will not secure any future loan, advance, debt, obligation or liability taken or incurred principally for personal, family or household purposes; (3) the payment of any substitute notes, renewals, reamortizations, conversion agreements and extensions of all indebtedness secured by this Mortgage; (4) payment and performance of each agreement of Mortgagor in this Mortgage; (5) payment of all sums expended or advanced by Collateral Agent or Mortgagee to protect the security of this Mortgage, said real property or said collateral, with interest thereon at the rate per annum after default or maturity set forth in said Promissory Note or any Credit Agreement (as hereinafter defined); and (6) all obligations as defined in or provided for in any Credit Agreement, and in consideration of the premises, the Mortgagor by these presents does grant, bargain, sell, convey, transfer, assign, mortgage, pledge, warrant and confirm unto the Collateral Agent and Mortgagee all the property (the "Property") hereinafter described, to wit:

I. The following described real property ("Real Estate") located in VALLEY County, Idaho, to wit:

See attached Exhibit "A", which is incorporated herein by reference.

II. All water rights represented by Decree Nos. 65-2931, 65-3585, 65-7312, 65-7649, 65-7777, 65-3580, 65-4031A, 65-4031B, 65-4031X, 65-13619, 65-2536, 65-2832, 65-3920, 65-2931, 65-3579, 65-3583, 65-12202, 65-13019, and 65-2002 issued by the Idaho Department of Water Resources.

TOGETHER WITH (1) all easements, rights-of-way and rights appurtenant to said Real Estate or used in connection therewith or as a means of access thereto; (2) all tenements, hereditaments and appurtenances thereto, including all water, water rights, and drainage rights appertaining thereto; (3) Mortgagor's interest as lessor in all leases (including, but not limited to, oil, gas and mineral leases) affecting said Real Estate; (4) all buildings, structures,

improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, said Real Estate which are real property, and all substitutions, replacements, additions and accessions thereof or thereto; (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Real Estate (subject, however, to the assignment of rents and profits to Collateral Agent or Mortgagee herein); and (6) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Real Estate, which Mortgagor now has or may hereafter acquire in said Real Estate, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said Real Estate.

AND ALSO, Mortgagor, as debtor, irrevocably grants and assigns to Collateral Agent for the benefit of Mortgagee, as secured party, a security interest in all of the following collateral which is personal property now or hereafter owned by Mortgagor or in which Mortgagor now or hereafter has any rights and which is now or hereafter affixed or attached to, or produced from, or used in connection with said Real Estate, including but not limited to: All personal property described in Exhibit "B" attached hereto and made a part hereof and articles of personal or mixed property of every kind and nature whatsoever, including, without limitation, all (a) goods, including without limitation, equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, windmills, fences, fixtures, fittings, appliances, farm products, crops growing or to be grown, timber standing or to be cut, minerals or the like (including oil and gas), raw materials, inventory and work in process; (b) all water stock and water rights and, to the extent listed on the attached Exhibit "B", all investment property, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts, including all stock, bonds and commodities contracts; (c) all permits and licenses used in the operation of the Real Estate and, to the extent listed on the attached Exhibit "B", general intangibles, including without limitation payment intangibles and software; (d) accounts, including without limitation all of Mortgagor's right to any payment arising out of the sale, lease or license of all kinds of tangible and intangible personal property, contract rights, general intangibles, instruments, documents, chattel paper, accounts receivable, deposits, fees, charges and other payments, income and cash receipts that are otherwise described in this paragraph; (e) personal property of the same general kind or class as otherwise described in this paragraph which Mortgagor may now own or hereafter acquire, wherever located, used or usable in the operation of or relating to the Real Estate; and all products and proceeds from the sale or other disposal thereof, including, without limitation, all payments under any insurance policies, substitutions and replacements, additions, accessions of or to said collateral and any indemnity, warranty or guaranty relating to any of the foregoing (all of the foregoing property shall be hereinafter collectively referred to as the "Collateral"; the Real Estate and the Collateral shall hereinafter be collectively referred to as the "Property"). PROVIDED HOWEVER, that nothing in this Mortgage shall prevent Mortgagor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Mortgagor exercises its right to place a single crop lien on the crops grown or to be grown on the Real Estate hereunder, such

crop lien shall automatically be a superior lien to the lien on such crop created hereby without the need for any consent or subordination from Collateral Agent or Mortgagee.

TO HAVE AND TO HOLD the same unto the Collateral Agent for the benefit of Mortgagee, their successors and assigns, forever.

PROVIDED ALWAYS, that if the Mortgagor, his heirs, representatives, successors or assigns, shall pay unto the Mortgagee, its successors or assigns, the said sum of money mentioned in the notes and guaranties described above (collectively the "Note") and the interest thereon at the times and places and in the manner specified in the Note, or any credit agreement or similar document between Mortgagor and any Mortgagee (the "Credit Agreement"), and all other sums that may become due and owing to the Collateral Agent or Mortgagee pursuant to any of the terms, covenants and conditions hereof, and perform all the conditions and covenants contained in this Mortgage, then these presents and the estate hereby granted shall cease, terminate and be void and shall be released by the Collateral Agent or Mortgagee at the expense of the Mortgagor, otherwise to remain in full force and effect.

AND SUBJECT to the covenants and conditions hereinafter set forth.

FIRST. The Mortgagor hereby covenants and agrees, to the extent permitted by law, as follows: (a) to pay promptly when due the principal and interest and other sums of money provided for in the Note, the Credit Agreement and this Mortgage, or either; (b) to pay all taxes, assessments and other charges (including ditch, canal, reservoir, or other water charges, taxes or assessments) imposed by law upon the Property, the Mortgagor's interest therein, or upon the Mortgage or the Note; provided however, in the event of the passage of any law changing the laws for the taxation of mortgages or debts secured by mortgage so as to affect this Mortgage, the entire indebtedness secured hereby shall, at the option of the Collateral Agent or Mortgagee, become due and payable; (c) to keep the Property and improvements thereon in good condition and repair and not to commit or suffer waste thereof, and except as authorized in any schedule annexed hereto and forming a part hereof, neither to remove nor permit the removal of any timber, buildings, oil, gas, minerals, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of the Collateral Agent or Mortgagee; and (d) to maintain and deliver to the Collateral Agent or Mortgagee policies of insurance against such hazards on the buildings now or hereafter located on the Property as the Collateral Agent or Mortgagee may require from time to time, in such companies and amounts and with such loss payable clauses as shall be satisfactory to the Collateral Agent or Mortgagee; in the event of loss the Collateral Agent or Mortgagee is expressly authorized to settle or compromise claims under said policies and the proceeds shall be paid to the Collateral Agent and/or Mortgagee who may apply same or any part thereof on the indebtedness secured hereby or towards the reconstruction or repair of said buildings or release same to the Mortgagor; (e) to pay any lien, claim or charge against the Real Estate which might take precedence over the lien hereof; (f) to pay on demand all legal expenses, title searches, or attorney fees reasonably incurred or paid by the Collateral Agent or Mortgagee to collect the Note or foreclose or protect the lien of the Mortgage; (g) in the event the Mortgagor shall fail to comply with the provisions of (a) through (f) above, the Collateral Agent or Mortgagee may take such action as is necessary to remedy such failure and all sums paid by the Collateral Agent or Mortgagee pursuant hereto with interest at the rate hereinafter

provided shall constitute a lien upon the Property, shall be secured by this Mortgage, and shall be immediately due and repayable to the Collateral Agent or Mortgagee; (h) if the Real Estate or any portion thereof shall be taken or damaged under the power of eminent domain, the award for any property so taken or damaged (including severance damages to the remaining premises) shall be paid to the Collateral Agent or Mortgagee and applied in full or in part at the option of the Collateral Agent or Mortgagee in reduction of the indebtedness hereby secured; (i) the Collateral Agent or Mortgagee shall have the right to inspect the Property at such reasonable times as the Collateral Agent or Mortgagee may desire to determine the Mortgagor's compliance with the covenants contained in this Mortgage; (j) the Collateral Agent or Mortgagee may release from the lien hereof any part of the above described Property without requiring any consideration therefor, and (k) Mortgagor is lawfully seized of the Real Estate in fee simple, the same is free from encumbrances except as may otherwise be specifically noted herein or waived in writing by the Collateral Agent or Mortgagee, Mortgagor will execute or procure any further necessary assurances of title and does hereby warrant generally the title to the Real Estate and will forever defend the same against the claims and demands of all persons whomsoever, and his separate estate, whether vested, contingent or in expectancy, is hereby conveyed and he does hereby expressly waive, release and relinquish all rights and benefits of any homestead, dower, curtesy, appraisement, exemption and stay laws of this state. It is agreed that the interest provided for in subsection (g) above shall be at the rate set forth in the Note or any Credit Agreement for times when an event of default has occurred or the highest lawful rate permitted by contract under applicable law, whichever is lesser.

SECOND. If the Mortgagor shall default in the payment of the Note or in the performance of any of the covenants or agreements herein or in the Note, the Credit Agreement or in any agreement collateral hereto contained, or if the then owner of the Property shall make an assignment for the benefit of creditors or shall file a petition for relief under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto, or shall be adjudicated bankrupt or insolvent, or if any receiver, liquidator or trustee shall be appointed for such then owner or any of his property, then in such event, the entire indebtedness hereby secured shall, at the option of the Collateral Agent or Mortgagee and without notice to the Mortgagor, be due and collectible at once by judicial foreclosure proceedings or as otherwise provided by law, or, when available under applicable statutes or rules of practice, by advertisement and sale, and in such an event this provision shall be deemed as authorizing and constituting a power of sale as mentioned in said statutes or rules; that in addition to the rights and remedies herein, the Collateral Agent or Mortgagee is hereby authorized and empowered at its option to exercise forthwith and from time to time any further rights and remedies available to the Collateral Agent or Mortgagee under the laws of the state wherein the Property is situate, such as the right to collect the rents, issues and profits, or to have a receiver appointed to collect the same.

THIRD. The following schedule(s) is (are) annexed hereto and made a part hereof (if no entry, this section is inapplicable). See attached Exhibit A and B.

FOURTH. Mortgagor acknowledges that his/her current financial position is an important factor in Mortgagee's decision to advance the funds represented by the aforementioned Note. Mortgagor therefore has agreed, in order to provide assurance to Collateral Agent and Mortgagee with regard to Mortgagor's financial position, that it shall be an

event of default for Mortgagor to allow any lien or encumbrance other than this Mortgage and the lien for taxes which are not yet due and payable to be placed on all or any part of the Real Estate and allowed to remain a lien for 30 day(s) EXCEPT a lien junior and inferior to this Mortgage may be placed on all or a part of said property in favor of N/A in a principal amount not to exceed ZERO DOLLARS (\$0) to be placed of record not later than N/A.

FIFTH. The covenants herein contained shall bind, and the benefits and advantages thereof shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties hereto. In this Mortgage, unless the context otherwise requires, words in the singular number include the plural and in the plural include the singular, and words in the masculine gender include the feminine and the neuter. Whenever the term "Mortgagor" shall include more than one person or entity, their liability hereunder shall be joint and several.

SIXTH. Mortgagor shall not suffer any waste of the Property and will not permit or conduct either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal on the Real Estate of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and will perform all remedial actions reasonably necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Real Estate. Mortgagor shall be personally liable for and agrees to indemnify, defend with counsel satisfactory to Collateral Agent and Mortgagee and hold Collateral Agent and Mortgagee harmless against any loss, damage, or liability suffered by the Collateral Agent and Mortgagee, including but not limited to attorney's fees, due to the presence of any such hazardous waste, petroleum or hazardous substance at, on or near the Real Estate, and Mortgagor shall be liable for compliance (and for costs associated therewith) with any directive or order by any governmental entity relating to the presence of any such hazardous waste, petroleum or hazardous substance on, at, or near the Real Estate. Mortgagor will deliver promptly to the Collateral Agent or Mortgagee, (i) copies of any documents received from the United States Environmental Protection Agency or any state, county or municipal environmental or health agency concerning the Mortgagor's operations upon the Real Estate; and (ii) copies of any documents submitted by the Mortgagor to the United States Environmental Protection Agency or any state, county or municipal environmental or health agency concerning its operations on the Real Estate. Mortgagor agrees that, notwithstanding any provision to the contrary in this Mortgage, this indemnification and hold harmless shall survive the release or reconveyance of this Mortgage, whether pursuant to payment in full of the Note, or judicial or non-judicial foreclosure under this Mortgage, or otherwise.

SEVENTH. Mortgagor covenants and agrees to keep perfected and in good status any State of Idaho water permits or water company stock pertaining to water from all irrigation sources which is used in connection with the irrigation of the Real Estate. Mortgagor covenants and agrees to keep in good status any other existing or future water rights, licenses and/or permits which are used in connection with the irrigation of the Real Estate. Mortgagor agrees to complete appropriation and all other requirements necessary to obtain the issuance of a license for water permits issued to Mortgagor, in order that such water may legally be used and continue to be used for the irrigation of the Real Estate. Upon Mortgagor's failure to comply with the covenants and agreements set forth in this paragraph, Collateral Agent or Mortgagee,

without prejudice to any other rights given herein, may at its option, either in its own name or in the name of Mortgagor, take any and all action necessary to protect and maintain the permits, licenses, water and water rights referred to herein. Mortgagor does hereby irrevocably constitute and appoint Collateral Agent and Mortgagee as Mortgagor's true and lawful agent and attorney with full power and authority, in the name of Mortgagor or otherwise, to take any and all action necessary to preserve and protect the permits, licenses, water and water rights referred to herein. Mortgagor covenants and agrees to promptly provide copies of all documents relating to such permitting and licensing process to Collateral Agent or Mortgagee.

EIGHTH. With respect to Property which may now or hereafter be characterized by law as personal property, this Mortgage shall constitute a Security Agreement between Mortgagor, Collateral Agent and Mortgagee, and, cumulative of all other rights of Collateral Agent and Mortgagee hereunder, Collateral Agent or Mortgagee shall have all rights conferred upon secured parties by the Uniform Commercial Code ("UCC") as in effect from time to time in the state where the Collateral is located except to the extent the UCC provides for the application of the law of the state of location of the Mortgagor in which event the UCC as in effect from time to time, in such state shall apply. This Mortgage shall be effective as a Financing Statement filed as a fixture filing from the date of its filing for record in the Real Estate Records of the county in which the Real Estate is located. Until the lien of this Mortgage is released or satisfied of record, Mortgagor authorizes Collateral Agent or Mortgagee to file one or more financing statements and continuation statements, at Mortgagor's expense, describing the Collateral, hereby ratifies any such financing statement or continuation statement previously filed by Collateral Agent or Mortgagee, and agrees, if requested by Collateral Agent or Mortgagee so to do, to execute one or more Financing Statements covering such Collateral, in the manner and form required by law and to the satisfaction of Collateral Agent or Mortgagee. On demand, Mortgagor will promptly pay all costs and expenses of filing Financing Statements, continuation statements, partial releases and termination statements deemed necessary or appropriate by Collateral Agent or Mortgagee to establish and maintain the validity and priority of the security interest of Collateral Agent and Mortgagee or any modification thereof, and all costs and expenses of any searches reasonably required by Collateral Agent or Mortgagee. Collateral Agent or Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such Collateral, and it is expressly agreed that if upon default Collateral Agent or Mortgagee should proceed to dispose of the Collateral in accordance with the provisions of the UCC ten (10) days' notice by Collateral Agent or Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Collateral Agent or Mortgagee may at its option dispose of the Collateral in accordance with Collateral Agent's or Mortgagee's rights and remedies in respect of the Real Estate pursuant to the provisions of this Mortgage in lieu of proceeding under the UCC. Mortgagor hereby warrants, represents and covenants that (a) the Collateral will be kept on or at the Real Estate described herein and Mortgagor will not remove the Collateral from the Real Estate without the prior written consent of Collateral Agent or Mortgagee, except such portions or items of Collateral which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor; (b) Mortgagor's chief executive officer or principal residence is Mortgagor's address set forth in the first paragraph of this Mortgage; (c) Mortgagor's state of organization, if applicable, is as set forth in the first paragraph of this

Mortgage; and (d) Mortgagor's exact legal name is as set forth in the first paragraph of this Mortgage.

NINTH. It is understood and agreed that a material factor in inducing the Mortgagee to make this loan to the Mortgagor is the unique status of the agricultural industry and the expertise and financial strength of the Mortgagor. In the event the Mortgagor ceases to own the mortgaged property, the security for this loan is thereby deemed to be impaired. Consequently, in the event that all or any portion of the Real Estate is sold, contracted for sale, leased with the option to purchase, conveyed, alienated, transferred, or if the Mortgagor is a corporation, or a partnership, or a limited liability company more than forty-nine percent (49%) of either the corporation stock, partnership interests or member interests is sold, contracted for sale, conveyed, alienated, transferred, or otherwise disposed of, whether voluntary or involuntary, by operation of law or otherwise to persons other than owners at the date of this Mortgage and their heirs prior to the time the indebtedness secured hereby shall have been paid, then, at the option of the Collateral Agent or Mortgagee, the entire said indebtedness shall become due and payable and the Collateral Agent or Mortgagee may exercise any of its rights and remedies provided for in the Mortgage.

TENTH. Mortgagor, its successors and assigns and each of them, represent and warrant that the Property does not represent the proceeds of some form of unlawful activity under any state, federal or foreign law.

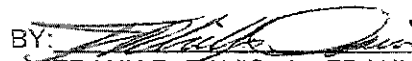
IN WITNESS WHEREOF, each of the undersigned has signed, sealed and delivered this Mortgage as of the day, month and year first above written.

In presence of:



DAVIS CATTLE COMPANY, INC.,
an Idaho corporation

BY:


FRANK P. DAVIS aka FRANK PHIL DAVIS
aka F. PHILLIP DAVIS aka PHIL DAVIS, PRESIDENT

STATE OF IDAHO)
COUNTY OF Valley) SS:

On this 13 day of May, 2010, personally appeared Frank P. Davis aka Frank Phil Davis aka F. Phillip Davis aka Phil Davis, known or identified to me to be the President of Davis Cattle Company, Inc., the corporation that executed the foregoing instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

Sam J. Shuman
Notary Public for Idaho
Residing at Cascade
My commission expires 7-10-15

Exhibit "A"

Legal Description

PARCEL 1: All that certain lot, piece or parcel of land, situate in Valley County, Idaho and shown as the Southeast Quarter (SE 1/4); East half of the Southwest Quarter (E 1/2 SW 1/4); Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4); Southwest Quarter of the Northeast Quarter (SW 1/4 NE 1/4); Southeast Quarter of the Northwest Quarter (SE 1/4 NW 1/4), all in Section 7, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho.

PARCEL 2: All that certain lot, piece or parcel of land, situate in Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho, to wit: The Northeast Quarter of the Northwest Quarter (NE 1/4 NW 1/4); South Half of the Southeast Quarter (S 1/2 SE 1/4); Northeast Quarter (NE 1/4); North Half of the Southeast Quarter (N 1/2 SE 1/4); East Half of the Southwest Quarter (E 1/2 SW 1/4); Southeast Quarter of the Northwest Quarter (SE 1/4 NW 1/4), all in Section 18.

AND

A parcel of land situate in the E 1/2 of Section 13, T. 14 N., R 3 E., B.M., Valley County, Idaho, and the W 1/2 of Section 18, T. 14 N., R. 4 E., B.M., Valley County, Idaho, more particularly described as follows:
Commencing at the southeast corner of said Section 13, being a found 5/8 inch rebar, Inst. #99676, corner records of Valley County, Idaho, and the TRUE POINT OF BEGINNING.

Thence a bearing of N. 88° 58' 45" E., a distance of 193.57 feet on the north boundary of Warranty Deed, Inst. #57131, to a found 1/2 inch rebar marking the westerly right-of-way boundary of State Highway 55; Thence on a curve to the left, on said right-of-way boundary, which curve has a radius of 1372.40 feet, a delta angle of 41° 48' 15", a length of 1001.33 feet, and a chord which bears N. 21° 01' 44" E., a distance of 979.27 feet to a point of spiral curvature; Thence on a spiral curve on said right-of-way boundary, which spiral curve has a spiral angle of 0° 54' 48", a deflection angle of 02° 38' 16", a Y component of 390.57 feet, an X component of 18.01 feet, and a chord which bears N. 05° 14' 42" W., a distance of 391.28 feet, to a found highway right-of-way monument being highway station 115+29.5; Thence a bearing of N. 07° 52' 58" W., a distance of 2075.83 feet on said right-of-way boundary to a set 5/8 inch rebar; Thence a bearing of N. 81° 47' 25" W., a distance of 1287.36 feet to a set 5/8 inch rebar; Thence a bearing of S. 20° 45' 24" W., a distance of 362.30 feet to a set 5/8 inch rebar; Thence a bearing of S. 77° 10' 19" E., a distance of 13.46 feet to a set 5/8 inch rebar; Thence a bearing of S. 18° 47' 15" W., a distance of 1162.82 feet to a set 5/8 inch rebar; Thence a bearing of S. 10° 48' 13" W., a distance of 340.33 feet to a set 5/8 inch rebar; Thence a bearing of S. 00° 12' 11" E., a distance of 570.78 feet to a set 5/8 inch rebar; Thence a bearing of S. 26° 42' 18" W., a distance of 830.51 feet to a set 5/8 inch rebar; Thence a bearing of S 13° 49' 09" W., a distance of 505.65 feet to a set 5/8 inch rebar on the south boundary of said Section 13; Thence a bearing of N. 89° 05' 07" E., a distance of 338.16 feet on said south boundary to a point on the abandoned Union Pacific Railroad right of way boundary; Thence on a curve to the right, on said railroad right-of-way boundary, which curve has a radius of 622.76 feet, a delta angle of 111° 34' 23", a length of 1213.10 feet, and a chord which bears N. 89° 17' 59" E., a distance of 1030.51 feet to a found 1/2 inch rebar marking said railroad right-of-way boundary being the northwesterly corner of said Warranty Deed, Inst. #57131; Thence a bearing of N. 88° 46' 53" E., a distance of 726.95 feet on the north boundary of said Warranty Deed to the POINT OF BEGINNING.

TOGETHER WITH rights-of-way and easements of record and/or use, including a life estate easement to Clifford V. Roberts, and Juanita Roberts, more particularly described as follows:
Commencing at the northwesterly corner of said described 153.56 acres, being a set 5/8 inch rebar and the TRUE POINT OF BEGINNING.

Initials 

EXHIBIT "A" (cont.)

LEGAL DESCRIPTION

PARCEL 2 CONTINUED:

Thence a bearing of S. 20° 45' 24" W., a distance of 362.30 feet to a set 5/8 inch rebar; Thence a bearing of S 77° 10' 19" E., a distance of 13.46 feet to a set 5/8 inch rebar; Thence a bearing of S. 78° 36' 31" E., a distance of 440.63 feet to a point; Thence a bearing of N. 64° 57' 31" E., a distance of 169.20 feet to a point; Thence a bearing of N. 9° 32' 26" E., a distance of 319.40 feet to a point; Thence a bearing of N. 81° 47' 25" W., a distance of 473.40 feet to the POINT OF BEGINNING.

AND Section 18, Township 14 North, Range 4 East, B.M., Valley County, Idaho, Section 18 - All the land lying Easterly of State Highway 55, in the W 1/2 SW 1/4 and the W 1/2 NW 1/4 excepting therefrom that portion lying Northerly and Westerly of the county road in the NW 1/4 NW 1/4.

SAVE AND EXCEPT:

A parcel of land situate in the East half of Section 13, Township 14 North, Range 3 East, Boise Meridian, and the West half of Section 18, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho, more particularly described as follows:

Commencing at the Southeast corner of Section 13, Instrument No. 99670, corner records of Valley County; thence a bearing of North 02° 05' 27" East, a distance of 3947.80 feet to a set 5/8 inch rebar on the westerly right-of-way boundary of State Highway 55, being the TRUE POINT OF BEGINNING;

Thence a bearing of North 07° 52' 58" West, a distance of 1169.36 feet on said right-of-way boundary to a set 5/8 inch rebar; thence a bearing of South 78° 10' 01" West, a distance of 48.91 feet to a set 5/8 inch rebar; thence on a curve to the right, which curve has a radius of 973.39 feet, a deflection angle of 33° 11' 12", a length of 574.94 feet, and a chord which bears South 25° 53' 40" West, a distance of 540.56 feet to a set 5/8 inch rebar; thence a bearing of South 41° 41' 16" West, a distance of 758.69 feet to a set 5/8 inch rebar; thence a bearing of South 54° 19' 16" East, a distance of 951.01 feet to the POINT OF BEGINNING.

SAVE AND EXCEPT all that portion lying within Section 13, Township 14 North, Range 3 East, Boise Meridian, Valley County, Idaho.

PARCEL 3: A parcel of land situate in Township 14 North, Range 4 East, B.M., Valley County, Idaho, more particularly described as follows: The Northeast Quarter of the Northwest Quarter (NE 1/4 NW 1/4); North half of the Northeast Quarter (N 1/2 NE 1/4); Southwest Quarter of the Northeast Quarter (SW 1/4 NE 1/4); Lots 1, 2, 3 and 4. Save and except from Lot 4 a tract of land in the Southwest corner thereof described as follows, to wit: Beginning at the Southwest corner of said Lot 4, thence East 210.00 feet; thence North 207.50 feet; thence West 210.00 feet; thence South 207.50 feet to the place of beginning: Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4); North half of the Southeast Quarter (N 1/2 SE 1/4); Southeast Quarter of the Northwest Quarter (SE 1/4 NE 1/4); Northeast Quarter of the Southwest Quarter (NE 1/4 SW 1/4); and Southeast Quarter of the Southwest Quarter (SE 1/4 SW 1/4), all in Section 19.

South half of the Southeast Quarter (S 1/2 SE 1/4), Section 19, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho.

AND

Commencing at the section corner common to Sections 24 and 25, T. 14 N., R. 3 E., B.M. and to Sections 19 and 30, T. 14 N., R. 4 E., B.M., C.P.F. Instrument No. 311255 corner records of said Valley County, Idaho; Thence N. 00° 04' 55" W., along the section line common to said Sections 19 and 24, 61.09 feet to a point on the northerly right of way line of Warm Lake Highway; Thence N. 77° 35' 51" E., along said right of way line, 53.23 feet to a 5/8" steel pin, the True Point of Beginning; Thence N. 18° 32' 20" W. along the easterly right of way of Nook Road, 91.10 feet to a point; Thence continue along said right of way line N. 00° 24' 53" W., 48.55 feet to a point; Thence S. 89° 50' 10" E., 187.12 feet to a point; Thence S 00° 04' 55" E., 152.60 feet to a point on the northerly right of way line of Warm Lake Highway; Thence S. 89° 42' 49" W. along said right of way line, 58.38 feet to a 5/8" steel pin; Thence N. 79° 28' 32" W. along said right of way line, 101.35 feet to the True Point of Beginning.

EXHIBIT "A" (cont.)

LEGAL DESCRIPTION

PARCEL 3 CONTINUED:

SAVE AND EXCEPT that portion of Section 19, Township 14 North, Range 4 East, B.M., Valley County, Idaho, beginning at the Northeast corner of Section 24, Township 14 North, Range 3 East, Boise Meridian, Valley County, Idaho; thence West along the North line of said Section 24 a distance of 698.95 feet to a point in the existing Northeastly right of way line of the Union Pacific Railroad; thence Southeastly, Southerly and Southwestly along said railroad right of way line, being a 622.96 foot radius curve right, of which the long chord bears South 12° 19' 15" West 904.78 feet, an arc length of 1612.97 feet to a point in the Northwestly right of way line of the 120.00 foot right of way of existing State Highway 15; thence Northeastly along the 1209.00 foot right of way of said State Highway 15 a distance of 1424.37 feet to a point in the North line of Section 19, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho; thence West along the North line of said Section 19 a distance of 221.92 feet to the place of beginning.

SAVE AND EXCEPT that portion in Section 19, Township 14 North, Range 4 East, more particularly described as follows: A strip of land situate in the S 1/2 SE 1/4 of Section 19 and the S 1/2 SW 1/4 of Section 20, Township 14 North, Range 4 East, B.M., Valley County, Idaho, described as follows: Beginning at a point 361.50 feet from the SW 1/4 corner of the S 1/2 SE 1/4 Section 19, Township 14 North, Range 4 East, B.M.; thence East along the North side of the present County road a distance of 4918.50 feet to the East line of the S 1/2 SW 1/4 Section 20, Township 14 North, Range 4 East, B.M., Valley County, Idaho; thence North 12.00 feet; thence West 4918.50 feet; thence South 12.00 feet to the place of beginning, it being the intention of grantor to convey to Valley County for road purposes a strip of land 12.00 feet wide and 4918.50 feet long along the North side of the present County road bordering the land of grantor on the South.

SAVE AND EXCEPT a strip of land being a part of Lot 4, SE 1/4 SW 1/4, and SW 1/4 SE 1/4, Section 19, Township 14 North, Range 4 East, B.M., Valley County, Idaho, described as follows: Beginning at a point on the West line of Lot 4, Section 19, Township 14 North, Range 4 East, B.M., 12.00 feet North of the present County Road, thence in an Easterly direction a distance of 3001.50 feet to a point 361.50 feet East of the West line of the SW 1/4 SE 1/4, Section 19, said township and range, thence South 12.00 feet, thence West 3001.50 feet, thence North 12.00 feet to the place of beginning, it being the intention of grantors to convey to Valley County for road purposes a strip of land 12.00 feet wide and 3001.50 feet long along the North side of the present County road bordering the land of grantors on the South.

SAVE AND EXCEPT the said parcel being that portion of said property included in a strip of land variable width, lying on the north side of the center line of the Cascade-Wernal Lake Highway as said highway has been relocated as shown on Corporate Quitclaim Deed, Instrument No. 66152.

PARCEL 4: All that certain lot, piece or parcel of land, situate in Valley County, Idaho and shown as Lots 1, 2 and 3; East Half of the Northwest Quarter (E 1/2 NW 1/4); Northeast Quarter of the Southwest Quarter (NE 1/4 SW 1/4), all in Section 30, Township 14 North, Range 4 East, B.M., Valley County, Idaho.

PARCEL 5: All that certain lot, piece or parcel of land, situate in Section 34, Township 14 North, Range 3 East, Boise Meridian, Valley County, Idaho, to wit:

The Northeast Quarter (NE 1/4); West Half of the Southeast Quarter (W 1/2 SE 1/4); East Half of the Southeast Quarter (E 1/2 SE 1/4); save and except from the said Northeast Quarter (NE 1/4) a tract of land lying in a portion of the Northwest Quarter of the Northeast Quarter (NW 1/4 NW 1/4) of Section 19, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho and a portion of the said Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4) of Section 24, Township 14 North, Range 3 East, B. M., Valley County, Idaho, described as follows, to wit:

EXHIBIT "A" (cont.)

LEGAL DESCRIPTION

PARCEL 5 CONTINUED:

Beginning at the Northeast corner of Section 24, Township 14 North, Range 3 East, Boise Meridian, Valley County, Idaho; thence West along the North line of said Section 24 a distance of 698.95 feet to a point in the existing Northeastly right of way line of the Union Pacific Railroad; thence Southeastly, Southerly and Southwestly along said railroad right of way line, being a 622.96 feet radius curve right, of which the long chord bears South 17° 19' 15" West 904.95 feet, an arc length of 1012.97 feet to a point in the Northwestly right of way line of the 120.00 foot right of way of existing State Highway 15, thence Northeastly along the 120.00 foot right of way of said State Highway 15 a distance of 1424.32 feet to a point in the North line of Section 19, Township 14 North, Range 4 East, Boise Meridian; thence West along the North line of said Section 19 a distance of 221.92 feet to the place of beginning all in Section 24.

SAVE AND EXCEPT that portion described in that certain document, as filed for record in the office of the Recorder of Valley County, Idaho on April 26, 1994 as Instrument No. 263529.

ALSO SAVE AND EXCEPT that portion described in that certain Grant Deed, as filed for record in the office of the Recorder of Valley County, Idaho on February 3, 2003 as Instrument No. 263895.

FURTHER EXCEPTING State Highway 55 right-of-way

PARCEL 6: All that certain lot, piece or parcel of land, situate in Section 26, Township 14 North, Range 4 East B.M., Valley County, Idaho, being more particularly described as follows: the W 1/2 of the W 1/2.

PARCEL 7: All that certain lot, piece or parcel of land, situate in Section 17, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho, being more particularly described as follows: the W 1/2 of the W 1/2.

PARCEL 8: All that certain lot, piece or parcel of land, situate in Valley County, Idaho and shown as W 1/2 W 1/2, all in Section 8, Township 14 North, Range 4 East, Boise Meridian, Valley County, Idaho.

PARCEL 9: All that certain lot, piece or parcel of land, situate in the NW 1/4, N 1/2 SW 1/4, Section 32, Township 14 North, Range 4 East, B.M., Valley County, Idaho, less a parcel of land in Section 31 and 32, Township 14 North, Range 4 East, B.M., Valley County, Idaho, more particularly described as follows:
Beginning at the quarter section corner between Sections 31 and 32, Township 14 North, Range 4 East, B.M.; thence North 623.38 feet; thence East 124.86 feet to the Real Point of Beginning; thence along the Westerly county road right of way North 1° 17.0' West, 128.82 feet; on a curve to the left of radius 759.18 feet, delta of 14° 21.2', 190.18 feet; North 15° 28.2' West, 238.85 feet; thence South 79° 28.7' West, 422.04 feet; thence South 19° 29.4' East, 567.55 feet; thence North 78° 17.5' East, 327.35 feet to the Point of Beginning.



Exhibit "B"

Personal Property

All fixtures, water rights, equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, frost protection apparatus, windmills, fences, fixtures, fittings, appliances, whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds). See attached Exhibit "A"

Water Rights:

All water rights represented by Decree Nos. 65-2931, 65-3585, 65-7312, 65-7649, 65-7777, 65-3580, 65-4031A, 65-4031B, 65-4031X, 65-13619, 65-2536, 65-2832, 65-3920, 65-2931, 65-3579, 65-3583, 65-12202, 65-13019, and 65-2002 issued by the Idaho Department of Water Resources.