

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. 76097

MINIMUM REQUIREMENTS CHECKLIST TO BE SUBMITTED WITH APPLICATION FOR TRANSFER

An application for transfer must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. Incomplete applications will be returned. The instructions, fee schedule, Part 2A reports and additional Part 2B forms are available from any Department office or on the Department's website at <http://www.idwr.idaho.gov/>.

Check whether each item below is *attached* (Yes) or *not applicable* (N/A) for the proposed transfer.

- | <u>Yes</u> | <u>N/A</u> | |
|-------------------------------------|--------------------------|--|
| | | * Means the item is <u>always required</u> and must be included with the application. |
| ☒ | | * Completed Application for Transfer of Water Right form, Part 1. |
| ☒ | | * Signature of applicant(s) or applicant's authorized representative on Application for Transfer Part 1. Include evidence of authority labeled Attachment #3 (see below) if signed by representative. |
| ☒ | | * Application for Transfer Part 2A. Attach a Part 2A report describing each water right in the transfer as currently recorded. |
| ☒ | ☐ | Complete and attach an Application for Transfer Part 2B <u>for each water right</u> for which <u>only a portion</u> is proposed to be changed through this transfer application |
| ☒ | | * Application for Transfer Part 3A is always required (see Attachment #7a below); Parts 3B and 3C must be completed for transfer applications proposing to change the nature of use of the water right(s) or proposing changes to supplemental right(s). |
| ☒ | | * Correct fee submitted with transfer application form. (Fee schedule is on website and instructions for application for transfer.) |

Attachments to Application - Label each attachment with the corresponding number shown below as Attachment #1-9.

- | | | |
|-------------------------------------|-------------------------------------|--|
| ☐ | ☒ | #1 If the applicant is a business, partnership, organization, or association, and <u>not</u> currently registered in the State of Idaho as a business entity, attach documentation identifying officers authorized to sign or act on behalf of right holder. (See Part 1.) |
| ☐ | ☒ | #2a Water Right ownership documentation if Dept. records do not show the transfer applicant as the current water right owner. |
| ☐ | ☒ | #2b If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). |
| ☐ | ☒ | #3 Documentation of authority to make the change if the applicant is not the water right owner. |
| ☐ | ☒ | #4 Power of Attorney or documentation providing authority to sign or act on the applicant's behalf. (See Part 1.) |
| ☐ | ☒ | #5 If the transfer application proposes to change the point of diversion for a water right affecting the Eastern Snake Plain Aquifer (ESPA), attach the results of an ESPA analysis and a detailed mitigation plan to offset any depletions to hydraulically connected reaches of the Snake River. ESPA transfer spreadsheet and model grid labeled cells are available on the Department's website at http://www.idwr.idaho.gov/water-rights . |
| ☐ | ☒ | #6 Notarized statement of agreement or a statement on official letterhead signed by an authorized representative from each lien holder or other entity with financial interest in the water right(s) or land affected by the proposed transfer. (See Part 1.5.c.) |
| ☒ | | * #7a Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system details as described on the application. Include legal description labels. If only a portion of the right is proposed to be changed, identify the current location of the part of the existing right(s) proposed to be changed. (See Part 3A.) |
| ☒ | ☐ | #7b If the transfer application proposes to change the place or purpose of use of an irrigation right attach a Geographic Information System (GIS) shape file, or an aerial photo or other image clearly delineating the location and extent of existing acres and changes to the place of use. |
| ☒ | ☐ | #8a If the transfer application proposes to change the nature of use or period of use for one or more rights, provide documentation describing the extent of historic beneficial use for the water rights proposed to be transferred and document how enlargement will be avoided. (See Part 3B.) |
| ☐ | ☒ | #8b If the transfer application proposes to change the place of use of a supplemental irrigation right, provide documentation regarding the historic use of the supplemental right(s) and availability or reliability of the primary right(s) being supplemented, both before and after the proposed change. (See Part 3C.) |
| ☐ | ☐ | #9 Other. Please describe: _____ |

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. _____

OCT 21 2009

WATER RESOURCES
SOUTHERN REGIONAPPLICATION FOR TRANSFER OF WATER RIGHT
PART 1Name of Applicant(s) Darrell Funk Phone 1-208-432-5386Mailing address 3173 N 4900 E, Murtaugh, Idaho 83344 Email _____

- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the transfer applicant as the current water right owner. Label it **Attachment #2a**.
- ☒ If the ownership of the water right will change as a result of the proposed transfer to a new place of use, attach documentation showing land and water right ownership at the new place of use. Include documentation for all affected land and owner(s). Label it **Attachment #2b**.
- ☐ Attach documentation of authority to make the proposed change if the applicant is not the water right owner. Label it **Attachment #3**.

Provide contact information below if a consultant, attorney, or any other person is representing the applicant in this transfer process.

☐ No RepresentativeName of Representative Brian Higgs Phone 1-208-604-1280Mailing address 6330 W 33rd S, Idaho Falls, Idaho 83402 Email higgs@ida.net

- ☐ Send all correspondence for this application to the representative and not to the applicant.
- OR
- ☒ Send original correspondence to the applicant and copies to the representative.
- ☒ The representative may submit information for the applicant but is not authorized to sign for the applicant.
- OR
- ☐ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation providing authority to sign for the applicant and label it **Attachment #4**.

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

Darrell Funk

Signature of Applicant or Authorized Representative

Owner

Print Name and Title if applicable

9-25-09

Date

A. PURPOSE OF TRANSFER

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
☒ Change nature of use ☒ Change period of use ☐ Other _____
2. Describe your proposal in narrative form, including a detailed description of non-irrigation uses to justify amounts transferred (i.e. number of stock, etc.), and provide additional explanation of any other items on the application. Attach additional pages if necessary and label it **Part 1A.2**. Mr. John Sudik has a dairy located at 11S 18E 9 SW with no groundwater right for stock/comm. Mr. Darrell Funk is selling Mr. Sudik 53 acres of water right for an equal amount of shares in the Twin Falls Canal. The irrigated ground the water is coming from will be irrigated with shares in the Twin Falls Canal.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

B. DESCRIPTION OF RIGHTS AFTER THE REQUESTED CHANGES. IF THE RIGHTS ARE BEING SPLIT, DESCRIBE PORTIONS TO BE CHANGED AS THEY WOULD APPEAR AFTER THE REQUESTED CHANGES.

1.	<u>Right Number</u>	<u>Amount</u> (cfs/ac-ft)	<u>Nature of Use</u>	<u>Period of Use</u>	<u>Source & Tributary</u>
All or Part ☐ ☒	45-2320	2.19/1028.7	Irrigation	03/15 to 11/15	Groundwater
☐ ☒	45-13642	6.78/3108	Irrigation	03/15 to 11/15	Groundwater
☐ ☒	47-8246	0.4/113	Stock/Comm	01/01 to 12/31	Groundwater
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 8.97 cfs and/or 4136.7 ac-ft

2. Total amount of water proposed to be transferred or changed 0.4/113 cubic feet per second and/or 113 acre-feet per annum.

3. Point(s) of Diversion:

- ☐ No changes to point(s) of diversion are proposed-the following chart is therefore not completed. (Proceed to #4.)
☐ Attach Eastern Snake Plain Aquifer analysis if this transfer proposes to change a point of diversion affecting the ESPA.
 Label it **Attachment #5**.

New ?	Lot	¼	¼	¼	Sec	Twp	Rge	County	Source	Local name or tag #
		SW	SW	SE	10	11S	20E	Twin Falls	Groundwater	small Simplot well
			SW	SW	9	11S	18E	Twin Falls	Groundwater	Sudik Dairy

4. Place of use: (If irrigation, identify with number of acres irrigated per ¼ ¼ tract.)

- ☐ No changes to place of use are proposed-the following chart is therefore not completed. (Proceed to #5.)

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
11S	18E	9											X						stock
11S	20E	14				23					34	33	32	32	12	34	32	0	232

Total Acres (for irrigation use) in Sec 14=232

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1 Continued

5. General Information:

- a. Describe the complete diversion system, including how you will accommodate a measuring device and lockable controlling works should they be required now or in the future: Diversion of the Twin Falls shares will be through an existing booster pump on Murtaugh Lake. The water will be piped to the place of use in Sec 14. The groundwater at the Sudik dairy will be pumped from the existing dairy well. The pumping station on Murtaugh Lake is monitored by a Twin Falls Canal ditch rider. The well at the Sudik dairy will be equipped with a measuring device.
- b. Who owns the property at the point(s) of diversion? Darrell Funk at Murtaugh Lake. John Sudik at his dairy.
If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: n/a
- c. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?
If yes, ☐ Attach a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes on official letterhead signed by an authorized representative. Label it **Attachment #6**. List the name of the entity and type of lien: n/a
- It is the applicant's responsibility to provide notice to lien holder, trustee, mortgagor, or contract holder of the proposed changes that may impact or change the value of the water rights or affected real property. Any misrepresentation of legal encumbrance on this application may result in rejection of the application or cancellation of an approval.
- d. Describe the effect on the land now irrigated if the place or purpose of use is changed pursuant to this transfer: The ground the groundwater is coming from will be irrigated with Twin Falls shares.
- e. Describe the use of any other water right(s) for the same purpose or land, or the same diversion system as right(s) proposed to be transferred at both the existing and proposed point(s) of diversion and place(s) use: The remaining water rights will be unchanged.
- f. To your knowledge, has/is any portion of the water right(s) proposed to be changed:
- | Yes | No | |
|--------------------------|-------------------------------------|---|
| ☐ | ☒ | undergone a period of five or more consecutive years of non-use, |
| ☐ | ☒ | currently leased to the Water Supply Bank, |
| ☐ | ☒ | currently used in a mitigation plan limiting the use of water under the right, or |
| ☐ | ☒ | currently enrolled in a Federal set-aside program limiting the use of water under the rights? |

If yes, describe: _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT PART 2

RECEIVED
OCT 21 2009
DEPT. OF WATER RESOURCES
SOUTHERN REGION

A. DESCRIPTION OF RIGHT(S) AS RECORDED

For each water right listed in Part 1B.1 of the application, attach a **Part 2A** report obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/> , Water Right Transfers, Step 1.

Insert Part 2A reports into the application following Part 1.

B. IF ONLY A PORTION OF THE RIGHT IS PROPOSED TO BE CHANGED, DESCRIBE THE PORTION BEING CHANGED AS IT APPEARS BEFORE THE REQUESTED CHANGES

- ☐ Complete and attach one copy of Part 2B for each right for which only a portion is proposed to be changed. If the entire right is proposed to be changed, Part 2B is not applicable. Additional copies of the **Part 2B** form can be obtained from any Department office or from the Department's website @ <http://www.idwr.idaho.gov/> , Water Right Transfers, Step 3, or Water Right Forms, Changes in Use. Insert completed Part 2B forms into the application following Part 2A of the same water right.

Right Number:

- [illegible]

2. Lands irrigated or place of use: (If irrigation, identify with number of acres irrigated per 1/4 1/4 tract.)

[illegible]

Total Acres (for irrigation use)

Part II
Darrell Funk

Close

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

9/5/2009

WATER RIGHT NO. 45-2320

Owner Type	Name and Address
Current Owner	DARRELL M FUNK
Current Owner	PATRICIA M FUNK
	3173 N 4900 E
	MURTAUGH, ID 83344
	(208) 436-9888
Original Owner	GLEN BRIGGS

Priority Date: 02/09/1954

Basis: Decreed

Status: Active

Source	Tributary
GROUND WATER	

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	03/15	11/15	2.34 CFS	1141.7 AFA
Total Diversion			2.34 CFS	

Location of Point(s) of Diversion:

GROUND WATER	SWNWSE	Sec. 10	Township 11S	Range 20E	TWIN FALLS County
GROUND WATER	SWSWSE	Sec. 10	Township 11S	Range 20E	TWIN FALLS County
GROUND WATER	NESW	Sec. 14	Township 11S	Range 20E	TWIN FALLS County
GROUND WATER	SENE	Sec. 23	Township 11S	Range 20E	TWIN FALLS County
GROUND WATER	SESW	Sec. 23	Township 11S	Range 20E	TWIN FALLS County

IRRIGATION Use:
Acre Limit: 805

Place(s) of use:

Place of Use Legal Description: IRRIGATION CASSIA County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
11S	20E	13		SWNW	28		SENW	30						
				NESW	32		NWSW	32		SWSW	32		SESW	32
				NESE	32		NWSE	32		SWSE	32		SESE	32
		14		SENE	23									
				NESW	34		NWSW	33		SWSW	32		SESW	32
				NESE	32		NWSE	34		SWSE	32		SESE	32
		23		NENE	33		NWNE	34		SWNE	33		SENE	32
				NENW	33		NWNW	33		SWNW	33		SENW	33
				NESW	34		NWSW	33		SWSW	32		SESW	33
				NESE	33		NWSE	34		SWSE	33		SESE	32
		24		NENE	32		NWNE	32		SWNE	33		SENE	32
				NENW	32		NWNW	31		SWNW	32		SENW	33
				NESW	34		NWSW	33		SWSW	32		SESW	33
				NESE	33		NWSE	34						

Total Acres: 1582

Conditions of Approval:

1.	X27	This right is limited to the irrigation of 805 acres within the place of use described above in a single irrigation season.
2.		Rights 45-2320 and 45-13642 when combined shall not exceed a total diversion rate of 9.12 cfs and a total annual maximum diversion volume of 4249.7 af at the field headgate.
3.	X35	Rights 45-2320, 45-13642, and 45-13644 when combined shall not exceed the irrigation of 1582 acres.
4.		Rights 45-2320, 45-2746, 45-13642, 45-13643, 45-13644, 45-13645, and 01-7072 when combined shall not exceed the irrigation of 1874 acres.
5.	R64	This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
6.	065	The right holder shall make full beneficial use of all surface water rights available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit the diversion of ground water under this right to those times when the surface water supply is not available or the surface water supply is not reasonably sufficient to irrigate the place of use authorized under this right.
7.	104	If the surface water right(s) appurtenant to the place of use is sold, transferred, leased or used on any other place of use, this right to divert groundwater shall not be used without an approved

		transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
8.	R05	Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 140.
9.	R02	A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
10.	115	Prior to the diversion and use of water under Transfer approval 71316, the right holder shall install and maintain acceptable measuring device(s), including data logger(s), at the authorized point(s) of diversion, in accordance with Department specifications.
11.	004	This right does not grant any right-of-way or easement across the land of another.
12.	046	Right holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code and applicable Well Construction Rules of the Department.
13.	T07	The right holder shall accomplish the change authorized by this transfer within two years of the date of this approval.
14.	T08	Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
15.	T19	Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

Dates:

Licensed Date:

Decreed Date: 05/06/2005

Permit Proof Due Date:

Permit Proof Made Date:

Permit Approved Date:

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date:

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector: And/Or

Water District Number: 140

Generic Max Rate per Acre: 0.02

Generic Max Volume per Acre: 4

Combined Acres Limit: 1582

Combined Volume Limit:

Combined Rate Limit:

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False

Close

11:58am Aug. 28, 2002

2002-017458

No. of Pages: 8 Fee: \$18.00
ROBERT S. FORT
Ex-Officio Recorder
Deputy: CN**BARGAIN AND SALE DEED**

GRANTOR, **GLEN DALE FARMS, INC.**, an Idaho corporation, and **J.R. SIMPLOT COMPANY**, a Nevada corporation, successor by merger with **NORTH FORK RANCH CO.**, a Nevada corporation whose principal address is 999 Main Street, Suite 1300, Boise ID 83702, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell and convey unto **DARRELL FUNK and PATRICIA FUNK, husband and wife**, whose principal address is 3173 North 4900 East, Murtaugh, Idaho 83344, as GRANTEE, and to Grantee's successors and assigns forever, all of the following described real property located in Twin Falls County, State of Idaho:

See Exhibit "A" attached hereto and made a part hereof.

TOGETHER with all improvements, easements, hereditaments and non-water right related appurtenances thereto, and together with all water and water rights appurtenant to the property described on Exhibit "A", expressly without warranty and on an "AS-IS" basis, which water rights are described on Exhibit "B" attached hereto, and specifically excluding and reserving unto Grantor the water rights and pending water right application listed in Table 2 of Exhibit "B"; and subject to such rights, easements, covenants, restrictions and zoning regulations as appear of record or as appear upon the premises.

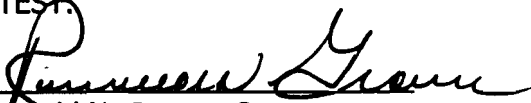
In construing this deed, and where the context so requires, the singular includes the plural and the masculine, the feminine and the neuter.

IN WITNESS WHEREOF, Grantor has hereunto caused this deed to be executed in its corporate name this 23rd day of August, 2002.

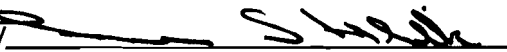
GLEN DALE FARMS, INC.

By 
Lawrence S. Hlobik, President

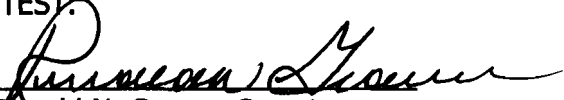
ATTEST:

By 
Ronald N. Graves, Secretary

J.R. SIMPLOT COMPANY

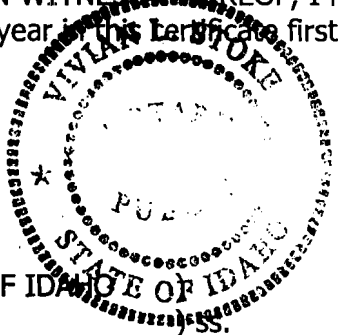
By 
Lawrence S. Hlobik, President & CEO

ATTEST:

By 
Ronald N. Graves, Secretary

STATE OF IDAHO)
) ss.
County of ADA)

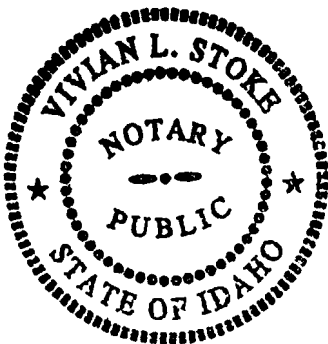
On this 23rd day of August, 2002, before me, a Notary Public in and for said State, personally appeared Lawrence S. Hlobik and Ronald N. Graves, known to me to be the President and Secretary of Glen Dale Farms, Inc., the corporation that executed the within instrument, and acknowledged to me that said corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Vivian Stoke
Notary Public for Idaho
Residing at: Ada County, Idaho
My Commission Expires: 08/03/04

STATE OF IDAHO)
) ss.
County of ADA)

On this 23rd day of August, 2002, before me, a Notary Public in and for said State, personally appeared Lawrence S. Hlobik and Ronald N. Graves, known to me to be the President & CEO and Secretary of J.R. Simplot Company, the corporation that executed the within instrument, and acknowledged to me that said corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Vivian Stoke
Notary Public for Idaho
Residing at: Ada County, Idaho
My Commission Expires: 08/03/04

EXHIBIT "A"

PARCEL I: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE
MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: SW $\frac{1}{4}$ NE $\frac{1}{4}$ South and above Milner Low Lift Canal.

PARCEL II: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE
MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: SE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$ South and above Milner Low
Lift Canal.

PARCEL III: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE
MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: A tract of land in the SW $\frac{1}{4}$ SW $\frac{1}{4}$, described as
follows: Beginning at the Southwest corner
of Section 14; thence North 100 feet on the
West line of said section; thence East 228
feet to toe of irrigation lateral; thence
Southwesterly 120 feet, more or less, along
toe of lateral to the South line of Section
14; thence West 164 feet along the section
line to the section corner to the point of
beginning.

PARCEL IV: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE
MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: Beginning at a point 1678.5 feet South of
the Northwest corner of the SW $\frac{1}{4}$ of said
Section, which point is the true point of
beginning; thence South 562.5 feet; thence
East 700 feet; thence in a Northeasterly
direction along the West boundary of the
lateral for irrigation of the Milner Low
Lift Canal Company to a point, which is
708 $\frac{1}{3}$ feet East from the true point of
beginning; thence West 708 $\frac{1}{3}$ feet to the
point of beginning.

[Handwritten signature]
[Handwritten signature]

PARCEL V: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE

MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: A tract of land located in the Northwest corner of the $W\frac{1}{2}SW\frac{1}{4}$ of said Section 14, described as follows: Beginning at the Northwest corner of the $W\frac{1}{2}SW\frac{1}{4}$ of said Section; thence South on the West line of said subdivision a distance of 150 feet; thence East parallel to the North line of said 80-acre tract a distance of 250 feet; thence North 150 feet to a point on the North line of said 80-acre tract which is 250 feet East of the Northwest corner thereof; thence West 250 feet to the point of beginning.

PARCEL VI: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: Beginning at a point 1116 feet South of the Northwest corner of the $NW\frac{1}{4}SW\frac{1}{4}$ of said Section 14; thence $562\frac{1}{2}$ feet South; thence $708\frac{1}{3}$ feet East; thence in a Northerly direction to the point of beginning.

PARCEL VII: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 14: $SW\frac{1}{4}$, EXCEPT a tract of land in the $SW\frac{1}{4}SW\frac{1}{4}$ described as follows: Beginning at the Southwest corner of Section 14; thence North 100 feet on the West line of said section; thence East 228 feet to toe of Irrigation lateral; thence Southwesterly 120 feet, more or less, along toe of lateral to the South line of Section 14; thence West 164 feet along the section line to the section corner to the point of beginning. AND EXCEPT beginning at a point 1678.5 feet South of the Northwest corner of the $SW\frac{1}{4}$ of said Section, which point is the true point of beginning; thence South 562.5 feet; thence East 700 feet; thence in a Northeasterly direction along the West boundary of the

[Handwritten initials]

lateral for irrigation of the Milner Low Lift Canal Company to a point, which is 708 $\frac{1}{3}$ feet East from the true point of beginning; thence West 708 $\frac{1}{3}$ feet to the point of beginning. AND EXCEPT a tract of land located in the Northwest corner of the $W\frac{1}{2}SW\frac{1}{4}$ of said Section 14, described as follows: Beginning at the Northwest corner of the $W\frac{1}{2}SW\frac{1}{4}$ of said Section; thence South on the West line of said subdivision a distance of 150 feet; thence East parallel to the North line of said 80-acre tract a distance of 250 feet; thence North 150 feet to a point on the North line of said 80-acre tract which is 250 feet East of the Northwest corner thereof; thence West 250 feet to the point of beginning. AND EXCEPT beginning at a point 1116 feet South of the Northwest corner of the $NW\frac{1}{4}SW\frac{1}{4}$ of said Section 14; thence 562 $\frac{1}{2}$ feet South; thence 708 $\frac{1}{3}$ feet East; thence in a Northerly direction to the point of beginning.

PARCEL VIII: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 23: $NW\frac{1}{4}NW\frac{1}{4}$

PARCEL IX: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 23: $SW\frac{1}{4}NW\frac{1}{4}$

PARCEL X: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 23: $E\frac{1}{2}NW\frac{1}{4}$; $E\frac{1}{2}$; $SW\frac{1}{4}$.

PARCEL XI: TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, TWIN FALLS COUNTY, IDAHO,

SECTION 10: $S\frac{1}{2}NW\frac{1}{4}$ lying South and West of the Main Canal of the Milner Low Lift Irrigation District

[Handwritten signature]

EXHIBIT "B"

The following water rights and permit shall be included in this transaction and will be conveyed to Buyer upon closing:

Table 1

Water Right Number	Status	Source	Use(s)
01-7072	Permit	Snake River	Irrigation
45-2320	License	Ground Water	Irrigation
45-2565	License	Ground Water	Irrigation
45-4129	Statutory Claim	Waste Water	Irrigation
45-10200	Decreed	Ground Water	Domestic
45-10225	Decreed	Ground Water	Domestic and Stockwater
45-10228	Decreed	Ground Water	Stockwater

Together with an assignment of Seller's interest in 1,922 shares of stock of Artesian Irrigation, Inc. an Idaho corporation, issued under certificate no. 13 and the rights to irrigate the following described land with water apportioned by the Milner Irrigation District:

**3 acres within the NW¹/₄SW¹/₄ Section 14 T.11S R.20E
15 acres within the SW¹/₄SW¹/₄ Section 14 T.11S R.20E
in Twin Falls County, Idaho**

The following water rights and application shall not be included in this transaction and will be reserved in Glen Dale Farms, Inc. and J. R. Simplot Company, the owners of the following water rights:

Table 2

Water Right Number	Status	Source	Use(s)	Owner
45-2746	License	Ground Water	Irrigation	J. R. Simplot Company
45-4068	Statutory Claim	Waste Water	Irrigation	Glen Dale Farms, Inc.
45-4167	Statutory Claim	Ground Water	Irrigation	J. R. Simplot Company
45-7711	Application	Ground Water	Irrigation	J.R. Simplot Company

12:00pm Aug. 28, 2002

2002-017459

No. of Pages: 5 Fee: \$15.00
ROBERT S. FORT
Ex-Officio Recorder
Deputy: CN

Customer/Note No: 13101 - 444

After Recording Return to: Farm Credit Services - Twin Falls
1363 Fillmore
PO Box 5059
Twin Falls, ID 83303-5059

Mortgage

THIS MORTGAGE IS ALSO INTENDED TO BE A FIXTURE FILING.

On August 23, 2002, Darrell M. Funk and Patricia Funk, husband and wife, hereinafter called Mortgagors, whose address is

3173 N 4900 E
Murtaugh, ID 83344

grant, convey, warrant, transfer and assign to Northwest Farm Credit Services, FLCA, a corporation organized under the Farm Credit Act of 1971, as amended, hereinafter called Mortgagee, whose address is 1700 South Assembly Street, P.O. Box 2515, Spokane, Washington 99220-2515, a mortgage and security interest in property in Twin Falls, Cassia County(ies), State of Idaho, more particularly described as follows:

CASSIA COUNTY PROPERTY

PARCEL NO. 1:

TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 13: S1/2

PARCEL NO. 2:

TOWNSHIP 11 SOUTH, RANGE 20 EAST OF THE BOISE MERIDIAN, CASSIA COUNTY, IDAHO

Section 13: S1/2NW1/4 lying South and above Milner Low Lift No. 3 Canal

EXCEPT a portion described as beginning at the Northeast corner of said S1/2NW1/4;
Thence South along the East line of said S1/2NW1/4, 198 feet;
Thence West along a line parallel to the North line of said S1/2NW1/4 676 feet more or less to said Milner Low Lift No. 3 Canal;
Thence Northerly along said canal to its point of intersection with the North line of said S1/2NW1/4;
Thence East along said North line 693 feet, more or less, to the Point of Beginning.

Section 24: All

Section 25: NE1/4

TWIN FALLS COUNTY PROPERTY

PARCEL NO. 1:

Township 11 South, Range 20 East, Boise Meridian, Twin Falls County, Idaho

Section 10: S1/2NW1/4 lying South and West of the Main Canal of the Milner Low Lift Irrigation District.

PARCEL NO. 2:

Township 11 South, Range 20 East, Boise Meridian, Twin Falls County, Idaho

Section 14: That part of the SW1/4NE1/4 lying South of the Milner Low Lift Irrigation District Canal Number 3.

PARCEL NO. 3:

Township 11 South, Range 20 East, Boise Meridian, Twin Falls County, Idaho

Section 14: S1/2

PARCEL NO. 4:

Township 11 South, Range 20 East, Boise Meridian, Twin Falls County, Idaho

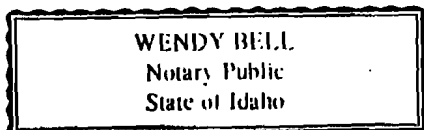
Section 14: That part of the SE1/4NE1/4 lying South and East of the Milner Low Lift Irrigation District Canal Number 3

amounts in any proportion to any of the indebtedness hereby secured; and Mortgagee shall have the right to enter upon the Property to make full inspection of the Property.

7. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property and its use, including without limitation all environmental laws; not to use or permit the use of the Property for any unlawful or objectionable purpose or for any purpose that poses an unreasonable risk of harm, or that impairs or may impair the value of the Property, or any part thereof; not to apply residue from waste water treatment facilities to the Property without prior written notice to Mortgagee; to remedy any environmental contamination or violation of environmental laws that may occur or be discovered in the future; to allow Mortgagee access to the Property to inspect its condition and to test and monitor for compliance with applicable laws (any inspections or tests made by Mortgagee shall be for Mortgagee's purposes only and shall not be construed to create any responsibility or liability on the part of Mortgagee to Mortgagors or to any other person), to forward copies of any notices received from any environmental agencies to Mortgagee; to provide Mortgagee copies of any independent test or inspection reports on the environmental status of the Property; and to indemnify and hold Mortgagee, its directors, employees, agents and its successors and assigns, harmless from and against any environmental claims of any kind, and all costs and expenses incurred in connection therewith, including, without limitation, attorney's fees.
8. That neither Mortgagors nor, to the best of the Mortgagor's knowledge, any prior owner has created or permitted conditions on the Property, which may give rise to environmental liability; no enforcement actions are pending or threatened; no underground tanks are located on the Property except as already disclosed; any such underground tanks currently or previously located on the Property do not now and never have leaked and no contaminated soil is located on the Property; and Mortgagor's representations, warranties, covenants and indemnities herein and in the Loan Documents shall survive satisfaction of the Note(s) and Loan Documents, foreclosure of this mortgage, acceptance of a deed in lieu of foreclosure or any transfer or abandonment of the Property.
9. To perform all terms and conditions of each water or other contract, described above, if any, and to promptly pay all sums due or to become due under each contract so that no delinquency or default will occur under such contract(s); to perform all acts necessary to perfect and maintain any water permit, certificate, license or other water interest, however designated, described in or used in conjunction with the real property described above; any assignment of any such interest during the term of this mortgage, naming Mortgagee as an assignee shall be for security purposes and shall not alter Mortgagors' obligations hereunder; and any failure of Mortgagors to perform any such obligation shall constitute an event of default.
10. That the term "Grazing Rights," as hereinafter used refers to that portion of the Property, if any, consisting of grazing leases, permits, licenses, privileges, and preferences, or any of them, which have or will be assigned, mortgaged or waived to Mortgagee, together with any additions, renewals, replacements or substitutions thereof; if any portion of the Grazing Rights is a leasehold interest in state lands, such leasehold shall be considered to be real property; such leasehold and all other real property portions of the Property constitute a single operating unit; and in the event of foreclosure, Mortgagee shall have the right to have such leasehold and the other real property sold as a unit and not in parcels; any statements and representations in any applications for Grazing Rights are true and correct; Mortgagors have received no notice that the Grazing Rights have or are to be terminated, cancelled or modified; and any termination or cancellation of any of the Grazing Rights shall constitute an event of default under this mortgage.
11. To execute any instrument deemed necessary by the Mortgagee to assign, mortgage or waive such Grazing Rights to the Mortgagee; to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing the Grazing Rights; to take no action which would adversely affect the Grazing Rights; to procure renewals of the Grazing Rights upon or prior to their expiration date; to operate the lands covered by the Grazing Rights in conjunction with the other real estate portion of the Property and not to convey or attempt to convey either separately; to forward to Mortgagee copies of any notices received by Mortgagors regarding the Grazing Rights; and in the event of foreclosure of this mortgage, to waive all claims for preference in the Grazing Rights upon demand from the purchaser of the Property at foreclosure sale, or from any successor to such purchaser.
12. That if the Property is within an irrigation block and/or subject to water service contract(s) governed by the provisions of "Federal reclamation law," and the regulations issued thereunder, Mortgagors shall comply with the terms and provisions of said laws, regulations and contracts; Mortgagors, and each of them, for themselves, their heirs, successors and assigns, hereby appoint Mortgagee their attorney-in-fact to select and designate the portion of the Property to be subject to a recordable contract, in the event Mortgagors become subject to the excess land limitation; if Mortgagors fail to comply with the terms of said law, regulations or contracts, or if the delivery of water for the irrigation of the Property is discontinued in whole or in part, Mortgagors shall be in default; in the event the Bureau of Reclamation determines that continued drainage maintenance on the Property is no longer feasible, and Mortgagors purchase other lands offered as a preference purchase right (as an adjustment for wetlands), Mortgagors shall execute a supplemental mortgage on such lands in favor of the Mortgagee; and failure to execute such mortgage on demand, shall constitute an event of default.
13. That in the event of default in any of the covenants or agreements herein, or in any of the Loan Documents, Mortgagee may, at its option perform the same, in whole or in part; any advances, including, without limitation, attorney fees or costs, paid or incurred by Mortgagee to protect or enforce its rights under the Loan Documents, in

STATE OF Idaho)
County of Twin Falls)ss.

On this 26th day of August, 2002, before me personally appeared Patricia Funk, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Wendy Bell
Printed name Wendy Bell
Notary Public for the State of Idaho
Residing at Twin Falls, Id.
My commission expires 3/24/06

Mortgagee acknowledges that this mortgage is subject to a security interest in favor of AgAmerica, FCB (Bank) and by its acceptance hereof and pursuant to and in confirmation of certain agreements and assignments by and between Mortgagee and Bank, does assign, transfer and set over the same unto Bank, its successors and assigns, to secure all obligations of Mortgagee to Bank, provided that pursuant to such agreements and assignments Mortgagee has authority to perform all loan servicing and collection actions and activities hereunder, including, without limitation thereto, releasing in whole or in part and foreclosing judicially or otherwise this mortgage until the Bank, by instrument recorded in the office in which this mortgage is recorded, revokes such authority; provided, however, if Bank is the Mortgagee in this transaction, this paragraph is without effect.