

RECEIVED

JAN 14 2010

DEPT. OF WATER RESOURCES
SOUTHERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCESTransfer No. 76258**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.

- Yes N/A** * Means the item is always required 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 for each water right for which only a portion 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 not 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 RESOURCESTransfer No. 76258

JAN 14 2010

DEPT. OF WATER RESOURCES
SOUTHERN REGIONAPPLICATION FOR TRANSFER OF WATER RIGHT
PART 1Name of Applicant(s) Triple J Dairy c/o Flint Jacobson Phone 208-543-8799Mailing address 1291 East 3900 North Buhl ID 83316 Email _____

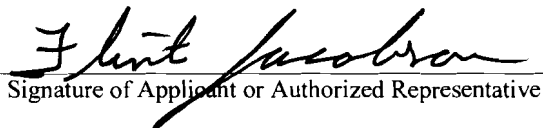
- ☐ If applicant is not an individual and not registered to do business in the State of Idaho, attach documentation identifying officers authorized to sign or act on behalf of the applicant. Label it **Attachment #1**.
- ☐ Attach water right ownership documentation if Department records do not show the 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 Greg Sullivan of Brockway Engineering Phone 208-736-8543Mailing address 2016 North Washington Street, Suite 4 Twin Falls Idaho 83301 Email greg.sullivan@brockwayeng.com

- ☐ 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**.

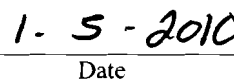
I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made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

Signature of Applicant or Authorized Representative

Print Name and Title if applicable

Date

A. PURPOSE OF TRANSFER

- ☒ Change point of diversion
 ☐ Add diversion point(s)
 ☒ Change place of use
 ☒ Change nature of use
 ☒ Change period of use
 ☐ Other _____
- 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**. 6.2 acres of irrigated land will be dried up and changed to stock and commercial water to be used on the dairy facility owned by Triple J Dairy. This transfer is in response to a notice of violation.

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.	Right Number	Amount (cfs/ac-ft)	Nature of Use	Period of Use	Source & Tributary
All or Part ☐ ☒	47-7600	0.05/17.0	Stock/Commercial	1/01 to 12/31	Ground Water
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

Total authorized under rights 0.67 cfs and/or 327 ac-ft

2. Total amount of water proposed to be transferred or changed 0.05 cubic feet per second and/or 17.0 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 #
		NE	NW	NE	15	10S	14E	Twin Falls	Ground Water	

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	
10S	14E	15		S/C															S/C

Total Acres (for irrigation use) S/C

**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: Existing well, pump and piping system.

- b. Who owns the property at the point(s) of diversion? Triple J Dairy

If other than the applicant, describe the arrangement enabling the applicant to access the property for the diversion system: _____

- 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: Farmers National Bank

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: _____
6.2 Acres of irrigated land will be dried up.

- 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: 47-13694 is a stock and commercial water right for 0.33 cfs.

- 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: _____

Total Acres (for irrigation use)	6.2
----------------------------------	-----

Page _____ of _____

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2A**

Current Water Right No.: 47-7600

Current Owner: SKINNER INC

Priority Date: 1/18/1980

Origin: Water Right

Status: Active

Basis: License

Source

GROUND WATER

Tributary

Beneficial Use	From To	Diversion Rate	Annual Volume
IRRIGATION	03/15 to 11/15	0.67 CFS	327 AF
	Total Diversion	0.67 CFS	327 AF

Location of Point(s) of Diversion

GROUND WATER

NW1/4NE1/4SW1/4 Sec. 21, Twp 13S, Rge 16E B.M.

TWIN FALLS County

Place of Use

IRRIGATION Within TWIN FALLS County

T13S R16E S17	SWSE	14.00	T13S R16E S17	SESE	26.00
T13S R16E S20	NENE	25.00	T13S R16E S20	NWNE	2.00
T13S R16E S20	SWNE	18.00	T13S R16E S20	SENE	23.00
T13S R16E S20	NESE	27.00	T13S R16E S20	NWSE	22.00
T13S R16E S20	SESE	14.00	T13S R16E S21	NWNW	3.00
T13S R16E S21	SWNW	18.00	T13S R16E S21	SENE	25.00
T13S R16E S21	NESW	39.00	T13S R16E S21	NWSW	7.00
T13S R16E S21	SESW	38.00			

Total Acres: 301

Conditions of Approval:

1. 01M After specific notification by the department, the right holder shall install a suitable measuring device or shall enter into an agreement with the department to determine the amount of water diverted from power records and shall annually report the information to the department.

2. 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.

3. 065 The right holder shall use the full allotment of appurtenant surface water rights in conjunction with groundwater diverted under this right.

4. R60 This right when combined with all other rights shall provide no more than 4.0 afa per acre at the field headgate for irrigation of the lands above.

5. WB7 This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor exceed a combined annual maximum diversion volume of 1204.0 af at the field headgate for the lands above.

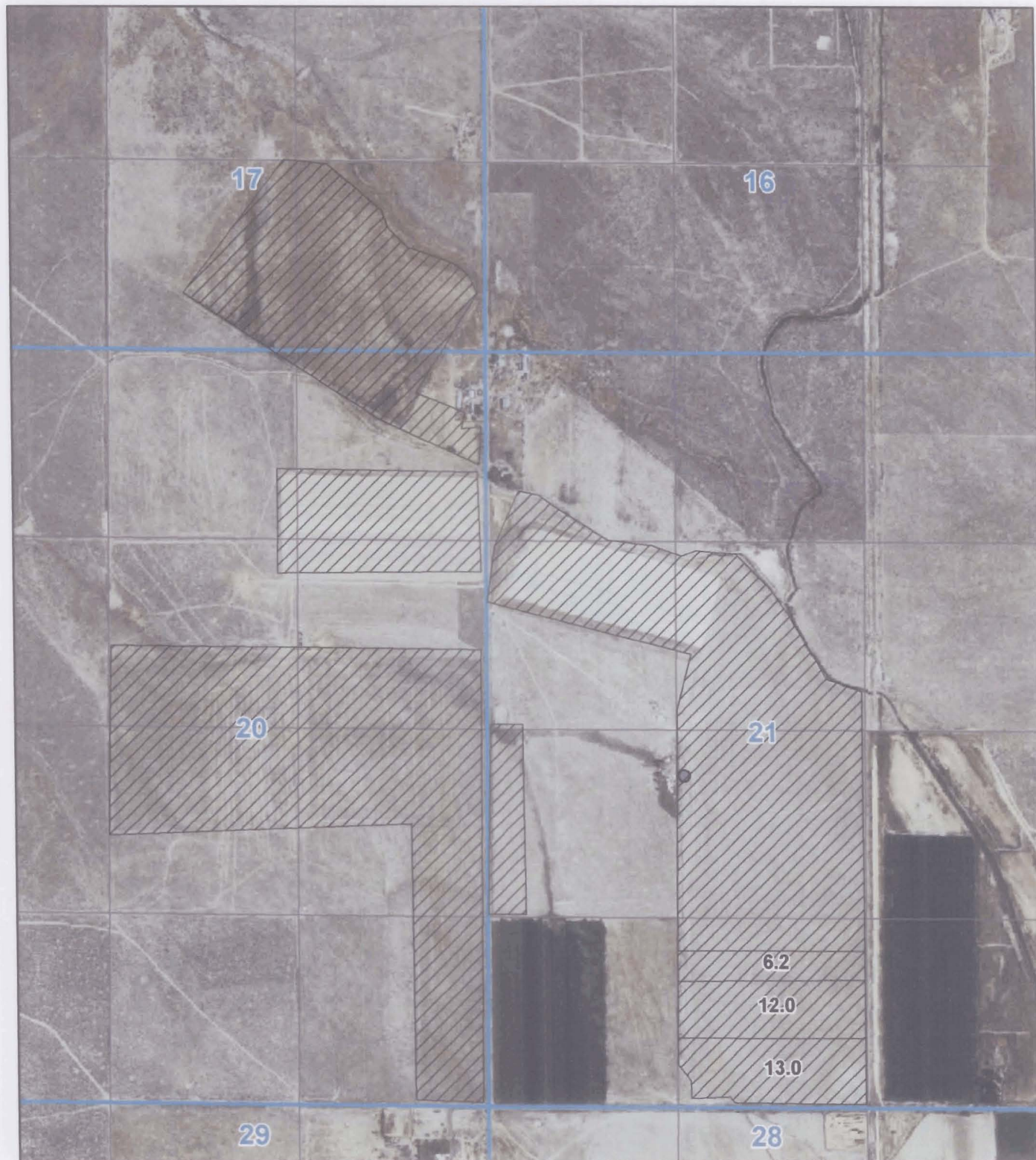
Licensed Date: 10/26/2001

TRIPLE J DAIRY
TRANSFER MAP DEC 2009
NAIP 2006 AERIAL

1 inch equals 900 feet

Legend
Place Of Use
10S14E Sections
Point of Diversion
110S14E





1 inch equals 1,000 feet

**SKINNER WATER RIGHTS TRANSFERS
WR 47-7600
NAIP 2006 AERIAL**

- Legend**
-  sections
 - WRR_POD**
 -  47, 7600,
 -  t13s16e
 -  47-7600_WR_TRANSFERS

BROCKWAY ENGINEERING, PLLC.
ALR - DEC. 4, 2009



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3**

A. PLAT MAP (See Part 3A of Instructions for application for transfer for complete requirements.)

- ☒ Attach a map of the diversion, measurement, control, and distribution system. Label it **Attachment #7a**.
- ☐ 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. Label it **Attachment #7b**. If the place of use currently consists of a permissible place of use, then the attachment is not required if the application contains a clear statement that the boundaries for the place of use are not proposed to be changed by the transfer and the total number of irrigated acres within the place of use before and after the transfer is clearly stated.

B. CHANGES IN NATURE OF USE (Water Balance)

- ☒ If you propose to change the nature of use or period of use of all or part of the right(s) listed in this application, attach documentation describing the extent of historic beneficial use of the portion of the right(s) proposed to be changed. Also attach documentation showing that the portion of the right(s) to be changed will not be enlarged in rate, volume, or consumptive use through the proposed change. Label it **Attachment #8a**.

C. PLACE OF USE CHANGES TO SUPPLEMENTAL IRRIGATION RIGHTS

- ☒ If you propose to change the place of use of a supplemental irrigation right, answer below and attach supporting documentation. Label it **Attachment #8b**.

1. Describe how the supplemental water rights have been used historically in conjunction with other water rights at the existing place of use. Describe the time during the irrigation season that the supplemental rights have been used. Include information about the availability or reliability of the primary right(s) being supplemented, both before and after the change. If the applicant is proposing to change a supplemental irrigation right to a primary right, provide the information required on Part 3B above.: A history of AF delivered by the Salmon Falls Irrigation District to head gates A9H and AM for Tom Skinner is attached. Water shares have been leased by Tom Skinner for the growing season of 2007 and 2008. Additionally, 280 water shares of the Salmon River Canal Company have been leased to Greg and Laura Rambo of Paul, Idaho. An official lease agreement for the 280 shares covers a period of five years from September 29, 2008 until September 29, 2013 on other farm ground operated by the Rambo's. Water right 47-7600 continues to be used as a primary water right to irrigate pasture grass on 80 acres located in Township 13 South Range 16 East Section 21 SENW, NESW and SESW. Affidavits from Gene Schaeffer and Tom Skinner verify that irrigation has occurred for crops of pasture grass. Also accompanying this application are photographs taken during the 2009 irrigation season showing that irrigation has occurred.
- _____
- _____
- _____
- _____
- _____
- _____
- _____

FOR DEPARTMENT USE ONLY

Transfer contains _____	pages and _____	attachments.	
Received by <u><i>[Signature]</i></u>	Date <u>1/14/10</u>	Prelim. Check by <u><i>[Signature]</i></u>	Date <u>1/15/10</u>
Fee Paid <u>100.00</u>	Date <u>1/20/10</u>	Received by <u><i>[Signature]</i></u>	Receipt # <u>5031244</u>
Add'l Fee Paid _____	Date _____	Received by _____	Receipt # _____

No. C 131631	Due no later than Dec 31, 2009 Annual Report Form		2. Registered Agent and Address (NO PO BOX)
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. TRIPLE J DAIRY, INC. LISA JACOBSON 1291 E 3900 N BUHL ID 83316		LISA JACOBSON 1291 E 3900 N BUHL ID 83316
		3. <u>New</u> Registered Agent Signature:*	
4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors and(optional) Treasurer.			
Office Held	Name	Street or PO Address	City State Country Postal Code
PRESIDENT	FLINT L JACOBSON	1291 E. 3900 N.	BUHL ID USA 83316
SECRETARY	LISA M JACOBSON	1291 E. 3900 N.	BUHL ID USA 83316
5. Organized Under the Laws of: ID C 131631		6. Annual Report must be signed.* Signature: Lisa Jacobson Date: 10/22/2009 Name (type or print): Lisa Jacobson Title: Secretary	
Processed 10/22/2009		* Electronically provided signatures are accepted as original signatures.	

IDAHO WATER COMPANY LLC

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS AGREEMENT is made and entered into this 7th day of Oct 2009 by and between Del Kohtz of Idaho Water Company LLC (hereinafter "Seller") and Triple J Dairy Inc of 3900 N 1275E Buhl Id ("Buyer"). The seller, Del Kohtz discloses that he is a licensed real estate agent acting herein as principal for his own account and not representing or acting as an agent for the buyer.

TERMS AND CONDITIONS

1. The Sellers, in consideration of the terms contained herein, do hereby contract and agree to sell and convey to the Buyers and the Buyer does hereby agree to buy from the Sellers 17 acre/feet/annum of Idaho Water Right # 47-7600 # _____, # _____ and the water appurtenant thereto, for \$ [REDACTED] per acre. foot ~~acres~~ of water are included in this agreement. No land is included in this agreement

2. The total purchase price shall be \$ [REDACTED]. The balance of the purchase price shall be paid on the closing date described in paragraph 5 below, less 33% finders fee and down payment paid at signing. Payment of [REDACTED] paid at signing.

3. This Agreement for Purchase and Sale of said license is contingent upon and subject to approval of the application for transfer by the Department of Water Resources. If the application is not approved, this Agreement shall become null and void.

4. The closing of this transaction and delivery of the executed Assignment to Buyer and the entire purchase price for the contract to Seller shall take place at the law offices of Givens Purzley, 277 N 6th St. Boise, Idaho, within thirty days of Buyers receipt of approval from the Department of the application for transfer. The Buyers shall be given possession and use of the water right and the water appurtenant thereto, upon closing.

5. This transfer and Water Right will remain in the name of Idaho Water Company LLC until the contract is closed and paid for by the buyer. The buyer's place of use and point of diversion will be used for the transfer. When the contract is closed a change of ownership form will be signed by Idaho Water Co. LLC (Del Kohtz)

6. In the event of any suit proceeding by either party against the other party, in any way arising out of this agreement, the prevailing party shall be awarded their reasonable attorney fees and costs.

7. Each party agrees to pay one-half of any costs incurred in executing this document. These costs shall not be more than \$150.00 each.

8. This agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, administrators, successors and assigns to the parties hereto.

9. If Kohtz fails to accomplish the desired transfer with this or other water rights the upfront money will be refunded. Buyer understands consultant fees for preparation of transfer, calculation of mitigation, and attorney fees in the case of protests and hearings on their water transfer are to be paid by the Buyer.

10. Del Kohtz has my permission to make needed changes to the Water transfer application that is the result of this contract to facilitate the process of transferring the water. The changes made will not materially change the amount of money buyer has to pay, or the amount of water buyer receives.

11. Kohtz (Idaho Water Company) has no control over the amount of mitigation or writedown IDWR will require of Buyers particular transfer therefore the amount Buyer pays is based on the amount of water transferred out of the original Water Right. Buyer understands that all mitigation rights provided by Idaho Water Co. LLC and all Reach credits accrued by this transfer shall remain the property of Idaho Water Co. LLC.

OTHER PROVISIONS

IN WITNESS WHEREOF the parties have caused their names to be subscribed
on the dates set forth above.

SELLERS

Tobacco Lodge Company LLC
Debra K. Smith

BUYERS

Triple Paring
By Brent Jacobson

RECORDING REQUESTED BY:
STEVEN D. PETERSON

AND WHEN RECORDED
MAIL TO:
Steven D. Peterson, P.C.
PO Box 5827
Twin Falls, ID 83303-5827

TWIN FALLS COUNTY

Recorded for

PETERSON, STEVEN D.

M: 2:08 am 04-10-2008

2008-007977

No. Pages: 2

Fee: \$ 6.00

KRISTINA GLASCOCK

County Clerk

Deputy: COUNRAR

QUITCLAIM DEED**KNOW TO ALL MEN BY THESE PRESENTS THAT:**

That TRIPLE J DAIRY, an Idaho Corporation, hereinafter "Grantor" does hereby convey, release, transfer, remises and forever Quit-claim all its right, title and interest in certain real property located in Twin Falls County, Idaho unto FLINT JACOBSON, a married individual dealing in his sole and separate property, whose address is 1291 E 3900 N, Buhl, Idaho, and DUFF JACOBSON, a married individual dealing in his sole and separate property, whose address is 3877 N 1300 E, Buhl, Idaho hereinafter "Grantees", in and to said real property legally described herein, to wit:

Parcel 1:

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS
COUNTY, IDAHO

Section 15: NW ¼ NE ¼

Parcel 2:

TOWNSHIP 10 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, TWIN FALLS
COUNTY, IDAHO

Section 15: NE ¼ NE ¼

Together with 80 shares of Twin Falls Canal Company Water

IN WITNESS WHEREOF, I have set my hand hereto this 7th day of April, 2008.

TRIPLE J DAIRY, INC.

By


Authorized Agent

STATE OF IDAHO

)

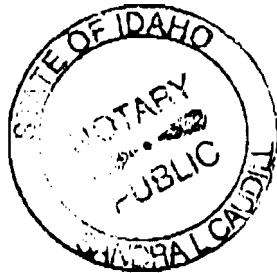
) ss.

County of Twin Falls

)

On this 7th day of April, 2008, before me, a Notary Public in and for said county and state, personally appeared Flint Jacobson as Authorized Agent of TRIPLE J DAIRY, INC., known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same on behalf of the trust.

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

Michael Caudill

NOTARY PUBLIC FOR IDAHO

Residing at: Boise, IdahoMy Commission Expires: 11-17-2010



December 11, 2009

Idaho Department of Water Resources
Attn: Greg Sullivan
2016 Washington St. North
Suite #4
Twin Falls, Idaho 83301

RE: Triple J Dairy, Inc.

To Whom It May Concern:

This letter is to inform you that currently Farmers National Bank is the mortgage holder for the real property commonly known as: 1291 E. 3900 N. Buhl, Idaho 83316

Township 10 South, Range 14 East, Boise Meridian, Twin Falls County, Idaho
Section 15: NW1/4NE1/4, NE1/4NE1/4

as evidenced by Mortgage recorded in Twin Falls County, recording number: 2009-017842. Farmers National Bank is also aware of the pending purchase of 17 acre/feet of water by Triple J Dairy, Inc. to be associated and attached to the above mentioned property. It is anticipated that this water transfer will enhance the abilities of Triple J Dairy, Inc. and be beneficial for their operation.

If you have any further questions, please feel free to contact me. I can be reached at (208) 543-4354.

Sincerely,

Mike Darrow

Mike Darrow
Loan Officer
Farmers National Bank

RECEIVED

DEC 15 2009

Water Lease

This lease is entered into on September 29, 2008 between Tom & Leah Skinner and or Skinner Inc. of 1993 N. 2300 E. Hollister ID Lessor, and Greg & Laura Rambo of 1002 W. 500 N. Paul ID, Lessee.

PROPERTY DESCRIPTION- Lessor leases to Lessee the following water shares. 280 shares of Salmon River Canal Company water. The Lessee will transfer these 280 shares to be used on ground owned by Sam Farms Inc.

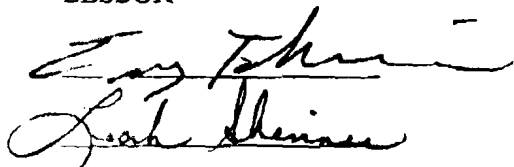
TIME COVERED- This lease will cover a period of five years from September 29, 2008 until September 29, 2013.

LEASE RATE- The lease rate will be [REDACTED] per share of water. This will make the yearly lease rate for the 280 shares of water [REDACTED]. A prepayment of [REDACTED] is due each year on September 29 for the upcoming water season. The remaining [REDACTED] will be applied by the Lessee to the yearly water maintenance bill when due on May 1st of the water year. Any amount remaining after the maintenance bill is paid will be due to the Lessor on May 1st.

LESSOR RESPONSIBILITIES- Provide 280 shares of water available at the start of the irrigation season to Greg & Laura Rambo each year of the lease.

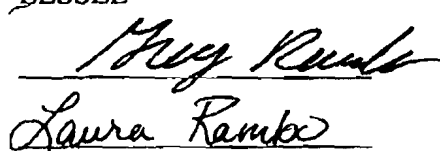
LESSEE RESPONSIBILITIES- Pay the yearly water maintenance bill when due.

LESSOR



Tom Skinner
Leah Skinner
Skinner Inc.

LESSEE



Greg Rambo
Laura Rambo

REINSTATEMENT

FILED EFFECTIVE

No. C 37753	Annual Report Form ADMIN DISSOLVED 11/08/2007		2. Registered Agent and Office NO P.O. BOX																															
Return to: SECRETARY OF STATE 450 N 4th STREET PO BOX 83720 BOISE, ID 83720-0080 FEE DUE \$30.00	1. Mailing Address - Correct in this box, if applicable SKINNER, INC. E T SKINNER PO BOX 2361 TWIN FALLS, ID 83303		EWING T. SKINNER 1993 N 2300 E TWIN FALLS, ID 83301 3. New registered agent signature																															
4. Corporations: Enter Names and Business Addresses of President, Secretary and Directors Limited Liability Companies: Enter Names and Addresses of management. Limited and Limited Liability Partnerships: Enter names and addresses of at least two (2) partners. <table border="1"> <thead> <tr> <th>Office held</th> <th>Name</th> <th>Street or P.O. Address</th> <th>City</th> <th>State</th> <th>Zip</th> </tr> </thead> <tbody> <tr> <td>Pres</td> <td>Ewing T Skinner</td> <td>PO Box 2361</td> <td>Twin Falls</td> <td>ID</td> <td>83301</td> </tr> <tr> <td>V.P.</td> <td>John Delia</td> <td>Garnet</td> <td>Kamela</td> <td>ID</td> <td>833</td> </tr> <tr> <td>Secy Treas</td> <td>Leah Skinner</td> <td>PO Box 2361</td> <td>Twin Falls</td> <td>ID</td> <td>83301</td> </tr> <tr> <td>Officer</td> <td>Jeff Skinner</td> <td>2250 E 3200N</td> <td>Twin Falls</td> <td>ID</td> <td>83301</td> </tr> </tbody> </table>					Office held	Name	Street or P.O. Address	City	State	Zip	Pres	Ewing T Skinner	PO Box 2361	Twin Falls	ID	83301	V.P.	John Delia	Garnet	Kamela	ID	833	Secy Treas	Leah Skinner	PO Box 2361	Twin Falls	ID	83301	Officer	Jeff Skinner	2250 E 3200N	Twin Falls	ID	83301
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5. Organized under the laws of: IDAHO C 37753		6. Signature <i>Leah Skinner</i> Date <i>9-5-08</i> Name <i>Leah Skinner</i> Title <i>Secy Treas</i>																																

Issued 8/18/2008 by KAH

Salmon Falls Canal Company delivery records
 Skinner water shares
 Brockway Engineering
 Ann Pool 12/15/2009

Year	Delivered Volume	Delivered to Head Gates
2002	130 AF	A9H, AM (Skinner)
2003	48 AF	A9H, AM (Skinner)
2004	152 AF	A9H, AM (Skinner)
2005	140 AF	A9H, AM (Skinner)
		(259.77 AF Allotment / 0.84) A9H 56' AM 84' (119.77 carried over)
2006	206 AF	A9H, AM (Skinner)
		(259.77 AF Allotment / 0.84) A9H 56' AM 84' (119.77 carried over)
2007	54 AF	specific to leasee Leased: Lantings
2008	AF	specific to leasee Leased: Lantings
2009	300 AF	specific to leasee Leased: Greg Rambow – has 5 year lease

BEFORE THE IDAHO DEPARTMENT OF WATER RESOURCES

IN THE MATTER OF WATER RIGHT
NO. 47-7600
FOR IRRIGATION

)
)
)
)

COMMENTS AND
EVIDENCE OF
Ewing Skinner

COMES NOW, Gene Schaeffer, and provides the following comments and evidence in this matter:

1. I am familiar with the property located in Section 21, Township 12 South, Range 17 East, B.M., hereafter known as the "Property."
2. The said Property is owned/rented by Ewing Skinner and I have knowledge of the irrigation system, and crops that were irrigated during the time of his ownership/rental period.
3. In 2009, water right 47-7600 was used in accordance with its defined irrigation use and provided irrigation water for the following crops:

Crops: Pasture Grass

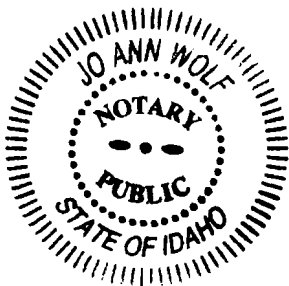
4. The irrigatable lands located within the Property were irrigated by means of portable main lines and handlines.

DATED this 1st day of December, 20 09.

Gene Schaeffer
Witness

SUBSCRIBED and SWORN to before me

this 1st day of December, 20 09.



Jo Ann Wolf
NOTARY PUBLIC
Residing at: Hazelton Idaho
My Commission Expires: 8-20-2011

BEFORE THE IDAHO DEPARTMENT OF WATER RESOURCES

IN THE MATTER OF WATER RIGHT	)	COMMENTS AND
NO. 47-7600	)	EVIDENCE OF
FOR IRRIGATION	)	Ewing Skinner
	)	

COMES NOW, Ewing Skinner, and provides the following comments and evidence in this matter:

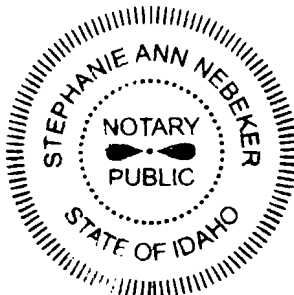
1. I am familiar with the property located in Section 21, Township 12 South, Range 17 East, B.M., hereafter known as the "Property."
2. I owned the said Property from _____ and have knowledge of the irrigation system, and crops that were irrigated during that time.
3. I have irrigated the said property and have been applying water right 47-7600 to a beneficial use by irrigating crops under the allowed place of use.
4. The irrigatable lands located within the Property were irrigated by means of portable main lines and handlines.

DATED this 2 day of Dec, 20 09.

Ewing Skinner
Ewing Skinner

SUBSCRIBED and SWORN to before me

this 2 day of December, 20 09.



Stephanie Ann Nebeker
NOTARY PUBLIC
Residing at: Twin Falls
My Commission Expires: 4.20.2012





