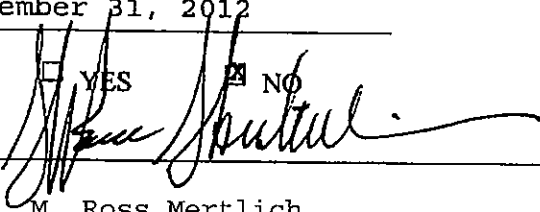


ORIGINAL

RECEIVED

DEC 02 2009

DEPARTMENT OF
WATER RESOURCESSTATE 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): 63-15634; 63-15637; 63-9875
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
JRN, LLC
4695 South 1900 West, Suite 3
Roy, UT 84067 Telephone: (801) 825-4949
4. Name of Water Right Owner/Claimant(s) LNB Farms of Idaho, LLC
5. Expiration Date of Notification Period December 31, 2012
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO
7. Signature(s) of Security Interest holder(s)
(and title if applicable)

M. Ross Mertlich
Member-Manager
JRN, LLC

For Office Use Only

Received by _____

Received by SRT

Processed by _____

Date _____

Date 12-2-2009

Date _____

Fee \$75-Receipt No. 5089639

WR _____

Date _____

SUPPORT DATA

IN FILE # 63-9875

DEED OF TRUST

THIS DEED OF TRUST, dated February 22, 2007 between NORMCO, LLC, a Utah limited liability company, and HWHL LLC, an Idaho limited liability company, and RIO B, LLC, an Idaho limited liability company—all "doing business as" "L and B (or LNB) Farms of Idaho, LLC," herein called GRANTOR, whose address is 3007 Can-Ada Road, Melba, ID 83641, and TITLEONE, an Idaho Corporation, herein called TRUSTEE, and JRN, LLC, a Utah limited liability company, herein called BENEFICIARY, whose address is 4695 South 1900 West, Ste 3, Roy, UT 84067.

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO THE TRUSTEE IN TRUST WITH POWER OF SALE, that property in the counties of Ada and Canyon, State of Idaho, described as follows and containing not more than 1,021 acres:

ADA COUNTY PROPERTY

PARCEL A

The East Half of the Northwest Quarter, the Northeast Quarter of the Southwest Quarter, Government Lots 1, 2, 3 and 4, all in Section 18, Township 1 North, Range 1 West, Boise Meridian, Ada County, Idaho.

EXCEPT the following three parcels:

EXCEPTED PARCEL 1

The South Half of the Southwest Quarter of Government Lot 4, Section 18, Township 1 North, Range 2 West, Boise Meridian, Ada County, Idaho.

EXCEPTED PARCEL 2

That portion of Government Lot 4, Section 18, Township 1 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at a point 660 feet North of the Southeast corner of said Government Lot 4,
thence

South 330 feet; thence

West 660 feet; thence

Northeasterly, approximately 740 feet, to the POINT OF BEGINNING.

EXCEPTED PARCEL 3

That portion of Government Lot 4, Section 18, Township 1 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at the Southeast corner of said Lot 4; thence
North 330 feet; thence
West 660 feet; thence
South 330 feet; thence
East 660 feet, to the PLACE OF BEGINNING.

PARCEL B

That portion of Government Lot 2, Section 7, Township 1 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows:

COMMENCING at the Southwest corner of said Government Lot 2; thence
North 400.00 feet; thence
East 79.00 feet, to the North-South line that runs midway between the major pump (on this property) and the sheet metal cellar (on adjoining property to the East); thence
South 400.00 feet; thence
West 79.00 feet to the POINT OF BEGINNING.

CANYON COUNTY PROPERTY

Parcel 1

The South half of Section 12, Township 1 North, Range 2 West, Boise Meridian, in Canyon County, Idaho.

Excepting Therefrom:

The Northerly 25 feet thereof as conveyed to the Nampa Highway District, by Warranty Deed Recorded July 13, 1966, Instrument No. 583951.

Parcel 2

A non-exclusive easement for private road and pipeline. Over, under, along and across that portion of the Northeast Quarter of Section 12, Township 1 North, Range 2 West, Boise Meridian, in Canyon County, Idaho. As granted in Grant of Roadway Easement Recorded June 21, 1974 as Instrument No. 731844.

Parcel 3

The North half of Section 13, Township 1 North, Range 2 West, Boise Meridian, in Canyon County, Idaho.

Excepting Therefrom:

That portion more particularly described as follows:

A portion of the Northwest Quarter of Section 13, Township 1 North, Range 2 West, Boise Meridian, Canyon County, Idaho, as shown on the Record of Survey filed as Instrument No. 9801167, in the Offices of the Canyon County Recorder, more particularly described as follows:

COMMENCING at a brass cap marking the West Quarter corner of said Section 13, thence along the South boundary of said Northwest Quarter of Section 13 South 89°27'47" East 40.00 feet to an iron pin on the East right-of-way line of Southside Boulevard, said iron pin being the POINT OF BEGINNING; thence along said East right-of-way line North 00°37'51" East 570.05 feet to an iron pin; thence leaving said East right-of-way line and along a curve to the right having a radius of 30.00 feet, a central angle of 89°54'22", a length of 47.07 feet and a long chord that bears North 45°35'02" East 42.39 feet to an iron pin; thence South 89°27'47" East 280.55 feet to an iron pin; thence along a curve to the right having a radius of 220.00 feet, a central angle of 5°05'06", a length of 19.52 feet and a long chord that bears South 86°55'14" East 19.52 feet to an iron pin; thence South 00°37'51" West 599.13 feet to an iron pin; thence North 89°27'47" West 330.00 feet along the South line of said Northwest Quarter to the POINT OF BEGINNING.

And further excepting therefrom that portion more particularly described as follows:

A portion of the Northwest Quarter of Section 13, Township 1 North, Range 2 West, Boise Meridian, Canyon County, Idaho, as shown on the Record of Survey filed as Instrument No. 9801167, in the Offices of the Canyon County Recorder, more particularly described as follows:

COMMENCING at a brass cap marking the West Quarter corner of said Section 13, thence along the South boundary of said Northwest Quarter of Section 13 South 89°27'47" East 40.00 feet to an iron pin on the East right-of-way line of Southside Boulevard; thence along said East right-of-way line North 00°37'51" East 690.05 feet to an iron pin being the POINT OF BEGINNING; thence continuing North 0°37'51" East 569.95 feet to an iron pin; thence leaving said East right-of-way South 89°27'47" East 330.00 feet to an iron pin; thence South 0°37'51" West 600.69 feet to an iron pin; thence along a curve to the left having a radius of 280.00 feet, a central angle of 4°00'48", a length of 19.61 feet and a long chord that bears North 87°27'23" West 19.61 feet to an iron pin; thence North 89°27'47" West 280.35 feet to an iron pin; thence along a curve to the right having a radius of 30.00 feet, a central angle of 90°05'38", a length of 47.17 feet and a long chord that bears North 44°24'58" West 42.46 feet to the POINT OF BEGINNING.

Parcel 4

The Northeast Quarter of the Southwest Quarter and the North half of the Southeast Quarter of Section 13, Township 1 North, Range 2 West of the Boise Meridian in Canyon County, Idaho.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits. For the purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of \$1,700,000.00, with final payment due February 22, 2009 and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary and provided further, that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all such advances together with interest thereon.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said property in good condition and repair, not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under a fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
4. To pay, at least ten days before delinquency all taxes and assessments affecting said property, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses, of this Trust. In Addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure to pay shall constitute a default under this Trust.
5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the rate of interest specified in the above-described promissory note.
6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligations hereof, may, make or do the same in such manner and such an extent as either may deem necessary to protect this security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, or in enforcing this Deed of Trust by judicial foreclosure, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

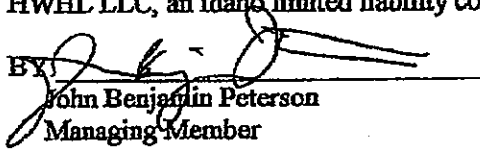
1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
3. At any time or from time to time, without liability, therefore and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: Reconvey all or any part of said property; consent to the making of any map or plat thereof, join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention upon payment of its fees, Trustee shall reconvey without warranty, the property then held hereunder. The Grantee in such reconveyance may be described as 'the person or persons legally entitled thereto.
5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon and indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated. Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to the purchaser its Deed conveying the property so sold, but without any covenant or warranty expressed or implied. The recitals in such Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary, may purchase at such sale. After deducting such costs, fees and expenses, of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof not then repaid, with accrued interest at the rate specified in the above described promissory note; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.
7. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, or, if the note has been pledged, the pledgee thereof. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless brought by Trustee.
9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a trustee or trustees to execute the trust hereby created and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such trustee or trustees, and such new trustee or trustees shall succeed to all of the powers and duties of the trustee or trustees named herein.
10. In the event the promissory note secured by this Deed of Trust is not in default and upon payment to the beneficiary herein of the principal sum of \$1,665.03 per acre to be reconveyed, beneficiary herein, its successors and assigns, agree to execute and deliver to the Grantor a Request for Partial Reconveyance authorizing the reconveyance of portions of the property secured by this deed of trust. Each request for partial reconveyance shall contain a legal description of the parcel to be reconveyed and shall be approved in writing by the beneficiary, its successors and assigns, prior to any reconveyance.

Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed to the Grantor at his address hereinbefore set forth.

HWHL LLC, an Idaho limited liability company

BY

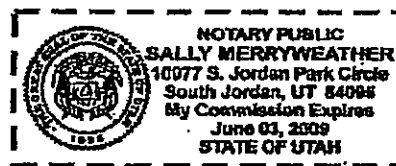

John Benjamin Peterson
Managing Member

State of Utah)
County of Salt Lake)

On this 20 day of February, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared John Benjamin Peterson, known or identified to me to be a managing member, of the limited liability company of HWHL LLC, an Idaho limited liability company, and the managing member who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the same in said company name.

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


Notary
Residing In South Jordan
Expires: 6/3/09



NORMCO, LLC, a Utah limited liability company

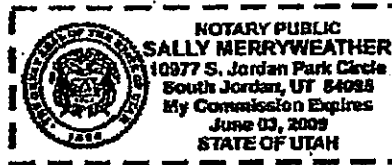
BY: *Norman H. Bangerter*
Norman H. Bangerter
Manager

State of Utah)
County of Salt Lake)

On this 20 day of February, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Norman H. Bangerter, known or identified to me to be a manager, of the limited liability company of NORMCO, LLC, a Utah limited liability company, and the manager, who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the same in said company name.

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

Sally Merryweather
Notary
Residing In South Jordan
Expires: 6/3/09



RIO B, LLC, an Idaho limited liability company

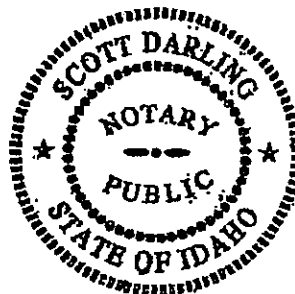
By: Layne R. Bangerter
Layne R. Bangerter
Manager

State of Idaho)
County of Ada)

On this 22nd day of February, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Layne R. Bangerter, known or identified to me to be a manager, of the limited liability company of RIO B, LLC, an Idaho limited liability company, and the manager, who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the same in said company name.

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

Scott Darling
Notary
Residing In SCOTT DARLING
Expires: ESCROW OFFICER
RESIDING: EAGLE, ID
COMMISSION EXPIRES: 11-28-07



L and B (or LNB) Farms of Idaho, LLC, an Idaho limited liability company

By: Layne R. Bangerter
Layne R. Bangerter
Manager

State of Idaho)
County of Ada)

On this 22nd day of February, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Layne R. Bangerter, known or identified to me to be a manager, of the limited liability company of L and B (or LNB) Farms of Idaho, LLC, an Idaho limited liability company, and the manager, who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the same in said company name.

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

Scott Darling
Notary
Residing In SCOTT DARLING
Expires: ESCROW OFFICER
RESIDING: EAGLE, ID
COMMISSION EXPIRES: 11-28-07

