

RECEIVED *DE*

NOV 02 2009

WATER RESOURCES
WESTERN REGIONSTATE OF IDAHO
DEPARTMENT OF WATER RESOURCES**Notice of Security Interest in a Water Right****And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water Right**

Please print or type. Attach pages with additional information. Instructions are on the back of this page.

Incomplete forms will be returned.

1. Water Right No(s): 65-2533, 65-5312, 65-11262, 65-5313, 65-5475, 65-5476

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

Grant - Baker Service Corp.2420 Main St.Baker City, OR 97814

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

Roy M. Barnes5. Expiration Date of Notification Period 10-30-20286. Is this a Renewal of Request for Notification? ☐ YES ☒ NO7. Signature(s) of Security Interest holder(s) Kim Hite
(and title if applicable)Office Manager**For Office Use Only**Received by gjhDate 11-2-09Fee 150Received by gjhDate 11-2-09Receipt No. W037975

Processed by _____ AJ

Date _____

WR gjhDate 11-4-09

SUPPORT DATA

IN FILE # 65-2533

Accommodation
#101273

ASSIGNMENT OF MORTGAGE

After recording return to: Pacific Intermountain Mortgage Co.
2420 Main St.
Baker City, OR 97814

KNOW ALL MEN BY THESE PRESENTS: Malheur Federal Credit Union for value received does hereby grant, bargain, sell, assign, transfer and set over unto

Grant-Baker Service Corporation
2420 Main St.
Baker City, OR 97814

that certain mortgage bearing date the 8th day of December, 2008, made and executed by Roy M. Barnes, a single man, as mortgagor, to Malheur Federal Credit Union to secure the sum of \$405,000.00 and interest, and recorded on the 8th day of December, 2008, Instrument Number 269352, Gem County Mortgage Records, State of Idaho, together with the note thereby secured and the money due and to grow due thereon, with interest.

Dated this 5th day of October, 2009.

MALHEUR FEDERAL CREDIT UNION

By: Ken Errend

Title: Contract Agent

State of Oregon)
)
County of Baker)

On this 5th day of October, 2009, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Ken Errend, to me known to be the Contract Agent of the corporation that executed the foregoing instrument to the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witnessed my hand and official seal hereto affixed the day and year first above written.

Kim Hite
Notary Public for the State of Oregon

Instrument # 274291

EMMETT, GEM, IDAHO

10-7-2009 02:38:38 No. of Pages: 1

Recorded for : PIONEER TITLE CO OF GEM COUNTY

SHELLY GANNON

Fee: 3.00

Ex-Officio Recorder Deputy Judy Evans
Index to: ASSIGNMENT



101273

INSTRUMENT NO. 269352
PAGES 1 OF 12

MALHEUR FEDERAL CREDIT UNION

Mortgagor(s):
ROY M. BARNES
2606 SUNSET DRIVE
EMMETT, ID 83617

Mortgagee(s):
Malheur Federal Credit Union
c/o Pacific Intermountain Mortgage Co.
2420 Main St.
Baker City, OR 97814

REAL ESTATE MORTGAGE

THIS MORTGAGE is made and entered into by ROY M. BARNES, a single man, at Emmett, Idaho, herein called mortgagor, and Malheur Federal Credit Union, C/O Pacific Intermountain Mortgage Company, 2420 Main Street, Baker City, Oregon 97814, herein called mortgagee.

Mortgagors in consideration of FOUR HUNDRED FIVE THOUSAND DOLLARS (\$405,000.00) paid to mortgagor does hereby grant, bargain, sell and convey unto Malheur Federal Credit Union, mortgagee and mortgagee's successors and assigns, that real property situated in Gem County, State of Idaho, described on Exhibit "A", and the water rights described in Exhibit "B", attached hereto and by this reference made a part hereof, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining and which may hereafter thereto belong or appertain, and the rents, issues and profits therefrom, and any and all fixtures upon the premises at the time of the execution of the mortgage or at any time during the term of this mortgage.

TO HAVE AND TO HOLD the premises with the appurtenances unto mortgagee and mortgagee's personal representative, successors and assigns forever.

This mortgage is intended to secure the payment of a promissory note dated December 5, 2008, in the principal amount of \$405,000.00 with the due date of the final installment being October 1, 2028.

The mortgagor warrants that the proceeds of the loan represented by the Note and this mortgage are (line out whichever is not applicable):

- (a) ~~primarily for mortgagor's personal, family or household purposes, or~~
(b) for an organization or (even if mortgagor is a natural person) for business or commercial purposes.

This mortgage is further conditional upon the faithful observance by the mortgagor of the following Articles of covenants hereby expressly entered into by the mortgagor, to-wit:

ARTICLE I

MORTGAGOR FURTHER AGREES THAT THE LOAN SECURED BY THIS INSTRUMENT WILL BE IN DEFAULT SHOULD ANY LOAN PROCEEDS BE USED FOR A PURPOSE THAT WILL CONTRIBUTE TO EXCESSIVE EROSION OF HIGHLY ERODIBLE LAND OR TO THE CONVERSION OF WETLAND TO PRODUCE OR TO MAKE POSSIBLE THE PRODUCTION OF AN AGRICULTURAL COMMODITY, SUBJECT TO 7 CFR PART 1940, SUBPART G, EXHIBIT M.

ARTICLE II

HAZARDOUS SUBSTANCES: Notwithstanding any provision in the Mortgages or any other Loan Document, the provisions of this Article shall not be secured by the Mortgages and shall survive termination of this Mortgage, repayment of the Loan, and foreclosure of the Mortgages or similar proceedings.

(1) Definition of Hazardous Substance: For purposes of this Agreement, a "Hazardous Substance" is defined to mean any substance, material or waste, including asbestos and petroleum (including crude oil

Judith E. Gannon

or any fraction thereof), which is or becomes designated, classified or regulated as "toxic", "hazardous", a "pollutant" or similar designation under any federal, state or local law, regulation or ordinance.

(2) **Indemnity regarding Hazardous Substances:** Mortgagor agrees to indemnify, defend with counsel acceptable to Lender, and hold Lender, its parent and affiliated companies, and their respective officers, directors, employees and agents, harmless from and against all actual or threatened liabilities, claims, actions, damages (including foreseeable fees) and losses directly or indirectly arising out of or resulting from the presence of any Hazardous Substance in or around any part of the Properties or in the soil or groundwater under the Properties, including (a) any expenses incurred in connection with any reasonably necessary investigation of site conditions or any clean-up, remedial, removal or restoration work, and (b) any resulting damages or injuries to the person or property of any third parties or to any natural resources. In addition, Mortgagor shall similarly indemnify, defend and hold harmless any persons purchasing the Properties through a foreclosure sale or following a foreclosure sale, and any persons purchasing the Loan or any portion of or interest in it.

(3) **Representation and Warranty:** Before signing this Agreement, Mortgagor researched and inquired into the previous, current and contemplated uses and ownership of the Properties. Based on that due diligence, Mortgagor represents and warrants that, to the best of his knowledge, no Hazardous Substance has been or will be disposed of, released onto or otherwise exists in, on, or under the Properties, except as Mortgagor has disclosed to Lender in writing.

(4) **Compliance with Law; Notices:** Mortgagor has complied, and shall comply and cause all occupants of the Properties to comply, with all laws, regulations and ordinances governing or applicable to Hazardous Substances as well as the recommendations of any qualified environmental engineer or other expert. Mortgagor shall promptly notify Lender if he/she/they know(s) or suspects there may be any Hazardous Substance in or around the Properties, or in the soil or groundwater under the Properties, or if any action or investigation by any governmental agency or third party pertaining to Hazardous Substances is pending or threatened.

(5) **Site Visits:** Mortgagor shall allow Lender access to the Properties at any reasonable time for the purposes of performing an appraisal, inspecting the Properties, taking soil or groundwater samples, and conducting tests, among other things, to investigate for the presence of Hazardous Substances, as defined in Article V. Such appraisals, inspections and audits shall be at the Lender's expense except if Lender performs such appraisals, inspections or audits after the occurrence of an Event of a Default as in hereinafter defined. Lender is under no duty to visit or observe the Properties. Any site visit, observation or examination by Lender shall be solely for the purpose of protecting Lender's security and preserving Lender's rights under the Loan Documents. Lender owes no duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any adverse condition affecting the Properties, including any defects in the design or construction of any improvements on the Properties or the presence of any Hazardous Substances on the Properties.

ARTICLE III

(1) Mortgagor is lawfully seized of the premises and now has a valid and unencumbered fee simple title thereto, except easements and rights of way of record and mortgagor will warrant and defend said title against the claims and demands of all persons.

(2) Mortgagor will pay the promissory note(s) and all installments of interest thereon promptly as the same become due, according to the tenor of the note(s). The final due date for payment of principal and interest of the promissory note is October 1, 2028.

(3) So long as this mortgage remains in force, mortgagor will pay all taxes, assessments, and other charges of every nature levied or assessed upon or against the premises when due and payable, according to law, and before the same becomes delinquent, and will also pay all taxes levied or assessed on this mortgage or the debt thereby secured, and will promptly pay and satisfy any mechanics' liens or other encumbrances that, by operation of law or otherwise, become a lien upon the mortgaged premises superior to the lien of this mortgage.

(4) Mortgagor will keep the improvements (including but not limited to the dwelling, other outbuildings, fences, attached irrigation equipment) erected on the premises in good order and repair and will not commit or suffer any waste of the premises. At the request of the mortgagee, the mortgagor shall join with the mortgagee in executing one or more financing statements pursuant to the Uniform Commercial Code, in form satisfactory to the mortgagee and will pay for filing the same in the proper public office(s), as well as the cost of any lien search made by filing officers or searching agencies as may be deemed desirable by the mortgagee. Mortgagor will not make any changes in or alterations to the improvements on the mortgaged premises which will materially decrease the value of the same.

(5) This mortgage covers all water rights and ditch rights and mortgagor agrees that mortgagor will put to beneficial use all waters and maintain said water rights and not allow any water rights to be abandoned.

(6) Mortgagor agrees that mortgagee or its agents, successors or assigns and their agents may at all reasonable times inspect the property to ascertain whether the covenants and agreements contained herein are being performed. Said inspections will be on at least an annual basis.

(7) So long as this mortgage shall remain in force, mortgagor will keep the buildings now erected, or any which may hereafter be erected on the premises, insured against loss or damage by fire, with extended coverage, to the extent of the contributory value on the primary dwelling and the remaining outbuildings in some company or companies acceptable to the mortgagee and for the benefit of both parties hereto as their interests may appear, and will deliver all the policies and renewals thereof to the mortgagee.

(8) **WARNING:** Unless mortgagor provides mortgagee with evidence of insurance coverage as required by the contract or loan agreement between them, mortgagee may purchase insurance at mortgagor's expense to protect mortgagee's interest. This insurance may, but need not, also protect mortgagor's interest. If the collateral becomes damaged, the coverage purchased by mortgagee may not pay any claim made by or against mortgagor. Mortgagor may later cancel the coverage by providing evidence that mortgagor has obtained property coverage elsewhere. Mortgagor is responsible for the cost of any insurance coverage purchased by mortgagee, which cost may be added to mortgagor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date mortgagor's prior coverage lapsed or the date mortgagor failed to provide proof of coverage. The coverage mortgagee purchases may be considerably more expensive than insurance mortgagor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

NOWHEREFORE, if the mortgagor shall pay the promissory note(s) and shall fully satisfy and comply with the covenants hereinbefore set forth, then this conveyance shall be void, but otherwise it shall remain in full force and virtue as a mortgage to secure the payment of the promissory note(s) in accordance with the terms thereof and the performance of the covenants and agreements herein contained. Any failure to make any of the payments provided for in the note(s) or this mortgage when the same shall become due or payable, or to perform any agreement herein contained, shall give to the mortgagee the option to declare the whole amount due on the note(s), or unpaid thereon or on this mortgage, at once due and payable, and this mortgage by reason thereof may be foreclosed at any time thereafter. If the mortgagor shall fail to pay any taxes or other charges or any lien or insurance premium as herein provided to be done, the mortgagee shall have the option to pay the same. Any payment so made shall be added to and become a part of the debt secured by this mortgage, and draw interest at the same rate as the note(s) without waiver, however, of any right arising from breach of any of the covenants herein. Time is of the essence with respect to all sums due hereunder, and the promissory note(s).

In case a suit or action is brought to foreclose this mortgage, the court may, upon motion of the holder of the mortgage, without respect to the condition of the property, appoint a receiver to collect the rents and profits arising out of the premises and direct the receiver to apply such rents and profits to the payment and satisfaction of the amount due under this mortgage, first deducting all proper charges and expenses of the receivership, including a reasonable charge for attorney fees.

In the event any suit or action to foreclose this mortgage is commenced, the losing party therein agrees to pay the attorney fees, costs and disbursements of the prevailing party, including statutory costs and

disbursements and costs of title report(s) and /or title search. If any appeal is taken from any judgment or decree entered pursuant to such suit or action, the losing party on appeal therein promises to pay the attorney fees, costs and disbursements, including all statutory costs and disbursements, of the prevailing party. To the extent permitted by law, all such sums shall be and are secured by the lien of this mortgage and shall be included in the judgment or decree of foreclosure.

Each and all of the covenants and agreements herein contained shall apply to, inure to the benefit of, and bind the personal representatives, successor and/or assigns of the mortgagor and of the mortgagee respectively.

In construing this mortgage and related note(s), it is understood that the mortgagor or mortgagee may be more than one person. If the context so requires, the singular shall be taken to mean and include the plural. Generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

All covenants and provisions of this mortgage shall bind the successors and assigns of mortgagor and shall inure to the benefit of successors and assigns of mortgagee, provided however mortgagor understands that a sale or other transfer of the mortgaged premises or any part thereof, without prior written consent of mortgagee, shall constitute a default of this mortgage.

IN WITNESS WHEREOF, the mortgagor has executed this instrument. If the mortgagor is a corporation, it has caused it's name to be signed and it's seal, if any, affixed by an officer or other person duly authorized to do so by order of it's board of directors.

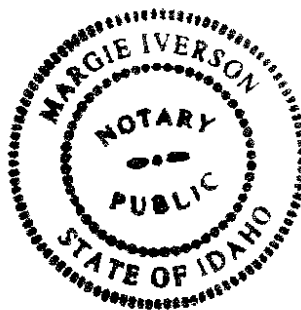
Roy M. Barnes
ROY M. BARNES

STATE OF IDAHO
County of Cam

On this 8th day of December, 2008, before me, a Notary Public in and for the said state, personally appeared Roy M. Barnes, a single man, known or identified to me to be the person(s) whose name(s) are subscribed to the within Instrument and acknowledged to me that they executed same.

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

Margie Iverson
Notary Public for Idaho
My commission expires: 6-15-2014



File No.: 101273

EXHIBIT A

TRACT I:

Beginning at the Northeast corner of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho; thence

South on Section line 451 feet to the North side of the waste ditch; thence

Southwesterly along said North side of the waste ditch on the following courses:

South 86°00' West, 71 feet; thence

South 57°00' West 368 feet; thence

South 62°15' West, 284 feet; thence

South 89°30' West, 356 feet; thence

South 6°45' West, 88 feet; thence

West 550 feet; thence

South 47°30' West, 383 feet; thence

South 665 feet; thence

South 39°45' West 137 feet; thence

West 365 feet; thence

North 22°00' West 151 feet; thence

West 165 feet; thence

South 60°00' West 135 feet to the West line of the Northeast quarter of said Section 2; thence

North on quarter section line 1834 feet to the North line of said Section 2; thence

East along the North line of Section 2, 2640 feet to the Real Point of Beginning.

EXCEPT that portion of the Northeast quarter of Section 2, township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Beginning at the Northeast corner of the Northeast quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian; thence

South 00°45'34" West, 668.18 feet along the East line of said Northeast quarter to a point on the Easterly prolongation of the Northerly bank of a waste drain ditch; thence along said Northerly bank the following courses and distanced:

South 89°57'44" West, 401.56 feet;

South 63°57'51" West, 252.31 feet;

South 83°11'55" West, 34.01 feet;

North 89°08'11" West, 326.39 feet;

South 64°26'12" West, 9.64 feet;

South 06°45'28" West, 74.02 feet;

South 68°17'43" West, 33.28 feet;

North 89°55'43" West, 515.76 feet;

South 48°11'26" West, 379.57 feet;

South 00°24'03" West, 636.90 feet;

North 89°08'37" West, 139.28 feet; thence leaving said Northerly bank

North 00°29'38" East, 1774.39 feet to a point on the North line of said Northeast quarter; thence

South 89°27'03" East, 1972.77 feet, along said North line to the Real Point of Beginning.

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ALSO EXCEPT that portion of the Northeast quarter of the Northeast quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Commencing at the Northeast corner of the Northeast quarter of the Northeast quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian; thence
South 00°13'45" West, 451.00 feet along the East line of the Northeast quarter of the Northeast quarter to a point on the Easterly prolongation of the Northerly bank of a waste drain ditch; thence along said Northerly bank the following courses and distances:
South 86°13'45" West, 71.00 feet;
South 57°13'45" West, 368.00 feet;
South 62°28'45" West, 284.00 feet;
South 89°43'45" West, 356.00 feet;
South 06°58'45" West, 88.00 feet;
North 89°46'15" West, 550.00 feet;
South 47°43'45" West, 383.00 feet;
South 00°13'45" West, 647.88 feet to the Real Point of Beginning; thence continuing
South 00°13'45" West, 16.12 feet along said Northerly bank; thence
South 39°58'45" West, 137.00 feet along said Northerly bank; thence
North 89°46'15" West, 365.07 feet along said Northerly bank; thence
North 21°46'15" West, 133.18 feet along said Northerly bank; thence leaving said Northerly bank
South 89°32'21", 502.57 feet to the Real Point of beginning.

TRACT II:

The Southeast quarter of the Northwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho.

EXCEPT that portion of the Southeast quarter of the Northwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Beginning at the Southwest corner of the Southeast quarter of the Northwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian; thence
South 89°27'02" East, 150.15 feet along the South line of said Southeast quarter of the Northwest quarter; thence
North 01°09'02" East, 181.64 feet to a point on the centerline of a drain ditch; thence
South 89°19'06" West, 14.72 feet along said centerline; thence
South 56°46'44" West, 78.66 feet along said centerline; thence
South 69°47'53" West, 75.64 feet along said centerline to a point on the West line of said Southeast quarter of the Northwest quarter; thence South 01°10'50" West, 110.80 feet along said West line to the Point of Beginning.

ASLO EXCEPT that portion of the Southeast quarter of the Northwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Commencing at the Southwest corner of the Southeast quarter of the Northwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian; thence
South 89°27'02" East, 150.15 feet along the South line of said Southeast quarter of the Northwest quarter to the Point of Beginning; thence continuing

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South 89°27'02" East, 119.05 feet along said south line; thence

North 01°10'50" East, 184.20 feet; thence

South 89°19'06" West, 119.20 feet along the centerline of a drain ditch; thence

South 01°09'02" West, 181.64 feet to the Point of Beginning.

TRACT III:

All that portion of the following described property lying East of a line which is 1,650 feet West and parallel to the East Section line of Sections 3 and 10, Township 6 North, Range 2 West, Boise meridian, Gem County, Idaho.

A portion of the South half of the Southeast quarter of Section 3, Lot 1 and a portion of Lot 2 and of the North half of the Northeast quarter of Section 10, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Commencing at the Northeast corner of the Southeast quarter of the Southeast quarter of Section 3, Township 6 North, Range 2 West, Boise Meridian; thence

South on Section line 500 feet; thence

West 25 feet; thence

South 8°00' West 345 feet; thence

South 6°00' West, 252 feet; thence

South 1°00' West, 680 feet; thence

South 32°00' East 212 feet to the point on the East line of Section 10, Township 6 North, Range 2 West, Boise Meridian; thence

South on said Section line to the Southeast corner of Lot 1 in said Section 10; thence

West on the South line of Lot 1 and Lot 2 in said Section 10 a distance of 1820 feet to the center of the channel of a large slough; thence following the center of the channel of said slough

Northerly 40 rods, more or less, in a straight line to where said slough makes a bend to the West; thence crossing the center of said slough to the North side thereof and to the fence line that heretofore has been the line between the lands of O.G. Buck and M.H. Reed; thence following said fence in the same Northerly direction across the Northwest quarter of the Northeast quarter of said Section 10 to the North line thereof at a point which is 495 feet, more or less, East of the North quarter corner of said Section 10; thence

West 495 feet to the Southwest corner of the Southwest quarter of the Southeast quarter of said Section 3; thence North on the quarter section line 666.18 feet more or less, to a point which is 653.82 feet South of the Northwest corner of said Southwest quarter of the Southeast quarter; thence

North 83°21' East 153.4 feet; thence

South 8°7' West 107.56 feet; thence

South 66°39' East, 245.8 feet; thence

North 77°06' East 148.1 feet; thence

North 47°40' East 218.2 feet; thence

North 23°49' East 131.4 feet; thence

North 62°30' East, 220.15 feet; thence

North 79°33' East, 246.5 feet; thence

North 22°40' East, 63.2 feet; thence

South 44°23' East 113.3 feet; thence

North 64°29' East 96.9 feet; thence

North 14°5' East, 273 feet; thence

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North 43°58' East 128 feet to the quarter quarter section line; thence
East on said quarter quarter section line to said Real Point of Beginning.

EXCEPTING THEREFROM a tract described in Book 12 of Deeds at page 612, records of Gem County, Idaho for private road purposes.

NOTE:

Here follows a description of the tract excepted in Book and page in the above description:

A strip of land 16.5 feet wide being 8.25 feet on each side of a centerline described as follows:

Commencing at a point which is South 0°01' East 8.25 feet and North 89°21' West 20 feet from the Southeast corner of the Northeast quarter of the Southeast quarter of Section 3, township 6 North, Range 2 West, Boise Meridian; thence
North 89°21' West 1111.4 feet.

ALSO

A strip of land 30 feet wide being 15 feet on each side of a centerline described as follows:

Commencing at a point South 0°01' East 8.25 feet and North 89°21' West 1111.4 feet from the Southeast corner of the Northeast quarter of the Southeast quarter of Section 3, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho; thence
South 40°14' West 146.3 feet; thence
South 6°37' West 261.3 feet; thence
South 56°15' West, 135.5 feet; thence
South 85°21' West, 184.0 feet; thence
South 66°46' West 158.0 feet; thence
South 44°24' West 517.4 feet; thence
South 77°56' West 174.7 feet; thence
North 69°04' West 409.4 feet to the centerline of said Section 3, said last point is 426.0 feet North of the South quarter corner of said Section 3.

"This conveyance is made for private road purposes.

TRACT IV:

All the portion of the following described property lying West of a line which is 1,650 feet West and parallel to the East Section line of Sections 3 and 10, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho:

A portion of the South half of the Southeast quarter of Section 3, Lot 1 and a portion of Lot 2 and of the North half of the Northeast quarter of Section 10, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

: No.: 101273
 nmencing at the Northeast corner of the Southeast quarter of the Southeast quarter of Section 3, Township 6
 rth, Range 2 West, Boise Meridian; thence
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 re or less, East of the North quarter corner of said Section 10; thence
 st 495 feet to the Southwest corner of the Southwest quarter of the Southeast quarter of said Section 3; thence
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 rth 77°06' East 148.1 feet; thence
 rth 47°40' East 218.2 feet; thence
 rth 23°49' East 131.4 feet; thence
 rth 62°30' East, 220.15 feet; thence
 rth 79°33' East, 246.5 feet; thence
 rth 22°40' East, 63.2 feet; thence
 uth 44°23' East 113.3 feet; thence
 rth 64°29' East 96.9 feet; thence
 rth 14°5' East, 273 feet; thence
 rth 43°58' East 128 feet to the quarter quarter section line; thence
 st on said quarter quarter section line to said Real Point of Beginning.

XCEPTING THEREFROM a tract described in Book 12 of Deeds at Page 612, records of Gem County, Idaho for
 ivate road purposes:

OTE:

ere follows a description of the tract excepted by book and page in the above description:

strip of land 16.5 feet wide being 8.25 feet each side of a centerline described as follows:

File No.: 101273

Commencing at a point which is South 0°01' East 8.25 feet and North 89°21' West 20 feet from the Southeast corner of the Northeast quarter of the Southeast quarter of section 3, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho; thence
North 89° 21' West 1111.4 feet.

ALSO

A strip of land 30 feet wide being 15 feet on each side of a centerline described as follows:

Commencing at a point South 0°01' East 8.25 feet and North 89°21' West 1111.4 feet from the Southeast corner of the Northeast quarter of the Southeast quarter of Section 3, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho; thence
South 40°14' West 146.3 feet; thence
South 6°37' West 261.3 feet; thence
South 56°15' West, 135.5 feet; thence
South 85°21' West, 184.0 feet; thence
South 66°46' West 158.0 feet; thence
South 44°24' West 517.4 feet; thence
South 77°56' West 174.7 feet; thence
North 69°04' West 409.4 feet to the centerline of said Section 3, said last point is 426.0 feet North of the South quarter corner of said Section 3.

"This conveyance is made for private road purposes.

ALSO EXCEPT the following described tract:

A tract of land situate in a portion of the South half of the Southeast quarter of Section 3, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, more particularly described as follows:

Commencing at the Northeast corner of the Southeast quarter of the Southeast quarter of said Section 3; thence
South 66°25'09" West a distance of 2488.41 feet to the Real Point of Beginning; thence
South 21°41'46" East a distance of 373.89 feet; thence
North 89°52'42" West a distance of 485.74 feet; thence
North 00°22'52" East a distance of 388.89 feet; thence
South 83°19'55" East a distance of 348.28 feet to the Real Point of Beginning

ALSO EXCEPT

That portion of the South ¼ of the Southeast quarter of Section 3, township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho, described as follows:

Commencing at the Northwest corner of the South half of the Southeast quarter of Section 3, Township 6 North, Range 2 West, Boise Meridian; thence
South 00°56'37" West, 653.80 feet along the West line of said South half of the Southeast quarter to a point on the top of a bluff being the point of Beginning; thence along the top of said bluff the following courses and distances:
North 80°19'28" East, 154.36 feet (Records South 83°21' West, 153.4 feet);

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South 08°04'03" West, 107.56 feet (Record North 08°07' East);
South 66°41'57" East, 245.80 feet (Record North 66°39' West, 248.5 feet);
North 77°03'03" East, 148.10 feet (Record North 77°06' East, 148.1 feet);
North 47°37'03" East, 218.20 feet (Record North 47°40' East, 218.2 feet);
North 23°46'03" East, 131.40 feet (Record North 23°49' East, 131.4 feet);
North 62°27'03" East, 220.15 feet (Record North 62°30' East, 220.15 feet);
North 79°30'03" East, 246.50 feet (Record North 79°33' East, 246.5 feet);
North 22°37'03" East, 63.20 feet (Record North 22°40' East, 246.5 feet);
South 44°25'57" East, 15.91 feet;
South 00°36'04" West, 49.89 feet;
South 47°21'32" East, 46.27 feet;
South 78°36'48" East, 46.75 feet;
North 58°51'49" East, 84.93 feet;
North 10°37'37" East, 170.16 feet;
North 20°52'11" East, 103.81 feet to a point on the Westerly line of the road described in that certain Warranty Deed filed as Instrument No. 7222 in Book 12 of Deeds at Page 612, records of Gem County, Idaho; thence southerly and Westerly along the Westerly and Northerly lines of said road the following courses and distances:
South 07°02'33" West, 258.89 feet;
South 56°40'33" West, 124.67 feet;
South 85°46'33" West, 182.56 feet;
South 67°11'33" West, 163.42 feet;
South 44°49'33" West, 515.85 feet;
South 78°21'33" West, 167.81 feet;
North 83°41'25" West, 424.28 feet (Record North 69°4' West) to a point on the West line of said South half of the Southeast quarter; thence
North 00°56'37" East, 221.20 feet along said West line to the Point of Beginning.

TRACT V:

The Northwest quarter of the southeast quarter and the Northeast quarter of the Southwest quarter of Section 2, Township 6 North, Range 2 West, Boise Meridian, Gem County, Idaho.

EXHIBIT "B"

IRRIGATION EQUIPMENT & WATER RIGHTS
Barnes

All fixtures (including trade fixtures), supplies, equipment and inventory used for the production of water on the Real Property or for the irrigation or drainage thereof, whether now owned or hereafter acquired, and whether now existing or hereafter arising, and all proceeds (including insurance proceeds) from the sale or other disposition of any of such Property. Said fixtures, supplies, equipment and inventory include, but are not limited to, the following:

The following water rights with the Idaho Department of Water Resources:

Water Right No's.: 65-2533, 65-5312, 65-11262, 65-5313, 65-5475, 65-5476.

The following acres assessed in the Emmett Irrigation District:

<u>Assessment No.:</u>	<u>Acres:</u>
343	66.91
348	80.00
365	12.00