

DEV

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form. Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case IDWR will produce new water right number(s) for the split(s).

Water Right No(s)	Adjudication Claim No(s)	Split(s)	Water Right No(s)	Adjudication Claim No(s)	Split(s)
35-13435			35-13433		

SUPPORT DATA

IN FILE # 35-13433

RECEIVED

JUN 19 2009

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are on file with the county Planning and Zoning or Recorder's Office).
- OR**
- D. If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency or equivalent **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

Boondox Farms Partnership, Ltd

4096 E. 450 N.

Rigby, ID 83442

4. New Owner/Claimant(s)

Jag Farms, L.L.C., and Big J Farms, L.L.C.

Name Connector (Check one): ☐ and, ☐ or, ☒ and/or

New Mailing Address

3648 Gehring Road

City, State and ZIP Code

American Falls, Idaho 83211

New Telephone Number

(208) 226-5031

Email:

5. Date you acquired the property _____
6. **If the change in ownership affects the entire water right for each water right or adjudication claim number listed in line 1, then skip this line and go to line 7.** If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (you may copy this page, if necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right will not be split, skip this area and proceed to line 7)		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Water Right and/or Adjudication Claim Number		
Irrigation		
Stock		
Domestic		
Other		
Totals		
Water Right and/or Adjudication Claim Number		
Irrigation		
Stock		
Domestic		
Other		
Totals		
Water Right and/or Adjudication Claim Number		
Irrigation		
Stock		
Domestic		
Other		
Totals		

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

7. Signature(s) of New Owner(s) or Claimant(s)

JAG Farms LLC
BY: David A. [Signature] Manager
Big J Farms LLC BY: [Signature] (title if applicable)
manager
(title if applicable)

IT IS IMPORTANT TO FILE THIS COMPLETED FORM AT THE APPROPRIATE IDWR OFFICE, WITH PAYMENT OF THE FILING FEE AND THE OWNERSHIP DOCUMENT(S), AS REFERRED TO IN LINE 2.

For IDWR Office Use Only:

Received by Bmk
Received by [Signature]
Processed by [Signature] AJ

Date 6/19/09
Date [Signature]
Date [Signature]

Receipt Amt. \$100 (450 for this app)
Receipt No. E035133
WR [Signature] Date [Signature]

Kern, Bobby

From: Del Campo, T (Tiffany) [Tiffany.DelCampo@raboag.com]
Sent: Thursday, July 23, 2009 5:42 PM
To: Kern, Bobby
Cc: Araiza, L (Laura)
Subject: RE: Jag Farms/Big J. Farms
Attachments: POL-Recorded documents re-reco.tif

FAX
RECEIVED
JUL 23 2009
Department of Water Resources
Eastern Region

Hi Bobby,

Here is a copy of the recorded Warranty Deed as you requested. This was corrected to reflect our legal description.

Please let me know if you need any further information to proceed with the water rights form.

Thank you,
Tiffany Martin Del Campo

From: Del Campo, T (Tiffany)
Sent: Friday, June 19, 2009 2:44 PM
To: Kern, Bobby
Subject: Jag Farms/Big J. Farms

Hi Bobby,

Please find attached Warranty Deed for the notice of change in water rights ownership form.

Please let me know if you need any other information.

Thank you,

Tiffany Martin Del Campo

Assistant Vice President
Closing Department - Western Region

Rabo Agrifinance, Inc.

Address: 10100 Trinity Parkway, Suite 400, Stockton, CA 95219

Telephone: 209-472-3917

Facsimile: 209-951-9027

Please consider the environment before printing this e-mail

This email (including any attachments to it) is confidential, legally privileged, subject to copyright and is sent for the personal attention of the intended recipient only. If you have received this email in error, please advise us immediately and delete it. You are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. Although we have taken reasonable precautions to ensure no viruses are present in this email, we cannot accept responsibility for any loss or damage arising from the viruses in this email or attachments. We exclude any liability for the content of this email, or for the consequences of any actions taken on the basis of the information provided in this email or its attachments, unless that information is subsequently confirmed in writing. If this email contains an offer, that should be considered as an invitation to treat.

7/24/2009

Kern, Bobby

From: Del Campo, T (Tiffany) [Tiffany.DelCampo@raboag.com]
Sent: Friday, June 19, 2009 3:44 PM
To: Kern, Bobby
Subject: Jag Farms/Big J. Farms
Attachments: warranty deed.pdf

Hi Bobby,
Please find attached Warranty Deed for the notice of change in water rights ownership form.

Please let me know if you need any other information.

Thank you,

Tiffany Martin Del Campo

Assistant Vice President
Closing Department - Western Region

Rabo Agrifinance, Inc.

Address: 10100 Trinity Parkway, Suite 400, Stockton, CA 95219

Telephone: 209-472-3917

Facsimile: 209-951-9027

Please consider the environment before printing this e-mail

This email (including any attachments to it) is confidential, legally privileged, subject to copyright and is sent for the personal attention of the intended recipient only. If you have received this email in error, please advise us immediately and delete it. You are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. Although we have taken reasonable precautions to ensure no viruses are present in this email, we cannot accept responsibility for any loss or damage arising from the viruses in this email or attachments. We exclude any liability for the content of this email, or for the consequences of any actions taken on the basis of the information provided in this email or its attachments, unless that information is subsequently confirmed in writing. If this email contains an offer, that should be considered as an invitation to treat.

Property not covered

Property not covered

WR listed

Warranty Deed not recorded.

6/22/2009

Instrument # 196031

POWER COUNTY, IDAHO

04-22-2009 04:20:01 pm No. of Pages: 12
Recorded for: FIRST AMERICAN TITLE - POCA TELLO OF
CHRISTINE STEINLICH Fee: \$36.00
Ex-Officio Recorder Deputy: Deanna I Curry
Electronically Recorded by Simplifile

RECORDED AT REQUEST OF:

RETURN RECORDED DOCUMENT TO
RABO AGRIFINANCE, INC.
10100 TRINITY PARKWAY, SUITE 400
STOCKTON, CA 95219

FA 28367

Loan F-412987

IDAHO MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS INSTRUMENT IS INTENDED AS A MORTGAGE AND AS A
FIXTURE FILING UNDER THE IDAHO UNIFORM COMMERCIAL CODE.
THIS INSTRUMENT IS TO BE FILED AND INDEXED AS
BOTH A MORTGAGE AND AS A FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING ("Mortgage"), dated as of the 3rd day of MARCH, 2009 is made between JAG Farms, L.L.C., and Big J Farms, L.L.C., whose state of incorporation/organization is IDAHO and whose chief executive office or principal residence is whose address is 3648 Gehring Road, American Falls, IDAHO 83211, hereinafter called "Mortgagor," and RABO AGRIFINANCE, INC., a corporation organized and existing under the laws of Delaware ("RAF"), whose address is P.O. Box 411995, St. Louis, Missouri 63141; RABOBANK, N.A. ("RNA"), whose address is P.O. Box 1845, El Centro, California 92244; and COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "Rabobank Nederland" ("RN"), whose address is 245 Park Avenue, New York, New York 10167 (RAF, RNA and RN, unless otherwise indicated, together with their successors and assigns, are hereinafter, individually or collectively, referred to as "Mortgagee") and RAF as collateral agent (the "Collateral Agent") for the Mortgagee.

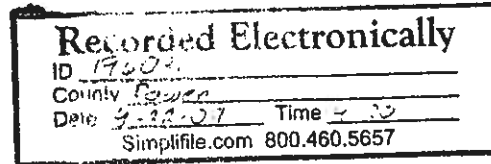
WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of NINE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$950,000.00) with interest, all as set forth in Mortgagor's certain Promissory Note ("Note") of even date herewith maturing JANUARY 1, 2024.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that, to secure the payment of the principal of and interest on the Note, along with (1) payment of the entire indebtedness and other obligations evidenced by the following promissory note(s), and/or guaranty(s) executed by Mortgagor to the applicable Mortgagee or order and all modifications, amendments, replacements, substitutions, extensions and renewals thereof along with any and all agreements with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions:

Initials

JAG 

RECORDED AT REQUEST OF:



RETURN RECORDED DOCUMENT TO
RABO AGRIFINANCE, INC.
10100 TRINITY PARKWAY, SUITE 400
STOCKTON, CA 95219

FA 283671

Loan F-412987

IDAHO MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS INSTRUMENT IS INTENDED AS A MORTGAGE AND AS A
FIXTURE FILING UNDER THE IDAHO UNIFORM COMMERCIAL CODE.
THIS INSTRUMENT IS TO BE FILED AND INDEXED AS
BOTH A MORTGAGE AND AS A FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING ("Mortgage"), dated as of the 3rd day of MARCH, 2009 is made between JAG Farms, L.L.C., and Big J Farms, L.L.C., whose state of incorporation/organization is IDAHO and whose chief executive office or principal residence is whose address is 3648 Gehring Road, American Falls, IDAHO 83211, hereinafter called "Mortgagor," and RABO AGRIFINANCE, INC., a corporation organized and existing under the laws of Delaware ("RAF"), whose address is P.O. Box 411995, St. Louis, Missouri 63141; RABOBANK, N.A. ("RNA"), whose address is P.O. Box 1845, El Centro, California 92244; and COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "Rabobank Nederland" ("RN"), whose address is 245 Park Avenue, New York, New York 10167 (RAF, RNA and RN, unless otherwise indicated, together with their successors and assigns, are hereinafter, individually or collectively, referred to as "Mortgagee") and RAF as collateral agent (the "Collateral Agent") for the Mortgagee.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of NINE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$950,000.00) with interest, all as set forth in Mortgagor's certain Promissory Note ("Note") of even date herewith maturing JANUARY 1, 2024.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH, that, to secure the payment of the principal of and interest on the Note, along with (1) payment of the entire indebtedness and other obligations evidenced by the following promissory note(s), and/or guaranty(s) executed by Mortgagor to the applicable Mortgagee or order and all modifications, amendments, replacements, substitutions, extensions and renewals thereof along with any and all agreements with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions:

Initials

JAG 

[] The following additional new or existing Promissory Notes:

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

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

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

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

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

- II. Any and all fruit or nut bearing bushes, trees or vines presently or hereafter located on the above described real property. Mortgagor, Collateral Agent and Mortgagee hereby agree, acknowledge and confirm that such fruit or nut bearing bushes, trees or vines are part of the Real Estate and will remain a part of the Real Estate throughout the term of the loan made by Mortgagee to Mortgagor that is secured by this Mortgage.
- III. Certificates numbered N/A representing N/A shares of the capital stock of N/A and the water rights represented thereby (If no entries, this granting clause is inapplicable).

- IV. All water rights represented by Permit or License No. 35-13435 and 35-13433 issued by the Idaho Department of Water Resources. (If no entries, this granting clause is inapplicable).
- V. All water rights represented by Claim No. N/A filed in the Snake River Basin Adjudication proceeding now pending in the District Court of the Fifth Judicial District of the State of Idaho, in and for the County of Twin Falls under Case No. N/A (If no entries, this granting clause is inapplicable).

TOGETHER WITH (1) all easements, rights-of-way and rights appurtenant to said Real Estate or used in connection therewith or as a means of access thereto; (2) all tenements, hereditaments and appurtenances thereto, including all water, water rights, and drainage rights appertaining thereto; (3) Mortgagor's interest as lessor in all leases (including, but not limited to, oil, gas and mineral leases) affecting said Real Estate; (4) all buildings, structures, improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, said Real Estate which are real property, and all substitutions, replacements, additions and accessions thereof or thereto; (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Real Estate (subject, however, to the assignment of rents and profits to Collateral Agent or Mortgagee herein); and (6) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Real Estate, which Mortgagor now has or may hereafter acquire in said Real Estate, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said Real Estate.

AND ALSO, Mortgagor, as debtor, irrevocably grants and assigns to Collateral Agent for the benefit of Mortgagee, as secured party, a security interest in all of the following collateral which is personal property now or hereafter owned by Mortgagor or in which Mortgagor now or hereafter has any rights and which is now or hereafter affixed or attached to, or produced from, or used in connection with said Real Estate, including but not limited to: All personal property described in Exhibit "B" attached hereto and made a part hereof and articles of personal or mixed property of every kind and nature whatsoever, including, without limitation, all (a) goods, including without limitation, irrigation equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, windmills, fences, fixtures, fittings, appliances, farm products, crops growing or to be grown, timber standing or to be cut, minerals or the like (including oil and gas), raw materials, inventory and work in process; (b) all water stock and water rights and, to the extent listed on the attached Exhibit "B", all investment property, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts, including all stock, bonds and commodities contracts; (c) all permits and licenses used in the operation of the Real Estate and, to the extent listed on the attached Exhibit "B", general intangibles, including without limitation payment intangibles and software; (d) accounts, including without limitation all of Mortgagor's right to any payment arising out of the sale, lease or license of all kinds of tangible and intangible personal property, contract rights, general intangibles, instruments, documents, chattel paper, accounts receivable, deposits, fees, charges

and other payments, income and cash receipts that are otherwise described in this paragraph; (e) personal property of the same general kind or class as otherwise described in this paragraph which Mortgagor may now own or hereafter acquire, wherever located, used or usable in the operation of or relating to the Real Estate; and all products and proceeds from the sale or other disposal thereof, including, without limitation, all payments under any insurance policies, substitutions and replacements, additions, accessions of or to said collateral and any indemnity, warranty or guaranty relating to any of the foregoing (all of the foregoing property shall be hereinafter collectively referred to as the "Collateral"; the Real Estate and the Collateral shall hereinafter be collectively referred to as the "Property"). PROVIDED HOWEVER, that nothing in this Mortgage shall prevent Mortgagor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Mortgagor exercises its right to place a single crop lien on the crops grown or to be grown on the Real Estate hereunder, such crop lien shall automatically be a superior lien to the lien on such crop created hereby without the need for any consent or subordination from Collateral Agent or Mortgagee.

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

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

AND SUBJECT to the covenants and conditions hereinafter set forth.

FIRST. The Mortgagor hereby covenants and agrees, to the extent permitted by law, as follows: (a) to pay promptly when due the principal and interest and other sums of money provided for in the Note, the Credit Agreement and this Mortgage, or either; (b) to pay all taxes, assessments and other charges (including ditch, canal, reservoir, or other water charges, taxes or assessments) imposed by law upon the Property, the Mortgagor's interest therein, or upon the Mortgage or the Note; provided however, in the event of the passage of any law changing the laws for the taxation of mortgages or debts secured by mortgage so as to affect this Mortgage, the entire indebtedness secured hereby shall, at the option of the Collateral Agent or Mortgagee, become due and payable; (c) to keep the Property and improvements thereon in good condition and repair and not to commit or suffer waste thereof, and except as authorized in any schedule annexed hereto and forming a part hereof, neither to remove nor permit the removal of any timber, buildings, oil, gas, minerals, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of the Collateral Agent or Mortgagee; and (d) to maintain and

deliver to the Collateral Agent or Mortgagee policies of insurance against such hazards on the buildings now or hereafter located on the Property as the Collateral Agent or Mortgagee may require from time to time, in such companies and amounts and with such loss payable clauses as shall be satisfactory to the Collateral Agent or Mortgagee; in the event of loss the Collateral Agent or Mortgagee is expressly authorized to settle or compromise claims under said policies and the proceeds shall be paid to the Collateral Agent and/or Mortgagee who may apply same or any part thereof on the indebtedness secured hereby or towards the reconstruction or repair of said buildings or release same to the Mortgagor; (e) to pay any lien, claim or charge against the Real Estate which might take precedence over the lien hereof; (f) to pay on demand all legal expenses, title searches, or attorney fees reasonably incurred or paid by the Collateral Agent or Mortgagee to collect the Note or foreclose or protect the lien of the Mortgage; (g) in the event the Mortgagor shall fail to comply with the provisions of (a) through (f) above, the Collateral Agent or Mortgagee may take such action as is necessary to remedy such failure and all sums paid by the Collateral Agent or Mortgagee pursuant hereto with interest at the rate hereinafter provided shall constitute a lien upon the Property, shall be secured by this Mortgage, and shall be immediately due and repayable to the Collateral Agent or Mortgagee; (h) if the Real Estate or any portion thereof shall be taken or damaged under the power of eminent domain, the award for any property so taken or damaged (including severance damages to the remaining premises) shall be paid to the Collateral Agent or Mortgagee and applied in full or in part at the option of the Collateral Agent or Mortgagee in reduction of the indebtedness hereby secured; (i) the Collateral Agent or Mortgagee shall have the right to inspect the Property at such reasonable times as the Collateral Agent or Mortgagee may desire to determine the Mortgagor's compliance with the covenants contained in this Mortgage; (j) the Collateral Agent or Mortgagee may release from the lien hereof any part of the above described Property without requiring any consideration therefor, and (k) Mortgagor is lawfully seized of the Real Estate in fee simple, the same is free from encumbrances except as may otherwise be specifically noted herein or waived in writing by the Collateral Agent or Mortgagee, Mortgagor will execute or procure any further necessary assurances of title and does hereby warrant generally the title to the Real Estate and will forever defend the same against the claims and demands of all persons whomsoever, and his separate estate, whether vested, contingent or in expectancy, is hereby conveyed and he does hereby expressly waive, release and relinquish all rights and benefits of any homestead, dower, curtesy, appraisement, exemption and stay laws of this state. It is agreed that the interest provided for in subsection (g) above shall be at the rate set forth in the Note or any Credit Agreement for times when an event of default has occurred or the highest lawful rate permitted by contract under applicable law, whichever is lesser.

SECOND. If the Mortgagor shall default in the payment of the Note or in the performance of any of the covenants or agreements herein or in the Note, the Credit Agreement or in any agreement collateral hereto contained, or if the then owner of the Property shall make an assignment for the benefit of creditors or shall file a petition for relief under the federal Bankruptcy Code as now or hereafter in effect, or any successor thereto, or shall be adjudicated bankrupt or insolvent, or if any receiver, liquidator or trustee shall be appointed for such then owner or any of his property, then in such event, the entire indebtedness hereby secured shall, at the option of the Collateral Agent or Mortgagee and without notice to the Mortgagor, be due and collectible at once by judicial foreclosure proceedings or as otherwise provided by law, or, when available under applicable statutes or rules of practice, by advertisement and sale, and in

such an event this provision shall be deemed as authorizing and constituting a power of sale as mentioned in said statutes or rules; that in addition to the rights and remedies herein, the Collateral Agent or Mortgagee is hereby authorized and empowered at its option to exercise forthwith and from time to time any further rights and remedies available to the Collateral Agent or Mortgagee under the laws of the state wherein the Property is situate, such as the right to collect the rents, issues and profits, or to have a receiver appointed to collect the same.

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

FOURTH. Mortgagor acknowledges that his/her current financial position is an important factor in Mortgagee's decision to advance the funds represented by the aforementioned Note. Mortgagor therefore has agreed, in order to provide assurance to Collateral Agent and Mortgagee with regard to Mortgagor's financial position, that it shall be an event of default for Mortgagor to allow any lien or encumbrance other than this Mortgage and the lien for taxes which are not yet due and payable to be placed on all or any part of the Real Estate and allowed to remain a lien for 30 day(s) EXCEPT a lien junior and inferior to this Mortgage may be placed on all or a part of said property in favor of N/A in a principal amount not to exceed ZERO DOLLARS (\$0) to be placed of record not later than N/A.

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

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

operations on the Real Estate. Mortgagor agrees that, notwithstanding any provision to the contrary in this Mortgage, this indemnification and hold harmless shall survive the release or reconveyance of this Mortgage, whether pursuant to payment in full of the Note, or judicial or non-judicial foreclosure under this Mortgage, or otherwise.

SEVENTH. Mortgagor covenants and agrees to keep perfected and in good status any State of Idaho water permits or water company stock pertaining to water from all irrigation sources which is used in connection with the irrigation of the Real Estate. Mortgagor covenants and agrees to keep in good status any other existing or future water rights, licenses and/or permits which are used in connection with the irrigation of the Real Estate. Mortgagor agrees to complete appropriation and all other requirements necessary to obtain the issuance of a license for water permits issued to Mortgagor, in order that such water may legally be used and continue to be used for the irrigation of the Real Estate. Upon Mortgagor's failure to comply with the covenants and agreements set forth in this paragraph, Collateral Agent or Mortgagee, without prejudice to any other rights given herein, may at its option, either in its own name or in the name of Mortgagor, take any and all action necessary to protect and maintain the permits, licenses, water and water rights referred to herein. Mortgagor does hereby irrevocably constitute and appoint Collateral Agent and Mortgagee as Mortgagor's true and lawful agent and attorney with full power and authority, in the name of Mortgagor or otherwise, to take any and all action necessary to preserve and protect the permits, licenses, water and water rights referred to herein. Mortgagor covenants and agrees to promptly provide copies of all documents relating to such permitting and licensing process to Collateral Agent or Mortgagee.

EIGHTH. With respect to Property which may now or hereafter be characterized by law as personal property, this Mortgage shall constitute a Security Agreement between Mortgagor, Collateral Agent and Mortgagee, and, cumulative of all other rights of Collateral Agent and Mortgagee. Hereunder, Collateral Agent or Mortgagee shall have all rights conferred upon secured parties by the Uniform Commercial Code ("UCC") as in effect from time to time in the state where the Collateral is located except to the extent the UCC provides for the application of the law of the state of location of the Mortgagor in which event the UCC as in effect from time to time, in such state shall apply. This Mortgage shall be effective as a Financing Statement filed as a fixture filing from the date of its filing for record in the Real Estate Records of the county in which the Real Estate is located. Until the lien of this Mortgage is released or satisfied of record, Mortgagor authorizes Collateral Agent or Mortgagee to file one or more financing statements and continuation statements, at Mortgagor's expense, describing the Collateral, hereby ratifies any such financing statement or continuation statement previously filed by Collateral Agent or Mortgagee, and agrees, if requested by Collateral Agent or Mortgagee so to do, to execute one or more Financing Statements covering such Collateral, in the manner and form required by law and to the satisfaction of Collateral Agent or Mortgagee. On demand, Mortgagor will promptly pay all costs and expenses of filing Financing Statements, continuation statements, partial releases and termination statements deemed necessary or appropriate by Collateral Agent or Mortgagee to establish and maintain the validity and priority of the security interest of Collateral Agent and Mortgagee or any modification thereof, and all costs and expenses of any searches reasonably required by Collateral Agent or Mortgagee. Collateral Agent or Mortgagee may exercise any or all of the remedies of a secured party available to it under the UCC with respect to such Collateral, and it is expressly agreed that if upon default

Collateral Agent or Mortgagee should proceed to dispose of the Collateral in accordance with the provisions of the UCC ten (10) days' notice by Collateral Agent or Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the UCC requiring such notice; provided, however, that Collateral Agent or Mortgagee may at its option dispose of the Collateral in accordance with Collateral Agent's or Mortgagee's rights and remedies in respect of the Real Estate pursuant to the provisions of this Mortgage in lieu of proceeding under the UCC. Mortgagor hereby warrants, represents and covenants that (a) the Collateral will be kept on or at the Real Estate described herein and Mortgagor will not remove the Collateral from the Real Estate without the prior written consent of Collateral Agent or Mortgagee, except such portions or items of Collateral which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor; (b) Mortgagor's chief executive officer or principal residence is Mortgagor's address set forth in the first paragraph of this Mortgage; (c) Mortgagor's state of organization, if applicable, is as set forth in the first paragraph of this Mortgage; and (d) Mortgagor's exact legal name is as set forth in the first paragraph of this Mortgage.

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

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

ELEVENTH. Mortgagor, its successors and assigns and each of them, represent and warrant that either:

(a) The Property does not contain and will not be cultivated to grow any variety of perennial crops, or plants, vines, trees, nuts and/or fruit that produce crops in more than one crop year (hereinafter "Permanent Plantings") that is or may be subject to intellectual property rights under U.S. or foreign patent, copyright or trademark laws, the Plant Variety Protection Act or similar laws or subject to license from the holder of any such intellectual property rights (all of the foregoing being hereinafter referred to as "IP Rights"); or

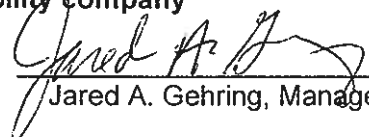
JAG 

(b) To the extent the Property does contain or in the future is cultivated to grow any variety of Permanent Plantings that is or may be subject to IP Rights, Mortgagor represents and warrants that Mortgagor is or shall be the owner of such IP Rights free and clear of any claim, right, title, interest or lien of any other person, Mortgagor has or shall notify Mortgagee in writing of the existence of such IP Rights and Mortgagor does hereby, has or shall grant Mortgagee a security interest in and a lien upon all of Mortgagor's right, title and interest in, to and under, whether now owned or hereafter created in IP Rights, all cash and non-cash proceeds and products of the IP Rights and all causes of action, past, present and future for infringement, misappropriation or dilution of any of the IP Rights or unfair competition regarding the same.

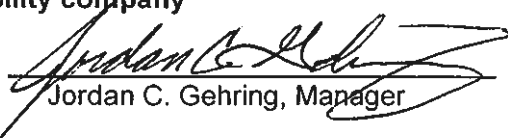
IN WITNESS WHEREOF, each of the undersigned has signed, sealed and delivered this Mortgage as of the day, month and year first above written.

In presence of:

JAG FARMS, L.L.C., an Idaho limited liability company

By: 
Jared A. Gehring, Manager

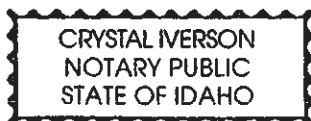
BIG J FARMS, L.L.C., an Idaho limited liability company

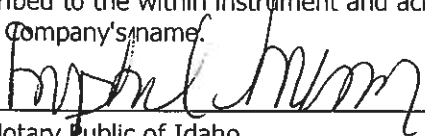
By: 
Jordan C. Gehring, Manager

ACKNOWLEDGEMENT/LIMITED LIABILITY COMPANY

STATE OF Idaho)
SS.
COUNTY OF Bannock)

On this **Sixteenth day of April, 2009**, before me, a Notary Public in and for said State, personally appeared **Jared A. Gehring**, known or identified to me to be the person whose name is subscribed to the within Instrument as one of the Managers/Members of the **JAG Farms, L.L.C.**, which is known or identified to me to be the entity whose name is subscribed to the within instrument and acknowledged to me that he executed the same in said Limited Liability Company's name.

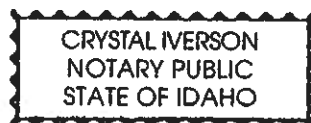


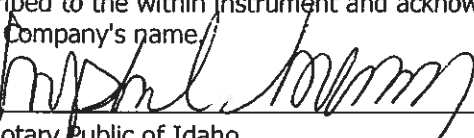


Notary Public of Idaho
Residing at: Pocatello, ID
Commission Expires: 4/23/10

STATE OF Idaho)
SS.
COUNTY OF Bannock)

On this **Sixteenth day of April, 2009**, before me, a Notary Public in and for said State, personally appeared **Jordan C. Gehring**, known or identified to me to be the person whose name is subscribed to the within Instrument as one of the Managers/Members of the **BIG J Farms, L.L.C.**, which is known or identified to me to be the entity whose name is subscribed to the within instrument and acknowledged to me that he executed the same in said Limited Liability Company's name.





Notary Public of Idaho
Residing at: Pocatello, ID
Commission Expires: 4/23/10

Exhibit "A"

Legal Description

Real property in the County of Power, State of Idaho, described as follows:

PARCEL 1:

LOT 1, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 28 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

PARCEL 2:

SW1/4NE1/4; SE1/4NW1/4; E1/2SW1/4, LOT 2; LOT 3; LOT 4; SE1/4NE1/4; SE1/4, SECTION 31, TOWNSHIP 6 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

Initials JAG [Signature]

Exhibit "B"

Personal Property

Water Rights:

All water rights represented as Decree 35-13435 and Decree 35-13433 with the Idaho department of water resources.

WHEN RECORDED MAIL TO:

JAG Farms, L.L.C.
Big J Farms, L.L.C.
3648 Gehring Road
American Falls, Idaho 83211

*Rec'd
July 19, 2007*

U

WARRANTY DEED

<u>Grantor</u>	<u>Grantee</u>
Boondox Farms Partnership, Ltd., Also shown of record as Boondox Farms, a Limited Partnership C/o Dale E. Michaelson 4096 E. 450 N. Rigby, Idaho 83442	JAG Farms, L.L.C. Big J. Farms, L.L.C. 3648 Gehring Road American Falls, Idaho 83211

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the Grantors hereby sell and forever transfer the following parcels of real property and water rights (the "Property") to the Grantee, including the Grantors' right, title and interest therein:

SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED BY REFERENCE

TOGETHER WITH AND INCLUDING any and all fixtures and improvements, any and all appurtenances, tenements, and hereditaments, and any and all rents, issues, and profits that relate or otherwise pertain to the foregoing parcels of real property.

TO HAVE AND TO HOLD the foregoing parcels of real property unto the Grantee and its successors and assigns forever.

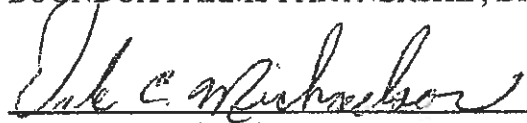
Grantor does hereby covenant with and warrant the Grantee that Grantor is lawfully seized in fee simple of the Property, has good right and lawful authority to sell and convey the Property, and that Grantor fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the Grantor, but against none other.

SUBJECT TO taxes, levies, and assessments for the current year not yet due and payable and the following items: discrepancies, conflicts in boundary lines, shortage in area, encroachments, easements, right of ways, boundary line agreements, development agreements, water supply agreements, plats, covenants, conditions, restrictions, reservations, all zoning, building and use laws or restrictions; along with any state of facts that an accurate survey or inspection of the Property would show.

ALSO SUBJECT TO Northwest Farm Credit Services' Mortgage recorded April 9, 1999 as Instrument No. 172431 which affects Parcel 3, and Mortgage recorded September 15, 2003, as Instrument No. 183366 which affects Parcel 8.

IN WITNESS WHEREOF, the Grantors hereunto set their hands this 31st day of March, 2009.

BOONDOX FARMS PARTNERSHIP, LTD.



DALE E. MICHAELSON,
Individually and as General Partner



KEVIN G. MICHAELSON,
Individually and as General Partner

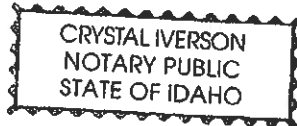


RONALD G. MICHAELSON,
Individually and as General Partner

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 16th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared DALE E. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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



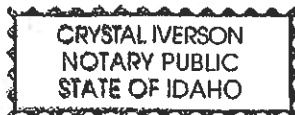
SEAL

[Signature]
NOTARY PUBLIC FOR IDAHO
Residing at: Pocatello, ID
My Commission Expires: 4/23/10

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 16th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared KEVIN G. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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



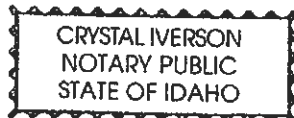
SEAL

[Signature]
NOTARY PUBLIC FOR IDAHO,
Residing at: Pocatello, ID
My Commission Expires: 4/23/10

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 14th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared RONALD G. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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

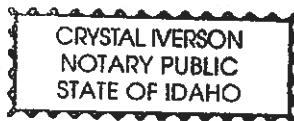


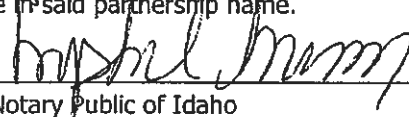
SEAL

Ronald Michaelson
NOTARY PUBLIC FOR IDAHO,
Residing at: Pocatello, ID
My Commission Expires: 4/23/10

STATE OF Idaho)
)
) ss.
COUNTY OF Bannock)

On this **Sixteenth day of April, 2009**, before me, a Notary Public in and for said State, personally appeared **Dale E. Michaelson, Kevin G. Michaelson, and Ronald G. Michaelson**, known or identified to me to be one of the partners in the partnership of **Boondox Farms Partnership, LTD**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that they executed the same in said partnership name.





Notary Public of Idaho
Residing at: Pocatello, ID
Commission Expires: 4/23/10

Exhibit "A"

Real property in the County of Power, State of Idaho, described as follows:

PARCEL 3:

THE WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4) OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

ALSO THE EAST HALF OF THE SOUTHWEST QUARTER (E1/2SW1/4) AND THE SOUTHEAST QUARTER (SE1/4) OF SECTION 5, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

PARCEL 4:

THE WEST 1/2 AND THE SE1/4 OF SECTION 9, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 9, THENCE N 0°02' NORTH ALONG THE EAST LINE OF SAID SECTION 203.2 FEET; THENCE N 89°57' W 428.8 FEET; THENCE SOUTH 0°02' W 203.2 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE S 89°57' EAST 428.8 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 9: TAX TRACT #4 AND BEGINNING AT THE SOUTHEAST CORNER, THENCE NORTH 530 FEET TO THE ACTUAL POINT OF BEGINNING; THENCE NORTH 190 FEET; THENCE WEST 197 FEET; THENCE SOUTH 190 FEET; THENCE EAST 197 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT A POINT 720 FEET NORTH FROM THE SOUTHEAST CORNER; THENCE WEST 220 FEET; THENCE NORTH 210 FEET; THENCE EAST 220 FEET; THENCE SOUTH 210 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 9: TAX TRACT #4, ALSO KNOWN AS THE SE1/4SE1/4.

EXCEPTING THEREFROM:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 9; THENCE WEST 775 FEET; THENCE NORTH 940 FEET; THENCE EAST 775 FEET; THENCE SOUTH 940 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 9, THENCE N 0°02' NORTH ALONG THE EAST LINE OF SAID SECTION 203.2 FEET; THENCE N 89°57' W 428.8 FEET; THENCE SOUTH 0°02' W 203.2 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE S 89°57' EAST 428.8 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER, THENCE NORTH 530 FEET TO THE ACTUAL POINT OF BEGINNING; THENCE NORTH 190 FEET; THENCE WEST 197 FEET; THENCE SOUTH 190 FEET; THENCE EAST 197 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT A POINT 720 FEET NORTH FROM THE SOUTHEAST CORNER; THENCE WEST 220 FEET; THENCE NORTH 210 FEET; THENCE EAST 220 FEET; THENCE SOUTH 210 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

THE SOUTH 1/2 OF SECTION 16, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

EXCEPTING THEREFROM:

TAX TRACT #16, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 1400 FEET WEST OF THE SE CORNER OF SECTION 16; THENCE NORTH 200 FEET; THENCE WEST 200 FEET; THENCE SOUTH 200 FEET; THENCE EAST 200 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 16:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 16, THENCE WEST 1600 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 120 FEET; THENCE WEST 250 FEET; THENCE SOUTH 120 FEET; THENCE EAST 250 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

A PARCEL OF LAND IN THE SE1/4 OF SECTION 16, TOWNSHIP 7 SOUTH, RANGE 29 EAST, BOISE MERIDIAN, POWER COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16; THENCE SOUTH 89°58'14" WEST ALONG THE SOUTH LINE OF SAID SECTION 1627.13 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 00°01'46" WEST, LEAVING SAID SOUTH LINE, 120.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH 89°58'14" WEST 225.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE NORTH 00°01'46" WEST 51.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED

PLS 843; THENCE NORTH 89°58'14" EAST 299.36 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH 66°14'33" EAST 101.52 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH 32°30'05" EAST 154.15 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 16; THENCE SOUTH 89°58'14" WEST ALONG SAID SOUTH LINE 250.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7:

ALL OF SECTION 18, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

EXHIBIT "A"

**SCHEDULE OF WATER RIGHTS
TRANSFERRED FROM SELLER BOONDOX FARMS PARTNERSHIP, LTD
TO BUYERS JAG FARMS, LLC AND BIG J FARMS, LLC**

<u>IDWR Water Right No.:</u>	<u>Field No.:</u>
35-02579	1
35-13433	1
35-13435	1
35-07308	2
35-02581	3 and 4
35-07326	5, 6 and 7
35-07646	8
35-07923	9 and 10
35-13436	11 and 12
35-13434	12, 13 and 14
35-09078	

FAX
RECEIVED

JUL 23 2009

Department of Water Resources
Eastern Region

Instrument # 196612

POWER COUNTY, IDAHO
07-23-2009 12:30:52 pm No. of Pages: 10
Recorded for: FIRST AMERICAN TITLE - POCATELLO OI
CHRISTINE STEINLICHT Fee: \$30.00
Ex-Officio Recorder Deputy: maureen suzanne schelske
Electronically Recorded by Simplifile

Instrument # 196030

POWER COUNTY, IDAHO
04-22-2008 04:20:01 pm No. of Pages: 3
Recorded for: FIRST AMERICAN TITLE - POCATELLO OI
CHRISTINE STEINLICHT Fee: \$27.00
Ex-Officio Recorder Deputy: Deanna I Curry
Electronically Recorded by Simplifile

WHEN RECORDED MAIL TO:

JAG Farms, L.L.C.
Big J Farms, L.L.C.
3648 Gehring Road
American Falls, Idaho 83211

Re-record to correct legal

FA 283679

WARRANTY DEED

<u>Grantor</u>	<u>Grantee</u>
Boondox Farms Partnership, Ltd., Also shown of record as Boondox Farms, a Limited Partnership C/o Dale E. Michaelson 4096 E. 450 N. Rigby, Idaho 83442	JAG Farms, L.L.C. Big J. Farms, L.L.C. 3648 Gehring Road American Falls, Idaho 83211

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the Grantors hereby sell and forever transfer the following parcels of real property and water rights (the "Property") to the Grantee, including the Grantors' right, title and interest therein:

SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED BY REFERENCE

TOGETHER WITH AND INCLUDING any and all fixtures and improvements, any and all appurtenances, tenements, and hereditaments, and any and all rents, issues, and profits that relate or otherwise pertain to the foregoing parcels of real property.

TO HAVE AND TO HOLD the foregoing parcels of real property unto the Grantee and its successors and assigns forever.

Grantor does hereby covenant with and warrant the Grantee that Grantor is lawfully seized in fee simple of the Property, has good right and lawful authority to sell and convey the Property, and that Grantor fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the Grantor, but against none other.

WHEN RECORDED MAIL TO:

JAG Farms, L.L.C.
Big J Farms, L.L.C.
3648 Gehring Road
American Falls, Idaho 83211

Re-record to correct legal

FA 283679

Instrument # 196030

POWER COUNTY, IDAHO

04-22-2009 04:20:01 pm

No. of Pages: 8

Recorded for: FIRST AMERICAN TITLE - POCAHELLO OI

CHRISTINE STEINLICH

Fee: \$27.00

Ex-Officio Recorder Deputy: Deanna I. Curry

Electronically Recorded by Simplifile

Recorded Electronically

ID 1910612

County POWER

Date 7-23-09 Time 12:30 pm

Simplifile.com 800.460.5657

WARRANTY DEED

<u>Grantor</u>	<u>Grantee</u>
Boondox Farms Partnership, Ltd., Also shown of record as Boondox Farms, a Limited Partnership C/o Dale E. Michaelson 4096 E. 450 N. Rigby, Idaho 83442	JAG Farms, L.L.C. Big J. Farms, L.L.C. 3648 Gehring Road American Falls, Idaho 83211

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the Grantors hereby sell and forever transfer the following parcels of real property and water rights (the "Property") to the Grantee, including the Grantors' right, title and interest therein:

SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED BY REFERENCE

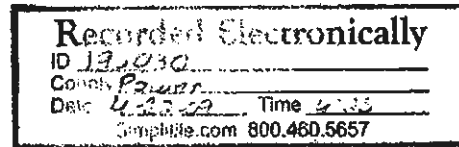
TOGETHER WITH AND INCLUDING any and all fixtures and improvements, any and all appurtenances, tenements, and hereditaments, and any and all rents, issues, and profits that relate or otherwise pertain to the foregoing parcels of real property.

TO HAVE AND TO HOLD the foregoing parcels of real property unto the Grantee and its successors and assigns forever.

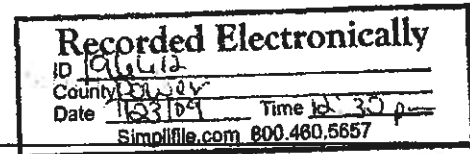
Grantor does hereby covenant with and warrant the Grantee that Grantor is lawfully seized in fee simple of the Property, has good right and lawful authority to sell and convey the Property, and that Grantor fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the Grantor, but against none other.

WHEN RECORDED MAIL TO:

JAG Farms, L.L.C.
Big J Farms, L.L.C.
3648 Gehring Road
American Falls, Idaho 83211



FA 283679



WARRANTY DEED

<u>Grantor</u>	<u>Grantee</u>
Boondox Farms Partnership, Ltd., Also shown of record as Boondox Farms, a Limited Partnership C/o Dale E. Michaelson 4096 E. 450 N. Rigby, Idaho 83442	JAG Farms, L.L.C. Big J. Farms, L.L.C. 3648 Gehring Road American Falls, Idaho 83211

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the Grantors hereby sell and forever transfer the following parcels of real property and water rights (the "Property") to the Grantee, including the Grantors' right, title and interest therein:

SEE EXHIBIT "A" ATTACHED HERETO AND
INCORPORATED BY REFERENCE

TOGETHER WITH AND INCLUDING any and all fixtures and improvements, any and all appurtenances, tenements, and hereditaments, and any and all rents, issues, and profits that relate or otherwise pertain to the foregoing parcels of real property.

TO HAVE AND TO HOLD the foregoing parcels of real property unto the Grantee and its successors and assigns forever.

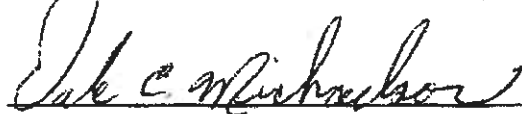
Grantor does hereby covenant with and warrant the Grantee that Grantor is lawfully seized in fee simple of the Property, has good right and lawful authority to sell and convey the Property, and that Grantor fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the Grantor, but against none other.

SUBJECT TO taxes, levies, and assessments for the current year not yet due and payable and the following items: discrepancies, conflicts in boundary lines, shortage in area, encroachments, easements, right of ways, boundary line agreements, development agreements, water supply agreements, plats, covenants, conditions, restrictions, reservations, all zoning, building and use laws or restrictions; along with any state of facts that an accurate survey or inspection of the Property would show.

ALSO SUBJECT TO Northwest Farm Credit Services' Mortgage recorded April 9, 1999 as Instrument No. 172431 which affects Parcel 3, and Mortgage recorded September 15, 2003, as Instrument No. 183366 which affects Parcel 8.

IN WITNESS WHEREOF, the Grantors hereunto set their hands this 31st day of March, 2009.

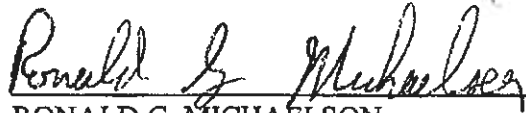
BOONDOX FARMS PARTNERSHIP, LTD.



DALE E. MICHAELSON,
Individually and as General Partner



KEVIN G. MICHAELSON,
Individually and as General Partner

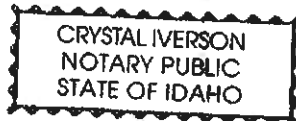


RONALD G. MICHAELSON,
Individually and as General Partner

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 16th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared DALE E. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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



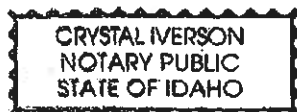
SEAL

[Signature]
NOTARY PUBLIC FOR IDAHO,
Residing at: Pocatello, ID
My Commission Expires: 4/23/10

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 16th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared KEVIN G. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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



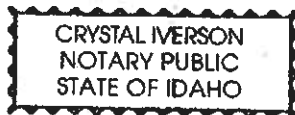
SEAL

[Signature]
NOTARY PUBLIC FOR IDAHO,
Residing at: Pocatello, ID
My Commission Expires: 4/23/10

STATE OF IDAHO)
COUNTY OF Bannock) : SS

On this 16th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared RONALD G. MICHAELSON, known to me to be the person whose name is subscribed to the foregoing and acknowledged to me that he executed the same.

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

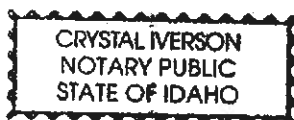


[Signature]
NOTARY PUBLIC FOR IDAHO,
Residing at: Paradise, ID
My Commission Expires: 4/23/10

SEAL

STATE OF Idaho)
)
) ss.
COUNTY OF Bannock)

On this **Sixteenth day of April, 2009**, before me, a Notary Public In and for said State, personally appeared **Dale E. Michaelson, Kevin G. Michaelson, and Ronald G. Michaelson**, known or identified to me to be one of the partners in the partnership of **Boondox Farms Partnership, LTD**, and the partner or one of the partners who subscribed said partnership name to the foregoing instrument, and acknowledged to me that they executed the same in said partnership name.



Notary Public of Idaho
Residing at: Pocatello, ID
Commission Expires: 4/23/10

EXHIBIT 'A'

LEGAL DESCRIPTION:

PARCEL 1:

LOT 1, SECTION 1, TOWNSHIP 7 SOUTH, RANGE 28 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

PARCEL 2:

SW1/4NE1/4; SE1/4NW1/4; E1/2SW1/4, LOT 2; LOT 3; LOT 4; SE1/4NE1/4; SE1/4, SECTION 31, TOWNSHIP 6 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

Exhibit "A"

Real property in the County of Power, State of Idaho, described as follows:

PARCEL 3:

THE WEST HALF OF THE SOUTHWEST QUARTER (W1/2SW1/4) OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

ALSO THE EAST HALF OF THE SOUTHWEST QUARTER (E1/2SW1/4) AND THE SOUTHEAST QUARTER (SE1/4) OF SECTION 5, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

PARCEL 4:

THE WEST 1/2 AND THE SE1/4 OF SECTION 9, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 9, THENCE N 0°02' NORTH ALONG THE EAST LINE OF SAID SECTION 203.2 FEET; THENCE N 89°57' W 428.8 FEET; THENCE SOUTH 0°02' W 203.2 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE S 89°57' EAST 428.8 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 9: TAX TRACT #4 AND BEGINNING AT THE SOUTHEAST CORNER, THENCE NORTH 530 FEET TO THE ACTUAL POINT OF BEGINNING; THENCE NORTH 190 FEET; THENCE WEST 197 FEET; THENCE SOUTH 190 FEET; THENCE EAST 197 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT A POINT 720 FEET NORTH FROM THE SOUTHEAST CORNER; THENCE WEST 220 FEET; THENCE NORTH 210 FEET; THENCE EAST 220 FEET; THENCE SOUTH 210 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 9: TAX TRACT #4, ALSO KNOWN AS THE SE1/4SE1/4.

EXCEPTING THEREFROM:

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 9; THENCE WEST 775 FEET; THENCE NORTH 940 FEET; THENCE EAST 775 FEET; THENCE SOUTH 940 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 9, THENCE N 0°02' NORTH ALONG THE EAST LINE OF SAID SECTION 203.2 FEET; THENCE N 89°57' W 428.8 FEET; THENCE SOUTH 0°02' W 203.2 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE S 89°57' EAST 428.8 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT THE SOUTHEAST CORNER, THENCE NORTH 530 FEET TO THE ACTUAL POINT OF BEGINNING; THENCE NORTH 190 FEET; THENCE WEST 197 FEET; THENCE SOUTH 190 FEET; THENCE EAST 197 FEET TO THE ACTUAL POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

BEGINNING AT A POINT 720 FEET NORTH FROM THE SOUTHEAST CORNER; THENCE WEST 220 FEET; THENCE NORTH 210 FEET; THENCE EAST 220 FEET; THENCE SOUTH 210 FEET TO THE POINT OF BEGINNING.

PARCEL 6:

THE SOUTH 1/2 OF SECTION 16, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

EXCEPTING THEREFROM:

TAX TRACT #16, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 1400 FEET WEST OF THE SE CORNER OF SECTION 16; THENCE NORTH 200 FEET; THENCE WEST 200 FEET; THENCE SOUTH 200 FEET; THENCE EAST 200 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN, POWER COUNTY, IDAHO.

SECTION 16:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 16, THENCE WEST 1600 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 120 FEET; THENCE WEST 250 FEET; THENCE SOUTH 120 FEET; THENCE EAST 250 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM:

A PARCEL OF LAND IN THE SE1/4 OF SECTION 16, TOWNSHIP 7 SOUTH, RANGE 29 EAST, BOISE MERIDIAN, POWER COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 16; THENCE SOUTH 89°58'14" WEST ALONG THE SOUTH LINE OF SAID SECTION 1627.13 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 00°01'46" WEST, LEAVING SAID SOUTH LINE, 120.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH 89°58'14" WEST 225.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE NORTH 00°01'46" WEST 51.00 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED

PLS 843; THENCE NORTH $89^{\circ}58'14''$ EAST 299.36 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH $66^{\circ}14'33''$ EAST 101.52 FEET TO A 1/2" REBAR AND PLASTIC CAP STAMPED PLS 843; THENCE SOUTH $32^{\circ}30'05''$ EAST 154.15 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 16; THENCE SOUTH $89^{\circ}58'14''$ WEST ALONG SAID SOUTH LINE 250.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7:

**ALL OF SECTION 18, TOWNSHIP 7 SOUTH, RANGE 29 EAST OF THE BOISE MERIDIAN,
POWER COUNTY, IDAHO.**

EXHIBIT "A"

**SCHEDULE OF WATER RIGHTS
TRANSFERRED FROM SELLER BOONDOX FARMS PARTNERSHIP, LTD
TO BUYERS JAG FARMS, LLC AND BIG J FARMS, LLC**

IDWR Water Right No.:

Field No.:

35-02579	1
35-13433	1
35-13435	1
35-07308	2
35-02581	3 and 4
35-07326	5, 6 and 7
35-07646	8
35-07923	9 and 10
35-13436	11 and 12
35-13434	12, 13 and 14
35-09078	