

Transfer No. 74496
 Receipt No. E033731

**STATE OF IDAHO
 DEPARTMENT OF WATER RESOURCES
 APPLICATION FOR TRANSFER OF WATER RIGHT
 PART 1**

1. Applicant Information MATTHEW HORNBACHER
 3075 S HORNBACHER
 AMERICAN FALLS ID 83211
 (208) 226-2188
 Or
 HENRY HORNBACHER
 3075 S HORNBACHER
 AMERICAN FALLS ID 83211
 (208) 226-2188
 Or
 ROSELLA HORNBACHER
 3075 S HORNBACHER
 AMERICAN FALLS ID 83211
 (208) 226-2188

Will this transfer result in an ownership change? X Yes No

2. Current Water Right**Part 2 Attached for Each Right**

	Origin/Basis	Rate	Volume	Acre Limit	Total Acres	Source
29-7175	WR/License	3.95			308.8	GROUND WATER

3. Purpose of Transfer (Change Proposed)**Part 3A Attached for Each Proposed Right****Part 3B Attached for Each Split Right**

Right	Split	POD	POU	Add POD	Period of Use	Nature of Use
29-7175	NO	NO	YES	NO	NO	NO

Describe the reason for the proposed changes

Applicant bought water right and ground from the Mayers and now wishes to move the water right around to cover acreage that will be irrigated by the addition of a swiper pivot. And also the movement of water to cover a pivot that was installed by a previous owner which water rights were never moved to in order to cover that pivot. And the reduction of the large pivot in Section 8 to a smaller pivot.

4. FOR CHANGES IN NATURE OF USE ONLY

A. Describe the expected quantity of the return flows and location of discharge after the proposed change

74496

B. Describe the effects on other water uses resulting from the proposed change

5. Total Amounts Transferred

	Rate	Acre Limit	Total Acres	Volume
29-7175	3.95 cfs		308.8	
TOTAL	3.95 cfs		308.8	1,081.5 af

Transfer No. 74496
Receipt No. E033731

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in voiding its approval.

Matthew Houlbach

(Signature of Applicant)

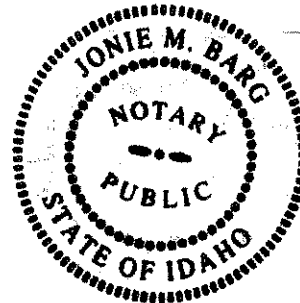
(Title or Office)

Subscribed and sworn to before me this 31ST day of January, 2008.

Jonie M. BARG

(Notary Public)

My commission expires July 24, 2013



74496

Transfer No. 74496
 Receipt No. E033731

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

Current Water Right No. 29-7175

Priority Date: March 04, 1974
 Origin: Water Right
 Basis: Decreed
 Status: Active

Source: GROUND WATER

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	04/01 10/15	3.95 CFS	1,081.5 AFA	
Total Diversion		3.95 CFS		

Source and Point(s) of Diversion:

GROUND WATER SWNWNE Sec. 17 Twp 08S Rge 31E POWER County

PLACE OF USE: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
08S	31E	8			38.0	39.0			26.0	40.0	40.0	36.0	7.9	28.0	2.9	25.0	21.0	303.8	
08S	31E	17			5.0													5.0	

Total Acres: 308.8

Conditions/Remarks:

- RIGHT INCLUDES ACCOMPLISHED CHANGE IN PLACE OF USE PURSUANT TO SECTION 42-1425, IDAHO CODE.
- THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE ENTRY OF A FINAL UNIFIED DECREE. SECTION 42-1412(6), IDAHO CODE.

74496

Documentation of Ownership of the Current Place of Use

Is this property subject to any liens, deeds of trust, mortgages, or contracts or other encumbrances?
NO

Describe the effect on the current place of use for this water right if the place of use is changed pursuant to this transfer

Cease irrigation of land that water right is being moved from under this water right.

To your knowledge, has any portion of the water right undergone a period of five(5) or more consecutive years of non-use?
NO

Transfer No. 74496
Receipt No. E033731

**IDAHO DEPARTMENT OF WATER RESOURCES
APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3A**

Proposed Water Right No. 29-7175

Priority Date: March 04, 1974

Origin: Water Right

Basis: Decreed

Status: Active

Source: GROUND WATER

<u>Beneficial Use</u>	<u>From To</u>	<u>Diversion Rate</u>	<u>Volume</u>	<u>Subuse Code</u>
IRRIGATION	04/01 10/15	3.95 CFS	1,081.5 AFA	
	Total Diversion	3.95 CFS		

Source and Point(s) of Diversion:

GROUND WATER SWNWNE Sec. 17 Twp 08S Rge 31E POWER County

Describe the proposed diversion system

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
08S 31E 8	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	252.5
			32.2	37.0			15.0	37.0	36.0	14.0			9.0	9.2	32.0	31.0	
08S 31E 9							18.0			.4							18.4
08S 34E 17	29.0	8.9															37.9

Total Acres: 308.8

Hornbacher 29-7175



74496

AGREEMENT FOR TRANSFER OF WATER RIGHTS

WHEREAS James F. Mayer and O. Colleen Mayer, husband and wife, and Gary C. Mayer and Vicki L. Mayer, husband and wife, sold a parcel of land in Power County, Idaho, to Henry E. Hornbacher and Rosella B. Hornbacher, husband and wife, and Matthew J. Hornbacher, a single person by escrow real estate agreement dated April 17, 2006, and recorded in Power County Idaho as instrument no: 189199 on April 19, 2006, and which parcel is described as follows:

South half of the Northeast quarter of Section 8;
South half of the Northwest quarter of Section 8; less the West 330 feet beginning at the East right of way of Hornbacher Road;
North half of the Southwest quarter of Section 8, less the west 330 feet beginning at the East right of way of Hornbacher Road;
The Easterly 100 feet of the Southeast quarter of the Southwest quarter of Section 8;
The Southeast quarter of Section 8;
The Northeast quarter of the Northeast quarter of Section 17;
The Northwest quarter of the Northeast quarter of Section 17
LESS THE FOLLOWING DESCRIBED PARCEL:

Beginning at the Northwest corner of the Northwest quarter of the Northeast quarter of said Section 17; Thence due East along the Northerly boundary line of the Northwest quarter of the Northeast quarter 775 feet; Thence due South on a line parallel to the Westerly boundary of said Northwest quarter of the Northeast quarter of Section 17, 440 feet more or less; Thence due West on a line parallel to the Northerly boundary of the Northwest quarter of the Northeast quarter of Section 8, 200 feet more or less; Thence due South on a line parallel to the Westerly boundary of the Northwest quarter of the Northeast quarter of said Section 17, 410 feet more or less; Thence due West on a line parallel to the Northerly boundary of the Northwest quarter of the Northeast quarter of said Section 17, 575 feet more or less, to the Westerly boundary line of the Northwest quarter of the Northeast quarter of Section 17; Thence due North along the Westerly boundary line of the Northwest quarter of the Northeast quarter of Section 17, a distance of 850 feet more or less, to the point of beginning, containing 13.25 acres more or less;

FURTHER GRANTING an easement for an existing irrigation pipeline, being 50 feet on either side of the pipeline from a point 850 feet South of the Northerly boundary line of Section 17 across the 13.25 acre parcel described above, including access for maintenance repair and replacement of said irrigation pipeline;

ALSO INCLUDING an easement for access to the above described parcels across the South half of the Southwest quarter of Section 8; the Northeast quarter of the Northwest quarter of Section 17 and the 13.25 acre parcel described above including, but not limited to, all existing roadways.

All in township 8 South, Range 31 EBM.

AGREEMENT FOR TRANSFER OF WATER RIGHTS
0806Hornbacher agrtmswtrghts

Instrument # 194647

POWER COUNTY, IDAHO

2008-09-03

03:26:45 No. of Pages: 2

Recorded for : LYLE ELIASSEN

CHRISTINE STEINLICHT

Ex-Officio Recorder Deputy

Fee: \$0.00

Jennifer Rupp

Together with all water rights including license # A29-0717543.950CFS.

AND WHEREAS that sale included the water rights associated with the real estate and the Mayers have no objection to the transfer of the water rights to the Hornbachers;

NOW THEREFORE the Mayers hereby give consent to the transfer of the Water Rights associated with the above described property to the Hornbachers.

IN WITNESS WHEREOF the parties enter into this agreement this 26th day of August, 2008, at American Falls, Idaho.

James F. Mayer
JAMES F. MAYER

Gary C. Mayer
GARY C. MAYER

O. Colleen Mayer
O. COLLEEN MAYER

Vicki L. Mayer
VICKI L. MAYER

STATE OF IDAHO)

SS

COUNTY OF POWER)

On this 26th day of August, 2008, before me, a notary public in and for said State, personally appeared JAMES F. MAYER and O. COLLEEN MAYER, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

[Signature]
Notary Public
Residing at American Falls, ID
My Commission Expires 4-22-2010

LYLE D. ELIASSEN
NOTARY PUBLIC
STATE OF IDAHO

STATE OF IDAHO)

SS

COUNTY OF POWER)

On this 26th day of August, 2008, before me, a notary public in and for said State, personally appeared GARY C. MAYER and VICKI L. MAYER, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

[Signature]
Notary Public
Residing at American Falls, ID
My Commission Expires 4-22-2010

LYLE D. ELIASSEN
NOTARY PUBLIC
STATE OF IDAHO

COPY

Instrument # 189199

POWER COUNTY, IDAHO

2006-04-19

01:26:41 No. of Pages: 6

Recorded for : ELIASSEN LAW OFFICE

CHRISTINE STEINLICHT

Fee: 18.00

Ex-Officio Recorder Deputy

Dawn L Curry

ESCROW REAL ESTATE AGREEMENT

This agreement made and entered into this 17th day of April, 2006, between **JAMES F. MAYER and O. COLLEEN MAYER**, husband and wife, of 1787 Satterfield Drive, Pocatello, ID 83201 and **GARY C. MAYER and VICKI L. MAYER**, husband and wife, of 2848 Mayer Road, American Falls, ID 83211 hereinafter referred to as **Sellers**, and **HENRY E. HORNBACHER and ROSELLA B. HORNBACHER**, husband and wife and **MATTHEW J. HORNBACHER**, a single person dealing with his sole and separate property of 3075 Hornbacher Road, American Falls, ID 83211 hereinafter referred to as **Buyers**.

WITNESSETH, That Seller, IN CONSIDERATION of the covenants and agreements herein, agrees to sell and convey unto Buyer, and buyer agrees to buy, that parcel of land in Power County, Idaho, more particularly described as follows:

South half of the Northeast quarter of Section 8;
South half of the Northwest quarter of Section 8; less the West 330 feet beginning at the East right of way of Hornbacher Road;
North half of the Southwest quarter of Section 8, less the west 330 feet beginning at the East right of way of Hornbacher Road;
The Easterly 100 feet of the Southeast quarter of the Southwest quarter of Section 8;
The Southeast quarter of Section 8;
The Northeast quarter of the Northeast quarter of Section 17;
The Northwest quarter of the Northeast quarter of Section 17
LESS THE FOLLOWING DESCRIBED PARCEL:

Beginning at the Northwest corner of the Northwest quarter of the Northeast quarter of said Section 17; Thence due East along the Northerly boundary line of the Northwest quarter of the Northeast quarter 775 feet; Thence due South on a line parallel to the Westerly boundary of said Northwest quarter of the Northeast quarter of Section 17, 440 feet more or less; Thence due West on a line parallel to the Northerly boundary of the Northwest quarter of the Northeast quarter of Section 8, 200 feet more or less; Thence due South on a line parallel to the westerly boundary of the Northwest quarter of the Northeast quarter of said Section 17, 410 feet more or less; Thence due West on a line parallel to the Northerly boundary of the Northwest quarter of the Northeast quarter of said Section 17 575 feet more or less, to the Westerly boundary line of the Northwest quarter of the Northeast quarter of Section 17; Thence due North along the Westerly boundary line of the Northwest quarter of the Northeast quarter of Section 17, a distance of 850 feet more or less, to the point of beginning, containing 13.25 acres more or less;

FURTHER GRANTING an easement for an existing irrigation pipeline, being 50 feet

74496

on either side of the pipeline from a point 850 feet South of the Northerly boundary line of Section 17 across the 13.25 acre parcel described above, including access for maintenance repair and replacement of said irrigation pipeline;

ALSO INCLUDING an easement for access to the above described parcels across the South half of the Southwest quarter of Section 8; the Northeast quarter of the Northwest quarter of Section 17 and the 13.25 acre parcel described above including, but not limited to, all existing roadways.

All in township 8 South, Range 31 EBM.

Together with all water rights including license # A29-0717543.950CFS.

TOGETHER WITH all sprinkler and other irrigation equipment and fixtures, including but not limited to the following: All pumps, motors, columns, tubes, shafts, bowls, panels and all electrical appurtenances, mainline, laterals, wheel lines, pivot/circle irrigation systems, risers heads, couplers, end plugs, valves, valve openers, reducers, joints, tees and wyes, located on the real estate described above including but not limited to the following:

IRRIGATION EQUIPMENT AND FIXTURES:

- 2500' 10" pvc mainline
- 1300' 10"-12" pvc mainline
- 1 G.E. 300 HP electric motor, S/N BKJ213120
- 1 Johnston turbine pump
- 1 Super-E 20 HP electric motor, S/N 594C-398
- 1 variable speed pump panel
- 1 1683' Lockwood center pivot irrigation system, S/N 811000AA
- 1 1300' Zimmatic center pivot irrigation system, S/N L48841
- 1 Cornell centrifugal pump, model 4RB-20-4, S/N 84869

Seller shall retain a security interest in the irrigation equipment during the life of this agreement. Buyer shall maintain the equipment, provide all necessary repairs, replacements, and maintenance to maintain the equipment in at least as good of condition as it presently is in during the life of this agreement.

TOGETHER WITH the water rights pertaining thereto; SUBJECT TO all zoning laws, County Ordinances, easements, rights of ways, public roads, restrictive agreements and any other encumbrances of record, for the Sales Price of Seven Hundred Ninety Nine Thousand and Three Hundred and Fifty DOLLARS (\$799,350) lawful money of the United States of America, and Buyer agrees to pay Seller that amount in the following manner:

By paying earnest money of \$5,000.00 prior to the signing of this agreement; a down payment in the sum of \$115,000.00 at the time of entering into this agreement; a payment of \$41,000.00 previously paid; the balance of THE PRINCIPAL SUM OF SIX HUNDRED AND THIRTY EIGHT THOUSAND THREE HUNDRED AND FIFTY DOLLARS 00/100 (\$638,350.00), with interest from April 17, 2006, at the rate of Six and one half per centum (6.5%) per annum, lawful money of the United States of America in Installments as follows:

To be paid by making semi-annual payments of \$42,000.00 on or before January 1st of each year and \$19,000.00 on or before June 1st of each year, including interest to the date of the payment, the first payment due on January 1, 2006, having been made and the next payment due on or before the 1st day of June, 2006, and like payments due each year thereafter until January 1, 2012, at which time the entire principal balance plus interest is due and owing as a balloon payment. Buyer shall have the right to prepay any amount prior to the due date thereof. Any such prepayment shall be in addition to and shall not relieve Buyer of the obligation to make the semi-annual payments as herein scheduled until the entire principal amount with interest is paid. All payments shall be credited first to interest to the date of payment and the balance credited to principal.

It is recognized by the parties that these documents are prepared by the attorney for Buyer, notwithstanding which, Seller shall reimburse Buyer directly for one half of the fees for preparation and recording of these documents of sale at the time of entering into this agreement. Seller acknowledges that they have had an opportunity to have the documents reviewed by an attorney of their choice and a failure to do so is a knowing waiver of that right.

Buyer shall lease the farm ground adjoining the purchased property consisting of the West 330 feet of the South half of the Northwest quarter and the North half of the Southwest quarter of Section 8 lying East of the Easterly right of way of Hornbacher Road and that portion of the South half of the Southwest quarter of Section 8 lying North and East of Mayer Road for one dollar per year until January 1, 2012 unless Buyer and Seller agree to terminate this lease prior to January 1, 2012.

During the life of this agreement, and until full payment of the purchase price, Buyer shall secure, maintain, and pay the premiums for insurance covering the irrigation equipment and other insurable improvements upon the property. Such insurance shall be written by sound and reputable insurance companies, in the full insurable value of all property to be insured. All such policies of insurance shall provide that losses thereunder shall be payable to Seller as present owner and to Buyer as purchaser under contract, as their respective interests may appear. All premiums shall be paid by Buyer when due and prior to cancellation. A copy of the policy shall be furnished to Seller at all times, and Seller at all times and Seller shall be named as an additional named insured on that policy.

It is recognized that there is some CRP cropland involved in this sale. All CRP payments payable on the property included in this agreement for the 2005-2006 CRP fiscal year, payable in November of 2006 and there after shall be paid to Buyer.

Seller agrees to pay all State and County real property taxes and all assessments of whatever nature, which were levied against the premises for the year 2005 and all prior years. Buyer agrees to pay all such taxes and assessments levied against the premises for the year 2006 and all of said taxes and assessments for each and every year thereafter when due and prior to becoming delinquent.

Seller shall pay all Falls Irrigation District and American Falls/ Aberdeen groundwater district charges for the year 2005 and all prior years and the Buyer shall pay all such charges occurring after January 1, 2006.

It is further agreed that any and all crop and farm production records pertaining to the property shall be transferred to Buyer.

Seller agrees to deliver to Buyer at the time of the balloon payment due under this agreement on or about January 1, 2012 a purchasers title insurance policy to the premises showing good and marketable title in the Seller free and clear of encumbrances except those easements and rights of way that are visible upon the premises and other easements and rights of way of record. The premium for such policy shall be paid by Seller.

It is further agreed by and between the parties hereto that a copy of this agreement, together with a good and sufficient warranty deed executed by Seller to Buyer, a special warranty deed from Buyer to Seller relinquishing any and all interest that he may have in said property shall be placed in escrow with Alliance Title and Escrow Corp. 312 W. Center or P O Box 1176, Pocatello, ID 83204 . It is further agreed by the parties hereto that they will enter into and execute any written escrow agreement required by the escrow holder. All money paid under this contract by Buyer, other than the down payment, shall be paid directly to the escrow holder and the escrow holder shall be instructed to deliver to Buyer the said papers held in escrow upon his paying the purchase price together with interest as provided and otherwise complying with this agreement.

It is further agreed that the initial escrow fee shall be paid by buyer and seller equally and all subsequent escrow fees shall be paid by Buyer and Seller equally.

It is further agreed that this agreement cannot be assigned by Buyer to any person, firm or corporation other than one or more of the purchasers under this agreement or an entity in which the buyer or one of the buyers is a principle without the written consent of Seller in advance of any such assignment. Any other assignment made by Buyer without the advance consent of Seller, whether voluntarily or by operation of law or otherwise, shall constitute a default.

Time is of the essence of this agreement and in the event that Buyer fails to make any payment required by the terms of this agreement when due, including installment payments to Seller; taxes; assessments; and insurance premiums, and such default continues for 90 days after written notice has been deposited in the United States Mail addressed to Buyer AND furnished to the escrow holder, Seller shall be relieved from any obligation in law or equity to convey said property and Seller may at his option forfeit any and all rights to Buyer in and to the real estate, and all money paid to Seller or the escrow holder by Buyer under this agreement shall be retained by Seller as liquidated damages for nonperformance of this contract and as rent for the premises. Seller shall have the right to demand the escrow holder to redeliver to him the escrow papers and from the time the escrow papers are redelivered to Seller, Buyer shall cease to have any right, title or interest in and to said premises and agree to immediately surrender peaceful possession of the same to Seller. It is agreed that this remedy is cumulative and Seller shall have any other remedy for the enforcement of this contract given to him by the laws of the State of Idaho.

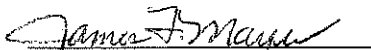
It is further agreed that if it becomes necessary for either party to bring an action in any court for the enforcement of this contract or for the repossession of the property upon failure of Buyer to make the payments or buyer or seller to perform the covenants as herein specified, or to enforce any provision hereof, the prevailing party shall be entitled to receive all costs of the action, together with a reasonable attorney's fee.

Buyer shall have full and complete possession of the premises (subject to the right of Seller or his agent to come upon the premises for purposes of inspection) at the time of closing.

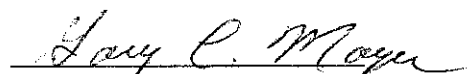
As this is non-residential real estate, neither a property disclosure form nor a written disclosure of information on lead based paint and lead based paint hazards is necessary.

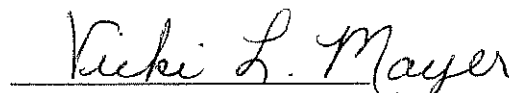
This contract and the covenants and agreements hereof, together with all exhibits, contains all the representations, declarations and statements from either party to the other, and expresses the entire understanding between the parties in respect to this transaction. This contract and all the provisions thereof shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, representatives, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement at American Falls, Idaho on this date.


JAMES F. MAYER


O. COLLEEN MAYER


GARY C. MAYER


VICKI L. MAYER

STATE OF IDAHO)
 SS
COUNTY OF POWER)

On this 17th day of April, 2006, before me, a notary public in and for said State, personally

Notary Public

LYLE D. ELIASSEN
NOTARY PUBLIC
STATE OF IDAHO


HENRY E. HORNbacher

STATE OF IDAHO)
COUNTY OF POWER) SS



LYLE D. ELIASSEN
NOTARY PUBLIC
STATE OF IDAHO