

VLM ✓

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JUL 27 2007
WATER RESOURCES
WESTERN REGION

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)
lic 57-11667					

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)	HFV Castle View, LLC c/o Mike Itli 643 S. School Ave. Kuna, Id. 83634
4. New Owner/Claimant(s)	Duane Lemon and Margaret Lemon Name Connector (Check one): ☐ and, ☐ or, ☒ and/or
New Mailing Address	21814 Wees Rd
City, State and ZIP Code	Oreana, Idaho 83650
New Telephone Number	(208) 834-2246

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) _____

Joane Lerman
Margaret Simon

(title if applicable)

(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 DAV
 Received by ✓
 Processed by _____ AJ

Date 7-27-07
 Date 7-27-07
 Date _____

Receipt Amt. \$125.00
 Receipt No. W035686
 WR ga Date 12-28-07



Pioneer Title Co.

GOING BEYOND

703 S. Americana, Suite 120 / Boise
Idaho 83702 / (208) 373-3744

Instrument # 256147

MURPHY, OWYHEE, IDAHO

2006-04-28

04:47:01 No. of Pages: 3

Recorded for : PIONEER TITLE CO

CHARLOTTE SHERBURN

Fee: 9.00

Ex-Officio Recorder Deputy *B. Swann*

Index to: DEED WARRANTY

WARRANTY DEED

For Value Received

Linda L. Yanke, an unmarried person, and Linda L. Yanke as Personal

Representative of the Estate of Ronald C Yanke, deceased, being the duly qualified personal representative of such estate filed as Ada County Probate No SPIE0400082M, hereinafter collectively referred to as

Grantor, does hereby grant, bargain, sell, warrant and convey unto

W Duane Lemon and Margaret Lemon, husband and wife

hereinafter referred to as Grantee, whose current address is 21874 W. 2nd St, OREGON

the following described premises, to-wit:

IDAHO 83650

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, his heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: April 27, 2006

The Estate of Ronald C. Yanke, deceased

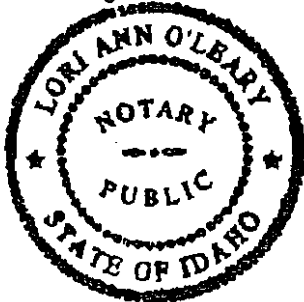
By:

Linda L. Yanke
Linda L. Yanke, Personal Representative

Linda L. Yanke
Linda L. Yanke

STATE OF IDAHO, County of Ada, ss

On this 24th day of April, in the year 2006, before me Lori Ann O'Leary, a notary public personally appeared Linda L. Yanke known or identified to me to be the person whose name is subscribed to the within instrument as Personal Representative of the Estate of Ronald C. Yanke, and acknowledged to me that she executed the same as said Personal Representative



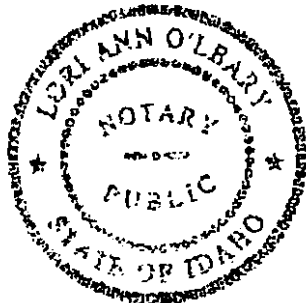
A handwritten signature of Lori Ann O'Leary in cursive script, written over a horizontal line.

Notary Public of Idaho
Residing at Mendon, Idaho

My Commission expires: 7/12/07

STATE OF IDAHO, County of Ada, ss

On this 24th day of April, in the year 2006, before me Lori Ann O'Leary, a notary public personally appeared Linda L. Yanke known or identified to me to be the person whose name is subscribed to the within instrument as Personal Representative of the Estate of Ronald C. Yanke, and acknowledged to me that Linda L. Yanke executed the same as said Personal Representative



A handwritten signature of Lori Ann O'Leary in cursive script, written over a horizontal line.

Notary Public of Idaho
Residing at Mendon, Idaho

My Commission expires: 7/12/07

Exhibit A

Parcel I

In Township 4 South, Range 1 East, Boise Meridian, Owyhee County, Idaho.

Section 13: SW1/4 NW1/4, W1/2 SW1/4

Section 14: SE1/4 SE1/4

NE1/4 SE1/4 lying East of Wees Road

A portion of S1/2 SE1/4 NE1/4 lying East of Wees Road described as follows:

BEGINNING at the Southwest corner of SE1/4 NE1/4; thence

North along the West boundary of SE1/4 NE1/4 a distance of 469 feet to a point; thence

Easterly along a line that lies parallel to the South boundary line of SE1/4 NE1/4 to a point on the section line between Sections 13 and 14; thence

South along section line a distance of approximately 469 feet to the SE corner of SE1/4 NE1/4; thence

West along the South boundary line to the POINT OF BEGINNING.

Section 23: NE1/4 NE1/4

Section 24: NW1/4 NW1/4

EXHIBIT A

PARCEL I:

In Township 4 South, Range 1 East, Boise Meridian, Owyhee County, Idaho

SECTION 1:

Lots 3 and 4, the South Half of the Northwest Quarter, the Southwest Quarter, and the West Half of the West Half of the Southeast Quarter EXCEPTING THEREFROM a portion of the West Half of the Northwest Quarter, and the Southwest Quarter that lies Westerly of a line and Northerly of said irrigation ditch, said line and ditch being more particularly described as follows:

COMMENCING at the Northwest corner of said Section 1; thence
South 89°47'40" East along the North boundary of said Northwest Quarter of the Northwest Quarter,
Section 1, a distance of 434.91 feet to the true POINT OF BEGINNING; thence South 50°18'33" East a
distance of 205.14 feet;

thence

South 46°15'23" East a distance of 108.41 feet;

thence

South 33°02'08" East a distance of 72.67 feet;

thence

South 20°46'08" East a distance of 95.00 feet;

thence

South 0°14'15" West a distance of 377.58 feet;

thence

South 25°11'43" West a distance of 88.00 feet;

thence

South 9°52'00" West a distance of 54.43 feet;

thence

South 21°16'02" East a distance of 77.07 feet;

thence

South 39°18'21" East a distance of 281.33 feet;

thence

South 18°37'25" East a distance of 96.39 feet;

thence

South 9°29'26" West a distance of 41.48 feet;

thence

South 31°37'45" West a distance of 113.25 feet;

thence

South 19°16'38" West a distance of 142.14 feet;

thence
South 36°22'41" West a distance of 74.77 feet;
thence
South 44°45'57" West a distance of 112.82 feet;
thence
South 30°19'46" West a distance of 52.82 feet;
thence
South 15°33'05" West a distance of 153.08 feet;
thence
South 8°29'25" East a distance of 88.15 feet;
thence
South 27°55'28" East a distance of 64.90 feet;
thence
South 53°16'26" East a distance of 116.21 feet;
thence
South 20°00'03" East a distance of 66.60 feet;
thence
South 14°56'58" West a distance of 143.75 feet;
thence
South 8°26'21" West a distance of 189.05 feet;
thence
South 26°25'53" West a distance of 133.97 feet;
thence
South 11°44'55" West a distance of 71.65 feet;
thence
South 7°28'01" East a distance of 74.74 feet;
thence
South 27°46'00" East a distance of 152.71 feet;
thence
South 44°58'50" East a distance of 95.27 feet;
thence
South 30°06'37" East a distance of 167.45 feet;
thence
South 42°30'55" East a distance of 138.78 feet;
thence
South 59°32'09" East a distance of 93.42 feet;
thence
South 32°29'34" East a distance of 53.36 feet;
thence
South 14°28'42" East a distance of 275.44 feet;
thence
South 22°46'37" East a distance of 162.18 feet;
thence
South 44°29'47" East a distance of 100.85 feet;

thence
 South 31°02'08" East a distance of 151.32 feet;
 thence
 South 17°40'53" East a distance of 126.46 feet;
 thence
 South 9°14'17" West a distance of 177.88 feet;
 thence
 South 26°29'36" West a distance of 115.23 feet;
 thence
 South 16°05'10" West a distance of 105.81 feet;
 thence
 South 64°18'04" West a distance of 111.56 feet;
 thence
 North 68°53'24" West a distance of 46.89 feet;
 thence
 North 46°55'15" West a distance of 58.00 feet;
 thence
 North 40°27'42" West a distance of 102.14 feet;
 thence
 North 74°03'10" West a distance of 80.46 feet;
 thence
 South 19°25'50" West a distance of 23.75 feet to the
 centerline of an irrigation easement;
 thence
 South 64°16'59" West along said centerline a
 distance of 1,568.15 feet;
 thence
 South 86°13'09" West along said centerline a
 distance of 925.84 feet;
 thence
 North 85°01'46" West along said centerline a
 distance of 70.00 feet, more or less, to a point on the West
 boundary of the Southeast Quarter of the Southeast Quarter.

SECTION 2:

Lots 2 and 3, the Southwest Quarter of the Northeast Quarter, the South Half of the Northwest Quarter, the Southwest Quarter, the West Half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter, lying South of irrigation ditch.

SECTION 11:

The Northeast Quarter, the Northeast Quarter of the Northwest Quarter, and the West Half of the Southeast Quarter.

SECTION 12:

The West Half of the West Half of the East Half, the Northwest Quarter, the North Half of the Southwest Quarter, and the North Half of the Southwest Quarter of the Southwest Quarter.

SECTION 13:

The West Half of the Northwest Quarter of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter.

PARCEL II:

In Township 4 South, Range 1 East, Boise Meridian, Owyhee County, Idaho.

Section 13: Southwest Quarter of the Northwest Quarter, West Half of the Southwest Quarter.

Section 14: Southeast Quarter of the Southeast Quarter.

Northeast Quarter of the Southeast Quarter lying East of Wees Road.

A portion of the South Half of the Southeast Quarter of the Northeast Quarter lying East of Wees Road described as follows:

BEGINNING at the Southwest corner of the Southeast Quarter of the Northeast Quarter; thence North along the West boundary of the Southeast Quarter of the Northeast Quarter a distance of 469 feet to a point; thence Easterly along a line that lies parallel to the South boundary line of the Southeast Quarter of the Northeast Quarter to a point on the section line between Sections 13 and 14; thence South along section line a distance of approximately 469 feet to the Southeast corner of the Southeast Quarter of the Northeast Quarter; thence West along the South boundary line to the POINT OF BEGINNING.

Section 23: Northeast Quarter of the Northeast Quarter.

Section 24: Northwest Quarter of the Northwest Quarter.

PARCEL III:

Tract 1:

In Township 4 South, Range 1 East, Boise Meridian, Owyhee County, Idaho:

Section 11: East One-Half of the Southeast Quarter

Section 12: South One-Half of the Southwest Quarter

Section 13: Northwest Quarter of the Northwest Quarter

Section 14: North One-Half of the Northeast Quarter of the Northeast Quarter

Tract II:

In Township 4 South, Range 1 East, Boise Meridian, Owyhee County, Idaho:
Section 14: South One-Half of the Northeast Quarter of the Northeast Quarter

Northeast Quarter of the Southeast Quarter lying West of Wees Road
Southeast Quarter of the Northeast Quarter

Less a portion of the South One-Half of the Southeast Quarter of the Northeast Quarter lying East of Wees Road described as follows:

BEGINNING at the Southwest corner of the Southeast Quarter of the Northeast Quarter; thence North along the West boundary a distance of 469 feet to a point; thence Easterly along a line that lies parallel to the South boundary line to a point on the section line between Sections 13 and 14; thence South along section line a distance of approximately 469 feet to the Southeast Corner of the Southeast Quarter of the Northeast Quarter; thence West along the South boundary line to the TRUE POINT OF BEGINNING.

EXHIBIT B

WATER RIGHTS

Water Rights for Irrigation

CONFIRMED WITH IDAHO WATER RESOURCES:					Appraisal assumes
ID #	Priority	CFS	Acres	Owner of Record	/All to Subject or Split
CASTLE CREEK SOURCE:					
57-00235	1907	1.1	63.0	HFM Castle View, LLC	/All
57-11665	1970	33.14	1,716.0	HFM Castle View, LLC	/Needs split
57-11666	1970	0.38	19.0	HFM Castle Dairy, LLC	/All
57-11667	1970	5.84	292.0	Yanke, Ronald & Linda	/All
SNAKE RIVER SOURCE:					
A02-02173	1962	6.0	279.0	HFM Castle View, LLC	/All
A02-02357A	1964	2.0	100.0	HFM Castle View, LLC	/All
A02-07046C	1969	9.39	444.0	HFM Castle View, LLC	/Needs split
02-10244	1969	5.19	298.0	Lemon, Duane & Margaret	/Already owns
02-10235	1969	0.8	40.0	HFM Castle Dairy, LLC	/All
02-10332	1969	23.99	1,199.5	HFM Castle View, LLC	/Needs split
02-10333	1969	23.99	1,199.5	HFM Castle View, LLC	/Needs split

Water Rights for Dairy / Stock Water

57-7604	1994	1.0	3000 Cows	Mark A. Comstock	/ All
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EXHIBIT C
LEASES, PERMITS AND AGREEMENTS

Nutrient Management Plan for L&L Dairy, as approved by the Idaho Department of Agriculture by letter dated December 21, 2006.

Grade A Raw Milk Permit #280251, issued to L&L Dairy, issued on November 2, 2001.

Fixed Price Contract between Dairy Farmers of America, Inc. and L&L Dairy, dated April 13, 2007, Confirmation of Transaction under the Master Agreement dated as of April 11, 2007.

All other permits, licenses and governmental approvals required for the ownership and operation of the Dairy Business and the Land.

EXHIBIT D
PERSONAL PROPERTY

Ace triple K
Belarus Tractor
Brillion Ground Worker
Gehl 1000 Chopper
Gehl Corn Head
Gehl Hay Head
Heston Straw Spreader
Heston 8400 Swather
International 510 Grain Drill
International 315 Ground worker
International 400 Corn Planter
John Deere 13 foot Disk
John Deere 4440 Tractor
John Deere Grain Drills
John Deere 8450 Plow
John Deere 700 Rakes
John Deere Ripper
New Holland L785 Skid Steer
New Holland manure Spreader
New Idea Manure Spreader
Oswalt 465 Mixer Box

Pumps Serial #'s

Motor serial #'s

Johnston	JX14055	25 hp		
Richmond	serial # unknown			
Johnston	JX14057			
Johnston	JX14054			
Peerless	223990			
Goules	212B573.1		4743850G59	100hp
Goules	212B573.2		474B850G59	100hp
			3721126	40hp
			unknown	200hp
			3718266	60hp
			c268101171Jc1006283	
Peerless	223980		BJJ214137	100hp
G.E.				
Johnston	unknown	100hp	CJJ314479	60hp - hollow shaft high thrust - U.S.
Peerless	F			
Johnston	unknown			
G.E.			GGJ707113	100hp
G.E.			CFJ325136	150hp ✓
Peerless	F18145			
Peerless	unknown			
Westinghouse			7505	200hp ✓
Peerless	F18144			
Peerless	unknown			
	unknown		C1006564	200hp hollow shaft
	unknown		383288	25hp U.S.
G.E.	unknown	200hp	unknown	200hp
G.E.	unknown	200hp	unknown	200hp

NOTE: Each motor has it's own panel

Pivots

Gifford Hill	36770-022875
Gifford Hill	12-049-041377
Gifford Hill	unknown
Gifford Hill	44170-090475
Valley	C360256

DAIRY - MILKING EQUIPMENT AND TANKS

	Estimated Cost New	Physical Depreciation	Depr. Value
7000 Gallon bulk tank capacity (2 tanks):	\$ 90,500	5% \$ 4,525	\$ 85,975
Double 10 Herringbone stanchions: 20 @ \$7,500	\$150,000	15% \$22,500	\$127,500
Milking equipment: Base \$8,900 + 20 @ \$600	\$20,900	15% \$ 3,135	\$ 17,765
ESTIMATED DEPRECIATED VALUE OF MILKING EQUIPMENT AND TANKS			\$231,240

EXHIBIT E
STANDARD INSURANCE REQUIREMENTS

I. PROPERTY INSURANCE:

An ORIGINAL (or certified copy) All-Risk Hazard Insurance Policy or ORIGINAL Acord 27 Certificate of Insurance naming the borrowing entity as an insured, reflecting coverage of 100% of the replacement cost, and written by a carrier approved by Lender with a current Best's Insurance Guide Rating of at least A- IX (which is authorized to do business in the state in which the property is located) that includes:

1. Lender's Loss Payable Endorsement with a Severability of Interest Clause with a 30-day notice to Lender in the event of cancellation, non-renewal or material change
2. Replacement Cost Endorsement
3. No Coinsurance Clause
4. Special Perils Coverage
5. Vandalism and Malicious Mischief Coverage
6. "Non-Contributory Mortgagee" Endorsement
7. Eighteen months' business interruption insurance in an amount acceptable to Lender
8. Waiver of Subrogation Endorsement as to Lender
9. Extra Expense Coverage

II. LIABILITY INSURANCE

An ORIGINAL Acord 25 Certificate of General Comprehensive Liability Insurance naming the borrowing entity as an insured, and written by a carrier approved by Lender with a current Best's Insurance Guide Rating of at least A- IX (which is authorized to do business in the state in which the property is located) that includes:

1. \$2,000,000 per occurrence
2. \$4,000,000 annual aggregate limit
3. \$2,000,000 excess or umbrella liability coverage

Additional Insured Endorsement naming AgriCap Financial Corporation as an additional insured with a 30-day notice to Lender in the event of cancellation, non-renewable or material change

III. WORKER'S COMPENSATION

An ORIGINAL Certificate of Worker's Compensation coverage in the statutory amount, naming the Borrowers and written by a carrier approved by Lender if Borrower now or in the future has employees.

3734142_1.DOC

T4S R1E S14

SENE

SWNW

T4S R1E S13

NESE

NWSW

SESE

SWSW

NENE

NWNW

T4S R1E S23

SENE

SWNW

T4S R1E S24

