

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Security Interest in a Water Right

And Request for Notification of a Change in Ownership or Any Proposed
Or Final Action to Amend, Transfer, or Otherwise Modify a Water Right

Please print or type. Attach pages with additional information. Instructions are on the back of this page.
Incomplete forms will be returned.

DE✓

RECEIVED

JAN 07 2008

DEPT. OF WATER RESOURCES
SOUTHERN REGION

1. Water Right No(s): PD # 36-16396

Adjudication Claim No(s): _____

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

A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**

B) A **FEE** of **\$25.00** per water right or adjudication claim.

3. Name and Mailing Address of Person or Company holding Security Interest

JP Morgan Chase Bank
10 South Dearborn, Chicago, IL 60603
Mail Code IL 1-0364, Attn: Jason Rastorski

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

Horizon Organic Dairy, LLC (successor by
merger with Horizons Organic Dairy, Idaho Farm, Inc.)

5. Expiration Date of Notification Period

April 2, 2014

6. Is this a Renewal of Request for Notification?

☐ YES

☒ NO

7. Signature(s) of Security Interest holder(s)
(and title if applicable)

Jason R. Rastorski
Vice President

For Office Use Only

Received by [Signature]

Date

1/7/08

Fee \$25

Receipted by [Signature]

Date

1/8/08

Receipt No.

SC29917

Processed by [Signature]

AJ

Date

WR

Date

This document was prepared
by and after recording
should be returned to:

Paul D. Monson, Esq.
Sidley Austin LLP
One South Dearborn Street
Chicago, Illinois 60603

Jerome County, Idaho

MORTGAGE, SECURITY AGREEMENT,
FINANCING STATEMENT AND
ASSIGNMENT OF RENTS AND LEASES

THIS MORTGAGE, SECURITY AGREEMENT, FINANCING STATEMENT
AND ASSIGNMENT OF RENTS AND LEASES (as may be amended, restated, supplemented
or otherwise modified from time to time, the "Mortgage") entered into as of December 14, 2007
but effective as of September 23, 2007 by HORIZON ORGANIC DAIRY, LLC, a Delaware
limited liability company ("Mortgagor"), having its principal place of business at c/o Dean Foods

Dean Foods Company, 2515 McKinney Avenue, Suite 1200, Dallas, Texas 75201, Attention: Legal Department to JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (“Mortgagee”) having an office at 10 South Dearborn Street, Chicago, Illinois 60670, as Administrative Agent (the “Administrative Agent”) for its benefit and for the benefit of the “Holders of Secured Obligations” as defined in the Credit Agreement (as hereinafter defined). The term “Holders of Secured Obligations” shall include those who are, and those who may hereafter become, Holders of Secured Obligations (as defined in the Credit Agreement). Except as otherwise provided herein, all capitalized terms used but not defined herein shall have the respective meanings given to them in the Credit Agreement.

WITNESSETH:

WHEREAS, DEAN FOODS COMPANY, a Delaware corporation (the “Borrower”), Administrative Agent and the institutions from time to time a party thereto as Lenders are entering into an Amended and Restated Credit Agreement dated as of April 2, 2007 (as amended, restated, modified, supplemented or substituted from time to time, the “Credit Agreement”);

WHEREAS, pursuant to and following satisfaction of the conditions set forth in the Credit Agreement, the Lenders have made certain Loans, and Mortgagee and Lenders have agreed to extend certain other financial accommodations from time to time to Borrower;

WHEREAS, Mortgagor is a subsidiary of Borrower and has derived and will continue to derive direct and indirect economic benefit from the financial accommodations made by the Lenders to Borrower, and Mortgagor executed an Amended and Restated Subsidiary Guaranty, dated as of April 2, 2007, as a Subsidiary Guarantor, pursuant to which Mortgagor has unconditionally and irrevocably guaranteed the full and prompt payment of the Secured Obligations of Borrower to the Holders of Secured Obligations under or in connection with the Credit Agreement and other Loan Documents; and

WHEREAS, the Mortgagee and Lenders have required, as a condition, among others, to the effectiveness of the Credit Agreement and the other Loan Documents, that Mortgagor enter into this Mortgage and grant to Mortgagee the liens and security interests referred to herein to secure (i) payment of the principal amount evidenced by the Loan Documents (in the initial principal amount of Four Billion Eight Hundred Million And No/100 Dollars (\$4,800,000,000.00), and upon the fulfillment of certain conditions by the Borrower, an additional Five Hundred Million And No/100 Dollars (\$500,000,000.00)) together with interest thereon; (ii) payment of the principal amount, together with interest thereon, of all present and future advances of money made by Mortgagee or Lenders to the Borrowers, the Mortgagor or the other Subsidiary Guarantors, including, without limitation, the reborrowing of principal previously repaid pursuant to the Credit Agreement, as well as all other Secured Obligations; (iii) payment and performance of the Mortgagor’s obligations under the Subsidiary Guaranty; and (iv) other payment and performance obligations related to this Mortgage (the aforesaid obligations, including the Mortgagor’s obligations under the Subsidiary Guaranty and the Secured Obligations, together with any other obligations evidenced by the Loan Documents plus interest and all other payment and performance obligations under the Loan Documents being hereinafter referred to collectively as the “Liabilities”).

NOW, THEREFORE, in consideration of the premises contained herein and to secure payment and performance of the Liabilities and in consideration of One Dollar (\$1.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Mortgagor does hereby assign, bargain, sell, pledge, grant, remise, release, alien, convey, mortgage and warrant to Mortgagee, its successors and assigns, the following described real estate (the "Land") in Jerome County, Idaho and all of the other real property portions of the Mortgaged Property (as defined below), and does further grant a security interest to Mortgagee, its successors and assigns, in all Personal Property (as defined below) as well as all other Mortgaged Property (as defined below) as may be secured under the Uniform Commercial Code (the "Code") in effect in the State of Idaho (the "State") (terms defined in the Code which are not otherwise defined in this Mortgage are used herein as defined in the Code):

See Exhibit A attached hereto and by this reference made a part hereof for the legal description of the Land

which Land, together with all right, title and interest, if any, which Mortgagor may now have or hereafter acquire in and to all improvements, buildings and structures now or hereafter located thereon of every nature whatsoever, is herein called the "Premises".

TOGETHER WITH all right, title and interest, if any, including any after-acquired right, title and interest, and including any right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to (a) all easements, rights of way, gores of land or any lands occupied by streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, and public places adjoining said Land, and any other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto, (b) all hereditaments, gas, oil, minerals (together (in each case, whether or not extracted from the Premises) with the right to extract, sever and remove such gas, oil and minerals), and easements, of every nature whatsoever, located in or on the Premises and all other rights and privileges thereunto belonging or appertaining, (c) all water, ditch, well and reservoir rights which are appurtenant to or which have been used in connection with the Land, (d) all development rights associated with the Land, whether previously or subsequently transferred to the Land from other real property or now or hereafter susceptible of transfer from such Land to other real property, (e) any land lying between the boundaries of the Land and the center line of any adjacent street, road, avenue or alley, whether opened or proposed, (f) all other or greater rights and interests of every nature in the Mortgaged Property and in the possession or use thereof and income therefrom, whether now owned or hereafter acquired by Mortgagor, and (g) all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described in subparagraphs (a) through (f) above (hereinafter the "Property Rights").

TOGETHER WITH all right, title and interest, if any, including any after-acquired right, title and interest, and including any right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to all fixtures and appurtenances of every nature whatsoever owned by Mortgagor now or hereafter located in, on or attached to, and used or intended to be used in connection with, or with the operation of, the Premises, including, but not limited to (a) all apparatus, machinery and equipment of Mortgagor and (b) all extensions,

additions, improvements, betterments, renewals, substitutions and replacements to or of any of the foregoing (the items described in the foregoing clauses (a) and (b) being the “Fixtures”); as well as all personal property and equipment of every nature whatsoever owned by Mortgagor, including but not limited to (c) inventory; (d) equipment; (e) all insurance proceeds of or relating to any of the foregoing; (f) all other items of “Collateral” as that term is defined in the Security Agreement; (g) all of Mortgagor’s books and records relating to any of the foregoing; and (h) all accessions and additions to, substitutions for, and replacements, products and proceeds of any of the foregoing clauses (c) through (g) (the items described in the foregoing clauses (c) through (h) and any other personal property referred to in this paragraph, but excluding in any event any “Excluded Collateral” and “Excluded Receivables” (as defined in the Security Agreement), being the “Personal Property”). It is mutually agreed, intended and declared that the Premises and all of the Property Rights and Fixtures owned by Mortgagor (referred to collectively herein as the “Real Property”) shall, so far as permitted by law, be deemed to form a part and parcel of the Land and for the purpose of this Mortgage to be real estate and covered by this Mortgage. It is also agreed that if any of the property herein mortgaged is of a nature so that a security interest therein can be perfected under the Code in effect in the State, this instrument shall constitute a security agreement, fixture filing and financing statement, and Mortgagor agrees to execute, deliver and file or refile, and hereby authorizes Mortgagee to prepare and file or refile, without Mortgagor’s consent, any financing statement, continuation statement, or other instruments Mortgagee may reasonably require from time to time to perfect or renew such security interest under the Code. To the extent permitted by law, (i) all of the Fixtures are or are to become fixtures on the Land and (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a “fixture-filing” within the meaning of Sections 28-9-102, 28-9-501 and 28-9-502 of the Code. Subject to the terms and conditions of the Credit Agreement, the remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be as prescribed herein or by general law, or, as to that part of the security in which a security interest may be perfected under the Code, by the specific statutory consequences now or hereafter enacted and specified in the Code, all at Mortgagee’s sole election.

TOGETHER WITH all the estate, right, title and interest of the Mortgagor in and to (i) all judgments, insurance proceeds, awards of damages and settlements resulting from condemnation proceedings or the taking of the Real Property, or any part thereof, under the power of eminent domain or for any damage (whether caused by such taking or otherwise) to the Real Property, or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Real Property or any part thereof; and (except as otherwise provided herein or in the Credit Agreement) the Mortgagee is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and to apply the same as provided in the Credit Agreement; (ii) all contract rights, accounts, general intangibles, actions and rights in action relating to the Real Property or the Personal Property including, without limitation, all rights to insurance proceeds and unearned premiums arising from or relating to damage to the Real Property or the Personal Property; (iii) all accounts and payment intangibles arising out of the sales at the wellhead or mine head of oil, gas or other minerals in which the Mortgagee had an interest before extraction thereof, but excluding in any event any “Excluded Collateral” and “Excluded Receivables” (as defined in the Security Agreement); (iv) all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Real Property and the Personal Property; (v) all trademarks, trade names

and other intellectual property, together with the registrations and right to all renewals thereof, and the goodwill of the business of the Mortgagor; and (vi) all patents and copyrights owned by the Mortgagor. (The rights and interests described in this paragraph shall hereinafter be called the "Intangibles".)

TOGETHER WITH all furniture, furnishings, goods, chattels, appliances, apparatus, machinery and equipment of any nature whatsoever owned by Mortgagor and all of Mortgagor's tangible personal property, and the proceeds therefrom, now or at any time hereafter owned by Mortgagor.

As additional security for the Liabilities secured hereby, Mortgagor (i) does hereby absolutely pledge and assign to Mortgagee, for the benefit of the Holders of Secured Obligations, from and after the date hereof (including any period of redemption), primarily and on a parity with the Real Property, and not secondarily, all the rents, issues and profits of the Real Property and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including any letters of credit, letter-of-credit rights supporting obligations, or other credit support for any rents or leases and all deposits of money as advance rent, for security or as earnest money or as down payment for the purchase of all or any part of the Real Property) (the "Rents") under any and all present and future leases, subleases, contracts or other agreements relative to the ownership or occupancy of all or any portion of the Real Property (the "Leases"), and (ii) except to the extent such a transfer or assignment is not permitted by the terms thereof, does hereby transfer and assign to Mortgagee, for the benefit of the Holders of Secured Obligations, all such leases and agreements (including all of Mortgagor's rights under any contracts for the sale of any portion of the Mortgaged Property and all revenues and royalties under any oil, gas and mineral leases relating to the Real Property). Mortgagee hereby licenses to Mortgagor, until an Event of Default (as hereinafter defined) shall have occurred, the right to collect, use and expend the Rents as they become due and payable under the Leases, but not more than one (1) month in advance thereof, provided that the existence of such right shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Mortgagor, and any such subsequent assignment shall be subject to the rights of the Mortgagee under this Mortgage. Mortgagor further agrees to execute and deliver such assignments of leases or assignments of land sale contracts as Mortgagee may from time to time request. In the event of an Event of Default (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all of the Leases with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the Real Property and collect the Rents, applying the same upon the Liabilities in the manner provided in the Credit Agreement, and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers or other persons occupying or otherwise acquiring any interest in any part of the Real Property to pay the Rents due under the Leases to the Mortgagee upon request of the Mortgagee. Upon an occurrence of an Event of Default, Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect the Rents, with full power to bring suit for collection of the Rents and possession of the Real Property, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that (i) this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee to make or cause to be made any repairs that may be needful or necessary and (ii) Mortgagee agrees that until such Event of Default as aforesaid,

Mortgagee shall permit Mortgagor to perform the aforementioned management responsibilities. Upon Mortgagee's receipt of the Rents, at Mortgagee's option, it may use the proceeds of the Rents to pay: (1) reasonable charges for collection thereof or hereunder, costs of necessary repairs and other costs requisite and necessary during the continuance of this power of attorney and assignment of rents, (2) general and special taxes, insurance premiums, and (3) any or all of the Liabilities pursuant to the provisions of the Credit Agreement. This power of attorney and assignment of rents shall be irrevocable until this Mortgage shall have been satisfied and released of record and the releasing of this Mortgage shall act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserves the right and privilege (but assumes no obligation) to demand, collect, sue for, receive and recover the Rents, or any part thereof, now existing or hereafter made, and apply the same in accordance with the provisions of the Credit Agreement.

All of the property described above, and each item of property therein described, not limited to but including the Land, the Premises, the Property Rights, the Fixtures, the Personal Property, the Real Property, the Intangibles, the Rents and the Leases, is herein referred to as the "Mortgaged Property."

Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the taking of actual possession of the Mortgaged Property by the Mortgagee. Nothing contained in this Mortgage shall be construed as imposing on Mortgagee any of the obligations of the lessor under any Lease of the Mortgaged Property in the absence of an explicit assumption thereof by Mortgagee. In the exercise of the powers herein granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

TO HAVE AND TO HOLD the Mortgaged Property, properties, rights and privileges hereby conveyed or assigned, or intended so to be, unto Mortgagee, its beneficiaries (including the Holders of Secured Obligations), successors and assigns, forever for the uses and purposes herein set forth. Mortgagor hereby releases and waives all rights under and by virtue of the homestead exemption laws, if any, of the State and Mortgagor hereby covenants, represents and warrants that, at the time of the enrolling and delivery of these presents, Mortgagor is well seised of the Mortgaged Property in fee simple and with full legal and equitable title to the Mortgaged Property, with good right, full power and lawful authority to sell, assign, convey and mortgage the Mortgaged Property, and that the title to the Mortgaged Property is free and clear of all Liens and other encumbrances, except for the Permitted Encumbrances, and that, except for the Permitted Encumbrances, Mortgagor will warrant and forever defend the same against all lawful claims.

The following provisions shall also constitute an integral part of this Mortgage:

1. Payment of Taxes on the Mortgage. Without limiting any of the provisions of the Credit Agreement, Mortgagor agrees that, if the United States or any department, agency or bureau thereof or if the State or any of its subdivisions having jurisdiction shall at any time require documentary stamps to be affixed to this Mortgage or shall levy, assess, or charge any tax, assessment or imposition upon this Mortgage or the credit or indebtedness secured hereby or the interest of Mortgagee in the Premises or upon Mortgagee by reason of or

as holder of any of the foregoing then, Mortgagor shall pay for such documentary stamps in the required amount and deliver them to Mortgagee or pay (or reimburse Mortgagee for) such taxes, assessments or impositions. Mortgagor agrees to exhibit to Mortgagee, at least annually and at any time upon request, official receipts showing payment of all taxes, assessments and charges which Mortgagor is required or elects to pay hereunder. Mortgagor agrees to indemnify Mortgagee against liability on account of such documentary stamps, taxes, assessments or impositions, whether such liability arises before or after payment of the Liabilities and regardless of whether this Mortgage shall have been released.

2. Leases Affecting the Real Property. Mortgagor agrees faithfully to perform all of its obligations under all present and future Leases at any time assigned to Mortgagee as additional security, and to refrain from any action or inaction which would result in termination of any such Leases, other than in accordance with the terms thereof, or in the diminution of the value thereof or of the Rents due thereunder. All future Leases made after the date of recording of this Mortgage shall include provisions requiring the lessees thereunder, at Mortgagee's option and without any further documentation, to attorn to Mortgagee as lessor if for any reason Mortgagee becomes lessor thereunder, and, upon demand, pay rent to Mortgagee, and Mortgagee shall not be responsible under such Lease for matters arising prior to Mortgagee becoming lessor thereunder. In addition, Mortgagee shall have the right at any time hereafter, upon notice to the applicable lessee thereunder, but without any further documentation or consent, to unilaterally subordinate the lien of this Mortgage to any Lease.

3. Use of the Real Property. Mortgagor agrees that it shall not permit the public to use the Real Property in any manner that might tend, in Mortgagee's reasonable judgment, to impair Mortgagor's title to such property or any portion thereof, or to make possible any claim or claims of easement by prescription or of implied dedication to public use. Mortgagor shall not use or permit the use of any part of the Real Property for an illegal purpose, including, without limitation, the violation of any environmental laws, statutes, codes, regulations or practices.

4. Indemnification. Without limiting any indemnification Borrower has granted in the Credit Agreement, Mortgagor agrees to indemnify and hold harmless Mortgagee and Lenders from and against any and all losses, suits, liabilities, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including reasonable attorneys' and paralegals' fees, court costs and disbursements) which may be imposed on, incurred or paid by or asserted against either the Mortgaged Property, the Mortgagee or the Lenders by reason or on account of or in connection with (i) the construction, reconstruction or alteration of the Mortgaged Property, (ii) any negligence or misconduct of the Borrower, Mortgagor or any other Subsidiary Guarantors, any lessee of the Mortgaged Property, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees, (iii) any accident, injury, death or damage to any person or property occurring in, on or about the Mortgaged Property or any street, drive, sidewalk, curb or passageway adjacent thereto, or (iv) any other transaction arising out of or in any way connected with the Mortgaged Property; provided that such indemnity shall not be available in the event any of the foregoing arises as a result of gross negligence or willful misconduct of Mortgagee or any Lender.

5. Insurance. Mortgagor shall, at its sole expense, obtain for, deliver to, assign and maintain for the benefit of Mortgagee and Lenders, until the Liabilities are paid in full, insurance policies as may reasonably be required by Mortgagee and as specified in the Credit Agreement. Moreover, if required by applicable laws, rules or regulations or by Mortgagee, Mortgagor shall purchase flood insurance covering the Mortgaged Property in such amounts as may be required or otherwise specified. In the event of a casualty loss, the net insurance proceeds from such insurance policies shall be collected, paid and applied as specified in the Credit Agreement.

6. Condemnation Awards. Mortgagor hereby assigns to Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the Mortgaged Property for public use, and Mortgagor agrees that the proceeds of all such awards shall be collected, paid and applied as specified in the Credit Agreement.

7. Remedies. Subject to the provisions of the Credit Agreement, upon the occurrence of a Default under the terms of the Credit Agreement ("Event of Default"), in addition to any rights and remedies provided for in the Credit Agreement and/or the Subsidiary Guaranty, Mortgagee may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Mortgaged Property, including, but not limited to the following actions, each of which may, to the extent permitted by applicable law, be pursued concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Mortgagee:

(a) Institute proceedings, judicial or otherwise, for the complete foreclosure of this Mortgage under any applicable provision of law in which case the Mortgaged Property or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner.

(b) Institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Credit Agreement or in the other Loan Documents.

(c) Apply for the appointment of a receiver, trustee, liquidator or conservator of the Mortgage Property, without notice and without regard for the adequacy of the security for the Liabilities and without regard for the solvency of Mortgagor or of any person, firm or other entity liable for the payment of the Liabilities.

(d) Subject to any applicable law, the license granted to Mortgagor pursuant to this Mortgage shall automatically be revoked and Mortgagee may enter into or upon the Real Property, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Real Property and of such books, records and accounts to Mortgagee upon demand, and thereupon Mortgagee may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Real Property and conduct the business thereat; (ii) complete

any construction on the Real Property in such manner and form as Mortgagee deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Real Property; (iv) exercise all rights and powers of Mortgagor with respect to the Real Property, whether in the name of Mortgagor or otherwise, including without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect, and receive all Rents of the Real Property and every part thereof; (v) require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Real Property as may be occupied by Mortgagor; and (vi) require Mortgagor to vacate and surrender possession of the Real Property to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise.

(e) Exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing: (i) the right to take possession of the Personal Property or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Personal Property, and (ii) request Mortgagor at its expense to assemble the Personal Property and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Personal Property sent to Mortgagor in accordance with the provisions hereof at least ten (10) days prior to such action, shall constitute commercially reasonable notice to Mortgagor.

8. Application of the Rents or Proceeds from Foreclosure or Sale. In any foreclosure of this Mortgage by judicial action, or any sale of the Mortgaged Property by advertisement, in addition to any of the terms and provisions of the Credit Agreement, there shall be allowed (and included in the decree for sale in the event of a foreclosure by judicial action) to be paid out of the Rents or the proceeds of such foreclosure proceeding and/or sale:

(a) Liabilities. All of the Liabilities and other sums secured hereby which then remain unpaid; and

(b) Other Advances. All other items advanced or paid by Mortgagee pursuant to this Mortgage; and

(c) Costs, Fees and Other Expenses. All court costs, reasonable attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, filing fees and transfer taxes, notice expenses, expenditures for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee in the reasonable exercise of its judgment may deem necessary. All such expenses shall become additional Liabilities secured hereby when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings or a deed in lieu of foreclosure, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosure, whether or not actually commenced, or sale by advertisement. The proceeds of any sale

(whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale) shall be distributed and applied in accordance with the terms of the Credit Agreement.

9. Cumulative Remedies; Delay or Omission Not a Waiver. Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on the occurrence or existence of any Event of Default shall impair any such remedy or right or be construed to be a waiver of any such Event of Default or acquiescence therein, or rights with respect to any other Event of Default, nor shall it affect any subsequent Event of Default of the same or different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

10. Mortgagee's Remedies Against Multiple Parcels. If more than one property, lot, parcel or Lease is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any Liabilities secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon or Mortgagee may exercise its power of sale against any one or more of the properties, lots, parcels or Leases and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

11. No Merger. In the event of a foreclosure of this Mortgage or any other mortgage, deed of trust or deeds to secure debt securing the Liabilities, the Liabilities then due the Mortgagee shall not be merged into any decree of foreclosure entered by the court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages, deeds of trust, or deeds to secure debt which also secure said Liabilities.

12. Notices. All notices required or permitted to be given under this Mortgage shall be sent (and deemed received) in the manner and to the addresses set forth in Article IX of the Credit Agreement and to the Mortgagor at the address set forth above; and any such notice delivered to the Mortgagor shall be deemed to have been delivered to the Borrower and each of the Subsidiary Guarantors.

13. Extension of Payments. Mortgagor agrees that, without affecting the liability of any person for payment of the Liabilities secured hereby or affecting the lien of this Mortgage upon the Mortgaged Property or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), Mortgagee may at any time and from time to time, on request of either the Borrower, the Mortgagor or the other Subsidiary Guarantors, without notice to any person liable for payment of any Liabilities secured hereby, but otherwise subject to the provisions of the Credit Agreement, extend the time, or agree to alter or amend the terms of payment of such Liabilities. Mortgagor further agrees that any part of the security herein described may be released with or without consideration without affecting the remainder of the Liabilities or the remainder of the security.

14. Governing Law. Except where the law of the State is expressly referenced in this Mortgage (including in Section 19 hereof), this Mortgage and all obligations secured

hereby are governed by and to be construed in accordance with the internal laws, but otherwise without regard to the conflict of laws provisions, of the State of New York. The parties stipulate and agree that the State of New York has a substantial relationship to the underlying transactions related to this Mortgage and the parties involved. Notwithstanding the foregoing, the parties stipulate and agree that State law governs issues of lien creation and priority and the procedures for enforcing, in the State, provisional remedies directly related to the real property encumbered hereby, including, without limitation, appointment of a receiver. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

15. Satisfaction of Mortgage. Upon full payment of all the Liabilities (other than contingent indemnity obligations), at the time and in the manner provided in the Credit Agreement, or upon satisfaction of the conditions set forth in the Credit Agreement for release of the Mortgaged Property from this Mortgage, this conveyance or lien shall terminate and, upon demand therefor following such payment or satisfaction of the conditions set forth in the Credit Agreement for release of the Mortgaged Property, as the case may be, a satisfaction of mortgage or reconveyance of the Mortgaged Property shall promptly be provided by Mortgagee to Mortgagor.

16. Successors and Assigns Included in Parties. This Mortgage shall be binding upon the Mortgagor and upon the successors, assigns and vendees of the Mortgagor and the assigns, vendees and other transferees of the Mortgaged Property and shall inure to the benefit of the Mortgagee's successors and assigns; all references herein to the Mortgagor and to the Mortgagee shall be deemed to include their respective successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for the Mortgagor. Wherever used, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

17. Waiver of Appraisal, Valuation, Stay, Extension and Redemption Laws. Mortgagor agrees, to the full extent permitted by law, that at all times following an Event of Default, neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, extension, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage or the absolute sale of the Mortgaged Property or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser thereat; and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws and any and all right to have the assets comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof and agrees that Mortgagee or any court having jurisdiction to foreclose such lien may sell the Mortgaged Property in part or as an entirety. To the full extent permitted by law, Mortgagor hereby waives any and all statutory or other rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof.

18. Interpretation with Other Documents. Notwithstanding anything in this Mortgage to the contrary, in the event of a conflict or inconsistency between this Mortgage and the Credit Agreement, the provisions of the Credit Agreement shall govern.

19. Revolving Credit. This Mortgage is given to secure a “revolving” loan and a “term” loan as both are defined and authorized under the Credit Agreement, and it shall secure not only all of the obligations of Mortgagor under the Credit Agreement and the other Loan Documents (including the Subsidiary Guaranty) and presently existing indebtedness under the Credit Agreement and the other Loan Documents (including the Subsidiary Guaranty) but also future advances (whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise), to the same extent and with the same priority as if such future advances were made on the date of the execution of this Mortgage and without regard as to whether or not there is any advance made at the time of execution of this Mortgage and without regard as to whether or not there is any indebtedness outstanding at the time any advance is made. Subject to the limitations upon the maximum amount secured hereby, This Mortgage secures all present and future loan disbursements made by the Lenders under the Credit Agreement, and all other sums from time to time owing to the Holders of Secured Obligations by Borrower and/or Mortgagor under the Loan Documents. Notwithstanding anything contained in this Mortgage to the contrary, the maximum principal amount which may be secured hereby at any one time is Seven Billion And No/100 Dollars (\$7,000,000,000.00), plus interest thereon, and any disbursements made by Mortgagee for the payment of taxes, special assessments, or insurance on the Property, with interest on such disbursements. To the full extent permitted by law, the lien of this Mortgage, as to all such sums so advanced, shall have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the property secured by the Mortgage.

20. Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in this Mortgage shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein or in the Credit Agreement shall not be in any way affected, prejudiced or disturbed thereby. In the event that the application of any of the covenants, agreements, terms or provisions of this Mortgage is held to be invalid, illegal or unenforceable, those covenants, agreements, terms and provisions shall not be in any way affected, prejudiced or disturbed when otherwise applied.

21. Changes. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. To the extent permitted by law, any agreement hereafter made by Borrower and/or Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

22. Time of Essence. Time is of the essence with respect to the provisions of this Mortgage.

23. No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Mortgage. In the event an ambiguity or question of intent or

interpretation arises, this Mortgage shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Mortgage.

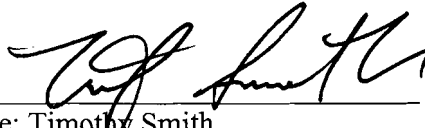
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this instrument is executed as of the day and year first above written by the person or persons identified below on behalf of Mortgagor (and said person or persons hereby represent that they possess full power and authority to execute this instrument).

THE MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT THE MORTGAGOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

MORTGAGOR:

HORIZON ORGANIC DAIRY, LLC,
a Delaware limited liability company

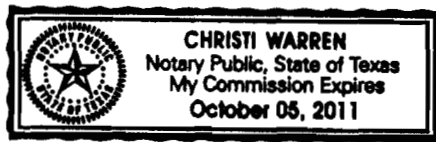
By: 
Name: Timothy Smith
Its: Vice President and Treasurer

THE STATE OF TEXAS

COUNTY OF Dallas

On this 14 day of December, 2007, before me, Christi Warren, the undersigned Notary Public in and for said State, personally appeared Timothy Smith, known or identified to me to be the Vice President and Treasurer of HORIZON ORGANIC DAIRY, LLC, a Delaware limited liability company, the above-described Mortgagor that executed the within instrument, or the person who executed the instrument on behalf of said Mortgagor, and acknowledged to me that such Mortgagor executed the same.

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



Christi Warren

Notary Public, State of Texas

Christi Warren

Printed Name of Notary

My Commission Expires:

10-05-2011

EXHIBIT A

Legal Description of the Premises

[see attached]

The attached legal description relates to the following:

ADDRESS OF PREMISES:

500 South 2600 East

Paul, Jerome County, Idaho

Based on information and records provided by the Mortgagor, the street address above relates to the attached legal description, however, in the event of a conflict between the street address and the legal description, the legal description shall control.

Legal Description

PARCEL NO. 1:

A PARCEL OF LAND LOCATED IN PART OF FARM TRACTS A, B, C & D IN SECTION 34, TOWNSHIP 8 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, AND FARM TRACTS A, B, C, D, E, & F IN SECTION 3, TOWNSHIP 9 SOUTH, RANGE 21 EAST, BOISE MERIDIAN, JEROME COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 3, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 3 BEARS NORTH 00°00'29" EAST, 2639.89 FEET;
THENCE SOUTH 89°53'08" WEST ALONG THE SOUTH BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 2643.43 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 3;
THENCE SOUTH 89°57'24" WEST ALONG THE SOUTH BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 172.83 FEET TO CORNER NUMBER 8 OF FARM TRACT E;
THENCE NORTH 00°05'18" EAST ALONG THE BOUNDARY OF SAID FARM TRACT E FOR A DISTANCE OF 596.79 FEET TO A CORNER NUMBER 7 OF FARM TRACT E;
THENCE NORTH 88°22'27" EAST ALONG THE BOUNDARY OF SAID FARM TRACT E FOR A DISTANCE OF 576.75 FEET TO CORNER NUMBER 6 OF FARM TRACT E;
THENCE NORTH 09°44'25" EAST ALONG THE BOUNDARY OF SAID FARM TRACT E FOR A DISTANCE OF 499.10 FEET;
THENCE NORTH 89°55'39" EAST FOR A DISTANCE OF 44.45 FEET;
THENCE NORTH 00°04'12" WEST FOR A DISTANCE OF 1197.43 FEET;
THENCE SOUTH 89°50'09" WEST FOR A DISTANCE OF 1556.93 FEET TO A POINT ON THE SOUTH BOUNDARY OF FARM TRACT B;
THENCE NORTH 69°17'38" WEST ALONG THE BOUNDARY OF SAID FARM TRACT B FOR A DISTANCE OF 457.21 FEET TO CORNER NUMBER 5 OF FARM TRACT B;
THENCE THE FOLLOWING COURSES AND DISTANCES ALONG THE CENTERLINE OF LATERAL 3B921;
SOUTH 87°54'52" WEST FOR A DISTANCE OF 242.22 FEET;
SOUTH 68°03'52" WEST FOR A DISTANCE OF 950.40 FEET;
SOUTH 89°57'52" WEST FOR A DISTANCE OF 62.04 FEET TO A POINT ON THE WEST BOUNDARY OF SECTION 3;
THENCE LEAVING SAID LATERAL CENTERLINE NORTH 00°01'53" WEST ALONG THE WEST BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 541.93 FEET TO THE WEST QUARTER CORNER OF SECTION 3;
THENCE NORTH 00°01'34" WEST ALONG THE WEST BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 2608.11 FEET TO THE NORTHWEST CORNER OF SECTION 3;
THENCE NORTH 00°02'52" EAST ALONG THE WEST BOUNDARY OF SAID SECTION 34 FOR A DISTANCE OF 1356.19;
THENCE SOUTH 89°57'08" EAST FOR A DISTANCE OF 233.50 FEET;
THENCE NORTH 00°02'52" EAST PARALLEL WITH THE WEST BOUNDARY OF SAID SECTION 34 FOR A DISTANCE OF 100.00 FEET TO A POINT ON THE CENTERLINE OF EE MAIN LATERAL;

THENCE FOLLOWING COURSES AND DISTANCES ALONG THE CENTERLINE OF EE MAIN LATERAL;

NORTH 81°29'56" EAST FOR A DISTANCE OF 44.80 FEET;
NORTH 61°44'50" EAST FOR A DISTANCE OF 44.52 FEET;
NORTH 45°33'17" EAST FOR A DISTANCE OF 83.27 FEET;
NORTH 22°35'14" EAST FOR A DISTANCE OF 80.74 FEET;
NORTH 10°17'15" EAST FOR A DISTANCE OF 111.25 FEET;
NORTH 23°17'10" EAST FOR A DISTANCE OF 51.55 FEET;
NORTH 76°06'14" EAST FOR A DISTANCE OF 135.90 FEET;
NORTH 67°07'13" EAST FOR A DISTANCE OF 136.06 FEET;
NORTH 83°40'25" EAST FOR A DISTANCE OF 118.96 FEET;
SOUTH 84°52'25" EAST FOR A DISTANCE OF 167.94 FEET;
NORTH 78°08'11" EAST FOR A DISTANCE OF 64.64 FEET;
NORTH 62°22'43" EAST FOR A DISTANCE OF 121.48 FEET;
NORTH 86°33'01" EAST FOR A DISTANCE OF 184.94 FEET;
SOUTH 61°07'05" EAST FOR A DISTANCE OF 330.71 FEET;
SOUTH 73°48'16" EAST FOR A DISTANCE OF 370.49 FEET;
SOUTH 65°34'48" EAST FOR A DISTANCE OF 142.49 FEET;
SOUTH 89°48'56" EAST FOR A DISTANCE OF 71.12 FEET;
NORTH 76°09'33" EAST FOR A DISTANCE OF 67.90 FEET;
NORTH 68°39'43" EAST FOR A DISTANCE OF 181.30 FEET;
SOUTH 72°19'47" EAST FOR A DISTANCE OF 119.13 FEET;
SOUTH 57°55'00" EAST FOR A DISTANCE OF 107.18 FEET;
NORTH 73°23'52" EAST FOR A DISTANCE OF 142.13 FEET;

THENCE NORTH 00°21'54" EAST LEAVING SAID EE MAIN LATERAL CENTERLINE FOR A DISTANCE OF 61.44 FEET TO CORNER NUMBER 3 OF FARM TRACT B IN SECTION 34;

THENCE NORTH 67°16'19" EAST ALONG THE BOUNDARY OF SAID FARM TRACT B FOR A DISTANCE OF 2063.29 FEET TO CORNER NUMBER 2 OF FARM TRACT B;

THENCE SOUTH 89°55'20" EAST ALONG THE BOUNDARY OF SAID FARM TRACT B FOR A DISTANCE 612.54 FEET TO CORNER NUMBER 1 OF FARM TRACT B AND BEING THE EAST BOUNDARY OF SAID SECTION 34;

THENCE SOUTH 00°03'46" WEST ALONG THE EAST BOUNDARY OF SAID SECTION 34 FOR A DISTANCE OF 2498.74 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 34;

THENCE SOUTH 00°01'59" EAST ALONG THE EAST BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 2604.89 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 3;

THENCE SOUTH 00°00'29" WEST ALONG THE EAST BOUNDARY OF SAID SECTION 3 FOR A DISTANCE OF 2639.89 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 2: A PARCEL OF LAND LOCATED IN PART OF FARM TRACTS D, G, H, J, K, L, & M, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 2, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 2 BEARS NORTH 00°00'27" EAST, 2639.23 FEET;

THENCE NORTH 89°35'10" WEST ALONG THE SOUTH BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 2640.43 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 2;

THENCE NORTH 89°38'31" WEST ALONG THE SOUTH BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 2639.70 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 2;

THENCE NORTH 00°00'29" EAST ALONG THE WEST BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 2012.99 FEET TO CORNER NUMBER 3 OF SAID FARM TRACT F IN SECTION 2;

THENCE NORTH 89°59'40" EAST ALONG THE BOUNDARY OF FARM TRACT F FOR A DISTANCE OF 779.57 FEET TO CORNER NUMBER 4 OF FARM TRACT F IN SECTION 2;

THENCE NORTH 01°24'09" WEST ALONG THE BOUNDARY OF FARM TRACT F FOR A DISTANCE OF 392.64 FEET TO CORNER NUMBER 5 OF FARM TRACT F IN SECTION 2;

THENCE NORTH 10°44'02" WEST ALONG THE BOUNDARY OF FARM TRACT F FOR A DISTANCE OF 313.62 FEET TO CORNER NUMBER 1 OF FARM TRACT F IN SECTION 2;

THENCE NORTH 90°00'00" EAST FOR A DISTANCE OF 576.08 FEET;

THENCE NORTH 52°32'36" EAST FOR A DISTANCE OF 1806.95 FEET;

THENCE NORTH 00°37'59" EAST FOR A DISTANCE OF 110.15 FEET;

THENCE SOUTH 89°58'33" EAST FOR A DISTANCE OF 2557.24 FEET TO A POINT ON THE EAST BOUNDARY OF SECTION 2;

THENCE SOUTH 00°01'01" WEST ALONG THE EAST BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 1318.05 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 2;

THENCE SOUTH 00°00'27" WEST ALONG THE EAST BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 2639.23 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A PARCEL LOCATED IN FARM TRACT J IN SECTION 2, TOWNSHIP 9 SOUTH, RANGE 21 EAST BOISE MERIDIAN, JEROME COUNTY, IDAHO, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 2;

THENCE NORTH 00°00'29" EAST ALONG THE WEST BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 1250.00 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 89°58'43" EAST FOR A DISTANCE OF 299.70 FEET;

THENCE NORTH 00°00'35" EAST FOR A DISTANCE OF 399.55 FEET;

THENCE SOUTH 89°58'43" WEST FOR A DISTANCE OF 299.71 FEET TO A POINT ON THE WEST BOUNDARY OF SAID SECTION 2;

THENCE SOUTH 00°00'29" WEST ALONG THE WEST BOUNDARY OF SAID SECTION 2 FOR A DISTANCE OF 399.55 FEET TO THE POINT OF BEGINNING.

Together with all A & B Irrigation District water rights, ground water right #36-16396, all other ground water rights, and all other water rights appurtenant thereto and/or to said parcel.

Also:

EXHIBIT A
PARCEL NO. 1

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN,
JEROME COUNTY, IDAHO

A TRACT OF LAND IN THE E½E½ OF SECTION 17, AND THE NW¼NW¼ OF SECTION 16, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 17, ALSO BEING THE NORTHWEST CORNER OF SAID SECTION 16;
THENCE SOUTH 89°44'20" WEST, 1,320.16 FEET TO THE NORTHWEST CORNER OF SAID E½ E½ SECTION 17;
THENCE SOUTH 0°07'52" EAST, 3,201.08 FEET ALONG THE WESTERLY BOUNDARY OF SAID E½ E½ SECTION 17;
THENCE NORTH 89°43'25" EAST, 1,318.92 FEET TO A POINT ON THE EASTERLY BOUNDARY OF SAID SECTION 17;
THENCE NORTH 0°06'32" WEST. 3,060.73 FEET ALONG THE EASTERLY BOUNDARY OF SAID SECTION 17;
THENCE NORTH 89°46'14" EAST, 945.00 FEET PARALLEL WITH THE NORTHERLY BOUNDARY OF SAID SECTION 16;
THENCE NORTH 0°60'32" WEST, 140.00 FEET PARALLEL WITH THE WESTERLY BOUNDARY OF SAID SECTION 16 TO THE NORTHERLY BOUNDARY OF SAID SECTION 16;
THENCE SOUTH 89°46'14" WEST, 945.00 FEET ALONG THE NORTHERLY BOUNDARY OF SAID SECTION 16 TO THE POINT OF BEGINNING.

PARCEL NO. 2

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 16: NW¼; W½NE¼; SE¼NE¼, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 16;
THENCE WEST ALONG THE NORTH LINE OF SECTION 16, A DISTANCE OF 674 FEET;
THENCE SOUTH PARALLEL WITH THE EAST LINE OF SECTION 16, 327 FEET;

THENCE EAST PARALLEL WITH THE NORTH LINE OF SECTION 16, 674 FEET, MORE OF LESS, TO THE EAST LINE.

THENCE NORTH ALONG SAID EAST LINE, 327 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE HIGHWAY.

SECTION 17: NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$

SECTION 20: E $\frac{1}{2}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{2}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$

EXCEPTING THEREFROM A TRACT OF LAND IN THE E $\frac{1}{2}$ E $\frac{1}{2}$, SECTION 17 AND NW $\frac{1}{4}$ NW $\frac{1}{4}$, SECTION 16, TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 17 ALSO BEING THE NORTHWEST CORNER OF SAID SECTION 16;

THENCE SOUTH 89°44'20" WEST, 1,320.16 FEET TO THE NORTHWEST CORNER OF SAID E $\frac{1}{2}$ E $\frac{1}{2}$, SECTION 17;

THENCE SOUTH 0°07'52" EAST, 3,201.08 FEET ALONG THE WESTERLY BOUNDARY OF SAID E $\frac{1}{2}$ E $\frac{1}{2}$, SECTION 17;

THENCE NORTH 89°43'25" EAST, 1,318.92 FEET TO A POINT ON THE EASTERLY BOUNDARY OF SAID SECTION 17;

THENCE NORTH 0°06'32" WEST, 3,060. FEET ALONG THE EASTERLY BOUNDARY OF SAID SECTION 17;

THENCE NORTH 89°46'14" EAST, 945.00 FEET PARALLEL WITH THE NORTHERLY BOUNDARY OF SAID SECTION 16;

THENCE NORTH 0°06'32" WEST, 140.00 FEET PARALLEL WITH THE WESTERLY BOUNDARY OF SAID SECTION 16 TO THE NORTHERLY BOUNDARY OF SAID SECTION 16;

THENCE SOUTH 89°46'14" WEST, 945.00 FEET ALONG THE NORTHERLY BOUNDARY OF SAID SECTION 16 TO THE POINT OF BEGINNING.

PARCEL NO. 3

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 16: THAT PART OF THE NE $\frac{1}{4}$ NE $\frac{1}{4}$, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 16;

THENCE WEST ALONG THE NORTH LINE OF SECTION 16, A DISTANCE OF 674 FEET;

THENCE SOUTH PARALLEL WITH THE EAST LINE OF SECTION 16, 327 FEET;

THENCE EAST PARALLEL WITH THE NORTH LINE OF SECTION 16, 674 FEET, MORE OR LESS, TO THE EAST LINE:

THENCE NORTH ALONG SAID EAST LINE, 327 FEET TO THE POINT OF BEGINNING

EXCEPTING THEREFROM THE HIGHWAY.

PARCEL NO. 4

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$

SECTION 21: S $\frac{1}{2}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

SECTION 28: ALL OF SECTION 28;

SECTION 29: E $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$

SECTION 32: N $\frac{1}{2}$ NE $\frac{1}{4}$

SECTION 33: N $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$

EXCEPTING THEREFROM THAT PART OF THE SE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 28, TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 28;
THENCE NORTH 0°02' WEST ALONG THE EAST BOUNDARY OF SAID SECTION 28, 395.59 FEET;
THENCE SOUTH 79°00'21" WEST, 485.62 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING SOUTH 79°00'21" WEST, 154.50 FEET;
THENCE NORTH 10°59'39" WEST, 55.00 FEET;
THENCE NORTH 79°00'21" EAST, 154.50 FEET;
THENCE SOUTH 10°59'39" EAST, 55.00 FEET TO THE TRUE POINT OF BEGINNING

AND EXCEPTING THEREFROM THAT PORTION OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 28, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 28, WHICH POINT SHALL BE KNOWN AS THE TRUE POINT OF BEGINNING;
THENCE WEST ALONG THE NORTH BOUNDARY OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$, 909.75 FEET
THENCE SOUTH PARALLEL TO THE EAST BOUNDARY OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$, 909.75 FEET;
THENCE EAST PARALLEL TO THE NORTH BOUNDARY OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$, 909.75 FEET TO A POINT ON THE EAST BOUNDARY OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$;
THENCE NORTH ALONG THE EAST BOUNDARY OF THE NE $\frac{1}{4}$ SE $\frac{1}{4}$, 909.75 FEET TO THE TRUE POINT OF BEGINNING;

PARCEL NO. 5

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 16: S $\frac{1}{2}$;

EXCEPTING THEREFROM THE HIGHWAY.

PARCEL NO. 6

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 17: SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$

SECTION 18: N $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

PARCEL NO. 7

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 22: SE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$

SECTION 27: E $\frac{1}{2}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$, EXCEPTING THEREFROM THE FOLLOWING DESCRIBE PARCEL OF LAND:

FROM A POINT OF BEGINNING LOCATED 714.75 FEET, MORE OR LESS, NORTH FROM THE SOUTHWEST CORNER OF SECTION 27, TO THE POINT OF INTERSECTION OF SAID SECTION LINE OR COUNTY ROAD CENTER LINE WITH THE NORTH BOUNDARY OF THE OREGON SHORT LINE RAILROAD NORTH SIDE BRANCH RIGHT OF WAY; THENCE RUNNING NORTH ALONG THE SECTION LINE OR CENTER LINE OF SAID COUNTY ROAD, 275.27 FEET; THENCE NORTH 78°46' EAST AND PARALLEL TO THE SAID RAILROAD RIGHT OF WAY CENTER LINE, 2691.57 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH THE NORTH-SOUTH MID-SECTION LINE; THENCE SOUTH ALONG SAID MID-SECTION LINE 275.27 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH THE NORTH RAILROAD RIGHT OF WAY BOUNDARY; THENCE SOUTH 78°46' WEST AND ALONG SAID NORTH RAILROAD RIGHT OF WAY BOUNDARY, 2691.57 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

AND EXCEPTING THEREFROM RAILROAD RIGHTS OF WAY.

TOGETHER WITH A PERMANENT EASEMENT AND RIGHT OF WAY, INCLUDING THE PERPETUAL RIGHT TO ENTER UPON THE EXCEPTED PORTION OF THE ABOVE DESCRIBED PROPERTY IN THE SW¼ OF SECTION 27, TOWNSHIP 9 SOUTH, RANGE 21, EAST OF THE BOISE MERIDIAN, FOR THE PURPOSE OF CONSTRUCTING, MAINTAINING AND REPAIRING UNDER GROUND PIPELINES FOR IRRIGATION WATER AS SET FORTH IN EASEMENT AGREEMENT RECORDED MAY 15, 1963 IN BOOK 174 PAGE 53 AS INSTRUMENT NUMBER 154714, JEROME COUNTY RECORDS.

SECTION 34: N½NW¼; N½NE¼

PARCEL NO. 8

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 27: NE¼NW¼;

PARCEL NO. 9

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 28: THAT PART OF THE SE¼SE¼, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 28:
THENCE NORTH 0°02' WEST ALONG THE EAST BOUNDARY OF SAID SECTION 28, 395.59 FEET;
THENCE SOUTH 79°00'21" WEST, 485.62 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING SOUTH 79°00'21" WEST, 154.50 FEET;
THENCE SOUTH 10°59'39" EAST, 55.00 FEET TO THE TRUE POINT OF BEGINNING.

AND

THAT PORTION OF THE NE¼SE¼, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 28, WHICH POINT SHALL BE KNOWN AS THE TRUE POINT OF BEGINNING;
THENCE WEST ALONG THE NORTH BOUNDARY OF THE NE¼SE¼, 909.75 FEET;
THENCE SOUTH PARALLEL TO THE EAST BOUNDARY OF THE NE¼ SE¼, 909.75 FEET;
THENCE EAST PARALLEL TO THE NORTH BOUNDARY OF THE NE¼ SE¼, 909.75 FEET TO A POINT ON THE EAST BOUNDARY OF THE NE¼SE¼;
THENCE NORTH ALONG THE EAST BOUNDARY OF THE NE¼SE¼, 909.75 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL NO. 10

TOWNSHIP 8 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, IDAHO

SECTION 32: E $\frac{1}{2}$ SE $\frac{1}{2}$

SECTION 33: N $\frac{1}{2}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$;

EXCEPTING THEREFROM THE HIGHWAY.

EXHIBIT B

PART OF THE SE $\frac{1}{4}$ OF SECTION 28 OF TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, STATE OF IDAHO.

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 28 OF T.9 S., R.21E., B.M., SAID CORNER MARKED BY A 5/8" REBAR;
THENCE NORTH 00 DEGREES 02 MINUTES 00 SECONDS WEST ALONG THE EAST LINE OF SECTION 28 FOR A DISTANCE OF 746.58 FEET TO A $\frac{1}{2}$ " REBAR WHICH SHALL BE THE POINT OF BEGINNING;
THENCE SOUTH 78 DEGREES 49 MINUTES 25 SECONDS WEST FOR A DISTANCE OF 885.48 FEET TO A $\frac{1}{2}$ " REBAR;
THENCE NORTH 00 DEGREES 02 MINUTES 00 SECONDS WEST FOR A DISTANCE OF 885.48 FEET TO A $\frac{1}{2}$ " REBAR;
THENCE NORTH 78 DEGREES 49 MINUTES 25 SECONDS EAST FOR A DISTANCE OF 885.48 FEET TO A $\frac{1}{2}$ " REBAR ON THE EAST LINE OF SECTION 28;
THENCE SOUTH 00 DEGREES 02 MINUTES 00 SECONDS EAST ALONG SAID LINE FOR A DISTANCE OF 885.48 FEET TO THE POINT OF BEGINNING.

SAID PROPERTY CONTAINS 17.66 ACRES MORE OR LESS AND IS SUBJECT TO A COUNTY ROAD RIGHT OF WAY ALONG THE EAST SIDE.

EXHIBIT C

TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN. JEROME COUNTY, IDAHO

SECTION 32: E $\frac{1}{2}$ SE $\frac{1}{4}$;

SECTION 33: N $\frac{1}{2}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$;

EXCEPTING THEREFROM THE HIGHWAY.

PART OF THE SE $\frac{1}{4}$ OF SECTION 28, TOWNSHIP 9 SOUTH, RANGE 21 EAST OF THE BOISE MERIDIAN, JEROME COUNTY, STATE OF IDAHO.

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 28, TOWNSHIP 9 SOUTH,
RANGE 21 EAST OF THE
BOISE MERIDIAN, SAID CORNER MARKED BY A 5/8" REBAR;
THENCE NORTH 00 DEGREES 02 MINUTES 00 SECONDS WEST ALONG THE EAST
LINE OF SECTION 28 FOR A DISTANCE OF 746.58 FEET TO A 1/2" REBAR WHICH
SHALL BE THE POINT OF BEGINNING;
THENCE SOUTH 78 DEGREES 49 MINUTES 25 SECONDS WEST FOR A DISTANCE OF
885.48 FEET TO A 1/2" REBAR;
THENCE NORTH 00 DEGREES 02 MINUTES 00 SECONDS WEST FOR A DISTANCE OF
885.48 FEET TO A 1/2" REBAR;
THENCE NORTH 78 DEGREES 49 MINUTES 25 SECONDS EAST FOR A DISTANCE OF
885.48 FEET TO A 1/2" REBAR ON THE EAST LINE OF SECTION 28;
THENCE SOUTH 00 DEGREES 02 MINUTES 00 SECONDS EAST ALONG SAID LINE
FOR A DISTANCE OF 885.48 FEET TO THE POINT OF BEGINNING.

Together with all A & B Irrigation District water rights, all ground water rights, and all other
water rights appurtenant thereto and/or to said parcel.