

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.

1. Water Right No(s): 34 - 2424 B  
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  
Idaho AgCredit, FLCA  
P.O. Box 386  
Rexburg, ID 83440
4. Name of Water Right Owner/Claimant(s) Mitchell D. Sorensen
5. Expiration Date of Notification Period 8-1-2026
6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO
7. Signature(s) (and title if applicable) Idaho AgCredit, FLCA  
by: Kute Powell

**For Office Use Only**

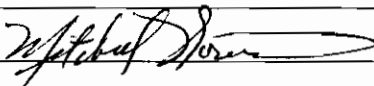
|                       |                      |                             |
|-----------------------|----------------------|-----------------------------|
| Received by _____     | Date _____           | Fee <u>\$25 -</u>           |
| Received by <u>JC</u> | Date <u>10-23-06</u> | Receipt No. <u>EU 32334</u> |
| Processed by _____    | Date _____           | WR _____ Date _____         |

**RECEIVED**  
**OCT 23 2006**  
Department of Water Resources  
Eastern Region

6. **If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 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 (one water right per box, you may copy this page as 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<br>(If the right(s) will not be split, skip this area and proceed to item 7) |                                                                            |                                                              |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------|
| Water Right and/or Adjudication Claim Number _____                                                                      |                                                                            |                                                              |
| Water Use                                                                                                               | Diversion Rate or Volume<br>(cubic feet per second or acre-feet per annum) | Description<br>(acres, number and type of stock, homes, etc) |
| Irrigation                                                                                                              | _____                                                                      | _____                                                        |
| Stock                                                                                                                   | _____                                                                      | _____                                                        |
| Domestic                                                                                                                | _____                                                                      | _____                                                        |
| Other _____                                                                                                             | _____                                                                      | _____                                                        |
| <b>Total</b>                                                                                                            | _____                                                                      | _____                                                        |

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

7. Signature of New Owner(s) or Claimant(s)   
(include title if applicable) \_\_\_\_\_

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.

**For Office Use Only**

Received by \_\_\_\_\_ Date \_\_\_\_\_ Fee \$25-  
 Received by JC Date 10-23-06 Receipt No. E032334  
 Processed by \_\_\_\_\_ AJ Date \_\_\_\_\_ WR \_\_\_\_\_ Date \_\_\_\_\_

**LOAN POLICY OF TITLE INSURANCE****ORIGINAL**Issued by **Commonwealth Land Title Insurance Company**

Commonwealth Land Title Insurance Company is a member of the  
LandAmerica family of title insurance underwriters.

**POLICY NUMBER****G32-Z113945**

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Nebraska corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
  - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
  - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

**COMMONWEALTH LAND TITLE INSURANCE COMPANY**

Attest:

*[Signature]*  
Secretary



By:

*[Signature]*  
President

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (i) to timely record the instrument of transfer; or
    - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

*Matches*  
*mtg 10-31-06*

## LOAN POLICY

## SCHEDULE A

Order No: 060079BU

Policy No. G32-Z113945

Amount of Insurance: \$130,000.00

Issued with Policy No. G32-Z113945

Premium: \$75.00

Date of Policy: August 7, 2006, 4:36 pm

1. Name of Insured:

Idaho Agricultural Credit

2. The estate or interest in the land which is encumbered by the insured mortgage is:

Fee Simple

3. Title to the estate or interest in the land is vested in:

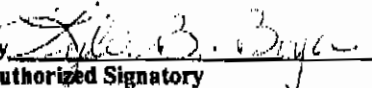
Mitchell D. Sorensen and Elaine R. Sorensen, Husband and Wife

4. The insured mortgage and assignments thereof, if any, are described as follows:

- Mortgage (and Fixture Filing) dated August 1, 2006, executed by Mitchell D. Sorensen, aka Mitchell Sorensen and Elaine R. Sorensen, aka Elaine Sorensen, husband and wife, as Mortgagor, and Idaho AgCredit, FLCA, as Mortgagee, to secure payment of \$130,000.00 and interest; recorded August 7, 2006, under Instrument No. 43370, records of Butte County, Idaho.

5. The land referred to in this policy is described as follows:

SEE ATTACHED EXHIBIT "A"

Countersigned  
Idaho Title & Trust, Inc.By   
Authorized Signatory

Policy No. G32-Z113945

**SCHEDULE A**  
**Continued**

**EXHIBIT "A"**

**Parcel I:**

**Township 4 North, Range 26 East of the Boise Meridian, Butte County, Idaho**  
**Section 5: Lots 1 and 2; SW1/4NE1/4**

**Parcel II:**

**Township 4 North, Range 26 East of the Boise Meridian, Butte County, Idaho**  
**Section 5: SE1/4NE1/4**

# Commonwealth Land Title Insurance Company

## COMMITMENT FOR TITLE INSURANCE

### SCHEDULE A

1. Commitment Date: June 28, 2006, 8:00 am
2. Policy (or Policies) to be issued: POLICY AMOUNT
  - (a) ALTA OWNER'S POLICY \$151,418.00  
Premium: \$761.00  
Proposed Insured: Mitchell D. Sorensen and Elaine R. Sorensen
  - (b) ALTA LOAN POLICY (Standard) \$151,418.00  
Premium: \$75.00  
Proposed Insured: Idaho Agricultural Credit   
Idaho Ag Credit, FLCA
  - (c) Endorsements: NONE
3. Title to the Fee Simple estate or interest in the land described or referred to in this Commitment is at the Effective Date, hereof vested in: Parcel I: Jerry L. Browne and Teresa L. Browne, Husband and Wife  
Parcel II: Mitchell D. Sorensen and Elaine R. Sorensen, Husband and Wife
4. The land referred to in the Commitment is described as follows:  
SEE ATTACHED EXHIBIT "A"

Countersigned  
Idaho Title & Trust, Inc.

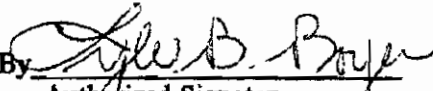
By   
Authorized Signatory

**EXHIBIT "A"**

**Parcel I:**

**Township 4 North, Range 26 East of the Boise Meridian, Butte County, Idaho  
Section 5: Lots 1 and 2; SW1/4NE1/4**

**Parcel II:**

**Township 4 North, Range 26 East of the Boise Meridian, Butte County, Idaho  
Section 5: SE1/4NE1/4**