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JUL 05 2005

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 division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
35-2300			35-2447A		
35-2165			35-7023 - UMD		
35-10671 - V			35-7154 - UMD		
35-2178C					
35-2182C			35-8722		
35-2179B					
35-13280					
35-2763B					
35-8211					
35-4196 - UMD					

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Western Region of Water Resources

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 usually attached to your deed or on file with the county)

OR

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 **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)
Cornelison & Olsen, LLC/Keith Cornelison
c/o Keith Cornelison & Ronald Olsen
P.O. Box 396
Rexburg, ID 83440-0396
4. New Owner/Claimant(s)
Midnight Sun, Inc.
Name Connector (Check one) ☐ and ☐ or ☐ and/or
c/o UBS AgriVest, LLC, CHARLIE BRYAN, DIRECTOR
242 Trumbull Street
New Mailing Address
City, State and ZIP Code
Hartford, CT 06103
New Telephone Number
(208) 466-0419
5. Date you acquired the property
June 20, 2005

SUPPORT DATA

IN FILE # 35-2165

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 (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 (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (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 (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other	_____	_____
Total	_____	_____

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

Charles B. - DIRECTOR, UBS AGAINST
Charles B. - VICE PRESIDENT, MIDNIGHT SUN, INC.

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 DB Date 7-5-05 Fee \$25- EA. NYE \$350.00
 Received by DB Date 7-5-05 Receipt No. W033143
 Processed by _____ AJ Date _____ WR _____ Date _____

AERIAL PHOTOGRAPH—TRACT 1

N

Tract 1

1
60.8

28

Map of Farm 5325
T26369
T11

35-2300

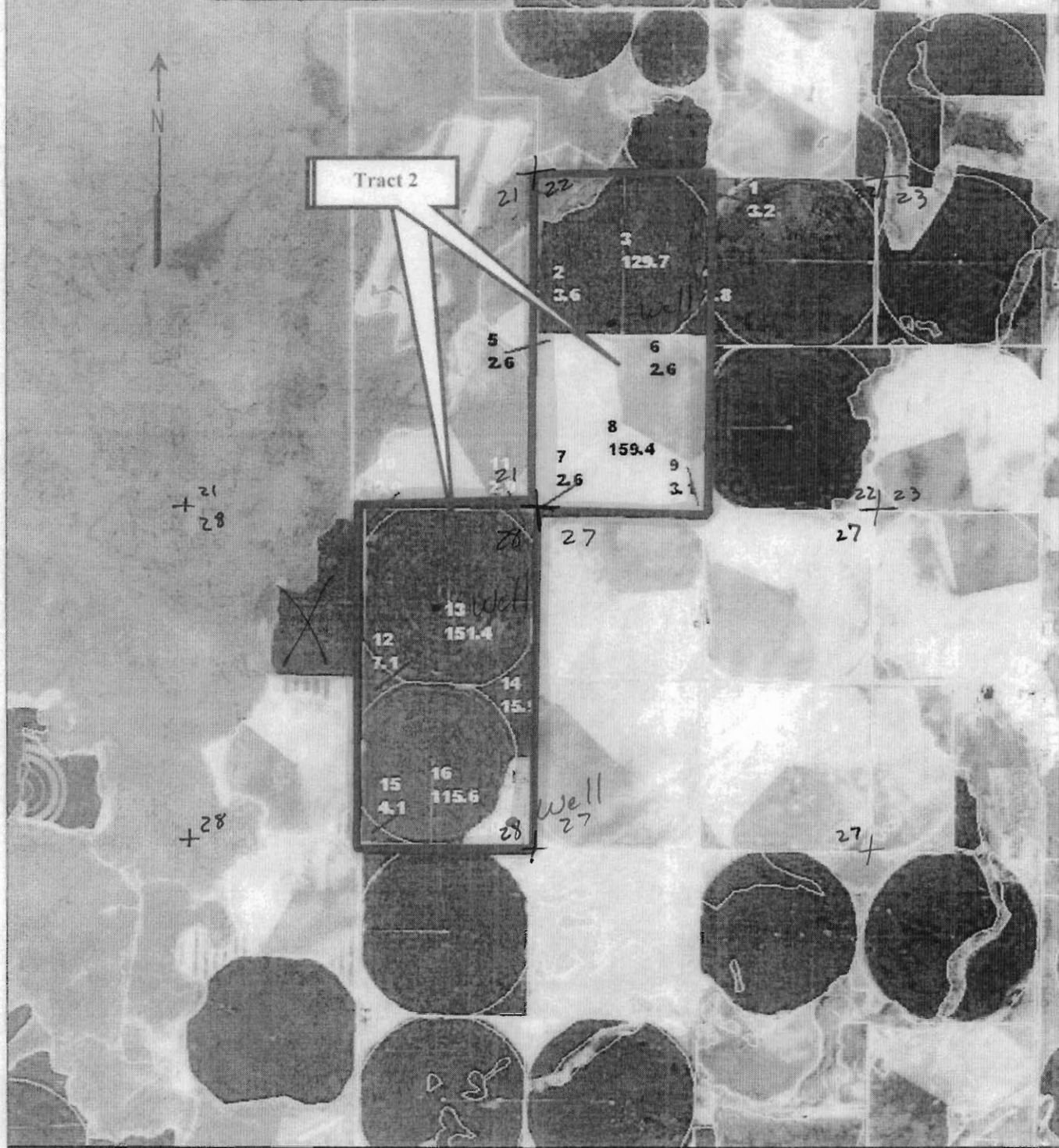
T1S, R35E

0.05 0 0.05 0.1 0.15 0.2 Miles



Map Printed Apr 10, 2004

AERIAL PHOTOGRAPH—TRACTS 2



Map of Farm 5323
T263-1 35-2165
T11 35-10671
35-2178C

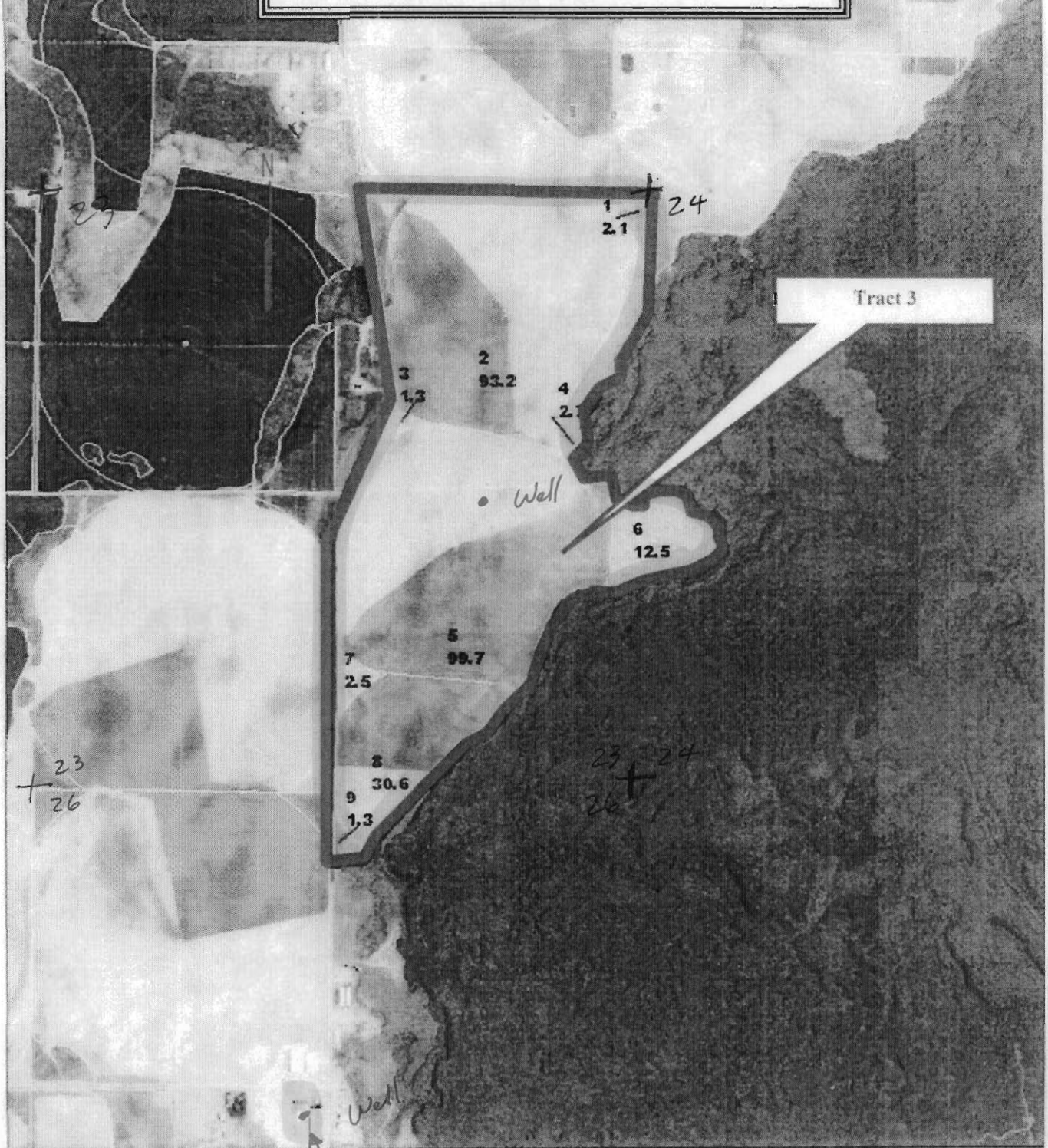
T1S, R 35E

0.2 0 0.2 0.4 0.6 0.8 Miles



Map Printed Apr 30, 2004

AERIAL PHOTOGRAPH—TRACT 3



Map of Farm 5325
T26S73
U11

0 0.1 0.2 0.3 0.4 Miles



Map Printed May 5, 2004

AERIAL PHOTOGRAPH—TRACT 4

Tract 4



Map of Farm 5325
T26S70
V10

T1S, R36E

35-2199A

35-13280

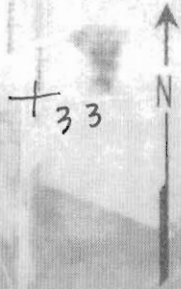
0.1 0 0.1 0.2 0.3 0.4 Miles



Map Printed: May 5, 2004

AERIAL PHOTOGRAPH—TRACT 5

Tract 5



+ 33

+ 33



+ 33

+ 33

Map of Farm 5325
T26372
T0

W 35S

T1N, R35E

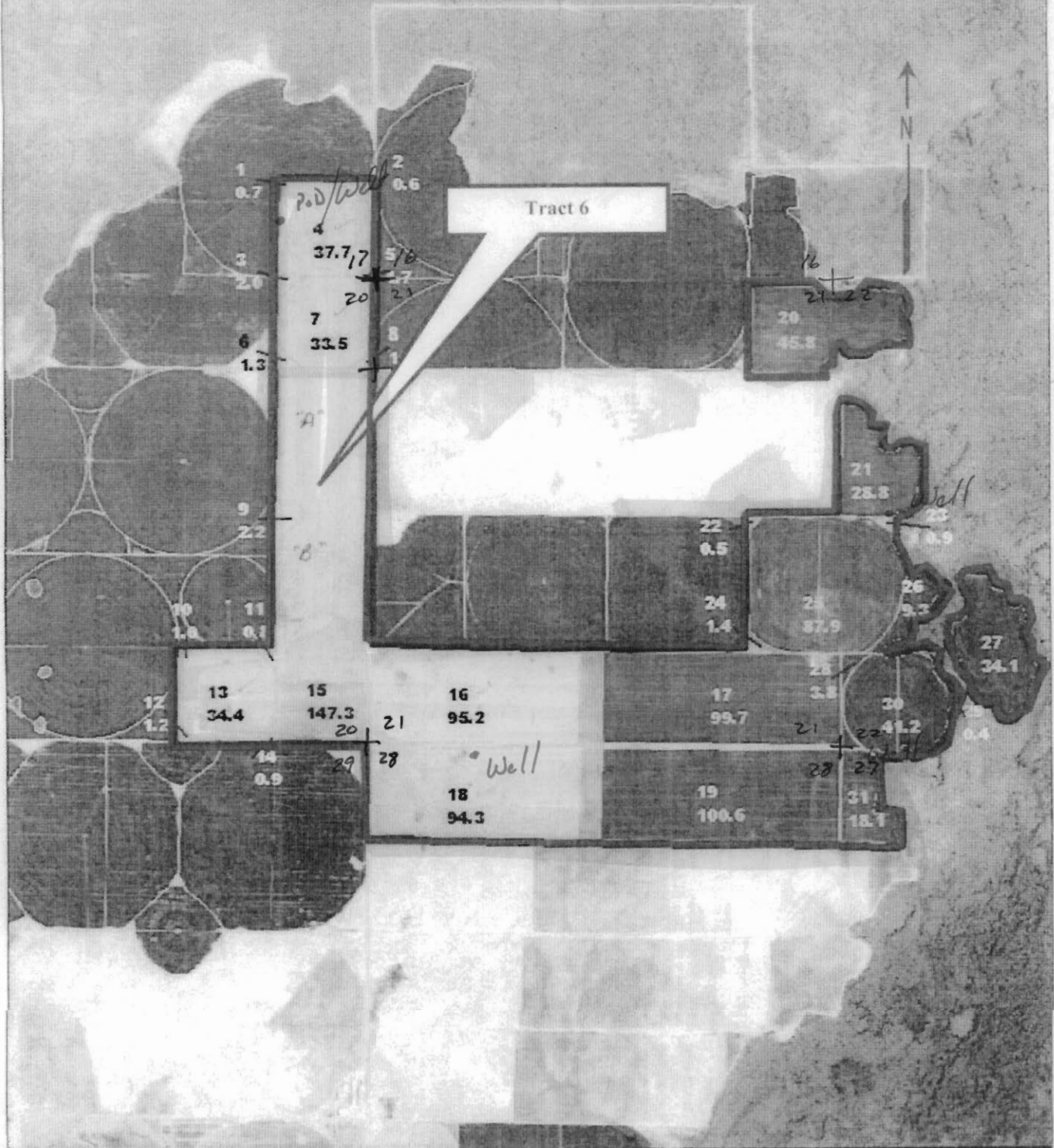
35-2763A
35-8211

0.08 0 0.08 0.16 0.24 0.32 Miles



Map Printed May 5, 2004

AERIAL PHOTOGRAPH—TRACT 6



Map of Farm 5325

T26377

T8

35-7154

35-7023

35-2447A

35-4196

T1N, R35E

0.2 0 0.2 0.4 0.6 0.8 Miles



Map Printed May 5, 2004

COPY

RECORDED IN ORDER
BLACKFOOT, IDAHO
FEE 9 DEP 6

554869

2005 JUN 21 PM 4:31

WARRANTY DEED

RECORDED AT THE REQUEST OF
FIRST AMERICAN TITLE COMPANY

For Value Received, CORNELISON-OLSEN, LLC, an Idaho Limited Liability Company, the Grantor, does hereby grant, bargain, sell and convey unto MIDNIGHT SUN, INC., the Grantee, whose address is c/o UBS AgriVest, LLC, 242 Trumbull Street, Hartford, Connecticut, 06103, the following described premises, in Bingham County, Idaho, to-wit:

Township 1 South, Range 35 E.B.M., Bingham County, Idaho,

Section 22: W $\frac{1}{2}$

Section 23: E $\frac{1}{2}$ EXCEPT that land lying Westerly of the North-South County Road

Section 24: S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 26: N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$; A portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26 described as:

Beginning at a point 25 feet W. and 725 feet S. of the NE corner of the SW $\frac{1}{4}$ of said Section 26, thence W. 300 feet; thence N. 50 feet; thence E. 300 feet; thence S. 50 feet to the point of beginning. ALSO, Beginning at a point 25 feet W. and 625 feet S. of the NE corner of the SW $\frac{1}{4}$ of said Section 26; thence W. 300 feet; thence S. 50 feet; thence E. 300 feet; thence N. 50 feet to the point of beginning.

ALSO, Beginning at a point 25 feet W. and 825 feet S. of the NE corner of the SW $\frac{1}{4}$; thence due W. 300 feet; thence due N. 100 feet; thence due W. 100 feet; thence S. Easterly in a straight line 588 feet, more or less, to a point which is 120 feet W. of the W. right-of-way line of the North-South County Road bordering said tract on the E side thereof; thence due E. 120 feet to said W. right-of-way line; thence N. along said W. right-of-way line 400 feet to the point of beginning.

AND ALSO, Beginning at a point 25 feet W. and 725 feet S. of the NE corner of the SW $\frac{1}{4}$ of said Section 26; and running thence W. 300 feet; thence S. 100 feet thence E. 300 feet; thence N. 100 feet to the point of beginning.

EXCEPTING THEREFROM Commencing at a point 25 feet W. and 795 feet S. of the NE corner of there SW $\frac{1}{4}$ of said Section 26; and running thence S. Westerly 249 08', 45.7 feet; thence W. 317.58 feet; thence S. Easterly 149 30', 489.67 feet, more or less, to a point of which is 120 feet W. of the W. right-of-way line of the North-South County Road bordering said tract on the E. side thereof; thence due E. 120 feet to said W. right-of-way line; thence due N. along said W. right-of-way line 430 feet, more or less, to the point of beginning.

Section 28: E $\frac{1}{2}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; TOGETHER WITH a perpetual easement and right of way for a roadway 30 feet in width along the course of existing road over and across the SW $\frac{1}{4}$ of said Section 28, as granted by instrument recorded March 9, 1958, as Instrument No. 58311.

Township 1 South, Range 36 E.B.M., Bingham County, Idaho

Section 6: Lot 7

Section 7: Lots 1, 2, 3, 4, and E $\frac{1}{2}$ W $\frac{1}{2}$

Section 18: Commencing at the NW corner of said Section 18; thence S. 200 feet; thence E. 250 feet; thence S. 450 feet; thence E. to the E. line of the NW $\frac{1}{4}$ of said Section 18; thence N. 650 feet to the NE corner of the NW $\frac{1}{4}$ of said Section 18; thence W. 160 rods to the place of beginning.

Township 1 North, Range 35 E.B.M., Bingham County, Idaho

Section 15: S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 17: E $\frac{1}{2}$ SE $\frac{1}{4}$

Section 20: E $\frac{1}{2}$ E $\frac{1}{2}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 21: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 22: E $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ NW $\frac{1}{4}$

Section 28: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 33: W $\frac{1}{2}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee and to the Grantee's successors and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that they are free from all encumbrances except as described above and that Grantor will warrant and defend the same from all lawful claims whatsoever.

DATED this 20 day of June, 2005.

CORNELISON-OLSEN, LLC, an Idaho Limited
Liability Company

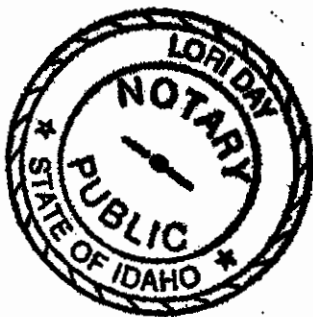
By Keith Cornelison
KEITH CORNELISON

STATE OF IDAHO)
County of Bingham) ss.
County of Twin Falls)

On this 20th day of June, 2005, before me, the undersigned, a Notary

Public in and for said County and State, personally appeared KEITH CORNELISON, known or identified to me to be the manager or a member of Cornelison-Olsen, LLC, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company and acknowledged to me that such limited liability company 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.



[Signature]
NOTARY PUBLIC

Residing at: Blackfoot Idaho

My Commission Expires: 10/21/2009

554869

AGREEMENT TO PURCHASE AND SELL REAL PROPERTY

THIS AGREEMENT TO PURCHASE AND SELL REAL PROPERTY is made and entered into as of this 8th day of April 2005, by and between **Cornelison & Olsen, LLC, an Idaho General Partnership, composed of Keith Cornelison & Ronald Olsen** (hereinafter referred to as "**Seller**") and **Midnight Sun, Inc. (MSI)** (hereinafter referred to as "**Buyer**").

In consideration of the mutual covenants set forth in this Agreement, the parties hereto do hereby agree as follows:

1. AGREEMENT TO SELL AND TO PURCHASE.

Seller agrees to sell, convey and assign to Buyer, and Buyer agrees to purchase from Seller, on the terms and conditions herein set forth, all of Seller's right, title and interest in and to the following:

- A. The real property, including easements, rights-of-way, privileges and benefits appurtenant thereto, described on Exhibit A attached to and made a part of this Agreement, containing 2,855.52 total acres more or less (the "Land"),
- B. The irrigation equipment and water rights located on said real property described on Exhibit B, (the "Personal Property"), consisting of center pivots, linears, handlines or solid-set sprinkler irrigation systems, irrigation wells, pumps, motors, and panels.
- C. The building improvements located on said Real Property ("the improvements") and
- D. All minerals; oil and gas; geothermal rights; and water rights, licenses and permits, held in conjunction with the Land ("Minerals").

The Land, Irrigation Equipment, Personal Property, Building Improvements, and Minerals are collectively referred to as the "Property".

2. PURCHASE PRICE.

The purchase price for the Property (which includes everything set forth in Paragraph 1 above) is Seven Million Three Hundred & Fifty and 00/100 Dollars (**\$7,350,000.00**) payable as follows:

- A. The sum of Three Hundred & Seventy Thousand and 00/100 Dollars (**\$370,000.00**) **shall be paid in the form of Buyer's Wire Transfer of funds to Escrow Agent** within five (5) business days following acceptance of this offer by Seller ("Earnest Money"). Escrow Agent shall hold the funds in trust in an interest bearing account approved by Buyer ("Deposit"). Accrued interest, if any, on the Deposit shall be the sole and separate property of Buyer and shall be paid to Buyer or credited against the Purchase Price at Buyer's election. The Earnest Money shall be paid by Escrow Agent to Seller in cash, cashier's check or wire transfer at Close of Escrow.
- B. The sum of Six Million Nine Hundred & Eighty Thousand and 00/100 Dollars (**\$6,980,000.00**) **shall be payable** in cash, cashier's check acceptable to Seller or wire transfer on or before the **Close of Escrow**.

3. PHYSICAL INSPECTION.

Seller hereby grants to Buyer and its representatives the right to enter upon the Property for the purpose of conducting a physical inspection of the Property. Such physical inspection includes the right to conduct tests, appraisals, investigations and such other inspections of the Property as maybe desirable by Buyer at Buyer's sole cost and expense for a period of 45 days after execution of this Agreement by Seller and Buyer (the "Due Diligence Period"). Seller agrees to provide to Buyer all information and data it has or has knowledge of about the Property and past operations as requested by Buyer or its representatives. Seller shall provide Buyer with executed copies of all leases or agreements affecting occupancy of the Property together with all amendments thereto. All information to be provided for by Seller hereunder shall be submitted to Buyer within 10 days of the execution of this Agreement. Buyer agrees to repair any damage to the Property caused by Buyer or its representatives, employees, agents or independent contractors during this Due Diligence Period. If Buyer, in its sole discretion, is not fully satisfied with the tests, studies, investigations, condition or any other matters affecting the Property, then at any time during or before the expiration of the Due Diligence Period, Buyer may, at Buyer's sole option, elect to terminate this Agreement by delivering written notice of such termination to Seller. If Buyer elects to terminate as provided for herein, then Seller will immediately return the Earnest Money to Buyer, and both Seller and Buyer shall be released from each and every obligation contained in this Agreement.

4. ESCROW AGENT.

Upon execution of this Agreement by both parties, Seller shall establish an escrow ("Escrow") with First American Title, 168 West Pacific St., P.O. Box 868, Blackfoot, ID. 83221 (208) 785-0320, as Escrow Agent ("Escrow Agent"). This Agreement shall be used as the basis for the Escrow

Agreement with the Escrow Agent. Seller and Buyer shall cooperate in the preparation and execution of Escrow instructions.

5. CLOSE OF ESCROW.

Close of escrow ("Close of Escrow") shall be **on or before Friday, June 10, 2005** at the office of the Escrow Agent, or at such other place as the parties may agree in writing.

6. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller represents and warrants to Buyer as follows:

- A. Seller is the owner of the Property and has the right to transfer same to Buyer;
- B. The land described in Exhibit A contains at least the number of acres referred to in 1.A. above.
- C. Seller shall continue to operate and maintain the Property in accordance with its past practices and policies subject to normal depreciation and wear and tear, destruction by fire, acts of God, or other forces over which Seller has no control;
- D. Seller has the full right and authority to execute this Agreement and to consummate all of the transactions contemplated herein. All documents executed by Seller which are to be delivered to Buyer at the Close of Escrow will be duly authorized, executed and delivered by Seller; will be legal, binding and enforceable obligations of Seller; and will not violate any provisions of any agreement or judicial order to which Seller is subject;
- E. To the best of Seller's knowledge, there are no adverse possessors, tenancies or occupancy agreements affecting possession of the Property or any portion thereof nor has any option to purchase or lease all or any portion of the Property been granted. No party other than the Buyer has the right to purchase the Property;
- F. Except as disclosed to Buyer in writing, to the best of Seller's knowledge, Seller has received no notice of any eminent domain condemnation, environmental zoning or other land use regulation proceedings which affects or will affect the present use or operation of the Property or any part thereof;
- G. Seller knows of no facts, nor has Seller failed to disclose any fact known to Seller which would prevent the continued use and operation of the Property after the Close of Escrow in the manner in which Seller has used and operated the Property;
- H. Prior to the Close of Escrow Seller agrees not to enter into any contracts or agreements which will affect the operations of the Property after the Close of Escrow without Buyer's prior written approval. Notwithstanding the foregoing, Seller shall not enter into contracts or agreements unless such contracts or agreements either terminate prior to Close of Escrow or may be terminated without penalty or termination fee on no more than thirty (30) days notice;
- I. As of the Close of Escrow the Property will be free and clear of all mortgages, liens, encroachments, encumbrances, tenancies, occupancies, restrictions, servitudes, riparian rights, and mineral rights unless same are expressly and specifically approved by Buyer.
- J. To the best of Seller's knowledge and belief, Seller has made no commitment to any governmental or quasi-governmental entity, which commitment relates to the Property or imposes upon Seller any obligation to pay or contribute property or money or to construct, install or maintain any improvements on or off the Property;
- K. To the best of Seller's knowledge and belief, Seller has obtained and is in compliance with all licenses, permits, easements and rights-of-way (the "Rights") required from all governmental authorities having jurisdiction over the Property and all such rights are transferable to Buyer;
- L. Seller is not involved in nor is it aware of any pending or threatened litigation which affects or will affect the Property; and
- M. If the Property has a Conservation Plan as required under the 1985 Farm Bill, Seller is in compliance with all of the requirements under said Conservation Plan. A copy of the Conservation Plan will be furnished to Buyer during the Due Diligence period.
- N. As far as environmental aspects of the Property are concerned, the following representations and warranties are made by Seller (all terms referred to below shall have the meaning as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended by the Superfund Amendments and Reauthorization Act of 1986):

- (i) The location, occupancy, use and operation of the facility is in compliance with applicable laws, including applicable health, safety and environmental laws;
- (ii) The Facility has all permits and approvals necessary for continued operation of the facility;
- (iii) The location, occupancy, use and operation of the Facility is in compliance with all permits and approvals;
- (iv) The Facility is not subject to investigation by any governmental agencies under any laws pertaining to health, safety or the environment;
- (v) There are no lawsuits, or administrative proceedings by third parties or governmental agencies involving health, safety or environmental matters with respect to the Facility;
- (vi) The uses and operations conducted at the facility do not involve the treatment, storage, disposal, incineration or recycling of hazardous substances or solid wastes;
- (vii) There are no aboveground or underground storage tanks on the site. If there are, the location, date installed and condition will be given to Buyer within ten (10) days after the execution of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer represents and warrants that this Agreement and all documents executed by Buyer which are to be delivered to Seller at the Close of Escrow will be duly authorized, executed and delivered by Buyer; and will not violate any provisions of any agreement or judicial order to which Buyer is a party.

8. CONDITIONS.

The following are conditions to Buyer's obligation to purchase the Property. In the event any condition in Buyer's sole judgment is not fully complied with, this Agreement may be terminated by Buyer upon written notice to Seller and neither party shall thereafter have any obligation to the other.

- (i) The Property shall be free and clear of all liens, encroachments, encumbrances, tenancies, occupancies, restrictions, servitudes, riparian rights, and mineral rights except those which have been specifically approved by Buyer.
- (ii) The representations and warranties of Seller contained in this Agreement shall be true on and as of the Closing Date as though the same were made at and as of that date.
- (iii) The Property shall contain 2,855.52 total acres more or less, of which 2,421.0 acres, more or less, shall be classified as irrigated row-crop land by the Bingham County FSA Office. Buyer shall have the right to require a survey of the Property at Buyer's expense.
- (iv) Prior to the close of escrow, the Buyer shall obtain, at Buyer's expense, an Environmental Phase I audit on the property.
- (v) The Seller shall provide the Buyer with all irrigation well testing data and reports, including the estimated production capacity of the irrigation wells. Seller shall provide Buyer with a list of the irrigation equipment, including the serial number on the irrigation well pumps, motors, panels, and all sprinkler irrigation equipment. **A Bill of Sale shall be prepared to transfer ownership of said irrigation equipment at closing.**
- (vi) All existing well permits or licenses that are pertinent to the property shall be in good standing and shall be verified with the Idaho Department of Water Resources as to the location of the wells, annual volume permitted, maximum pumping rate, maximum number of acres that may be irrigated, the description of acres irrigated, point of diversion, and priority date of the license.
- (vii) During the due-diligence period, Buyer will negotiate with the Sellers a satisfactory assignment of the existing lease dated November 1, 2003, between Cornelison Olsen LLC (Landlord) and Wada Family LLC (Tenant). Wada Family LLC shall acknowledge, in writing, the acceptance of said assignment with buyer as Landlord. If Buyer and Seller are unable, in the Buyer's sole opinion, to negotiate a satisfactory lease assignment and acceptance by Wada, Buyer may terminate this agreement in accordance with Paragraph 3.

9. TITLE.

At the completion of the Due Diligence Period Seller shall deliver or cause to be delivered to Buyer, a Title Report (the "Preliminary Report") and Title Commitment (the "Commitment") for a Standard Owner's Title Insurance Policy dated not more than thirty (30) days prior to the date of delivery to Buyer and issued by First American Title, Blackfoot, ID. It is understood that title shall be deemed

satisfactory if Buyer does not object in writing to the condition of title within thirty (30) days following receipt of such preliminary title report.

In the event that Buyer objects to Seller's title, or to any item disclosed by such Preliminary Report or the Commitment, Buyer must file in writing with Seller within thirty (30) days after receipt of the Preliminary Report and Commitment any objections to any such item or to the condition of Seller's title.

In the event that Buyer objects to Seller's title or to any item disclosed by such preliminary title report or documents, Seller will, within fifteen (15) days after notification of the objection, advise Buyer in writing whether or not the Seller desires an opportunity to eliminate or cure any such matter to which an objection has been raised. In the event Seller advises Buyer that Seller does not desire an opportunity to correct the matter to which Buyer has objected, Buyer at its option exercisable in writing within ten (10) days after receipt of Seller's notice may elect to: (i) accept title subject to the matters to which Buyer has objected; or (ii) terminate this Agreement and Escrow. If Buyer fails to give written notice of its election within the time period provided, Buyer will be deemed to have accepted title subject to the matters to which Buyer has objected. In the event Seller advises Buyer that it desires an opportunity to eliminate or cure any such matter or defect in the title to which an objection has been raised, Seller shall have 60 days from the date of notice of objection by Buyer in which to correct any such identified defect.

10. TAXES

Real estate and personal property taxes and assessments shall be prorated as of the Close of Escrow.

11. PROVISIONS WITH RESPECT TO CLOSE OF ESCROW.

- A. At the Close of Escrow the following documents, instruments and other materials (Seller's closing documents) will be furnished and delivered by Seller to Buyer through the Escrow Agent at Seller's sole cost and expense (unless otherwise provided):
- (i) A standard coverage owner's title policy covering the real property issued by First American Title of Blackfoot, ID. in the face amount of the total purchase price insuring good and marketable title to the real property in Buyer, subject to the exceptions approved by Buyer. If Buyer requests any different or additional title insurance, the availability of which shall not be a condition of Close of Escrow, Buyer shall pay the cost of such additional title insurance.
 - (ii) A General Warranty Deed conveying Seller's right, title and interest in and to the real property to Buyer, subject to taxes and assessments for the current year and thereafter, setbacks and zoning regulations, rules, regulations and laws affecting and governing the Property, reservations, rights of way, easements, and other matters of record;
 - (iii) General Warranty Bill of Sale as to the personal property and conveying the personal property to Buyer in an "as is" condition.
 - (iv) An assignment of the lease agreement dated November 1, 2003, between Cornelison Olsen LLC and Wada Family LLC.
 - (v) Such other instruments consistent with the terms of this Agreement which may be reasonably requested by the Buyer.

Seller shall pay one-half of the escrow fees and charges.

- B. At the Close of Escrow, Buyer will deliver to Seller, through the Escrow Agent, the funds required to be paid at the Close of Escrow as provided in this Agreement. Buyer will pay one-half of the escrow fees and charges.
- C. All other expenses of closing shall be shared by Seller and Buyer in accordance with the custom of the jurisdiction in which the Property is located, except that each party shall pay its own attorney's fees.

12. LEASES.

The Buy/Sell Agreement is subject to an existing lease dated November 1, 2003, between Cornelison Olsen LLC and Wada Family LLC. Said Lease shall be assigned by seller to Buyer as set forth in paragraph 8 (vii).

13. POSSESSION.

Possession of the Property will be delivered to Buyer at the Close of Escrow.

14. MATERIAL DAMAGE OR CONDEMNATION PRIOR TO CLOSE OF ESCROW.

Seller will bear the risk of condemnation and of damage to the Property or any portion thereof from any and all causes whatsoever except any damage caused by Buyer or Buyer's representatives, employees, independent contractors or agents, up to the Close of Escrow. Buyer shall have the option, in the event that damage to the Property is material, or a material portion of the Property is taken by condemnation prior to the Close of Escrow, to cancel this Agreement, and if Buyer exercises its option to cancel, all Earnest Money shall be paid to Buyer within fifteen (15) days after a written demand from Buyer to Escrow Agent. If Buyer does not elect to cancel or if such condemnation or damage is not material, this Agreement shall remain in full force and effect and Seller shall assign to Buyer, at the Close of Escrow, any and all such condemnation or insurance proceeds and Buyer shall take title to said Property subject to such condemnation or damage.

15. COMMISSIONS AND FINDERS' FEES.

No real estate commission is to be paid by Buyer or Seller as a result of this transaction. Seller will hold Buyer harmless from and against any claims for broker's commissions or finder's fees made by any person or entity based upon a claimed contract, obligation or agreement between any such person or entity and Seller. Seller's obligation under this Paragraph shall survive closing.

Buyer will hold Seller harmless from and against any claims for brokers' commissions or finders' fees made by any person or entity based upon a claimed contract, obligation or agreement between any such person or entity and Buyer. Buyer's obligation under this Paragraph shall survive closing.

16. SEVERABILITY.

If any provision of this Agreement is declared void or unenforceable, such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect.

17. ADDITIONAL ACTS AND DOCUMENTS.

Each party hereto agrees to do all such things and take all such action, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purposes of this Agreement, either before, at, or after Close of Escrow.

18. AUTHORITY.

Each of the parties hereto represents and warrants to the other that this Agreement has been duly authorized by all necessary action and that this Agreement constitutes and will constitute a binding obligation of each such party.

19. ATTORNEYS' FEES.

In the event suit is brought or an attorney is retained by any party to this Agreement to enforce the terms of this Agreement or to collect any moneys due hereunder, the prevailing party shall be entitled to recover reimbursement for reasonable attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith.

20. NOTICES.

All notices, requests and other communications hereunder shall be deemed to have been given four (4) days after deposit in the United States mail in a sealed envelope, postage prepaid, registered or certified mail, (or if personal delivery, at the time of delivery), and addressed as follows:

If to Seller:

Cornelison & Olsen LLC
C/o Keith Cornelison & Ronald Olsen
1588 W. 1500 S.
P.O. Box 396
Rexburg, ID. 83440-0396
(208) 356-0396

If to Buyer:

Midnight Sun, Inc.
c/o UBS AgriVest LLC
242 Trumbull Street
Hartford, CT 06103
Attn: James B. McCandless

With a copy to:

UBS AgriVest LLC
P.O. Box 53
Nampa, ID 83653
Attn: Rodney H. Moore

and

John Ritchie
Coleman, Ritchie & Robertson
Attorneys-at-Law
156 2nd Ave. W.
P.O. Box 525
Twin Falls, ID. 83303-0525

It is agreed that either party may hereafter change the address to which notice may be sent, upon written notice sent to the other at the address above designated, or subsequently designated in accordance herewith.

21. COMPLETE AGREEMENT.

No verbal statements or conversations between the parties hereto or their representatives, whether the same shall have been implied or direct, occurring either before or after the execution of this Agreement, shall be construed as having any bearing or effect upon this Agreement or any portion thereof, it being understood that this written Agreement evidences the complete agreement between the parties hereto. Specifically, the parties agree that this Agreement shall supersede all prior contracts, agreements and arrangements between the parties concerning the sale of the Property. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.

22. CAPTIONS.

Captions and paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be deemed to limit or alter any provision hereof, and shall not be deemed relevant in construing this Agreement.

23. AMENDMENT AND WAIVER.

The parties may, by mutual agreement in writing, signed by each party, amend this Agreement in any respect. Each party hereto may insofar as it is entitled to the rights and benefits of this Agreement:

- A. Extend the time for the performance of any of the obligations of the other.
- B. Waive any representations by the other contained in this Agreement and performance of any obligations by the other.
- C. Waive compliance by the other with any of the covenants contained in this Agreement.
- D. Waive the fulfillment of any condition that is precedent to the performance, by the party so waiving, of any of its obligations under this Agreement.

Such extension or waiver shall in no way otherwise affect either party's right to enforcement of the provisions contained in this Agreement nor shall any extension or waiver be held to be an extension of time or a waiver of any prior or subsequent breach of any obligation under this Agreement.

24. EXHIBITS.

All exhibits referred to herein are incorporated in this agreement as if set forth at length herein.

25. TIME OF THE ESSENCE.

Time is of the essence of each and every term, provision, covenant and obligation of the parties under this Agreement.

26. GOVERNING LAW.

This Agreement shall be deemed to be made under, and shall be construed in accordance with and shall be governed by, the laws of the State of Idaho, and suit to enforce any provision of this Agreement or to obtain any remedy with respect hereto may be brought in the Court with proper jurisdiction in Bingham County, ID, and for this purpose each party hereby expressly and irrevocably consents to the jurisdiction of said court.

27. TERMINATION AND REMEDIES.

- A. If Seller is unable to convey title to the real property as required in this Agreement due to a defect in title to which Buyer objects and which cannot be, or is not, cured within sixty (60) days after notice of objection, then Buyer may as its sole and exclusive remedies, (1) terminate this Agreement by giving written notice of termination to Seller on or before the closing and the Escrow Agent shall return the Earnest Money to Buyer within fifteen (15) days after receipt of written demand; (2) extend the Close of Escrow for a period of time, if any, agreeable to Buyer and Seller to provide Seller with additional opportunity to remedy the defect in the condition of title to the real property, or (3) waive the defect and close the Escrow.
- B. IF ESCROW FAILS TO CLOSE DUE TO BUYER'S DEFAULT IT IS AGREED THAT THE AMOUNT OF THE EARNEST MONEY SHALL BE RETAINED AND ACCEPTED BY SELLER AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND SELLER SHALL BE RELEASED FROM ITS OBLIGATION OF SELLING THE PROPERTY TO BUYER. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO SELLER. BUYER AND SELLER AGREE THAT IT IS IMPOSSIBLE OR IMPRACTICAL TO PRESENTLY PREDICT WHAT MONETARY DAMAGES SELLER WOULD SUFFER IN SUCH EVENT. BUYER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH BUYER MIGHT BE LIABLE HEREUNDER AND BUYER AND SELLER DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO COLLECT

DAMAGES AND THEREFORE AGREE THAT THE LIQUIDATED DAMAGES PROVIDED HEREUNDER SHALL CONSTITUTE SELLER'S SOLE AND EXCLUSIVE REMEDY IF ESCROW FAILS TO CLOSE DUE TO BUYER'S DEFAULT. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT ANY OF THE OBLIGATIONS OF BUYER UNDER THE SECTION OF THIS AGREEMENT GRANTING BUYER AND BUYER'S REPRESENTATIVES THE RIGHT TO ENTER ON THE PROPERTY FOR PURPOSES OF CONDUCTING INSPECTIONS, TESTS AND STUDIES AND SELLER SHALL HAVE THE RIGHT TO PURSUE ANY CAUSE OF ACTION IT MAY HAVE AGAINST BUYER FOR BUYER'S FAILURE TO REPAIR THE PROPERTY IN ACCORDANCE WITH THE PROVISIONS OF SUCH SECTION. BY THE ACT OF AN AUTHORIZED REPRESENTATIVE OF EACH PARTY AFFIXING HIS INITIALS HEREIN, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE ABOVE STATEMENTS AND ITS AGREEMENT WITH THEM.

Initials of Seller

Cornelison & Olsen, LLC

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Initials of Buyer

Midnight Sun, Inc.

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- C. If the Escrow fails to close because of Seller's default, or failure to fulfill the conditions of closing, then Seller shall pay all escrow cancellation charges, if any, and the Earnest Money shall be paid to Buyer within fifteen (15) days after demand from Buyer to Escrow Agent. Buyer shall have no further or other remedies against Seller unless Seller's default shall be willful in which case Buyer shall be entitled to specific performance as its exclusive right.
- D. If the Escrow fails to close for any other reason, then Buyer and Seller shall each pay for one-half of the escrow cancellation charges, if any, and all remaining Earnest Money shall be returned to Buyer within fifteen (15) days after a written demand from Buyer to Escrow Agent.

28. INTERPRETATIONS.

To the extent permitted by the context in which used, (a) words in the singular number shall include the plural, words in the masculine gender shall include the feminine and neuter, and vice versa; and (b) references to "persons" or "parties" in this Agreement shall be deemed to refer to natural persons, corporations, general partnerships, limited partnerships, trusts and all other entities.

29. SURVIVAL OF DELIVERY OF DEED.

Except as otherwise set forth herein, the parties hereby stipulate and agree that all warranties, covenants, representations and obligations contained within this Agreement are intended to and shall remain true and correct as of the Close of Escrow, shall be deemed to be material and shall survive the delivery, acceptance and recording of the General Warranty Deed to the Property. Seller agrees to indemnify and hold Buyer harmless from and against any and all claims, liabilities, and losses, including reasonable attorneys' fees, resulting from any misrepresentations or breach of warranty made by Seller pursuant to this Agreement.

30. CONFIDENTIALITY.

Buyer and Seller agree that, to the extent reasonably practical, they shall keep the contents of this Agreement confidential. Buyer and Seller further agree that no publicity or press release or other communication to any third party or to the general public shall be made by either party with respect to this transaction without the prior written consent of the other party.

31. COUNTERPARTS.

This Agreement may be executed in counterparts and all documents so executed shall constitute one Agreement, binding on all parties, notwithstanding that all of the parties are not signatories to the same counterpart.

32. ACCEPTANCE.

This Agreement shall be accepted and executed by Seller on or before 5:00 p.m., **Friday, April 15, 2005**, or it shall automatically expire, be revoked and withdrawn without further notice.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BUYER:

Midnight Sun, Inc.

By:

Rodney H. Moore
Rodney H. Moore, Director

4-8-2005
Date Signed

SELLER:

Cornelison & Olsen LLC
C/o Keith Cornelison & Ronald Olsen

By:

Keith Cornelison
Keith Cornelison

By:

Ronald Olsen

4-20-05
Date Signed

EXHIBIT A

LEGAL DESCRIPTION

Township 1 South, Range 35 E.B.M., Bingham County, Idaho,

Section 22: W $\frac{1}{2}$

Section 23: E $\frac{1}{2}$ EXCEPT that land lying Westerly of the North-South County Road

Section 24: S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 26: N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$; A portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26 described as:
Beginning at a point 25 feet W. and 725 feet S. of the NE corner of the SW $\frac{1}{4}$ of said

Section 26, thence W. 300 feet; thence N. 50 feet; thence E. 300 feet; thence S. 50 feet to the point of beginning.

ALSO, Beginning at a point 25 feet W. and 625 feet S. of the NE corner of the SW $\frac{1}{4}$ of said Section 26; thence W. 300 feet; thence S. 50 feet; thence E. 300 feet; thence N. 50 feet to the point of beginning.

ALSO, Beginning at a point 25 feet W. and 825 feet S. of the NE corner of the SW $\frac{1}{4}$; 3
thence due W. 300 feet; thence due N. 100 feet; thence due W. 100 feet; thence S. 3
Easterly in a straight line 588 feet, more or less, to a point which is 120 feet W. of
the W. right-of-way line of the North-South County Road bordering said tract on the
E side thereof; thence due E. 120 feet to said W. right-of-way line; thence N. along
said W. right-of-way line 400 feet to the point of beginning.

AND ALSO, Beginning at a point 25 feet W. and 725 feet S. of the NE corner of the
SW $\frac{1}{4}$ of said Section 26; and running thence W. 300 feet; thence S. 100 feet thence
E. 300 feet; thence N. 100 feet to the point of beginning.

EXCEPTING THEREFROM Commencing at a point 25 feet W. and 795 feet S. of the 5
NE corner of there SW $\frac{1}{4}$ of said Section 26; and running thence S. Westerly 249
08', 45.7 feet; thence W. 317.58 feet; thence S. Easterly 149 30', 489.67 feet, more of
less, to a point of which is 120 feet W. of the W. right-of-way line of the North-South
County Road bordering said tract on the E. side thereof; thence due E. 120 feet to
said W. right-of-way line; thence due N. along said W. right-of-way line 430 feet,
more or less, to the point of beginning.

Section 28: E $\frac{1}{2}$; E $\frac{1}{2}$ NW $\frac{1}{4}$, TOGETHER WITH a perpetual easement and right of way
for a roadway 30 feet in width along the course of existing road over and across
the SW $\frac{1}{4}$ of said Section 28, as granted by instrument recorded March 9, 1958, as
Instrument No. 58311.

Township 1 South, Range 36 E.B.M., Bingham County, Idaho

Section 6: Lot 7

Section 7: Lots 1, 2, 3, 4, and E $\frac{1}{2}$ W $\frac{1}{2}$

Section 18: Commencing at the NW corner of said Section 18; thence S. 200 feet;
thence E. 260 feet; thence S. 450 feet; thence E. to the E. line of the NW $\frac{1}{4}$ of said
Section 18; thence N. 650 feet to the NE corner of the NW $\frac{1}{4}$ of said Section 18;
thence W. 160 rods to the place of beginning.

Township 1 North, Range 35 E.B.M., Bingham County, Idaho

Section 15: S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 17: E $\frac{1}{2}$ SE $\frac{1}{4}$

Section 20: E $\frac{1}{2}$ E $\frac{1}{2}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 21: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 22: E $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ NW $\frac{1}{4}$

Section 28: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 33: W $\frac{1}{2}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$

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ALSO, Beginning at a point 25 feet W. and 825 feet S. of the NE corner of the SW $\frac{1}{4}$; thence due W. 300 feet; thence due N. 100 feet; thence due W. 100 feet; thence S. Easterly in a straight line 588 feet, more or less, to a point which is 120 feet W. of the W. right-of-way line of the North-South County Road bordering said tract on the E side thereof; thence due E. 120 feet to said W. right-of-way line; thence N. along said W. right-of-way line 400 feet to the point of beginning.

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EXCEPTING THEREFROM Commencing at a point 25 feet W. and 795 feet S. of the NE corner of the SW $\frac{1}{4}$ of said Section 26; and running thence S. Westerly 249 08', 45.7 feet; thence W. 317.58 feet; thence S. Easterly 149 30', 489.67 feet, more or less, to a point of which is 120 feet W. of the W. right-of-way line of the North-South County Road bordering said tract on the E. side thereof; thence due E. 120 feet to said W. right-of-way line; thence due N. along said W. right-of-way line 430 feet, more or less, to the point of beginning.

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Section 6: Lot 7

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Section 18: Commencing at the NW corner of said Section 18; thence S. 200 feet; thence E. 250 feet; thence S. 450 feet; thence E. to the E. line of the NW $\frac{1}{4}$ of said Section 18; thence N. 650 feet to the NE corner of the NW $\frac{1}{4}$ of said Section 18; thence W. 160 rods to the place of beginning.

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Section 17: E $\frac{1}{2}$ SE $\frac{1}{4}$

Section 20: E $\frac{1}{2}$ E $\frac{1}{2}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 21: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 22: E $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: N $\frac{1}{2}$ NW $\frac{1}{4}$

Section 28: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 33: W $\frac{1}{2}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SE $\frac{1}{4}$