

Water Supply Bank No. _____

Water Right No. 63-7223

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

JAN 06 2006

APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK

DEPARTMENT OF
WATER RESOURCES

Name of Seller/Lessor Duncan D. Farris Phone 208-861-7562

Post office address 493 N. Katsura Ave., Kuna, ID 83634

1. DESCRIPTION OF WATER RIGHT:

Right evidenced by:

a. Decree No. _____ Decreed to _____ (Name)
in case of _____ vs _____
dated _____ in _____ county of _____ (Name of court)

b. License No. 63-7223 issued by the Idaho Department of Water
Resources.

c. Permit No. _____ issued by the Idaho Department of Water
Resources.

2. DESCRIPTION OF PORTION OF RIGHT FOR SALE OR LEASE: (If the entire right is for sale or lease,
show "all" on line a. below and skip the remainder of part 2.)

a. Amount of water under right: all cubic feet per second &/or
_____ acre-feet per annum

b. Point of diversion: _____ 1/4 of _____ 1/4 of Section _____ Township _____ Range
_____, B.M. in _____ County.

Additional points _____

c. Place of use:

TWP	RGE	SEC	N E				N W				S W				S E				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	

If the right is for irrigation, show the number of acres for the part of the right to be put into the bank

Total number of acres _____

3. ADDITIONAL INFORMATION ABOUT RIGHT, OR PORTION THEREOF, FOR SALE OR LEASE

- a. Explain how the seller/lessor acquired the right, or portion thereof, and attach a copy of the deed to the land to which it is appurtenant or other evidence of ownership of the right. If the right is not recorded in the name of the seller/lessor, attach a copy of a change of ownership form as required by Section 42-248 or 42-1409(6), Idaho Code, together with required documentation.

I purchased on September 26, 2005, the property to which this water right is appurtenant. Please see attached deed.

- b. Describe the frequency of water use under the right, or portion thereof, during the past five (5) years of use. Attach watermaster records, pumping power bills, or other evidence to demonstrate that the right has not been lost through abandonment or forfeiture. (This information is not required if a partial decree has been issued on the right within the last 5 years).

Has been used as the primary water source since priority date of the water right.

- c. If the right is from a surface water source, describe the period of the year that water is typically available to satisfy the right.

- d. Describe any other water rights with the same purpose and place of use as the right, or portion thereof, offered for lease. Will the present place of use continue to receive water from any source? If so, describe.

Yes. From Nampa & Meridian Irrigation District water right. The Nampa & Meridian Irrigation District Water Right is not offered for lease.

- e. If the water right is a permit, describe the work accomplished toward developing the right

- f. If the right to the use of the water or the use of the diversion works or irrigation system is represented by shares of stock in a company or corporation, or if such works or system is owned or managed by an irrigation district, a written consent of the sale or lease must be attached.

4. REMARKS:

I am selling the property to which this water right is appurtenant, but keeping the water right. I do not want to forfeit the water right from non-use; therefore I want to keep it safe in the water bank. Thank-you.

5. SALE/LEASE AGREEMENT

1. The water right, or portion thereof, described above is offered to the Idaho Water Resource Board:

_____ For sale;

X For lease for a period from 1st April 2006 to 1st November 2006
(Day month year) (Day month year)

(The lease period may be shown as "indefinite", if the total duration of lease is unknown); or

_____ As a gift to the state of Idaho.

2. Show the minimum payment acceptable to the Seller/Lessor. Include the method of determining the minimum payment. The minimum payment may be shown as the "current rental rate".

Current Rental Rate

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this right for sale or lease to the Idaho Water Resource Board.

The owner/lessor acknowledges the following:

1. Payment to the owner/lessor is contingent upon the sale or rental of the right from the bank.
2. While a right is in the bank, the owner of the right may not use the right even if the right is not rented
3. A right accepted into the bank stays in the bank until the Board releases it or until the lease term expires.
4. While a water right is in the bank, forfeiture provisions are stayed.
5. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right

January 5, 2006
Date

Duncan O. Farids
Signature

FOR DEPARTMENT USE ONLY

Received by NY Date 1-6-06 Preliminary check by NY

Watermaster recommendation requested on _____ Received _____

Recommended for _____ approval _____ denial by _____



www.titleonecorp.com

Order No.: C0510037

CORPORATION WARRANTY DEED

For Value Received STEWART FARMS, INC.

A Corporation duly organized and existing under the laws of the State of IDAHO hereby Grant, Bargain, Sell and Convey unto DUNCAN D. FARRIS, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY

Whose current address is: 493 N KATSURA Ave. Kuna, Id
83634

The following described real estate, to wit:

SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

TOGETHER WITH ALL WATER AND WATER RIGHTS, DITCHES AND DITCH RIGHTS, USED THEREON OR APPURTENANT THERETO, INCLUDING BUT NOT LIMITED TO 63-7223

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever.

The Grantor does hereby covenant to and with the said Grantees, that it is the owner in fee simple of said premises; that it is free from all encumbrances, EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee; and subject to restrictions, dedications, easements, rights of way and agreements, (if any) of record, and general taxes and assessments, including irrigation and utility easements, (if any) for the current year, which are not due and payable, and that Grantor will warrant and defend the same from all lawful claims whatsoever. In constraining this Deed and where the context so requires, the singular includes the plural, and the masculine, includes the feminine and neuter.

IN WITNESS WHEREOF, the Grantor, pursuant to a resolution of its Board of Directors has caused its corporate name to be hereunto subscribed.

Dated: 09/26/05

STEWART FARMS, INC

BY: [Signature]
PRESIDENT

STATE OF IDAHO

COUNTY OF CANYON

ON THIS 26 DAY OF SEPTEMBER IN THE YEAR 2005, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE PERSONALLY APPEARED, J S STEWART KNOWN TO ME TO BE THE PRESIDENT OF THE CORPORATION THAT EXECUTED THIS INSTRUMENT AND THE PERSON WHO EXECUTED THE INSTRUMENT ON BEHALF OF SAID CORPORATION, AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION 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]
BARBARA EHLE
RESIDING AT: MERIDIAN

RESIDING AT MERIDIAN, IDAHO
COMMISSION EXPIRES 06-12-2009

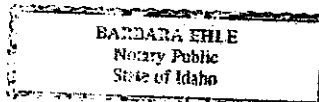


EXHIBIT "A"

That certain land lying Northeasterly from the Union Pacific right of way, and Northerly from that certain County road, and Southerly, Southeasterly and Southwesterly from the Southerly edge of the right of way of the New York Canal, all of which property is located in the following described tract of land:

All of the North half of the Southeast quarter and all of that portion of the South half of the Southeast quarter which lies North and East of the right of way of the Oregon Short Line Railroad Company,

EXCEPTING THEREFROM the following described tract of land, to-wit:

A strip of land 15 rods in width North and South, off from the Southside of the South half of the Southeast quarter, extending Eastwardly from the Northeasterly boundary line the right of way of the Oregon Short Line Railroad Company to the Section line between Sections 4 and 5.

All the above and foregoing being in Section 5, Township 2 North, Range 1 West, Boise Meridian, in Canyon County, Idaho.

EXCEPTING THEREFROM:

A parcel of land being a portion of the property of Stewart Farms, Inc., as described in Deed Instrument No. 603263 in the office of the Canyon County Recorder in the Southeast quarter of Section 5, Township 2 North, Range 1 West, Boise Meridian, more particularly described as follows:

Commencing at the section corner common to Sections 4, 5, 8 and 9, Township 2 North, Range 1 West, Boise Meridian; thence
North 00°51'01" West 75.438 meters (247.50 feet) to a point on the Southerly right of way of existing Locust Lane; thence
South 88°57'09" West 147.234 meters (483.05 feet) along said Southerly right of way to the TRUE POINT OF BEGINNING; thence continuing
South 88°57'09" West 163.836 meters (537.52 feet) along said Southerly right of way to a point of non-tangent curvature; thence
Westerly 13.646 meters (44.77 feet) along a curve to the right having a radius of 410.000 meters (1345.14 feet), a central angle of 01°54'26" tangent lengths of 6.824 meters (22.39 feet) and a long chord bearing North 81°08'12" West 13.646 meters (44.77 feet) to a point of tangency; thence
North 80°11'00" West 109.253 meters (358.44 feet) to a point of curvature; thence
Westerly 20.979 meters (68.83 feet) along a curve to the left having a radius of 30.000 meters (98.42 feet) a central angle of 40°03'56", tangent lengths 10.939 meters (35.89 feet) and a long chord bearing
South 79°47'03" West 20.553 meters (67.43 feet) to a point of non-tangency on the Northeasterly right of way of the Union Pacific Railroad; thence
North 56°13'38" West 21.272 meters (69.79 feet) along said Northeasterly right of way to a point marking the beginning of a non-tangent curve; thence
Northeasterly 44.336 meters (145.46 feet) along a curve to the right having a radius of 50.000 meters (164.04 feet), a central angle of 50°48'24", tangent lengths of 23.744 meters (77.90 feet) and a long chord bearing North 74°24'49" East 42.898 meters (140.74 feet) to a point of tangency; thence
South 80°11'00" East 107.979 meters (354.26 feet) to a point of curvature; thence
Southeasterly 73.951 meters (242.62 feet) along a curve to the left having a radius of 390.000 meters (1279.52 feet), a central angle of 10°51'52", tangent lengths of 37.087 meters (121.68 feet) and a long chord bearing
South 85°36'55" East 73.841 meters (242.28 feet) to a point of tangency on the Northerly right of way of said existing Locust Lane; thence
North 88°57'09" East 101.252 meters (332.19 feet) along said Northerly right of way to a point; thence
South 01°02'51" East 15.240 meters (50.00 feet) to the Point of Beginning.

Exhibit "A"

Legal Description