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DEPARTMENT OF
WATER RESOURCES

OCT 24 2005

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESDepartment of Water Resources
Eastern Region**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): Attached - Bylaws.
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 Soil Conservation Commission
2270 Old Penitentiary Road
Boise, ID 83712
4. Name of Water Right Owner/Claimant(s): Preston Whitney Irrigation Company
5. Expiration Date of Notification Period: November 1, 2021.
6. Is this a Renewal of Request for Notification? YES ☐ NO ☒
7. Signature(s) (and title if applicable) Jerry Niculescu
Jerry Niculescu, Administrator

For Office Use Only

Received by _____ Date _____ Fee \$25.00
 Received by SL Date 10/27/05 Receipt No. EO 31393 + E032448
 Processed by _____ AJ Date _____ WR _____ Date _____

Form 42-248(6) July, 2000

SUPPORT DATA**IN FILE #** 13-3



Idaho Soil Conservation Commission

Resource Conservation & Rangeland Development Program

PO Box 790 Boise, ID 83701

Boise Office: 208-332-8653

Fax: 208-334-2386

September 20, 2005

Preston Whitney Irrigation Company
c/o Maxine Waddoups
33 South 1st East
Preston, ID 83263

Dear Preston Whitney Irrigation Company:

At our regularly scheduled Commission meeting held September 19, the Idaho Soil Conservation Commission considered your request for a Resource Conservation and Rangeland Development Program (RCRDP) loan. I am pleased to inform you that your request for an RCRDP loan was approved subject to the following conditions:

1. Loan Amount: \$600,000.00
2. Loan Term: 15 Years
3. Interest Rate: 2.0%
4. Security interest in Water Rights
5. Written agreement between Preston Whitney Reservoir Co. and Preston Whitney Irrigation Company.
6. This commitment for funds will expire on March 21, 2006.

Enclosed are the Agreement of Conditions, W-9 form and the Notice of Security Interest in Water Rights form, which **must** be executed before we can process your loan. Please read, sign and return these to me. Also enclosed is a copy of the RCRDP policy for your information.

Once we have received the signed Agreement of Conditions, W-9 and copy of the completed Security Interest in Water Rights, we will prepare the final documents for you to sign.

Sincerely,

Christy Mastin
Loan Officer

MAILED
10-18-05



Idaho Soil Conservation Commission

Resource Conservation & Rangeland Development Program

Boise Office: 208-332-8650

Fax: 208-334-2386

www.scc.state.id.us

RCRDP@IdahoAg.us

Agreement of Conditions

This AGREEMENT entered into this 18th day of October, 2005, by and between the Idaho Soil Conservation Commission, First Party, referred to herein as the COMMISSION, and Preston Whitney Irrigation Company, an Idaho Corporation, Second Party, referred to herein as the BORROWER(S).

WITNESSETH

WHEREAS the COMMISSION desires to promote conservation projects through the Resource Conservation and Rangeland Development Loan Program; and

WHEREAS the BORROWER desires to participate with the COMMISSION to develop the soil and water conservation potential of privately-owned and other eligible lands;

NOW THEREFORE, in order to fully implement same, the parties hereto agree as follows:

1. The COMMISSION will provide funds for conservation projects, as agreed, not to exceed \$ 600,000.00. Funds will become available after the proposed loan has been closed. Interest will begin on the date money is advanced at the rate of TWO percent (2.0%) per annum. Funds can be advanced as the project is installed when evidenced by signed certification of completion, work vouchers, and billings. The money will be made available on a year-to-year basis as needed to complete the planned project depending on the availability of funds.

2. The BORROWER hereby agrees to provide security for the loan/s as required by the COMMISSION consisting of either real property or chattel properties or both and also provide the COMMISSION with easements and rights-of-way necessary to ingress or egress said property. BORROWER will also furnish to the COMMISSION, when requested, a preliminary title opinion and upon loan closing, a title insurance policy.

3. The BORROWER agrees to pay the COMMISSION from income in a timely manner as prescribed in the note repayment schedule and the COMMISSION, upon complete payment of the note/s, will release liens on the real estate or chattel properties taken and held as security under this AGREEMENT.

4. The loan provided by the COMMISSION shall be payable over a period of time not to exceed FIFTEEN years. Annual installments will be in the amount of \$46,695.28 and will become due on the 1st day of NOVEMBER of each year beginning 2007.

5. The COMMISSION has reviewed the Cash Income and Expense Budgets provided by the BORROWER and has determined that surplus income will be available to support the required note

Agreement of Conditions

installments. Therefore, the BORROWER agrees that the annual or monthly note installments are incorporated in the budget as if fully set forth therein.

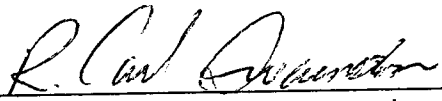
6. All payments shall be made to the Idaho Soil Conservation Commission.
7. The BORROWER further agrees to perform the necessary improvement work and use the land in accordance with the Conservation Plan as approved by the local Soil Conservation District.
8. It is further agreed that the BORROWER shall complete each practice of the project as scheduled in the Conservation Plan.
9. The BORROWER agrees to install the practices according to the practice standards and specifications contained in the local Soil Conservation District field office technical guide (NRCS).
10. It is a condition of this AGREEMENT that the BORROWER shall manage the project in a prudent manner.
11. The COMMISSION shall not become liable to the BORROWER for any commitments made by the BORROWER to other persons, businesses, firms, governmental agencies, or any other entity. The COMMISSION is responsible to the BORROWER only and then only after the loan is closed.
12. The COMMISSION, or its agents, reserves the right to make inspections at any reasonable time during the term of payment period and to discuss with the BORROWER or any of the officers representing the BORROWER, related finance and business affecting the loan.
13. The BORROWER shall not dispose of any secured real estate or chattels without first obtaining the written approval of the COMMISSION.
14. The BORROWER agrees to assume the full obligation for any claim or liability for any injury, property damage, or death of persons or animals as a result of this project and future management of this project. The BORROWER agrees to hold the COMMISSION harmless from claims for damages, in relation to this agreement, during the life of this AGREEMENT.
15. The COMMISSION records shall be conclusive evidence of one or more advances made on the loan commitment.
16. During the term of this AGREEMENT the BORROWER agrees not to change the structure of the entity or business that is a party to the agreement without consent of the COMMISSION.
17. This AGREEMENT shall continue as long as the loan or loans made pursuant hereto or renewals or extensions thereof remain unpaid. No consent or waiver under this AGREEMENT or under any related promissory note, mortgage, or other document shall be affected unless in writing.

Agreement of Conditions

No waiver of any breach or default of this AGREEMENT or of any related promissory note, mortgage, or other document shall be deemed a waiver of any breach thereafter occurring.

IN WITNESS WHEREOF, the State of Idaho, acting through the Idaho Soil Conservation Commission, Party of the First Part, has caused these presents to be approved by the COMMISSION by motion at a special conference meeting of the Commission members held on September 19, 2005.

Party of the Second Part has caused these presents to be signed and executed on its behalf.



Preston Whitney Irrigation Company by
Carl Swainston, President

the corporation's manager as to any measurement of water shall be final unless a stockholder provides an accurate measurement by means of a satisfactory device or in some other manner acceptable to such manager at the stockholder's own expense. Each such headgate or other delivery structure shall also be equipped so that the flow of water through it may be controlled and completely stopped, as well as locked.

Section 3. Water Rights.

The water rights of the corporation, whether acquired by appropriation, transfer, purchase, contract or otherwise, presently consist of the following:

List of Water Rights

<u>RIGHT NO.</u>	<u>SOURCE</u>	<u>AMOUNT IN CFS or AF</u>	<u>PRIORITY</u>	<u>PURPOSE</u>
13-00002	Cub River	30.00CFS	04/01/1882	Irrigation
13-00003	Cub River	25.00CFS	04/01/1882	Irrigation
13-00035	Cub River	4.00CFS	04/01/1882	Domestic/Stockwater
13-00036	Cub River	3.00CFS	04/01/1882	Domestic/Stockwater
13-00037	Cub River	2.00CFS	04/01/1882	Domestic/Stockwater
13-00038	Cub River	3.00CFS	04/01/1882	Domestic/Stockwater
13-00143	Springs Tributary to Worm Creek (Larsen Springs)	5.00CFS & 2133.00AF	04/01/1929	Irrigation
13-00271	Worm Creek	50.00CFS & 2000.00AF	05/07/1880	Irrigation
13-02104	Cub River	25.00CFS	03/14/1924	Irrigation
13-02108	Worm Creek	215.00CFS & 6000.00AF	12/15/1924	Storage (Glendale Reservoir) & Irrigation
13-02288	Cub River	6000.00AF	12/15/1924	Storage (Glendale Reservoir) & Irrigation
13-02291	Cub River	2407.50AF	06/30/1947	Storage (Lamont Reservoir) & Irrigation
13-02298	Cub River	3355.00AF	02/11/1957	Storage (Foster Reservoir) & Irrigation