

COPY

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is made and entered into on this 1 day of July, 2002, between SCOTT J. GULICK and LUCILLE GULICK, husband and wife, hereinafter referred to as "Sellers," and LARRY GULICK, a single person, hereinafter referred to as "Purchaser."

1. **Sale.** For the consideration hereinafter set forth, the Sellers sell and the Purchaser buys the real property situated in Jerome County, Idaho and more particularly described on Exhibit "A" attached hereto any this reference made a part hereof, together with all improvements, appurtenances, and 80 shares of the capital stock of the North Side Canal Company and the commercial dairy well.

2. **Purchase Price.** The purchase price is ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$175,000) which the Purchaser agree to pay by executing and delivering to the Sellers at closing a Purchase Money Promissory Note secured by a Purchase Money Mortgage and Security Agreement, copies of which are marked Exhibits "B" and "C" respectively, both of which are attached hereto and by this reference made a part hereof.

3. **Liens and Encumbrances.** The premises are sold and are to be conveyed subject to:

(a) Zoning and building regulations, ordinances, and requirements adopted by any government or municipal authority having jurisdiction thereof, and amendments and additions thereto now or hereafter in force and effect, which relate to the premises.

(b) Taxes, assessments, reservations and easements of record and apparent.

4. **Title Insurance.**

(a) **Owner's Policy.** The Purchaser specifically waives the requirement of obtaining an owner's policy of title insurance.

(b) Mortgagee's Policy. The Sellers specifically waive the requirement of obtaining a mortgagee policy of title insurance.

5. Inspection by Purchaser. Purchaser has inspected the property described in paragraph 1, "Sale," and know the condition thereof with respect to the condition of all improvements, weeds, noxious or otherwise, the type and fertility of soil, and underlying rock conditions upon the premises and are purchasing upon their own judgment and not by reason of anything said or done by the Sellers. The Purchaser is purchasing the property "as is, where is."

6. Reservation of Life Estate. The Sellers reserve a life estate in the residence, barn, shop, corral, and a yard approximately 220 feet on the North and South side of the yard and 290 feet on the East and West side of the yard. The life estate shall terminate upon the death of the surviving Seller or at such time the Sellers have vacated the premises for health or other reasons on a permanent basis, whichever event shall first occur.

7. Documents to be Provided by Sellers at Closing. At the closing, the Sellers shall deliver to the Purchaser a duly executed and acknowledged warranty deed to the real property.

8. Documents to be Provided by Purchaser at Closing. At closing, the Purchaser shall deliver to the Sellers a duly executed Purchase Money Promissory Note and a Purchase Money Mortgage and Security Agreement as required by paragraph 2, "Purchase Price," above, together with appropriate Financing Statements to record Sellers' interest in any personal property retained as collateral.

9. Form of the Warranty Deed. The general Warranty Deed shall be in the form of that which is annexed hereto as Exhibit "D."

10. **Sellers' Warranties and Representations.** Sellers warrant and represent as follows:

- (a) Title to the real property is as warranted;
- (b) Real property taxes and assessments for calendar year 2001 have been paid in full.
- (c) All bills for work done or materials furnished to such real property have been, or will be, paid in full, or provided for at closing.
- (d) Charges for water for the 2001 irrigation season have been, or will be, paid in full.

11. **Purchaser's Warranties and Representations.** Purchaser warrants, represents and agrees:

- (a) To pay all taxes and water assessments assessed for the year 2002, and thereafter and until the entire Purchase Money Promissory Note is paid in full. Real property taxes for 2002 shall be paid by buyer.
- (b) To farm in a good and farmerlike manner all of said real property during each and every year beginning with the crop year 2002, and to continue until the Purchase Money Promissory Note, together with interest, has been paid in full.
- (c) To prevent and control all noxious weeds, knowing the present condition of the above-described property.
- (d) Not to permit any workman's or materialman's liens to be filed against the above-described real property.
- (e) To provide fire insurance protection in amounts and with companies satisfactory to the Sellers covering the buildings and improvements on said property, with extended coverage protection. Purchaser agrees to pay the policy premiums for the year 2002. The proceeds of any policy paid in event of loss shall be payable to the parties as their interests may appear; provided, however, the Purchaser, at his option, may elect to use the insurance proceeds to repair or rebuild the damaged improvements or to be applied on the unpaid principal balance due on the Purchase Money Promissory Note, together with accrued interest thereon. The Sellers shall be an additional named insured on all policies as the Sellers' interest may appear in the property.

12. **Violations.** All violations of law, ordinances, orders or requirements of any governmental authority having jurisdiction, resulting from Sellers' acts or omissions, noted or issued against or affecting the property at the date hereof, shall be remedied by the Sellers and the premises shall be conveyed free of the same. If any such violation shall be noted or issued against or affecting the premises subsequent to the closing, as a result of Sellers' acts or omissions prior to the closing, the Sellers shall be obligated to remedy the same.

13. **Adjustments, Apportionments and Costs.** Closing costs, escrow fees and recording fees shall be divided equally between the Sellers and Purchaser.

14. **Destruction of the Premises.** Risk of loss or damage to the Property shall remain with the Sellers until actual delivery of the deed in accordance with the terms of this Agreement.

15. **Escrow Agent.** This Agreement, the executed Warranty Deed as recorded, the original Purchase Money Promissory Note, the original Mortgage as recorded, and the Certificate representing the 80 shares of capital stock of the North Side Canal Company, endorsed in blank by the Purchaser, shall be deposited in escrow with Farmers National Bank of Twin Falls, Idaho. The escrow agent will be provided with escrow instructions in substance and form customarily required by the escrow agent in form satisfactory to the Sellers. The original Personal Property Security Agreement and the original Certificate representing the 80 shares of capital stock shall also be placed with the escrow agent.

16. **Giving of Notice.** All notices and other communications required or permitted to be given under the terms of this Agreement shall be in writing. The party giving the notice shall have the option of giving notice by certified or registered mail, postage prepaid; by Federal Express,

Airborne Express, or similar overnight delivery service; or by causing said notice to be personally served upon the other party. The notice shall be addressed to the respective parties at the addresses that follow. Such address may be changed by either party by giving the other party notice of the change of address in writing. Notice shall be deemed to have been given on the date of personal service if notice is given by personal service. Notice shall be deemed to have been given upon the date the notice is mailed or upon the date the notice is placed in the hands of the carrier if notice is given by mail or overnight delivery service. The addresses to be used until notice of a change of address has been given shall be as follows:

If to the Sellers:

Scott J. and Lucille Gulick
329 South 300 East
Jerome, ID 83338

With a copy to:

Russell G. Kvanvig
Stephan, Kvanvig, Stone & Trainor
P. O. Box 83
Twin Falls, Idaho 83303-0083

If to the Purchaser:

Larry Gulick
329 South 300 East
Jerome, ID 83338

17. Survival of Provisions. Each covenant, condition, warranty and representation herein made shall survive the closing. All provisions which are to be performed or applied to circumstances subsequent to closing shall likewise survive the closing.

18. **Amendments.** This Agreement may not be amended, modified, altered, or changed in any respect whatsoever, except by further agreement in writing duly executed by the parties hereto.

19. **Closing.** For the record it is noted that closing shall take place on the 5 day of August, 2002.

20. **Construction and Governing Law.** This Agreement shall be construed in accordance with the laws of the State of Idaho. This Agreement was drafted by the Sellers' attorney as a matter of convenience only and shall not be construed for or against either party on that account. Purchaser hereby acknowledges that the attorney for the Sellers has not given legal advice to the Purchaser nor made any representations or warranties on behalf of the Sellers.

21. **Attorneys Fees.** Should any litigation be commenced between the parties hereto concerning the Property, this Agreement, or the rights and duties of either in relation thereto, the parties (Purchaser or Sellers) prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for their attorney's fees in such litigation, which fees shall be determined by the court in which such litigation is had, or in a separate action brought for that purpose.

22. **Expenses and Commissions.** Purchaser and Sellers agree to bear their own legal and other expenses in connection with the preparation and consummation of this Agreement. Said parties also acknowledge and warrant to the other that neither has incurred any liability for commissions, finder's fees, or similar claims in connection with this transaction.

23. **Entire Agreement.** This Agreement contains the entire agreement between the parties. No representation or promises with respect to the sale and purchase of the property has been made by the Sellers or the Purchaser other than expressly set forth herein.

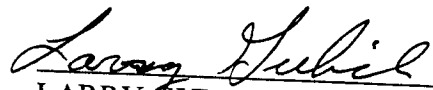
24. **Binding Effect.** This Agreement shall be binding upon the heirs, estates, personal representatives, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this
1 day of July, 2002.


SCOTT J. GULICK


LUCILLE GULICK

"Sellers"


LARRY GULICK

"Purchaser"

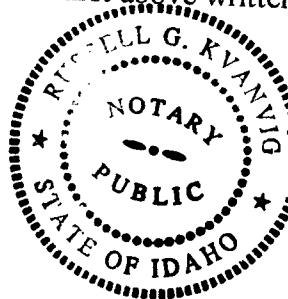
STATE OF IDAHO

)
: ss.
)

COUNTY OF TWIN FALLS

On this 5 day of August, 2002, before me, the undersigned, a Notary Public for Idaho, personally appeared SCOTT J. GULICK and LUCILLE GULICK, husband and wife, known or identified to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they 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.



Russell Kvanvig
Notary Public for Idaho
Commission Expires: 8-12-5

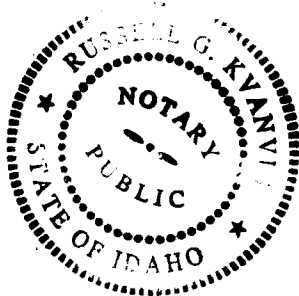
STATE OF IDAHO

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: ss.
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COUNTY OF TWIN FALLS

On this 5th day of August, 2002, before me, the undersigned, a Notary Public for Idaho, personally appeared LARRY GULICK, a single person, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he 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.



Russell Kvanvig
Notary Public for Idaho
Commission Expires: 8-12-5

EXHIBIT "A"

Legal Description

COPY

TOWNSHIP 9 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 4: S $\frac{1}{2}$ NE $\frac{1}{4}$

Together with 80 shares of stock in the North Side Canal Company
and the commercial dairy well.

PURCHASE MONEY PROMISSORY NOTE

\$175,000.00

July 1, 2002
Twin Falls, Idaho

FOR VALUE RECEIVED, I, LARRY GULICK, promise to pay to SCOTT J. GULICK and LUCILLE GULICK, husband and wife, the principal sum of One Hundred Seventy-Five Thousand Dollars (\$175,000.00) with interest thereon at the rate of six percent (6%) per annum from the date hereof, calculated upon the unpaid principal balance. Principal and interest payments of \$1,500.00 (which amortizes principal over a term of fifteen (15) years shall be payable monthly on the 1st day of each and every consecutive month commencing with the 1st day of August, 2002. Provided, however, that notwithstanding the amount of the monthly payments called for above, the entire principal sum, together with accrued interest shall be paid on the 1st day of July, 2017. All payments shall be credited first to interest and then to principal. Payments of principal and interest shall be made in lawful money of the United States which shall be tender for public and private debts at time of payment.

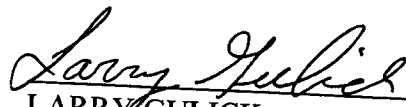
On or after August 1, 2002, the undersigned may prepay, without premium or penalty, all or any portion of the principal balance then remaining unpaid; provided, however, prepayments on principal shall be applied to principal payments due in the inverse order of their maturity.

This note is secured by a Purchase Money Mortgage and Security Agreement of even date herewith, and in the event that any of the aforesaid annual payments remains unpaid for a period of 30 days after the same becomes due and payable, then the whole sum of the unpaid balance of principal and interest thereon, shall become immediately due and payable at the option of the holder

hereof. In case suit or action is instituted to collect this note, or any portion thereof, the undersigned promises to pay, in addition to all costs of collection, a reasonable attorney's fee to be fixed by the Court.

This Note is entitled to the benefits of the Agreement of Purchase and Sale, dated the 1st day of July, 2002, between the undersigned as Purchaser and Scott J. Gulick and Lucille Gulick, as Sellers, the terms and conditions of which are hereby incorporated herein by this reference for all purposes.

This Note and the aforesaid Agreement of Purchase and Sale are complimentary and what is required by one shall be as binding as if required by all; provided, however, that in the event of any ambiguity, or conflict between this Note and the Agreement of Purchase and Sale, the Agreement of Purchase and Sale shall control.


LARRY GULICK

COPY

PURCHASE MONEY MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT is made and entered into by LARRY GULICK, whose address is 329 South 300 East, Jerome, Idaho, hereinafter referred to as the "Mortgagor," and SCOTT J. GULICK and LUCILLE GULICK, whose address is 329 South 300 East, Jerome, Idaho, hereinafter referred to as the "Mortgagee."

WHEREAS, Mortgagor is indebted to the Mortgagee as evidenced by a Purchase Money Promissory Note of even date herewith, which has been executed by Mortgagor and is payable to the order of the Mortgagee; and

WHEREAS, it is the purpose and intent of this instrument that, among other things, at all times while any of said note is held by the Mortgagee, or in the event the Mortgagee should assign this instrument, this instrument shall secure payment of said note;

NOW, THEREFORE, for good and valuable consideration, Mortgagor does hereby grant, bargain, sell, convey, mortgage and assign unto the Mortgagee the following property situated in the State of Idaho, County of Jerome, and more particularly described on Exhibit A attached hereto and by this reference made a part hereof, together with all rights, interests, easements, hereditaments and appurtenances there unto belonging, including the rents, issues and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Mortgagor by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein all of which are herein called "the property;"

TO HAVE AND TO HOLD the property unto the Mortgagee and its assigns forever in fee simple.

This Mortgage is given for the purpose of securing payment of the indebtedness evidenced by a Purchase Money Promissory Note of even date herewith executed by Mortgagor as follows:

The sum of One Hundred Seventy-Five Thousand Dollars (\$175,000.00) with final payment due July 1, 2017.

MORTGAGOR for itself, its heirs, executors, administrators, successors and assigns WARRANTS THE TITLE to the property to the Mortgagee against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANT AND AGREE as follows:

1. To pay promptly when due any indebtedness to the Mortgagee herein secured.
2. To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining to or reasonably necessary to the use of the real property described above.
3. To keep the property insured as required by and under insurance policies approved by, delivered to, or retained by the Mortgagee.
4. To maintain improvements in good repair; operate the property in a good and efficient manner; to comply with such conservation practices and management programs as is customary in the locale of the property; and not to abandon the property, or cause or permit waste, lessening or impairment of the security covered hereby, or, without the written consent of the Mortgagee, cut, remove, or lease any water, timber, gravel, oil, gas, coal, or other minerals.
5. To comply with all laws, ordinances, and regulations affecting the property.
6. To pay or reimburse the Mortgagee for expenses reasonably necessary or incidental to the protection of the lien and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note and any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and expenses of advertising, selling, and conveying the property.
7. The Mortgagee may at any time pay any amounts required to be paid by Mortgagor and not paid by it when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Mortgagor. All such advances shall bear interest at the rate borne by the Purchase Money Promissory Note.
8. All advances by the Mortgagee as described by this instrument, with interest, shall be immediately due and payable by Mortgagor to the Mortgagee without demand at the place designated in the Purchase Money Promissory Note and shall be secured hereby. No such advance to the Mortgagee shall relieve Mortgagor from breach of its covenant to pay. Any payment made by Mortgagor shall be applied on the note given to the Mortgagee and secured hereby.

9. Neither the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Mortgagee. The Mortgagee shall have the sole and exclusive rights as Mortgagee hereunder, including but not limited to the power to grant consents, partial releases, subordination and satisfaction.

10. At all reasonable times the Mortgagee and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

11. That this Mortgage and Security Agreement shall be construed according to the laws of the State of Idaho.

12. Mortgagor agrees that upon request of Mortgagee from time to time it will execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage and Security Agreement.

13. The Mortgagee may extend and defer the maturity of and renew and re-amortize the debt evidenced by the note secured hereby, release from liability to the Mortgagee any party so liable thereon, release portions of the property from and subordinate the lien hereof, and waive any other rights hereunder, without affecting the lien or priority hereof or the liability to the Mortgagee of Mortgagor or any other party for payment of the note or indebtedness secured hereby except as specified by the Mortgagee in writing.

14. Default hereunder shall constitute default under any other real estate, or under any personal property or other security instrument held by the Mortgagee and executed or assumed by Mortgagor, and default under any such other security instrument shall constitute default hereunder.

15. SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should the Mortgagor be declared a bankrupt, or an insolvent, or shall be required to make an assignment for the benefit of creditors, the Mortgagee, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Mortgagee hereby secured immediately due and payable, (b) for the account of Mortgagor, incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property, (c) upon application by Mortgagee and production of this mortgage, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, (d) foreclose this instrument as provided herein by law, and (e) enforce any and all other rights and remedies provided herein or by present or future law.

16. The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) cost and expenses incident to enforcing or complying with the provisions hereof, (b)

any prior liens required by law or a competent court to be so paid, (c) the debt evidenced by the note and all indebtedness to the Mortgagee secured hereby, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Mortgagee's option, any other indebtedness of Mortgagor owing to the Mortgagee, and (f) any balance to Mortgagor. At foreclosure or other sale of all or any part of the property, the Mortgagee and its agents may bid and purchase as a stranger and may pay the Mortgagee's share of the purchase price by crediting such amount on any debts of Mortgagor owing to the Mortgagee, in the order prescribed above.

17. Mortgagor agrees that the Mortgagee will not be bound by any present or future state laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a deficiency judgment or limiting the amount thereof or the time within which such action may be brought, (c) prescribing any other statute of limitations, or (d) allowing any right of redemption or possession following any foreclosure sale.

18. Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Mortgagee to Scott J. and Lucille Gulick, whose address is 329 South 300 East, Jerome, Idaho 83338, and in the case of the Mortgagor to Larry Gulick at the address shown herein.

19. If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision or application, and to that end the provisions hereof are declared to be severable.

20. Time is material and of the essence hereof.

21. Mortgagor is buying the property as is, where is and subject to its own inspection of the property. For so long as money is owed to Mortgagee under the terms of the Agreement, Mortgagor hereby covenants and agrees to at all times defend, indemnify, and hold harmless the Mortgagee and its successors and assigns from and against any and all liabilities, losses, damages, costs, expenses (including without limitation reasonable attorney's fees and expenses), causes of action, administrative proceedings, suits, claims, demands or judgments of any nature arising out of or in connection with: (1) the future presence of any hazardous waste or hazardous chemical substances or mixtures on or in the premises; (2) failure at any time by the Mortgagor to comply with the terms of any order issued by any federal, state, or municipal department or agency now or hereafter having any regulatory authority over environmental matters with regard to the premises; and (3) any lien or claim imposed under state or federal law.

As used herein, the terms hazardous waste and chemical substances and mixtures shall have the same meaning as defined in any of the following (the Acts): the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 1802; the Toxic Substances Control Act, as amended, 15 U.S.C. § 2610 et. seq.; and/or the regulations now

or hereafter adopted and publications promulgated pursuant to any of these Acts and Acts of a similar nature controlling hazardous substances.

22. To keep the buildings, improvements, fixtures, equipment, machinery, and appliances of the above described property, or to be hereafter constructed or placed hereon, insured against loss by fire or other hazards, casualties, and contingencies included in the term "extended coverage" in such forms of insurance, and in such amounts, as may be required by the Mortgagee, but not in an amount less than the full replacement cost of all buildings, fixtures, and other insurable improvements of the property for the benefit of the Mortgagee, with loss payable solely to Mortgagee and to deliver proof of insurance to the Mortgagee. Such insurance policies shall require sixty (60) days prior written notice of cancellation to the Mortgagee. Failure to maintain such insurance shall constitute a default under the terms of this Mortgage. Neither the destruction of the property in whole or in part nor the application of insurance proceeds to reconstruct the premises or to reduce the indebtedness secured by this Mortgage shall cause suspension, extension or abatement of payments under the note, serviced hereby unless the entire indebtedness is paid by the application of said insurance proceeds.

IN WITNESS WHEREOF, Mortgagor has executed this instrument this 1 day of July, 2002.

Larry Gulick
LARRY GULICK

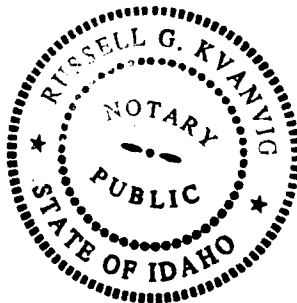
STATE OF IDAHO)

COUNTY OF TWIN FALLS)

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: ss.
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On this 5~~th~~ day of August, 2002, before me, the undersigned, a Notary Public for Idaho, personally appeared LARRY GULICK, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he 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.



Russell Kvanvig
Notary Public for Idaho
Commission Expires: 8-12-5

EXHIBIT "A"

Legal Description

TOWNSHIP 9 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 4: S $\frac{1}{2}$ NE $\frac{1}{4}$

Together with 80 shares of stock in the North Side Canal Company
and the commercial dairy well.

WARRANTY DEED

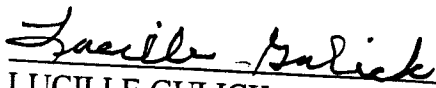
SCOTT J. GULICK and LUCILLE GULICK, Grantors, hereby convey, grant, and warrant to **LARRY GULICK**, Grantee, whose address is 329 South 300 East, Jerome, Idaho 83338, for the sum of **TEN DOLLARS** and other good and valuable consideration, the real property located in Jerome County and more particularly described on Exhibit A attached hereto and by this reference made a part hereof. **SUBJECT TO** taxes and assessments for the year 2002, and all subsequent years, together with any and all existing easements, rights-of-way, reservations, restrictions and encumbrances of record, to any existing tenancies, to all zoning laws and ordinances, and to any state of facts an accurate survey or inspection of the premises would show.

This conveyance shall include any and all appurtenances, tenements, hereditaments, reversions, remainders, easements, rights-of-way and water rights in anywise appertaining to the property herein described.

The Grantors covenant to the Grantee that Grantors are the owners in fee simple of said premises; that the premises are free from all encumbrances, excepting those as may be herein set forth, and excepting those of record or apparent, and that Grantors will warrant and defend the same from all lawful claims.

IN WITNESS WHEREOF, the Grantors have executed this instrument on this 1 day of July, 2002.


SCOTT J. GULICK


LUCILLE GULICK

STATE OF IDAHO

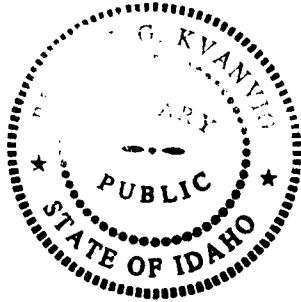
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: ss.

COUNTY OF TWIN FALLS

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On this 1 day of July, 2002, before me, the undersigned, a notary public in and for the State of Idaho, personally appeared SCOTT J. GULICK and LUCILLE GULICK, known or identified to me to be the person whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.



Russell Kvaned
Notary Public for Idaho
My Commission Expires on 8-12-5

EXHIBIT "A"

Legal Description

TOWNSHIP 9 SOUTH, RANGE 17, EAST OF THE BOISE
MERIDIAN, JEROME COUNTY, IDAHO

Section 4: S $\frac{1}{2}$ NE $\frac{1}{4}$

Together with 80 shares of stock in the North Side Canal Company
and the commercial dairy well.

(Grantors have retained a life estate in the residence and outbuildings located on the premises and a yard approximately 220 feet on the North and South side of the yard and approximately 290 feet on the East and West side of the yard).

IDAHO WATER COMPANY
AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS AGREEMENT is made and entered into this 5/3/04 by and between Del Kohtz Idaho Water Company (hereinafter "Seller") and Larry Galick hereinafter ("Buyer"). The seller, Del Kohtz discloses that he is a licensed real estate agent acting herein as principal for his own account and not representing or acting as an agent for the buyer.

TERMS AND CONDITIONS

1. The Sellers, in consideration of the terms contained herein, do hereby contract and agree to sell and convey to the Buyers and the Buyer does hereby agree to buy from the Sellers 15 acre feet/anum consumptive of Idaho Water Right 36-2325 # 36-2326 # and the water appurtenant thereto, for \$ 2000 per acre foot consumptive or 2000 per acre. 5 acres of water are included in this agreement. No land is included in this agreement.
2. The total purchase price shall be \$ 2000. The entire purchase price shall be paid on the closing date described in paragraph 5 below, less 15% finders fee and down payment paid at signing. Payment of \$ 2000 paid at signing.
3. This Agreement for Purchase and Sale of said license is contingent upon and subject to approval of the application for transfer by the Department of Water Resources. If the application is not approved, this Agreement shall become null and void.
4. The closing of this transaction and delivery of the executed Assignment to Buyer and the entire purchase price for each contract to Seller shall take place at the law offices of Ling, and Robinson, 615 H Street, Rupert, Idaho, within thirty days of Buyers receipt of approval from the Department of the application for transfer. The Buyers shall be given possession and use of the water right and the water appurtenant thereto, upon closing.

6. This transfer will remain in the name of Idaho Water Co. until the contract is closed and paid for by the buyer. The buyer's place of use and point of diversion will be used for the transfer. When the contract is closed a change of ownership form will be signed by Idaho Water Co. (Del Kohtz)

7. In the event of any suit proceeding by either party against the other party, in any way arising out of this agreement, the prevailing party shall be awarded their reasonable attorney fees and costs.

8. Each party agrees to pay one-half of any costs incurred in executing this document. These costs shall not be more than \$150.00 each.

9. This agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, administrators, successors and assigns to the parties hereto.

10. Buyer understands that if Kohtz is not at fault for the failure of his transfer due to protests or other factors beyond Kohtz' control, Kohtz shall charge an hourly fee of \$50.00 for the preparation and presentation of the application for transfer. This includes travel time and attendance of hearings on buyer's behalf. These monies will come out of the finder's fee charged at signing. If transfer is accomplished no hourly fee will be charged. If Kohtz fails to accomplish the desired transfer with this or other water rights the upfront money will be refunded. Buyer understands consultant fees for preparation of transfer, calculation of mitigation, and attorney fees in the case of protests and hearings on their water transfer are to be paid by the Buyer.

11. Del Kohtz has my permission to make needed changes to the Water transfer application that is the result of this contract to facilitate the process of transferring the water. The changes made will not materially change the amount of money buyer has to pay, or the amount of water buyer receives.

12. Kohtz (Idaho Water Company) has no control over the amount of mitigation or writedown IDWR will require of Buyers particular transfer therefore the amount Buyer pays is based on the amount of water transferred out of the original Water Right.

OTHER PROVISIONS

IN WITNESS WHEREOF the parties have caused their names to be subscribed
on the dates set forth above.

SELLERS

Robert H. King
Idaho Water Co.

BUYERS

Larry J. Huber

IDAHO WATER COMPANY LLC

1135 Valley Road South
Eden, Idaho 83325
(208) 825-5617
Cells 410-0438 or 312-1135

OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

THIS AGREEMENT is made and entered into this

June 15, 2004

by and between

B. Roy Prescott

(hereinafter "Seller") and Idaho Water Co. Del Kohtz hereinafter "Buyer"). The buyer,

Del Kohtz discloses that he is a licensed real estate agent acting herein as principal for his own account and not representing or acting as an agent for the end buyer.

TERMS AND CONDITIONS

1. The Sellers, in consideration of the terms contained herein, do hereby contract and agree to sell and convey to the Buyers and the Buyer does hereby agree to buy from the Sellers Idaho Water Right(s) 36-16195, 36-16197, 36-2581 and the water appurtenant thereto, for \$ 00 per acre. There are 46.9 acres in this agreement

2. The total purchase price shall be \$ 00. The entire purchase price shall be paid on the closing dates described in paragraph 4 below.

3. This Agreement for Purchase and Sale of said license is contingent upon and subject to the IDWR finding that the Water Right is valid and transferable. If the Water Right is invalid or non-transferable, this Agreement shall become null and void.

4. The Buyer desires to buy the personal property, the Water Rights, in separate tracts in order as agreed upon by both parties. Each transfer will be closed separately as they are paid for. This contract will be the standard contract and price for each transfer. The Buyers shall be given possession and use of the portion of the water right and the water appurtenant thereto, upon the closing of each transfer.

The remaining Water Rights shall remain the property of the seller until they are paid for and so forth until the entire Water Right is sold.

5. In the event of any suit or proceeding by either party against the other party, in any way arising out of this agreement the prevailing party shall be awarded their reasonable attorney fees and costs.

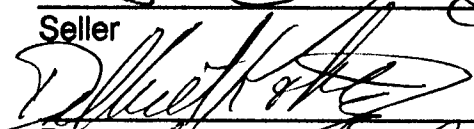
6. Option: Seller understands Buyer is transferring the water appurtenant to Sellers property to another property. Buyer shall have 365 days from the date of signing this contract to complete and close the transfers. If IDWR has not completed the transfers by the end of the option period the contract may be extended by the Buyer to complete the transfers in process. The sale of the balance of water in the agreement may be extended by an agreement between Buyer and Seller.

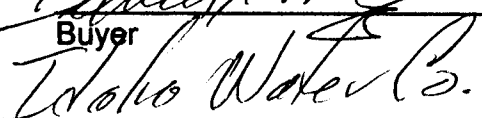
7. This agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, administrators, successors and assigns to the parties hereto.

OTHER PROVISIONS

IN WITNESS WHEREOF have caused their names to be subscribed on the dates set forth above.



Seller


Buyer

Idaho Water Co.