

Boise
Idaho Falls
Pocatello

Moffatt Thomas

MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.

JoAnn C. Butler
208.385.5404 direct
jab@moffatt.com

US Bank Plaza Building
101 S Capitol Blvd 10th Fl
PO Box 829
Boise Idaho 83701 0829

July 3, 2000

208.345.2000
208.385.5384 fax
www.moffatt.com

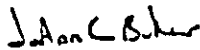
Allan Bosch
Dillion Bosch Daw & Bock, Chtd.
225 N. 9th Street, Suite 210
Boise, ID 83702

Re: Merle Lindley/Ramon and Marilyn Yorgason
MTBR&F File No. 21-205.16

Dear Allan:

Enclosed is the original, fully executed Real Estate Purchase Agreement by and between Merle H. Lindley and Lou Jean B. Lindley Trust and Ramon and Marilyn Yorgason. I have retained a copy for my file.

Sincerely,



JoAnn C. Butler

JCB/laa
Enclosure
cc: Ramon Yorgason (w/encl.)

RECEIVED DILLION, BOSCH
DAW & BOCK, CHTD.

JUL - 5 2000

BOI_MTI:303597.1

REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this "Agreement") is made this 29th day of June, 2000, by and between Merle H. Lindley and Lou Jean B. Lindley Trust, or assigns (collectively "Seller"), and Ramon and Marilyn Yorgason, or assigns ("Buyer").

RECITALS

A. Seller owns that certain property located at 990 East Chinden Blvd., Eagle, County of Ada, State of Idaho, 83616, more particularly described on Exhibit A, attached hereto and made a part hereof.

B. Seller desires to sell, transfer and convey such property and Buyer desires to purchase such property all according to the provisions hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, and in consideration of the recitals above, and the premises and the mutual representations, covenants, undertakings and agreements hereinafter contained, Seller and Buyer represent, covenant, undertake and agree as follows:

1. AGREEMENT OF SALE AND PURCHASE.

Seller agrees to sell, transfer and convey and Buyer agrees to purchase and have transferred and conveyed, all for a purchase price and subject to and upon each of the terms and conditions hereinafter set forth, the following:

(a) Property. The land legally described in Exhibit A, attached hereto and made a part hereof, together with all right, title and interest of Seller in and to all easements, tenements, hereditaments, privileges and appurtenances thereunto belonging (the "Land"), and improvements and structures located on the Land (collectively the "Improvements"). The Improvements and the Land are hereinafter collectively referred to as the "Real Property."

(b) Intangible Property. All intangible property, whether enumerated herein or not, in which Seller has an interest, now or hereafter used in connection with the operation or maintenance of the Improvements, the Land, or the Personalty, including, without limitation, all leases, licenses and other agreements to occupy all or any part of the Real Property (all hereinafter collectively referred to as the "Intangible Property").

(c) Appurtenant Rights. All right, title, and interest of Seller to land, if any, lying in the bed of any street, road, or avenue, open or proposed, at the foot of or adjoining the Land to the center line of such street, road or avenue, and to the use of all easements, if any, whether of record or not, appurtenant to the Land and the use of all strips and rights-of-way, if any, abutting, adjacent, contiguous or adjoining such Land and to all water and water rights, ditch and ditch rights, water storage and storage rights (all hereinafter collectively referred to as the "Appurtenant Rights"). Notwithstanding anything to the contrary herein, all water rights in connection with the existing irrigation well on the Property shall be retained by Seller.

The Land, Improvements, Intangible Property, and Appurtenant Rights are hereinafter sometimes collectively referred to as the "Property."

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Agreement as of the date set forth below.

SELLER:

Merle H. Lindley
Merle H. Lindley

LOU JEAN B. LINDLEY TRUST

By Merle H. Lindley
Merle H. Lindley, Trustee

BUYER:

Ramon Yorgason

Marilyn Yorgason

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Agreement as of the date set forth below.

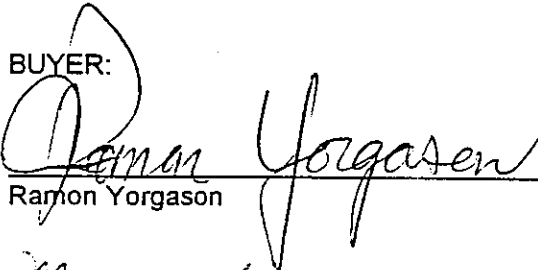
SELLER:

Merle H. Lindley

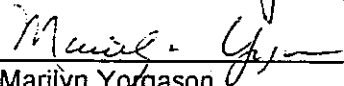
LOU JEAN B. LINDLEY TRUST

By _____
Merle H. Lindley, Trustee

BUYER:



Ramon Yorgason



Marilyn Yorgason

SPINK BUTLER

ATTORNEYS AT LAW

LLP

251 E. FRONT STREET
SUITE 200
P.O. Box 639
BOISE, IDAHO 83701
208-388-1000
208-388-1001(F)

FAX COVER SHEET

DATE: SEPTEMBER 23, 2004

TOTAL PAGES SENT: 5

TO:

NAME:

LINDA MONTGOMERY

ORGANIZATION:

BOSCH DAW &

BALLARD

CHARTERED

FAX:

344-9140

PHONE:

344-8990

CC:

NAME:

ORGANIZATION:

FAX:

PHONE:

FROM:

SHARON G. GALLIVAN

PHONE:

(208) 388-1000

E-MAIL:

SGALLIVAN@SB-ATTORNEYS.COM

SUBJECT:

CORRECTED AND RE-RECORDED WARRANTY DEED

FILE #:

21205.16

COMMENTS: PLEASE SEE THE ATTACHED CORRECTED AND RE-RECORDED WARRANTY DEED
FROM MR. LINDLEY TO CAPITAL DEVELOPMENT. PLEASE DO NOT HESITATE TO
CLAL IF YOU HAVE ANY QUESTIONS REGARDING THIS INSTRUMENT.

CONFIDENTIALITY NOTICE:

THIS TRANSMISSION IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL(S) NAMED AS RECIPIENTS. IT MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND/OR PROTECTED FROM DISCLOSURE UNDER APPLICABLE LAW INCLUDING, BUT NOT LIMITED TO, THE ATTORNEY-CLIENT PRIVILEGE AND/OR WORK PRODUCT DOCTRINE. IF YOU ARE NOT THE INTENDED RECIPIENT OF THIS TRANSMISSION, PLEASE NOTIFY THE SENDER IMMEDIATELY BY TELEPHONE. DO NOT DELIVER, DISTRIBUTE OR COPY THIS TRANSMISSION, DISCLOSE ITS CONTENTS, OR TAKE ANY ACTION IN RELIANCE ON THE INFORMATION IT CONTAINS.

RECEIVED BOSCH, DAW
& BALLARD, CHTD.

SEP 23 2004

FILE No.034 09/23 '04 11:30

ID:SPINK BUTLER, LLP

FHA-200

ADA COUNTY RECORDER
J. DAVID NAVARRO
10 CT. ROAD

2002 AU 14 PM 12:00

Re-Recorded
RECORDED - REQUEST OF

FEE *12.00* DEPUTY *J. Paganis*

102091867

ALLIANCE

**This sheet has been added to document
to accommodate recording information.**

RECORDED-REQUEST OF

THIS FORM SUBSTITUTES COUNTRY OR

ADA COUNTY RECORDER
JAMES MADRUGO
NOTARY PUBLIC

FEE 9- DEPUTY *X* *Huber*

ALLIANCE TITLE &
ESCROW CORP.

2001HR25 PH 5:00
26

101027187

ALLIANCE TITLE

READ & APPROVED BY GRANTOR(S)

(7800)

SPACE ABOVE THIS LINE FOR RECORDING DATA

Order No.: 01091243 LMY/RB

WARRANTY DEED

FOR VALUE RECEIVED MERLE H. LINDLEY AND MERLE H. LINDLEY, AS TRUSTEE
FOR THE LOU JEAN B. LINDLEY TRUST

GRANTOR(S), does/do hereby GRANT, BARGAIN, SELL and CONVEY unto CAPITAL
DEVELOPMENT, INC., an Idaho corporation

GRANTEE(S), whose current address is: 2304 N. COLE ROAD, BOYSE, ID 83704
the following described real property in ADA County, State of Idaho, more particularly
described as follows, to wit:

As set forth on the attached EXHIBIT "A", which by this
reference becomes a part hereof.

"Notwithstanding anything to the contrary herein, all water
rights in connection with the existing irrigation well on the
property shall be retained by the Seller."

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and
Grantee(s) heirs and assigns forever. And the said Grantor(s) does/do hereby covenant to and with the said
Grantee(s), that Grantee(s) take the owner(s) in fee simple of said premises; that said premises are free from
all encumbrances, EXCEPT those to which this conveyance is expressly made subject and those made, authorized
or done by the Grantor(s); and subject to reservations, restrictions, dedications, easements, rights of way and
agreements, (if any) of record, and general taxes and assessments, (including irrigation and utility assessments,
if any) for the current year, which are not yet due and payable, and that Grantor(s) will warrant and defend
the same from all lawful claims whatsoever.

Dated: March 22, 2001

THE LOU JEAN B. LINDLEY TRUST

Merle H. Lindley
MERLE H. LINDLEY

Merle H. Lindley
MERLE H. LINDLEY, as Trustee

STATE OF IDAHO
COUNTY OF ADA

On this 23rd day of March, in the year of 2001, before me, the undersigned, a Notary
Public in and for said State, personally appeared MERLE H. LINDLEY

known or identified to me to be the person(s) whose name(s) is/are subscribed in the within instrument, and
acknowledged to me that he/she/they executed the same.



Signature: *Kristen Agler*
Name: *Kristen Agler*
Residing at: BOYSE, ID
My Commission Expires: 06/30/04 7/12/05

STATE OF IDAHO, COUNTY OF ADA, ss.
I, J. David Nease, Recorder for the County, do hereby certify that the Attached is a full,
true and correct copy of the file.
as a copy on record in the
of the
Records of Ada County, State of Idaho
IN WITNESS WHEREOF, I have set my hand and affixed my official seal this
22nd day of March, 2001.
J. DAVID NEASE, Recorder
By: *[Signature]*

ORDER NO. 01081243 LWP/KR

EXHIBIT "A"

The West Half of the Southeast Quarter of Section 19, in Township 4 North, of Range 1 East of the Boise Meridian, in Ada County, State of Idaho.

KICKET one acre in the West Half of the Southeast Quarter of Section 19, Township 4 North, Range 1 East, Boise Meridian, described as:

COMMENCING at the South Quarter corner of Section 19, Township 4 North, Range 1 East; thence North 00 degrees 10'41" East 40 feet to the POINT OF BEGINNING; thence North 00 degrees 10'41" East 208.71 feet; thence South 88 degrees 51'25" East 208.71 feet; thence South 00 degrees 10'41" West 208.71 feet; thence North 89 degrees 51'25" West 208.71 feet to the POINT OF BEGINNING.

AND EXCEPT that portion conveyed to the State of Idaho by Deed recorded under Instrument No. 182485 in Book 238 of Deeds at Page 145.

ORDER NO. 01091243 LWP/RB

STATE OF IDAHO, County of Ada, ss.

On this 21st day of March in the year of 2001, before me, the undersigned, a Notary Public in and for said State, personally appeared MILLIE E. LINDLEY known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument, as Trustee of THE LOU JEAN E. LINDLEY TRUST and acknowledged to me that he/she/they executed the same as Trustee.

Signature: *Millie E. Lindley*Name: *Millie E. Lindley*

(Type or Print)

Residing at: *Baldwin*My Commission expires: *9-22-2005*

AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHT

This Water Right Sale and Purchase Agreement (the "Agreement") is made this // day of October 2004, between and among Merle H. Lindley and the Lou Jean B. Lindley Trust (Merle H. Lindley, Trustee), whose address is 25588 Par Drive, Caldwell, ID 83607 ("Seller") and C. Lloyd Mahaffey, whose address 567 West Two Rivers Drive, Eagle, ID 83616 ("Buyer").

WITNESSETH:

WHEREAS, Seller owns a groundwater right evidenced by license number 63-8608;

WHEREAS, Buyer wishes to purchase a 10-acre portion of the water right, but not the associated lands or appurtenances thereto; and

WHEREAS, the parties have reached Agreement on the terms and conditions of such sale and purchase;

NOW, THEREFORE, Seller and Buyer agree as follows:

1. **Purchase Price.** Seller agrees to sell to Buyer a 10-acre portion of water right 63-8608 for [REDACTED] said water right to be removed from lands located in Ada County, Idaho, and more particularly described as:

NW ¼ of the NW ¼ of the SE ¼, Section 19, Township 4 North, Range 1 East, Boise Meridian.

2. **Seller's Warranties.**

- a. Seller agrees that the 10-acre portion of water right 63-8608, if sold to the Buyer, shall include 0.053 cfs for supplemental irrigation of 10 acres.
- b. Seller further warrants that the said water right is a valid water right free from all encumbrances, and that Seller will warrant and defend the same from all lawful claims whatsoever.

3. **Transfer by Buyer.** Buyer at his own expense shall undertake to transfer the water right to the Buyer's lands located in Ada County, Idaho, and more particularly as:

A portion of the NE ¼ of the SE ¼ of Section 31, Township 5 North, Range 1 East, Boise Meridian.

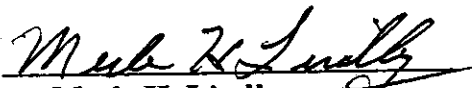
4. **Sale Based on Approval of Transfer.** Seller recognizes and agrees that Buyer has agreed to purchase the water right only on the condition that the Buyer can successfully transfer the water right to the Buyer's lands. If Buyer is unsuccessful in

Agreement, then this Agreement may be voided upon written request of either party. Any down payment shall be returned if the agreement is voided.

5. **Payment of Purchase Price.** The Buyer shall deliver to Seller a down payment of \$1,000 upon signing of this Agreement. The balance of the purchase price shall be paid to the Seller within 10 days of approval of the water right transfer by the Idaho Department of Water Resources.
6. **Entire Agreement.** This Agreement contains the entire understanding of the parties. Any changes or modification to the Agreement must be in writing signed by both parties.
7. **Attorney Fees.** If either party shall fail to comply with the terms of the Agreement, the non-breaching party shall send written notice and provide a reasonable opportunity to cure, but not less than ten (10) days. If the breach is not cured within the time allowed, the breaching party agrees to pay all attorney's fees and costs incurred by the non-breaching party. If suit is filed to interpret or enforce this Agreement, the unsuccessful party to such litigation agrees to pay the prevailing party all costs and expenses, including attorney's fees, incurred by the prevailing party whether incurred in district court, on appeal, or in bankruptcy court.

Sellers

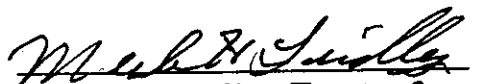
Buyer


Merle H. Lindley


C. Lloyd Mahaffey

Date 10-18-04

Date 10-11-04


Merle H. Lindley, Trustee for
The Lou Jean B. Lindley Trust

Date 10-18-04

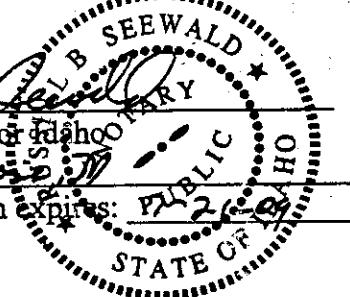
Acknowledgment:

STATE OF IDAHO)
) ss.
County of Canyon)

On this 18th day of October 2004, before me, a notary public for said state, personally appeared Merle H. Lindley, known or identified to me as the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.


Notary Public for Idaho
Residing at: Boise, ID
My commission expires: 7-26-09

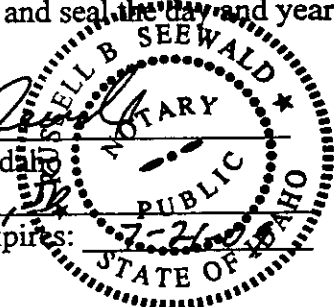


STATE OF IDAHO)
) ss.
County of Canyon)

On this 18th day of October 2004, before me, a notary public for said state, personally appeared Merle H. Lindley, known or identified to me as the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same as such Trustee of the Lou Jean B. Lindley Trust.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

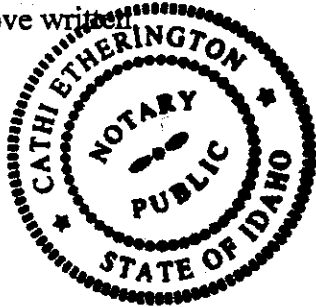

Notary Public for Idaho
Residing at: Boise, ID
My commission expires: 7-26-09

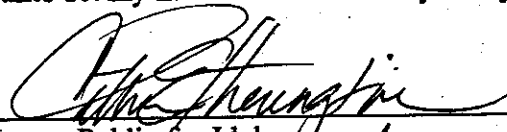


STATE OF IDAHO)
) ss.
County of _____)

On this 11 day of October 2004, before me, a notary public for said state, personally appeared C. Lloyd Mahaffey, known or identified to me as the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.




Notary Public for Idaho
Residing at: Burke, Id.
My commission expires: 2/3/2009



Approved by Grantee

PA 23386-00

ADA COUNTY RECORDER
J. DAVID NAVARRO
BOISE, IDAHO

2002 SEP 30 PM 4:25

RECORDED-REQUEST OF

FEE 6- DEPUTY *X. Alana*

102112650

American
FIRST AMERICAN*Terry Sander**Proposed*
P/H

WARRANTY DEED

For Value Received

Frederick W. Belau and Mary M. Belau, husband and wife

hereinafter referred to as Grantor, does hereby grant, bargain, sell, and convey unto

C. Lloyd Mahaffey and Judith S. Mahaffey, husband and wife

hereinafter referred to as Grantee, whose current address is

2124 S. Villa Dr., Gibsonia, PA 15044

the following described premises, to-wit:

See legal description attached hereto and made a part hereof.

WATER RESOURCES
WESTERN REGION

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, his heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that Grantor is the owner in fee simple of said premises, that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: September 26, 2002

Frederick W. Belau
Frederick W. Belau*Mary M. Belau*
Mary M. Belau

STATE OF IDAHO

)
ss.

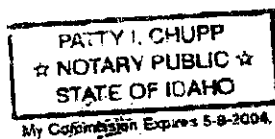
COUNTY OF Ada

)

On This *30th* day of September, in the year 2002, before me, a Notary Public in and for said State, personally appeared Frederick W. Belau and Mary M. Belau, known or identified to me to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged to me that they executed the same.

Patty I. Chupp
Notary Public of Idaho
Residing at Boise

Commission expires: 5/08/2004



Form No. 1068-2
ALTA Plain Language Commitment

Policy No.: 4102-23386
3 of 13

Exhibit "A"

Real property in the County of Ada, State of Idaho, described as follows:

Parcel 1 of Record of Survey No. 2485 recorded as Instrument No. 9339135 and described as follows:

A parcel of land being a portion of the East half of the Southeast Quarter of Section 31, Township 5 North, Range 1 East, Boise Meridian, Ada County, Idaho, as shown on Record of Survey No. 2485, filed for record in the office of the Ada County Recorder, Boise, Idaho, under Instrument No. 9339135, and more particularly described as follows:

Commencing at brass cap marking the Southeast corner of the said Section 31; thence along the Southerly boundary of the said Section 31, which is also the centerline of Beacon Light Road South 89°21'59" West 1323.23 feet to an aluminum cap marking the Southwest corner of the said East half of the Southeast Quarter of Section 31; thence along the Westerly boundary of the said East half of the Southeast Quarter of Section 31, which is also the centerline of North Ballantyne Road, North 01°27'44" West 1921.90 feet to an iron pin marking the Southwest corner of Christensen Subdivision as filed for record in the office of the Ada County Recorder, Boise, Idaho, in Book 59 of Plats at Page 5656; thence along the Southerly boundary of the said Christensen Subdivision North 88°04'28" East 25.01 feet to an iron pin on the Easterly right-of-way line of the said North Ballantyne Road, also said point being the REAL POINT OF BEGINNING; thence continuing along the said Southerly boundary and the extended Southerly boundary of the said Christensen Subdivision, North 88°04'28" East 634.94 feet to a point; thence South 16°22'06" West 176.10 feet, formerly South 17°00' West 2 67 chains to a point; thence South 40°22'54" East 268.62 feet, formerly South 39°45' East 4.07 chains to a point; thence South 24°07'54" East, formerly South 23°30' East 289.31 feet to a point; thence along a line Southerly of and parallel with the said Southerly boundary of Christensen Subdivision, South 88°04'28" West 861.29 feet to an iron pin on the said Easterly right-of-way line of North Ballantyne Road; thence along the said Easterly right-of-way line of North Ballantyne Road, North 01°27'44" West 645.42 feet to the POINT OF BEGINNING.

Tax Parcel Number: 50231417220

First American Title

RECEIVED

JAN 21 2005

WATER RESOURCES
WESTERN REGION