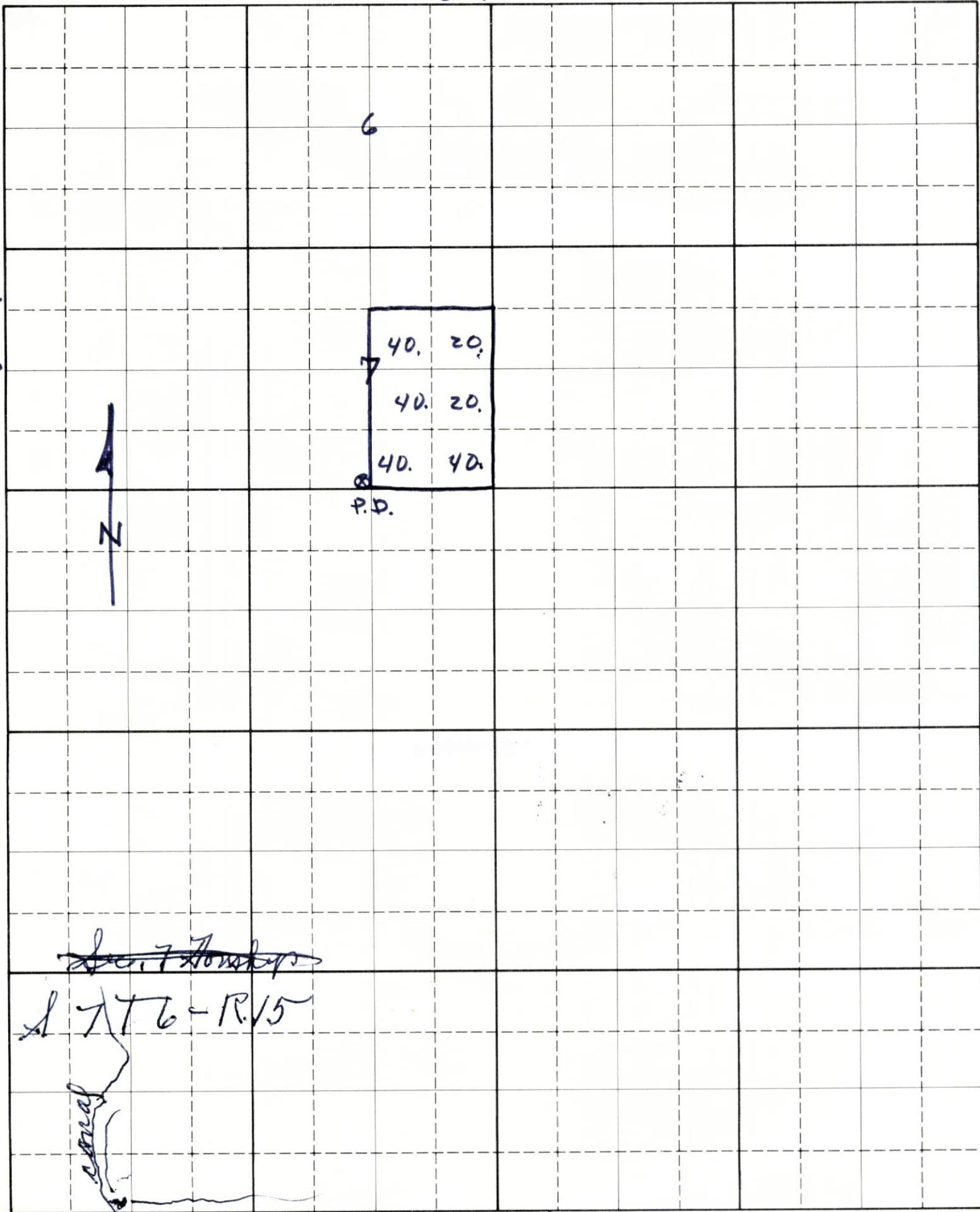


11. Map of proposed project:

R 15 E



Scale: 2 inches equal 1 mile

BE IT KNOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Park Township Land Inc.
(Applicant)
By *Park Township*

242

**NOTICE OF APPLICATION
FOR WATER PERMIT**

Notice is hereby given that Ralph Faulkner Land Inc., Route 2, Gooding, ID has on June 14, 1973 submitted Application No. 37-7242 for a permit to appropriate 4.0 cubic feet per second of water from groundwater by means of pump, open discharge, and sprinkler system within the SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M., Gooding County to be used from Mar. 15 to Nov. 15 for irrigation of 200 acres within the S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M.

If issued, this permit will be subject to all prior water rights. Protests against the granting of the permit must be filed with the Idaho Department of Water Administration, 1041 Blue Lakes Boulevard North, Twin Falls, Idaho, 83301 on or before July 9, 1973.

R. KEITH HIGGINSON,
Director

6-21-2tc

T
6
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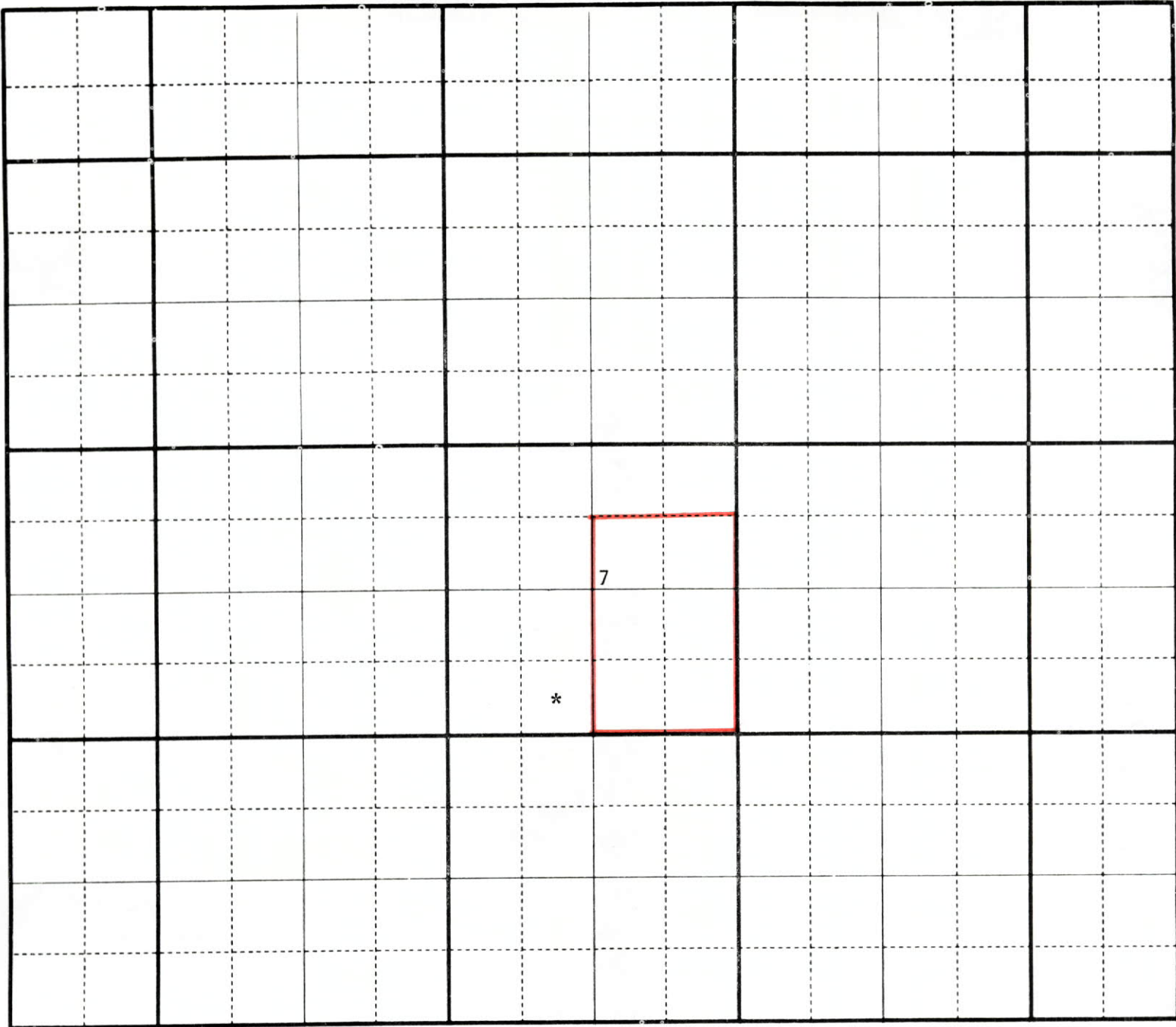


Diagram of System

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FEB 02 1993

Department of Water Resources
Southern Region Office

Loan No. 11886-MS

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

ASSIGNMENT OF PERMITS

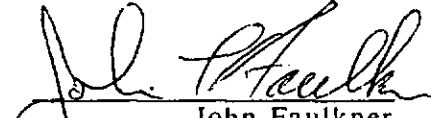
I, John Faulkner and Laura Jo Faulkner, husband and wife, and Faulkner Land & Livestock, Co., Inc., hereby assign, for security purposes only, to The Mutual Life Insurance Company of New York, a New York corporation, having its Home Office at 1740 Broadway, New York, New York, 10019, and whose mailing address is One Mid Rivers Drive, Suite 120, St. Peters, MO 63376., all our right, title and interest in and to Permit No. 37-08487 to appropriate the public waters of the State of Idaho.

or (for partial assignments)

The following described portion of my right, title and interest in and to Permit No. _____ to appropriate the public waters of the State of Idaho.

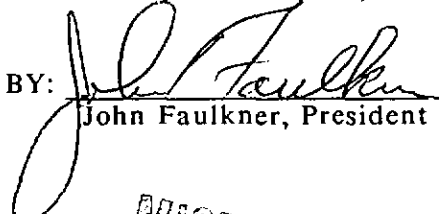
Describe portion of the assigned listing the number of
acres in each 40 acre subdivision, point of diversion
location, and the amount of water in cubic feet per second.

Made this 9th day of November, 1992.


John Faulkner


Laura Jo Faulkner

Faulkner Land and Livestock, Co., Inc.

BY: 
John Faulkner, President

RECORDED

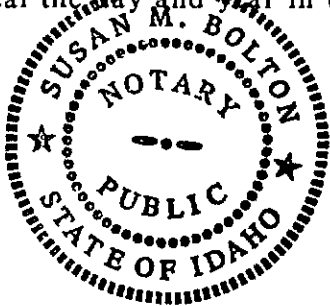
FEB 17 1993

STATE OF IDAHO

COUNTY OF GOODING

On this 6th day of November, 1992, before me appeared John Faulkner and Laura Jo Faulkner, husband and wife, personally known to me on the basis of satisfactory evidence to be the persons who executed the within instrument, and acknowledged 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.



Susan M. Bolton

Notary Public, State of Idaho

Residing at: Gooding, ID

My Commission Expires: 10-16-98

Susan M. Bolton

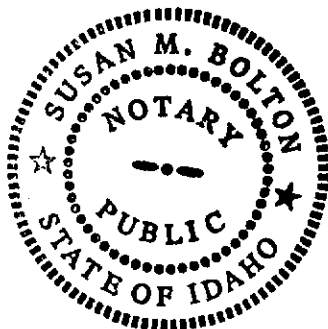
Printed Name of Notary

STATE OF IDAHO

COUNTY OF GOODING

On this 6th day of November, in the year 1992, before me, a Notary Public, personally appeared John Faulkner, known or identified to me to be the President of the corporation and that they executed the above instrument on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Susan M. Bolton

Notary Public, State of Idaho

Residing at: Gooding, ID

My Commission Expires: 10-16-98

Susan M. Bolton

Printed Name of Notary

RECORDED
FEB 17 1993

RECEIVED

FEB 02 1993

Loan No. 11886-MS

Department of Water Resources
Southern Region Office

ASSIGNMENT AND PLEDGE OF WATER
LICENSES AND PERMITS

THIS AGREEMENT, made this 9th day of November, 1992, between John Faulkner and Laura Jo Faulkner, husband and wife, and Faulkner Land & Livestock, Co., Inc., hereinafter called Mortgagor, and THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, a New York corporation, hereinafter called Mortgagee,

W I T N E S S E T H:

as additional security for the payment of that certain Promissory Note in the amount of Three Million and 00/100 Dollars (\$3,000,000.00) of date herewith, made by Mortgagor to the order of The Mutual Life Insurance Company of New York, a New York corporation, which said Note is secured by a Mortgage of even date therewith by Mortgagor to Mortgagee covering the premises and appurtenances set forth in Exhibit "A" attached hereto and made a part hereof for all purposes, the said Mortgagor does hereby assign and transfer to Mortgagee, all right, title and interest pertaining to the water rights, licenses and permits, used in connection with said premises, together with all renewals and substitutions, including but not limited to, those listed below:

SEE EXHIBIT "B" ATTACHED HERETO
AND INCORPORATED HEREIN BY THIS REFERENCE

It is also agreed between Mortgagee that said water rights, licenses and permits shall be appurtenant to the mortgaged property and used in connection with said property during the life of said loan or any extension thereof.

Mortgagor covenants that Mortgagor will observe and perform all of the obligations imposed upon the Mortgagor under said instruments, and they will not permit to be done anything to impair the validity thereof and to use said water rights so that same will at all times be appurtenant to the mortgaged premises described in said Mortgage; it will not convey any further rights thereunder to any party other than the owner of the premises described in said Mortgage, and to permit no act that will cause a cancellation or termination of said water rights, licenses and permits.

In the event of a failure of the Mortgagor to keep in full force and effect said water rights, licenses and permits and to perform all acts required thereunder, then such cancellation of said water rights, licenses and permits shall constitute an event of default under the Mortgage above described and, at the election of the Mortgagee, shall entitle Mortgagee to all remedies included in said Mortgage.

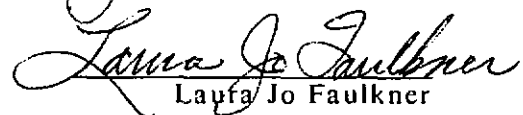
It is agreed that the Mortgagee shall not be liable for the performance of any of the terms and conditions of said water rights, licenses or permits, but Mortgagee, at its option, and not at its obligation, is hereby granted the right to cure any default under said water rights, licenses or permits, at the cost of the Mortgagor, whereas said cost, including any attorney fees incurred, is thereupon to be immediately due and payable to the Mortgagee under the terms of the Mortgage.

RECEIVED
FEB 17 1993

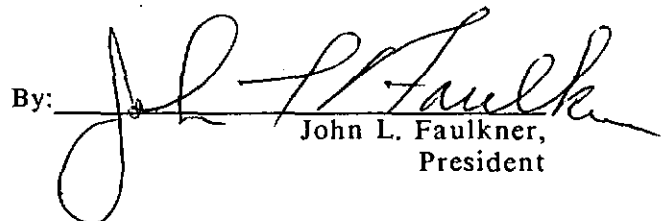
In the event the Mortgagors are in default and the Mortgagee elects to foreclose its Mortgage, the said water rights, licenses and permits may be entered as a part of the mortgaged security and sold with the Real Estate in such foreclosure action, and the said water rights, licenses and permits may be assigned to the purchaser under said foreclosure suit, together with the Mortgaged Real Estate, as a single unit with the property. And, at the option of the Mortgage, Mortgagee may pursue any other remedy authorized by law for the enforcement of the lien hereby created.

The Mortgagors hereby direct the issuing agency of said water rights, licenses and permits, its successors and assigns, to recognize the mortgagee, its successors and assigns, as the owners of said water rights, licenses and permits at any foreclosure sale held under or pursuant to the terms of said Mortgage, and in the event of such foreclosure sale, said Mortgagor does hereby, for itself and its successors and assigns, hereby irrevocably appoint the Mortgagee its true and lawful agent and attorney in fact for it and in its name, place and stead to execute, sign, acknowledge and deliver such instruments of transfer as said agent shall deem fit and proper in its sole discretion to accomplish said transfer to the purchaser as such foreclosure sale held under or in pursuant to the remedies provided in said Mortgage, in the event of a default thereunder.


John Faulkner


Laura Jo Faulkner

Faulkner Land & Livestock Co., Inc.

By: 
John L. Faulkner,
President

RECORDED

FEB 17 1993

EXHIBIT B

State of Idaho Department of Water - Water Right License No. 37-07242
State of Idaho Department of Water - Water Right License No. 37-10597
State of Idaho Department of Water - Water Right License No. 37-10600
State of Idaho Department of Water - Water Right License No. 37-10602
State of Idaho Department of Water - Water Right License No. 37-08005
State of Idaho Department of Water - Water Right License No. 37-10610
State of Idaho Department of Water - Water Right License No. 37-00208A (Decreed)
State of Idaho Department of Water - Water Right Permit No. 37-08487

RECEIVED
FEB 17 1993

State of Idaho
Department of Water Resources

WATER RIGHT LICENSE

License of Water Right No. 37-7242 Priority June 14, 1973 Amount 4.0 cfs

THIS IS TO CERTIFY, that RALPH FAULKNER LAND, INC.
of Gooding, Idaho, has complied with the terms and conditions of Permit
No. 37-7242 issued pursuant to Application for Permit dated June 14, 1973,
and has submitted proof to the Department of Water Resources on July 31, 1974,
that he has applied water to a beneficial use; an examination by the Department indicates that the works have a
capacity for the diversion of 4.90 cfs of water from a ground water source,
tributary to _____, and that the permit holder has applied to a beneficial use and
established a right to use water as follows:

Beneficial Use	Period of Use	Rate of Diversion	Annual Volume
<u>Irrigation</u>	from <u>March 15</u> to <u>Nov. 15</u> at <u>4.0</u> cfs and <u>800 acre feet or 4.0 af per acre</u>		
	from _____ to _____ at _____ cfs and _____		
	from _____ to _____ at _____ cfs and _____		

(both dates inclusive)

Subject, however, to the condition that no more than 4.0 cfs of water be diverted at any one time, and
that the amount of water so diverted and to which such right is entitled and confirmed is for the purpose
aforementioned and is limited to the amount which can actually be beneficially used and shall not exceed
800 acre feet per year, said waters to be diverted within the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 7,
Twp. 6 S, Rge. 15 E, B. M. in the County of Gooding

Description and location of place of use:

Twp.	Range	Sec.	NE $\frac{1}{4}$				NW $\frac{1}{4}$				SW $\frac{1}{4}$				SE $\frac{1}{4}$				Totals
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	
6 S	15 E	7			40	20									20	40	40	40	200

Total number of acres irrigated 200

A measuring device of a type approved by this Department shall be permanently
maintained as part of the diverting works.

NOTE: Modifications to or variance from this license must be made within the limits of Section 42-222, Idaho
Code, or the applicable Idaho Law. This right may be forfeited by five years of non-use.

The right to the use of the water hereby confirmed is restricted and appurtenant to the lands or place of use
herein described, as provided by the laws of Idaho.

Witness the seal and signature of the Director, affixed at Boise, Idaho, this 12 day of
May, 19 75.

MICROFILMED

Director

Identification No. _____

Application No. 37-7242

STATE OF IDAHO
DEPARTMENT OF RECLAMATION
APPLICATION FOR PERMIT

APPROVED

To Appropriate the Public Waters of the State of Idaho
(TYPE OR PRINT IN INK)

4.0 EC. FT.
LICENSE PAGE NO. _____

1. Name of applicant Ralph Talkner Land Inc.
post office address Rte 2, Gooding, Ida

2. Source of water supply Groundwater which is a tributary of _____

3. a. Location of point of diversion is SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 7 Township 6S
Range 15 E B.M. Gooding County; additional points of diversion if any: _____

b. If water is not consumed, it will be discharged into _____ at a point in _____ $\frac{1}{4}$
of _____ $\frac{1}{4}$ of Section _____ Township _____ Range _____ B.M. _____

4. Water will be used for the following purposes:

Amount 4.0 cfs. Irr purpose from March 15 to Nov-15 (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purpose from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

Amount _____ for _____ purpose from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)

5. Total quantity to be appropriated:

a. 4.0 cfs. cubic feet per second and/or

b. _____ acre feet per annum.

6. Proposed diverting works:

a. Description of ditches, flumes, pumps, headgates, etc. Motor Pump 200hp
Open discharge and Sprinkler System

b. Height of storage dam _____ feet, active reservoir capacity _____ acre feet; total reservoir
capacity _____ acre feet, materials used in storage dam: _____

Period of year during which storage will occur _____ to _____ inclusive.
(Mo. Day) (Mo. Day)

c. Proposed well diameter is 20 inches; proposed depth of well is 275 feet.

7. a. Time required for the completion of the works and application of the water to the proposed beneficial use
is 1 years.

b. Estimated construction cost is \$ 1800.00

8. Description of proposed uses:

a. If water is **not** for irrigation:

(1) Give the place of use of water: _____ $\frac{1}{4}$ of _____ $\frac{1}{4}$ of Section _____ Township _____
Range _____ B.M.

(2) Amount of power to be generated: _____ hp under _____ feet of head.

(3) List number of each kind of livestock to be watered _____

(4) Name of municipality to be served _____, or number of families to be
supplied with domestic water _____.

(5) If water is to be used for other purposes describe: _____

1990

[illegible]

Total number of acres to be irrigated 200

c. Describe any other water rights used for the same purposes

c. Describe any other water rights used for the same purposes. Part of this land is ser. bry American Full Rev. Dist. but has been transferred to other lands.

9. a. Who owns the property at the point of diversion

b. Who owns the land to be irrigated or place of use

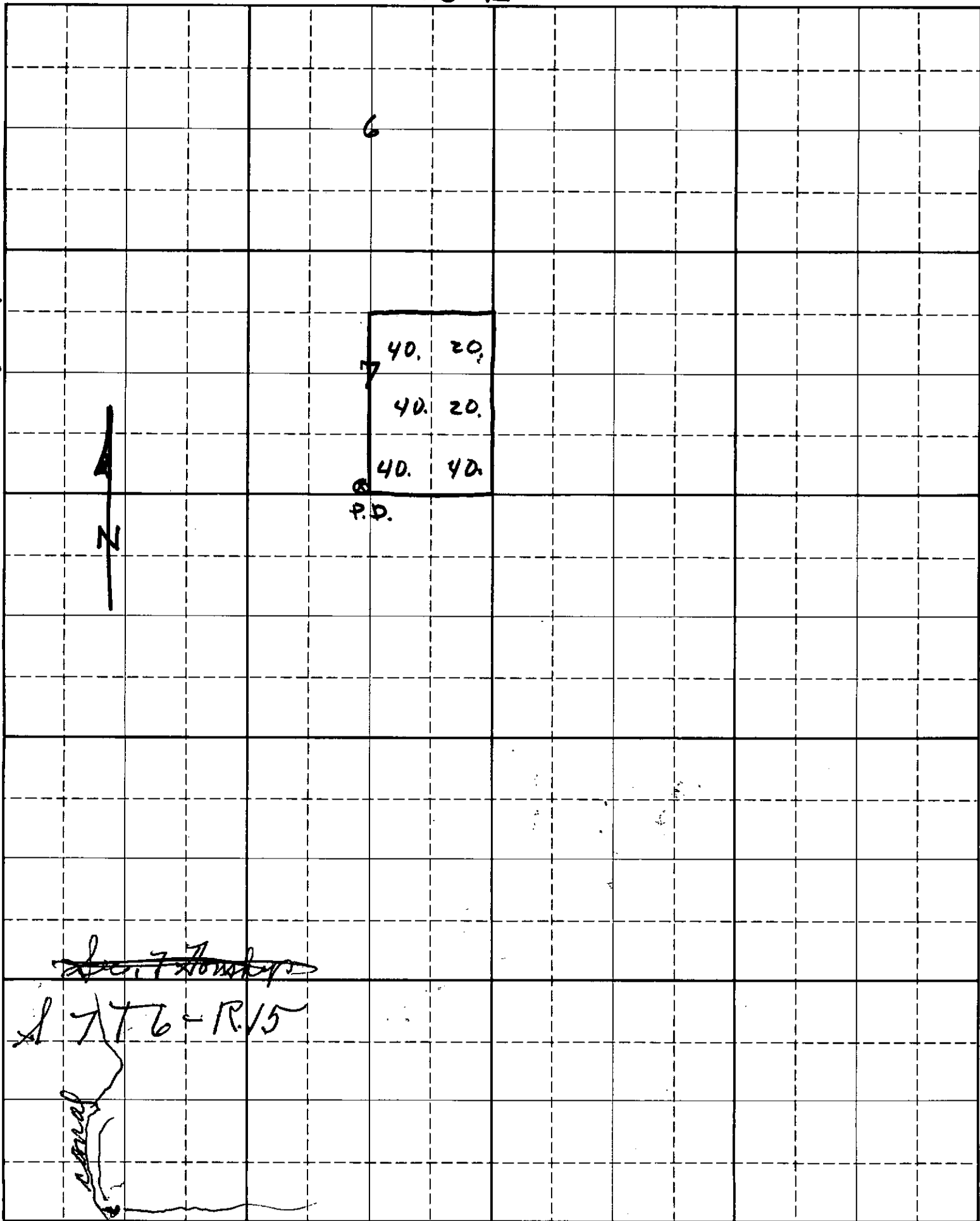
c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing _____

10. Remarks

11. Map of proposed project:

R15E

T6S



Scale: 2 inches equal 1 mile

BE IT KNOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Park Township Land Inc.
(Applicant)
By *Park Township*

07-142

Received by GLF Date 6-14-73 Time 1:00 PM.
 Preliminary check by KOF Fee \$ 55.00
 Receipted by pru Date 6-15-73 # 10914
107 Publication prepared by jmm Date 6-15-73
 Published in Gooding County Leader
 Publication dates 6-26 & 7-3-73
 Publication approved jmm Date 7-3-73
 Priority ~~reduced~~ 6-14-73 Reason _____

 Protests filed by: _____

 Copies of protests forwarded by _____
 Hearing held by _____ Date _____
 Recommended for (approval) denial by W 3DF

ACTION OF STATE RECLAMATION ENGINEER

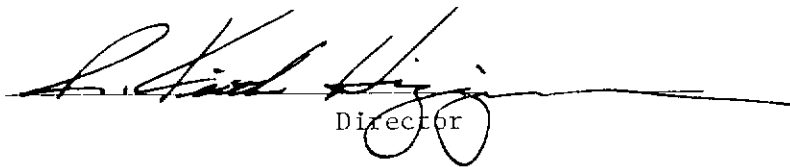
This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. 37-7242, and said application is hereby APPROVED.

1. Approval of said application is subject to the following limitations and conditions:

- a. SUBJECT TO ALL PRIOR WATER RIGHTS.
- b. Proof of construction of works and application of water to beneficial use shall be submitted on or before August 1, 1974.
- c. Other: A measuring device of a type approved by this Department shall be permanently installed and maintained as part of the diverting works.

2. Denial of said application is for the following reasons: _____

Witness my hand this 16th day of July, 1973.


 Director

DEPARTMENT OF WATER ADMINISTRATION
- STAFF ANALYSIS -

Item	Initial	Date	
(1)	KDF	6-14-73	Application No. 37-7242 Name Ralph F. W. Kner Land Inc.
(2)	KDF	6-14-73	Check: ☒ Signature ☒ Point of Diversion ☒ Quantity of Water and Period of Use ☒ Description of Diverting Works ☒ Time required for C/W and application of water to B/U ☒ Place of Use ☒ Map ☒ Fee
(3)			Send copies to: ☐ Idaho State Health Department ☐ Idaho Fish and Game Department ☐ Bureau of Land Management
(4)			☐ Request Special Use Permit from U.S.F.S. ☐ Request Easement from B.L.M.
(5)	KDF	6-14-73	In form for advertising
(6)	jmm	7-3-73	Affidavit of Publication received
(7)			Final date for protests July 9, 1973 Protests received: yes no
(8)			Date and Place of hearing Decision reached at hearing
(9)			Located within Water District No.
(10)	mls	7-9-73	Critical groundwater area: yes no ☒
(11)	mls	7-9-73	Groundwater levels: ☐ Decline (comment) ☒ Stable (comment) ☐ Increasing (comment)
(12)			Comments:
(13)	mls	7-9-73	Action recommended: ☒ Approve Priority ☐ Deny Reason for Reduction See attached sheet for conditions of approval measuring device No conditions for approval
(14)	mls	7-9-73	District Southern By Michael Sligh Date 7-9-73 Title Per Test II

Department of Water Administration
11 1973

37 7242

Affidavit of Publication

State of Idaho, }
County of Gooding } ss.

Alfred E. Hagen being first duly sworn, deposes and says that he is the printer (publisher) of the Gooding County Leader, a newspaper published every week in Gooding, County of Gooding, State of Idaho; that said newspaper has been continuously and uninterruptedly published for a period of seventy-eight consecutive weeks prior to the first publication of the annexed notice and is a newspaper qualified to publish legal notices as provided by act of the 1919 session of the legislature of the State of Idaho, known as House Bill 145; that the annexed advertisement

was published once each week for 2 consecutive issues in said newspaper proper and not in a supplement; that the date of the

first publication of said advertisement was on the 21 day

of June, 1973, and the date of the last publication

was on the 28 day of June, 1973

Subscribed and sworn to before me this 28

day of June, 1973
(SEAL)

Mary Anne Hagen
NOTARY PUBLIC

GOODING COUNTY LEADER

Gooding, Idaho

COST OF PUBLICATION

Number of Lines in Notice.....

Number of Insertions

----- Lines at 14¢

----- Lines at 10¢

TOTAL COST.....

COPY OF NOTICE

Title of Notice

Water Permit
Title of Notice

No 37-7242
Plaintiff Attorney

R. Faulkner Ranch Co
Defendant

Plaintiff

Bill to

Dept of Water Admin
1041 Blue Lakes Blvd
Grain Falls Id

RECEIVED

JUL 3 1973

Department of Water Administration
Southern District Office

PUBLICATION RATES:

(Idaho Code, (Rev. Statutes) 1956	
7 pt. per line, straight	14c
7 pt. per line, tabular	20c
7 pt. per line, successive	
insertions.....	10c
6 pt. per line, straight	15c
6 pt. per line, tabular	20c
6 pt. per line, successive	
insertions.....	10c

Nº 1907

37 7242

**NOTICE OF APPLICATION
FOR WATER PERMIT**

Notice is hereby given that Ralph Faulkner Land Inc., Route 2, Gooding, ID has on June 14, 1973 submitted Application No. 37-7242 for a permit to appropriate 4.0 cubic feet per second of water from groundwater by means of pump, open discharge, and sprinkler system within the SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M., Gooding County to be used from Mar. 15 to Nov. 15 for irrigation of 200 acres within the S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M.

If issued, this permit will be subject to all prior water rights. Protests against the granting of the permit must be filed with the Idaho Department of Water Administration, 1041 Blue Lakes Boulevard North, Twin Falls, Idaho, 83301 on or before July 9, 1973.

R. KEITH HIGGINSON,
Director

6-21-2tc



State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000

Phone: (208) 327-7900 FAX: (208) 327-7866

February 9, 1993

CECIL D. ANDRUS
GOVERNOR

R. KEITH HIGGINSON
DIRECTOR

THE MUTUAL LIFE INSURANCE CO OF NEW YORK, LIENHOLDER
1740 BROADWAY
NEW YORK NY 10019

and

FAULKNER LANK & LIVESTOCK CO
1989 S 1875 E
GOODING ID 83330

Re: Permit No. 37-08487 and
Water Right Nos. 37-00208A/07242/08005

Dear Permit Holder(s):

We acknowledge receipt of the correspondence of assignment of the leinholder to the above referenced water rights. We have modified our computer records to reflect the leinholder of the permit.

In Idaho, licensed and decreed water rights are considered real property; therefore, proof of owning the land is proof of owning the water right unless specifically excluded in the sale. We have placed your correspondence in the water right files for future reference.

If you have any questions regarding this matter, please feel free to contact us.

Sincerely,

BRENDA L. MILLER
Water Resource Agent

BLM:cz

MICROFILMED

FEB 17 1993

STATE OF IDAHO

COUNTY OF GOODING

On this 6th day of November, 1992, before me appeared John Faulkner and Laura Jo Faulkner, husband and wife, personally known to me on the basis of satisfactory evidence to be the persons who executed the within instrument, and acknowledged 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.



Susan M. Bolton

Notary Public, State of Idaho

Residing at: Gooding, ID

My Commission Expires: 10-16-98

Susan M. Bolton

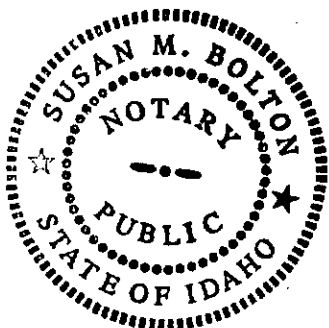
Printed Name of Notary

STATE OF IDAHO

COUNTY OF GOODING

On this 6th day of November, in the year 1992, before me, a Notary Public, personally appeared John Faulkner, known or identified to me to be the President of the corporation and that they executed the above instrument on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Susan M. Bolton

Notary Public, State of Idaho

Residing at: Gooding, ID

My Commission Expires: 10-16-98

Susan M. Bolton

Printed Name of Notary

MICROFILMED

FEB 17 1993

See Exhibit B ->

RECEIVED

FEB 02 1993

Loan No. 11886-MS

Department of Water Resources
Southern Region Office

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

ASSIGNMENT OF PERMITS

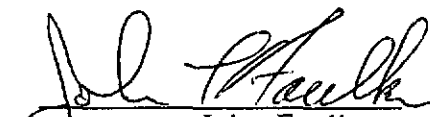
I, John Faulkner and Laura Jo Faulkner, husband and wife, and Faulkner Land & Livestock, Co., Inc., hereby assign, for security purposes only, to The Mutual Life Insurance Company of New York, a New York corporation, having its Home Office at 1740 Broadway, New York, New York, 10019, and whose mailing address is One Mid Rivers Drive, Suite 120, St. Peters, MO 63376., all our right, title and interest in and to Permit No. 37-08487 to appropriate the public waters of the State of Idaho.

or (for partial assignments)

The following described portion of my right, title and interest in and to Permit No. _____ to appropriate the public waters of the State of Idaho.

Describe portion of the assigned listing the number of
acres in each 40 acre subdivision, point of diversion
location, and the amount of water in cubic feet per second.

Made this 9th day of November, 1992.


John Faulkner


Laura Jo Faulkner

Faulkner Land and Livestock, Co., Inc.

BY: 
John Faulkner, President

MICROFILMED
FEB 17 1993

RECEIVED

FEB 02 1993

Loan No. 11886-MS

Department of Water Resources
Southern Region Office

ASSIGNMENT AND PLEDGE OF WATER
LICENSES AND PERMITS

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W I T N E S S E T H:

as additional security for the payment of that certain Promissory Note in the amount of Three Million and 00/100 Dollars (\$3,000,000.00) of date herewith, made by Mortgagor to the order of The Mutual Life Insurance Company of New York, a New York corporation, which said Note is secured by a Mortgage of even date therewith by Mortgagor to Mortgagee covering the premises and appurtenances set forth in Exhibit "A" attached hereto and made a part hereof for all purposes, the said Mortgagor does hereby assign and transfer to Mortgagee, all right, title and interest pertaining to the water rights, licenses and permits, used in connection with said premises, together with all renewals and substitutions, including but not limited to, those listed below:

SEE EXHIBIT "B" ATTACHED HERETO
AND INCORPORATED HEREIN BY THIS REFERENCE

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Mortgagor covenants that Mortgagor will observe and perform all of the obligations imposed upon the Mortgagor under said instruments, and they will not permit to be done anything to impair the validity thereof and to use said water rights so that same will at all times be appurtenant to the mortgaged premises described in said Mortgage; it will not convey any further rights thereunder to any party other than the owner of the premises described in said Mortgage, and to permit no act that will cause a cancellation or termination of said water rights, licenses and permits.

In the event of a failure of the Mortgagor to keep in full force and effect said water rights, licenses and permits and to perform all acts required thereunder, then such cancellation of said water rights, licenses and permits shall constitute an event of default under the Mortgage above described and, at the election of the Mortgagee, shall entitle Mortgagee to all remedies included in said Mortgage.

It is agreed that the Mortgagee shall not be liable for the performance of any of the terms and conditions of said water rights, licenses or permits, but Mortgagee, at its option, and not at its obligation, is hereby granted the right to cure any default under said water rights, licenses or permits, at the cost of the Mortgagor, whereas said cost, including any attorney fees incurred, is thereupon to be immediately due and payable to the Mortgagee under the terms of the Mortgage.

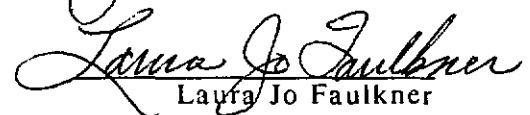
MICROFILMED

FEB 17 1993

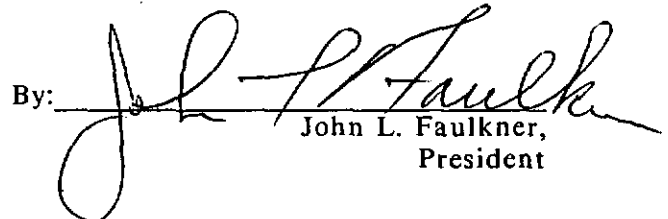
In the event the Mortgagors are in default and the Mortgagee elects to foreclose its Mortgage, the said water rights, licenses and permits may be entered as a part of the mortgaged security and sold with the Real Estate in such foreclosure action, and the said water rights, licenses and permits may be assigned to the purchaser under said foreclosure suit, together with the Mortgaged Real Estate, as a single unit with the property. And, at the option of the Mortgage, Mortgagee may pursue any other remedy authorized by law for the enforcement of the lien hereby created.

The Mortgagors hereby direct the issuing agency of said water rights, licenses and permits, its successors and assigns, to recognize the mortgagee, its successors and assigns, as the owners of said water rights, licenses and permits at any foreclosure sale held under or pursuant to the terms of said Mortgage, and in the event of such foreclosure sale, said Mortgagor does hereby, for itself and its successors and assigns, hereby irrevocably appoint the Mortgagee its true and lawful agent and attorney in fact for it and in its name, place and stead to execute, sign, acknowledge and deliver such instruments of transfer as said agent shall deem fit and proper in its sole discretion to accomplish said transfer to the purchaser as such foreclosure sale held under or in pursuant to the remedies provided in said Mortgage, in the event of a default thereunder.


John Faulkner


Laura Jo Faulkner

Faulkner Land & Livestock Co., Inc.

By: 
John L. Faulkner,
President

MICROFILMED

FEB 17 1993

EXHIBIT B

State of Idaho Department of Water - Water Right License No. 37-07242
State of Idaho Department of Water - Water Right License No. 37-10597
State of Idaho Department of Water - Water Right License No. 37-10600
State of Idaho Department of Water - Water Right License No. 37-10602
State of Idaho Department of Water - Water Right License No. 37-08005
State of Idaho Department of Water - Water Right License No. 37-10610
State of Idaho Department of Water - Water Right License No. 37-00208A (Decreed)
State of Idaho Department of Water - Water Right Permit No. 37-08487

MICROFILMED

FEB 17 1993

May 13, 1975

Re: Permit No. 37-7242

Ralph Faulkner Land, Inc.
Route 2
Gooding, Idaho 83330

Gentlemen:

Enclosed herewith is a copy of the water license issued on the above referenced permit.

Sincerely,

BOBBY D. FLEENOR
Chief, Water Rights

BDF:jfr

Enclosure

ENCLOSURE

April 28, 1975

C
Ralph Faulkner Land, Inc.
Route # 2
Gooding, Idaho 83330

Gentlemen:

O
A representative of this Department has made an examination of the works covered by your Permit No. 37-7242 and has found the following:

Quantity of water diverted: 4.90 cfs Source: ground water

Amount of water that can be recognized as beneficially used under Idaho law: 4.0 cfs

P
The maximum quantity diverted shall not exceed 800 acre feet per year.

Point of diversion: SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 7, Twp. 6 S, Rge. 15 E, B.M.

Beneficial use: Irrigation of 200 acres within the S $\frac{1}{2}$ NE $\frac{1}{4}$ (60), SE $\frac{1}{4}$ (140), Sec. 7, Twp. 6 S, Rge. 15 E, B.M.

Priority date established: June 14, 1973

Y
If you do not concur with these findings please contact us within 10 days, otherwise a water license will be issued as set forth above.

Sincerely,

BOBBY D. FLEENOR
Chief, Water Rights

BDF:DR

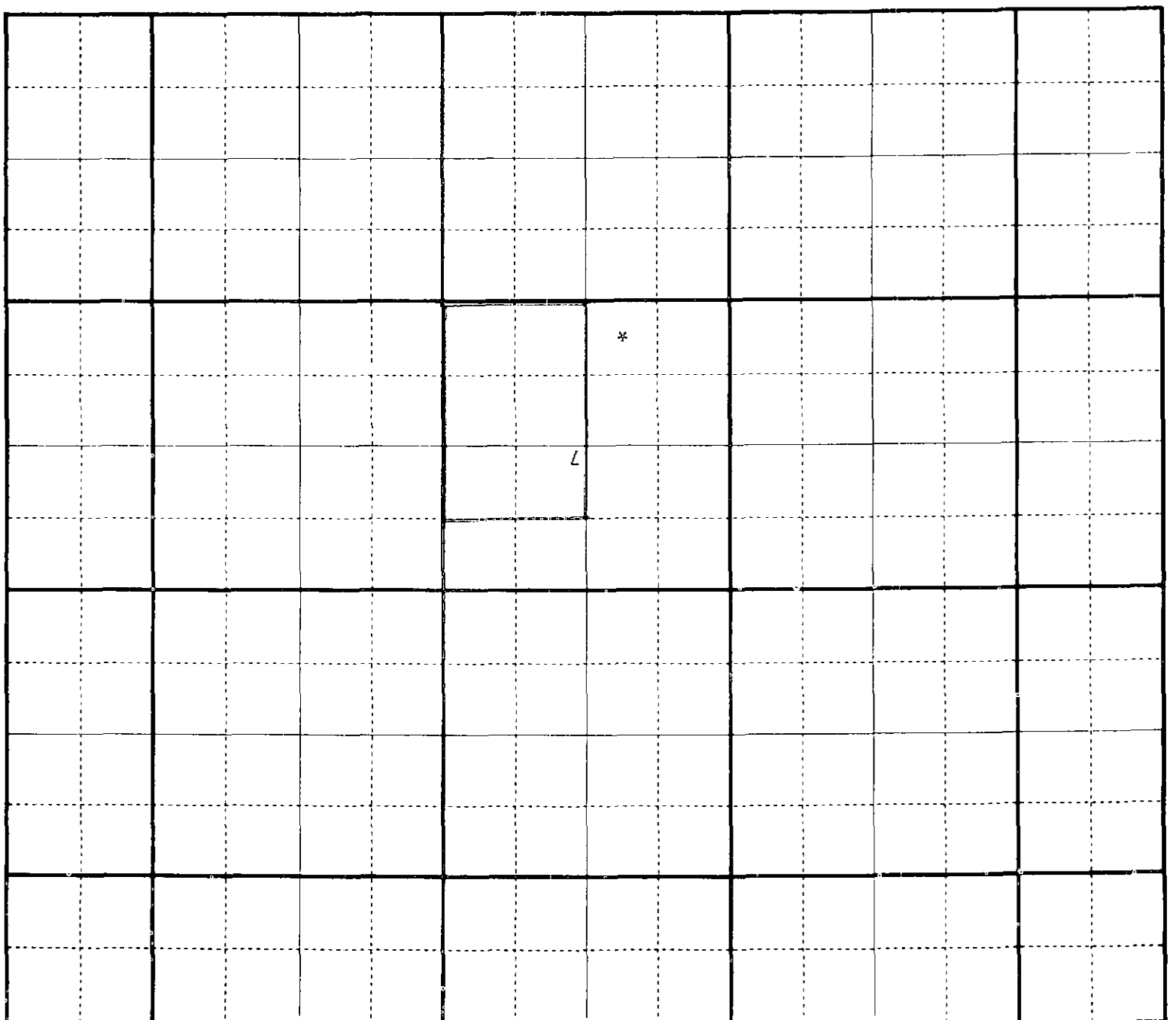
MAILED 1975

RECEIVED

FIELD REPORT

- [illegible]

Diagram of System



450 $\overline{) 5500}$
450
1000
900

DATE OF EXAM 8-29-74

ACREAGE
Found 200
Recommended 200

Irrigation Requirement 4.0 Ac Ft/Ac

USE

Irrigation Q = ~~4.0~~ 4.0 c.f.s. V = 800 AF/Ann. from March 15 to Nov-15
Domestic Q = _____ c.f.s. V = _____ AF/Ann. from _____ to _____
Livestock Q = _____ c.f.s. V = _____ AF/Ann. from _____ to _____

245

Is water co-mingled? yes ☒ no _____

Name source: American Falls Water.
twp. 6 N/S, Rge 15 E/W, B.M., Sec. 7, Sub. SE $\frac{1}{4}$ SW $\frac{1}{4}$ Gooding
County

Exchange? yes _____ no ☒

Name source exchanged with: _____
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ $\frac{1}{4}$ _____ $\frac{1}{4}$ _____
County

Point of injection:
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ $\frac{1}{4}$ _____ $\frac{1}{4}$ _____
County

Point of exchange:
twp. _____ N/S, Rge _____ E/W, B.M., Sec. _____, Sub. _____ $\frac{1}{4}$ _____ $\frac{1}{4}$ _____
County

Total Q measured 2200 gal/min 4.9 c.f.s. Method of measurement Badger Meter

Total Q recommended 4.0 c.f.s. Meter No. M053937 Type 10" Condition New

Total V recommended 800 AcFt/ANN.

Recommended Amendments:

P.D. ☒
Place of Use ☒
Other ☒
None ☒

MEASUREMENT CALCULATION:

Q = 4.0 c.f.s. Amount Applied for.

V = 800 AcFt/ANN. (1.98 AcFt) (245 days) (4.0 c.f.s.)
(200 Acres) (Irr. Requirement 4.0)

SYSTEM DESCRIPTION

G.E. Motor & Pump 200 Hp.
FJ1606108
Pipe diverts the water to concrete ditch.

REMARKS:

This ground is also irrigated with American Falls Canal water.

Examiner's Signature Sam Funderburg Date 11-15-74

Checked by Bob Haynes Date 11-27-74

Approved by _____ Date _____

August 9, 1974.

Re: Permit No. 37-7242

Ralph Faulkner Land, Inc.
Route #2
Gooding, ID 83330

Gentlemen:

We acknowledge receipt of the affidavit submitted as proof of beneficial use for the above referenced permit.

Before a license can be issued, a field examination must be made by a representative of this Department. We cannot tell just when this examination will be made, but our examiner will try to contact you at the time he makes the examination so that you may show him the system.

If you have any questions concerning the field exam, please contact our Southern District Office at 1041 Blue Lakes Blvd., North, Twin Falls, Idaho.

Sincerely,

D. Darlene Reich
Water Rights Supervisor

DDR:JG

cc: Gary W. Shaw
Attorney at Law

37-7242

Identification No. _____

Permit No. _____

STATE OF IDAHO
DEPARTMENT OF WATER ADMINISTRATION

PROOF OF APPLICATION OF WATER TO BENEFICIAL USE

RECEIVED

JUL 31 1974
Department of Water Resources

1. a) Name of Permit Holder RALPH FAULKNER LAND, INC.

b) Post Office Address Route #2 Gooding, Idaho

2. Permit Number 37-7242

3. Date of Priority that you are prepared to establish 6/14/73

4. a) Source from which water was appropriated underground stream

b) Location of the point of diversion: SE 1/4 SW 1/4, Section 7

Township 6 South, Range 15 East, Boise Meridian, Other points of diversion:

5. a) The amount of water and use to which the water has been applied:
amount 4.0 CFS for irrigation purposes from Mar. 15 to Nov. 15 incl.
(cfs and/or acre feet per annum) (Month-Day) (Month-Day)

amount _____ for _____ purposes from _____ to _____ incl.
(cfs and/or acre feet per annum) (Month-Day) (Month-Day)

amount _____ for _____ purposes from _____ to _____ incl.
(cfs and/or acre feet per annum) (Month-Day) (Month-Day)

b) Total amount appropriated 4.0 cfs and/or acre feet per annum

c) Describe how and by whom measurement of rate of flow or amount of storage was made and the qualifications of the person making the measurement: Eight (8) inch Orifice Plate installed and measured by C. B. Eaton & Sons, Wendell, Idaho, well drillers

6. If the means of diversion and conveyance are owned by someone other than the Permit Holder:

a) Give the name or description of the canal, ditch or other works by which the water is conducted to the place of use: N. A.

b) Describe the agreement or understanding by which you take water from the works: N. A.

7. a) Briefly describe the works for diverting and conveying the water to the place of use, (If from a subterranean source, give the pump size, motor size, size of well casing, depth of well; if from surface water, give brief description of diversion structure and/or canal or ditch) Pump size- ten (10) inch column
motor size- 200 H. P. ; well casing - sixteen (16) inch; well dept - 255 feet.

b) Describe the type and size of measuring device which you have installed at your point of diversion: Eight (8) inch Orifice Plate

c) Give well drillers name and address and date the well was completed C. B. Eaton and Sons, Wendell, Idaho
Completed- July 22, 1973

Exam typed 8/9/74 by fg

8. If for other than irrigation, describe the beneficial use to which you have applied the water and the place of use N. A.

9. Irrigation uses: Describe the lands irrigated by giving the acreages irrigated within each 40 acre subdivision:

TWP.	RANGE	SEC.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				TOTALS
			NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
6	15	7			40	20					12			16	20	40	40	20	208

Total number of acres irrigated 208

10. Remarks:

The above information is a true statement of the extent to which the above numbered permit has been developed.
FAULKNER LAND AND LIVESTOCK CO., INC.
7/29/74
(Date)
By [Signature]
(Signature)

State of IDAHO)
County of GOODING) ss.

On this 29 day of July, 19 74, personally appeared before me the signer(s) of the above instrument, who duly acknowledged to me that he (she) (they) executed the same.

[Signature]
Notary Public residing at Gooding, Idaho

My commission expires 10/16/77

Becker, Swenson and Shaw

ATTORNEYS-AT-LAW

BOX 238

GOODING, IDAHO 83330

PHILLIP M. BECKER
SEVERT SWENSON, JR.
GARY W. SHAW

July 30, 1974

237 MAIN ST.
GOODING, IDAHO
PHONE: 934-4242
934-5639

RECEIVED
JUL 31 1974
Department of Water Resources

Mr. Bobby D. Fleenor
Assistant Director
State of Idaho
Department of Water Administration
Statehouse-Annex 2
Boise, Idaho 83707

Re: Faulkner Water Permit

Dear Mr. Fleenor:

Enclosed please find Proof of Application of Water to Beneficial Use concerning Permit No. 37-7242. If you have any questions in regard to this application please contact me immediately.

Thank you.

Very truly yours,

Gary W. Shaw

GARY W. SHAW

GWS/jh

Enc.

37-7242

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)

(Additional charges required for these services)

☐ Show address
where delivered

☐ Deliver **ONLY**
to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

①

②

INSURED NO.

DATE DELIVERED

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

③

John Faulkner

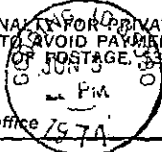
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

6-3-74

37-7242

U.S. POSTAL SERVICE
OFFICIAL BUSINESS

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE \$300



Postmark of Delivering Office

SENDER INSTRUCTIONS

Print in the space below your name, address, including ZIP Code.

- If special services are desired, check block(s) on other side.
- Moisten gummed ends and attach to back of article.

RETURN

TO

RECEIVED

DEPARTMENT OF WATER ADMINISTRATION
STATEHOUSE - ANNEX #2
BOISE, IDAHO 83707

Department of Water Administration

37-7242

PS Form 3811
June 1973

May 31, 1974 CERTIFIED MAIL

#25408

Re: Permit No. 37-7242

Ralph Faulkner Land Inc.
Attn: Ralph Faulkner
Route #2
Gooding, ID 83330

Dear Mr. Faulkner:

One of the conditions of approval of your water Permit No. 37-7242 (see last page of your approved permit) was that evidence of the extent of development be submitted as proof of application of water to beneficial use to this office on or before August 1, 1974. Enclosed is an affidavit form which must be used to submit the required proof of beneficial use.

If you have not fully completed your project, and you have not previously received an extension of time, you may request an extension of time provided the delay is for reasonable cause as indicated in Section 42-204, Idaho Code, amended. If you have been prevented from proceeding by a governmental agency or by litigation, more than one extension of time can be granted.

Either the beneficial use affidavit or a request for an extension of time must be received by this Department on or before the above mentioned date, otherwise the permit will lapse and be of no further force or effect.



R. KEITH HIGGINSON
Director

Enc: Proof affidavit

37-7242

July 16, 1973

Re: Permit No. 37-7242

Ralph Faulkner Land Inc.
Ralph Faulkner
Route #2
Gooding, ID 83330

Dear Mr. Faulkner:

Enclosed is a copy of your approved Application for Permit No. 37-7242 . We direct your attention to the conditions of approval as listed on the fourth page.

Be sure to note that a special condition requiring you to install and maintain a measuring device at your point of diversion has been placed upon your permit. We are enclosing a letter describing different types of measuring devices accepted by this office.

Sincerely,

BOBBY D. FLEENOR
Assistant Director

BDF:cd

Enclosures

37 7242

June 15, 1973

RE: Application No. 37-7242 - Ralph Faulkner Land Inc.

Gooding County Leader
Box 56
Gooding, ID 83330

Gentlemen:

Enclosed you will find a legal notice which we wish to have published once a week for two consecutive weekly issues of your newspaper. We have inserted the publication dates allowing ample time for you to submit us a galley proof for review before publication.

After sending us a galley proof, proceed with the publication on the dates we have inserted, assuming the notice is correct. If we have any corrections, we will notify you before the first publication. If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. In order to receive payment, the following certification must appear on the bill:

"I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid."

(signature of claimant)

Very truly yours,

Bob Haynes
District Engineer
Southern District

BH:jmm
Enc: Legal Notice

37 7242
Bill submitted 7-3-73 by *jmm*

OK *jmm* 6-19-73

Need Galley Proof

**NOTICE OF APPLICATION
FOR WATER PERMIT**

Notice is hereby given that Ralph Faulkner Land Inc., Route 2, Gooding, ID has on June 14, 1973 submitted Application No. 37-7242 for a permit to appropriate 4.0 cubic feet per second of water from groundwater by means of pump, open discharge, and sprinkler system within the SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 7, T. 6S; R. 15E, B.M., Gooding County to be used from Mar. 15 to Nov. 15 for irrigation of 200 acres within the S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M.

If issued, this permit will be subject to all prior water rights. Protests against the granting of the permit must be filed with the Idaho Department of Water Administration, 1041 Blue Lakes Boulevard North, Twin Falls, Idaho, 83301 on or before July 9, 1973.

R. KEITH HIGGINSON,
Director

6-21-2tc

37-7242

NOTICE OF APPLICATION FOR WATER PERMIT

Notice is hereby given that Ralph Faulkner Land Inc.
Route 2, Gooding, ID
has on June 14, 1973 submitted Application No. 37-7242
for a permit to appropriate 4.0 cubic feet per second ~~2800 feet per annum~~
of water from groundwater
by means of pump, open discharge, and sprinkler system.
within the SE $\frac{1}{4}$ SW $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, B.M., Gooding County

to be used from Mar. 15 to Nov. 15
for Irrigation of 200 acres

within the S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, Sec. 7, T. 6S, R. 15E, D.M.

If issued, this permit will be subject to all prior water rights. Protests against the granting of the permit must be filed with the Idaho Department of Water Administration, 1041 Blue Lakes Boulevard North, Twin Falls, Idaho, 83301 on or before July 9, 1973.

R. KEITH HIGGINSON

Director.

Published in the Gooding County Leader
on June 21 and June 28, 1973

June 15, 1973

RE: Application No. 37-7242

Ralph Faulkner Land, Inc.
Route 2
Gooding, ID 83330

Dear Mr. Faulkner:

Attached is your Receipt No. 10914 in the amount of \$55.00 for the above referenced Application for Permit which was received in our office on June 14, 1973.

Very truly yours,

Bob Haynes
District Engineer
Southern District

BH:jmm

Enc.

37 7242