Form 42-248/42-1409(6) Rev. 6/22

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
MAR 28 2023
Department of Water Resources
Eastern Region

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "*Yes*" in the "*Split?*" column. If the water right is leased to the Water Supply Bank, check "*Yes*". If you are not sure if the water right is leased to the Water Supply Bank, see #7 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
24-7001 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Larry S. Wright
   Name of current water right holder/claimant

3. New Owner(s)/Claimant(s): Jennifer Jessen
   New owner(s) as listed on the conveyance document Name connector ☐ **and** ☐ **or**

P.O. Box 2741 — Mailing address
Alpine — City
Wy — State
83128 — Zip
970-846-8888 — Telephone
jessen.jen@gmail.com — Email

4. If the water rights and/or adjudication claims were split, how did the division occur?
   - ☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
   - ☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above: May 2022.

6. Do you own the land identified as the water right place of use? Yes ☑ No ☐
   - If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.

7. This form must be signed and submitted with the following **REQUIRED** items:
   - ☐ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
   - ☑ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
   - ☑ Filing fee (see instructions for further explanation):
     - $25 per *undivided* water right.
     - $100 per *split* water right.
     - No fee is required for pending adjudication claims.
   - ☑ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
   - ☑ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: _____ (Signature of new owner/claimant) _____ (Title, if applicable) 3.28.23 (Date)
   Jennifer Jessen (Print name)

   Signature: _____ (Signature of new owner/claimant) _____ (Title, if applicable) _____ (Date)
   _____ (Print name)

For IDWR Office Use Only:

Receipted by JB Date 3/28/2023 Receipt No. E049015 Receipt Amt. $25.-

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by JB Processed by JB Date 3/28/2023

SCANNED MAR 29 2023

AmeriTitle

Instrument # 171939
Bonneville County, Idaho Falls, Idaho
03/31/2022 11:37:20 AM No. of Pages: 3
Recorded for: AMERITITLE - IDAHO FALLS
Penny Manning Fee: $15.00
Ex-Officio Recorder Deputy Rupchurch
Index to: DEED, WARRANTY

WARRANTY DEED

Order No.: 532793AM

FOR VALUE RECEIVED

Larry S Wright and Lialia ~~XXXX~~ Wright, husband and wife

the grantor(s), do(es) hereby grant, bargain, sell and convey unto

Jennifer A Jessen, a married person as their sole and separate property

whose current address is:
PO Box 2741
Alpine, WY 83128

the grantee(s), the following described premises, in Bonneville County, Idaho,
TO WIT:

See Attached Exhibit 'A'

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee(s), that (s)he is/are the owner(s) in fee simple of said premises; that they are free from all encumbrances Except: Current Year Taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way, apparent or of record. And that (s)he will warrant and defend the same from all lawful claims whatsoever.

Dated: March ~~28~~ 30, 2022

Larry S Wright

Lailai Wright

State of _____ } ss
County of _____ }

On this ____ day of _____, 2022, before me, the undersigned a Notary Public in and for said state, personally appeared Larry S Wright and Lailai Wright, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within Instrument and acknowledged to me that he/she/they executed 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.

see California acknowledgment 3-30-2022 LD

Notary Public for the State of _____
Residing at:
Commission Expires:

SCANNED
MAR 29 2023

EXHIBIT 'A'

File No. 532793AM

SW1/4 NW1/4 of Section 27, Township 4 South, Range 46 East of the Boise Meridian, Bonneville County, Idaho.

And

SE1/4 NE1/4; SW1/4 NE1/4; NE1/4 SE1/4 of Section 28, Township 4 South, Range 46 East of the Boise Meridian, Bonneville County, Idaho.

Excepting therefrom the following described properties:

A. Beginning at the Scott A. Scherbel PLS 8026, 2002 location for the Southeast corner of the Northeast Quarter of the Northwest Quarter of Section 28, Township 4 South, Range 46 East of the Boise Meridian; thence North 89°10'09" West along the South line of said Northeast Quarter of the Northwest Quarter 77.63 feet; thence South 0°49'51"West perpendicular to said South line 27.77 feet to the North end of an existing fence line; thence Southerly, roughly along said existing fence line, the following: thence South 14°58'25" East 53.81 feet; thence South 32°29'09" East 114.00 feet; and thence South 01°06'19" West 422.19 feet; thence South 89°10'08" East parallel with the South line of the North Half of the Northeast Quarter 261.24 feet to a point in an existing fence line; thence Northerly along said fence line the following: North 1°47'53" West 193.18 feet; thence North 57°21'48" West 159.63 feet; thence North 12°53'16" East 293.51 feet; thence North 2°01'27" West 32.90 feet to a point in last said South line; thence North 89°10'08" West along last said South line 174.00 feet to the point of beginning..

B. Any highway or road right of ways.

Please Initial

DC ____

SCANNED

MAR 2 9 2023

IDAHO DEPARTMENT OF WATER RESOURCES

WATER RIGHT REPORT

3/28/2023

IDAHO DEPARTMENT OF WATER RESOURCES

Water Right Report

WATER RIGHT NO. 24-7001

Owner Type	Name and Address
Current Owner	LARRY S WRIGHT 120 E AVE L-4 LANCASTER, CA 93535 6619481616
Original Owner	JUNE R MC GAVIN
Original Owner	ROBERT FERRIN MC GAVIN SR 50 JACKKNIFE RD FREEDOM, WY 83120 2088732948

Priority Date: 03/24/1969

Basis: Decreed

Status: Active

Source	Tributary
JACKKNIFE CREEK	SALT RIVER

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	05/01	08/30	0.62 CFS	150 AFA
Total Diversion			0.62 CFS	150 AFA

Location of Point(s) of Diversion:

JACKKNIFE CREEK	NENESE	Sec. 28	Township 04S	Range 46E	BONNEVILLE County

Place(s) of use:

Place of Use Legal Description: IRRIGATION BONNEVILLE County

Township	Range	Section	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres	Lot	Tract	Acres
04S	46E	27		SWNW	37									
		28		SENE	20									

SCANNED MAR 2 9 2023

NESE 3

Total Acres: 60

Conditions of Approval:

1.	C18	This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2.	S37	The use of water for irrigation under this right may begin as early as April 15 and may continue to as late as October 31, provided other elements of the right are not exceeded. The use of water before May 1 and after August 30 under this remark is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.

Dates:

Licensed Date:

Decreed Date: 05/31/2007

Permit Proof Due Date:

Permit Proof Made Date:

Permit Approved Date:

Permit Moratorium Expiration Date:

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date:

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: NWD

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

Decree Plantiff:

Decree Defendant:

SCANNED

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False

SCANNED

MAR 29 2023

State of Idaho
Department of Water Resources

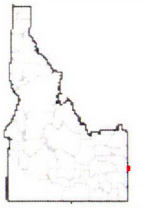
Water Right

24-7001

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.





0 0.035 0.07 0.14 0.21 0.28
Miles

Legend
- Point of Diversion
- Place of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

N

Date created: 3/28/2023

SCANNED
MAR 2 9 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718
Phone: 208-525-7161 • Fax: 208-525-7177 • Email: easterninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

March 29, 2023

JENNIFER JESSEN
PO BOX 2741
ALPINE WY 83128-2605

Re: Change in Ownership for Water Right No(s): 24-7001

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 497-3787.

Sincerely,

Jonie Baily
Technical Records Specialist 1

Enclosure(s)

SCANNED

MAR 29 2023

Form 42-248/42-1409(6) Rev. 6/22

RECEIVED

MAR 2 2 2023

Department of Water Resources
Eastern Region

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "*Yes*" in the "*Split?*" column. If the water right is leased to the Water Supply Bank, check "*Yes*". If you are not sure if the water right is leased to the Water Supply Bank, see #7 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
29-2389 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐
29-2403 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐
29-2467 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐
29-7172 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐
29-7371 OK	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name: Joseph Glen And Beverly Wight
   Name of current water right holder/claimant

3. New Owner(s)/Claimant(s): Steven and Sheri Wight
   New owner(s) as listed on the conveyance document Name connector ☑ and ☐ or

1097 ten mile pass — Mailing address
Bancroft — City
Id — State
83217 — Zip
208-317-2482 — Telephone
millironsranch@gmail.com — Email

4. If the water rights and/or adjudication claims were split, how did the division occur?
   - ☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
   - ☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above: 12-22-21.

6. Do you own the land identified as the water right place of use? Yes ☑ No ☐
   - If no, attach evidence that written notice of the change of water right ownership has been delivered to the landowner of record.

7. This form must be signed and submitted with the following **REQUIRED** items:
   - ☐ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
   - ☐ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
   - ☐ Filing fee (see instructions for further explanation):
     - $25 per *undivided* water right.
     - $100 per *split* water right.
     - No fee is required for pending adjudication claims.

SUPPORT DATA
IN FILE # 29-2389

   - ☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
   - ☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature: Steve Wight — Signature of new owner/claimant; Title, if applicable; Date: 3-23-23
   Print name: Steve Wight

   Signature: Sheri Wight — Signature of new owner/claimant; Title, if applicable; Date: 3-23-23
   Print name: Sheri Wight

For IDWR Office Use Only:

Receipted by M. Pettis Date 3-23-23 Receipt No. E049009 Receipt Amt. 125.00

Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐

Name on W-9 _____ Approved by JB Processed by MB Date 3/29/23

COMMENTS
MAR 29 2023

RECORDED ELECTRONICALLY
ID 208785 County Caribou
Date 12-23-2021 Time 11:40:37
simplifile www.simplifile.com 800.460.5657

ALLIANCE
TITLE & ESCROW

WARRANTY DEED

Alliance Title & Escrow, LLC Order No.:592086

FOR VALUE RECEIVED

Joseph Glen Wight and Beverly Wight, husband and wife

the grantor(s), do(es) hereby grant, bargain, sell and convey unto

Steven Wight and Sheri Wight, husband and wife

whose current address is

1097 Ten Mile Pass Rd
Bancroft, ID 83217

the grantee(s), the following described premises, in Caribou County, Idaho, TO WIT:

See attached Exhibit 'A'

Idaho Water rights included:
29-2389
29-2403
29-2467
29-7172
29-7371

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee(s), that (s)he is/are the owner(s) in fee simple of said premises; that they are free from all encumbrances Except: Current Year Taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way, apparent or of record.
And that (s)he will warrant and defend the same from all lawful claims whatsoever.

Dated: December 22, 2021

Joseph Glen Wight

Beverly Wight

State of Idaho } ss
County of Caribou}

On this 23rd day of December, 2021, before me, Kim R. Lindstrom, a Notary Public in and for said state, personally appeared Joseph Glen Wight and Beverly Wight, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within Instrument.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Kim R. Lindstrom
Notary Public for the State of Idaho
Residing at: Soda Springs, Idaho
Commission Expires: March 15, 2025

KIM R LINDSTROM
NOTARY PUBLIC
STATE OF IDAHO
My Commission Expires 03/15/2025
Comm No. 20190540

SCANNED
MAR 29 2023

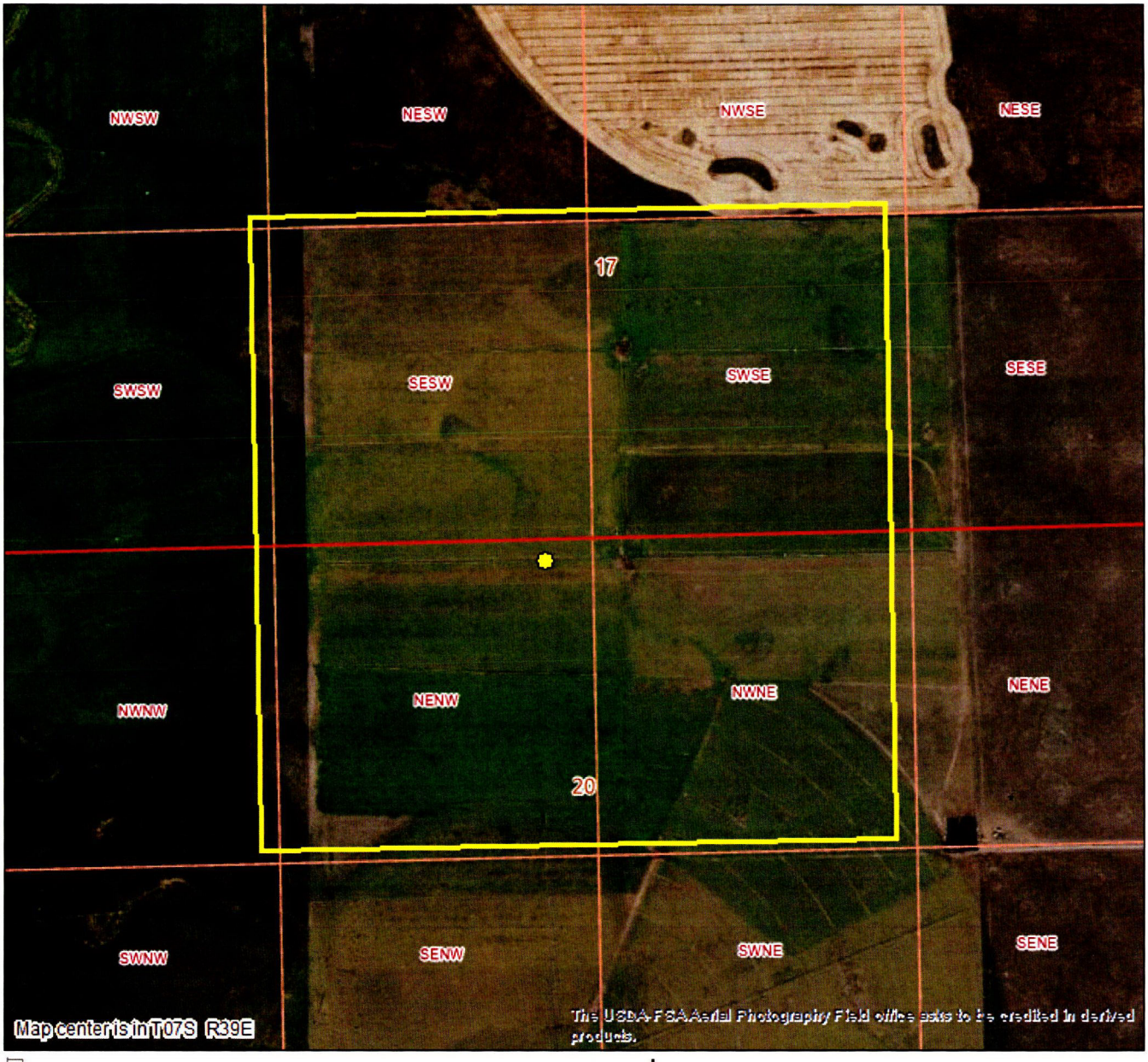
State of Idaho
Department of Water Resources

Water Right

29-2389

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.





0 0.0425 0.085 0.17 0.255 0.34
Miles

Date created: 3/23/2023

Legend

- Point of Diversion
- Place of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

N

IDWR

SCANNED
MAR 29 2023

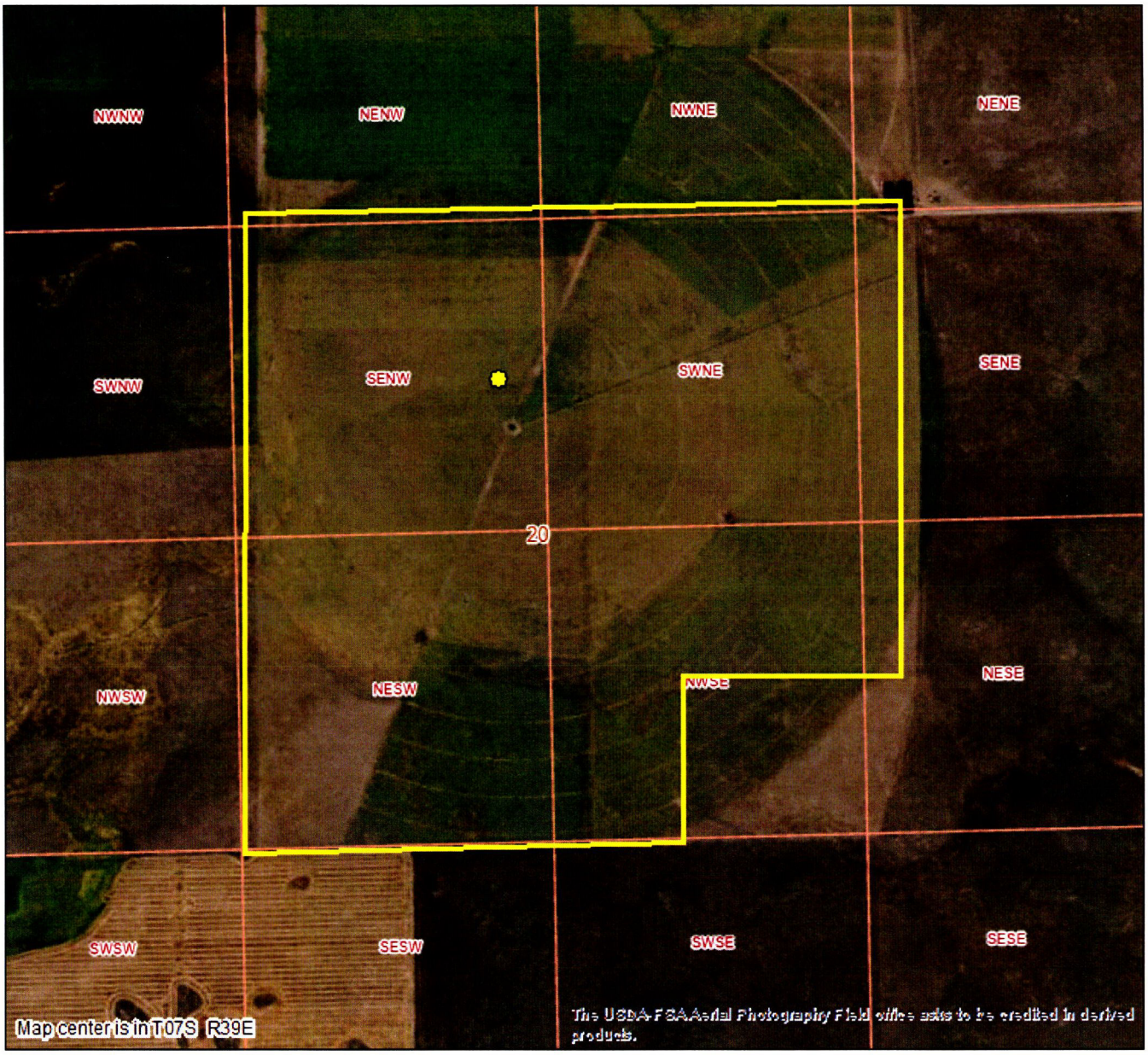
State of Idaho
Department of Water Resources

Water Right

29-2403

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.





0 0.0425 0.085 0.17 0.255 0.34
Miles

Date created: 3/29/2023

Legend
- Point of Diversion
- Place of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

N

IDWR

SCANNED
MAR 29 2023

State of Idaho
Department of Water Resources

Water Right

29-7172

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.





0 0.075 0.15 0.3 0.45 0.6
Miles

Date created: 3/23/2023

Legend

- Point of Diversion
- Place of Use Boundary
- Townships
- PLS Sections
- Quarter Quarters

N

IDWR

SCANNED
MAR 29 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718
Phone: 208-525-7161 • Fax: 208-525-7177 • Email: easterninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

March 29, 2023

STEVEN WIGHT
SHERI WIGHT
1097 TEN MILE PASS RD
BANCROFT ID 83217-5500

Re: Change in Ownership for Water Right No(s): 29-7371, 29-2389, 29-2403, 29-2467, 29-7172

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 497-3787.

Sincerely,

Jonie Baily
Technical Records Specialist 1

Enclosure(s)

Cc: Water District 29

SCANNED
MAR 29 2023

RECEIVED

MAR 20 2023

Department of Water Resources
Eastern Region

Form 42-248(9) 3/22

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Notice of Security Interest in a Water Right

and a request to be notified of a change in ownership or any proposed or final action to amend, transfer, or otherwise modify the water right(s)

Attach pages with additional information. Incomplete forms will be returned.

1.

Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.	Water Right/Claim No.
11-234 OK			
11-235 OK			
11-7843 OK			
11-7844 OK			

2. The following **REQUIRED** information must be submitted with this form:
   A) Evidence of the security interest. This may be a copy of a **DEED of TRUST, MORTGAGE, CONTRACT OF SALE** or other legal document indicating your interest in the property and water rights or claims in question, **WITH ATTACHED LEGAL DESCRIPTION.**
   B) A **FEE** of **$25.00 per** water right or adjudication claim.

3. Name and Mailing Address of Person or Company Holding Security Interest

First Community Bank Utah, Division of Glacier Bank
1601 North Hillfield Rd
Layton Utah 84041

Phone 801-813-1600
Email loanops@FCBUTAH.com

4. Name of Water Right Owner/Claimant(s) North Shore Bear Lake, LLC

5. Expiration Date of Notification Period 9-30-2026

6. Is this a Renewal of Request for Notification? ☐ YES ☒ NO

7. Signature(s) of Security Interest Holder(s)

Title, if applicable Kent Vance, VP Commercial Loan Officer

For Office Use Only

Receipted by M. Petta Date 3-20-23 Receipt No. E048994 Fee 100.00

Processed by AJ _____ Date _____ WR MB Date 3/29/23

SUPPORT DATA
IN FILE # 11-234

SCANNED
MAR 29 2023

00491122000273 4%0230%03152023%#######SCK4511%19

COMMERCIAL PLEDGE AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
$7,500,000.00	03-15-2023	03-15-2026	4911220002734	1A2 / 517	SCK4511	***	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.
Any item above containing "***" has been omitted due to text length limitations.

Borrower: SMR MANAGEMENT, LLC; WINFIELD, L.L.C.; and MORGAN ASPHALT, INC.
2023 COMPTON ROAD
FARMINGTON, UT 84025-0000

Grantor: NORTH SHORE BEAR LAKE, LLC
2023 COMPTON RD
FARMINGTON, UT 84025-3959

Lender: First Community Bank Utah, Division of Glacier Bank
Bountiful Branch
207 South Main
Bountiful, UT 84010

THIS COMMERCIAL PLEDGE AGREEMENT dated March 15, 2023, is made and executed among NORTH SHORE BEAR LAKE, LLC ("Grantor"); SMR MANAGEMENT, LLC; WINFIELD, L.L.C.; and MORGAN ASPHALT, INC. ("Borrower"); and First Community Bank Utah, Division of Glacier Bank ("Lender").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the Indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

COLLATERAL DESCRIPTION. The word "Collateral" as used in this Agreement means Grantor's present and future rights, title and interest in and to the following described investment property, together with any and all present and future additions thereto, substitutions therefor, and replacements thereof, and further together with all income and Proceeds as described herein:

WATER RIGHT/CLAIM NO. 11-234 - SOURCE: BLOOMINGTON CREEK, TRIBUTARY: BEAR LAKE, BENEFICIAL USE: IRRIGATION. WATER RIGHT/CLAIM NO. 11-235 - SOURCE: BLOOMINGTON CREEK, TRIBUTARY: BEAR LAKE, BENEFICIAL USE: IRRIGATION. WATER RIGHT/CLAIM NO. 11-7843 - SOURCE: GROUND WATER, BENEFICIAL USE: MUNICIPAL. WATER RIGHT/CLAIM NO. 11-7844 - SOURCE: WASTE WATER, TRIBUTARY: BEAR LAKE, BENEFICIAL USE: AESTHETIC STORAGE

BORROWER'S WAIVERS AND RESPONSIBILITIES. Except as otherwise required under this Agreement or by applicable law, (A) Borrower agrees that Lender need not tell Borrower about any action or inaction Lender takes in connection with this Agreement; (B) Borrower assumes the responsibility for being and keeping informed about the Collateral; and (C) Borrower waives any defenses that may arise because of any action or inaction of Lender, including without limitation any failure of Lender to realize upon the Collateral or any delay by Lender in realizing upon the Collateral; and Borrower agrees to remain liable under the Note no matter what action Lender takes or fails to take under this Agreement.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (A) this Agreement is executed at Borrower's request and not at the request of Lender; (B) Grantor has the full right, power and authority to enter into this Agreement and to pledge the Collateral to Lender; (C) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (D) Lender has made no representation to Grantor about Borrower or Borrower's creditworthiness.

GRANTOR'S WAIVERS. Grantor waives all requirements of presentment, protest, demand, and notice of dishonor or non-payment to Borrower or Grantor, or any other party to the Indebtedness or the Collateral. Lender may do any of the following with respect to any obligation of any Borrower, without first obtaining the consent of Grantor: (A) grant any extension of time for any payment, (B) grant any renewal, (C) permit any modification of payment terms or other terms, or (D) exchange or release any Collateral or other security. No such act or failure to act shall affect Lender's rights against Grantor or the Collateral.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. Grantor represents and warrants to Lender that:

Ownership. Grantor is the lawful owner of the Collateral free and clear of all security interests, liens, encumbrances and claims of others except as disclosed to and accepted by Lender in writing prior to execution of this Agreement.

Right to Pledge. Grantor has the full right, power and authority to enter into this Agreement and to pledge the Collateral.

Authority; Binding Effect. Grantor has the full right, power and authority to enter into this Agreement and to grant a security interest in the Collateral to Lender. This Agreement is binding upon Grantor as well as Grantor's successors and assigns, and is legally enforceable in accordance with its terms. The foregoing representations and warranties, and all other representations and warranties contained in this Agreement are and shall be continuing in nature and shall remain in full force and effect until such time as this Agreement is terminated or cancelled as provided herein.

No Further Assignment. Grantor has not, and shall not, sell, assign, transfer, encumber or otherwise dispose of any of Grantor's rights in the Collateral except as provided in this Agreement.

No Defaults. There are no defaults existing under the Collateral, and there are no offsets or counterclaims to the same. Grantor will strictly and promptly perform each of the terms, conditions, covenants and agreements, if any, contained in the Collateral which are to be performed by Grantor.

No Violation. The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party, and its membership agreement does not prohibit any term or condition of this Agreement.

Financing Statements. Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. This includes making sure Lender is shown as the first and only security interest holder on the title covering the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement.

LENDER'S RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLLATERAL. Lender may hold the Collateral until all Indebtedness has been paid and satisfied. Thereafter Lender may deliver the Collateral to Grantor or to any other owner of the Collateral. Lender shall have the following rights in addition to all other rights Lender may have by law:

Maintenance and Protection of Collateral. Lender may, but shall not be obligated to, take such steps as it deems necessary or desirable to protect, maintain, insure, store, or care for the Collateral, including paying of any liens or claims against the Collateral. This may include such things as hiring other people, such as attorneys, appraisers or other experts. Lender may charge Grantor for any cost incurred in so doing. When applicable law provides more than one method of perfection of Lender's security interest, Lender may choose the method(s) to be used.

Income and Proceeds from the Collateral. Lender may receive all income and Proceeds and add it to the Collateral. Grantor agrees to deliver to Lender immediately upon receipt, in the exact form received and without commingling with other property, all income and Proceeds from the Collateral which may be received by, paid, or delivered to Grantor or for Grantor's account, whether as an addition to, in discharge of, in substitution of, or in exchange for any of the Collateral.

Application of Cash. At Lender's option, Lender may apply any cash, whether included in the Collateral or received as income and Proceeds or through liquidation, sale, or retirement, of the Collateral, to the satisfaction of the Indebtedness or such portion thereof as Lender shall choose, whether or not matured.

SCANNED
MAR 29 2023

Transactions with Others. Lender may (1) extend time for payment or other performance, (2) grant a renewal or change in terms or conditions; or (3) compromise, compound or release any obligation, with any one or more Obligors, endorsers, or Guarantors of the Indebtedness as Lender deems advisable, without obtaining the prior written consent of Grantor, and no such act or failure to act shall affect Lender's rights against Grantor or the Collateral.

All Collateral Secures Indebtedness. All Collateral shall be security for the Indebtedness, whether the Collateral is located at one or more offices or branches of Lender. This will be the case whether or not the office or branch where Grantor obtained Grantor's loan knows about the Collateral or relies upon the Collateral as security.

Collection of Collateral. Lender at Lender's option may, but need not, collect the Income and Proceeds directly from the Obligors. Grantor authorizes and directs the Obligors, if Lender decides to collect the Income and Proceeds, to pay and deliver to Lender all Income and Proceeds from the Collateral and to accept Lender's receipt for the payments.

Power of Attorney. Grantor irrevocably appoints Lender as Grantor's attorney-in-fact, with full power of substitution, (a) to demand, collect, receive, receipt for, sue and recover all Income and Proceeds and other sums of money and other property which may now or hereafter become due, owing or payable from the Obligors in accordance with the terms of the Collateral; (b) to execute, sign and endorse any and all instruments, receipts, checks, drafts and warrants issued in payment for the Collateral; (c) to settle or compromise any and all claims arising under the Collateral, and in the place and stead of Grantor, execute and deliver Grantor's release and acquittance for Grantor; (d) to file any claim or claims or to take any action or institute or take part in any proceedings, either in Lender's own name or in the name of Grantor, or otherwise, which in the discretion of Lender may seem to be necessary or advisable; and (e) to execute in Grantor's name and to deliver to the Obligors on Grantor's behalf, at the time and in the manner specified by the Collateral, any necessary instruments or documents.

Perfection of Security Interest. Upon Lender's request, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral. When applicable law provides more than one method of perfection of Lender's security interest, Lender may choose the method(s) to be used. Upon Lender's request, Grantor will sign and deliver any writings necessary to perfect Lender's security interest. Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of filings of other secured parties.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of any Event of Default.

LIMITATIONS ON OBLIGATIONS OF LENDER. Lender shall use ordinary reasonable care in the physical preservation and custody of the Collateral in Lender's possession, but shall have no other obligation to protect the Collateral or its value. In particular, but without limitation, Lender shall have no responsibility for (A) any depreciation in value of the Collateral or for the collection or protection of any Income and Proceeds from the Collateral, (B) preservation of rights against parties to the Collateral or against third persons, (C) ascertaining any maturities, calls, conversions, exchanges, offers, tenders, or similar matters relating to any of the Collateral, or (D) informing Grantor about any of the above, whether or not Lender has or is deemed to have knowledge of such matters. Except as provided above, Lender shall have no liability for depreciation or deterioration of the Collateral.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Default in Favor of Third Parties. Borrower, any guarantor or Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's, any guarantor's or Grantor's property or ability to perform their respective obligations under this Agreement or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or Guarantor dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within twenty (20) days; or (2) if the cure requires more than twenty (20) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Agreement, at any time thereafter, Lender may exercise any one or more of the following rights and remedies:

Notice of Default. In the Event of Default Lender shall execute or cause the Trustee to execute a written notice of such default and of Lender's election to cause the Property to be sold to satisfy the Indebtedness, and shall cause such notice to be recorded in the office of the recorder of each county wherein the Real Property, or any part thereof, is situated.

Accelerate Indebtedness. Declare all Indebtedness, including any prepayment penalty which Borrower would be required to pay, immediately due and payable, without notice of any kind to Borrower or Grantor.

Collect the Collateral. Collect any of the Collateral and, at Lender's option and to the extent permitted by applicable law, retain possession of the Collateral while suing on the Indebtedness.

Sell the Collateral. Sell the Collateral, at Lender's discretion, as a unit or in parcels, at one or more public or private sales. Unless the

SCANNED
MAR 29 2023

Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender shall give or mail to Grantor, and other persons as required by law, notice at least ten (10) days in advance of the time and place of any public sale, or of the time after which any private sale may be made. However, no notice need be provided to any person who, after an Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. Grantor agrees that any requirement of reasonable notice as to Grantor is satisfied if Lender mails notice by ordinary mail addressed to Grantor at the last address Grantor has given Lender in writing. If a public sale is held, there shall be sufficient compliance with all requirements of notice to the public by a single publication in any newspaper of general circulation in the county where the Collateral is located, setting forth the time and place of sale and a brief description of the property to be sold. Lender may be a purchaser at any public sale.

Sell Securities. Sell any securities included in the Collateral in a manner consistent with applicable federal and state securities laws. If, because of restrictions under such laws, Lender is unable, or believes Lender is unable, to sell the securities in an open market transaction, Grantor agrees that Lender will have no obligation to delay sale until the securities can be registered. Then Lender may make a private sale to one or more persons or to a restricted group of persons, even though such sale may result in a price that is less favorable than might be obtained in an open market transaction. Such a sale will be considered commercially reasonable. If any securities held as Collateral are "restricted securities" as defined in the Rules of the Securities and Exchange Commission (such as Regulation D or Rule 144) or the rules of state securities departments under state "Blue Sky" laws, or if Grantor or any other owner of the Collateral is an affiliate of the issuer of the securities, Grantor agrees that neither Grantor, nor any member of Grantor's family, nor any other person signing this Agreement will sell or dispose of any securities of such issuer without obtaining Lender's prior written consent.

Foreclosure. Maintain a judicial suit for foreclosure and sale of the Collateral.

Transfer Title. Effect transfer of title upon sale of all or part of the Collateral. For this purpose, Grantor irrevocably appoints Lender as Grantor's attorney-in-fact to execute endorsements, assignments and instruments in the name of Grantor and each of them (if more than one) as shall be necessary or reasonable.

Other Rights and Remedies. Have and exercise any or all of the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, at law, in equity, or otherwise.

Application of Proceeds. Apply any cash which is part of the Collateral, or which is received from the collection or sale of the Collateral, to reimbursement of any expenses, including any costs for registration of securities, commissions incurred in connection with a sale, reasonable attorneys' fees and court costs, whether or not there is a lawsuit and including any fees on appeal, incurred by Lender in connection with the collection and sale of such Collateral and to the payment of the Indebtedness of Borrower to Lender, with any excess funds to be paid to Grantor as the interests of Grantor may appear. Borrower agrees, to the extent permitted by law, to pay any deficiency after application of the proceeds of the Collateral to the Indebtedness.

Election of Remedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Collateral, this Agreement will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Idaho. In all other respects, this Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Utah without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Agreement is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Agreement has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Utah.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Davis County, State of Utah.

Joint and Several Liability. All obligations of Borrower and Grantor under this Agreement shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Agreement. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

SCANNED
MAR 2 9 2023

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Commercial Pledge Agreement, as this Commercial Pledge Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Commercial Pledge Agreement from time to time.

Borrower. The word "Borrower" means SMR MANAGEMENT, LLC; WINFIELD, L.L.C.; and MORGAN ASPHALT, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

Grantor. The word "Grantor" means NORTH SHORE BEAR LAKE, LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Income and Proceeds. The words "Income and Proceeds" mean all present and future income, proceeds, earnings, increases, and substitutions from or for the Collateral of every kind and nature, including without limitation all payments, interest, profits, distributions, benefits, rights, options, warrants, dividends, stock dividends, stock splits, stock rights, regulatory dividends, subscriptions, monies, claims for money due and to become due, proceeds of any insurance on the Collateral, shares of stock of different par value or no par value issued in substitution or exchange for shares included in the Collateral, and all other property Grantor is entitled to receive on account of such Collateral, including accounts, documents, instruments, chattel paper, investment property, and general intangibles.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means First Community Bank Utah, Division of Glacier Bank, its successors and assigns.

Note. The word "Note" means the Note dated March 15, 2023 and executed by SMR MANAGEMENT, LLC; WINFIELD, L.L.C.; and MORGAN ASPHALT, INC. in the principal amount of $7,500,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Obligor. The word "Obligor" means without limitation any and all persons obligated to pay money or to perform some other act under the Collateral.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

BORROWER AND GRANTOR HAVE READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL PLEDGE AGREEMENT AND AGREE TO ITS TERMS. THIS AGREEMENT IS DATED MARCH 15, 2023.

GRANTOR:

NORTH SHORE BEAR LAKE, LLC

By: Thomas W. Morgan
THOMAS W. MORGAN, Manager of NORTH SHORE BEAR LAKE, LLC

BORROWER:

SMR MANAGEMENT, LLC

By: Thomas W. Morgan
THOMAS W. MORGAN, Manager of SMR MANAGEMENT, LLC

WINFIELD, L.L.C.

By: Thomas W. Morgan
THOMAS W. MORGAN, Manager of WINFIELD, L.L.C.

MORGAN ASPHALT, INC.

By: Thomas W. Morgan
THOMAS W. MORGAN, Vice President of MORGAN ASPHALT, INC.

LaserPro, Ver. 22.1.0.044 Copr. Finastra USA Corporation 1997, 2023. All Rights Reserved. - ID/UT C:\LPLOCAL\CFI\LPL\G80.FC TR-165309 PR-3

SCANNED
MAR 29 2023

Instrument # 240503
BEAR LAKE COUNTY
03-17-2023 01:14:59 No. of Pages: 24
Recorded for: FLYING S TITLE AND ESCROW - MONTPELIER
Amy Bishop Fee: $45.00
Ex-Officio Recorder Deputy: AB
Index to: MORTGAGE

Tax Serial Number:
02081.03 & 05447.01 as to Parcel 1; 05447, 05475, & 02081.02 as to Parcel 2; 05459 & 02081.02 as to Parcel 3; 02077, 05462.01, 05450 & 05476 as to Parcel 4; 05477, 05482, 05502 as to Parcel 5; 05446 as to Parcel 6; 02078, 05452, 05454, 05458, 05473, 05474, 05450 & 05476 as to Parcel 7; 05446, 05462, 02081.03, 05447. 05447.01, & 05475 as to Parcel 8

RECORDATION REQUESTED BY:
First Community Bank Utah, Division of Glacier Bank
Bountiful Branch
207 South Main
Bountiful, UT 84010

FOR RECORDER'S USE ONLY

##############%0745%03152023%##############%19

MORTGAGE

THIS MORTGAGE dated March 15, 2023, is made and executed between NORTH SHORE BEAR LAKE, LLC, a Utah limited liability company whose address is 2023 COMPTON RD, FARMINGTON, UT 84025-3959 as to Parcels 1, 2, 3, 4, 5 and 6 and SMR MANAGEMENT, LLC, an Idaho limited liability company whose address is 2023 COMPTON ROAD, FARMINGTON, UT 84025-0000 as to Parcels 7 and 8 (referred to below as "Grantor") and First Community Bank Utah, Division of Glacier Bank, whose address is 207 South Main, Bountiful, UT 84010 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch

SCANNED
MAR 29 2023

rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, **(the "Real Property") located in BEAR LAKE County, State of Idaho:**

See EXHIBIT A, which is attached to this Mortgage and made a part of this Mortgage as if fully set forth herein.

The Real Property or its address is commonly known as NKA, ST. CHARLES, ID 83272. The Real Property tax identification number is 02081.03 & 05447.01 as to Parcel 1; 05447, 05475, & 02081.02 as to Parcel 2; 05459 & 02081.02 as to Parcel 3; 02077, 05462.01, 05450 & 05476 as to Parcel 4; 05477, 05482, 05502 as to Parcel 5; 05446 as to Parcel 6; 02078, 05452, 05454, 05458, 05473, 05474, 05450 & 05476 as to Parcel 7; 05446, 05462, 02081.03, 05447. 05447.01, & 05475 as to Parcel 8.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all Indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the

SCANNED
MAR 29 2023

Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to

SCANNED

MAR 2 9 2023

Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any restructuring of the legal entity (whether by merger, division or otherwise) or any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest

SCANNED

MAR 29 2023

in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds $1,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain flood insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan. Flood insurance may be purchased under the National Flood Insurance Program, from

SCANNED
MAR 2 9 2023

private insurers providing "private flood insurance" as defined by applicable federal flood insurance statutes and regulations, or from another flood insurance provider that is both acceptable to Lender in its sole discretion and permitted by applicable federal flood insurance statutes and regulations.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds $1,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of any Event of Default.

SCANNED

MAR 2 9 2023

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such

SCANNED
MAR 2 9 2023

documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or

SCANNED

MAR 29 2023

rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the Indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

SCANNED

MAR 2 9 2023

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within twenty (20) days; or (2) if the cure requires more than twenty (20) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to

SCANNED

MAR 29 2023

Borrower or Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Borrower would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. Grantor hereby waives any requirement that the receiver be impartial and disinterested as to all of the parties and agrees that employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Sale. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower or Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waive any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

SCANNED

MAR 29 2023

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Unless otherwise provided by applicable law, any notice required to be given under this Mortgage or required by law, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered in accordance with the law or with this Mortgage, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Notwithstanding any other provision of this Mortgage, all notices given under Utah Code Ann. Section 57-1-26 shall be given as required therein. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided by applicable law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

SCANNED

MAR 29 2023

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Utah without regard to its conflicts of law provisions. This Mortgage has been accepted by Lender in the State of Utah.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Davis County, State of Utah.

Joint and Several Liability. All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Mortgage. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Mortgage.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Utah as to all Indebtedness secured by this Mortgage.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means SMR MANAGEMENT, LLC; WINFIELD, L.L.C.; and MORGAN ASPHALT, INC. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

Grantor. The word "Grantor" means NORTH SHORE BEAR LAKE, LLC; and SMR

SCANNED

MAR 29 2023

MANAGEMENT, LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lender. The word "Lender" means First Community Bank Utah, Division of Glacier Bank, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated March 15, 2023, **in the original principal amount of $7,500,000.00** from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Mortgage is March 15, 2026. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property. However, should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as

SCANNED

MAR 29 2023

amended).

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty or environmental agreement, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

NORTH SHORE BEAR LAKE, LLC

By: Thomas W. Morgan
THOMAS W. MORGAN, Manager of NORTH SHORE BEAR LAKE, LLC

SMR MANAGEMENT, LLC

By: Thomas W. Morgan
THOMAS W. MORGAN, Manager of SMR MANAGEMENT, LLC

SCANNED

MAR 2 9 2023

MORTGAGE
(Continued)

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Utah)
) **SS**
COUNTY OF Davis)

On this 15th day of March, 20 23, before me, the undersigned Notary Public, personally appeared **THOMAS W. MORGAN, Manager of NORTH SHORE BEAR LAKE, LLC**, and known to me to be a member or designated agent of the limited liability company that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the limited liability company.

By Kent Vance **Residing at** Bountiful

Notary Public in and for the State of Utah **My commission expires** 8-8-2026

KENT VANCE
Notary Public State of Utah
My Commission Expires on:
August 08, 2026
Comm. Number: 725659

SCANNED
MAR 29 2023

MORTGAGE
(Continued)

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Utah)
) SS
COUNTY OF Davis)

On this 15th day of March, 20 23, before me, the undersigned Notary Public, personally appeared **THOMAS W. MORGAN, Manager of SMR MANAGEMENT, LLC,** and known to me to be a member or designated agent of the limited liability company that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the limited liability company.

By Kent Vance Residing at Bountiful

Notary Public in and for the State of Utah My commission expires 8-8-2023

LaserPro, Ver. 22.1.0.044 Copr. Finastra USA Corporation 1997, 2023. All Rights Reserved.
- UT C:\LPLOCAL\CFI\LPL\G03.FC TR-189309 PR-3

KENT VANCE
Notary Public State of Utah
My Commission Expires on:
August 08, 2026
Comm. Number: 725659

SCANNED
MAR 29 2023

EXHIBIT A

PARCEL NO. 1:
A parcel of ground located in the Southeast Quarter of Section 23, Township 15 South, Range 43 East of the Boise Meridian. Described as follows: Commencing at the aluminum cap monument found at the common 1/4 corner to Sections 23 and 24, Township 15 South, Range 43 East of Boise Meridian, from which the aluminum cap monument found at the common corner to Sections 23, 24, 25 and 26 of said Township bears South 00° 02' 23" West 2,595.05 feet; and running thence South 00° 02' 23" West 425.38 feet (South 583.25 feet and South 297 feet by record) to the South right-of-way line of 400 South Street in St. Charles, Idaho; thence South 89° 54' 27" West (West by record) 93.58 feet to the true point of Beginning; and thence continuing South 89° 54' 27" West (West by record) along said right-of-way line 670.85 feet to the East right-of-way line of State Highway 89; thence South 00° 14' 45" East (South by record) along said Highway right-of-way line 647.48 feet (825.0 feet and 701.5 feet South by record) to a point located 1518 feet North of the South line of the Southeast Quarter of Section 23; thence South 89° 46' 40" East, parallel to said South Quarter Section line, 670.87 feet; thence North 00° 14' 45" West 651.17 feet to the point of Beginning. (Parcels 02081.03 and 05447.01)

PARCEL NO. 2:
A parcel of ground located in the South half of Sections 23 and 24, Township 15 South, Range 43 East of the Boise Meridian. Described as follows: Commencing at the aluminum cap monument found at the common 1/4 Corner to Sections 23 and 24, Township 15 South, Range 43 East of Boise Meridian, from which the aluminum cap monument found at the common corner to Sections 23, 24, 25 and 26 of said Township bears South 00° 02' 23" West 2,595.05 feet; and running thence South 00° 02' 23" West 367.54 feet (South 462.0 feet and 547.5 feet by record) to the true point of Beginning; and running thence North 89° 53' 20" East 594.00 feet (East 561.0 feet and East 587.5 feet by record); thence South 00° 02' 23" West 709.50 feet (South 660 feet and South 724.5 feet by record); thence South 89° 53' 20" West 594.00 feet to Section line at a point located 1518 feet Northerly of the common South corner of Sections 23 and 24 of said Township; thence North 89° 46' 40" West 90.33 feet; thence North 00° 14' 45" West 651.17 feet to the South right-of-way line of 400 South Street in St. Charles, Idaho; thence North 89° 54' 27" East along said right-of-way line 93.58 feet to Section line; thence North 00° 02' 23" East along Section line 57.84 feet to the point of Beginning. (Parcels 05447, 05475 and 02081.02)

PARCEL NO. 3:
A parcel of ground located in the West half of Section 24, Township 15 South, Range 43 East of the Boise Meridian. Described as follows: Commencing at the aluminum cap monument found at the common 1/4 corner to Sections 23 and 24, Township 15 South, Range 43 East of Boise Meridian, from which the aluminum cap monument found at the common corner to Sections 23, 24, 25 and 26 of said Township bears South 00° 02' 23" West 2,595.05 feet; and running thence South 00° 02' 23" West 169.60 feet (South 198.00 feet by record) to a point on the projection of an existing fence line from the East and the true point of Beginning; and running thence South 00° 02' 23" West (South by record) along Section line 197.94 feet (209.0 feet by record) to a point 2227.50 feet North of the Southwest Corner of said Section 24; thence North 89° 53' 20" East 2,540.32 feet more or less to the high water line of bear lake at elevation 5923.65 feet of the U.P.& I. Datum; thence along said high water line North 19° 13' 12" East 560.37 feet to an existing fence line; thence Westerly (West 2,271.59 feet by record) along an existing

SCANNED

MAR 2 9 2023

fence line the following two courses, 1) South 89° 48' 45" West 729.34 feet; 2) thence North 89° 43' 12" West 1,268.44 feet to fence corner; thence South along an existing fence the following two courses, (South 330 feet by record), 1) South 01° 25' 28" West 117.73 feet to fence corner; 2) thence South 00° 27' 55" West 229.00 feet; thence North 89° 27' 52" West 722.13 feet (West 715 feet by record) along an existing fence and the projection thereof to the point of Beginning.

Excepting therefrom any portion lying within that certain property conveyed to Hirschi Family Limited Partnership by Warranty Deed recorded as Instrument No. 113987, records of Bear Lake County, Idaho, and further described as: Commencing at a point 709 feet East and 330 feet North from the NW corner of the SW¼ of Section 24, Township 15 South, Range 43 East of the Boise Meridian, and running thence South 210 feet; thence East 269 feet; thence North 210 feet; thence West 269 feet to the Place of Beginning.

Also Excepting therefrom any portion lying within that certain property conveyed to Theodocia H. Atkin, Trustee of the Theodocia H. Atkin Revocable Trust dated February 1, 2012, by Warranty Deed recorded as Instrument No. 211638, records of Bear Lake County Idaho, and further described as: Commencing at a point 198 feet South of the NW corner of the SW¼ of Section 24, Township 15 South, Range 43 East of the Boise Meridian, and running thence East 660 feet; thence North 229 feet; thence West 660 feet; thence South 229 feet to the Place of Beginning. (Parcels 05459 and 02081.02)

PARCEL NO. 4:

Parcel A:
A parcel of ground located in the Southeast Quarter of Section 23 and the Southwest Quarter of Section 24, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the rebar with an aluminum cap monument found at the Southeast corner of Section 23, Township 15 South, Range 43 East of the Boise Meridian, from which the rebar with an aluminum cap monument found at the South Quarter of said Section bears North 89° 46' 40" West 2,666.33 feet and the rebar with an aluminum cap monument found at the East Quarter of said Section 23 bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East 198.00 feet to the true point of Beginning; and running thence North 89° 46' 40" West 754.63 feet to the East right-of-way line of Highway 89; thence North 00° 14' 45" West along said right-of-way line 255.01 feet; thence South 89° 46' 40" East 1,334.20 feet; thence South 00° 13' 20" West 251.64 feet; thence South 89° 53' 20" West 577.50 feet to the point of Beginning.

Parcel B:
A parcel of ground located in the Southeast Quarter of Section 23 and the Southwest Quarter of Section 24 and the Northwest Quarter of Section 25, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the rebar with an aluminum cap monument found at the Southeast corner of Section 23, Township 15 South, Range 43 East of the Boise Meridian, from which the rebar with an aluminum cap monument found at the South Quarter of said Section bears North 89° 46' 40" West 2,666.33 feet and the rebar with an aluminum cap monument found at the East Quarter of said Section 23 bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East 198.00 feet; thence North 89° 46' 40" West 754.63 feet to the East right-of-way line of Highway 89; thence North 00° 14' 45" West along said right-of-way line 255.01 feet to the true point of Beginning; and running thence South 89° 46' 40" East 1,334.20 feet; thence South 00° 13' 20" West 251.64 feet; thence South 00° 02' 23" West 198.00 feet; thence South 00° 02' 46" West 462.00 feet; thence North 89° 53' 20" East 1,670.93 feet to the high water line of Bear Lake at elevation 5923.65 of the U.P.&I.

SCANNED

MAR 2 9 2023

Datum; thence Northerly along said high water line the following ten courses, 1) North 00° 06' 40" West 14.88 feet; 2) thence North 80° 18' 33" West 129.64 feet; 3) thence North 21° 56' 36" East 58.82 feet; 4) thence North 01° 57' 12" East 89.66 feet; 5) thence North 09° 15' 16" East 102.53 feet; 6) thence North 02° 31' 03" East 149.18 feet; 7) thence North 48° 34' 52" East 90.34 feet; 8) thence North 43° 19' 35" East 144.74 feet; 9) thence North 09° 12' 35" East 214.36 feet; 10) thence North 04° 43' 06" East 57.69 feet; thence leaving said high water line South 89° 53' 20" West 708.45 feet; thence Westerly 559.48 feet along the arc of a 1,575.00 foot radius curve to the right through a central angle of 20° 21' 11" and a long chord that bears North 79° 56' 05" West 556.55 feet to a point of reverse curve; thence Westerly 550.32 feet along the arc of a 1,575.00 foot radius curve to the left through a central angle of 20° 01' 11" and a long chord that bears North 79° 46' 05" West 547.53 feet; thence North 89° 46' 40" West 1,335.43 feet to the East right-of-way line of Highway 89; thence South 00° 14' 45" East along said right-of-way line 150.00 feet to the point of Beginning.

Parcel C:
A parcel of ground located in the Southeast Quarter of Section 23 and the Southwest Quarter of Section 24, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the rebar with an aluminum cap monument found at the Southeast corner of Section 23, Township 15 South, Range 43 East of the Boise Meridian, from which the rebar with an aluminum cap monument found at the South Quarter of said Section bears North 89° 46' 40" West 2,666.33 feet and the rebar with an aluminum cap monument found at the East Quarter of said Section 23 bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East 198.00 feet; thence North 89° 46' 40" West 754.63 feet to the East right-of-way line of Highway 89; thence North 00° 14' 45" West along said right-of-way line 405.01 feet to the true point of Beginning; and thence continuing North 00° 14' 45" West along said line 255.01 feet; thence South 89° 46' 40" East 757.92 feet to Section line; thence North 89° 53' 20" East 2,369.75 feet to the highwater line of Bear Lake at elevation 5923.65 feet of the U.P.&L. Datum; thence Southerly along said high water line the following three courses, 1) South 08° 29' 34" East 164.03 feet; 2) thence South 03° 20' 44" West 167.74 feet; 3) thence South 04° 43' 06" West 125.73 feet; thence leaving said highwater line South 89° 53' 20" West 708.45 feet; thence Westerly 559.48 feet along the arc of a 1,575.00 foot radius curve to the right through a central angle of 20° 21' 11" and a long chord that bears North 79° 56' 05" West 556.55 feet to a point of reverse curve; thence Westerly 550.32 feet along the arc of a 1,575.00 foot radius curve to the left through a central angle of 20° 01' 11" and a long chord that bears North 79° 46' 05" West 547.53 feet; thence North 89° 46' 40" West 1,335.43 feet to the point of Beginning.

Parcel D:
A parcel of ground located in the Southwest Quarter of Section 24, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the rebar with an aluminum cap monument found at the Southeast corner of Section 23, Township 15 South, Range 43 East of the Boise Meridian, from which the rebar with an aluminum cap monument found at the South Quarter of said Section bears North 89° 46' 40" West 2,666.33 feet and the rebar with an aluminum cap monument found at the East Quarter of said Section 23 bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East 858.00 feet; thence North 89° 53' 20" East 594.00 feet to the true point of Beginning, being a point described of record as being located 36 rods East and 108 rods South of the Northwest corner of the Southwest Quarter of said Section 24; and thence continuing North 89° 53' 20" East 1,775.75 feet to the highwater line of Bear Lake at elevation 5923.65 of the U.P.& l. Datum; thence Northerly along said high water line the following four courses, 1) North 17° 48' 04" West 103.20 feet; 2) thence North 07° 25' 27" East 191.59 feet; 3) thence North 02° 03' 31" East 197.37 feet; 4) thence North 01° 25' 12" West

SCANNED
MAR 29 2023

174.57 feet; thence leaving said highwater line South 89° 53' 20" West 1,771.26 feet; thence South 00° 02' 23" West 660.00 feet to the point of Beginning.

Parcel E:
A parcel of ground located in the Southwest Quarter of Section 24, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the rebar with an aluminum cap monument found at the Southeast corner of Section 23, Township 15 South, Range 43 East of the Boise Meridian, from which the rebar with an aluminum cap monument found at the South Quarter of said Section bears North 89° 46' 40" West 2,666.33 feet and the rebar with an aluminum cap monument found at the East Quarter of said Section 23 bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East 858.00 feet; thence North 89° 53' 20" East 594.00 feet to a point described of record as being located 36 rods East and 108 rods South of the Northwest corner of the Southwest Quarter of said Section 24; thence North 00° 02' 23" East 660.00 feet to the true point of Beginning; and thence continuing North 00° 02' 23" East 709.50 feet to a point described of record as being located 36 rods East and 25 rods South of the West Quarter corner of said Section 24; thence North 89° 53' 20" East 1,946.32 feet to the high water line of Bear Lake at elevation 5923.65 of the U.P.&I Datum; thence Southerly along said high water line the following four courses, 1) South 24° 31' 46" West 138.81 feet; 2) thence South 06° 18' 00" West 141.39 feet; 3) thence South 15° 24' 37" West 160.17 feet; 4) thence South 12° 06' 46" West 139.82 feet; 5) thence South 11° 21' 15" West 154.94 feet; thence leaving said high water line South 89° 53' 20" West 1,771.26 feet to the point of Beginning. (Parcels 02077, 05462.01, 05450 and 05476)

PARCEL NO. 5:
A parcel of ground located in Section 23, 24,25 & 26, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the aluminum cap monument found at the common corner to Sections 23, 24, 25, and 26, Township 15 South, Range 43 East of the Boise Meridian, from which the aluminum cap monument found at the common Quarter corner to said Sections 23 and 24 bears North 00° 02' 23" East 2,595.05 feet, and running thence North 00° 02' 23" East (North by record) 198.00 feet to the true point of Beginning; and running thence North 89° 46' 40" West 754.63 feet (West 759 feet by record) to a point on the East right-of-way line of State Highway 89; thence South 00° 14' 45" East 1,307.72 feet (South 1,358.3 feet by record) to a point in an existing fence line and an agreed upon property line; and running thence along said fence line the following five courses, 1) North 89° 25' 16" East 701.18 feet; 2) thence North 89° 41' 43" East 469.51 feet; 3) thence North 89° 42' 15" East 199.15 feet; 4) thence South 89° 47' 59" East 309.18 feet; 5) thence North 89° 37' 54" East 957.94 feet to the high-water line of Bear Lake at elevation 5,923.65 of the U.P.& I. Datum; thence Northerly along said high-water line the following 13 courses, 1) North 15° 44' 09" East 61.59 feet; 2) thence North 43° 25' 55" East 52.61 feet; 3) thence North 23° 48' 03" East 57.71 feet; 4) thence North 50° 26' 09" East 84.27 feet; 5) thence North 53° 23' 11" East 79.91 feet; 6) thence North 21° 36' 05" West 66.74 feet; 7) thence North 12° 38' 34" East 51.58 feet; 8) thence North 27° 05' 04" East 40.06 feet; 9) thence North 07° 32' 22" East 47.47 feet; 10) thence North 29° 19' 28" West 71.76 feet; 11) thence North 42° 57' 47" East 56.32 feet; 12) thence North 58° 03' 21" East 94.75 feet; 13) thence North 61° 18' 30" East 68.33 feet; thence South 89° 53' 20" West 1,670.93 feet; thence North 00° 02' 39" East 660.00 feet; thence South 89° 53' 20" West 577.50 feet to the point of Beginning. (Parcels 05477, 05482, 05502)

PARCEL NO. 6:
A parcel of ground located in the South half of Sections 23 and 24, Township 15 South, Range 43 East of the Boise Meridian, Described as follows: Commencing at the aluminum cap monument found at the

SCANNED
MAR 2 9 2023

common corner to Sections 23, 24, 25 and 26, Township 15 South, Range 43 East of the Boise Meridian, from which the aluminum cap monument found at the common 1/4 corner to Sections 23 and 24 of said Township bears North 00° 02' 23" East 2,595.05 feet; and running thence North 00° 02' 23" East (North by record) 858.00 feet to the true point of Beginning; and running thence North 89° 53' 20" East (East by record) 594.00 feet; thence North 00° 02' 23" East (North by record) 660.00 feet; thence South 89° 53' 20" West (West by record) 594.00 feet to Section line; thence North 89° 46' 40" West 429.00 feet; thence South 00° 02' 23" West 660.00 feet; thence South 89° 46' 40" East 429.00 feet to the point of Beginning.

EXCEPTING FROM PARCELS 1-6 ABOVE:
All of SEVEN MILE RANCH SUBDIVISION PHASE 1, according to the official plat thereof, recorded as Instrument No. 239798, with Affidavit of Correction recorded as Instrument No. 240068, records of Bear Lake County, Idaho, and being more particularly described as follows:
A parcel of ground located in the Southeast quarter of section 23 and the Southwest quarter of section 24, and the Northwest quarter of Section 25, Township 15 South, Range 43 East of the Boise Meridian, and being more particularly described as follows: Beginning at a point which is North 00°02'23" East, along the East line of said section 23, a distance of 265.42 feet from the found aluminum cap monument marking the Southeast corner of said Section 23, and running thence North 71 °18'21" West, a distance of 232.10 feet; thence North 89°49'01" West, a distance of 535.42 feet to the Easterly right-of-way line of US Highway 89 / S Main Street; thence North 00°14'45" West, along said right-of-way line, a distance of 519.42 feet to the Southwest corner of parcel 02-079-00; thence along the South and East lines of said parcel the following two (2) courses: (1) South 89°46'39" East, a distance of 328.92 feet; (2) North 00°02'23" East, a distance of 288.73 feet; thence South 89°57'37" East, a distance of 2809.03 feet more or less to the Westerly line of Bear Lake as defined by the Utah power and light vertical datum with an elevation of 5923.65; thence along said Westerly line the following six (6) courses: (1) South 06°52'49" West, a distance of 183.89 feet; (2) South 10°32'11" East, a distance of 270.49 feet; (3) South 00°59'39" East, a distance of 170.23 feet; (4) South 10°33'07" West, a distance of 181.70 feet; (5) South 11°17'01" West, a distance of 328.48 feet; (6) South 73°09'23" West, a distance of 111.88 feet; thence North 88°28'27" West, a distance of 116.73 feet; thence South 48°35'51" West a distance of 102.08 feet to a point of curve to the right having a radius of 600.00 feet and a central angle of 12°49'43"; thence Southwesterly along the arc a distance of 134.34 feet (note: chord to said curve bears South 55°00'43" West a distance of 134.06 feet); thence North 28°34'26" West, a distance of 140.00 feet; thence North 21°02'16" West, a distance of 22.32 feet; thence South 80°16'40" West, a distance of 540.77 feet; thence North 12°40'40" West, a distance of 407.61 feet; thence South 83°16'3 1" West, a distance of 984.32 feet; thence North 71°18'21" West, a distance of 241.05 to the point of beginning.

ALSO EXCEPTING FROM PARCELS 1-6 ABOVE:
Proposed SEVEN MILE RANCH SUBDIVISION PHASE 2, being further described as: A parcel of ground located in the Southeast quarter of Section 23 and the Southwest quarter of Section 24, Township 15 South, Range 43 East of the Boise Meridian, and being more particularly described as follows:
Beginning at a point on the north line of Seven Mile Ranch Subdivision Phase 1, according to the official plat thereof, recorded as Instrument No. 239798, records of Bear Lake County, Idaho, located North 00°02'23" East, along the East line of Section 23, a distance of 1148.10 feet from the found aluminum cap monument marking the Southeast corner of said Section 23 and running thence North 89°57'37" West, a distance of 429.00 feet along the North line of said Phase 1 to the to the East line of parcel 05-446-01; thence along the East and North lines of said parcel the following two (2) courses: (1) North 00°02'23" East, a distance of 371.27 feet; thence (2) North 89°46'40" West, a distance of 332.20 feet to the East right-of-way line of US 89 Highway / S Main Street; thence North 00°14'45" West, along said

SCANNED
MAR 29 2023

east right-of-way line, a distance of 647.48 feet to the South right-of-way line of 400 south; thence North 89°54'27" East, along said South right-of-way line, a distance of 641.97 feet; thence South 00°00'07" East, a distance of 427.11 feet; thence North 89°59'52" East, a distance of 279.73 feet; thence South 00°00'12" East, a distance of 70.68 feet; thence North 89°55'59" East, a distance of 2257.31 feet more or less to the westerly line of Bear Lake as defined by the Utah Power and Light vertical datum with an elevation of 5923.65; thence along said westerly line the following two (2) courses (1) South 01°56'59" West, a distance of 328.22 feet; (2) South 06°52'49" West, a distance of 201.28 feet to the Northeast corner of said Phase 1; thence leaving the Bear Lake high water line and running North 89°57'37" West, along the Northerly line of said phase 1, a distance of 2380.04 feet to the point of beginning. (Parcel 05446)

PARCEL NO. 7:
Lot Numbers 1 through 22 inclusive and 24 through 47 inclusive, Block 1 and Resort Parcel #R1, Resort Parcel #R2, Resort Parcel #R3 and Resort Parcel #R4 of SEVEN MILE RANCH SUBDIVISION PHASE 1, according to the official plat thereof, recorded as Instrument No. 239798, with Affidavit of Correction recorded as Instrument No. 240068, records of Bear Lake County, Idaho. (Parcels 02078, 05452, 05454, 05458, 05473, 05474, 05450 and 05476)

PARCEL NO. 8:
Proposed SEVEN MILE RANCH SUBDIVISION PHASE 2, being further described as: A parcel of ground located in the Southeast quarter of Section 23 and the Southwest quarter of Section 24, Township 15 South, Range 43 East of the Boise meridian, and being more particularly described as Follows: Beginning at a point on the north line of Seven Mile Ranch Subdivision Phase 1, according to the official plat thereof, recorded as Instrument No. 239798, records of Bear Lake County, Idaho, located North 00°02'23" East, along the East line of Section 23, a distance of 1148.10 feet from the found aluminum cap monument marking the Southeast corner of said Section 23 and running thence North 89°57'37" West, a distance of 429.00 feet along the North line of said Phase 1 to the to the East line of parcel 05-446-01; thence along the East and North lines of said parcel the following two (2) courses: (1) North 00°02'23" East, a distance of 371.27 feet; thence (2) North 89°46'40" West, a distance of 332.20 feet to the East right-of-way line of US 89 Highway / S Main Street; thence North 00°14'45" West, along said east right-of-way line, a distance of 647.48 feet to the South right-of-way line of 400 south; thence North 89°54'27" East, along said South right-of-way line, a distance of 641.97 feet; thence South 00°00'07" East, a distance of 427.11 feet; thence North 89°59'52" East, a distance of 279.73 feet; thence South 00°00'12" East, a distance of 70.68 feet; thence North 89°55'59" East, a distance of 2257.31 feet more or less to the westerly line of Bear Lake as defined by the Utah Power and Light vertical datum with an elevation of 5923.65; thence along said westerly line the following two (2) courses (1) South 01°56'59" West, a distance of 328.22 feet; (2) South 06°52'49" West, a distance of 201.28 feet to the Northeast corner of said Phase 1; thence leaving the Bear Lake high water line and running North 89°57'37" West, along the Northerly line of said phase 1, a distance of 2380.04 feet to the point of beginning. (Parcels 05446, 05462, 02081.03, 05447, 05447.01 and 05475)

SCANNED

MAR 29 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718
Phone: 208-525-7161 • Fax: 208-525-7177 • Email: easterninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

March 29, 2023

FIRST COMUNITY BANK UTAH, DIVISION OF GLACIER BANK
1601 N HILL FIELD RD
LAYTON UT 84041-2161

RE: Notice of Security Interest for Water Right/Permit No(s): 11-234, 11-235, 11-7843, 11-7844

Dear Security Interest Holder:

The Department of Water Resources (Department) acknowledges receipt of correspondence adding security interest of the above referenced water right(s) to you. The Department has modified its records to reflect the change in security interest and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Security Interest, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

If you have any questions concerning the enclosed information, please contact me at (208) 497-3787.

Sincerely,

Jonie Baily
Technical Records Specialist 1

Enclosure(s)

cc: NORTH SHORE BEAR LAKE LLC
TJ BUDGE

SCANNED
MAR 29 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

Eastern Region • 900 N Skyline Drive, Suite A • Idaho Falls, ID 83402-1718
Phone: 208-525-7161 • Fax: 208-525-7177 • Email: easterninfo@idwr.idaho.gov • Web: idwr.idaho.gov

Governor Brad Little **Director Gary Spackman**

March 21, 2023

FIRST COMMUNITY BANK OF UTAH
DIVISION OF GLACIER BANK
1601 N HILLFIEL RD
LAYTON UT 84041

RE: Security Interest in Water Right No. 11-234, 11-235, 11-7843, 11-7844

Dear Sir/Madam:

The Department of Water Resources acknowledges receipt of your Notice of Security Interest.

Our review of your notice indicates that additional information is required before we can process the change. The information required is indicated below:

**** **Evidence of Security Interest:** The department has sufficient evidence of security interest for water rights 11-7843, 11-7844, the legal description attached to the Mortgage covers the place of use of the water rights, however for water right numbers 11-234 and 11-235 the legal description does not cover the place of use. The department can verify that North Shore Bear Lake LLC is the owner, however the property listed does not cover the place of use and the water rights are not listed on the mortgage. Please submit additional information showing your interest in the water rights specifically.

Because the Department cannot process the security interest without proper documentation/fees, we will hold any action on your notice pending receipt of the necessary information/fees. If we do not receive the necessary information/fees within 30 days we will return your notice and all attachments and your notice will not be processed.

Please note that Section 42-248, Idaho Code, requires you or the owner of this water right to maintain current ownership and address records on file with the department. Forms to file a change of ownership of a water right and/or a change in the address of the water right owner are available from any department office, or at the department's website at: www.idwr.idaho.gov.

Please feel free to contact the Department if you have any questions.

Sincerely,

Jonie Barg
Technical Records Specialist

SCANNED
MAR 21 2023