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OCT 17 2025

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

DEPT. OF WATER RESOURCES
EASTERN REGION

APPLICATION FOR TRANSFER OF WATER RIGHT

GENERAL INFORMATION AND INSTRUCTIONS

Pursuant to Section 42-222(1), *Idaho Code*, a transfer application may be filed to change the point of diversion, place of use, period of use, or nature of use of all or part of an established water right. Any person proposing to make such a change is required to file a transfer application with the Department. "Such application shall be upon forms furnished by the department and shall describe the [water right] to be changed and the changes which are proposed and shall be accompanied by the statutory filing fee." *Idaho Code* § 42-222(1).

The Department has developed this application form to assist applicants in satisfying the requirements of Section 42-222(1). This application form requests information about the applicant's authority to file (Part 1), information about the current elements of the water right(s) to be changed (Part 2), information about the proposed changes (Part 3), information about the validity of the water right(s) and the effects of the proposed changes (Part 4), and confirmation that the information provided is truthful (Part 5).

The applicant or their representative must provide a response for all applicable questions, any additional information required, and the proper filing fee before this application will be considered complete. If an application is incomplete or more information is required, the Department will notify the applicant or representative and allow time for the application to be completed. An application that remains incomplete will be returned to the applicant and the filing fee will be refunded.

An application for transfer is limited to the changes proposed for a single water distribution system. A proposal to change two or more separate water distribution systems, that will remain separate after the transfer, must be filed as separate applications. Applicants may provide additional pages to supplement their responses to the questions posed on this application form. Supplemental forms for listing additional water rights, points of diversion, or places of use can be found on the Department's website (idwr.idaho.gov). If you need assistance understanding the questions on this form, generating current water right reports, determining legal descriptions, or accessing water measurement records feel free to contact the nearest regional office of the Department.

PART 1 – CONTACT INFORMATION, OWNERSHIP RECORDS, AUTHORITY TO FILE

Name(s) of Applicant(s) Knife River Corporation Mountain West

Mailing Address 5450 W Gowen Rd, Boise, ID 83709-5625

Email* joe.smith@kniferiver.com Phone 406-876-4637

Name of Representative (if any) Rocky Mountain Environmental Associates, Inc.

Mailing Address 482 Constitution Way Ste 303, Idaho Falls, ID 83402

Email* kristin.rmea@gmail.com Phone 208-524-2353

*If an email address is provided, Department staff will use email as the primary method for corresponding with the applicant and representative about the application.

A. Representative. If the representative is authorized to sign or amend the application on behalf of the applicant, attach documents confirming that authority. Label documents as Attachment 1A.

B. Current Owner. If the applicant is not the current owner of record for all water rights included in this application, attach documents showing that the applicant has the authority to make the proposed changes. Label documents as Attachment 1B.

C. Updating Ownership Records. Applicants needing to update the ownership records for any of the water rights included in this application must attach documents supporting the ownership change. Such documents must trace ownership of the subject water rights or the current place of use for the subject water rights from the current owner of record for the water rights to the applicant. Label documents as Attachment 1C.

D. Business Entities. If the applicant is a business entity (corporation, LLC, partnership, trust, etc.), is the entity currently registered with the Idaho Secretary of State?

☒ Yes. If this application is signed by someone other than a person listed on the most recent annual report filed with the Idaho Secretary of State, attach documents confirming the authority of the signer to sign on behalf of the business entity. Label documents as Attachment 1D.

☐ No. Attach documents confirming the authority of the signer to sign on behalf of the business entity. Label documents as Attachment 1D.

E. Approval of Irrigation Delivery Entity. Section 42-108, *Idaho Code*, states that a transfer application proposing to change water rights held by an irrigation company or district requires the consent of the irrigation entity. If this application proposes to change water rights held by an irrigation entity, attach a letter of consent from the entity (labeled as Attachment 1E) or have an authorized representative of the entity co-sign the application.

F. Encumbered Properties. If the current place of use for the water rights included in this application is subject to a lien, deed of trust, mortgage, or contract and the application proposes to change the nature of use of the water rights or to move water rights off the current place of use, attach a statement of consent for the change signed by the lien holder, trustee, mortgagor or contract holder. Label documents as Attachment 1F.

G. Legal Access. If the applicant is not the current owner of the proposed point(s) of diversion, conveyance system, or place(s) of use, provide evidence of legal access to the land or infrastructure not owned by the applicant. Label documents as Attachment 1G. For example, an applicant may provide a letter of consent from the owner of the land or conveyance system or may have the owner co-sign the application. For applications proposing to divert water on or convey water across federal land, an applicant is not required to demonstrate legal access to the federal land prior to approval. Instead, if the transfer application is approved, the applicant must obtain access authorization from the relevant federal agency prior to diverting water under the subject water rights.

PART 2 – WATER RIGHTS BEFORE PROPOSED CHANGES

A. Current Water Rights. For each water right proposed to be changed, attach a current water right report obtained from any Department office or from the Department's website (idwr.idaho.gov). Label water right reports as Attachment 2A.

B. Map of Current System. Attach a map of the current point(s) of diversion and place(s) of use for the water rights to be changed. The map should clearly depict the elements of the water rights to be changed. For example, if the application proposes to change the point of diversion for a water right, the map should display the current location of the point of diversion. For irrigation water rights, the map should also identify the location of the irrigated acres to be changed. Label map as Attachment 2B.

C. Current Location of Irrigated Acres. If this application proposes to change the place of use or nature of use for only a portion of an irrigation water right, use the following table to identify the current location of the irrigated acres to be changed. If additional pages are required, label additional pages as Attachment 2C. If this application proposes to change or rearrange the entire place of use for irrigation water right(s), skip to Part 3.

☐ **N/A.** This application does not propose to change the place of use or nature of use of an irrigation water right or this application proposes to change the place of use or nature of use for an entire irrigation right.

Current Location of Irrigated Acres to be Changed

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01S	32E	1									6.8								6.8

Total Irrigated Acres to be Changed: 6.8

PART 3 – DESCRIPTION OF PROPOSED CHANGES

A. Purpose of Transfer. Section 42-222(1), *Idaho Code*, states that transfer applications may only be filed to change the point of diversion, place of use, period of use, or nature of use of an established water right. Section 42-248(3), *Idaho Code*, authorizes water right ownership changes to be described on a transfer application. Identify the changes proposed in this application:

- | | |
|--|---|
| ☒ Change point(s) of diversion | ☒ Change place of use |
| ☐ Add point(s) of diversion | ☒ Change period of use |
| ☒ Change nature of use | ☐ Update water right ownership records |

B. Proposed Changes. Describe the proposed changes in narrative form:

Applicant proposes to purchase 6.8 ac of the proposed water right to be converted for use
at a proposed concrete batch plant and gravel mining site.

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C. Summary of Proposed Changes.

1. Water Rights. Use the following table to list all water rights, or portions thereof, that are proposed to be changed as they would appear after the proposed changes. In the Amount column, list the volume in acre-feet (af) for storage uses or the rate in cubic feet per second (cfs) for all other uses.

All or Part	Right Number	Amount (cfs/af)	Nature of Use	Period of Use	Source
☐ ☐				to	
☐ ☒	35-7449B	0.09 cfs	Industrial	1/01 to 12/31	Ground water
☐ ☐		19.9 afa		to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	
☐ ☐				to	

2. Total Amounts. Calculate the total quantity, in cfs or af, of water rights that are proposed to be changed through this application. For an application proposing to only change the place of use for irrigation rights, the total quantity of water is calculated by comparing the current place of use to the proposed place of use, summing the number of acres increased in each legal subdivision, and quantifying the proportional amount of diversion rate for the increased acres. For an application proposing to change or add points of diversion for irrigation or any other beneficial use, the total amount is the total diversion rate for the changed portion of the right.

Total Amount of Water Rights Proposed to be Changed: 0.09 cfs and/or _____ af.

3. Point(s) of Diversion. Use the following table to list all the proposed points of diversion for the water rights to be changed, including any current points of diversion that will continue to be used as part of the proposed water distribution system.

The legal description for the proposed point(s) of diversion must be to the nearest 40-acre subdivision (QQ) or U.S. Government Lot of the Public Land Survey System (PLSS). PLSS information is typically available from USGS topo maps, property deeds, tax bills or various mapping tools on the Department's website.

For points of diversion within platted subdivisions, list the lot and block number in the "Diversion Name/Number" column. An application proposing an injection into a stream and a re-diversion from that stream must list the source for the original diversion as the source for the injection and re-diversion points. If this application proposes construction of a new diversion structure (for example, a new ground water well or a new pump station on a creek), please indicate the status in the appropriate column.

☐ N/A. This application does not propose to add or change any points of diversion.

Proposed Points of Diversion

New?	Twp	Rge	Sec	Lot	1/4	1/4	1/4	County	Source	Diversion Name/Number
Y	01N	37E	3			SW	SE	Bonneville	Groudwater	

4. Place of Use. The proposed place of use must be described to the nearest 40-acre subdivision (QQ) or U.S. Government Lot of the Public Land Survey System. Government lot numbers can be noted in parenthesis below the approximate quarter-quarter location of the government lot. For water rights held by irrigation districts, municipal providers or irrigation companies, the proposed place of use may be generally described as authorized by Sections 42-202B, 42-219 and 42-222B, *Idaho Code*.

☐ N/A. This application does not propose to change the place of use.

Proposed Place of Use

Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Acre Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
01N	37E	3									I			I		I	I		
											L0,L9			L0,L8					

Total Irrigated Acres: _____

5. Map of Proposed System. Attach a map showing the location of the points of diversion, reservoirs, dams, canals, ditches, pipelines and other works proposed to divert and convey water. Also show the location of the place of use, including any lands to be irrigated. The map should delineate the legal subdivisions including townships, ranges, sections, quarter-quarters and government lots. Label map as Attachment 3C.

PART 4 – ADDITIONAL INFORMATION

Section 42-222(1), *Idaho Code*, establishes the criteria used to evaluate transfer applications. An applicant bears the burden of demonstrating that the water right to be changed is a valid right, that the proposed use is a beneficial use, and that the proposed changes will not injure other water rights, will not enlarge the use of the original rights, are in the local public interest, and are consistent with the conservation of water resources within the state of Idaho. To satisfy this burden, an applicant must provide sufficient data and information for the

Department to evaluate the effects of the proposed change. The Department may deny an application if the applicant fails to provide sufficient data and information to determine whether the criteria from Section 42-222(1) are satisfied. In addition to the information requested in Parts 1-3 of this application, the following information must be provided for an application to be considered complete. Department staff may request additional information or clarification as the application is processed.

A. Validity of Water Rights

1. If one or more of the water rights proposed to be changed is a statutory claim, established pursuant to Section 42-248, *Idaho Code*, attach evidence supporting the priority date claimed. Label documents as Attachment 4A-1. For statutory claims, the Department may conduct a field inspection as part of the application review process to evaluate the water right elements listed on the statutory claim.

2. Has any portion of the water right(s) proposed to be changed undergone a period of five or more consecutive years of non-use?

☐ Yes. Attach a statement describing the portion of the right(s) that were not used and the length of time of the non-use. In addition, identify any exception or defense to forfeiture and provide a detailed description as to why the water rights have not been lost and forfeited for non-use. Label documents as Attachment 4A-2. Statutory exceptions or defenses to forfeiture are set forth in Section 42-223, *Idaho Code*.

☒ No.

B. Injury to Other Water Rights

1. Identify any other water right(s) diverted at the current point(s) of diversion.

None

2. Identify any other water right(s) diverted at the proposed point(s) of diversion.

None

3. Is the proposed point of diversion within a state water district? ☒ Yes. Water District # 120. ☐ No.

4. If already constructed and in use, are the proposed points of diversion equipped with Department-approved measuring devices? ☐ Yes. ☒ No.

5. If this application proposes to divert a surface water right from a ground water well, attach a technical analysis evaluating the hydraulic connection between the proposed ground water point of diversion and the source of water listed on the right to be changed. Label technical analysis as Attachment 4B-5.

6. If this application proposes changing the point of diversion for a ground water right in the Eastern Snake Plain Aquifer (ESPA), attach a technical analysis of the anticipated depletions to reaches of the Snake River that are hydraulically connected to the ESPA using the Department's current ground water model for the ESPA. The technical analysis must evaluate depletion impacts in a time-series format at transient and steady state time steps. To assist applicants in preparing the required technical analysis, the Department has developed a transfer tool interface for the ESPA model. The transfer tool and user instructions can be downloaded from the Department's website (idwr.idaho.gov). If the proposed and current points of diversion are in the same or adjacent model cells, no technical analysis is required, unless specifically requested by the Department. Label technical analysis as Attachment 4B-6.

C. Enlargement in Use

1. Identify any other water rights used at the current place of use, including the number of shares in a canal company or acres assessed by an irrigation district.

None

2. Identify any other water rights used at the proposed place of use, including the number of shares in a canal company or acres assessed by an irrigation district.

The farm ground is currently irrigated by Idaho Irrigation District, which is strictly for irrigation and cannot provide water for industrial purposes.

3. If this application proposes changing the place of use or nature of use for irrigation water rights, will the current place of use, for the portion of the right to be changed, continue to be irrigated?

☐ Yes. Identify the water right(s) to be used for the continued irrigation.

☒ No. The place of use for the portion to be changed will no longer be irrigated.

☐ N/A. The application does not propose to change the place of use for irrigation rights.

4. Unstacking Water Rights for Irrigation. If this application proposes to change the place of use for an irrigation water right that is combined with other irrigation rights at the current place of use but does not propose to change the place of use for all the stacked irrigation rights, attach evidence of the historical consumptive use occurring under all water rights at the current place of use. For irrigation rights, this should include at least five years of diversion data and/or crop data and estimates of evapotranspiration. Label the information as Attachment 4C-4. Evapotranspiration data may be available on the Department's website (<http://et-idwr.idaho.gov>)

5. If the application proposes to change the nature of use for a water right, attach evidence of the historical consumptive use occurring under the portion of the water right to be changed. For irrigation rights, this should include diversion data, crop data and estimates of evapotranspiration. Label the information as Attachment 4C-5. Evapotranspiration data may be available on the Department's website (<http://et-idwr.idaho.gov>)

6. If the application proposes to change the nature of use of a water right to municipal use for reasonably anticipated future needs, complete the form titled "Municipal Water Right Application Checklist" found on the Department's website (idwr.idaho.gov). Label the form as Attachment 4C-6.

7. To your knowledge, are any portions of the water rights proposed to be changed:

Yes No
☐ ☒

currently leased to the Water Supply Bank?

If yes, complete the form titled "Application for Transfer of Water Right Attachment WSB" found on the Department's website (idwr.idaho.gov). Label the Form as Attachment 4C-7.

☐ ☒
☐ ☒
☐ ☒

currently used in a mitigation plan limiting the use of water under the right?

subject to an agreement not to divert (CREP)?

currently enrolled in a federal set-aside program (CRP)?

D. Local Public Interest

The department must consider whether the proposed changes are in the local public interest as defined in Section 42-202B(3), *Idaho Code*. Some of the local public interest factors that may be considered in conjunction with a transfer application are (1) Recreation, fish, and wildlife impacts, (2) Water quality or contamination concerns, (3) Local and state ordinances, regulations, or policies related to water use, (4) Goals, requirements and limits set forth in the State Water Plan. If you choose to provide information about local public interest factors, label the information as Attachment 4D.

E. Conservation of Water Resources

Describe the diversion works and water delivery system. This may include sizes and dimensions of pumps, pipelines, headgates, ditches, dams, impoundments and irrigation equipment.

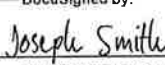
The development of this property for industrial purposes is in an infant stage and exact descriptions of the diversion system have not yet been determined. A new well must be drilled in order to divert water, and most likely, other water rights will be acquired for this property to meet minimum demands.

PART 5 – FILING FEE AND SIGNATURE

A. Filing Fee. Filing fees for transfer applications are set forth in Section 42-221.O, *Idaho Code*. A table summarizing the filing fees for transfer applications is also found on the Department's website (idwr.idaho.gov). Any application proposing to change the nature of use for one or more rights requires an additional filing fee of \$250. Applications proposing to update the ownership records for water rights must also include the appropriate filing fee to update the ownership records. For any application relying on the filing fee set forth in Section 42-221.O.8, *Idaho Code*, attach a statement describing how the application qualifies under Section 42-221.O.8. Label documents as Attachment 5A.

B. Affidavit of Applicant or Representative:

I hereby assert that no one will be injured by the proposed changes and that the proposed changes do not constitute an enlargement in use of the original right(s). The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

DocuSigned by:		
	Joseph Smith	Env. Manager
Signature of Applicant or Representative*	Print Name and Title, if applicable	Date
_____	_____	_____
Signature of Applicant or Representative*	Print Name and Title, if applicable	Date
_____	_____	_____

*If water rights included in this application are owned by multiple people or entities, each owner must sign the application form.

FOR DEPARTMENT USE ONLY

Fee Paid: \$ <u>450.00</u>	Receipt #: <u>E051216</u>	Date: <u>10/17/25</u>	Received by: <u>CH</u>
Add'l Paid: \$ _____	Receipt #: _____	Date: _____	Received by: _____

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MEMORANDUM OF OPTION AGREEMENT

THIS MEMORANDUM OF OPTION AGREEMENT is entered into this 27th day of March, 2025, (the "Effective Date") by and between the following parties:

1. **Phillips Brothers Farm & Livestock, LLC**, an Idaho limited liability company, whose address is 1851 W 600 N, Blackfoot, ID 83221 (hereinafter "Seller"); and
 2. **Rocky Mountain Water Exchange, LLC**, an Idaho limited liability company, whose address is 482 Constitution Way, Suite 303, Idaho Falls, Idaho 83402 (hereinafter "Buyer")
- A. Seller owns Water Right No. 35-7449B (the "Water Right"), which was decreed on January 31, 2002 in the Snake River Basin Adjudication by the District Court for the Fifth Judicial District of Idaho for irrigation purposes with a priority date of October 15, 1974.
- B. Pursuant to a certain Option Agreement for Purchase and Sale of Water Right ("Option Agreement"), Seller has granted Buyer an exclusive option and right to purchase 138 acres of the Water Right, which acres are illustrated in Attachment 1.

NOW, THEREFORE, in order to provide public notice thereof, Seller and Buyer recite as follows:

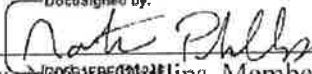
1. Buyer and Seller acknowledge and agree that the Water Right is subject to Buyer's exclusive right to purchase under the terms and conditions of the Option Agreement.
2. Buyer and Seller acknowledge and agree that the Water Right is subject to Buyer's exclusive right to purchase under the terms and conditions of the Option Agreement.
3. Buyer and Seller agree that Buyer may submit Applications for Transfer of portions of the Water Right to accomplish changes necessary for the sale of the Water Right.

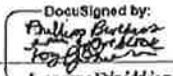
IN WITNESS WHEREOF, the undersigned have duly executed this Memorandum of Option Agreement effective as of the Effective Date.

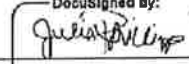
[SIGNATURES ON FOLLOWING PAGE]

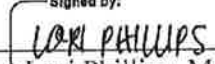
"SELLER"

**PHILLIPS BROTHERS FARM & LIVESTOCK
LLC**

DocuSigned by:

By: Nathan Phillips, Member

DocuSigned by:

By: Jesse Phillips, Member

DocuSigned by:

By: Julia Phillips, Member

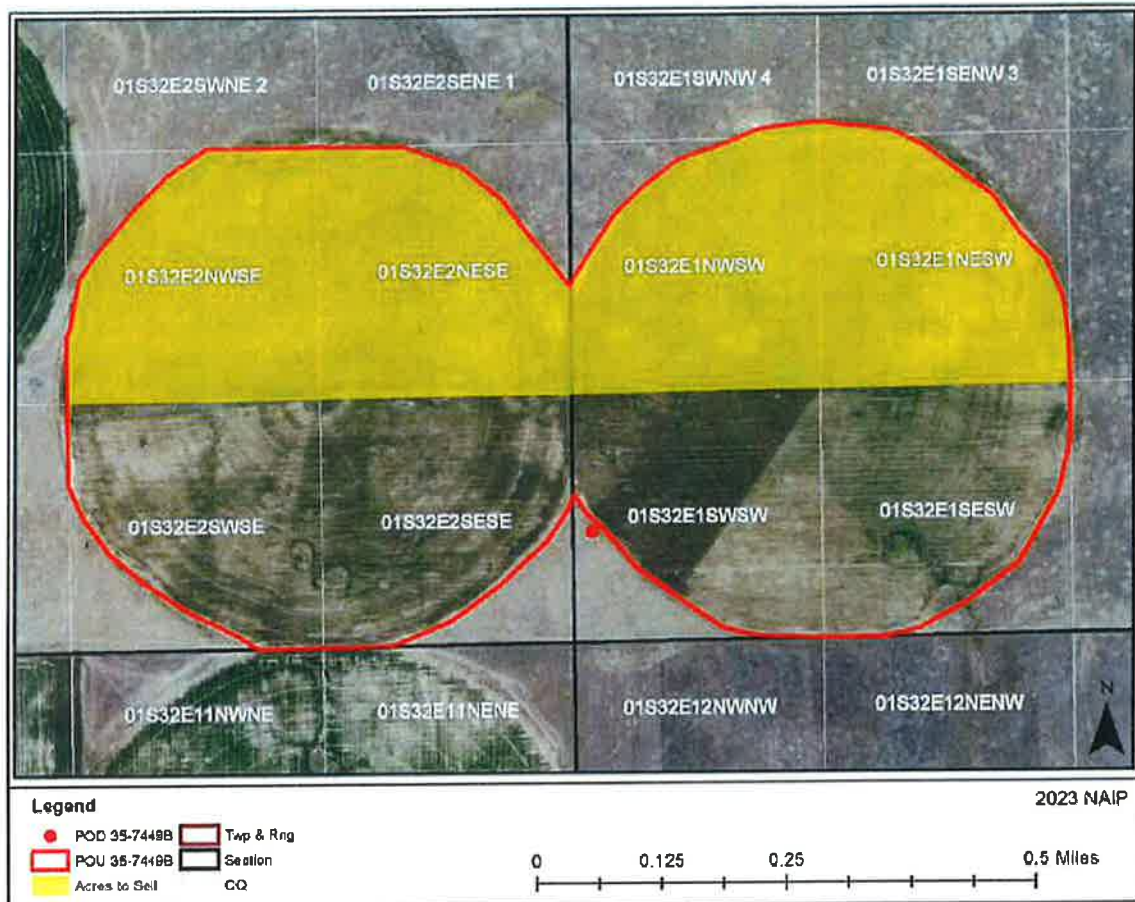
Signed by:

By: Lori Phillips, Member

"BUYER"

**ROCKY MOUNTAIN WATER EXCHANGE,
LLC**


By: W. Roger Warner
Its: Managing Member

Attachment 1 **Map of the 138-acre Water Right**



Date: 10/17/2025
 To: Idaho Department of Water Resources
 From: Knife River Corporation Mountain West
 Subject: Applications for Transfer of Water Right 35-7449B

Knife River Corporation Mountain West has entered into a purchase agreement with Rocky Mountain Water Exchange, LLC for the above-described water right(s) in the amount of 6.8 acres, as shown in Figure 1. As a part of the agreement, a transfer application must be filed to amend the water right to cover property owned by us. We are submitting this application for transfer, with the understanding that title to the water right(s) can only be transferred upon execution and recording of a deed for the water right(s).

I certify (or declare) under penalty of perjury pursuant to the law of the State of Idaho that the foregoing is true and correct. Idaho Code § 9-1406; Idaho Rule of Civil Procedure 2.7.

DocuSigned by:

 E0407BCBED97482...
 Joseph Smith, Regional Environmental Manager
 Knife River Corporation Mountain West

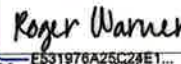
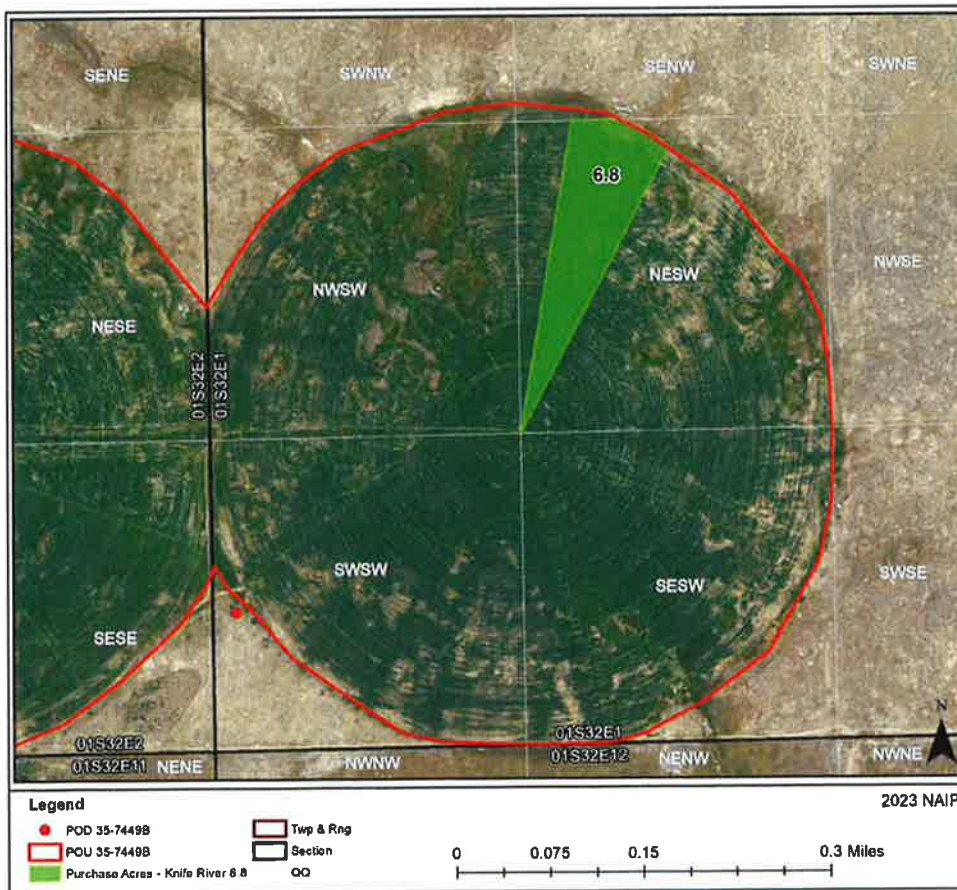
Signed by:

 E031976A25C28E1...
 W. Roger Warner, Managing Member
 Rocky Mountain Water Exchange, LLC

Figure 1. Map of Water Right for Purchase





Mountain West
5450 W Gowen Road
Boise, ID 83709

www.kniferiver.com
(208) 362.6152
(208) 562.5045 FAX

May 16, 2025

RE: Appointment of Agents – Power of Attorney

To whom it may concern:

Pursuant to a Board resolution adopted by the Board of Directors of Knife River Corporation – Mountain West, I am authorized, as Region President, to designate certain individuals as agents of Knife River Corporation – Mountain West who shall be authorized, in the name and on behalf of Knife River Corporation – Mountain West, to execute and deliver construction contracts, subcontracts, agreements, documents, and other instruments with governmental authorities (federal, state, county, or local), with general contractors or subcontractors, and with private parties.

I hereby designate each of the following individual(s) an agent of Knife River Corporation – Mountain West, and each of them is authorized and empowered to execute and deliver documents, including but limited to, construction contracts, subcontracts, prime contractor proposals, subcontractor proposals, competitive bids for projects, price quotations or bids for materials, lien releases, and other related agreements, documents, and instruments with governmental authorities (federal, state, county, or local), with general contractors or subcontractors, and with private parties, in the name and on behalf of Knife River Corporation – Mountain West:

Matt Abrams
Nate Aggen
Mike Cole
Will Haigh
Bret Olson
Bret Gant
Joseph Smith
James Hammer
Cody O'Hare

This authorization letter is effective and in full force and effect, until modified.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Lauteren".

Jim Lauteren
President
Knife River Corporation – Mountain Region

STATE OF IDAHO
COUNTY OF ADA

Jim Lauteren, being first duly sworn, deposes and says that he is the President for Knife River Corporation – Mountain Region; that the execution of this instrument is the act and deed of the Corporation, that he has read the foregoing document and knows the contents thereof, and that the statements herein are true.



Jim Lauteren
President
Knife River Corporation – Mountain Region

Subscribed and sworn to before me on May 16th, 2025.





Renzee Sorenson Notary Public
Ada County, Idaho
My commission expires: 01-09-2031



6300 C Street SW, MS 3B-CR
Cedar Rapids, IA 52499

August 7, 2025

Attn: Kristin Moore
Idaho Department of Water Resources
482 Constitution Way, Suite 303
Idaho Falls, Idaho 83402
E-mail: Kristin.rmea@gmail.com

RE: Loan Nos.: 60724129 and 60716228
Water Right No.: 35-7449B

Dear Ms. Moore:

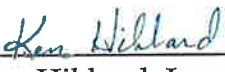
Phillips' Brothers Farm & Livestock, LLC, an Idaho limited liability company (the "**Borrower**") requested that AXA Equitable Life Insurance Company n/k/a Equitable Financial Life Insurance Company, a New York corporation ("**Lender**") consent to the Idaho Department of Water Resources consideration of the sale and transfer of 138 acres of Water Right No. 35-7449B. Lender holds a Notice of Security interest in a Water Right for said Water Right, receipted on July 18, 2016 and approved on July 27, 2016, by the Idaho Department of Water Resource, and is further represented by a certain Mortgage, Security Agreement, Assignment of Rents and Fixture Filing, dated and recorded in the records of Bingham County, Idaho, on July 13, 2016, as Instrument No. 678010, as modified by that certain Modification Agreement dated April 29, 2024, recorded on May 2, 2024, as Instrument No. 762082, and a Mortgage, Security Agreement, Assignment of Rents and Fixture Filing dated and recorded in the records of Bingham County, Idaho on April 29, 2024, as Instrument No. 762013 (the "**Mortgages**") securing payment of the indebtedness evidenced by certain Fixed Interest Rate Promissory Notes from Borrower to Lender dated July 13, 2016 and April 29, 2024, in the aggregate original principal amount of Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00) (the "**Notes**").

This letter is to advise you that the Lender hereby consents to the sale and transfer of 138 acres of Water Right 35-7449B. This consent is for this request only and does not constitute a consent for future requests. The Lender specifically reserves the right to insist on strict compliance with all provisions set forth in the original loan documents.

Please contact this office if you have any questions regarding this matter.

Very truly,

EQUITABLE FINANCIAL LIFE INSURANCE COMPANY

By: 
Ken Hibbard, Investment Officer

cc: Lance Bethke

Water Right Report : 35-7449-B (Decreed/Active)**Water Right Owners**

Owner Type	Name	Address	City	State	Postal Code
Current Owner	PHILLIPS BROTHERS FARM & LIVESTOCK	1851 W 600 N	BLACKFOOT	ID	83221-5056
Original Owner	KEITH WILCOX & SONS INC	4891 S HWY 191	REXBURG	ID	83440
Previous Owner	MAX DEAN M D RETIREMENT TRUST	PO BOX 962	BOISE	ID	83701
Security Interest	AXA EQUITABLE LIFE INSURANCE CO	C/O AXA EQUITABLE AGRIFINANCE LLC 6300 C ST SW	CEDAR RAPIDS	IA	52404-7470
Security Interest	THE BANK OF COMMERCE	PO BOX 1046	BLACKFOOT	ID	83221-1046

Water Right Status

Priority Date : 10/15/1974

Basis : Decreed

Status : Active

Water Source

Source Source Qualifier Tributary Tributary Qualifier

GROUND WATER

Points Of Diversion (Location)

Source	Township	Range	Section	Govt. Lot	QQQ	QQ	Q	County	Diversion Type
GROUND WATER	01S	32E	1	0				SW SW BINGHAM	

Water Uses

Beneficial Use	From	To	Diversion Rate	Volume
IRRIGATION	4/01	10/31	3.76 CFS	1093.20 AFA
TOTAL			3.76 CFS	1093.20 AFA

Places of Use**Place of Use Legal Description : IRRIGATION (BINGHAM county)**

Township	Range	Section	Lot	QQQ	QQ	Q	Acres
01S	32E	1	4	SW	NW	0.5	
01S	32E	1	3	SE	NW	0.5	
01S	32E	1		NE	SW	34.0	
01S	32E	1		NW	SW	34.0	
01S	32E	1		SW	SW	33.0	
01S	32E	1		SE	SW	33.0	
01S	32E	1		SW	SE	0.3	
01S	32E	2		NE	SE	34.0	
01S	32E	2		NW	SE	35.0	
01S	32E	2		SW	SE	35.0	
01S	32E	2		SE	SE	34.0	

Irrigation Totals

Total Acres Acre Limit

273.30

90153

Conditions

Code Conditions

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.

Dates

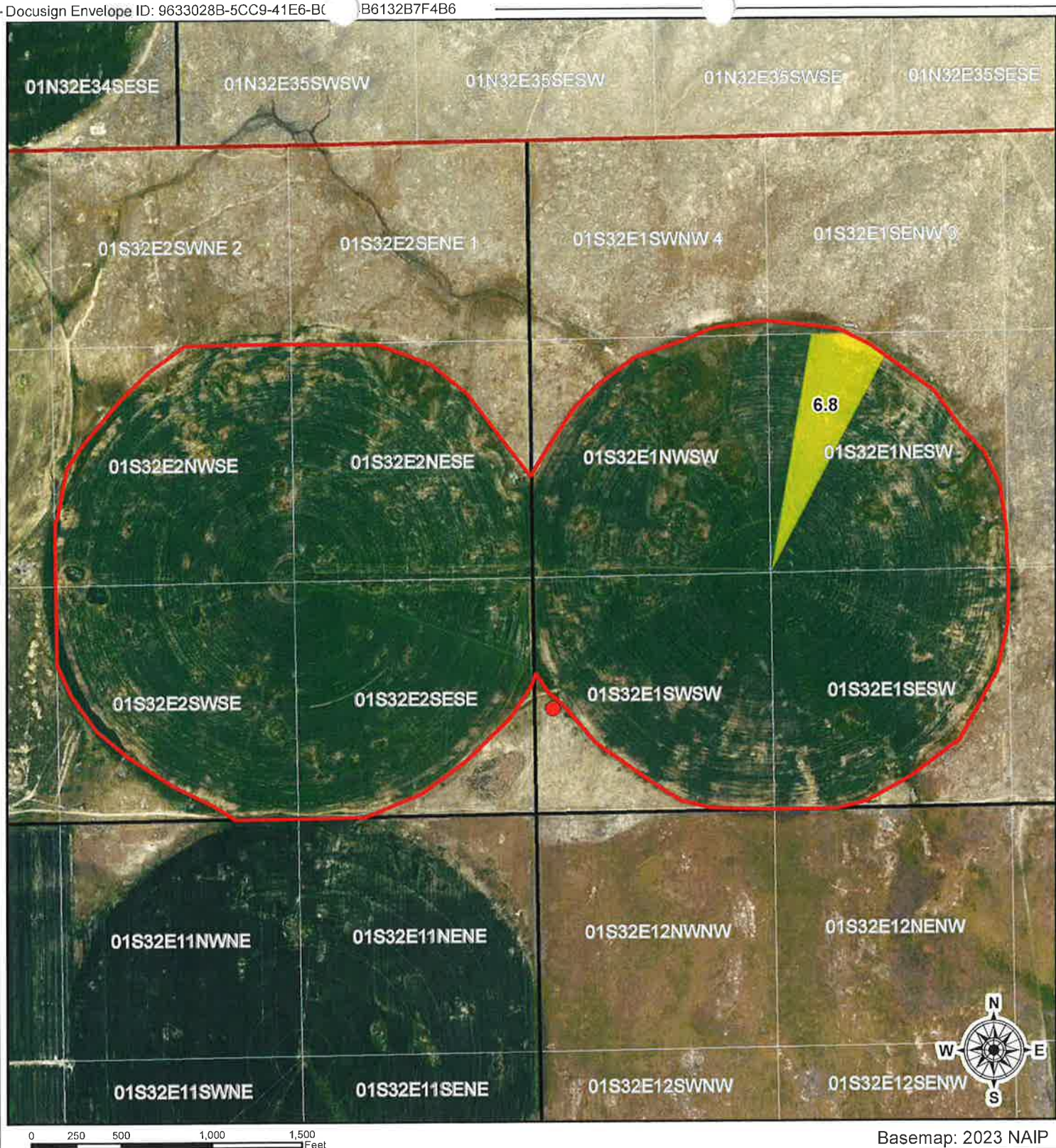
Licensed Date :
Decreed Date : 1/31/2002
Permit Proof Due Date :
Permit Proof Made Date :
Permit Approved Date :
Permit Moratorium Expiration Date :
Enlargment Use Priority Date :
Enlargement Statute Priority Date :
Application Received Date:
Protest Deadline Date:

Other Information

State or Federal : S
Water District Number : 120
Generic Max Rate Per Acre : 0
Generic Max Volume Per Acre : 0
Civil Case Number :
Decree Plaintiff :
Decree Defendant :
Swan Falls Trust or Nontrust :
Swan Falls Dismissed :
DLE Act Number :
Cary Act Number :
Mitigation Plan: False

IDAHO DEPARTMENT OF WATER RESOURCES

7/28/2025



Attachment 2B. Current POD and POU of Water Right

Legend

- POD 35-7449B
- POU 35-7449B
- Purchase Acres
- Twp & Rng
- Section
- QQ

Knife River Corp. Mountain West
Application for Transfer
Water Right No. 35-7449B

Date: 10/13/2025

RMEA #: 21-0063

Drafted by: KM



90153



Basemap: 2023 NAIP

Attachment 3C Proposed POD and POU of Water Right

Legend

-  Proposed WRPOD
-  Proposed WRPOU
-  Twp & Rng
-  Section
-  QQ

Knife River Corporation Mountain West
Application for Transfer
Water Right No. 35-7449B

Date: 10/16/2025

RMEA #: 21-0063

Drafted by: HP



90153

Eastern Snake Plain Aquifer Modeling Analysis

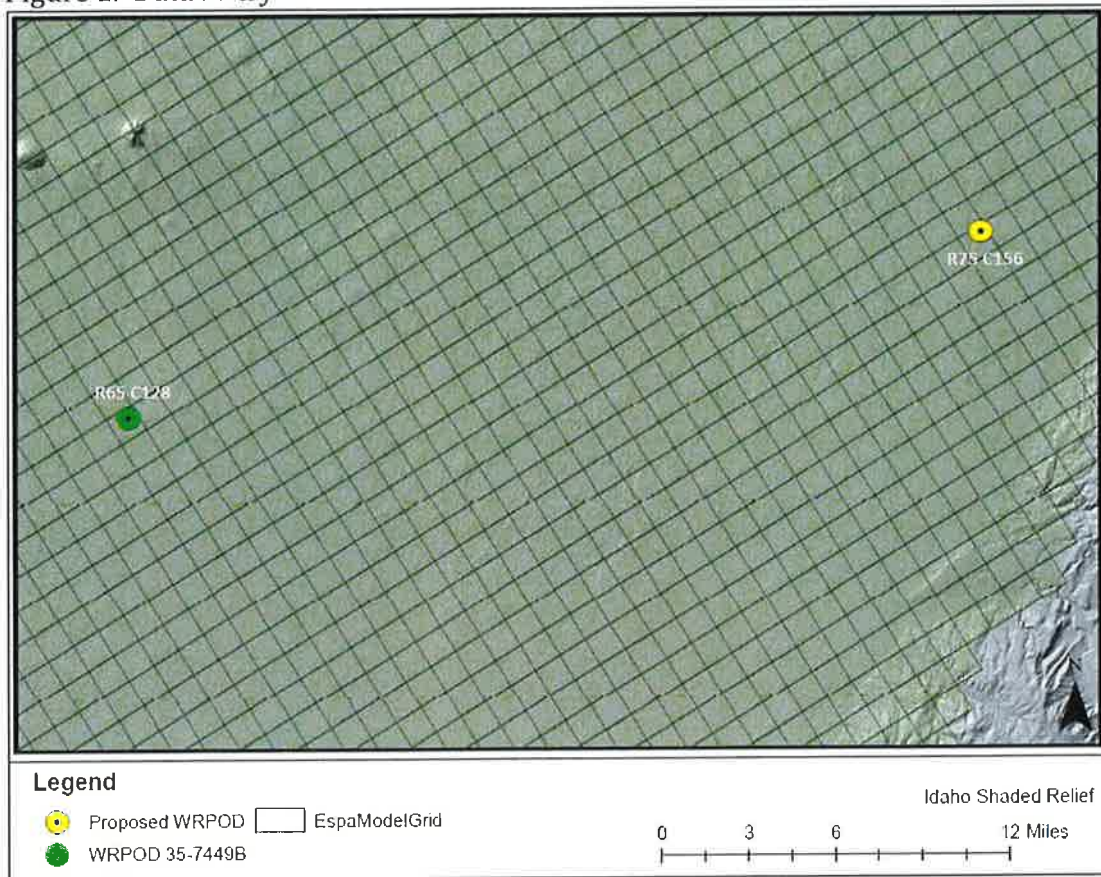
The Applicant requires 6.8 acre of water for conversion from irrigation to industrial use at the Rancho Coachella location. It is proposed to purchase a portion of water right no. 35-7449B.

Data Input Values

The TO Well location is a proposed well located in model cell R75 C156.

The FROM Well location is a point of diversion (POD) located in model cell R65 C128. Well locations and ESPA Grid Cells used for modeling are shown in Figure 1.

Figure 1. Data Entry



Using ESPAM 2.2, a modeling simulation was used to evaluate the effects to the Snake River. Data input values were based upon the historical consumptive use volumes described in Attachment 4C-5, of 19.9 afa or 6.63 af/trimester at both the TO and FROM Wells, with a transition to the TO Well occurring in Spring of 2026. The Net Effects do not exceed the threshold of 2.0 af/trimester. **No mitigation is required.** Figures 2-4 include excerpts from the ESPAM 2.2 simulation.

Figure 2. Data Entry

ENHANCED GROUND-WATER RIGHTS TRANSFER

UNIVERSITY OF IDAHO - IDAHO WATER RESOURCES RESEARCH INSTITUTE IDAHO DEPARTMENT OF AGRICULTURE

Cells this color are set up for user entries

UPDATE DATES

RUN MODEL

GET OUTPUT

ENTER STARTING DATE FOR SIMULATION. THEN PUSH "UPDATE DATES" BUTTON

TRANSFER NO: 35-7449B

YEAR: 1974 TRANSFER NAME: Knife River Ranch

SEASON: SUMMER

ENTER CELL LOCATIONS:

	TO CELL	FROM1 CELL	FROM2 CELL	FROM3 CELL
ROW	75	65	0	0
COLUMN	156	128	0	0

TRIMESTER OF ACTIVITY	TO WELL	FROM1 WELL		FROM2 WELL		FROM3 WELL	
	Projected Use AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER	With Transfer AF/TRIMESTER	Without Transfer AF/TRIMESTER
SUM 1974	0.00	6.63	6.63	0.00	0.00	0.00	0.00
WIN 1974	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SPR 1975	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SUM 1975	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SPR 2024	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SUM 2024	0.00	6.63	6.63	0.00	0.00	0.00	0.00
WIN 2024	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SPR 2025	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SUM 2025	0.00	6.63	6.63	0.00	0.00	0.00	0.00
WIN 2025	0.00	6.63	6.63	0.00	0.00	0.00	0.00
SPR 2026	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2026	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2026	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2027	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2027	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2027	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2028	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2028	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2028	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2029	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2029	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2029	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2030	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2030	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2030	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2031	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2031	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2031	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2032	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2032	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2122	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2122	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2122	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2123	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SUM 2123	6.63	0.00	6.63	0.00	0.00	0.00	0.00
WIN 2123	6.63	0.00	6.63	0.00	0.00	0.00	0.00
SPR 2124	6.63	0.00	6.63	0.00	0.00	0.00	0.00

Figure 3. Net Transfer Graphs

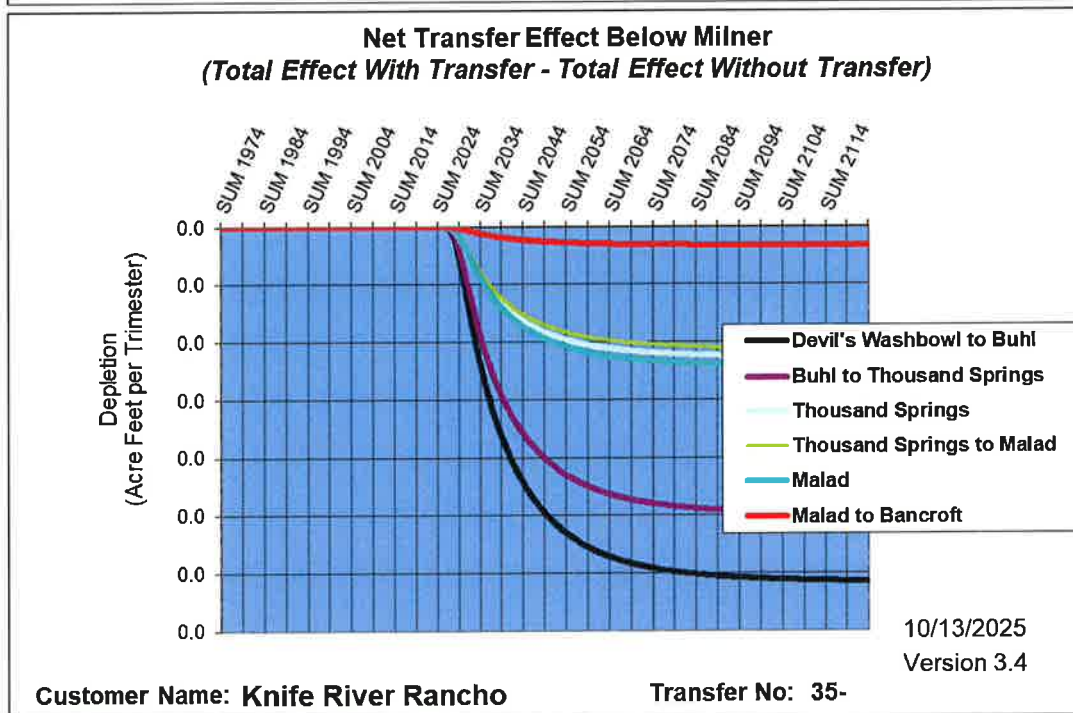
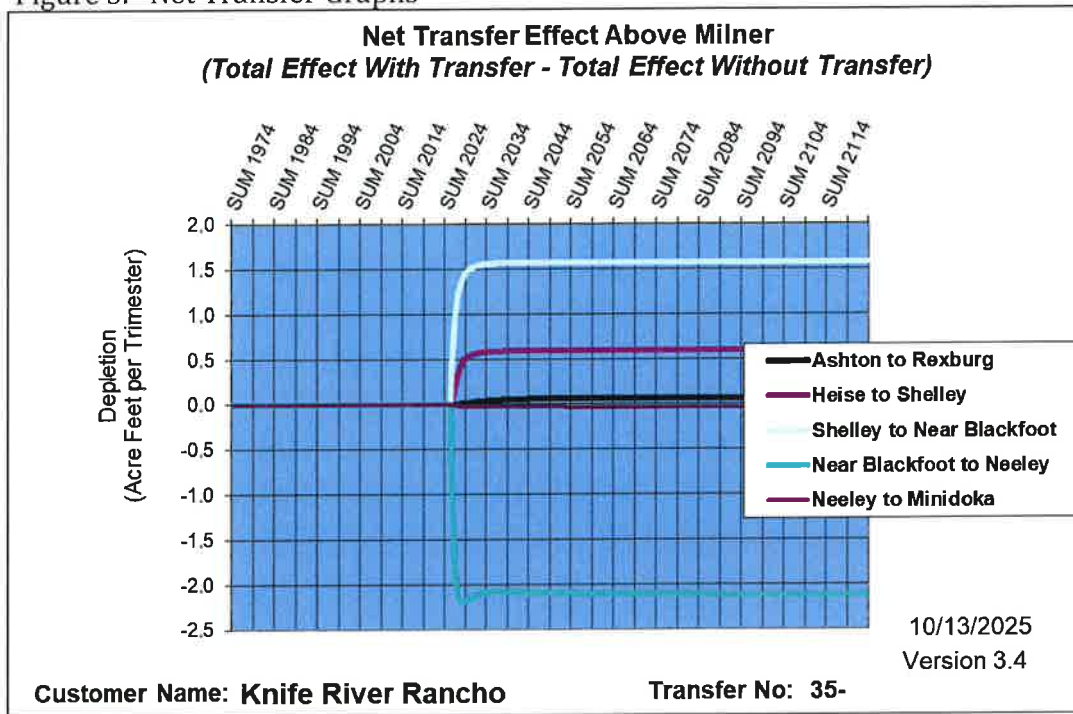


Figure 4. Calculated Effects and Mitigation Analysis Tool

Net Transfer Effect (AF/four months)											
	Ashton to Rexburg	Heise to Shelley	Shelley to Nr Bickft	Nr Bickft Neeley	Neeley to Minidoka	Dev. Wbl. Buhl	Buhl to Kspr	Kspr Malad	Kspr to Malad	Malad Bancroft	Malad to Bancroft
SUM 1974	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 1974	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 1975	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 1975	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 1975	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2025	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2026	0.0	0.0	0.4	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2026	0.0	0.1	0.7	-1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2026	0.0	0.2	1.0	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2027	0.0	0.3	1.1	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2027	0.0	0.3	1.2	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2027	0.0	0.4	1.3	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2028	0.0	0.4	1.3	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2028	0.0	0.5	1.4	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2028	0.0	0.5	1.4	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2029	0.0	0.5	1.4	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2029	0.0	0.5	1.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2029	0.0	0.5	1.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2030	0.0	0.5	1.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2030	0.0	0.5	1.5	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2030	0.0	0.6	1.5	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2031	0.0	0.6	1.5	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2031	0.0	0.6	1.5	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2122	0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2123	0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SUM 2123	0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WIN 2123	0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPR 2124	0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Transfer: SPR 2026

Match:	156	Match:	456									
	AtR	HS	StNB	NBIN	NIM	DWtB	BitS	TS	TSIM	M	MtB	Total
Time Step):	0.17	0.27	1.35	4.57	0.06	0.07	0.05	0.02	0.02	0.03	0.00	6.63
Time Step:	0.23	0.88	2.92	2.46	0.03	0.04	0.03	0.01	0.01	0.01	0.00	6.63
Time Step):	0.17	0.27	1.35	4.57	0.06	0.07	0.05	0.02	0.02	0.03	0.00	6.63
Transfer:	0.23	0.88	2.92	3.68	0.06	0.06	0.05	0.02	0.02	0.03	0.00	7.96
Change:	0.07	0.60	1.57	-2.11	-0.03	-0.03	-0.02	-0.01	-0.01	-0.01	0.00	
Change:	0.07	0.60	1.57	-0.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Impact by Reach (AF/Trimester)												
Dedicated Vol. AFA/ AFT	Model Node	Ashton to Rexburg	Heise to Shelley	Shelley to Nr Bickft	Nr Bickft To Neeley	Neeley to Mindoka	Dev. Wbl. To Buhl	Buhl to Kspr	Kspr	Kspr to Malad	Malad	Malad to Bancroft
Transfer	Pre-SS	0.2	0.3	1.4	4.6	0.1	0.1	0.1	0.0	0.0	0.0	0.0
	Post-SS	0.2	0.9	2.9	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Pre-TS	0.2	0.3	1.4	4.6	0.1	0.1	0.1	0.0	0.0	0.0	0.0
	Post-TS	0.2	0.9	2.9	3.7	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Mitigation Check 1 - >10% of Historical:		40.7%	219.9%	116.0%	-46.2%	-46.7%	-46.1%	-46.1%	-46.1%	-46.1%	-46.1%	-46.0%
Mitigation Check 2: > 2 AF/T:		0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mitigation Check 3 - >10% of Total:		3.5%	13.3%	44.0%	37.1%	0.5%	0.5%	0.4%	0.2%	0.2%	0.2%	0.0%
Mitigation Required?:		NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):		0.1	0.6	1.6	-2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mitigation Check 1 - >10% of Historical:		40.7%	219.9%	116.2%	-19.7%	-5.5%	-4.3%	-4.4%	-4.4%	-4.4%	-4.5%	-5.1%
Mitigation Check 2: > 2.01 AF/T:		0.1	0.6	1.6	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mitigation Required?:		NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Mitigation Vol. Req'd (ac-ft):		0.1	0.6	1.6	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Conversion of Nature of Use
Knife River Corporation Mountain West

Applicant proposes to convert a 6.8-acre portion of existing water right 35-7449-B from irrigation to industrial use at the Rancho Coachella Location.

Diversiion Data

Review of the place of use boundary of the entire water right revealed that (1) a single well is currently identified as the point of diversion, (2) IDWR’s online database contains no records suggesting that irrigation has changed from the water right’s decree date of 2002, and (3) the current water right boundary is irrigated to its fullest extent. Diversion data from 2020-2024 from the Water Management Information System for the POD under 35-7449B are listed in Table 1. Diversion under this right has been as high as 3.03 af/acre.

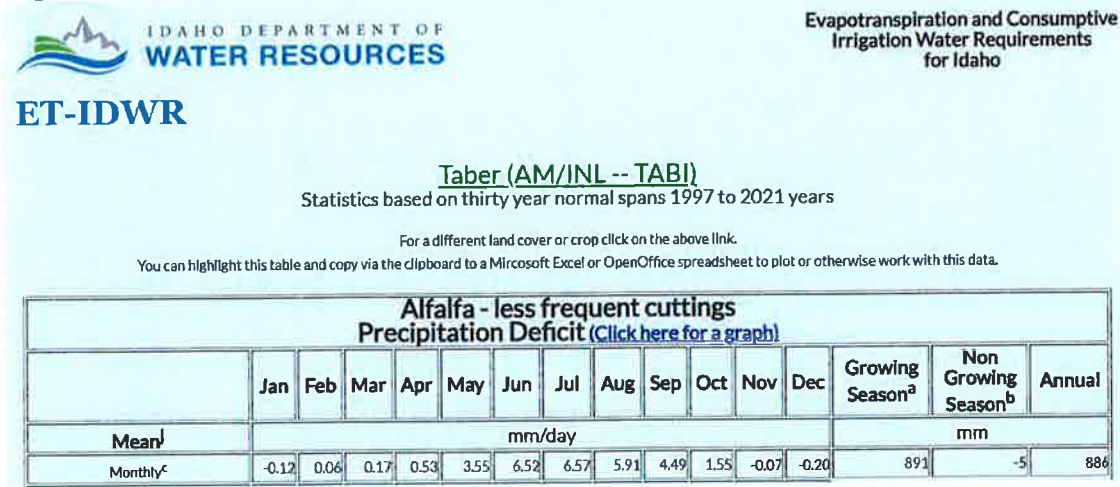
Table 1. Diversion Data Current POU

Year	Diversion Volume (AFA)
2020	626.18
2021	557.00
2022	828.31
2023	674.92
2024	750.50

Conversion of Nature of Use

Historically, the above listed water rights have most recently been used to irrigate Alfalfa – Less Frequent Cuttings. Using ET-IDWR, and based upon information gathered at the Taber (AM/INL - TABI), Alfalfa – Less Frequent Cuttings has a precipitation deficit of 891 mm/year, or 2.92 af/year, for the growing season. **Therefore, 6.8 acres of irrigation water right would convert to a total of 19.9 afa (6.8 ac x 2.92 afa/ac) available for industrial use.**

Figure 1. ET Values for Alfalfa – less frequent cuttings at Taber (AM/INL - TABI).





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 Mathew Weaver

November 5, 2025

KNIFE RIVER CORPORATION MOUNTAIN WEST
5450 W GOWEN RD
BOISE, ID 83709-5625

RE: Transfer No. 90153
Water Right No(s). 35-7449B

Dear Applicant:

The Department of Water Resources has received your water right transfer application. Please refer to the transfer number referenced above in all future correspondence regarding this transfer.

A legal notice of the application has been prepared and is scheduled for publication in the Post Register on 11/12/2025 and 11/19/2025. Protests to this application may be submitted for a period ending ten (10) days after the second publication.

If the application is protested, you will be sent a copy of each protest. All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, the Department will process your application and notify you of any action taken on the application. If your application is approved, the Department will send you a copy of the approval document.

Please contact this office if you have any questions regarding the application.

Sincerely,

Christina Henman
Administrative Assistant

CC:
ROCKY MOUNTAIN ENVIRONMENTAL ASSOC INC
482 CONSTITUTION WAY STE 303
IDAHO FALLS, ID 83402-3552

Henman, Christina

From: Henman, Christina
Sent: Wednesday, November 5, 2025 11:46 AM
To: legalnotices@postregister.com
Subject: Legal Notice for Post Register
Attachments: 90151, 90153 Post Register.docx

LEGAL NOTICE DEPARTMENT
POST REGISTER
PO BOX 1800
IDAHO FALLS, ID 83403-1800

RE: Transfer No. 90151, 90153

Dear Legal Notice Department:

Please publish the enclosed legal notice on the dates indicated (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 12/1/2025. Your cooperation is appreciated

Thank You,



Christina Henman
Administrative Assistant
IDWR, Eastern Region
900 N Skyline Ste. A
Idaho Falls, ID 83402
Phone: (208) 525-7161

**NOTICE OF PROPOSED CHANGE OF WATER RIGHT
TRANSFER NO. 90151**

KNIFE RIVER CORPORATION MOUNTAIN WEST, 5450 W GOWEN RD, BOISE, ID 83709-5625 has filed Application No. 90151 for changes to the following water rights within BONNEVILLE County(s): Right No(s). 35-7449B; to see a full description of these rights and the proposed transfer, please see <https://research.idwr.idaho.gov/apps/waterrights/querynewtransfers>. The purpose of the transfer is to change a portion of the above rights as follows: change nature of use, season of use, point of diversion and place of use. Proposed nature of use is industrial from 1/1 to 12/31. Proposed point of diversion is in NESW Sec 36 T02N R37E for 0.13 cfs from Ground Water. Proposed place of use is in SWNW, SENW, NESW, NWSW, SWSW and SESW Sec 36 T02N R37E.

TRANSFER NO. 90153

KNIFE RIVER CORPORATION MOUNTAIN WEST, 5450 W GOWEN RD, BOISE, ID 83709-5625 has filed Application No. 90153 for changes to the following water rights within BONNEVILLE County(s): Right No(s). 35-7449B; to see a full description of these rights and the proposed transfer, please see <https://research.idwr.idaho.gov/apps/waterrights/querynewtransfers>. The purpose of the transfer is to change a portion of the above rights as follows: change nature of use, season of use, point of diversion and place of use. Proposed nature of use is industrial from 1/1 to 12/31. Proposed point of diversion is in SWSE Sec 3 T01N R37E for 0.09 cfs from Ground Water. Proposed place of use is in NESW, Lot 9, SESW, Lot 8, NWSE and SWSE Sec 3 T01N R37E. For additional information concerning the property location, contact Eastern Region office at (208)525-7161. Protests may be submitted based on the criteria of Idaho Code Sec. 42-222. Any protest against the proposed change must be filed with the Department of Water Resources, Eastern Region, 900 N SKYLINE DR STE A, IDAHO FALLS ID 83402-1718 together with a protest fee of \$25.00 for each application on or before 12/1/2025. The protestant must also send a copy of the protest to the applicant.

MATHEW WEAVER, Director

Published on 11/12/2025 and 11/19/2025