

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

DG RANCH, GRAZING ASSOCIATION, INC.

File number C 118208

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of DG RANCH, GRAZING ASSOCIATION, INC. duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: February 7, 1997



Pete T. Cenarrusa
SECRETARY OF STATE

By *Natalie Lamb*

ARTICLES OF INCORPORATION
OF
DG RANCH, GRAZING ASSOCIATION, INC.

FEB 7 9 05 AM '97

SECRETARY OF STATE
STATE OF IDAHO

Know all men by these presents, that we, Brent E. Hill and Keith B. Hill, have associated ourselves together for the purpose of forming a corporate body in accordance with the provisions of the nonprofit corporation laws of the state of Idaho, and do hereby make, execute and acknowledge these articles in writing.

ARTICLE I.

The Corporate name of this Association shall be DG Ranch Grazing Association, Inc.

ARTICLE II.

This Association shall have perpetual existence.

ARTICLE III.

The purpose or purposes for which said Association is formed are:

(a) To engage in the business of providing by purchase, lease or otherwise, lands for grazing and recreational purposes in the state of Idaho, for the use of benefit of its members and not for the purpose of direct gain to the Association itself.

(b) To own, operate and develop recreational facilities.

(c) To hold, purchase, acquire, lease and convey real and personal estate; to borrow money for the use and needs of the Association; and to pledge and /or mortgage real, and personal and intangible property of said Association as security for indebtedness incurred.

(d) To levy assessments upon its members for the acquisition by lease, purchase or otherwise of grazing or forage producing lands and for the construction and maintenance of improvements, operation, repair, and betterments of grazing lands; for the maintenance of equipment and facilities thereon and for payment of the lawful obligations of the Association.

(e) to do any and all things that may be incident or conducive to the aforesaid objects, or any of them, and exercise the usual powers of corporate bodies.

(f) To sue and be sued, complain and defend in any court of law or equity.

(g) To have a corporate seal, which may be altered at pleasure and to use the same by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

(h) To elect such officers and appoint such agents as the business of the Association will require, and to allow them suitable compensation.

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(i) To make by-laws not inconsistent with the constitution or laws of the United States, or of this state, for the management of its property; the regulation and government of its affairs; and for the execution and transfer of its membership certificates.

(j) To wind up and dissolve itself, or to be wound up and dissolved in the manner provided by the statutes of this state.

ARTICLE IV.

The affairs of the Association shall be under the control of ~~two~~^{three} (3) directors, and those who shall be as directors managing the affairs of the Association for the first year and until their successors are duly elected and qualified are: Brent Hill - President, Keith B. Hill - Vice-President and Secretary-Treasurer. address: po box 450 MACKAY ID

At the first annual meeting following the expiration of the one-year period for which the directors herein designated will serve, and at each annual meeting thereafter, a new board of directors will be elected in accordance with the provisions of the by-laws of the Association and the laws of the state of Idaho, in such cases made and provided.

ARTICLE VI.

The address of the initial registered office shall be Mackay, Idaho, and the name of the initial registered agent for the service of process is Brent E. Hill, Mackay Idaho. 83251
301 E Custer

ARTICLE VII.

Section 1. This Association shall have no capital stock. Membership in the Association shall be evidenced by membership certificates issued to applicants qualifying for membership and paying the membership fee, as further provided in the by-laws of the Association.

Upon dissolution the assests will be divided among the members.

Section 2. Membership in this association shall represent the right to share with all other members in the use of the lands and facilities of the Association for grazing purposes, proportionately within the limits as shall be established in the by-laws of the Association, and by these articles, subject to the payment of established grazing fees and assessments, and subject to the provisions of the by-laws and regulations adopted by the board of directors to prevent overgrazing and other practices detrimental to the lands owned or operated by the Association.

Section 3. Membership in this Association shall be transferable and subject to mortgage or pledge only upon the approval of the board of directors. The above provision shall be recited in all certificates of membership issued.

ARTICLE VIII.

The by-laws of the Association for the management of its affairs shall be adopted by the members of said Association, and said members shall be empowered to amend or repeal said by-laws in accordance with the provisions thereof.

ARTICLE IX.

Each member, upon issuance of the initial Membership Certificates at the time of incorporation, shall have the right to have allocated to him, an equal number of grazing shares, which shares, shall represent the right to utilize the property of the Corporation for grazing livestock owned by such member. In the event that any member, or members shall not desire to have issued to them all of the grazing shares allocable to them, the remaining members shall have the right to have issued to them an equal number of the shares not claimed by any other member, or members.

In the event additional grazing shares shall become available of allocation, the members at such time shall be entitled to have allocated and issued to them, an equal number of such grazing shares, Additional grazing shares which are unclaimed shall be divided equally between those current members desiring such shares.

