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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION OF HIGH DESERT MILK, INC.

ARTICLE 1

NAME

The name of this cooperative is High Desert Milk, Inc.

ARTICLE 2

DURATION

The duration of this cooperative is perpetual.

ARTICLE 3

PURPOSES, POWERS, AND LIMITATIONS

3.1. Purposes: This cooperative is organized pursuant to the provisions of Idaho Code § 22-2601 et. seq. The purposes of this cooperative shall be to engage in any activity in connection with the production, marketing, or selling of the agricultural products of its members, or with the harvesting, preserving, drying, processing, canning, packing, storing, handling, shipping, or utilization thereof, or the manufacturing or marketing the by-products thereof; or in connection with the purchasing, manufacturing, selling, or supplying to its members of machinery, equipment, or supplies; or in the financing of the above enumerated activities; or in any one or more of the activities specified herein. This cooperative is to be deemed non-profit, in as much as it is not organized to make a profit for itself, as such, or for its members, as such, but only for its members as producers.

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3 3.2. Powers: The cooperative shall have all the powers,
4 privileges, and rights authorized by the laws of the State of Idaho.

5 3.3. Limitations: The cooperative may do business with
6 nonmembers in an amount not to exceed that done with members. The
7 cooperative shall not market the products of nonmembers in an amount
8 the value which exceeds the value of the products marketed for
9 members. The cooperative shall not purchase supplies and equipment
10 for nonmembers in an amount the value of which exceeds the value of
11 supplies and equipment purchased for members. The cooperative shall
12 not provide services for nonmembers in an amount the value of which
13 exceeds the value of services provided for members.

14 ARTICLE 4

15 STOCK

16 The cooperative is authorized to issue one hundred thousand
17 (100,000) shares of common stock having a par value of One Thousand
18 Dollars (\$1,000.00) per share. Members of the cooperative shall be
19 required to own at least one (1) share of common stock. Stock shall
20 only be issued to and held by agricultural producers, or cooperative
21 associations composed of agricultural producers, who are eligible for
22 membership as provided by the laws of the State of Idaho and have
23 been approved as members of the cooperative by the Board of Directors
24 and as provided in the bylaws of the cooperative. "Agricultural
25 producers" are individuals, partnerships, corporations, cooperative
26 associations, or other entities that are engaged in the production of
27 horticultural, viticultural, forestry, dairy, livestock, poultry,
28 bee, and any other farm product, and cooperative associations of such

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3 agricultural producers. Tenants on land used for the production of
4 agricultural products or lessors of such land who receive rent as
5 part of the product of such land shall be considered to be actually
6 engaged in the production of agricultural products. Holders of
7 common stock shall be entitled to vote in the affairs of the
8 cooperative in accordance with the bylaws. Holders of stock shall
9 not transfer their shares without the prior approval of the Board of
10 Directors. Common stock may be redeemed as provided in the bylaws of
11 the cooperative. Common stock shall not be transferred to any person
12 or entity not engaged in the production of agricultural products and
13 such restriction shall be printed upon every Certificate of Stock
14 issued by the cooperative.

15 ARTICLE 5

16 INITIAL BOARD OF DIRECTORS

17 The names and addresses of the persons who shall serve as
18 directors of the cooperative until the first annual meeting of the
19 stockholders or until their successors are elected and qualify are:

20 Ray Robinson
c/o Moo Mountain Milk, Inc.
506 East 500 South
21 Burley, Idaho 83318

Dan Ward
c/o Ward Dairy, L.L.C.
227 East 400 South
Burley, Idaho 83318

22 David Funk
c/o Funk Dairy, Inc.
3245 North 4700 East
23 Murtaugh, Idaho 83344

Danny Crane
c/o D & S Dairy, L.L.C.
513 Washington St.
24 Kimberly, Idaho 83341

25 Robert Whiteley
c/o American Cow Milking
Enterprises Dairy, Inc.
26 2000 South 700 West
Oakley, Idaho 83346

Brent Funk
c/o Magic Milk Dairy, Inc.
2911 North 4000 East
27 Hansen, Idaho 83334

ARTICLE 6

REGISTERED AGENT AND REGISTERED OFFICE

The registered office of this cooperative is 227 East 400 South, Burley, Idaho 83318. The name of the registered agent at that address is Dan Ward.

ARTICLE 7

DISSOLUTION

In the event of dissolution or liquidation of the cooperative, voluntarily or involuntarily, after all debts and liabilities of the cooperative have been paid, the remaining assets will be distributed as follows:

7.1. First, outstanding capital credits shall be retired without priority on a pro rata basis to the members to whom they are allocated on the books of the cooperative before any payments are made on account of property rights of members.

7.2. Any remaining assets of the cooperative shall be distributed among the members in the proportion which the interest of each member bears to the total interest of all members as shown by the records of the cooperative.

ARTICLE 8

INCORPORATORS

The incorporators of the cooperative are:

Ray Robinson	Dan Ward
c/o Moo Mountain Milk, Inc.	c/o Ward Dairy, L.L.C.
506 East 500 South	227 East 400 South
Burley, Idaho 83318	Burley, Idaho 83318

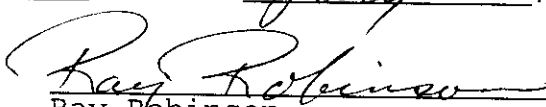
David Funk
c/o Funk Dairy, Inc.
3245 North 4700 East
Murtaugh, Idaho 83344

Danny Crane
c/o D & S Dairy, L.L.C.
513 Washington St.
Kimberly, Idaho 83341


Robert Whiteley
c/o American Cow Milking
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2000 South 700 West
Oakley, Idaho 83346

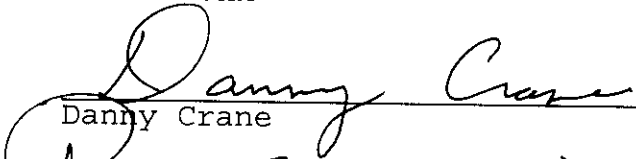
Brent Funk
c/o Magic Milk Dairy, Inc.
2911 North 4000 East
Hansen, Idaho 83334

DATED this 10 day of July, 2001.

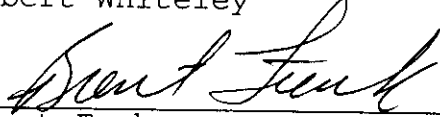

Ray Robinson


Dan Ward


David Funk


Danny Crane


Robert Whiteley


Brent Funk