

Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

CLOVERDALE RIDGE WATER CORPORATION

was filed in the office of the Secretary of State on the **thirteenth** day of **September** A.D., One Thousand Nine Hundred **seventy-two** and ~~will be~~ **microfilm** /duly recorded on Film No. of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **Perpetual Existence** from the date hereof, with its registered office in this State located at **Boise, Idaho** in the County of **Ada**

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **13th** day of **September**, A.D., 19 **72**.

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

9/13/72

ARTICLES OF INCORPORATION
OF
CLOVERDALE RIDGE WATER CORPORATION

NAME: The Name of this Corporation is:

CLOVERDALE RIDGE WATER CORPORATION

NONPROFIT CORPORATION: This corporation is a nonprofit corporation organized under Idaho Code section 30-117A.

DURATION: The period of its duration is perpetual.

PURPOSE: Its purpose is to deliver water to its shareholders at cost for use on real property described in the bylaws of the corporation. The corporation shall have the power to acquire, develop and operate a permanent water supply; to dig, bore, drill and otherwise excavate tunnels and wells; to construct, acquire and operate pumping plants, water storage and water distribution systems; to purchase, lease, or otherwise acquire and to own, hold, mortgage, pledge, sell and deal in real and personal property of all kinds; to erect buildings and plants; to lend and borrow money; to execute mortgages, deeds of trust and pledges of real and personal property; to subscribe for, purchase, or otherwise acquire, hold, own, pledge, sell or otherwise dispose of stocks, bonds, collections, conveyances of indebtedness and securities of persons, firms or other corporations, and to do all other necessary or convenient things to accomplish its purpose.

REGISTERED OFFICE: The location and post office address of its registered office in this state is:

P.O. Box 7652, Boise Idaho 83707

CAPITAL STOCK: The Corporation shall have the authority to issue 5,000 shares of a single class of stock. Each share shall have a par value of \$1.00 and the total par value for all the shares shall be \$5,000.00.

RESTRICTION ON TRANSFERABILITY OF STOCK: The shares of stock of this corporation shall not be transferred to any person not having an interest in any of the lands to which water is furnished or entitled to be furnished through the operation of this Corporation.

LIEN ON SHARES OF STOCK: The corporation shall have a lien on its shares of stock for all assessments levied on its shares of stock, and shall have a lien on its shares of stock for all rates and charges for water furnished to the ownership or owners of shares of stock or persons holding under them. The corporation shall provide for the enforcement of all such liens and the sale of its shares of stock for failure to pay any assessments, rates or

charges, and shall not transfer shares on its books, or furnish water to the land to which such shares may at the time be appurtenant, unless and until all assessments, rates and charges shall be paid, at the time and in the manner provided by these articles, the bylaws and the regulations of the corporation.

SHARES OF STOCK APPURTENANT TO LAND: The shares of stock of this corporation shall not be appurtenant to any lands until made so in the manner provided in the bylaws of the corporation and in compliance with the laws of the State of Idaho. The shares of stock of this corporation may be made appurtenant to the lands described in the bylaws of the corporation in the manner and upon the conditions and subject to severance as fixed and determined from time to time by the bylaws of the corporation. Where any shares of stock are appurtenant to land and the land is conveyed without excepting or reserving such shares, and the grantor of such land refuses to convey or transfer such shares to his grantee, the corporation may cancel the stock certificate of the grantor and issue a new certificate to the grantee and such grantee shall then become the legal owner of such shares of stock and be entitled to all the rights of a shareholder in this corporation.

MEMBERSHIP AND BASIS FOR ISSUING SHARES OF STOCK: The shareholders of this corporation shall be those persons having an interest in the lands to which water is furnished through the operation of this corporation. Each share of stock shall represent an equal right to the delivery of water by the corporation under system priorities determined by the Board of Directors of the corporation. The corporation shall issue its shares so that ownership of the shares of stock of this corporation is based on irrigated and future expected irrigated land area. The stock of this corporation shall be issued at the rate of not less than ten and no more than twelve and one-half shares per acre of land to which water is furnished through the operation of this corporation.

INDEMNIFICATION OF DIRECTORS AND OFFICERS: Every director and officer of this Corporation shall be indemnified against all liabilities, civil and criminal, incurred in relation to his duties, including all reasonable expenses of defense, except to the extent that he shall have been finally adjudged to be liable for negligence or misconduct in the matters out of which the liability arises.

LIMITED LIABILITY: The private property of the shareholders shall not be subject to the payment of any debts of this Corporation.

AMENDING BYLAWS: The Board of Directors of this Corporation is authorized to make, amend and repeal the bylaws of this Corporation except those sections of the bylaws specifically designated by the shareholders as not to be amended or repealed by the Board of Directors.

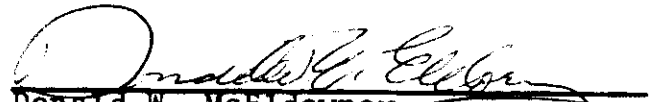
INCORPORATORS: The names and addresses of the incorporators and the number of shares subscribed for by each incorporator is:

NAME	ADDRESS	SHARES SUBSCRIBED
Alonzo B. Leavell	P.O. Box 7652, Boise ID 83707	one
Donald W. McEldowney	P.O. Box 1753, Boise ID	one
Sandra M. Ellis	Rt. #2 Arney Rd., Boise ID	one

We are the incorporators of this Corporation. Each of us is 21 years old or older. The facts stated in these articles of incorporation are true. We each agree to take the number of shares of stock set opposite our names.

DATED: September 6, 1972


Alonzo B. Leavell


Donald W. McEldowney



Sandra M. Ellis

STATE OF IDAHO, ADA COUNTY) ss

On the date shown below the following persons known to me to be the persons whose names are subscribed to these Articles of Incorporation personally appeared before me and each acknowledged the execution in triplicate of these Articles of Incorporation:

ALONZO B. LEAVELL, DONALD W. McELDOWNEY and SANDRA M. ELLIS

DATED: September 6, 1972


Notary Public for Idaho
Residing at Boise, Idaho
Commission expires 2-8-75

SEAL