

CERTIFICATE OF INCORPORATION
OF

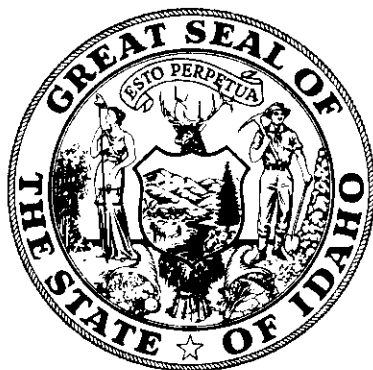
OSGOOD CANAL COMPANY

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 _____
OSGOOD CANAL COMPANY

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 January 20th, 19 81.



SECRETARY OF STATE

Corporation Clerk

JAN 20 8 35 AM '81

ARTICLES OF INCORPORATION

OF

OSGOOD CANAL COMPANY

A Nonprofit Corporation

The undersigned, acting as incorporator of a corporation under the Idaho Business Corporation Act and under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation for such corporation.

ARTICLE I.

Name

The name of the corporation is OSGOOD CANAL COMPANY.

ARTICLE II.

A Nonprofit Corporation

This corporation is a nonprofit corporation as defined in the Idaho Nonprofit Corporation Act.

ARTICLE III.

Duration

The period of duration of this corporation is perpetual.

ARTICLE IV.

Purposes

The purpose or purposes for which this corporation is organized are: to engage in the business of constructing, owning, maintaining and operating an agricultural water canal system for the owners and possessors of the following-described real property and any other real property that may be designated by the Board of Directors, from time to time:

Township 3 North, Range 37, East of the Boise Meridian,
Bonneville County, Idaho.

Section 3: All

Section 4: The South Half less the Northwest Quarter of
the Southwest Quarter.

Section 9: All

Section 10: All

Section 16: All less the following described property:
Beginning at the Northwest Corner of Section
16, Township 3 North, Range 37, E.B.M.,
Bonneville County, Idaho and running thence
East 200 feet along the North boundary of
said Section 16, thence South 225 feet thence
West 200 feet to the West boundary line of
Grantor's land, thence North 225 feet along
said West boundary line to the point of
beginning.

Section 21: All

Section 22: All

Section 27: All less the following described property:
Beginning at the Northwest Corner of Section
27, Township 3 North, Range 37 E.B.M.,
Bonneville County, Idaho, and running thence
South 325 feet; thence East 25 feet; thence
South 325 feet; thence East 500 feet; thence
North 625 feet; thence West 200 feet; thence
North 25 feet; thence West 325 feet to the
point of beginning.

Section 28: All

Section 33: All, less the Southwest Quarter of the South-
west Quarter, ALSO less the following described
property:
A tract of land situated in the Northwest Quarter
of the Northwest Quarter of Section 33, Town-
ship 3 North Range 37, E.B.M., Bonneville County,
Idaho, described as follows:
Beginning at the Northwest Corner of said
Section 33, thence East 175 feet along the
North boundary line of said Section 33, thence
South 175 feet, thence West 175 feet to the
west boundary line of said Section 33, thence
North 175 feet along said west boundary line
to the point of beginning.

LESS portions of the above described property, deeded to
Bonneville County and the State of Idaho for road rights
of way.

Township 4 North, Range 37, East of the Boise Meridian,
Jefferson County, Idaho.

Section 35: Southwest Quarter of the Southwest Quarter
and Government Lot 5, LESS AND EXCEPTING
THEREFROM:

Beginning at the Southwest Corner of the
Southwest Quarter of Section 35, Township
4 North, Range 37, E.B.M., Jefferson
County, Idaho, said corner being designa-
ted by a plate that has been set near the
center line of Highway No. 91; thence
East 531 feet; thence North 32°20'

East running parallel to the approximately
50 feet from the West bank of
Osgood Canal No. 1, a distance of 592
feet; thence North 89°0' East running
parallel to and approximately 55 feet
from the center line of the existing,
60 inch diameter wood stove pipe line
that feeds Osgood Canal a distance of
472 feet, more or less to the East line
of the Southwest Quarter of the Southwest
Quarter of said Section 35; thence North
812 feet, more or less, to the North line
of the Southwest Quarter of the Southwest
Quarter of said Section 35; thence West
1320 feet to the West line of said Section
35; thence South 1320 feet to the point of
beginning. ALSO LESS:

That portion of the Southwest Quarter of the
Southwest Quarter deeded to the State of
Idaho for Highway right-of way, as disclosed
by Warranty Deed recorded March 29, 1960,
in Book 170 of Deeds, on page 136 and recorded
December 14, 1960, in Book 170 of Deeds, on
pages 185 -187, all records of Jefferson
County, Idaho. ALSO LESS Railroad right of
way located in Government Lot 5.

ARTICLE V.

Authorized Capital Stock

The total number of authorized shares of the capital stock of
this corporation is 7,000, all of which shall be common stock
without nominal or par value.

ARTICLE VI.

Regulations Of Corporate Affairs

The following provisions are made for the regulation of the
internal corporate affairs:

A. Shares Appurtenant To Land. Capital stock of the corporation shall be issued on the basis of one share per acre to the owners of real property located within the hereinabove described tracts, and to the owners of real property in any other tracts of real property as made from time to time be added to the service area of the corporation by the Board of Directors. Such capital stock shall be appurtenant to said real property and cannot be assigned nor transferred apart from the ownership of said property. Ownership of shares in the corporation shall not be subject to approval or disapproval by the Board of Directors or shareholders of the corporation, but shall be dependent upon ownership of real property within the hereinabove described real tracts, and such other tracts as may from time to time be added to the service area of the corporation by the Board of Directors.

B. Water Rights. Each share of stock shall represent an equal right in and to the water, water rights, water storage facilities and other water rights, privileges or benefits of the corporation, without priority of use over any other share of the capital stock of the corporation.

C. Costs Of Management And Operation. Costs of operating and managing the business of the corporation shall be met by water rates and charges for the delivery of water to the shareholders. Whenever the Board of Directors deems it advisable to fix rates and charges for water, said rates and charges shall be fixed by equitably pro-rating the cost of delivering water for that year among all shareholders, which costs, in the discretion of the Board, may include items for depreciation and maintenance of pipelines and for readiness to deliver water; said rates and charges may not include any profit margin for distribution to the members of the corporation, but may include items calculated to

allow the corporation, from time to time, to enlarge or improve the water system, or to meet such extraordinary expenses as may, from time to time, occur. All such rates and charges shall be fixed in the manner required by any applicable laws, By-laws of the corporation and resolutions of the Board of Directors, all so as to preserve the private ownership of the water rights of the corporation and the delivering of its water as a nonprofit water corporation to its members.

D. Assessment Of Shareholders. Each share of stock of the corporation shall be assessable to the extent deemed necessary by the Board of Directors to meet the needs of the corporation from time to time to provide facilities to furnish adequate water service to its members.

E. Nonpayment Of Charges And Assessments. Shareholders shall pay all assessments when due without any deduction on account of any other claim which the shareholder may claim to have against the corporation. The amount of any assessment, together with the cost of collection of such assessment and interest as allowed by law shall be secured by a lien upon the real property to which such assessed shares is appurtenant, after the time of assessment by the Board of Directors. Board of Directors may file in the Bonneville County Recorder's Office or Jefferson County Recorder's Office, as appropriate, a Notice of Assessment stating the amount of such assessment and all incurred or anticipated collection costs, a description of the real property against which it has been assessed and the name of the recorded owner thereof. When so filed, such assessment shall become a lien upon the real property to which the stock ownership rights are appurtenant and may be foreclosed in like manner as a mortgage on the real property, except that such lien shall be subject and subordinate to and shall not affect the rights of the holder of

the indebtedness secured by any recorded first mortgage. No amendment of the Articles of Incorporation may affect the rights of the holder of any such mortgage recorded prior to the effectuation of any such amendment. Suspension of services and use of the facilities provided by the corporation shall be permitted for any period of time that charges or assessments due and owing the corporation from its shareholders remain unpaid, after five days notice of delinquency is given to such delinquent shareholder; provided that such suspension shall apply only to those shareholders who have not paid and that upon payment in full of said charges and assessments there shall be a prompt restoration of service to said shareholders. The corporation may refuse to transfer on its books any stock certificates while such charges and assessments remain unpaid by its holder, and it may suspend such shareholder's privilege of voting in the corporation for the period such charges and assessments remain unpaid.

ARTICLE VII.

Initial Registered Office and Agent

The initial registered office of the corporation is 485 "E" Street, Idaho Falls, Idaho 83401. The name of the initial registered agent at said address is Gregory P. Meacham.

ARTICLE VIII.

Initial Board of Directors

The business and affairs of the corporation shall be managed and controlled by a Board of Directors. A director need not be a shareholder in the corporation or a resident of the State of Idaho. The initial Board of Directors shall consist of five (5) persons; however, By-laws of the corporation may provide for an increase or decrease in their number, provided that the number of directors shall not be greater than nine (9) nor less than three (3). The initial Board of Directors shall consist of the

following persons who shall serve as directors until their successors are elected and qualify:

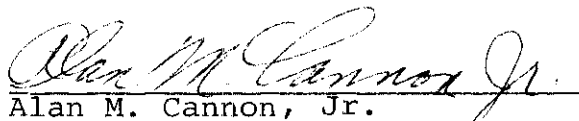
<u>NAME</u>	<u>ADDRESS</u>
Alan M. Cannon, Jr.	Route 1, Box 225 Shelley, Idaho 83274
Eldon E. Risenmay	Route 4, Box 391 Idaho Falls, Idaho 83401
John M. Wunderli	1291 Wasatch Drive Salt Lake City, Utah 84108
Keith J. Wallentine	3627 Palisade Drive Salt Lake City, Utah 84109
C. Dick Anderson	764 Southwood Drive Murray, Utah 84107

ARTICLE IX.

Incorporator

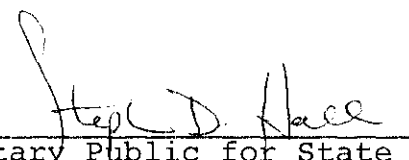
The name and address of the incorporator is Alan M. Cannon, Jr., Route 1, Box 225, Shelley, Idaho 83274.

IN WITNESS WHEREOF I have hereunto set my hand this 19th day of January, 1981.


Alan M. Cannon, Jr.

STATE OF IDAHO)
) ss.
County of Bonneville)

On this 19th day of January, 1981, before me, Stephen
D. Hall, a Notary Public for the State of Idaho, personally appeared Alan M. Cannon, Jr., known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.


Notary Public for State of Idaho
Residing at: Idaho Falls
My Commission Expires: Life