

**AMENDMENT NO. 1 TO  
AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
DRAPER IRRIGATION COMPANY**

Pursuant to Section 16-6a-1003 of the Utah Revised Nonprofit Corporation Act, Draper Irrigation Company, a Utah nonprofit corporation hereinafter referred to as the "Corporation," hereby adopts the following Amendment No. 1 to Amended and Restated Articles of Incorporation of Draper Irrigation Company.

**FIRST:** The name of the Corporation is Draper Irrigation Company.

**SECOND:** By executing this Amendment No. 1 to Amended and Restated Articles of Amendment, the president and secretary of the Corporation do hereby certify that on \_\_\_\_\_, 2004, the foregoing amendment to the amended and restated articles of incorporation of Draper Irrigation Company was authorized and approved by the board of directors of the Corporation and on \_\_\_\_\_, 2004, by the holders of \_\_\_\_\_ shares of the \_\_\_\_\_ issued and outstanding shares of Class A common stock of the Corporation, the only voting group entitled to vote on such matter.

**THIRD:** Article IV of the Amended and Restated Articles of Incorporation shall be amended to read as follows:

**ARTICLE IV  
AUTHORIZED SHARES**

Membership in the Corporation shall be evidenced by the issuance of shares of stock, as hereinafter provided. The owners of the stock of this Corporation shall be members of the Corporation. The authorized capitalization of the Corporation shall consist of 20,000 shares of stock to be known as Class A common stock, of the par value of \$6.00 per share, and 12,000 shares of stock to be known as Class B common stock, without par value. The preferences, limitations, and relative rights of the shares of each class shall be as follows:

(a) All rights, privileges, and preferences of membership in the Corporation and all property and property rights of this Corporation and all of the proceeds derived therefrom not otherwise expressly awarded to the Class B common stock in these articles of incorporation, as from time to time amended, shall inure to and be owned by the owners of the Class A common stock. Wherever in these articles of incorporation this Corporation's stock shall be awarded or charged with rights, duties, and obligations, such rights, duties, and obligations shall be applied to the owners of said Class A common stock unless explicitly provided to the contrary.

(b) The owner of each share of Class B common stock shall be entitled to one culinary connection on the pressure pipeline system of this Corporation that supplies culinary water to its stockholders ("culinary system") and to receive culinary water therefrom, subject, however, to the rules, regulations, and rates of this Corporation respecting culinary water established by

this Corporation from time to time, subject to any required approval or consent of the Utah Public Service Commission or other governmental authority having jurisdiction in the premises, and *provided* that the Corporation's culinary system serves the area in which such connection is desired. No connection shall be permitted on this Corporation's culinary system unless the person for whom said connection is made is the owner of record of one share of Class B common stock for each such connection. The Corporation shall issue one share of Class B common stock to each culinary customer in consideration of such customer's agreement to purchase and pay for culinary water service on such terms and conditions as the Corporation may from time to time establish. The Corporation hereby expressly delegates to the board of directors the authority to establish the terms and conditions under which culinary water service shall be provided to owners of Class B common stock, with the express authority of the board of directors to further delegate to such officers of the Corporation as the board of directors may deem appropriate the authority to establish such terms and conditions under which culinary service may be provided. Shares of Class B common stock owned by any culinary water customer shall be cancelled and returned to the status of authorized and unissued shares, and the rights as a stockholder of such culinary customer shall be cancelled upon the termination of culinary water service to such culinary customer pursuant to the terms and conditions established from time to time as provided above.

(c) The owners of Class A common stock shall not be entitled to receive culinary water from the Corporation's culinary system or to have a connection thereon by virtue of the ownership of Class A common stock.

(d) The Class B common stock shall be assessable by the board of directors for the purpose of paying for extensions, additions, or improvements to the culinary system, or for the purpose of acquiring additional water to be distributed in the culinary system or to replace water diverted from sources of the Corporation to be used for irrigation by the Class A common stockholders, subject to any required approval or consent of the Utah Public Service Commission or other authority having jurisdiction in the premises. Proceeds from such assessment of Class B common stock shall not be used or applied toward the expense of maintenance and operation of the irrigation system of the Corporation.

(e) In the event that increases in the amount of water used by the culinary system reduce the amount of the Corporation's water that would otherwise be used for irrigation by the owners of Class A common stock, and the Corporation acquires water to replace the amount of irrigation water so reduced, the cost of acquiring said replacement water shall be paid from the revenues received from the culinary system and the Class B Stockholders, subject to any required approval or consent of the Utah Public Service Commission or other authority having jurisdiction in the premises.

(f) In the area served by the culinary system where irrigation water is not available to the owners of Class A common stock, the Corporation is authorized to repurchase and retire the Class A common stock of the owners in such area. The Corporation may be authorized to repurchase and retire either Class A common stock or Class B common stock as provided in the bylaws.

(g) Each owner of Class A common stock shall be entitled to cast one vote for each share of Class A common stock owned on any matter presented to the stockholders for a vote. Owners of Class B common stock shall not be entitled to vote on any matter submitted to the stockholders for consideration, except that owners of Class B common stock shall be entitled to cast one vote for each share of Class B common stock owned, voting with the Class A common stock as a single class, for election of members of the board of directors at each annual stockholders meeting.

The undersigned affirm and acknowledge, under penalties of perjury, that the foregoing instrument is the act and deed of Draper Irrigation Company and that the facts stated herein are true.

DATED this \_\_\_\_ day of November, 2004.

DRAPER IRRIGATION COMPANY

By \_\_\_\_\_  
Stephen L. Tripp, President

By \_\_\_\_\_  
Curtis DeYoung, Secretary