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WATER RESOURCES
WESTERN REGION

February 7, 2007

Steve Lester
Idaho Department of Water Resources
2735 Airport Way
Boise, Id 83705

Mr. Lester,

Thank you for taking the time to speak with me last week regarding our purchase of a water right.

My husband and I contracted for the purchase of a water right in June/July of 2005 and shortly after submitted our application for transfer to the IDWR, with the help of Steve Hannula from ERO Resources. Since our submission, the term of the sale agreement has expired and we have purchased the right. I am enclosing a copy of the deed along with the Ada County Recorder's transaction sticker to be included in our file already with IDWR. We hope that having this information ahead of time is helpful to your processes.

If you have questions, or if I need to provide further information, please let me know. We look forward to hearing from IDWR in the coming months regarding the transfer.

Sincerely,



Marci Blandford
25513 Wagner Rd.
Caldwell, ID 83607
Phone: 208-459-1870



106173493

GRANT DEED

THIS INDENTURE, made this 20 day of October, 2006, between Mellin Properties Limited Partnership, of 4500 North Tumbleweed, Boise, Idaho 83713 ("Grantor"), and Jason and Marci Blandford ("Grantee"), whose address is 25513 Wagner Road, Caldwell, Idaho 83607.

WITNESSETH:

The Grantor for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant, bargain and sell, convey and confirm unto the Grantee, and to the successors and assigns of Grantee forever, the right, title and interest in and to the following portion of Water Right #63-7194:

Quantity: 0.02 cubic feet per second / 4.5 acre feet per year

Acres: 1.0 acre (SENE Section 21, Township 1 North, Range 1 West, Ada County, Idaho)

TO HAVE AND TO HOLD, all and singular the above-mentioned and described portion of Water Right #63-7194, unto the Grantee and to the successors and assigns of Grantee forever.

IN WITNESS WHEREOF, the Grantor has executed this Deed the day and year first above written.

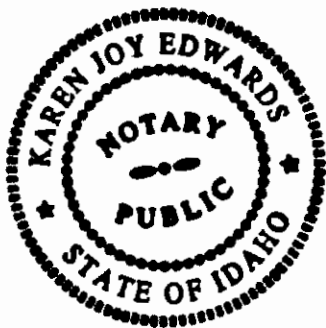
MELLIN PROPERTIES L.P.

By: Ralph Mellin
Its: General Partner

STATE OF IDAHO)
) ss.
County of Ada)

On this 20th day of October 2006, before me, a Notary Public for said County and State, personally appeared Ralph Mellin, known or identified to me, to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Karen Joy Edwards
NOTARY PUBLIC FOR IDAHO
Residing at: Bonne, Idaho
My commission expires: 8/2/2012