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March 17, 2004

Roger Warner
Idaho Department of Water Resources
900 N. Skyline Dr., Ste. A
Idaho Falls, ID 83402

RECEIVED

MAR 18 2004

Department of Water Resources
Eastern Region

Re: Mickelsen Properties, LLC - Application for Transfer

Dear Roger:

Pursuant to our conversation, we have prepared and are enclosing a first rough draft of an application for Transfer on behalf of Mickelsen Properties, LLC. We have enclosed the following with the application:

1. Copy of recorded Warranty Deed from Cannon-Shelley Limited Partnership to Mickelsen Properties, LLC.
2. Copy of recorded Warranty Deed from Everett T. Acor, Jr. and Eyleen P. Acor to Mickelsen Properties, LLC.
3. Copy of recorded Warranty Deed from Kurt P. Acor and Coralee J. Acor to Mickelsen Properties, LLC
4. Copy of "Agreement for Division of Water Rights and Related Property Rights", dated September 24, 1999, between Acors and Cannon-Shelley Property Limited partnership.
5. Copy of "Well Use Agreement" between Babcocks and Cannon-Shelley Property Limited Partnership, dated September 24, 1999.

We have not enclosed the following:

1. Copy of conveyance and other records from Kurt P. Acor to Mitchell D. Sorensen. I spoke with Mr. Sorensen a couple of days ago and he promised to send me the copies, but they haven't arrived yet.

2. Consent of Mortgage Holder. Mark Mickelsen said he would contact Farm Credit Services and ask for the Notarized Consent. It hasn't arrived yet either.
3. Map - We will be happy to prepare a map, but IDWR has much better maps than we can prepare. I thought I would at least ask if you would prefer to use the Department's own map, or one that could be prepared with the ArcView program.

We have also not enclosed a filing fee and would ask that you decide the correct amount and let us know how much can be refunded from the three previously filed applications which we will withdraw. We will then do whatever is necessary in this regard.

Finally, I don't think Notices of Change of Ownership on these water rights to change the name to Mickelsen Properties, LLC have yet been filed. I know we filed Notices of Change of Ownership from Acors to Cannon-Shelley Property Limited Partnership back in 1999 when we filed those applications, but it does not appear that the Cannon name has ever been put on those water rights. You may want to check this out and let us know how you think we ought to proceed with respect to that item as well.

We will look forward to hearing from you as soon as it is convenient.

Yours very truly,



Kent W. Foster

Enclosures