ASSIGNED № 54727

AMENDED

APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office MAY 8 1990

Returned to applicant for correction JUN 7 1990

Corrected application filed JUN 19 1990

Map filed JUN 19 1990 under 54726

The applicant PINE GROVE FARMS INC.

2608 CENTRAL AVE (Street and No. or P.O. Box No.), of UNION CITY (City or Town),

CALIFORNIA 94587 (State and Zip Code No.), hereby make.... application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) NEVADA CORP. 1989

1. The source of the proposed appropriation is AN UNDERGROUND SOURCE (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 0.5 CFS (One second-foot equals 448.83 gals. per min.) second-feet

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for QUASI-MUNICIPAL DOMESTIC (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kinds of animals to be watered

   (c) Other use (describe fully under "No. 12. Remarks") SEE REMARKS

   (d) Power:

      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point Located in the SE¼-SW¼ of Section 26, T. 19 N., R. 28 E., M.D.B.& M; from a point that bears 64° 06' 34" W a distance of 2734.18 feet to the SW corner of Section 26, T.19N., R.28E., M.D.B.&M. (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.)

6. Place of use A portion of SE¼-SW¼, NE¼-SW¼, NW¼-SE¼, SW¼-SE¼ of Section 26, T. 19 N., R. 28 E., M.D.B.& M. (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

7. Use will begin about Jan 1 (Month and Day) and end about Dec 31 (Month and Day), of each year.

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) WELL, PUMP & DISTRIBUTION SYSTEM (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works $20,000

10. Estimated time required to construct works 2 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 5 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Proposed development for the place of use will consist of approximately 60 residential homes.

s/Barry Fitzpatrick
By Barry Fitzpatrick S.W.R.S #817
141 Industrial Way
Fallon, NV 89406

Compared pm/ bp am/se

Protested 9/4/90 by T.C.I.D.

Pro. wdr. 8-15-91

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the followng limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 54726 and 54727 shall not exceed 21.18 million gallons annually.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.25 cubic feet per second, but not to exceed 21.18 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before November 4, 1993

Proof of completion of work shall be filed on or before December 4, 1993

Application of water to beneficial use shall be made on or before November 4, 1996

Proof of the application of water to beneficial use shall be filed on or before December 4, 1996

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed

Proof of beneficial use filed

Cultural map filed

Certificate No. Issued

IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E. State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 4th day of November, A.D. 19 91

State Engineer

(O)-5314 (Rev.)

Abrogated By 60591 0.08
Part 65619-T 0.02 Exp 11-19-00
67052 0.25

(PERMIT TERMS CONTINUED)

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Any well drilled under this permit shall be drilled in what has been described in the United States Geological Survey Water Supply Paper 2263 as the intermediate alluvial aquifer. In no instance shall the seal on this well be less than 100 feet below ground level.

This permit is issued subject to the letter from Truckee-Carson Irrigation District dated August 13, 1991 withdrawing their protest.