

**APPLICATION FOR PERMISSION TO CHANGE POINT OF
DIVERSION, MANNER OF USE AND PLACE OF USE OF THE
PUBLIC WATERS OF THE STATE OF NEVADA
HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office NOV 12 1996

Returned to applicant for correction _____

Corrected application filed _____

Map filed NOV 12 1996

The applicant **Ballagio, a Nevada Corporation, c/o Mirage Resorts, Inc.**, hereby makes application for permission to change the **Point of Diversion and Place of Use** of water heretofore appropriated under Permit No. 60731

1. The source of water is **Underground (Las Vegas Artesian Basin) Well 3**
2. The amount of water to be changed **0.275 cfs, not to exceed 100.0 acre feet annually**
3. The water to be used for **Recreation (Irrigation of Golf Course) and Domestic**
4. The water heretofore permitted for **Recreational and Domestic**
5. The water is to be diverted at the following point **NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 25, T19S, R61E, MDM** or at a point from which the West $\frac{1}{4}$ corner of said Section 25 bears, N 56°54'07" W a distance of 250.13 feet.
6. The existing permitted point of diversion is located within **NW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 20, T21S, R61E, MDM** or at a point from which the East $\frac{1}{4}$ corner of said Section 20 bears, N 73°12'48" E a distance of 2,122.6 feet.
7. Proposed place of use **S $\frac{1}{2}$ Section 25 and N $\frac{1}{2}$ Section 36, T19S, R61E, MDM**
8. Existing place of use **Portions of SW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 20, T21S, R61E, MDM**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **Drill well, install pump, motor, meter and pipelines to irrigate golf course.**
12. Estimated cost of works **\$200,000.00**
13. Estimated time required to construct works **Two Years**
14. Estimated time required to complete the application of water to beneficial use **Ten Years**
15. Remarks: **Water is to be used for recreational use to irrigate a portion of the existing Shadow Creek Golf Course or adjacent proposed golf course.**

By **s/Richard W. Arden Agent**
950 Industrial Way
Sparks, Nevada 89431

Compared cms/bk cl/bk

Protested _____

APPROVAL OF STATE ENGINEER

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

This permit to change the point of diversion and place of use of the waters of an underground source as heretofore granted under Permit 60731 is issued subject to the terms and conditions imposed in said Permit 60731 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and 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 the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. 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 issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The issuance of this permit totally abrogates Permit 60731.

The issuance of Permit 62580 expires Permit 62581-T.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.275 cubic feet per second, but not to exceed 74.73 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

June 27, 1999

Proof of completion of work shall be filed before:

July 27, 1999

Application of water to beneficial use shall be filed on or before:

June 27, 2002

Proof of the application of water to beneficial use shall be filed on or before:

July 27, 2002

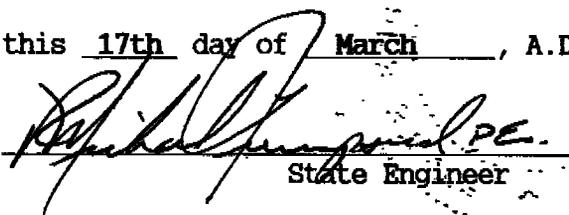
Map in support of proof of beneficial use shall be filed on or before:

N/A

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 17th day of March, A.D. 1997



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____