

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

Date of filing in State Engineer's Office JUN 04 2002

Returned to applicant for correction _____

Corrected application filed _____

Map filed JUN 04 2002 under 68862-E

The applicant **Vista Canyon Group, A Limited Liability Company** hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is **Shallow Groundwater**
2. The amount of water applied for is **0.861 second-ft = 125 gpm each well second-foot**
 - (a) If stored in reservoir give number of acre-feet **NA**
3. The water to be used for **Environmental Cleanup**
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated **NA**
 - (b) Stockwater, state number and kinds of animals to be watered **NA**
 - (c) Other use (describe fully under No. 12. "Remarks") **NA**
 - (d) Power:
 - (1) Horsepower developed **NA**
 - (2) Point of return of water to stream **NA**
5. The water is to be diverted from its source at the following point **SW¼ NE¼ Bearing and distance ties from well to E¼ corner of Section 9, T19N, R20E M.D.M., well M2: S 54°51'25" E, dist. 2282.27'; M3: S 62°06'45" E, dist. 1997.12'; M4: S 65°42'55" E, dist. 1929.95'.**
6. Place of Use **within SW¼ of NE¼ Section 9, T19N, R20E, M.D.M.**
7. Use will begin about **January 1** and end about **December 31** of each year.
8. Description of proposed works **3 drilled groundwater extraction wells and submersible pumps.**
9. Estimated cost of works **\$500,000**
10. Estimated time required to construct works **completed**
11. Estimated time required to complete the application of water to beneficial use **10 years, project length based on monitoring data.**

12. Remarks: Petroleum hydrocarbons and chlorinated solvent impacted shallow groundwater is pumped from several extraction wells to two water treatment plants that use fluidized bed reactors and a denitrification treatment system. Treated water is discharged to the Truckee River under an NPDES permit. Estimated volume of water treated annually is 65.7 Mgal/yr. Per well.

Dirk Cockrum
By s/Dirk Cockrum
Kinder Morgan, 370 Van Gordon St.
Lakewood, CO 80228

Compared cmf/ sam dl/cmf

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 environmental permit is issued pursuant to the provisions of NRS 533.4375. Well drillers reports for any well(s) drilled under this permit shall be filed within 30 days from the completion of the well.

Within 30 days after the completion of the project, the permittee shall notify the State Engineer of such completion and all wells shall be plugged and abandoned in accordance with Chapter 534 of the Nevada Administrative Code.

This environmental permit is issued subject to existing rights on the source. It is understood that the amount of water herein granted is only a temporary allowance for pollution control as mandated by orders issued by the Nevada Division of Environmental Protection and subsequent correspondence with said agency. The right will cease to exist upon termination of clean up activity as determined by the Nevada Division of Environmental Protection. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and records of this measurement shall be submitted on an annual basis. It is also understood that this right must allow for a reasonable lowering of the static water level of permittee's well due to other ground water development in the area. The well shall be equipped with a 2-inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. The state retains the right to regulate the use of water granted herein at any and all times.

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

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

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.861 cubic feet per second, **but not to exceed 197.1 million gallons annually.**

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

Proof of completion of work shall be filed before:

Water must be placed to beneficial use on or before:

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

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

ENVIRONMENTAL

* The right will cease to exist upon termination of clean up activity as determined by the Nevada Division of Environmental Protection.

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 9th day of August, A.D. 2002



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____