

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 DEC 05 2003

Returned to applicant for correction _____

Corrected application filed _____

Map filed NOV 07 2003 UNDER 70613

The applicant **Somersett Development Company, LLC**, hereby makes application for permission to change the **Point of Diversion, Place and Manner of Use of a portion** of water heretofore appropriated under **Permit No. 62168**

1. The source of water is **Underground**
2. The amount of water to be changed **Pro Rata of Diversion Rate – 18.00 acre feet annually**
3. The water to be used for **Municipal**
4. The water heretofore permitted for **Quasi-Municipal**
5. The water is to be diverted at the following point **within the SW¼ SW¼ Section 10 T19N, R18E, MDM, or at a point from which the NW corner of Section 3 T19N, R18E, MDM bears N 08 degrees 05 minutes 49 seconds W, a distance of 10,266.84 feet. Refer to map filed under Application No. 70613.**
6. The existing permitted point of diversion is located within **NE¼ NE¼ Section 16 T19N, R18E, MDM., or at a point from which the NE corner of said Section 16 bears N 09 degrees 09 minutes 54 seconds E, a distance of 1,186.78 feet. Refer to map filed under Application Nos. 39291 & 50140**
7. Proposed place of use **within the SE¼ SE¼ Section 35 T20N, R18E, MDM and portions of the following Sections: S½ Section 1, Section 2, Section 3, Section 10, Section 11, Section 12 & N½ NE¼ Section 13 T19N, R18E, MDM. Refer to map filed under Application No. 70613.**
8. Existing place of use **w/in portions of NW¼ NW¼ and S½ NW¼ Section 15, and portions of E½ NE¼ Section 16 T19N, R18E, MDM Refer to map filed under Application No. 39291.**
9. Use will be from **January 1st to December 31st** of each year.
10. Use was permitted from **January 1st to December 31st** of each year.
11. Description of proposed works **Drilled and cased well equipped with motor, pump, totalizing meter and pipeline to place of use.**
12. Estimated cost of works **\$50,000**
13. Estimated time required to construct works **3 years**
14. Estimated time required to complete the application of water to beneficial use **10 years**
15. Remarks: **Somersett, LLC, a Nevada limited liability company and Somersett**

Development Company, LLC, a Nevada limited liability company, are one and the same company.

By s/Michael D. Buschelman
Michael D. Buschelman
Post Office Box 51371
Sparks, Nevada 89435

Compared cmf/sam ag/sam _____

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, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 62168 is issued subject to the terms and conditions imposed in said Permit 62168 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 total combined duty of water under Permits 67234, 67235, 67236, 70614 and 70675 shall not exceed 70.387 million gallons annually.

The issuance of this 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 0.0375 cubic feet per second, **but not to exceed 5.865 million gallons annually.**

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

August 17, 2005

Proof of completion of work shall be filed on or before:

September 17, 2005

Water must be placed to beneficial use on or before:

August 17, 2007

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

September 17, 2007

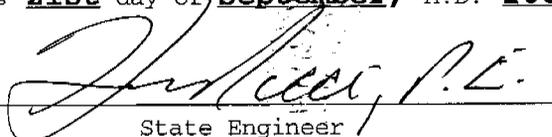
Map in support of proof of beneficial use shall be filed on or before:

N/A

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

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 21st day of September, A.D. 2004


State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed N/A _____

Certificate No. _____ Issued _____