

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 01 2005

Returned to applicant for correction _____

Corrected application filed _____

Map filed NOV 01 2005

The applicant See Attachment "A" hereby makes application for permission to change the Place of Use of a portion of water heretofore appropriated under Permit 19872, Certificate 5976

1. The source of water is **underground**
2. The amount of water to be changed **0.4175 c.f.s., not to exceed 126.7 acre-feet annually**
3. The water to be used for **Irrigation & domestic**
4. The water heretofore permitted for **Irrigation & domestic**
5. The water is to be diverted at the following point **Lot 1 of NE ¼, Section 13, T.21S., R.53E., M.D.B. & M., or at a point from which the NE Corner of said Section 13, bears N. 66° 10' 20" E., a distance of 318.40 feet.**
6. The existing permitted point of diversion is located within **Unchanged**
7. Proposed place of **32.88 acres within the NE¼ NE¼ (Lot1), Section 13, T.21S., R.53E., M.D.B. & M.**
8. Existing place of use **26.9 acres – NE ¼ NE ¼ (Lot 1), 32.33 acres – SE ¼ NE ¼ (Lot 2), 35.19 acres – NW ¼ NE ¼, 37.11 acres – SW ¼ NE ¼, all in Section 13, T.21S., R.53E., M.D.B. & M. – 26.9 acres within NE ¼ NE ¼ (Lot 1) and 5.98 acres within SE ¼ NE ¼ (Lot 2) being removed from irrigation under this application. See supporting map accompanying this application.**
9. Use will be from **April 1 to August 31** of each year.
10. Use was permitted from **April 1 to August 31** of each year.
11. Description of proposed works **Existing drilled and cased well equipped with a motor, pump & meter and irrigation system**
12. Estimated cost of works **Completed**
13. Estimated time required to construct works **Completed**
14. Estimated time required to complete the application of water to beneficial use **Two (2) years**

15. Remarks: See Attachment "B"

By Gregory M. Bilyeu
s/ Gergory M. Bilyeu
500 Damonte Ranch Parkway, #1056
Reno, NV 89521

Compared mt/hk lt/gkl

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 place of use of a portion of the waters of an underground source as heretofore granted under Permit 19872, Certificate 5976, is issued subject to the terms and conditions imposed in said Permit 19872, Certificate 5976, 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.

If any water under this permit is cancelled, withdrawn, or any water is not put to beneficial use, it will revert to the groundwater source and not back to the base water right.

Permit 73415 is granted for the irrigation of 32.88 acres within the described place of use.

(CONTINUED ON PAGE 3)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.4175 cubic feet per second, and not to exceed 126.70 acre-feet annually, and not to exceed a yearly duty of 3.85 acre-feet per acre of land irrigated from any and/or all sources.

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

May 22, 2007

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

June 22, 2007

Water must be placed to beneficial use on or before:

May 22, 2008

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

June 22, 2008

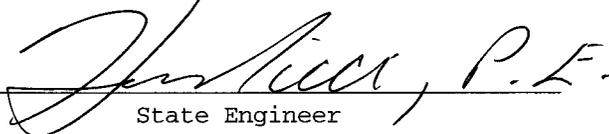
Map in support of proof of beneficial use shall be filed on or before:

June 22, 2008

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

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

this 22nd day of May, A.D. 2006


State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Attachment "A"

Russell M. Barakat, MD, Defined Benefit Pension Plan and Trust, Leonard G. Bucholz Living Trust dated January 14, 1993, N. Ghahreman, M.D., Ltd., Profit Sharing Plan, Fereydoon Tofigh FACS Ltd., Profit Sharing, Carolyn Buckingham Revocable Trust, Susanne Moore

Attachment "B"

The Applicants listed in Attachment "A" own 126.7 acre-feet of water under Permit 19872, Certificate 5976. They also own 34.16 acres within Lot 1 (NE ¼ NE ¼) of Section 13, T. 21S., R. 53E., M.D.B. & M. In 2004, the Permittees resumed use of their water under Permit 19872, Certificate 5976 and the Proof of Resumption of Use was filed in April, 2005 showing irrigation of their entire property.

Unfortunately, Certificate 5976 issued under Permit 19872 only lists 29.6 acres as irrigated within said Lot 1 (NE ¼ NE ¼). At a per-acre duty of 3.853 acre-feet, the maximum quantity of water than can be beneficially used within this subdivision under Permit 19872, Certificate 5976 is limited to 103.65 acre-feet.

The Permittees in fact irrigated enough land within this subdivision (32.88 acres) to completely satisfy the intent of placing all of their water back to beneficial use however they lacked the permitted irrigated to do so on a portion of this water consisting of 5.98 acres and 23.05 acre-feet.

Based on a phone conversation on October 18, 2005 with John Guillory of the Las Vegas Branch Office of the Division of Water Resources, it was agreed that the correct course of action was to file an Extension of Time to Prevent a Forfeiture on 5.98 acres and 23.05 acre-feet of water under Permit 19872, Certificate 5976. This would be followed by filing an Application to Change the Place of Use of that same portion of Permit 19872, Certificate 5976 to transfer it to the Permittees' property. This application is being filed in fulfillment of the agreement made in that phone conversation.