THE STATE OF NEVADA

PERMIT TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:	**REDROCK VALLEY RANCH, LLC**
Source:	**UNDERGROUND**
Basin:	**RED ROCK VALLEY**
Manner of Use:	**MUNICIPAL**
Period of Use:	**January 1st to December 31st**
Priority Date:	**01/01/1910**

****

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 and manner of use of the waters of an underground source as heretofore claimed under Proof V03111 is issued 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.

A monthly report shall be submitted to the State Engineer within 10 days from the end of each month which shall include the amount of water pumped from the well and the amount of water used.

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 73960, 73961, 73962, 73963 and 73965 shall not exceed 484 acre-feet annually.

The total combined duty of water under Permits 73960, 73961, 73962, 73963, 73965, 73966 and 74368 shall not exceed 1,273 acre-feet annually.

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 is for the consumptive use portion only, being 374 acre-feet, of the 598.4 acre-feet portion of the base right. The remainder, 224.4 acre-feet, remains in the groundwater source. The issuance of this permit abrogates 598.4 acre-feet from Proof V03111.

A monitoring and mitigation plan must be developed and submitted to the State Engineer for approval prior to the diversion of any water authorized under this permit. Upon approval of the plan, the permittee is required to submit an annual report of the monitoring results. Upon review of the monitoring results, the State Engineer will retain the right to reduce the pumping from this well or take any action that may be necessary to protect the public interests or to prevent conflict with prior existing rights or domestic wells. If impacts to existing rights or domestic wells are demonstrated, the applicant or any assignee will be required to mitigate the same.

Pursuant to the State Engineer's Ruling No. 5816 dated January 15, 2008, the total combined duty of water initially allowed to be pumped under Permits 73960, 73961, 73962, 73963, 73965, 73966 and 74368 is limited to 855 acre-feet annually until such time as the conditions set forth in Option 1 or Option 2 under Finding XVI of Ruling No. 5816 are met and the State Engineer determines that the additional 418 acre-feet annually of water under these subject permits can be pumped.

This permit is issued subject to any determination of the underground waters of Red Rock Valley, Basin 7-99 that may be made under adjudication proceedings pursuant to NRS 534.100.

(Continued on Page 2)

The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 0.52 cubic feet per second or 374 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before: **May 30 , 2013**

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before: **May 30 , 2018**

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

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 30th day of **May**, A.D. **2008**

Tracy Taylor, P.E.

State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

No. 73963

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 **MAR 03 2005**

Returned to applicant for correction_____

Corrected application filed_____

Map filed **MAR 15 2006 under 73960**

****

The applicant **Redrock Valley Ranch, LLC** hereby makes application for permission to change the **Point of Diversion, Place and Manner of Use** water heretofore appropriated under **all of Proof No. V03111**

****

1 The source of water is **underground**

2. The amount of water to be changed **640.00 acre feet annually**

3 The water to be used for **Municipal and domestic**

4. The water heretofore permitted for **Irrigation & domestic**

5. The water is to be diverted at the following point **within the NW¼ of the SW¼ of Section 12, T.23N., R.18E., M.D.M., or at a point from which the west ¼ corner of said Section 12 bears North 46° 24' 09" West a distance of 967.20 feet. See map supporting Permit No. 29181.**

6 The existing permitted point of diversion is located within **the NW¼ of the SW¼ of Section 12, T.23N., R.18E., M.D.B.&M.. Tie to ¼ corner common to Sections 11 & 12; North 43° 34' 31" West, 966.19 feet.**

7 Proposed place of use **Please see attached Exhibit "A".**

8. Existing place of use **40.6 acres within the SE¼ NE¼ and 40.0 acres within the NE¼ SE¼ of Section 11; 40.0 acres within the SW¼ NW¼ and 39.4 acres within the NW¼ SW¼ of Section 12, all in T.23N., R.18E., M.D.M.. All of the vested place of use within Washoe County Assessor's Parcel No. 078-194-06.**

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 **Water will be diverted by pipeline to existing T.M.W.A. facilities, treated and placed into the existing distribution system.**

12. Estimated cost of works **$5,000,000.00**

13. Estimated time required to construct works **3 years**

14. Estimated time required to complete the application of water to beneficial use **10 years**

73963

15. Remarks: **Water will be pumped treated and delivered from Basin 99 by pipeline to TMWA's water distribution system in Stead to be used within the proposed place of use described in Item No. 7.**

By **s/George G Lindesmith**
George G. Lindesmith
Tri State Surveying 1925 E. Prater Way
Sparks, Nevada 89434

Compared **gkl** SG

Protested See Summary List In File
Pro Overruled 1/15/2008 See Ruling #5816

****

EXHIBIT "A"

T-N	R-E		DIVISION	SECTIONS
20	18	M.D.M.	All	1, 2, 11-13
			Portions*	3, 10, 14, 15, 23-25
20	19	M.D.M.	All	2-11, 16-19
			Portions*	1, 12-15, 20-22, 29, 30
21	18	M.D.M.	All	1, 12, 13, 23-25, 36
			Portions*	2, 11, 14, 15, 22, 26, 27, 35
21	19	M.D.M.	All	3-10, 13-35
			Portions*	2, 11, 12, 36
21	20	M.D.M.	All	19, 30
			Portions*	17, 18, 20, 29, 31
22	18	M.D.M.	All	23-25, 36
			Portions*	12-15, 22, 26, 27, 35
22	19	M.D.M.	All	17, 19, 20, 29-33
			Portions*	7-9, 16, 18, 21, 27, 28, 34,35

*Those portions within the Lemmon Valley Hydrographic Basin