Permit No. 75365T

TEMPORARY

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:	**FERNLEY PROPERTIES LLC**
Source:	**TRUCKEE RIVER**
Basin:	**TRACY SEGMENT**
Manner of Use:	**IRRIGATION**
Period of Use:	**As Decreed**
Priority Date:	**07/02/1902**

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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 the Truckee River as set forth under Claim Number 3 in the Truckee River final decree, is issued subject to the terms and conditions imposed in said decree and with the understanding that no other rights on the source will be affected by the change proposed herein

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.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on November 15, 2007, at which time all rights herein granted shall revert to the right being changed by this temporary permit.

The point of diversion and place of use is as described under items 5 and 7 respectively 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 34.24 acre-feet as decreed.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	N/A
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	N/A
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 16 day of July, A.D. 2007

Deputy State Engineer P.E.

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

bk

TEMPORARY
2nd AMENDED

Serial No. 75365 T

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

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office FEB 2 0 2007

Returned to applicant for correction MAR 1 5 2007

Corrected application filed MAR 1 6 2007 Map filed MAY 0 8 2007 under 75364-T

The applicant FERNLEY PROPERTIES LLC

645 Country Drive (Street and No. or P.O. Box No.) of Fernley (City or Town)

NV 89408 (State and Zip Code No.), hereby make.... application for permission to change the

Place of use of a portion

of water heretofore appropriated under Truckee-Carson-Irrigation District Serial Numbers 1029 and 1034-
(Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

13-A United States of America v. Orr Ditch Co. in Equity No. A-3 Claim, 3 in the Federal District Court of Nevada

1. The source of water is Truckee River
(Name of stream, lake, underground, spring or other sources.)

2. The amount of water to be changed 34.24 acre-feet
(Second feet, acre-feet. One second foot equals 448.83 gallons per minute.)

3. The water to be used for Irrigation
(Irrigation, power, mining, commercial, etc. If for stock state number and kind of animals. Must limit to one major use.)

4. The water heretofore used for As decreed
(If for stock state number and kind of animals.)

5. The water is to be diverted at the following point Derby Dam located within the N1/2 SW1/4 Section 19, T.20N., R.23E., M.D.B.&M.
(Describe as being within a 40-acre subdivision of public survey and by course and distance to a section corner. If on unsurveyed land, it should be stated.)

6. The existing point of diversion is located within
(If point of diversion is not changed, do not answer.)

7. Proposed place of use NE¼ SW¼ (northerly 3.72 ac portion of the 4.96 ac
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.
portion TCID SN 839-D) and the SE¼ SE¼ (3.89 ac portion TCID SN 839-I) in Section 33,
T.20N.,R.26E., M.D.B.&M.

8. Existing place of use SW¼ SW¼ (6.36 ac) and the SE¼ SW¼ (1.25 ac) Section 14 in
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of
T.20N., R.24E., M.D.B.&M. A total of 7.61 ac TCID SN 1029 and 1034-13-A, respectively
use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.

9. Use will be from As decreed to As decreed of each year.
Month and Day Month and Day

10. Use permitted from As decreed to As decreed of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provision's of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Pump and motor from ditches
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.

12. Estimated cost of works $2,000

13. Estimated time required to construct works Complete
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use As decreed

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Note: Please send copies of correspondence to:

Stuart Mackie
345 Compton St.
Reno, NV 89506

By: Michael J. DeMartini, P.E., Agent

By [signature]
Signature, applicant or agent

1129 Hunter Lake Dr., Ste 4
Street and No., or P.O. Box No.

Reno, NV 89509
City, State, Zip Code No.

STATE ENGINEERS OFFICE
2007 MAY -8 PM 4:41
RECEIVED

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$100 FILING FEE MUST ACCOMPANY APPLICATION

O-1583 (Rev. 8-95)