

THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant: DUCK LAKE RANCH, LLC
A NEVADA LIMITED LIABILITY COMPANY

Source: UNDERGROUND

Basin: SURPRISE VALLEY

Manner of Use: IRRIGATION

Period of Use: January 1st to December 31st

Priority Date: 04/08/2008

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 is issued subject to all existing rights on the source. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level at permittee's well due to other ground water development in the area. A substantial weir or other type of measuring device must be installed and measurements of water use kept. The well shall be equipped with a two (2) inch opening for measuring depth to water. If well is flowing, a valve must be installed and maintained to prevent waste. 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.

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

(Continued on Page 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.5 cubic feet per second or 800.0 acre-feet annually, and not to exceed 4.0 acre-feet per acre from any and/or all sources.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

December 9, 2010

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

December 9, 2013

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

December 9, 2013

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 9th day of December, A.D. 2008

K.L. Hull P.E.
for State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

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

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office APR 08 2008

Returned to applicant for correction APR 15 2008

Corrected application filed _____ Map filed APR 17 2008 under 76916

The applicant Duck Lake Ranch, LLC, a Nevada limited liability company

4005 Quail Rock Lane of Reno

Street Address or P.O. Box City or Town

Nevada 89511 hereby make(s) application for permission to appropriate

State and Zip Code

the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association give names of members.)

Duck Lake Ranch, LLC is a Nevada limited liability company formed on July 14, 1998 pursuant to the laws of the State of Nevada.

1. The source of water is Underground
Name of stream, lake, underground, spring or other sources
2. The amount of water applied for is 2.5 cfs, not to exceed 800 acre-feet annually second feet.
One second foot equals 448.83 gallons per minute.
(a) If stored in reservoir give number of acre-feet _____
3. The water to be used for Irrigation
Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated 200 acres
 - (b) Stockwater, state number and kind of animals _____
 - (c) Other use (describe fully in No. 12) _____
 - (d) Power:
 - (1) Horsepower developed _____
 - (2) Point of return of water to stream _____

KWJ

5. The water is to be diverted from its source at the following point: (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a found section corner. If on unsurveyed land, it should be so stated.)

NE 1/4 NE 1/4, Section 21, T.38N., R.18E., M.D.B. & M. (unsurveyed), or at a point from which the NW Corner of Section 5, T.37N., R.18E., M.D.B. & M. (surveyed), bears S. 34°56'07" W., a distance of 17,840 feet

6. Place of use: (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

S 1/2 SE 1/4, Section 16, N 1/2 NE 1/4, NE 1/4 NW 1/4, Section 21; all in T.38N., R.18E., M.D.B. & M. (unsurveyed) A total of 200 acres will be irrigated by this application

7. Use will begin about January 1 and end about December 31 of each year.

Month and Day

Month and Day

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

A drilled and cased well equipped with a pump, motor, meter and irrigation distribution system within the proposed place of use.

9. Estimated cost of works: \$150,000.00

10. Estimated time required to construct works: Three (3) years

(If well completed, describe works.)

11. Estimated time required to complete the application of water to beneficial use: Six (6) years

12. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

This application is being filed along with three others to appropriate water for irrigation purposes on private land within the Surprise Valley Groundwater Basin. Water will be diverted from an underground source and placed into an irrigation distribution system to wheel lines and sprinklers.

13. Miscellaneous remarks:

Reference is made to Washoe County APN 66-130-11 for the proposed place of use.

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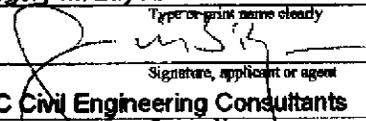
gregb@tecreno.com

E-mail Address

Gregory M. Bilyeu

Type or print name clearly

By



Signature, applicant or agent

(775) 352-7800

Phone No.

TEC Civil Engineering Consultants

Company Name

9480 Double Diamond Parkway, Suite 200

Street Address or P.O. Box

Reno, NV 89521

City, State, Zip Code

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

\$250 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION