



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: SOUTH FORK LLC
Source: HUNTINGTON CREEK (SMITH CREEK)
Basin: HUNTINGTON VALLEY
Manner of Use: INDUSTRIAL
Period of Use: April 15th to August 15th
Priority Date: 01/01/1898

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 a portion of the waters of The Humboldt River as heretofore appropriated under Proof DHR00685 as appears in the Humboldt River Decree No. 2804 entered October 20, 1931 and October 7, 1935, in the District Court of the Sixth Judicial District of the State of Nevada, in and for the County of Humboldt, is issued subject to the terms, conditions and irrigation period imposed in said decree and with the understanding that no other rights on the source will be affected by the change proposed herein.

A substantial headgate and measuring device shall be installed at the point of diversion and accurate measurements must be kept of water diverted to beneficial use.

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 0.0701 cubic feet per second or 17.1 acre-feet seasonally.

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

April 7, 2011

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

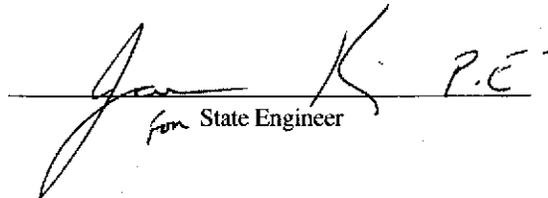
April 7, 2014

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 7th day of April, A.D. 2009


for State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

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 OCT 24 2008

Returned to applicant for correction _____

Corrected application filed _____ Map filed OCT 29 2008

The applicant South Fork LLC

HC 30, Box 350 of Spring Creek
Street Address or P.O. Box City or Town

Nevada 89815, hereby make(s) application for permission to change the
State and Zip Code

- Point of diversion Place of use Manner of use of a portion

of water heretofore appropriated under (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree)

Humboldt River Decree Proof No. 00685 (E. Dotta - Bartlett Decree)

1. The source of water is Huntington Creek (formerly Smith Creek)
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.0701 c.f.s. 17.1 acre feet seasonally
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Industrial
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 Irrigation
If for stock state number and kind of animals.

5. The water is to be diverted 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.)

SE1/4 NW1/4 of Section 36, T.32 N., R.55 E., M.D.B. & M., at a point from which the Northeast Corner of said Section 36 bears N 55° 26' 44" E, 3247.58 feet.

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

As Decreed under Proof No. 00685 (E. Dotta - Bartlett Decree) The existing point of diversion is not shown on the cultural map for Proof No. 00685. The only reference to the existing point diversion that could be found was a note on the map stating "Point of Diversion in Smith Creek 1-1/2 Miles South". This note is located on the map at the approximate South line of Section 18, T.31 N., R.56 E., M.D.B. & M.

Existing PAD: NW1/4 SW1/4 Section 30 T31N R56E as shown on map under Proof No 00377.

REL
10-29-08
PEL FAX

47-EL

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)
The SE1/4 NW1/4, SW1/4 NE1/4 of Section 36, T.32 N., R.55 E., M.D.B. & M.

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)
As Decreed under Proof No. 00685, E. Dotta, Bartlett Decree being portions of the NW1/4 NE1/4, E1/2 E1/2 of Section 12, E1/2 E1/2 of Section 13, NE1/4 NE1/4 of Section 24, T.31 N., R.55 E., M.D.B. & M., and portions of the W1/2 SW1/4 of Section 7, W1/2 W1/2 of Section 18, NW1/4 NW1/4 of Section 19, T.31 N., R.56 E., M.D.B. & M. Please use the map that accompanied Proof No. 00685 to illustrate the total existing place of use. 5.70 acres within the SW1/4 SW1/4 of Section 18, T.31 N., R.56 E., M.D.B. & M. to be removed from irrigation.

9. Use will be from April 15th to August 15th of each year.
Month and Day Month and Day

10. Use permitted from April 15th to August 15th of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provision 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, pipes and flumes or drilled well, pump, and motor, etc.)
diversion structure, pump and pipelines to a reservoir thence via pipelines to a sand washing, screening and crushing facility.

12. Estimated cost of works \$10,000.00

13. Estimated time required to construct works 3 years
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 5 years

15. 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 changes the point of diversion, place of use and manner of use of a portion under Proof No. 00685, E. Dotta, of the Bartlett Decree to be used for site dust control, sand washing, crushing and screening facility and a small office with restrooms. See the attached sheet for an explanation of the annual consumptive use and description of the project.

16. Miscellaneous remarks:

(775) 738-4053
Phone No.
remorley@frontiernet.net
E-mail

By Robert E. Morley
Print or type name clearly
Robert E. Morley
Signature, applicant or agent
High Desert Engineering, LLC
Company Name
640 Idaho Street
Street address or P.O. Box
Elko, Nevada 89801
City, State, Zip Code

STATE ENGINEER OFFICE
2008 OCT 24 PM 2:36
RECEIVED

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

\$150 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

Application to Change Proof No. 00685
For South fork LLC
Question 15. Remarks

The waters under this application are to be used for site dust control, sand washing, crushing and screening facility and a small office with restrooms,

The annual consumptive use under this application at total build out is estimated as follows:

The waters under this application will be diverted from Huntington Creek (Formerly Smith Creek) when in priority and during the Decreed period of use. The waters diverted will be used to fill a reservoir for the sand washing, crushing, and screening facility. The water from the reservoir will be recycled from the plant to the reservoir for re-use. An estimated 8,000 gallons per day of the water will be consumptive that includes evaporation and absorption into sand and rock.

Site dust control = 10, 000 gallons per day

The crushing and screening plant requires dust control at all transfer points in the plant at a maximum rate of 20 gallons per minute for a 10 hour work day which equates to 12,000 gallons per day.

Office restrooms and miscellaneous use is estimated at 500 gallons per day.

It is estimated that the plant will be used approximately 6 months during the year, April 15 to October 15, due to cold winter temperatures.

Total consumptive use will be 30,500 gallons per day, 6 months per year, which equates to 17.1 acre feet annually.

Please note that the 17.1 acre feet annually described above will only be diverted when in priority and during the Decreed period of use between April 15 to August 15 and stored in the reservoir. During the remaining planned period of use for the plant being August 16 to October 15, no water will be diverted. Only the water stored in the reservoir during the decreed diversion period will be utilized to run the plant for this period of time.

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