



THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant: PEQUOP CONSERVANCY, LLC
Source: UNDERGROUND
Basin: INDEPENDENCE VALLEY (PEQUOP VALLEY)
Manner of Use: IRRIGATION
Period of Use: January 1st to December 31st
Priority Date: 4/15/2009

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 existing rights. 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. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. 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 water begins, or before the Proof of Completion of Work is filed. 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 total combined duty of water under Permits 78262, 78263, and 78264 shall not exceed 1280 acre-feet for the irrigation of 320 acres.

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 1.5 cubic feet per second, but not to exceed 1086 acre-feet annually and not to exceed 4.0 acre feet per acre from any and all sources.

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

May 19 2012

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

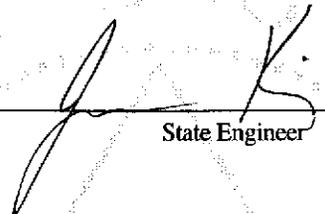
May 19 2015

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

May 19 2015

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 19th day of May, A.D. 2010



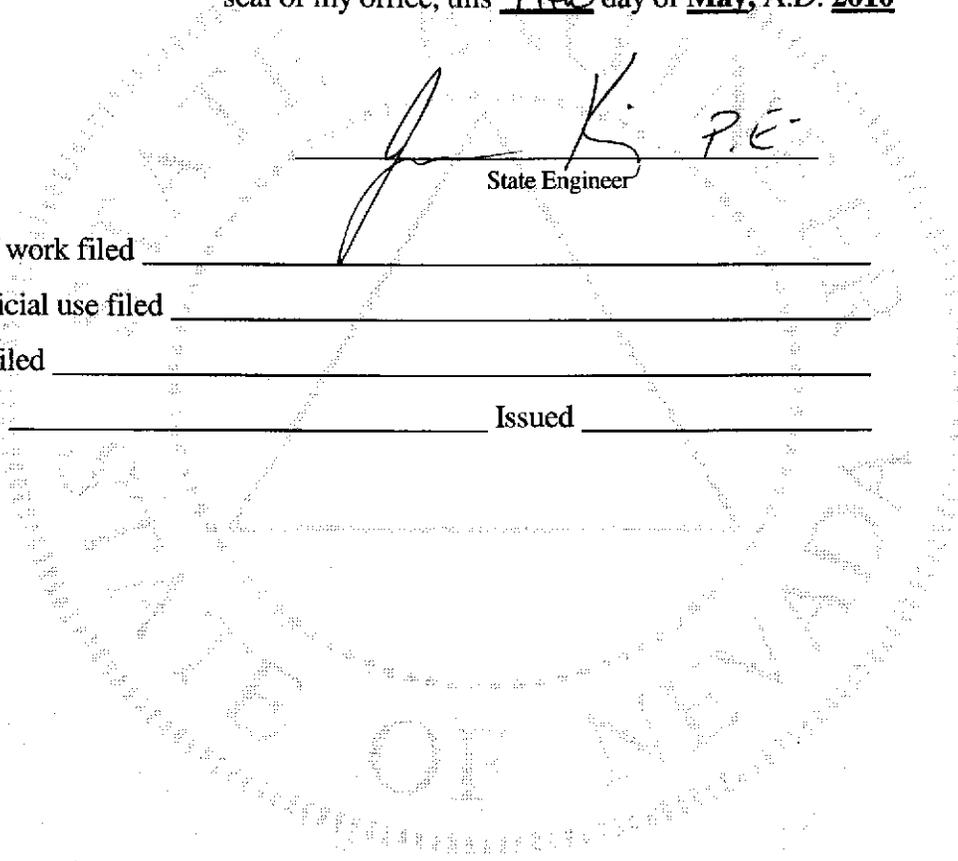
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____



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 15 2009

Returned to applicant for correction _____

Corrected application filed _____ Map filed APR 15 2009 under 78262

The applicant Peguop Conservancy, LLC

P.O. Box 7335 of Reno
Street Address Or P.O. Box City or Town

Nevada, 89510 hereby make(s) application for permission to appropriate 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.)

June 26, 2008 in 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 1.50 cfs 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 320 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 _____

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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.)

NW1/4 SE1/4 of Section 15, T.37 N., R.64 E., M.D.B. & M., at a point from which the
East 1/4 Corner of said Section 15, bears N 85° 13' 13" E, 2510.62 feet.

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

S1/2 of Section 15, T.37 N., R.64 E., M.D.B. & M. (320 acres to be irrigated)

7. Use will begin about January 1st and end about December 31st 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.)

Drilled well, pump, motor, pipelines, ditches and sprinkler system.

9. Estimated cost of works: \$10,000

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

11. Estimated time required to complete the application of water to beneficial use 5 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.)

Drill and equip a well with pipelines, ditches and sprinkler system to supply water to irrigate
320 acres within the proposed place of use.

13. Miscellaneous remarks:

The waters applied under this application and the accompanying applications to irrigate
the same place of use are to be co-mingled to irrigate 320 acres within the proposed place of
use.

remorley@frontiernet.net
E-mail Address

(775) 738-4053
Phone No.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Robert E. Morley
Type or print name clearly

By

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

RECEIVED
2009 APR 15 AM 9:47
HIGH DESERT ENGINEERING, LLC

\$250 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION