



THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant: RUBY PIPELINE, LLC
Source: UNDERGROUND
Basin: NORTH FORK AREA
Manner of Use: QUASI-MUNICIPAL
Period of Use: January 1st to December 31st
Priority Date: 04/28/2009

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.

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 0.2 cubic feet per second or 5.26 acre-feet annually.

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

December 23, 2011

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

December 23, 2014

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

December 23, 2014

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 23rd day of December, A.D. 2009

K.L. Taylor P.E.
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 28 2009
Returned to applicant for correction
Corrected application filed Map filed MAY 15 2009

The applicant... Ruby Pipeline, L.L.C., c/o Dan G. Gredvig
P.O. Box 1087 of Colorado Springs
Colorado 80944 hereby make... 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.)
November 14, 2007; Delaware Delaware 5/15/09

- 1. The source of water is ... Underground - well
2. The amount of water applied for is ... 0.2 cfs (5.26 af) ... second feet.
(a) if stored in reservoir give number of acre-feet.
3. The water to be used for ... Quasi-Municipal
4. If use if for:
(a) Irrigation, state number of acres to be irrigated.
(b) Stockwater, state number and kind of animals.
(c) Other use (describe fully under "No. 12. Remarks") ... Compressor Station for 42" natural gas pipeline.
(d) Power generation:
(1) Horsepower developed.
(2) Point of return in water to stream.

94-EL

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 stated.)

... SE 1/4, NE 1/4 Sec. 29, T.39 N., R. 56 E., MDB&M, or at a point from which the NE corner of said Sec. 29 bears
... N 31° 08' 50" ~~E~~, a distance of 1914.58 feet.

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

... A portion of the ~~SE~~ NE 1/4, Sec. 29, T.39 N., R. 55 E. MDB&M.
... For a map of the POD and POU, use map to accompany this application.

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 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 and flumes, drilled well with pump and motor, etc.)

... 8" casing 400 feet deep, pump, motor and distribution lines.

9. Estimated cost of works: ... \$150,000

10. Estimated time required to construct works: ... one (1) year ...
(If well completed, describe works)

11. Estimated time required to complete the application of water to beneficial use: ... two (2) 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.)

... See attached sheet.

13. Miscellaneous remarks:

... (775)885-2101 ...
Phone No.

By ... R. Michael Turnipspeed, P.E. ...
Print or type name clearly
R. Michael Turnipspeed P.E.
Signature, applicant or agent

... 204 North Minnesota Street ...
Street and No., or P.O. Box No.

Carson City, Nevada 89703 ...
City, State, Zip Code

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

STATE ENGINEERS OFFICE
2009 APR 28 AM 10:14
RECEIVED

\$250 FILING FEE MUST ACCOMPANY APPLICATION

EXHIBIT " A "

This application is one of several to provide construction water for compaction, dust control and hydrostatic testing. The total project consists of 670 miles of 42 inch Natural Gas Pipeline from Opal, Wyoming to Malin, Oregon passing through Elko Co., Humboldt Co. and Washoe County Nevada.

This particular application is one of two for a compressor station along the pipeline. A compressor station is manned 24 hours a day 7 days a week. It is estimated that the culinary water will consume 70 gallons per day. In addition evaporative coolers will be required from May through September and require a maximum of 5289 gpd per unit at 6.5 hours per day.