Permit No. 79078T

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:	**RUBY PIPELINE, LLC**
Source:	**UNDERGROUND**
Basin:	**QUINN RIVER VALLEY-OROVADA SUBAREA**
Manner of Use:	**CONSTRUCTION**
Period of Use:	**April 1st to March 31st**
Priority Date:	**08/01/1974**

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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 temporary permit to change the place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 28562, Certificate 9005, is issued subject to the terms and conditions imposed in said Permit 28562, Certificate 9005, and with the understanding that no other rights on the source will be affected by the change proposed herein. This well shall be equipped with a two (2) inch opening for measuring depth to water and 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 the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. 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 permittee shall keep monthly records of the amount of water pumped from this well and the records must be submitted to the State Engineer on an annual basis within 30 days after the end of each calendar year.

This temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this temporary 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 1 year after the approval of the permit at which time all rights herein granted shall revert to the right being changed by this temporary permit.

(Continued on Page 2)

This temporary permit is issued solely for construction and related purposes for the Ruby Gas Pipeline Project and will expire upon completion of the pipeline project, as provided in NRS 533.045 and NRS 534.120(1). The permittee shall notify the State Engineer within thirty (30) days of project completion that the diversion of water from this location for this segment of pipeline construction is no longer necessary and the State Engineer will cancel the permit and the well shall be plugged and abandoned as provided in Nevada Administrative Code 534.427.

The point of diversion and place of use are as described 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 0.5 cubic feet per second or 7.73 acre-feet annually**.

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 15th day of **March**, A.D. **2010**

K. Hall P.E.

for State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

TEMPORARY

Application No. 79078 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 DEC 16 2009

Returned to applicant for correction

Corrected application filed ..... Map filed SEP 06 1974 under 28562

The applicant...Ruby Pipeline LLC c/o Dan Gredvig

.....P.O. 1087 (Street and No. or P.O. Box No.) ..... of...Colorado Springs (City or Town)

.....Colorado.....80944 (State and Zip Code No.), hereby make..s.... application for permission to change the

.....☐ 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, give title of Decree and identify right in Decree.)

.....Permit 28562 C-9005

1. The source of water is.....Underground -well MP 452.85
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed.....0.5 cfs (7.73 afa)
Second feet, acre-feet(One second foot equals 448.83 gallons per minute.

3. The water to be used for.....Pipeline construction
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 & domestic
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 stated.)

.....NE¼ NE¼ of Sec 29, T.41 N., R.37 E. MDB&M or at a point from which the NE corner of said

...Sec 29 bears N. 45° E. a distance of 100 feet

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

..... Same as heretofore. For a map of the proposed POD, use map on file under 28562

334-HU

7. Proposed place of use: (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.).....T.39 N., R.38 E., portions of Secs.....

...3 and 4; T.40 N., R.38 E., portions of Secs 7, 17, 18, 19, 20, 21, 28, 29 and 33; T.40 N., R.37 E., portions of Secs .....

...1, 2, 3, 12 and 13; T.41 N., R.37 E., portions of Secs 31, 32, 33, 34 and 35; T.41 N., R.36 E., portions .....

...of Secs 26, 27, 28, 29, 30, 33, 34, 35 and 36; T.41 N., R.35 E., portions of Secs 19, 20, 21, 25, 26, 27, and 28. For.....

....a map of the proposed POU, use map on file under 79041T.....

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.)

...20 acs NW¼ SE¼, 38.38 acs NE¼ SE¼, 38.13 acs SE¼ SE¼, 19.6 acs SW¼ SE¼ Sec 20, 40 acs NE¼ NE¼.....

... Sec 29, all in T.41 N., R.37 E., MDB&M.....(156.11 acres).....

.....

..2.49 acres in SE¼ SE¼ Section 20, T.41N R.37E to be stripped..... REL

.....see paper plat attached.....

9. Proposed use will be from.....April 1, 2010.....March 31, 2011 .....of each year.
Month and Day — Month and Day

10. Existing use permitted from.....May 1st.....to.....September 30st.....of each year. REL
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.)

...Existing 14" casing 138 feet deep.....

.....

12. Estimated cost of works:.....$50,000.....

13. Estimated time required to construct works:..... three (3) months.....
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use.....one (1) 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.)

.....See attached sheet.....

.....

16. Miscellaneouse remarks:

.....

.....

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

.....
E-mail

By .....R. Michael Turnipseed, P.E.....
Print or type name clearly

Signature, applicant or agent

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

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

STATE ENGINEER'S OFFICE
2009 DEC 16 AM 10:41

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

$150 FILING FEE MUST ACCOMPANY APPLICATION

79078T

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. The period of use will be from 4/1/2010 to 3/31/2011. The diversion rate on some of the applications is unusually high because during the hydrostatic test they need to fill the pipe as quickly as possible.

The base permit 28562 is in the name of Huttman but the FHA repossessed the farm and sold it to Leon Frey. Deeds and a Record of Conveyance will be forth coming.

An area 329.57 feet by 329.57 feet in the SE1/4 SE1/4 Section 20 T. 41 N., R. 37 E. MDB & M will be stripped of irrigation for the 2010 & possibly 2011 irrigation seasons at the rate of 3.1 AF/AC. This acreage will not be irrigated by any other permits.

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