

**THE STATE OF NEVADA****PERMIT TO CHANGE THE PUBLIC WATERS OF THE
STATE OF NEVADA HERETOFORE APPROPRIATED**

Name of applicant: DESERT PEARL FARMS, LLC
Source: UNDERGROUND
Basin: MASON VALLEY
Manner of Use: IRRIGATION
Period of Use: January 1st to December 31st
Priority Date: 05/04/1961

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 and place of use of a portion of the waters of an underground source as heretofore granted under Permit 19829, Certificate 6098 is issued subject to the terms and conditions imposed in said Permit 19829, Certificate 6098 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.

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

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The total combined duty of water under Permit 19829, Certificate 6098; Permit 80078 and any water from the Walker River Decree C-125, and any storage water appurtenant to the place of use shall not exceed 1,388 acre-feet per season for the irrigation of 347 acres within the described place of use. The permit holder is responsible for insuring delivery of the entitled decreed and storage rights that these permits supplement. In any year that the Federal Water Master or the Walker River Irrigation District declares a full allocation of decreed water to the priority years of C-125 Claims that these permits supplement, underground water shall not be pumped from the wells described in these permits.

(Continued on Page 2)

This permit for underground water is issued as a supplemental water supply to that land that has surface water rights from the East Walker River from Claim Number 63 (Greenwood Ditch Company, p.28) of the Walker River Decree C-125, or from storage water provided by the Walker River Irrigation District. Irrigation shall not exceed a duty of four (4) acre-feet per acre per season from the total of decreed, storage and underground waters.

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 3.21 cubic feet per second or 824.0 acre-feet annually.**

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

February / **2013**

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

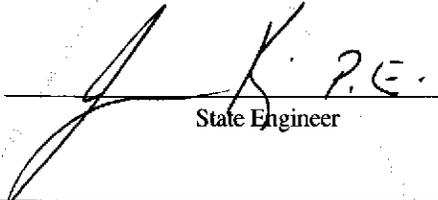
February / **2016**

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

February / **2016**

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 1st day of **February**, A.D. **2011**



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

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 AUG 06 2010

Returned to applicant for correction _____

Corrected application filed _____ Map filed AUG 06 2010

The applicant Desert Pearl Farms, LLC
Post Office Box 35 of Yerington
Street Address or PO Box City or Town
Nevada 89447 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 rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

Permit No. 19829 (Certificate No. 6098)

1. The source of water is Underground Sources
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 3.21 cfs not to exceed 824.00 acre feet annually
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Irrigation Purposes
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 Purposes
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.)
w/in the SE1/4 SE1/4 Section 34 T13N, R25E, MDM or at a point from which the SE corner of said Section 34 bears South 82 degrees 35 minutes 58 seconds East, a distance of 686.30 feet
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
w/in the SW1/4 SW1/4 Section 35 T13N, R25E, MDM or at a point from which the SE corner of said Section 35 bears South 89 degrees 09 minutes 20 seconds East, a distance of 4,016.50 feet (Refer to map filed under Permit No. 19829 (Certificate No. 6098))

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

~~Same as existing place of use~~ please see Exhibit A for existing & proposed place of use. M Dillon 12 Aug 2010

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.)

~~40.0 acres SW1/4 NE1/4, 38.0 acres SE1/4 NE1/4, 40.0 acres NW1/4 SE1/4, 39.0 acres SW1/4 SE1/4 and 38.0 acres SE1/4 SE1/4 of Section 34, 38.0 acres SW1/4 NW1/4, 38.0 NW1/4 SW1/4 and 38.0 SW1/4 SW1/4 Section 35 T13N, R25E, MDM totaling 309.0 acres (Refer to map under Permit No. 19829 (Certificate No. 6098))~~ please see Exhibit A for existing & proposed place of use. M Dillon 12 Aug 2010

9. Proposed use will be from January 1st to December 31st of each year.
Month and Day Month and Day

10. Existing use permitted from January 1st to December 31st 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.)

Drilled and cased well, equipped with motor, pump, totalizing meter and piping to irrigation system.

12. Estimated cost of works \$50,000.00

13. Estimated time required to construct works 2 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.)

A portion (2/3) of the water under Permit No. 19829 is being moved to the above proposed well site on the west side of State Route No. 208. The remaining portion (1/3) of the water in the existing point of diversion located on the east side of State Route No. 208 under Permit No. 19829 along with the portion (2/3) being placed into the proposed well will provide a a more efficient method to irrigate the existing fields and crops within the place of use. The water under Permit No. 19829 is supplemental to Walker River Decree Claim No. 63.

16. Miscellaneous remarks:

The Report of Conveyance, abstract of water right title and supporting documents were filed with the State Engineer's office on April 9, 2009 to show Desert Pearl Farms, LLC as the current owner of record.

mike@mbuschelman.com
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775-355-9628
Phone No. Ext.

Michael D. Buschelman

Michael D. Buschelman
Type or print name clearly
Signature, applicant or agent

Michael D. Buschelman Consulting, Inc.
Company Name

Post Office Box 51371
Street Address or PO Box

Sparks, Nevada 89435
City, State, ZIP Code

STATE ENGINEER'S OFFICE
2010 AUG 5 PM 1:43

EXHIBIT "A"**Application to Change No. 80078****Item No. 7 – Proposed Place of Use:**

40.0 acres SW1/4 NE1/4, 38.0 acres SE1/4 NE1/4, 40.0 acres NW1/4 SE1/4, 39.0 acres SW1/4 SE1/4 and 38.0 acres SE1/4 SE1/4 of Section 34; 38.0 acres SW1/4 NW1/4, 38.0 NW1/4 SW1/4 and 38.0 SW1/4 SW1/4 Section 35 T13N, R25E, MDM totaling 309.0 acres (Refer to map under Permit No. 19829 (Certificate No. 6098))

Item No. 8 – Existing Place of Use:

40.0 acres SW1/4 NE1/4, 38.0 acres SE1/4 NE1/4, 40.0 acres NW1/4 SE1/4, 39.0 acres SW1/4 SE1/4 and 38.0 acres SE1/4 SE1/4 of Section 34; 38.0 acres SW1/4 NW1/4, 38.0 NW1/4 SW1/4 and 38.0 SW1/4 SW1/4 Section 35 T13N, R25E, MDM totaling 309.0 acres (Refer to map under Permit No. 19829 (Certificate No. 6098))

The 38.0 acres within the NE1/4 SE1/4 Section 34 T13N, R25E, MDM is not owned by the Applicant and therefore not included in this proposed application to change.