THE STATE OF NEVADA

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

Name of Permittee:	**SESTANOVICH HAY & CATTLE, LLC**
Source:	**UNDERGROUND**
Basin:	**DIAMOND VALLEY**
Manner of Use:	**IRRIGATION**
Period of Use:	**JANUARY 1ST TO DECEMBER 31ST**
Priority Date:	**05/23/1962**

****

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 of a portion of the waters of an underground source as heretofore granted under Permit 20478, Certificate 6243, is issued subject to the terms and conditions imposed in said Permit 20478, Certificate 6243 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 total combined duty of water under Permit 18988, Certificate 6163 and Permit 80780 shall not exceed 640 acre-feet annually.

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 2.511 cubic feet per second or 640.0 acre-feet annually for the irrigation of 160 acres within the described place of use, but not to exceed 4.0 acre-feet per acre from any and/or all sources.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before: **August 30 2012**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before: **August 30 2016**
Map in support of proof of beneficial use shall be filed on or before: **August 30 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 30th day of **August**, A.D. **2011**

J. K. P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Application No. 80780

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 APR 14 2011

Returned to applicant for correction

Corrected application filed

Map filed NOV 20 1964 under 18988

The applicant Sestanovich Hay & Cattle LLC

HC 62 Box 62640 of Eureka
Street Address or PO Box — City or Town

Nevada 89316 hereby make(s) application for permission to change the
State and ZIP Code

REL per phone call 4-19-11

☒ 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.) ~~20478 to 18988~~

~~[illegible]~~

Permit 20478 Cert. 6243 REL

1. The source of water is underground
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 640 acre ft.
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for irrigation and domestic REL
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 and domestic REL
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.)

SE1/4 to SE1/4 Sec 10 T20N R53E M.D.B.&M. or at a point from which the SE corner of said Section 10 bears S 45° E a distance of 70.71 feet (map under 18988, PBU) REL

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

NE1/4 SW1/4 Sec 10 T20N R53E M.D.B.&M. or at a point from which the W1/4 corner of said Section 10 bears N 46° 34' W a distance of 1,868.0 feet. REL
(map under 18988 PBU)

153-EL

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.) 160 acres

SE 1/4 ~~SE 1/4~~ Sec 10 T20 R53 REL

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.)

SE 1/4 Sec 10 T20 R53

9. Proposed use will be from Jan 1 (Month and Day) to Dec 31st (Month and Day) of each year.

10. Existing use permitted from Jan 1st (Month and Day) to Dec. 31st (Month and Day) of each year.

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 well under 18988

12. Estimated cost of works existing REL

13. Estimated time required to construct works existing / year REL
If well completed, describe well.

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

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.)

16. Miscellaneous remarks: We are attempting to resolve the water issue with Eureka County. See attached letter.

Cheri Sestanovich
Type or print name clearly

Cheri Sestanovich
Signature, applicant or agent

Sestanovich Hay & Cattle LLC
Company Name

HC 62 Box 62640
Street Address or PO Box

Eureka, NV 89316
City, State, ZIP Code

E-mail Address

775-237-5259
Phone No. Ext.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

STATE ENGINEER
2011 APR 14 AM 11:43
RECEIVED

Revised 07/09 $200 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

8078U

OFFICE OF

Eureka County Public Works

Administrative Bldg.
701 South Main Street
P.O. Box 714 • Eureka, Nevada 89316

Phone: (775) 237-5372
Fax: (775) 237-5708
www.co.eureka.nv.us

January 11, 2011

Sestanovich Hay & Cattle, LLC
HC 62 Box 62640
Eureka, NV 89316

Reference: Nevada State Engineer Permit Numbers 20478, 20479, 18988 and 18989
Township 20 North, Range 53 East, Section 10

Dear Jerry and Cheri,

As you know there has been some confusion relating to the above referenced water permits. In an effort to clear up any confusion we asked our water right attorney to review the title issues associated with permits 20478, 20479, 18988 and 18989 at Eureka County's expense.

Our attorney found that Eureka County no longer has 18989 any interest in the permits utilized by Sestanovich Hay & Cattle, LLC, permit numbers ~~20478~~ and 18988. Further, our attorney found that Sestanovich Hay & Cattle, LLC continues to have points of diversion in the wells associated with permits 20479 and ~~18989~~ 20478 on the west ¼ of Section 10 owned by Eureka County. REV

Eureka County, at some point, may cap and/or abandon the two wells located in the west ½ ¼ of section 10. Prior to this being completed Sestanovich Hay & Cattle, LLC will need to move any diversionary interest you have and desire to retain off these wells. If you want to move your diversionary interest please let me know and I will ask our attorney to confirm this action is appropriate with the State Engineer's Office.

If you would like to discuss this in more detail please contact me directly and I will be happy to come out and meet with you.

Best regards,

Ronald Damele
Public Works Director

RECEIVED
2011 APR 14 AM 11:43
STATE ENGINEERS OFFICE