

THE STATE OF NEVADA

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

Name of Permittee: S.V. DEVELOPMENT, LTD AND F.M. FULSTONE, INC
Source: UNDERGROUND
Basin: SMITH VALLEY
Manner of Use: IRRIGATION
Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST
Priority Date: 01/07/1948

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, place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 68151 is issued subject to the terms and conditions imposed in said Permit 68151 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.

If any water under this permit is cancelled or any water is not put to beneficial use, it will revert to the groundwater source and not back to the base water right.

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 0.0173 cubic feet per second or 12.54 acre-feet annually, but not to exceed 4.0 acre-feet per acre from all sources.

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

June 26 2014

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

June 26 2018

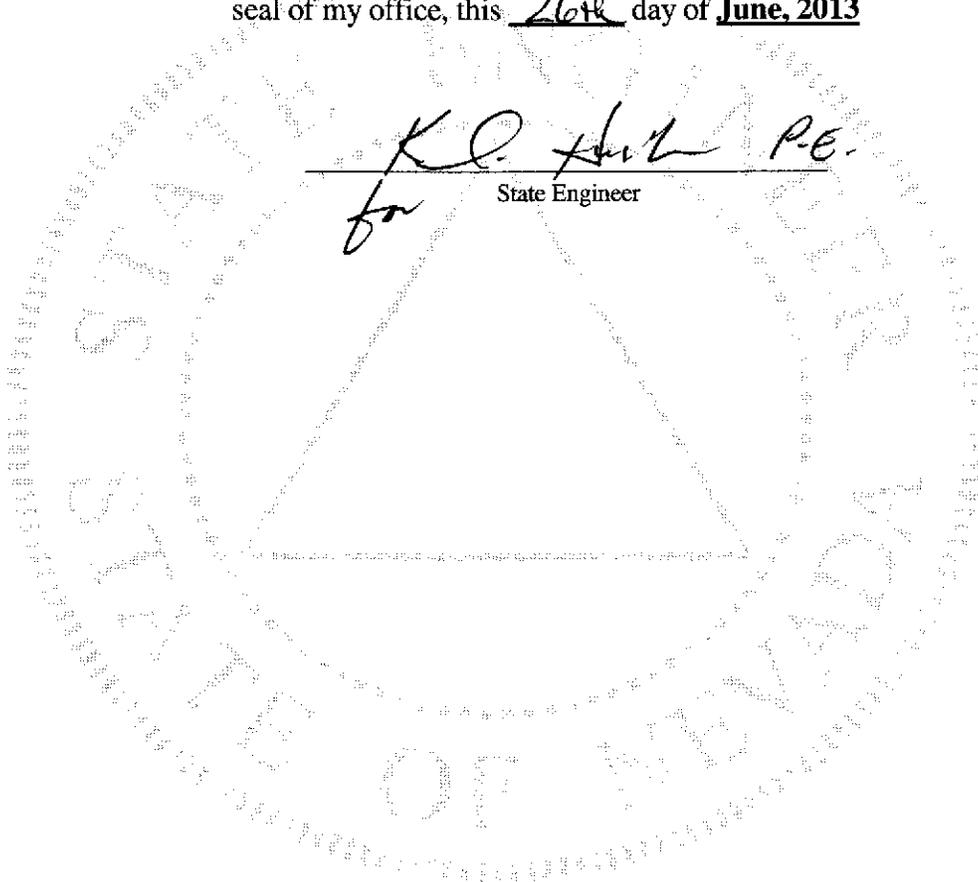
Map in support of proof of beneficial use shall be filed on or before:

June 26 2018

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 26th day of June, 2013

K. Q. King P.E.
for State Engineer



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 SEP 26 2011
Returned to applicant for correction _____
Corrected application filed _____ Map filed DEC 8 2004 under 71864 sht. 2

The applicant S.V. Development Ltd, LLC and F.M. Fulstone, Inc.
P.O. Box 61 of Smith
Street Address or PO Box City or Town
Nevada, 89430 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 *ACE*
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 # 68151

1. The source of water is underground
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 12.54 AFA
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for irrigation
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 commercial fish propagation and 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.)
SW 1/4 of the NE1/4 of Section 36, T.11N., R.23E., M.D.B.&M., from which the NW corner of said Section 36 bears N. 58° 49' 04" E. a distance of 3231.32 feet.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
SE 1/4 SE 1/4, Sec. 21, T. 10N., R. 24E., M.D.B.&M. or at a point which the E1/4 corner of said Section 21 bears N. 6° 48' 50" E., a distance of 1957.6 feet.

107-61

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

a portion of SE 1/4 SE 1/4, Sec. 31, T. 11N., R. 24 E. 3.13 acres

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 SE 1/4, Sec. 21, T. 10N., R. 24E.

9. Proposed use will be from 1/1 to 12/31 of each year.
Month and Day Month and Day

10. Existing use permitted from 1/1 to 12/31 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.)

water will also be diverted in an existing well under permit #71864; water will be discharged into existing concrete ditch and pressurized in existing pipeline to place of use;

12. Estimated cost of works \$25,000

13. Estimated time required to construct works existing casing 16"; depth 550'; US motor 150HP

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.)

water will be pressurized and applied in a wheel line; underground pipeline will be installed at proposed place of use; water usage will be the maximum allowed - 4.0 acft/acre

16. Miscellaneous remarks:

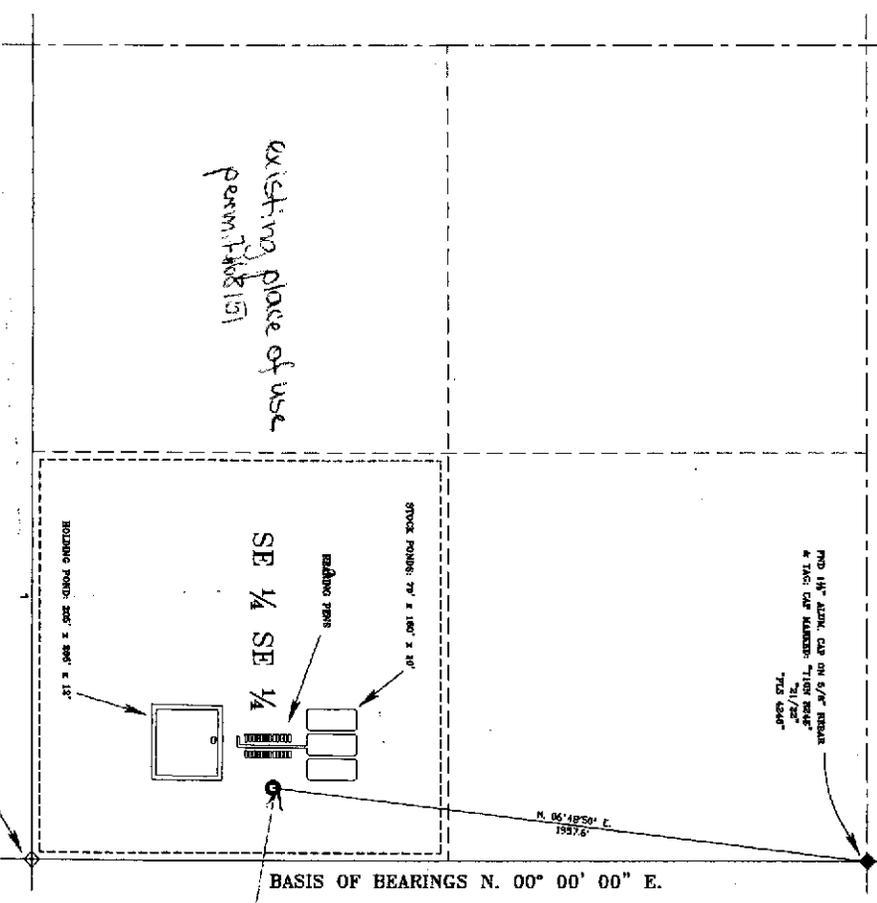
fulstoneranches@mvqn.net
E-mail Address
775-465-2341 or 775-721-3271
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Steven A. Fulstone
Type or print name clearly
Steven A. Fulstone
Signature, applicant or agent
S.V. Development Ltd, LLC and F.M. Fulstone, Inc.
Company Name
P.O. Box 61
Street Address or PO Box
Smith, NV 89430
City, State, ZIP Code

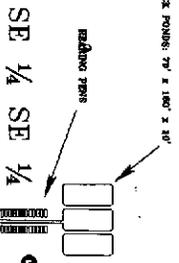
RECEIVED
2011 SEP 26 PM 1:20
STATE ENGINEERS OFFICE

T.10N. R.24E., M.D.B. & M.



existing place of use
perm. # 68151

POD 1/4\"/>



BASIS OF BEARINGS N. 00° 00' 00\"/>

existing point of diversion permit # 68151

STATE OF NEVADA
COUNTY OF WASHOE

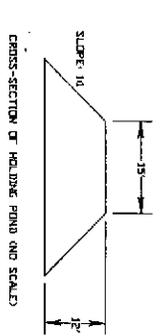
SS

I, GEORGE N. THIEL, BEING FIRST DULY SWORN, DEPOSE AND SAY THAT THIS MAP, CONSISTING OF ONE (1) SHEET, HAS BEEN CORRECTLY DRAWN AND PREPARED BY LANCE D. DANON, A LICENSED SURVEYOR UNDER MY SUPERVISION AND DIRECTION ON OR BEFORE OCTOBER 10, 2001, THAT IT TRULY AND CORRECTLY REPRESENTS THE FOREGOING LOCATION AND EXTENT OF WORKS USED TO DIVERT WATER FROM AN UNDERGROUND SOURCE IN THE COUNTY OF WASHOE, STATE OF NEVADA, FOR FISH PROPAGATION AND STORAGE. I AM NOT PROVIDING ANY INFORMATION CONCERNING THE LOCATION OR SIZE OF THE DIVERTING CHANNEL OR OTHER DEPOSIT, ALL RESERVOIRS OR BASINS. THE WILL BE FULLY AND CORRECTLY SUBDIVIDED BY 40-ACRE SUBDIVISION. ALL LANDS SHOWN BY 40-ACRE SUBDIVISION THE AREAS INDICATED TO BE SERVED ARE FULLY AND CORRECTLY DESIGNATED THEREON.



SUBSCRIBED AND SWORN TO before me a Notary Public in and for the State of Nevada, this 20th day of October, 2001.

Notary Public
State of Nevada



LEGEND

- PROPOSED PLACE OF USE
- PROPOSED POINT OF DIVERSION
- FOUND SECTION CORNERS AS NOTED
- FOUND QUARTER CORNERS AS NOTED



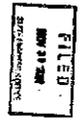
SHEET 1 OF 1



BASIS OF BEARINGS

THE EAST SECTION LINE OF THE SE 1/4 OF SECTION 21, T10N., R24E., M.D.B. & M., BEARING N. 00° 00' 00\"/>

STATE ENGINEER'S USE



TO ACCOMPANY APPLICATION TO CHANGE THE POINT OF DIVERSION, MANNER & PLACE OF USE OF THE WATERS HERETOFORE APPROPRIATED UNDER PERMIT 68469 BY LANCE D. DANON FOR FISH PROPAGATION & DOMESTIC PURPOSES FROM AN UNDERGROUND SOURCE CHURCHILL COUNTY NEVADA

78084T 69123 68257 68256 68151



81191

**DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES**

901 South Stewart Street, Suite 2002

Carson City, Nevada 89701-5250

(775) 684-2800 • Fax (775) 684-2811

<http://water.nv.gov>

October 5, 2010

S.V. Development Ltd, LLC and
F.M. Fulstone, Inc.
P.O. Box 61
Smith, NV 89430-0061

RE: PERMIT 68151

This is to inform you that the Application for Extension of Time has been granted to **September 26, 2011** with the provision that no further extensions will be granted for filing of the **Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact Sam Monteleone at (775) 684-2800.

Sincerely,

A handwritten signature in black ink that reads "Sam Monteleone".

Sam Monteleone
Staff I Associate Engineer

SEM/mt

cc: Steven A. Fulstone
Michael Turnipseed