



THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of Permittee: MCKAY LIVESTOCK, INC
Source: UNDERGROUND
Basin: STEPTOE VALLEY
Manner of Use: STOCKWATERING
Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST
Priority Date: 04/30/2012

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 all existing rights on the source. 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 period of use and the average number of livestock served from the waters of this source. It is further understood that this right must allow for a reasonable lowering of the static water level at permittee's well due to any other ground water development in the area. The well shall be equipped with a 2-inch opening for measuring depth to water. If well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water herein granted at any and all times but does not take responsibility for the use of the Federal range.

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 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 0.0124 cubic feet per second or 8.96 acre-feet annually, or sufficient to water 400 head of cattle.**

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

November 27 2013

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

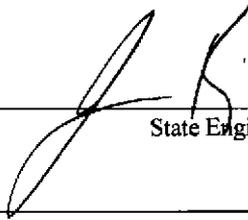
November 27 2015

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

N/A

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 27th day of November, 2012



State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

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 30 2012

Returned to applicant for correction _____

Corrected Application filed _____ Map filed APR 25 2000 under 66107

The applicant McKay Livestock, Inc.

P.O. Box 942 of McGill

Street Address or P.O. Box City or Town

Nevada, 89318 hereby make(s) application for permission to appropriate the

State and ZIP Code

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.)

McKay Livestock, Inc., 3/19/2004, Nevada

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1. The source of water is Underground
Name of the stream, lake, underground, spring or other sources.
 2. The amount of water applied for is 0.0124 cfs
One second foot equals 448.83 gallons per minute.
 - (a) If stored in a reservoir give the number of acre-feet _____
 3. The water is to be used for Stockwater
Irrigation, power, mining, commercial, domestic or other use. Must be limited to one major use.
 4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated _____
 - (b) Stockwater, state number and kind of animals 400 Cattle
 - (c) Other use (describe fully in No. 12) _____
 - (d) Power:
 - (1) Horsepower developed _____
 - (2) Point of return of water to stream _____

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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 so stated.)

NE1/4 SW1/4 Section 9, T.23N., R.62E., M.D.B. & M., or at a point from which the Southeast corner of Section 16, T.23N., R.62E., M.D.B. & M. bears S.21°26'45" E., a distance of 8,013.04 feet. For a map of proposed POD, use map on file under 66107.

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

NE1/4 SW1/4, SE1/4 Section 9, SW1/4, SW1/4 SE1/4 Section 10, NW1/4, NE1/4, W1/2 SE1/4, SW1/4 Section 15, NE1/4, SE1/4 Section 16, NE1/4, SE1/4 Section 21, NW1/4, W1/2 NE1/4, W1/2 SE1/4, SW1/4 Section 22, N1/2 NW1/4, NW1/4 NE1/4 Section 27 all in T. 23 N., R. 62 E., M.D.B. & M.

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 provisions 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 a pump and motor, etc.)

Existing well equipped with a motor, pump, pipelines, and stock troughs

9. Estimated cost of works: \$5,000

10. Estimated time required to construct works: Three (3) years
(If the well is complete, describe works.)

11. Estimated time required to complete the application of water to beneficial use: Five (5) 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.)

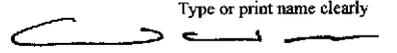
Existing well equipped with a motor, pump, pipelines, and stock trough to water 400 cattle within the proposed place of use.

13. Miscellaneous remarks:

BLM is proposing to complete range improvements on the Cherry Creek Allotment and install a pipeline and several troughs to the southern portions of the place of use

almberg@basineng.com
E-mail Address
(775) 289-9800
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Emil W. Almborg, Jr., P.E./P.L.
Type or print name clearly

Signature, applicant or agent
Basin Engineering Corporation
Company Name
1070 E. Aultman Street
Street Address or PO Box
Ely, NV 89301
City, State, ZIP Code

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