THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of Permittee:	**PEQUOP CONSERVANCY, LLC**
Source:	**UNDERGROUND**
Basin:	**INDEPENDENCE VALLEY (PEQUOP VALLEY)**
Manner of Use:	**IRRIGATION**
Period of Use:	**JANUARY 1ST THROUGH DECEMBER 31ST**
Priority Date:	**06/15/2012**

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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 permit is issued subject to existing rights. 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 amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. 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 water begins, or before the Proof of Completion of Work is filed. 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 Permits 81967, 81968, and 81969 shall not exceed 1074.00 acre-feet annually for the irrigation of 268.50 acres within the described place of use.

The total combined duty of water under Permits 81967, 81968, 81969, 81972, 81973 and 81974 shall not exceed 2,160 acre-feet annually for the irrigation of 540 acres within the described place of use.

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 4.5 cubic feet per second or 1,074.0 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:	**September 13 2015**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**September 13 2018**
Map in support of proof of beneficial use shall be filed on or before:	**September 13 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 13th day of **September, 2013**

P.E.

State Engineer

Application No. 81969

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 JUN 1 5 2012

Returned to applicant for correction _____

Corrected application filed _____ Map filed JUN 15 2012 under 81967

The applicant Pequop Conservancy, LLC

P.O. Box 7335 (Street Address Or P.O. Box) of Reno (City or Town)

Nevada, 89510 (State and Zip code No.) hereby make(s) application for permission to appropriate the 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.)

June 26, 2008 in Nevada

1. The source of water is Underground
   Name of stream, lake, underground, spring or other sources
2. The amount of water applied for is 4.50 cfs 1074.00 acre feet annually second feet.
   One second foot equals 448.83 gallons per minute.
   (a) If stored in reservoir give number of acre-feet _____
3. The water to be used for Irrigation
   Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.
4. If use is for:
   (a) Irrigation, state number of acres to be irrigated 268.50 acres
   (b) Stockwater, state number and kind of animals _____
   (c) Other use (describe fully in No. 12) _____
   (d) Power:
      (1) Horsepower developed _____
      (2) Point of return of water to stream _____

108-EL

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.)

NW1/4 NW1/4 of Section 23, T.37 N., R.64 E., M.D.B. & M., at a point from which the Northwest Corner of said Section 23, bears N 29° 39' 52" W, 416.05 feet.

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

S1/2 of Section 15, NE1/4 of Section 21 and NW1/4 of Section 23, all in T.37 N., R.64 E., M.D.B. & M.

7. Use will begin about January 1st (Month and Day) and end about December 31st (Month and Day) of each year.

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 pump and motor, etc.)

Drilled well, pump, pipelines and pivot sprinkler system.

9. Estimated cost of works: $10,000

10. Estimated time required to construct works: 3 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 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.)

Drilled well, pipelines and sprinklers to irrigate 268.50 acres within the proposed place of use

13. Miscellaneous remarks:

The waters under this application are for additional duty and diversion rate at the same point of diversion as the proposed point of diversion of Permit No. 78264. The waters under this application, the two additional applications being filed herewith at the existing points of diversion of Permit No. 78262 and 78263 and the waters under Permits 78262, 78263 and the new Permit issued under Permit No. 78264 are to be co-mingled at a total combined duty of 2160.00 acre feet annually for the irrigation of 540 acres within the proposed place of use.

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E-mail Address

(775) 738-4053
Phone No.

Robert E. Morley
Type or print name clearly

By Robert E. Morley
Signature, applicant or agent

High Desert Engineering, LLC
Company Name

640 Idaho Street
Street Address or P.O. Box

Elko, Nevada 89801
City, State, Zip Code

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STATE ENGINEERS OFFICE

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$300 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

Revised 11-07