

TEMPORARY

THE STATE OF NEVADA

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

Name of Permittee: KERNS ENTERPRISES, LLC
Source: UNDERGROUND
Basin: RUBY VALLEY
Manner of Use: STOCKWATERING
Period of Use: ONE YEAR FROM DATE OF ISSUANCE
Priority Date: 12/05/2002

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 temporary 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 69366, Certificate 16559 is issued subject to the terms and conditions imposed in said Permit 69366, Certificate 16559 and with the understanding that no other rights on the source will be affected by the change proposed herein. 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 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 total combined duty of water under Permit 68166, Certificate 16557; Permit 69365, Certificate 16558; Permit 69366, Certificate 16559; Permit 69367, Certificate 16560; Permit 69368, Certificate 16561; Permit 69369, Certificate 16562; Permit 69370, Certificate 16563 and Temporary Permit 82050T shall not exceed 13.44 acre-feet annually or sufficient to water 600 head of cattle.

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

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire 1 year after the approval of the permit at which time all rights herein granted shall revert to the right being changed by this temporary permit.

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 0.0094 cubic feet per second or 6.72 acre-feet annually, sufficient to water 300 head of cattle.**

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

N/A

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

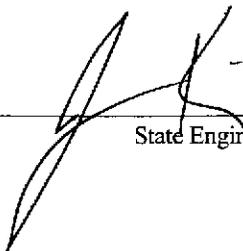
N/A

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 17th day of September, 2012



State Engineer P.E.



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 13 2012

Returned to applicant for correction _____

Corrected application filed _____ Map filed AUG 13 2012

The applicant Kerns Enterprises, LLC
HC 60, Box 681 of Ruby Valley
Street Address or PO Box City or Town
Nevada 89833 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 # 69366 (cert. #16559)

1. The source of water is underground
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 0.0094 cfs
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for stockwater (300 cattle, portion to be moved)
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 stockwater (600 cattle)
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.)
within the SW¼NE¼ Section 2, T29N.,R.58E., M.D.M., from which the N. quarter-corner of said section 2 bears N.8°03'W., 2,026 ft. dist.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
Lot 2, Section 11, T.29N.,R.58E., M.D.M., from which the NE corner of Section 2, in said township, bears N.27°11'E., 8,620 ft. dist. (please refer to map under #69365 et al)

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

SW¼NE¼ Section 2, T.29N., R.58E., M.D.M.

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.)

N½NW¼, Lot 2 & Lot 3, Section 11, T.29N., R.58E., M.D.M.

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

10. Existing use permitted from Jan.1 to Dec.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.)

drilled and cased well, submersible pump and motor, discharge into storage tank, then to stock watering trough.

12. Estimated cost of works \$20,000.00

13. Estimated time required to construct works 6 months

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use one year

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.)

The present drought has forced owner to provide water to livestock at the proposed place of use. Upon confirmation of adequacy of the aquifer at this proposed point of diversion, a permanent application will be filed.

16. Miscellaneous remarks:

Please send copies of notices and correspondence to the undersigned agent.

RECEIVED
2012 AUG 13 AM 11:34
STATE ENGINEERS OFFICE

William A. Nisbet, agent

wnisbet@chilton-i-inc.com

E-mail Address

738-2121

Phone No.

111

Ext.

Type or print name clearly

William Co. Nisbet

Signature, applicant or agent

Chilton Engineering & Surveying

Company Name

421 Court Street

Street Address or PO Box

Elko, Nevada 89801-3527

City, State, ZIP Code

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT