

**THE STATE OF NEVADA****PERMIT TO APPROPRIATE WATER**

Name of Permittee: FARMLAND RESERVE, INC.
Source: UNDERGROUND
Basin: PANACA VALLEY
Manner of Use: IRRIGATION AND DOMESTIC
Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST
Priority Date: 08/08/2014

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. The State retains the right to regulate the use of the water granted herein at any and all times.

The permittee shall keep monthly records of the amount of water pumped from this well and all other wells within the commingled place of use and the records submitted to the State Engineer on an annual basis by February 15th of each year.

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.

This permit is issued for diversion rate only and will not increase the duty of water already appropriated for the proposed place of use. The total combined duty of water under Permits 21236, 21237, 24680, 65704, 67192, 69447, 71389, 71390, 78919, 78920, 78921 and 84230 shall not exceed 2,944.20 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)

This permit is issued for diversion rate only. The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 4.1 cubic feet per second or 2,944.2 acre-feet annually.**

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

November 20 2016

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

November 20 2017

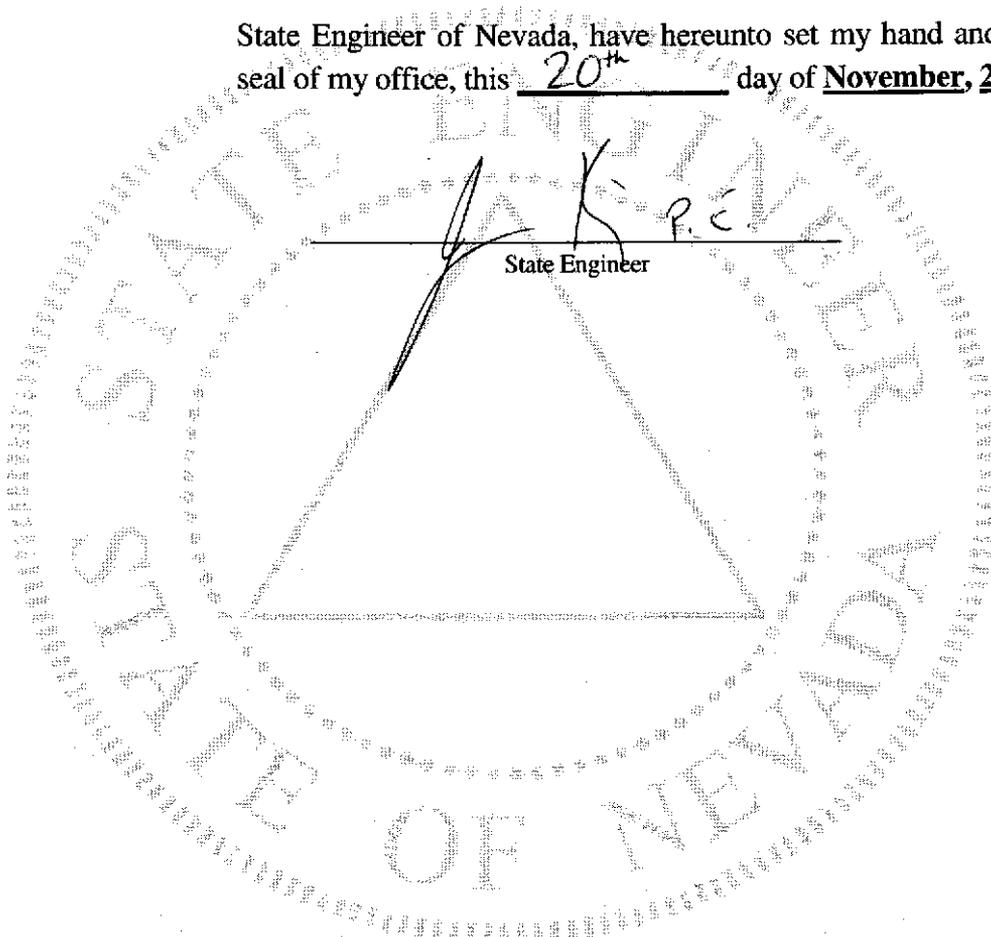
Map in support of proof of beneficial use shall be filed on or before:

November 20 2017

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 20th day of November, 2014


State Engineer



Application No. 84230

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 AUG 08 2014

Returned to applicant for correction _____

Corrected Application filed _____ Map filed AUG 08 2014

The applicant Farmland Reserve, Inc., Attention: Kelly Tryon
79 South Main Street, Suite 1000 of Salt Lake City
Street Address or P.O. Box City or Town

Utah 89411 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.)
2010 - Utah

RECEIVED
 2014 AUG -8 AM 11:00
 STATE ENGINEER'S OFFICE
 EVS
 PER EMAIL
 OF 11/14/2014

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1. The source of water is an underground source
Name of the stream, lake, underground, spring or other sources.
 2. The amount of water applied for is 4.0 6.0 cubic feet per second (Diversion rate only)
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 Irrigation and Domestic Purposes
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 588.84 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 _____

Panaca Valley
13-203
L1

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.)
within the SE1/4 of the NW1/4 of Section 19, T.2S., R.68E., M.D.M., or at a point from the NW corner of said Section 19, North 36°21'34" West, a distance of 3,022.46 feet. Refer to map filed in support of this application.

6. Place of use: (Describe by legal subdivision. If on unsurveyed land, it should be so stated)
within portions of the SW1/4 of Section 13, all of Section 14, the NE1/4 of Section 23 and the N1/2 and the SE1/4 of Section 24, T.2S., R.67E., M.D.M., the SE1/4 of the SW1/4, the SW1/4 of the SE1/4 of Section 18, the NW1/4, the W1/2 of the NE1/4, the N1/2 of the SW1/4, and the NW1/4 of the SE1/4 of Section 19, T.2S., R.68E., M.D.M. Refer to map filed in support of this application.

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.)

A drilled and cased well, equipped to a motor, pump, totalizing meter and pipeline to irrigation distribution system.

9. Estimated cost of works: in excess of \$200,000

10. Estimated time required to construct works: Two (2) 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.)

This application proposes to allow farm operator the ability to supplement flows to the westerly portion of the ranch by expanding the irrigation distribution system. Existing wells located West of the highway do not provide sufficient gallons per minute to adequately irrigate permitted acreage. This application also allows potential expansion of the farm properties or re-configuration of pivots or wheel lines to irrigate the total 588.84 acres within the PPOU.

13. Miscellaneous remarks:

This application seeks to appropriate diversion rate only; no additional water is being requested. The total combined duty under Permit Nos. 21236, 21237, 24680, 65704, 67192, 69447, 71389, 71390, 78919, 78920, 78921, and this application, shall be limited to 2,944.20 acre-feet annually, and 5.0 acre-feet per acre.

cfacque@farrwestengineering.com

E-mail Address

775-853-7268

Phone No.

Ext.

Chris N. Facque

Type or print name clearly

Signature, applicant or agent

Farr West Engineering

Company Name

5442 Longley Lane, Suite A

Street Address or PO Box

Reno, Nevada 89511

City, State, ZIP Code

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT