

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

Name of Permittee: ESM 2, LLC
Source: UNDERGROUND
Basin: ELKO SEGMENT
Manner of Use: QUASI-MUNICIPAL
Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST
Priority Date: 03/31/1960

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 the waters of an underground source as heretofore granted under Permit 18686, Certificate 5830, is issued subject to the terms and conditions imposed in said Permit 18686, Certificate 5830, 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. 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.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

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 0.0334 cubic feet per second or 7.27 acre-feet annually.

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

July 26 2017

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

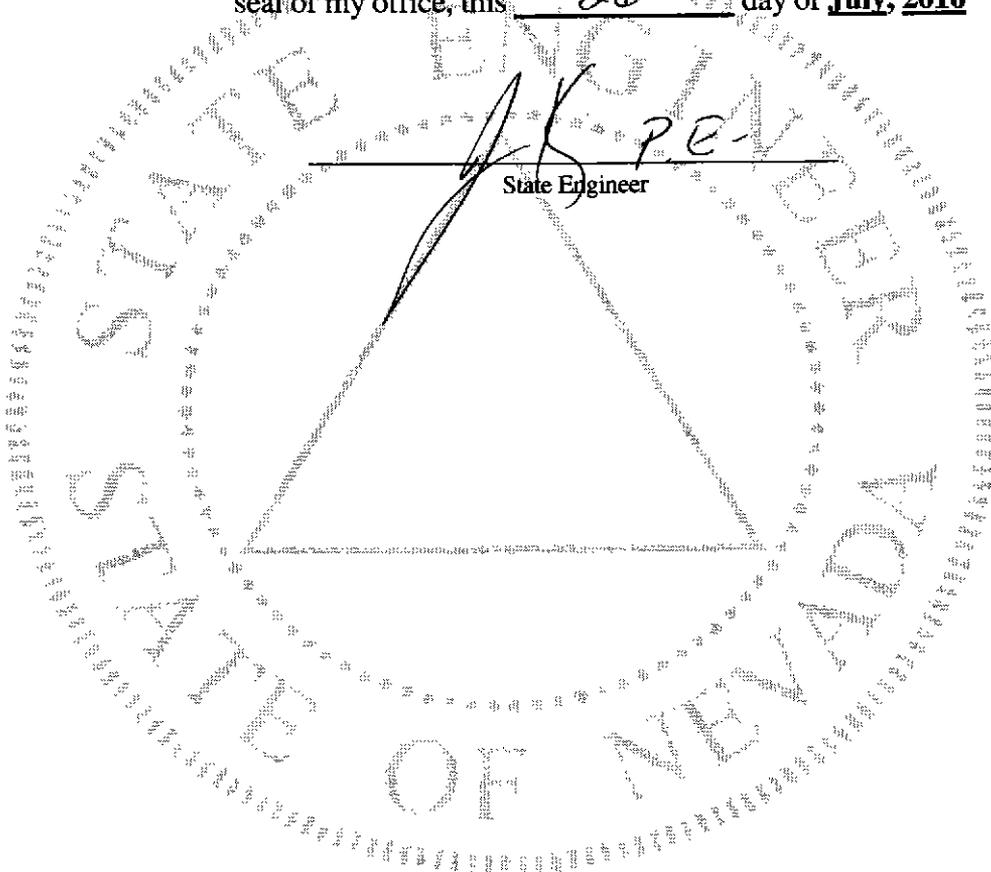
July 26 2021

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 26th day of July, 2016



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 JAN 16 2015

Returned to applicant for correction _____

Corrected application filed _____ Map filed Apr 20 1988 under 52025

The applicant ESM 2, LLC
3250 Sundance Drive of Elko
Street Address or PO Box City or Town
Nevada 89801
State and ZIP Code

hereby make(s) application for permission to change the

- 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 No. 18686, Certificate No. 5830

1. The source of water is an underground source
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.0334 cubic-feet per second and 2.37 million gallons annually
Second feet, acre-feet. One second foot equals 448.83 gallons per minute. 7.2733 AF

3. The water to be used for Quasi-Municipal Purposes
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 ~~Quasi-Municipal Purposes~~ Commercial 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.)
NE1/4 SW1/4 of Section 17, T 34 N, R 55 E, MDB & M., at a point from which the SW corner of said section 17 bears S 46° 24' 12" W., 3,039.15 feet. Refer to map filed in support of Permit No. 52025.

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
NW14 SW1/4 Sec. 20, T.34N.,R.55E., M.D.B.&M., or at a point from which the N.W. corner of said section 20 bears N.9° 39' W., a distance of 3,595.2 feet. Refer to map filed in support of Permit No. 18686, Certificate 5830.

KG
1/26/15

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7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)
within portions of the W1/2 of Section 17, the W1/2 of the NW1/4, and the NW1/4 of the SW1/4 of Section 20, T.34N., R.55E., M.D.M. Refer to map supporting filed in support of this Application No. 84721

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.)
within the NW1/4 SW1/4 Section 20, T.34N., R.55E., M.D.M. Refer to supporting map filed under Permit No. 18686, Certificate 5830.

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

10. Existing use permitted from January 1 to December 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.)
existing drilled and cased well, sanitation equipment, pipelines, storage tanks and distribution system to the proposed place of use.

12. Estimated cost of works in excess of \$800,000

13. Estimated time required to construct works None - Existing Works
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use Ten (10) 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 under this application is proposed to allow for the development of up to 200 residences within the proposed place of use.

16. Miscellaneous remarks:

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2015 JAN 16 PM 2:43
STATE ENGINEERS OFFICE

cfacque@farrwestengineering.com
E-mail Address
(775) 853-7268
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Chris N. Facque
Type or print name clearly
[Signature]
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