

AMENDED
THE STATE OF NEVADA
PROOF OF SUBSISTING RIGHT OF WATER FOR
STOCK WATERING PURPOSES

Pursuant to N.R.S. 533
As Amended by Chapter 473, 1993 Statutes, Sections 2, 3 and 4
Effective October 1, 1993

(1) Name of Claimant Slagowski Ranches, Inc., a Nevada corporation,
[Street and No. or P. O. Box No.] Pine Valley of [City or town] via Carlin, [State and Zip
Code No.] Nevada 89822.

(2) Source of water [Name of natural water source] Big Pole Creek, its
tributaries and springs within its drainage basin.

(3) The water is diverted by [Dam, ditch, pipe line, natural channel, spring area, etc.]
Natural channel.

(4) The water is diverted at the following point(s) [Describe as being
within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed
land it should be stated. Diversion over a channel reach must be described by course and distance to a section
corner for both the beginning and end of such reach.] The reach is composed of 2
segments of the source being described as follows:

Segment 1

The diversion is throughout the segment of the reach of the
source beginning at the head of each of 5 tributaries and ending at
a point where the source leaves the area of grazing use of the
claimant. The beginning of each tributary is described as follows:

A. A point within the SE1/4NE1/4 of Section 10, Township 28
North, Range 50 East, MDB&M, from which the East $\frac{1}{4}$ corner of
Section 13, Township 28 North, Range 50 East, MDB&M, bears South
62°56'16" East a distance of 12,201.88 feet.

B. A point within the NE1/4NE1/4 of Section 10, Township 28
North, Range 50 East, MDB&M, from which the East $\frac{1}{4}$ corner of
Section 13 Township 28 North, Range 50 East, MDB&M, bears South 55°
18'24" East a distance of 13,500.42 feet.

C. A point within the SW1/4NE1/4 of Section 34, Township 29

North, Range 50 East, MDB&M, from which the East $\frac{1}{4}$ corner of Section 13, Township 28 North, Range 50 East, MDB&M, bears South $47^{\circ}23'45''$ East a distance of 16,452.06 feet.

D. A point within the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 35, Township 29 North, Range 50 East, MDB&M, from which the East $\frac{1}{4}$ corner of Section 13, Township 28 North, Range 50 East, MDB&M, bears South $39^{\circ}26'33''$ East a distance of 10,578.34 feet.

E. A point within the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, Township 29 North, Range 50 East, MDB&M, from which the East $\frac{1}{4}$ corner of Section 13, Township 28 North, Range 50 East, MDB&M, bears South $03^{\circ}12'10''$ East a distance of 9,524.19 feet.

The end of each of the reaches for Segment 1 is at a point within the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 7, Township 28 North, Range 51 East, MDB&M, from which the West $\frac{1}{4}$ corner of Section 18, Township 28 North, Range 51 East, MDB&M, bears South $25^{\circ}25'32''$ East a distance of 2,928.05 feet.

Segment 2

Beginning at a point within the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, Township 28 North, Range 51 East, MDB&M, from which the West $\frac{1}{4}$ corner of said Section bears South $83^{\circ}51'05''$ West a distance of 3,465.58 feet; thence following down the natural channel to a point within the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, Township 28 North, Range 51 East, MDB&M, from which the Southwest corner of Section 19, Township 28 North, Range 52 East, MDB&M, bears North $27^{\circ}34'56''$ East a distance of 7,323.63 feet.

(5) The water is impounded in [Troughs, tanks, pools, reservoir, natural channel, etc.]
Natural channel.

(6) The construction of the ditch or other works was begun [Date] None and completed [Date] None.

(7) The nature of the claimant's title to the land upon which the source of water and place of use are located is [Patented, deeded, public domain with grazing permit, etc.] Public domain upon which the claimant holds a grazing permit and unfenced private land of others within the claimant's area of grazing use. The public domain is described as follows:

T29N, R50E, MDB&M

Section 34: SW $\frac{1}{4}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$

Section 36: E1/2SE1/4
T28N, R50E, MDB&M

Section 2: Part

Section 10: E1/2NE1/4

Section 12: N1/2N1/2; SENE
T28N, R51E, MDB&M

Section 21: S1/2NE1/4; NE1/4SE1/4

Section 22: W1/2SW1/4; SW1/4SE1/4

Section 26: SW1/4SW1/4

Section 27: NE1/4NW1/4; W1/2NE; N1/2SE1/4; SE1/4SE1/4

Section 35: N1/2NW1/4; S1/2NE1/4; NW1/4NE1/4

Section 36: S1/2NW

The unfenced private land is described as follows:

T29N, R50E, MDB&M

Section 35: W1/2SW1/4; SE1/4SW1/4; SW1/4SE1/4

T28N, R50E, MDB&M

Section 11: N1/2N1/2; SW1/4NW1/4

T28N, R51E, MDB&M

Section 7: SW1/4NW1/4; N1/2SW1/4; SE1/4SW1/4;
SW1/4SE1/4

(8) The claimant's water right was not recorded in the office of the County Recorder of _____ County, at Page _____ of Book _____ of _____.

(9) The items of evidence for the numbers of livestock and date of priority are Affidavit of Walter I. Leberski.

(10) The approximate number of animals watered by the claimant during the first year (Date) 1872 was unknown cattle, _____ horses _____ sheep or [Other] _____. The watering was conducted during each of the following months April 1 to December 1.

(11) The approximate number of animals watered by the claimant in subsequent years was as follows: [If water was not used, or used in reduced quantity at any time, full information as to causes and duration of non-use should be given] 100 cattle (see Remarks).

(12) The amount of water which has been necessary to be diverted for this purpose has been [448.83 gal. per min. equals 1 cubic foot per second] .0031 cubic feet per second.

(13) The works are located at [Describe as being within a 40-acre subdivision, section,

township and range of public survey. If on unsurveyed land, it should be stated. None

Remarks [Improvements, title, etc.] This claim is associated with two ranch properties, one being known as the Goodfellow or Cross Ranch and the other being known as the Knight Ranch, a portion of the JD Ranch. The Goodfellow Ranch was acquired by Floyd Slagowski, one of the original incorporators of the claimant in 1946 and the corporation acquired the Knight Ranch in 1993. (See chain of title attached to Affidavit of Walter I. Leberski filed herein.)

The basis of this claim is documentation contained in old files of the Bureau of Land Management, copies of which are attached to the Affidavit of Walter I. Leberski.

George Goodfellow stated that he ran upon the range all the cattle that the hay crop would carry in his application for grazing permit dated March 27, 1935. He further states that at that time he owned 1,100 cattle which grazed in Pine Valley. This number of cattle is substantiated in a February 1870 issue of Elko Independent newspaper, which states that the Bradleys, predecessors to the claimant, ran from 1,500 to 2,000 cattle beginning that operation in 1864. These numbers are further substantiated by tax records maintained in the Office of the Eureka County Treasurer as to numbers of livestock assessed to the owner of the ranch property. Paul Lane, a predecessor in interest, was assessed for numbers during the years specified as follows:

| <u>Year</u> | <u>Cattle</u> | <u>Horses</u> |
|-------------|---------------|---------------|
| 1895 | 725 | 100 |
| 1896 | 1,000 | 100 |
| 1897 | 900 | 100 |
| 1898 | 600 | 100 |
| 1899 | 600 | 100. |

As to priority, George Goodfellow states that the range had been used for 66 years prior to 1935 or starting at 1869 which date is comparable to the newspaper account referred to above.

As to season of use, Goodfellow states it is April 1 to December 1.

The claimant purchased property which is known as the Knight Ranch in 1993. The early owners of this ranch and additional property were Winzell and Cockrill. A chain of title attached to the Affidavit of Walter I. Leberski indicates that this

property started using the range on or before 1887. Although this ranch was some 24 miles from the Goodfellow property (see Affidavit of E. R. Henderson attached to Affidavit of Walter I. Leberski), the cattle from that ranch intermingled on the range with those of Goodfellow. Therefore, upon acquisition of the Knight Ranch, the claimant acquired some of the use area of Winzell & Cockrill.

Grazing licenses issued by the Bureau of Land Management (formerly Grazing Service) show that George Goodfellow had a right for 415 cattle and horses and Stephen Damele, successor to Winzell & Cockrill for 800 cattle. It is noted that only 50% of the 800 cattle were licensed in the Elko Grazing District, which would indicate 400 cattle in the area of the sources of water of Sheep Creek and Big Pole Creek. From the total of 815 livestock (415 livestock from Goodfellow and 400 livestock from JD Ranch) and from experience in managing livestock in the area, it is the opinion of the claimant that 75 cattle used the source of Sheep Creek and 100 cattle the source of Big Pole Creek. The remaining numbers of livestock grazing the general area of open range used other water sources.

For chain of title of the ranch properties, evidence of numbers of livestock and other references herein, refer to documents attached to the Affidavit of Walter I. Leberski.

The undersigned, being first duly sworn, deposes and says that the corporation owns or controls the livestock presently watered by the Claimant, and that the facts relative to the proof of subsisting right by Slagowski Ranches, Inc. are full and correct to the best of its knowledge and belief [If proof is not made by claimant, deponent should state on this

line by virtue of what authority he represents the claimant.] _____

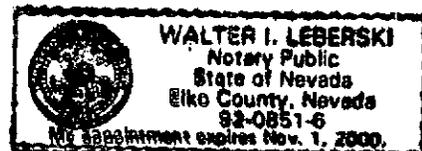
CLAIMANT:

SLAGOWSKI RANCHES, INC.

By: Carl S. Slagowski
Carl Slagowski, President
Telephone No. (702) 754-2377

Subscribed and sworn to before me
this 7th day of Feb, 1996-1997

Walter I. Leberski



NOTARY PUBLIC

\$50 FILING FEE MUST ACCOMPANY PROOF

ORIGINAL

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Segment 1

The diversion is throughout the segment of the reach of the source beginning at the head of each of 5 tributaries and ending at a point where the source leaves the area of grazing use of the claimant. The beginning of each tributary is described as follows:

A. ✓ A point within the SE1/4NE1/4 of Section 10, Township 28 North, Range 50 East, MDB&M, from which the East ¼ corner of Section 13, Township 28 North, Range 50 East, MDB&M, bears South 62°56'16" East a distance of 12,201.88 feet.

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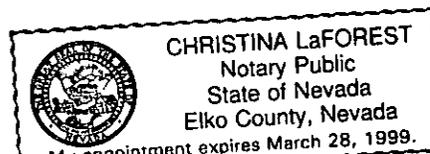
CLAIMANT:

SLAGOWSKI RANCHES, INC.

By: Carl Slagowski
Carl Slagowski, President
Telephone No. (702) 754-2377

Subscribed and sworn to before me
this 9th day of July, 1996.

Christina LaForest
NOTARY PUBLIC



\$50 FILING FEE MUST ACCOMPANY PROOF