

STATE OF NEVADA

**PROOF OF APPROPRIATION OF WATER FOR STOCK WATERING  
OR WILDLIFE PURPOSES**

(1) Name of claimant Blue Diamond Oil Corp  
P.O. Box 150432 of Ely  
Street Address or PO Box City or Town  
Nevada 89315  
State and ZIP Code

(2) Source of water Young American Spring  
Name of natural water source

(3) The water is diverted by:  
Pipe into tank

Dam, ditch, pipe line, natural channel, spring area, etc.

(4) The water is diverted at the following point(s):  
NW/4 SW/4, Section 14, T14N, R63E, M.D.B&M., GPS NAD 83, 39°4.382,5'N, 114°52.284,6'W

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.

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

(6) The construction of the ditch or other works was begun Prior to 1905  
completed Prior to 1905 Date

(7) The nature of the claimant's title to the land upon which the source of water and place of use are located is:  
Deeded Land

Patented, deeded, public domain with grazing permit, etc.

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

NOTE - Failure to record in the county in no way invalidates a water right, but if water right was so recorded, supply full information under (8).

(9) The approximate number of animals watered by the claimant during the first year Prior to 1905  
Date  
was 1234 cattle 2 horses 1743 sheep or wildlife (describe)

The watering was conducted during each of the following months:  
5/1 to 11/1

179-217

(10) The approximate number of animals watered by the claimant in subsequent years was as follows:  
1234 Cattle and 1734 sheep

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.

(11) The amount of water which has been necessary to be diverted for this purpose has been

.0494 cubic feet per second.

448.83 gallons per minute equals 1 cubic foot per second

(12) The works are located at:

NW/4 SW/4, Section 14, T14N, R63E, M.D.B&M., unsurveyed

Describe as being within a 40-acre subdivision, section, township and range of public survey. If on unsurveyed land, it should be stated.

Remarks

The undersigned, being first duly sworn, deposes and says that the facts relative to the appropriation of water by  
Gary Sprouse are full and correct to the best of his/her knowledge and belief.

If proof is not made by claimant, deponent should state on this line by virtue of what authority he/she represents the claimant.

Blue Diamond Oil Corporation

Name of Claimant

By

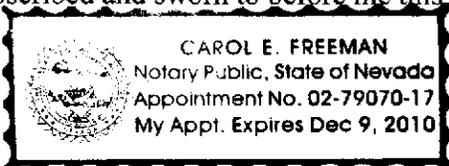
*[Handwritten Signature of Gary Sprouse]*

Telephone No. (775) 289-3849

Gary Sprouse, President

Telephone No. (775) 289-3849

Subscribed and sworn to before me this 3rd day of February, 20 10



Notary Public in and for the County of White Pine County

*[Handwritten Signature of Carol E. Freeman]*  
My commission expires 12-09-10