

2nd Amended

Application No. V10506

STATE OF NEVADA
PROOF OF APPROPRIATION OF WATER FOR IRRIGATION

Source Morris Creek
Name of natural water source (use separate proofs for each major source)

The water is diverted from its source Morris Creek pipe line
Name of ditch, flume or pipe line

at the following point(s) (List all points of diversion from this source, appending a sheet if necessary. 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.)

See _____ Map _____ with _____ Permit#23607

NW1/4 OF NW1/4 SEC. 11. T. 1S. R. 32E. M.D.B. & M.

(1) Name of claimant Queen Valley Resources L.L.C. a Nevada Limited Liability Company

Address 25669 HWY 6 PMB #965, Benton 93512, County of Mono

State of California Telephone No. 760-937-7152

(2) The means of diversion employed 8 inch pipe line to diversion pond, 4 inch pipe line thereafter
Dam and ditch, pipe line, flume, etc.

(3) The date of the survey of ditch, canal, or pipe line was 12/22/1966 see map with Permit #23607

(4) The construction of the ditch or other works was begun 8/3/67

and completed 1998 and evidence of two older ditches also exists

(5) The dimensions of the ditch or canal as originally constructed were: Width on bottom 3 feet, width on top 6 feet, depth 2 feet, on a grade of 20 feet per thousand feet.

(6) The conduit has been enlarged. Note - If enlargement or extension of ditch was made, supply information under (7) and (8)

(7) The work of enlargement of the ditch or canal was begun Please see remarks

and completed _____

(8) The dimensions of the ditch or canal as enlarged are: Width on bottom 5 feet, width on top 11 feet, depth 3 feet, on a grade of 20 feet per thousand feet.

(9) The claimant is the owner in the above-described conduit.

Share equal ownership of Morris Creek pipe line with owners of Certificate #14385
If claimant is an owner in the conduit, state interest held on this line.

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(10) The nature of the title to the land for which the water right is claimed is Grant, Bargain, Sale Deed Grantor: James R. Boyce Revocable Living Trust dated February 1, 2010 Grantee: Queen Valley Resources, LLC, a Nevada Limited Liability Company. Report of Conveyance filed on 12/13/13.

(11) Crops of alfalfa have been grown upon the land irrigated. (e.g. alfalfa, native hay, grain, orchard, meadow or diversified pasture)

(12) The water has been used for irrigation from January 1 to December 31 of each year.

(13) List the year of priority for acreages irrigated prior to March 1, 1905, from all points of diversion previously described, with corresponding subdivisions, appending extra sheets if necessary.

1902	20	acres in the	NE1/4	of Sec	28	, T	1N	, R	32	, E.
1902	40	acres in the	SE1/4	of Sec	28	, T	1N	, R	32	, E.
1902	10	acres in the	NW1/4	of Sec	28	, T	1N	, R	32	, E.
		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.
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		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.
		acres in the		of Sec		, T		, R		, E.

(14) The maximum acreage irrigated in any year was 70

(15) The water claimed has not been used for irrigation each and every year since the right was irrigated.

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(16) The years during which no water was used for irrigation or during which the full water right was not used were (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, appending a sheet if necessary.)

See attached document

(17) The claimant's water right was (was not) recorded in the office of the County Recorder of Mineral
County, said record being at page 583-593 of Book 143 of _____, and being a claim for
Document #100398 for 0.4cfs _____ of water for the irrigation of
unspecified _____ acres of land in the following legal subdivisions:

Mono County Superior Court Judgment awards Queen Valley Ranch Company use of 0.4cfs for use on its "Lands in Nevada." At the time of this Judgment, these lands included 480 acres in Section 28, T 01N, R 32E. See Map with Permit #23607. Queen Valley Resources, LLC purchased 190 patented acres of Section 28, including 170 acres in the West Half of Section 28 and 20 acres in the NE Quarter of Section 28, and the associated Permit #57884, in September 2013.

Note - Failure to record in the county in no way invalidates a water right, but if ditch or right was so recorded, supply full information under (17)

(18) Water from the source given and through the works described is also used for the following purposes other than irrigation:

domestic

(19) The character of the soil is Sandy _____ . A continuous flow of 0.4 _____ cubic feet
Sandy, gravelly, loam
of water per second has been used to irrigate 70 _____ acres of land and 4 _____
acre-feet per acre per annum have been used to irrigate the crops.

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(20) Remarks

According to the FI of Permits 10696, 20527 and 21382, diversion dam on Morris Creek and ditch to Section 28 were "allegedly" built in Spring 1962 by the Drumm Construction Company for road work on US 6. However, no record of appropriation exists at the NDWR, no record of construction exists at NDOT and no record of Special Use Permit can be located at the USFS. The lack of supporting records suggests that any work on the diversion dam and ditch by Drumm were most likely improvements to an already existing diversion dam and ditch.

Evidence of an older ditch exists near the termination of the improved ditch (please see previously emailed images). In addition, evidence of a 6 inch diameter steel pipeline and windmill connecting the original pond in SW1/4 of Section 28 to irrigated area in the NE1/4 of Section 28 exists (images also previously emailed). The age of this older ditch and distribution system cannot be precisely determined. However, a crude stone foundation found near the termination of the original ditch and very weathered wood with heavily corroded nails found at the distribution pipeline termination in the NE1/4 of section 28 suggest that this system is more than 100 years old.

The undersigned, being first duly sworn, deposes and says that the facts relative to the appropriation of water by

Queen Valley Resources L.L.C.

are full and correct to the best of his 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.

Name Jephraim P. Gundzik, Managing Member

Address 25669 HWY 6 PMB #965, Benton, CA 93512

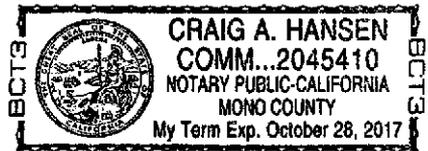
Telephone Number 760-937-7152 email jpg@bannersprings.com

State of ~~Nevada~~ ^{CA} CALIFORNIA

County of MONO

Subscribed and sworn to before me on April 2, 2015

by Jephraim P. GUNDZIK



[Signature]
Signature of Notary Public Required

Notary Stamp or Seal Required

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