Proof No. 10904

STATE OF NEVADA

PROOF OF APPROPRIATION OF WATER

(Statutory vested water rights are those with a priority date prior to: March 1, 1905 for All Surface Sources; March 22, 1913 for Underground Artesian Waters; March 25, 1939 for Underground Percolating Water)

USE(S):.

Primary (Please select only one):

Irrigation	☐	Stock water	✓	Mining and Milling	☐	Domestic	☐
Municipal	☐	Industrial	☐	Quasi-Municipal	☐	Commercial	☐

Federal Reserved Right ☐ Other (OTH) _____

RECEIVED

MAY 31 2016

STATE ENGINEER'S OFFICE

Secondary (Select all that may be applicable):

Stock water ☐ Domestic ☐

NAME OF CLAIMANT Kobeh Valley Ranch, LLC c/o General Moly, Inc.

Address 790 Commercial Street, Suite B City of Elko County of Elko

State of Nevada Telephone No. (775) 748-6000 Email Address kkinsella@generalmoly.com

1. Source of water Dixon Spring and tributaries (Permit No. 4877)

Name of natural water source (use separate proofs for each major source such as a spring, creek, river or underground)

2. The means of diversion Natural Springs and Natural Channel

Dam and ditch, pipeline, flume, natural channel, underground, etc.

3. The water is diverted from the following point(s):

Spring source(s) within the usurveyed NE1/4 SW1/4 of Section 6, T.22N., R.52E., M.D.M. ~~Refer to map filed in support of Permit No. 4877~~.

(List all points of diversion from the source, attaching a sheet if necessary. Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner for any other use than stock water. If on unsurveyed land, it should be stated.)

4. The date of construction of the ditch or other works was begun prior to 1861

and completed (natural spring and natural channel) See attachment.

5. The nature of the claimant's title to the land upon which the source of water and place of use is located:

Public Domain with Grazing Permit

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

6. The claimant's water right was / was not recorded in the office of the County Recorder of
(circle one)

_____ County, at Page _____ of Book _____ of _____.

7. The amount of water diverted for the claim's purpose has been measured at

See attachment. cubic feet per second.

448.83 gallons per minute equals 1 cubic feet per second

10-153
EU

8. The place of use location (For Irrigation, skip question #8 and proceed to Question #12):

within the unsurveyed NE1/4 SW1/4 of Section 6, T.22N., R.52E., M.D.M. Refer to map filed in support of Permit No. 4877.

(List all places of use for the primary and any secondary purposes being claimed, attaching additional sheet(s) as needed. Describe them as being within a 40-acre subdivision, section, township and range of public survey. If on unsurveyed land, it should be stated. If the watering of livestock is accomplished by utilizing the natural stream channel, then describe the 40-acre legal subdivision at the beginning (upstream point) and the legal subdivision at the end of the stream reach.)

QUESTIONS REGARDING WATERING OF LIVESTOCK

9. The approximate number of animals watered by the claimant during the first year of prior to 1861 (Year) was

see attach cattle _____ horses see attach sheep see attach other (describe in remarks)

The watering was conducted during each of the following months: January through December, See attachment.

10. The approximate number of animals watered by the claimant in subsequent years was:

_____ cattle _____ horses _____ sheep _____ other (describe in remarks)

11. The water is impounded in Natural Channels. See attachment.
Trough(s), tank(s)s, pool(s), reservoir, natural channel, etc.

QUESTIONS WITH REGARD TO IRRIGATION

12. The date of survey of ditch, canal, or pipe line was _____

13. The dimensions of the ditch or canal as originally constructed were: Width on bottom _____ feet, width on top _____ feet, depth _____ feet, for _____ lineal feet of improvement, on a grade of _____ feet per thousand feet. If conduit has been since enlarged, complete questions 16 & 17.

14. The dimensions and type of pipeline as originally constructed were: Diameter of _____ inches with a type of pipe of _____ for _____ feet in length.
Examples: Corrugated Metal Pipe, Riveted Iron Pipe or Wrapped Wooden Pipe

If conduit has been since enlarged, complete questions 16 & 17.

15. The conduit has / has not been enlarged.
(circle one)

16. The work of enlargement of the ditch, canal or pipeline commenced _____ and completed _____

RECEIVED
MAY 31 2016
STATE ENGINEER'S OFFICE

17. The dimensions of the enlarged ditch or canal are: Width on bottom _____ feet, width on top _____ feet, depth _____ feet, for _____ lineal feet of improvement, on a grade of _____ feet per thousand feet.

18. The dimensions of the enlarged pipeline are: Diameter of _____ inches with a type of pipe of _____ for _____ lineal feet in length.
Examples: Corrugated Metal Pipe, Riveted Iron Pipe or Wrapped Wooden Pipe

19. The claimant _is / is not_ the owner in the above-described conduit.
(circle one)

_____
If claimant is an owner in the conduit, state interest held on this line.

20. Crop(s) of _____
(e.g. alfalfa, native hay, grain, orchard, meadow or diversified pasture)

have been grown upon the land(s) irrigated.

21. The season of use for irrigation is typically from _____ to _____ of each year. The average number of cuttings in a year is typically _____ cuttings and the maximum number of cuttings in a year is _____ cuttings.

22. The water claimed _has / has not_ been used for irrigation each and every year since the right was initiated.
(circle one)

23. 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):

_____

24. The characteristics of the soil are _____
Sandy, gravelly, loam

25. The minimum flow needed to push the diverted water over the claimed place of use in an average year is _____ cubic feet per second. The quantity of water used to irrigate the claimed place of use during an average irrigation season is _____ acre-feet per annum.

26. The maximum flow diverted to the claimed place of use in an irrigation season is _____ cubic feet per second.

RECEIVED
MAY 31 2016
STATE ENGINEER'S OFFICE

27. List the year of priority for acreages irrigated prior to March 1, 1905, from all points of diversion previously described, with their corresponding subdivision. (Attach additional sheets as needed.)

Date	Acres		Quarter-Quarter		Section		Township		Range	
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.
_____	_____	acres in the	_____	of Sec.	_____	, T.	_____	(N./S.), R. (circle one)	_____	E.

RECEIVED
MAY 31 2016
STATE ENGINEER'S OFFICE

ADDITIONAL SUPPORTING REMARKS REGARDING THIS PROOF'S FILING

See attachment for additional information to support this proof filing, including priority date, period of use, head of livestock for first and subsequent years, and water right document recording data. Some of these proof of appropriations are being filed to supplement previously filed Proofs or Permits; those numbers are referenced if applicable.

RECEIVED

MAY 3 1 2016

STATE ENGINEER'S OFFICE

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

Kobeh Valley Ranch, LLC are full and correct to the best of their knowledge and belief.
(Name)

Under authority and direction from Claimant
If proof is not made by the claimant, deponent shall state on this line by virtue of what authority they represent the claimant.

Name Michael D. Buschelman Signature Michael D. Buschelman
(Please type or print name) (Please sign in the presence of a Notary Public)

Address Post Office Box 51371, Sparks State of Nevada ZIP Code 89435

Telephone Number (775) 355-9528 Email Address mike@mbuschelman.com

State of Nevada

County of Washoe

Subscribed and sworn to before me on 5-29-16
(Date)

by Michael D. Buschelman

Ruth L Smith
Signature of Notary Public Required

RUTH L SMITH
Notary Public
State of Nevada
Appt. No. 13-9936-2
My Appt. Expires Jan. 24, 2017

Notary Stamp or Seal Required

THE FILING FEE IS $120 FOR FILING EACH PROOF OF APPROPRIATION FORM, WITH THE EXCEPTION OF THE EXCLUSIVE FILING FOR A STOCK WATER CLAIM, WHICH HAS A $60 FILING FEE.

Michael D. Buschelman Consulting, Inc.
Post Office Box 51371
Sparks, Nevada 89435
(775) 355-9628 Office
(775) 355-9629 Fax

RECEIVED
MAY 3 1 2016
STATE ENGINEER'S OFFICE

Attachment
to
Stock Water Proofs of Appropriation
Claimant: Kobeh Valley Ranch, LLC

Kobeh Valley Ranch, LLC is the successor to the previous owners of land, historical water claims and Bureau of Land Management (BLM) grazing permits now collectively known as the Romano Ranch located in Diamond Valley, Nevada. The present day Romano Ranch is a consolidation of numerous properties that utilized Sulphur Springs complex, Tule Springs complex, Romano Springs complex, Siri Springs complex and numerous other springs as the sources of water to fulfill a diversified consumption of water on a year round basis.

This attachment has been prepared to provide additional information to support Proofs of Appropriation for stock water purposes on private and public lands. Some of these proofs of appropriations are being filed to augment previously filed Proofs or Permits. Serial numbers will be referenced if applicable. All documentation in other proofs is hereby incorporated by reference.

Seventh Street, Whistler South, Sullivan Seeding, Holding Field, Mount Hope, Mulligan, Home Native, Mud Field, North Seeding and North Field grazing allotments located north of Eureka, Nevada are permitted by the BLM to Kobeh Valley Ranch, LLC. Cattle owned by the Claimant utilize the spring(s) sources within the 40 acre subdivision identified under Item No. 3 for stock watering purposes.

Due to continued declines of spring water flows and cessation of numerous springs located in the northerly portion of Diamond Valley, Nevada, spring locations were confirmed by use of United States Geological Survey (USGS) June 28, 1946 aerial photography as well as other historical aerial photograph, mapping and historical accounts. Some of the historical stock water sources have retained sufficient flow to provide water to current herds.

Item No. 3 – Points of diversion

Due to the cessation of many of the springs within the numerous grazing allotments, many spring sources historically utilized for stock water are no longer identifiable today.

Tie and bearing to spring(s) sources are included if this information is available under existing proofs and permits for specific spring sources. Spring(s) sources were identified utilizing the United States Geological Survey (USGS) June 28, 1946 aerial photography and subsequently located within their respective 40 acre subdivision.

Item No. 4 – Date of construction of works

The first use of springs for stock water has been determined be prior to 1861 based on documentation obtained from numerous sources. The works consist of the natural spring source(s) and natural channel.

The Romano Ranch Springs and tributaries are a naturally flowing spring complex which supported a wide variety of uses. The original settlers of Diamond Valley utilized the natural spring system, drainages and culture from their appearance prior to 1861. These same settlers constructed additional water delivery systems to enhance the productivity of crops, reliability of delivery, storage of water and multiple year round beneficial uses. Construction of the distribution systems was completed in 1876 as reported by Alan Boyack, agent under the original filing of Proof Nos. 04476 through 04480 on July 15, 1985.

RECEIVED
MAY 31 2016
STATE ENGINEER'S OFFICE

Item No. 5 – Claimants title to land and water

Kobeh Valley Ranch, LLC purchased the land and appurtenant water rights known as the Romano Ranch. The privately held parcels and appurtenant water rights were historically consolidated into a single ownership through multiple acquisitions of possessory claims and land patents. Water from numerous springs were placed to beneficial use for stock watering purposes on private and public lands.

Kobeh Valley Ranch, LLC holds fee title interest in the privately held lands and appurtenant water rights. Kobeh Valley Ranch, LLC holds title to water rights appurtenant spring sources on public lands as demonstrated by their ownership of cattle and horses and their active BLM grazing permits for the Seventh Street, Whistler South, Sullivan Seeding, Holding Field, Mount Hope, Mulligan, Home Native, Mud Field, North Seeding and North Field grazing allotments.

Item No. 6 – Claimants water right was recorded in several locations:

Sulphur Springs Station was constructed at Sulphur Springs in or around July 1861 as part of the Pony Express.[1] The water was used to water horses and provide forage for the animals. The Overland trail replaced the Pony Express trail in Diamond Valley. Sulphur Station eventually became Sulphur Springs ranch. The earliest records in Eureka County indicate that Henry Selkirk was the owner of Sulphur Springs Ranch prior to 1873. Eureka County was created from a portion of Lander County in 1873. Tax records in Eureka County in 1873 indicate that Henry Selkirk owned Sulphur Springs Ranch and the Sheep Ranch, located 1 mile above Sulphur Springs.

[1] https://www.nps.gov/poex/learn/historyculture/upload/Garden-Pass-upright_low-res_final.pdf

Refer to documentation filed in support of this proof of appropriation which establish the prior to 1861 priority date.

Item No. 7 – The amount of water diverted:

The amount of water utilized for stock watering purposes has been defined by the Nevada Division of Water Resources as 20 gallons per day per cow or horse and 4 gallons per day per sheep.

Certificated Permit Nos. 9440 (Cert. 2000), 9441 (Cert. 2001) and 9552 (Cert. 2004) confirm 10,000 head of sheep and 1,000 head of cattle utilized the water sources throughout the private and public holdings of the predecessors of the Romano Ranch.

Not all of the BLM permitted livestock will water from a single spring source at the same time, however, each spring source is vital to the needs of the allowable herd size.

Item No. 8 – Place of use:

The place of use for each spring will be the surrounding 40 acre subdivision as defined by the approved BLM Cadastral Surveys.

Item No. 9 – Approximate number of animals watered:

Historical accounts noted above confirm the Romano Ranch raised as many as 1,000 head of cattle, 10,000 head of sheep along with other domesticated farm animals. Hogs, lambs and chickens were slaughtered for the Pony Express Station at the Romano Ranch. A large herd of horses, approximately 30, was required for commercial, ranching and farming operations. Romano Ranch Springs complex and tributaries provided water to the domesticated animals on the Romano Ranch and grazing allotment.

Reference is made to the submittal located in File No. 2 of Proof V04471, and the Supplemental Information Packet being filed concurrently with this proof.

Item No. 11 – Water is impounded for stock water, soil leaching and irrigation:

The natural spring source and channel are utilized to provide water to the animals.

RECEIVED
MAY 3 1 2016
STATE ENGINEER'S OFFICE