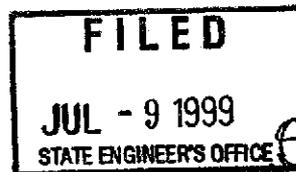


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 64796,
FILED BY Virgin Valley Water District,
ON January 21, 1999, TO APPROPRIATE THE
WATERS OF Underground

PROTEST



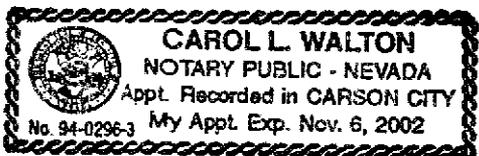
Comes now Bruce R. Scott, Agent for the Vidler Water Company, Inc.
Printed or typed name of protestant
whose post office address is 340 North Minnesota Street, Carson City, Nevada 89703
Street No. or P.O. Box, City, State and Zip Code
whose occupation is Consulting Engineer, and protests the granting
of Application Number 64796, filed on January 21, 1999
by Virgin Valley Water District to appropriate the
waters of Underground situated in Lincoln
Underground or name of stream, lake, spring or other source
County, State of Nevada, for the following reasons and on the following grounds, to wit:

See Attachment

THEREFORE the protestant requests that the application be Denied
Denied, issued subject to prior rights, etc., as the case may be
and that an order be entered for such relief as the State Engineer deems just and proper.

Signed Bruce R. Scott
Agent or protestant
Bruce R. Scott, Resource Concepts, Inc.
Printed or typed name, if agent
Address 340 North Minnesota Street
Street No. or P.O. Box No.
Carson City, Nevada 89703
City, State and Zip Code No.

Subscribed and sworn to before me this 9th day of July, 1999



Carol L. Walton
Notary Public
State of Nevada
County of Carson City

\$25 FILING FEE MUST ACCOMPANY PROTEST. PROTEST MUST BE FILED IN DUPLICATE. ALL COPIES MUST CONTAIN ORIGINAL SIGNATURE.

**Attachment to Protests by Vidler Water Company, Inc.
of Applications 64794, 64795, and 64796**

Protestant, as a co-applicant with Lincoln County has prior filings 64694 and 64695 for 20 cfs (approximately 14,480 acre feet per year) of water for municipal purposes from Basin #222 (Virgin River Valley). Protestant and its co-applicant, Lincoln County, propose to provide water for future growth of the Mesquite area within Lincoln County, and subject to approval by the State Engineer of Protestant's prior applications, stand ready, willing, and able to proceed immediately in the development of these resources.

Protestant is working in partnership with Lincoln County to produce and implement a valid, reasonable water plan for the entire county which will benefit all the citizens of Lincoln County and reflect the substance and spirit of Nevada Water Law. Protestant believes that granting the Applicant's junior filings would tend to interfere with said plan and would not be in the public interest.

Protestant realizes that the citizens of the State of Nevada own all the water of this state, but believes that, in light of current and recent controversies, and the word and spirit of Nevada Law and recent legislation, the county of origin has a valid basis to be recognized and favorably heard regarding the appropriation of water in its county, particularly when that county together with the Protestant is proposing to develop and supply water for the same need (Growth of the Mesquite Area) as the Applicant and is senior in time with its applications to do so.

To grant the subject applications would not be in the public interest.