

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

FILED
NOV 15 2001
STATE ENGINEER'S OFFICE

IN THE MATTER OF APPLICATION NUMBER 67703
FILED BY Nevada Land & Resource Co
ON June 25 2001, TO APPROPRIATE THE
WATERS OF Underground Sources

PROTEST

Comes now Western Exploration, Inc.
whose post office address is 245 Liberty St. Suite 440 Reno, NV 89501
whose occupation is owner of the IL Ranch, and protests the granting
of Application Number 67703, filed on June 25, 2001
by Nevada Land & Resource Company, LLC
waters of Underground Source situated in Humboldt

County, State of Nevada, for the following reasons and on the following grounds, to wit:

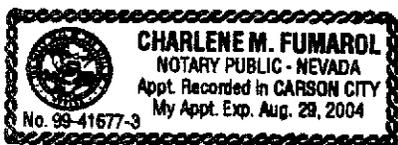
See attached letter.

THEREFORE the protestant requests that the application be Denied
and that an order be entered for such relief as the State Engineer deems just and proper.

RECEIVED
01 NOV 15 PM 4:10
STATE ENGINEER'S OFFICE

Signed Michael D Buschelman
Address PO Box 51371
Sparks, Nevada 89435

Subscribed and sworn to before me this 15th day of November, 2001
Charlene M. Fumaryl
Notary Public



State of Nevada
County of Carson

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

5200

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

November 15, 2001

Hand Delivered

Mr. Hugh Ricci, P.E., Nevada State Engineer
Division of Water Resources
123 West Nye Lane - Room 246
Carson City, Nevada 89706-0818

Re: Protest Requesting Denial of Application Nos. 67703 and 67704

Dear Mr. Ricci:

Enclosed, please find the protest forms and duplicates requesting denial of Application Nos. 67703 and 67704. Also enclosed is a check in the amount of \$50.00 to cover the required filing fees.

Western Exploration, Inc. purchased the IL Ranch on October 5, 2001. The previous owner, Agri Beef Company, has entered into a short term lease allowing use of the IL Ranch resources for grazing cattle and sheep. The following is the name and address of the contact for Western Exploration, Inc.

Mr. Tyler L. Shepherd, Vice President
Western Exploration, Inc.
245 Liberty Street, Suite 440
Reno, Nevada 89501
775-329-8119 office
775-329-8311 fax

Nevada Land & Resource Company, LLC proposes to pump and consume 7,240 acre feet of groundwater for industrial purposes under Application No. 67703 and 8,800 acre feet of groundwater for irrigation purposes under Application No. 67704. The IL Ranch has water rights within Pumpernickel Valley Groundwater Basin and Buffalo Valley Groundwater Basin. The following is a list of water rights owned by the IL Ranch.

01241 - Pumpernickel Spring
01348 - China Creek and Spring Creek
01491 - Pumpernickel Spring

01898 - Cottonwood Creek
2216 - Trout Creek
2513 - Desert Springs & Well
2677 - Gold Run Canyon Creek
3282 - Cottonwood Creek
4283 - Brooks Spring
5355 - Pumpnickel Spring
12068 - Greggs Canyon Creek

The Santa Fe Mine groundwater withdrawals has been documented as directly impacting and drying up the Brook Spring, Permit No. 4283. Brook Spring is a vital source of water for the IL Ranch. Additional groundwater withdrawals will impact other springs and creeks owned by the IL Ranch within the Pumpnickel Valley and Buffalo Valley. Western Exploration, Inc., the owner of the IL Ranch, requests the denial of Application Nos. 67703 and 67704 based on documented detrimental impacts to their existing water rights from large groundwater withdrawals.

Should you have questions, please contact my office.

Sincerely,



Michael D. Buschelman

Cc w enclosures: Mr. Tyler Shepherd