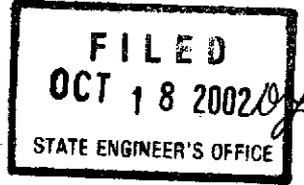


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA



IN THE MATTER OF APPLICATION NUMBER.....68807.....
FILED BY..HIGH ROCK HOLDINGS, LLC.....
ON MAY 13,, 2002..., TO APPROPRIATE THE
WATERS OF ..UNDERGROUND SOURCE.....

} PROTEST

Comes now....John Espil Sheep Co.....
Printed or typed name of protestant

whose post office address is.. P.O. Box N, Susanville, CA 96130.....
Street No. Or P.O. Box, City, State and Zip Code.

whose occupation is ...Ranching..... and protests the granting
of Application Number .68807....., filed onMay 13....., 2002.....

by ...High Rock Holdings, LLC.....to appropriate the
waters of ..undergroundsituated in ...Washoe.....
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 "A" hereto

THEREFORE the Protestant requests that the application beDenied.....
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 *Gordon H. DePaoli, Agent*
Agent or protestant

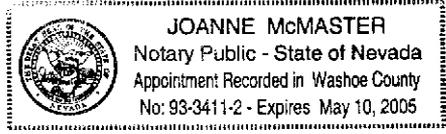
.....Gordon H. DePaoli.....
Printed or typed name, if agent

Address.. 6100 Neil Road, Suite 500.....
Street No. or P.O. Box No.

.....Reno, NV 89511.....
City, State and Zip Code No.

Subscribed and sworn to before me this *18th* day of *October*, 2002.....

Joanne McMaster
Notary Public



State of Nevada.....

County of Washoe.....

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

Attachment "A"

1. Application Nos. 68807 through 68811 seek to appropriate large quantities of groundwater from the Smoke Creek Desert Groundwater Basin (Basin No. 021). The protestant, John Espil Sheep Co., owns numerous vested surface and groundwater rights as well as certificated surface and ground water rights within Basin No. 021. The proposed use of water under Application Nos. 68807 through 68811 would conflict with the Protestant's use of water under its numerous existing and senior water rights in Basin No. 021.
2. There is no unappropriated water in Basin 021.
3. The granting of Application Nos. 68807 through 68811 would be detrimental to the public interest.
4. Application Nos. 68807 through 68811 state that the estimated cost to construct the necessary works is \$15,000,000.00. The Applicant has provided no information to establish that it has the financial ability and reasonable expectation to actually construct these works and place the water to beneficial use.
5. The Protestant requests that water rights, if any, granted under Application Nos. 68807 through 68811 be conditioned on the implementation of a monitoring program approved by the State Engineer. If impacts to existing rights or the public interest are demonstrated by the monitoring program, the Applicant should be required to mitigate those impacts to the satisfaction of the State Engineer and the affected party.
6. The Protestant reserves the right to supplement this protest as additional information becomes available concerning Application Nos. 68807 through 68811.

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STATE ENGINEER'S OFFICE