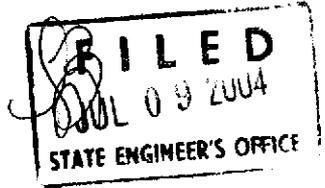


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 71000  
FILED BY Douglas County  
ON April 2, 20 04 TO APPROPRIATE THE  
WATERS OF Underground



PROTEST



Comes now Jim Bentley, Indian Hills General Improvement District  
Printed or typed name of protestant  
whose post office address is 3394 James Lee Park Rd. #A, Carson City, NV 89705  
Street No. Or P.O. Box, City, State and Zip Code  
whose occupation is General Manager and protests the granting  
of Application Number 71000, filed on April 2, 20 04  
by Douglas County to appropriate the  
waters of Underground situated in Douglas  
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 ATTACHED:

THEREFORE the Protestant requests that the application be Denied

Denied, issued subject to prior rights, etc., as the case may be

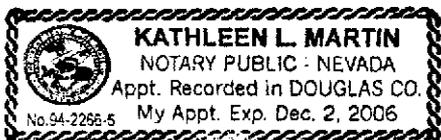
and that an order be entered for such relief as the State Engineer deems just and proper.

RECEIVED  
04 JUL -9 PM 4:18  
STATE ENGINEERS OFFICE

Signed Jim Bentley  
Agent or protestant  
Jim Bentley, General Manager  
Indian Hills General Improvement District  
Printed or typed name, if agent

Address 3394 James Lee Park Rd. #A  
Street No. or P.O. Box No.  
Carson City, NV 89705  
City, State and Zip Code No.

Subscribed and sworn to before me this 9th day of July, 20 04



Kathleen L. Martin  
Notary Public  
State of Nevada  
County of Douglas

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

## APPLICATION 71000:

### **Grounds for protest, to wit:**

1. The proposed point of diversion is within the same sub-basin, and down gradient, from the existing wells operated by the Indian Hills General Improvement District specifically for supplies of water to the Jacks Valley Elementary School (under permits 42548 and 42549). Increasing the diversion from the proposed point in this application will endanger the supply in these IHGID wells.

The original development of these two wells presented considerable controversy as to their own potential draw-down of groundwater table within the immediate residential region and required special controls and monitoring to prevent inter-basin export of waters from these "School" wells.

The more recent inter-connection of these same two wells into the Indian Hills GID municipal distribution system continued those controls and monitoring to avoid inter-basin export of water from this sub-basin.

2. The proposed transfer of water rights to the proposed point of diversion is not necessary; there is an immediate and available alternative. There is already and currently an existing inter-connection between the water utility operated in and for the Douglas County's commercial Redevelopment Area and the Indian Hills GID water system. There is an inter-local agreement between Douglas County and the IHGID which arranges for this inter-connection. The IHGID has sufficient water rights as yet unused as to enable it to provide water to the County's utility system in this Redevelopment Area. And the IHGID system has sufficient water.

3. The proposed place of use, as in this Application, is across the entire area including the entire boundaries of the current Indian Hills General Improvement District. Neither the existing inter-local agreement nor any more recent agreements authorize the County utility to distribute County-owned water within the District. And, again, the District has sufficient water and water rights to provide for the users within its municipal system limits. Further, if this proposed place of use were allowed, it would amount to permitting the export of water out of this basin and into the whole District's distribution system, the greatest part of which is in the Carson Valley basin.

4. There is a public economic interest in preventing unnecessary competition among water purveyors for the service fees from customers within an area. Such unnecessary duplication is not economic for either the purveyors, or the consumers, or the public. The capacity of the existing IHGID water system to provide for, and economically serve, the needs of this commercial area should not be ignored.