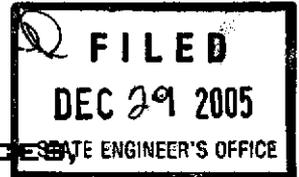


BEFORE THE STATE ENGINEER, STATE OF NEVADA
DEPARTMENT OF CONSERVATION & NATURAL RESOURCES
DIVISION OF WATER RESOURCES



IN THE MATTER OF
APPLICATION NUMBER: 73231
FILED BY: AQUA TRAC, LLC
ON: SEPTEMBER 7, 2005, TO APPROPRIATE THE
WATERS OF: UNDERGROUND

PROTEST & REQUEST TO
DENY APPLICATION 73231;
PETITION FOR HEARING
PURSUANT TO N.R.S. 533.365;
PETITION FOR HYDROLOGICAL &
ENVIRONMENTAL STUDY
PURSUANT TO N.R.S. 533.368

COMES NOW: JAMES D. & ANN M. SANTINI, ROBERT B. & MIA K. MORRILL & MORRIS C. &
MARY L. ROYELS, A.K.A FIVE SPRINGS RANCH

WHOSE ADDRESS IS: 16 COUNTRY DRIVE, FERNLEY, NV 89408

WHOSE OCCUPATION IS: RANCHER AND PROTESTS THE GRANTING OF APPLICATION NUMBER:
73231 FILED ON: SEPTEMBER 7, 2005 BY: AQUA TRAC, LLC TO APPROPRIATE THE WATERS
OF: UNDERGROUND SITUATED IN: PERSHING COUNTY, STATE OF NEVADA, FOR THE
FOLLOWING REASONS AND ON THE FOLLOWING GROUNDS, TO WIT:

1. THE PROTESTANTS ARE OWNERS OF CERTIFICATED UNDERGROUND AND SPRING WATER RIGHTS (PERMITS 59126-59131 & CERTIFICATES 14976-14981) WITHIN THE WINNEMUCCA LAKE HYDROGRAPHIC BASIN FOR IRRIGATION PURPOSES.
2. DUE TO THE LARGE MAGNITUDE OF THE AQUA TRAC, LLC APPLICATIONS SEEKING NEW APPROPRIATIONS FROM MULTIPLE GROUNDWATER BASINS IN EXCESS OF 113,000 AFA, THE STATE ENGINEER SHOULD REQUIRE THE ASSOCIATED HYDROLOGICAL AND ENVIRONMENTAL STUDIES PURSUANT TO N.R.S. 533.368 TO ADEQUATELY ADDRESS POTENTIAL IMPACTS TO EXISTING RIGHTS AND THE ENVIRONMENT. THE PROTESTANT RESERVES THE RIGHTS TO ADD TO OR AMEND THEIR PROTEST AS A RESULT OF THESE STUDIES OR AS OTHER INFORMATION BECOMES AVAILABLE.
3. A PROJECT OF THIS MAGNITUDE WILL REQUIRE N.E.P.A. COMPLIANCE AS WELL AS AN ENVIRONMENTAL IMPACT REPORT. THE STATE ENGINEER SHOULD WITHHOLD HEARINGS AND ACTIONS ON THESE APPLICATIONS UNTIL THESE STUDIES / PROCESSES ARE COMPLETED.
4. THE STATE ENGINEER MUST ADDRESS AND REQUIRE THAT THE PROVISIONS OF N.R.S. 533.370 5. (A-E) ARE FULFILLED & ADDRESSED.
5. THE STATE ENGINEER WILL FIND THESE APPLICATIONS ARE SPECULATIVE IN NATURE AND NOT CONSISTENT WITH THE PROVISIONS OF THIS STATUTE, THEREFORE THE APPLICATIONS SHOULD BE DENIED.
6. THESE APPLICATIONS WILL LIMIT THE FUTURE GROWTH AND DEVELOPMENT TO THE DETRIMENT OF THESE RURAL COUNTIES AND GROUNDWATER BASINS TO THE BENEFIT

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OF THE URBANIZING AREAS WHICH ARE EXPERIENCING UNCONTROLLED QUASI-MUNICIPAL GROWTH. THIS IS IN VIOLATION OF N.R.S. 533.370 5. (D).

7. THE COMBINED PRODUCTION OF WATER FOR QUASI-MUNICIPAL AND ENVIRONMENTAL USE BY AQUA TRAC, LLC, SHALL NOT EXCEED 13,000 AFA FROM THE WINNEMUCCA LAKE HYDROGRAPHIC BASIN. USGS OPEN FILE REPORT 78-768 ESTIMATES THE PERENNIAL YIELD OF THIS BASIN AT 3,300 AFA. PRELIMINARY DATA FROM THE STATE ENGINEER'S OFFICE DATABASE RECORDS INDICATE EXISTING APPROPRIATIONS IN EXCESS OF 305 AFA AND PENDING APPLICATIONS IN THE AMOUNT OF 2,000 AFA. THEREFORE, PENDING A DETAILED BASIN ABSTRACT, THE TOTAL COMMITTED AND PENDING UNDERGROUND WATER RIGHTS IN THIS BASIN TOTAL 2,305 AFA. THE TOTAL COMMITTED AND PENDING RIGHTS INCLUDING THE AQUA TRAC APPLICATIONS EXCEED 15,000 AFA OR NEARLY FIVE (5) TIMES THE CURRENT USGS ESTIMATES OF PERENNIAL YIELD. APPROVAL OF THE APPLICATIONS WOULD MINE THE GROUNDWATER BASIN.
8. THE AQUA TRAC, LLC APPLICATIONS ARE REMINISCENT OF THE PERC/ECO-VISION APPLICATIONS FILED IN THE EARLY 1990'S BY WESTPAC WHICH PROPOSED LARGE PREVIOUSLY UNACCOUNTED FOR UNDERGROUND WATERS ASSOCIATED WITH THE BEDROCK/FRACTURE ZONE SYSTEMS. THERE WAS MUCH OPPOSITION TO THOSE APPLICATIONS AND THE AGENT FOR AQUA TRAC (SUMMIT ENGINEERING) IS THE SAME AS FOR THE PERC/WESTPAC/ECO-VISION APPLICATIONS. AT THAT TIME THEY WERE PROPOSING SOME "UNIQUE" TECHNOLOGIES & METHODOLOGIES TO IDENTIFY PRODUCTION ZONES. SINCE THESE METHODS WERE RESULTING IN SUBSTANTIALLY LARGER ESTIMATES OF PERENNIAL YIELD THAN THE USGS, THIS IS FURTHER JUSTIFICATION FOR REQUIRING THE STUDIES REQUESTED UNDER PROTEST ITEM #2 ABOVE AND FOR THE PROTESTANT TO ADD OR AMEND THEIR PROTEST ACCORDINGLY.
9. THE APPLICATION(S) VIOLATES APPLICABLE DECREES, EXISTING LEGAL AGREEMENTS, THE RECLAMATION ACT AND CONTRACTS, THE CLEAN WATER ACT, THE CLEAN ACT AND THE ENDANGERED SPECIES ACT.
10. IMPORTATION OF GROUNDWATER TO SUPPORT UNCONTROLLED AND IRRESPONSIBLE GROWTH IN THE URBANIZING AREAS WILL CREATE MANY UNKNOWN IMPACTS TO THE HYDROLOGIC RESOURCES, SOCIOECONOMICS AND ENVIRONMENT.
11. LARGE VOLUMES OF GROUNDWATER EXTRACTION HAS THE POTENTIAL TO AFFECT WETLANDS, SPRINGS, SEEPS, SURFACE WATER FLOWS, ARTESIAN WELLS, WELLS, DOMESTIC WELLS, RIPARIAN & NATIVE VEGETATION, WATER QUALITY, FLORA AND FAUNA WITHIN THE HYDROGRAPHIC BASIN. IF INTER-BASIN FLOW EXISTS, THESE SAME IMPACTS WOULD BE REALIZED IN THE ADJACENT BASINS. IN THE CASE OF SPRINGS OR SEEPS, THE APPLICANT HAS FAILED TO ENSURE THAT WILDLIFE THAT CUSTOMARILY UTILIZES THE WATER WILL HAVE CONTINUED ACCESS TO IT. 533.367
12. IF THIS TRANSFER IS APPROVED, THE WATER TRANSFERRED WILL HAVE A NEGATIVE IMPACT ON WATER RIGHTS ASSOCIATED WITH GROUNDWATER / SPRING SOURCES

RELIED UPON BY THE PROTESTANTS, WILL NEGATIVELY IMPACT FLOWS TO THE WETLANDS AND WILL ADVERSELY AFFECT WATER QUALITY & QUANTITY.

13. THE PROPOSED APPLICATIONS REQUIRES EASEMENTS FOR RIGHTS OF WAY OVER PRIVATE AND FEDERALLY ADMINISTERED LANDS AND THE APPLICANT HAS MADE NO DEMONSTRATION THAT IT IS FEASIBLE FOR IT TO OBTAIN SAID EASEMENTS.

14. THE PROPOSED USE OF THE WATER WILL CAUSE THE SOIL TO SUBSIDE, CAUSING CRACKS IN FOUNDATIONS AND ROADBEDS.

15. THE PROPOSED USE OF THE WATER WILL CAUSE AN INCREASE IN DUST AND PARTICULATES AND WILL CAUSE EXCEEDANCES OF AIR QUALITY STANDARDS FOR THE BASIN.

16. THE PROPOSED USE CONFLICTS WITH PROTECTABLE INTERESTS IN EXISTING DOMESTIC WELLS AS SET FORTH IN N.R.S. 533.024, THE STATE ENGINEER MUST REJECT THE APPLICATIONS (N.R.S. 533.370(4)).

17. THE APPLICATION IS NOT IN THE PUBLIC INTEREST.

THEREFORE, BASED ON THE FORGOING REASONS:

- ◇ THERE IS NO UN-APPROPRIATED WATER IN THE SOURCE,
- ◇ GRANTING OF THE APPLICATIONS WOULD CONFLICT WITH EXISTING RIGHTS,
- ◇ AND COULD PROVE DETRIMENTAL TO THE PUBLIC INTEREST

THEREFORE, FOR THE FOREGOING REASONS, THE PROTESTANT RESPECTIVELY REQUESTS THAT THE STATE ENGINEER REQUIRE A HYDROLOGICAL AND ENVIRONMENTAL STUDY TO BE CONDUCTED PURSUANT TO N.R.S. 533.368, THAT THE STATE ENGINEER HOLD A HEARING ON THE APPLICATION AND THAT THE APPLICATION BE: DENIED AND AN ORDER BE ENTERED BY THE STATE ENGINEER DENYING SAID APPLICATION.

SIGNED:

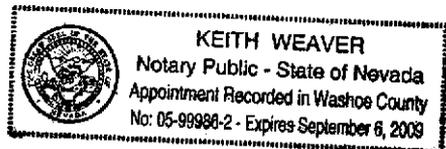
CHRIS C. MAHANNAH, P.E., SWRS#976 (AGENT)
WATER RESEARCH & DEVELOPMENT, INC.
P.O. BOX 5007
RENO, NV 89513
(775) 747-1100

STATE OF NEVADA

COUNTY OF WASHOE

SUBSCRIBED AND SWORN TO BEFORE ME THIS 28TH DAY OF DECEMBER, 2005

BY CHRIS C. MAHANNAH



STATE OF: NEVADA

COUNTY OF: WASHOE

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

**STATE OF NEVADA DIVISION OF WATER RESOURCES
REQUEST FOR NOTICE**

IN REGARDS TO APPLICATION/PERMITS NUMBERS: 72463-72476, 72479-72719, 72830-72836, 73226-73231, 73385-73388 FILED IN THE NAME OF AQUA TRAC, LLC;

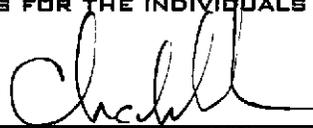
PLEASE ADD THE FOLLOWING INDIVIDUALS TO THE MAILING LIST AND SEND COPIES OF ALL CORRESPONDENCE TO THE ADDRESSES BELOW:

- 1. CHRIS C. MAHANNAH, P.E.
WATER RESEARCH & DEVELOPMENT, INC.
P.O. BOX 5007
RENO, NV 89513-5007**

I AM THE AGENT OR REPRESENTATIVE FOR THE PROTESTANTS.

THIS FORM ACCURATELY REFLECTS THE MAILING ADDRESS FOR THE INDIVIDUALS IDENTIFIED ABOVE.

SIGNATURE: _____



**CHRIS C. MAHANNAH, P.E., SWRS #976 (AGENT)
WATER RESEARCH & DEVELOPMENT, INC.
P.O. BOX 5007
RENO, NV 89513
(775) 747-1100**