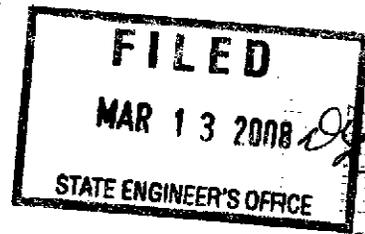


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA



IN THE MATTER OF APPLICATION NUMBER...76580
FILED BY...Blue Diamond Oil Corp,
ON...December 24, 2007,
TO APPROPRIATE THE WATERS OF...The State of Nevada

} PROTEST

10:11:57

Comes now...The United States of America Forest Service Humboldt Toiyabe National Forest,
Printed or typed name of protestant

whose post office address is...1200 Franklin Way, Sparks, NV. 89431
Street No. Or P.O. Box, City, State and Zip Code.

whose occupation is ...Federal Land Management..... and protests the granting

of Application Number ...76580....., filed on ...December 24,....., 2007.....

by ... Blue Diamond Oil Corp.....to appropriate the

waters of ...Davis Canyon Creek.....situated in ...White Pine.....
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:

- 1) This application is being filed in designated Basin 179, (preferred use, irrigation denied) Steptoe, here rights approach or exceed the estimated average annual recharge and the water resources are being depleted or require additional administration.
- 2) The Blue Diamond Oil Corp. is not authorized to construct what is being proposed in the application; therefore they will be unable to perfect, exercise or otherwise put the water to beneficial use they are seeking via application 76580. This application requests a permit to obtain a water right on federally managed lands.

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.

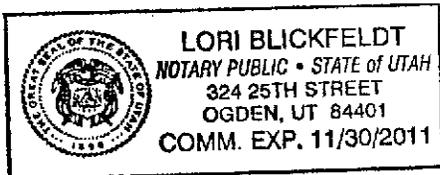
Signed Jeanne A Evenden
Agent or protestant

.....Jeanne Evenden.....
Printed or typed name, if agent

Address.....324 25th Street.....
Street No. or P.O. Box No.

.....Ogden, Utah 84401.....
City, State and Zip Code No.

Subscribed and sworn to before me this 14th day of March, 2008



Jeanne A Evenden
Notary Public

State of Utah

County of Wilder

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

JK