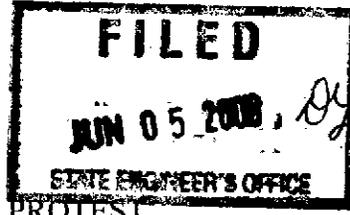


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER.....76900.....,
FILED BY.....BRUCE A. JENSEN.....,
ON.....APRIL 2....., 2008, TO APPROPRIATE THE WATERS OF
.....CAVE VALLEY.....



Comes now.....Cave Valley Ranch, LLC.....
Printed or typed name of protestant

whose post office address is.....1932 Ivy Point Lane, Las Vegas, Nevada 89134.....
Street No. Or P.O. Box, City, State and Zip Code.

whose occupation is .....rancher, developer and water right owner in Cave Valley..... and protests the granting

of Application Number .....76900....., filed on .....April 2....., 2008.....

by .....Bruce A. Jensen.....to appropriate the

waters of .....underground.....situated in .....Cave Valley.....
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 protest.....

THEREFORE the Protestant requests that the application be .....denied.....
Denied, issued subject to prior rights, etc., as the case may be

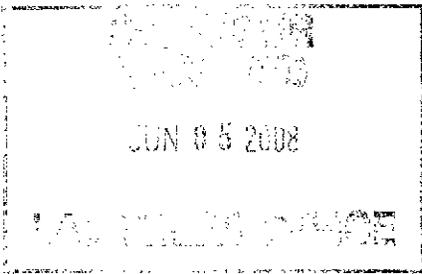
and that an order be entered for such relief as the State Engineer deems just and proper.

Signed ..... [Signature] .....
Agent or protestant

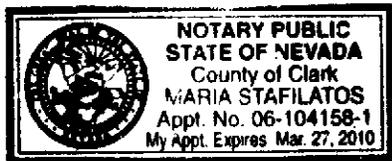
.....Greg Walch.....
Printed or typed name, if agent

Address.....400 S. Fourth St., 3rd Floor.....
Street No. or P.O. Box No.

.....Las Vegas, NV 89101.....
City, State and Zip Code No.



Subscribed and sworn to before me this .....5th.....day of.....June....., 2008.....



..... [Signature] .....
Notary Public

State of .....Nevada.....

County of .....Clark.....

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

[Handwritten signature]

## CAVE VALLEY RANCH, LLC PROTEST OF APPLICATION 76900

Protestant Cave Valley Ranch, LLC hereby protests Application 76900 and requests that the State Engineer deny the Application on the following grounds:

1. Application 76900 is a change in the point of diversion and place of use of a portion of the existing Application 68488. Application 68488 was filed to appropriate water for irrigation of a place of use that was the subject of a proposed land exchange between the Applicant and the Bureau of Land Management. The proposed land exchange did not take place. As a result, the Applicant has not gained control of the place of use under Application 68488. The purpose for which Application 68488 was filed no longer exists; therefore, the necessity to divert water as proposed under Application 68488 has ceased. Accordingly, approval of the Application 68488 would threaten to prove detrimental to the public interest. Since no water rights are being permitted under the initial Application 68488, no water rights exist that can be changed under Application 76900; therefore it also must be denied.

2. The proposed diversion will conflict with Cave Valley Ranch's existing water rights and otherwise threatens to prove detrimental to the public interest.

3. According to evidence that was presented in the Cave Valley Hearings on Applications 53987 through 53992, there exists an "effective barrier" preventing the flow of groundwater in Cave Valley between the north and south portions of the basin. Cave Valley Basin is, hydrologically speaking, two separate and distinct hydrologic basins. The change in the point of diversion from Application 68488 proposes to move the point of diversion from the south side of this hydrologic barrier to the north side of the barrier. The approval of any such change in a point of diversion should be determined by the State Engineer in accordance with the interbasin transfer rules in NRS 533.370.

Accordingly, in determining whether an application for an interbasin transfer of ground water must be rejected pursuant to this section, the State Engineer shall consider:

- (a) Whether the Applicant has justified the need to import the water from another basin;
- (b) If the State Engineer determines that a plan for conservation of water is advisable for the basin into which the water is to be imported, whether the applicant has demonstrated that such a plan has been adopted and is being effectively carried out;
- (c) Whether the proposed action is environmentally sound as it relates to the basin from which the water is exported;
- (d) Whether the proposed action is an appropriate long-term use which will not unduly limit the future growth and development in the basin from which the water is exported; and
- (e) Any other factor the State Engineer determines to be relevant. NRS 533.370.

Because the Applicant has not offered any evidence regarding these statutory criteria or otherwise justified the need to import water from the south basin to the north basin, the State Engineer should deny Application 76900.

4. As set forth in paragraph 1, Application 76900 should be denied because Application 68488 threatens to prove detrimental to the public interest. However, to the extent that Application 76900 is reviewed independently on the merits, it should be considered a new application within the northern Cave Valley Basin with a new date of priority as of the date of its filing. Taking into account the updated date of priority, the State Engineer's possible actions regarding SNWA's applications in Cave Valley, existing rights, and senior applications, there is no unappropriated water within Cave Valley North and Application 76900 must be denied.

