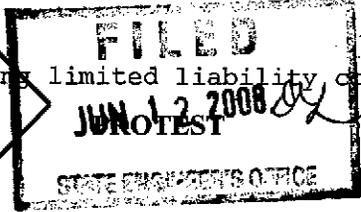


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER... 76942...  
FILED BY... Falcon Capital, LLC, a Wyoming limited liability company  
ON... April 15... 2008... TO APPROPRIATE THE  
WATERS OF... Browns Creek & Tributaries



Comes now... Robert F. Rusk  
whose post office address is... 4205 Old Highway 395 North, Washoe Valley, NV 89704  
whose occupation is... rancher... and protests the granting  
of Application Number... 76942... filed on... April 15... 20... 08  
by... Falcon Capital, LLC, a Wyoming limited liability co... to appropriate the  
waters of... Browns Creek & Tributaries... situated in... Washoe

County, State of Nevada, for the following reasons and on the following grounds, to wit:  
See Exhibit "A" attached hereto and made a part hereof.

THEREFORE the Protestant requests that the application be Denied  
and that an order be entered for such relief as the State Engineer deems just and proper.

Signed Thomas J. Hall  
Agent or protestant

Thomas J. Hall, Esq., Agent  
Address... Post Office Box 3948  
Reno, Nevada 89505

Subscribed and sworn to before me this 11th day of June, 2008



Misti Hale  
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.

dy

**EXHIBIT "A"**  
**Protest of Application 76942**

1. All subject waters were appropriated and appurtenant to the Winters Ranch owned by Theodore Winters and successors since 1858, prior to adoption of Nevada Statutory Water Law, and should stay within the existing place of use.
2. Protestants and other West Washoe Valley residents are dependent, in part, on well water. Any transfer of West Washoe Valley water rights outside this valley will be detrimental to ground water recharge within it.
3. Dewatering of the aquifer will impact and conflict with existing rights held by Protestants.
4. The removal of 1,686.32 acre-feet will deprive the Nevada Division of Wildlife from its vested water rights under V02442.
5. Any applications for transfers of water right out of Washoe Valley, if approved, will be detrimental to the public interest of every resident of West Washoe Valley, all dependent on recharge for their wells.
6. Browns Creek (and other tributaries included in the proposed and related transfers) was adjudicated as an intrastate water source. Proposed co-mingling of Browns Creek rights with Truckee River rights will create new jurisdiction and new demands for all creek rights in West Washoe Valley.
7. Since at least the adjudication of Browns Creek, there have been numerous years when available creek water has not been adequate to satisfy junior claims. As recently as year 2000, the State Engineer concluded that there was not enough water to serve any junior 1862 users. Because the Casey Ranch water rights are primarily 1862 claims, the water under this application for change and transfer often does not exist in reality.
8. On June 8, 1999, the Owners of the Casey Ranch lands and water rights promised to Protestants (or their predecessors in interest), Washoe County and others, that such Owners would diligently pursue conversion of such

lands with appurtenant water rights to open space and public ownership, therefore the proposed use threatens to prove detrimental to the public interest.

9. Numerous newspaper articles have indicated the Nevada Land Conservancy (and possibly other related entities) in the process of acquiring the "Casey Ranch" for public recreational, wetlands, and wildlife purposes. The public interest at large will not be best served if water rights are allowed to be separated from the lands where currently appurtenant.

10. The proposed transfer, being subsequent to recent approval of the Washoe County bond issue to provide funds for purchase of the Casey Ranch, is "bait and switch" deception. The Washoe County voters have reasonable expectations that this open space property acquisition would appear in the future as it was seen at the time of the bond issue passage. Transferring the subject water rights down stream will cause the West Washoe Valley meadows in the existing place of use to revert to the sagebrush.

11. There is no water available from the proposed source of supply without exceeding the perennial yield or safe yield of that source.

12. The proposed diversion of Browns Creek will impact lake and wetland levels of Scripps Wildlife Management Area, Washoe Lake and Little Washoe Lake, reduce flow in the diversion ditch, decrease recharge for domestic wells, decrease flow to the wetlands and impact fish and wildlife habitat.

13. The proposed use conflicts with existing rights.

14. The proposed use threatens to prove detrimental to the public interest.

15. Protestants reserve the right to present additional reasons and grounds in support of this protest at the hearings hereof.