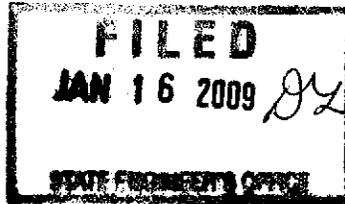


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 77431,
FILED BY PREPPY VISION LLC,
ON SEPTEMBER 30, 2008, TO APPROPRIATE THE WATERS OF
PERMIT 20014, CERTIFICATE 7460



PROTEST

STATE ENGINEER'S OFFICE
2009 JAN 16 PM 4:30

Comes now SV Development LLC, Ltd. & R.N. Fulstone Co., represented by Steven A. Fulstone
Printed or typed name of protestant

whose post office address is P.O. Box 61, Smith, Nevada 89430
Street No. Or P.O. Box, City, State and Zip Code.

whose occupation is farming and ranching..... and protests the granting
of Application Number 77431....., filed on September 30....., 2008.....
by Preppy Vision LLC.....to appropriate the
waters of underground.....situated in Lyon.....
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:

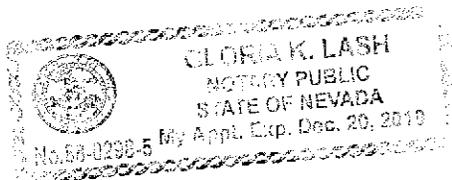
Please see attached page.....

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 *Steven A. Fulstone*.....
Agent or protestant

Steven A. Fulstone, representing SV Development LLC, Ltd. & R.N. Fulstone Co.
Printed or typed name, if agent

Address P.O. Box 61.....
Street No. or P.O. Box No.
Smith, Nevada 89430.....
City, State and Zip Code No.



Subscribed and sworn to before me this 16 day of January, 2009.....
Gloria K. Lash *OK*

January 14, 2009

To the State of Nevada, State Engineer:

Regarding my Protest to Application #77431

RECORDED
2009 JAN 16 PM 4:30
STATE ENGINEER'S OFFICE

For the following reasons and on the following grounds:

The application as filed with supporting map is confusing and difficult to follow. The engineering permit and state records indicate that 20014 permit is supplemental to 18435 and the Walker River decree claim #173. The applicant requests moving 46.6 acres to 174.95 acres, therefore this will be an expansion of acres irrigated for permit 20014. This expansion is not in the public interest nor is there adequate existing availability of water for an expansion of use. This could also affect other existing water rights in the area. Last year there was no evidence that Walker River decree water was put on land permitted by 20014. 20014 is supplemental to the Walker River Decree as stated in its Application for a Permit on file in the State Engineers office. No movement of this permit should be allowed until there is evidence that surface water is being applied to the existing place of use of permit 20014.

The confusion extends to applications 77431, 77432 and 77433. The map does not show where Walker River decree is currently used or will be applied, with a maximum acreage irrigated of 453.91 acres from all sources of water. Permit, 20014, 26883 and 18435 are supplemental to the surface decree as stated by the original applications and engineering files. These permits are all within the description of the decree. Through historical time there seems to have been a change in how these permits have been used. There is a need to comply with the original intent of the permits. If these permits were used in this fashion, I would have no problem accepting current and future change applications that meet those restrictions.

Ground water in local areas around the applicant are lower. There has been a greater than normal decline in static water levels in recent years. At least two domestic wells in close proximity to the applicant had to be re-drilled because they went dry. One of the applicants wells' (26883) static water level was as high as 107 feet in 1988 and as low as 247 feet in 2005. The lowering of the static level is an issue that all permit owners should address.