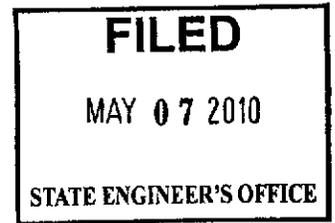


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 79645
FILED BY Stillwater Farms, Inc., a Nevada corporation
ON February 24, 2010, TO APPROPRIATE THE
WATERS OF Stillwater Slough Drain Water



PROTEST



Comes now James Darwin Crammond, Agent for U.S. Fish and Wildlife Service

Printed or typed name of protestant

whose post office address is 911 NE 11th Avenue, Portland, Oregon 97232

Street No. or PO Box, City, State and ZIP Code

whose occupation is Chief, Water Resources Branch

and protests the granting

of Application Number 79645

, filed on February 24

, 20 10

by Stillwater Farms, Inc., a Nevada corporation

to appropriate the

waters of Stillwater Slough Drain Water (Newlands Reclamation Project)

situated in Churchill

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 Attachment: Additional Information to Support the Protest of the U.S. Fish and Wildlife Service in the Matter of Application 79645.

RECEIVED
2010 MAY -7 AM 8:45
STATE ENGINEERS OFFICE

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

[Handwritten Signature]
Agent or protestant

James Darwin Crammond

Printed or typed name, if agent

Address

911 NE 11th Avenue

Street No. or PO Box

Portland, Oregon 97232

City, State and ZIP Code

(503) 231-6145

Phone Number

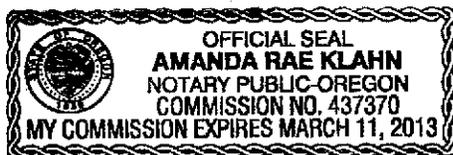
Subscribed and sworn to before me this

5th

day of

May

, 20 10



Amanda Rae Klahn
Notary Public

State of Oregon

County of Multnomah

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

**ADDITIONAL INFORMATION TO SUPPORT THE PROTEST
OF THE U.S. FISH AND WILDLIFE SERVICE
IN THE MATTER OF APPLICATION 79645**

Application No. 79645 was filed by the Stillwater Farms, Inc. on February 11, 2010 requesting a diversion rate of 35 cubic feet per second (25,339 ac-ft annually) from Stillwater Slough Drain Water, a waste water source in the Carson Desert, groundwater basin 101. The purpose of the proposed application is wildlife use.

The U.S. Fish and Wildlife Service (Service) requests that the application be denied because:

1. Water is not available to appropriate in the manner described.
2. Appropriation of Newlands Project Water from Stillwater Slough without a corresponding contract or commitment to contribute to the operations and maintenance funding of the Project is contrary to the public interest.

This application is for drain water from the Stillwater Slough and drain water from irrigation ditches within in the Newlands Reclamation Project. This water is already fully appropriated to the United States, is under the sole control of the Secretary of the Interior and is not available for further appropriation under state law.

Water within a Federal Reclamation Project is not subject to further appropriation under Federal law. This water within the Newlands Project is not appropriable, nor is there sufficient appropriable water at this point of diversion to support the application.

The proposed surface water development is not in the public interest. This application is inconsistent with Nevada law for the appropriation of irrigation waste water, excess water and drain water. The applicant proposes to capture water developed and maintained through the efforts and financial contributions of legitimate federal contractors and the American people without a fair and commensurate commitment of their own funds. This is contrary to the public interest.