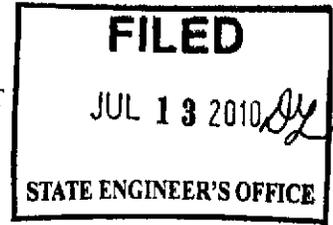


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 79945
FILED BY WILLIAM E. JOHNSON
ON JUNE 17, 2010, TO APPROPRIATE THE
WATERS OF AN UNDERGROUND SOURCE



PROTEST



Comes now GALLAGHER FAMILY TRUST

Printed or typed name of protestant

whose post office address is 5405 MAE ANNE AVENUE, RENO, NEVADA 89523

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

whose occupation is OWNER PARCEL NO. 007-080-005

and protests the granting

of Application Number 79945

, filed on JUNE 17

, 20 10

by WILLIAM E. JOHNSON

to appropriate the

waters of AN UNDERGROUND SOURCE

situated in ELKO COUNTY BASIN NO. 45

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 ATTACHMENT

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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

Agent or protestant

THOMAS H. GALLAGHER - AGENT

Printed or typed name, if agent

Address

5405 MAE ANNE AVENUE

Street No. or PO Box

RENO, NEVADA 89523

City, State and ZIP Code

(775) 747-8550

Phone Number

Subscribed and sworn to before me this

12TH

day of

July

, 20 10

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.

ATTACHMENT

The existing well upon which Mr. Johnson has filed his request for an Application to Appropriate, #79945, was drilled on 8/25/2004 for the benefit of the 7th C anyon Ranch. Subsequent to the drilling, the Gallagher Family Trust acquired 7th C anyon Ranch including all rights.

It has recently been discovered that the well was incorrectly drilled by Hackworth Drilling, Inc. on the wrong property of the applicant, Mr. William E. Johnson. Well Log #94471 was submitted to the State Engineer's office on 10/30/2006. This well should have been drilled under Permit #75153 for irrigation and not for domestic purposes.

A new survey of the property has been completed and the error discovered. It is the intent of the Trust to re-drill this irrigation well approximately 25 feet north of the existing well to the proposed point of diversion under Permit #75153 and with the approval of the adjacent property owner because the existing well will be abandoned (approval may be withheld due to the Johnson's application).

The distance from the existing well (25 feet) to the new well will be extremely detrimental to the performance of the new irrigation well for which all applications were previously filed and approved before Application #79945 was submitted.

It is requested that this application be denied.

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