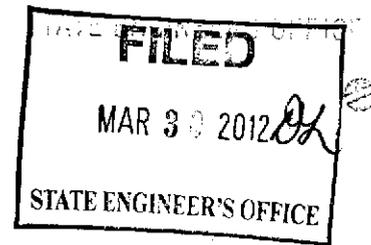


Truckee-Carson Irrigation District
Rusty D. Jardine, Esq.
Nevada Bar No. 4296
Project Manager
2666 Harrigan Rd.
P.O. Box 1356
Fallon, NV 89407-1356
Phone: 775-423-2141
Fax: 775-423-5354
rusty@tcid.org

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**BEFORE THE STATE ENGINEER, STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL
RESOURCES, DIVISION OF WATER RESOURCES**

IN THE MATTER APPLICATION 81524 FILED BY
TRIGED TO APPROPRIATE WATERS OF;
UNDERGROUND

**PROTEST AND REQUEST TO
DENY APPLICATION 81524**

COMES NOW, TRUCKEE-CARSON IRRIGATION DISTRICT ("TCID"),
by and through Rusty D. Jardine, Esq., Project Manager, organized under
Chapter 539 of the Nevada Revised Statutes, whose address is Box 1356,
Fallon, Nevada, 89407-1356, with responsibilities under contract, to operate and
maintain the Newlands Federal Reclamation Project and to deliver water to
landowners who have contracted either with the United States or with TCID, and
to comply with water rights decrees for water rights appropriated by the United
States under the Reclamation Act (43 U.S.C. 371, et seq.) and as a party to the
water right decree of the Truckee River, known as the *Orr Ditch Decree* (*U.S. v.
Orr Water Ditch Co.*, Equity A-3-LDG, U.S. District Court, Nevada, September 8,
1944), and does, hereby, protest the granting of application 81524 (the
"Application"), filed by TRIGED ("Applicant"), to appropriate UNDERGROUND
waters situated in, Storey County, State of Nevada. For the reasons which
follow, TCID here protests this Application No. 81524, and does, hereby, request
that the application be denied, to wit:

1. Applicant is filing new underground appropriations to “sack up” prior applications which were denied under either ruling 5747 or 5749. Significant evidence and testimony was presented by applicants and multiple protestants at a hearing before ruling 5747 approved some applications up to what the State Engineer believed was the perennial yield and denied the remainder. Ruling 5749 again denied applicants second refile for new underground appropriations without a hearing, relying on the testimony and findings in ruling 5747. Based upon findings in rulings 5747 and 5749, there is no unappropriated water at the source.

2. Protestants Churchill County and Pyramid Lake Paiute Tribe have also challenged prior underground applications in the Tracy segment and Carson River Basins on the grounds that they will reduce surface flows in the Truckee River by either capturing groundwater flow discharging to the river making up base flow and/or capture water directly from the river. In river dominated basins such as the Tracy segment where there is a surface water-ground water connection and pumping groundwater will ultimately reduce surface flows from which the protestant holds senior decreed surface rights under Claim 3 of the Orr Ditch Decree. The State Engineer rejected this argument in ruling 5747; however, that ruling is still under appeal and has not been finalized. Similar appeals are also pending on the Carson River. Applications should be denied on the grounds that they will reduce surface flows of the Truckee River or at a minimum withhold action on this protest ground until all appeals on the Truckee and Carson Rivers are final.

3. Applications are speculative in nature and applicant has demonstrated neither need nor financial ability to construct and operate the project. The place of use for these applications is large and includes approximately 120,000 acres within Storey and Lyon Counties in three hydrographic basins. Subject to a detailed abstract being performed, applicant currently owns approximately 6,900 acre-feet of surface and groundwater and has >10,000 acre-feet of pending groundwater appropriations for use within this same place of use.

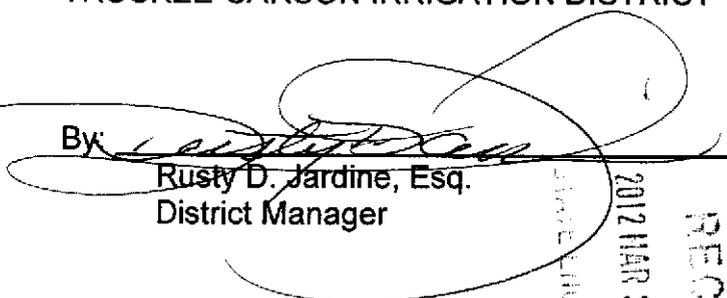
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STATE ENGINEER OF NEVADA

Additionally, applicant has pending protested applications seeking to remove approximately 1,000 afa of Claim 3 surface waters from the Newlands Project to the proposed place of use which are clearly speculative. Applicant should be required to justify the need based upon development potential within proposed place of use and water rights they already own. Applicant should also be required to demonstrate their financial ability to construct and operate the project and place water to beneficial use.

In summary, these applications seek to appropriate water where there is no unappropriated water, would conflict with existing senior priority decreed surface rights and would prove detrimental to the public interest. NRS 533.365(3) provides that it is within the State Engineer's discretion to determine whether a public administrative hearing is necessary to address the merits of a protest when there is sufficient information to evaluate the merits of the applications and protests. Given this is the third attempt by the applicant to appropriate underground waters in the Tracy segment which the State Engineer has denied on two prior occasions under rulings 5747 and 5749, there is sufficient information to deny the applications. Therefore, for the foregoing reasons, the Protestant TCID, here, respectfully requests that the State Engineer issue a ruling subject to the foregoing conditions or deny the application.

Dated this 30th day of Mar, 2012. Respectfully submitted,

TRUCKEE-CARSON IRRIGATION DISTRICT

By: 

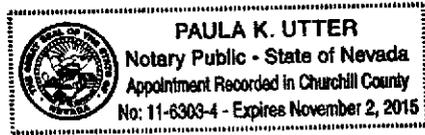
Rusty D. Jardine, Esq.
District Manager

STATE ENGINEER'S OFFICE

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Subscribed and sworn before me this 30th day of March, 2012.



Paula K. Utter
Notary Public

State of Nevada

County of Churchill

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JAN E. HAINES, CLERK

**STATE OF NEVADA DIVISION OF WATER RESOURCES
REQUEST FOR NOTICE**

IN REGARDS TO APPLICATION/PERMIT NUMBER: **81524**

PLEASE ADD THE FOLLOWING INDIVIDUALS TO THE MAILING LIST AND
SEND COPIES OF ALL CORRESPONDENCE TO THE ADDRESSES BELOW:

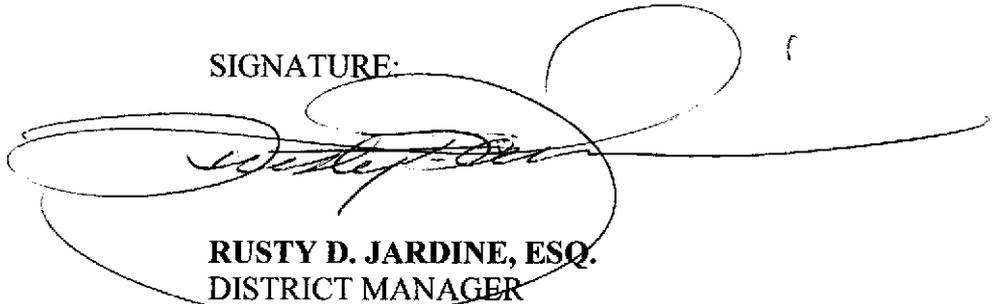
1. **MR. RUSTY D. JARDINE**
DISTRICT MANAGER & GENERAL COUNSEL
TRUCKEE-CARSON IRRIGATION DISTRICT
P.O. BOX 1356
FALLON, NV 89407
2. **BOARD OF DIRECTORS**
TRUCKEE-CARSON IRRIGATION DISTRICT
P.O. BOX 1356
FALLON, NV 89407
3. **CHRIS C. MAHANNAH, P.E.**
MAHANNAH & ASSOCIATES, LLC
P.O. BOX 2494
RENO, NV. 89505

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I AM THE AGENT OR REPRESENTATIVE FOR TRUCKEE-CARSON
IRRIGATION DISTRICT.

THIS FORM ACCURATELY REFLECTS THE MAILING ADDRESS FOR THE
INDIVIDUALS IDENTIFIED ABOVE.

SIGNATURE:



RUSTY D. JARDINE, ESQ.
DISTRICT MANAGER
TRUCKEE-CARSON IRRIGATION DISTRICT
P.O. BOX 1356
FALLON, NV 89407
(775) 423-2141