

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

IN THE MATTER OF APPLICATION NUMBER 82043
FILED BY Rulon G. and Lisa A. Bunker
ON August 7th, 2012



PROTEST

FILED
OCT 15 2012
STATE ENGINEER'S OFFICE

Comes now Michael M. DeLee, Agent for Crown Point Mining Company, LLC

Printed or typed name of protestant

whose post office address is 801 Noah's Star Street, Las Vegas, NV 89145

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

whose occupation is Attorney

and protests the granting

of Application Number 82043

, filed on August 7th

, 2012

by Rulon G. and Lisa A. Bunker

for the

waters of Grapevine and other Springs

situated in Amargosa Basin, Nye

an underground source 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 attached -- Exhibit "A"

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

Michael M. DeLee

Printed or typed name, if agent

Address

PO Box 96

Street No. or PO Box

Amargosa Valley, NV 89020-0096

City, State and ZIP Code

(775) 372-1999

Phone Number

E-mail

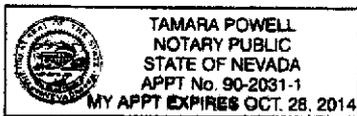
, 2012

Subscribed and sworn to before me this

11th

day of

October



State of Nevada

County of Clark

Notary Public

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

DeLee Law Offices, LLC
Amargosa Valley, Nevada

EXHIBIT "A"

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The undersigned protests Application 82043, filed on August 7, 2012, by Rulon G. and Lisa A. Bunker, to change the point of diversion, place of use, and manner of use of all water heretofore appropriated from springs under Permit 284 in the Amargosa Desert Basin (230), Nye County, State of Nevada, for the following reasons and on the following grounds: to wit,

1. The undersigned and others have water rights and have expended considerable sums of money in furtherance of the use of their water rights. The continued prosperity and future development of the undersigned's property and of those in the area depends upon its present water supply. The proposed application is hydrologically connected and identical to the undersigned's points of diversion and will impair the short and long-term viability of the source.

2. The undersigned needs the flow from the springs to travel at a sufficient rate to prevent problems with freezing and disruption of the water supply. The applicant seeks to block this flow and has already removed portions of a pipeline that serves the undersigned's project.

3. The undersigned's projects for mining and milling involve significant contributions to the local economy. The socioeconomic-impact considerations of prohibiting the continued use of this water for its 100+ year purpose is counter Nevada's priority for beneficial use of water.

4. The granting or approval of the above-referenced Application is detrimental to the public interest in that it would deprive the local economy of the benefit of economic development related to mining at a time when there are few other viable sources of employment.

5. The instant application seeks to prevent the use of water resources and prohibit the transport water along a route that said water has travelled for over one-hundred (100) years. The Applicant, however, has not obtained or demonstrated that they can obtain the necessary legal interest on said lands to serve "wildlife" which is properly a function of a non-profit or governmental enterprise.

6. The instant application is made in bad faith and solely for the purpose of prohibiting the ongoing use of mining. Upon information and belief, the applicants had previously attempted to negotiate a sale or lease of their mining claims and are making the instant application solely to prevent mining operators in the region who depend upon the continue availability of water from continuing the mining and milling operations.

7. The Application cannot be granted because the applicant has failed to provide information to the State Engineer to properly safeguard the public interest. There is no evidence as to the amount of historical use placed to "wildlife purposes." The undersigned, as well as the applicant, is already under a pre-existing duty to provide water to wildlife that customarily used the water. See NRS 533.367. Accordingly, the public interest is therefore at odds with depriving the undersigned and others from the benefit of these waters for an illusory purpose that is already mandated under Nevada law.

8. The above referenced Application should be denied because the State Engineer has previously denied other speculative applications for water for wildlife purposes from the same basin. See Ruling 4572.

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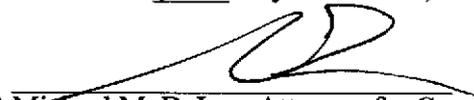
1 9. The above referenced Application should be denied because economic activity in the
2 region of the proposed point of diversion is water-dependent, and a reduction in the quantity and
3 quality of water in the area would adversely impact said activity and the way of life of the area's
4 residents. Nearby mining activities for aggregate and precious materials have expanded to
5 supply both local and international demand for specialized resources. These processes are water
6 dependent and their continued existence and future expansion is threatened by the subject
7 applications.

8 10. The legal and equitable title to the water rights under Permit 284 is not solely that of the
9 applicants. The undersigned has a legal and equitable interest in Permit 284 by and through its
10 control of lands appurtenant to Permit 284 and having been historically provided with water from
11 Permit 284 as the actual place of use. The undersigned will promptly file an abstract of title
12 demonstrating its interest in the subject base right and provide the basis to thereby challenge the
13 instant change application.

14 11. The applicant has shown no need for such a quantity of water itself. Applicant does not
15 own or control any of the wildlife mentioned in the application. The applicant has not offered
16 any proof that it will provide any beneficial use by its ownership of the water. Upon information
17 and belief, the proposed applications are made as part of a program to monetize the water to a
18 governmental or non-profit entity; however, the applicant's own "use" of the water is not a
19 proper use and does not expand the existing use of the water but merely truncates the mining and
20 milling belonging to the undersigned.

21 12. This Application should be denied because the Applicant is speculating on a third party's
22 desire to purchase the water once it is converted to wildlife purpose and the balance of the
23 diversion rate is relinquished. Upon information and belief, the applicant has already removed a
24 pipeline upon which the undersigned's interest depends. Upon information and belief, the
25 removal of said pipeline was precipitated at the request of a third party suitor for the applicant's
26 water whose objective is the elimination of the ability to continue use Permit 284 for its
27 historical purpose.

28 Dated This 11 Day of October, 2012


Michael M. DeLee, Attorney for Crown Point Mining Company, LLC

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