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

IN THE MATTER OF APPLICATION NUMBER 84163
FILED BY Granite Peak Properties LC
ON July 23, 20 14

PROTEST

FILED
SEP 22 2014
STATE ENGINEER'S OFFICE

Comes now USDOI- Bureau of Land Management
Printed or typed name of protestant

whose post office address is 95 East 500 North, Fillmore, UT 84631
Street No. or PO Box, City, State and ZIP Code

whose occupation is federal land management agency and protests the granting

of Application Number 84163, filed on July 23, 20 14

by Granite Peak Properties, LC for the

waters of underground situated in White Pine
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:

Please see attached statement of reasons.

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

Amy Lueders, BLM Nevada State Director
Printed or typed name, if agent

Address 1340 Financial Blvd
Street No. or PO Box

Reno, NV 89509
City, State and ZIP Code

775-861-6590
Phone Number

alueders@blm.gov
E-mail

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State of Nevada
County of Washoe

Subscribed and sworn to before me on 9/22/2014

by Amy Lueders

Signature of Notary Public Required

ALDINE D. MYERS
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 06-109368-2 - Expires January 30, 2016

Notary Stamp or Seal Required

+ $30 FILING FEE MUST ACCOMPANY PROTEST. PROTEST MUST BE FILED IN DUPLICATE. ALL COPIES MUST CONTAIN ORIGINAL SIGNATURE.

ATTACHMENT TO BLM PROTEST TO APPLICATION NUMBERS 84145 THROUGH 84168, INCLUSIVE

The grounds for the BLM protest are as follows:

1. The BLM holds Utah Water Right 18-571 on Needlepoint Spring, which is located within the same aquifer and within four miles of all the proposed points of diversion. Water Right 18-571 is located South 3320 feet West 1247 feet from the Northeast Corner, Section 1, T24S R20W, S.L.B.M. Water Right 18-571 allocates a flow rate of 0.013 cfs with a 1903 priority to the BLM for watering up to 1000 livestock units, 10 antelope, 15 deer, mammals and birds. The water right is for year-round use. In addition, Needlepoint Spring historically supported an extensive riparian and wetland area that provided forage, cover, and habitat for multiple wildlife species.

2. Needlepoint Spring is also a Public Water Reserve (PWR) established pursuant to the Stock Raising Homestead Act of 1916. This federal reserved water right has not been adjudicated. Groundwater resources located in both Nevada and Utah are essential to the functioning of the spring and to fulfilling the stockwatering and domestic use purposes of the PWR, as well as the permitted uses under Utah Water Right 18-571.

3. The proposed changes fall into three categories:
   - move the proposed point of diversion closer to Needlepoint Spring
   - allow diversions from a well that produces higher yield than the originally permitted location
   - allow the applicant to obtain a certificated water right for wells were not constructed in locations authorized by the State Engineer.

   These proposed changes are likely to significantly increase the volume of water diverted from the aquifer, and intercept water that supplies Water Right 18-571 and unreasonably interfere with and impair such water right.

4. Needlepoint Spring has a record of continuous flow since flows were first recorded by the Civilian Conservation Corps in 1939 up until the spring ceased to flow in 2001. In response to the cessation of flow, the BLM installed groundwater level monitoring equipment at Needlepoint Spring in 2001. Since 2001, groundwater levels around the spring have decreased to the point where they are now 6.5 feet below the outlet of the spring development. Data from this monitoring effort have demonstrated that the groundwater level and flow rate at Needlepoint Spring is directly related to and impacted by groundwater pumping operations implemented the Applicant.

5. The United States Geological Survey has conducted groundwater modeling in the vicinity of Needlepoint Spring using the Great Basin National Park Predictive Model (GBNP-P Model). The modeling effort included an analysis of historic and proposed irrigation pumping implemented by the Applicant. The modeling results indicate that the water right for Needlepoint Spring has

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already been impaired by Applicant's pumping, and that additional pumping will further impair BLM's water right for Needlepoint Spring.

6. The applicant has previously filed numerous change applications in this same vicinity, numbered 78795, 78796, 78797, 78798, 78800, 78803, 78804, 78805, 78806, 78807, and 78810. The Nevada State Engineer has scheduled a hearing on these applications during the week of November 17-21, 2014. The BLM believes that no action should be taken on Application Numbers 84145 through 84168, inclusive, until the State Engineer delivers final decisions on the previously filed applications that will be the subject of the November 2014 hearing. The findings and decisions that result from the November 2014 hearing should be applied to Application Numbers 84145 and 84168, inclusive. If the State Engineer determines that the applications considered during the November 2014 hearing are causing impairment to senior water rights, then any of the applications in the 84145 to 84168 set that request movement of undeveloped appropriations to new wells should be withdrawn by the applicant.

7. A significant subset of the applications 84145 to 84168 are designed to move points of diversions from locations of low well yield to locations with higher well yield, including movements from low productivity locations in the valley fill aquifer to locations that will directly tap the carbonate aquifer. The proposed changes will result in increased diversions from the local aquifer and will create greater impairment to senior water rights. The proposed changes will be especially injurious to senior water rights on springs, because the springs are dependent upon discharge from the carbonate aquifer and upon stable groundwater levels in the valley fill aquifer.

8. The existing impairment of the BLM water right at Needlepoint Spring has resulted in significant resource damages and monetary costs to the BLM by dislocating livestock and wildlife that traditionally relied upon this water supply. The BLM has incurred substantial costs to provide alternative water sources, and the alternative water sources do not fully meet BLM's resource management objectives.

For the reasons stated above, the BLM requests that these applications be denied. If the State Engineer is considering approval of any of the application, the BLM respectfully requests a hearing before the State Engineer.