OFFICE OF THE STATE ENGINEER
STATE OF NEVADA

PERMIT NO. R-004

AMENDED
PERMIT

TO ESTABLISH AND OPERATE A PROJECT TO RECHARGE, STORE AND RECOVER UNDERGROUND WATER

PERMITTEE: Carson City Development Services
3505 Butti Way
Carson City, NV 89701

SOURCE OF WATER: Marlette Lake and Hobart Reservoir Watershed

ANNUAL QUANTITY: 700 Acre-Feet

LOCATION OF PROPOSED PROJECT/RECHARGE WELLS:

Rapid Infiltration Basins:

Located within the NE ¼ NW ¼ & NW ¼ NE ¼ Section 12, T.15N., R.19E., MDB&M., further described as within the Vicee Canyon drainage, situated in Carson City County, State of Nevada.

LOCATION OF RECOVERY WELLS:

Recovery will be from:
Carson City Well #3 located within the NE ¼ SE ¼ Section 10,
Carson City Well #6 located within the SE ¼ NE ¼ Section 12,
Carson City Well #10 located within the SE ¼ SE ¼ Section 01,
All within T.15N., R.19E., MDB&M.

AREA OF ACTIVE MANAGEMENT:

Eagle Valley Groundwater Basin, Hydrographic Area No. 8-104.

DURATION OF PERMIT:

This permit is issued for an indefinite period, subject to periodic review by the State Engineer.

TERMS AND CONDITIONS OF PERMIT:

1. Before any recharge begins, baseline water samples shall be taken from the supply line, recovery wells and from the approved monitoring wells no more than one week prior to recharge. These samples shall contain the same water quality constituents as required under item 2B of this section and shall be included in the semi-annual report and in all annual reports.

2. During recharge the following data shall be collected and recorded as follows:

A. The amount of water recharged on a daily basis.

B. The quality of recharge water in terms of chloride; total dissolved solids; and electrical conductivity on a daily basis for the first seven days of recharge and on a bi-weekly basis thereafter.

C. Due to the extraordinary demands that can be placed on this system causing intermittent cessation of water released to the recharge project, the following sampling schedule shall be followed upon resumption of release to the recharge project if the initial 7 day sampling has been completed:

Resumption Time (days)	Sample Schedule
0-1	No Extra Sampling
2-7	Day of & the following day
8-14	Day of & the following 2 days
15-21	Day of & the following 3 days
22-29	Day of & the following 4 days
30+	Day of & the following 6 days

3. During recovery the data shall be collected and recorded as follows:

A. The amount of water being pumped from the recovery well on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a bi-weekly basis.

B. The following water quality constituents shall be reported daily for the first seven days of recovery then on a monthly basis thereafter: chloride; total dissolved solids (TDS); and electrical conductivity.

4. Monitoring well U.S.G.S-VC-5 shall be sampled for chloride, total dissolved solids and electrical conductivity on a monthly basis.

5. Water level measurements for all monitoring wells shall be taken on a monthly basis, except during any recharge or recovery period, when measurements shall be taken on a daily basis for the first seven days of recharge or recovery and on a bi-weekly basis thereafter.

6. Monitoring Wells:

A. The following wells have been authorized as monitoring wells:

Monitoring Well Name	Quarter, Quarter Location (M.D.B.&M.)
U.S.G.S-VC-1	NW ¼ NE ¼ Section 12, T.15N., R.19E.
U.S.G.S-VC-2	SW ¼ NE ¼ Section 12, T.15N., R.19E.
U.S.G.S-VC-3	SW ¼ NE ¼ Section 12, T.15N., R.19E.
U.S.G.S-VC-4	NW ¼ NE ¼ Section 12, T.15N., R.19E.
U.S.G.S-VC-5	SW ¼ NE ¼ Section 12, T.15N., R.19E.
State Engineer's	NW ¼ NW ¼ Section 07, T.15N., R.20E.

B. The monitoring wells may be pumped only when it is required to obtain water samples.

C. The use of any other well, except as stated above, as a monitoring well must be authorized by the State Engineer. The construction of any new monitoring well must be of such a design acceptable to the State Engineer.

7. Collection of data:

For each water quality sample or water level measurement taken pursuant to this permit, the permittee shall record the following information:

A. The exact place, date and time of sample or measurement;
B. The dates the analyses were performed;
C. The person(s) who performed the analyses or measurements;
D. The analytical techniques or methods used; and
E. The results of all required analyses and measurements.

If the analysis of the samples is conducted by an independent laboratory the reports shall bare the name of the laboratory with times and dates of analysis and the permittee shall keep accurate documentation of persons performing the analysis and shall submit to this office upon request.

8. Recharge and Recovery Amount:

This permit for recharge shall be limited to no more than 700 acre-feet in any calendar year. The amount recovered during any calendar year shall not exceed the amount established by the State Engineer in the storage account for this project. Pursuant to NRS § 534.300 the State Engineer shall determine the amount of "recoverable" water for the project and will be based on the information provided to the State Engineer in the Semi-Annual and Annual reports. Use of the recovered water shall be limited to Carson City Utilities certificated water service area.

9. Additional monitoring by Permittee:

If the permittee collects any other data than required by this permit, using approved analytical methods, the results of these analyses or measurements shall be included in any reports, as specified in item 10, to the State Engineer.

10. Reporting Requirements

Annual Report:

The permittee must file with the State Engineer an annual report as required by NRS § 534.280, which is due no later than January 31st of each year.

Semi-Annual Report:

All monitoring results shall be analyzed, summarized and reported to the State Engineer due no later than July 31st of each year.

11. The State Engineer shall levy and collect an annual fee from the permittee as prescribed in NRS § 534.310.

12. The State Engineer reserves the right to change, modify or amend the terms and conditions of this permit based on just cause.

IN TESTIMONY WHEROF, I Hugh Ricci, P.E., State Engineer of Nevada, have hereunto set my hand and the seal of my office for approval of this permit,

this 22 day of August

A.D. 2004,

Hugh Ricci, P.E.

STATE ENGINEER