

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

1190

ORDER

Red Hot Corner, LLC
5485 W. Flamingo
Las Vegas, NV 89103
APN 191-08-710-024
Certified Mail No. 7106 7808 0630 0035 7715

WHEREAS, the records of the Clark County Assessor's Office show that Red Hot Corner, LLC is the current owner of a parcel of land described by the Clark County Assessor as Parcel Number 191-08-710-024, Section 08, T.23S., R.61E., M.D.B.&M., located within the Las Vegas Ground Water Basin;

WHEREAS, the well on said parcel is permitted by the State of Nevada, Division of Water Resources under Permit 35977. The applicant requested and was granted a right to serve 23 one quarter acre trailer estate lots located within the N ½ NE ¼ NW ¼ SE ¼, and a portion of the N ½ NW ¼ NE ¼ SE ¼ of Section 08, T.23S., R.61E.;

WHEREAS, Nevada Revised Statutes (NRS) 534.020(1) provides that:

All underground waters within the boundaries of the state belong to the public, and, subject to all existing rights to the use thereof, are subject to appropriation for beneficial use only under the laws of this state relating to the appropriation and use of water and not otherwise;

WHEREAS, Nevada Revised Statutes 534.080(1) states:

A legal right to appropriate underground water for beneficial use from an artesian or definable aquifer subsequent to March 22, 1913, or from percolating water, the course and boundaries of which are incapable of determination, subsequent to March 25, 1939, can only be acquired by complying with the provisions of chapter 533 of NRS pertaining to the appropriation of water;

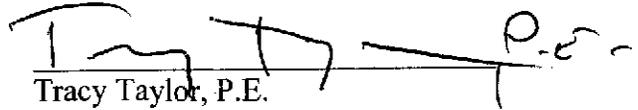
WHEREAS, Nevada Revised Statutes 534.080(2) states:

The state engineer may, upon written notice sent by registered or certified mail, return receipt requested, advise the owner of a well who is using water therefrom without a permit to appropriate such water to cease using such water until he has complied with the laws pertaining to the appropriation of water. If the owner fails to initiate proceedings to secure such permit within 30 days from the date of such notice he shall be guilty of a misdemeanor;

WHEREAS, the Nevada Division of Water Resources sent a letter dated May 23, 2008, detailing the available options to follow in order to comply with NRS;

WHEREAS, the Nevada Division of Water Resources sent a second letter dated June 3, 2008, detailing the available options to follow in order to comply with NRS;

NOW THEREFORE, you are hereby ordered to cease and desist the use of any and all water outside the place of use of Permit 35977, and the use of any water within the place of use for a use other than the permitted quasi-municipal purposes of 23 one quarter acre trailer estate lots. The cease and desist order is in effect indefinitely until a valid water right has been obtained from the Division of Water Resources for the current place of use from said well.


Tracy Taylor, P.E.
State Engineer

Dated at Carson City, Nevada this

9th day of June, 2008.