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

IN THE MATTER OF APPLICATION NUMBER 63367,
FILED BY Blue Nugget Water Company,
ON August 27, 1997, TO APPROPRIATE THE
WATERS OF Underground

PROTEST

FILED
JAN 23 1998
STATE ENGINEER'S OFFICE

Comes now Bruce R. Scott, Agent for the Alamo Sewer and Water District
Printed or typed name of protestant
whose post office address is 340 North Minnesota Street, Carson City, Nevada 89703
Street No. or P.O. Box, City, State and Zip Code
whose occupation is Consulting Engineer, and protests the granting
of Application Number 63367, filed on August 27, 1997
by Blue Nugget Water Company to appropriate the
waters of Underground situated in Lincoln
Underground 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

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 Bruce R. Scott
Agent or protestant

Bruce R. Scott, Resource Concepts, Inc.
Printed or typed name, if agent

Address 340 North Minnesota Street
Street No. or P.O. Box No.

Carson City, Nevada 89703
City, State and Zip Code No.

Subscribed and sworn to before me this 23rd day of January, 1998

APRIL L. BURCHETT
NOTARY PUBLIC - NEVADA
Appt. Recorded in CARSON CITY
My Appt. Exp. Dec. 2, 1998

April L. Burchett
Notary Public

State of Nevada

County of Carson City

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

ATTACHMENT TO PROTEST OF ALAMO SEWER AND WATER DISTRICT TO APPLICATIONS 63360 THROUGH 63372 (Blue Nugget Water Company)

Protestant, in conjunction with the Pahranagat Valley Joint Service Board, has pending applications which include the area of the points of diversion and the places of use under Applications 63360 through 63372. Protestant is the water purveyor in the Alamo area between three and seven miles south of Applications 63360 through 63372. Protestant's long term plan, in conjunction with other water right holders and interests in the Pahranagat Valley, is to provide quasi-municipal services for the regional area including the area within the points of diversion and places of use under Application 63360 through 63372.

The proposed appropriations under the 13 applications by the Blue Nugget Water Company request a total combined duty of 20,400 acre feet annually. These applications are proposed to be used for irrigation, and the applicant states in the remarks that "use will be for a large scale agricultural operation pursuant to a pending land exchange with the Bureau of Land Management (BLM).

The appropriation of over 20,000 acre feet of water would substantially and adversely affect existing rights in the basin. The applicant has provided no information to demonstrate that water in this amount is available in the source, and the speculative nature of these applications is not in the public interest.

If in fact a BLM land exchange is being seriously contemplated, the environmental assessment required as part of the land exchange will almost certainly determine that appropriation of water in this magnitude for irrigation purposes can only adversely affect existing water rights and resource values. With the protests and concerns which were previously expressed to the Las Vegas Valley Water District applications in the Pahranagat Valley it is difficult to imagine that the numerous federal agencies who protested those proposed appropriations would not be equally concerned with these of the Blue Nugget Water Company.

In summary, these applications would exceed the water available in the source. They would adversely affect existing water uses and rights. Applicant has shown there is no public interest which would be served by the granting of these applications.