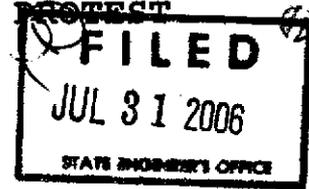


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

2006 JUL 31 PM 2:40

STATE ENGINEERS OFFICE



In the Matter of Application Number 74284)
Filed By Lyon County on May 9, 2006, For a)
Permit to the Change the Point of Diversion,)
Place of Use, and Manner of Use of the)
Public Waters of the State of Nevada)

Comes now The Pyramid Lake Paiute Tribe of Indians, whose post office address is P.O. Box 256, Nixon, Nevada 89424, whose occupation is a federally recognized Tribe of Indians, the governing body of the Pyramid Lake Indian Reservation, organized pursuant to the Indian Reorganization Act of 1934, with a Constitution and By-laws approved by the Secretary of Interior, and protests the granting of Application Number 74284, filed on May 9, 2006 by Lyon County, for a permit to change the point of diversion, place of use, and manner of use of the underground public waters of the State of Nevada, for the following reasons and on the following grounds, to wit:

1. Granting the application would threaten to prove detrimental to the public interest in light of the over-appropriation of the groundwater available in the basin, and the resulting inability of the perennial yield to serve existing permits and commitments with groundwater, and in light of the obligations of the State Engineer pursuant to NRS Chapters 533, 534, and 278 to require that there be adequate plans to protect existing rights, uses and commitments of groundwater, and to exercise all appropriate authority and discretion to control over-demand on the source and to protect both the public and other right holders of both surface and groundwater rights.

2. The proposed transfer of decreed and/or permitted agricultural water rights to quasi-municipal or municipal use should be denied as such a transfer threatens to prove detrimental to the public interest by extending water deliveries outside of the irrigation season.

3. Upon information and belief, the rights in question have been forfeited and/or abandoned and the application should therefore be denied.

4. The application appears to request transfer of the full duty for irrigation rather than the consumptive use amount; if the application is granted in any respect, the duty should be limited to the consumptive use, which is established in this basin to be 2.5 af/a, otherwise the application amounts to a request for a new and additional appropriation of groundwater in a designated, over-appropriated basin.

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5. The application is deficient in that it does not adequately and sufficiently identify the location of the existing place of use so that the public and this Protestant can determine the facts in connection with the rights in question.

6. Granting the application, and the subsequent development of groundwater for industrial, quasi-municipal, or municipal purposes under the application, would threaten to prove detrimental to the Tribe, to the purposes for which the Pyramid Lake Indian Reservation was created, and to the public interest, by depleting flows in the Carson River and reducing inflows to Lahontan Reservoir, because of the connection, both legal and physical, between groundwater and surface water in the basin, to the detriment of senior surface water right holders in the Newlands Project, which senior right holders are entitled to divert Truckee River water through the Truckee Canal to make up for insufficient Carson River flows which are the primary source to satisfy their rights, and which greater diversions of Truckee River water away from Pyramid Lake would operate to the detriment of the threatened and endangered species inhabiting Pyramid Lake and the lower Truckee River, and impair instream flows.

7. Granting the application would threaten to prove detrimental to the public interest in ways that are not yet known to this Protestant, but which may arise or first become known to this Protestant in the period between the date of filing of the Application and the hearing on the protested Application - by way of example Fernley's Application #57555 was filed on May 1, 1992, and the hearing was not held until February 6, 2006 - and in light of the position of the State Engineer that a specifically stated protest ground may not be amended regardless of the extensive passage of time between the date the protest is required to be filed, and the date of the hearing on a protested application.

8. Upon information and belief, since the application does not contain adequate facts, or information from which to determine certain facts, the water rights which are the subject of this application may be supplemental to decreed surface water rights and the application should therefore be denied, as granting the application would amount to allowing a new appropriation of water in a designated, over-appropriated basin which would harm and conflict with existing rights, both groundwater and surface water, because of the physical and legal connection between groundwater and surface water in this basin.

9. Granting the application would threaten to prove detrimental to the public interest.

10. This Protestant incorporates in this Protest by reference, as if fully set forth herein, every protest ground set forth in any other Protest filed by any other Protestant regarding this application.

THEREFORE this Protestant requests that the above-referenced application be denied and that an order be entered for such relief as the State Engineer deems just and proper.

Robert C. Maddox & Associates

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Don Springmeyer, Esq.
Robert C. Maddox, Esq.
3811 W Charleston Blvd Suite 110
Las Vegas NV 89102
Tel: (702) 366-1900
Agents for the Tribe

Subscribed and sworn to before me this 31st day of July, 2006.

Debra Lockwood
Notary Public

State of Nevada

County of Washoe

My Commission Expires: 10-12-08

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

