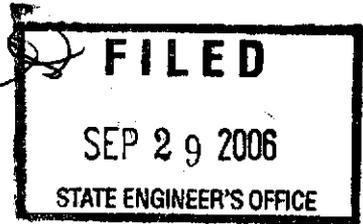


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 74434
FILED BY DENNIS W. SMITH, ET AL
ON JUNE 30 2006 TO APPROPRIATE THE
WATERS OF BASIN 103 (UNDERGROUND)

} PROTEST



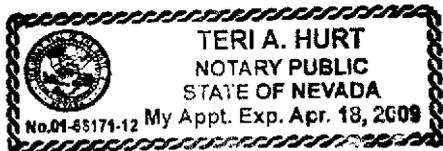
Comes now LYNNE ARNDELL
Printed or typed name of protestant
whose post office address is 5000 NAVAJO TRAIL, STAGECOACH, NEVADA 89429
Street No. Or P.O. Box, City, State and Zip Code
whose occupation is MANAGER - STAGECOACH G.I.D. and protests the granting
of Application Number 74434 filed on JUNE 30 2006
by DENNIS W. SMITH, ET AL to appropriate the
waters of Underground-Dayton Valley Hydrographic Basin situated in LYON
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 Attachment A

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.

RECEIVED
2006 SEP 29 AM 11:41
STATE ENGINEER'S OFFICE

Signed Lynne Arndell
Agent or protestant
LYNNE ARNDELL
Printed or typed name, if agent
Address 5000 NAVAJO TRAIL
Street No. or P.O. Box No.
STAGECOACH, NEVADA 89429
City, State and Zip Code
(775) 629-0849
Phone Number

Subscribed and sworn to before me this 27th day of September, 2006



Signed Teri A. Hurt
Notary Public
State of Nevada
LYON
County of

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

60



STAGECOACH

GENERAL IMPROVEMENT DISTRICT

5000 Navajo Trail

Stagecoach, Nevada 89429

(775) 629-0849

2006 SEP 29 AM 11:41
STATE ENGINEERS OFFICE

ATTACHMENT "A"

September 21, 2006

Tracy Taylor, P.E.
State Water Engineer
State of Nevada
Division of Water Resources
901 S. Stewart Street, Ste. 2002
Carson City, NV 89701-5250

Dear Ms. Taylor:

It has come to the attention of the Stagecoach General Improvement District that there has been an application (#74434) filed to move 101 acre feet of water from the Stagecoach sub-basin to Dayton.

This letter is written protest of that action. As the primary provider of water in this basin, we feel that this action will be detrimental to the future of this area. It is important to keep what water resources we have in our basin. Transferring water to another area will prohibit any future development here and could result in shortages to the current residents of this valley.

We understand that there will be a hearing on this matter on October 2, 2006. Please consider this letter as our formal protest.

Sincerely,

Lynne Arndell
Manager
SGID

Cc: Dennis Smith, Western Engineering

