Sharpe Spring, Wheeler Creek No. 1,

BROOKE · SHAW · ZUMPFT POST OFFICE BOX 2860 MINDEN, NEVADA 89423 (775) 782-7171	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	Wheeler Creek No. 2, Miller Creek, Beers Spring, Luther Creek, and Various Unnamed Sources in Carson Valley, Douglas Valley, Nevada, Real Parties-in-Interest REQUEST FOR LEAVE
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	24	BROOKE · SHAW · ZUMPFT THOMAS J. HALL, ESQ. MICHAEL L. MATUSKA, SBN 5711 State Bar No. 675
	25	1590 Fourth Street, Suite 100 305 South Arlington Avenue
	26	P.O. Box 2860 Reno NV 89509 Minden, Nevada 89423 (775) 348-7011 – Phone
	27	(775) 782-7171 – Phone (775) 348-7211 - Fax
	28	(775) 782-3081 – Fax Attorney for Real Parties-in- Attorneys for Petitioners Interest

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Bentley respectfully submits that the Answer filed by Real Parties-in-Interest is misleading and that a reply is warranted on the following issues:

Real Parties-in-Interest falsely assert that Bentley is challenging their right to 1. participate in the water rights adjudication that is the subject of the proceedings in the lower court (Answer at p. 8, lls 24-25). This is false. Real Parties-in-Interest have to be named as parties to the adjudication. They do not need to intervene or file any pleading to have that right. However, their rights have already been adjudicated (Answer at p. 5, lls 1-15), and they have not taken any exception to the adjudication of their rights or those of Bentley. Rather, they have used their intervention to try to quiet title to a Diversion Agreement that has been in their chain of title for over twenty (20) years and have done so through affirmative defenses (App. Vol. 3 at 479-482). ¹ In the Motion to Dismiss, Bentley

Real Parties-in-Interest admit that they think the Diversion Agreement "is unenforceable, and even if enforceable, has been violated by the Bentleys and should be terminated according to its terms" (Answer at p. 6, lls. 4-5). Defendants are therefore

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does not challenge the right of the Real Parties-in-Interest to participate in the adjudication process, which is complete, but rather, the right of the Real Parties-in-Interest to expand the adjudication process to a quiet title action through the filing of their non-conforming pleading. Bentley seeks leave to file a reply to address the scope of the participation of the Real Parties-in-Interest.

- Real Parties-in-Interest alleged that Bentley's diversion are "excessive" and 2. made "in violation of custom, practice, agreements and decrees." Real Parties-in-Interest failed to provide a citation to the record for this allegation, or to provide any decree, agreement or other document to support this allegation. Real Parties-in-Interest know this allegation to be false. Real Parties-in-Interest even admitted that the Final Order of Determination adjudicates water rights in favor of Bentley appurtenant to 12.93 approved acres (Answer at p. 12, lls. 9-16). Neither Bentley nor the Real Parties-in-Interest have taken exception to this finding. Since the petition was filed, the State Engineer prepared a report of Bentley's water useage which confirms that Bentley's diversions do not exceed its allocation for 12.93 approved acres. Bentley therefore requests leave to supplement the record with this report.
- Real Parties-in-Interest falsely suggest that the Order of Final Determination 3. contains findings that override or nullify the Diversion Agreement that is the subject of the quiet title action that Real Parties-in-Interest are pursuing through their affirmative defenses. These suggestions include multiple statements that "the findings of the state engineer are entitled to the presumption of correctness . . . " (Answer at p. 13, lls 7-8; p. 17,

seeking to quiet title by way of affirmative defenses (App. Vol. 3 at 479-482) without filing an actual pleading.

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lls. 26-27). Real Parties-in-Interest go so far as to suggest that Bentley has to "post a bond to stay the Final Order of Determination." (Answer at p. 1, lls. 17-18). In fact, the Final Order of Determination does not address the subject Diversion Agreement in any way, shape, or form, and does not preclude such private agreement. Bentley requests leave to file a reply brief to address this misstatement of fact and the issue of a bond.

- Real Parties-in-Interest repeat multiple times that they "are aligned with the 4. State Engineer and support the Final Order of Determination . . ." (Answer at p. 6, lls. 11-13; p. 7, lls. 7-8). Real Parties-in-Interest make this argument to suggest that the State Engineer is opposed to the Diversion Agreement and that because the Final Order of Determination constitutes the pleading, their affirmative defenses can relate back to the Final Order of Determination. This is patently false. The Final Order of Determination does not address the Diversion Agreement in any way, shape, or form, and the State Engineer has gone out of his way to explain that he views this dispute as a private dispute between Bentley and the Real Parties-in-Interest and that the Diversion Agreement "may be beyond the scope of the adjudication" (App. Vol. 3 at 541:3-7). As such, the affirmative defenses filed by the Real Parties-in-Interest concerning the enforceability the Diversion Agreement, the pond permits, and the other issues, must be seen as the Initial Pleading. Bentley requests leave to supplement the record with the clarifications from the State Engineer on this allegation.
- Real Parties-in-Interest wrongfully assert that Bentley's Exception No. 1 5. seeks "to avoid the proposed Diversion Schedule based on the Diversion Agreement" (Answer at p. 11, lls. 24). The implication is that Bentley's Exception No. 1 somehow

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invited Real Parties-in-Interest to file a new pleading to quiet title on the basis that "the claimed Diversion Agreement is unenforceable, has been violated by the Bentleys and should be terminated according to its terms" (Answer at p. 6, Ils. 4-5). In Exception No. 1, Bentley merely seeks to point out that any Diversion Schedule would be subject to the Diversion Agreement that has been recorded in the chain of title of the Real Parties-in-Interest for over twenty (20) years. Bentley never asked the Court to declare the effect of the Diversion Agreement and never asserted that it precluded a Diversion Schedule. Moreover, the affirmative defenses contained in the Initial Pleading filed by Real Parties-in-Interest contain allegations about pond permits and other matters that are not mentioned at all in Bentley's exception or the Final Order of Determination. There should be no doubt that the Initial Pleading is trying to raise new matters by way of affirmative defenses.

6. Bentley would like to further explain in a reply brief that none of the factual issues raised by Real Parties-in-Interest address the merits of the Petition for Writ of Mandamus and/or Prohibition. If Real Parties-in-Interest think the lower court lacks jurisdiction over any or all of Bentley's exceptions, then they should have intervened to move for dismissal. But they did not do that. Rather, they intervened to initiate a quiet title action and a complaint about pond permits by way of affirmative defenses without filing a conforming pleading that placed the matters at issue.

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Wherefore, Bentley requests leave to address these issues in a reply brief and to supplement the record accordingly.

DATED this ______day of September 2010.

 $BROOKE \cdot SHAW \cdot ZUMPFT$

By:

MICHAEL L. MATUSKA

BROOKE · SHAW · ZUMPFT POST OFFICE BOX 2860 MINDEN, NEVADA 89423 (775) 782-7171

VERIFICATION

STATE OF NEVADA) ss. COUNTY OF DOUGLAS)

MICHAEL L. MATUSKA, being first duly sworn, deposes and says:

That he is the Attorney for Petitioners in the above-entitled action; that he has read the foregoing instrument and knows the contents thereof and that the same is true of his own knowledge except for those matters stated on information and belief, and as to those matters, he believes them to be true.

MICHAEL L. MATUSKA

SUBSCRIBED AND SWORN to before me, this 170 day of September 2010, by MICHAEL L. MATUSKA.

OTARY PUBLIC



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CERTIFICATE OF SERVICE

Bryan L. Stockton

Deputy Attorney General
100 North Carson Street
Carson City, NV 89701

The Honorable David Gamble
NINTH JUDICIAL DISTRICT COURT
P.O. Box 218
Minden NV 89423

[X] BY U.S. MAIL: I deposited for mailing in the United States mail, with postage fully prepaid, an envelope containing the above-identified document at Minden, Nevada, in the ordinary course of business.

[] **BY FACSIMILE:** I transmitted via facsimile from the offices of Brooke · Shaw · Zumpft the above-identified document in the ordinary course of business to the individual and facsimile numbers indicated.

LIZ STERN, ALS