SEE APPLICATIONS 73428, 73429, 73430 TO CHANGE P.O.D. OF A PORTION

No. 66400 Date Filed MAY 22 2000

Indexed under

Name of applicant

Map

Stream DRY VALLEY

Township 34 N Range 19 E

Well Log

County WASHOE

Place of diversion SW 1/4 SE 1/4 Section 10

Applicant INTERMOUNTAIN PIPELINE LTD. ASSIGNED

Source of Water UNDERGROUND

Returned for correction JUN 12 2000

Corrected application received JUN 07 2000

Map filed July 7, 2000 (Prop. POD); Aug 1, 1996 under 64-33 (Prop. POD)

Sent for publication 8/11/2000

Proof of publication filed

Investigation approved by AUG 14 2000

Protested

Ready for action SEP 10 2000

Approved

Denied

	Proof of Construction Filed	Proof of Completion	Proof of Beneficial Use	Contract Map
Date due		FEB 11 2001	FEB 11 2002	N/A
1st extension				
2nd extension				
Date filed				

Filed under item

Certificate No.		Fee		Amount	
Use					

COMPUTER CHECK	File Entry		Publication		Permit		Certificate	

ADDRESS

Docket 73933 Document 2018-05399

JA1148

Stantec Consulting Inc.
950 Industrial Way
Sparks NV 89431 USA
Tel: (775) 358-6931 Fax: (775) 358-6954
www.stantec.com

Stantec

May 22, 2000
Project No. 80200134

Mr. Hugh Ricci
NEVADA DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

Dear Mr. Ricci:

Submitted on behalf of our client, Intermountain Pipeline LTD, please find enclosed an Application for Permit to Appropriate underground water in Dry Valley along with a check for $250.00 for the filing fee. This application is for additional ground water from Dry Valley, and is supported by our technical evaluations of available water resources (report forthcoming).

Please contact me, if you have any questions regarding this request.

Sincerely,

Dwight L. Smith

Dwight L. Smith, P.E.
Senior Hydrogeologist

cc: Intermountain Pipeline, LTD

DLS:dd
p:\geotech\80200134\wpdocs\ltr-memo\water right application2.doc

Buildings

Environment

Industrial

Management Systems

Transportation

Urban Land

Serial No. 66400

ORIGINAL

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY			
Date of filing in State Engineer's Office	MAY 2 2 2000		
Returned to applicant for correction	JUN 1 2 2000		
Corrected application filed	JUL 0 7 2000	Map filed	JUL 0 7 2000

The applicant Intermountain Pipeline Ltd.

PO Box 2790 (Street and No. or P.O. Box No.) of Reno (City or Town)

Nevada 89505-2790 (State and Zip Code No.), hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association gives names of members.) Limited Liability Company was chartered in the State of Nevada, December 31, 1997

1. The source of the proposed appropriation is Underground (Well C)
   (Name of stream, lake, spring, underground or other source.)

2. The amount of water applied for is 2.14 cfs , 1,550 AF per year
   (One second foot equals 448.83 gallons per minute.)

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for Municipal and Domestic
   (Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kind of animals

   (c) Other use (describe fully under "No. 12. Remarks")

   (d) Power:

      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point SW¼ SE¼ Section 10, T24N, R18E, MDM.
Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.

6. Place of use See attached Exhibit "A".
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

7. Use will begin about January 1 and end about December 31 of each year.
Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Well C, equipped with pump and controls and a transmission pipeline to deliver water to Lemmon Valley.
State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.

9. Estimated cost of works $1.5 million

10. Estimated time required to construct works 5 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 10 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

This application is for ground water from Dry Valley, in addition to applications 64977 and 64978.

By Dwight W. Smith, Agent
Signature, applicant or agent

950 Industrial Way
Street and No., or P.O. Box No.

Sparks, Nevada 89431
City, State, Zip Code No.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

00 MAY 22 PM 3:57

$250 FILING FEE MUST ACCOMPANY APPLICATION

EXHIBIT "A"

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, all in T21N R19E MDM.

Section 36, T21N R18E MDM.

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, all in T20N R19E MDM.

Sections 1 and 12 T20N R18E MDM.

RECEIPT

STATE OF NEVADA
DIVISION OF WATER RESOURCES
201 S. Fall Street, Room 211
Carson City, Nevada 89710

Duplicate

136602

MAY 22 2000, 19

FRANKLIN G ALVERSON II
STANTEC CONSULTING INC
950 INDUSTRIAL WAY
SPARKS NV 89431

	TO FILING NEW APPLICATION NO. 66400	250	00
	(INTERMOUNTAIN PIPELINE LTD.)		

Remittance by CHECK NO: 741

Received payment in the office of the State Engineer

By

(Rev 1-88)

(O) 2096

ROBERT C. GLOVER
Director

STATE OF NEVADA

PETER G. MORROS
Director

R. MICHAEL TURNIPSEED, P.E.
State Engineer

JA1154

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 684-4380 • Fax (775) 687-5972

RE: 66400

June 1, 2000

Intermountain Pipeline Ltd.
P. O. Box 2770
Reno, NV 89505-2770

Ladies and Gentlemen:

Application No. 66400 for permission to appropriate water was filed in the Division of Water Resources on May 22, 2000, in the name of Intermountain Pipeline Ltd. by Dwight L. Smith of Stantec Consulting, Inc. as agent. The $250.00 filing fee was received and Receipt No. 136802 was issued on May 22, 2000, to Franklin G. Alverson of Stantec Consulting, Inc.

Please be advised that, in addition to the correspondence and notices sent to you from the Division of Water Resources relative to these water filings, a copy will be forwarded to Dwight L. Smith of Stantec Consulting, Inc. as agent unless we are otherwise instructed by you as the owner of record.

Very truly yours,

R. Michael Turnipseed, P.E.
State Engineer

RMT/dl

Date: June 7, 2000 Initials: MB/

APPLICATION: 66400

[ ] In heading give date and place of incorporation. If a copartnership or association, give names of members.

[ ] #3. _____ are each considered major uses. Item #3 must be limited to a single major use. Separate applications will be required for each individual major use.

[X] #5. Describe point of diversion as being within a 40-acre legal subdivision or governmment lot and tie by bearing and distance to an established section or quarter-section corner.

[ ] #6. Give place of use by 40-acre legal subdivisions or government lots.

[ ] #____. The map shows _____

_____. If application is incorrect, please correct amended. If map is incorrect, please request return of map.

[ ] #7. If annual use is anticipated, should read "Jan. 1 - Dec. 31."

[ ] #8, 9, 10, 11. Must be completed. Describe works of diversion.

[ ] #12. Give an estimate of the number and type of units proposed to be served under this application, e.g., 15 trailers with landscaping, service station, and a small store.

[ ] #12. Give an estimate of the expected daily, weekly, or annual rate of consumption, e.g., 150 gallons per hour, 8 hours per day, 5 days per week throughout the year.

[X] Need map. A supporting map, prepared by a licensed State Water Right Surveyor, will be required in suport of the above application(s).

[ ] The map is being returned so the following corrections can be made:

_____

_____

[ ] Other _____

_____

_____

KENNY C. GUINN
Governor

STATE OF NEVADA

PETER G. MORROS
Director

R. MICHAEL TURNIPSEED, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972

June 7, 2000

RE: 66400

Intermountain Pipeline, Ltd.
P. O. Box 2790
Reno, NV 89505-2790

Ladies and Gentlemen:

Please be advised that the 1993 Nevada Legislature passed and the Governor signed into law S.B. 19 which established certain noticing requirements which **must** be met by any applicant for underground water for municipal, quasi-municipal, or industrial uses for 0.5 c.f.s. or greater. The law became effective October 1, 1993. It appears that your Application Number 66400 is subject to this law. I have enclosed a copy of S.B.19 for your information. The State Engineer **cannot** consider your application until the noticing requirements are met. If there are no domestic wells within 2,500 feet of the well site, please inform this office in writing.

If you have any questions on this matter, feel free to call me.

Sincerely,

Christine Thiel, P.E.
Deputy State Engineer

CT/my

Enclosures

cc: Dwight L. Smith & Franklin G. Alverson II

F I L E D
Electronically
CV16-01378
2016-10-05 10:46:58 AM
Jacqueline Bryant
Clerk of the Court
Transaction # 5741254 : mfernand

4105
ADAM PAUL LAXALT
Attorney General
MICHELINE N. FAIRBANK
Senior Deputy Attorney General
Nevada Bar No. 8062
100 North Carson Street
Carson City, Nevada 89701-4717
Tel: (775) 684-1225
Fax: (775) 684-1108
Email: mfairbank@ag.nv.gov
Attorney for Respondent,
Nevada State Engineer

Office of the Attorney General
100 North Carson Street
Carson City, Nevada 89701-4717

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

SIERRA PACIFIC INDUSTRIES, a California Corporation, Petitioner, vs. JASON KING, P.E., in his capacity as Nevada State Engineer, and the DIVISION OF WATER RESOURCES, DEPARTMENT OF CONSERVATION, an agency of the State of Nevada, Respondent, and, INTERMOUNTAIN WATER SUPPLY, LTD., a Nevada limited liability company, Intervenor-Respondent.	Case No. CV16-01378 Dept. No. 1

<u>SUPPLEMENTAL RECORD ON APPEAL</u>

Part II of V

SE ROA 1076 - 1396

Kenny C. Guinn
Governor

STATE OF NEVADA

Peter G. Morros
Director

R. Michael Turnipseed, P.E.
State Engineer

JA1158

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-9772

RE: 66400

June 12, 2000

Dwight L. Smith
950 Industrial Way
Sparks, NV 89431

Dear Mr. Smith:

Your application to appropriate the public waters of the State of Nevada was received and filed May 22, 2000. This application was assigned Number 66400.

We are enclosing a copy of the original application and amended application so that the following corrections may be made:

#5. Describe point of diversion as being within a 40 acre legal subdivision or government lot and tie by bearing and distance to an established section or quarter-section corner.

Need map. A supporting map, prepared by a licensed State Water Right Surveyor, will be required in support of the above application.

In addition to the above corrections, all other appropriate items of the amended application, including current address of the applicant, must again be corrected. The name on the amended application must be spelled the same as on the original application or an affidavit of identity will be requested.

The amended application and map must be filed in this office on or before August 11, 2000, or it becomes mandatory of the State Engineer to cancel the above application.

If your application and map is returned properly corrected within 60 days, your application will retain the priority of its original filing; if not returned within the time stated, your application will be cancelled.

Sincerely,

R. Michael Turnipseed, P.E.
State Engineer

RMT/MB/dl

Enclosures

Certified Mail 7099 3220 0005 9491 0590

cc: Intermountain Pipeline, LTD

Certified Mail 7099 3220 0005 9491 0606

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: d1/66400

Intermountain Pipeline LTD
P. O. Box 2790
Reno, NV 89505-2790

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) | B. Date of Delivery

C. Signature X [signature] ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

RENO, NV JUN 15 2000 USPS

2. Article Number (Copy from service label) 7099 3220 0005 9491 0606

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: d1/66400

Dwight L. Smith
950 Industrial Way
Sparks, NV 89431

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) Pete Briggs | B. Date of Delivery 6/15/00

C. Signature X [signature] ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

SPARKS, NV JUN 16 2000 USPS

2. Article Number (Copy from service label) 7099 3220 0005 9491 0590

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

Stantec Consulting Inc.
950 Industrial Way
Sparks NV 89431 USA
Tel: (775) 358-6931 Fax: (775) 358-6954
www.stantec.com

Stantec

June 28, 2000
Project No. 80200134

Mr. Hugh Ricci, Deputy State Engineer
NEVADA DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

Dear Hugh:

Please find enclosed Amended Application 66400 and supporting map for appropriation of ground water from Dry Valley by Intermountain Pipeline, LTD. Also, in response to Christine Thiel's letter dated June 7, 2000, there are no domestic wells within 2,500 feet of the proposed point of diversion for this application.

We are looking forward to meeting with yourself and Mike on July 12, 2000 to discuss our hydrologic work that supports Intermountain Pipeline's applications to appropriate ground water from Dry Valley.

Please contact me, if you have any questions regarding the amended application.

Sincerely,

STANTEC CONSULTING INC.

Dwight L. Smith

Dwight L. Smith, P.E.
Senior Hydrogeologist

cc: Bob Marshall, Intermountain Pipeline, LTD
Terry Katzer, Cordilleran Hydrology

Buildings
Environment
Industrial
Management Systems
Transportation
Urban Land

Serial No. 66400

AMENDED

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office MAY 2 2 2000

Returned to applicant for correction JUN 1 2 2000

Corrected application filed JUL 0 7 2000 Map filed JUL 0 7 2000

The applicant Intermountain Pipeline Ltd.

PO Box 2790 (Street and No. or P.O. Box No.) of Reno (City and Town)

Nevada 89505-2790 (State and Zip Code No.), hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association give names of members.) Limited Liability Company was chartered in the State of Nevada, December 31, 1997.

Is applicant a U.S. citizen? Yes ☒ No ☐

Is applicant 21 years of age or older? Yes ☒ No ☐

NRS 533.325 requires that applicant be a citizen of the United States or have legally declared their intention to become a citizen, and that they be 21 years of age or older.

1. The source of the proposed appropriation is Underground (Well C)
   (Name of stream, lake, spring, underground or other source.)

2. The amount of water applied for is 2.14 cfs, 1,550 AF per year second feet.
   (One second foot equals 448.83 gallons per minute.)

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for Municipal and Domestic
   (Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kind of animals

   (c) Other use (describe fully under "No. 12. Remarks")

   (d) Power:

      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point SW¼ SE¼, Section 10, T24N, R18E, MDM,
Describe as being within a 40-acre subdivision of public

or at a point from which the SE corner of said Section 10 bears S 62°30'36"E, a distance of
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.

2,807 feet.

6. Place of use See attached Exhibit "A"
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

7. Use will begin about January 1 (Month and Day) and end about December 31 (Month and Day) of each year.

8. Description of proposed works (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Well C, equipped with pump and controls and a
State manner in which water is to be diverted, i.e. diversion structure,

transmission pipeline to deliver water to Lemmon Valley.
ditches and flumes, drilled well with pump and motor, etc.

9. Estimated cost of works $1.5 million

10. Estimated time required to construct works 5 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 10 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

This application is for ground water from Dry Valley, in addition to applications 64977 and 64978.

TELEPHONE NUMBER

(775) 358-6931

By Dwight L. Smith, Agent
Signature, applicant or agent

950 Industrial Way
Street and No., or P.O. Box No.

Sparks, Nevada 89431
City, State, Zip Code No.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$250 FILING FEE MUST ACCOMPANY APPLICATION

EXHIBIT "A"

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, all in T21N R19E MDM.

Section 36, T21N R18E MDM.

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, all in T20N R19E MDM.

Sections 1 and 12 T20N R18E MDM.

PETER G. MORROS
Director

R. MICHAEL TURNIPSEED, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

In reply refer to No. 66400

Address All Communications to the State Engineer, Division of Water Resources
Telephone (775) 687-4380

RENO GAZETTE JOURNAL
P O BOX 22000
RENO NV 89520

Gentlemen:

Enclosed is notice of Application No. 66400 of Intermountain Pipeline Ltd.

for the waters of an underground source. Please publish this notice in your paper once a week for four consecutive weekly issues, the first publication to commence in your first issue after receipt of this letter.

Upon completion of such publication it will be necessary for you to send to this office a proof of publication subscribed to before a Notary Public, showing the dates of the issues of said newspaper wherein such publications were made, and that such newspaper is a newspaper having a general circulation, and that the affiant is the publisher or manager thereof. Also send your bill, which, in accordance with the statutes, must not exceed the sum of fifty dollars. The bill will be paid on the first of the month following receipt of proof of publication.

Kindly detach the receipt provided below and return to this office with a copy of the notice as first published attached thereto. If this receipt is not received within 15 days of this date it will be assumed that you do not desire the publication, and it will be sent elsewhere.

Very truly yours,

R. Michael Turnipseed P.E.

R. MICHAEL TURNIPSEED, P.E.
State Engineer

RMT/gkl
Enclosure

....., Nevada, ..., 19.....

STATE ENGINEER
Carson City, Nevada

DEAR SIR:

Notice of Application No. ..... for publication in this paper has been received and publication will be made as directed.

.....
Name of Paper

By.....

KINDLY RETURN PROMPTLY ON COMPLETION OF FIRST PUBLICATION

Form A (Rev. 12-98)

NOTICE OF APPLICATION FOR PERMISSION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

JUL 10 2000

Application No. 66400

Notice is hereby given that on the 22nd day of May, 2000 Intermountain Pipeline Ltd. of Reno State of Nevada made application to the State Engineer of Nevada for permission to appropriate 2.14 cfs of the public waters of the State of Nevada. Diversion is to be made from

an underground source at a point located within the SW¼ SE¼, Section 10, T.24N., R.18E., MDM, or at a point from which the SE corner of said Section 10 bears S. 62° 30' 36'' E., a distance of 2,807 feet (4½ miles E of Constantia CA). Water will be used for municipal & domestic purposes from January 1st to December 31st of each year.

Date of first publication

Date of last publication

Signed:

RMT/gkl

R. Michael Turnipseed
State Engineer

Form B (Rev. 3-00)

(O)-1605

65/AP .00

PETER G. MORROS
Director

R. MICHAEL TURNIPSEED, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

Address All Communications to the State Engineer, Division of Water Resources
Telephone (775) 687-4380

In reply refer to No. 66400

JUL 10 2000

INTERMOUNTAIN PIPELINE LTD
P O BOX 2790
RENO NV 89505-2790

Your application was received and filed in this office under the above mentioned serial number on MAY 22 2000. The supporting map was received and filed on JUL 07, 2000.

Today notice of publication has been mailed to Reno Gazette Journal Reno, Nevada. In accordance with the law the notice will be published once a week for four consecutive weekly issues.

Very truly yours,

R. Michael Turnipseed P.E.

R. MICHAEL TURNIPSEED, P.E.
State Engineer

RMT/gkl
Cc: Dwight Smith

Form D (Rev. 1-00)

NOTICE OF APPLICATION FOR PERMISSION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Application No. 66400 — Notice is hereby given that on the 22nd day of May, 2000, Intermountain Pipeline Ltd. of Reno, State of Nevada, made application to the State Engineer of Nevada for permission to appropriate 2.14 cfs of the public waters of the State of Nevada. Diversion is to be made from an underground source at a point located within the SW1/4 SE1/4, Section 10, T.24N., R.18E., MDM, or at a point from which the SE corner of said Section 10 bears S. 62 degrees 30' 36" E., a distance of 2,807 feet (4 1/2 miles E. of Constantia, CA). Water will be used for municipal & domestic purposes from January 1st to December 31st of each year.
Date of first publication: 7/21/00
Date of last publication: 8/11/00
Signed: R. Michael Turnipseed, State Engineer
No.2735 Jul.21,28, Aug.4,11, 2000

....., Nevada, ..., 19.....

ER
da

lication No.....for publication in this paper has been received and publication
rected.

.....Reno Gazette-Journal.....
P.O. BOX 22000
By.....RENO, NEVADA 89520-2000.....

KINDLY RETURN PROMPTLY ON COMPLETION OF FIRST PUBLICATION

Form A (Rev. 12-96) (O)-4583

Stantec Consulting Inc.
950 Industrial Way
Sparks NV 89431 USA
Tel: (775) 358-6931 Fax: (775) 358-6954
www.stantec.com

Stantec

July 31, 2000
Project No. 80200134

Mr. Michael Turnipseed, P.E.
Mr. Hugh Ricci, P.E.
State Engineer's Office
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

RE: Hydrogeology of Dry Valley, Washoe County, Nevada

Dear Mike and Hugh,

This evaluation of water resources in Dry Valley (Hydrographic Basin 7-95) has been completed for Intermountain Pipeline, LTD as technical support for Applications 64977, 64978 and 66400 to appropriate underground water. Our research began in the fall of 1999 and continued into the summer of 2000. Of importance in our evaluations of the water resources in Dry Valley is regional precipitation as mapped using the PRISM model. Total basin precipitation is 80% greater than earlier water reconnaissance studies indicated (Rush and Glancy, 1967). Our work conservatively supports a perennial ground water yield from Dry Valley of 3,000 acre-feet per year, which is equal to the total requested duty of Applications 64977, 64978 and 66400.

Please feel free to call us, if you have any questions regarding the water resources evaluations presented herein.

Buildings
Environment
Industrial
Management Systems
Transportation
Urban Land

Sincerely,

Dwight L. Smith, P.E.
Senior Hydrogeologist, Stantec Consulting

PROFESSIONAL ENGINEER-STATE OF NEVADA
DWIGHT L. SMITH
GEOLOGICAL
8/2/00
No. 11906

Terry Katzer
Principal Hydrogeologist, Cordilleran Hydrology

cc: Bob Marshall, Intermountain Pipeline, LTD

P:\GEOTECH\Project Files\Open Jobs\8100134\WPDOCS\REPORTS\Dry Valley Cover Letter.doc

RENO NEWSPAPERS INC.
Publishers of
RENO GAZETTE-JOURNAL
955 KUENZLI ST • P.O. BOX 22000 • RENO, NEVADA 89520 • PHONE: (775) 788-6200
LEGAL ADVERTISING OFFICE • (775) 788-6394

FILED
AUG 14 2000
STATE ENGINEER'S OFFICE

Customer Account # 310374
PO # / ID # 2735
Legal Ad Cost $50.00

NV Water Resources
Attn Gloria
123 W Nye Lane #246
Carson City NV 89706-0818

PAID
66376
$150.00
Date AUG 24 2000
Warrant No. 316664

PROOF OF PUBLICATION

STATE OF NEVADA
COUNTY OF WASHOE
ss. Tana Ciccotti

being first duly sworn, deposes and says:
That as the legal clerk of the RENO GAZETTE-JOURNAL, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice:

of application

66400

of which a copy is hereto attached, has been published in each regular and entire issue of said newspaper on the following dates to wit:

July 21, 28, Aug. 4, 11, 2000

Signed T. Ciccotti

Subscribed and sworn to before me this

AUG 11 2000

Susan V. Dummar
Notary Public

SUSAN V. DUMMAR
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 98-4036-2 - Expires August 17, 2002

NOTICE OF APPLICATION FOR PERMISSION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Application No. 66400 — Notice is hereby given that on the 22nd day of May, 2000, Intermountain Pipe Line Ltd. of Reno, State of Nevada, made application to the State Engineer of Nevada for permission to appropriate 5 cfs of the public waters of the State of Nevada. Diversion is to be made from an under ground source at a point located within the SW/4 SE1/4, Section 10, T21N, R19E, MDM, or in a point from which the SE corner of said Section 10 bears S. 62 degrees 30' 30" E., a distance of 2,807 feet (4 1/2 miles E. of Constantia, CA). Water will be used for municipal & domestic purposes from January 1st to December 31st of each year.
Date of first publication: 7/21/00
Date of last publication: 8/11/00
Signed: R. Michael Turnipseed
State Engineer
No. 2735 Jul. 21, 28, Aug. 4, 11, 2000

Washoe County
Department of
Water Resources
4930 Energy Way
Reno, NV 89502-4106
Tel: (775) 954-4600
Fax: (775) 954-4610

January 30, 2001

Mr. Hugh Ricci, P.E.
State Engineer
Nevada Division of Water Resources
123 West Nye Lane, Suite 246
Carson City, NV 89706-0818

Re: Informal Protest of Application 66400

Dear Hugh:

Intermountain Pipeline, Ltd. filed Application 66400 on May 22, 2000, to appropriate 2.14cfs and 1550.00 acre-feet of the ground water resources of Dry Valley, Nevada. The remarks in this application indicate that its duty is in addition to the duty requested under Applications 64977 and 64978 for 1450.00 acre-feet annually.

Furthermore, in November of 2000 the applicant also filed Application 66961 with a duty of 2000 acre-feet. This application does not indicate whether this duty is or is not supplemental to the above referenced applications. Washoe County is filing a formal protest against granting of Application 66961.

This informal protest is in opposition to granting of Application 66400 because it is Washoe County's contention that approval of such application is contrary to public interest.

United States Geological Survey Reconnaissance Report Number 43 estimates the perennial yield of Dry Valley at 1000.00 acre-feet. Application 66400 requests a duty of 1550.00 acre-feet, which is clearly beyond the safe yield of this basin when considered in addition to Applications 64977 and 64978. All the above referenced applications propose to divert and convey the water to the Lemmon Valley area for municipal use. Washoe County Development Code, Article PSF.1.10 prohibits long-term mining of ground water resources within the County boundaries. Furthermore, Washoe County Development Code, Article PSF.1.10.2 states, "The Washoe County Board of County Commissioners shall not approve land development activities dependent upon groundwater supplies which will cause the groundwater basin(s) to fall below self-sustaining levels as a result of the project's water consumption or effluent discharge method." Based on the information available, Application 66400 represents mining of the ground water resources of Dry Valley when considered together with Applications 64977 and 64978. Thus it may be considered an unsustainable resource. To allow any commercial, industrial, or residential development based on this resource would be contrary to public interest.

Ed Schmidt
Director

John M. Collins
Utility Services
Manager

Leonard E. Crowe, Jr.
Water Resources
Planning Manager

Department of
Water Resources

Therefore, Washoe County hereby requests the State Engineer to do one of the following:

1) Deny said application;
2) Limit its duty to that requested under Applications 64977 and 64978 by limiting the total combined duty of Applications 64977, 64978, 66400, and 66961 to that requested under Applications 64977 and 64978;
3) Limit the total combined duty of all four applications to the safe yield of Dry Valley Hydrographic Basin, which is currently estimated at 1000 acre-feet annually;
4) Approve Applications 64977 and 64978 for a very conservative duty of 500 to 700 acre-feet to satisfy the applicants' immediate needs. Hold any action on Applications 66400 and 66961 until Washoe County completes their groundwater model and determination of a perennial yield estimate for Dry Valley Hydrographic Basin. Upon completion of said yield analysis, the State Engineer can take appropriate action on the remaining applications (66400 and 66961).

Please call me at 954-4647 if you have any questions or need further information.

Sincerely,

Vahid Behmaram
Water Rights Technician Supervisor

VB:stw

c: Ed Schmidt, Director, Dept. of Water Resources
John Rhodes, Deputy District Attorney
John M. Collins, P.E., Manager, Utility Services Division
Paul C. Orphan, P.E., Senior Utility Engineer
Don Mahin, P.E., Registered Engineer
Wynn Ross, Hydrologist

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

April 23, 2001

Hugh Ricci, P.E.
Nevada State Engineer
Division of Water Resources
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706

Re: ***Applications 64977, 64978, 66400, 66961***
Dry Valley, Washoe County

Dear Mr. Ricci:

1. We have made the following filings on underground water in Dry Valley, Washoe County (Basin 095) to be used for municipal purposes in Lemmon Valley. These filings are part of the Warm Springs project which is an approved alternative source of water to the North Valleys under the Regional Water Management Plan. A summary of the filings is as follows:

File Number	Date	Annual duty	Location	Protests
64977 & 64978	03/24/99	1,450 AFY	Upper Dry Valley	None
66400	05/22/00	1,550 AFY	Lower Dry Valley	None
66961	11/22/00	2,000 AFY	Lower Dry Valley	Washoe Co. Lassen Co.

I wrote to Mike Turnipseed on December 27, 1999 requesting that Basin 095 (Dry Valley) be designated as a critical groundwater basin pursuant to the provisions of 534.030 since our filings, together with prior pending applications for irrigation (Nos. 50564 and 50566) exceed the perennial yield of the basin. Please refer to that letter, copy of which is enclosed. We hereby renew our request for designation of the basin. The pending applications for municipal use can then be issued as a preferred use. It is significant that the prior agricultural applicant did not protest any of our applications.

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

2. As indicated above, only our last application was protested. Protestant Washoe County has no underground water rights in Dry Valley and has no master or other plan covering future development of Dry Valley. There is only one house in the valley which has a valid permit (#28097, certificate # 10521). Protestant Lassen County has no water rights in Dry Valley and there is no water law in California which restricts drilling of wells across the state line in California.

Our project to take water to Lemmon Valley, including our Dry Valley component is an approved alternative source of water under the Regional Water Management Plan. (*See*, attached pp. 9-19 of the "Amendment To The Regional Water Management Plan To Include The North Valley Strategy"; and attached "Minutes of the Regional Water Planning Commission" dated April 19, 2000, agenda items 1A and 1B). Lemmon Valley is currently seriously overdrafted. (*See*, attached pp. 9-12 of the "Amendment To The Regional Water Management Plan To Include The North Valley Strategy").

The need for an alternative source of water to Lemmon Valley is critical.

It is therefore requested that Application 66961 be granted as soon as possible.

3. Stantec Consulting, Inc. and Cordilleran Hydrology prepared a Hydrogeology Report in July of 2000 covering Dry Valley. A copy of this report was submitted to the Nevada State Engineer on July 31, 2000. Potentially available groundwater from Dry Valley was estimated from 3,000 to 6,000 acre feet per year (p. 23).

It is therefore respectfully requested that all of the above applications be favorably considered under the following condition: No water will be taken under applications 64977 and 64978 until the aquifer has been pumped and monitored to determine the extent of the available resources. If pumping and monitoring over a period of time indicates additional underground water over and above 3,500 AFY (the sum of applied for diversions under applications 66400 and 66961) is available for diversion, only then would incremental amounts, as determined by the State Engineer, be developed under applications 64977 and 64978. It is anticipated that if permits are issued for applications 64977 and 64978, change applications, changing the points of diversion to Lower Dry Valley will be filed.

4. In summary, we request the following:

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

(a) Designate Basin 095 as a critical groundwater basin.

(b) Favorably consider all of the above referenced applications for municipal use.

(c) Restrict any diversions under applications 64977 and 64978 until pumping and monitoring under applications 66400 and 66961 indicate the availability of additional water which could be diverted under applications 64977 and 64978.

Your consideration of this request is greatly appreciated. It is critical that we be allowed to move forward on these applications as soon as possible.

Sincerely yours,

Bob Marshall

Robert W. Marshall

RWM/nah
Enclosures

Kennedy/Jenks Consultants

Engineers & Scientists

5190 Neil Road
Suite 210
Reno, Nevada 89502
775-827-7900
FAX 775-827-7925

31 October 2001

Ms. Charlene Fumarol
Division of Water Resources
123 W. Nye Lane
Carson City, NV 89710

Dear Charlene:

I will continue representing Intermountain Pipeline Ltd, and Robert W. Marshall and Nanette Marshall as their water right Agent for the following permits and applications: R-014, 64073 through 64081, 64977, 64978, 66400, 66873, 66961, and 67037. Please update my mailing address to the following:

Dwight L. Smith, PE, WRS
Kennedy/Jenks Consultants
5190 Neil Road, Suite 210
Reno, Nevada 89502

Please contact me at 827-7900, if you have any questions.

Very truly yours,

KENNEDY/JENKS CONSULTANTS

Dwight L. Smith

Dwight L. Smith, PE, WRS
Senior Associate

DLS/kls

cc: Bob Marshall

v:\dls\marshall change address.doc

STATE OF NEVADA
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Room 246
Carson City, Nevada 89706-0818

Field Investigation

Date: November 1, 2001

To: 50564, 50566, 66400 & 66961

From: Thomas C. Pyeatte Jr.

Regarding: Field Investigation of Dry Valley Basin for Underground Water Applications Pending.

On November 1st, 2001, Jason King and I traveled up to Dry Valley to investigate the basin regarding six (6) underground water applications pending. Two (2) of the applications numbers 50564 and 50566 are for irrigation of 1600 acres of land within Nevada and California. The four (4) other applications numbers 64977, 64978, 66400 & 66961 are requesting the export of water to the Lemmon Valley basin.

We reached the location for the two wells under 66400 and 66961 first. Both are located within a quarter of a mile from the North fork of Dry Valley Creek. No water was flowing through the creek. A visual inspection of the surrounding area while near the proposed point of diversion for 66400 showed no signs of flowing water in the valley or mountain.

After the drive-by inspection of 66400 and 66961, we proceeded west to the location for the proposed irrigation of 50564 and 50566. Portions of the land look to have been tilled in the past couple of years. Sage bush has grown back but not to a natural looking state.

An abandoned well was found at the approximate location for application 50566. The well had a piece of plywood and rocks covering up the hole. There was a 16-inch casing and a visual water depth of between 60 to 80 feet. A PVC pipe ran from the well towards two abandoned trailers. The concrete pad around the case looked to be approximately 6'X10'.

Permit 28097 (Certificate 10521) is the only underground permit or certificated water right in the Dry Valley Basin. An inspection of the property under Permit 28097 showed the right to still be in use. No persons were found on the premises.

We walked from the location of Permit 28097 toward the approximate area for the proposed point of diversion of Application 50564. No well was found. After returning to the truck. We proceeded back to the office.

Permit Terms Sheet

a. APPLICATION NO. 66400

b. Ready for Action Sept 10, 2000

c. Source Underground

d. Amount 2.14 cfs

e. No. of Units, Cattle Acres, etc. 1560 afa

f. Manner of Use Municipal

g. Period of Use Jan 1st to Dec 31st

h. Fees $ 32.48

i. Status of Basin: Desig. (Non-Desig.)

j. Basin Name Dry Valley

k. Basin Number 95

l. Reviewed: Office Engineer 12/6/01 By [illegible]

Reviewed: Groundwater Engineer By

Reviewed: Surface Water Engineer 12/6/01 By [illegible]

Office Notes: POD in Dry Valley Basin #95 & POU in Lemmon Valley Basins #92A & #92B, Warm Springs #84, Calculations: $1560 + 32 (1549) = $ 32.48

Permit Plat Filed 50564 Supplemental to:

Spanish Springs Valley #85, Sun Valley #86, Truckee Meadows #87 & Antelope Valley #93

Permit Terms: 4(C)
5(2)
5(3)
5(6) 64977, 64978 & 66400 / 2996 afa
5(11)

QT - RPT

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.14 cubic feet per second, not to exceed 1549 afa

Completion 3 yrs.

PBU 2 yrs.

PBU Map N/A

Date: 12-6-2001

By: TCR

[illegible]

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://ndwr.state.nv.us

December 6, 2001

RE: **64977, 64978, and 66400**

Intermountain Pipeline Ltd.
P O Box 2790
Reno, NV 89505-2790

Ladies and Gentlemen:

You are hereby advised that your applications to appropriate the public waters of the State of Nevada, under our Serial Numbers **64977 64978, and 66400** for the waters of an underground source are now ready to be approved by this office.

You are further advised that, in accordance with NRS 533.435 it will be necessary that you forward to this office, within sixty **(60)** days from the date hereof, the sum of ***$9,336.00** dollars for the issuing of your permits under the applications.

In the event that this office does not receive the above amount within sixty **(60)** days from this date, your applications will be subject to denial.

Sincerely,

Hugh Ricci, P.E.

Hugh Ricci, P.E.
State Engineer

***64977 - $3,044.00**
***64978 - $3.044.00**
***66400 - $3,248.00**

HR/my

cc: Dwight Smith

RECEIPT

STATE OF NEVADA
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Room 246
Carson City, Nevada 89706-0818

Duplicate
153051

DECEMBER 27 2001

INTERMOUNTAIN PIPELINE LTD
2440 HOLCOMB LANE
RENO NV 89511

	TO FEE ADVANCED FOR ISSUING PERMIT UNDER APPLICATION TO APPROPRIATE NO. 66400	3248	00
	(INTERMOUNTAIN PIPELINE LTD.)		

Remittance by CHECK NO. 2253 COVERS PERMIT FEES 64977, 64978 AND 66400

Received payment in the office of the State Engineer

By s/Cyndi Mitchell

(Rev. 9-00)

(O) 410

JA1181
SE ROA 1099

AMENDED NO. 66400

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office MAY 22 2000

Returned to applicant for correction JUN 12 2000

Corrected application filed JUL 07 2000

Map filed JUL 07 2000

****

The applicant **Intermountain Pipeline Ltd.**, hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

****

1. The source of the proposed appropriation is **Underground (Well C)**

2. The amount of water applied for is **2.14 cfs, 1,550 AF per year** second-feet

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for **Municipal and Domestic**

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kinds of animals to be watered

   (c) Other use (describe fully under No. 12. "Remarks")

   (d) Power:
      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point **SW¼ SE¼, Section 10, T24N, R18E, MDM, or at a point from which the SE corner of said Section 10 bears S 62°30'36" E, a distance of 2,807 feet.**

6. Place of Use **See attached Exhibit "A"**

7. Use will begin about **January 1** and end about **December 31** of each year.

8. Description of proposed works **Well C, equipped with pump and controls and a transmission pipeline to deliver water to Lemmon Valley.**

9. Estimated cost of works **$1.5 million**

10. Estimated time required to construct works **5 years**

11. Estimated time required to complete the application of water to beneficial use **10 years**

12. Remarks: **This application is for ground water from Dry Valley, in addition to applications 64977 and 64978**

By **s/Dwight L. Smith, Agent**
950 Industrial Way
Sparks, Nevada 89431

Compared dl/cmf ds/cmf

Protested

****

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins or before the Proof of Completion of Work is filed

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

The total combined duty of water under Permits 64977, 64978 and 66400 shall not exceed 2996 acre-feet annually.

The issuance of this permit does not waive the requirements that tho permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(CONTINUED ON PAGE 3)

66400

(PERMIT TERMS CONTINUED)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.14 cubic feet per second, but not to exceed 1549 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

January 11, 2005

Proof of completion of work shall be filed before:

February 11, 2005

Water must be placed to beneficial use on or before:

January 11, 2007

Proof of the application of water to beneficial use shall be filed on or before:

February 11, 2007

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 11th day of, January A.D. 2002

Hugh Ricci, P.E.

State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

EXHIBIT "A"

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, all in T21N R19E MDM.

Section 36, T21N R18E MDM.

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, all in T20N R19E MDM.

Sections 1 and 12 T20N R18E MDM.

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://ndwr.state.nv.us

January 14, 2002

Intermountain Pipeline Ltd.
PO Box 2790
Reno, Nevada 89505-2790

RE: 64977, 64978, 66400

Ladies and Gentlemen:

Enclosed herewith you will find Permit Nos. 64977, 64978 and 66400 for the waters of an underground source.

You are advised that if the various proofs thereunder, together with any map which may be required, are not filed in this office prior to the dates set for such filings, the permits will be subject to cancellation. For your assistance a sheet is enclosed which will advise you of the requirements to fulfill the terms of your permits.

Please be advised that the Permittee is responsible for notifying the State Engineer's Office of any address change.

Sincerely,

Hugh Ricci, P.E.

Hugh Ricci, P.E.
State Engineer

HR/ds
Enclosures
c: Bureau of Health Protection

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://ndwr.state.nv.us

66400
R-410
M/O-1253

June 24, 2002

Kennedy/Jenks Consultants
Attn: Dwight Smith
5190 Neil Rd., Suite 210
Reno, NV 89502

RE: Request dated June 13, 2002 to waive regulations to allow the drilling of one (1), six inch well. The well is to be installed in Dry Valley, Nevada within Washoe County.
Local No. 095 N24 E18 10Dc, APN 079-20-038

Dear Mr. Smith:

Per your submitted request, authorization to drill a well at the location described as the point of diversion under Permit 66400 is allowed pursuant to the terms and conditions of said permit. Therefore, no exploration waiver is required. **The well drillers report shall bear Permit number 66400.**

Your letter also indicates that you wish to utilize this well after test pumping for quality and quantity as a monitoring well. This letter will be your authorization to utilize the original six (6) inch well as a monitor well upon completion of test pumping and as a waiver of NAC § 534.4355 (3). However, any future well drilled under Permit 66400 shall be described as a replacement well.

As provided in section 534.450 of the Regulations for Water Well and Related Drilling as adopted under Chapter 534 of the Nevada Administrative Code and for good cause shown, authorization is herewith granted to complete the subject well.

Upon completion of a replacement well, any work associated with the original well shall bear the waiver number **M/O 1253** and will be subject to all regulations as they pertain to monitoring wells.

Full compliance with the remainder of the statutes and regulations is required. It is expressly understood that this authorization does not relieve the operator of the permitting requirements of other state, federal, and local agencies.

If you have any questions, please contact this office at (775) 687-3861.

Sincerely,

Tim Hunt
Well Supervisor

TAH/jjs
cc: Intermountain Pipeline LTD

ORIGINAL
FILE WITH DIVISION OF
WATER RESOURCES

NOTICE OF INTENT

DIVISION OF WATER RESOURCES: 9-13-02 20

On or about 9-26-02 20 I plan to commence drilling ☒ deepening ☐, reconditioning ☐, plugging ☐ of a 6 inch well, for monitoring (Proposed use of well) purposes.

This well is ☐ is not ☒ a replacement well.

The work will be done for Intermountain Pipeline Ltd. 2440 Holcomb Reno NV 89511 (Name of client and address)

location of well is SW ¼ SE ¼ Sec. 10 T. 24 (N/S) R. 18 E.

PARCEL NO. 079 20 038 SUBDIVISION NAME —

ADDRESS (at well location) DRY Valley Rd

PERMIT/WAIVER NO. 66400 in Washoe County.

Contractor's Lic. No. 52078 Driller's Lic. No. 1902

Company Name and Address

John B. [illegible]
Driller's Signature

Need log forms ☐ Need notice cards ☐

(O)-5236 (Rev. 12-00)

Marshall – Intermountain Pipeline

State of Nevada Division of Water Resources
Request for Notice and Change of Address

In regards to permit number R-014, 64073–64081, 64977, 64978, 66400, 66873, 66961, 67037 : (Check applicable item.)

[ ] Please add my name to the mailing list and send copies of all correspondence to the address below: (Fill in NEW ADDRESS information only.)

[✓] Please change the address for copies to be sent as indicated below: (Fill in NEW ADDRESS and OLD ADDRESS information.)

[ ] I am the permit holder. Please change my address as indicated below: (Fill in NEW ADDRESS and OLD ADDRESS information.)

NEW ADDRESS

NAME: Inter Flow Hydrology, Inc.

ADDRESS: P.O. Box 1482

CITY, STATE, ZIP: Truckee, CA 96160

TELEPHONE: (530) 582-1622

OLD ADDRESS

NAME: Kennedy / Jenks Consultants

ADDRESS: 5190 Neil Road, Suite 210

CITY, STATE, ZIP: Reno, NV 89502

TELEPHONE: (775) 827-7900

I am the:

[ ] Individual named above. (Complete signature below only.)

[✓] Agent or representative. (Complete the signature, name, and address below.)

This form accurately reflects the mailing address for the permit holder or other individual identified above.

SIGNATURE: Dwight L. Smith

NAME: Dwight L. Smith

ADDRESS: P.O. Box 1482

CITY, STATE, ZIP: Truckee, CA 96160

November 18, 2002

Hugh Richee
State Water Engineer
123 W. Nye Lane
Carson City, NV 89706-0818

Dear Sir,

We have received notification from Jo Ann Hufnagle, BLM Realty Specialist, that BLM and your office have given permission to Intermountain Pipeline to drill three production wellson the Winnemucca Ranch allotment.

The first of the three locations is very near Willow Springs which has quit producing since the drought started. The other two are located at the Mike Ranch which is private property belonging to Winnemucca Ranch. The Milk Ranch is one of our major hay production fields which we irrigate. We have spring one at the Milk Ranch corral this spring is pipe into a water tank in order provide water to the livestock in the area. When we put this spring into production in 1974, we had so much water that the spring not only filled the pipe line to the tank, it also over flowed the collection box and created a creek that ran down into our fields. In 1995, the overflow ceased and has not returned to its full flow since. With the water Intermountain Pipeline is requesting to remove from these areas, we believe our ability to continue to operate the ranch without changing our watering pratice for our cattle and haying operation will be greatly compromised.

We have numerous springs in the area for hay, livestock, and domestic use and we have legitimate concerns that the wells Intermountain Pipeline will bring into production and the amount of water they have requested will serious deplete the water resources on which we currently own & rely.

Bob Marshall is primary owner of Intermountain Pipeline and we have learned that one of his wells was put on the private property of Norman Knox. The granting of permission to Intermountain Pipeline to drill on private property which is not owned by Marshall is wrong. Considering the reputation of accuracy and fairness of your department, I must assume that Marshal moved the wells without your permission. Can your describe to us what safeguards are in place to protect us from the same type of arbitrary decision from Bob on the Milk Ranch wells he has requested?

We must also point out the unethical practice of Marshall and Intermoutain Pipeline; I have reported to your office two wells that were drilled by Mr. Marshall below the Winnemucce Ranch Bull pasture area that have been left open and unprotected. He abandoned the wells and later used a backhoe to dig down about four feet, use a cutting torch to cut the tops off and then covered them over with dirt. Since then, the sand has filtered into both of the wells causing a crater about fifteen feet in diameter with an open well casing in the middle at both of the sites. I have called you office to report the problem several times. I tried to explain the area (I even gave them a GPS location) and was told "we just can't find a well by a tree by a road". I offered to show your personnel but they did not have time.

I was able, however, to show one of your engineers the well sites when he was out measuring our springs. After observing the wells and seeing that there was water in one and the other was open, he told me that he would inform the proper person about the wells and said the wells would be taken care of. That was in July and since then nothing has been done to seal off the wells.

We are concerned about the lack of enforcement to make permittee's adhere to the guide lines as exampled by your office's handling of Mr. Marshall's. We adamantly protest the issuing of permits to Mr. Marshall and Intermoutain Pipeline. Mr. Marshal has countuined to ingnore the regulations of BLM and now the regulations of the State Water Engineers. We protest this issuance of permits to Mr. Marshall and Intermoutain Pipeline now and in the future.

Sincerly,

W Dalton La Rue Jr

W. Dalton La Rue Jr.
Winnemucca Ranch
16160 Winnemucca Ranch Rd.
Reno, NV 89510
775-475-2232

ABSTRACT OF TITLE

This column for office use only

Permit/Proof No. 66400
Page No. 1 of 1 pages

DEED NO.	GRANTOR	GRANTEE	CFS	AFA/AFS MGA/MGS (circle one)	ACRES or Units (circle one)	FILED UNDER DATE	Recorder's Document # DATE	DOCUMENT DESCRIPTION/ REMARKS
1	Intermountain Pipelines Ltd.	Intermountain Water Supply, Ltd.	2.14	1549	n/a		2871554 6/13/03	Municipal/Water Washoe County
2								
3								
4								
5								
6								
7								
8								

Type or print in black ink only

ABSTRACT.XLT

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://water.nv.gov

September 12, 2003

W. Dalton LaRue, Jr.
Winnemucca Ranch
16160 Winnemucca Ranch Road
Reno, Nevada 89510

Re: Intermountain Pipeline applications 64977, 64978, 66400, 66963, 66964 and 66965.

Dear Mr. LaRue:

I regret the delay in responding to your request dated November 18, 2002. No permits have been granted to Intermountain Pipeline for the appropriation of an underground source in Dry Valley on a different private owner's land. The three permits in question (64977, 64978 and 66400) were all granted for points of diversion on public land administered by the BLM. Intermountain Pipeline must gain an easement from the BLM for access to the proposed points of diversion.

The protections for holders of valid water rights are numerous. The Nevada Revised Statutes (NRS) require the State Engineer to consider existing rights, the public interest and whether or not an applicant has the financial ability to actually accomplish beneficial use. Additionally, the NRS provides for a person to protest an application within a specified time frame. To that end, each application for appropriation (with the exception of secondary, temporary and environment appropriations) is published for approximately a month in a newspaper local to the proposed point of diversion. Checks, double-checks, etc. are part of the normal processing of each application so that every chance for an error, omission or infringement upon another water right holder may be uncovered.

The change applications filed by Intermountain Pipeline (69663, 69664 and 69665) to move the points of diversion of permits 64977, 64978 and 66400, have been protested and are awaiting resolution of the protests.

Insofar as drilling of wells on private property as alleged in your letter, the situation will be investigated. To date, no well driller's reports (well logs) have been received by this office in connection with the permits mentioned above. Any unauthorized or illegal wells must be plugged and abandoned in accordance with the Nevada Administrative Code (NAC). It must be pointed

out, however, that Dry Valley is not yet a designated basin. This means that a land owner may drill a well at any time for any reason so long as it was drilled in a legal manner by a Nevada licensed well driller and the well owner gains an approved appropriation prior to diverting any water from the well(s).

The unplugged wells on the property of Bob Marshall are being addressed.

If you have any questions on this or any other water related matter, please feel free to call Robert K. Martinez, or me at (775) 687-3861.

Sincerely,

Michael J. Anderson, P.E.
Hydraulic Engineer III

MJA/
c.c. Robert K.Martinez, P.E.

- Initiation of groundwater level monitoring should commence as soon as possible, recognizing the desire to obtain baseline data prior to groundwater extraction. Groundwater levels should be measured in each aquifer from which ground water is extracted, as is feasible, in basins including and immediately surrounding Honey Lake Valley, Dry Valley, and Bedell Flat.

- Locations and monitoring frequency of the monitoring well network would be reviewed by the TAC on an annual basis, and may be reduced or expanded in scope upon its recommendation to the WAC.

- All groundwater level monitoring data would be entered into the project database on a regular basis, reflecting the monitoring interval chosen.

Elevation Control

- Ground surface and measuring point elevations should be established using survey-grade GPS instrumentation at production and monitoring wells used as part of this Plan. Elevations for surface water and spring monitoring Locations should also be established. The common datum would allow a comparative base for all elevation associated data; including the possibility of the occurrence of subsidence due to groundwater extraction.

- All elevation measurements would be added to the project database that contains project data.

Monitoring Springs and Riparian Areas

- Selected springs and associated riparian areas could be monitored on a quarterly basis located in Honey Lake Valley (**Attachment A**), Dry Valley (**Attachment B**), Bedell Flat (**Attachment C**), and some surrounding valleys that may be affected by groundwater extraction (e.g., Smoke Creek Desert). Monitoring may consist of measuring flow rate and photo-documenting general site conditions (see attachments for proposed site-specific monitoring activities). Flow can be estimated for low flow conditions or where flow is diffuse on the ground surface. Monitoring frequency may be reduced later as recommended by the TAC to semi-annually or annually.

- Initiation of monitoring for springs and riparian areas could commence as soon as possible, recognizing the desire to obtain baseline data prior to groundwater extraction. Monitoring data may be recorded using a standard format to be used for each monitoring event.

Water Quality

- Groundwater quality samples may be collected from selected production and monitoring wells and analyzed by a laboratory for major ions, trace elements, and/or

isotopes. Wells to be sampled, schedule of sample collection, and list of parameters are included in **Attachments A, B,** and **C**.

- Frequency, sampling location, and water quality parameters may be reviewed by the TAC on an annual basis, and reduced or expanded in scope upon its recommendation to the WAC.

Precipitation Stations

- Precipitation stations would be established in each of the following locations: eastern Honey Lake Valley, western Dry Valley, and central Bedell Flat. Existing precipitation stations may be used where possible. The purpose of collecting precipitation data is to support conclusions regarding changes in groundwater levels with corresponding changes in precipitation, if it occurs.

- All precipitation data would be entered into the project database.

Quality of Data

- The TAC would ensure that the entity or entities that collect water resources data follow standard protocols of data collection, recording and analysis (e.g., USGS and EPA), unless otherwise agreed to by the Parties.

- The water quality sampling program would include standard field and laboratory quality control procedures.

Reporting

- All data collected under or as described in this Plan, would be fully and cooperatively shared among the Parties, and made available to the public after appropriate QA/QC evaluation procedures have confirmed its accuracy.

- All water resources information collected for the North Valleys Projects would be downloaded to the project database and updated periodically on a website that is accessible to all Parties and the public.

- In addition to updating the water resources project database on a regular basis, an annual summary report would be prepared by the TAC that summarizes all information collected during the previous calendar year, including an analysis of any trends. These reports would be provided to the WAC for annual assessment of potential impacts to water resources resulting from groundwater extraction in Honey Lake Valley, Dry Valley, and Bedell Flat.

MANAGEMENT REQUIREMENTS

Water Advisory Committee (WAC) and Technical Advisory Committee (TAC)

These two committees are to establish and carry out policy (WAC), and to provide the technical scientific expertise (TAC) necessary to impartially develop, evaluate and analyze data. Separation of the roles and responsibilities of these two bodies is crucial to the maintenance of scientific impartiality of the data program.

- The Parties would establish a Water Advisory Committee (WAC) with membership created from representatives from cooperating agencies listed above, BLM, Project Proponents, and Nevada State Engineer. The WAC may also include representatives from the U.S. Environmental Protection Agency and U.S. Army Corps of Engineers. A representative of the Nevada State Engineer's Office would be invited to participate as the chair of the WAC.

- The WAC would create a Technical Advisory Committee (TAC) as a subcommittee to the WAC. TAC members would be appointed by the WAC.

- The WAC would meet in the first quarter of each year, or at other times as mutually agreed upon.

- The TAC would meet initially to establish and execute the monitoring plan and, thereafter, at intervals deemed appropriate to review and analyze data.

- Roles and responsibilities of the WAC and TAC would be determined by the Parties under advisement of the Nevada State Engineer's Office.

Suggested purposes and functions of the WAC would be to:

1. Provide a forum for discussion of relevant data and analyses.
2. Share information regarding modeling efforts and model results, if used as part of the monitoring and management program.
3. Discuss needs for additional data collection and scientific investigations as recommended by the TAC.
4. Provide status reports and recommendations to the Parties.
5. Form recommendations for groundwater management actions based on reports from the TAC.
6. Recommend values for monitored variables (water levels, spring discharges, etc.) known as "action criteria", which, if exceeded, could be of concern to the parties. The values would be based on evaluations of historic hydrologic conditions and trends reported by the TAC.
7. Determine what constitutes an "unreasonable adverse impact" on a case-by-case basis.

8. Provide the Nevada State Engineer, Washoe County, and other relevant agencies with results of any analyses or technical evaluations, along with recommendations for specific mitigation.

Suggested purposes and functions of the TAC would be to:

1. Review proposed project monitoring plans and recommend implementation as appropriate.
2. Review historic groundwater level trends, spring and creek flows to determine historic hydrologic trends. Where possible identify wet and dry regimes, climate effects on groundwater recharge rates and base flows in surface waters. Where possible identify critical lows for detrimental impacts on habitat and resource sustainability.
3. Develop/refine standards and quality control procedures for data collection, management and analysis.
4. Evaluate monitoring plans and data to determine whether data gaps exist, make appropriate recommendations to the WAC.
5. Evaluate all monitoring data to determine if any action criteria have been exceeded, indicating a possible unreasonable adverse impact, report findings to the WAC.

Numerical Ground-Water Flow Models

- The TAC can recommend if numerical groundwater flow models that have previously been prepared for the North Valleys Projects for each of the three basins could be updated for use by the TAC/WAC for predicting future impacts.

- If deemed appropriate by the TAC/WAC, the full TAC or members of the TAC could update each model at the request of the Nevada State Engineer. Model output could be in the form of drawdown maps at appropriate intervals as requested by the State Engineer, plots of simulated water levels for the aquifer systems, and results of model calibration. The TAC would provide scientific review of modeling updates and hydrogeologic assumptions.

Action Criteria

- Specific quantitative criteria (action criteria) would be developed by the WAC, based on data developed by the TAC, and recommended to the Nevada State Engineer for possible use to "trigger" management actions.

- Action criteria would be developed by the WAC and recommended to the Nevada State Engineer to provide early warning of unreasonable adverse impacts to public resources and prior water rights of other appropriators. These criteria would be based on changes in groundwater levels, flow of springs, water quality, and/or changes in wetland/riparian habitat that can be attributed to groundwater extraction by the Project(s).

- If and when any action criterion is reached, the following management actions could be triggered:

    1. The WAC would request that the TAC conduct a thorough fact-finding to determine the level and extent of impacts, the TAC would report findings to the WAC;
    2. If WAC members agree that the action criterion exceedance is attributable to groundwater extraction by the Project(s), then the TAC would make recommendations to the WAC for possible mitigation actions to alleviate the impacts;
    3. The WAC members would determine whether or not to implement the recommended mitigation actions. The Nevada State Engineer's Office would determine whether the appropriate actions were implemented to conserve the resource.

- In the event that adverse environmental impacts are found to be unrelated to Project operations, the Nevada State Engineer should consult with the USGS regarding regional hydrologic conditions that may be contributing to the impacts.

- Any member of the WAC may propose a change to any action criterion. Any such change could be presented in writing to other members of the WAC, and accompanied by data and scientific analyses to support the proposed change. If the supporting analyses are found to be technically sound, then the WAC may recommend to the Nevada State Engineer that the action criterion be adjusted, as appropriate.

Decision-Making Process

- If the WAC determines that an action criterion is exceeded and attributed to groundwater extraction by the Project(s), based on reports from the TAC, the WAC can recommend a course-of-action (i.e., management activity or mitigation measure). If within the WAC, there are: (1) different interpretations regarding relationship of an adverse impact to the Project's groundwater extraction; or (2) different opinions on the course-of-action, the Parties may jointly agree to conduct additional data collection and/or data review and analysis directed at resolving the different interpretations or opinions, if possible. If that is not successful, the Parties could refer the issue to their respective managers and the Nevada State Engineer. Nothing herein limits or changes the Nevada State Engineer's authority, and any Party can petition the State Engineer to consider the issue.

- In the event that any of the Parties disagree as to whether the Proponents' proposed or ongoing groundwater extraction will result in unreasonable adverse impacts, any Party may petition the Nevada State Engineer to request that it determine whether there is or is not adverse impact(s) that require implementation of management or mitigation measures.

MITIGATION MEASURES

- The Project(s) can mitigate unreasonable adverse impacts either as agreed upon by the Parties or after the Nevada State Engineer determines whether there are unreasonable adverse impacts due to Project(s) groundwater extraction. The Parties may take necessary steps to ensure that mitigation actions are feasible and reasonable.

- The mitigation portion of the plan should include a bond or escrow account established by the Project Proponents to fund possible mitigation actions.

- Mitigation measures may include one or more of the following:

  1. Geographic redistribution of groundwater extraction;
  2. Reduction or cessation of groundwater extraction from one or more wells;
  3. Restoration/modification of existing habitat;
  4. Establishment of new habitat;
  5. Augmentation of water resources with groundwater extracted for the Project(s);
  6. Purchase other water rights in the area, if available;
  7. Other measures as agreed to by the Parties and/or required by the Nevada State Engineer.

MODIFICATION OF THE PLAN

- The Parties may modify this Plan by mutual agreement. The Parties also acknowledge that the Nevada State Engineer has authority to modify this Plan. In addition, the Parties may individually or jointly petition the Nevada State Engineer to modify this Plan in the event that mutual agreement cannot be reached. Any such petition shall only be filed after 90 days written notice to the remaining Party members. Any Party member, including the Proponents, may submit written comments to the Nevada State Engineer regarding the merits of any such petition for modification.

ATTACHMENT B

PROPOSED MONITORING PLAN
FOR
DRY VALLEY

ATTACHMENT B
PROPOSED WATER RESOURCES MONITORING PLAN FOR DRY VALLEY AREA

This water resources monitoring program is proposed by Intermountain Water Supply for groundwater extraction of up to 2,000 acre-feet per year (af/yr) from five production wells located in Dry Valley, Nevada. The monitoring program would document changes that could be caused by the pumping and transfer of water from Dry Valley to the Stead/Lemmon Valley areas.

GROUNDWATER LEVELS

Depth to groundwater will be measured in all production wells (DV-1 through DV-5) on a daily basis using pressure transducers or sounding probes. Each production well will be equipped with a flow meter to record cumulative water production. Cumulative well production will be recorded at least once per month.

A network of 15 monitoring well sites will be measured for water levels on a minimum quarterly basis. Locations are shown on **Figure D-2** and listed in **Table D-1**. Two of the sites located near the CA-NV state line are nested piezometers (DVM-15/-16 and DVM-17/-18/-19) recently installed by the USGS. All of the wells are located on private property, with the exception of DVM-1 which is located on BLM public land. Permission is still needed from some land owners to gain access to some of the monitoring wells.

Four 6-inch diameter test wells (DVM-1 through DVM-4) ranging in depth from 700 to 800 feet are being installed this year (2005) at the locations of proposed production wells. These test wells will be established as nearby monitoring wells for the production wells that will be installed at a later date. One new monitoring well is proposed for the center of the lower valley floor where deep monitoring wells are presently absent. This new well would be completed to a depth of 700 to 800 feet.

Continuous water level recorders will be installed on two shallow wells (DVM-6 and DVM-17) and two deep wells (DVM-5 and DVM-9 or DVM-18). This will allow daily tracking of water levels from these wells.

Ground surface and measuring point elevations will be measured at each production and monitoring well using a survey-grade GPS instrument. Groundwater level data will be downloaded at least semiannually into a project database and the accuracy of the measurements checked with manual measurements using an electronic sounder. Future groundwater monitoring will be accomplished by a combination of efforts of the well field operator and USGS.

TABLE D-1
Proposed Monitoring and Production Wells for Dry Valley, Nevada

Well Number	Well Type	Well Depth (feet)	Well Diameter (inches)	Monitoring
DVM-1	Test/Mon. Well	710	6	Water Level Only
DVM-2	Test/Mon. Well	800	6	Water Level Only
DVM-3	Test/Mon. Well	700	6	Water Level Only
DVM-4	Test/Mon. Well	800	6	Water Level Only
DVM-5	Test/Mon. Well	600	2	Water Level Only
DVM-6	Monitoring Well	35	2	Water Level Only
DVM-7	Monitoring Well	20	2	Water Level Only
DVM-8	Monitoring Well	23	2	Water Level Only
DVM-9 (Lenz)	Domestic Well	100	6	Water Level Only
DVM-10 & -11	Monitoring Well	32	2	Water Level Only
DVM-12	Monitoring Well	Unknown	12	Water Level Only
DVM-13	Abandoned Domestic Well	28	8	Water Level Only
DVM-14	Test/Mon. Well	140	6	Water Level Only
DVM-15 & -16	Monitoring Well – Nested Piezometers	150, 385	2	Water Level Only
DVM-17, -18, & -19	Monitoring Well – Nested Piezometers	40, 250, 547	2	Water Level; Quality for DVM-17 & -18
DVM-20	Monitoring Well	20	2	Water Level Only
DV-1	Production Well	700 – 800	12 – 16	Water Level and Quality
DV-2	Production Well	700 – 800	12 – 16	Water Level and Quality
DV-3	Production Well	700 – 800	12 – 16	Water Level and Quality
DV-4	Production Well	700 – 800	12 – 16	Water Level and Quality
DV-5	Production Well	700 – 800	12 – 16	Water Level and Quality
New Well	Monitoring Well – To Be Completed	700 – 800	2	Water Level Only

See Figure D-2 for well locations.

GROUNDWATER QUALITY

Groundwater quality samples will be collected from all five production wells and selected monitoring wells and analyzed by a laboratory for major ions, trace elements, and/or isotopes. The wells to be sampled for laboratory analysis include all production wells (DV-1 through DV-5) and the following two nested monitoring wells: DVM-17 (shallow) and DVM-18 (deep) located near the state line (**Figure D-2**).

The following parameters will be measured in each water sample:

- Field Parameters: Water temperature, pH, and specific conductance.
- Common Ions: Calcium, sodium, potassium, magnesium, chloride, fluoride, sulfate, bicarbonate, nitrate, total dissolved solids, and total suspended solids.
- Trace Elements: Arsenic, barium, copper, iron, lead, manganese, and zinc.
- Isotopes: Oxygen-18 and deuterium.

More extensive water quality analysis will be performed for samples from the production wells to meet Safe Drinking Water requirements. Samples will be collected and analyzed from the selected wells on a quarterly basis for the first two years of production well pumping to establish seasonal variations. Thereafter, the wells will be sampled and analyzed semiannually. An exception is that the isotopes will be analyzed only once per year for the first two years.

Frequency, sampling location, and water quality parameters will be reviewed by the WAC on an annual basis, and may be reduced or expanded in scope upon its recommendation.

STREAM FLOW

Miscellaneous stream flow measurements in Dry Valley Creek and North Fork Dry Valley Creek have been made in the past 4 years by the USGS (Berger 2004) and Intermountain Water Supply. Perennial flow is observed to occur in the upgradient portions of these streams until the drainages discharge to the lower valley floor. The proposed production wells are located near the transition zone from perennial to ephemeral or intermittent flows. Approximately 2.5 miles farther downstream near the CA-NV state line, Dry Valley Creek is observed to maintain a small perennial flow for a short reach.

Three continuous stage recorders will be installed on lower North Fork Dry Valley Creek (S-1), upper Dry Valley Creek (S-2), and lower Dry Valley Creek (S-3 near the state line) (**Figure D-2**). The stage data will converted to flow rate using rating curve information developed from various flow measurements made over a range of flow conditions. This information will better characterize baseline stream flow conditions, and provide a means to monitor potential effects of production wells pumping on surface water flow.

SPRINGS AND RIPARIAN AREAS

Selected springs and associated riparian areas will be monitored in Dry Valley to determine if pumping from the production wells would have an adverse effect on flow and/or vegetative conditions. The springs selected for monitoring are: DVC-81 (seepage from Dry Valley Creek into a pond); and DVC-86 (Duckweed Spring) (**Figure D-2**). Monitoring activities will be conducted on a quarterly basis, with information

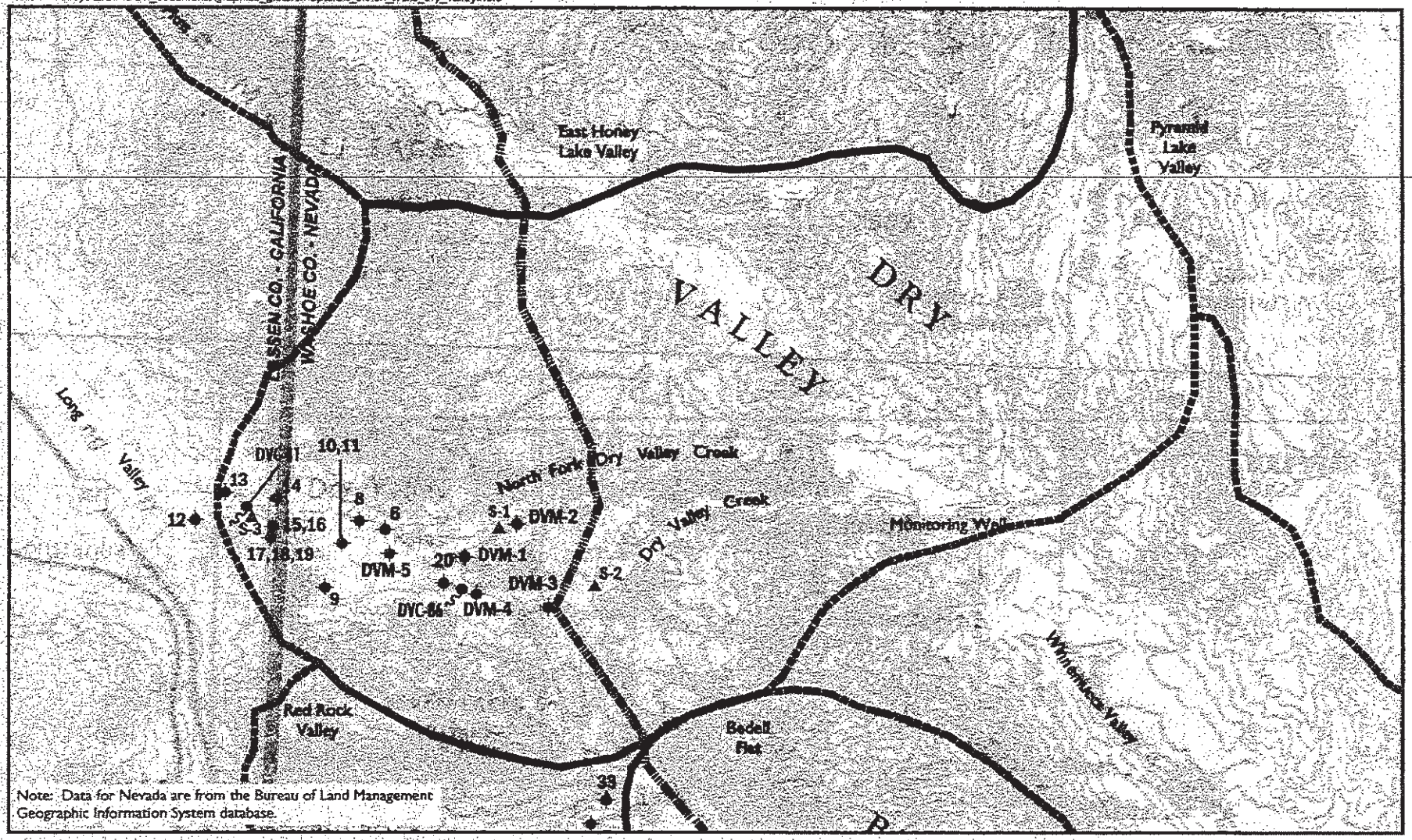
periodically entered into the project database. Monitoring activities will include the following:

- Flow: Flow rate of water discharging from the spring will be measured using a flow meter or portable flume. Alternatively, a staff gage can be installed to measure relative changes in water level if the flow is in a well-defined channel. For low flows or dispersed flows on the ground surface, flows can be estimated.

- Photo-Documentation of Vegetation: One or more photographs will be taken of the spring site from the same location each time so that relative changes in vegetation and overall site conditions can be evaluated.

PRECIPITATION

A precipitation gage will be installed in Dry Valley to measure precipitation amount on a daily basis. This information will be recorded weekly by the well field operator, and periodically entered into the project database.



N

0 2
Miles

37 Monitoring Well (DVM-1 through DVM-5 are adjacent to proposed production wells)

S-1 Stream Gage

DVC-81 Spring

Public Ownership

Bureau of Land Management

Tuscarora Natural Gas Pipeline

Watershed Boundary

Proposed Monitoring Sites
Dry Valley
North Valleys Rights-of-Way Projects EIS
Washoe County, Nevada
FIGURE D-2

KENNY C. GUINN
Governor

STATE OF NEVADA

ALLEN BIAGGI
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

June 19, 2006

Dorothy A. Timian-Palmer
Chief Operating Officer
Fish Springs Ranch, LLC
3480 GS Richards Blvd., Suite 101
Carson City, NV 89703

RE: Groundwater Monitoring and Management Plan for Future Pumping in the Fish Springs Ranch Area as Part of the North Valley's Right-of-Way Projects, Washoe County, Nevada.

Dear Ms. Timian-Palmer:

We have received your monitoring and management plan (Plan) for the Fish Spring's Ranch groundwater pumping associated with the North Valley's importation project. By your letter of May 23, 2006, the Plan submitted pursuant to the conditions of Ruling 3787 and 3787A is found as Attachment A of Appendix D, of the North Valleys Right-of-Way Projects Final EIS. Monitor wells and springs are shown on Figure D-1 of Attachment A. A list of the wells with survey coordinates was also attached to your correspondence of May 23, 2006.

There were a few minor differences between your attached list of proposed monitor wells and Figure D-1 of Attachment A. Figure D-1 shows well Headquarters MW-2, however the table lists Headquarters MW-1. Jennifer Morgan of your staff recently clarified that Headquarters MW-2 is the actual well to be monitored. In addition, Ms. Morgan indicated the well shown as BB MWA on Figure D-1 is the same as well BB-2A in your table.

As we discussed at our meeting of May 8, 2006, there must be two additional monitor wells in addition to the monitor wells shown on Figure D-1 of Attachment A. These wells will be Sand Pass MW-2, to be used in conjunction with Sand Pass MW-1 to determine hydraulic gradient in that location. Another new well is to be located near USGS-01 such that the two wells together will provide information on the groundwater gradient and change in gradient between the Fish Springs Ranch and the Sierra Army Depot. Well USGS-04 was shown on your list of May 23 but is not suitably located to identify changes in gradient between the pumping center and the

Sierra Army Depot. These new wells shall be measured at least quarterly. Monitor wells LB2, USGS-04 and well 9 are shown on Figure D-1, but are not currently equipped with a recording pressure transducer. Are these wells part of the monitoring program, and if so, are you planning to equip them with recording devices or to measure manually?

You have requested to exclude High Rock Spring, designated as HLV-165 on Figure D-1, from the monitoring network. High Rock Spring is approximately 12 miles northwest of the center of the planned well field, and your request to remove the site from the network is approved.

The following table is believed to accurately list each of the planned monitor wells. Please contact me if you believe this list to be incorrect, incomplete or if you would like to propose changes. The Plan is tentatively approved subject to clarification on the status of USGS-04, LB2 and well 9 and to the addition of one new monitor well near USGS-01, whose location and depth must be pre-approved by this office. The Nevada Division of Water Resources reserves the right to amend this plan any time during the life of the project as conditions warrant.

Proposed Fish Springs Ranch Monitoring Well Network

Well Name	Location		Elevation	Depth	Perf'd. interval
	Latitude	Longitude	(feet m.s.l)	(feet)	(feet)
1 Wilson MW-1	40° 05' 33.8160717"	119° 55' 49.3857934"	4000.36	440	146 - 440
2 Ferrel MW-1	40° 05' 32.9996883"	119° 55' 00.0216541"	3998.5	252	63 - 252
3 Ferrel Playa MW	40° 05' 49.6570620"	119° 54' 11.5199254"	3979.01	477	123 - 477
4 Jarboe MW-1	40° 05' 07.4465484"	119° 53' 08.5930509"	4031.4	497	140 - 497
5 Jarboe MW-2	40° 05' 07.4416921"	119° 53' 08.6736875"	4032.42	185	42 - 105
6 Headquarters MW-2	40° 05' 51.1370577"	119° 52' 45.5207317"	4017.88	175	49 - 175
7 BB-2A (BB-MWA)	40° 08' 55.7209986"	119° 51' 59.7122509"	3992.26	475	465 - 475
8 Schaufus	40° 07' 42.6"	119° 50' 46.3"	4076	60?	?
9 Hodges MW-1	40° 07' 57.4227436"	119° 50' 31.5750895"	4018.75	260	50 - 260
10 Cottonwood MW-2	40° 06' 46.0935517"	119° 49' 30.1465441"	4317.62	495	180 - 495
11 Neversweat MW-2	40° 08' 49.1815573"	119° 48' 56.3318666"	4179.07	500	311 - 500
12 Astor Pass MW-1	40° 11' 54.9722793"	119° 48' 28.129191"	4001.65	400	180 - 390
13 Astor Pass MW-2	40° 12' 04.6771566"	119° 48' 58.067799"	4002.69	475	262 - 472
14 Sand Pass MW-1	40° 13' 01.6915970"	119° 49' 30.6319558"	4076.99	712	546 - 712
15 Sand Pass MW-2	40° 13' 23.8"	119° 49' 11.9"	4173.9	712	546 - 712
16 USGS-01	40° 07' 39.0094955"	120° 00' 51.6643144"	4003.54		
17 West MW	To be determined				

Please contact me if you have any questions or concerns related to this monitor plan.

Sincerely,

Richard A. Felling

Richard A. Felling
Chief, Hydrology Section

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Address All Communications to:
The State Engineer
Division of Water Resources
Telephone (775) 684-2800

In reply refer to No.

February 20, 2007

64977, 64977, 66400

Richard W. Marshall
Nanette Marshall
Intermountain Pipeline Ltd.
Intermountain Water Supply Ltd.
175 Stags Leap Circle
Sparks, NV 89436-7280
Certified Mail No. 71067808063000268257

The provisions of your permit(s) with the above serial number(s) to appropriate waters of the State of Nevada requires you to file **Proof of Completion of Work and Proof of Beneficial Use**

on or before **February 11, 2007**

Our records show that you have not filed said Proof(s) and therefore your permit(s) is/are in poor standing and subject to cancellation.

Unless the legally required Proof(s) or affidavit requesting an extension of time in which to file said Proof(s) for good cause shown is/are received and filed with the State Engineer within **thirty (30) days of the date of this final certified notice,** your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,

Tracy Taylor, P.E.

State Engineer

TT/dr

Enclosure(s): Proof of Completion of Work forms, Proof of Beneficial Use forms and Extension of Time forms

Fee for filing Proof of Completion - $10
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

FINAL NOTICE

Address all communications to the State Engineer, Division of Water Resources

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Address All Communications to:
The State Engineer
Division of Water Resources
Telephone (775) 684-2800

In reply refer to No.

February 23, 2007

64977, 64978, 66400

Robert W. Marshall
Nanette Marshall
Intermountain Pipeline Ltd.
Intermountain Water Supply Ltd.
175 Stags Leap Circle
Sparks, NV 89436-7280
Certified Mail No. 71067808063000268851

Corrected Notice

The provisions of your permit(s) with the above serial number(s) to appropriate waters of the State of Nevada requires you to file **Proof of Completion of Work and Proof of Beneficial Use**

on or before **February 11, 2007**

Our records show that you have not filed said Proof(s) and therefore your permit(s) is/are in poor standing and subject to cancellation.

Unless the legally required Proof(s) or affidavit requesting an extension of time in which to file said Proof(s) for good cause shown is/are received and filed with the State Engineer within **thirty (30) days of the date of this final certified notice**, your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,

Tracy Taylor, P.E.

State Engineer

TT/dr

Enclosure(s): Proof of Completion of Work forms, Proof of Beneficial Use forms and Extension of Time forms

Fee for filing Proof of Completion - $10
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

FINAL NOTICE

Address all communications to the State Engineer, Division of Water Resources

FILED
FEB 26 2007
STATE ENGINEER'S OFFICE

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

[illegible]

IN THE MATTER OF PERMIT NO. [illegible] FILED TO APPROPRIATE [illegible] THE WATERS OF [illegible]

[illegible]

1. [illegible]

2. [illegible]

3. [illegible]

4. [illegible]

5. [illegible]

6. [illegible]

7. [illegible]

8. [illegible]

[illegible]

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME.
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT.
THIS APPLICATION MUST BE SUBMITTED ON A PINK SHEET OF PAPER.

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
175 STAGS LEAP CIR
SPARKS NV 89436-7282

Receipt

Payment Method	Check No.	Receipt #
Check	1313	211498

Date	Item	Description	Amount
2/26/2007	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978 AND 66400	100.00

Received by: Sue Cox SC

Total $100.00

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701
http://water.nv.gov

Address All Communication to
the State Engineer, Division
of Water Resources

Telephone (775) 684-2800 or
1-800-992-0900 x 2400
(In Nevada Only)

March 6, 2007

In reply refer to: **64977, 64978 and 66400**

Intermountain Water Supply, Ltd.
175 Stags Leap Circle
Sparks, Nevada 89436-7280

This is to inform you that Application for Extension of Time has been granted to **February 11, 2008** for filing of the **Proof of Beneficial Use**.

This is to inform you that Application for Extension of Time has been granted to **February 11, 2008** with the provision that no further extensions will be granted for filing of the **Proof of Completion** except for good cause shown as provided under NRS 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,

Jason King, P.E.
Deputy State Engineer

JK/ef
cc: Robert Marshall

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Address All Communications to:
The State Engineer
Division of Water Resources
Telephone (775) 684-2800

In reply refer to
No.

February 15, 2008

64977, 64976, 66400

Intermountain Water Supply, Ltd
Robert Marshall & Nanette Marshall
175 Stags Leap Circle
Sparks, NV 89436-7280
Certified Mail No. 71067808063000344593

The provisions of your permit(s) with the above serial number(s) to appropriate waters of the State of Nevada requires you to file **Proof of Completion of Work & Proof of Beneficial Use**

on or before **February 11, 2008**

Our records show that you have not filed said Proof(s) and therefore your permit(s) is/are in poor standing and subject to cancellation.

Unless the legally required Proof(s) or affidavit requesting an extension of time in which to file said Proof(s) for good cause shown is/are received and filed with the State Engineer within **thirty (30) days of the date of this final certified notice,** your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,

Tracy Taylor, P.E.

State Engineer

TT/dr

Enclosure(s): Proof of Completion of Work form and Proof of Beneficial Use form

Fee for filing Proof of Completion - $10
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

FINAL NOTICE

Address all communications to the State Engineer, Division of Water Resources

FILED
FEB 27 20[illegible]

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

[illegible]

IN THE MATTER OF PERMIT No. [illegible]

Underground

[illegible] Robert W. Marshall [illegible]

1. [illegible] ☐ [illegible] ☒ [illegible]

2. [illegible]
☐ [illegible] ☐ [illegible]

3. [illegible]

4. [illegible]

5. [illegible]

6. [illegible]

7. [illegible] Proof of Completion of Work and Proof of Beneficial Use

[illegible]

[illegible]

[illegible]

Robert Marshall

[illegible]

[illegible]

FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
175 STAGS LEAP CIR
SPARKS NV 89436-7282

Receipt

Payment Method	Check No.	Receipt #
Check	1376	222775

Date	Item	Description	Amount
2/27/2008	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978 AND 66400	100.00

Received by: Sue Cox SC

Total $100.00

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701
http://water.nv.gov

Address All Communication to the State Engineer, Division of Water Resources

Telephone (775) 684-2800 or 1-800-992-0900 x 2400 (In Nevada Only)

March 3, 2008

Intermountain Water Supply, Ltd.
Robert W. Marshall
175 Stags Leap Circle
Sparks, Nevada 89436-7280

RE: Permits 64977, 64978 and 66400

This is to inform you that Application for Extension of Time has been granted to **February 11, 2009** for filing of the **Proof of Beneficial Use**.

This is to inform you that Application for Extension of Time has been granted to **February 11, 2009** with the provision that no further extensions will be granted for filing of the **Proof of Completion** except for good cause shown as provided under NRS 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,

Jason King, P.E.
Deputy State Engineer

JK/ef
Enclosure: Important Notice: "Future Application for Extension of Time Filings"

State of Nevada Division of Water Resources
Request for Notice and Change of Address

In regards to permit number ....See Attached List..... : (Check applicable item.)

[X] Please add my name to the mailing list and send copies of all correspondence to the address below:
(Fill in NEW ADDRESS information only.)

[ ] Please change the address for copies to be sent as indicated below:
(Fill in NEW ADDRESS and OLD ADDRESS information.)

[ ] I am the permit holder. Please change my address as indicated below:
(Fill in NEW ADDRESS and OLD ADDRESS information.)

NEW ADDRESS

NAME: Gregory M. Bilyeu

FIRM: TEC Civil Engineering Consultants

ADDRESS: 9480 Double Diamond Parkway, Suite 200

CITY, STATE, ZIP: Reno, NV 89521

TELEPHONE: (775) 352-7800

2009 FEB -4 PM 4:02

OLD ADDRESS

NAME:

FIRM:

ADDRESS:

CITY, STATE, ZIP:

TELEPHONE:

I am the:

[X] Individual named above. (Complete signature below only.)

[ ] Agent or representative. (Complete the signature, name, and address below.)

This form accurately reflects the mailing address for the permit holder or other individual identified above.

SIGNATURE:

NAME: Gregory M. Bilyeu

ADDRESS: 9480 Double Diamond Parkway, Suite 200

CITY, STATE, ZIP: Reno, NV 89521

Request for Notice of Water Rights Correspondence

Permit/Application

64977
64978
66400
66961
72700
73428
73429
73430
74327

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

FILED
FEB 19 2009
STATE ENGINEER'S OFFICE

APPLICATION FOR EXTENSION OF TIME

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT No. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF

Underground
(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall (Person Signing Application), the Agent (Permittee or Agent),

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ YES ☒ NO *(Check the Appropriate Box)*
2. If "YES" on question No. 1 is checked, is this request for an extension of time submitted on behalf of all the owners? ☐ YES ☐ NO *(Check the Appropriate Box)*
3. If "NO" on question No. 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to construct the works of diversion or place the water to beneficial use? 4 - 5 years
5. What is the expenditure on the project under this permit? Last year? $240,000.00 ± Total to date? $2,490,000.00 ±
6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the Proof of Completion and Proof of Beneficial Use (Proof of completion of work and/or Proof of beneficial use).
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

Completed power line EA, obtained BLM right of way grant for power line, completed archeological field work, formed technical work group with Washoe County to evaluate our resources. Economic conditions have reduced current demand for new water in Lemmon Valley to near zero.

2009 FEB 19 P 1:15

Signed Robert W. Marshall (Permittee or Agent)

Address 625 Onyo Way (Street No. or P.O. Box No.)
Sparks, NV 89441 (City, State, Zip Code No.)

Phone 775-425-1161

e-mail

Subscribed and sworn to before me this 18th day of February, 2009

Kathryn Souvirion (Signature of Notary Public Required)

Notary Public in and for the County of Washoe

State of Nevada

My commission expires 7-30-12

KATHRYN SOUVIRION
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 08-7088-2 - Expires July 30, 2012

Notary Stamp or Seal Required

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME.
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT.

Revised 11/1/07

1 fee paid 7/23/2009 SEH

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
175 STAGS LEAP CIR
SPARKS NV 89436-7282

Receipt

Payment Method	Check No.	Receipt #
Check	1413	232862

Date	Item	Description	Amount
2/19/2009	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978, 66400, 67037, 73428, 73429, 73430 AND 74327	100.00

Received by:Sue Cox Sc

Total $100.00

JIM GIBBONS
Governor

STATE OF NEVADA

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

February 25, 2009

Intermountain Water Supply, Ltd.
175 Stags Leap Circle
Sparks, NV 89436

RE: 64977, 64978, 66400, 73428, 73429, 73430 and 74327

This is to inform you that the Application for Extension of Time has been granted to **February 11, 2010** for filing of the **Proof of Beneficial Use (permits 73428, 73429, 73430, 74327) only**.

This is to inform you that the Application for Extension of Time has been granted to **February 11, 2010** with the provision that no further extensions will be granted for filing of the **Proof of Completion of Work (all permits) and Proof of Beneficial Use (66400, 64977 and 64978 only)**. except for good cause shown as provided under NRS 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact Sam Monteleone at (775) 684-2800.

Sincerely,

Gloria Lash

Gloria Lash
Administrative Assistant III

cc: TEC Civil Engineering Consultants
R. Michael Turnipseed

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

FILED
FEB 16 2010
STATE ENGINEER'S OFFICE

APPLICATION FOR EXTENSION OF TIME

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF

Underground

(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent
Permittee or Agent

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*

2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners?
☐ Yes ☐ No *(Check the appropriate box)*

3. If "No" on question 2 is checked, on whose behalf is this extension being filed?

4. How much time is needed to construct the works of diversion or place the water to beneficial use? 4 - 5 Years

5. What is the expenditure on the project under this permit? Last year? $16,407.38 Total to date? $2,506,400.00±

6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the Proof of Completion and Proof of Beneficial Use.
(Proof of completion of work and/or Proof of beneficial use)

7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary):*
Worked with Washoe County staff on water availability, conducted continual monitoring, worked with hydrologists, addressed legal issues. Economic conditions have continued to deteriorate eliminating all current demand for water in the North Valleys.

Signed Robert W. Marshall agent
Permittee or Agent

Subscribed and sworn to before me this 16th day of Feb, 20 10

Dana Rael
Signature of Notary Public Required

Notary Public in and for the County of Carson City

State of NV

My commission expires June 15, 2012

Address 625 Onyo Way
Street Address or PO Box
Sparks, NV 89441
City, State, ZIP Code

Phone 775-425-1161

E-mail

DANA RAEL
NOTARY PUBLIC
STATE OF NEVADA
No.03-8848-3 My Appt. Exp. June 15, 2012
Notary Stamp or Seal Required

1 file
POC
OBK
2/18/2010
SBM

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 07/09 - ext of time

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
625 ONYO WAY
SPANISH SPRINGS NV 89441

Receipt

Payment Method	Check No.	Receipt #
Check	1428	243514

Date	Item	Description	Amount
2/16/2010	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978, 66400, 73428, 73429, 73430 AND 74327	100.00

EFFECTIVE JULY 01, 2009, FEES WILL INCREASE, PLEASE VISIT THE DIVISION'S WEBSITE AT water.nv.gov FOR A LIST OF THE NEW FEE SCHEDULE

Received by:Sue Cox SC

Total $100.00

JIM GIBBONS
Governor

STATE OF NEVADA

ALLEN BIAGGI
Director

TRACY TAYLOR, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

March 4, 2010

Intermountain Water Supply, Ltd.
175 Stags Leap Circle
Sparks, Nevada 89436-7280

RE: Permits 64977, 64978 and 66400

This is to inform you that the Application for Extension of Time has been granted to **February 11, 2011**, with the provision that no further extensions will be granted for filing of the **Proof of Completion** and **Proof of Beneficial Use** except for good cause shown as provided under NRS 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact Sam E. Monteleone at (775) 684-2800.

Sincerely,

Erica Fagan

Erica Fagan
Administrative Assistant

cc: Robert W. Marshall
TEC Civil Engineering Consultants

Rev. 12/2008

BRIAN SANDOVAL
Governor

LEO DROZDOFF
Director
JASON KING, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
(800) 992-0900
(In Nevada Only)
http://water.nv.gov

FINAL NOTICE **February 17, 2011** **FINAL NOTICE**

Robert W. Marshall
Intermountain Water Supply
625 Onyo Way
Sparks, NV 89441
Certified Mail No. 71067808063000455497

Re: Final Notice for Permit 64977, 64978 & 66400

The provisions of your above referenced permit to appropriate waters of the State of Nevada require you to file a **Proof of Completion of Work & Proof of Beneficial Use on or before February 11, 2011.**

Our records indicate that you have not filed the required proof(s) and your permit is in danger of cancellation unless the proof(s) or an application for an extension of time along with the appropriate filing fee(s) with which to file the required proof(s) is/are received and filed with the State Engineer within thirty (30) days of the date of this final certified notice.

Per NRS 533.410, if the required proof or extension of time is not received within thirty (30) days after the mailing of this notice, your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

If there are any questions regarding this notice please contact our office at (775) 684-2800.

dr
cc: TEC

Schedule of Fees:
Fee for filing Proof of Completion - $50
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

FILED
FEB 25 2011
STATE ENGINEER'S OFFICE

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF Underground
(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent
Permittee or Agent

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

RECEIVED 2011 FEB 25 PM 2:54 STATE ENGINEERS OFFICE

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*
2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners? ☐ Yes ☐ No *(Check the appropriate box)*
3. If "No" on question 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to construct the works of diversion or place the water to beneficial use? Ten (10) years
5. What is the expenditure on the project under this permit? Last year? $2,663.00 Total to date? $2,514,280 ±
6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the Proof of Completion and Proof of Beneficial Use
(Proof of completion of work and/or Proof of beneficial use)
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

Worked with potential water buyer on due diligence; conducted continual monitoring, worked with hydrologists; addressed legal issues. Economic conditions have continued to deteriorate eliminating all current demand for water in the North Valleys.

Signed Robert W. Marshall
Permittee or Agent

Address 625 Onyo Way
Street Address or PO Box

Sparks, NV 89441
City, State, ZIP Code

Phone 775-425-1161

E-mail

Subscribed and sworn to before me this 25 day of February, 20 11

Joy G. Elwood
Signature of Notary Public Required

Notary Public in and for the County of Carson

State of Nevada

My commission expires July 29, 2013

JOY G. ELWOOD
NOTARY PUBLIC
STATE OF NEVADA
No.07-3947-5 My Appt. Exp. July 29, 2013

Notary Stamp or Seal Required

1 yr POC PBU 3/2/2014

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 07/09 - ext of time

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
625 ONYO WAY
SPANISH SPRINGS NV 89441

Receipt

Payment Method	Check No.	Receipt #
Check	1437	256088

Date	Item	Description	Amount
2/25/2011	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978, 66400, 67037, 73428, 73429, 73430 AND 74327	100.00

Received by:Sue Cox

Total $100.00

Brian Sandoval
Governor

STATE OF NEVADA

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

March 10, 2011

Intermountain Water Supply, Ltd
625 Onyo Way
Sparks, NV 89441

RE: PERMITS 64977, 64978, 66400, 67037, 73428 through 73430 and 74327

This is to inform you that the Application for Extension of Time **has been granted to February 11, 2012,** with the provision that no further extensions will be granted for filing of the **Proof of Completion and Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact me at (775) 684-2835 or smonteleone@water.nv.gov.

Sincerely,

Sam Monteleone
Staff I Associate Engineer

SEM/ml
c: TEC Civil Engineering
Turnipseed Engineering

Rev. 2/2011

BRIAN SANDOVAL
Governor

LEO DROZDOFF
Director
JASON KING, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
(800) 992-0900
(In Nevada Only)
http://water.nv.gov

FINAL NOTICE **February 16, 2012** **FINAL NOTICE**

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441
Certified Mail No. 71067808063000489379

Re: Final Notice for Permit 64977, 64978, 66400, 73428, 73429, 73430, and 74327

The provisions of your above referenced permit to appropriate waters of the State of Nevada require you to file a **Proof of Completion and Proof of Beneficial Use on or before February 11, 2012.**

Our records indicate that you have not filed the required proof(s) and your permit is in danger of cancellation unless the proof(s) or an application for an extension of time along with the appropriate filing fee(s) with which to file the required proof(s) is/are received and filed with the State Engineer within thirty (30) days of the date of this final certified notice.

Per NRS 533.410, if the required proof or extension of time is not received within thirty (30) days after the mailing of this notice, your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

If there are any questions regarding this notice please contact our office at (775) 684-2800.

sm
cc: TEC Civil Engineering Consultants (email)
Michael Turnipseed

Schedule of Fees:
Fee for filing Proof of Completion - $50
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

FILED
FEB 21 2012
STATE ENGINEER'S OFFICE

APPLICATION FOR EXTENSION OF TIME

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF Underground

(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent
Permittee or Agent

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*
2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners?
   ☐ Yes ☐ No *(Check the appropriate box)*
3. If "No" on question 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to coustruct the works of diversion or place the water to beneficial use? Ten (10) years
5. What is the expenditure on the project under this permit? Last year? $6,005.00 Total to date? $2,526,622.00
6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the Proof of Completion and Proof of Beneficial Use
   (Proof of completion of work and/or Proof of beneficial use)
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

Worked with potential water buyer on due diligence; conducted continual monitoring, worked with hydrologists; addressed legal and tax issues, performed maintenance work on test wells. Economic conditions have continued to deteriorate eliminating all current demand for water in the North Valleys.

Signed Robert W. Marshall
Permittee or Agent

Address 625 Onyo Way
Street Address or P.O. Box

Sparks, NV 89441
City, State, ZIP Code

Phone 775-425-1161

E-mail

Subscribed and sworn to before me this 21 day of Feb, 2012

Susan Coy
Signature of Notary Public Required

Notary Public in and for the County of Carson City

State of Nevada

My commission expires 4-14-13

SUSAN COY
NOTARY PUBLIC
STATE OF NEVADA
No.06-96399-12 My Appt. Exp. Apr. 14, 2013

Notary Stamp or Seal Required

RECEIVED
2012 FEB 21 AM 11:55
STATE ENGINEERS

1 yr
POC
PBU
2/23/2012

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 07/09 - ext of time

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

ROBERT MARSHALL
625 ONYO WAY
SPARKS NV 89441

Receipt

Payment Method	Check No.	Receipt #
Check	10506	266346

Date	Item	Description	Amount
2/21/2012	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978, 66400, 67037, 73428, 73429, 73430 AND 74327	100.00

Received by:Sue Cox

Total $100.00

Brian Sandoval
Governor

STATE OF NEVADA

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

February 27, 2012

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441

RE: PERMIT 64977, 64978 and 66400

This is to inform you that the Application for Extension of Time **has been granted to February 11, 2013** with the provision that no further extensions will be granted for filing of the **Proof of Completion and Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact me at (775) 684-2835 or smonteleone@water.nv.gov.

Sincerely,

Sam Monteleone
Water Resource Specialist 1

SEM/mt

c: TEC Civil Engineering Consultants (via email)

Rev. 9/2011

JIM GIBBONS
Governor

ALLEN BIAGGI
Director
TRACY TAYLOR
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

FINAL NOTICE **February 13th, 2013** **FINAL NOTICE**

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441
Certified Mail No. 71067808063000519076

Re: Final Notice for Permit(s) 64977, 64978, 66400,7 3428 through 73430, and 74327

The provisions of your above referenced permit(s) to appropriate waters of the State of Nevada required you to file a **Proof of Completion and Proof of Beneficial Use on or before February 11th, 2013.**

Our records indicate that you have not filed the required proof(s) and your permit is in danger of cancellation unless the proof(s) or an application for an extension of time along with the appropriate filing fee(s) with which to file the required proof(s) is/are received and filed with the State Engineer within thirty (30) days of the date of this final certified notice.

Per NRS 533.410, if the required proof or extension of time is not received within thirty (30) days of the date of this letter your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Applications for extension of time and all necessary supplemental forms are located on our website at http://water.nv.gov/forms. If there are any questions regarding this notice please contact our office at (775) 684-2800.

kp
cc: TEC Civil Engineering Consultants (email)
Turnipseed Engineering, LLC (email)

Schedule of Fees:
Fee for filing Proof of Completion - $10
Fee for filing Proof of Completion - $50 – *effective 7/1/2009 AB480*
Fee for filing Proof of Beneficial Use - $50
Fee for filing Request for Extension of Time - $100

Rev. 3/2009

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

FILED
FEB 19 2013
STATE ENGINEER'S OFFICE

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF Underground

(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent
Permittee or Agent

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*
2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners?
   ☐ Yes ☐ No *(Check the appropriate box)*
3. If "No" on question 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to construct the works of diversion or place the water to beneficial use? Ten (10) years
5. What is the expenditure on the project under this permit? Last year? $8,153.50 Total to date? $2,534,775.00
6. The permittee requests an extension of time for 1 year within which to comply with the provisions for filing the
   (Not to exceed 1 year)
   Proof of Completion and Proof of Beneficial Use
   (Proof of completion of work and/or Proof of beneficial use)
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

The economy has not improved at all this past year. There is no growth occurring in this area. We have continued maintenance of the Project. We had to oppose a PUCN staff effort to nullify a favorable PUCN order on our UEPA application. After briefing and oral argument, we were successful. We have continued monitoring activities with Interflow Hydrology with continuous flow recording meters. We have drastically reduced the price of the Project and have been actively working with two interested buyer-user groups, one local group and one group located in Southern California. The outcome of the election does not bode well for the economy.

Signed Robert W. Marshall
Permittee or Agent

State of Nevada

County of Washoe

Address 625 Onyo Way
Street Address or PO Box

Sparks, NV 89441
City, State, ZIP Code

Subscribed and sworn to before me on February 19, 2013

by Robert W. Marshall

Phone 775-425-1161

E-mail

RECEIVED
2013 FEB 19 AM 10:51
STATE ENGINEERS OFFICE

KATHY SOUVIRON
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 08-7639-2 - Expires July 30, 2016

Signature of Notary Public Required

Notary Stamp or Seal Required

$100 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 05/12 - ext of time

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
625 ONYO WAY
SPANISH SPRINGS NV 89441

Receipt

Payment Method	Check No.	Receipt #
Check	1457	275706

Date	Item	Description	Amount
2/19/2013	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978 COVERS EXT NO'S 64977, 64978, 66400, 67037, 73428, 73429, 73430 AND 74327	100.00

Received by:Sue Cox

Total $100.00

Brian Sandoval
Governor

STATE OF NEVADA

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

March 1, 2013

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441

RE: PERMITS 64977, 64978 and 66400

This is to inform you that the Application for Extension of Time **has been granted to February 11, 2014** with the provision that no further extensions will be granted for filing of the **Proof of Completion and Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact me at (775) 684-2842 or smcdaniel.water.nv.gov.

Sincerely,

Shannon McDaniel
Water Resource Specialist 1

SM/mt

C: TEC Civil Engineering Consultants (via email)

Rev. 9/2011

BRIAN SANDOVAL
Governor

LEO DROZDOFF
Director
JASON KING, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
(800) 992-0900
(In Nevada Only)
http://water.nv.gov

FINAL NOTICE **February 13, 2014** **FINAL NOTICE**

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441
Certified Mail No. 71067808063000552158

Re: Final Notice for Permit 64977, 64978, 66400, 73428, 73429, 73430, and 74327

The provisions of your above referenced permit to appropriate waters of the State of Nevada require you to file a **Proof of Beneficial Use on or before February 11, 2014.**

Our records indicate that you have not filed the required proof(s) and your permit is in danger of cancellation unless the proof(s) or an application for an extension of time along with the appropriate filing fee(s) with which to file the required proof(s) is/are received and filed with the State Engineer within thirty (30) days of the date of this final certified notice.

Per NRS 533.390 and/or 533.410, if the required proof or extension of time is not received within thirty (30) days after the mailing of this notice, your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

If there are any questions regarding this notice please contact our office at (775) 684-2800.

jw
cc: TEC Civil Engineering Consultants (email)

Schedule of Fees:
Fee for filing Proof of Completion - $60
Fee for filing Proof of Beneficial Use - $60
Fee for filing Request for Extension of Time - $120

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

FILED
FEB 19 2014
STATE ENGINEER'S OFFICE

Owner of Record Intermountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF underground

(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent
Permittee or Agent

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*
2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners?
   ☐ Yes ☐ No *(Check the appropriate box)*
3. If "No" on question 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to construct the works of diversion or place the water to beneficial use? Ten (10) years
5. What is the expenditure on the project under this permit? Last year? $17,034.00 Total to date? $2,550,649.00
6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the proof of completion and proof of beneficial use
   (Proof of completion of work and/or Proof of beneficial use)
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

The economy has not improved at all this past year. There is no growth occurring in the area of beneficial use. We have continued maintenance of the project. We have continued monitoring activities with Interflow Hydrology with continuous flow recording meters. We have drastically reduced the price of the Project and have been actively working with a public agency to purchase the project.

State of Nevada

County of Washoe

Subscribed and sworn to before me on February 18, 2014

by Robert W. Marshall

Signature of Notary Public Required

Signed Robert W. Marshall
Permittee or Agent

Address 625 Onyo Way
Street Address or PO Box

Sparks, NV 89411
City, State, ZIP Code

Phone (775) 425-1161

E-mail

RECEIVED 2014 FEB 19 PM 2:01 STATE ENGINEERS OFFICE

KATHY SOUVIRON
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 08-7638-2 - Expires July 30, 2016

Notary Stamp or Seal Required

$120 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 07/13 - ext_app

State of Nevada - Division of Water Resources

901 S. Stewart Street
2nd Floor
Carson City, NV 89701

INTERMOUNTAIN WATER SUPPLY LTD
625 ONYO WAY
SPARKS NV 89441

Receipt

Payment Method	Check No.	Receipt #
Check	1483	286432

Date	Item	Description	Amount
2/19/2014	Extension of Time	APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO. 64978 COVERS EXT NO'S 64977, 64978, 66400, 67037, 73428, 73429, 73430 AND 74327	120.00

Received By:Catherine Orpilla

Total $120.00

BRIAN SANDOVAL
Governor

STATE OF NEVADA

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

March 14, 2014

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441

RE: Permits 64977, 64978, 66400, 73428, 73429, 73430 and 74327

This is to inform you that the Application for Extension of Time **has been granted to February 11, 2015,** with the provision that no further extensions will be granted for **Proof of Completion and Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact me at (775) 684-2842 or smcdaniel@water.nv.gov.

Sincerely,

Shannon McDaniel
Water Resource Specialist I

SM/dl

cc: TEC Civil Engineering Consultants

BRIAN SANDOVAL
Governor

LEO DROZDOFF
Director
JASON KING, P.E.
State Engineer

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
(800) 992-0900
(In Nevada Only)
http://water.nv.gov

FINAL NOTICE **February 13, 2015** **FINAL NOTICE**

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441
Certified Mail No. 71067808063000585965

Re: Final Notice for Permit 64977, 64978, 66400, 73428, 73429, 73430 and 74327

The provisions of your above referenced permit to appropriate waters of the State of Nevada require you to file a **Proof of Completion and Proof of Beneficial Use on or before February 11, 2015.**

Our records indicate that you have not filed the required proof(s) and your permit is in danger of cancellation unless the proof(s) or an application for an extension of time along with the appropriate filing fee(s) with which to file the required proof(s) is/are received and filed with the State Engineer within thirty (30) days of the date of this final certified notice.

Per NRS 533.390 and/or 533.410, if the required proof or extension of time is not received within thirty (30) days after the mailing of this notice, your permit will be cancelled.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

If there are any questions regarding this notice please contact our office at (775) 684-2800.

jw
cc: TEC Civil Engineering Consultants (email)- All Permits
Turnipseed Engineering, Ltd. (email)- Permits 73428, 73429 73430 and 74327 Only

Schedule of Fees:
Fee for filing Proof of Completion - $60
Fee for filing Proof of Beneficial Use - $60
Fee for filing Request for Extension of Time - $120

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

FILED
FEB 19 2015
STATE ENGINEER'S OFFICE

APPLICATION FOR EXTENSION OF TIME

Owner of Record Internountain Water Supply, Ltd.

IN THE MATTER OF PERMIT NO. 64978 FILED TO APPROPRIATE/CHANGE THE WATERS OF underground

(Name of stream, lake, spring, underground or other source)

THIS APPLICATION IS RESPECTFULLY SUBMITTED.

Comes now Robert W. Marshall, the Agent (Permittee or Agent)

who after being duly sworn and answering to the best of their knowledge the following questions in compliance with the requirements as set forth in the permit terms:

1. Does this permit have multiple owners? ☐ Yes ☑ No *(Check the appropriate box)*
2. If "Yes" on question 1 is checked, is this request for an extension of time submitted on behalf of all the owners? ☐ Yes ☐ No *(Check the appropriate box)*
3. If "No" on question 2 is checked, on whose behalf is this extension being filed?
4. How much time is needed to construct the works of diversion or place the water to beneficial use? Ten (10) years
5. What is the expenditure on the project under this permit? Last year? $17,573.43 Total to date? $2,568,222.43
6. The permittee requests an extension of time for 1 year (Not to exceed 1 year) within which to comply with the provisions for filing the proof of completion and proof of beneficial use (Proof of completion of work and/or Proof of beneficial use)
7. Describe progress made during the last year and explain in detail why this request for an extension of time is being submitted *(See instructions on back. Use additional pages if necessary)*:

The economy has not improved at all this past year. There is no growth occurring in the area of beneficial use. We have continued maintenance of the project by installing new caps on artesian flows to prevent waste. We have continued monitoring activities with Interflow Hydrology with continuous flow recording meters on the surface water. We have drastically reduced the price of the Project and have been actively working with potential investors to finance or purchase the project.

Signed Robert W. Marshall (Permittee or Agent)

State of Nevada

County of Washoe

Subscribed and sworn to before me on February 19, 2015

by Robert W. Marshall

Address 625 Onyo Way (Street Address or PO Box)

Sparks, NV 89411 (City, State, ZIP Code)

Phone (775) 425-1161

E-mail

Kathy Souviron
Signature of Notary Public Required

KATHY SOUVIRON
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 08-7639-2 - Expires July 30, 2016
Notary Stamp or Seal Required

$120 FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

Revised 07/13 - ext_app

Division of Water Resources
Receipt for Payment

Intermountain Water Supply Ltd
625 Onyo Way
Spanish Springs, NV 89441

Check #: 1502
Check Date: 2/19/2015
Date Received: 2/19/2015
Receipt #: 4,575

FY	Amount	Permit #	Invoice #	Fee Type/Fee desc	Notes
2015	$120.00	64978		- Extensions	Covers Ext No's 64977, 64978, 66400, 67037, 73428, 73429, 73430 and 74327

Check Total: $960.00

InterMountain
WaterSupply

625 Onyo Way
Spanish Springs, NV 89441

(775) 425-1161
(775) 425-1327 FX
marshallw@att.net

May 26, 2015

Kristen Geddes
Chief, Hearings Section
State of Nevada Division of Water Resources
901 S. Stewart St., Suite 2002
Carson City, NV 89701

Re: Extension of Time: Permit

Dear Ms. Geddes:

In my letter of March 12, 2015 with respect to the above permit. I enclosed statements from Parsons, Behle & Latimer law firm. To clarify, none of these statements included any of my time. These were bills I paid for time spent by firm personnel, other than me. Most of the time was billed by Rew Goodenow, a partner with the firm for appearances before the County Commission or for meetings with the District Attorneys' Office.

I have NEVER billed any of my time to this project during the 20± years I have worked on it.

I trust this letter clarifies any questions that there may have been on this point.

Please place a copy of this letter in the file for each Intermountain Water Supply Ltd. Permit involved in the Project. The Permit numbers include Permits 64977, 64978, 66400, 72700, 73428, 73429, 73430, 74327, 66873, 73048, and 67037. I am enclosing copies for your convenience.

Sincerely,

INTERMOUNTAIN WATER SUPPLY

By: Robert W. Marshall
Robert W. Marshall, Manager

RWM/ks
Enclosures
cc: Jason King, P.E.

4827-3643-6260

STATE OF NEVADA

BRIAN SANDOVAL
Governor

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

June 4, 2015

Robert W. Marshall
Intermountain Water Supply, Ltd.
625 Onyo Way
Sparks, Nevada 89441

Re: Applications for Extension of Time concerning Permits 72700, 64977, 64978, 66400, 73428, 73429, 73430 and 74327

Dear Mr. Marshall:

On March 12, 2015, you responded to the request for evidence concerning the extension of time filed concerning Permit 72700. Given the similarity of information stated on the request for extension of time concerning Permit 72700, and Permits 64977, 64978, 66400, 73428, 73429, 73430 and 74327, this response applies equally to all of the listed Permits (*i.e.*, "the Project").

Pursuant to NRS § 533.380(3) an application for the extension must in all cases be accompanied by proof and evidence of the reasonable diligence with which the applicant is pursuing the perfection of the application. The measure of reasonable diligence is the steady application of effort to perfect the application in a reasonably expedient and efficient manner under all the facts and circumstances. NRS § 533.380(6). Further, when a project or integrated system is composed of several features, work on one feature of the project or system may be considered in finding that reasonable diligence has been shown in the development of water rights for all features of the entire project or system. *Id.*

In addition, in requests for extensions on permits for municipal use on any land referred to in NRS § 533.380(1)(b), or for any use which may be served by a county, city, town, public water district or public water company, requests an extension of time to apply the water to a beneficial use, the State Engineer shall also consider:

(a) Whether the holder has shown good cause for not having made a complete application of the water to a beneficial use;

(b) The number of parcels and commercial or residential units which are contained in or planned for the land being developed or the area being served by the county, city, town, public water district or public water company;

(c) Any economic conditions which affect the ability of the holder to make a complete application of the water to a beneficial use;

(d) Any delays in the development of the land or the area being served by the county, city, town, public water district or public water company which were caused by unanticipated natural conditions; and

(e) The period contemplated in the:

(1) Plan for the development of a project approved by the local government pursuant to NRS 278.010 to 278.460, inclusive; or

(2) Plan for the development of a planned unit development recorded pursuant to chapter 278A of NRS,

if any, for completing the development of the land.

Your response included a written response, copies of the amendment to the Washoe County Regional Water Management Plan to Include the North Valley Strategy, Regional Water Planning Commission Minutes, a written Current Status of the Project, and various invoices for legal fees, consultant and professional fees, accountant fees and secretary of state fees. I have considered the evidence you submitted concerning the extension request and a discussion of my opinion concerning the evidence submitted as it relates to the extension request follows below.

1. Discussion of Amendment to the Regional Water Management Plan and Current Status of the Project

The Amendment to the Regional Water Management Plan to Include the North Valley Strategy (1995-2015), which was adopted March 31, 1997, identified four water supply alternatives, one of which included the Warm Springs Importation Project ("Project"). Although the Project was briefly described, the Plan Amendment makes clear that the County sought to pursue multiple projects simultaneously in order to maximize flexibility, to provide greater competitive position among negotiations with project proponents, and to secure a reliable water supply system beyond 2015. Therefore, it was recommended that, among other potential projects, your Project was to be aggressively pursued and implemented as needed and merited. Specific activities of the Regional Plan to implement the strategy included entering into agreements with project proponents to resolve remaining implementation issues and set performance criteria for proving viability of the projects. If the projects met the performance criteria, completed supporting technical analysis, submitted permit applications, prepared environmental documentation, completed preliminary engineering design, then the county would initiate formal discussions with project proponents to establish potential terms of an agreement to implement each project. Based on the results of these activities the County was to implement either the Project or the Green Gulch Project, or both.

Subsequent to the revision of the Regional Plan, the "Current Status of the Project" does identify a number of performance criteria that were carried out, including: conformance reviews completed by the Regional Water Planning Commission, a Record of Decision issued on the EIS, Special Permit issued by the County, a Utility Environmental Protection Act (UEPA) permit issued by the Public Utility Commission, easements and rights of way were obtained and the drilling of seven wells. You also state that a final report, the archeological survey, is due later this year.

From the foregoing history it is evident that in 1997, the County contemplated the Project as a potential water source for the North Valleys, and considered future implementation of the Project subject to later-met performance criteria. As you demonstrate in your response, many activities were carried out laying the groundwork for the Project until the economic slowdown beginning in or around 2008.

2. Discussion of invoices

You submitted a number of invoices for attorney's fees, which your response states were incurred from meetings with Washoe County commissioners and meetings with representatives of the Washoe County District Attorney's Office to develop an appropriate agreement for Washoe County to obtain the Project.[1] While you state that ultimately an agreement was not reached with the County, the attorney's fees which were incurred appear to support the portions of the Regional Water Management Plan that formal discussions between the County and you would occur concerning the potential terms of an agreement to implement the Project.

As well, the consultant fees paid to Robert Williams to draft a letter of support regarding the FEIS demonstrates new efforts toward project milestones.

However, I find that the invoices for professional accounting and tax preparation services, and annual Secretary of State filing fees, do not help demonstrate the steady application of effort to perfect the application. Rather, invoices for professional accounting and tax preparation services, annual Secretary of State filing fees are indicative of revolving administrative fees incurred by Intermountain Water Supply.

---

[1] You later clarified that the attorney's fees were incurred by Rew Goodenew, of Parsons, Behle & Lattimer.

3. Application of *Bacher*.

I decline at this time to apply the anti-speculation doctrine of the *Bacher* decision to deny the extensions on the basis of speculation. I would note, however, that the applications for extensions of time filed since 2011 have indicated you are seeking a buyer for the project. Inasmuch as negotiations with the County were unfruitful at the end of 2014, the inability to secure a buyer in future requests for extensions of time will not be considered good cause for extensions of time. *See Colorado River Water Conservation Dist. v. Vidler Tunnel Water Co.*, 594 P.2d 566 (Colo. 1979) (articulating anti-speculation doctrine adopted by *Bacher*, stating the right to appropriate is for use, not merely for profit).

In considering NRS 533.380(4), **I find good cause for granting extensions** on the Project permits. The area to be served is Lemmon Valley, which has existing developments with currently little to no recharge. It is true that economic conditions have been poor in recent years for which I have taken into consideration.

Notwithstanding that the extensions of time are being granted, please be advised that further requests for extensions on permits comprising the Project will be closely scrutinized to ensure the statutory criteria for granting extensions of time are adhered to. In that vein, for any future extensions of time filed regarding the Project, please submit evidence **at the time** the request for extensions are filed, which demonstrates good cause supporting future extension requests made pursuant to NRS 533.380.[2]

You will receive confirmation of the extension dates and new proof filing dates under separate cover. If you have any questions regarding the foregoing please do not hesitate to contact me.

Sincerely,

Jason King, P.E.
State Engineer

cc: Chris Skinner, Sierra Pacific Industries

---

[2] This also applies to **Permits 66873** and **73048** referenced in your response.

BRIAN SANDOVAL
Governor

STATE OF NEVADA

LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

901 South Stewart Street, Suite 2002
Carson City, Nevada 89701-5250
(775) 684-2800 • Fax (775) 684-2811
http://water.nv.gov

June 15, 2015

Intermountain Water Supply
Robert W. Marshall
625 Onyo Way
Sparks, NV 89441

RE: Permit(s) 64977, 64978, 66400, 73428, and 73430

This is to inform you that the Application for Extension of Time **has been granted to February 11, 2016,** with the provision that no further extensions will be granted for the filing of **Proof of Completion and Proof of Beneficial Use** except for good cause shown as provided under NRS 533.380, 533.390 and 533.410.

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Should you have any questions regarding this notification please contact me at (775) 684-2807.

Sincerely,

Colette Easter
Water Resource Specialist I

CE/lr
cc: TEC Civil Engineering Consultants (email) (All Permits)
Turnipseed Engineering, Ltd. (email) (Permits 73428 and 73430 only)

IN THE SUPREME COURT OF THE STATE OF NEVADA

Case No. 73933

SIERRA PACIFIC INDUSTRIES, a California Corporation,

Appellant,

v.

JASON KING, P.E., in his capacity as Nevada State Engineer; THE DIVISION OF WATER RESOURCES, DEPARTMENT OF CONSERVATION, an agency of the State of Nevada; and INTERMOUNTAIN WATER SUPPLY, LTD., a Nevada Limited Liability Company,

Respondents

Appeal From Order Denying Petition for Judicial Review
District Court Case No.: CV16-01378
Second Judicial District Court of Nevada

JOINT APPENDIX

VOLUME V Part 1 of 2

McDONALD CARANO LLP
Debbie Leonard, Esq.
100 W. Liberty St., 10th Fl.
Reno, NV 89501
775-788-2000 (phone)
775-788-2020 (fax)
dleonard@mcdonaldcarano.com
Attorneys for Appellant
Sierra Pacific Industries

RICHARD L. ELMORE CHTD.
Richard L. Elmore, Esq.
3301 S. Virginia St. Ste. 125
Reno, Nevada 89502
775-357-8170 (phone)
775-357-8172 (fax)
relmore@rlepc.com
Attorneys for Respondent
Intermountain Water Supply

NV ATTORNEY GENERAL
Micheline N. Fairbank, Esq.
100 North Carson Street
Carson City, NV 89701
775-684-1225 (phone)
775-684-1108 (fax)
mfairbank@ag.nv.gov
Attorneys for Respondent
NV State Engineer

CHRONOLOGICAL INDEX TO JOINT APPENDIX

ALPHABETICAL INDEX TO JOINT APPENDIX

IN THE SUPREME COURT OF THE STATE OF NEVADA

AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that **JOINT APPENDIX VOLUME V** does not contain the social security number of any person.

DATED this 8th Day of February, 2018.

MCDONALD CARANO LLP

BY: /s/ Debbie Leonard

Debbie A. Leonard, Esq.
Nevada Bar No. 8260
100 West Liberty Street, 10th Floor
Reno, Nevada 89501
Tel.: (775) 788-2000
Fax: (775) 788-2020
dleonard@mcdonaldcarano.com

Attorneys for Appellant

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of McDonald Carano, LLP and that on February 8, 2018, **JOINT APPENDIX VOLUME V** was electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (E-Flex). Pursuant to NRAP 30(f)(2), all Participants in the case will be served and provided an electronic copy via U.S. mail as follows:

Richard L. Elmore, Esq.
3301 S. Virginia Street, Suite 125
Reno, Nevada 89502

Office of the Nevada Attorney General
Micheline N. Fairbank, Esq.
100 North Carson Street
Carson City, NV 89701

/s/ Pamela Miller
An employee of McDonald Carano, LLP

4816-4068-7451, v. 1

RENO NEWSPAPERS INC.
Publishers of
RENO GAZETTE-JOURNAL
955 KUENZLI ST • P.O. BOX 22000 • RENO, NEVADA 89520 • PHONE: (775) 788-6200
LEGAL ADVERTISING OFFICE • (775) 788-6394

FILED
JUL 23 1999
STATE ENGINEER'S OFFICE

Customer Account # 310374
PO # / ID # 2636 64978
Legal Ad Cost $50

NV Water Resources
Attn Gloria
123 W Nye Lane #246
Carson City NV 89706-0818

PAID
64857
$250.00
Date AUG 18 1999
Warrant No. 31180

PROOF OF PUBLICATION

STATE OF NEVADA
COUNTY OF WASHOE
ss.

being first duly sworn, deposes and says:
That as the legal clerk of the RENO GAZETTE-JOURNAL, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice:

of application

of which a copy is hereto attached, has been published in each regular and entire issue of said newspaper on the following dates to wit:

June 30 July 7, 14, 21, 1999

Signed T Riccotta

Subscribed and sworn to before me this

July 21, 1999

Susan V. Dummar
Notary Public

SUSAN V. DUMMAR
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 98-4006-2 - Expires August 17, 2002

NOTICE OF APPLICATIONS FOR PERMISSION TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Application No. 64978

Notice is hereby given that on the 21st day of March, 1999, I received from the City of Reno, State of Nevada, three applications for the State Engineer of Nevada for permission to appropriate 2.0 c.f.s. of the public waters of the State of Nevada. Diversion is to be made from an underground source at a point located within the NW1/4 NW1/4, Section 13, T.24N., R.19E., MDM, or at a point from which the NE corner of Section 19, T.24N., R.20E., MDM, bears S. 44 degrees 31' 37" E. a distance of 2144.0 feet. (Truckee River Basin)

Water will be used for commercial & domestic purposes within Section 19 & Section 30, T.24N. of same year.

Date of first publication June 30, 1999
Date of last publication July 21, 1999
R. Nielsen Tietzsort, State Engineer
No 2636 June 30, July 7, 14, 21, 1999

RECEIVED
99 JUL 23 AM 10:27
STATE ENGINEERS OFFICE

INTERMOUNTAIN PIPELINE LTD.
2440 Holcomb Lane
Reno, Nevada 89511

852-1161

December 27, 1999

R. Michael Turnipseed
Nevada State Engineer
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706

Re: 64977, 64978
Dry Valley Underground
Basin 095

Dear Mr. Turnipseed:

The undersigned applicant has applied for 1450 AFY of underground water in Dry Valley (Basin 095) for municipal use in Lemmon Valley, a suburb and part of Reno. The application numbers are 64977 and 64978. This water will be part of a small project to take approximately 3000 AFY of water to Lemmon Valley, with the balance of 1550 AFY coming from surface agricultural use in Winnemucca Valley, within the Warm Spring Hydrographic basin. No protests were filed on these applications and they are ready for action.

In all of Dry Valley (Basin 095) there is only one permitted underground right, namely #28097 (certificate #10521) for irrigation of 6.4 acres of ground. There are no other permits. There are a pending applications for 7227 AFY of water for irrigation, being nos. 50564 and 50566 which were filed on February 2, 1987. Prior applications by the same applicant were made I believe in 1978. They were also for irrigation and were canceled for failure to file proof of completion of required improvements. Applications 50564 and 50566 were protested by Lassen County, California and Washoe County, Nevada. The place of use for this water is designated at approximately 1160 acres in Lassen County, California and approximately 840 acres in Washoe County, Nevada.

The perennial yield of Basin 095 has been estimated from 1500 AFY (Doorenbos, 1991) to 2400 AFY (Rusch and Glancy (1967) using the Maxey-Eakin method), with a value of 1000 AFY being assigned in Reconnaissance Report 43" assuming salvage of nearly half the outflow through alluvium."

Clearly, the 7227 AFY irrigation applications greatly exceed the yield of the basin. When our applications for 1450 AFY are added it is evident that the basin should be designated as a critical groundwater basin pursuant to the provisions of Chapters 534, N.R.S.

water from Basin 095. The State Engineer has authority under N.R.S. 534.120 to grant applications 64977 and 64978 as a preferred use over applications 50564 and 50566 once Basin 095 has been designated pursuant to N.R.S. 534.030.

Accordingly, request is hereby made by the undersigned for you to:

(a) designate Basin 095 as a critical groundwater basin pursuant to NRS 534.030.

(b) grant applications 64977 and 64978 for municipal use as preferred uses of underground water from Basin 095, prior to all other rights, except for permit #28097.

(c) Deny protested applications 50564 and 50566 as not representing preferred uses of underground water from Basin 095.

Time is of the essence with respect to our applications. Obviously, a water source for municipal purposes must have a first priority position on the source. (Permit #28097 is for such a small amount of water it is not a problem). We are currently in rather detailed discussions with the Airport Authority of Washoe County with respect to our project. We need to have a positive resolution of our Dry Valley applications as soon as possible to move forward on this project.

We believe that enhancing the water supply to Lemmon Valley, is good for Washoe County and its people. Our project is an approved project in the Regional Water Plan, adopted by the Regional Water Planning Commission and approved by Washoe County.

Your attention to this request at your earliest convenience will be greatly appreciated.

Sincerely,

InterMountain Pipeline, Ltd.

By: _____

Robert W. Marshall
Co-Manager

Intermountain Pipeline

Permit Terms Sheet

a. APPLICATION NO. 64977

b. Ready for Action Aug 20, 1999

c. Source Underground

d. Amount 20 cfs

e. No. of Units, Cattle, Acres, etc.

f. Manner of Use Municipal

g. Period of Use 1/1-12/31

h. Fees $3050

i. Status of Basin: Desig. Non-Desig.

j. Basin Name Dry Valley

k. Basin Number 7-95

l. Reviewed: Office Engineer

By

Reviewed: Groundwater Engineer

By

Reviewed: Surface Water Engineer

By

Office Notes: Water to be used to deliver water to Lemmon Valley - pod on Lemmon Valley plat

Permit Plat Filed here-in Supplemental to: 64978

****

****

Permit Terms: A(c)

S(a)

S(a) 64977 and 64978 / 1450 acre-feet annually

S(a)

Q7-RPT

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 20 cubic feet per second, but not to exceed 1450 acre-feet annually

Completion: 5 years

PBU 5 years

PBU Map —

Date: 1/4/00

By: PS

Reno/Tahoe International Airport
P.O. Box 12490 • Reno, NV 89510-2490 • (775) 328-6400 • Fax (775) 328-6510

April 20, 2000

Dept. of Conservation & Natural Resources
Division of Water Resources
Michael Turnipseed, State Engineer
123 W. Nye Lane, Suite 246
Carson City, NV 89706-0818

RE: Warm Springs Water Transfer under Applications #64073-64081
Dry Valley Applications #64977-64978 and Recharge Application #R014

Dear Mr. Turnipseed:

The Airport Authority has been discussing alternatives for importing approximately 3000 acre-feet of water rights. Robert Marshall, owner of the Marshall Ranch located in Winnemucca Valley has indicated he may be able to provide an alternative water resource for our consideration. The water transported from this system could provide the resources needed to develop our master plan for the Reno Stead Airport.

As we continue exploring alternatives, the Airport Authority is interested in the application referenced above. Our future development needs depend upon obtaining a practical, cost effective, and reliable water source. We support Mr. Marshall's proposal and would like to expedite your review and approval of these applications, if possible.

If you would like additional information, please contact Patricia Ryan, the Manager of Business Development and Property Administration at 328-6480.

Sincerely,

Krys T. Bart

Krys T. Bart, A.A.E.
Executive Director

KTB/MS:mm

cc: Patricia A. Ryan, Manager, Business Development and Property Administration
Robert Marshall
Ed Schmidt, Director, Washoe Water Resources

Stantec Consulting Inc.
950 Industrial Way
Sparks NV 89431 USA
Tel: (775) 358-6931 Fax: (775) 358-6954
www.stantec.com

Stantec

July 31, 2000
Project No. 80200134

Mr. Michael Turnipseed, P.E.
Mr. Hugh Ricci, P.E.
State Engineer's Office
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818

RE: Hydrogeology of Dry Valley, Washoe County, Nevada

Dear Mike and Hugh,

This evaluation of water resources in Dry Valley (Hydrographic Basin 7-95) has been completed for Intermountain Pipeline, LTD as technical support for Applications 64977, 64978 and 66400 to appropriate underground water. Our research began in the fall of 1999 and continued into the summer of 2000. Of importance in our evaluations of the water resources in Dry Valley is regional precipitation as mapped using the PRISM model. Total basin precipitation is 80% greater than earlier water reconnaissance studies indicated (Rush and Glancy, 1967). Our work conservatively supports a perennial ground water yield from Dry Valley of 3,000 acre-feet per year, which is equal to the total requested duty of Applications 64977, 64978 and 66400.

Please feel free to call us, if you have any questions regarding the water resources evaluations presented herein.

Buildings
Environment
Industrial
Management Systems
Transportation
Urban Land

Sincerely,

Dwight L. Smith, P.E.
Senior Hydrogeologist, Stantec Consulting

Terry Katzer
Principal Hydrogeologist, Cordilleran Hydrology

PROFESSIONAL ENGINEER-STATE OF NEVADA
DWIGHT L. SMITH
GEOLOGICAL
8/2/00
No. 11906

cc: Bob Marshall, Intermountain Pipeline, LTD

P:\GEOTECH\Project Files\Open Jobs\80200134\WPDOCS\REPORTS\Dry Valley Cover Letter.doc

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

April 23, 2001

Hugh Ricci, P.E.
Nevada State Engineer
Division of Water Resources
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706

Re: ***Applications 64977, 64978, 66400, 66961***
Dry Valley, Washoe County

Dear Mr. Ricci:

1. We have made the following filings on underground water in Dry Valley, Washoe County (Basin 095) to be used for municipal purposes in Lemmon Valley. These filings are part of the Warm Springs project which is an approved alternative source of water to the North Valleys under the Regional Water Management Plan. A summary of the filings is as follows:

File Number	Date	Annual duty	Location	Protests
64977 & 64978	03/24/99	1,450 AFY	Upper Dry Valley	None
66400	05/22/00	1,550 AFY	Lower Dry Valley	None
66961	11/22/00	2,000 AFY	Lower Dry Valley	Washoe Co. Lassen Co.

I wrote to Mike Turnipseed on December 27, 1999 requesting that Basin 095 (Dry Valley) be designated as a critical groundwater basin pursuant to the provisions of 534.030 since our filings, together with prior pending applications for irrigation (Nos. 50564 and 50566) exceed the perennial yield of the basin. Please refer to that letter, copy of which is enclosed. We hereby renew our request for designation of the basin. The pending applications for municipal use can then be issued as a preferred use. It is significant that the prior agricultural applicant did not protest any of our applications.

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

2. As indicated above, only our last application was protested. Protestant Washoe County has no underground water rights in Dry Valley and has no master or other plan covering future development of Dry Valley. There is only one house in the valley which has a valid permit (#28097, certificate # 10521). Protestant Lassen County has no water rights in Dry Valley and there is no water law in California which restricts drilling of wells across the state line in California.

Our project to take water to Lemmon Valley, including our Dry Valley component is an approved alternative source of water under the Regional Water Management Plan. (*See*, attached pp. 9-19 of the "Amendment To The Regional Water Management Plan To Include The North Valley Strategy": and attached "Minutes of the Regional Water Planning Commission" dated April 19, 2000, agenda items 1A and 1B). Lemmon Valley is currently seriously overdrafted. (*See*, attached pp. 9-12 of the "Amendment To The Regional Water Management Plan To Include The North Valley Strategy").

The need for an alternative source of water to Lemmon Valley is critical.

It is therefore requested that Application 66961 be granted as soon as possible.

3. Stantec Consulting, Inc. and Cordilleran Hydrology prepared a Hydrogeology Report in July of 2000 covering Dry Valley. A copy of this report was submitted to the Nevada State Engineer on July 31, 2000. Potentially available groundwater from Dry Valley was estimated from 3,000 to 6,000 acre feet per year (p. 23).

It is therefore respectfully requested that all of the above applications be favorably considered under the following condition: No water will be taken under applications 64977 and 64978 until the aquifer has been pumped and monitored to determine the extent of the available resources. If pumping and monitoring over a period of time indicates additional underground water over and above 3,500 AFY (the sum of applied for diversions under applications 66400 and 66961) is available for diversion, only then would incremental amounts, as determined by the State Engineer, be developed under applications 64977 and 64978. It is anticipated that if permits are issued for applications 64977 and 64978, change applications, changing the points of diversion to Lower Dry Valley will be filed.

4. In summary, we request the following:

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

(a) Designate Basin 095 as a critical groundwater basin.

(b) Favorably consider all of the above referenced applications for municipal use.

(c) Restrict any diversions under applications 64977 and 64978 until pumping and monitoring under applications 66400 and 66961 indicate the availability of additional water which could be diverted under applications 64977 and 64978.

Your consideration of this request is greatly appreciated. It is critical that we be allowed to move forward on these applications as soon as possible.

Sincerely yours,

Bob Marshall

Robert W. Marshall

RWM/nah
Enclosures

Kennedy/Jenks Consultants

Engineers & Scientists

5190 Neil Road
Suite 210
Reno, Nevada 89502
775-827-7900
FAX 775-827-7925

31 October 2001

Ms. Charlene Fumarol
Division of Water Resources
123 W. Nye Lane
Carson City, NV 89710

Dear Charlene:

I will continue representing Intermountain Pipeline Ltd, and Robert W. Marshall and Nanette Marshall as their water right Agent for the following permits and applications: R-014, 64073 through 64081, 64977, 64978, 66400, 66873, 66961, and 67037. Please update my mailing address to the following:

Dwight L. Smith, PE, WRS
Kennedy/Jenks Consultants
5190 Neil Road, Suite 210
Reno, Nevada 89502

Please contact me at 827-7900, if you have any questions.

Very truly yours,

KENNEDY/JENKS CONSULTANTS

Dwight L. Smith

Dwight L. Smith, PE, WRS
Senior Associate

DLS/kls

cc: Bob Marshall

k:\dls\marshall change address.doc

Permit Terms Sheet

a. APPLICATION NO. 64978

b. Ready for Action August 20, 1999

c. Source Underground

d. Amount 2.0 cfs

e. No. of Units, Cattle Acres, etc.

f. Manner of Use Municipal

g. Period of Use Jan 1st to Dec 31st

h. Fees $3044

i. Status of Basin: Desig. (Non-Desig.)

j. Basin Name Dry Valley

k. Basin Number 95

l. Reviewed: Office Engineer

12/6/01 By

Reviewed: Groundwater Engineer

By

Reviewed: Surface Water Engineer

12/6/01 By JK

Office Notes: Point of Diversion in Dry Valley Basin #95 & Place of Use is in Lemmon Valley Basin #92A & #92B, Calculations: $1(5) + $2(1447) = $3044

Permit Plat Filed 50504

Supplemental to: 64977

Warm Springs Basin #84, Spanish Springs Valley #85, Sun Valley #86, Truckee Meadows #87 & Antelope Valley #93

Permit Terms: A(c)

S(9)

S(3)

S(6) 64977, 64978, 66400 / 2996 afa

S(11)

QT-APT

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.0 cfs cubic feet per second, not to exceed 1447 afa

Completion 3 yrs.

PBU 7 yrs.

PBU Map NA

Date:

By: TCAT

JK

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://ndwr.state.nv.us

December 6, 2001

RE: **64977, 64978, and 66400**

Intermountain Pipeline Ltd.
P O Box 2790
Reno, NV 89505-2790

Ladies and Gentlemen:

You are hereby advised that your applications to appropriate the public waters of the State of Nevada, under our Serial Numbers **64977 64978, and 66400** for the waters of an underground source are now ready to be approved by this office.

You are further advised that, in accordance with NRS 533.435 it will be necessary that you forward to this office, within sixty **(60)** days from the date hereof, the sum of ***$9,336.00** dollars for the issuing of your permits under the applications.

In the event that this office does not receive the above amount within sixty **(60)** days from this date, your applications will be subject to denial.

Sincerely,

Hugh Ricci, P.E.

Hugh Ricci, P.E.
State Engineer

***64977 - $3,044.00**
***64978 - $3.044.00**
***66400 - $3,248.00**

HR/my

cc: Dwight Smith

RECEIPT

STATE OF NEVADA
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Room 246
Carson City, Nevada 89706-0818

Duplicate
153050

DECEMBER 27 2001

INTERMOUNTAIN PIPELINE LTD
2440 HOLCOMB LANE
RENO NV 89511

	TO FEE ADVANCED FOR ISSUING PERMIT UNDER APPLICATION TO APPROPRIATE NO. 64978	3044	00
	(INTERMOUNTAIN PIPELINE LTD.)		

Remittance by CHECK NO. 2253 COVERS PERMIT FEES 64977, 64978 AND 66400

Received payment in the office of the State Engineer

By s/Cyndi Mitchell

(Rev. 9-00)

(O) 410

AMENDED

NO. 64978

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office MAR 24 1999

Returned to applicant for correction APR 02 1999

Corrected application filed MAY 28 1999

Map filed MAY 28 1999 under 64977

****

The applicant Intermountain Pipeline Ltd., hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

****

1. The source of the proposed appropriation is underground (Well B)

2. The amount of water applied for is 2.0 cfs second-feet

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for Municipal and Domestic

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kinds of animals to be watered

   (c) Other use (describe fully under No. 12. "Remarks")

   (d) Power:
      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point NW¼ NW¼ Section 11, T24N, R19E, M.D.M., at a point from which the SE corner of Section 19, T24N, R20E, M.D.M., bears S 44° 31' 55" E, a distance of 21449 feet.

6. Place of Use Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, all in T21N R19E MDM. Section 36, T21N R18E MDM. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, all in T20N R19E MDM. Sections 1 and 12 T20N R18E MDM.

7. Use will begin about January 1 and end about December 31 of each year.

8. Description of proposed works Well B, equipped with pump and controls and a transmission pipeline to deliver water to Lemmon Valley.

9. Estimated cost of works $500,000

10. Estimated time required to construct works 5 years

11. Estimated time required to complete the application of water to beneficial use 10 years

12. Remarks: Combined diversion by Well A and Well B shall not exceed 1450 acre-feet annually. This water is to be used in conjunction with the Warm Springs Project to deliver water to Lemmon Valley.

By s/Dwight L. Smith, Agent
950 Industrial Way
Sparks, NV 89431

Compared my/bk ds/cmf

Protested

****

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins or before the Proof of Completion of Work is filed

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

The total combined duty of water under Permits 64977, 64978 and 66400 shall not exceed 2996 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(CONTINUED ON PAGE 3)

 64978

(PERMIT TERMS CONTINUED)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.0 cubic feet per second, but not to exceed 1447 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

January 11, 2005

Proof of completion of work shall be filed before:

February 11, 2005

Water must be placed to beneficial use on or before:

January 11, 2007

Proof of the application of water to beneficial use shall be filed on or before:

February 11, 2007

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 11th day of, January A.D. 2002

Hugh Ricci, P.E.

State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://ndwr.state.nv.us

January 14, 2002

Intermountain Pipeline Ltd.
PO Box 2790
Reno, Nevada 89505-2790

RE: 64977, 64978, 66400

Ladies and Gentlemen:

Enclosed herewith you will find Permit Nos. 64977, 64978 and 66400 for the waters of an underground source.

You are advised that if the various proofs thereunder, together with any map which may be required, are not filed in this office prior to the dates set for such filings, the permits will be subject to cancellation. For your assistance a sheet is enclosed which will advise you of the requirements to fulfill the terms of your permits.

Please be advised that the Permittee is responsible for notifying the State Engineer's Office of any address change.

Sincerely,

Hugh Ricci, P.E.

Hugh Ricci, P.E.
State Engineer

HR/ds
Enclosures
c: Bureau of Health Protection

Marshall - Intermountain Pipeline

State of Nevada Division of Water Resources
Request for Notice and Change of Address

In regards to permit number R-014, 64073-64081, 64977, 64978, 66400, 66873, 66961, 67037 : (Check applicable item.)

[ ] Please add my name to the mailing list and send copies of all correspondence to the address below: (Fill in NEW ADDRESS information only.)

[✓] Please change the address for copies to be sent as indicated below: (Fill in NEW ADDRESS and OLD ADDRESS information.)

[ ] I am the permit holder. Please change my address as indicated below: (Fill in NEW ADDRESS and OLD ADDRESS information.)

NEW ADDRESS

NAME: InterFlow Hydrology, Inc.

ADDRESS: P.O. Box 1482

CITY, STATE, ZIP: Truckee, CA 96160

TELEPHONE: (530) 582-1622

OLD ADDRESS

NAME: Kennedy/Jenks Consultants

ADDRESS: 5190 Neil Road, Suite 210

CITY, STATE, ZIP: Reno, NV 89502

TELEPHONE: (775) 827-7900

I am the:

[ ] Individual named above. (Complete signature below only.)

[✓] Agent or representative. (Complete the signature, name, and address below.)

This form accurately reflects the mailing address for the permit holder or other individual identified above.

SIGNATURE: Dwight L. Smith

NAME: Dwight L. Smith

ADDRESS: P.O. Box 1482

CITY, STATE, ZIP: Truckee, CA 96160

November 18, 2002

Hugh Richee
State Water Engineer
123 W. Nye Lane
Carson City, NV 89706-0818

Dear Sir,

We have received notification from Jo Ann Hufnagle, BLM Realty Specialist, that BLM and your office have given permission to Intermountain Pipeline to drill three production wellson the Winnemucca Ranch allotment.

The first of the three locations is very near Willow Springs which has quit producing since the drought started. The other two are located at the Mike Ranch which is private property belonging to Winnemucca Ranch. The Milk Ranch is one of our major hay production fields which we irrigate. We have spring one at the Milk Ranch corral this spring is pipe into a water tank in order provide water to the livestock in the area. When we put this spring into production in 1974, we had so much water that the spring not only filled the pipe line to the tank, it also over flowed the collection box and created a creek that ran down into our fields. In 1995, the overflow ceased and has not returned to its full flow since. With the water Intermountain Pipeline is requesting to remove from these areas, we believe our ability to continue to operate the ranch without changing our watering pratice for our cattle and haying operation will be greatly compromised.

We have numerous springs in the area for hay, livestock, and domestic use and we have legitimate concerns that the wells Intermountain Pipeline will bring into production and the amount of water they have requested will serious deplete the water resources on which we currently own & rely.

Bob Marshall is primary owner of Intermountain Pipeline and we have learned that one of his wells was put on the private property of Norman Knox. The granting of permission to Intermountain Pipeline to drill on private property which is not owned by Marshall is wrong. Considering the reputation of accuracy and fairness of your department, I must assume that Marshal moved the wells without your permission. Can your describe to us what safeguards are in place to protect us from the same type of arbitrary decision from Bob on the Milk Ranch wells he has requested?

We must also point out the unethical practice of Marshall and Intermoutain Pipeline; I have reported to your office two wells that were drilled by Mr. Marshall below the Winnemucce Ranch Bull pasture area that have been left open and unprotected. He abandoned the wells and later used a backhoe to dig down about four feet, use a cutting torch to cut the tops off and then covered them over with dirt. Since then, the sand has filtered into both of the wells causing a crater about fifteen feet in diameter with an open well casing in the middle at both of the sites. I have called you office to report the problem several times. I tried to explain the area (I even gave them a GPS location) and was told "we just can't find a well by a tree by a road". I offered to show your personnel but they did not have time.

I was able, however, to show one of your engineers the well sites when he was out measuring our springs. After observing the wells and seeing that there was water in one and the other was open, he told me that he would inform the proper person about the wells and said the wells would be taken care of. That was in July and since then nothing has been done to seal off the wells.

We are concerned about the lack of enforcement to make permittee's adhere to the guide lines as exampled by your office's handling of Mr. Marshall's. We adamantly protest the issuing of permits to Mr. Marshall and Intermoutain Pipeline. Mr. Marshal has countuined to ingnore the regulations of BLM and now the regulations of the State Water Engineers. We protest this issuance of permits to Mr. Marshall and Intermoutain Pipeline now and in the future.

Sincerly,

W Dalton La Rue Jr

W. Dalton La Rue Jr.
Winnemucca Ranch
16160 Winnemucca Ranch Rd.
Reno, NV 89510
775-475-2232

ABSTRACT OF TITLE

This column for office use only

Permit/Proof No. 64978
Page No. 1 of 1 pages

DEED NO.	GRANTOR	GRANTEE	CFS	AFA/AFS MGA/MGS (circle one)	ACRES or Units (circle one)	FILED UNDER DATE	Recorder's Document # DATE	DOCUMENT DESCRIPTION/ REMARKS
1	Intermountain Pipelines Ltd.	Intermountain Water Supply, Ltd.	2	1447	n/a		2871554 6/13/03	Municipal/Water Washoe County
2								
3								
4								
5								
6								
7								
8								

Type or print in black ink only

ABSTRACT.XLT

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://water.nv.gov

September 12, 2003

W. Dalton LaRue, Jr.
Winnemucca Ranch
16160 Winnemucca Ranch Road
Reno, Nevada 89510

Re: Intermountain Pipeline applications 64977, 64978, 66400, 66963, 66964 and 66965.

Dear Mr. LaRue:

I regret the delay in responding to your request dated November 18, 2002. No permits have been granted to Intermountain Pipeline for the appropriation of an underground source in Dry Valley on a different private owner's land. The three permits in question (64977, 64978 and 66400) were all granted for points of diversion on public land administered by the BLM. Intermountain Pipeline must gain an easement from the BLM for access to the proposed points of diversion.

The protections for holders of valid water rights are numerous. The Nevada Revised Statutes (NRS) require the State Engineer to consider existing rights, the public interest and whether or not an applicant has the financial ability to actually accomplish beneficial use. Additionally, the NRS provides for a person to protest an application within a specified time frame. To that end, each application for appropriation (with the exception of secondary, temporary and environment appropriations) is published for approximately a month in a newspaper local to the proposed point of diversion. Checks, double-checks, etc. are part of the normal processing of each application so that every chance for an error, omission or infringement upon another water right holder may be uncovered.

The change applications filed by Intermountain Pipeline (69663, 69664 and 69665) to move the points of diversion of permits 64977, 64978 and 66400, have been protested and are awaiting resolution of the protests.

Insofar as drilling of wells on private property as alleged in your letter, the situation will be investigated. To date, no well driller's reports (well logs) have been received by this office in connection with the permits mentioned above. Any unauthorized or illegal wells must be plugged and abandoned in accordance with the Nevada Administrative Code (NAC). It must be pointed

out, however, that Dry Valley is not yet a designated basin. This means that a land owner may drill a well at any time for any reason so long as it was drilled in a legal manner by a Nevada licensed well driller and the well owner gains an approved appropriation prior to diverting any water from the well(s).

The unplugged wells on the property of Bob Marshall are being addressed.

If you have any questions on this or any other water related matter, please feel free to call Robert K. Martinez, or me at (775) 687-3861.

Sincerely,

Michael J. Anderson, P.E.
Hydraulic Engineer III

MJA/
c.c. Robert K.Martinez, P.E.

REPORT OF CONVENANCE

JAC0070

FOR OFFICE USE ONLY

		REVIEW BY	DATE	TEE RECEIVED
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

DEFICIENCIES REQUIRING RETURN

REQUIRED CORRECTIONS: DATE BY

REMARKS: DATE

CORRECTION RECEIVED: DATE BY

CONFIRMED REPORT: DATE

REMARKS

JA1071

EXHIBIT "A"

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, all in T21N R19E MDM.

Section 36, T21N R18E MDM.

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 17, all in T20N R19E MDM.

Sections 1 and 12 T20N R18E MDM.

ABSTRACT OF TITLE

Please retain this sheet underneath the Summary of Ownership form

PERMIT 64978
PAGE 1 of 1

DEED NO.	GRANTOR	GRANTEE	CFS	AFA	ACRES	FILED UNDER / DATE	DOC # / DATE	DOCUMENT DESCRIPTION/ REMARKS
1	Intermountain Pipeline Ltd.	Intermountain Water Supply, Ltd. a Nevada Limited Liability Company	2.0	1447	—	64977 / 10/7/2003	2871554 / 6/13/2003	Water Rights Deed
2								
3								
4								
5								
6								
7								
8								

64977+ 64978abs

Printed on 7/13/2004

Enclosures in 6431

INTERMOUNTAIN PIPELINE LTD.

2440 HOLCOMB LN.
RENO, NV 89511

(775) 852-1161 PH
(775) 852-2523 FX
RWMARSHALL@SOURCE.NET

RECEIVED
04 MAR 26 AM 11:14
STATE ENGINEER'S OFFICE

March 15, 2004

Hugh Ricci, P.E., State Engineer
c/o Division of Water Resources
123 West Nye Lane
Carson City, NV, 89710 69977, 69978, 66400

re: Dry Valley

Dear Hugh;

I am enclosing a copy of a letter from Dwight Smith to the EIS contractor regarding the results of a new technique developed jointly by USGS, Boise State University and DRI for determining annual recharge to Dry Valley, Washoe County. This new study has determined the annual recharge to Dry Valley to be 4000 A.F.Y.

Attached to Dwight's letter is an "Abstract of Technical Presentation" presented to the Nevada Water Resources Assn. annual conference in Mesquite in late February together with a graph attached which shows the results of this work.

This is good news and indicates that there is more water there than our 3000 AFY permits.

Sincerely,

R. W. Marshall

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://water.nv.gov

June 30, 2004

Re: Permit 64978 & Application 69664

Robert W. Marshall
Intermountain Water Supply, Ltd.
2440 Holcomb Lane
Reno, NV 89511

Dear Mr. Marshall:

Your submittal, received October 7, 2003, has been reviewed, and the following deficiency requires your attention:

- Application 69664 to change Permit 64978 to a new point of diversion has been entered and is now in Ready For Action status. Ownership of this application should be transferred with the base right (Permit 64978).

  The previously submitted Water Rights Deed, recorded as Document #2871554, is sufficient to transfer Application 69664.

  Please submit a Notarized *Report of Conveyance* for Application 69664. Only one $25.00 filing fee is required for related *Reports of Conveyance* submitted at the same time and using an identical chain of title. A $10.00 fee is required for each document per each water right.

Please resubmit within 60 days, after which time your submittal will become subject to rejection and will be returned to you. Please note that upon rejection, the document fees will be refunded; however, the $25.00 filing fee will be retained. Future submittals will again be subject to the $25.00 filing fee and a new waiting period to be processed.

If you have any questions, please contact this office at (775) 687-4380 #5.

Sincerely,

Daniel Sleeman
Engineering Technician III

DLS/ld
Certified Mail # 7002 0860 0002 3179 7800

(NSP) Rev. 12/02

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

64978/rfd/DLS/ld
ROBERT W MARSHALL
INTERMOUNTAIN WATER SUPPLY LTD
2440 HOLCOMB LANE
RENO NV 89511

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery 7-1-04

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. 7002 0860 0002 3179 7800

PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1035

STATE OF NEVADA
DIVISION OF WATER RESOURCES

SUMMARY OF OWNERSHIP

Please retain this sheet on top of file

PERMIT: 64978 USE: MUN CFS: 2.0 DUTY: 1447 AFA ACRES
CERTIFICATE: ISSUED: CFS: DUTY: AFA ACRES

REVIEW DATE: 7/13/2004 BY: DLS
SUPPLEMENTAL TO: 64977, 64978 and 66400 total combined duty not to exceed 2996 acre-feet annually.
LAST UPDATE: BY:

OWNER	CFS	DUTY AFA	APPURTENANT ACRES	CHANGED BY: STATUS	REFERENCED DOCUMENTS	DESCRIPTION
Intermountain Water Supply, Ltd.	~~2.0~~ 1.377	~~1447~~ 996.20	—	69664 ~~RFA~~ RFP	1	* Owner needs to WDR remainder of water under 69664
" "	0.623	450.72	—	74327 RFA/PER		

ENCUMBRANCE(S) : YES ( ) NO (X)

JA1077

KENNY C. GUINN
Governor

STATE OF NEVADA

R. MICHAEL TURNIPSEED, P.E.
Director

HUGH RICCI, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Suite 246
Carson City, Nevada 89706-0818
(775) 687-4380 • Fax (775) 687-6972
http://water.nv.gov

July 14, 2004

RE: Permits 64977, 64978, 66400 & 67037 and
Applications 66873, 66961 & 69664

Robert W. Marshall
Intermountain Water Supply, Ltd.
2440 Holcomb Lane
Reno, NV 89511

Dear Mr. Marshall:

Please be advised that Permits 64977, 64978, 66400 and 67037 and Applications 66873, 66961 and 69664 have been assigned to show **Intermountain Water Supply, Ltd.** as current owner of record of the amounts shown below. The *Summaries of Ownership* are enclosed for your reference.

Permit/Application	Diversion Rate	Duty
64977	2.0 cubic feet per second	1447 acre-feet annually
64978	2.0 cubic feet per second	1447 acre-feet annually
66400	2.14 cubic feet per second	1549 acre-feet annually
66873	1.5 cubic feet per second	---
66961	2.76 cubic feet per second	---
67037	0.5 cubic feet per second	200 acre-feet annually
69664	2.0 cubic feet per second	1447 acre-feet annually

Permits 64977, 64978 and 66400 are supplemental to the same place of use. The total combined duty may not exceed 2996 acre-feet annually.

Confirmation of title transfer should not be construed to mean that the water rights are in good standing or that the amount of water referenced in this notice is the actual amount of water entitled to be used. If you have any questions regarding the status of these water rights, please contact one of our engineers.

This assignment reflects only the information that has been filed with this office and may be subject to amendment upon receipt of additional documentation. If you have questions regarding the assignment process please contact this office at (775) 687-4380 #5.

Sincerely,

Daniel Sleeman
Engineering Technician III

DLS/lld
Enclosures: *Summaries of Ownership*
cc: George N. Benesch, Esq. (66873, 66961 & 67037)
Daren Hagata, Lassen County Farm Bureau (69664)

(NSPO Rev. 12-03)

[illegible]
Director

[illegible], P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES
[illegible] Street, Suite 300
Carson City, Nevada 89702-2818

Address all correspondence to:
The State Engineer
Division of Water Resources
Post Office Box 826
Carson City, Nevada 89702-0826

[illegible]

April 15, 2005

54975

Intermountain Water Supply, LTD.
c/o Robert W. Marshall
2440 Horseman Lane
Reno, NV 89511
Certified Mail No. 7104[illegible]

The proof of completion of work, submitted in appropriate water of the State of Nevada pursuant to the Proof of Completion of Work

was received February 11, 2005.

Our records show that you have not filed said Proof(s) and therefore your permit(s) shall be held pending until such proof is submitted.

Unless the legally required Proof(s) or affidavit requesting an extension of time in which to file said Proof(s) for good cause shown is received and filed with the State Engineer within thirty (30) days of the date of this final certified notice your permit will be cancelled.

Sincerely,

[illegible], P.E.
State Engineer

[illegible]

Enclosure(s): Proof of Completion of Work form and Extension of Time form with instructions

[illegible]

FINAL NOTICE

Address all correspondence to the State Engineer, Division of Water Resources

BEFORE THE STATE ENGINEER OF THE STATE OF NEVADA

APPLICATION FOR EXTENSION OF TIME

FILED

MAY 0 4 2005

State Engineer, Carson City

Owner of Record: [illegible]

[illegible]

This application is filed for [illegible]

(Name now) Robert A. Russell [illegible] (Address) [illegible]

[illegible] Nevada [illegible] who being duly sworn and according to the best of their knowledge and belief [illegible] the conditions of compliance with the requirements as set forth in the permit [illegible]

1. Does the permit have multiple owners? [illegible] YES [illegible] NO [illegible] If NO, [illegible] the Application Form.

2. If YES, the owners [illegible] in the [illegible] for an extension to their collective [illegible] of the [illegible]
[illegible] YES [illegible] NO [illegible] the Application Form.

3. If NO, the owners [illegible] in the application form filed.

4. How much time is needed to finish the project? [illegible] years

5. Is the [illegible] the need [illegible] of the project? [illegible]

6. In order to complete the project as set forth in the permit [illegible] what additional [illegible] will be [illegible]

7. The [illegible] expected to commence work [illegible] (Month/Year) [illegible] and complete work [illegible]

[illegible] the provisions for filing the [illegible] of work [illegible]

8. Explain in detail why the request for an extension of time is being submitted. (Use additional sheets if necessary)
Explain [illegible] the [illegible] of the project.

Signature [illegible]

Subscribed and sworn to before me this [illegible] day of [illegible] 20[illegible]

[illegible]

RECEIVED

MAY 0 4 2005

Notary Public in and for the County of [illegible] State of [illegible]

My commission expires [illegible]

[illegible]

THE FILING FEE MUST ACCOMPANY THIS APPLICATION FOR EXTENSION OF TIME
A SEPARATE APPLICATION MUST BE FILED FOR EACH PERMIT

JA1080

RECEIPT

STATE OF NEVADA
DIVISION OF WATER RESOURCES
123 W. Nye Lane, Room 246
Carson City, Nevada 89706-0818

Duplicate
189214

MAY 4 2005

INTERMOUNTAIN WATER SUPPLY LTD
2440 HOLCOMB LN
RENO NV 89511

	TO FILING APPLICATION FOR EXTENSION OF TIME UNDER PERMIT NO 64978	100	00

CHECK 1116

Remittance by .....

Received payment in the office of the State Engineer

By s/Sue Cox SC

(Rev. 9-00) (O) 410

ALLEN BIAGGI
Director

HUGH RICCI, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Corrected 3/29

Address All Communication to the State Engineer, Division of Water Resources

Telephone (775) 684-2800 or 1-800-992-0900 x 2400 (In Nevada Only)

In reply refer to:

March 01, 2006

64978

Intermountain Water Supply, LTD.
c/o Robert W. Marshall
2440 Holcomb Lane
Reno, NV 89511

This is to inform you that Application for Extension of Time has been granted to **February 11, 2006** for filing of the **Proof of Completion.**

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,
Jason King
Jason King, P.E.
Deputy State Engineer

JK/mc

2. Article Number

7106 7808 0630 0013 5726

1. Article Addressed to:

Intermountain Water Supply Ltd
c/o Robert Marshall
2440 Holcomb Lane
Reno, NV 89511

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X R W Marshall ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES enter delivery address below: ☐ No

RENO, NV 89511 STEAMBOAT BRANCH
2007 APR 23 AM

3. Service Type ☒ Certified

4. Restricted Delivery? (Extra Fee) ☐ Yes

File: FN 64978 dr

PS Form 3811

Domestic Return Receipt

4171
STATE OF NEVADA
DIVISION OF WATER RESOURCES
901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Return Service Requested

RECEIVED
2006 MAR -8 AM 11:21
STATE ENGINEERS OFFICE

INTERMOUNTAIN WATER SUPPLY LTD
C/O ROBERT W MARSHALL
2440 HOLCOMB LANE
RENO NV 89511

INTE440* 895113577 1206 81 03/04/06
RETURN TO SENDER
:INTERMOUNTAIN WATER SUPPLY
175 STAGS LEAP CIR
SPARKS NV 89436-7282

RETURN TO SENDER

AABS0135895511

CARSON CITY NV MAR 0 2 06

PB METER 7137727 U.S. POSTAGE 00.30 08

64978
Remailed
3/13/06
fo

ROBERT W. MARSHALL
NANETTE MARSHALL
INTERMOUNTAIN PIPELINE, LTD.
INTERMOUNTAIN WATER SUPPLY, LTD.

Nevada Div. of Water Resources
901 S. Stewart, Suite 2002
Carson City, NV,
89701

re: Account Permits: 39593, 64073, 64074, 64075, 64076, 64077, 64078, 64079, 49669, 49670, 66873, R-014, 73048, 73049, 73428, 73429, 73430, 66400, 69664, 64977, 64978, 66961, 72700,

This is to notify you of an address change for the above account ---

Old address: 2440 Holcomb Ranch Lane
Reno, Nevada 89511-9549

New address: 175 Stags Leap Circle
Sparks, Nevada 89436-7280

RECEIVED
2006 MAR -6 AM 11:57
STATE ENGINEERS OFFICE

Sincerely,

Robert W. Marshall

ALLEN BIAGGI
Director

HUGH RICCI, P.E.
State Engineer

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF WATER RESOURCES

901 S. Stewart Street, Suite 2002
Carson City, Nevada 89701

Address All Communication to the State Engineer, Division of Water Resources

Telephone (775) 684-2800 or 1-800-992-0900 x 2400 (In Nevada Only)

In reply refer to:

Corrected Letter

March 29, 2006

RE: 64978

Intermountain Water Supply, LTD.
c/o Robert W. Marshall
2440 Holcomb Lane
Reno, NV 89511

175 Stags Leap Cir
Sparks NV 89436-7282

This is to inform you that Application for Extension of Time has been granted to **February 11, 2007** for filing of the **Proof of Completion.**

Please be advised that the permittee is responsible for notifying the State Engineer's Office of any address change. Furthermore, when multiple addresses are used by the applicant or agent, the required legal notices will be sent to the latest address of record, and not to earlier addresses unless proper written notification from the applicant or agent directs otherwise.

Sincerely,
Jason King
Jason King, P.E.
Deputy State Engineer

JK/la

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Carson City Field Office
5665 Morgan Mill Road
Carson City, Nevada 89701
http://www.nv.blm.gov

TAKE PRIDE IN AMERICA

MAY - 2 2006

In Reply Refer To:
2800 (NV030)

Nevada Division of Water Resources
Attn: Hugh Ricci, State Engineer
901 S. Stewart St., Ste. 2002
Carson City, NV 89701-5250

Dear Mr. Ricci:

On December 12, 2005, Terri Knutson, of my staff, and I met with Jason King, Robert Martinez, and Richard Felling, of your staff, to discuss the *North Valleys Rights-of-Way Projects Final Environmental Impact Statement - Fish Springs Ranch and Intermountain Water.* Included in Appendix D of this Final EIS is a document called *Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada* (Plan). As was discussed in the meeting in December, this Plan was developed and recommended in coordination with the Cooperating Agencies for the EIS and for your consideration. The Cooperating Agencies for the North Valleys EIS are: U.S. Fish & Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; Airport Authority of Washoe County; City of Reno; and City of Sparks.

The Final EIS was released to the public on November 10, 2005 and the comment period ended on December 30, 2005. A total of 13 comment letters were received and seven of those letters were from Cooperating Agencies (BIA-Western Nevada Agency and Western Regional Office; Lassen County; California Water Resources; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; and Truckee Meadows Regional Planning Agency). All but one of the comment letters from the Cooperating Agencies contained revisions for the Plan. Attached is the revised Plan incorporating all comments received from the Cooperating Agencies.

The BLM Carson City Field Office strongly urges the implementation of the attached Plan. As stated in NRS 534.250(5.) "The State Engineer shall require the holder of a permit to monitor the operation of the project and the effect of the project on users of land and other water within the area of hydrologic effect of the project. In determining any monitoring requirements, the State Engineer shall cooperate with all government entities which regulate or monitor, or both, the quality of water." As described in the document, the BLM would not take a lead role in implementing the Plan but would be happy to help or facilitate in any other way needed. Please notify this office of any decisions you make in this matter. The record of decisions (RODs) for

both the Fish Springs Ranch and Intermountain Water Projects should be issued within the next month.

Thank you for your consideration in review of this document. If you have any questions, please call either myself at 885-6000 or Terri Knutson at 885-6156.

Sincerely,

Donald T. Hicks

Donald T. Hicks
Manager,
Carson City Field Office

Enclosure: *Revised Recommended Water Resources Monitoring and Management Plan for Future Pumping in Honey Lake Valley, Dry Valley, and Bedell Flat, Nevada*

Cc: U.S. Fish & Wildlife Service; U.S. Bureau of Indian Affairs; U.S. Geological Survey; Sierra Army Depot; Pyramid Lake Paiute Tribe; Susanville Indian Rancheria; California Department of Water Resources; California Department of Fish and Game; Lassen County, CA; Washoe County, NV; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; Airport Authority of Washoe County; City of Reno; and City of Sparks.

REVISED

RECOMMENDED WATER RESOURCES MONITORING AND MANAGEMENT PLAN

FOR FUTURE PUMPING IN HONEY LAKE VALLEY, DRY VALLEY, AND BEDELL FLAT, NEVADA NORTH VALLEYS RIGHTS-OF-WAY PROJECTS

(Submitted to the Nevada State Engineer)

The purpose of this Monitoring and Management Plan (**Plan**) is to describe monitoring and management activities of water resources and related potential impacts due to development of groundwater resources in eastern Honey Lake Valley, Dry Valley, and Bedell Flat associated with the proposed North Valleys Rights-of-Way Projects (**Projects**). This Plan applies to proposed groundwater extraction rates of up to 8,000 acre-feet per year (af/yr) in eastern Honey Lake Valley, 2,000 af/yr in Dry Valley, and 500 af/yr in Bedell Flat. The groundwater would be extracted from these valleys by Fish Springs Ranch and Intermountain Water Supply (**Proponents**) and conveyed via pipelines to the North Valleys Planning Area in Washoe County, Nevada, and also be subject to water right appropriations from the Nevada State Engineer and conformance with Nevada State law concerning adverse impacts to public resources. This Plan is prepared to cover both Proponents; site-specific proposed monitoring activities are presented in **Attachment A** (Honey Lake Valley), **Attachment B** (Dry Valley), and **Attachment C** (Bedell Flat).

It should be recognized that this recommended **Plan** was included in the Final EIS (FEIS) due to the lack of concurrence between Cooperating Agencies and the Project Proponents regarding the adequacy of existing data and hydrologic evaluations (contained in the FEIS) to substantiate sustainable annual groundwater extraction levels in the Project areas. This **Plan** is intended to provide the necessary data, provide an early warning capability and provide safeguards for responsible management of the water resources.

Along with the U.S. Bureau of Land Management (BLM) as lead agency, the following groups are cooperating agencies for the North Valleys Rights-of-Way Projects EIS: U.S. Geological Survey (USGS); U.S. Fish and Wildlife Service (USFWS); U.S. Bureau of Indian Affairs (BIA); Pyramid Lake Paiute Tribe; Sierra Army Depot; California Department of Water Resources; California Department of Fish and Game; Washoe County, Nevada; Lassen County, California; Truckee Meadows Water Authority; Truckee Meadows Regional Planning Agency; City of Reno; City of Sparks; Airport Authority of Washoe County; and Susanville Indian Rancheria. This group hereinafter is referred to as the "**Cooperating Agencies**". Because the two project Proponents would eventually be replaced by a local area water purveyor, this potential purveyor should also become a "Cooperating Agency".

The two agencies with primary importance with respect to this Plan are:

- Nevada State Engineer (Nevada Dept. of Conservation and Natural Resources – Division of Water Resources): This state agency has authority to administer the use of water resources in Nevada, including the issuance of water rights.

- U.S. Geological Survey (U.S. Dept. of the Interior): This federal agency is the primary water resources data collection agency in the United States. It is in the process of developing a regional groundwater monitoring program in west-central Nevada and adjoining portions of California.

Because these agencies have the jurisdiction, and over-riding authority and responsibility for the protection of water resources in Nevada and nationwide respectively, they should together provide impartial over sight for development of groundwater for this Project.

This Plan consists of four principal components:

1. *Monitoring Requirements*, related to production wells, monitoring wells, elevation control, spring flow, water quality, precipitation stations, quality of data, and reporting as proposed in Attachments A, B, and C to this document.

   Incorporated in the development of the monitoring plan would be the inclusion of data from *Previous Monitoring*, related to monitoring of surface water and groundwater resources in Honey Lake Valley, Dry Valley, and Bedell Flat, including location of existing supply and monitoring wells, groundwater extraction rates, groundwater level measurements, flow from springs, water quality, precipitation data, and wetland/riparian conditions

2. *Management Requirements*, related to the creation and role of a Water Advisory Committee (WAC), and a subcommittee of the WAC – the Technical Advisory Committee (TAC), continued use of numerical groundwater flow models, establishment of action criteria, and details of the decision-making process;

3. *Mitigation Measures*, related to potential mitigation measures that could be implemented if "unreasonable adverse impacts" (to be defined) occur as a result of groundwater extraction associated with the North Valleys Projects; and

4. *Modification of Plan*, related to procedures that could be followed to modify the Plan if future changing conditions or mitigations warrant modifications.

The common goal of the Proponents, BLM, Cooperating Agencies, and the Nevada State Engineer (all referred to as "**Parties**") in proposing and adopting this plan is to develop water resources data relating to a better understanding and analysis to assist the

Nevada State Engineer in managing development of groundwater resources in Honey Lake Valley, Dry Valley, and Bedell Flat without resulting in unreasonable adverse impacts to public resources and the prior water rights of other appropriators (i.e., receptors). The Parties agree that groundwater extraction and management decisions can be based on data collected and analyzed for these proposed Projects and from the USGS proposed regional monitoring program. The Parties will collaborate via the WAC on technical data collection and analysis provided by the TAC.

The Parties acknowledge that pursuant to NRS 534.110(4) each right to appropriate groundwater in the State of Nevada carries with it the right to make a reasonable lowering of the static groundwater level at the appropriator's point of diversion and that pursuant to NRS 534.110(5) the Nevada State Engineer may allow, at his discretion, the groundwater level to be lowered at the point of diversion of a prior appropriator with the provision that rights of holders of existing appropriations can be satisfied under such express conditions.

The Parties expressly acknowledge that the Nevada State Engineer has, pursuant to both statutory and case law, broad authority to administer groundwater resources in the State of Nevada. The Pyramid Lake Reservation is held in Trust by the United States government. The U.S. and its representative, the BIA hold legal authority and jurisdiction over water resources located on the Reservation. Nothing contained in this Plan shall be construed as waiving or diminishing such authorities.

MONITORING REQUIREMENTS

The Final EIS for the North Valleys Rights-of-Way Projects contains information about water resources data in Honey Lake Valley, Dry Valley, Bedell Flat, and surrounding areas. This information includes location of existing supply and monitoring wells, groundwater extraction rates, groundwater level measurements, flow from springs, water quality, precipitation data, and wetland/riparian conditions. This information, as well as data available from other local, state, and federal agencies, would be compiled into a central database that would be expanded as new data are collected.

Where? Who compiles

Generally, project specific monitoring may be the responsibility of the Proponents as recommended or agreed to by the TAC; however, the USGS is in the process of developing a regional groundwater monitoring program in west-central Nevada and adjoining portions of California (i.e., "Regional Study Area"). Objectives are to develop a network of monitoring wells in the Regional Study Area to monitor and document any regional effects of future groundwater development and management on groundwater levels, water quality, and groundwater discharge.

Who is sponsoring the study?

The USGS regional monitoring network would be designed to supplement rather than replace individual project monitoring programs. For example, Project monitoring would be conducted by the technical agents of the Proponents, while the USGS monitors other wells within Honey Lake Valley, Dry Valley, Bedell Flat, and surrounding basins. The USGS monitoring may include wells in the Project monitoring groups. In addition to

the Proponents, Washoe County, Lassen County, and/or other agencies also may volunteer to participate in some monitoring activities.

The term "as is feasible" as used in this Plan shall relate to mechanical failures or other events/reasons outside the control of the Parties, or agreed by the Parties, that do not permit data collection.

Production Wells

- Discharge rates and groundwater levels may be measured in production wells on a continuous or frequent basis, as is feasible, using permanent recording devices. Water levels could be measured during pumping and non-pumping periods.

- The proposed action includes six production wells at the Fish Springs Ranch property in eastern Honey Lake Valley, five wells in Dry Valley, and two wells in Bedell Flat.

- All monitoring data may be entered into a project database recommended by the TAC.

Monitoring Wells

- A network of monitoring wells has been proposed by the Proponents to measure groundwater levels over time. Monitoring wells are located in Honey Lake Valley (**Attachment A**), Dry Valley (**Attachment B**), Bedell Flat (**Attachment C**). These proposed monitoring networks would be subject to concurrence from the TAC. The USGS likely could establish additional monitoring wells in the Regional Study Area that includes some surrounding valleys that may be affected by groundwater extraction (e.g., Smoke Creek Desert, Pyramid Lake Valley, Warm Springs Valley, Antelope Valley, and/or Long Valley).

- Groundwater levels can be measured, as feasible, using permanent recording devices in selected monitoring wells. For those monitoring wells without continuous monitoring instruments, water levels could be measured initially on a quarterly basis to establish seasonal variations, followed by semi-annual or annual measurements after such seasonal trends have been established.

- The TAC may recommend that new monitoring well(s) be installed in key areas where there are no existing wells available for monitoring. These new wells can be located and constructed in a cost-effective manner, while meeting the objectives of early-warning detection of impacts, if any, from proposed groundwater extraction. Consideration could be given to completing nested wells that monitor individual aquifers at a single location. The Proponent(s) may be responsible for completing new monitoring well(s), unless another member of the Parties or the USGS agrees to complete the well(s).