

98072381D

APN: ~~17-212-05~~

1319-22-000-003

When recorded, return to:

WALLEY'S PARTNERS LIMITED PARTNERSHIP

Attn: Thomas J. Hubeny

1702 County Road, Suite D

Minden, NV 89423

RPTT: \$18.85

THIS INSTRUMENT IS BEING RECORDED AS AN ACCOMODATION ONLY. NO LIABILITY, EXPRESSED OR IMPLIED, IS ASSUMED AS TO ITS REGULARITY OR SUFFICIENCY NOR AS TO ITS EFFECT, IF ANY, UPON TITLE TO ANY REAL PROPERTY DESCRIBED THEREIN.

STEWART TITLE OF DOUGLAS COUNTY

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this 6th day of March, 2001, by and between GARDNERVILLE TOWN WATER COMPANY, INC., hereinafter referred to as "GRANTOR," and WALLEY'S PARTNERS LIMITED PARTNERSHIP, hereinafter referred to as "GRANTEE."

WITNESSETH:

That GRANTOR, in consideration of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the GRANTEE, the receipt of which is hereby acknowledged, does by these presents grant, bargain, and sell to the GRANTEE, and to its successors and assigns forever, all of its right, title and interest in and to those certain water rights appurtenant to real property, lying and situate in Douglas County, state of Nevada, more particularly described as follows:

All right, title and interest under No. 67307 Permit issued by the Office of the State Engineer for the State of Nevada, a copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and any reversion or reversions, remainder or remainders, rents, issues or profits thereof so long as said water rights are used in the Carson Valley Basin as such is

defined on the date of this deed.

TO HAVE AND TO HOLD all and singular the rights together with the appurtenances, unto the said GRANTEE, and to its successors and assigns forever.

IN WITNESS WHEREOF, the GRANTOR has set its hand on the day and year first above written.

GARDNERVILLE TOWN WATER COMPANY, INC.

By: *Dale Bohlsman*
DALE BOHLMAN, Chairman

STATE OF NEVADA)
: ss.
COUNTY OF Douglas)

On March 6th, 2001, personally appeared before me, a notary public, DALE BOHLMAN, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is the Chairman of GARDNERVILLE TOWN WATER COMPANY, INC., GRANTOR herein, and who further acknowledged to me that he executed the foregoing Grant, Bargain and Sale Deed on behalf of said entity.

Sharlee M Meeden
NOTARY PUBLIC



APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office MAR 06 2001

Returned to applicant for correction _____

Corrected application filed _____

Map filed AUG 17 1984 UNDER 48320

The applicant **Gardnerville Town Water Company** hereby makes application for permission to change the **Point of Diversion and Place of Use** of a portion of water heretofore appropriated under **Permit 60576**

1. The source of water is **Underground**
2. The amount of water to be changed **.014 c.f.s., 10.0 acre-feet**
3. The water to be used for **Municipal**
4. The water heretofore permitted for **Municipal**
5. The water is to be diverted at the following point **SW¹/₄SE¹/₄ Section 15, T.13 N., R.19 E., MDM, or at a point from which the S¹/₄ corner of said Section 15 bears South 5°26' West, 1125 feet**
6. The existing permitted point of diversion is located within **NW¹/₄NW¹/₄ Section 4, T.12 N., R.20 E., MDB&M, or at a point from which the NE corner of said Section 4 bears North 86°15' East, 3,946 feet**
7. Proposed place of use **NW¹/₄NE¹/₄ Section 22, SW¹/₄SE¹/₄ Section 15, T.13 N., R.19 E., MDM**
8. Existing place of use **See Attached**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **well, pump, motor, storage tank, and domestic fire distribution system**
12. Estimated cost of works **existing**
13. Estimated time required to construct works **existing**
14. Estimated time required to complete the application of water to beneficial use **5 years**
15. Remarks: **See Attached**

By s/ **Bruce R. Scott, Resource Concepts, Inc.**
Bruce R. Scott
340 North Minnesota Street
Carson City, Nevada 89703

Compared cm/CMF ds/cmf

Protested _____ 0531118

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 to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 60576, is issued subject to the terms and conditions imposed in said Permit 60576, and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and 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 the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

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

The total combined duty of water under Permits 48320, 48321, 64881, 65762, 66657 and 67307 shall not exceed 95.84 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.

The issuance of Permit 67307 reduces the total combined duty of Permits 60576; 60607; 60608; 60609; 60611, Certificate 15122; 60612; 60613, Certificate 15123; 60614; 60615, Certificate 15124; 64626, 64627 and 65007 to 2,023.06 million gallons annually.

(CONTINUED ON PAGE 3)

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.014 cubic feet per second, but not to exceed 10 acre-feet annually.

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

N/A

Proof of completion of work shall be filed before:

N/A

Water must be placed to beneficial use on or before:

October 16, 2003

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

November 16, 2003


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 17th day of October A.D. 2001



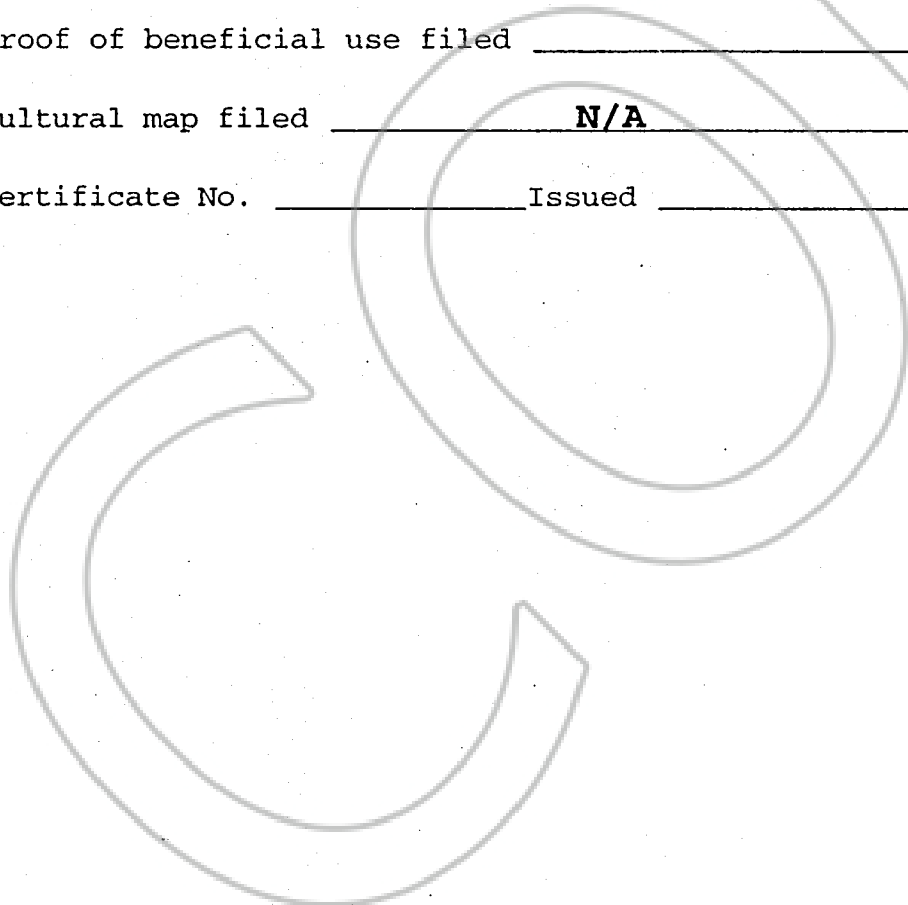
State Engineer

Completion of work filed under 66657 on February 14, 2001

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____



Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36, Township 14 North, Range 19 East, M.D.B.&M.,

Sections 1, 2, 3, E 1/2 Section 4, NE 1/4 and NW 1/4 SE 1/4, and East 1/2 SE 1/4 Section 9, Sections 10, 11, 12, 13, 14, 15, and East 1/2 NE 1/4, and East 1/2 SE 1/4 Section 16, and East 1/2 NE 1/4, and East 1/2 SE 1/4 Section 21, Sections 22, 23, 24, 25, 26, 27, East 1/2 Section 28, East 1/2 Section 33, Sections 34, 35, and 36, Township 13 North, Range 19 East, M.D.B.&M.,

Sections 1, 2, 3, NE 1/4 and NW 1/4 SE 1/4 and East 1/2 SE 1/4 Section 4, Sections 10, 11, 12, 13, 14, 15, the NE 1/4 and Portions of the NW 1/4, SE 1/4 and the SW 1/4 of Section 22, Sections 23, 24, and 25, the NE 1/4 and Portions of NW 1/4, SW 1/4, and SE 1/4 of Section 26, the NE 1/4 and Portions of NW 1/4 and SE 1/4 of Section 36, Township 12 North, Range 19 East, M.D.B.&M.,

Sections 1 through 36, Township 12 North, Range 20 East, M.D.B.&M.,

Sections 1 through 36, Township 13 North, Range 20 East, M.D.B.&M.,

West 1/2 Section 5, Sections 6, 7, 8, and Sections 13 through 36, Township 14 North, Range 20 East, M.D.B.&M.,

Sections 18, 19, 30, and 31, Township 14 North, Range 21 East, M.D.B.&M.,

Sections 6, 7, 18, 19, 30, and 31, Township 13 North, Range 21 East, M.D.B.&M.,

Sections 6, 7, 18, 19, and 30, Township 12 North, Range 21 East, M.D.B.&M.,

all in Douglas County, Nevada

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED JUNE 8, 1998, BOOK 698, PAGE 1744, AS FILE NO. 441509, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."

Question 15 - Remarks

The applicant has entered into an agreement to transfer the water rights to Walley's Partners Limited Partnership for use at Walley's Hot Springs, in conjunction with Permit 48320, Certificate 15693, Permit 48321, Certificate 15694, Permit 64881, Permit 65762, and Permit 66657. The water under this application is to be used with other water for the overall resort use. Permits 48320 and 48321 are held by Douglas County.

Please use maps on file at the Division of Water Resources under Application 48321 to support the proposed point of diversion and place of use and under Application 60576 to support the existing point of diversion and place of use.

Please send copies of all notices to Walley's Partners Limited Partnership, Post Office Box 158, Genoa, NV 89411.

REQUESTED BY
STEWART TITLE OF DOUGLAS COUNTY

IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

2001 DEC 27 PM 4:42

LINDA SLATER
RECORDER

\$19⁰⁰ PAID *kg* DEPUTY

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