

EXHIBIT 26

Return completed Report to: STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS
P.O. Box 2000

SACRAMENTO, CA 95812-2000

For assistance completing this Report, call: (916) 341-5300 FAX (916) 341-5400

A029977%P%2002

PROGRESS REPORT BY PERMITTEE FOR 2002

OWNER(S) OF RECORD: If the owner information below is wrong or missing, please correct.

G SCOTT FAHEY;

APPLICATION NO.: A029977
PERMIT NO.: 020784
CONTACT PHONE NO.: (208) 341-5170

FOR ONLINE REPORTING AT
www.waterrights.ca.gov

USER NAME: A029977
PASSWORD: D11198

PRIMARY CONTACT OR AGENT FOR MAIL & REPORTING:

G SCOTT FAHEY
2787 STONY FORK WAY
BOISE, ID 83706

STATE WATER RESOURCES CONTROL BOARD
2003 JUL 24 PM 2:59
DIV OF WATER RIGHTS
SACRAMENTO

PERMIT SUMMARY

NAME(S) OF SOURCES OF WATER (Up to first 4 sources listed)	PARCEL NO	COUNTY LOCATION
Unnamed Spring (AKA BETTONWOOD SPRING) Sugar Pine Spring*		Tuolumne
DEADWOOD SPRING		Tuolumne

MAX DIRECT DIVERSION RATE: .062 CFS
[Cubic feet per second (CFS) or Gallons per day(GPD)]

MAX COLLECTION TO STORAGE AMOUNT: AC-FT
[Total reservoir(s) storage volume in acre-feet (AC-FT)]

PERMITTED USE(S) OF WATER
(First 4 uses displayed below)

ACRES
(AC)

DIRECT DIVERSION SEASON
(month/day to month/day)

COLLECTION TO STORAGE SEASON
(month/day to month/day)

Industrial

0 AC

01/01 - 12/31

DATE BY WHICH PERMITTEE SHALL COMPLETE THE AUTHORIZED PROJECT, INCLUDING COMPLIANCE WITH ALL PERMIT TERMS AND CONDITIONS, AND MAKE FULL BENEFICIAL USE OF WATER: 12/31/2011

COMPLIANCE WITH PERMIT TERMS AND CONDITIONS: This Report is important since it provides a record of your actual water use necessary to establish your water right as well as your compliance with the terms and conditions of your water right permit. The information requested below should be filled out carefully. This Report should be promptly returned to the above address.

- YES NO I have currently reviewed my water right permit.
- YES NO I am complying with all terms and conditions listed in the permit. Identify any noncompliance under "Remarks" on the reverse side.
- YES NO I have changed the intake location, type(s) of use, and/or place of use authorized by the permit. If YES, explain under "Remarks" on reverse side. Note: A Change Petition & associated fees may be required for any significant changes to the permitted project.

PERMITTED PROJECT STATUS: California Water Code sections 1396 and 1397 requires a permittee(s) to exercise due diligence in developing an appropriate water right project so that the project is completed within the time period specified in the permit. Time extensions may be authorized for good cause.

CHECK ONE OF THE FOLLOWING CONCERNING YOUR WATER RIGHT PROJECT STATUS:

- REVOCATION - The project has been abandoned and I request revocation of the permit.
- PROJECT COMPLETE - The project has been completed. I have made full beneficial use of water as to the diversion rate, amount, and season specified in the permit and have complied with all terms and conditions. I am ready for (or have had) a licensing inspection by Division of Water Rights staff and request that a water right license be issued.
- PROJECT HAS NOT BEEN COMPLETED
If the project has not been completed, please answer the following:
 - YES NO Has construction work commenced?
 - YES NO Is construction completed?
 - YES NO Have the permitted beneficial uses of water commenced?
 - YES NO Will the project be completed within the time period specified in the permit?

e. Explain what work remains to be done: _____

f. Give the estimated date of completion of the project, including maximizing beneficial use of water: _____
Note: A time extension petition and associated fees may be required if the project is not completed within the time period specified in the permit.

(Continues on reverse)

PROGRESS REPORT BY PERMITTEE - PAGE 1 of 3

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BENEFICIAL USE(S) OF WATER: (Note: See reverse side for a summary of the beneficial uses of water authorized under your permit.)

7. If your use of water has commenced, check the appropriate boxes below and explain how the water was used:

- | | |
|---|--|
| a. <input type="checkbox"/> Irrigation _____
Acres | f. <input type="checkbox"/> Municipal _____
Approximate population |
| b. <input type="checkbox"/> Frost Protection _____
Acres | g. <input type="checkbox"/> Domestic _____
No. of persons, lawn/garden area, etc. |
| c. <input type="checkbox"/> Heat Control _____ | h. <input type="checkbox"/> Power Generation _____
Installed capacity in kW, MW, or hp |
| d. <input checked="" type="checkbox"/> Industrial <u>Wholesale of Bottling Water to State Cert. Water Bottlers</u>
Specify | i. <input type="checkbox"/> Recreational _____
Boating, fishing, water contact sports |
| e. <input type="checkbox"/> Stockwatering _____
No. & type of animals | j. <input checked="" type="checkbox"/> Other <u>Private Water Source Operator</u>
Lic. No. <u>86096 & 86127</u> |

AMOUNT OF WATER USED:

8. Amount of water used each month under this permit in [] gallons or [] acre-feet: See Attached

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Annual

STORAGE PROJECTS ONLY: (Note: Up to 5 reservoirs may be covered under a single permit. Refer to your permit for the actual number covered.)

9. Complete for long-term storage projects only:

- a. YES NO Did your reservoir(s) spill this year?
If No, how many feet below the spillway vertically was the water level(s) at maximum storage? _____
- b. YES NO Have you emptied the reservoir(s)?
If No, how many feet below the spillway vertically was the water level (s) at minimum storage? _____

PLEASE ANSWER ONLY THOSE QUESTIONS BELOW WHICH ARE APPLICABLE TO YOUR WATER RIGHT PROJECT.
(Please note that future amendments to the claims below will not be accepted.)

An appropriate water right can be reduced or revoked through five continuous years of nonuse. However, the California Water Code specifies that under certain conditions no reduction or loss of the appropriate water right shall occur due to: (a) water conservation efforts; (b) use of recycled, desalinated, or polluted water; and/or (c) conjunctive use of groundwater and surface water. You must report the extent and amount of water claimed for credit below. Failure to report the amounts will deprive you of the benefits allowed under the Water Code sections.

CONSERVATION OF WATER: (Water Code section 1011)

10. YES NO During the period covered by this Report, were you implementing any water conservation efforts? If YES, please describe:

11. If YES and you want to claim credit for the amount of water conserved towards the water use authorized under your permit as allowed under Water Code section 1011, please show the amount of water conserved below:

_____ (specify the amount in acre-feet or million gallons) Future amendments to this claim will not be accepted.

WATER QUALITY AND WASTEWATER RECLAMATION: (Water Code section 1010)

12. YES NO During the period covered by this Report, did you use reclaimed water from a wastewater treatment facility, water from a desalination facility, or water polluted by waste to a degree which unreasonably affects the water for other beneficial uses?

13. If YES and you want to claim credit for the substitution of this reclaimed, desalinated, or polluted water in lieu of the surface water authorized under your permit as allowed by Water Code section 1010, please show the amount of reclaimed, desalinated, or polluted water used below:

_____ (specify the amount in acre-feet or million gallons) Future amendments to this claim will not be accepted.

CONJUNCTIVE USE OF GROUNDWATER AND SURFACE WATER: (Water Code section 1011.5)

14. YES NO During the period covered by this Report, were you using groundwater in lieu of the surface water authorized under your permit?

15. If YES and you want to claim credit for the groundwater used in lieu of the surface water authorized under your permit as allowed under Water Code section 1011.5, please show the amount of groundwater used below:

_____ (specify the amount in acre-feet or million gallons) Future amendments to this claim will not be accepted.

REMARKS: (Identify the item you are explaining; additional pages may be attached.)

* Pursuant to Change of Water Right Permit 20784

I declare under penalty of perjury that the information in this report is true to the best of my knowledge and belief:

Signature: [Signature] Date: 7/21/03 Phone No: (208) 345-5170
PERMITTEE (OR AGENT / DESIGNEE)

APPLICATION NO.: AO29977
 PERMIT NO.: 020784

G SCOTT FAHEY
 2787 STONY FORK WAY
 BOISE, ID 83706

AUG 14 2003

AMOUNT OF WATER USED:													
8. Amount of water used each month under this permit (X) gallons or () acre-feet:													
	January	February	March	April	May	June	July	August	September	October	November	December	2002 Total
Total Used	621,000	560,250	540,000	1,338,500	1,589,750	1,404,000	1,464,750	1,248,750	999,000	1,235,250	972,000	1,221,750	13,203,000
Total Used from Deadwood Spring	30,820	0	0	441,045	527,918	463,320	732,375	624,375	467,210	617,625	481,488	610,875	4,997,152
Maximum Direct Diversion Rate	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946
Developed Direct Diversion Rate	0	0	0	0	0	0	123,429	15,429	0	8,679	0	1,929	149,468
Total Used from Sugar Pine Spring	590,080	560,250	540,000	895,455	1,071,833	940,680	732,375	624,375	531,790	617,625	490,512	610,875	8,205,848
Maximum Direct Diversion Rate	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946	608,946
Developed Direct Diversion Rate	0	0	0	286,509	462,886	331,734	123,429	15,429	0	8,679	0	1,929	1,230,594

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DEADWOOD SPRING		Tuolumne
MAX DIRECT DIVERSION RATE: .062 CFS (Cubic feet per second (CFS) or Gallons per day (GPD))	MAX COLLECTION TO STORAGE AMOUNT:	AC-FT (Total reservoir(s) storage volume in acre-feet (AC-FT))
PERMITTED USE(S) OF WATER (First 4 uses displayed below)	AGRES (AC)	DIRECT DIVERSION SEASON (month/day to month/day)
Indirect	0 AC	01/01 - 12/31
		COLLECTION TO STORAGE SEASON (month/day to month/day)

DATE BY WHICH PERMITTEE SHALL COMPLETE THE AUTHORIZED PROJECT, INCLUDING COMPLIANCE WITH ALL PERMIT TERMS AND CONDITIONS, AND MAKE FULL BENEFICIAL USE OF WATER: 12/31/2011

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PERMITTED PROJECT STATUS: California Water Code sections 1395 and 1397 requires a permittee(s) to exercise due diligence in developing an appropriate water right project so that the project is completed within the time period specified in the permit. Time extensions may be authorized for good cause.

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- Explain what work remains to be done: _____

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7. If your use of water has commenced, check the appropriate boxes below and explain how the water was used:

- | | | | |
|---|--|--|---|
| a. <input type="checkbox"/> Irrigation | _____ Acres | f. <input type="checkbox"/> Municipal | _____ Approximate population |
| b. <input type="checkbox"/> Frost Protection | _____ Acres | g. <input type="checkbox"/> Domestic | _____ No. of persons, lawn/garden area, etc. |
| c. <input type="checkbox"/> Heat Control | _____ | h. <input type="checkbox"/> Power Generation | _____ installed capacity in kW, MW, or hp |
| d. <input checked="" type="checkbox"/> Industrial | Wholesale of Artesian Water to State Cent. Water Pools | i. <input type="checkbox"/> Recreational | _____ Boating, fishing, water contact sports |
| e. <input type="checkbox"/> Stockwatering | Specify _____ No. & type of animals | j. <input checked="" type="checkbox"/> Other | Private Water Source Operator
Lic. No. 86096 & 86127 |

AMOUNT OF WATER USED:

8. Amount of water used each month under this permit in gallons or acre-feet: See Attached

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* Pursuant to Change of Water Right Permit 20784

I declare under penalty of perjury that the information in this report is true to the best of my knowledge and belief.

Signature: [Signature] Date: 7/21/03 Phone No: (209) 345-5170
PERMITTEE (OR AGENT/DESIGNEE)

APPLICATION NO.: AO29877
 PERMIT NO.: 020784

G SCOTT FAHEY
 2787 STONY FORK WAY
 BOISE, ID 83706

AMOUNT OF WATER USED:

B. Amount of water used each month under this permit [X] gallons or [] feet-feet

	January	February	March	April	May	June	July	August	September	October	November	December	2002 Total
Total Used	821,000	560,250	540,000	1,395,500	1,555,750	1,401,000	1,454,750	1,243,750	660,000	1,235,250	572,000	1,221,750	13,203,000
Total Used from Distributed System	38,820	0	0	441,045	577,813	453,320	732,375	624,375	487,210	617,625	481,488	610,875	4,987,152
Maximum Direct Diversion Rate	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945
Developed Direct Diversion Rate	0	0	0	0	0	0	123,425	15,425	0	0	0	1,525	148,485
Total Used from Super Pine Spring	580,080	560,250	540,000	855,455	1,077,937	940,680	732,375	624,375	531,790	617,625	480,512	610,875	8,205,848
Maximum Direct Diversion Rate	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945	603,945
Developed Direct Diversion Rate	0	0	0	266,509	452,933	341,734	193,423	15,423	0	0	0	1,003	1,230,594