

EXHIBIT 23

State Water Resources Control Board
 DIVISION OF WATER RIGHTS
 P.O. Box 2000 SACRAMENTO, CA 95812-2000
 901 P STREET, SACRAMENTO, CA
 (916) 657-1384 FAX: (916) 657-1485



PROGRESS REPORT BY PERMITTEE FOR

1999

OWNER OF RECORD: G SCOTT FAHEY

G SCOTT FAHEY
 2787 STONY FORK WAY
 BOISE, ID 83706

APPLICATION: A029977

PERMIT: 020784

TELEPHONE (NUMBER):
 (208) ~~334-4188~~
 345-5170

IF OWNER'S NAME/ADDRESS/PHONE NO. IS WRONG OR MISSING, PLEASE CORRECT.

SOURCE:

UNSP (AKA ~~COTTONWOOD~~ ^{Deadwood} SPRING/Sugar Pine Spring*)

COUNTY:

TUOLUMNE

PURPOSE:

DIVERSION/STORAGE SEASON:

ACRES/HP:

INDUSTRIAL

JAN 01 TO DEC 31 /

0 AC

AMOUNT: 0.062 CFS Both Springs AC-FT
 0.031 CFS EACH SPRING

COMPLETE USE BY: 12/31/1999

* SUGAR PINE SPRING WAS FORMALLY REFERRED TO AS ANNIE GREEN SPRING

IMPORTANT! EVERY permit is issued subject to the conditions therein expressed. I have currently reviewed my permit: YES [] NO []. I am complying with the conditions under which my permit has been issued: YES [] NO []. Identify any noncompliance by permit term number under "Remarks" on reverse side. This report is important in providing the record of use needed in establishing your water right. It should be filled out carefully and returned promptly to the above address.

THE PROJECT HAS BEEN ABANDONED AND I REQUEST REVOCATION OF THIS PERMIT: YES [].

CONSTRUCTION WORK

- Has construction work commenced? YES [] NO []. Is construction completed? YES [] NO [].
- If incomplete, describe briefly the work done, including cost: DEADWOOD SPRING HAS BEEN DEVELOPED, DIVERTED, @ A COST OF \$500,000
- If not completed, give estimated date of completion: SUGAR PINE SPRING HAS BEEN DEVELOPED, IN LIEU OF COTTONWOOD SPRING; DIVERSION WORK SHALL BE COMPLETED MARCH, 2000
- What percent of construction work remains to be done? 20% Explain: DIVERSION PIPELINE FROM SUGAR PINE SPRING TO EXISTING PIPELINE ONE MILE BELOW DEADWOOD SPRING

USE OF WATER

5. Has use of water commenced? YES [] NO []. Check appropriate box(es) below and explain how water was used.

- (a) [] Irrigation _____ (e) [] Municipal _____
Approximate population
- (b) [] Stockwatering _____ (f) [] Recreational _____
Number of animals Boating, fishing, water contract sports
- (c) [] Industrial WHOLESALE OF SPRING WATER TO STATE CERTIFIED BOTTLERS (g) [] Power generation _____
Installed horsepower capacity
- (d) [] Domestic _____ (h) [] Other PRIVATE WATER SOURCE OPERATOR, Lic. #26096
Number of persons, area of garden, lawn, etc.

6. Amount of water used each month under this permit in gallons or acre-feet. (If not known, check months water was used.)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total Annual
APPROX. DEVELOPED	607,277											607,277	7,287,324
	400,918	500,773	354,523	675,523	487,573	596,773	666,823	476,723	579,523	485,323	120,973	532,873	(Continues on reverse side)

1999
 DEADWOOD SPRING ONLY, BOTH APPROX. DEVELOPED
 Total 4,740,166
 Total 12,027,490 GALS.

USE OF WATER (cont.)

- 7. Has use of water, both amount and season, been as great as you expect in any future year under this permit? YES [] NO []. If "No", explain under "Remarks".
- 8. Has location of the intake, place of use, or type of use been changed? YES [] NO []. Explain under "Remarks".
- 9. Did the source go dry? YES [] NO []. If so, during what months? _____

STORAGE PROJECTS ONLY

- 10. Did your reservoir spill this year? YES [] NO []. If not, how many feet below spillway vertically was the water level at maximum storage? _____ Have you emptied the reservoir? YES [] NO []. If not, how many feet below spillway vertically was it drawn down at end of season? _____

PLEASE ANSWER ONLY THOSE QUESTIONS BELOW WHICH ARE APPLICABLE TO YOUR PROJECT.

(Please note that future amendments to claims below will not be accepted)

CONSERVATION OF WATER

- 11. Describe any water conservation efforts you may have started: _____
- 12. If you want to claim credit under Section 1011 of the Water Code for beneficial use of water under this permit for water not used due to a conservation effort, you must identify the amount of water conserved in the following space provided. The amount applicable to any claim shall be limited to the amount shown for the year on this report.
_____ (af/mg)

WATER QUALITY AND WASTEWATER RECLAMATION

- 13. Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other benefits uses? YES [] NO [].
- 14. If credit toward use under this permit through substitution of reclaimed water, desalinated water, or polluted water in lieu of appropriated water is claimed under Section 1010 of the Water Code, please show the amounts of reclaimed water used: _____ (af/mg)

CONJUNCTIVE USE OF SURFACE WATER AND GROUNDWATER

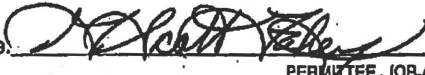
- 15. Are you now using groundwater in lieu of surface water? YES [] NO [].
- 16. If credit toward use under this permit through substitution of groundwater in lieu of appropriated water is claimed under Section 1011.5 of the Water Code, please show the amounts of groundwater used: _____ (af/mg)

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

7. THE USE OF APPROPRIATED IN 2000 FROM DEADWOOD SUGARPINE SPRINGS IS ESTIMATED TO BE
 14,574,648 GALS.

THE USE OF DEVELOPED WATER IN 2000 FROM DEADWOOD SUGARPINE IS ESTIMATED TO BE
 5,425,352 GALS.

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

Dated: 4/7/00 Sign Here: 

PERMITTEE (OR AGENT OR DESIGNEE)

PROGRESS REPORT BY PERMITTEE - PAGE 2



PROGRESS REPORT BY PERMITTEE FOR

1999

OWNER OF RECORD: G SCOTT FAHEY

APPLICATION: A029977

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PERMIT: 020784

TELEPHONE NUMBER:
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IF OWNER'S NAME/ADDRESS/PHONE NO. IS WRONG OR MISSING, PLEASE CORRECT.

SOURCE:

COUNTY:

UNSP (AKA ~~COTTWOOD~~ ^{Deadwood} SPRING/Sugar Pine Spring)

TUOLUMNE

PURPOSE:

DIVERSION/STORAGE SEASON:

ACRES/HP:

INDUSTRIAL

JAN 01 TO DEC 31 /

0 AC

AMOUNT: 0.062 CFS

AC-FT

COMPLETE USE BY: 12/31/1999

* SUGAR PINE SPRING WILL FORMALLY REOPEN TO ALL AGRICULTURE
 IMPORTANT! ENCOV permit is issued subject to the conditions therein expressed. I have currently reviewed my permit: YES [✓] NO []
 I am satisfied with the conditions under which my permit has been issued: YES [✓] NO [] I identify any noncompliance by permit form
 attached under "Remarks" at reverse side. This report is important in providing the record of use needed in establishing your water right. It
 should be filled out carefully and returned promptly to the above address.

THE PROJECT HAS BEEN ABANDONED AND I REQUEST REVOCATION OF THIS PERMIT: YES []

CONSTRUCTION WORK

1. Has construction work commenced? YES [✓] NO [] Is construction completed? YES [] NO [✓]

2. If incomplete, describe briefly the work done, including cost: Deadwood Spring
 3. What portion of construction work remains to be done? 20%
 4. ONE MILE BELOW DEADWOOD SPRING

5. Has use of water commenced? YES [✓] NO [] Check appropriate box(es) below and explain how water was used.

- (a) [] Irrigation _____ (e) [] Municipal _____ Approximate population _____
- (b) [] Stockwatering _____ Number of animals _____ (f) [] Recreational _____ Boating, fishing, water contact sports _____
- (c) [✓] Industrial WHOLESALE OF CERTIFIED BOTTLED WATER _____ (g) [] Other nonresidential _____
- (d) [] Domestic _____ (h) [✓] Other RESIDENTIAL WATER _____

6. Amount of water used each month _____ (If not known, check amount water used (acre ft))

Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total Annual
607,277												607,277
												7,287,324
												4,740,166

7. Has use of water, both amount and season, been as great as you expect in any future year under this permit? YES NO
8. Has the type or type of use been changed? YES [] NO [Explain under "Remarks".
9. Did the source go dry? YES [] NO [. If so, during what months? _____

STORAGE PROJECTS ONLY

10. For year 1999 and this year 2000, did you store water? If so, how many feet below spillway vertically was it drawn down at end of season? _____
 If not, how many feet below spillway vertically was it drawn down at end of season? _____

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

CONSERVATION OF WATER

11. Describe any water conservation efforts you may have started: _____
12. If you want to claim credit under Section 1011 of the Water Code for beneficial use of water under this permit for water not used due to a conservation effort, you must identify the amount of water conserved in the following space provided. The amount applicable to any claim shall be limited to the amount shown for this year on this report.
 _____ (af/mg)

WATER QUALITY AND WASTEWATER RECLAMATION

13. Are you now or have you been using reclaimed water from a wastewater treatment facility, desalination facility, or water polluted by waste to a degree which unreasonably affects such water for other beneficial uses? YES NO
14. If credit toward use under this permit through substitution of reclaimed water, desalinated water, or polluted water in lieu of appropriated water is claimed under Section 1010 of the Water Code, please show the amounts of reclaimed water used: _____ (af/mg)

CONJUNCTIVE USE OF SURFACE WATER AND GROUNDWATER

15. Are you now using groundwater in lieu of surface water? YES [] NO
16. If credit toward use under this permit through substitution of groundwater in lieu of appropriated water is claimed under Section 1011.5 of the Water Code, please show the amounts of groundwater used: _____ (af/mg)

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

~~THE USE OF APPROPRIATE FROM DEADWOOD SUGAR PINE~~
 5,474,648 GALS.

~~THE USE OF DEVELOPED WATER FROM DEADWOOD SUGAR PINE IS ESTIMATED TO BE~~
 5,475,352 GALS.

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

Dated: 4/7/00 Sign Here: 

PERMITTEE (OR AGENT OR DESIGNEE)

PROGRESS REPORT BY PERMITTEE - PAGE 2

**SUGAR PINE SPRING WATER CO.
1999 INCOME STATEMENT**

1999 RECEIPTS													
	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
Black Mt.	\$ 26,798.00	\$ 31,878.00	\$ 25,872.00	\$ 31,878.00	\$ 32,346.00	\$ 30,492.00	\$ 40,856.00	\$ 35,574.00	\$ 27,258.00	\$ 36,036.00	\$ 19,866.00	\$ 33,264.00	\$ 371,910.00
Glac. Pure	\$ 4,752.00	\$ 4,568.00	\$ 4,968.00	\$ 5,989.00	\$ 6,188.23	\$ 8,210.00	\$ 8,141.18	\$ 6,210.00	\$ 8,073.00	\$ 6,240.00	\$ 7,452.00	\$ 5,589.00	\$ 72,350.39
Lucky's	\$ 7,246.00	\$ 8,058.00	\$ 7,246.00	\$ 10,870.00	\$ 6,942.90	\$ 4,227.30	\$ 7,660.70	\$ 3,274.50	\$ 4,631.20	\$ 3,023.40	\$ 3,019.50	\$ 2,415.60	\$ 70,317.20
Sierra	\$ 22,572.00	\$ 24,354.00	\$ 15,444.00	\$ 22,672.00	\$ 27,918.00	\$ 25,542.00	\$ 30,294.00	\$ 34,452.00	\$ 30,294.00	\$ 28,700.00	\$ 23,760.00	\$ 36,234.00	\$ 323,136.00
Calistoga	\$ 15,164.97	\$ 14,710.85	\$ 20,273.65	\$ 26,239.95	\$ 11,508.75	\$ 24,856.90	\$ 13,350.15	\$ 4,736.50	\$ 21,636.45	\$ 3,505.85	\$ 3,035.85	\$ 7,857.00	\$ 166,902.87
G.S. Fahay	\$ 35.83	\$ 78.87	\$ 37.57	\$ 199.88	\$ 71.90	\$ 81.13	\$ 241.84	\$ 337.75	\$ 239.94	\$ 1,685.26	\$ 77.70	\$ 968.30	\$ 4,036.56
Misc. Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income & Balance Sheet Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Receipts	\$ 76,587.40	\$ 89,049.12	\$ 73,844.02	\$ 97,348.83	\$ 84,688.78	\$ 81,391.33	\$ 88,543.22	\$ 84,586.75	\$ 82,332.59	\$ 80,760.63	\$ 57,210.85	\$ 86,327.90	\$ 1,008,653.02
Total Gallons Sold	1,008,195	1,108,090	961,600	1,282,800	1,084,850	1,204,058	1,274,100	1,088,000	1,186,800	1,092,600	728,250	1,140,150	12,027,480
COST OF SALES													
Royalties	\$ 5,998.20	\$ 6,842.83	\$ 5,998.00	\$ 7,334.67	\$ 6,512.91	\$ 2,923.44	\$ 7,701.14	\$ 7,135.37	\$ 6,688.65	\$ 7,220.58	\$ 4,701.72	\$ 7,136.94	\$ 76,468.68
Transportation	\$ 52,564.98	\$ 57,981.30	\$ 49,846.47	\$ 68,272.49	\$ 57,528.37	\$ 64,020.96	\$ 67,556.28	\$ 57,137.03	\$ 84,555.99	\$ 55,113.69	\$ 38,942.96	\$ 60,760.65	\$ 696,010.76
Road Use Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,665.47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,297.25	\$ 15,665.47
Total Cost of Sales	\$ 58,563.17	\$ 64,824.12	\$ 55,836.47	\$ 75,607.16	\$ 64,041.28	\$ 82,559.87	\$ 75,257.43	\$ 64,272.40	\$ 71,624.24	\$ 63,334.27	\$ 43,644.68	\$ 70,215.04	\$ 790,381.11
% of Total Receipts	76%	73%	76%	78%	76%	90%	76%	76%	79%	78%	76%	81%	78%
Gross Profits	\$ 18,024.23	\$ 24,225.00	\$ 18,007.55	\$ 21,741.67	\$ 20,647.50	\$ 8,831.46	\$ 23,285.79	\$ 20,314.35	\$ 20,708.35	\$ 17,426.36	\$ 13,566.17	\$ 16,112.86	\$ 218,271.91
% of Total Receipts	24%	27%	24%	22%	24%	10%	26%	24%	22%	22%	24%	19%	22%
OPERATING EXPENSES													
Insurance	\$ 898.74	\$ 1,169.95	\$ 898.74	\$ 651.17	\$ 696.35	\$ 698.35	\$ 154.91	\$ -	\$ 368.00	\$ 821.14	\$ 1,095.04	\$ 1,360.37	\$ 8,123.88
Rent	\$ 4,410.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55.00	\$ 4,465.00
Legal/Acct.	\$ 41.00	\$ 214.00	\$ 218.75	\$ 1,453.80	\$ 298.25	\$ 237.50	\$ -	\$ 100.00	\$ -	\$ 150.00	\$ 95.00	\$ 112.50	\$ 2,878.80
Bank Fees	\$ 15.00	\$ -	\$ 7.50	\$ -	\$ 105.00	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ 5,391.00	\$ -	\$ 6,518.50
Post & Sup.	\$ 13.28	\$ 18.07	\$ 37.57	\$ 66.94	\$ 32.13	\$ -	\$ -	\$ 13.88	\$ -	\$ -	\$ 21.72	\$ 18.36	\$ 218.8
Interest													
To Banks	\$ 2,425.97	\$ 2,185.12	\$ 2,228.04	\$ 2,184.90	\$ 2,581.58	\$ 1,990.75	\$ 2,715.80	\$ 2,660.69	\$ 2,121.09	\$ 2,321.51	\$ 1,928.94	\$ 3,869.59	\$ 29,201.2
To Others	\$ 694.03	\$ 685.57	\$ 677.23	\$ 668.73	\$ 661.15	\$ 651.50	\$ 642.77	\$ 693.97	\$ 626.09	\$ 636.14	\$ 607.11	\$ 598.01	\$ 7,780.4
Taxes													
Auto	\$ -	\$ 263.37	\$ 21.85	\$ 231.68	\$ 98.51	\$ -	\$ 148.63	\$ 146.63	\$ -	\$ -	\$ -	\$ -	\$ 927.9
Lodging	\$ 266.00	\$ 18.98	\$ 520.00	\$ 377.00	\$ -	\$ -	\$ 548.04	\$ 556.14	\$ 49.00	\$ 130.00	\$ -	\$ -	\$ 2,717.14
Meals	\$ 22.43	\$ 241.94	\$ 32.80	\$ 124.40	\$ 12.22	\$ -	\$ -	\$ 294.24	\$ 202.41	\$ 218.76	\$ 82.98	\$ -	\$ 1,140.3
D & M	\$ 280.00	\$ 214.76	\$ 623.37	\$ -	\$ 300.00	\$ -	\$ 259.36	\$ 698.99	\$ 18.53	\$ 745.00	\$ 22.00	\$ 360.00	\$ 3,763.0
Tele. & Util.	\$ 180.04	\$ 65.06	\$ 290.23	\$ 134.08	\$ 293.65	\$ 84.40	\$ 171.77	\$ 160.61	\$ 344.78	\$ 350.33	\$ 167.48	\$ 353.71	\$ 2,582.1
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 448.32	\$ -	\$ 448.32
Lic. & Fees	\$ -	\$ 875.00	\$ -	\$ -	\$ 27.55	\$ 656.00	\$ -	\$ 360.00	\$ 450.00	\$ 922.00	\$ 341.34	\$ -	\$ 3,525.8
G.C.	\$ 140.68	\$ 140.90	\$ 685.00	\$ 175.00	\$ 140.00	\$ 140.00	\$ 175.00	\$ 140.00	\$ 210.00	\$ 290.00	\$ 236.00	\$ 175.00	\$ 2,628.1
Other Misc. Expenses													
Halstead & Assoc.	\$ -	\$ 1,397.76	\$ -	\$ 1,397.70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,795.4
Golden State Surveying	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
American Geological	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Misc.	\$ -	\$ 337.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337.5
Total Operating Expenses	\$ 9,184.43	\$ 7,843.74	\$ 5,063.08	\$ 7,662.38	\$ 5,201.69	\$ 5,350.50	\$ 4,814.26	\$ 5,987.15	\$ 4,376.90	\$ 6,571.88	\$ 10,376.91	\$ 7,402.39	\$ 80,735.1
% of Total Receipts	12%	9%	6%	8%	6%	6%	5%	7%	5%	8%	18%	9%	8%
Net Income (Loss)	\$ 8,840.00	\$ 12,371.26	\$ 12,044.48	\$ 14,686.30	\$ 14,826.31	\$ 3,480.96	\$ 18,472.11	\$ 14,327.20	\$ 16,331.45	\$ 10,854.48	\$ 3,189.26	\$ 8,710.47	\$ 197,936.8
% of Total Receipts	12%	15%	16%	14%	18%	4%	19%	17%	18%	13%	5%	10%	1%

H-H-07-2000 10:31

SHEKINI

209 525 9785

P.02

TOTAL P.02



Winston H. Hickox
Secretary for
Environmental
Protection

State Water Resources Control Board

Division of Water Rights

901 P Street • Sacramento, California 95814 • (916) 657-1364
Mailing Address: P.O. Box 2000 • Sacramento, California • 95812-2000
Fax (916) 657-1485 Web Site Address: <http://www.swrcb.ca.gov>



Gray Davis
Governor

NOTICE TO PERMITTEE

Enclosed is your Progress Report by Permittee form for 1999.

One of the requirements under which you received your permit was that "Progress reports shall be submitted promptly by permittee when requested by the State Water Resources Control Board until license is issued."

Please note that any credit claim based on Conservation of Water (section 1011 of the Water Code), Water Quality and Wastewater Reclamation (section 1010), or Conjunctive Use of Surface Water and Groundwater (section 1011.5) must be reported on page 2 of the enclosed form.

Please complete the enclosed report form to the best of your knowledge and return it to this office. Thank you for your cooperation.

If you have any questions or need assistance with completing the form, please call (916) 657-1364.

Sincerely,

David R. Beringer
Program Manager
License and Compliance Section

Enclosure

California Environmental Protection Agency



000503