

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

Date of filing in State Engineer's Office ~~DEC 27 1984~~ New Priority Date: SEPT 13, 1989

Returned to applicant for correction

Corrected application filed

Map filed JAN 4 1985 under 48660

The applicant Lacana Gold Inc.

P.O. Box 11305, of Reno, Nevada

hereby make S 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.) November 17, 1970, State of Nevada

1. The source of the proposed appropriation is underground

2. The amount of water applied for is 1.34 cfs second-feet

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

3. The water to be used for mining, milling, 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" See No. 12

(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 within the SE 1/4, NE 1/4, Section 36,

T.9N., R.34E., M.D.B.&M., or at a point from which the SE corner of Section 36

T.9N., R.34E., M.D.B.&M. bears South 27° 16' East, 2,706 feet.

6. Place of use Sections 25, 26, 27, 34, 35, and 36 of T.9N., R.34E., Sections 28

through 33 of T.9N., R.35E., Sections 1, 2, 3, 11, 12, and 13 of T.8N., R.34E.,

and Sections 4 through 9, and 18 of T.8N., R.35E., M.D.B.&M.

7. Use will begin about January 1 and end about December 31, 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, pump, storage tank, and pipeline

9. Estimated cost of works \$80,000.00

10. Estimated time required to construct works..... 2 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use..... 5 years

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

Annual consumptive use of Well #4 in combination with Wells 1, 2, 3, and 5 is not to exceed 1.34 cfs (316,112,764 gallons per year). Water to be used for a mining-milling complex.

By s/John V. A. Sharp
John V.A. Sharp, Agent
Hydro-Search, Inc., 333 Flint Street
Reno, NV 89501

Compared bc/bl..... js/bc

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 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.

No perforations shall be put in the production casing from ground level to 100 feet.

(CONTINUED ON Page 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.34 cubic feet per second, but not to exceed 315.42 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before May 15, 1987

Proof of completion of work shall be filed on or before June 15, 1987

Application of water to beneficial use shall be made on or before May 15, 1989

Proof of the application of water to beneficial use shall be filed on or before June 15, 1989

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

Completion of work filed JUL 18 1988 IN TESTIMONY WHEREOF, I PETER G. MORROS

Proof of beneficial use filed JUN 10 1991 State Engineer of Nevada, have hereunto set my hand and the seal of

Cultural map filed..... my office, this 3rd day of February

Certificate No. 13145 Issued NOV 8 1991

A.D. 19 86 [Signature] State Engineer

CANCELLED 218 SEP 22 1989 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

[Signature] STATE ENGINEER
Can Rescind 3/2/90
part
Abrogated by 53047 1.0 cfs

(PERMIT TERMS CONTINUED)

The total combined duty of water under Permits 47025, 47961, 48163, 48164, 48660, 48661, 48662, 48663 and 48664 shall not exceed 315.42 million gallons annually.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

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

