Serial No. 49761

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 17 1986

Returned to applicant for correction

Corrected application filed Map filed APR 24 1986

The applicant AMAX Exploration, Inc.

P.O. Box 1820 (Street and No. or P.O. Box No.) of Winnemucca (City or Town)

Nevada 89445 (State and Zip Code No.) hereby make s application for permission to change the

Point of Diversion of a portion (Point of diversion, manner of use, and/or place of use)

of water heretofore appropriated under Permit 49158 (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

1. The source of water is underground (Well #6) (Name of stream, lake, underground spring or other source.)
2. The amount of water to be changed 1.09 c.f.s. (Second feet, acre feet. One second foot equals 448.83 gallons per minute.)
3. The water to be used for mining, milling and domestic (Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.)
4. The water heretofore permitted for mining, milling and domestic (Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.)
5. The water is to be diverted at the following point within the NW¼ NE¼ of Section 21, T.40N., R.35E., M.D.B. & M. or at a point from which the Northeast corner of said Section 21 bears N 75° 36' E 2484'. (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 stated.)
6. The existing permitted point of diversion is located within the SW¼ SW¼ of Section 21, T.40N., R.35E., M.D.B. & M. or at a point from which the Southwest corner of said Section 21 bears S 45° W 424'. (If point of diversion is not changed, do not answer.)
7. Proposed place of use All of Sections 16 and 21, T.40N., R.35E., M.D.B. & M. (Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.)
8. Existing place of use All of Sections 16 and 21, T.40N., R.35E., M.D.B. & M. (Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)
9. Use will be from January 1st (Month and Day) to December 31st (Month and Day) of each year.
10. Use was permitted from January 1st (Month and Day) to December 31st (Month and Day) of each year.
11. 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, motor and pipelines (State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes, or drilled well, etc.)
12. Estimated cost of works $50,000.00
13. Estimated time required to construct works one year

14. Estimated time required to complete the application of water to beneficial use three years

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

By NEVADA GOLD MINING, INC.
Sleeper Mine
s/ Robert D. Benbow
P.O. Box 1820
Winnemucca, NV 89445

Compared dn/ js js/se

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 to change the point of diversion of a portion of the waters of an underground source as heretofore granted under Permit 49158 is issued subject to the terms and conditions imposed in said Permit 49158 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.

The issuance of this permit will allow the permittee to dewater the pit area. The water diverted from this well during the dewatering stage will be placed in such manner as to allow for percolation back to the groundwater source.

Monthly reports covering and including the rate of diversion and the total volume from this dewatering well shall be supplied to the State Engineer.

The permittee shall discharge water in a manner and in allocation calculated to conserve water. All disposal sites shall be first approved by the State Engineer.

(CONTINUED ON Page 2)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.09 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before June 19, 1987

Proof of completion of work shall be filed before July 19, 1987

Application of water to beneficial use shall be made on or before June 19, 1990

Proof of the application of water to beneficial use shall be filed on or before July 19, 1990

Map in support of proof of beneficial use shall be filed on or before July 19, 1990

Completion of work filed AUG 7 1987

Proof of beneficial use filed

Cultural map filed

Certificate No. Issued

IN TESTIMONY WHEREOF, I PETER G. MORROS, State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 6th day of January, A.D. 19 87

State Engineer

2407 (Rev. 6-81)

Abrogated By 50881 6.09

(PERMIT TERMS CONTINUED)

After the dewatering of the pit area the water diverted will be used for mining, milling and domestic purposes.

The total diversion rate under Permits 49761, 49762, 49763, 49764, 49765, 49766, 49767, 49768 and 49769 shall not exceed 16.0 c.f.s. (7,180 gallons per minute).

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

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

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.