ASSIGNED

№ 50386

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

Date of filing in State Engineer's Office DEC 01 1986

Returned to applicant for correction

Corrected application filed

Map filed DEC 22 1986

The applicant AMAX Exploration Inc. c/o Nevada Gold Mining

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 makes 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.) Delaware corporation 12/12/77

1. The source of the proposed appropriation is Underground (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 2.67 c.f.s. (One second-foot equals 448.83 gals. per min.) second-feet

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

3. The water to be used for mining, milling & domestic purposes (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

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"

   (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 SE¼ NW¼ of Section 21, T.40N., R.35E., M.D.B. & M. or at a point from which the South ¼ corner of said Section 21 bears S 16°46' E 3422.7'
   (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 so stated.)

6. Place of use All of Sections 16 and 21, T.40N., R.35E., M.D.B. & M.
   (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

7. Use will begin about January 1st (Month and Day) and end about December 31st (Month and Day), 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, motor & pipelines
   (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works $50,000

10. Estimated time required to construct works 3 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.

This application is made for the purpose of mine dewatering.

By s/ Robert D. Benbow
P.O. Box 1820
Winnemucca, Nevada 89445

Compared js/se pm/: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.

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

(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 2.67 cubic feet per second

Work must be prosecuted with reasonable diligence and be completed on or before June 19, 1988

Proof of completion of work shall be filed on or before July 19, 1988

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

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 22nd day of July, A.D. 19 87

State Engineer

218 (Rev.)

Post Authorized By 51822 1.17

CANCELLED NOV 3 0 1990 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

Michael Turnipseed P.E. STATE ENGINEER

(PERMIT TERMS CONTINUED)

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.

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 50386, 50387, 50388, 50389, 50390 and 50391 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.