

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. OCT 21 1987

Returned to applicant for correction. DEC 14 1987

Corrected application filed. JAN 21 1988 Map filed. JAN 21 1988 under 51449

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

P.O. Box 1820 of Winnemucca

Nevada 89445 hereby make application for permission to change the

Point of Diversion of a portion

of water heretofore appropriated under Permit 50390

(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

2. The amount of water to be changed. 2.23 c.f.s.

3. The water to be used for. mining, milling & domestic

4. The water heretofore permitted for. mining, milling & domestic

5. The water is to be diverted at the following point. within the SE 1/4 SW 1/4 of Section 16, T.40N., R.35E., M.D.B. & M. or at a point from which the SE corner of said Section 16 bears S 75°07'13" E 3841.57 feet.

6. The existing permitted point of diversion is located within the NE 1/4 SW 1/4 of Section 21, T.40N., R.35E., M.D.B. & M. or at a point from which the South 1/4 corner of said Section 21 bears S 13°54' E 1655.6 feet.

7. Proposed place of use. All of Sections 16 & 21, T.40N., R.35E., M.D.B. & M.

8. Existing place of use. All of Sections 16 & 21, T.40N., R.35E., M.D.B. & M.

9. Use will be from. January 1st to December 31st of each year.

10. Use was permitted from. January 1st to December 31st 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, pipelines and mining & milling operation

12. Estimated cost of works. \$50,000

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.

Primary use will be for mine dewatering to be used at the rate of 2.23

c.f.s., 24 hrs. a day for 365 days a year. Secondary use of milling

and domestic.

By John H. Milton III as agent

By s/John H. Milton III

146 West Second Street

Winnemucca, Nevada 89445

Compared bc/bk pm/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 50390 is issued subject to the terms and conditions imposed in said Permit 50390 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 (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 2.23 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 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 JUL 20 1988

Proof of beneficial use filed JUL 27 1990

Cultural map filed

Certificate No. 13293 Issued MAR 30 1992

IN TESTIMONY WHEREOF, I PETER G. MORROS State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 21st day of June

A.D. 19 88

[Signature of Peter G. Morros]

State Engineer

(PERMIT TERMS CONTINUED)

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.

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, 50876, 50877, 50878, 50879, 50880, 50881, 50882, 50883, 50884, 50885, 50886, 50887, 50888, 50889, 51284, 51449, 51450, 51772, 51822, 51823, 51824, 51825 and 51826 shall not exceed 32.00 c.f.s. (14,360 gallons per minute).

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

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.