

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

Date of filing in State Engineer's Office MAY 2 1988

Returned to applicant for correction

Corrected application filed

Map filed MAY 2 1988 Under 52057

The applicant Pershing Gold

P.O. Box 1007, of Portola, California 96122

hereby make 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.) December 1957 (Nevada) incorporated as Industrial and Petroleum; name changed in 1987

1. The source of the proposed appropriation is underground

2. The amount of water applied for is 25 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") mining, milling and domestic

(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 SW 1/4 of Section 28, T.34N., R.29E., M.D.B.&M. (unsurveyed) or at a point from which the

SE corner of Section 32, T.35N., R.29E., M.D.B.&M. bears N 7°34' W 28,829'

6. Place of use all of Section 21; and portions of Sections 9, 10, 14, 15, 16, 17, 20, 22, 27, 28, 29, 32 and 33, T.34N., R.29E., M.D.B.&M. (unsurveyed)

7. Use will begin about January 1st and end about December 31st, 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.) drilled well and pipeline to place

of use flumes, drilled well with pump and motor, etc.

9. Estimated cost of works in excess of \$1000

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..... 3 years.....

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

A mining, milling and domestic operation with an annual consumptive use of approximately 13 million gallons

By..... s/ John H. Milton III  
John H. Milton III  
146 West Second Str.  
Winnemucca, Nevada 89445

Compared..... jm/jjk..... bp/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 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 Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

The total combined duty of water under Permits 52057, 52058, 52059 and 52060 shall not exceed 76.5 million gallons annually.

(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..... 0.25.....cubic feet per second.....but not to exceed 59 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before..... June 27, 1991

Proof of completion of work shall be filed on or before..... July 27, 1991

Application of water to beneficial use shall be made on or before..... June 27, 1993

Proof of the application of water to beneficial use shall be filed on or before..... July 27, 1993

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

Completion of work filed..... IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E.

Proof of beneficial use filed..... State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 27th day of June,

Cultural map filed.....

A.D. 19.....90.....

Certificate No..... Issued.....

*[Signature]*  
State Engineer

CANCELLED (O)-5314 (Rev.) JUL 14 1992 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT  
*[Signature]* STATE ENGINEER

(PERMIT TERMS CONTINUED)

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.

Water level measurements and water use data from this well shall be submitted to the State Engineer on a monthly basis.

