

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..... SEP 20 1988

Returned to applicant for correction..... OCT 13 1988

Corrected application filed..... OCT 25 1988 Map filed..... OCT 25 1988 under 52528, POU under 51710

The applicant..... ECHO BAY MINERALS COMPANY

5250 Neil Road, Suite 300 of Reno Nevada 89502 Street and No. or P.O. Box No. City or Town State and Zip Code No.

hereby make application for permission to change the point of diversion of water heretofore appropriated under Application 51442

(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 (Mine DeWatering - Well A) Name of stream, lake, underground spring or other source.

2. The amount of water to be changed 2.0 cfs Second feet, acre feet. One second foot equals 448.3 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 SW 1/4 SW 1/4 Section 36, T29N, R42E, M.D.M., at a point from which the Southeast corner of said Section 36 bears S 87°54'17" E a distance of 4102.7 feet. 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 NE 1/4 NE 1/4 Section 36, T29N, R42E, M.D.M., at a point from which the SE corner of said Section 36 bears S 13°28' E a distance of 4380.4 feet. If point of diversion is not changed, do not answer

7. Proposed place of use. Refer to Exhibit "A" attached hereto. Exhibit "A" Place of Use is the same as that filed with Application 51710. Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

8. Existing place of use. Refer to Exhibit "A" attached hereto. Exhibit "A" Place of Use is the same as that filed with Application 51710. 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 1 to December 31 of each year. Month and Day Month and Day

10. Use was permitted from January 1 to December 31 of each year. Month and Day Month and Day

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.) Drilled and cased well, installed submersible pump and electric motor. 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 \$75,000

13. Estimated time required to construct works Three years

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

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

Water will be used for both heap leaching and milling of precious metals ore.

See letter of Meade Stirland dated April 25, 1988 which sets forth an annual

consumptive duty not to exceed 2453 acre fee annually. Water developed from

this source above that place to a beneficial use will be discharged to the Reese River. Prior to any discharge, approval will first be obtained from the State Engineer and other applicable governmental entities.

By /s/ Ross E. de Lipkau
P.O. Box 2790
Reno, Nv 89505

Compared kh/se bp/se

Protested.....

APPROVAL OF STATE ENGINEER

This is to certify 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 the waters of an underground source as heretofore granted under Permit 51442 is issued subject to the terms and conditions imposed in said Permit 51442 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. Maximum use of water for mining, milling and related purposes from all dewatering wells shall be made. All of the water from the dewatering wells not used for mining, milling and related purposes shall be returned to the groundwater source in the manner authorized under Division of Environmental Protection's Water Pollution Control Permit issued June 7, 1989.

The total combined duty of water under Permits 49249, 51711, 51712, 52528, 52529, 52530, 52531, 52532, 52533, and 52534 shall not exceed 2500 acre feet annually.

(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 2.0 cubic feet per second, but not to exceed 1447.8 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before September 26, 1989

Proof of completion of work shall be filed before October 26, 1989

Application of water to beneficial use shall be made on or before September 26, 1989

Proof of the application of water to beneficial use shall be filed on or before October 26, 1989

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

Completion of work filed..... IN TESTIMONY WHEREOF, I PETER G. MORROS,
State Engineer of Nevada, have hereunto set my hand and the seal of my

Proof of beneficial use filed..... office, this 26th day of October,

Cultural map filed..... A.D. 19 89

Certificate No. Issued 52776 20 WDN 7-11-01
Abrogated By 52776 20 WDN 7-11-01

[Handwritten Signature]
State Engineer

(PERMIT TERMS CONTINUED)

Monthly reports shall be submitted to the State Engineer as to how much water is pumped from each well; the amount used for mining, milling and related purposes; and the amount of water placed in the percolation system and the estimated amount of water recharged to the groundwater system.

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.



EXHIBIT A
PLACE OF USE

T30N R42E MDM
Sections 26, 27, 34, 35, 36

T30N R43E MDM
Section 30

T29N R42E MDM
Sections 1, 2, 3, 10, 11, 12, 13, 14, S 1/2 15, E 1/2 16,
23, 24, 25, 26, S 1/2 27, S 1/2 28, S 1/2 29,
SE 1/4 30, E 1/2 31, 32, 33, 34, 35, 36

T29N R43E MDM
Sections 4, SW 1/4 5, 6, 7, W 1/2 8, 10, S 1/2 14, E 1/2 16,
W 1/2 17, 18, 19, 20, 21, 22, W 1/2 23, 24, 25, 26,
27, S 1/2 28, 29, 30, 31, 32, 33, 34,
W 1/2;SE 1/4;SE 1/4 NE 1/4 35, 36

T28N R42E MDM
Sections 1, 2, 3, 4, 5, N 1/2 8, 9, 10, 11, 12, 13, 14, 15,
22, 23, 24

T28N R43E MDM
Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,
16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27

