

APPLICATION FOR PERMIT

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office JUN 10 1991

Returned to applicant for correction

Correction application filed

Map filed JUN 20 1991 under 56413

The applicant Nevada Gold Mining, Inc.

P.O. Box 1820, of Winnemucca, Nevada 89445

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.) July 25, 1985; Delaware

1. The source of the proposed appropriation is underground

2. The amount of water applied for is 6.0 second-foot

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

3. The water to be used for dewatering, 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" dewatering, 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: SE 1/4 SE 1/4 of Section 16, T. 40N.,

R. 35E., M.D.B.&M. or at a point from which the S 1/4 corner of Section

21 bears S. 18° 8' 58" W. 6258.95 feet

6. Place of use Portions of Sections 3, 10, 15, 16, 17, 20, 21, & 22, T. 40N.,

R. 35E., M.D.B.&M.; And portions of Sections 23, 26, 27, & 34, T. 41N.,

R. 35E., M.D.B.&M.

7. Use will be 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.) wells, pumps, motors, pipelines, and mining and milling operations

9. Estimated cost of works \$350,000.

10. Estimated time required to construct works four years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use five years

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

See Attached

s/Greg R. Doubek
By P.O. Box 1820
Winnemucca, NV 89445

Compared cc/ jjs am/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 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.

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 (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 6.0 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before June 19, 1992

Proof of completion of work shall be filed before July 19, 1992

Application of water to beneficial use shall be filed on or before June 19, 1995

Proof of the application of water to beneficial use shall be filed on or before July 19, 1995

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.
State Engineer of Nevada, have hereunto set my hand and the seal of

Proof of beneficial use filed..... my office, this 18th day of November

Cultural map filed..... A.D. 1991

Certificate No..... Issued.....
Michael Turnipseed
State Engineer

218 (Rev.)
WITHDRAWN BY APPLICANT **NOV 16 1998**
[Signature]
STATE ENGINEER

12. This is a request to add three, 40 acre permits to the existing permits: 50387, 50876, 50879, 50881 through 50883, 50885 through 50888, 51284, 51449, 51450, 51772, 51882 through 51826, 52340, 53227 through 53238, and 54895 through 54897. All of these permits are within Sections 16, 21 and 22, T.40N., R.35E., M.D.B. & M. The total diversion rate collectively shall not exceed 55 c.f.s. This water will be used for mining, milling, domestic, and dewatering purposes at the existing operation. More than one well or sump may exist within each 40 acre permit.

(PERMIT TERMS CONTINUED)

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.

The issuance of this permit will allow the permittee to dewater the pit area.

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 designed to conserve the resource. 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 uses.

The total diversion rate under Permits 50386, 50387, 50388, 50389, 50390, 50876, 50877, 50878, 50879, 50880, 50881, 50882, 50883, 50885, 50886, 50887, 50888, 50889, 51284, 51449, 51450, 51772, 51822, 51823, 51824, 51825, 51826, 52340, 53227, 53228, 53229, 53230, 53231, 53232, 53233, 53234, 53235, 53236, 53237, 53238, 54895, 54896, 54897, 56413, 56414 and 56415 shall not exceed 55.0 c.f.s. (24,685 gallons per minute).

This permit is issued with the understanding that the permittee will proceed with good faith and reasonable diligence to locate a suitable site for groundwater injection into the same aquifer that is the source of withdrawal under this permit.

The State Engineer recognizes that this appropriation when combined with other permits causes a large cone of depression which may take the water levels many years to return to equilibrium (pre-development). This permit is issued only as preferred use and only for a fixed time period, that being for the life of the mine.

All of the above stated conditions are issued subject to having no adverse impacts on existing rights.