

TEMPORARY

Serial No. 56656T

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 AUG - 8 1991

Returned to applicant for correction

Corrected application filed Map filed AUG - 8 1991

The applicant Cordex Exploration Co.

P. O. Box 1193 of Elko Nevada 89801

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, Place of Use & Manner of Use of a portion

Point of diversion, manner of use, and/or place of use Permit 51907 of water heretofore appropriated under

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 Name of stream, lake, underground spring or other source.

2. The amount of water to be changed 0.25 cfs Second feet, acre feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining & Milling Reuse Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.

4. The water heretofore permitted for Mining & Milling 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 NE 1/4 SW 1/4 of Section 10, T 36 N, R 49 E, MDB & M., at a point from which the SW corner of said Section 10 bears S 45 degrees distance to a section corner. If on unsurveyed land, it should be stated. 14' 49" W, 2763.31 feet.

6. The existing permitted point of diversion is located within SE 1/4 NW 1/4 of Section 12, T 36 N, R 49 E, MDB & M., at a point from which the SE corner of Section 2, T 36 N, R 49 E, MDB & M., bears N 36 degrees 47' 46" W, 2711.35 feet.

7. Proposed place of use S 1/2 Section 33; SE 1/4, E 1/2 SW 1/4, SW 1/4 SW 1/4 Section 34; SW 1/4 Section 35, T 37 N, R 49 E, MDB & M., N 1/2 NW 1/4, SW 1/4 NW 1/4 Section 2; N 1/2, SW 1/4 Section 3; NE 1/4 Section 4; SW 1/4 Section 10, T 36 N, R 49 E, MDB & M.

8. Existing place of use NW 1/4, NW 1/4 NE 1/4 of Section 12, S 1/2 of Section 1, T 36 N, R 49 E, MDB & M. 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.

10. Use was permitted from January 1 to December 31 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, Pumps, Motors, Pipelines to existing tailings dam.

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..... one year

15. 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 for a Temporary Permit. The annual consumptive use will be 58,976,262 gallons. See attached sheet for additional remarks.

By..... HIGH DESERT Engineering, Agent
s/ Robert E. Morley
Robert E. Morley
515 South Fifth Street
Elko, NV 89801

Compared..... am/ se 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 temporary permit to change the point of diversion, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 51907 is issued subject to the terms and conditions imposed in said Permit 51907 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.

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

The total combined duty of water under Permits 45542, 45543, 47971, 51907, 53715, 54566, 56656-T and 56657-T shall not exceed 210.24 million gallons annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

(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..... 0.25 cubic feet per second, but not to exceed 58.97 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before.....

Proof of completion of work shall be filed before.....

Application of water to beneficial use shall be made on or before.....

Proof of the application of water to beneficial use shall be filed on or before.....

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

Completion of work filed.....
Proof of beneficial use filed.....
Cultural map filed.....
Certificate No..... Issued.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my

office, this 10th day of October

A.D. 19 91

[Signature]
State Engineer

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(PERMIT TERMS CONTINUED)

A monthly report shall be submitted to the State Engineer within 10 days from the end of each month which shall include the amount of water pumped from each well and the amount of water used.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on October 9, 1992 at which time all rights herein granted shall revert to the right being changed by this temporary permit.

15. REMARKS:

This application forms part of a request to permit 2, 40 acre 1/4 1/4 Sections. The total diversion rate from the 2, 40 acre permits collectively shall not exceed 0.50 cfs. More than one well may be drilled in each 40 acre subdivision. A totalizing meter shall be installed on each well. The issuing of these permits will allow for the remediation of tailings dam #2 as required by the Nevada Department of Environmental Protection Agency. Copies of reports as required by the Nevada Department of Environmental Protection Agency which include the location of each well, individual and collective pumping rates and rates of drawdown shall be furnished to the State Engineer.