No. 57798

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

Date of filing in State Engineer's Office JUN 26 1992

Returned to applicant for correction JUL 20 1992

Corrected application filed

Map filed JUL 01 1992

The applicant Cortez Joint Venture

Star Route, Box HC 66-50 (Street and No. or P.O. Box No.), of Beowawe (City or Town),

Nevada 89821 (State and Zip Code No.), hereby make s 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.) a joint venture of Placer Dome U.S. Inc. and Kennecott Corporation

1. The source of the proposed appropriation is underground (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 9.0 c.f.s. (One second-foot equals 448.83 gals. per min.) second-feet

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

3. The water to be used for mining, milling, dewatering and domestic (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

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"

   (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 SW¼ SE¼ Section 29, T.28N., R.47E., M.D.M., from which the SE corner of Sec. 1, T.27N., R.46E., bears S. 39° 21" W., 15,872 ft. dist. (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 so stated.)

6. Place of use All of unsurveyed Sections 5, 6, 7, 8, T.27N., R.47E., and all of Sections 29, 30, 31, 32, T.28N., R.47E., M.D.M. (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

7. Use will begin about January 1 (Month and Day) and end about December 31 (Month and Day), 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, casing, pump and motor, with pipelines to place of use. (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works $200,000.00

10. Estimated time required to construct works 3 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 8 years

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

This and two companion applications seek to appropriate 27 c.f.s., to supplement applications #57133 - 57148, for mining, milling, dewatering and domestic purposes. The combined 19 applications seek a total diversion rate of 67 c.f.s., with estimated annual consumptive use as follows: 1,061.573 m.g.a. for mining, milling and domestic 14,744.065 m.g.a. for dewatering
Please send copies of notices and correspondence to the undersigned agent.

By s/William A. Nisbet
421 Court Street
Elko, Nevada 89801

Compared bc/bc ab/vw

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 having no adverse impacts on 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.

(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 9.0 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before June 28, 1996

Proof of completion of work shall be filed before July 28, 1996

Application of water to beneficial use shall be filed on or before June 28, 1999

Proof of the application of water to beneficial use shall be filed on or before July 28, 1999

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

Completion of work filed

Proof of beneficial use filed

Cultural map filed

Certificate No. Issued

Port. 65358-T 1.5
Port. 65343-T 3.7
Port
63910-T 0.1 63912-T 0.1, Port. 66516-T 2.2
63923-T 5.0, 63924-T 3.0, Port. 66517-T 5.2
63927-T 0.5 port 67515 3.5
Port. 65348-T 2.3 port 67516 5.5
Port. 68764-T 7.0 EXP. 6/30/02

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 28th day of June, A.D. 1994

R. Michael Turnipseed P.E.
State Engineer

(O)-2145 (Rev. 9-89)

(PERMIT TERMS CONTINUED)

This permit will allow for the dewatering of the pit area. Any water obtained as a result of this dewatering operation shall be used first by the permittee for mining, milling, heap leaching, drilling, road watering and other related mining and milling uses herein after referred to as mining and milling uses within the described place of use of this permit in an amount not to exceed 2367 acre-feet annually (1467 gallons per minute). This limit includes any evaporative and system losses.

Any water produced from this dewatering operation in excess of 2367.0 acre-feet annually shall be returned to the Crescent Valley Groundwater Basin by shallow infiltration. The design of the infiltration site and the delivery system to the site shall be submitted to the State Engineer prior to any diversion of water to the infiltration site.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the disposal of water from the dewatering project.

This permit is subject to the "Pipeline Gold Project, Groundwater and Surface Water Monitoring Plan" submitted to the State Engineer on August 2, 1993.

The State Engineer may require additional monitoring should conditions warrant such modification.

The State Engineer retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights. This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

A monthly report shall be submitted to the State Engineer within 15 days after the end of each month which shall include: the volume of water pumped from each well, the rate of diversion pumped from each well, the measurement of pumping water level (drawdown) from each well, the volume of water consumptively used for mining and milling uses, the amount of water diverted to the infiltration site, the amount of water evaporated both from the infiltration site and the delivery system to the infiltration site.

This permit incorporates the provisions of "Order Adopting Rules for Well Spacing and Modification of Regulations for Water Well and Related Drilling in the Southern Area of the Heretofore Designated Crescent Valley Ground Water Basin", entered October 6, 1993, Order Number 1082, on file in the office of the State Engineer.

The issuance of this permit is subject to the stipulation between Cortez Joint Venture and Lander and Pershing Counties dated May 21, 1993, on file in the office of the State Engineer under Permit 57133.

The total combined diversion rate under Permits 57133; 57134; 57135; 57136; 57137; 57138; 57139; 57140; 57141; 57142; 57143; 57144; 57145; 57146; 57147; 57148; 57798; 57799; 57800; 58366; 58368; 58370; 59072; 59073; 59074 and 59075 shall not exceed 67 c.f.s. (30,072 g.p.m.) and the total combined withdrawal of water under these permits shall not exceed 48506 acre-feet annually.

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).