ASSIGNED

No. 58430

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

Date of filing in State Engineer's Office DEC 24 1992

Returned to applicant for correction

Corrected application filed

Map filed DEC 24 1992 under 58426-E

The applicant INDEPENDENCE MINING COMPANY, INC.

HC 31 Box 78 (Street and No. or P.O. Box No.), of Elko (City or Town),

Nevada 89801 (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.) Incorporated January 26, 1978 in Delaware

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

2. The amount of water applied for is 0.26 second-feet (One second-foot equals 448.83 gals. per min.)

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

3. The water to be used for environmental, as defined in N.R.S. 533.437 (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 Lot 17, Section 4, T.40N., R.54E., MDM, from which the SW corner of Section 33, T.41N., R.54E., bears N.86°47'W., 4,890 feet dist. (DPS-17): N.83°16'W., 4,576 ft. dist. (DPS-15): N.80°00'W., 4,251 ft. dist. (DPS-13): N.84°59'W., 4,764 ft. dist. (DPS-16): N.81°37'W., 4,432 ft. dist. (DPS-14): (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 Lots 17, 18, 19, and 20, Section 4, T.40N., R.54E., and all of Section 33, T.41N., R.54E., MDM. (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.) small diameter drilled well, schedule 40 PVC casing, with perforations as determined upon analysis, but generally total depths of less then 240 ft. piping submersible pump, totalizing meter. (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 each well $5,000.00

10. Estimated time required to construct works five years. Most wells already constructed
If well completed, describe works.
and operating, under authority of N.D.E.P.

11. Estimated time required to complete the application of water to beneficial use ten years, or for such duration as is deemed to be required to accomplish the environmental protection

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

These wells are installed for the purpose of ground water remediation, at the direction of the Nevada Division of Environmental Protection, under an order subject of Permit #NEV00020, issued 3/5/91, and are for the prevention of release into natural aquifers of any mill water contaminant. All water obtained under this and companion permits is returned to the mill circuit for re-cycling purposes, lessening the demand of make-up water from the primary supply sources for this milling operation. Estimated annual quantity return pumped into mill tailings pond: 480,000,000 gallons.

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

Compared ab/ se ab/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 on the source. It is understood that the amount of water herein granted is only a temporary allowance for pollution control as mandated by orders issued by the Nevada Division of Environmental Protection and subsequent correspondence with said agency. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion. It is also understood that this right must allow for a reasonable lowering of the static water level of permittee's well due to other ground water development in the area. The well shall be equipped with a 2-inch opening for measuring depth to water. The State retains the right to regulate the use of water granted herein at any and all times.

* The right will cease to exist upon termination of clean up activity as determined by the Nevada Division of Environmental Protection.

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 0.26 cubic feet per second, but not to exceed 188.2 acre-feet 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 filed 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 21st day of May, A.D. 1993

State Engineer

(PERMIT TERMS CONTINUED)

The total combined duty of water under Permits 39881, Certificate 11893, 42687, 7148, Certificate 13139; 47413, 47414, 48175, Certificate 13143; 54617, 56995-T, ,6996-T, 56997-T, 56998-T, 56999-T, 57000-T, 57001-T, 58426-E, 58427-E, 58428-E, 58429-E, 58430-E, 58431-E, 58432-E, 58433-E and 58744-E shall not exceed 5834.9 acre-feet annually.

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

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

This permit is issued pursuant to the provisions of NRS 533.4375. Well drillers reports for any well(s) drilled under this permit shall be filed within 30 days from the completion of the well.

Within 30 days after the completion of the project, the permittee shall notify the State Engineer of such completion and all wells shall be plugged and abandoned in accordance with Chapter 534 of the Nevada Administrative Code.