

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, 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 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 20, Section 4, Describe as being within a 40-acre subdivision of public

T. 40N., R. 54E., MDM. (SEE ATTACHED AMENDMENT) 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 Describe by legal subdivision. If on unsurveyed land, it should be so stated.

Section 33, T. 41N., R. 54E., MDM.

7. Use will begin about. January 1, and end about. December 31, of each year. Month and Day

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 than 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
and operating, under authority of N.D.E.P.
If well completed, describe works.

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

[Signature]
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, 56996-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.

#58433E

Amendment to #5

5. The water is to be diverted from its source at the following points within Lot 20 Section 4, T. 40 N., R. 54 E., MDM, from which the SW corner of Sec. 33, T. 41 N., R. 54 E., bears:

- | | | |
|-----|-------------------------------|----------|
| a.) | N. 73°00' W., 1,269 ft. dist. | (DPS-1) |
| b.) | N. 67°39' W., 1,525 ft. dist. | (DPS-2) |
| c.) | N. 69°25' W., 1,417 ft. dist. | (DPS-1A) |
| d.) | N. 78°16' W., 1,105 ft. dist. | (DPW-2) |
| e.) | N. 86°45' W., 913 ft. dist. | (DPW-4) |