ASSIGNED

Serial No. 59245

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 SEP 17 1993

Returned to applicant for correction

Corrected application filed Map filed DEC 17 1993

The applicant Lone Tree Mining, Inc.

P.O. Box 388 of Valmy
Street and No. or P.O. Box No. City or Town

Nevada 89438 hereby make s application for permission to change the
State and Zip Code No.

manner of use and place of use
Point of diversion, manner of use, and/or place of use

of water heretofore appropriated under Permit 56581
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 3.333 cfs
Second feet, acre feet. One second foot equals 448.83 gallons per minute.

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

4. The water heretofore permitted for mining, milling and dewatering
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 NE¼ NE¼ of Section 14, T34N, R42E, MDB&M, at a point from which the NE corner of said Section 14 bears N 44° 22' 09" E, 921.17 feet
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 stated.

6. The existing permitted point of diversion is located within No change
If point of diversion is not changed, do not answer.

7. Proposed place of use E½ Section 11, Sections 12, 13, 14, 23, 24 T34N, R42E MDB&M
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

8. Existing place of use Sections 12, 13 and 14 T34N, R42E 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.
Month and Day Month and Day

10. Use was permitted from January 1 to December 31 of each year.
Month and Day Month and Day

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, discharge piping, electric cable, pump and motor equipment
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes, or drilled well, etc.

12. Estimated cost of works $400,000

13. Estimated time required to construct works 3 years

14. Estimated time required to complete the application of water to beneficial use 5 years

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

The place of use has been changed to facilitate application of a special dewatering rule requested on March 30, 1993, to this permit.

Sections E½ 11, 23 and 24, T34N, R42E, MDB&M are being added to the place of use.

By s/Cynthia M. Deuleese
P.O. Box 388
Valmy, NV 89438

Compared bc/bc cl/bk

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 to change the place of use and manner of use of the waters of an underground source as heretofore granted under Permit 56581 is issued subject to the terms and conditions imposed in said Permit 56581 and with the understanding that no other rights on the source will be affected by the change proposed herein. 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. 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.

The manner of use of water under this permit is by nature of its activity a temporary 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, and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

(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 3.333 cubic feet per second, but not to exceed 2413.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before May 25, 1997

Proof of completion of work shall be filed before June 25, 1997

Application of water to beneficial use shall be made on or before May 25, 1998

Proof of the application of water to beneficial use shall be filed on or before June 25, 1998

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

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 29th day of November, A.D. 19 95

State Engineer

Port 64932-T 6.73
Abrogated By 61839-T 3.333 Exp 6/27/97
63422T 3.333 EXP 8/24/99
Port. 66026-T 2.1608 Exp 5/23/01
Port. 67286-T 1.357 EXP 6-17-02
Port. 68710-T 1.61

Port 69982-T 2.7625
69986-T 1.37
69987-T 0.0036
69988-T 0.0082
69990-T 0.0242
69991-T 0.0157

(O)-1108 (Rev. 6-81)

(PERMIT TERMS CONTINUED)

The total combined diversion rate of Permits 54759, 54760, 54761, 54763, 54764, 56406, 56407, 56578, 56579, 56580, 56581, 56582, 56583, 56584, 56585, 56586, 56951, 57103, 57104, 58385, 58550, 59243, 59244, 59245, 59246, 59247, 59248, 59249, 59250, 59251, 59627, 60288, 60289, 60290, 60291, 60292, 60293, 60294, 60295, 60296, 60297, 60298, 60300, 60301, 60302, 60303, 60685 and 61238-T will not exceed 41,000 gallons per minute or 91.35 cubic feet per second for mining, milling and dewatering purposes.

The total volume of water allowed to be diverted under the above mentioned permits and for the same purposes will not exceed 66,133.0 acre-feet annually.

The total combined consumptive duty for mining and milling purposes under the above permits and any changes of these permits will not exceed 3,144.0 acre-feet annually.

All water diverted but not used for mining or milling purposes will be discharged to the Iron Point Relief Canal via the aqueduct completed in June, 1993.

All water diverted will be measured and reported to the State Engineer on a monthly basis. The report will include the amount of water diverted from each well, the amount of water used for mining and milling purposes, and the amount discharged to the Iron Point Relief Canal. This report will be submitted to the State Engineer within 15 days of the last day of the preceding month. This permit is issued subject to the "Lone Tree Mining, Inc. Unified Monitoring Plan", March 27, 1993.

The State Engineer will retain the right to require additional monitoring over and above the monitoring required in the monitoring plan mentioned and also will retain the right to seek other disposal options of water discharged to the Iron Point Relief Canal.

The permittee, on a schedule acceptable to the State Engineer, will prepare and present an update on the activities of the mine and the monitoring plan on a periodic basis, but not less than two times a year.

The permittee will prepare a report outlining possible disposal alternatives for any dewater encountered but not consumed in the mining project. The report will specifically address the proposed methods of disposal, including injection wells, infiltration basins, substitution for existing rights and any further contemplated discharge to surface sources. This report must be submitted to the State Engineer no later than April 30, 1996.

A "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and Lander County on August 12, 1994. A second "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and the Humboldt River Basin Water Authority in August, 1994. The State Engineer may not concur with and is not bound by the terms and conditions of these stipulations to withdraw protest, pursuant to NAC 533.150.