

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

MAY 03 1994

Date of filing in State Engineer's Office.....

Returned to applicant for correction.....

Corrected application filed.....

Map filed JUN 22 1994 under 60034

The applicant Mineral Ridge Resources, Inc.

Post Office Box 55 of Silver Peak Nevada 89047

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.) July 23, 1993 Nevada

1. The source of the proposed appropriation is underground

2. The amount of water applied for is 1 second-foot

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

3. The water to be used for Mining, Milling and Related Domestic

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" see No. 12

(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 NE1/4 of the NE1/4 of

Section 29, Township 1 South, Range 39 East. From Whence the section corner

common to sections 20,21,28 and 29 bears: North 44°-39'-02" East, 942.00 feet.

6. Place of use T1S/R38E: Section 25 (all), Section 35 (SE 1/4), Section 36 (all).

T2S/R38E: Section 1 (all), Section 2 (all), Section 12 (NW 1/4 & NE 1/4).

T1S/R39E: Section 29 (all), Section 30 (all), Section 31 (all), Section 32 (all).

T2S/R39E: Section 5 (all), Section 6 (all), Section 7 (NW 1/4 & NE 1/4).

7. Use will begin about January 1 and end about December 31 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, pump and pipeline distribution system

flumes, drilled well with pump and motor, etc.

9. Estimated cost of works \$250,000

10. Estimated time required to construct works 2 years

If well completed, describe works.

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

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

Annual consumptive use of this well in combination with wells specified on permit application No. and will not exceed 1.0 cfs (449 gpm expanded year-round or 724 acre-ft per year). The projected life of the mine is 15 years.

By s/Wm. Michael Donovan Jr. 5250 South Virginia, Suite 280 Reno, NV 89502

Compared cm. /jv cl/jr

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. 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 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 60034, 60035 and 60036 shall not exceed 537.1 acre-feet annually. (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 1.0 cubic feet per second, but not to exceed 537.1 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before April 10, 1998
Proof of completion of work shall be filed before May 10, 1998
Application of water to beneficial use shall be filed on or before April 10, 2001
Proof of the application of water to beneficial use shall be filed on or before May 10, 2001
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
64813-T10
Abrogated By 103648-T 1.0

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 April, A.D. 96

[Signature of R. Michael Turnipseed, P.E.]
State Engineer

(PERMIT TERMS CONTINUED)

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.

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.