TEMPORARY

ASSIGNED
Serial No. 60058T

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 MAY 10 1994

Returned to applicant for correction

Corrected application filed Map filed May 17, 1988 under 52046

The applicant Rabbit Creek Mining, Inc.

P.O. Box 69 (Street and No. or P.O. Box No.) of Golconda (City or Town)

Nevada 89414 (State and Zip Code No.) hereby make.... application for permission to change the

Point of Diversion, Place of use, Manner of use of a portion (Point of diversion, manner of use, and/or place of use)

of water heretofore appropriated under 52048 (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 4.5 c.f.s. (Second feet, acre feet. One second foot equals 448.83 gallons per minute.)
3. The water to be used for Dewatering, Mining and Domestic Purpose (Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.)
4. The water heretofore permitted for Mining, Milling and Domestic Purpose (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 within SW¼SE¼, Section 19 (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.) T.39N., R.43E., See mine site map for tentative well (DW-11) location.
6. The existing permitted point of diversion is located within the NE¼NW¼, Section 29, T.39N., R.43E., (If point of diversion is not changed, do not answer.) M.D.B.&M. and from which the North ¼ Corner of section 29, T.39N., R.43E., M.D.B.&M. bears N.26°52'E., 72.1 feet. See permit location map.
7. Proposed place of use See Attachment A and Proposed Place of Use Map. (Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.)
8. Existing place of use Sections 19, 20, 21, 28, 29, 30, 32, 33, T.39N., R.43E. (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 (Month and Day) to December 1 (Month and Day) of each year.
10. Use was permitted from January 1 (Month and Day) to December 1 (Month and Day) of each year.
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, pump and distribution system (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 $400,000.00
13. Estimated time required to construct works is one year

14. Estimated time required to complete the application of water to beneficial use is one year

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

Water from this location (DW-11) is to be commingled with water from other Santa Fe Pacific Gold, Inc. permits, for a total combined use of 5.0 cfs. Water to be used in a milling, heap leaching mining complex.

By s/Robert Reinmund
Santa Fe Pacific Gold - Twin Creeks Mine
P.O. Box 69
Golconda, NV. 89414

Compared jr/vjw jr/vjw

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 temporary permit to change the point of diversion, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 52048 is issued subject to the terms and conditions imposed in said Permit 52048 and with the understanding that no other rights on the source will be affected by the change proposed herein. This temporary permit specifically allows for the dewatering of the pit area in addition to mining and milling purposes previously authorized. The well shall be equipped with a 2-inch opening and 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.

It is understood that 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 on this permit.

A monthly report shall be submitted to the State Engineer within 15 days after the end of each calendar quarter 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, and the volume of water consumptively used for mining and milling uses, project wide.

(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 4.5 cubic feet per second, but not to exceed 3258.0 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 made 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

WITHDRAWN BY APPLICANT MAY 16 1995

STATE ENGINEER

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 18TH day of AUGUST, A.D. 19 94

State Engineer

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

(PERMIT TERMS CONTINUED)

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. Any water pumped and not used for mining and milling purposes shall be injected or infiltrated back to the Kelley Creek Groundwater Basin. It is understood that this right must allow for a reasonable lowering of the static water level.

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

All of the above stated conditions are issued subject to having no adverse impacts on existing rights.

This temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate lands. 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. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030.

The total combined duty of water under Permits 49633, 49634, 50853, 50854, 52046, 52047, 52048, 52049, 52050, 52051, 53339, 53340, 53341, 58919-T, 58920-T, 59012-T, 59202-T, 59203-T, 59220-T, 59348-T, 59349-T, 59386-T, 59387-T and 60058-T shall not exceed 6,121.0 acre-feet annually.

This temporary permit is issued subject to the terms and conditions set forth in the State Engineer's Ruling No. 3606, dated May 19, 1989.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on August 17, 1995 at which time all rights herein granted shall revert to the right being changed by this temporary permit.