

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. AUG 8 1994
Returned to applicant for correction. APR 19 1985 under 48996
Corrected application filed. AUG 8 1994 Map filed AUG 8 1994

The applicant. Pegasus Gold Corporation
North 9 Post Street, Suite 400 of Spokane
Street and No. or P.O. Box No. City or Town
Washington 99201 hereby make... application for permission to change the
State and Zip Code No.
point of diversion, manner of use and place of use of a portion
Point of diversion, manner of use, and/or place of use
of water heretofore appropriated under permit #57098
Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.

- The source of water is underground
Name of stream, lake, underground spring or other source.
- The amount of water to be changed 10 MGA @ 0.1 cfs
Second feet, acre feet. One second foot equals 448.83 gallons per minute.
- The water to be used for mining, milling, domestic and dewatering
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
- The water heretofore permitted for mining, milling and domestic
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.
- The water is to be diverted at the following point SW 1/4 SW 1/4 of Sec. 2, T. 31N., R. 33E.,
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.
M.D.B. & M. the exact location has not been surveyed within the
1/4 1/4 sec.
- The existing permitted point of diversion is located within SW 1/4 NW 1/4 (Lot 1) Sec. 3, T. 31N.,
If point of diversion is not changed, do not answer.
R. 33E., M.D.B. & M. or at a point from which the southwest corner of
Sec. 3, T. 31N., R. 33E., M.D.B. & M. bears south 18degrees west a
distance of 3420 feet.
- Proposed place of use Sections 2, 3, 4, 9, 10, 11, 14, 15, 16, 37, 38, 39, T. 31N., R. 33E.,
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.
and a portion of the South 1/4 of Sec. 34, T. 32N., R. 33E., M.D.B. & M.
- Existing place of use Sections 2, 3, 4, 9, 10, 11, 14, 15, 16, 37, 38, 39, T. 31N., R. 33E.,
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.
M.D.B. & M.
- Use will be from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day
- Use was permitted from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day
- 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.) water will be pumped from a well, metered,
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes, or drilled well, etc.
and used for dewatering, mining, milling and domestic use.
- Estimated cost of works \$16,000.00
- Estimated time required to construct works one month

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

This is a temporary well to dewater out pit. We ran into an unexpected small quantity of water in our pit. We need to dewater to preserve the integrity of our high walls and prevent equipment from sinking in mud. We expect to be finished in this area in 8 months. Also see the existing map under 48996.

By s/Joyce M. Muir
P.O. Box 330
Imlay, NV 89418

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, manner of use and place of use of a portion of the waters of an underground source as heretofore granted under Permit 57098 is issued subject to the terms and conditions imposed in said Permit 57098 and with the understanding that no other rights on the source will be affected by the change proposed herein. 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. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. 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 total combined duty of water under Permits 48997, Certificate 13237; 48998, Certificate 13238; 48999, Certificate 13239; 49931, Certificate 13240; 53342, Certificate 13245; 57096, 57097, 57098, 60314-T, 60324-T, 60325-T, 60326-T, 60327-T, 60328-T and 60329-T shall not exceed 268 million gallons annually.
(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 0.1 cubic feet per second, but not to exceed 10 million gallons 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.....

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 1st day of December

A.D. 19 99

[Signature]
State Engineer

TEMPORARY

(PERMIT TERMS CONTINUED)

This permit is issued under the preferred use provisions of NRS Chapter 534. 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.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on November 30, 1995 at which time all rights herein granted shall revert to the right being changed by this temporary permit.