

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 APR 13 1995

Returned to applicant for correction MAY 22 1995

Corrected application filed JUL 17 1995 Map filed JUL 17 1995

The applicant Santa Fe Pacific Gold Corporation

P.O. Box 69 of Golconda Nevada 89414

hereby make application for permission to change the

Point of Diversion, Place of Use and Manner of Use

of water heretofore appropriated under #53339 for DW-10

identify right in Decree.

1. The source of water is underground

2. The amount of water to be changed 1.0 cfs

3. The water to be used for mining, milling, and domestic purposes.

4. The water heretofore permitted for mining, milling and domestic purposes.

5. The water is to be diverted at the following point NW 1/4 SE 1/4 Section 19, T.39N., R.43E., M.D.B.&M., or at a point from which the N.E. corner of said Section 19, T.39N., R.43E., M.D.B.&M., bears N. 38° 22' 08"E. a distance of 4,092.0 feet.

6. The existing permitted point of diversion is located within SE 1/4 NE 1/4 Section 19, T.39N., R.43E., M.D.B.&M., Tie : a bearing of N. 42° 45' W. and a distance of 2,286.9 feet to the North Quarter Corner of Section 19, T.39N., R.43E., M.D.B.&M.

7. Proposed place of use See Attachment "A" and Place of Use Map.

8. Existing place of use Sections 19, 20, 21, 28, 29, 30, 31, 32, 33, T.39N., R.43E., M.D.B.&M.

9. Use will be from January 1 to December 31 of each year.

10. Use was permitted from January 1 to December 31 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, motor, distribution system.

12. Estimated cost of works \$350,000.00

13. Estimated time required to construct works Well completed with 18-inch diameter casing to a depth of 890 feet. Pumping hardware has been installed, along with a continuous reading flow meter.

14. Estimated time required to complete the application of water to beneficial use 3 years

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

See Attachment "Remarks"

Compared bk/edf cl/cm Bys/Richie D. Haddock
SFGC - Twin Creeks Mine
P.O. Box 69 Golconda, NV 89414

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 point of diversion and place of use of the waters of an underground source as heretofore granted under Permit 53339 is issued subject to the terms and conditions imposed in said Permit 53339 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. This source is located within an area designated by the State Engineer pursuant to NRS 534.030.

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.

This permit will allow the permittee to dewater the pit area. It is understood that any water pumped as a result of the production and dewatering operation shall be used first by the permittee for mining, milling, heap leaching, drilling, road watering and other related mining uses hereinafter referred to as mining and milling uses within the described place of use on this permit.

(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 1.0 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before May 26, 1997

Proof of completion of work shall be filed before June 26, 1997

Application of water to beneficial use shall be made on or before May 26, 1998

Proof of the application of water to beneficial use shall be filed on or before June 26, 1998

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed JUN 19 1996

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

IN TESTIMONY WHEREOF, I, Michael Turnipseed, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my
office, this 12th day of June

A.D. 1996
Michael Turnipseed, P.E.
State Engineer

(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 back to the Kelley Creek Groundwater Basin.

The design of the infiltration system or other disposal method and the delivery system to the site shall be submitted to the State Engineer for approval prior to any diversion of water. The permittee shall discharge water in a manner to achieve maximum conservation of the water resource. 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 including; water levels in observation and monitor wells and of the flow rates of surface sources. 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.

This 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.

The total combined duty of water for consumptive purposes under Permits 49633, 49634, 50853, 50854, 52046, 52048, 52049, 52050, 52051, 58042, 58043, 58044, 58045, 60048, 60049, 60050, 60051, 60052, 60053, 60054, 60055, 60056, 60057, 61132, 61133, 61134, 61135, 61136, 61137, 61138, 61140, 61141, 61142, 61143, 61144, 61798, 61799, 61800, 61801, 61802, 61803 and 61804 shall not exceed 6,121.0 acre-feet annually. The total combined diversion rate of the above referenced permits shall not exceed 30.75 cubic feet per second on an instantaneous basis.

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

Monthly records will be kept of the following: The volume of water pumped from each well, the measurement of pumping water level (drawdown) from each production well and each monitoring well, the volume of water consumptively used for mining and milling uses projectwide, and the amount of water discharged for infiltration. These records will be submitted within 15 days after the end of each calendar quarter. A method that estimates the amount of evaporative losses from the discharge system shall be submitted with the monthly report. The evaporative losses will be considered as part of the combined duty for consumptive purposes.

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



ATTACHMENT A**7. Proposed place of use;**

T.38 N., R.43 E.: Sections 4, 5, 9 and 15;

T.39 N., R.42 E.: Section 24, part Sections 1, 2, 13, 12;

T.39 N., R.43 E.: Sections 3-10, 15-21, 28-33, part Sections 2, 11, 14, 22;

T.40 N., R.42 E.: Sections 13, 24, 25, 36, part Sections 1, 12, 14, 23, 26, 35;

T.40 N., R.43 E.: Sections 5-8, 14-23, 26-34, part Sections 4, 9-11, 35;

T.41 N., R.42 E.: part Sections 35, 36;

T.41 N., R.43 E.: part Sections 31 and 32 all M.D.B. & M.



**Attachment to Application to Change Point of Diversion,
Manner of Use and Place of Use of the Public Waters
of the State of Nevada Heretofore Appropriated**

15. Remarks: [continued from application] Pumping pursuant to the portion of base water right described in this application (#53339) is presently occurring at the point of diversion described in this application pursuant to temporary permit no. 61034T. The purpose of this application is to eliminate the need for filing temporary applications on an annual basis by permanently moving the referenced portion of the base water right to the existing effective point of diversion. In the event this application is approved, temporary permit no. 61034T will expire and be instantaneously replaced by this approved permit.

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