AMENDED

No. 61255

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

Date of filing in State Engineer's Office MAY 2 4 1995

Returned to applicant for correction JUN 0 9 1995

Corrected application filed AUG 0 8 1995

Map filed AUG 0 8 1995

The applicant Hycroft Resources & Development, Inc., PO Box 3030 and County of Humboldt, Humboldt County Courthouse (Street and No. or P.O. Box No.), of Winnemucca (City or Town), Nevada 89446 (State and Zip Code No.), 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.) Hycroft Resources & Development, Inc.; Incorporated May 23, 1995; State of Nevada

1. The source of the proposed appropriation is underground (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 0.6 (One second-foot equals 448.83 gals. per min.) second-feet

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

3. The water to be used for road maintenance (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

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"

   (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 NE¼ SW¼, Sec. 31, T.36N., R.36E., (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 so stated.) M.D.B.&M., or at a point from which the SW corner of said Sec. 31 bears S 48° 57' 31" W a distance of 2,896.86 feet.

6. Place of use Jungo Road through Sections 2, 3, 4, 5, 6, T.35N., R.35E., M.D.B.&M., Sections 31, 36, T.36N., (Describe by legal subdivision. If on unsurveyed land, it should be so stated.) R.35 E., M.D.B.&M., Sections 25, 26, 27, 28, 29, 31, 32, T.36N., R.36E., M.D.B.&M., Sections 28, 29, 30, T.36N., R.37E., M.D.B.&M. Sections 31, 32, 33, 34, 35, 36, T.36N., R.34E., M.D.B.&M., Section 6, T.35N., R.34E., M.D.B.&M.

7. Use will begin about January 1 (Month and Day) and end about December 31 (Month and Day), 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 with pump, motor, pipeline and storage pond (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works $15,000

10. Estimated time required to construct works One (1) year
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use Five (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:

The well is necessary to supply Hycroft and the County of Humboldt with water for road maintenance and dust control on a portion of County Route 49. Annual consumptive use will be approximately 5 millions gallons. The County of Humboldt will be granted full possession of this well upon closure of the Crofoot/Lewis mine.

By s/Katherine A. Rice
617-A South Main Street
Yerington NV 89447

Compared bk/ tdf cl/cmg

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 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.
(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 0.6 cubic feet per second, but not to exceed 15.34 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before January 2, 1997

Proof of completion of work shall be filed before February 2, 1997

Application of water to beneficial use shall be filed on or before January 2, 1999

Proof of the application of water to beneficial use shall be filed on or before February 2, 1999

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

Completion of work filed MAR 10 1998

Proof of beneficial use filed JAN 18 2001

Cultural map filed

Certificate No. 15722 Issued APR 09 2001

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 2nd day of January, A.D. 96

R. Michael Turnipseed P.E.
State Engineer

(O)-2145 (Rev. 9-89)

(PERMIT TERMS CONTINUED)

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 61255 and 61256 shall not exceed 15.34 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

A monthly report shall be submitted to the State Engineer within 10 days from the end of each month which shall include the amount of water pumped from the well and the amount of water used.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.