

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

JUL 1 0 1995

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

Returned to applicant for correction.....

Corrected application filed.....

Map filed JUL 1 4 1995.....

The applicant INDEPENDENCE MINING COMPANY, INC.....

HC 31 Box 78, of Elko, Nevada 89801

hereby make.s 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.)..... Incorporated January 26, 1978 in Delaware

1. The source of the proposed appropriation is underground (Murray Portal)

2. The amount of water applied for is 0.5 c.f.s. second-feet

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

3. The water to be used for mining, milling, dewatering, and 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").....

(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 Lot 12, Section 3, T.40N, R.53E., MDM, from which the SW corner of said section bears S. 11°36'W., 4872 ft. dist.

6. Place of use T.40N., R.53E. Secs 2, 3, 10, 11, 12

T.41N., R.53E. Secs 25, 26, 27, 28, 33, 34, 35

T.40N., R.54E. Secs 5, 7, 8, 17, 18

T.41N., R.54E. Secs 19, 20, 29, 30, 32

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 and cased well, pump, electric motor, storage tank and pipelines to place of use.

9. Estimated cost of works..... \$120,000.00

10. Estimated time required to construct works..... one year
If well completed, describe works.

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

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

Water will be used for road dust control, drilling for mineral exploration, mineral sample preparation vegetation establishment on rehabilitation sites, de-watering of underground ore zones, and incidental domestic use by operating personnel.

By s/William A. Nisbet, agent
421 Court St.
Elko, NV 89801

Compared cl/bk cl/bk

Protested 10/27/95 by James J. Wright:

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. 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.

The issuance of this permit will allow the permittee to dewater the Murray Underground Mine Project. 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. To the extent practical, all of the water from the dewatering site not used for dust suppression and the backfill plant shall be injected and returned to the groundwater source in Independence Valley (Hydrographic Groundwater Basin 3-36) upon issuance and in accordance with the Division of Environmental Protection's UIC permit.

(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

0.5 cubic feet per second

Work must be prosecuted with reasonable diligence and be completed on or before April 23, 1997

Proof of completion of work shall be filed before May 23, 1997

Application of water to beneficial use shall be filed on or before April 23, 1999

Proof of the application of water to beneficial use shall be filed on or before May 23, 1999

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.....

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 20th day of May

A.D. 1996

[Signature]
State Engineer

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Compared tdf/gkl cl/cmg

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Completion of work filed JUN 26 1998

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 23rd day of April

A.D. 96

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

(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 58460, 61393 and 61394 shall not exceed 450.0 acre-feet annually.

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.

Upon completion of the injection or infiltration program plan, prepare and submit a map to the State Engineer illustrating the location of the sites and delivery system.

Monthly records containing the following information shall be submitted to the State Engineer: (1) The instantaneous pumping rate and the volume of water pumped from each source, (2) The volume of water consumptively used for dust suppression; for use in the administration building; and backfill plant purposes, and (3) The volume of water discharged for disposal. These records shall be submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(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 58460, 61393 and 61394 shall not exceed 200.0 acre-feet annually.

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.

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