ASSIGNED

Serial No. 61602

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 OCT 11 1995 NEW PRIORITY DATE: MAY 16 2000

Returned to applicant for correction

Corrected application filed Map filed OCT 16 1995 under 61601

The applicant FirstMiss Gold, Inc.

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

Nevada 89414 hereby makes application for permission to change the
State and Zip Code No.

Point of diversion, manner and place of use of a portion
Point of diversion, manner of use, and/or place of use

of water heretofore appropriated under Permit 29075 Tunnel, 400' Level (Center Pit)
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 0.17 CFS; not to exceed 6.7 MGA
Second feet, acre feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for mining, milling and dewatering
Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.

4. The water heretofore permitted for quasi-municipal and domestic
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 NE¼ SW¼ section 33, T39N, R42E, MDM
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.
at a point from which the southwest corner of said section 33 bears S 45°59'30" W, 3120.84 feet, from a pit perimeter well called PW-1

6. The existing permitted point of diversion is located within SW¼ NW¼ section 33, T39N, R42E, MDB&M,
If point of diversion is not changed, do not answer.
or at a point from which the West one-quarter corner of said section 33 bears S. 20° 51'14" W., 888.92 feet.

7. Proposed place of use within sections 21, 22, 23, 26, 27, 28, 29, 32, 33, and 34 in
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.
T39N, R42E, MDM; and sections 3, 4, 9, and 10 in T38N, R42E, MDM. (see also map on file under Application 61201T)

8. Existing place of use Portion of SW¼ of section 28 and portion of the NW quarter of
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.
section 33, T39N, R42E, MDM. (See map on file under Permit 29075)

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

10. Use was permitted from January 1 to December 31 of each year.
Month and Day Month and Day

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.) existing well, pump and pipelines
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 existing

13. Estimated time required to construct works existing

14. Estimated time required to complete the application of water to beneficial use 1 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 application is made to change the point of diversion, manner and place of use of a portion of the water under permit 29075 to a pit perimeter well known as PW-1. A 685 foot deep well exists at this site. The well is cased with a 10" casing and gravel packed. Water is pumped with a 100 HP submersible motor and a seven stage submersible pump. A 3/4" sounding tube with pressure gage is installed to measure water levels. Water is pumped from this well to dewater underground mining workings and to stabilize pit walls. Once pumped to the surface, water is directed into a pipeline where it can be used for dust control and miscellaneous mining purposes. This point of diversion is the same as on Temporary Permits No. 58640T and 58159T.

By s/ Michael S Smith
MICHAEL S. SMITH, AGENT
SAGE ENGINEERING
3210 Markridge Dr., Reno NV 89509

Compared ds/bk cl/bk

Protested 02/27/96, by LaVar Murdock, owner of Adams Peak Properties

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, place of use and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 29075 is issued subject to the terms and conditions imposed in said Permit 29075 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 and underground mining operations. It is understood that any water pumped as a result of this dewatering operation will be used first by the permittee for surface and underground (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 0.17 cubic feet per second, but not to exceed 6.7 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before February 30, 1997

Proof of completion of work shall be filed before March 30, 1997

Application of water to beneficial use shall be made on or before February 30, 1998

Proof of the application of water to beneficial use shall be filed on or before March 30, 1998

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

Completion of work filed MAR 28 1997

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 3rd day of May, A.D. 19 96

R. Michael Turnipseed P.E.
State Engineer

Abrogated By Porte 65903 6/25

CANCELLED MAY 31 2000 Aportion being 1.76 mga BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

R. Michael Turnipseed P.E.
STATE ENGINEER

Can rescinded 6-19-00

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

(PERMIT TERMS CONTINUED)

mining, milling, leaching, drilling, road watering and other related mining uses hereinafter referred to as mining and milling uses within the described place of use of this permit.

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 produced from this dewatering operation and not used for mining and milling purposes must be injected or infiltrated back to the Kelley Creek Groundwater Basin. The method of infiltration shall be designed to minimize any evaporation losses. Any injection or infiltration of water must have the necessary permits issued by the Nevada Division of Environmental Protection.

This permit does not extend the permittee the right of ingress and egress on public, private, or corporate land.

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 relating to the dewatering project.

The total combined duty of water for consumptive purposes under Permits 28758, Certificate 13803; 45730, Certificate 13805; 45731, Certificate 13806; 45732, Certificate 13807, 49815, Certificate 13809; 51990, 52476, Certificate 13817; 53015; 53030; 58406; 58408; 61546; 61557-T; 61558-T; 61559-T; 61601; 61602; 61603; 61604; 61605; 61667-T; 61686; 61688; 61689; 61690 and 61862-T shall not exceed 1034.0 million gallons annually.

The total combined diversion rate under the above referenced permits and any subsequent changes to these permits shall not exceed 15.60 cubic feet per second (7,000 gallons per minute).

Monthly records will be kept of the following: the volume of water pumped from each well, the volume of water consumptively used for mining and milling uses project wide, the amount of water discharged to infiltration or injection and the water level (static or pumping) of each permitted well and monitoring wells HL-1, DM-3, MW-16, MW-17 and MW-18. These records will be submitted within 15 days after the end of each month. A method that estimates the amount of evaporative losses from the discharge system will be submitted with the monthly report. The evaporative losses will be considered as a part of the combined duty for consumptive purposes.

All flow measurements taken at those locations described in Covenant 2.3 (Flow Measurement) of the Water Resources agreement between FirstMiss Gold, Inc. and LaVar Murdock, dba Adams Peak Properties dated February 27, 1996, shall be reported in the above monthly report.

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