

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

Date of filing in State Engineer's Office NOV 13 1996Returned to applicant for correction NOV 27 1996

Corrected application filed _____

Map filed APR 11 1996 under 61931

The applicant **Robert I. Cowles**, hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is **underground**
2. The amount of water applied for is **2 cfs** second-feet
 - (a) If stored in reservoir give number of acre-feet
3. The water to be used for **mining, milling 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 **SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 24, T.21N., R.23E., M.D.B.&M., or at a point from which the Southeast corner of said Section 24 bears South 43°59'35" East, 464.67 feet.**
6. Place of Use **Sections 16, 17, 18, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, & 36, T.21N., R.23E., M.D.B.&M.; Sections 19 & 30, T.21N., R.24E., M.D.B.&M.; and Section 5, T.20N., R.23E., M.D.B.&M.**
7. Use will begin about **January 1** and end about **December 31**, of each year.
8. Description of proposed works **Underground water well, pumped distribution system**
9. Estimated cost of works **\$100,000**
10. Estimated time required to construct works **1 year**
11. Estimated time required to complete the application of water to beneficial use **2 years**
12. Remarks: **The water appropriated under this application will be utilized for mining, milling, and domestic purposes at the so-called Olinghouse project. The total amount of water to be appropriated under this application is 1,221.956 AFA, which when added to the 224.044 AFA under approved Application 61931, will provide 1,446 AFA for the life of the mining operation.**

By **s/R.I. Cowles**
100 California Ave.
Reno, NV. 89509.

Compared **cms/bk** cl/cmsProtested 2/3/97 by Ted Fitzpatrick of Nevada Land and Resource Company, LLC;

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 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 61931 and 62584 shall not exceed 1,448.0 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.

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.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 2.0 cubic feet per second, but not to exceed 1,223.956 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

February 4, 1998

Proof of completion of work shall be filed before:

March 4, 1998

Application of water to beneficial use shall be filed on or before:

February 4, 2000

Proof of the application of water to beneficial use shall be filed on or before:

March 4, 2000

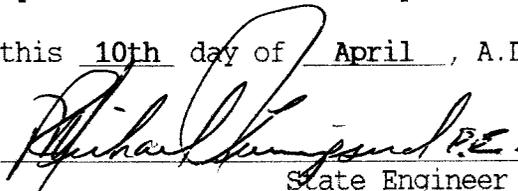
Map in support of proof of beneficial use shall be filed on or before:

N/A

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 10th day of April, A.D. 1997


State Engineer

Completion of work filed JAN 22 1999

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____