ASSIGNED

NO. 62612

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 NOV 20 1996

Returned to applicant for correction _____

Corrected application filed _____

Map filed DEC 17 1996 under 62608

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The applicant Santa Fe Pacific Gold Corporation, Lone Tree Mine, hereby make application for permission to change the point of diversion of a portion of water heretofore appropriated under Permit No. 58550

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1. The source of water is Underground

2. The amount of water to be changed 1.1, cfs

3. The water to be used for dewatering

4. The water heretofore permitted for dewatering

5. The water is to be diverted at the following point SE¼ NE¼, Section 11, T.34N., R.42E., M.D.B.&M., at a point from which the SW corner of Section 1, T.34N., R.42E., M.D.B.&M., bears N1° 50' 36" E at a distance of 1912.40 feet (WW-19)

6. The existing permitted point of diversion is located within SE¼ SE¼, Section 11, T.34N., R.42E., M.D.B.&M., at a point from which th SE corner of Section 11, T.34N., R.42E., M.D.B.&M., bears S 44° 38' E at a distance of 950.0 feet (South Sump)

7. Proposed place of use Same as item 8

8. Existing place of use Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, and 27 T.34N., R42E., M.D.B.&M., and the South half of the NE¼ and the North half of the SE¼, Section 29, T.35N., 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 Well casing, pump and distribution system.

12. Estimated cost of works $1,131,380

13. Estimated time required to construct works one (1) month

14. Estimated time required to complete the application of water to beneficial use five (5) years

15. Remarks:

By s/Cynthia M. DeWeese
P.O. Box 388
Valmy, NV 89438-0388

Compared my/cms cl/cms

Protested _____

62612

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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 of a portion of the waters of an underground source as heretofore granted under Permit 58550 is issued subject to the terms and conditions imposed in said Permit 58550 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 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.

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 groundwater basin.

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 diversion rate of Permits 54761, 54763, 56406, 56407, 56578, 56951, 57103, 57104, 58385, 58550, 59243, 59244, 59246, 59247, 59248, 59249, 59250, 59251, 59627, 59629, 60288, 60289, 60290, 60291, 60292, 60293, 60294, 60295, 60296, 60297, 60298, 60300, 60301, 60302, 60303, 60606, 60685, 61630-T, 61839-T, 62608, 62609, 62610, 62611, 62612, 62739-T, 62740-T, 62741-T, 62979-T, 62980-T, 62981-T, 62982-T, 62983-T, 62984-T, 62985-T, 62986-T, 62987-T, 62988-T and 62989-T will not exceed 49,400 gallons per minute or 110.06 cubic feet per second for mining, milling and dewatering purposes.

The total volume of water allowed to be diverted under the above mentioned permits and for the same purposes will not exceed 79,682.0 acre-feet annually.

The total combined consumptive duty for mining and milling purposes under the above permits and any changes of these permits must not exceed 6,047.0 acre-feet annually. An additional 10,646.0 acre-feet annually is authorized for substitutive uses.

The limits identified above include 1,576.0 gallons per minute (3.51 cubic feet per second) and 2,543.0 acre-feet annually for sole utilization at the Marigold Mine Project.

All water diverted but not used for mining or milling purposes will be discharged to the Iron Point Relief Canal via the aqueduct completed in June, 1993.

All water diverted will be measured and reported to the State Engineer on a monthly basis. The report will include the amount of water diverted from each well, the amount of water used for mining and milling purposes, and the amount discharged to the Iron Point Relief Canal. This report shall include the amount of water delivered to any other projects. This report must be submitted to the State Engineer within 15 days of the last day of the preceding month.

This permit is issued subject to the "Lone Tree Mining, Inc. Unified Monitoring Plan", March 27, 1993.

The State Engineer will retain the right to require additional monitoring over and above the monitoring required in the monitoring plan mentioned and also will retain the right to seek other disposal options of water discharged to the Iron Point Relief Canal. The State Engineer retains the right to regulate discharge based on flood considerations.

The permittee, on a schedule acceptable to the State Engineer, will prepare and present an update on the activities of the mine and the monitoring plan on a periodic basis, but not less than two times a year.

This permit also incorporates the provisions of Amended Order No. 1086, issued by the State Engineer on January 21, 1994.

(CONTINUED ON PAGE 2)

(PERMIT TERMS CONTINUED)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.1 cubic feet per second, **but not to exceed 796.4 acre-feet annually.**

Work must be prosecuted with reasonable diligence and be completed on or before:
May 25, 1998

Proof of completion of work shall be filed before:
June 25, 1998

Application of water to beneficial use shall be filed on or before:
May 25, 1999

Proof of the application of water to beneficial use shall be filed on or before:
June 25, 1999

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 17th day of June, A.D. 1997

R. Michael Turnipseed P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____