TEMPORARY

ASSIGNED T

NO. 62986

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 MAR 28 1997

Returned to applicant for correction

Corrected application filed

Map filed MAR 28 1997

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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, manner of use, and place of use of a portion of water heretofore appropriated under Permit No. 59627

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1. The source of water is underground

2. The amount of water to be changed 0.0557 cfs

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

4. The water heretofore permitted for dewatering

5. The water is to be diverted at the following point NW¼, NE¼, Section 11, T.34N., R.42E., M.D.B.&M.

6. The existing permitted point of diversion is located within NE¼, NE¼ of Section 11, T.34N., R.42E., M.D.B.&M., or at a point from which the NE corner of said Section 11 bears N 44°40'13"E a distance of 946.95 feet

7. Proposed place of use Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, and 27 T.34N., R.42E., M.D.B.&M., and the South half of the NE¼ and the North half of the SE¼, Section 29, T35N., R.43E., M.D.B.&M.

8. Existing place of use Sections 1, 2, 11, 12, 13, 14, 15, 23, 24 T.34N., R.42E., 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, discharge piping, electric cable, pump, and motor equipment.

12. Estimated cost of works $120,000

13. Estimated time required to construct works two (2) months

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 cl/nsr cl/cms

Protested

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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 temporary permit to change the point of diversion, manner of use and place of use of a portion of the waters of an underground source as heretofore granted under Permit 59627 is issued subject to the terms and conditions imposed in said Permit 59627 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 of before the Proof of Completion of Work is filed.

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

This temporary 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.

The issuance of this temporary 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, 60288, 60289, 60290, 60291, 60292, 60293, 60294, 60295, 60296, 60297, 60298, 60300, 60301, 60302, 60303, 60685, 61630-T, 61839-T, 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 41,000.0 gallons per minute or 92.35 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 66,133.0 acre-feet annually.

The total combined consumptive duty for mining and milling purposes under the above permits and any changes of these permits will not exceed 3,144.0 acre-feet annually.

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 the Trenton Canyon Project. This report will be submitted to the State Engineer within 15 days of the last day of the preceding month.

This temporary 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 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.

A "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and Lander County on August 12, 1994. A second "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and the Humboldt River Basin Water Authority in August, 1994. The State Engineer may not concur with and is not bound by the terms and conditions of these stipulations to withdraw protest, pursuant to NAC 533.150.

This temporary 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)

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on April 9, 1998 at which time all rights herein granted shall revert to the right being changed by this temporary permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.0557 cubic feet per second, but not to exceed 40.325 acre-feet annually.

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

Proof of completion of work shall be filed before:

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

TEMPORARY

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

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

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

R. Michael Turnipseed P.E.
State Engineer

EXPIRED
DATE APR 09 1998