

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

Date of filing in State Engineer's Office APR 16 1997

Returned to applicant for correction _____

Corrected application filed _____

Map filed APR 16 1997

The applicant **Santa Fe Pacific Gold Corporation, Mule Canyon Project**, 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 **0.0139 c.f.s.** second-feet
 - (a) If stored in reservoir give number of acre-feet
3. The water to be used for **stockwater**
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 **450 head**
 - (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 the SE¼ NE¼ of Section 8, T.31N., R.48E., M.D.B.&M. or at a point from which the NE corner of said Section 8 bears N 25°48' E 2,739.0 feet.**
6. Place of Use **SE¼ SE¼ of Section 6, T.31N., R.48E., M.D.B.&M. and the SW¼ SW¼ of Section 1, T.31N., R.47E., M.D.B.&M.**
7. Use will begin about **January 1** and end about **December 31**, of each year.
8. Description of proposed works **drilled well, pipelines, and stock troughs**
9. Estimated cost of works **in excess of \$1,000**
10. Estimated time required to construct works **1 year--well complete; see well log filed under Permit 61312**
11. Estimated time required to complete the application of water to beneficial use **3 years**
12. Remarks: **This application is being filed to mitigate loss of stock water due to mine operations.**

By **Desert Mountain Surveying as agent
By John H. Milton III, PLS, SWRS
s/John H. Milton, III
146 West Second Street
Winnemucca, NV 89445**

Compared cms/bk dl/cms

Protested _____

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 all existing rights on the source. 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 period of use and the average number of livestock served from the waters of this source. It is further understood that this right must allow for a reasonable lowering of the static water level at permittee's well due to any other ground water development in the area. The well shall be equipped with a 2-inch opening for measuring depth to water. If well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water herein granted at any and all times but does not take responsibility for the use of the Federal range.

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

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.0139 cubic feet per second, or sufficient to water 450 head of livestock.

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

April 7, 2000

Proof of completion of work shall be filed before:

May 7, 2000

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

April 7, 2002

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

May 7, 2002

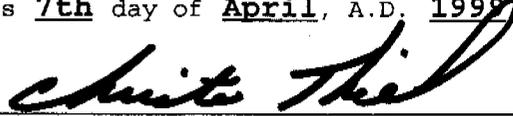
Map in support of proof of beneficial use shall be filed on or before:

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 7th day of April, A.D. 1999



State Engineer

by Christine Thiel, Deputy State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

CANCELLED AUG 01 2000 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

STATE ENGINEER