

TEMPORARY

NO. 63648-T

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 DEC 23 1997

Returned to applicant for correction _____

Corrected application filed _____

Map filed OCT 17 1975 UNDER 29728

The applicant **Mineral Ridge Resources Incorporated**, hereby makes application for permission to change the **Point of Diversion** of water heretofore appropriated under **Permit #60035**

1. The source of water is **Underground**
2. The amount of water to be changed **1 second feet**
3. The water to be used for **Mining, Milling and related Domestic.**
4. The water heretofore permitted for **Mining, Milling and related Domestic.**
5. The water is to be diverted at the following point **SW1/4 NW1/4 Section 28, T2S R39E, MDB&M. or at a point from which the E1/4 corner of said Section 28 bears: S82°54'00" E 4551.54 feet distant.**
6. The existing permitted point of diversion is located within **NE1/4 NE14 Section 29, T1S R39E MDB&M. from whence the section corner common to Sections 20,21,28 and 29 bears: N44°39'02" E 942.00 feet distant.**
7. Proposed place of use **T1S R38E: Sec 25 (all), Sec 35 (SE1/4), Sec 36 (all). T2S R38E: Sec 1 (all), Sec 2 (all), Sec 12 (NW1/4 and NE1/4). T1S R39E: Sec 29 (all), Sec 30 (all), Sec 31 (all), Sec 32 (all). T2S R39E: Sec 5 (all), Sec 6 (all), Sec 7 (NW1/4 and NE1/4).**
8. Existing place of use **as above.**
9. Use will be from **January 1st** to **December 31st** of each year.
10. Use was permitted from **January 1st** to **December 31st** of each year.
11. Description of proposed works **Existing drilled well, storage tank, pumps and pipeline distribution system.**
12. Estimated cost of works **\$200,000.00**
13. Estimated time required to construct works **1 year.**
14. Estimated time required to complete the application of water to beneficial use **5 years.**
15. Remarks: **Annual consumptive use under this application, in combination with wells specified on Permit Applications #60034 and #60036, will not exceed 1.0 cfs (449 GPM expanded year-round or 537.1 acre-feet per year). The projected life of the mine is 15 years. The proposed P.O.D. is shown on map accompanying application #29728. The existing P.O.D. and place of use is shown on map accompanying application #60035.**

By **s/W.R. Garrison**
P.O. Box 1
Silver City, NV 89428

Compared lw/cms lw/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 temporary permit to change the point of diversion of the waters of an underground source as heretofore granted under Permit 60035 is issued subject to the terms and conditions imposed in said Permit 60035 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and 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. If the 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.

This temporary 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 60034, 60035, 60036 and 63648-T shall not exceed 537.1 acre-feet annually.

The manner of use of water under this temporary 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 temporary permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on March 26, 1999 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 1.0 cubic feet per second, but not to exceed 537.1 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:

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

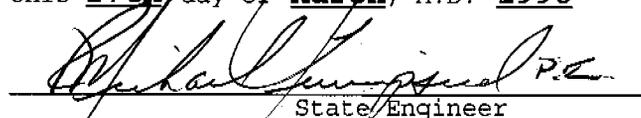
Map in support of proof of beneficial use shall be filed on or before:

TEMPORARY

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 27th day of March, A.D. 1998


State Engineer