

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

Date of filing in State Engineer's Office MAR 16 1998  
Returned to applicant for correction \_\_\_\_\_  
Corrected application filed \_\_\_\_\_  
Map filed MAR 16 1998

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The applicant Independence Mining Company, Inc., hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

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1. The source of the proposed appropriation is Underground (Well GH993)
2. The amount of water applied for is 0.33 second-feet
  - (a) If stored in reservoir give number of acre-feet
3. The water to be used for mining, milling, dewatering 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 within Lot 11, Section 03, T.40N., R.53E., M.D.M. from which the W1/4- corner of said section 03 bears S.45° 23' W., 1990 ft. dist.
6. Place of Use T.39N., R.53E., - Sections 1 through 24; T.39N., R.54E., Secs. 5 - 8, 17 - 20; T.40N., R.53E., - all sections; T.40N., R.54E., - W1/2 Sec. 3,4 - 8, 17 - 20, 29 - 32; T.41N., R.53E., - all sections; T.41N., R.54E., Secs 5 - 8, 18 - 20, 29 - 33, W1/2 Sec.34.
7. Use will begin about January 1 and end about December 31, of each year.
8. Description of proposed works Drilled well, 975 ft. in depth 18" diameter to 15 ft. 12 5/8" to 735 ft., and 10 5/8" to bottom; 14" conductor casing set in 15 ft., 8 5/8" dia. production casing full depth; cement grout surface seal; gravel packing submersible pump and motor.
9. Estimated cost of works \$65,000.00
10. Estimated time required to construct works well and pumping equipment are already installed and operating, under permit #59911.
11. Estimated time required to complete the application of water to beneficial use three years.

63951

12. Remarks: Annual consumptive use estimated as: dust suppression: 30 mga; exploration: 2 mga; back fill make-up: 16 mga; incidental employee and maintenance uses: 16 mga.

By s/ William A. Nisbet  
421 Court St.  
Elko, Nevada 89801

Compared gkl/CMS dl/bk

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 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.

The issuance of this permit will allow the permittee to utilize the well for mining, milling, dewatering and domestic purposes. The State Engineer retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights. All of the water from the dewatering site not used for consumptive mining and milling purposes shall be injected and returned to the groundwater source in Independence Valley (Hydrographic Groundwater Basin 3-36) upon issuance and in accordance with the Division of Environmental Protection's UIC permit. It is understood that this right must allow for a reasonable lowering of the static water level.

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 50675, 52771, 54192, Certificate 14302; 54878, 61393, 61394, 62306, 62307, 62428, 62429 and 63951 shall not exceed 2,500.0 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 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.

Monthly records shall be kept of the following information: (1) the instantaneous pumping rate and the volume of water pumped from each well or other groundwater or surface diversion site; (2) the volume of water consumptively used for mining and milling purposes; and (3) the volume of water discharged for disposal, and (4) The water level in each injection well and the change from the last measurement. These records shall be submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

All the the above stated conditions are issued subject to having no adverse impacts on existing rights.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.33 cubic feet per second, **but not to exceed 145.5 acre-feet annually.**

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

April 23, 1999

Proof of completion of work shall be filed before:

May 23, 1999

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

April 23, 2000

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

May 23, 2000

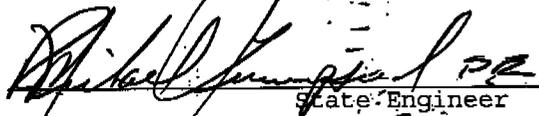
Map in support of proof of beneficial use shall be filed on or before:

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 21st day of December, A.D. 1998.

  
State Engineer

Completion of work filed JUN 27 2001

Proof of beneficial use filed \_\_\_\_\_

Cultural map filed \_\_\_\_\_

Certificate No. \_\_\_\_\_ Issued \_\_\_\_\_

