ENVIRONMENTAL NO. 64251-E

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

Date of filing in State Engineer's Office JUN 23 1998

Returned to applicant for correction

Corrected application filed

Map filed JUN 23 1998

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The applicant **Battle Mountain Gold Company**, hereby make 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 **surface Butte Canyon**

2. The amount of water applied for is **0.44** second-feet

   (a) If stored in reservoir give number of acre-feet

3. The water to be used for **environmental surface water clean-up.**

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 **(1) SE¼ SW¼ Section 15 T31N R43E MDM or at a point from which the N¼ corner Section 22 T31N R43E MDM bears S29° 57′ 38" E, a distance of 473.05 feet. (2) SE¼ SW¼ Section 15 T31N R43E MDM or at a point from which the N¼ corner Section 22 T31N R43E MDM bears S11° 53′ 34" E, a distance of 472.05 feet.**

6. Place of Use **E½ SW¼ NW¼ Section 23 T31N R43E MDM**

7. Use will begin about **January 1** and end about **December 31**, of each year.

8. Description of proposed works **Construct pipeline to treatment plant, treat water and discharge to natural drainage.**

9. Estimated cost of works **$50,000.00**

10. Estimated time required to construct works **1 month**

11. Estimated time required to complete the application of water to beneficial use **1 year**

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12. Remarks: **This application is for collecting low quality surface water in contact with historic water rock facilities. Water is collected in a pipe line that is pumped to a water treatment facility. The treatment process is a semi-portable lime treatment plant. After the water is treated, it is discharged and returned to the Iron Canyon drainage. This surface water management project is part of an ongoing interim closure program in cooperation with NDEP. Bureau of Mining Regulation and Reclamation. Bureau of Water Pollution Control and BLM.**

By **s/Richard W. Arden Agent**
950 Industrial Way
Sparks, Nevada 89431

Compared **dl/cms** dl/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 environmental permit is issued pursuant to the provisions of NRS 533.4375 and is further issued subject to existing rights on the source.

It is understood that the amount of water herein granted is only a temporary allowance for pollution control as required by orders or letters issued by the Nevada Division of Environmental Protection. The rights will cease upon the termination of clean up activity as determined by the Nevada Division of Environmental Protection.

A suitable measuring device will be installed to measure the flow from the Butte Canyon and Iron Canyon drainages before entering the treatment plant facility. The measuring device will be maintained to record monthly measurement of the flow. Records of the measurement will be submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

Within 30 days after the completion of the project, the permittee shall notify the State Engineer and all diversionary structures shall be removed.

The State retains the right to regulate the use of water granted herein at any and at all times.

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.

(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 **0.44** cubic feet per second, **but not to exceed 318.5 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:

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*** The right will cease to exist upon termination of clean up activity as determined by the Nevada Division of Environmental Protection.**

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 **18th** day of **September**, A.D. **1998**

R. Michael Turnipseed P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____