

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

Date of filing in State Engineer's Office OCT 13 1998  
 Returned to applicant for correction OCT 21 1998  
 Corrected application filed DEC 07 1998  
 Map filed DEC 17 1998 under 64520

\*\*\*\*\*

The applicant **Miramar Mining Corporation**, 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 (Existing Well No. 2 as shown on attached map)**.
2. The amount of water applied for is **0.03** second-feet
  - (a) If stored in reservoir give number of acre-feet
3. The water to be used for **Mining**
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") **See 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 **SE $\frac{1}{4}$  of the SE $\frac{1}{4}$ , Section 14, T14N, R37E, MDB&M. at a point bearing N23°05'27"E and 16,512.07 feet distant to the S.W. corner of Section 31, T15N, R38E, MDB&M. The point of diversion is located on unsurveyed land.**
6. Place of Use **The water would be used in the NE $\frac{1}{4}$  SE $\frac{1}{4}$ , Sec. 14, T14N, R37E, MDB&M. This section is unsurveyed.**
7. Use will begin about **January 1** and end about **December 31** of each year.
8. Description of proposed works **Drilled and cased well with pump; generator for power; standard HDPE water pipeline; and monitor gauge.**
9. Estimated cost of works **\$5,000 to \$10,000**
10. Estimated time required to construct works **1 Week**
11. Estimated time required to complete the application of water to beneficial use **1 Year**
12. Remarks: **The water would be used for a small mine and heap leach operation. The heap leach would have a capacity of 2,000,000 tons. The water would also be used in a small process plant and for dust control. Total annual use would not exceed 6,000,000 gallons per year.**

William J. Reich  
 By s/William J. Reich  
 AGRA Earth & Environmental Inc.  
 737 East Glendale Ave  
 Sparks, Nevada 89431

Compared bk/cms dl/bk

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 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. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

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 64520, 64521 and 64522 shall not exceed 65.16 acre-feet annually.

This 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 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.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.03 cubic feet per second, but not to exceed 21.72 acre-feet annually.

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

October 29, 2000

Proof of completion of work shall be filed before:

November 29, 2000

Water must be placed to beneficial use on or before:

October 29, 2002

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

November 29, 2002

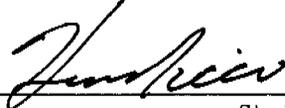
Map in support of proof of beneficial use shall be filed on or before:

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 29th day of, October A.D. 1999

  
\_\_\_\_\_

State Engineer

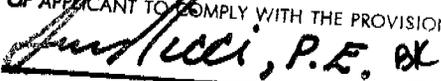
by Hugh Ricci, P.E., Deputy State Engineer

Completion of work filed \_\_\_\_\_

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

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

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

**CANCELLED APR 19 2001**  
BECAUSE OF FAILURE  
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT  
  
STATE ENGINEER