

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 NOV 06 2001

Returned to applicant for correction DEC 28 2001

Corrected application filed

Map filed DEC 13 2001

The applicant Basalite a division of Pacific Coast Building Products, Inc hereby make application for permission to change the point of diversion and manner of use of water heretofore appropriated under Permit 55474

1. The source of water is **underground**
2. The amount of water to be changed **0.2 cfs.**
3. The water to be used for **mining and milling fugitive dust control**
4. The water heretofore permitted for **mining and milling**
5. The water is to be diverted at the following point **NE¼ SW¼ Sec 16 T17N R22E M.D.B.&M or at a point from which the SW corner of said Section 16 bears S 31°10'17" W a distance of 2574.04 feet.**
6. The existing permitted point of diversion is located within **NW¼ SE¼ Sec 16 T17N, R22E MDB&M or at a point from which the SW corner of said Section 16 bears S 67°22'32" W. a distance of 3451.71 feet**
7. Proposed place of use **SE¼ Sec 8, S½ SW¼ Sec 9, NW¼ NE¼, E½ E½ Sec 17, NW¼, W½ NE¼, N½ S½ Sec 16 All within T17N, R22E, M.D.B.&M**
8. Existing place of use **Same**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **drilled well, pump motor, and distribution lines**
12. Estimated cost of works **150,000**
13. Estimated time required to construct works **10 inch by 1000 feet deep**
14. Estimated time required to complete the application of water to beneficial use **1 year**
15. Remarks: **Reference to map #55473 NOTE: Well was permitted on public land originally, Needed to be moved to private ground. Due to right of way problems with B.L.M. Water is needed A.S.A.P. to control dust to be in compliance with N.D.E.P. mandated fugitive dust control**

By Kyle Holt
s/Kyle Holt
2600 Boeing Way
Carson City, Nevada 89706

Compared cmf/ gk1

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 to change the point of diversion and manner of use of the waters of an underground source as heretofore granted under Permit 55474 is issued subject to the terms and conditions imposed in said Permit 55474 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. 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.

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 0.2 cubic feet per second, but not to exceed 20.0 acre-feet annually.

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

December 7, 2003

Proof of completion of work shall be filed before:

January 7, 2004

Water must be placed to beneficial use on or before:

December 7, 2004

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

January 7, 2005

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

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

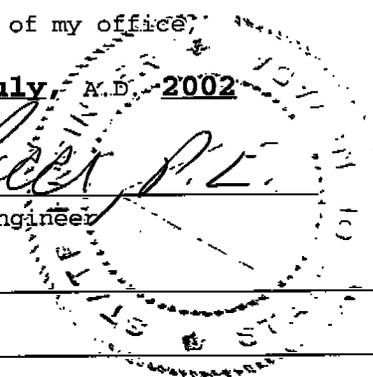
State Engineer of Nevada, have hereunto set

my hand and the seal of my office;

this 25th day of July, A.D. 2002

Hugh Ricci P.E.

State Engineer



Completion of work filed JAN 13 2004

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

