Permit No. 71190

THE STATE OF NEVADA
PERMIT TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:	**BLUE DIAMOND OIL CORPORATION**
Source:	**UNDERGROUND**
Basin:	**STEPTOE VALLEY**
Manner of Use:	**QUASI-MUNICIPAL**
Period of Use:	**January 1st to December 31st**
Priority Date:	~~**08/05/1996**~~ NEW PRIORITY DATE: SEP 13 2010

****

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 of the waters of an underground source as heretofore granted under Permit 62350 is issued subject to the terms and conditions imposed in said Permit 62350 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.

The total combined duty of water under Permits 62880, 71190, 71191 and 71192 shall not exceed 208.35 acre-feet per year.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

If any water under this permit is cancelled, withdrawn, or any water is not put to beneficial use, it will revert to the groundwater source and not back to the base water right.

The point of diversion and place of use is as described under items 5 and 7 respectively on the submitted application to support this permit.

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed **0.1** cubic feet per second, **but not to exceed 2.24 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**N/A**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**July 12, 2010**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 12th day of **July**, A.D. **2007**

Tracy Taylor, P.E.
State Engineer

Completion of work filed April 30, 2003 under 62880

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

It

CANCELLED SEP 07 2010 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

P.E. STATE ENGINEER

Can. Rescinded 5-12-2011

No. 71190

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

NEW PRIORITY DATE:

Date of filing in State Engineer's Office ~~MAY 10 2004~~ SEP 13 2010

Returned to applicant for correction

Corrected application filed

Map filed FEB 27 1997 under 62880

****

The applicant **Blue Diamond Oil Corporation** hereby makes application for permission to change the **Point of Diversion** of water heretofore appropriated under **Permit No. 62350**

****

1. The source of water is **Underground**

2. The amount of water to be changed **0.1 cfs**

3. The water to be used for **Quasi-Municipal**

4. The water heretofore permitted for **Quasi-Municipal**

5. The water is to be diverted at the following point **In the SW¼ SW¼ Section 35, T.16N., R.63E., M.D.B.&M., Or at a point from which the SW corner of said Section 35 bears S. 61°31'08" W., a distance of 114.57 feet.**

6. The existing permitted point of diversion is located within **the NE¼ NE¼ SW¼ Section 35, T.16N., R.63E., M.D.B.&M., or at a point from which the W¼ corner of said Section 35 bears N. 82°42'12" W., a distance of 2,313.4 feet.**

7. Proposed place of use **In the N½ NE¼ NE¼ SW¼ of Section 35, T.16N., R.63E., M.D.B.&M.**

8. Existing place of use **In the N½ NE¼ NE¼ SW¼ of Section 35, T.16N., R.63E., M.D.B.&M.**

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 with pump, storage tanks and associated service lines.**

12. Estimated cost of works **$160,000.00**

13. Estimated time required to construct works **5 years**

14. Estimated time required to complete the application of water to beneficial use **8 year**

15. Remarks: **This application is proposed to service two residences at an estimated consumptive rate of 0.006 cfs, 24 hours per day, 365 days per year, for an estimated annual consumption of 1.314 million gallons. Please use the map filed under Application No. 62880 for the supporting map showing the proposed Point of Diversion.**

By s/Dean Neubauer
824 East Aultman Street
Ely, Nevada 89301

Compared cmf/sam

Protested