

TEMPORARY No. 72786-T

**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 MAY 17 2005

Returned to applicant for correction _____

Corrected application filed _____

Map filed JUN 07 2005

The applicant **Florida Canyon Mining, Inc.**, hereby make application for permission to change the **Point of Diversion, Place of Use, and Manner of Use** of water heretofore appropriated under **Permit #48999 & Certificate #13239; (Production Well - 3 (PW-3))**

1. The source of water is **Underground**
2. The amount of water to be changed **0.29 C.F.S., but not to exceed 14.535 M.G.A.**
3. The water to be used for **Mining, Milling, and Domestic**
4. The water heretofore permitted for **Mining and Milling**
5. The water is to be diverted at the following point (WS-2) **NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 35, T.31N., R.33E., M.D.B.&M. or at a point which the SW corner of said Section 35 bears S. 31° 04' 44" W., a distance of 5,451 feet. Refer to enclosed place of use map.**
6. The existing permitted point of diversion is located within (PW-3) **SW $\frac{1}{4}$ NW $\frac{1}{4}$ (lot 1) Section 3, T.31N., R.33E., M.D.B.&M. or at a point from which the SW corner of said Section 3 bears S.18° 0' 0" W., a distance of 3420 feet. Map on file (Refer to place of use map submitted with permit #57098, certificate #53342 and certificate #48999 or enclosed place of use map).**
7. Proposed place of use **Sections 25, 26, 34, 35, 36 T.31N., R.33E., M.D.B.&M. and Section 1, T.30N, R.33E., M.D.B.&M.**
8. Existing place of use **Sections 2, 3, 4, 9, 10, 11, 14, 15, 16, 37, 38, 39, T.31N., R.33E., 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. **The existing WS-2 Well is located approximately 25,461-ft directly south of PW-3, is an 10-inch diameter hole, cased and gravel packed, and is approximately 400 feet deep. Water would be pumped to a storage tank for use in dust suppression and other mining activities (mining, milling, and domestic purposes). Water will be metered before use.**
12. Estimated cost of works **(\$250,000) Two Hundred and Fifty Thousand Dollars**
13. Estimated time required to construct works **One Month**
14. Estimated time required to complete the application of water to beneficial use **Five Years**

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15. Remarks: 0.29 c.f.s., but not to exceed 14.535 million gallons estimated for annual consumptive use. This well (WS-2) will provide a more uniform distribution of allocated water and supply water for mining milling and domestic purposes. This new well is extremely vital in bringing the Standard Mine into full production.

By Steven C. Hansen
 s/Steven C. Hansen (Agent)
 P.O. Box 330
 Imlay, Nevada 89418

Compared jm/sam lt/gkl

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 temporary permit to change the point of diversion, place of use and manner of use of a portion, of the waters of an underground source as heretofore granted under Permit 48999, Certificate 13239 is issued subject to the terms and conditions imposed in said Permit 48999, Certificate 13239 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 temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

The total combined duty of water under Permits 48997, Certificate 13237; Permit 48998, Certificate 13238; Permit 48999, Certificate 13239; Permit 49931, Certificate 13240; Permit 50061, Certificate 13953; Permit 50248, Certificate 14448; Permit 53342, Certificate 13245; Permits 57096, 57097, 57098, 61203, 61643, 61644, 61707, 71356-T, 71393-T, 71394-T, 71395-T, 71396-T, 71397-T, 71398-T, 71399-T, 71561-T and 72786-T shall not exceed 2415.21 acre-feet annually.

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

Monthly records will be kept of the following: the volume of water pumped from each well, the volume of water consumptively used for mining and milling purposes projectwide and the amount of water used for reclamation purposes. These records will be submitted within 15 days after the end of each month along with the water level (static or pumping) of each permitted well with the pumping report.

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Any pumping of water under this temporary permit may be limited or prohibited to prevent any unreasonable adverse effects on an existing domestic well unless the holder of this permit and the owner of the domestic well have agreed to alternative measures that mitigate adverse effects.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on October 17, 2006 at which time all rights herein granted shall revert to the right being changed by this temporary permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.29 cubic feet per second, but not to exceed 44.606 acre-feet annually.

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

Proof of completion of work shall be filed on or before:

Water must be placed to beneficial use 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:

TEMPORARY

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,
State Engineer of Nevada, have hereunto set
my hand and the seal of my office,
this 18th day of October A.D. 2005



State Engineer