Permit No. 74679

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:	**HOMESTAKE MINING COMPANY**
Source:	**UNDERGROUND**
Basin:	**DIAMOND VALLEY**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**January 1st to December 31st**
Priority Date:	**10/19/1964**

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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 permit to change the point of diversion, place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 71234 is issued subject to the terms and conditions imposed in said Permit 71234 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 71234, 72917, 72918, 73204, 73431, 73432, 74679, 75105 and 75107 shall not exceed 1065.452 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, and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

This permit will allow the permittee to remove water from a dewatering well for a mining project. It is understood that any water pumped from the well as a result of this operation will be used first by the permittee for mining, milling, domestic, dewatering and other related mining uses within the described place of use of this permit. Monthly records will be kept of the following: the amount of water pumped from the mine; the amount of water used for mining, milling and domestic purposes; the amount of water sent to the Rapid Infiltration Basin discharge system or other authorized discharge system; and the estimated amount of water recharged to the groundwater system. These records must be submitted to the State Engineer on a quarterly basis, within 15 days after the end of each calendar quarter. A method that estimates the amount of evaporative losses from the discharge system will be submitted with the monthly report. The evaporative losses will be considered as a part of the duty for consumptive purposes.

The State Engineer retains the right at any time to require the permittee cooperate in the funding of additional monitoring and modeling by an independent third party. The State Engineer retains the right to impose future conditions as necessary upon review and evaluation of all data submitted and reported on the quarterly report. The State Engineer retains the right to regulate pumping from the dewatering project and/or any other groundwater withdrawals herein authorized to protect the public interest and existing rights. This permit is issued with the understanding that no secondary applications will be issued on any water not infiltrated or injected.

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.

(CONTINUED ON PAGE 2)

PERMIT TERMS CONTINUED

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed **0.2000** cubic feet per second, **but not to exceed 144.80 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before: **September 14, 2008**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before: **September 14, 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 14th day of **September,** A.D. **2007**

Tracy Taylor, P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

dl

AMENDED **No. 74679**

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 **AUG 25 2006**

Returned to applicant for correction **SEP 20 2006**

Corrected application filed **AUG 31 2006**

Map filed **OCT 17 2006**

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The applicant **Homestake Mining Company** hereby makes application for permission to change the **point of diversion, manner of use of a portion** of water heretofore appropriated under **Permit #71234**

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

2. The amount of water to be changed **0.2 c.f.s. (144.8 AF)**

3. The water to be used for **mining, milling, dewatering and domestic**

4. The water heretofore permitted for **mining, milling and domestic**

5. The water is to be diverted at the following point **within the NE¼SE¼ Section 10, T.19N., R.53E., M.D.M. from which the S. ¼-corner of said Section 10 bears S.49°17'W., 2,558 feet distant**

6. The existing permitted point of diversion is located within **SE¼SE¼ Section 10, T. 19N., R. 53E., M.D.M., from which the S ¼-corner of said section 10 bears S.75°21'W., 2,253 feet distant**

7. Proposed place of use **Same as existing**

8. Existing place of use **W½ Section 2, all Section 3, E½ Section 4, NE¼ Section 9, all Section 10, W½ Section 11, NW¼ Section 14, N½ Section 15, all in t.19N., R.53E., M.D.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 and cased well; submersible pump and motor, storage tanks, pipeline system to place of use.**

12. Estimated cost of works **$100,000.00**

13. Estimated time required to construct works **one year**

14. Estimated time required to complete the application of water to beneficial use **five years**

15. Remarks: **A new dewatering source is identified at the proposed point of diversion.**

By s/ **William A. Nisbet, Agent**
421 Court Street
Elko, NV 89801

Compared **mt/bk**

Protested