Permit No. 74991T

TEMPORARY

# 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

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| **Name of applicant:** | **SANTA FE PACIFIC GOLD CORPORATION** |
| **Source:** | **UNDERGROUND** |
| **Basin:** | **PUMPERNICKEL VALLEY** |
| **Manner of Use:** | **MINING AND MILLING** |
| **Period of Use:** | **January 1st to December 31st** |
| **Priority Date:** | **07/25/1991** |

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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 temporary 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 59243 is issued subject to the terms and conditions imposed in said Permit 59243 and with the understanding that no other rights on the source will be affected by the change proposed herein. A totalizing meter must be installed 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. 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 total combined diversion rate of Permit 54761, Certificate 14565; Permit 54763, Certificate 14566; Permit 56406, Certificate 14567; Permits 56407, 56578, 56951, 57103, 59243, 59244, 59245, 59246, 59247, 59248, 59249, 59250, 59251, 59627, 59629, 59630, 60288, 60289, 60290, 60291, 60292, 60293, 60294, Certificate 15285; Permit 60295, Certificate 15286; Permit 60296, Certificate 15287; Permits 60297, 60298, Certificate 15288; Permits 60300, 60301, 60302, 60303, Certificate 15289; Permit 60685, Certificate 15290; Permits 62608, 62609, 62610, 62611, 62612, 62778, 74991T through 75021T, inclusive, and Secondary Permits 62320S01, 62320S02, 62320S03, 62320S04 and 62320S06 will not exceed 56,000 gallons per minute for mining, milling and dewatering purposes.

The manner of use of water under this temporary 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 groundwater basin.

The issuance of this temporary 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 temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and accounts for pumpage in calendar year 2005 and therefore expires on the date of approval at which time all rights herein granted shall revert to the right being changed by this temporary permit.

The total volume of water allowed to be diverted under the above mentioned permits and for the same purposes will not exceed 90,329.0 acre-feet annually.

The total combined consumptive duty for mining and milling purposes under the above permits and any changes of these permits, with the exception of 62320S03, 62320S04 and 62320S06, must not exceed 6047.0 acre-feet annually. An additional 10646.0 acre-feet annually is authorized for substitutive uses.

All water diverted but not used for mining or milling purposes will be discharged to the Iron Point Relief Canal via the aqueduct completed in June, 1993, or to the Rapid Infiltration Basin System.

(Continued on Page 2)

All water diverted will be measured and reported to the State Engineer on a monthly basis. The report will include the amount of water diverted from each well, the amount of water used for mining and milling purposes, and the amount discharged to the Iron Point Relief Canal Rapid Infiltration Basin or other substitutive uses. This report shall include the amount of water delivered to any other projects. This report must be submitted to the State Engineer within 15 days of the last day of the preceding month.

This temporary permit is issued subject to the "Lone Tree Mining, Inc. Unified Monitoring Plan", March 27, 1993.

The State Engineer will retain the right to require additional monitoring over and above the monitoring required in the monitoring plan mentioned and also will retain the right to seek other disposal options of water discharged to the Iron Point Relief Canal. The State Engineer retains the right to regulate discharge based on flood considerations.

The permittee, on a schedule acceptable to the State Engineer, will prepare and present an update on the activities of the mine and the monitoring plan on a periodic basis, but not less than two times a year.

This temporary permit also incorporates the provisions of Amended Order No's 1085 and 1086, issued by the State Engineer on January 21, 1994.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 0.0050 cubic feet per second or 3.0 acre-feet annually.**

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| 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: | **N/A** |
| 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 25th day of **September**, A.D. **2007**

Tracy Taylor P.E.
State Engineer

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1086 SS08

Temporary
TEMPORARY

Serial No. 74991 F

# 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

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office NOV 0 2 2006

Returned to applicant for correction

Corrected application filed Map filed NOV 1 6 2006

The applicant Santa Fe Pacific Gold Corporation

Environmental Department, PO Box 669 of Carlin
Street and No. or P.O. Box No. City or Town

Nevada, 89822, hereby make.s. application for permission to change the
State and Zip Code No.

Point of Diversion and Manner of Use and Place of Use of a portion

of water heretofore appropriated under Permit 59243
Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.

1. The source of water is Underground
Name of stream, lake, underground, spring or other sources.

J. PERFAX 0.005

2. The amount of water to be changed 0.0041 cfs, 3 acre-feet
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining, milling, domestic, and dewatering
Irrigation, power, mining, commercial, etc. If for stock state number and kind of animals. Must limit to one major use.

4. The water heretofore used for Dewatering
If for stock state number and kind of animals.

5. The water is to be diverted at the following point Lone Tree Mine - SS 8

within the SW¼ NE¼, Section 11, T34 N, R42 E, M.D.M., at a point from which the SE corner of said section 11 bears S 34°59'25" E a distance of 3560 feet.

Describe as being within a 40-acre subdivision of public survey and by course and distance to a section corner. If on unsurveyed land, it should be stated.

6. The existing point of diversion is located within Lone Tree Mine - Order 1086 NWNE14
If point of diversion is not changed, do not answer.

within the NW¼ NE¼, Section 14, T34 N, R42 E, M.D.M., at a point from which the NE corner of said section 14 bears N 71°28'34" E a distance of 2058.52 feet.

65-HW

7. Proposed place of use
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

All sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 16, 17, 22, 23, 27, T34N, R42E, M.D.M.

8. Existing place of use
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated.

E½ section 11, all sections 12, 13, 14, 23, 24, T34N, R42E, M.D.M.

If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.

9. Use will be from January 1 (Month and Day) to December 31 (Month and Day) of each year.

10. Use permitted from January 1 (Month and Day) to December 31 (Month and Day) of each year.

11. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Drilled, cased well with motor and pump, totalizing flow meter, and pipeline to the place of use.
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.

12. Estimated cost of works $25,000 (twenty-five thousand dollars)

13. Estimated time required to construct works Completed; Drilled, cased well with motor and pump, totalizing flow meter, and pipeline to the place of use.
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 3 years

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

This application is submitted according to Well-Spacing Order 1086.

775-778-4318
Phone No.

October 31, 2006

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

By Scott Paine, Water Rights Administrator
Print or type name clearly

Signature, applicant or agent

Environmental Department, PO Box 669
Street and No., or P.O. Box No.

Carlin, Nevada 89822
City, State, Zip Code No.

$100 FILING FEE MUST ACCOMPANY APPLICATION

(O)-1583A (Rev 11-99)