

TEMPORARY
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 27 2006

Returned to applicant for correction _____

Corrected application filed _____

Map filed DEC 21 2006

The applicant **M-I L.L.C.** hereby make application for permission to change the **Point of Diversion** of water heretofore appropriated under **Permit No. 64262**

1. The source of water is **underground**
2. The amount of water to be changed **0.194 C.F.S.**
3. The water to be used for **Mining**
4. The water heretofore permitted for **Mining**
5. The water is to be diverted at the following point **NE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 26, T28N, R45E, M.D.B. &M. (unsurveyed) , or at a point from which the SE corner of Section 36, T28N, R45E, M.D.B. &M. bears S29° 01' 11"E, a distance of 11152.64'.**
6. The existing permitted point of diversion is located within **NW $\frac{1}{4}$ of NW $\frac{1}{4}$, Section 25, T28N, R45E, M.D.B. &M. or at a point from which the SE corner of Section 36, T28N, R45E, M.D.B. & M. bears S27° 01' 14"E, a distance of 11394.0 feet (Well B or Well #3)**
7. Proposed place of use **Section 25; E $\frac{1}{2}$ of Section 26; NE $\frac{1}{4}$ of Section 35; N $\frac{1}{2}$ of Section 36, T28N, R45E, M.D.B.&M., Lots 1, 2, 3, 4, and the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 30; Lots 1, 2, and E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 31, T28N, R46E, M.D.B.&M.**
8. Existing place of use **Section 25; E $\frac{1}{2}$ of Section 26; NE $\frac{1}{4}$ of Section 35; N $\frac{1}{2}$ of Section 36, T28N, R45E, M.D.B.&M., Lots 1, 2, 3, 4, and the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ of Section 30: Lots 1, 2, and E $\frac{1}{2}$ of NW $\frac{1}{4}$ of Section 31, T28N, R46E, 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 **Water is developed in the well, thence conveyed by a pipeline to a reservoir within the NE $\frac{1}{4}$ of Section 26, T28N, R45E, M.D.B.&M. where it is used for mining purposes.**
12. Estimated cost of works **\$15,000.00**
13. Estimated time required to construct works **One (1) year – A Well (North Well) Drilled to 200' depth and cased to 190' with 9-5/8" casing.**
14. Estimated time required to complete the application of water to beneficial use **Two (2) years**

15. Remarks:

By **Garry J. Thielen**
 s/ **Garry J Thielen**
P.O. Box 370
Battle Mountain, NV 89820

Compared sg/dl 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 of the waters of an underground source as heretofore granted under Permit 64262 is issued subject to the terms and conditions imposed in said Permit 64262 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. 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 duty of water under Permit 26872, Certificate 8431; Permit 29694, Certificate 9087; Permit 35814, Certificate 10284; Permits 64260, 64261, 64262 and 75119T shall not exceed 1074.11 acre-feet annually.

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 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.

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.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire on January 16, 2008 at which time all rights herein granted shall revert to the right being changed by this temporary permit.

(CONTINUED ON PAGE 3)

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.1940 cubic feet per second, **but not to exceed 26.83 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

N/A-Temporary

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-Temporary

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

N/A-Temporary

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

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 17th day of January, A.D. 2007

Tracy Taylor, P.E.
State Engineer