



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: FRANKLIN LAKE RESOURCES, INC.
Source: UNDERGROUND
Basin: AMARGOSA DESERT
Manner of Use: COMMERCIAL
Period of Use: January 1st to December 31st
Priority Date: 07/01/1975

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 29521, Certificate 9265 is issued subject to the terms and conditions imposed in said Permit 29521, Certificate 9265 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 75176 and 75275 shall not exceed 4.02 acre-feet annually.

If any water under this permit is cancelled, withdrawn, or any water is not put to beneficial use, it will revert to the groundwater source and not back to the base water right.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 are as described on the submitted application to support this permit.

(Continued on Page 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 0.0128 cubic feet per second or 2.0 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:

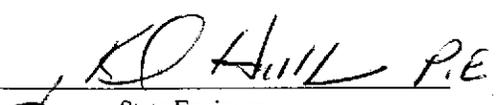
May 7, 2011

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 27th day of **April**, A.D. **2009**



State Engineer

Completion of work filed July 18, 2008 under 75176

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

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 JAN 22 2007

Returned to applicant for correction _____

Corrected application filed _____

Map filed DEC 11 2006 under 75176

The applicant **Franklin Lake Resources, Inc.** hereby make application for permission to change the **Point of diversion, Place of use, Manner of use of a portion** of water heretofore appropriated under **Permit #29521 Cert. #9265**

1. The source of water is **Underground Source**
2. The amount of water to be changed **0.0128 cfs, 2.0 afa .40 acres**
3. The water to be used for **Commercial Use**
4. The water heretofore permitted for **Irrigation and Domestic**
5. The water is to be diverted at the following point **within the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section-1, T.17S., R.48E., M.D.B.&M., Nye County, Nevada or at a point from which the NE corner of said Section-1 bears N 80° 42' 19" E a distance of 1385.58 feet – see map A.O.F. for application #75176**
6. The existing permitted point of diversion is located within the **SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section-9 T.16S., R.49E., M.D.B.&M., Nye County, Nevada or at a point from which the S $\frac{1}{4}$ corner of said Section-9 bears S 10° 02' 24" E a distance of 1010.80 feet**
7. Proposed place of use **within the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section-1, T.17S., R.48E., M.D.B.&M., Nye County, Nevada being a portion of A.P.N. #19-681-01 see map A.O.F. for application #75176**
8. Existing place of use **.40 acres to be removed from irrigation being a 5 acre parcel within the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section-9, T.16S., R.49E., M.D.B.&M., Nye County, Nevada known as A.P.N. #19-151-15 described as the W $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of said Section 9.**
9. Use will be from **January 1st to December 31st** of each year.
10. Use was permitted from **January 1st to December 31st** of each year.
11. Description of proposed works **Existing well casing, submergible pump, presure tank, distribution system and prop'd totalizing meter**
12. Estimated cost of works **\$2000.00 dollars**
13. Estimated time required to construct works **2-years, same as item #11 above**
14. Estimated time required to complete the application of water to beneficial use **5-years**

75275

15. Remarks: Same as previous submitted application #75176 filed 12-11-06 for commercial use. Additional water required for future use per attached revised fixture count. The water to be used for fut. Expansion of existing "exploratory mining company" complex; assay office, laboratory, research and testing equipment.

By **Ronnie M. Phillips Agent**
s/ **Ronnie M. Phillips**
1240 E. State Street, Suite #101
Pahrump, Nevada 89048

Compared aem/mt

Protested _____
