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

Name of applicant:	**BATTLE MOUNTAIN GOLD COMPANY**
Source:	**UNDERGROUND**
Basin:	**BUFFALO VALLEY**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**January 1st to December 31st**
Priority Date:	**06/16/1947**

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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 of the waters of an underground source as heretofore granted under Permit 68407 is issued subject to the terms and conditions imposed in said Permit 68407 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 issuance of this temporary permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and accounts for pumpage in calendar year 2007 and therefore expires one day after the date of approval, at which time all rights herein granted shall revert to the right being changed by this temporary permit.

The total combined duty of water for consumptive purposes under Permit 11876, Certificate 3503; Permit 36870, Certificate 12923; Permit 36871, Certificate 13747; Permit 36872, Certificate 13748; Permit 49459, Certificate 14023; Permit 49461, Certificate 14025; Permit 52036, Certificate 14018; Permit 54214, Certificate 13754; Permits 65411, 65412, 65415 through 65427, inclusive, Environmental Permits 65428E and 65429E, Permits 68408, 72084, 76196 and Temporary Permit 76282T shall not exceed 12,905 acre feet annually for mining and milling purposes.

Monthly records shall be kept of the following and reported within 15 days after the end of each quarter:

A. The total volume of water pumped from this well in acre-feet.

B. The maximum flow rate from this well in cubic feet per second.

C. The volume of water consumptively used for mining and milling in acre-feet.

D. The amount of water diverted to other consumptive uses, if any, in acre-feet.

E. The amount of water lost through evaporation or other system losses project wide.

The State Engineer retains the right 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. The State Engineer retains the right to regulate pumping herein authorized to protect the public interest and existing rights.

(Continued on Page 2)

The point of diversion and place of use are as described on the submitted application to support this 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 1.66 cubic feet per second or 1201.79 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:	**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 8th day of **February**, A.D. **2008**

K. L. Hill P.E.

for State Engineer

llb

Duval 1 a

Temporary

Serial No. 76282 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

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office SEP 17 2007

Returned to applicant for correction

Corrected application filed Map filed AUG. 15, 1947 under 11876

The applicant Battle Mountain Gold Company

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

of water heretofore appropriated under Permit 68407
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.
2. The amount of water to be changed 1.66 cfs
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Mining and milling
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 Mining and milling
If for stock state number and kind of animals.
5. The water is to be diverted at the following point Phoenix Mine - Duval 1

within the SW¼ SE¼, Section 8, T30 N, R43 E, M.D.M., at a point from which the S¼ corner of Section 33, T31N, R43E, M.D.M. bears N 31°00'40" E a distance of 10912.9 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 Phoenix Mine - CM 2
If point of diversion is not changed, do not answer.

within the Lot 3 SE¼, Section 9, T30 N, R43 E, M.D.M., at a point from which the SE corner of said section 09 bears S 73°31'30" E a distance of 1887.31 feet.

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

Sections 14, 15, 16, 21, 22, 23, 26, 27, 28, 32, 33, and 34, T31N, R43E; and Sections 2, 3, 4, 8, 9, 10, 16, and 21, T30N, R43E, M.D.M.

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

Sections 14, 15, 16, 21, 22, 23, 26, 27, 28, 32, 33, and 34, T31N, R43E; and Sections 2, 3, 4, 8, 9, 10, 16, and 21, T30N, R43E, 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: $10,000 (ten 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: five 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 filed because water production during 2007 exceeded existing permits for the proposed point of diversion; an application for an identical permanent change is filed herewith. Water production from the existing remedial point of diversion will remain at its current reduced level. For existing point of diversion and place of use refer to map under 68407; and for proposed refer to map under 11876.

775-778-4318
Phone No.

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

September 14, 2007

Signature, applicant or agent

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

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

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

RECEIVED 2007 SEP 17 AM 9:24 STATE ENGINEER'S OFFICE

$100 FILING FEE MUST ACCOMPANY APPLICATION

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