

**TEMPORARY- AMENDED  
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 OCT 03 2008  
 Returned to applicant for correction \_\_\_\_\_  
 Corrected application filed \_\_\_\_\_ Map filed OCT 08 2008 under 77442T

The applicant Homestake Mining Company of California  
P.O. Box 676 of Eureka  
Street and No. or P.O. Box No. City or Town

Nevada 89316, hereby make application for permission to change the  
State and Zip Code No.

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

of water heretofore appropriated under, Permit 22450, Certificate 7889  
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 (Ruby Hill Mine)  
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.548 cfs, 185.6 AFA  
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining, Milling 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 Irrigation  
If for stock state number and kind of animals.

5. The water is to be diverted at the following point NW¼ SW¼ Section 11, T. 19N., R. 53E., M.D.M. or at a  
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.  
**point from which the NE corner of said Section 11 bears N 55° 15' 02"E., a distance of 5,495 feet.**

6. The existing point of diversion is located within Lot 4 (NW¼ SE¼), Section 24, T. 20N., R. 53E., M.D.M., or  
If point of diversion is not changed, do not answer.  
**at a point from which the SE corner of said Section 24 bears S 42° 51' E. a distance of 3,069 feet.**

7. Proposed place of use W½ Section 2, Section 3, E½ Section 4, NE¼ Section 9, Section 10,  
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

W½ Section 11, NW¼ Section 14, and the N½ Section 15, all within T. 19N., R. 53E., M.D.M.

8. Existing place of use Lot 4 (NW¼ SE¼) Section 24 (24.6 Acres shown as Oats and Crested Wheat  
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or manner of use of irrigation  
and Rye on the Cultural Map), Lot 5 (NE¼ SW¼) Section 24 (21.8 Acres shown as Oats on the Cultural  
permit, describe acreage to be removed from irrigation.  
Map) all in T. 20N., R. 53E., M.D.M. Total acreage 46.4 acres shown on the Cultural Map for Permit  
22450.

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

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

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.) Well, pump and motor, meter and pipeline to the  
State manner in which water is to be diverted, i.e. diversion structure, ditches,

Mine's existing water system.

pipes and flumes or drilled well, pump and motor, etc.

12. Estimated cost of works In excess of \$250,000.

13. Estimated time required to construct works 3 Months  
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 5 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 well is being drilled to supplement the existing well system for the Ruby Hill Mine dewatering needs. The water under  
this application is being leased from Chad and Rosie Bliss. A copy of the lease agreement is being filed with this  
application.

Please send copies of all correspondence to: Mr. Bob Brock, Barrick Gold U.S., Inc., 293 Spruce Road, Elko, NV 89801

775-883-1600  
Phone No.

Bruce R. Scott, Resource Concepts, Inc.

Type or print name clearly

By

[Signature]  
Signature, applicant or agent

340 North Minnesota Street

Street and No., or P.O. Box No.

Carson City, Nevada 89703

City, State, Zip Code No.

APPLICATION MUST BE SIGNED  
BY THE APPLICANT OR AGENT

**\$150 FILING FEE MUST ACCOMPANY APPLICATION**

## WATER RIGHT LEASE AGREEMENT

This Water Right Lease Agreement (the "Agreement") is made and entered into by and between Chad and Rosie Bliss, husband and wife ("Lessors"), whose address is PO Box 585, Eureka, NV 89316, and Homestake Mining Company of California, a California corporation ("Lessee").

### RECITALS

A. Lessee is a mining corporation owning and operating the Ruby Hill Mine in Eureka County, Nevada (the "Ruby Hill Mine").

B. Lessee has certain water rights associated with the Ruby Hill Mine but desires to acquire additional water rights to ensure that it has sufficient water to meet all of its needs at the Ruby Hill Mine.

C. Lessors are the owners of Permit No.17226 (Certificate No. 6291), Permit No. 22449 (Certificate No. 7888), Permit No. 22450 (Certificate No. 7889) and Permit No. 28284 (Certificate No. 9808) (the "Water Rights") for irrigation of land located in the same groundwater basin as the Ruby Hill Mine.

D. Lessors are willing to lease the Water Rights to Lessee, and Lessee is willing to lease the Water Rights from Lessors, pursuant to the terms and conditions set forth herein.

### AGREEMENT

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein the parties agree as follows:

1. The Leased Water.

1.1 Lessors represent that they are the owners of the Water Rights and that the Water Rights are valid existing water rights under Nevada law which entitle Lessors to Six Hundred Two and 8/10 (602.8) acre feet of water for irrigation and domestic purposes.

1.2 Subject to the terms and provisions of this Agreement, Lessors agree to lease to Lessee, Lessors' right title and interest in Six Hundred Two and 8/10 (602.8) acre feet of the Water Rights (the "Leased Water") and to reserve two (2) acre feet for Lessors' use from Permit No. 22449 (Certificate No. 7888).

2. Lease Term. Lessors agree to lease the Leased Water to Lessee for a period of ten (10) years from the effective date of this Agreement as provided for in paragraph 9 hereof (the "Lease Term").

3. Lease Payment.

3.1 Lessee agrees to pay Lessors an annual lease payment of Seventy-Five Hundred Dollars (\$7,500) for the use of the Leased Water during the Lease Term as provided for in this Agreement (the "Lease Payments"). The Lease Payments shall be made as follows.

3.2 The first annual Lease Payment shall be paid within five (5) business days after the final approval of the initial change applications on the Leased Water as provided for in paragraph 6 below (the "Change Applications") become unappealable.

3.3 Lessee shall thereafter make annual Lease Payments of \$7,500 each and every year on the anniversary date of the first annual Lease Payment.

3.4 In the event Lessee defaults on the annual Lease Payment, as provided for herein, Lessors shall be entitled to retain all payments previously paid and terminate this Agreement unless the default is cured within sixty (60) days of the date upon which Lessors give written notice to Lessee of any such default.

4. Extended Lease Term.

4.1 Lessee shall have the right, in its sole discretion, to extend the Lease Term for an additional ten years by giving Lessors 60 days' written notice prior to the expiration of the Lease Term of Lessee's decision to extend the Lease Term for the additional ten (10) years (the "Extended Lease Term").

4.2 In the event the Lessors extend this Lease for the Extended Lease Term, the amount of the Lease Payment for the Extended Lease Term shall be negotiated in good faith by Lessor and Lessee, provided, however, in no event shall the amount of the renegotiated Lease Payment be more than 200% of the Lease Payment set forth in paragraph 3.3 (the "Extended Lease Payments").

4.3 The payment schedule and terms for the Extended Lease Payments shall be the same as those for the Lease Payments as set forth in paragraph 3.

4.4 Notwithstanding the other provisions of this Paragraph 4, Lessor may by notice given within 60 days following receipt from Lessee of notice of its extension of the term hereof, elect to enter into exclusive negotiations with Lessee for the sale of the Water Rights and for the real property of Lessor to which such Water Rights are appurtenant. Lessor and Lessee shall negotiate in good faith for a period of not more than six (6) months from the date of Lessor's notice to reach an agreement whereby Lessee shall purchase the Water Rights and real property owned by Lessor. In the event Lessor and Lessee are not able to reach agreement for the purchase of the property and Water Rights within six (6) months then Lessor shall be free to market and sell the real property and Water Rights as Lessor, in its sole discretion, shall deem appropriate.

4.5 In the event that subsequent to the end of the Lease Term, the Lessor sells the real property and the Water Rights to a party other than Lessee, such sale shall be subject to the rights of Lessee hereunder.

5. Lease Termination. Subject to the provisions of paragraph 6.6 below, Lessee, in its sole discretion, shall have the right to terminate this Agreement and its leased interests in the Water Rights at any time during the Lease Term or the Extended Lease Term upon not less than twelve (12) months written notice to Lessors.

6. Change Application.

6.1 Lessee shall prepare Change Applications for Lessee's use of the Leased Water. Lessors shall cooperate and support Lessee's actions to secure approved Change Applications.

6.2 If at any time during the evaluation of the Change Applications by the State Engineer's office, the State Engineer initiates an evaluation of the Leased Water that is unsatisfactory to either the Lessors or the Lessee, the parties shall jointly consult with the State Engineer and if these matters cannot be resolved to their joint satisfaction either party, in its sole discretion, may terminate this Agreement and withdraw the Change Applications and neither party shall have any further obligation pursuant to this Agreement.

6.3 In the event the State Engineer issues a decision rejecting the Change Applications or approves them with conditions unacceptable to the parties, either party in its sole discretion may elect to withdraw the Change Applications and terminate this Agreement.

6.4 Lessee shall pay all costs and expenses, including attorneys and engineering fees incurred by Lessee, for all attorneys, engineers or other consultants retained by Lessee in connection with the preparation and filing of all Change Applications or in any administrative or judicial proceedings involving the approval of the Change Applications pursuant to this Agreement. Lessors shall bear any costs and expenses, including attorneys' fees, or fees charged by such engineers or other consultants retained specifically by Lessors, that they may incur relating to this Agreement and the Change Applications.

6.5 The parties shall jointly prepare and submit such extensions of time as may be required by the State Engineer on the Change Applications. If the State Engineer requires that proof on the Change Applications be submitted during the Lease Term or Extended Lease Term, the parties shall cooperatively prepare and submit proof of change.

6.6 Upon termination of the later of the Lease Term or the Extended Lease Term, the parties shall cooperate in filing change applications as may be required by the State Engineer to convert the Leased Water back to Lessors' prior use. In addition, should the State Engineer at the time of termination require metering of the leased water wells, lessee will provide to lessor the existing well meters or pay to install new meters.

7. Rights of Way and Easements. Lessee shall be solely responsible for obtaining such rights of way, easements and other permits or agreements as may be necessary to divert and place the Leased Water herein to beneficial use within Lessee's water system.

8. Notices. Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent by certified or registered United States mail to the respective address of Lessors or Lessee as set forth below:

If sent to Lessee: Homestake Mining Company of California  
 Ruby Hill Mine  
 P.O. Box 676  
 Eureka, NV 89316  
 Attn: Ruby Hill Mine, General Manager

with a copy to:

Barrick Gold of North America, Inc.  
 136 E. South Temple, Suite 1300  
 Salt Lake City, Utah 84111  
 Attn: Manager, Land Services

If sent to Lessors:

and to:

Chad Bliss  
 PO Box 585  
 Eureka, NV 89316

9. Effective Date of Agreement. This Agreement shall be effective when executed by all the parties.

10. Successors. The terms, covenants, and conditions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, and assigns of the respective parties hereto.

11. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the state of Nevada.

12. Entire Agreement. This Agreement shall constitute the entire agreement between the parties and supersedes any prior understanding, representation, or agreement of the parties regarding the subject matter hereof.

13. Modification of Agreement. Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.

14. No Waiver. No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute waiver of that or any other right, unless expressly provided herein. Either party may, by notice delivered in the manner provided in this Agreement, but shall not be under obligation to, waive any of its rights or any conditions to its obligations hereunder, or any covenant or duty of any other party. No waiver shall affect or alter the remainder of this Agreement, and each and every covenant, duty, and condition hereof shall continue in full force and effect with respect to any other then existing or subsequently occurring breach.

15. Rights and Remedies. The parties shall have all rights and remedies provided under Nevada law for a breach or threatened breach of this Agreement, these rights and remedies shall not be mutually exclusive, and the exercise of one or more of these rights and remedies shall not preclude the exercise of any other rights and remedies.

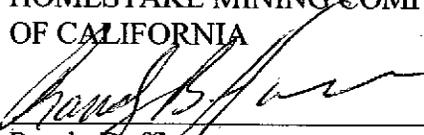
16. Necessary Acts and Cooperation. The parties hereby agree to do any act or thing and to execute any and all instruments required by this Agreement and which are necessary and proper to make effective the provisions of this Agreement.

17. Authorization. Each individual executing this Agreement does thereby represent and warrant to each other so signing that he or she has been duly authorized to sign this Agreement in the capacity and for the entities set forth where he or she signs.

18. Execution of Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

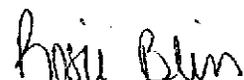
IN WITNESS THEREOF, each party to this Agreement has caused it to be executed on the date indicated below.

LESSEE  
HOMESTAKE MINING COMPANY  
OF CALIFORNIA

  
\_\_\_\_\_  
Randy Buffington  
Title: GM  
Date: 4/21/2008

LESSORS

  
\_\_\_\_\_  
Chad Bliss  
Date: 4-15-08

  
\_\_\_\_\_  
Rosie Bliss  
Date: 4-15-08

STATE OF NEVADA )  
 ) ss.  
COUNTY OF EUREKA )

This instrument was acknowledged before me on April 15, 2008 by Chad Bliss.



Tasha Liebsack  
Notary Public

My Commission Expires: 2-25-09

STATE OF NEVADA )  
 ) ss.  
COUNTY OF EUREKA )

This instrument was acknowledged before me on April 15, 2008 by Rosie Bliss.



Tasha Liebsack  
Notary Public

My Commission Expires: 2-25-09

STATE OF NEVADA )  
 ) ss.  
COUNTY OF EUREKA )

This instrument was acknowledged before me on April 21, 2008, by Randy Buffington as Mine General Manager of Homestake Mining Company.



Sonja S. Liebert  
Notary Public

My Commission Expires: Feb 25, 2012