



ENVIRONMENTAL
THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant: BORDERTOWN INC
Source: UNDERGROUND
Basin: COLD SPRING VALLEY
Manner of Use: ENVIRONMENTAL
Period of Use: January 1st to December 31st
Priority Date: 04/14/2009

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 environmental permit is issued subject to existing rights on the source. It is understood that the amount of water herein granted is only a temporary allowance for pollution control as mandated by orders issued by the Nevada Division of Environmental Protection and subsequent correspondence with said agency. The right will cease to exist upon termination of clean up activity as determined by the Nevada Division of Environmental Protection. A totalizing meter must be installed and maintained in the discharge pipeline and monthly records of this measurement shall be submitted on an annual basis not later than February 15th of each year. Multiple wells within this quarter-quarter may be constructed and pumped. The State retains the right to regulate the use of water granted herein at any and all times.

This environmental permit is issued pursuant to the provisions of NRS 533.4375, and provides for the completion of multiple extraction wells. Well logs for any wells drilled under this permit shall be filed within 30 days from the completion of the well. The permittee shall notify the State Engineer within 30 days after the completion of the remediation project and all wells shall be plugged and abandoned in accordance with Chapter 534 of the Nevada Administrative Code.

This environmental permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this environmental permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

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 0.0222 cubic feet per second or 16.0 acre-feet annually.

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

August 11, 2010

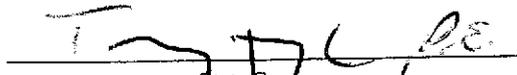
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

N/A
N/A

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

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 11th day of August, A.D. 2009



State Engineer

Completion of work filed MAY 13 2010

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

5. The water is to be diverted from its source at the following point ..See Amended Table 1, Diversion Points.....

Describe as being within a 40-acre subdivision of public

.....
survey, and by course and distance to section corner, If on unsurveyed land, it should be so stated.
.....
.....

6. Place of useLot 11 of Section 19, Township 21 North, Range 18 East, M.D.M.....

Describe by legal subdivision. If on unsurveyed land, it should be so stated.

.....
.....
.....
.....

7. Use will begin aboutJanuary 1..... and end aboutDecember 31.....of each year.

Month and Day

Month and Day

8. 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.) ..Shallow groundwater extraction wells, onsite water treatment

State manner in which water is to be diverted, i.e. diversion structure,

using air stripping and granular activated carbon and discharge works to the ground surface via storm drain drop inlet.....

ditches and flumes, drilled well with pump and motor, etc.

9. Estimated cost of worksApproximately \$150,000.....

10. Estimated time required to construct worksone month.....

If well completed, describe works

.....

11. Estimated time required to complete the application of water to beneficial use3 to 4 years.....

.....

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

...8.06 acre feet per year.....

.....
.....
.....

2011 APR 12 PM 3:01
STATE ENGINEERING OFFICE

RECEIVED

By ..(Agent).Randal L. Briggs PLS.....

Signature, applicant or agent

.....1728 Autumn Glen Street.....

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

.....Fernley Nevada 89408.....

City, State, Zip code No.

TELEPHONE NUMBER

(.775...) ..690-2966.....

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

\$150 FILING FEE MUST ACCOMPANY APPLICATION

AMENDED TABLE 1
DIVERSION POINTS

Well	Diversion Point
DPE-1	LOT 11, of section 19, Township 21 N., Range 18 E., M.D.M., or at a point from the West 1/16 corner of said sections 19 & 18 bears N 06° 57'33" W, a distance of 3266.64 feet.
DPE-2	LOT 11, of section 19, Township 21 N., Range 18 E., M.D.M., or at a point from the West 1/16 corner of said sections 19 & 18 bears N 06° 18'32" W, a distance of 3191.06 feet.
DPE-3	LOT 11, of section 19, Township 21 N., Range 18 E., M.D.M., or at a point from the West 1/16 corner of said sections 19 & 18 bears N 06° 24'28" W, a distance of 3299.92 feet.
DPE-4	LOT 11, of section 19, Township 21 N., Range 18 E., M.D.M., or at a point from the West 1/16 corner of said sections 19 & 18 bears N 05° 43'48" W, a distance of 3362.79 feet.

RECEIVED
2011 APR 12 PM 3:01
STATE ENGINEERS OFFICE