



THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant: AMADAN GOLD, LLC
Source: UNDERGROUND
Basin: WINNEMUCCA LAKE VALLEY
Manner of Use: MINING AND MILLING
Period of Use: January 1st to December 31st
Priority Date: 06/09/2009

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 permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. 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 water begins, or before the Proof of Completion of Work is filed. 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 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 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.

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 1.0 cubic feet per second or 300.0 acre-feet annually.**

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

March 30, 2011

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

March 30, 2013

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 30th day of March, A.D. 2010

K.L. Hurl P.E.
for State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

llb

AMENDED

Application No. **78640**

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office JUN 09 2009

Returned to applicant for correction JUN 12 2009

Corrected application filed AUG 11 2009 Map filed AUG 11 2009

The applicant AMADAN GOLD LLC (NEVADA CORPORATION)
771 DUELL ROAD of MILLBROOK
Street Address or P.O. Box City or Town
NEW YORK 12545 hereby make(s) application for permission to appropriate
State and Zip Code

the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association give names of members.)

NEVADA, MARCH 12, 2009

1. The source of water is UNDERGROUND
Name of stream, lake, underground, spring or other sources.
2. The amount of water applied for is 1.0 second feet.
One second foot equals 448.83 gallons per minute.
 - (a) If stored in reservoir give number of acre-feet _____
3. The water to be used for MINING, MILLING + DOMESTIC
Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated _____
 - (b) Stockwater, state number and kind of animals _____
 - (c) Other use (describe fully in No. 12) _____
 - (d) Power:
 - (1) Horsepower developed _____
 - (2) Point of return of water to stream _____

5. The water is to be diverted from its source at the following point: (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a found section corner. If on unsurveyed land, it should be so stated.)
 WITHIN THE SE¹/₄ SE¹/₄, SEC 36, T. 25N., R. 23E, MDB+M FROM WHICH THE NW CORNER OF SEC. 3 T. 25N., R. 23E., MDB+M BEARS N25°15'14"W. A DISTANCE OF 33,750 FT.
6. Place of use: (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)
 NE¹/₄ SE¹/₄ + SE¹/₄ SE¹/₄, SEC. 36. T. 25N., R. 23E, MDB+M.

7. Use will begin about JANUARY 1 and end about DECEMBER 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.) (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)
 DRILL + CONSTRUCT NOMINAL 8-INCH DIAMETER WELL TO APPROXIMATELY 300 FEET. INSTALL PUMP CAPABLE OF PRODUCING 450 GPM.

9. Estimated cost of works: \$ 75,000

10. Estimated time required to construct works: ONE YEAR
(If well completed, describe works.)

11. Estimated time required to complete the application of water to beneficial use: THREE YEARS

12. Provide a detailed description of the proposed project and its water usage (use attachments if necessary):
(Failure to provide a detailed description may cause a delay in processing.)
 WATER FROM WELL WILL BE CONVEYED TO REVERSE OSMOSIS UNIT FOR 10 HRS/DAY X 365 DAYS/YEAR. ANNUAL CONSUMPTION WILL BE 300 AF/YR. FROM THIS PERMIT,

13. Miscellaneous remarks:

DAVID@AQUAGROUNDWATER.COM
E-mail Address

(775) 250-9700
Phone No.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

DAVID CARLSON
Type or print name clearly

By David Carlson
Signature, applicant or agent

AQUA HYDROGEOLOGIC CONSULTING LLC
Company Name

P.O. BOX 18793
Street Address or P.O. Box

RENO, NEVADA 89511
City, State, Zip Code

\$250 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION