

TEMPORARY

THE STATE OF NEVADA

PERMIT TO CHANGE THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant: RGG'S LAND AND MINERALS LTD LP
Source: UNDERGROUND
Basin: MASON VALLEY
Manner of Use: MINING AND MILLING
Period of Use: January 1st to December 31st
Priority Date: 12/03/1953

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 a portion of the waters of an underground source as heretofore granted under Permit 77103 is issued subject to the terms and conditions imposed in said Permit 77103 and with the understanding that no other rights on the source will be affected by the change proposed herein. This well shall be equipped with a two (2) inch opening for measuring depth to water 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.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

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 will expire 1 year after the approval of the permit at which time all rights herein granted shall revert to the right being changed by this temporary permit.

(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 0.5 cubic feet per second or 361.985 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:

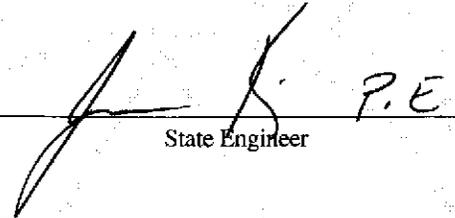
N/A

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

N/A

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 8th day of **July**, A.D. **2010**



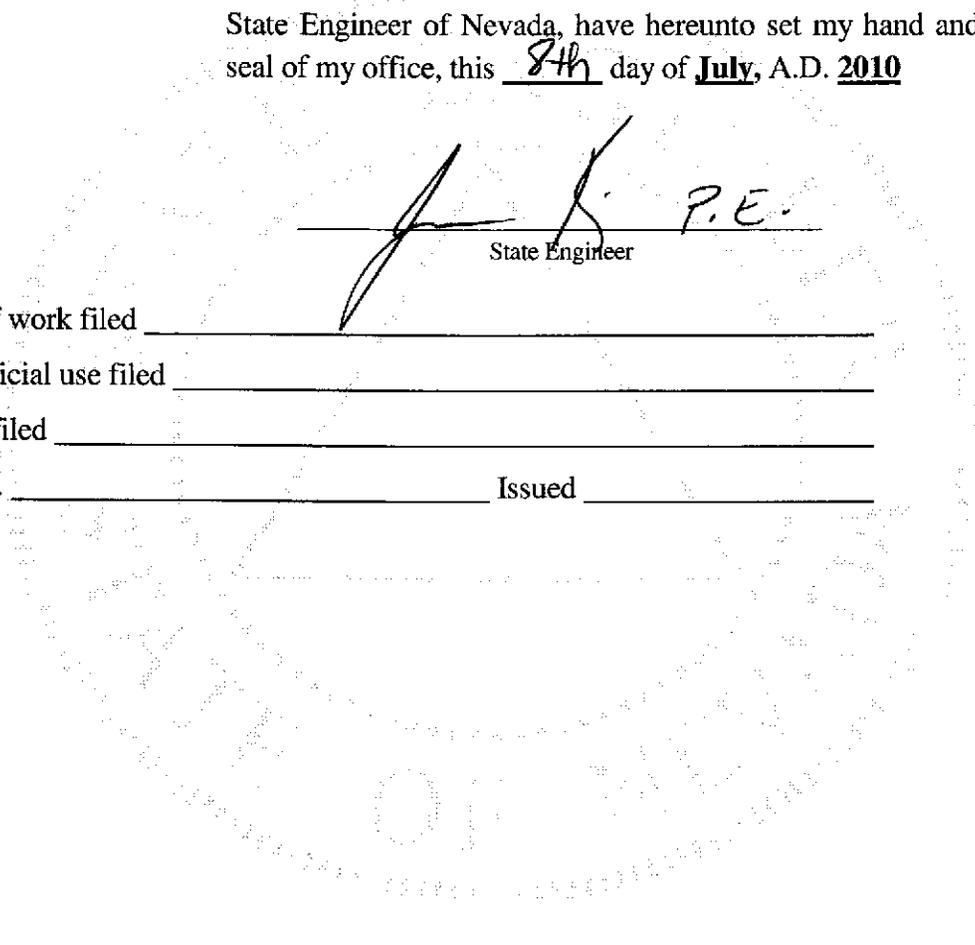
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____



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 JUL 08 2010
Returned to applicant for correction _____
Corrected application filed _____ Map filed JUL 08 2010

The applicant RGGS Land and Minerals, Ltd, L.P., A Delaware Limited Partnerships
900 Fannin, Suite 2600 of Houston
Street Address or PO Box City or Town
TX 77010 hereby make(s) application for permission to change the
State and ZIP Code

Point of diversion Place of use Manner of use of a portion *ALS 7/8/10*
of water heretofore appropriated under (Identify existing rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)
77103

1. The source of water is Underground
Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.5 cfs, not to exceed 361.985 af/year
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

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

5. The water is to be diverted 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 stated.)
NE1/4SE1/4, Section 2, T.12N., R.26E., ~~T.12N., R.26E.~~, M.D.B&M., or at a point from which the NE corner of Section 4, T.12N., R.26E., bears N 70° 06' West a distance of 9,915.3 feet

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
SW1/4NE1/4, Section 2, T.12N., R.26E., ~~T.12N., R.26E.~~, M.D.B&M., or at a point from which the NE corner of Section 4, T.12N., R.26E., bears N 75° 08' 54" West a distance of 8,546.20 feet

Attachment "A"

8. Proposed Place of Use

T.12N., R.28E., M.D.B. & M.

NW ¼, W ¼ SW ¼, W ¼ NE ¼, Section 1

All of Section 2

All of Section 3

All of Section 4

E ¼, Section 5

E ¼, Section 8

All of Section 9

All of Section 10

All of Section 11

NW ¼ NW ¼, Section 12

All of Section 14

All of Section 15

All of Section 16

E ¼, Section 17

T.13N., R.28E., M.D.B. & M.

E ¼, Section 32

All of Section 33

All of Section 34

All of Section 35

S ¼ SW ¼, SW ¼ SE ¼, Section 36

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STATE ENGINEERS OFFICE