



TEMPORARY
THE STATE OF NEVADA

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

Name of Permittee: CASCADE GOLD, LLC
Source: UNDERGROUND
Basin: IMLAY AREA
Manner of Use: MINING AND MILLING
Period of Use: ONE YEAR FROM DATE OF ISSUANCE
Priority Date: 01/08/2004

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 and place of use of the waters of an underground source as heretofore granted under Permit 70750 is issued subject to the terms and conditions imposed in said Permit 70750 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. The State retains the right to regulate the use of the water herein granted at any and all times.

Monthly records shall be kept of the amount of water diverted from this source 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 total combined duty of water under Permits 70743, 70744, 70745, 70746, 70747, 70748, 70749, 70750, 80554-T and 80555-T shall not exceed 159.27 acre-feet annually. No groundwater shall be pumped until all available surface water is used.

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.

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 2.0 cubic feet per second or 159.27 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:

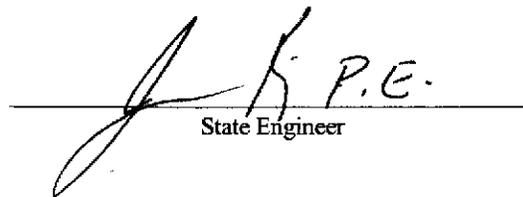
N/A

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 14th day of July, A.D. 2011



State Engineer

TEMPORARY

TEMPORARY Application No.

80555

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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 FEB 10 2011

Returned to applicant for correction _____

Corrected application filed _____ Map filed FEB 10 2011 under 80555 T

The applicant Cascade Gold, LLC. Incorporated in Nevada on 8/18/98. Rob MacDonald (managing member)
P.O. Box 12455 of Reno
Street Address or PO Box City or Town
Nevada 89510 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

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.)

70750

- The source of water is Underground
Name of stream, lake, underground, spring or other sources.
- The amount of water to be changed 2.0 CFS. or 159.27 acre feet annually
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- The water to be used for Mining, Milling and Domestic Purposes
Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use
- The water heretofore used for Mining, Milling and Domestic Purposes
If for stock, state number and kind of animals.
- 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.)
Within the NE, 1/4 of the SW 1/4 of Section 19, T32N., R37E., MDM or at a point from which the SW corner of Section 19, T 32N., R37E., MDM, bears S 44° 06' 47" West a distance of 2,454 feet. (FC2A-Well)
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
Within the SE 1/4 of the NW 1/4 of Section 30 T32N., R37E., MDM, or at a point from which the NW 1/4 bears N. 33° 22' 28" West a distance of 2,809 feet.

950
2/25/2011

950
2/25/2011

72-7E

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

Within the West Half of Section 19 and all of Section 30, T32N., R37E., MDM. and the South Half of Section 13, All of Section 14, the North Half of Section 15, and all of Section 24, T32N, R36E. MDM.

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

All of Section 14, the South Half of Section 13, All of Section 24, T32N., R36E., MDM., and all of Section 30, T32N., R37E., MDM

9. Proposed use will be from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day

10. Existing use permitted from Jan. 1 to Dec. 31 of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provision 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, pipes and flumes or drilled well, pump and motor, etc.)

Water will be diverted into a pond. Pump and pipe line to be installed to deliver water to the placer site.

*JAD
2/26/01
Per int'l only*

12. Estimated cost of works 15,000.00

13. Estimated time required to construct works 5 Years

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 15 Years

15. 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.)

The Water will be used to make up water for gold placer mining.

16. Miscellaneous remarks:

johnmarkey@hotmail.com
E-mail Address
(775)747-7343
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

John D. Markey
[Signature]
Type or print name clearly
Signature, applicant or agent
Roy H. Hibdon Civil Engineering Consultants
Company Name
4860 Hilton Court
Street Address or PO Box
Reno, Nevada 89519
City, State, ZIP Code

RECEIVED
2011 FEB 10 PM 3:00
STATE ENGINEERS OFFICE