THE STATE OF NEVADA

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

Name of Permittee:	**M-I, LLC**
Source:	**UNDERGROUND**
Basin:	**CARICO LAKE VALLEY**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**JANUARY 1ST TO DECEMBER 31ST**
Priority Date:	**10/08/1975**

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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 to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 29694, Certificate 9087, is issued subject to the terms and conditions imposed in said Permit 29694, Certificate 9087, and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2 inch opening 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. The State retains the right to regulate the use of the water herein granted at any and all times.

The Permittee shall keep monthly records of the amount of water pumped from this well and the records must be submitted to the State Engineer on an annual basis within 30 days after the end of each calendar year.

This 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 Permit 17654, Certificate 5250; Permit 26872, Certificate 8431; Permit 29694, Certificate 9087; Permit 35814, Certificate 10284; Permits 64260, 64261,79547, 80789 and 80790 shall not exceed 1076.11 acre-feet annually.

This permit is issued under the preferred use provisions of NRS Chapter 534. 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 ground water basin.

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

(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 0.4345 cubic feet per second or 200.0 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**August** 30 **2012**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**August** 30 **2013**
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 30th day of **August,** A.D. **2011**

J. K. P.E.

State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Application No. 80789

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 APR 19 2011

Returned to applicant for correction APR 26 2011

Corrected application filed MAY 19 2011 Map filed MAR 13 1997 under 62899T

The applicant M-I L.L.C.

PO Box 370 (Street Address or PO Box) of Battle Mountain, NV 89820 (City or Town)

NEVADA 89820 (State and ZIP Code) hereby make(s) application for permission to change the

☑ 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.)

Permit #29694, Certificate 9087 of an underground source.

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

2. The amount of water to be changed 200 acre feet annually
   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.)

   NE1/4, NE1/4, Section 26, T.28N., R.45E., M.D.B.&M., (unsurveyed) or at a point from which the SE corner of Section 36, T.28N., R.45E., M.D.B.&M., bears S. 31deg., 48' 56" E., a distance of 11204.0 feet. (West Well). Please see map on file referenced under 62899T.

   GSD 5/20/2011

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)

   NW1/4 SW1/4, Section 25, T.28N., R.45E., M.D.B.&M. (unsurveyed) at a point from which the SE corner of Section 36, T.28N., R.45E., M.D.&M., bears S. 31 deg. 26' E. a distance of 8263 feet. Please see map on file referenced under 29694.

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

within ~~Section~~ Section 25; E 1/2 of Section 26; NE 1/4 of Section 35; N 1/2 of Section 36; T28N, R45E, MDB&M, lots 1, 2,3,4 and the SE 1/4, SW 1/4, of Section 30 lots 1, 2 and E 1/2, NW 1/4, of Section 31, T28N, R46E, MDB&M. Please see map on file Reference under 62899T. ~~Please see map on file referenced under 62899T.~~

GSD 5/20/11

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.)

The NW1/4, N1/2 SW1/4 of Section 25 and NE1/4, N1/2 SE1/4 of Section 26, T. 28N., R.45E. MDB&M. (Unsurveyed). Please see map on file referenced under 29694.

GSD 5/20/11

9. Proposed use will be from January 1 (Month and Day) to December 31 (Month and Day) of each year.

10. Existing use permitted from January 1 (Month and Day) to December 31 (Month and Day) of each year.

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 is developed in the well, thence conveyed by a pipeline to a reservoir within the NE 1/4 of Section 26, T28N, R45E, M.D.B.&M., where it is used for mining purposes.

12. Estimated cost of works $2000

13. Estimated time required to construct works 240 foot deep well, equipped with 10 hp Grundfos sub. pump
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 2 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.)

Water is developed in the well, thence conveyed by a pipeline to a reservoir within the NE 1/4 of Section 26, T.28N., R.45E., M.D.B.&M., where it is used for mining, milling, and domestic purposes. The well for which the existing water right is for, is at a lower elevation than the proposed point of diversion, thus less condusive to water usage for the application. It is believed that the transfer of the portion of water rights will better suit the needs of the application.

16. Miscellaneous remarks:

Stephen Pluemer
Type or print name clearly

Signature, applicant or agent

M-I L.L.C.
Company Name

PO Box 370
Street Address or PO Box

Battle Mountain, NV 89820
City, State, ZIP Code

spluemer@miswaco.slb.com
E-mail Address

(775) 635-5135 x113
Phone No.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

2011 MAY 19 AM 11:26
STATE ENGINEER'S OFFICE

$200 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION