



THE STATE OF NEVADA

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

Name of Permittee: CORTEZ JOINT VENTURE
Source: UNDERGROUND
Basin: CRESCENT VALLEY
Manner of Use: MINING, MILLING AND DEWATERING
Period of Use: JANUARY 1ST TO DECEMBER 31ST
Priority Date: 02/04/1992

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 the waters of an underground source as heretofore granted under Permit 57140 is issued subject to the terms and conditions imposed in said Permit 57140 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. This source is located within an area designated by the State Engineer pursuant to NRS 534.030.

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

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

This permit is issued subject to the Pipeline Gold Project Groundwater and Surface Water Monitoring Plan submitted to the State Engineer on August 2, 1993. The State Engineer may require additional monitoring should conditions warrant such modification.

This permit will allow the permittee to dewater the mine area. It is understood that any water produced as a result of this dewatering operation shall be used first by the permittee for mining, milling and related uses.

An annual total of 3,963.34 acre-feet of water produced from dewatering may be used consumptively from Permits 72675 through 72684, 78086 and 78087 for mining and milling purposes.

An annual total of 6,595.27 acre-feet of water produced from dewatering may be used consumptively from Permits 61193, 79896, 79897 and 80130 through 80142 for stock and irrigation.

(Continued on Page 2)

Any water produced from dewatering in excess of 10,558.61 acre-feet annually shall be returned to the Crescent Valley Groundwater Basin via infiltration galleries or injection wells. The design of the rapid infiltration basins or injection wells and the delivery system to these sites shall be submitted to the State Engineer for approval.

Monthly records shall be kept of the following and reported within 15 days after the end of each quarter:

- A. The total volume of water pumped from each diversion in acre-feet.
- B. The maximum flow rate from each diversion in cubic feet per second.
- C. The pumping water level from each well in feet above mean sea level.
- D. The volume of water consumptively used for mining and milling in acre-feet.
- E. The amount of water diverted to the infiltration or injection sites in acre-feet.
- F. The amount of water diverted to other stock and irrigation, if any, in acre-feet.
- G. The amount of water lost through evaporation or other system losses project wide.

The total combined diversion rate under Permits 57134, 57138, 57144, 57146 through 57148, 61193, 62723, Certificate 16016; Permits 71044, 72665 through 72669, 72674 through 72689, 78085 through 78087, 79896, 79897, 80130 through 80142, 80935 through 80938 and 80971 through 80973 shall not exceed 89.285 cubic feet per second. The total combined withdrawal of water under these permits shall not exceed 59,040.4 acre-feet annually.

The State Engineer retains the right to regulate the appropriation and use of the public waters herein granted at any and all times.

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 2.0 cubic feet per second or 1447.94 acre-feet annually.**

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

January 20 2017

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

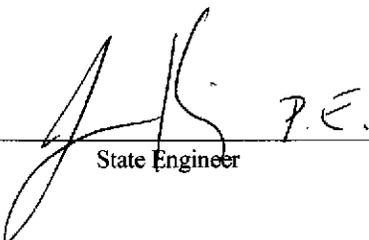
January 20 2017

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 20th day of January, 2012



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 JUN 29 2011

Returned to applicant for correction _____

Corrected application filed _____ Map filed JUN 29 2011 under 80935

The applicant CORTEZ JOINT VENTURE
HC66, Box 1250 of Crescent Valley
Street Address or PO Box City or Town
Nevada 89821-1250 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.)
Permit 57140

1. The source of water is Underground
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 2.0 c.f.s., not to exceed 1447.94 A.F.A.
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Mining, Milling, Dewatering 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, Dewatering 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.)
within the NW¼NE¼ Section 8, T. 27N., R. 47E., M.D.M., or at a point from which the SW Corner of Section 17, T. 27N., R. 47E., M.D.M. bears S. 22° 47' W., a distance of 10,076 feet.
Please refer to accompanying supporting map.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
within the SW¼SE¼ Section 32, T. 28N., R. 47E., M.D.M., or at a point from which the SE Corner of Section 1, T. 27N., R. 46E., M.D.M. bears S. 54° 52' W., a distance of 12,277 feet.
Please refer to supporting map on file under Application 57133.

SA-LA

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

See Attached

Please refer to supporting map on file under Application 79543T.

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 unsurveyed Sections 5 and 6, T. 27N., R. 47E., and all of Sections 31 and 32, T. 28N., R. 47E., M.D.M.

Please refer to supporting map on file under Application 57133.

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

10. Existing use permitted from January 1 to December 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.)

Drilled well, casing, pump and motor, with distribution pipelines to the place of use.

12. Estimated cost of works \$500,000.00

13. Estimated time required to construct works 3 years

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 8 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.)

This Application will move Block Permit 57140 to a new 160-acre location in the direction the mine is advancing.

16. Miscellaneous remarks:

Block Permits are filed in accordance with State Engineer's Rules for Well Spacing Order 1082-A.

rciwater@rci-nv.com

E-mail Address

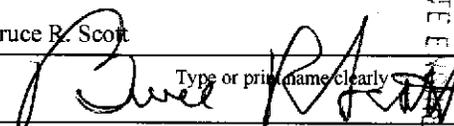
775-883-1600

Phone No.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Bruce R. Scott

Type or print name clearly



Signature, applicant or agent

Resource Concepts, Inc.

Company Name

340 N. Minnesota Street

Street Address or PO Box

Carson City, Nevada 89703

City, State, ZIP Code

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**ATTACHMENT TO APPLICATION TO CHANGE
THE POD & POU OF PERMIT 57140**

7. Proposed Place of Use:

T.26N., R.47E., MDM: Portion E $\frac{1}{2}$ Sec. 1 and Portion E $\frac{1}{2}$ Sec. 12 within Crescent Valley (Basin 054)

T.26N., R.48E., MDM: Portion Sec. 6 and Portion Sec. 7 within Crescent Valley (Basin 054)

T.27N., R.46E., MDM: W $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 13; SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 23; NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec.24; NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 26

T.27N., R.47E., MDM: All Sec. 4, 5, and 6; E $\frac{1}{2}$ Sec. 7, All Sec. 8 and 9; E $\frac{1}{2}$, SW $\frac{1}{4}$ Sec. 18; N $\frac{1}{2}$, SW $\frac{1}{4}$ Sec. 19; E $\frac{1}{2}$ Sec. 24; All Sec. 25; SE $\frac{1}{4}$ Sec. 30; All Sec. 36

T.27N., R.48E., MDM: W $\frac{1}{2}$ Sec. 19, All Sec. 30 and 31

T.28N., R.47E., MDM: E $\frac{1}{2}$, SW $\frac{1}{4}$ Sec. 13; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 15; SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 21; NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 22; E $\frac{1}{2}$ Sec. 27; NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 28; S $\frac{1}{2}$ Sec. 29; SE $\frac{1}{4}$ Sec. 30; Lots 7, 8, 9, 10, E $\frac{1}{2}$ Sec. 31; All Sec. 32; SE $\frac{1}{4}$ Sec. 34; W $\frac{1}{2}$, SE $\frac{1}{4}$ Sec. 35

T.28N., R.48E., MDM: All Sec. 1, 3, 5, and 7; NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ Sec. 8; All Sec. 9, 11, and 13; N $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ Sec. 14, All Sec. 15; W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ Sec. 16; All Sec. 17; N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 18; N $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 23

T.28N., R.49E., MDM: All Sec. 3, 7, 9 and 17

As shown on supporting map filed under Application 79543T - sheet 1.

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