



**TEMPORARY**  
**THE STATE OF NEVADA**

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

**Name of Permittee:** LYON COUNTY  
**Source:** UNDERGROUND  
**Basin:** DAYTON VALLEY  
**Manner of Use:** MINING AND MILLING  
**Period of Use:** ONE YEAR FROM DATE OF ISSUANCE  
**Priority Date:** 01/25/1977

\*\*\*\*\*

**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, place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 62939 is issued subject to the terms and conditions imposed in said Permit 62939, 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.

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.

Monthly records shall be kept of the amount of water pumped from this well and all other permitted wells and/or ground water sources associated with Plum Mining Company, LLC, Cornstock Mining, Inc. and/or The Billy the Kid Project and the records submitted to the State Engineer on a yearly basis within 30 days after the end of each calendar year.

(Continued on Page 2)

The total withdraw of water from the well under Temporary Permits 81031T, 81624T, 81625T, 81819T and 81820T shall not exceed 160.0 acre-feet annually.

The approval of Temporary Permits 81819T and 81820T temporarily reduces the total combined duty of groundwater under Permits 49483, 49486, Certificate 14718; Permits 50361, 56593, Certificate 14706; Permit 58931, Certificate 14719; Permits 58932, 58933, Certificate 14720; Permits 58934, 62937, 62938, Certificate 15662; Permits 62939, 62940, 63626, 63628, 63630, 63632, 63633, 64128, 66427, 68155, 68156, 68196, 68197, 68198, 68708, 68737, 69243, 69244, 69245, 70040, Certificate 17322; Permit 70041, Certificate 17323; Permit 70042, Certificate 17324; Permits 70693, 70846, 71379, 71476, 71477, 71536, 71537, 71688, 71856, 71857, 71872, 71873, 72603, 72773, 72774, 72775, 72914, 72931, 72932, 72933, 73157, 73158, 73183, 73393, 73394, 73473, 73474, 73490, 73491, 73992, 73993, 73994, 74283, 74284, 74285, 74286, 74369, 74370, 74427, 74562, 74569, 74570, 74612, 74922, 75101, 75102, 75103, 75104, 75157, 75159, 75160, 75277, 75366, 75367, 76525, 77110, 77136 77288, 77428, 77612, 77613, 77661, 77662, 78222, 80079 and 80080 by 74.60 acre-feet annually from 9,299.50 to 9224.90 acre-feet annually.

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 0.10 cubic feet per second or 72.55 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:

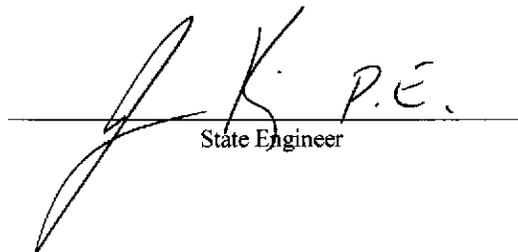
N/A

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 15th day of June, 2012

  
State Engineer

**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 24 2012

Returned to applicant for correction \_\_\_\_\_

Corrected application filed \_\_\_\_\_ Map filed JUL 29 2011 under 81031T

The applicant Lyon County  
3480 GS Richards Blvd. Suite 101 of Carson City  
Street Address or PO Box City or Town  
NV, 89703  
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 62939

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

2. The amount of water to be changed 72.55 acre feet  
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining and Milling  
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 Municipal  
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.)  
In the NE1/4 SW1/4 Section 6, T16N., R.21E., MDB&M, or to point from when SW corner of said Section 6, bears South 55°00' West a distance of 2834 feet.

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)  
SW1/4 SW1/4 Section 12, T.16N., R.21E., MDB&M, or at a point from which the SW corner of said Section 12, bears South 68° 31' 29" W, a distance of 476.97 feet. Refer to map filed under Permit 62937.

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

See Attachment "A", reference map filed 2/14/2012 under Application 81582.

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.)

See attachment "B". Refer to map filed under Permit 62937.

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.)

The Water to be used for Mining and Milling operations.

12. Estimated cost of works \$50,000.00

13. Estimated time required to construct works No Log yet, well complete one year needs works.  
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 10 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.)

Comstock Mining has entered into a 1 year leasing agreement with Vidler Water Co. for 150 AF. Comstock Mining is moving forward with production commencing with crushing and leaching. They will need 175 - 200 acre feet for their operations. A new 3,000,000 gallon solution pond is under construction. Breaking ground soon on a 1,000,000 gallon process water storage pond above well WS-3. 85% of the crushing system is on site. The other concern for needing temporary change applications is that Storey County Water Utilities may not be able to provide all necessary water in peak demand times.

16. Miscellaneous remarks:

Purpose of this application is transfer a portion of 361.98 AF held in the name of Lyon County. Vidler Water Co. is the owner of a portion of permit 62939 being of which 72.55 AF is held in beneficial interest. This portion is not committed to any development or subdivision. Reference map filed with temp permit 81031T for the POD and POU.

mworkman@lyon-county.org  
E-mail Address  
775-246-6220  
Phone No. Ext.

Mike Workman  
Type or print name clearly  
Mike Workman  
Signature, applicant or agent  
Lyon County Utilities  
Company Name  
P.O. Box 1699  
Street Address or PO Box  
Dayton, NV 89403  
City, State, ZIP Code

APPLICATION MUST BE SIGNED  
BY THE APPLICANT OR AGENT  
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**STATE ENGINEERS OFFICE**  
**2012 APR 24 PM 2:23**

## ATTACHMENT "B"

## 8. Existing Place of Use

T.16N., R.21E., M.D.B. &amp; M.:

All of Section 1; SE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , Section 2; All of Section 11; SW  $\frac{1}{4}$ , W  $\frac{1}{2}$  NW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , portion of the SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , portion of the W  $\frac{1}{2}$  NE  $\frac{1}{4}$ , portion of the NE  $\frac{1}{4}$  NE  $\frac{1}{4}$ , SW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , portion of the NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , <sup>A 4.18.07</sup> portion of NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , portion of the E  $\frac{1}{2}$  SE  $\frac{1}{4}$ , Section 12; Portion of the W  $\frac{1}{2}$  NW  $\frac{1}{4}$ , portion of the NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , portion of the N  $\frac{1}{2}$  NE  $\frac{1}{4}$ , Section 13; E  $\frac{1}{2}$ , Section 14; SE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , E  $\frac{1}{2}$ , Section 23; N  $\frac{1}{2}$  Section 24; Portions of the NW  $\frac{1}{4}$ , Section 26; SW  $\frac{1}{4}$ , W  $\frac{1}{2}$  SE  $\frac{1}{4}$ , portion of the SE  $\frac{1}{4}$  NE  $\frac{1}{4}$ , portion of the NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , Section 27; E  $\frac{1}{2}$  SW  $\frac{1}{4}$ , SE  $\frac{1}{4}$ , Section 28; NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  NE  $\frac{1}{4}$ , Section 33; N  $\frac{1}{2}$  NW  $\frac{1}{4}$ , Section 34.

T.16N., R.22E., M.D.B. &amp; M.:

All of Section 3; N  $\frac{1}{2}$ , N  $\frac{1}{2}$  SW  $\frac{1}{4}$ , SE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , portion of the SW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , Section 4; Portion of the NW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , Section 5; NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  NE  $\frac{1}{4}$ , portion of the S  $\frac{1}{2}$  NE  $\frac{1}{4}$ , portion of the NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , portion of the NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , portion of the S  $\frac{1}{2}$  SW  $\frac{1}{4}$ , Section 6; W  $\frac{1}{2}$  W  $\frac{1}{2}$ , NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , portion of the NW  $\frac{1}{4}$ , NE  $\frac{1}{4}$ , Section 9; NW  $\frac{1}{4}$  Section 16; All of Section 17; S  $\frac{1}{2}$  SW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , S  $\frac{1}{2}$  NE  $\frac{1}{4}$ , SE  $\frac{1}{4}$ , Section 18; All of Section 19.

T.17N., R.21E., M.D.B. &amp; M.:

SE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , Section 36.

T.17N., R.22E., M.D.B. &amp; M.:

S  $\frac{1}{2}$  N  $\frac{1}{2}$ , S  $\frac{1}{2}$ , Section 31; S  $\frac{1}{2}$  S  $\frac{1}{2}$ , NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , SE  $\frac{1}{4}$  NE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , Section 33; SW  $\frac{1}{4}$ , S  $\frac{1}{2}$  NW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , portion of the SW  $\frac{1}{4}$  NE  $\frac{1}{4}$ , S  $\frac{1}{2}$  SE  $\frac{1}{4}$ , Section 34.

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**ATTACHMENT TO THE 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**

**Proposed Place of Use**

*Portions of*

The NW 1/4 SW 1/4, NE 1/4 SW 1/4, SE 1/4 SW 1/4, SW 1/4 SW 1/4, NE 1/4 NE 1/4, SW 1/4 NE 1/4, SE 1/4 NE 1/4, NE 1/4 SE 1/4, SE 1/4 SE 1/4 of Section 6. The SW 1/4 NW 1/4, SW 1/4 SW 1/4, NW 1/4 SW 1/4, SE 1/4 SW 1/4, NE 1/4 SE 1/4, SE 1/4 SE 1/4, SW 1/4 SE 1/4 of Section 5. The NW 1/4 SW 1/4 AND SW 1/4 SW 1/4 of Section 4. The NE 1/4 NW 1/4, SE 1/4 NW 1/4, NW 1/4 NE 1/4, NE 1/4 NE 1/4, SW 1/4 NE 1/4, SE 1/4 NE 1/4, NE 1/4 SW 1/4, NW 1/4 SE 1/4, NE 1/4 SE 1/4 of Section 8, all within T. 16 N. R. 21 E. M.D.M.

*SNC  
SEE  
E-M-L*

The pipeline crosses portions of the SW 1/4 SE 1/4, SE 1/4 SE 1/4, NE 1/4 SE 1/4, SE 1/4 NE 1/4 of Section 6. The NW 1/4 NW 1/4, SW 1/4 NW 1/4, NW 1/4 SW 1/4, AND SW 1/4 SW 1/4 of Section 7, all within T. 16 N., R. 21 E., M.D.M.

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**ASSIGNMENT OF BENEFICIAL INTEREST IN WATER RIGHTS HELD BY LYON COUNTY**

Title to certain water rights ("Water Rights") has been transferred to LYON COUNTY, to wit:

Twenty-two and Fifty-five hundredths (22.55) acre feet, being a portion of Permit No.62939, issued by the Nevada State Engineer, together with a proportionate share of the rate of diversion as set forth under Permit No. 62939.

**THE WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN**, for good and valuable consideration under separate agreement, assigns to Vidler Water Company, Inc., a Nevada Corporation, all right, title and interest to the beneficial interest of the above-described Water Rights held by Lyon County on behalf of The WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN, the assignor.

Dated this 22<sup>nd</sup> day of September, 2010.

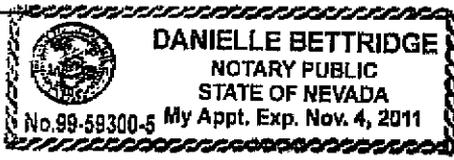
**THE WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN**

By: John C. Allen trustee  
JOHN C. ALLEN/TRUSTEE

State of Nevada ss.  
County of Carson City  
22<sup>nd</sup>

On this 22<sup>nd</sup> day of September 2010, before me, a Notary Public, personally appeared John C. Allen personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed in his/her individual capacity and as Trustee of The William C. Allen Living Trust.

Danielle Bettridge  
Notary Signature



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Exhibit "A"

**ASSIGNMENT OF BENEFICIAL INTEREST IN WATER RIGHTS HELD BY LYON COUNTY**

Title to certain water rights ("Water Rights") has been transferred to LYON COUNTY, to wit:

Fifty (50) acre feet, being a portion of Permit No.62939, issued by the Nevada State Engineer, together with a proportionate share of the rate of diversion as set forth under Permit No. 62939.

**THE WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN**, for good and valuable consideration under separate agreement, assigns to Vidler Water Company, Inc., a Nevada Corporation, all right, title and interest to the beneficial interest of the above-described Water Rights held by Lyon County on behalf of The WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN, the assignor.

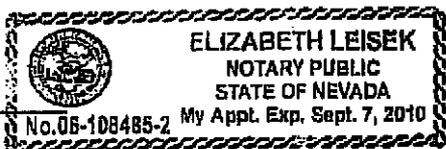
Dated this \_\_\_ day of June, 2008.

**THE WILLIAM C. ALLEN LIVING TRUST and JOHN C. ALLEN**

By: [Signature]  
TRUSTEE  
By: [Signature]  
JOHN C. ALLEN

On this 24<sup>th</sup> day of June 2008, before me, a Notary Public, personally appeared John C. Allen personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he/she executed in his/her individual capacity and as Trustee of The William C. Allen Living Trust.

[Signature]  
Notary Signature



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