Permit No. 83020

THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of Permittee:	**BLUE DIAMOND OIL CORP**
Source:	**UNDERGROUND**
Basin:	**STEPTOE VALLEY**
Manner of Use:	**STOCKWATERING**
Period of Use:	**MARCH 1ST THROUGH FEBRUARY 28TH**
Priority Date:	**08/12/2013**

****

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 is issued subject to all existing rights on the source. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the period of use and the average number of livestock served from the waters of this source. It is further understood that this right must allow for a reasonable lowering of the static water level at permittee's well due to any other ground water development in the area. The well shall be equipped with a 2-inch opening for measuring depth to water. 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.

The total combined duty of water under Permits 82015, 83020, V09900, V09910, V09914, and V09916 shall not exceed 11.20 acre-feet annually, sufficient to water 500 head of cattle.

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.

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, **not to exceed 0.0156 cubic feet per second and 11.2 acre-feet annually, or sufficient to water 500 head of cattle.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before: **November 16 2016**

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before: **November 16 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 16th day of **November, 2015**

P.E.

State Engineer

Amended ~~ORIGINAL~~

Application No. 83020

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY

Date of Filing in State Engineer's Office AUG 12 2013

Returned to applicant for correction AUG 21 2013

Corrected Application filed NOV 19 2013 Map filed NOV 19 2013

The applicant Blue Diamond Oil Corp

P.O. Box 150432 (Street Address or P.O. Box) of Ely (City or Town)

Nevada 89315 (State and ZIP Code) hereby make(s) application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

Incorporated in the State of Nevada September 21, 1984

RECEIVED 2013 NOV 19 AM 8:34 STATE ENGINEERS OFFICE

1. The source of water is Underground
   (Name of the stream, lake, underground, spring or other sources.)
2. The amount of water applied for is 0.0156 C.F.S.
   (One second foot equals 448.83 gallons per minute.)
   (a) If stored in a reservoir give the number of acre-feet
3. The water is to be used for Stockwater
   (Irrigation, power, mining, commercial, domestic or other use. Must be limited to one major use.)
4. If use is for:
   (a) Irrigation, state number of acres to be irrigated
   (b) Stockwater, state number and kind of animals 500 Cattle
   (c) Other use (describe fully in No. 12) NA
   (d) Power:
      (1) Horsepower developed
      (2) Point of return of water to stream

Revised 07/13

Adopted Valley 2-179

5. The water is to be diverted from its source 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 so stated.)

T13N, R64E, M.D.B.&M.
Section 22: NW1/4 SW1/4, S08degrees 31'34"E, 3395.83' from the NW Corner of Section 22

6. Place of use: (Describe by legal subdivision. If on unsurveyed land, it should be so stated)

T13N, R64E, M.D.B.&M.
Section 22: NW1/4 SW1/4

7. Use will begin about March 1st (Month and Day) and end about February 28th (Month and Day) of each year.

8. Description of proposed works. (Under the provisions 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 and flumes, drilled well with a pump and motor, etc.)

Well was drilled under supervision of the BLM in the year 1942 to a depth of 200', known as "Horse Camp Well"
Equiped with a windmill and large 25' round stock water tank

9. Estimated cost of works: $12,500

10. Estimated time required to construct works: Existing
(If the well is complete, describe works.)

11. Estimated time required to complete the application of water to beneficial use: Existing, is used beneficially

12. 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 well exists, see Map and enclosed photos

13. Miscellaneous remarks:

RECEIVED
2013 NOV 19 AM 8:34
STATE ENGINEERS OFFICE

Gary Sprouse
Type or print name clearly

Signature, applicant or agent

Blue Diamond Oil Corp
Company Name

P.O. Box 150432,
Street Address or PO Box

Ely, NV 89315
City, State, ZIP Code

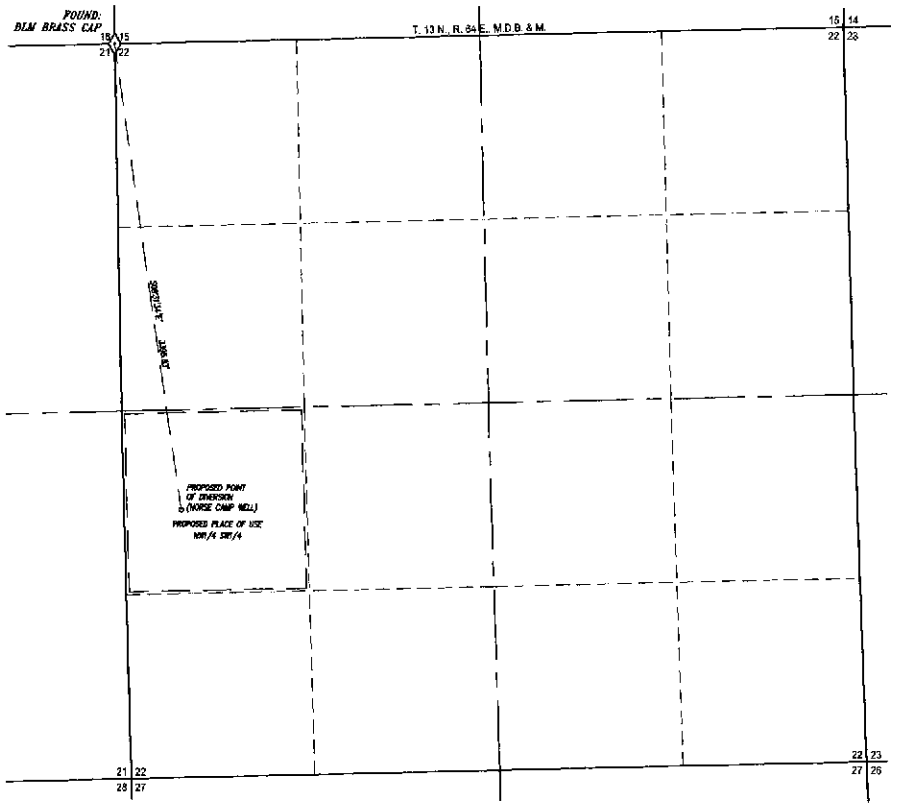
bluediam@mwpower.net
E-mail Address

775-289-3849
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Revised 07/13 $360 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

2013 SEP 25 PM 12:15
STATE ENGINEER'S OFFICE



LEGEND

PLACE OF USE =

SURVEYOR'S CERTIFICATE

STATE OF NEVADA
County of White Pine } ss

I, Emil W. Almberg, Jr., being first duly sworn, deposed and say that this map, consisting of one sheet, has been correctly drawn to the designated scale from field notes of a survey made by me, or under my supervision and direction, on the 6th day of September, 2013, that it truly and correctly represents the proposed location and extent of the works used to divert water from an underground source, in White Pine County, Nevada by the Blue Diamond Oil Corp. for stockwatering purposes. That the proposed point of diversion, the approximate location and size of the diverting pipeline or conduit, the place and nature of use, and the location and names of all other works or streams which are cross by, or connected with the said works, are fully and correctly designated thereon.

EMIL W. ALMBERG, JR. — STATE OF NEVADA — PROFESSIONAL ENGINEER — PLS 12250

State Water Right Surveyor No. 12250

S. R. DESSFORD — NOTARY PUBLIC - STATE OF NEVADA — White Pine County - Nevada — CERTIFICATE # - 12-4870-17 — APPT. EXP. DECEMBER 22, 2015

Subscribed and sworn to before me this 10th day of September, 2013.

Notary Public in and for White Pine County, Nevada

BASIS OF BEARINGS

Basis of Bearings are based on U.S. State Plane Coordinate System: NAD 1983, Zone 2701. Computed from Static Observation with Estimate PSONS on September 5, 2013, with an accuracy of 2.4 cm.

GRAPHIC SCALE

-400 0 200 400 800 1600

(IN FEET)
1 inch = 400 ft.

BASIN JOB #30805

Basin Engineering
Consulting Engineers & Land Surveyors
10705 Aldous Street, Ely, NV 89301
Phone (775) 289-8800 Fax (775) 289-8802

STATE ENGINEER'S USE

MAP TO ACCOMPANY APPLICATION
TO
APPROPRIATE WATER

FOR *STOCKWATER*

BY BLUE DIAMOND OIL CORP.

FROM *UNDERGROUND*

IN *WHITE PINE COUNTY, NEVADA*

83020