Permit No. 83029T

TEMPORARY

THE STATE OF NEVADA

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

Name of Permittee:	**FLORIDA CANYON MINING, INC**
Source:	**UNDERGROUND (WS 1 WELL)**
Basin:	**IMLAY AREA**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**ONE YEAR FROM DATE OF ISSUANCE**
Priority Date:	**11/03/2006**

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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 temporary 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 61644 is issued subject to the terms and conditions imposed in said Permit 61644 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 total combined duty of water under Permit 48997, Certificate 13237; Permit 48998, Certificate 13238; Permit 50061, Certificate 13953; Permit 50248, Certificate 14448; Permits 57096, 57097, 61203, 61643, 61644, 61707, 76621, 79819E, 79820E, 80098E, 80979, 82378T, 82831 and 83029T shall not exceed 2,415.22 acre feet annually.

The issuance of Temporary Permit 83029T temporarily increases the total combined duty of water under Permits 76621, 80979, 82831, 82378T and 83029T to 616.89 acre-feet annually for use at Standard Mine.

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.

(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 0.276 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:	**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 **October, 2013**

P.E.

State Engineer

TEMPORARY Application No. 88029 T

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 AUG 19 2013

Returned to applicant for correction _____

Corrected application filed _____ Map filed Jan 24 2008 under 76621

The applicant Florida Canyon Mining, Inc.

P.O. Box 330 (Street Address or PO Box) of Imlay (City or Town)

Nevada 89418 (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 61644

1. The source of water is Underground (WS-1 Well)
   Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.276 cfs, not to exceed 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, Miling & 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 & 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.)

   NE ¼ SW ¼, Section 35, T.31N., R.33E., M.D.B. & M., or at a point from which the NW Corner of said Section 35 bears N. 42° 09' 34" W., a distance of 3,712.35 feet. (Refer to map filed under Permit 76621).

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

   NE ¼ NW ¼ (Lot 2), Section 3, T.31N., R.33E., M.D.B. & M., or at a point from which the SW Corner of said Section 3 bears S. 23° 15' W/. a distance of 4,460 feet. (Refer to map filed under Permit 61643).

Imlay Area
4-72
pe

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

Sections 25 and 26, Sections 34 through 36, T.31N., R.33E., M.D.B. & M.; and also Section 1, T.30N., R.33E., M.D.B. & M. (Refer to map filed under Permit 76621).

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.)

Sections 2,3,4,9,10,11,14,15,16,37,38,39, T.31N, R.33E., M.D.B.&M., and a portion of the S ½ Section 34. T.32N, R.33E., M.D.B.&M. (Refer to place of use map filed under Permit 61203).

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.)

Existing drilled & cased well (WS-1 Well), 416 feet deep and equipped with a Grundfos submersible pump., motor and McCrometer totalizing meter

12. Estimated cost of works Completed - See Permit 76621

13. Estimated time required to construct works Completed - See Permit 76621
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use One (1) year

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 being transferred to the WS-1 well at the Standard Mine and will be commingled with existing water rights from the WS-1 and WS-3 and will be used to provide additional water until the newly approved WS-4 well can be completed on placed into production. This will ensure an adequate water supply at the Standard Mine to meet all demands.

16. Miscellaneous remarks:

The total combined duty of this application and Permit 76621 will not exceed 527.67 acre-feet annually.

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Gregory M. Bilyeu
Type or print name clearly

Signature, applicant or agent

TEC Civil Engineering Consultants
Company Name

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APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

 $180 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION