



TEMPORARY
THE STATE OF NEVADA

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

Name of Permittee: RGGS LAND & MINERALS, LTD
Source: UNDERGROUND
Basin: MASON VALLEY
Manner of Use: MINING AND MILLING
Period of Use: ONE YEAR FROM DATE OF ISSUANCE
Priority Date: 12/03/1953

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 of a portion of the waters of an underground source as heretofore granted under Permit 77103 is issued subject to the terms and conditions imposed in said Permit 77103 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 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 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.

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, **and not to exceed 0.069 cubic feet per second or 50.0 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:

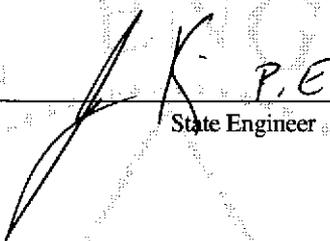
N/A

Map in support of proof of beneficial use shall be filed on or before:

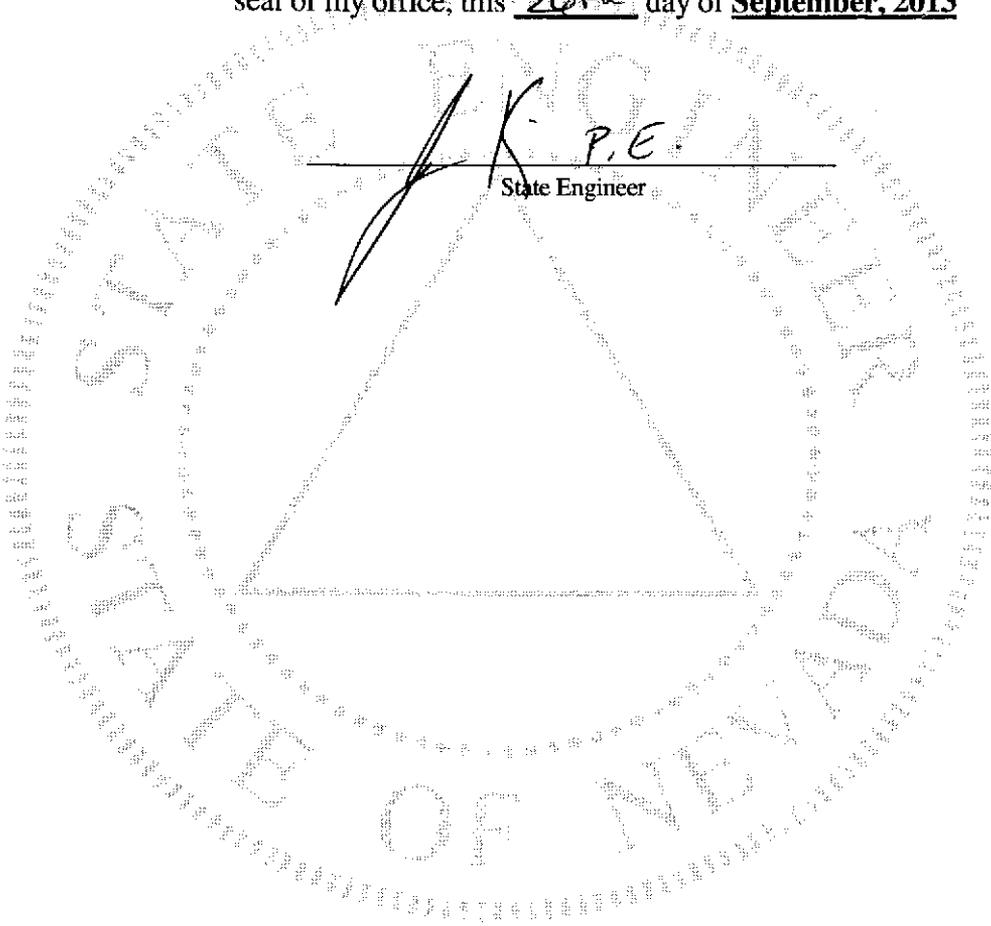
N/A

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 26th day of September, 2013



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 SEP 13 2013
Returned to applicant for correction _____
Corrected application filed _____ Map filed SEP 13 2013

The applicant RGGS Land & Minerals, Ltd., L.P., a Delaware Limited Partnership
900 Fannin, Suite 2600 of Houston
Street Address or PO Box City or Town
Texas 77010
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.)
77103

RECEIVED
23 SEP 13 PM 1:58
STATE ENGINEERS OFFICE

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

2. The amount of water to be changed 0.069 cfs, not to exceed 50.00 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 & 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.

W/R
9/17/13

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.)
NW1/4 NE1/4, Section 2, T.12N., R. 26E., M.D.B.&M., or at a point from which the NE corner of Section 4, of T.12N., R. 26E., M.D.B.&M. bears N. 81°11'59"W., a distance of 8,870.39 feet. Please refer to paper map filed with this application.

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
SW1/4 NE1/4, Section 2, T.12N., R. 26E., M.D.B.&M., or at a point from which the NE Corner of Section 4, of T.12N., R. 26E., M.D.B.&M. bears N. 75°08'54"W., a distance of 8,546.20 feet. Please refer to supporting map filed under base right Permit 77103.

W.V.
9-108
L

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

Please refer to Attachment "A" and map filed under base right Permit 77103.

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.)

Unchanged.

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.)

A dewatering well will be drilled, equipped with motor, pump, totalizing flow-meter and piping system that will discharge into rapid infiltration basins.

12. Estimated cost of works \$250,000

13. Estimated time required to construct works 1 year
If well completed, describe well.

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

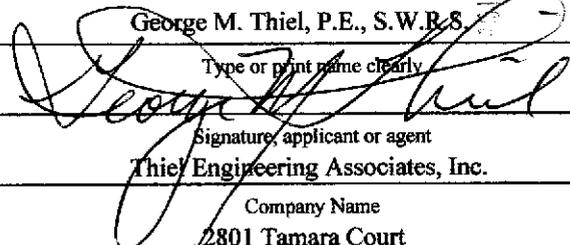
15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

This well will provide dewatering groundwater for the shaft of the mine. Water will be pumped from the well and discharged into rapid infiltration basins and used for mine activities, dust suppression, etc. The location of the infiltration basin is indicated on the map.

16. Miscellaneous remarks:

georget@tecreno.com
E-mail Address
(775) 722-5380
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

George M. Thiel, P.E., S.W.R.S.
Type or print name clearly

Signature, applicant or agent
Thiel Engineering Associates, Inc.
Company Name
2801 Tamara Court
Street Address or PO Box
Minden, NV 89423
City, State, ZIP Code

RECEIVED
2013 SEP 13 PM 1:57
CIVIL ENGINEERS OFFICE

Attachment "A"**Proposed Place of Use****T.12N., R.26E., M.D.B.&M.:**

NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ & W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 1

All of Section 2

All of Section 3

All of Section 4

E $\frac{1}{2}$ of Section 5

E $\frac{1}{2}$ of Section 8

All of Section 9

All of Section 10

All of Section 11

NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 12

All of Section 14

All of Section 15

All of Section 16

E $\frac{1}{2}$ of Section 17

T.13N., R.26E., M.D.B.&M.:

E $\frac{1}{2}$ of Section 32

All of Section 33

All of Section 34

All of Section 35

S $\frac{1}{2}$ SW $\frac{1}{4}$ & SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36