Permit No. 83460T

TEMPORARY

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 (DB 33)**
Basin:	**CRESCENT VALLEY**
Manner of Use:	**MINING, MILLING, DEWATERING, AND DOMESTIC**
Period of Use:	**ONE DAY FROM DATE OF ISSUANCE.**
Priority Date:	**02/04/1992**

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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 80935, is issued subject to the terms and conditions imposed in said Permit 80935 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 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 Order 1082-A, and accounts for pumpage during the calendar year 2013, and therefore expires one day after the date of approval, at which time all rights herein granted shall revert to the right being changed by this temporary permit.

This temporary permit is issued as a preferred use as provided in NRS 534.120.

This temporary 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 temporary 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.

(Continued on Page 2)

An annual total of 3,481.14 acre-feet of water produced from dewatering may be used consumptively from Permits 72675, and 72677 through 72684, 78086 and 78087 for mining and milling purposes (Cortez Pipeline).

An annual total of 6,595.27 acre-feet of water produced from dewatering may be used consumptively from Permits 79896, 79897, 80130 through 80142 and 81730 for stock and irrigation.

Any water produced from dewatering in excess of 10,076.41 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, 62723, Certificate 16016; Permits 72666 through 72669, 72674, 72675, 72677 through 72685, 72687 through 72689, 78085 through 78087, 79896, 79897, 80130 through 80142, 80935 through 80938, 80971 through 80977, 81608, 81730 and 82046 shall not exceed 89.285 cubic feet per second. The total combined withdrawal of water under these permits shall not exceed 59040.4 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 0.262 cubic feet per second or 188.985 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 21st day of **May, 2014**

P.E.

State Engineer

TEMPORARY Application No. 83460 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 JAN 23 2014

Returned to applicant for correction

Corrected application filed Map filed Jan 23 2014 under 83458

The applicant Cortez Joint Venture

HC 66, Box 1250 (Street Address or PO Box) of Crescent Valley (City or Town)

Nevada 89821-1250 (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 80935

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1. The source of water is Underground (DB-33)
   Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 0.2610 c.f.s., not to exceed 188.985 AFA
   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 SE¼NW¼ 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. 12° 59' W., a distance of 9,357 feet. (Well DB-33)
   Please refer to supporting map on file under Application 81533-T.

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
   The NW¼NW¼ 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. 07° 44' W., a distance of 9,375feet. (Block Well NW-S08)
   Please refer to supporting map on file under Application 80935.

C V
4-54

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 82046.

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 Attached.

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

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 and cased well; submersible or line shaft pump and motor; storage tanks, and pipeline network to mine, mill, infiltation basins and irrigated fields.

12. Estimated cost of works in excess of $1,000,000

13. Estimated time required to construct works existing cased well drilled under WL 112089, 2,280' deep.
(If well completed, describe well.)

14. Estimated time required to complete the application of water to beneficial use 5 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 Temporary Application is filed in compliance with State Engineer Order #1082-A and reports the total quantity of water pumped from this source for mining, milling, dewatering, and domestic purposes in calendar year 2013, not otherwise covered by conventional permits.

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16. Miscellaneous remarks:

Please send copies of notices and correspondence to the undersigned 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

rciwater@rci-nv.com
E-mail Address

(775) 883-1600
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Revised 07/13 $180 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

83460.T

ATTACHMENT TO 2013 TEMPORARY APPLICATIONS
FILED IN COMPLIANCE WITH STATE ENGINEER'S ORDER 1082-A
TO CHANGE A PORTION OF PERMITS 57147, 80935, and 80937

7. Proposed Place of Use:

T.26N., R.47E., MDM: Portion E½ Sec. 1 and Portion E½ 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: W½SE¼, E½SW¼ Sec. 13; SW¼SW¼ Sec. 23; NE¼, E½NW¼ Sec.24; NW¼, W½NE¼ Sec. 26

T.27N., R.47E., MDM: All Sec. 4, 5, and 6; E½ Sec. 7, All Sec. 8 and 9; E½, SW¼ Sec. 18; N½, SW¼ Sec. 19; E½ Sec. 24; All Sec. 25; SE¼ Sec. 30; All Sec. 36

T.27N., R.48E., MDM: W½ Sec. 19, All Sec. 30 and 31

T.28N., R.47E., MDM: E½, SW¼ Sec. 13; SE¼SW¼ Sec. 15; SE¼NE¼, NE¼SE¼ Sec. 21; NW¼, NW¼SW¼ Sec. 22; E½ Sec. 27; NW¼, W½NE¼ Sec. 28; S½ Sec. 29; SE¼ Sec. 30; Lots 7, 8, 9, 10, E½ Sec. 31; All Sec. 32; SE¼ Sec. 34; W½, SE¼ Sec. 35

T.28N., R.48E., MDM: All Sec. 1, 3, 5, and 7; NE¼NE¼, S½S½ Sec. 8; All Sec. 9, 11; S½SW¼, SW¼SE¼ Sec. 12; All Sec. 13; N½, W½ SE¼ , SW¼ Sec. 14, All Sec. 15; W½NE¼, NW¼ Sec. 16; All Sec. 17; N½N½, SE¼NE¼, E½SE¼ Sec. 18; N½NW¼ Sec. 23; NE¼NE¼ Sec. 24

T.28N., R.49E., MDM; All Sec. 3,7, 9, 17, and N½ Sec. 19

T.29N., R.49E., MDM; All Sec. 25 and 35

T.29N., R.50E., MDM; All Sec. 19

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As shown on supporting map on file under Application 82046.

ATTACHMENT TO 2013 TEMPORARY APPLICATIONS FILED IN COMPLIANCE WITH STATE ENGINEER ORDER 1082-A TO CHANGE A PORTION OF PERMITS 80935 & 80937

8. Existing Place of Use:

T.26N., R.47E., MDM: Portion E½ Sec. 1 and Portion E½ 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: W½SE¼, E½SW¼ Sec. 13; SW¼SW¼ Sec. 23; NE¼, E½NW¼ Sec.24; NW¼, W½NE¼ Sec. 26

T.27N., R.47E., MDM: All Sec. 4, 5, and 6; E½ Sec. 7, All Sec. 8 and 9; E½, SW¼ Sec. 18; N½, SW¼ Sec. 19; E½ Sec. 24; All Sec. 25; SE¼ Sec. 30; All Sec. 36

T.27N., R.48E., MDM: W½ Sec. 19, All Sec. 30 and 31

T.28N., R.47E., MDM: E½, SW¼ Sec. 13; SE¼SW¼ Sec. 15; SE¼NE¼, NE¼SE¼ Sec. 21; NW¼, NW¼SW¼ Sec. 22; E½ Sec. 27; NW¼, W½NE¼ Sec. 28; S½ Sec. 29; SE¼ Sec. 30; Lots 7, 8, 9, 10, E½ Sec. 31; All Sec. 32; SE¼ Sec. 34; W½, SE¼ Sec. 35

T.28N., R.48E., MDM: All Sec. 1, 3, 5, and 7; NE¼NE¼, S½S½ Sec. 8; All Sec. 9, 11, and 13; N½, W½ SE¼ , SW¼ Sec. 14, All Sec. 15; W½NE¼, NW¼ Sec. 16; All Sec. 17; N½N½, SE¼NE¼, E½SE¼ Sec. 18; N½NW¼ 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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