

TEMPORARY

THE STATE OF NEVADA

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

Name of Permittee: CYANCO
Source: UNDERGROUND
Basin: WINNEMUCCA SEGMENT
Manner of Use: INDUSTRIAL
Period of Use: ONE YEAR FROM DATE OF ISSUANCE.
Priority Date: 12/11/1972

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 76719, is issued subject to the terms and conditions imposed in said Permit 76719 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.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

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 54244, Certificate 15038; Permit 54245, Certificate 15037; Permits 76719, 82658, 82659 and 84251T shall not exceed 1981.32 AFA.

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 issuance of this temporary 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)

A total of 160.52 acre-feet annually is abrogated from the base right. However, pursuant to NRS 533.3703 **only 136.44 acre-feet (the net consumptive use amount) at 0.41 cubic feet per second can be diverted annually.** Additional duty up to the total may be granted if it can be shown that this additional duty will not cause the consumptive use amount to be exceeded.

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:

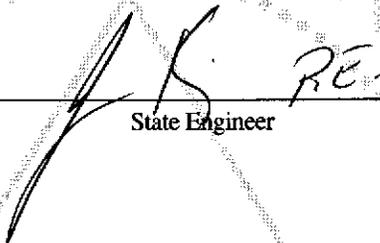
N/A

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

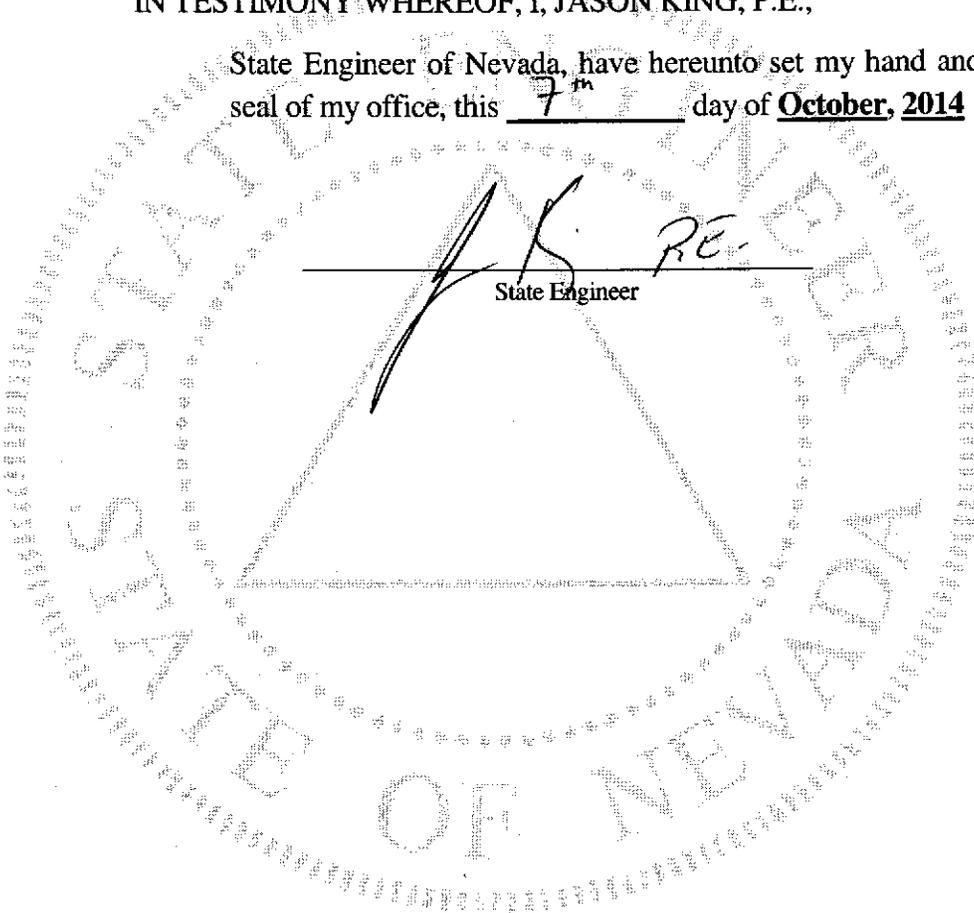
N/A

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

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 7th day of **October, 2014**



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 AUG 22 2014
Returned to applicant for correction _____
Corrected application filed _____ Map filed Nov 30 1982 under 38734

The applicant Cyanco (Attn: Mr. Wally Wester)
5505 Cyanco Drive of Yerington
Street Address or PO Box City or Town
Nevada 89445 hereby make(s) application for permission to change the
State and ZIP Code

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 No. 76719

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2014 AUG 22 PM 3:03
STATE ENGINEERS OFFICE

1. The source of water is Underground Sources
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 0.41 cubic feet per second not to exceed 160.52 acre feet annually
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Industrial Purposes
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 Irrigation Purposes
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 Lot 2 (NW1/4 NE1/4) Section 6 T35N, R37E, MDM, or at a point from which the N1/4 corner of said Section 6 bears North 44 degrees 56 minutes West, a distance of 1,840.32 feet. Refer to map filed under Permit Nos. 54245 and 82658.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
within SE1/4 SW1/4 Section 6 T35N, R37E, MDM, or at a point from which the East 1/4 corner of said Section 6 bears North 64 degrees 08 minutes East, a distance of 3,028.00 feet. Refer to map filed under Permit No. 76719.

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

Portions of Section 6 T35N, R37E, MDM, lying north of the Union Pacific Railroad Right of Way and portions of the S1/2, S1/2 NE1/4 and SE1/4 NW1/4 Section 31 T36N, R37E, MDM. Refer to map filed under 82658.

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.)

A total of 40.13 acres within the permitted place of use at a duty of 4.0 acre feet per acre totaling 160.52 acre feet annually is proposed to be changed by this application. See attached Exhibit "A" for the permitted existing place of use. Refer to map filed under 76719.

9. Proposed use will be from January 1st to December 31st of each year.
Month and Day Month and Day

10. Existing use permitted from January 1st to December 31st 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.)

Existing well, motor, pump, totalizing meter and pipelines to proposed place of use completed under Permit Nos. 54245 and 82658.

12. Estimated cost of works None - Existing works

13. Estimated time required to construct works None - Existing works
If well completed, describe well.

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

The existing well completed under Permit Nos. 54245 and 82658 will provide industrial water to industrial facilities operated by Cyanco. The industrial needs of the Cyanco project have increased and a permanent application to change will follow later in the year.

16. Miscellaneous remarks:

Refer to Permit Nos. 54244, 54245, 76719, 82658, 82659 and 83785 for additional information

mike@mbuschelman.com
E-mail Address
775-355-9628
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Michael D. Buschelman

Michael D. Buschelman
Type or print name clearly
Signature, applicant or agent

Michael D. Buschelman Consulting, Inc.
Company Name

Post Office Box 51371
Street Address or PO Box

Sparks, Nevada 89435
City, State, ZIP Code