

AMENDED

Application No. 85588

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

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| THIS SPACE FOR OFFICE USE ONLY | |
| Date of filing in State Engineer's Office | <u>OCT 28 2015</u> |
| Returned to applicant for correction | _____ |
| Corrected application filed | <u>APR 27 2016</u> Map filed <u>June 15, 2010 Under 79911</u> |

The applicant Kobeh Valley Ranch, LLC, a Nevada limited liability company
1726 Cole Blvd, Suite 115 of Lakewood
Street Address or PO Box City or Town
Colorado 80401 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 72584

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- The source of water is underground
Name of stream, lake, underground, spring or other sources.
- The amount of water to be changed 3.99 cfs, 842.91 afa
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- The water to be used for mining, milling and domestic
Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use
- The water heretofore used for irrigation and domestic
If for stock, state number and kind of animals.
- 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.)
NE¼ NE¼, Section 36, T.22N., R.50E., MDB&M, or at a point from which the SE corner of said Section 36 bears S.10°34'30"E., a distance of 4850 feet. Being Well No. 228 as shown on the map filed under Permit 79911.
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
NE¼ SE¼, Section 21, T.19N., R.47E., MDB&M, or at a point which bears S.01°14'21"W., a distance of 3,911.35 feet from the NE corner of said Section 21. Being Well No. 5 as shown on the map filed under Permit 72580.

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

See Exhibit A attached hereto

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.)

S 1/2 Section 15; S 1/2 N 1/2, a portion of the NW 1/4 NE 1/4, NE 1/4 NE 1/4, N 1/2 S 1/2 Section 21; N 1/2, SW 1/4 Section 22; N 1/2 Section 23; NW 1/4 Section 24; all in T.19N., R.47E., MDB&M. See map filed under Permit 72580.

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.)

Drilled and cased well, electrical motor and submersible pump, and pipelines comprising distribution system to mine and mill site.

12. Estimated cost of works \$3,000,000

13. Estimated time required to construct works 5 years

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.)

See Exhibit B attached hereto

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16. Miscellaneous remarks:

Paul@legaltnt.com
E-mail Address
(775) 882-9900
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

Paul G. Taggart, Esq.

Paul G. Taggart
Type or print name clearly
Signature, applicant or agent

Taggart & Taggart, Ltd.
Company Name

108 N. Minnesota Street
Street Address or PO Box

Carson City, NV 89703
City, State, ZIP Code

EXHIBIT "A",
PROPOSED PLACE OF USE

See map filed in support of Application 79911 for proposed Place of Use.

| Division | Section | Township | Range | Meridian |
|-----------------|----------------|-----------------|--------------|-----------------|
| W½ | 2 | 20N | 50E | MDB&M |
| All | 3 - 5 | 20N | 50E | MDB&M |
| All | 1 - 3 | 21N | 50E | MDB&M |
| All | 10 - 15 | 21N | 50E | MDB&M |
| All | 22 - 27 | 21N | 50E | MDB&M |
| All | 34 - 36 | 21N | 50E | MDB&M |
| S½ | 32 & 33 | 21N | 50E | MDB&M |
| All | 1 - 36 | 21N | 51E | MDB&M |
| All | 5 - 8 | 21N | 52E | MDB&M |
| All | 18 & 19 | 21N | 52E | MDB&M |
| All | 30 & 31 | 21N | 52E | MDB&M |
| All | 36 | 21½N | 51½E | MDB&M |
| All | 31 - 36 | 21½N | 52E | MDB&M |
| All | 34 - 36 | 22N | 50E | MDB&M |
| All | 1 - 3 | 22N | 51E | MDB&M |
| All | 10 - 15 | 22N | 51E | MDB&M |
| All | 20 - 36 | 22N | 51E | MDB&M |
| All | 1 | 22N | 51½E | MDB&M |
| All | 12 & 13 | 22N | 51½E | MDB&M |
| All | 24 & 25 | 22N | 51½E | MDB&M |
| All | 36 | 22N | 51½E | MDB&M |
| All | 1 - 36 | 22N | 52E | MDB&M |
| All | 6 & 7 | 22N | 53E | MDB&M |
| All | 18 & 19 | 22N | 53E | MDB&M |
| All | 30 & 31 | 22N | 53E | MDB&M |
| All | 34 - 36 | 23N | 51E | MDB&M |
| All | 31 | 21½N | 53E | MDB&M |

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Exhibit B
Remarks

This application is being filed to be used in conjunction with other applications to change filed simultaneously herewith from Kobeh and Diamond Valleys and those previously filed under Applications 85575, 85577, 85579, 85581, 85582, 85584, 85585, 85586, 85589, 85591, 85592, 85593, 85594, 85596, 85597, 85598, 85599, and 85603 in Kobeh Valley. The total combined duty of all the change applications will not exceed the consumptive use of 11,678.18 acre feet.

The points of diversion are fully set forth in the Hydrogeology and Numerical Flow Modeling Report dated April, 2010, prepared by Eureka Moly, and submitted to the Bureau of Land Management.

Groundwater will be developed from the Kobeh Valley Groundwater Basin, through a series of production wells. Water will be conveyed to a storage reservoir via a booster pumping station. Water from the storage reservoir will be conveyed to the reduction plant or mill, located within the Diamond Valley drainage basin. After the water is placed to a beneficial use within the reduction plant, a portion of the water will be diverted to a recycling pond, with such water returned to the storage reservoir. The vast majority of water will be carried via the tailings leaving the reduction plant, and will be placed in a tailings pond, located within Kobeh Valley.

Thus, the majority of water consumption will take place in Kobeh Valley, and not Diamond Valley.

The total volume of water to be consumed, being the total combined duty of all applications filed herewith shall not exceed 11,678.18 acre-feet annually. The contemplated mine life, as currently best determined, is 44 years, commencing upon start up or commencement of the mine and works of reduction.

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