



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 (WELL #DB-25)
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

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 57146, is issued subject to the terms and conditions imposed in said Permit 57146 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. 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 permit is issued as a preferred use as provided in NRS 534.120.

This 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 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.

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.

(Continued on Page 2)

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, Permit 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, 82046 and 86208E shall not exceed 88.615 cubic feet per second. The total combined withdrawal of water under these permits shall not exceed 58,558.2 acre-feet annually.

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 2015, 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 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.

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 0.7229 cubic feet per second or 523.39 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:

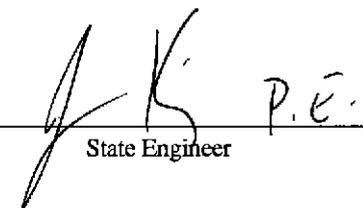
N/A

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 31st day of **August, 2016**



 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 JAN 29 2016

Returned to applicant for correction _____

Corrected application filed _____ Map filed Oct 03 2005 Under 72665

The applicant Cortez Joint Venture
HC 66, Box 1250 of Crescent Valley
Street Address or PO Box City or Town
Nevada 89821-1250 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 57146

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- The source of water is Underground (DB-25)
Name of stream, lake, underground, spring or other sources
- The amount of water to be changed 0.7229 c.f.s., not to exceed 523.39 AFA
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
- 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
- The water heretofore used for Mining, Milling, Dewatering, 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.)
within the SE¹/₄SE¹/₄ Section 6, T. 27N., R. 47E., M.D.M., or at a point from which the SE Corner of Section 32, T. 28N., R. 47E., M.D.M. bears N. 49° 36' E., a distance of 8,337 feet. (Well DB-25)
Please refer to supporting map on file under Application 72665.
- The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
the SW¹/₄SE¹/₄ Section 6, T. 27N., R. 47E., M.D.M., or at a point from which the SE Corner of Section 1, T. 27N., R. 46E., M.D.M. bears S. 69° 28' W., a distance of 4,114 feet. (Block Well SE-S06)
Please refer to supporting map on file under Application 57133.

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

See Attached.

Please refer to Sheet 1 of supporting map on file under Application 83540-T.

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.)

T. 27N., R. 47E., MDM: All of unsurveyed Sections 5 and 6.

T. 28N., R. 47E., MDM: All of Sections 31 and 32.

Please refer to supporting map on file under Application 57133.

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.)

Existing drilled and cased well; submersible or line shaft pump and motor; storage tanks, and pipeline network to mine, mill, infiltration 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 92068 1,722' deep.
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 5 years

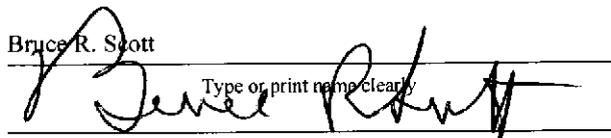
15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

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 2015, not otherwise covered by conventional permits.

16. Miscellaneous remarks:

rciwater@rci-nv.com
E-mail Address
(775) 883-1600
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR 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

**ATTACHMENT TO 2015 TEMPORARY APPLICATIONS
FILED IN COMPLIANCE WITH STATE ENGINEER'S ORDER 1082-A
TO CHANGE A PORTION OF PERMITS 57146, 80935, 80936 and 80937**

7. Proposed Place of Use:

T.26N., R.47E., MDM: E $\frac{1}{2}$ Section 1 and portion of Section 12 within Crescent Valley (Basin 054)

T.26N., R.48E., MDM: Portions of Sections 6 and 7 within Crescent Valley (Basin 054)

T.27N., R.46E., MDM: W $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ Section 13; SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 23; NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ Section 24; NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Section 26

T.27N., R.47E., MDM: All Sections 4, 5, 6; E $\frac{1}{2}$ Section 7, All Sections 8, 9; E $\frac{1}{2}$, SW $\frac{1}{4}$ Section 18; N $\frac{1}{2}$, SW $\frac{1}{4}$ Section 19; E $\frac{1}{2}$ Section 24; All Section 25; SE $\frac{1}{4}$ Section 30; All Section 36

T.27N., R.48E., MDM: W $\frac{1}{2}$ Section 19, All Sections 30 and 31

T.28N., R.47E., MDM: E $\frac{1}{2}$, SW $\frac{1}{4}$ Section 13; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15; SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 21; NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 22; E $\frac{1}{2}$ Section 27; NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ Section 28; S $\frac{1}{2}$ Section 29; SE $\frac{1}{4}$ Section 30; Lots 7, 8, 9, 10, E $\frac{1}{2}$ Section 31; All Section 32; SE $\frac{1}{4}$ Section 34; W $\frac{1}{2}$, SE $\frac{1}{4}$ Section 35

T.28N., R.48E., MDM: All Sections 1, 3, 5, 7; NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ Section 8; All Sections 9, 11; S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 12; All Section 13; N $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ Section 14, All Section 15; W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ Section 16; All Section 17; N $\frac{1}{2}$ N $\frac{1}{2}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 18; N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 23; NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 24

T.28N., R.49E., MDM: All Sections 3, 5, 7, 9, 17, and N $\frac{1}{2}$ Section 19

T.29N., R.49E., MDM: All Sections 25 and 35

T.29N., R.50E., MDM: All Section 19

All within Crescent Valley (Basin 054)

As shown on Sheet 1 of 2 of supporting map on file under Application 84834-T.

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