

THE STATE OF NEVADA

CERTIFICATE OF APPROPRIATION OF WATER

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WHEREAS, Greg R. Doubek, Agent has presented to the State Engineer of the State of Nevada Proof of Application of Water to Beneficial Use, from an Underground Source (PW 21) through a drilled well, pump and distribution system for Mining, Milling, Domestic and Dewatering purposes. The point of diversion of water from the source is as follows:

NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 21, T.40N., R.35E., M.D.B.&M. or at a point from which the S $\frac{1}{4}$ corner of Section 21, T.40N., R.35E., M.D.B.&M. bears S. 9' 01' 13" E., a distance of 5,242.8 feet situated in Humboldt County, State of Nevada.

NOW KNOW YE, That the State Engineer, under the provisions of NRS 533.425, has determined the date, source, purpose, amount of appropriation, and the place where such water is appurtenant, as follows:

Name of appropriator: Nevada Gold Mining, Inc.
Source: Underground (PW 21)
Manner of Use: Mining, Milling, Domestic and Dewatering
Amount of appropriation: *2.23 c.f.s. **
Period of use: January 1st to December 31st of each year
Date of priority of appropriation: ***December 1, 1986

Description of the works of diversion, manner and place of use:

Water is developed by means of a drilled well, 600 feet deep, 16 inch casing, via a 75 H.P. submersible pump through 170 feet of 10 inch pipe to a water stand for dust control, then through 2,275 feet of 18 inch pipe to a 10,000 gallon tank. Water used for mining, milling and domestic purposes is then pumped through 3,100 feet of 10 inch pipe to another 10,000 gallon tank, then pumped through 1,600 feet of 6 inch pipe and 2,300 feet of 10 inch pipe to a 120,000 gallon storage tank, thence through a distribution system to the place of use located in all of Sections 16 and 21, T.40N., R.35E., M.D.B.&M.

*This diversion rate includes 0.77 c.f.s. for dewatering which it and its associated duty terminates when the need ceases.

*The total diversion rate under any certificats granted under Permits 50387, 50876, 50878, 50879, 50881, 50882, 50883, 50885, 50886, 50887, 50888, 51284, 51449, 51450, 51772, 51822, 51823, 51824, 51825, 51826 and 52340 shall not exceed 32.0 c.f.s.

**The total combined diversion rate and duty of water under any certificates issued under Permits 50876, 50878, 50879, 50881, 50882, 50883, 50885, 50886, 50887, 50888, 51284 and 51772 is limited to 1.46 c.f.s. and 343.0 million gallons annually, respectively, for mining, milling and domestic purposes.

continued

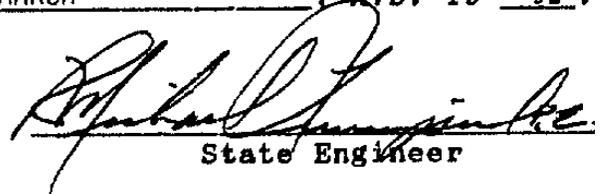
This certificate is by nature of its activity a temporary use and any application to change the manner of use granted under this certificate will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

**This certificate changes the point of diversion of a portion of Permit 50391, therefore, the date of priority remains the same as Permit 50391.

This certificate is issued subject to the terms of the permit.

The right to water hereby determined is limited to the amount which can be beneficially used, not to exceed the amount above specified, and the use is restricted to the place and for the purpose as set forth herein.

IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 30TH day of MARCH, A.D. 19 92.


State Engineer

bk/sb