

**THE STATE OF NEVADA****CERTIFICATE OF APPROPRIATION OF WATER**

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WHEREAS, William V. Orr, Agent has presented to the State Engineer of the State of Nevada Proof of Application of Water to Beneficial Use, from an Underground Source through a drilled well, pump and distribution system for Mining and Milling purposes. The point of diversion of water from the source is as follows:

NE $\frac{1}{4}$  NE $\frac{1}{4}$  Section 20, T.27N., R.34E., M.D.B.&M.  
or at a point from which the NE corner of said  
Section 20 bears N. 79° E., a distance of 1030  
feet situated in Pershing 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: Pegasus Gold Corporation  
Source: Underground  
Manner of Use: Mining and Milling  
Amount of appropriation: 0.65 c.f.s. but not to exceed  
\*38.697 million gallons annually  
Period of use: January 1st to December 31st of each  
year  
Date of priority of  
appropriation: October 30, 1989

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

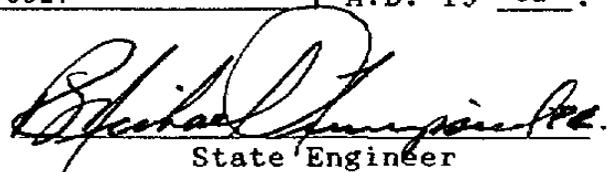
Water is developed by means of a drilled well, 560 feet deep, 14 inch casing, via a 25 H.P. submersible pump, thence through a 6 inch pipe 4,700 feet in length to the Relief Canyon Project for mining and milling purposes located in Sections 7, 8, 9, 16, 17, 18, 19, 20 and 21, T.27N., R.34E., M.D.B.&M.

\*The total combined duty of water granted under this certificate and any certificates issued under Permits 47331, 47335 and 47337 shall not exceed 707.7 million gallons annually.

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 27th day of JULY, A.D. 19 92.

  
State Engineer