

THE STATE OF NEVADA

CERTIFICATE OF APPROPRIATION OF WATER

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WHEREAS, Dallas B. Pulley, 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, Milling and Domestic purposes. The point of diversion of water from the source is as follows:

Lot 1 (NW $\frac{1}{4}$ NW $\frac{1}{4}$) Section 19, T.24N., R.47E., M.D.B.&M. (unsurveyed), or at a point from which the SW corner of Section 31, T.25N., R.47E., M.D.B.&M., bears N. 2° 23' 44" W., a distance of 16,969.31 feet situated in Lander 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: Inland Gold and Silver Corp.
Source: Underground
Manner of Use: Mining, Milling and Domestic
Amount of appropriation: 0.4344 c.f.s., but not to exceed 29.879 million gallons annually
Period of use: January 1st to December 31st of each year
Date of priority of appropriation: May 11, 1987

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

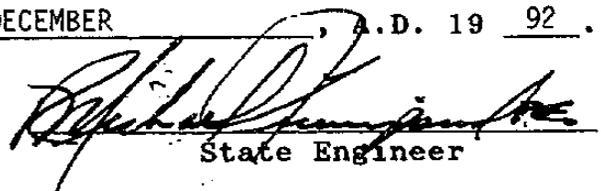
Water is developed by means of a drilled well, 775 feet deep, 8 inch casing, via a turbine pump powered by a diesel motor through an 8 inch diameter pipe 35,500 feet in length to a 70 acre-foot storage pond, thence through a distribution system to the place of use for mining, milling and domestic use located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 13, T.25N., R.46E., M.D.B.&M.

The total combined duty of water under this certificate and any certificate issued under Permit 52319 shall not exceed 30.898 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 30th day of DECEMBER, A.D. 19 92.


State Engineer