

THE STATE OF NEVADA

CERTIFICATE OF APPROPRIATION OF WATER

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WHEREAS, Lance Barney, 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:

SW¼ SW¼ Section 4, T.23N., R.61E., M.D.B.&M., or at a point from which the NW corner of Section 6, T.23N., R.61E., M.D.B.&M., bears N. 75°56'08" W., a distance of 18,552.0 feet situated in White Pine 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: Silver King Mines, Inc.
Source: Underground
Manner of Use: Mining, Milling, and Domestic
Amount of appropriation: 0.27 c.f.s., but not to exceed 56.01 million gallons annually
Period of use: January 1st to December 31st of each year
Date of priority of appropriation: September 19, 1988

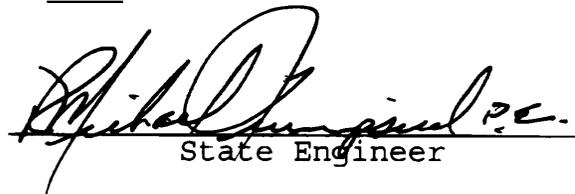
Description of the works of diversion, manner and place of use:

Water is developed by means of a drilled well, 300 feet deep, 8 5/8 inch diameter casing, via a 60 H.P. submersible pump, thence through 7,875 feet of 6 inch pipe to the Golden Butte Mine located within the W¼ SW¼ Section 2 and the E¼ SE¼ Section 3, T.23N., R.61E., M.D.B.&M.

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 20th day of April, A.D. 1998.


State Engineer