

THE STATE OF NEVADA

CERTIFICATE OF APPROPRIATION OF WATER

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WHEREAS, Pat Rogers, Agent has presented to the State Engineer of the State of Nevada Proof of Application of Water to Beneficial Use, from an underground source (WW-12) through a drilled well, pump, and distribution system for dewatering purposes. The point of diversion of water from the source is as follows:

NE¼ NE¼ Section 11, T.34N., R.42E., M.D.B.&M., or at a point from which the SE corner of said Section 11 bears S. 0°58'08" E., a distance of 4,163.0 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: Santa Fe Pacific Gold Corporation
Source: Underground (WW-12)
Manner of Use: Dewatering
Amount of appropriation: *1.80 c.f.s., and not to exceed 1,303.0 acre-feet annually
Period of use: January 1st to December 31st of each year
Date of priority of appropriation: **January 21, 1992

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

Water is developed by means of a drilled well, 1,096 feet deep, 20 inch diameter casing, via a Byron Jackson submersible pump equipped with a 800 H.P. motor, thence through either 1,100 feet of 14 inch pipe to 16,000 feet of 42 inch pipe, or to a water treatment plant holding pond, then through 5,400 feet of 36 inch pipe, then reduced to 11,000 feet of 24 inch pipe. The water is then discharged to either 3 miles of concrete lined ditch or to approximately 11,000 feet of unlined earthen ditch that can either continue another 7,500 feet or can be diverted into a 206 acre cooling pond where upon exiting the pond, the water continues another 800 feet where the two ditches converge and continue for approximately one-half mile before entering the Iron Point Relief Canal (IPRC). Water can also be diverted out of the 42 inch trunk line to water trucks at any of several water load outs located along the pipeline. The place of use is the Lone Tree Mine located within Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, and 27, T.34N., R.42E., M.D.B.&M., and the S¼ NE¼ and N¼ SE¼ of Section 29, T.35N., R.43E., M.D.B.&M.

The total combined diversion rate and total volume of water allowed to be diverted under any certificates issued under Permits 54761, 54763, 56406, 56407, 56578, 56951, 57103, 57104, 59243, 59244, 59245, 59246, 59247, 59248, 59249, 59250, 59251, 59627, 59629, 60288, 60289, 60290, 60291, 60292, 60293, 60294, 60295, 60296, 60297, 60298, 60300, 60301, 60302, 60303, 60606, 60685, 62320 S-1, 62320 S-2, 62320 S-3, 62320 S-4, 62320 S-5, 62320 S-6, 62608, 62609, 62610, 62611, 62612, and 62778, shall not exceed 49,400 gallons per minute or 110.06 cubic feet per second and 79,682 acre-feet annually, respectively.

continued.....

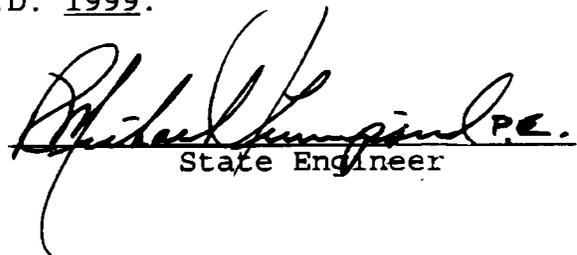
*The total combined consumptive duty for mining and milling purposes under any certificates for the above referenced permits and any changes of those permits, with the exception of Permits 62320 S-3, 62320 S-4, and 62320 S-6, will not exceed 6,047.0 acre-feet annually.

**This certificate changes the point of diversion of a portion of Permit 57104, therefore, the date of priority remains the same as Permit 57104.

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 31st day of August, A.D. 1999.


State Engineer

cmf/sb