

THE STATE OF NEVADA

CERTIFICATE OF APPROPRIATION OF WATER

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WHEREAS, Calvin Reese Schultz, Agent, has presented to the State Engineer of the State of Nevada Proof of Application of Water to Beneficial Use, from an underground source (Well #1), 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:

SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, T.3N., R.35E., M.D.B.&M., (unsurveyed), or at a point from which the NW corner of Section 3, T.3N., R.35E., M.D.B.&M., bears N. 11°31'50" W., a distance of 15,040.0 feet situated in Esmeralda 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:	Kinross Candelaria Mining Company
Source:	Underground (Well #1)
Manner of Use:	Mining, Milling and Domestic
Amount of appropriation:	*1.10 c.f.s., but not to exceed 76.388 million gallons annually
Period of use:	January 1st to December 31st of each year
Date of priority of appropriation:	October 12, 1977

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

Water is developed by means of a drilled well, 1,000 feet deep, 12 3/4 inch diameter casing, via a Gould pump equipped with a 150 H.P. electric motor, thence through 2 booster pumps equipped with 400 H.P. electric motors to a reservoir and head tank, thence through a distribution system to the Candelaria Mine located in Section 4 and the E $\frac{1}{2}$ Section 5, T.3N., R.35E., M.D.B.&M.

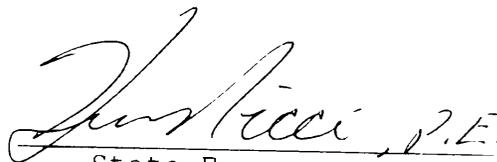
*The total combined duty of water under this certificate and any certificate issued under Permit 62528 shall not exceed 185.75 million gallons annually.

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, HUGH RICCI, State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 2nd day of May, A.D., 2001.

cmf/sb


State Engineer