

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

WHEREAS, Roger Graham, 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 commercial (processing facility) purposes. The point of diversion of water from the source is as follows:

NW¼ NE¼ Section 1, T.17S., R.48E., M.D.B.&M., or at a point from which the NE corner of said Section 1 bears N. 80°42'19" E., a distance of 1,385.58 feet situated in Nye County, State of Nevada.

Under the provisions of NRS 533.425, the State Engineer has determined the date, source, purpose, amount of appropriation, and the place where such water is appurtenant, as follows:

Name of appropriator:	Franklin Lake Resources, Inc.
Source:	Underground
Manner of use:	Commercial (processing facility)
Amount of appropriation:	*0.01 c.f.s., but not to exceed 2.02 acre-feet annually
Period of use:	January 1st to December 31st of each year
Date of priority of appropriation:	December 11, 2006

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

Water is developed by means of a drilled well, 180 feet deep, 6-inch diameter PVC casing, equipped with a 5 H.P. submersible pump, totalizing meter and pressure tank, thence through a distribution system for commercial water service to two (2) mobile homes serving as office buildings and a pilot processing facility, all located within a portion of the NW¼ NE¼ Section 1, T.17S., R.48E., M.D.B.&M., being further described as a portion of Assessor's Parcel Number 019-681-41, Nye County, Nevada.

***The total combined duty of water under Permit 75176, Certificate 17685 and any certificate issued under Permit 75275 shall not exceed 4.02 acre-feet annually.**

This certificate is issued subject to the terms of the permit and with the understanding that any application to change the place of use of this certificate will be denied.

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, JASON KING, P.E., State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 4th day of June, A.D., **2010**.

for K. J. King P.E.
State Engineer

SNC/gkl