

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

WHEREAS, Scott Paine, 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:

NE¹/₄ NE¹/₄ Section 8, T.31N., R.48E., M.D.B.&M., or at a point from which the NE corner of said Section 8, bears N. 83° 29' E., a distance of 508 feet, situated in Eureka 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:	Hospah Coal Co.
Source:	Underground
Manner of use:	Mining, Milling and Domestic
Amount of appropriation:	0.56 c.f.s., but not to exceed 206.57 acre-feet annually
Period of use:	January 1st to December 31st of each year
Date of priority of appropriation:	*June 5, 1991

Description of land irrigated to which water is appurtenant as follows:

Water is developed by means of a drilled well, 585 feet deep, 10-inch diameter casing, equipped with a Hayes submersible pump, a 30 H.P. Franklin motor and totalizing meter, through a 4-inch pipeline to a 10,000 gallon storage tank, 200 H.P. inline booster pump and a 6-inch pipeline, 5 miles to a holding tank at the mine site, thence through a distribution system for road maintenance, dust control, wash water for trucks and domestic use in office buildings within Sections

27, 28, 33 and 34, T.32N., R.46E.; Sections 3, 10, 11, 13, 14 and 24, T.31N., R.46E.; Sections 8, 17, 20, 28-34, 36 and the E½ and E½ W½ of Section 18, T.32N., R.47E.; Sections 1-23 and 26-30 T.31N., R.47E.; Section 36, T.32N., R.48E.; Sections 1-12, 17 and 18, T.31N., R.48E.; Section 31, T.32N., R.49E.; and Sections 5-8, T.31N., R.49E., M.D.B.&M.

*This certificate changes the point of diversion and place of use of a portion of Permit 56401, therefore the date of priority remains the same as Permit 56401.

The total combined duty of Permit 61314, Certificate 17896 and any certificate issued under Permit 61315, shall not exceed 1,672 acre-feet annually.

This certificate is issued subject to the terms of the permit. The permit was issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of it's activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

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 acquired and to the purpose for which acquired.

IN TESTIMONY WHEREOF, I, Jason King, P.E., State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 7th day of March, 2011.

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

JED/gkl