

IN THE OFFICE OF THE STATE ENGINEER

1198

OF THE STATE OF NEVADA

ORDER

**ADOPTING RULES FOR MULTIPLE POINTS OF
DIVERSION FOR WATER USE FOR MINING, MILLING
AND DEWATERING OPERATIONS WITHIN THE
DESIGNATED STEPTOE VALLEY HYDROGRAPHIC
BASIN (10-179), WHITE PINE COUNTY, NEVADA**

WHEREAS, this Order is issued pursuant to the provisions of chapter 534 of the Nevada Revised Statutes (NRS) that authorize the State Engineer to prescribe and adopt rules and regulations for the administration of ground water. The State Engineer finds that, as a result of the necessities and unique characteristics of mine dewatering and its associated consumptive and non-consumptive uses, the adoption of rules to allow multiple points of diversion to support mining operations in the Robinson Nevada Mine area near Ruth, White Pine County, Nevada, is warranted. The area is more particularly described as follows:

Sections 12, 13, 23, 24, 25 and 26, T.16N., R.61E., MDB&M, Sections 2 through 24, 29 and 30, T.16N., R.62E., MDB&M, Sections 7, 17 through 20, T.16N., R.63E., MDB&M, and Sections 19, 20, 28, 29, 30, 31, 32 and 33, T.17N., R.62E., MDB&M, and presently known as the Robinson Nevada Mining Company Area.

WHEREAS, the above-described designated area is depicted and defined on maps on file in the Office of the State Engineer;

WHEREAS, the State Engineer finds that the procedures set forth in this Order effect compliance with NRS 534.050 pursuant to the authority provided in NRS 534.120;

NOW THEREFORE, it is ordered, that within the above-described area the following rules shall apply:

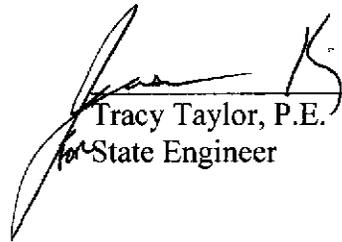
1. The operator shall file one application to appropriate ground water in the amount equal to the total amount of ground water presently held under existing rights for non-consumptive dewatering purposes. The proposed point of diversion described in the application must be the surface expression of the approximate centroid of the dewatered area as of the date of filing. The application shall be accompanied by a substantially accurate description of the proposed point of diversion by bearing and distance to an established survey corner, by GPS coordinates and a supporting map. The proposed place of use described in the application must be the above-referenced area described as the Robinson Nevada Mining Company Area.

2. The operator shall file one application to appropriate ground water in the amount equal to the total amount of ground water presently held in existing rights for consumptive use for mining and milling purposes. The proposed point of diversion must be the same as in (1) above and the proposed place of use must be the above-referenced area.
3. Upon approval of any such application, wells and other underground water diversions may be constructed anywhere within the above-described area as required for mine dewatering purposes and used for subsequent mining and milling purposes.
4. The State Engineer will review and may approve the above-described applications in accordance with the provisions in the Nevada Revised Statutes (NRS) chapters 533 and 534.
5. Beginning in 2009, and by February 15th annually thereafter, the operator shall file temporary applications to change the point of diversion of each of the above-described permits to a point of diversion generally known as the new centroid of the mine dewatered area as of the date of filing. The applications shall be accompanied by a substantially accurate description of the proposed point of diversion by bearing and distance to an established survey corner, by GPS coordinates and a supporting map.
6. Together with the applications filed as set forth in (5) above, the operator shall file with the State Engineer an annual report setting forth in detail, all total gross individual well head and other site ground water withdrawals (acre-feet) for dewatering, mining, milling, dust control and domestic purposes as well as documentation of all other distribution of water diverted for the prior year. The annual report must further document the status of each well constructed in the project area together with a description of all other diversions of groundwater from sumps and drain holes.
7. After consideration of the total ground water withdrawals, injection and consumptive use from the prior year, the State Engineer will consider all the evidence and may approve the annual change applications for the total amount of water controlled by the applicant for that manner of use at the time of application.
8. The statutory fees set forth in NRS 533.435 for the temporary permit approval shall be based upon the total amount of ground water in acre-feet controlled by the applicant for that manner of use at the time of application.
9. Due to the supplemental nature of these temporary permits, the existing certificated ground water rights held by the operator shall remain active and will not be subject to the statutory provisions of forfeiture or abandonment (NRS 534.090) during the time this order is in effect and for a period of five years following the date of any repeal or amendment of this order.

10. The existing unperfected water rights held by the operator for dewatering, mining and milling purposes shall remain active provided the associated statutory and permit requirements are continually met, or conversely, may be withdrawn.
11. The temporary permits for dewatering, mining and milling purposes will expire annually one year from the date of approval.
12. All wells within the area of this order that have not been used for any permitted purpose within the preceding year shall be plugged in accordance with the provisions of Chapter 534 of the Nevada Administrative Code.
13. This order will expire and become of no effect when the mining or mine dewatering operations cease in the project area and this order may be modified at any time.

Respectfully submitted,

This 15TH day of December, 2008.

 P.E.

Tracy Taylor, P.E.
for State Engineer