

APPLICATION FOR PERMIT

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office... SEP 27 1984
 Returned to applicant for correction... NOV 9 1984
 Corrected application filed... JAN 4 1985
 Map filed... JAN 4 1985

The applicant Atlas Precious Metals, Inc.

255 Glendale Avenue, of Sparks, Nevada 89431
Street and No. or P.O. Box No. City or Town State and Zip Code No.

hereby make^s application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) Incorporated in Nevada May 5, 1983.

1. The source of the proposed appropriation is underground
Name of stream, lake, spring, underground or other source
2. The amount of water applied for is 1.0 second-foot
One second-foot equals 448.83 gals. per min.
 (a) If stored in reservoir give number of acre-feet.....
3. The water to be used for mining, milling and domestic
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated.....
 - (b) Stockwater, state number and kinds of animals to be watered.....
 - (c) Other use (describe fully under "No. 12. Remarks").....
 - (d) Power:
 - (1) Horsepower developed.....
 - (2) Point of return of water to stream.....
5. The water is to be diverted from its source at the following point SE 1/4 SE 1/4, Section 22, T22N, R49E,
Describe as being within a 40-acre subdivision of public M.D.B.&M. at a point from which the SE corner of said Section 22 bears South survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
35°33'30" East a distance of 1615.77 feet.
6. Place of use Sections 22, 23, 26, 27, and 34, T22N, R49E, M.D.B.&M.
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
7. Use will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day
8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Drilled and cased well, submersible pump and motor, storage reservoir and distribution system.
State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.
9. Estimated cost of works \$25,000.00

10. Estimated time required to construct works 3 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 6 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Water will be used in a 1500 tons per day heap leaching operation. Water from this well will be comingled with water from Applications 48443 and 48444. Total combined annual consumptive use from the three wells will not exceed 1.0 cfs (448.83 gpm expanded year-round or 723.79 acre feet per year). Use of water will be 24 hours per day, 365 days per year.

By s/ Ross E. de Lipkau
Ross E. de Lipkau
P.O. Box 2790
Reno, Nevada 89505

Compared yw/tt js/bc

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.0 cubic feet per second, but not to exceed 88.84 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before June 27, 1987

Proof of completion of work shall be filed on or before July 27, 1987

Application of water to beneficial use shall be made on or before June 27, 1989

Proof of the application of water to beneficial use shall be filed on or before July 27, 1989

Map in support of proof of beneficial use shall be filed on or before _____

Completion of work filed _____ IN TESTIMONY WHEREOF, I, PETER G. MORROS
State Engineer of Nevada, have hereunto set my hand and the seal of

Proof of beneficial use filed _____ my office, this 27th day of June

Cultural map filed _____ A.D. 19 85

Certificate No. _____ Issued _____
Peter G. Morros
State Engineer

Abrogated by 52197 6206

(PERMIT TERMS CONTINUED)

The total combined duty of water under Permits 48442, 48443 and 48444 shall not exceed 88.84 million gallons annually.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its 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 issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.