

AMENDED

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office... OCT 17 1989
Returned to applicant for correction... DEC 7 1989
Corrected application filed... DEC 19 1989
Map filed... DEC 19 1989 under 54093

The applicant Atlas Gold Mining Inc.
P.O. Box 282, of Eureka, Nevada 89316

hereby make 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.)

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-feet
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, & 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 SW 1/4 SW 1/4, Section 22, T.22N., R.50E.
Describe as being within a 40-acre subdivision of public MDB&M, or at a point from which the S 1/4 corner of Section 28, T.22N., R.50E., bears survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
S. 27° 58' 39" W., a distance of 6,818.81 feet.

6. Place of use portions of the following sections and as shown on supporting map
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

Sections 25, 26, T.22N., R.49E., MDB&M, and Sections 2, 3, 4, 9, 10, 11, 14, 15, 21, 22, 27, 28, 29, and 30, T.22N., R.50E., MDB&M and Sections 33 & 34 T.23N., R.50E., MDB&M

7. Use will begin about January 1 and end about December 31, of each year.
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.) well, pump, 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 \$100,000

10. Estimated time required to construct works 2 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 3 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 consumption data will be submitted shortly.

David Carlson
By s/David Carlson
Hydro-Search, Inc. 5250 S. Virginia Suite 280
Reno, Nevada 89502

Compared bp/db bp/vw

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.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

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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 235.906 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before June 27, 1991

Proof of completion of work shall be filed on or before July 27, 1991

Application of water to beneficial use shall be made on or before June 27, 1992

Proof of the application of water to beneficial use shall be filed on or before July 27, 1992

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed _____ IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my

Proof of beneficial use filed _____ office, this 18th day of May,

Cultural map filed _____ A.D. 1990

Certificate No. _____ Issued _____
[Signature]
State Engineer

(PERMIT TERMS CONTINUED)

The total combined duty of water under Permits 48444, 49162, 51918, 51919, 52196, 52197, 52768, 54093 and 54094 shall not exceed 452.8 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.

Monthly reports of water use and any static water level measurements taken shall be submitted to the State Engineer by the permittee.

