

IN THE OFFICE OF THE STATE ENGINEER

1233

OF THE STATE OF NEVADA

ORDER

**ADOPTING RULES TO ALLOW FOR MULTIPLE POINTS OF DIVERSION FOR WATER USE FOR MINING, MILLING AND DEWATERING OPERATIONS WITHIN THE DESIGNATED BIG SMOKEY VALLEY, NORTHERN PART, HYDROGRAPHIC BASIN (137B), NYE 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 groundwater. The State Engineer finds that, as a result of the necessities and unique characteristics of mining operations that includes dewatering and its associated consumptive and non-consumptive uses, the adoption of rules to allow multiple points of diversion to support mining operations at the Round Mountain and Gold Hill Mine Areas near Round Mountain, Nye County, Nevada, is warranted. The designated area is more particularly described as all or a portion of the following:

**Round Mountain (RM) Area:**

Sections 1, 2, 3, 10, 11, 12, 14 and 15, T. 9N., R. 43E.;

Section 6, T. 9N., R. 44E.;

Sections 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 34, 35, and 36, T. 10N., R. 43E.;

Sections 7, 8, 17, 18, 19, 20, 29, 30, and 31, T. 10N., R. 44E.; M.D.B.&M., Nye County, Nevada.

**Gold Hill (GH) Area:**

Sections 4, 5 and 6, T. 10N., R. 44E.;

Section 25 and 36, T. 11N., R. 43E.;

Sections 28, 29, 30, 31, 32, and 33, T. 11N., R. 44E.; M.D.B.&M., Nye County, Nevada.

The above described area is depicted and defined on maps on file in the Office of the State Engineer.

The State Engineer finds that the procedures set forth in this Order effect compliance with NRS 534.050 under authority provided in NRS 534.120.

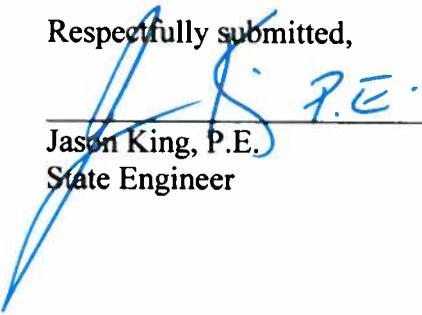
**IT IS HEREBY ORDERED**, that within the above-described area the following rules shall apply:

1. The operator shall file one application to appropriate water in the amount equal to the total combined annual duty currently held for mining and milling purposes within 30 days after issuance of this Order. The proposed point of diversion described in the application will be the surface expression of the approximate deepest point in the Round Mountain Mine Pit as of the date of filing. The application shall be accompanied with a substantially accurate description of the point of diversion by bearing and distance to an established survey corner and by GPS coordinates and a supporting map. The proposed place of use described in the application will include the above-referenced areas for the RM and GH mine sites.
2. Upon approval of any such application or subsequent temporary application(s), wells and other underground water diversions may be constructed anywhere within the above-described areas as required for mine dewatering purposes and subsequent use for associated mining and milling purposes.
3. Beginning in 2014 and annually thereafter the operator must file a **temporary** application for permit no later than February 15 of each subsequent year for the anticipated water requirement for the forthcoming year.
4. The State Engineer will review and may approve the above-described application(s) in accordance with the provisions in the Nevada Revised Statutes (NRS) Chapters 533 and 534.
5. Together with the application filed as set forth in (3) above, the operator shall file with the State Engineer an annual report setting forth in detail, all total gross individual well heads and other site groundwater withdrawals (acre-feet) for dewatering, mining, milling, discharge, dust control, and domestic purposes as well as documentation of all other distribution of water diverted and infiltrated for the previous year. The annual report must further document the status and location (with GPS coordinates) of each well constructed in the project area together with a description of all other diversions of groundwater from sumps, seeps, horizontal, and vertical drain holes.
6. After consideration of the total groundwater withdrawals, injection, infiltration and consumptive use from the previous year, the State Engineer will consider all the evidence and may approve the annual temporary change application(s) for the total amount of water projected to be pumped by the applicant for the forthcoming year.
7. The statutory fees set forth in NRS 533.435 for the temporary permit approval shall be based upon the total amount of water in acre-feet provided for in the application. The applicant cannot exceed the estimated pumping volume for the year of the temporary permit without filing an additional temporary application to cover the additional withdrawals. No statutory fee credit will be given for pumping volumes that are less than estimated and filed for in the temporary application.
8. Due to the supplemental nature of the temporary permits, the existing certificated underground water rights held by the operator within the described area, shall remain

active 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.

9. In addition, all existing unperfected underground water rights held by the operator and subject to this order shall remain active provided the associated statutory and permit requirements are continually met.
10. The temporary permit will expire annually. A new temporary application for all uses must include a list of all the existing certificates and unperfected water rights that will be associated with the temporary application along with the volume in acre-feet and rate of flow for the year. The operator may add and remove (annually) perfected and unperfected water rights for the annual temporary permit as they feel necessary to ensure effective extraction and management of their water rights.
11. 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 or file for a waiver requesting to keep the well open in conjunction with the annual report with justification for keeping the unused well open.
12. This order will expire and become of no effect five years after the mining or mine dewatering operations cease in the project area. This order may be modified or rescinded at any time by the State Engineer if required to satisfactorily administer the water resources within this designated basin.

Respectfully submitted,

  
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Jason King, P.E.  
State Engineer

Dated this 20th day of December, 2013.

