

COPIES TO
 - DIVISION OF WATER RESOURCES
 - CLIENT'S COPY
 - WELL DRILLER'S COPY

STATE OF NEVADA
 DIVISION OF WATER RESOURCES
WELL DRILLER'S REPORT

OFFICE USE ONLY
 Log No. 101077
 Permit No. _____
 Basin 054

PRINT OR TYPE ONLY

Please complete this form in its entirety in accordance with NRS 534.170 and NAC 534.340.

NOTICE OF INTENT NO. 54791

1. OWNER Cortez Gold Mines CHMW-7 ADDRESS AT WELL LOCATION Cortez hills project, about 15 miles SE of Crescent Valley
 MAILING ADDRESS HC66 Box 1250

2. LOCATION SW 1/4 NE 1/4 Sec 6 T 26 N R 48 E Eureka County
 PERMIT NO. M/O-1365 Parcel No. N/A Subdivision Name N/A

3. WORK PERFORMED
 New Well Replace Recondition
 Deepen Abandon Other
 4. PROPOSED USE
 Domestic Irrigation Test
 Municipal/Industrial Monitor Stock
 5. WELL TYPE
 Cable Rotary RVC
 Air Other

6. LITHOLOGIC LOG

Material	Water Strata	From	To	Thick-ness
Black&brown rock &clay		0	220	220
Black& red rock		220	360	140
Red rock		360	400	40
Tan rock		400	480	80
Red&tan rock		480	660	180
Red & black rock		660	830	170
Tan clay & rock		830	980	150
Black Rock		980	990	10
Tan clay		990	1080	90
Gray rock		1080	1100	20
Black rock		1100	1120	20
Red clay		1120	1130	10
Black red & white rock		1130	1280	150
Tan clay		1280	1290	10
Gray & white rock		1290	1420	130
Brown& white rok w/ clay		1420	1500	80
Notes				
Hole plug		51	880	
Neat cement		0	51	

8. WELL CONSTRUCTION

Depth Drilled 1505' Feet Depth Cased 1502.13' Feet
 HOLE DIAMETER (BIT SIZE)
 From _____ To _____
14.75" Inches 0 Feet 40' Feet
8.75 Inches 40 Feet 1505' Feet
 _____ Inches _____ Feet _____ Feet

CASING SCHEDULE

Size O.D. (Inches)	Weight/Ft. (Pounds)	Wall Thickness (Inches)	From (Feet)	To (Feet)
10.75	10.48	.375	0	40
4.5	11.6	.3125	+1	1502.13

Perforations:
 Type perforation Slotted
 Size perforation .080
 From 1001.43 feet to 1502.13 feet
 From _____ feet to _____ feet

Surface Seal: Yes No Seal Type:
 Depth of Seal See Notes Neat Cement
 Placement Method: Pumped Cement Grout
 Poured Concrete Grout
 Gravel Packed: Yes No
 From 1505' feet to 880' feet

9. WATER LEVEL
 Static water level 920' feet below land surface
 Artesian flow _____ G.P.M. _____ P.S.I.
 Water temperature 80 °F Quality good

10. DRILLER'S CERTIFICATION

This well was drilled under my supervision and the report is true to the best of my knowledge.

Name Gene Fenhaus (CONTRACTOR)

Address PO Box 5279 (CONTRACTOR)

Elko, NV 89802

Nevada contractor's license number issued by the State Contractor's Board 0021976

Nevada driller's license number issued by the Division of Water Resources, the on-site driller 1366

Signed _____
 By driller performing actual drilling on site or contractor

Date July 7, 2005

Date started June 4, 20 05
 Date completed June 22, 20 05

7. WELL TEST DATE

TEST METHOD:	<input type="checkbox"/> Bailer	<input type="checkbox"/> Pump	<input checked="" type="checkbox"/> Air Lift
G.P.M.	Draw Down (Feet Below Static)		Time (Hours)
<u>18</u>			<u>7 hrs</u>

