



CHILTON Engineering and Surveying Ltd.

Log # 86412

pg 2

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2009 MAR 30 AM 11:55

March 26, 2009

Diana J. Lefler
Division of Water Resources
901 S. Stewart Street, #2002
Carson City, Nevada 89701-5250

RE: #78085 - 78095T - Cortez Joint Venture

Dear Diana,

I have been studying the reported locations of the dewatering well group at the Pipeline project, and have consulted with mine staff familiar with the well group and the logs delivered for each of them. They have also checked their records.

#78085, 78086, 78087, 78093T & 78094T all reside at well DB-28, located within the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, T.27N., R.47E. The two-page log for this well bears the notice of intent number 56373, & log #100431. The W2 appearing after the well name has no significance. We used an incorrect survey description (SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec.8) when filing 76734T. The survey check we requested last month confirms its correct location.

#78088T describes DB-16 being in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5, which is confirmed. Log #74891 (by Lang in 1999), bearing notice of intent 39248, should be changed from SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5.

#78089T, 78090T & 78091T describe well DB-20 being within the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5, again confirmed correct, while Lang's 2002 log #86412, notice of intent #48228, should be corrected from the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5.

#78092T describes DB-23 lying within the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8, confirmed, and the same description occurs on Lang's 2003 log #90122, notice of intent #48589.

#78095T describes well DB-29, in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5. No log has yet appeared on the DWR database. I will try to secure an advance copy from the mine.

Thanks you for identifying discrepancies in the record. I hope I have clarified the intent in each case.

Sincerely,

Bill Nisbet

William A. Nisbet

c: Peggy Young
Shaun Debray
Cortez Gold Mines
HC 66, Box 1250
Crescent Valley, Nevada 89821-1250

PER TG
CORRECT
WELL LOGS
HAVE THEM
%SCANNED