

BRIAN SANDOVAL
Governor

STATE OF NEVADA



KAY SCHERER
Interim Director

JASON KING, P.E.
State Engineer

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES

901 South Stewart Street, Suite 2002

Carson City, Nevada 89701-5250

(775) 684-2800 • Fax (775) 684-2811

<http://water.nv.gov>

October 12, 2016

MM-207

Pure Energy Minerals
PO Box 81805
Vancouver, BC, V6G 2GB Canada

Harris Exploration Drilling and Associates Inc
355 Burrard Street, Suite 1780
San Diego, CA 92138

Patrick Highsmith
Chief Executive Officer Esmeralda Minerals, LLC
100 W. Liberty St., 10th Floor
Reno, NV 89501

Gentlemen:

Well Driller Reports and associated well construction information was submitted to the Office of the State Engineer on October 11, 2016, for wells CV-1, CV-2, CV-3, CV-4, CV-5, and CV-6. These wells were drilled as mineral exploration boreholes; however, a review of the Regulations for Water Well and Related Drilling show that the wells do not meet the definition of boreholes. In an effort to remedy this fact, the Division of Water Resources (Division) approved mining and milling waivers, MM-205, MM-206, and MM-207. An appeal of the decision to issue waivers was filed (Case No. CV-16-5054).

A review of the packet submitted on October 11, 2016, shows that none of the wells were constructed by a Nevada licensed well driller; however, CV-3 did have a licensed driller onsite for part of the construction. Nevada water law does not provide for discretion when a well is drilled by an unlicensed driller. If the State Engineer finds that a well has been drilled by an unlicensed well driller, the State Engineer shall order the well plugged. (See, NRS 534.160 below).

NRS 534.160 License required to drill well; revocation of or refusal to reissue license; order to plug well; penalty for allowing unlicensed person to drill.

1. A person shall not drill a well for water in this State without having first obtained a well-drilling license.

2. Well drillers must comply with the regulations adopted by the State Engineer governing the drilling of water wells.

3. If the State Engineer determines, upon investigation and after hearing held upon at least 15 days' notice sent by registered or certified mail to the licensed well driller, that the well driller has failed to comply with the law or the required regulations, the State Engineer may revoke the license. The State Engineer may refuse to reissue a license to a well driller if the well driller has violated the law or the regulations.

4. The order revoking or refusing to reissue a license is final unless an action for review by the district court is filed pursuant to NRS 533.450.

5. The State Engineer shall order any person who drills a well without a license to plug that well. If the well is not plugged within 30 days after the order, the State Engineer shall plug the well at the expense of the person who owned or drilled the well.

6. If any licensed driller who owns, rents, leases or has a contract to purchase a well-drilling rig allows an unlicensed person to drill or perform any work in connection with well drilling, except under the supervision of the licensed driller, the license must be revoked or not reissued.

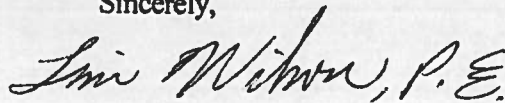
[Part 7a:178:1939; added 1947, 52; A 1955, 328] — (NRS A 1957, 719; 1969, 95; 1981, 360)

Based on the documentation submitted on October 11, 2016, the State Engineer finds that the wells were not constructed by a Nevada licensed well driller and hereby orders that the wells CV-1, CV-2, CV-3, CV-4, CV-5, and CV-6 be properly plugged and abandoned in accordance with the Regulations for Water Well and Related Drilling. All well plugging activity must be done by a Nevada licensed well driller.

By ordering the wells plugged, the issuance of the waivers is rendered moot and as a result, waivers MM-205, MM-206, and MM-207 are rescinded.

If you have any questions regarding this matter, please contact me at (775) 684-2873.

Sincerely,



Tim Wilson, P.E.
Manager II, Well Drilling Section

cc: Paul Taggart; Taggart & Taggart
G. David Robertson; Robertson, Johnson, Miller & Williamson
Ross de Lipkau; Parsons, Behle and Lattimer
Tim Donahoe; SRK
George Thiel; Thiel Engineering Associates, Inc
Micheline Fairbank

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LEO DROZDOFF
Director

JASON KING, P.E.
State Engineer

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MM-207

July 28, 2016

Patrick Highsmith
Chief Executive Officer
Esmeralda Minerals, LLC
100 W. Liberty St., 10th Floor
Reno, NV 89501

Re: Request to use an existing well as a temporary groundwater source for mineral exploration and dust control, Well CV-03, in the Clayton Valley Hydrographic Basin (143), Esmeralda County, Nevada.

Proposed Location: NAD 83

CV-03, 143 S02 E40 29 Ad [se NE], 37.736717° N, 117.559078°W

Dear Mr. Highsmith:

As provided in Nevada Administrative Code (NAC) 534.442 and Nevada Revised Statute (NRS) 534.050, permission is hereby granted to utilize the above site as a temporary groundwater source well. This waiver **expires July 28, 2017**. Please request any extensions prior to the expiration of this waiver. Projects lasting longer than this may be required to initiate procurement of a permitted water right. Per regulation, water used from the entire project will be **limited to 5 acre-feet of water**. This well is part of the project defined as Phase 3 in the waiver application.

Monthly records of the amount of water pumped from this well under this waiver must be kept and those records must be submitted to the State Engineer on a quarterly basis. Failure to submit this report may result in immediate cancelation of this waiver and delays of any waiver extension requests.

Please reference the above waiver number in all correspondences regarding these wells.

July 28, 2016

Page 2

Please reference the above waiver number in all correspondences regarding these wells.

This waiver does not grant or infer any rights of ingress or egress, nor does it grant or infer any appropriation of water and shall not be deemed to result in the development of any equity.

It is expressly understood that this waiver does not relieve the operator of the requirements of any other state, local or federal agencies or private property.

If you have any questions, please call me at 775-684-2813.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jake Echeverria", with a long horizontal flourish extending to the right.

Jake Echeverria
Well Supervisor

JE/ac

Cc: Timothy P. Donahoe
Tracy Geter (e-mail)
John Guillory (e-mail)

**IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA
REQUEST FOR A WAIVER FOR TEMPORARY USE OF GROUND WATER
FOR MINERAL EXPLORATION**

The applicant and/or person or company responsible for drilling and plugging the temporary well:

<u>Patrick Highsmith</u> Name <u>100 W. Liberty St., 10th Floor</u> Street Address or PO Box	<u>Chief Executive Officer</u> Title <u>Reno</u> City or Town	<u>Esmeralda Minerals, LLC</u> Company <u>Nevada 89501</u> State and ZIP Code
---	--	--

Telephone number of responsible party: (303) 668-3264

Estimated project dates: Apr-01-2016 Start Date Dec-31-2016 Completion Date

Location of the well: **PLSS, GPS Coordinates and Map Datum are required.**

SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 29 T 02 S R 40 E, M.D.B. & M.

{ Latitude (N): 37.736717 } or { UTM (m) E: _____ } Datum
{ Longitude (W): -117.559078 } { UTM (m) N: _____ } NAD83/WGS84

County Assessor Parcel Number (APN): 006-281-02

Street Address (if any): Not Applicable (Well CV-03)

Location of mineral exploration, plan of operations, and description of how water is to be used: *(Attach additional sheets as necessary)*

A waiver is requested to drill a well and allow temporary use of water to characterize the groundwater and mineral resources beneath Applicant's Project in Clayton Valley. Applicant's NOI N-93088 to perform exploration activities has been approved by BLM. The well will be developed and water samples will be collected from it to determine the quality of groundwater and lithium brine. A small scale aquifer test will also be performed from the well to estimate aquifer parameters such as hydraulic conductivity and storativity.

Estimated amount of water to be used:

Number of days 3 x Gallons per day 1,629,255 = Total Gallons 4,887,765

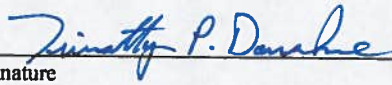
Is this an existing well? Yes If yes, what is the NDWR well log number? Driller to submit

The following items must be submitted with the waiver request:

- **If this is an existing well, submit a copy of the agreement between you and the owner**
- **Affidavit of Intent to Plug a Well (for new well(s) or well(s) which ownership is not claimed)**
- **Location Map (i.e., Large Scale, inch = miles)**
- **Site Detail Map (i.e., Small Scale, inch = feet)**

Signatory Contact Information:

(775) 828-6800
Telephone Number
5250 Neil Road, Suite 300
Mailing Address
Reno, Nevada 89502
City, State, ZIP Code

Timothy P. Donahoe
Printed Name

Signature
Jul-14-2016
Date

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207

IN THE OFFICE OF THE STATE ENGINEER OF NEVADA

AFFIDAVIT OF INTENT
TO ABANDON A WELL

Notice of Intent # _____

I, PATRICK HIGHSMITH, C.E.O. Name & Title
ESMERALDA MINERALS, LLC. Company
100 W. LIBERTY ST., 10th FLOOR Address
RENO, NEVADA 89501
(303) 668-3264 Telephone Number

of the real property located at:

Street address (if any) not applicable (Well CV-03)

County Assessor Parcel Number (APN) 006-281-02

Situated within the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 29 T 02 S R 40 E, M.D.B. & M.

{ Latitude (N): 37.736717 } or { UTM (m) E: _____ } Datum
{ Longitude (W): -117.559078 } { UTM (m) N: _____ } NAD83/WGS84

and whereupon an existing well or wells are located or to be located, fully understand that I shall be responsible for, and shall cause the existing well to be plugged in accordance with the provisions contained in Nevada Administrative Code (NAC) 534.420 and all other applicable rules and regulations for drilling/plugging wells in the State of Nevada.

I shall further make any purchaser of this parcel aware of these conditions.

Responsible Party

(Printed Name): Patrick Highsmith (Signature): [Signature]

State of Nevada

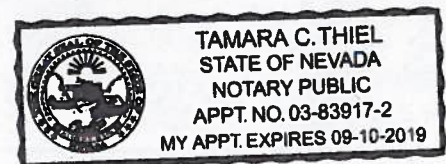
County of Carson City

Subscribed and sworn to before me on July 14, 2016

by Robert Patrick Highsmith

[Signature]

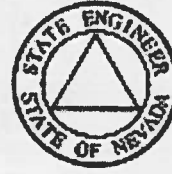
Signature of Notary Public Required



Notary Seal



**Division of Water Resources
Receipt for Payment**



Steffen Robertson And Kirsten Inc.
5250 Neil Road Suite 300
Reno, NV 89502

Check #: 1764
Check Date: 7/14/2016
Date Received: 7/15/2016
Receipt #: 25708

FY	Amount	Permit #	Invoice #	Fee Type/Fee desc	Notes
2017	\$120.00	MM-WAIVER		- Waivers	COVERS MM-WAIVERS (X6)
					CHECK TOTAL \$720.00

205
Jacob Echeverria

From: Patrick Highsmith [p.highsmith@pureenergyminerals.com]
Sent: Tuesday, July 26, 2016 8:14 AM
To: Jacob Echeverria
Cc: Donahoe, Timothy; Andy Robinson
Subject: Pure Energy's Exploration Program

Hello Jake:

I hope you are well. We are doing very well, but it's just a bit warm out here in the desert! LOL

Thanks for your request for an understanding of how we have phased our exploration program at the Clayton Valley South Project. We have indeed progressed our drilling in relatively small phases of work. The drilling has been budgeted, executed, press released and reported in three phases as follows:

Phase 1: CV-1 and CV-2 (2015)

Phase 2: CV-4, CV-5, and CV-6 (Nov 2015 through March 2016)

Phase 3: CV-3 (current), CV-7, and CV-8 (May 2016 - approx Sept 2016)

I hope this completes the information you need.

Thank you very much.

Cheers,

Patrick Highsmith



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Tonopah Field Office

P.O. Box 911 (1553 South Main Street)

Tonopah, Nevada 89049

Phone: 775-482-7800

Fax: 775-482-7810

http://www.blm.gov/nv/st/en/fo/battle_mountain_field.html



In Reply Refer To:
N-93088
3809 (NVB0200)

NOV 03 2015

STATE ENGINEERS OFFICE

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CERTIFIED MAIL – RETURN RECEIPT REQUESTED 9171 9690 0935 0040 6081 57

DECISION

Geoxplor Corp.

3655 W Anthem Way Ste 109-293

Anthem AZ 85085-0430

:
: 43 CFR 3809 – Surface Management
: Notice

Determination of Required Financial Guarantee Amount

Description of Notice - Your amended notice for drill holes for the **CV-1** Drill Project was received in this office on October 13, 2015. The project area is located in Esmeralda County, Nevada in section 6 & 12, T. 2 S., R. 40 E., Mount Diablo Meridian. The notice proposes 3 additional drill holes totaling 0.76 additional acres of disturbance for a total disturbance for this notice of 2.36 acres. The proposed operations were reviewed by various resource specialists who have determined that the operation, as proposed and amended, will not cause unnecessary or undue degradation as defined under 43 CFR 3809.5. The Bureau of Land Management (BLM) casefile number for your notice is **N-93088**. Please refer to this number in any future communication concerning this notice.

Amount of Financial Guarantee – A member of the Tonopah Field Office staff has reviewed your reclamation cost estimate and determined that an additional financial guarantee of \$11,397.00 for a **total of \$26,641.00** is sufficient to complete reclamation of the proposed disturbance. The amount of the reclamation cost estimate is based on operator compliance with all applicable operating and reclamation requirements.

All line items contained in the reclamation cost estimate are not to be considered as the limits of financial guarantee expenditures in that respective category or task should forfeiture of the financial guarantee by necessary. The line items listed are solely for the purpose of arriving at a total amount for the financial guarantee. This total amount may be spent however the BLM deems necessary to implement the approved reclamation plan, and does not represent a reclamation cost limit or constraint.

The BLM's review of your proposed operations, determination that your notice filing is complete, determination that your operations as proposed will not cause unnecessary or undue degradation and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources, and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee – An additional financial guarantee in the amount of \$11,397.00 for a total of \$26,641.00 must be filed and accepted by the Bureau of Land Management, Branch of Minerals Adjudication, 1340 Financial Blvd., Reno, Nevada 89520. You must receive written notification from that office accepting and obligating your financial guarantee before you may begin any surface disturbing operations.

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. Please contact the Branch of Minerals Adjudication at 775 861-6400 for further information on the adjudication of financial guarantees.

This decision does not constitute certification of ownership to any entity named in the notice; recognition of the validity of associated mining claims; or recognition of the economic feasibility of the proposed operations.

Term of Notice - Your notice will remain in effect for two years from the date of the original decision (expires June 13, 2016), unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another two years after the expiration date of your notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

Reclamation - After re-contouring dill pads and roads, the appropriate seed mix shall be applied at the specified rate per acre of disturbed ground. The seeding rate is for drill seeding. The seed rate should be doubled for broadcast seeding and the seed covered after application by raking or other means.

Guidelines for Operations Conducted Under a Notice - The enclosed document provides additional guidelines concerning your notice.

Other Conditions – Additional Biological and Cultural information specific to this geographic area have been developed and are included as an enclosure.

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BRANCH OF MINERALS ADJUDICATION

Appeal of the Decision

If you are adversely affected by this decision, you may request that the BLM Nevada State Director review this decision. If you request a State Director Review, the request must be received in the BLM Nevada State Office at 1340 Financial Blvd., Reno, Nevada 89502, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a stay (suspension) is granted by the State Director. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Nevada State Office to determine when the BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at P.O. Box 911, 1553 S. Main St, Tonopah, NV 89049, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a) (1). Your Notice of Appeal must be filed in this office at P.O. Box 911, 1553 S. Main St, Tonopah, NV 89049, within 30 days from receipt of this decision. As the appellant you have the burden of showing that the decision appealed from is in error. Enclosed is BLM Form 1842-1 that contains information on taking appeals to the IBLA.

This decision will remain in effect while the IBLA reviews the case, unless a stay is granted by the IBLA. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Request for a Stay

If you wish to file a petition (request) pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by IBLA, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the IBLA and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal must show sufficient justification based on the following standards:

1. The relative harm to parties if the stay is granted or denied.
2. The likelihood of the appellant's success on the merits.

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3. The likelihood of immediate and irreparable harm if the stay is not granted.
4. Whether the public interest favors granting the stay.

If you have any questions, please contact William Coyle, Assistant Field Manager, Non-Renewable Resources, at (775) 482-7800.



Timothy J. Coward
Field Manager

Enclosures

cc: BLM Nevada, Branch of Minerals Adjudication

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Cultural Conditions

(HISTORY) Geoxplor Corp. (Geoxplor) is advised that parts of the project would affect a historic property (a site eligible for listing in the National Register of Historic Places). The proposed location of CV-6 is on the edge of a historic property and, in order to avoid an Archaeological Resources Protection Act (ARPA) violation, Geoxplor must move the location of CV-6 to the west at least 100 feet (UTM 446679mE / 4171176mN). No ground-disturbing activities, including placement of the drill pad and mud pit, may occur within 100 feet east of 446679mE / 4171176mN.

(HISTORY) Alternative access to CV-6 must be used to avoid an ARPA violation and the BLM strongly recommends that GeoXplor retain the services of a qualified archaeological monitor to delineate an area between Silver Peak/Railroad Springs Rd and the moved location of CV-6, and observe ground-disturbing activities in this area, to ensure portions of the historic property eligible for the National Register of Historic Places are not disturbed. If the option for an archaeological monitor is not chosen, the BLM highly recommends that the GeoXplor retain the services of a qualified archaeologist to conduct an inventory of alternative travel routes to determine the presence of cultural resources for avoidance, as the potential for encountering additional historic properties in the area is high.

(CURRENT CONDITIONS) The amended location of **CV-6** (UTM 446,661.8mE, 4171636.8mN, NAD 83, or UTM 446742mE, 4171439mN, NAD 27) is within the approved cultural survey area. All operations including access to the drill pad sites must remain on established roads or within the cultural survey area as provided and approved by the BLM Tonopah Field Office Archaeologist (map included). GIS files have been sent to John O. Rud.

CV-4 and CV-5 (drill pads and mud pits) has been subject to cultural resources inventories and has been cleared.

The Native American Graves Protection and Repatriation Act (NAGPRA: 43 CFR 10), protects items of cultural patrimony, Native American funerary items, Native American remains and sacred objects. In addition, The Archaeological Resources Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provides for civil and/or criminal penalties for the disturbance of archaeological resources on federal lands and if such disturbance is the result of activities conducted by Geoxplor, Geoxplor could be liable for such damages. If cultural resources, Native American remains, funerary items, sacred items, or objects of cultural patrimony are discovered, Geoxplor must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow (43 CFR 10.4 (c), (d), (g); Nevada State Protocol Agreement VIII (b)). Notification should be made to Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah NV, 89049, (775) 482-7800. No activity in the vicinity of the discovery shall resume until Geoxplor has been issued a Notice to Proceed by the Authorized Officer.

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Paleontology Conditions

Paleontological resources constitute a fragile and non-renewable scientific record of the history of life on earth. Although no paleontological resources are known or identified in the immediate area, this project may have an unintended adverse effect on such resources. Geoxplor should note that fossils are not part of the mineral estate. Paleontological resources are protected by the Paleontological Resources Protection Act (OPLA-PRP: Omnibus Public Land Management Act of 2009 Paleontological Resources Preservation Subtitle 123 Stat. 1172, 16 U.S.C. 470aaa et seq.) which establishes criminal and civil penalties. Geoxplor should also be aware that if paleontological resources are found in direct association with cultural resources, then such occurrences are subject to Archaeological Resource Protection Act (ARPA: 43 CFR 7.4, 7.14, 7.15, 7.16) provisions. OPLA-PRP requires that the nature and location of paleontological resources on public lands be kept confidential. If paleontological resources are discovered, Geoxplor must cease operations in the vicinity of the discovery and ensure adequate protection to the discovery, then notify the BLM immediately, by telephone, with written confirmation to follow. Notification should be made to Field Manager, Tonopah Field Office, 1553 South Main Street, Tonopah NV, 89049, (775) 482-7800. No activity in the vicinity of the discovery should resume until Geoxplor has been issued a Notice to Proceed by the Authorized Officer.

Biological Conditions

Although the area is not mapped as habitat, periodic use by pronghorn is likely to occur in vicinity of the Project Area. Various small mammals and reptiles inhabit the area. Ensure sump/pit design allows for safe wildlife egress.

The project area is adjacent to known occurrence of Pale kangaroo mice (T.3S R.39E - Section 14, and T.3S R.40E - Sections 4 and 5), a NV BLM Special Status Species (SSS). After review of the Rodinia Lithium Exploration Project - Biological Field Findings Report (2011) - BLM TFO has determined that habitat exists for kangaroo mice in proximity of drill hole CV-6. After disclosure of the aforementioned information, and the Bi-State DPS PMU requirements - John Rud (Geoxplor Corp Geologist), determined it would be in the best interest of the project to move drill site CV-6 northeast of the Silverpeak to Railroad pass road. Drill sites/claims northeast of the aforementioned road did not observe kangaroo mouse activity during the 2011 small mammal trapping effort, this is likely due to a lack of appropriate soils and adequate vegetation for foraging/cover. Minimal impact to Pale/dark kangaroo mouse if drill pad CV-6 is moved northeast/east of the Railroad pass to Silverpeak road.

Any surface disturbing activities should avoid the migratory bird nesting season (April 1 - July 31). If avoidance is not feasible, the appropriate surveys and buffers should be conducted/applied in accordance with the 2014 BLM NV Wildlife Survey Protocol).

CV-6 is located within the Bi-State DPS Greater Sage Grouse White Mountain PMU. Ensure the Bi-state BMP's (derived from the Forest Plan Amendment FEIS) accompany the decision for this NOI, specifically the CV-6 drill pad. The operator should be notified of the requirements of the FEIS, most importantly, that surface disturbance may not be feasible if the 3% disturbance cap within the White Mountain PMU is already attained (BLM TFO still needs to calculate this). Keep in mind that the ROD for this FEIS has yet to be signed by the state director, however, current case law is favoring BLM's pre-appeal stance on topics related to sage-grouse.

GUIDELINES FOR OPERATIONS CONDUCTED UNDER A "NOTICE"
(Not all are appropriate for all areas)

1. For any given project area, the maximum allowable surface disturbance under a "Notice" is five acres. Any activity that results in excavation, or in compaction, powdering, or erosion of the original ground surface, is considered disturbance and must be reclaimed. This may include the blading or rutting of existing roads, the development of a rutted surface during cross-country travel, and drilling or trenching. Please contact this office if you expect to exceed a total disturbance of five acres; submittal of a Plan of Operations may be necessary.
2. In areas where more than one operator has been or will be conducting operations, we suggest that each operator document their portion of the disturbance to assist in future reclamation accountability. This should be done by submitting to BLM a map showing the existing disturbance and the proposed new disturbance, and indicating the time periods (if known) during which past disturbance occurred. Reclamation of disturbance done under this "Notice" is the responsibility of the claimant and includes liability for reclamation not satisfactorily completed by the operator.
3. Disturbance to drainages, including blading or filling, should be avoided. Where a dry wash offers the only feasible access to a site, no blading of the wash should be done. No disturbance should occur within 100 feet of active drainages, springs or seeps. Drainage crossings should neither obstruct the channel nor result in increased erosion or sedimentation.
4. Within the Tonopah Field Office planning area there are certain effective actions that are considered to be critical to reclamation success and eventual closure for mineral development projects conducted on public lands. Earthwork should blend disturbed areas back into pre-disturbance topography, i.e., reclamation of roads cut into hill sides should involve pulling excavated material back up into the road cuts so as to closely approximate the original hillside. Material should consist of a mix of medium coarse to fine sand size materials, avoid "bug dust". Seed beds should be rough and consist of alluvial material or "top soil" spread over the top of the disturbed areas (high salt content may be a problem in some areas). The use of fertilizer is discouraged. Use the appropriate seed mix. To verify the proper seed mix, contact the Tonopah Field Office prior to re-seeding. All seeds must be tested for noxious, poisonous, or prohibited plant species, and the test result submitted to and approved by the BLM, unless certified "weed free" seed is procured. Seeding should be completed in the late fall before the first snowfall. Successful revegetation consists of the establishment of a self-sustaining desirable plant community.
5. All operations, including casual use, must comply with all applicable Federal and State laws and regulations concerning cultural resources. According to the Surface Management Regulations (43 CFR 3809.2-2), operators shall not knowingly destroy, disturb or alter cultural or paleontological resources on Federal lands. You must avoid historic features, such as trash scatters, adits, foundations, old equipment, buildings, etc. If such resources might be altered or destroyed by your actions, you must cease your exploration activities, leaving the resource intact, and immediately notify the Tonopah Field Office Manager at (775) 482-7800 so that the resource may be evaluated.
- 5a. If historic or pre-historic artifacts are discovered during project activities, operations in the immediate area shall cease, leaving the resource intact. The operator shall take measures to protect the discovered artifacts from further disturbance by mine employees or contractors. Notify the Tonopah Field Office Manager at (775) 482-7800 so that the resource may be evaluated. The BLM will, as appropriate, evaluate the significance of the find within 10 working days. The operator shall not proceed with potentially disturbing activities until authorized to do so by the BLM. Pursuant to 43 CFR 10.4(g), the holder of this "Notice" must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary objects, sacred

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ENGINEERING

objects of cultural patrimony (as identified at 43 CFR 10.2). Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.

6. Migratory birds are protected by the Migratory Bird Treaty Act. Surface disturbing activities during the migratory bird nesting season (March 1 through July 31) may destroy the eggs or young of ground-nesting migratory birds. Avoidance of nesting sites would prevent violation of this Act, as would conducting surface disturbing activities outside the nesting season. Further information on preventing violation of the Act can be obtained by contacting the U.S. Fish and Wildlife Service Regional Office, Reno, Nevada, at (775) 861-6300.
7. There is a possibility of sensitive bat habitat in the area of your proposed operation. Avoid disturbing historic workings - adits or shafts.
8. Scientifically significant paleontological resources located on lands administered by the BLM must be left in place and their locations reported to the Tonopah Field Office as soon as possible. All vertebrate fossils, as well as some invertebrates, are included in this category. Your assistance in these efforts will help increase the paleontological database on public lands.
9. Trash must be hauled to a landfill permitted by the Nevada Division of Environmental Protection (NDEP) rather than dumped, buried, and/or burned on-site. All operators must comply with applicable Federal and State laws dealing with the storage and disposal of chemicals, petroleum, petroleum products, and Resource Conservation Recovery Act (RCRA) Subtitle D solid and RCRA Subtitle C hazardous wastes. Under no circumstances may chemicals, petroleum, petroleum products or RCRA Subtitle C hazardous wastes be disposed of in solid waste disposal areas within the project area without written approval of the NDEP.
10. When a fence is cut to allow access to a site, a temporary gate must be installed to prevent livestock from passing through the opening. The fence should be repaired to its original condition or better as soon as possible. Permission from the owner of the fence must be obtained.
11. Destruction or felling of trees is to be avoided whenever possible. Partial delimbing is the preferred alternative. Aspen, bristlecone, limber pine and cottonwood are protected and should not be disturbed.
12. Use of water for drilling or mining purposes must conform to State of Nevada regulations. Artificial water impoundments used to fill water trucks on public lands must be pre-approved.
13. Fluids or solution used or encountered in the drilling process may be discharged to the environment only after other practical methods of fluid control (i.e., sumps, tanks, etc.) have been exhausted. If solutions must be discharged to the environment, they must be controlled in such a manner that the discharge does not cause erosion or channeling and is contaminant and sediment free. Alternatives to these fluid management practices must be approved by this office.
14. It is your responsibility to bear the cost of any necessary restoration or reestablishment activity of affected survey monument(s). Correspondingly, in the course of any accepted surface disturbance activity when Public Land Survey System Monuments/Cadastral corners or accessories that may or have been subject to obliteration, destruction, or damage, it will be your responsibility to protect and preserve the monumentation. Further clarification can be found in Nevada BLM's Instruction Memorandum No. NV-2007-003.
15. The following precautionary measures should be taken to prevent wildland fires. In the event your

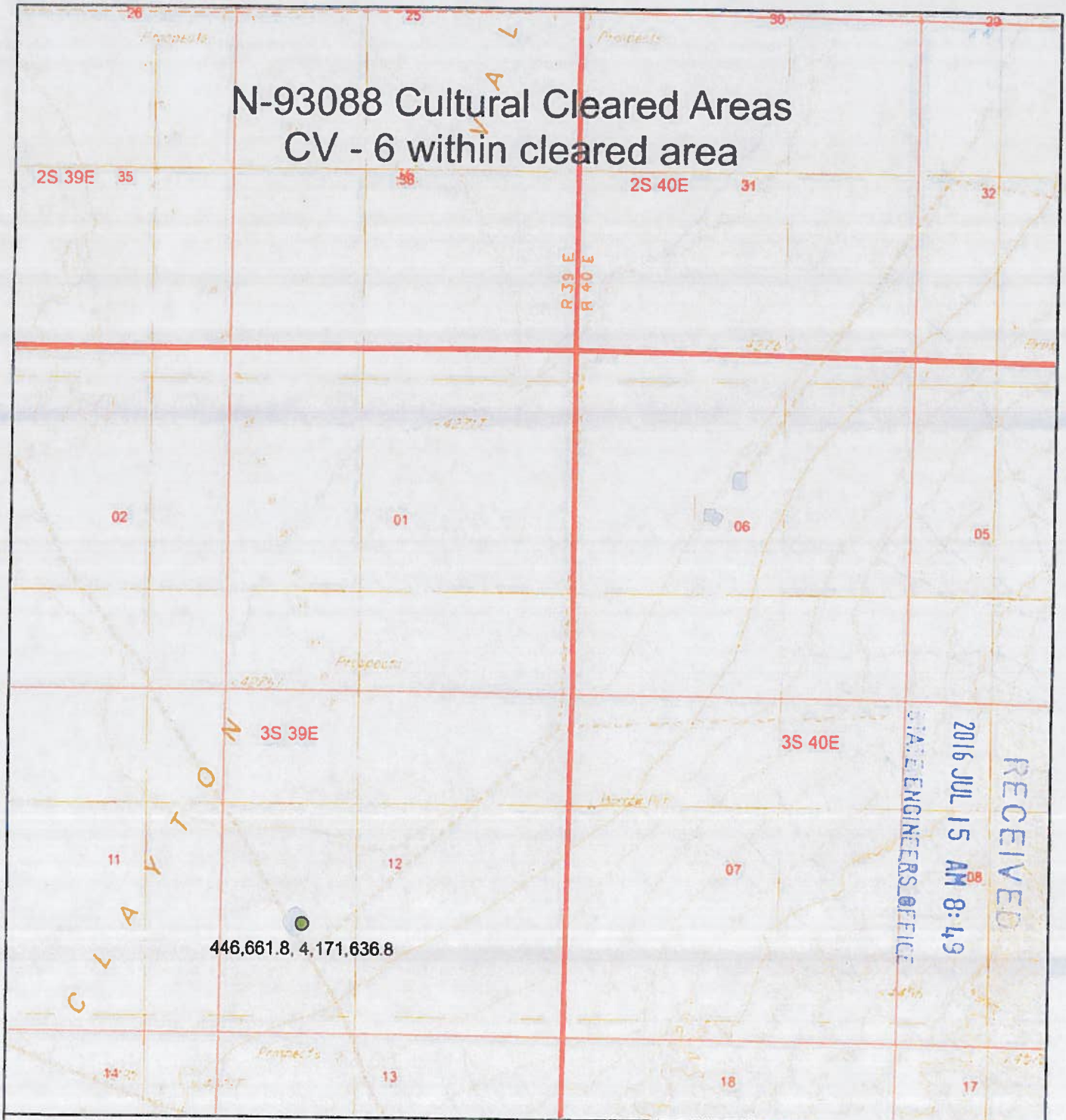
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BLM TONOPAH FIELD OFFICE

operations should start a fire, you could be held liable for all suppression costs.

1. All vehicles should carry fire extinguishers.
 2. Adequate fire fighting equipment i.e. shovel, pulaski, extinguisher(s), and/or an ample water supply should be kept at the drill site(s).
 3. Vehicle catalytic converters should be inspected often and cleaned of all brush and grass debris.
 4. When conducting welding operations, they should be conducted in an area free from or mostly free from vegetation. An ample water supply and shovel should be on hand to extinguish any fires created from the sparks. Extra personnel should be on site to watch out for fires created by welding sparks.
 5. Report wildland fires immediately to the Central Nevada Interagency Dispatch Center at (775) 623-1555.
16. Noxious weeds can readily invade disturbed areas associated with exploration projects. Operators are responsible for: 1) identifying noxious weeds in project area (booklets and pamphlets are available from this office), 2) excluding noxious weeds from disturbed areas until reclamation has been accepted, 3) insuring all equipment is "weed free" before traveling to and from project areas so that noxious weeds are not spread to new locations. When noxious weeds are encountered in project areas, documentation of their location and extent should be provided to the BLM as soon as possible. Operators must obtain approval from the authorized officer prior to any herbicide application. Please contact the Tonopah Field Station's noxious weed program lead if you have questions or comments on the information contained in this Guideline.
17. To maintain access for other members of the public, drilling activities are not allowed on existing roads and trails. Drill pads surface disturbance must be more than 20 feet from the travel surface of existing roads and trails. "*Existing roads and trails*" are travel routes for vehicles that you are not required to reclaim.

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N-93088 Cultural Cleared Areas CV - 6 within cleared area



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Legend

Cleared Areas

Agency

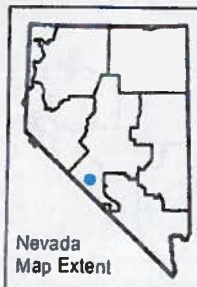
Bureau of Land Management
 Private



1:24,000

NAD 83

0 0.25 0.5 1 Miles



United States Department Of The Interior

Bureau of Land Management
Tonopah Field Office
1553 S. Main Street/P.O. Box 911
Tonopah, NV 89049

Date: 11/2/2015

No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data for individual or aggregate use with other data. Original data were compiled from various sources. This information may not meet National Map Accuracy Standards. This product was developed through digital means and may be updated without notification.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF
APPEAL.....

A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the *Notice of Appeal* in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a *Notice of Appeal* in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).

2. WHERE TO FILE

NOTICE OF APPEAL.....

Bureau of Land Management, Tonopah Field Office, P. O. Box 911, 1553 S. Main Street, Tonopah, NV 89049-0911

WITH COPY TO
SOLICITOR...

Regional Solicitor, Pacific Southwest Region, U.S. Department of the Interior, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890

3. STATEMENT OF REASONS

Within 30 days after filing the *Notice of Appeal*, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the *Notice of Appeal*, no additional statement is necessary (43 CFR 4.412 and 4.413).

WITH COPY TO
SOLICITOR.....

Regional Solicitor, Pacific Southwest Region, U.S. Department of the Interior, 2800 Cottage Way, Room E-2753, Sacramento, CA 95825-1890

4. ADVERSE PARTIES.....

Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the *Notice of Appeal*, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

5. PROOF OF SERVICE.....

Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).

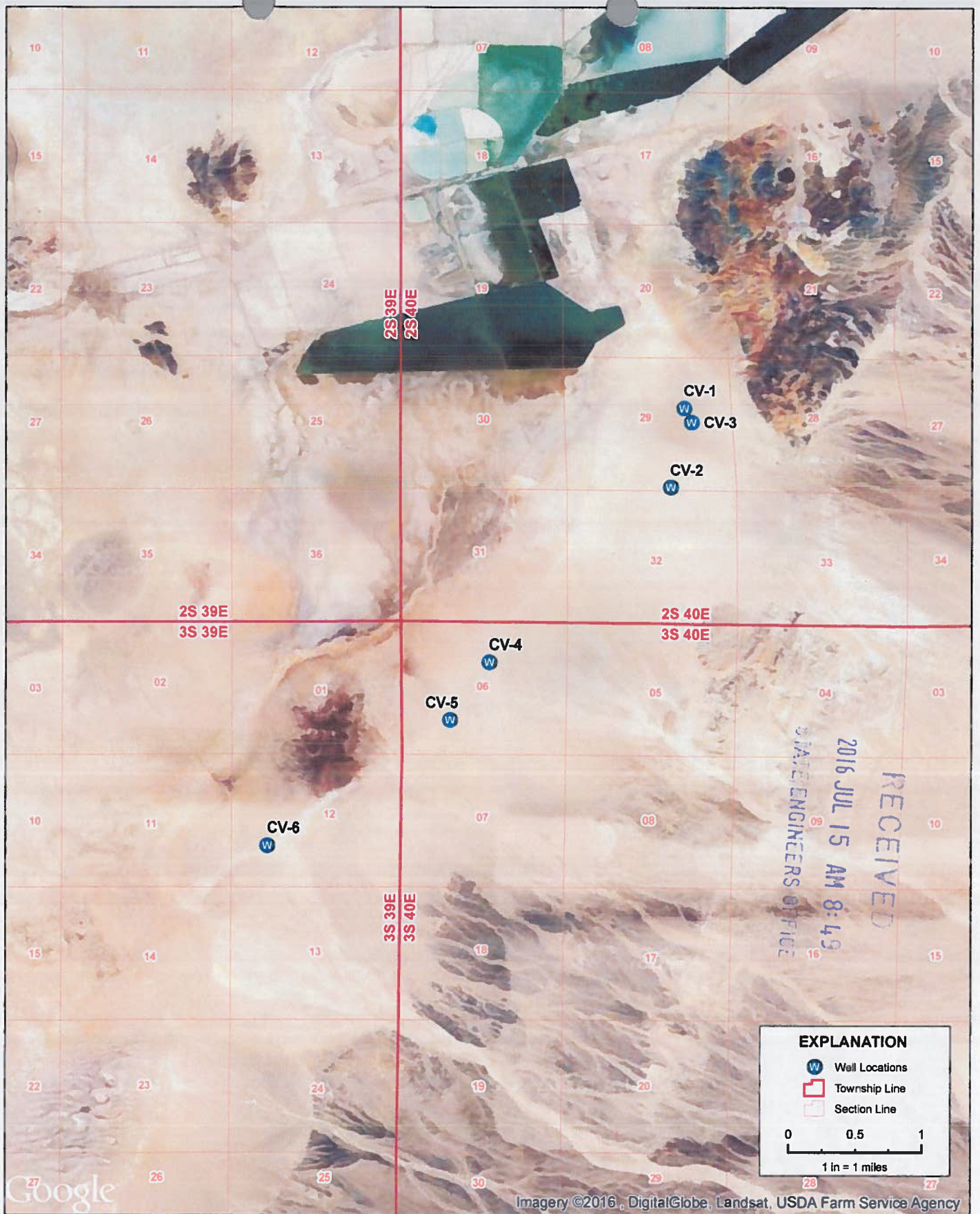
6. REQUEST FOR STAY.....

Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

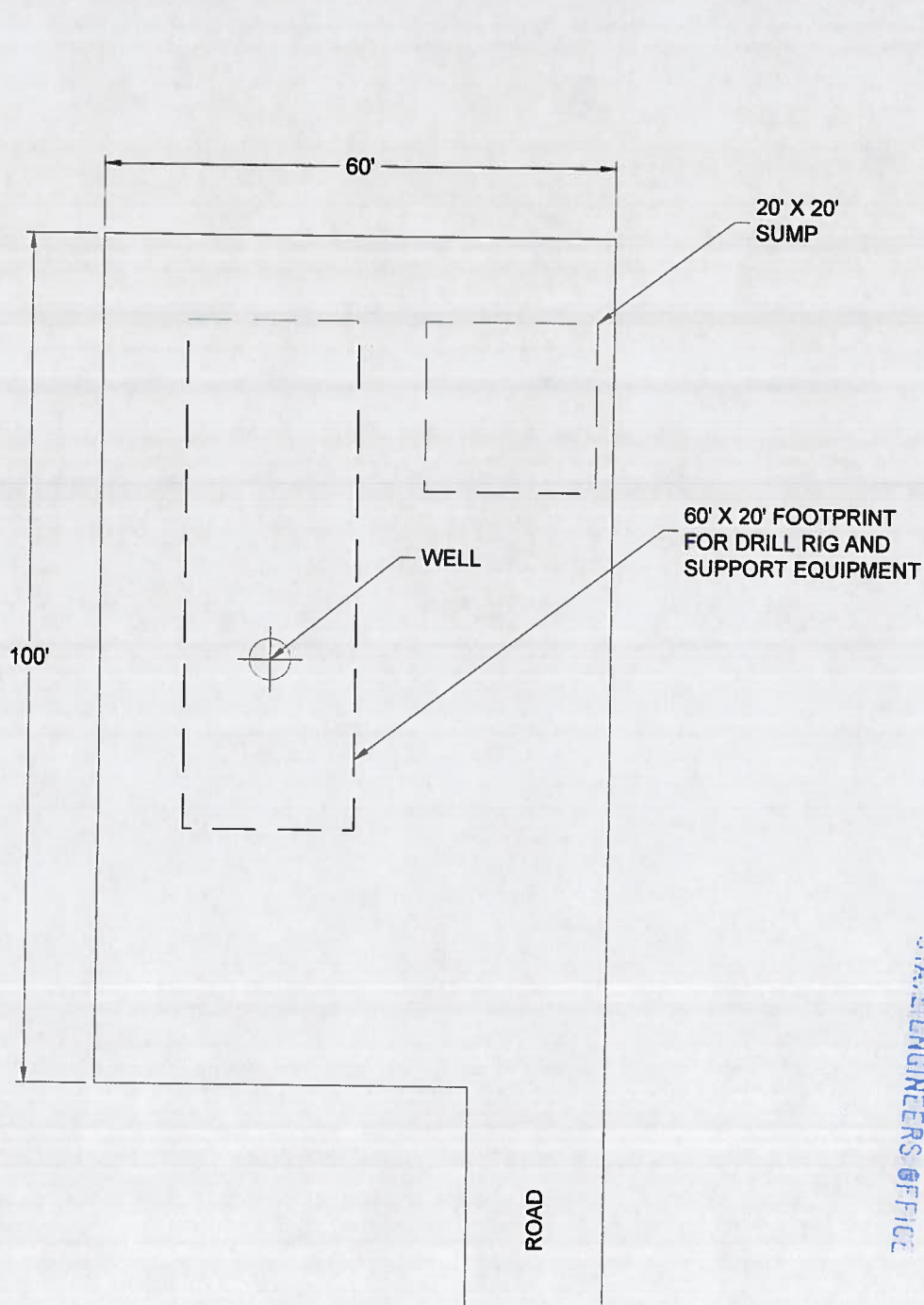


DESIGN: -	REVIEWED: TD
DRAWN: GMK	CHECKED: -
SCALE: 1 inch = 1 miles	
COORDINATE SYSTEM:	
GCS WGS 1984	
IF THE ABOVE BAR DOES NOT SCALE 1 INCH, THE DRAWING SCALE IS ALTERED	

srk consulting

PureEnergy
minerals

DRAWING TITLE:		
WELL LOCATION MAP		
PREPARED FOR:		
ESMERALDA MINERALS, LLC.		
DATE: 7/14/2016	DRAWING NO.	REV. NO.
SRK JOB #: 483600.010	FIGURE	A



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STATE ENGINEERS OFFICE

DESIGN: TD	PREPARED BY:	DRAWING TITLE:		
DRAWN: ITC		GENERAL WELL DRILLING SITE PLAN		
REVIEWED: TD				
APPROVED: TD				
PROJECT:		DATE:	REVISION:	DRAWING NO.:
		7/14/2019	---	FIGURE 2
<p>IF THE ABOVE BAR DOES NOT MEASURE 1 INCH, THE DRAWING SCALE IS ALTERED</p>		SRK PROJECT NO.: 483600.010		

State of Nevada
Division of Water Resources
Request for Correspondence and Change of Address

In regard to permit number(s) See Attached : (Check applicable item)

- ☐ Please add my name to the mailing list and send copies of all correspondence to the address below:
(Fill in NEW ADDRESS information only.)
- ☒ Please change the address for copies to be sent as indicated below:
(Fill in NEW ADDRESS and OLD ADDRESS information.)
- ☐ I am the permit holder. Please change my address as indicated below:
(Fill in NEW ADDRESS and OLD ADDRESS information.)

NEW ADDRESS

Name: Esmeralda Minerals, LLC c/o Taggart & Taggart, Ltd.

Address: 108 N. Minnesota Street

City, State, Zip: Carson City, NV 89703

Telephone: 775-882-9900

Email: paul@legaltnt.com

☐ I prefer to receive correspondence by email.

OLD ADDRESS

Name: Esmeralda Minerals, LLC

Address: 100 W. Liberty Street, 10th floor

City, State, Zip: Reno, NV 89501

Telephone: _____

I am the:

- ☐ Individual named above. (Complete signature below only.)
- ☒ Agent or representative. (Complete signature, name and address below.)

This form accurately reflects the mailing address for the permit holder or other individual identified above.

Signature: _____

Name: Paul G. Taggart

Address: 108 N. Minnesota Street

City, State, Zip: Carson City, NV 89703

Telephone: 775-882-9900 Email: paul@legaltnt.com

- ☐ I prefer to receive correspondence by email.

Mail form to: Division of Water Resources, 901 S. Stewart Street, Suite 2002, Carson City, NV 89701

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Attachment 1

Waiver MM-205
Waiver MM 206
Waiver MM 207
Any and All Pending Waivers

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