

Considered: _____

WATER PERMIT NO. 1324-1

MAP No. Same

Name of Applicant Gilt Edge Inc.

Post Office Address 2005 Ironwood Parkway Coeur d'Alene, Idaho

Amount of Water Claimed 0.25 cfs Total Acres N.A.

Source of Water Supply Groundwater approx. 400 Feet

Water to be used for IND. County Lawrence

About _____ miles SE of Deadwood.

PROOF OF PUBLICATION: Received 1st 1-29-85 Not Received _____

APPLICATION: Approved 3-6-85 Subject to _____

F.F. & C.L. Adopted _____ Not Approved _____ Deferred _____

PRIORITY _____ Date Received 12-26-84 Fee \$225.00 Remarks _____

12-26-84

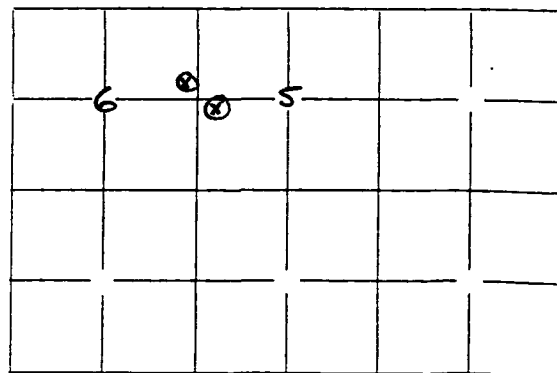
Corrected Application Received _____ Period of Annual Use _____

WATER QUALITY APPROVAL RECEIVED N.A. APPROVED/CONDITIONAL (Circle one)

WI-1 Description same as Application YES _____ NO _____ REMARKS _____

Diversion Point SE⁴ NE⁴ section 6 or
NW⁴ SW⁴ section 5 both in T4N-R4E

Land to be Irrigated _____



Well Log: Driller No log sent

Licensed YES _____ NO _____

Depth of Well 400 Feet

REMARKS Mining Permit is in process

Type of Map USGS Topo PREPARED BY Paul Dirksen Reviewed and the Number _____

assigned on 1-2-85 By Kevin C. Larsen

cc: Nelson
Hauten

No. <u>1324-1</u>	Hydrologic Unit <u>10120202</u>
Map No. <u>same</u>	Basin <u>Belle Fourche</u>
Newspaper <u>Lead Daily Call</u>	<u>Box 876 Lead</u>

Application For Permit To Appropriate Water Within The State Of South Dakota

Check use of water: Industrial ☒ Commercial ☐ Municipal ☐ Other Common Distribution System ☐
 Rural Water System ☐ Suburban Housing ☐ Geothermal Heat ☐ Institutional ☐ Recreational ☐
 Domestic ☐ (above 18gpm) Other ☒ .25 c.f.s.

Type of Application: Check one or more of the following

New ☒ Vested Right ☐ Future Use ☐ Change Use ☐☐ Amend Permit No. _____ with old priority date retainedChange diversion point(s) ☐ Add diversion point(s) ☐ Other ☐ _____☐ Application to: Change diversion point(s) ☐ Add diversion point(s) ☐ on Permit No. _____☐ Construction to use water reserved by Future Use Permit No. _____1. Name of Applicant Gilt Edge, Inc. Phone No. 208-664-1571Post Office Address 2005 Ironwood Parkway, Coeur d'Alene State Idaho Zip Code 83814
(Street, RR or Box)2. Amount of water claimed (c.f.s.) 0.25 c.f.s.3. Source of water supply Well4. Location of point of diversion 2 Wells (see map) T 4N, R 4E, SW 1/4 Sec. 5 and/or
T 4N, R 4E, NE 1/4 Sec. 6 pending hydrologic study.County Lawrence5. Counties where water will be used Lawrence6. Annual period during which water is to be used Year round

7. Give a brief description of proposed project. When available include any preliminary engineering report or other reports or information that will help explain the project. (Attach sheet if more space is needed)

Water to be developed for use in heap leach gold mining operation at the Gilt Edge Mine. Mine Application Permit filed with Dept. of Water & Natural Resources. Water is to be used for start-up and make-up solution for gold leaching solution, therefore peak consumption will occur in early spring with very little consumption during winter as operation is seasonal

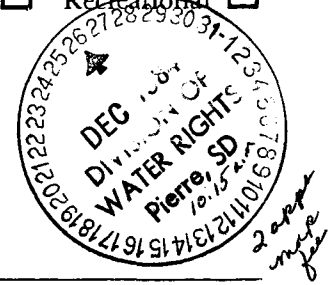
Attachments: Attach Form 2A if diversion from a well or dugout, or if storage of water, is proposed. Attach map (see instruction)

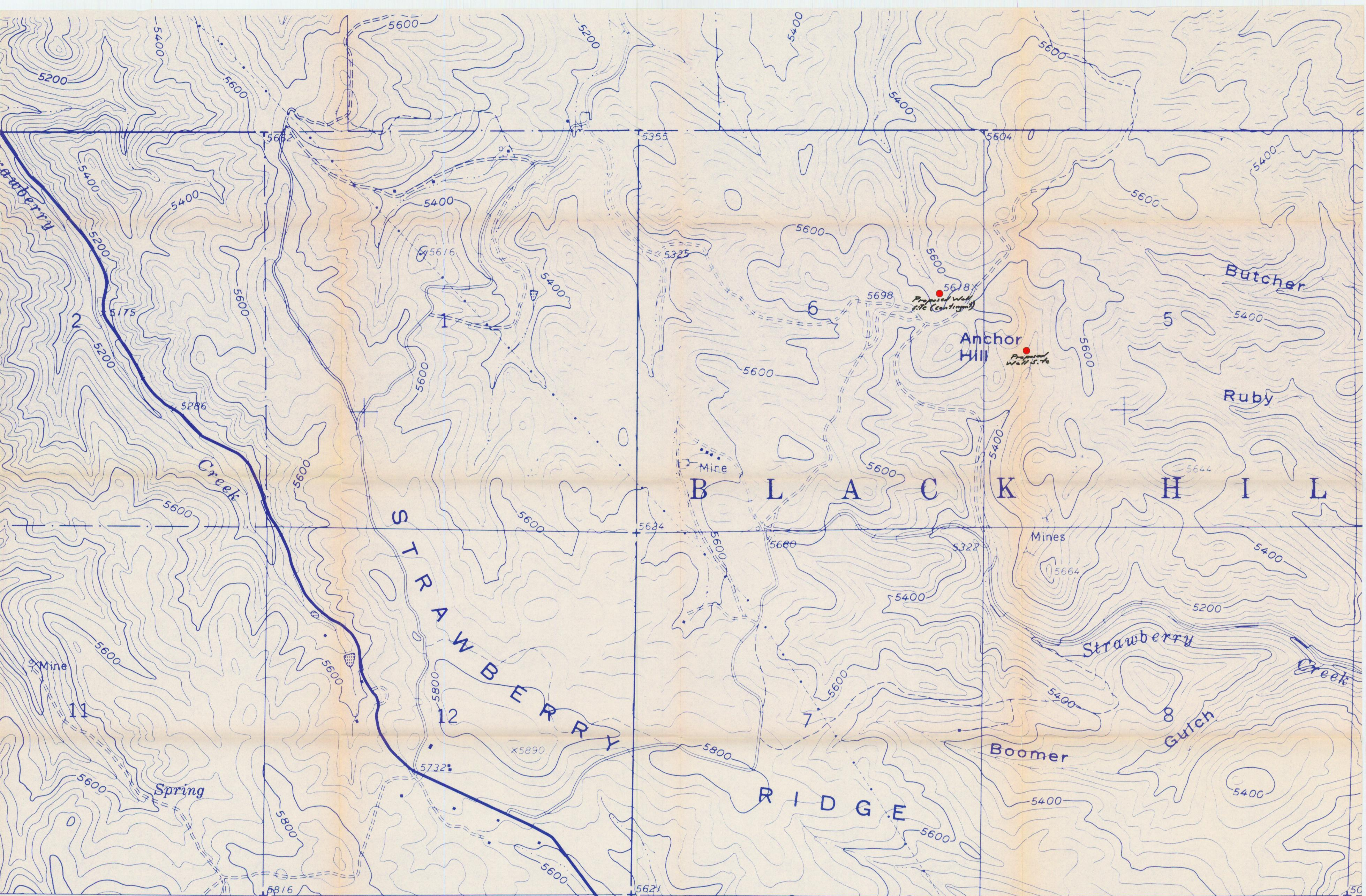
STATE OF SOUTH DAKOTA)
County of _____)

I, Paul E. Dircksen the applicant, certify that I have read the foregoing application, have examined the attached map and that the matters therein stated are true and that I intend, and am able to complete the necessary construction.

Signed Paul E. DircksenSubscribed and sworn to before me this 21st day of December 21 1984

Clayton J. Jester
Notary Public (or other qualified officer)





GILT EDGE PROJECT
G.H. Edge, Inc.
Proposed Water Well S.16s
T4N, R9E
12/3/24 Scale 1"=500' P.Direksen

WATER PERMIT

The Water Management Board hereby approves Water Permit Application No. 1324-1
Gilt Edge Inc. 2005 Ironwood Parkway Coeur d'Alene
(Applicant) (Post Office Address)
Idaho _____ With the following qualifications.
(State) (Zip Code)

The wells approved under this Permit are located near domestic wells which may obtain water from the same aquifer. The well owner, under this Permit, shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells.

Date of first receipt of application December 26, 1984.
 Date of return to applicant for correction, amendments or changes required _____, 19____.
 Date of receipt of corrected application _____, 19____. Approved March 6, 1985.

The Water Management Board hereby approves this Water Permit No. 1324-1 authorizing the construction of the water use system and the placing of water to beneficial use as stated in the Application and as qualified in the Water Permit approval, subject, however, to the following limitations and conditions:

1. The date from which applicant may claim right is December 26, 1984.
2. The equivalent of at least one-fifth of the specified work is to be completed on or before September 6, 1987.
3. The whole of said work is to be completed on or before March 6, 1990.
4. The limit of time from proof of beneficial use of water appropriated in accordance herewith is March 6, 1994.
5. The water appropriated shall be used for the purpose of Industrial purposes
6. The prior right of all persons who, by compliance with the laws of the State of South Dakota, have acquired a right to the use of water must not be unlawfully impaired by this appropriation.
7. The amount of the appropriation herein granted shall not exceed 0.25 cubic feet per second; neither shall it exceed the capacity of the above described water supply system nor shall it exceed the amount of water needed for beneficial uses served and to which water is actually and beneficially applied for Industrial use on or before March 6, 1994; said water to be used during the following described annual period: January 1 to December 31

WATER MANAGEMENT BOARD
 By: John H. Hales
Chief Engineer
 Division of Water Rights
 Dept. of Water and Natural Resources

APR 22 1985

19____

Supplemental Information

(type or print in ink)

1. Well Information - Proposed construction

- a) Drill Hole Diameter 7 7/8 inches Depth 400 feet
- b) Casing Type PVC Diameter 4.5 in. I.D. Thickness +0.173 in.
- c) Screen Type Perforated PVC Diameter 4.5 in. I.D. Thickness +0.173 in.
- d) Gravel Pack Thickness Approx. 3 3/8 in. Length of Gravel Pack 3 ft. gravel + 20 ft. steel casing
- e) Depth to Top of Water Bearing Material Approx. 40 feet
- f) Depth of Water (ground surface to water level) Unknown
- g) Distance to nearest existing domestic well:
On applicants property 1.5 mi. T4N, R4E, SE 1/4 Sec. 4 On property owned by others Residence @ Galena

2. Dugout Information Estimates

- a) Surface Dimensions _____ Depth _____
- b) Depth to water (ground surface to water level) _____

3. Water Storage Dams

If the proposed water use system contains one or more storage dams, please furnish the information requested below. The locations of each dam should be shown on the map submitted with the application.

- a) If a private engineering firm or government agency was involved in the design of this dam please give their name and address

b) Freeboard _____

c) Crest Width _____

Crest Length _____

d) Height _____

e) Outlet Dimensions:
Pipe diameter _____

Spillway width _____

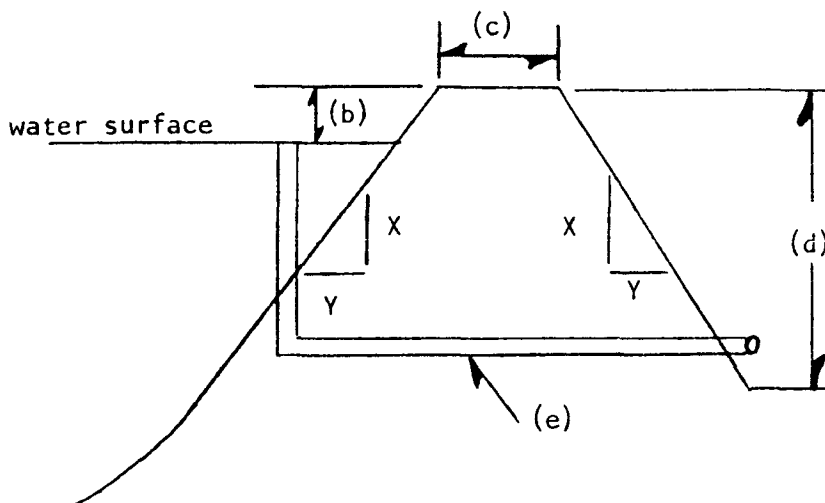
f) X & Y Slope
Upstream _____

Downstream _____

Surface Area of Impoundment _____

Storage _____ acre feet

Drainage area above dam _____



Paul E. Cich
Signature of Applicant

RECEIPT

Division of Water Rights

No 4 9866

South Dakota Department of Water and Natural Resources

Pierre, December 27, 1984

RECEIVED OF Lacana Mining, Inc PO Box 11305, Reno, Nevada 89510

(for Giant Edge Project)
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>1324-1</u> to Appropriate Water, to construct works and to put water to beneficial use	225	00
Fee for Application for Permit No. _____ to Appropriate Water for Future Use		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____		
Fee for Filing Transfer Form _____		
Fee for Filing Extension Request _____		
Fee for Certified Copy of _____		
Fee for Print Copy of Map _____		
Fee for Certifying _____		
Fee for _____		
(Any Other Work Provided by Law)	Total	225 00

By John Hatch
Chief Engineer JOHN HATCH MS



Lacana Gold Inc.
2005 Ironwood Parkway
Coeur d'Alene, Idaho 83814
(208) 664-1571

December 21, 1984

Mr. Kevin Larson
Water Rights Division
Dept. of Water & Natural Resources
Foss Building
Pierre, SD 57501



Re: Application for a Water Permit,
Gilt Edge Project

Dear Kevin:

As a follow-up to our telephone conversation please find enclosed two completed copies of Form 2 and 2A and an enlarged USGS 7½ min. Topographic map showing the location of two possible test wells to be drilled pending a hydrologic study.

We would like to develop .25 cfs for the proposed Gilt Edge, Inc., gold mining operation in Lawrence Co., South Dakota.

A check for \$225.00 will be sent under separate cover from our central billing office in Reno, Nevada.

Should you have any questions please feel free to call.

Best regards,

Paul E. Dircksen
Manager-NW Exploration

PED/cam
Encls.

cc: Reno Ofc.

MEMO TO: Jim Nelson

FROM: John Hatch



SUBJECT: Gilt Edge Inc. Application

DATE: January 25, 1985

The following are our comments on this application report.

1. They propose land application of solution and at the same time say that there is not any topsoil at the site.
2. It appears from putting the maps together that Strawberry Creek runs thru one or more of the pads.
3. The site map shows only three monitoring wells, but construction, additional wells and installation dates are not addressed.
4. It appears that they want to start mining and put in a monitoring system as they see fit.
5. Appendix F which may be the most important part, apparently is not available for review.

JH:ks

REPORT ON APPLICATION NO. 1324-1

GILT EDGE, INC.

January 15, 1985

This application proposes to appropriate 0.25 cfs from a well approximately 400 feet deep. The well is to be located in either the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6 or NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 5 both in T4N, R4E. The water will be used in a mining operation.

Aquifer - Unknown at this time - Deadwood Sandstone or Intrusives

Geology and Aquifer Characteristics

Rocks in this area are Tertiary Intrusives, Pre Cambrian Schists, Deadwood Formation, Alluvium along creeks and Tertiary gravels (Darton, 1925). Other than domestic wells information there is very little hydrologic information available. Most area domestic wells produce 5-20 gpm (Well Files, 1985). Without further hydrologic testing it is impossible to assess ground water availability, however, more than one well would probably be needed.

Review of Existing Water Rights

There are no existing water permits within 2 miles of this area.

Conclusions

1. It is likely there is ground water available, however, there isn't definite testing to show this.
2. It is likely that one well will not supply the amount of water requested on a continuous basis.
3. There should be no impact upon existing water permits.


JAMES A GOODMAN
Hydrologist

Bibliography

Darton, N.H., 1925, Central Black Hills Folio No. 219, USGS, Washington D.C.
Well Files, 1985, Water Rights Well Files, DWR, Water Rights, Joe Foss Bldg.,
Pierre SD.

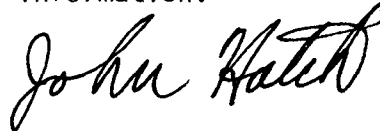
RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1324-1, Gilt Edge Inc.

Pursuant to SDCL 46-2A-2, the following is the recommendation of the Chief Engineer, Water Rights Division, Department of Water and Natural Resources concerning Water Permit Application No. 1324-1, Gilt Edge Inc., 2005 Ironwood Parkway, Coeur d'Alene, Idaho.

The Chief Engineer is recommending APPROVAL of Application No. 1324-1 because 1) there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use and 4) in the public interest with the following qualifications:

The wells approved under this Permit are located near domestic wells which may obtain water from the same aquifer. The well owner, under this Permit, shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells.

See the attached report for additional information.

A handwritten signature in black ink, reading "John Hatch". The signature is written in a cursive, flowing style with a large initial "J" and a stylized "H".

JOHN HATCH, Chief Engineer
January 17, 1985

Instruction to Newspaper - Publish first publication of the following Notice on or before January 24, 1985 with 2nd publication 1 week later. The applicant is responsible for payment.

NOTICE OF HEARING on Application No. 1324-1 to Appropriate Water
~~and/or to Amend Water Permit or Water Rights No. _____~~

Notice is hereby given that Gilt Edge, Inc. whose mailing address is
2005 Ironwood Parkway, Coeur d'Alene, ~~South Dakota~~ Idaho has made an application for a permit
 to appropriate 0.25 cubic feet per second from groundwater, two wells approximately
 400 feet deep. The wells will be located in either the SE¼NE¼ Section 6 or NW¼SW¼
 Section 5, both in T4N, R4E. Water will be used in a mining operation.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends
APPROVAL of Application No. 1324-1 because 1) unappropriated water is available,
 2) will be no unlawful impairment of existing rights, 3) is beneficial use of water and
 4) is in the public interest.

This application will be considered by the Water Management Board at 523 E. Capitol,
Joe Foss Building, Room 216, Pierre, South Dakota, March 6 1985 at 10:00 am.

The recommendation of the Chief Engineer is not final or binding upon the Board and the Board is authorized to make a determination on this application after it reaches a conclusion based upon facts presented at the public hearing. Any interested person who may be affected by a Board decision and who intends to participate in the hearing before the Board and present evidence or cross-examine witnesses according to SDCL 1-26, must file a written petition with BOTH the Applicant and the Chief Engineer by February 22, 1985. The petition may be informal, but it must include a statement describing the petitioner's interest in the application, the reason for the petitioner's opposition to or support of the application, and the signature and mailing address of the petitioner or his legal counsel if legal counsel is obtained. The applicant need not file a petition.

This application is made pursuant to the provisions of SDCL 46-1-1 thru 46-1-9, 46-1-12 thru 46-1-15; 46-2-3.1, 46-2-9, 46-2-11, 46-2-13, 46-2-17, 46-5-1 thru 46-5-16, 46-5-24, 46-5-25, 46-5-30.2, 46-5-31; 46-2A-1 thru 46-2A-10, 46-2A-12; ~~(ground)~~ 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14; ~~(future use)~~ 46-5-38 thru 46-5-40; ~~(transfer lands)~~ 46-5-30.4, 46-5-33 thru 46-5-35; ~~(10,000 AFA)~~ 46-5-20.1, 46-5-8.1; and Board Rules ARSD 74:02:01:01 thru 74:02:01:15; ~~(future use)~~ 74:02:01:24 thru 74:02:01:25; ~~(10,000 AFA)~~ 74:02:01:15:02 thru 74:02:01:15:05.

This hearing is an adversary proceeding. The applicant or any person, after filing a petition, has the right to be present or to be represented by a lawyer. These and other due process rights will be forfeited if they are not exercised. Decisions of the Board may be appealed to the Circuit Court and the State Supreme Court as provided by law.

Any person wishing a copy of the Chief Engineer's recommendation, further information on this application or to assure access to the hearing by the handicapped can contact the Water Rights Division, DWNR, Joe Foss Bldg, Pierre SD (605 773-3352) for assistance prior to the hearing date. The time of the hearing will be automatically extended for at least twenty days upon written request of the applicant or any person who has filed a petition to oppose or support the application. The request for extension must be filed with the Chief Engineer by February 22, 1985.

AFFIDAVIT OF PUBLICATION

STATE OF SOUTH DAKOTA, } ss.
COUNTY OF LAWRENCE

William B. Kemper, of said county and state, being
duly sworn, on his oath says: That the Lead Daily Call Deadwood P
is a legal newspaper of general circulation, printed and published in Lead,
in said county and state, by the Seaton Publishing Company, and has been
such a newspaper during the times hereinafter mentioned; and that I,
William B. Kemper, the undersigned, am the
Business Manager of the said newspaper, in charge of the advertising
department thereof, and have personal knowledge of all the facts in this
affidavit, and that the advertisement headed NOTICE OF HEARING ON
To Appropriate Water

a printed copy of which is hereto attached, was printed in said newspaper
for 2 successive and consecutive wks., the respective publi-
cations thereof being made on Jan. 21, 1985
and on _____, 19____
_____ 19____
_____ 19____
_____ 19____
_____ 19____
_____ 19____
_____ 19____
and the last publication thereof on Jan. 28, 1985
and that the full amount of fees charged for publishing the same, to-wit
the sum of \$ 38.77, inures solely to the benefit of aforesaid
publisher and that no arrangement or understanding for a division there-
of has been made with any person other than the publisher, and that no part
thereof has been agreed to be paid to any other person whomsoever.

Adeline A. Hunt

Subscribed and sworn to before me this 28

day of Jan, 1985

[Signature]
Notary Public, Lawrence County, S. Dak.

My commission expires July 14, 1985

NOTICE OF HEARING on Application No. 1324-1 to Appropriate Water

Notice is hereby given that Gilt Edge, Inc. whose mailing address is 2005 Ironwood Parkway, Coeur d'Alene, Idaho has made an application for a permit to appropriate 0.25 cubic feet per second from groundwater, two wells approximately 400 feet deep. The wells will be located in either the SE 1/4 NE 1/4 Section 6 or NW 1/4 SW 1/4 Section 5, both in T4N, R4E. Water will be used in a mining operation.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends APPROVAL of Application No. 1324-1 because 1) unappropriated water is available, 2) will be no unlawful impairment of existing rights, 3) is beneficial use of water and 4) is in the public interest.

This application will be considered by the Water Management Board at 523 E. Capitol, Joe Foss Building, Room 216, Pierre, South Dakota, March 6 1985 at 10:00 a.m.

The recommendation of the Chief Engineer is not final or binding upon the Board and the Board is authorized to make a determination on this application after it reaches a conclusion based upon facts presented at the public hearing. Any interested person who may be affected by a Board decision and who intends to participate in the hearing before the Board and present evidence or cross-examine witnesses according to SDCL 1-26, must file a written petition with BOTH the Applicant and the Chief Engineer by February 22, 1985. The petition may be informal, but it must include a statement describing the petitioner's interest in the application, the reason for the petitioner's opposition to or support of the application, and the signature and mailing address of the petitioner or his legal counsel if legal is obtained. The applicant need not file a petition.

This application is made pursuant to the provisions of SDCL 46-1-1 thru 46-1-9, 46-1-12 thru 46-1-15, 46-2-1, 46-2-9, 46-2-11, 46-2-13, 46-2-17, 46-5-1 thru 46-5-16, 46-5-24, 46-5-25, 46-5-30, 46-5-21, 46-2A-1 thru 46-2A-10, 46-2A-12, 46-6-3, 46-6-1, 46-6-6, 46-6-10, 46-6-13, 46-6-14, and Board Rules ARSD 740201.01 thru 740201.15.

This hearing is an adversary proceeding. The applicant or any person, after filing a petition, has the right to be present or to be represented by a lawyer. These and other due process rights will be forfeited if they are not exercised. Decisions of the Board may be appealed to the Circuit Court and the State Supreme Court as provided by law.

Any person wishing a copy of the Chief Engineer's recommendation, further information on this application or to assure access to the hearing by the handicapped can contact the Water Rights Division, DWRN, Joe Foss Bldg. Pierre SD (650 773-3352) for assistance prior to the hearing date. The time of the hearing will be automatically extended for at least twenty days upon written request of the applicant or any person who has filed a petition to oppose or support the application. The request for extension must be filed with the Chief Engineer by February 22, 1985.

21.54

17.23

38.77



Department of Water & Natural Resources

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501

Water Rights Division
605 773-3352

1324-1

APR 22 1985

Gilt Edge Inc.
2005 Ironwood Parkway
Coeur d'Alene, Idaho 83814

Dear Sir:

Enclosed herewith is your Water Permit No. 1324-1 as approved by the Water Management Board authorizing you to construct your water diversion system and the water to beneficial use, not exceeding the limits as specified in said Water Permit No. 1324-1.

Also enclosed is Form 10, Notice of Completion of Works and Application of Water to Beneficial Use, which you are to complete and submit to the Chief Engineer when you have completed the system and/or have put the water to beneficial use. An inspection can then be scheduled so that your Water License may be issued to you, thus completing your acquisition of a Water Right.

Very truly yours,

JOHN HATCH, Chief Engineer
Water Rights Division

JH: ms

enclosure

PLEASE NOTE: Certain changes can be made in your permit within the five year construction period, usually without affecting the priority date provided an application to amend your permit is made within the five year period-i.e. changes in location or number of diversion points (wells) or location of land to be irrigated. Well locations for wells into the same aquifer can be moved up to 660 feet without application.

Applications to amend a permit after the five year construction period will be assigned a new priority date. Applications to change water sources, to add lands or increase original diversion rates, if approved will usually receive the date of the new application as a priority date regardless of the five year construction period.

WNR-809-5/83



DEPARTMENT OF WATER & NATURAL RESOURCES

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501-3181

March 12, 1991

1324-1
1324A-1
1345-1

Brohm Mining Corporation
PO Box 485
Deadwood, SD 57732

Dear Sirs:

I am contacting you in regard to ownership of Water Permit Nos. 1324-1, 1324A-1 and 1345-1 (copies enclosed). These permits are currently listed in the name of Gilt Edge Inc. It is our understanding that the permits should be listed under Brohm Mining Corporation.

Enclosed are "Notice of Transfer" forms for use in filing ownership changes on Water Permit Nos. 1324-1, 1324A-1 and 1345-1. The transfer forms should be completed and then signed in the presence of a notary public. Upon completion, return the forms to our office with a required filing fee of \$2.50 each (total of \$7.50).

Also enclosed is a "Request for 1990 Water Use Information" survey for Water Permit No. 1345-1. Please complete the form and return it to our office along with the transfer forms and filing fees. If you have any questions, please contact me.

Sincerely,

Genny McMath
Natural Resources Analyst
(605) 773-3352

enclosure



April 2, 1991



Ms. Genny McMath
Natural Resources Analyst
Department of Water and Natural Resources
Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501-3181

Subject: Water Permit Nos. 1324-1, 1324A-1, and 1345-1

Dear Genny:

Enclosed please find individual Notices of Name Change for the above referenced water permits. To each form I have attached a Certificate of Amendment of Change for Name from Gilt Edge, Inc. to Brohm Mining Corp., which Certificate of Amendment has been filed with the Secretary of State of the State of South Dakota. As you will note, there has been no change of ownership, but only a change of name from Gilt Edge, Inc. to Brohm Mining Corp.

Further, our attorney, Dale R. Cockrell, spoke with you on April 1, 1991 regarding the above referenced matter and indicated that there had been no change of ownership, but only a name change. At that time, you informed him that the enclosed form should be amended to conform to the change of name, which we have done.

If you have any questions, please give us a call.

Sincerely,
Brohm Mining Corporation

Lee "Pat" Gochnour
Manager of Environmental Affairs

enc:

rrl

Certificate of Amendment

GILT EDGE, INC.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this

GILT EDGE, INC. changing name to: BROHM MINING CORP.

IN TESTIMONY WHEREOF, I have hereunto
set my hand and affixed the Great Seal of the
State of South Dakota, at Pierre, the Capital,
this 15th..... day of

...January, A.D. 19..87...

.....
Secretary of State

Deputy

SOS CRP 421 5/80

CAVEN OPERATION

RESOLUTION 85 FOR THE RECOVERED BENEFITS OF THE NATIONAL BUREAU OF CRIMINAL INVESTIGATION, ROLL NO. 158 3: 35/0000

PROVINCE OF BRITISH COLUMBIA) ss

Wayne D. McClay and Barney Magnusson, being duly sworn, depose and say, and each for himself deposes and says that he, Wayne D. McClay, is the President of Gilt Edge, Inc. and he, Barney Magnusson, is the Secretary-Treasurer thereof; and that the foregoing Articles of Amendment to the Articles of Incorporation of Gilt Edge, Inc. set forth an amendment to the Articles of Incorporation unanimously adopted by the board of directors and shareholders of the corporation as of November 14, 1986; and, that they, as directors and officers of said corporation have been duly authorized to execute and file said Articles of Amendment.

Wayne D. McClay
Wayne D. McClay
President

Barney Magnusson
Barney Magnusson
Secretary-Treasurer

Subscribed and sworn to before me this 8th day of
December, 1986.
15 January

(SEAL)

Notary Public
Notary Public

My Commission Expires:

Does Not Expire

RECORDS SECTION - OFFICE OF RECORDS MANAGEMENT - OFFICE OF RECORDS MANAGEMENT
DATE MICROFILMED 2-25-1987
ROLL NO. 158
CROWN OPERATOR
IT IS HEREBY CERTIFIED THAT THE MICROFILMIC PROCESS USED FOR MICROFILMING OF THE ABOVE RECORDS WAS IN A MANNER
AND IN ACCORDANCE WITH THE REQUIREMENTS OF THE NATIONAL BOARD OF STANDARDS FOR RECORDS MANAGEMENT

Filed this 15th day of January, 1987

ARTICLES OF AMENDMENT

to the

ARTICLES OF INCORPORATION OF

SECRETARY OF STATE

GILT EDGE, INC.

RECEIVED

JAN 15 1987

Secretary of State

Pursuant to the provisions of the South Dakota Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is Gilt Edge, Inc.

SECOND: The following amendment of the Articles of Incorporation was adopted by the shareholders of the corporation on November 14, 1986, in the manner prescribed by the South Dakota Business Corporation Act:

The Articles of Incorporation provide: "The name of the corporation is Gilt Edge, Inc." and are amended to read: "The name of the corporation is Brohm Mining Corp."

THIRD: The number of shares of the corporation outstanding at the time of such adoption was one hundred (100); and the number of shares entitled to vote thereon was one hundred (100) with all of such shares representing common stock.

FOURTH: The number of shares voted for such amendment was one hundred (100); and the number of shares voted against such amendment was zero.

FIFTH: The amendment does not provide for an exchange, reclassification or cancellation of issued shares.

SIXTH: The amendment does not effect a change in the amount of stated capital.

Dated this 8th day of January, 1987.

GILT EDGE, INC.

By: Wayne D. McClary
Its President

By: Barney Magnusson
Its Secretary-Treasurer

(CORPORATE SEAL)

RECEIVED
JAN 15 1987
SECRETARY OF STATE
DATE MICROFILMED
JAN 15 1987
CHIEF CLERK

Receipt No. 248945
File No. DB-~~22579~~
22579
ARTICLES OF AMENDMENT OF
GILT EDGE, INC.

CHANGING NAME TO:
BROHM MINING CORP.

Filed at Request of
Larry M. Von Wald
Law Offices
Lynn, Jackson, Shultz & Lebrun, P.C.
P.O. Box 8110
Rapid City, SD 57709

State of South Dakota
Office of Secretary of State

Filed in the office of the Secretary of State on
the 15th day of Jan 19 87

Royce Hazelton
Secretary of State

By _____
Deputy

Fee Received \$20

SOS CRP 491 4/81

STATE OF SOUTH DAKOTA - BUREAU OF ADMINISTRATION - OFFICE OF RECORDS MANAGEMENT - CERTIFICATE OF AUTHENTICITY
THIS IS TO CERTIFY THAT THE MICROFILMED IMAGE ATTACHED ON THIS SLIDE OF MICROFILM IS AN ACCURATE REPRODUCTION OF THE
ORIGINAL RECORD AND WAS MICROFILMED IN THE REGULAR COURSE OF BUSINESS ACCORDING TO THE PROVISIONS OF SOUTH DAKOTA COMPILED
LAW 1-17. IT IS FURTHER CERTIFIED THAT THE MICROFILMED IMAGE WAS USED FOR MICROFILMING OF THE ABOVE RECORDS WAS IN A PERMANENT
AND ON MICROFILM WHICH MEET THE RECOMMENDED REQUIREMENTS OF THE NATIONAL BUREAU OF STANDARDS FOR PERMANENT MICROFILMING
REPRODUCTIONS. REDUCTION 8.5 ROLL NO. 158 DATE MICROFILMED 2-5-1987
GIVEN OPERATOR David J. Haskins

NOTICE OF NAME CHANGE

No. _____

TO: Chief Engineer
Water Rights Division, DWNR
523 East Capitol
Pierre, SD 57501-3181

Date: April 4, 1991

I/We hereby notify the Division of Water Rights, DWNR, that Water Permit/Right No. 1324-1

is held by a corporation, formerly known as Gilt Edge, Inc., and that Gilt Edge, Inc. has changed its name and address to: Brohm Mining Corp., P.O. Box 485, Deadwood, SD 57732 (Telephone No.) (605) 578-2107, as reflected on the attached Certificate of Amendment as filed with the South Dakota Secretary of State.

Title to the following described land(s)/property has not been transferred.

I/We understand that the validity of Water Permit/Right No. 1324-1 has not been affected by this name change. If I/We have any questions on validity, I/We understand that only the Water Management Board has the authority to determine if a water permit/right is valid (see note).

You are requested to file this "Notice of Name Change" in the appropriate file at the Division of Water Rights, as evidence of the change of name.

A fee of Two Dollars and Fifty Cents (\$2.50) is attached to cover the filing fees as required under SDCL 46-2-13.

STATE OF SOUTH DAKOTA)

County of Lawrence)

I, Lee P. Gochmour, being first duly sworn on my oath, depose and say that I am the Manager of Environmental Affairs of Brohm Mining Corp., the Owner of the above-referenced water permit/right, that I have read the above foregoing statement, and that I know of my own personal knowledge that the information herein stated is true.

Lee P. Gochmour

(Signed)

Subscribed and sworn to before me this 4th day of April, 1991

Therese H. Gochmour
(Notary Public)

(SEAL)

My Commission Expires: 09-17-95

NOTE: Water permits may be cancelled for nonconstruction within the five year construction period. Once a water permit is developed and the water used, the permit becomes a water right. A water right may be lost for three reasons:

1. Abandonment - no intent to use water and use is abandoned.
2. Forfeiture - no use of water for three year period without legal excuse.
3. For a third violation of a condition of a water permit/right.

RECEIPT

Division of Water Rights

South Dakota Department of Water and Natural Resources

412631

Pierre, _____ April 8, 19 91

RECEIVED OF Brohm Mining Corp., P.O. Box 485, Deadwood, SD 57732

the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. _____ to Appropriate Water, to construct works and to put water to beneficial use _____		
Fee for Application for Permit No. _____ to Appropriate Water for Future Use _____		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____		
Fee for Filing Transfer Form <u>Water Permit No. 1324-1</u>	2	50
Fee for Filing Extension Request _____		
Fee for Certified Copy of _____		
Fee for Print Copy of Map _____		
Fee for Certifying _____		
Fee for _____		
(Any Other Work Provided by Law)	Total	2 50

By John Hatch (CF)
Chief Engineer



DEPARTMENT OF WATER & NATURAL RESOURCES

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501-3181

April 18, 1991

No. 1324-1
1324A-1
1345-1

Brohm Mining Corp.
P.O. Box 485
Deadwood, SD 57732

Dear Sirs:

Enclosed are receipts in the amount of \$2.50 each which you paid for the transfer of Water Permit No. 13324-1, Water Permit No. 1324A-1 and Water Permit No. 1345-1.

Our records now show you as the owner of Water Permit No. 1324-1, Water Permit No. 1324A-1 and Water Permit No. 1345-1.

Sincerely,

Cheryl F. Frost
Secretary
Water Rights Division
605 773-3352

enclosure



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181

JUL 29 1996

1421-1

Lance Hubbard
Brohm Mining Corporation
P.O. Box 485
Deadwood, SD 57732-0485

Dear Mr. Hubbard:

Enclosed is Water License No. 1421-1 and Receipt No. 413868 for \$50.00 which was assessed for an investigation and issuance of the license. Water License No. 1421-1 is the final document which completes the process of obtaining a water right.

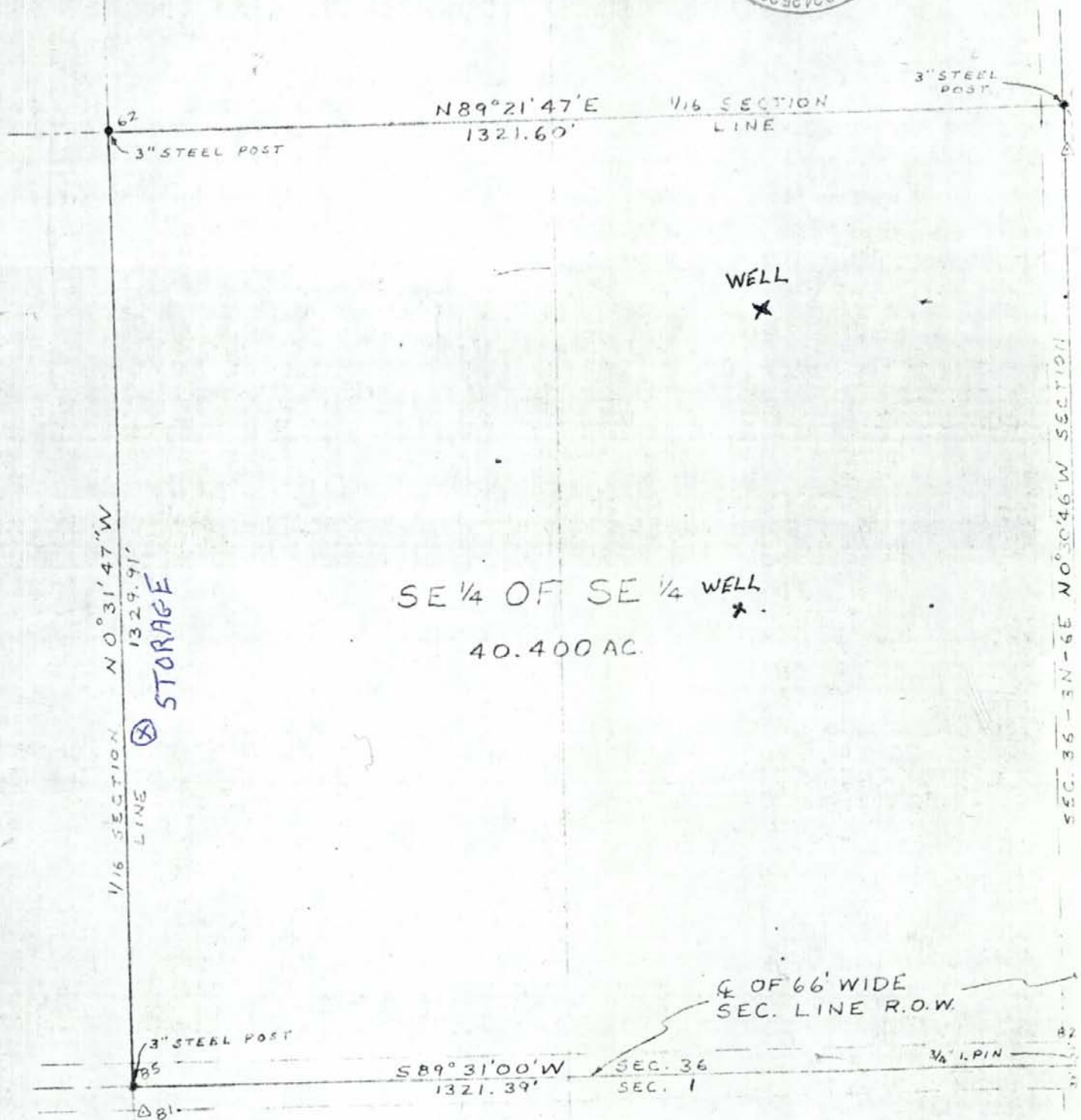
As long as you use the water beneficially, as stated in the Water License, State Water Laws provide that you have a continuing right to use the water.

Very truly yours,

JOHN HATCH, Chief Engineer
Water Rights Program
(605) 773-3352

gm
enclosures

NOTE: The applicable portions of Water Permit Nos. 1324-1 and 1324A-1 are incorporated into this Water License No. 1421-1.



App'l. #1323-1

Gerry L. Johnston
Meade County Agent
12/5/84