

Considered: _____

WATER PERMIT NO. 1324A-1

MAP No. same

Name of Applicant Gilt Edge, Inc.

Post Office Address 2005 Ironwood Parkway, Coeur d'Alene, Idaho 83814

Amount of Water Claimed no add'l Total Acres NA

Source of Water Supply ground water 2 add'l wells, 1 location change

Water to be used for industrial purposes County Lawrence

About 3 miles SE of Lead

PROOF OF PUBLICATION: Received ☒ Not Received ☐

APPLICATION: Approved 3/4/87 Subject to _____

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

PRIORITY 12/26/84 Date Received Jan 12, 1987 Fee 50⁰⁰ Remarks Proposal to amend Water Permit No. 1324-1 to add two diversion points and change the proposed location of a diversion point.

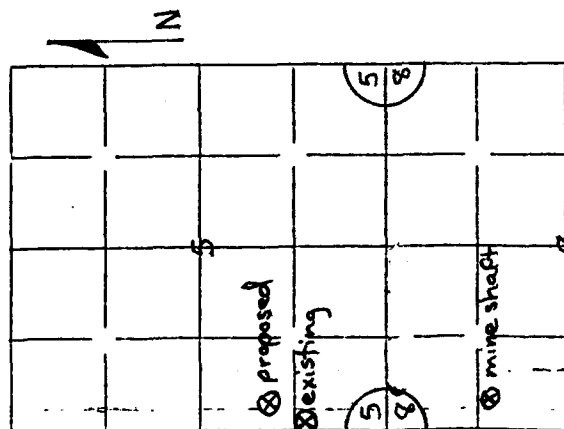
Corrected Application Received _____ Period of Annual Use Jan 1 - Dec 31

WATER QUALITY APPROVAL RECEIVED NA APPROVED/CONDITIONAL (Circle one)

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

Diversion Point existing well: SW¹/₄SW¹/₄ sec 5; pro-
posed well: NW¹/₄SW¹/₄ sec 5; mine shaft: SW¹/₄NW¹/₄
sec 8; all in T4N-R4E

Land to be Irrigated NA



Well Log: Driller _____ Licensed YES ☐ NO ☐

Depth of Well 300, 190 & 125 ft REMARKS mine shaft - 300 ft deep, 125 ft deep
is a monitoring well, 190 ft deep is a proposed well

Type of Map Topo PREPARED BY James Montgomery Consulting Engs & Ron Duvall Reviewed and the Number assigned on January 12, 1987 By Ron Duvall

No. 1324A-1 Hydrologic Unit 10120202
 Map No. same Basin Belle Fourche R.
 Newspaper Lead Daily Call, P.O. Box 876, Lead

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 ☐

Type of Application: Check one or more of the following

New ☒ Vested Right ☐ Future Use ☐ Change Use ☐☒ Amend Permit No. 1324-1 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. _____Post 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) .25 cfs (no change from original permit) no add'l.3. Source of water supply groundwater - Deadwood Fm. and Precambrian Rocks4. Location of point of diversion change to SW 1/4 NW 1/4, Sec. 8 from SE 1/4 NE 1/4, Sec. 6
Add points: SW 1/4 SW 1/4 and NW 1/4 SW 1/4, Section 5.County Lawrence5. Counties where water will be used Lawrence6. Annual period during which water is to be used highest April-October, January 1 - December 31
some use 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 is to be used in a heap leach gold mining operation. The details of the mining operation are provided in the Gilt Edge, Inc. Mine Permit Application No. 439 (November 20, 1986) on file with the South Dakota Dept. of Water and Natural Resources. Attachment No. 4 to that Application, the Groundwater Characterization Report, is attached herewith.

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, Jack E. Kelly (Engineer for) 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 _____

Subscribed and sworn to before me this 6 day of January 1987

Notary Public (or other qualified officer)

WATER PERMIT

The Water Management Board hereby approves Water Permit Application No. 1324A-1
Gilt Edge, Inc. (Applicant) 2005 Ironwood Parkway, Coeur d'Alene (Post Office Address)
Idaho (State) 83814 (Zip Code) With the following qualifications.

The wells and Oro Fine Mine Shaft diversion point approved under this Permit will be located near domestic wells and other 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 or in adequate wells having prior water rights.

Date of first receipt of application January 12, 1987.

Date of return to applicant for correction, amendments or changes required _____, 19____.

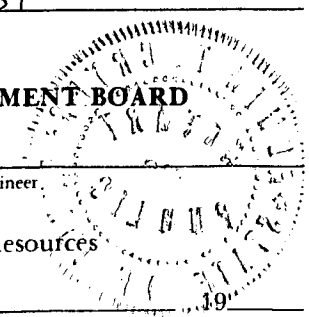
Date of receipt of corrected application _____, 19____. Approved March 4, 1987.

The Water Management Board hereby approves this Water Permit No. 1324A-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 use in a heap leach mine operation
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 no add'l 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: Jan. 1 - Dec 31

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

APR 30 1987



Supplemental Information

Existing Well No. 2D

SW 1/4, SW 1/4, Section 5

(type or print in ink)

1. Well Information - Proposed construction

- a) Drill Hole Diameter 6-1/4 inch Depth 125 feet
- b) Casing Type steel Diameter 7 inch Thickness _____
- c) Screen Type (open hole) Diameter _____ Thickness _____
- d) Gravel Pack Thickness _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 118 feet
- f) Depth of Water (ground surface to water level) 39 feet
- g) Distance to nearest existing domestic well: (unknown)
- On applicants property _____ On property owned by others _____

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 _____

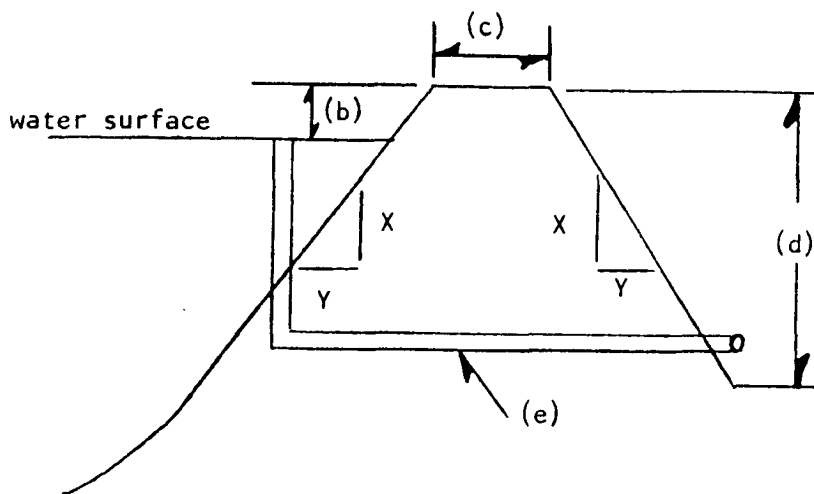
f) X & Y Slope
Upstream _____

Downstream _____

Surface Area of Impoundment _____

Storage _____ acre feet

Drainage area above dam _____



Signature of Applicant _____

Supplemental Information

Proposed Well

NW 1/4, SW 1/4, Section 5

(type or print in ink)

1. Well Information - Proposed construction

- a) Drill Hole Diameter 6-1/4 inch Depth 190 feet
- b) Casing Type steel Diameter 7 inch Thickness _____
- c) Screen Type (open hole) Diameter _____ Thickness _____
- d) Gravel Pack Thickness _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 150 feet
- f) Depth of Water (ground surface to water level) 50 feet
- g) Distance to nearest existing domestic well: (unknown)
- On applicants property _____ On property owned by others _____

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 _____

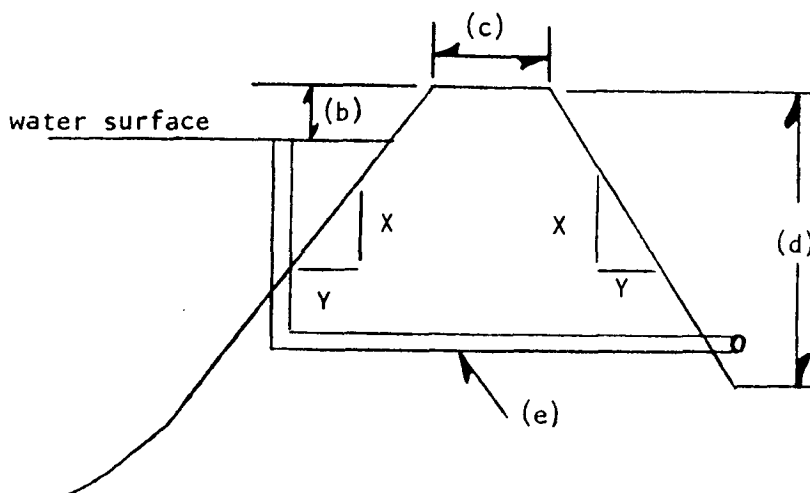
f) X & Y Slope
 Upstream _____

Downstream _____

Surface Area of Impoundment _____

Storage _____ acre feet

Drainage area above dam _____



Signature of Applicant _____

Supplemental InformationExisting Mine Shaft (Orb Fino)
SW 1/4, NW 1/4, Section 8

(type or print in ink)

1. Well Information - Proposed construction

- a) Drill Hole Diameter 8 x 16 feet Depth 300 feet
- b) Casing Type _____ Diameter _____ Thickness _____
- c) Screen Type _____ Diameter _____ Thickness _____
- d) Gravel Pack Thickness _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material _____
- f) Depth of Water (ground surface to water level) 30 feet
- g) Distance to nearest existing domestic well: (unknown)
- On applicants property _____ On property owned by others _____

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 _____

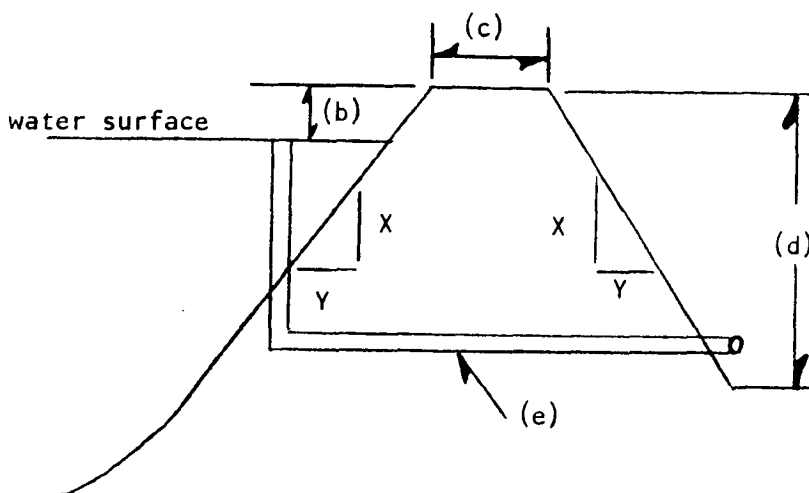
f) X & Y Slope
Upstream _____

Downstream _____

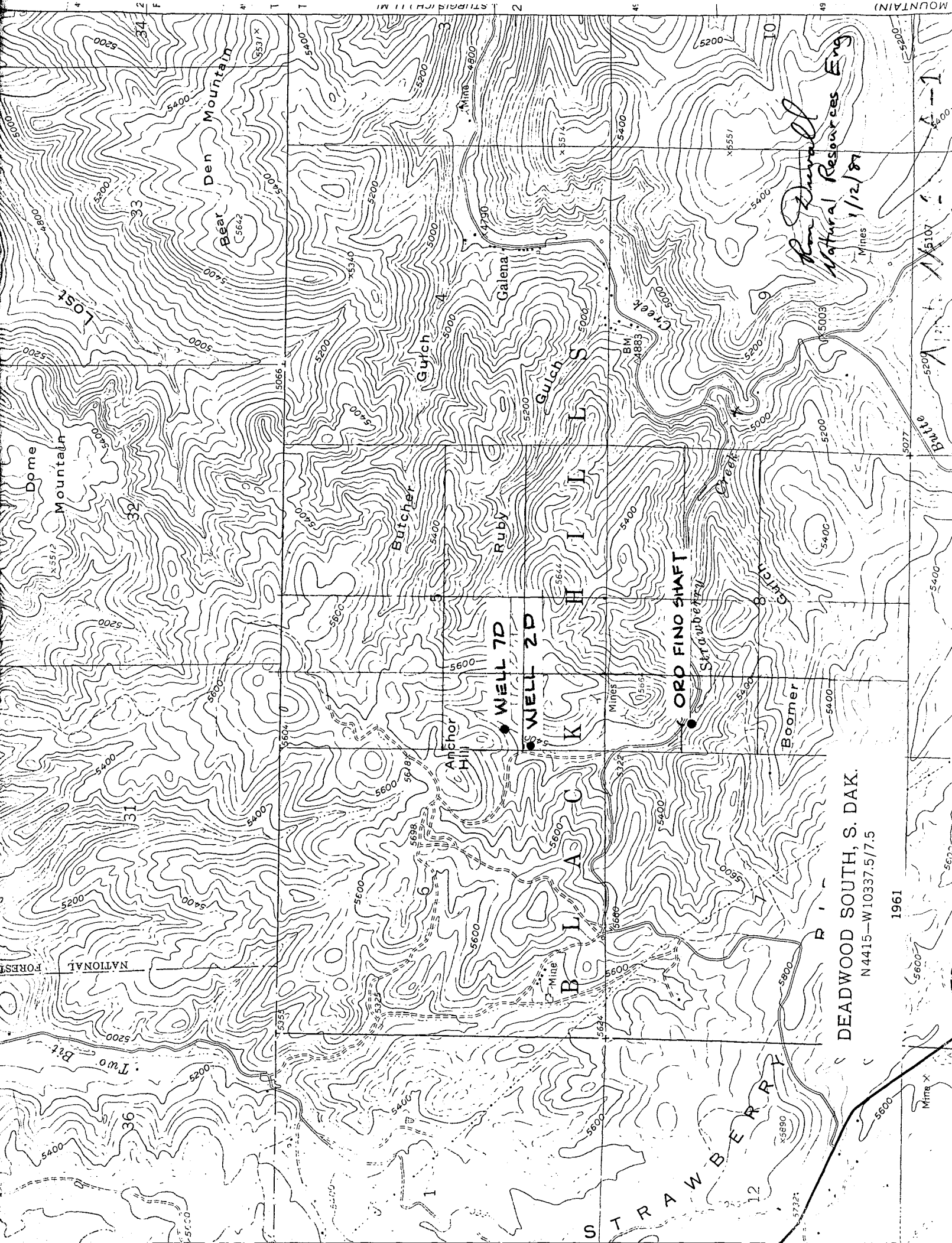
Surface Area of Impoundment _____

Storage _____ acre feet

Drainage area above dam _____



Signature of Applicant _____



DEADWOOD SOUTH, S. DAK.
N 4415-W 10337.5/7.5

Don Duval
Natural Resources Eng
1/12/87

1961

RECEIPT

Division of Water Rights

South Dakota Department of Water and Natural Resources

410705

Pierre, January 12, 19 87

RECEIVED OF James M. Montgomery Consulting Engineers, Inc., 161 Mallard Dr., Boise, ID 83706

the following amount in fees for services rendered as provided for by law: for Gilt Edge Inc.

Fee for Application for Permit No. <u>1324A-1</u> to Appropriate Water, to construct works and to put water to beneficial use _____	50	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	50 00

By John Hatch
Chief Engineer

JOHN HATCH

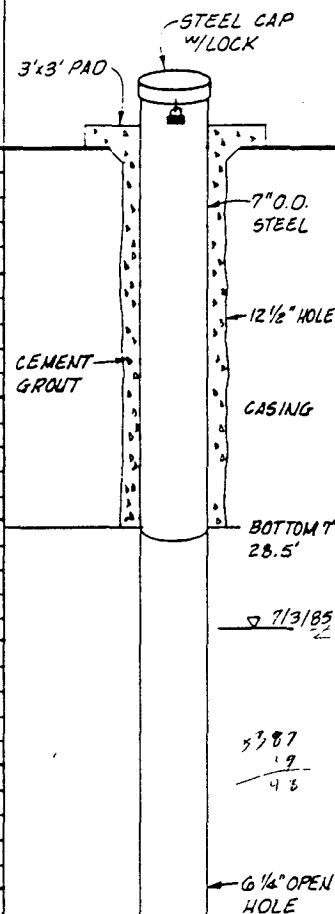
ms

MONITOR WELL INSTALLATION

SHEET 1 OF 2

CLIENT: LACANA GOLD JOB NO.: 1568.0020 DATE DRILLED: 6/21/85 WELL NO.: MW85-2D
 SITE: GILT EDGE SOUTH DAKOTA ELEVATION: 5387 GROUND: 5387 TOP OF PVC CASING: 5389
 TOTAL DEPTH: 125' CASING SIZE & TYPE: 7" O.D. STEEL SURFACE SCREEN SIZE: 6 1/4" OPEN BOREHOLE
 WATER LEVEL: 38.87' T.O.C. ON 7/3/85 COORDINATES: 746,101 N 1,125,943 E
 COMMENTS: WELL MAKES 75 GPM FROM MINERALIZED ZONE AT TOP QUARTZITE (116'-120')
N. DEADWOOD FORMATION. BACKGROUND WATER QUALITY WELL

DEPTH	SYMBOL	STRATIGRAPHY	SAMPLE DESCRIPTION	COMPLETION DATA	
				MATERIAL SETTING	
	ML		<u>SILT, SILT, SL. CLAYEY W/ WOOD CHIPS AND ROOT MATERIAL, SOME PEBBLES & COBBLES.</u>		
10	ML		<u>SILT, BROWN, SANDY-PEBBLY W/ SOME COBBLES. ABUNDANT HORNIFELS FRAGMENTS</u>		
20	GC-GL		<u>WEATHERED BEDROCK, HORNIFELS, GRAY-BLACK, WITH INTERBEDDED CLAYS. DAMP AT 16 FEET, SATURATED AT 17 FEET; PERCHED WATER ZONE</u>		
30	ROCK		<u>DEADWOOD FM, GRAY, BLOCKY HARD, DRY HORNIFELS</u>		
40			<u>PORPHYRY SILL, TAN-GRAY, FELDSPAR PHENOCRYSTS 1-2 GPM AT BASE OF SILL</u>		
50			<u>DEADWOOD FM, GRAY-BLACK, PYRITE INFRACTURE HORNIFELS VEINS AT 55'-60'</u>		
60			<u>PORPHYRY SILL, GRAY, SILICIC, ABUNDANT PYRITE THIN QUARTZITE INTERBEDS 70'-72'</u>		
70					
80					
90			<u>DEADWOOD FM, DARK GREEN W/ ABUNDANT PYRITE HORNIFELS BECOMING DARKER COLORED W/ DEPTH.</u>		
100					



CONTINUED

SHEET 2 OF 2

CLIENT: LACANA GOLD JOB NO.: 1568.0020 DATE DRILLED: 4/21/85 WELL NO.: MW85-2D
SITE: GILT EDGE SOUTH DAKOTA ELEVATION: _____ GROUND: 5387 TOP OF PVC CASING: 5389
TOTAL DEPTH: 125 ft. CASING SIZE & TYPE: 1" O.D. STEEL SURFACE SCREEN SIZE: 6 1/4" OPEN BOREHOLE
WATER LEVEL: 38.87' T.O.C. ON 7/3/85 COORDINATES: 746,101N 1,125,943E
COMMENTS: WELL YAKES 75 GPM FROM MINERALIZED ZONE AT TOP QUARTZITE (116'-120') IN
DEADWOOD FORMATION. BACKGROUND WATER QUALITY WELL

[illegible]

MONITOR WELL INSTALLATION

SHEET 1 OF 2

CLIENT: LACANA GOLD JOB NO.: 1568.0020 DATE DRILLED: 6/29/85 WELL NO.: MW85-7D
 SITE: GILT EDGE SOUTH DAKOTA ELEVATION: 5408 GROUND: 5410 TOP OF PVC CASING: 5410
 TOTAL DEPTH: 185 FT CASING SIZE & TYPE: 7" O.D. STEEL SURFACE SCREEN SIZE: 6" OPEN BOREHOLE
 WATER LEVEL: 56.52' T.O.C. ON 7/3/85 COORDINATES: 746,440N 1,126,267E
 COMMENTS: PRODUCES MORE THAN 75 GPM FROM MINERALIZED ZONE AT TOP OF QUARTZITE (155'-158')

DEPTH	SYMBOL	STRATIGRAPHY	SAMPLE DESCRIPTION	COMPLETION DATA	
				MATERIAL SETTING	
	GC-CL		CLAYEY GRAVEL, VALLEY FILL, COLLUVIUM MIX OF PORPHYRY AND HORNFELS FRAGMENTS w/SOME BROWN, SILTY CLAY.		
10	CL		SILTY CLAY, YELLOW BROWN w/ABUNDANT ANGULAR PORPHYRY FRAGMENTS, MOISTURE CONTENT INCREASING w/DEPTH.		
20	ROCK		DEADWOOD FM. - WEATHERED BEDROCK, HORNFELS, BROKEN AND WEATHERED w/SOME BROWN CLAY, SATURATED.		
			DEADWOOD FM. HORNFELS, BECOMING HARDER w/DEPTH, LESS CLAY THAN ABOVE.		
30			DEADWOOD FM. HORNFELS, HARD, DARK GRAY, DRY SOME GREEN AND BROWN		
40					
50			PORPHYRY SILL, LIGHT GREEN, FELDSPAR PHENOCRYSTS		
60			DEADWOOD FM HORNFELS, GREEN AND BROWN, HARD. NO SIGNIFICANT WATER.		
70			PORPHYRY SILL, GREEN AND GRAY		
			DEADWOOD FM. HORNFELS, GRAY, BLACK, GRITTY		
80			PORPHYRY SILL, GREEN		
			DEADWOOD FM. HORNFELS, VERIGATED COLOR, BEGAN MAKING 1 GPM AT 97'.		
90					
100			PORPHYRY SILL, WHITE-GRAY, SOME GREEN, w/ PYRITE		

STEEL CAP w/ LOCK

3'x3' PAD

7" O.D. STEEL

8 3/4" HOLE

CEMENT GROUT

CASING

BOTTOM 7" CASING AT 28'

7 7/8/85

5356'

6" HOLE

5408

52

5356

CONTINUED

SHEET 2 OF 2

CLIENT: LACANA GOLD JOB NO.: 1568.0020 DATE DRILLED: 6/29/85 WELL NO.: MWB5-7D
SITE: GILT EDGE SOUTH DAKOTA ELEVATION: _____ GROUND: 5408 TOP OF PVC CASING: 5410
TOTAL DEPTH: 185 FT. CASING SIZE & TYPE: 7" OD STEEL SURFACE SCREEN SIZE: 6" OPEN BOREHOLE
WATER LEVEL: 56.52' T.O.C. ON 7/3/85 COORDINATES: 746,440 N 1,126,267 E
COMMENTS: PRODUCES MORE THAN 75 GPM FROM MINERALIZED ZONE AT TOP OF QUARTZITE (155'-158')

DEPTH	SYMBOL	STRATIGRAPHY	SAMPLE DESCRIPTION	COMPLETION DATA	
				MATERIAL SETTING	
120	ROCK		<u>PORPHYRY SILL, WHITE-GRAY, SOME GREEN, w/PYRITE</u>		
130			<u>DEADWOOD FM. HORNFELS, BROWN, PYRITE BECOMING ABUNDANT BELOW 135', 1-2 GPM TOTAL WATER PRODUCTION.</u>		
140					
150					
160			<u>MINERALIZED VUGGY ZONE, PYRITE AND QUARTZ, BIT DROPPED 2 FEET. HOLE BEGAN MAKING MORE THAN 75 GPM.</u>		
170			<u>DEADWOOD FM. QUARTZITE, WHITE, HARD, GRANULAR SUGARY TEXTURE w/ABUNDANT PYRITE.</u>		
180					
190			<u>PRECAMBRIAN SCHIST, GRAY BLACK, MICACEOUS. NO SIGNIFICANT INCREASE IN WATER PRODUCTION</u>		
					T.D. 185'

JAMES M. MONTGOMERY, CONSULTING ENGINEERS, INC.



161 Mallard Drive, Boise, ID 83706-3974 / (208) 345-5865

January 6, 1987



1836.0010

Mr. Ron Duvall
Water Rights Division
South Dakota Dept. of Water and
Natural Resources
Foss Building
Pierre, SD 57501

Subject: Gilt Edge Water Supply

Dear Mr. Duvall:

Please find enclosed amendment application to Permit No. 1324-1. Continued groundwater investigation in the area of the Gilt Edge Project has allowed us to refine our water development strategy somewhat. While we are not requesting additional groundwater appropriations, our amendment covers the following changes in well locations:

- 1) The permit location in the SE 1/4, NE 1/4 of Section 6 is moved to the SW 1/4, NW 1/4 of Section 8 to take advantage of an existing flooded mine shaft.
- 2) An additional well location is specified in the SW 1/4, SW 1/4 of Section 5 to allow use of an existing test well (No. 2D).
- 3) An additional well location is specified in the NW 1/4, SW 1/4 of Section 5 as a contingency should an additional well be desired to more efficiently extract groundwater in this area.

Thank you for your cooperation. Please contact me as soon as possible if additional information is required.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Ed Cryer'. The signature is fluid and extends across the line.

Ed Cryer

/db

Report on Application No. 1324A-1
Gilt Edge, Inc.
January 13, 1987

Application No. 1324A-1 proposes to amend Permit No. 1324-1 by changing the location of a ground water diversion point from a well 400 feet deep located in the SE 1/4 NE 1/4 Section 6, T4N-R4E to the 300 feet deep Oro Fino Mine Shaft located in the SW 1/4 NW 1/4 Section 8, T4N-R4E. This application also proposes to add 2 diversion points to Permit No. 1324-1; one well 125 feet deep located in the SW 1/4 SW 1/4 and one well 190 feet deep to be located in the NW 1/4 SW 1/4; both in Section 5, T4N-R4E. This application does not propose any ground water appropriation in addition to the 0.25 cubic feet of water per second authorized by Permit No. 1324-1. The water is to be used for industrial purposes in a heap leach ore-processing operation managed by Gilt Edge, Inc

Aquifer Unknown - Deadwood Formation or Tertiary Intrusives

Geology and Aquifer Characteristics

Well logs submitted with this application, domestic well logs from the area (Water Rights Division, 1987), and a review of the areal geology of the Lead Quadrangle (Darton, 1925), indicate geologically, the area is a very heterogeneous lithologic assemblage. Tertiary igneous rocks consisting primarily of quartz monzonite and monzonite porphyries, were forcibly injected through precambrian micaceous schist or phyllite, and emplaced as sills in the Cambrian Deadwood Formation.

The importance of these formations as aquifers is largely due to zones of secondary porosity and permeability, in the form of fractures and fissures. The distribution, orientation and interconnection of porous and permeable zones are unpredictable and the aquifer characteristics are site specific and difficult to assess.

Little hydrologic information is available for this area except domestic well logs (Water Rights Division, 1987) and the logs submitted by the applicant. Most domestic wells produce 5-20 gpm and the applicant indicates yields of 50 gpm and 75 gpm from two test wells. Groundwater in this area appears to be under water table conditions. Without further hydraulic testing, it is impossible to access groundwater availability; however, this application will not increase groundwater appropriation in the area. The Division of Water Rights does not monitor any observation wells in the area, and there is no historic data (water levels) available.

Review of Existing Water Rights

There are ~~two~~ existing water rights diverting ground water in this area, they include:

<u>Permit No</u>	<u>Owner</u>	<u>Diversion Rate</u>	<u>Source</u>
407-1	Jerry Loader	0.088 cfs	3 wells (TD=20'+-)
1308-1	Daniel A. Fredlund	0.10 cfs	3 wells (TD=14'+-) and 2 wells (TD=150'-300')
1366-1	Wild Bill's Campground	0.066 cfs	1 well (TD=70')

The Division of Water Rights has record of nine domestic wells within two miles of the applicant's proposed diversion points (Domestic Wells Log File, 1987)

Conclusions

1. Application No. 1324A- 1 does not propose any additional appropriation of groundwater.
2. The applicant has obtained a large scale mining permit for this operation .
3. Hydrologic data is limited for the area, however, it is likely there is groundwater available in this area.
4. The proposed diversion should have no adverse affects on existing water rights.



Ken Buhler
Natural Resources Engineer

References

Water Rights Division , 1987, "Domestic Well Log and Water Permit Files", DWNr, Water Rights Division, Joe Foss Building , Pierre, South Dakota.

Darton, N.H., Paige, S., 1925, Geologic Atlas of the United States, Central Black Hills Folio,. South Dakota USGS, Folio No. 219.

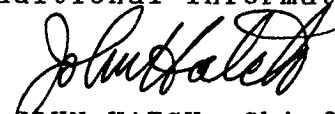
RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1324A-1

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. 1324A-1, Gilt Edge Inc., 2005 Ironwood Parkway, Coeur d'Alene ID.

The Chief Engineer is recommending APPROVAL of Application No. 1324A-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 and Oro Fine Mine Shaft diversion point approved under this Permit will be located near domestic wells and other 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 or in adequate wells having prior water rights.

See the attached report for additional information.



JOHN HATCH, Chief Engineer
January 23, 1987



Department of Water & Natural Resources

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

Water Rights Division
605 773-3352

January 27, 1987

NOTE:

TO BE SURE OF PUBLICATION ON
THE CORRECT DATES, CONTACT THE
NEWSPAPER RIGHT AWAY.

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

Dear Sir:

Your Application No. 1324A-1 for a permit to appropriate water for

Industrial use, has been examined and found to
comply with the South Dakota Water Laws and applicable rules. A notice of
your intent to appropriate water has been sent to the Publisher of the

Lead Daily Call printed at Lead

South Dakota. For your information, a copy of this notice, the recommendation
of the Chief Engineer and a report on the application are enclosed. Please
review this notice prior to publication and notify this office, if you have
any corrections or questions.

Be sure to contact the above newspaper to authorize publication of your notice
of intent to appropriate water and to arrange for payment. Early contact with
the paper can eliminate delays. The publisher has been instructed to publish
your notice once each week for two consecutive weeks with the last publication
to occur at least thirty days before the board meeting. We must receive
Proof of Publication before the application can be considered by the Water
Management Board.

Sincerely,

RON DUVALL
Natural Resources Engineer

enclosures

SOUTH Dakota Department of
Water & Natural Resources
 Joe Foss Building Water Rights Division
 523 East Capitol 605 773-3352
 Pierre, South Dakota 57501-3181

January 27, 1987

Lead Daily Call
 PO Box 876
 Lead, South Dakota 57754

Dear Sir:

Enclosed is a Notice of Intent to Appropriate Water by Gilt Edge, Inc.
 Application No. 1324A-1, in _____ County, South Dakota. Please
 publish this notice once each week for two consecutive weeks in your paper. The
 first publication should be on, or before February 4, 1987.

The APPLICANT MUST VERIFY TO YOU THAT THE NOTICE IS TO BE PUBLISHED, before you
 make the first publication. The applicant is to pay the cost of publication and
 should make the necessary arrangements with you to pay these costs.

A copy of BOTH publications must be sent to the Water Rights Division. IMMEDIATELY
 after the FIRST publication, return a copy of the notice with the FIRST Publication
 Transmittal form on the bottom of this page. The first copy is needed to check
 the publication for errors so any corrections can be made before the second
 notice is published.

Please be sure the SECOND publication is returned with the enclosed Proof of
 Publication form. The permit application cannot be considered by the Water
 Management Board until proof of publication has been received.

Thank you for your assistance.

Sincerely,

Ron Duvall

RON DUVALL
 Natural Resources Engineer

cc: applicant

***** CUT HERE *****

FIRST Publication Transmittal No. _____ Date _____
 TO: Water Rights Division
 Joe Foss Building
 Pierre SD 57501-3181

We are in receipt of your letter dated _____ and Notice of Hearing to
 Appropriate Water by Application No. _____. The notice was first published
 in our issue dated _____. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

NAME _____ NEWSPAPER _____

Equal Opportunity Employer

No. 1324A-1

Instruction to Newspaper - Publish first publication of the following Notice on or before February 4, 1987 with 2nd publication 1 week later. The applicant is responsible for payment.

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

Notice is hereby given that Gilt Edge, Inc. whose mailing address is

2005 Ironwood Parkway, Coeur d'Alene, Idaho, South Dakota has made an application for a permit to change the location of one ground water diversion point and authorize 2 additional ground water diversion points. Permit No. 1324-1 authorizes a water appropriation of .25 cubic feet of water per second from 2 wells 400 feet deep to be located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6 or the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 5; both in T4N-R4E. This application proposes to amend Permit No. 1324-1 to change the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6 diversion point location to the Oro Fino mine shaft 300 feet deep located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 8-T4N-R4E. This application also proposes to add 2 diversion points; one monitor well 125 feet deep located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ and one well 190 feet deep to be located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$; both in section 5-T4N-R4E. This application does not authorize any ground water appropriation in addition to the 0.25 cfs authorized by Permit No. 1324-1. Water is to be used for industrial purposes in a heap leach ore-processing operation managed by Gilt Edge, Inc.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends

APPROVAL of Application No. 1324A-1 because 1) ~~unappropriated water is available,~~
 2) will be no unlawful impairment of existing rights, 2) is beneficial use of water and
 3 4) is in the public interest.

This application will be considered by the Water Management Board at room 216, Joe Foss Building, 523 E. Capitol, Pierre, South Dakota, March 4, 1987 at 10:00 am.

The recommendation of the Chief Engineer is not final or binding upon the Board and the Board is authorized to 1) approve, 2) approve with qualifications, 3) defer, or 4) deny 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 20, 1987. The petition may be informal, but it must include a statement describing the petitioners interest in the application, the reasons 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; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-15; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2 46-5-30.4, 46-5-31; ~~(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, 46-5-31 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, DWN R, 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 20, 1987.

PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)

County Lawrence) ss.

I, William B. Kemper

certify that the annexed printed copy of N

Water was taken from the Lead Dail

A newspaper which during the whole time
herein after stated, has been and is printed

City of Lea

County of Lawrence
that the said notice was published in said
two dates:

February 4, 1987

February 11, 1987

**NOTICE OF HEARING
ON APPLICATION NO. 1324A-1
TO APPROPRIATE WATER AND
TO AMEND WATER PERMIT
NO. 1324-1**

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 change the location of one ground water diversion point and authorize 2 additional ground water diversion points. Permit No. 1324-1 authorizes a water appropriation of .25 cubic feet of water per second from 2 wells 400 deep to be located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6 or the NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 5; both in T4N-R4E. This application proposes to amend Permit No. 1324-1 to change the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 6 diversion point location to the Oro Fino mine shaft 300 feet deep located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 8 T4N-R4E. This

application also proposes to add 2 diversion points; one monitor well 125 feet deep located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ and one well 190 feet deep to be located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$; both in section 5-T4N-R4E. This application does not authorize any ground water appropriation in addition to the 0.25 cfs authorized by Permit No. 1324-1. Water is to be used for industrial purposes in a heap leach ore-processing operation managed by Gilt Edge, Inc.

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

This application will be considered by the Water Management Board at room 216, Joe Foss Building, 523 E. Capitol, Pierre, South Dakota, March 4, 1987 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 1) approve, 2) approve with qualifications 3) defer, or 4) deny 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 20, 1987**. The petition may be informal, but it must include a statement describing the petitioners interest in the application, the reasons 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; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-

15; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2 46-5-30.4, 46-5-31; 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14; 46-5-30.4, 46-5-31 and Board Rules ARSD 74:02:01-01 thru 74:02:01-15.

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, 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 20, 1987**.

February 4, 11

111 lines x .2051 = 22.77

TOTAL \$51.23





Department of Water & Natural Resources

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501

Water Rights Division
605 773-3352

APR 30 1987

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

Dear Sir:

Enclosed herewith is your Water Permit No. 1324A-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. 1324A-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,

A handwritten signature in cursive script, reading "John Hatch".

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.



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

REPRODUCTION OF THE INFORMATION CONTAINED HEREIN IS UNLAWFUL WITHOUT THE EXPRESS WRITTEN PERMISSION OF THE NATIONAL BUREAU OF STANDARDS FOR ITS REPRODUCTION.

REDUCTION 25 ROL NO 158 DATE MICROFILMED 8-25-1987 David J. Hinkley

CHEM OPERATOR

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.
January

(SEAL)

Notary Public
Notary Public

My Commission Expires:

Does Not Expire

RECEIVED - BUREAU OF ADMINISTRATION - OFFICE OF RECORDS MANAGEMENT - DEPARTMENT OF MINISTRY OF FINANCE
DATE RECEIVED 2.15.87
FILE NO. 158
RECEIVED 2.15.87
GIVEN OPERATOR

Filed this 15th day of Jan 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. McClay
Its President

By: Barney Magnusson
Its Secretary-Treasurer

(CORPORATE SEAL)

RECEIVED
JAN 15 1987
SECRETARY OF STATE
DATE RECEIVED
GILT EDGE, INC.
BARNEY MAGNUSSON
SECRETARY-TREASURER

Receipt No. CU18945
File No. DB-~~20000~~
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

Joyce 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 - DIVISION OF ADMINISTRATION
THIS IS TO CERTIFY THAT THE MICROFILMED IMAGE APPEARING 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 COMPILATION
LAW 1-72. IT IS FURTHER CERTIFIED THAT THE PHOTOGRAPHIC PROCESS USED FOR MICROFILMING OF THE ABOVE RECORDS WAS IN A MANNER
AND ON MICROFILM WHICH MEET THE RECOMMENDED REQUIREMENTS OF THE NATIONAL BUREAU OF STANDARDS FOR MICROFILM REPRODUCTION.
REPRODUCTIONS. REDUCTION AS ROLL NO. 158 A. 55 1987
DATE MICROFILMED AS
CIVILIAN OPERATOR AS

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. 1324A-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. 1324A-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. Gochnour, 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. Gochnour

(Signed)

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

Virginia H. Canfield
(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

412632

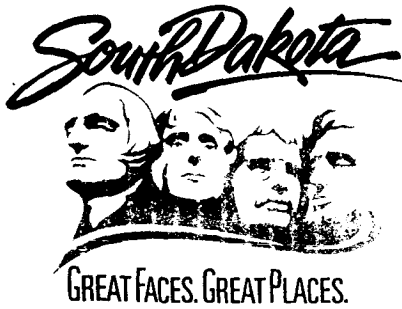
Pierre, _____ April 8, 1991

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. 1324A-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 CE
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.