



2004

**PHONE CALL**

FOR ~~FBI~~ F.D DATE 5-17 TIME 945 A.M.

M CLAY P

OF Follow - up  PHONED

PHONE  FAX  MOBILE (775)-826-8822  RETURNED YOUR CALL

AREA CODE      NUMBER      EXTENSION

MESSAGE RENO NV  PLEASE CALL

Reviewed FILE ALSO STEVE  WILL CALL AGAIN

#1 #2 Herb  CAME TO SEE YOU

SIGNED 775 826 7696  WANTS TO SEE YOU

Vlips FORM 503 945

2004

FOR \_\_\_\_\_

DATE TH MAY 13 TIME 1111 A.M.

FROM CLAY

FIRM RENO

PHONE (775)-826-8822

AREA CODE      NUMBER      EXTENSION

FAX

MOBILE

AREA CODE      NUMBER      TIME TO CALL

TELEPHONED	<input checked="" type="checkbox"/>	PLEASE CALL	<input checked="" type="checkbox"/>
RETURNED YOUR CALL	<input type="checkbox"/>	WILL CALL AGAIN	<input type="checkbox"/>
CAME TO SEE YOU	<input type="checkbox"/>	RUSH	<input type="checkbox"/>
WANTS TO SEE YOU	<input type="checkbox"/>	SPECIAL ATTENTION	<input type="checkbox"/>
WAITING TO SEE YOU	<input type="checkbox"/>	HOLDING LINE	<input type="checkbox"/>

MESSAGE CONSULTANT

KATHY AG # G-11559

Per # G-10657

8822

775-826-7696      1111

**Wavcrest Resources Ltd.**

**William R. Rohtert**  
*Project Geologist*

District Office:  
1820 Whites Creek Lane  
Reno, Nevada, USA  
89511  
702-852-3126

Main Office:  
935-355 Burrard St.  
Vancouver, B.C., Canada  
V6C-2G8  
604-662-7557

STATE OF OREGON  
COUNTY OF LAKE  
CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

WAVECREST RESOURCES, INC.  
5450 RIGGINS CT. #3  
RENO, NEVADA 89502-6035

confirms the right to use the waters of A WELL in the GOOSE LAKE BASIN for INDUSTRIAL USE TO PROVIDE WATER FOR CORE AND REVERSE CIRCULATION DRILLING ON A MINERAL EXPLORATION PROSPECT.

This right was perfected under Permit G-10657. The date of priority is JULY 17, 1986. This right is limited to 100 GALLONS PER MINUTE, NOT TO EXCEED 1,000 GALLONS PER DAY or its equivalent in case of rotation, measured at the well. THE USE OF WATER IS ALLOWED BETWEEN JUNE 1 AND SEPTEMBER 30 OF EACH YEAR.

The well is located as follows:

NW 1/4 NW 1/4, SECTION 35, T 37 S, R 16 E, W.M.; 1240 FEET SOUTH AND 540 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 35.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

S 1/2 SW 1/4  
SECTION 26

SE 1/4 SW 1/4  
S 1/2 SE 1/4  
SECTION 27

NE 1/4  
E 1/2 NW 1/4  
N 1/2 SE 1/4  
SE 1/4 SE 1/4  
SECTION 34

NW 1/4  
W 1/2 SW 1/4  
SECTION 35

TOWNSHIP 37 SOUTH, RANGE 16 EAST, W.M.

The right to use water for the above purpose is restricted to beneficial use on the lands or place of use described.

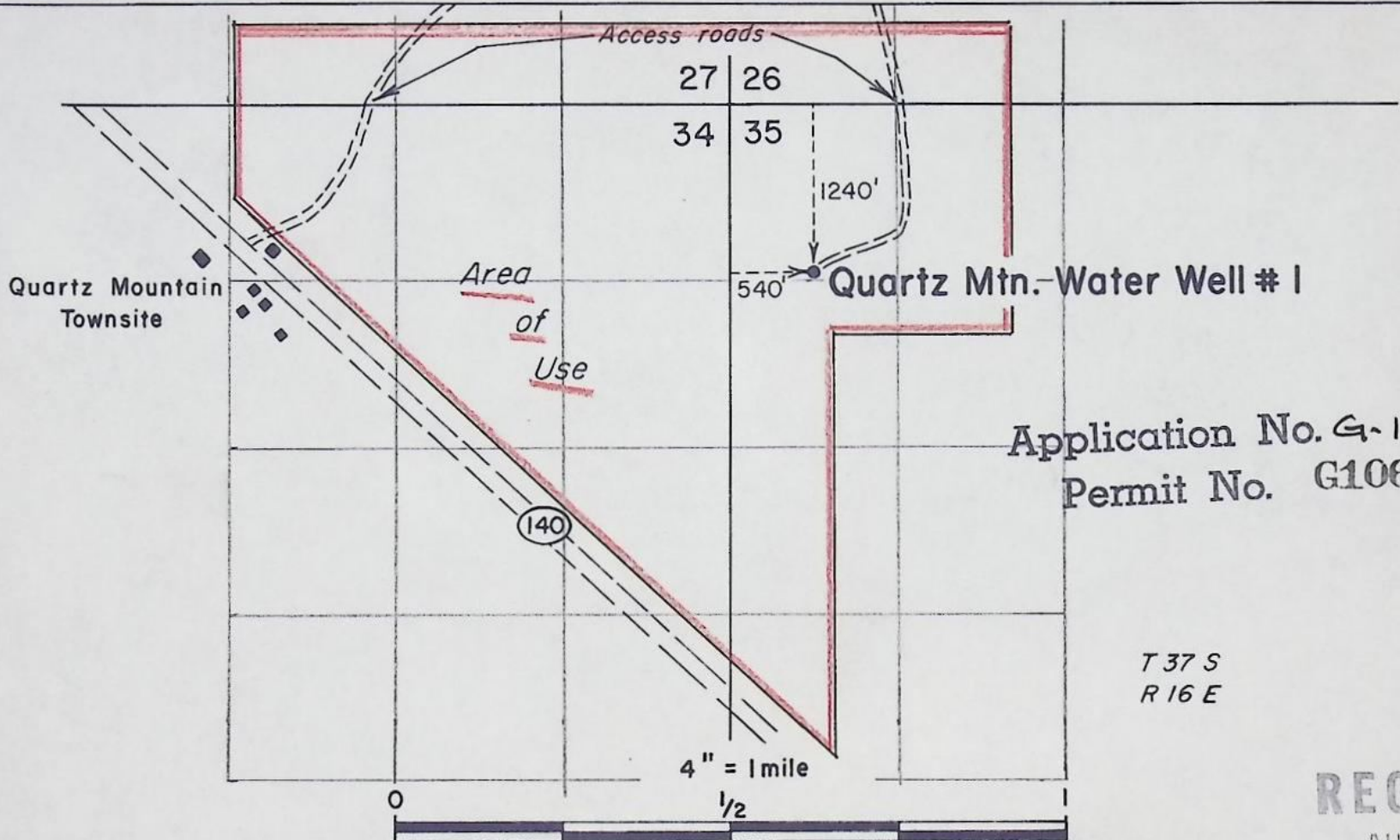
WITNESS the signature of the Water Resources Director, affixed  
JANUARY 24, 1992.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 67064.

G-11559.BB



Application No. G-11559  
 Permit No. G10657

T 37 S  
 R 16 E

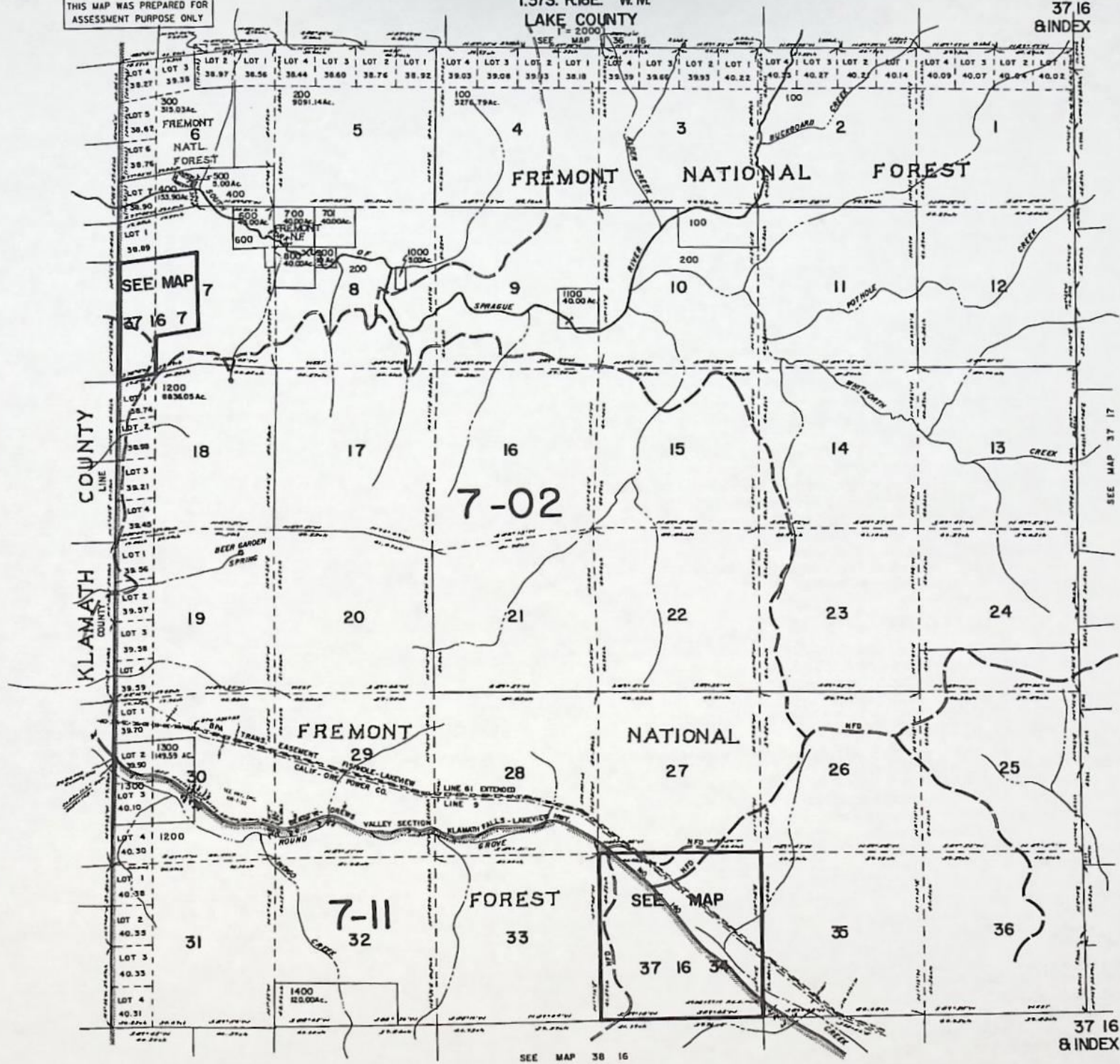
**Location Map of the Quartz Mountain Water Well # 1**  
 QUARTZ MOUNTAIN PROJECT  
 LAKE COUNTY, OREGON

**RECEIVED**  
 AUG 18 1986  
 WATER RESOURCES DEPT  
 SALEM, OREGON  
 W.R. Rohtert  
 7/19/86

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY

T.37S. R.16E. W.M. LAKE COUNTY

37 16 & INDEX



SEE MAP 37 17

37 16 & INDEX

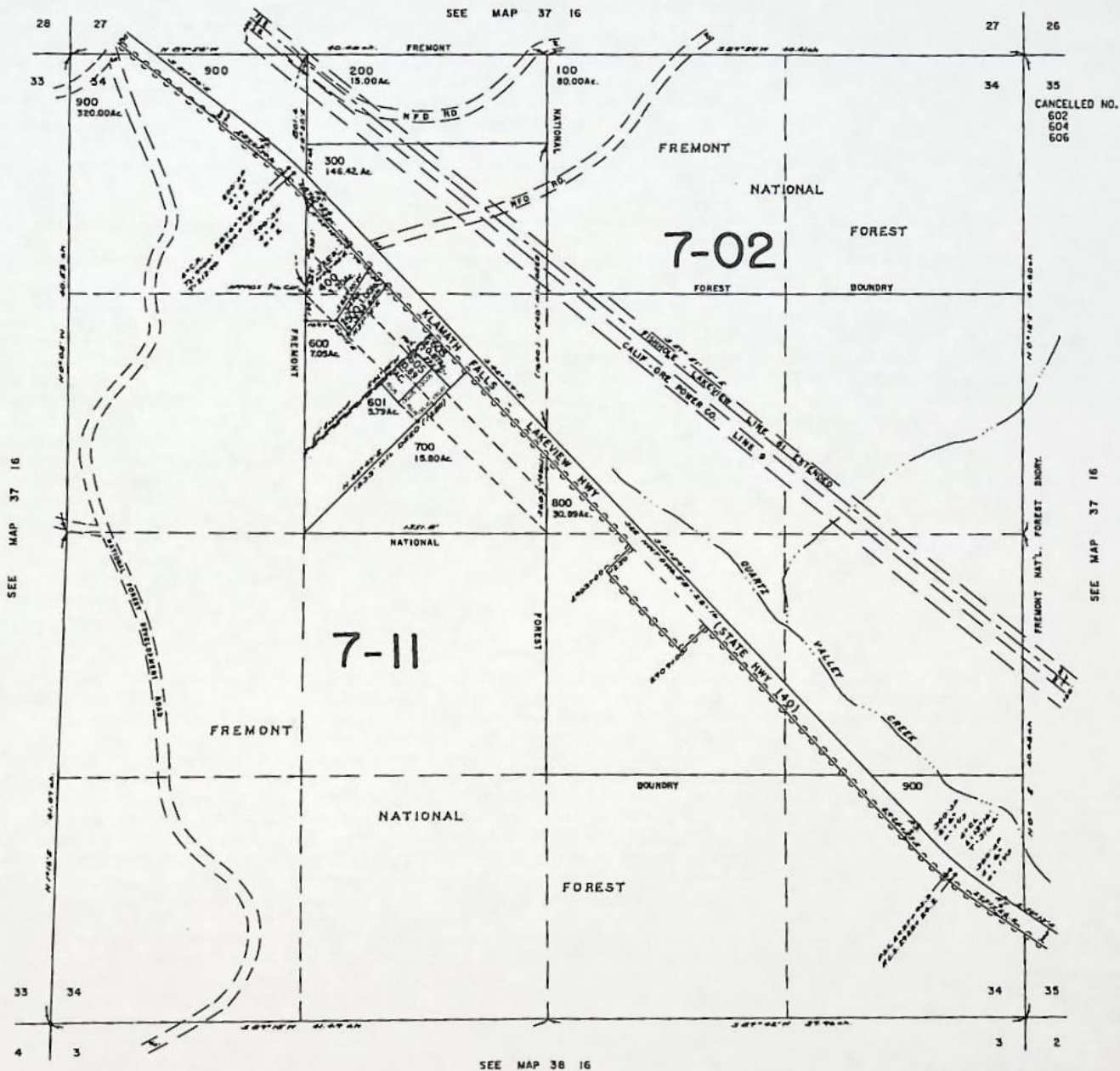
SEE MAP 38 16

THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY

SECTION 34 T.37S. R.16E. W.M.  
LAKE COUNTY

1" = 400'

37 16 34





# Enviroscientists, Inc.

4600 Kietzke Lane, Suite C129  
 Reno, Nevada 89502  
 Phone: (775) 826-8822 Fax (775) 826-8857  
 www.enviroincus.com

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May 19, 2004

via Fax and Surface Mail

Mr. Steve Brown  
 State of Oregon  
 Water Resources Department  
 725 Summer St. NE, Suite A  
 Salem, Oregon 97301-1271

Re: Ground Water Permit G-10657

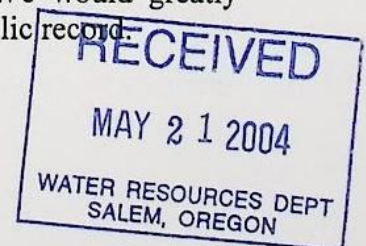
Dear Mr. Brown:

As environmental consultants to Quincy Resources Inc. (QRI), Enviroscientists, Inc. is assisting QRI in obtaining the necessary permits to execute an exploration drilling project near Quartz Mountain in Lake County, Oregon. The well permitted for mining use under ground water Permit number G-10657 and Certificate number 67064 will be used to supply water for that program. We are requesting a statement of available water for that single industrial purpose in terms of gallons per day.

Please fax a copy of your statement to our office at (775) 826-8857 and mail a copy to us at the above address and to:

Orlando Gonzales  
 Bly District Ranger  
 Bly Ranger District  
 Fremont-Winema National Forests,  
 61100 Highway 140 East  
 Bly, Oregon 97622

Public comment on QRI's Plan of Operations is closing May 26, 2004. We would greatly appreciate a response by Friday, May 21, 2004 to assure its inclusion in the public record.



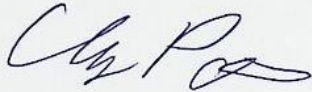
Mr. Steve Brown  
Page 2.

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Should you have any questions or require additional information, please do not hesitate to contact our office at (775) 826-8822.

Sincerely,

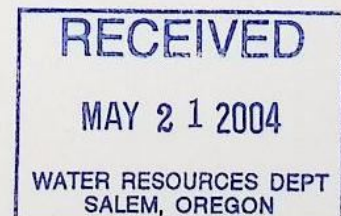
**Enviroscientists, Inc.**



Clay Postlethwaite  
Senior Environmental Specialist

CEP:ns

cc: Ms. K. Tureck - QRI, Boulder, CO





# Oregon

Theodore R. Kulongoski, Governor

## Water Resources Department

North Mall Office Building  
725 Summer Street NE, Suite A  
Salem, OR 97301-1271  
503-986-0900  
FAX 503-986-0904

May 21, 2004

Clay Postlethwaite  
Enviroscientists, Inc.  
4600 Kietzke Lane, Suite C129  
Reno, Nevada 89502

Reference: Certificate Number 67064, Oregon Revised Statute 537.545 (Exempt groundwater uses)

Dear Mr. Postlethwaite:

Oregon Revised Statute 537.545 and Oregon Administrative Rule 690-340-0010 describe the uses of groundwater that are exempt from filing for a water right permit. The beneficial use thereof constitutes a right to appropriate groundwater equal to that established by a groundwater right certificate.

A limitation is described in administrative rule limiting the use of water for a commercial/industrial operation shall be allowed only one well system and exemption on each ownership or tax lot, which ever is larger. This leaves some interpretation as to what is exempt or requires a permit. The exemption from permit requirements, would depend on the number of wells and other uses of groundwater under the statutory exemption on the same tax lot.

Certificate of Water Right Number 67064, allows for the use of water, in addition of what is exempt from filing for a permit. This Certificate, along with a maximum amount which could be used under the statutory exemption would be limited to 6000 gallons of water per day.

If the use of groundwater does not fall within the 6000 gallons per day, an option to filing for a water right permit is the opportunity to submit an application for limited license. These applications are generally processed to approval 15 days after public notice and are subject to water being available, provided the use would not cause injury to existing water right holders.

Limited licenses may be issued for a period of up to five years and the process is more suited to your needs than the permit process. Any quantity of water may be requested for use in the application.

Enclosed is a copy of the Administrative Rules regarding the use of water under an exempt use and our rules for limited licenses. Please feel free to contact me if you have any questions and I will be happy to address any concerns you may have.

Sincerely,

Steve Brown  
Program Analyst  
Certificate Section

c: Mr. David Poe, Watermaster  
Mr. Orlando Gonzales, Bly Ranger District  
enclosures



Enviroscientists, Inc.

4600 Kietzke Lane, Suite C129

Reno, Nevada 89502

Phone: (775) 826-8822

Fax: (775) 826-8857

FACSIMILE TRANSMITTAL FORM

Date: 5/18 Time: 1:30 Project Account #: 1251

Number of Pages (Including Transmittal Form): 3 Hard Copy to Follow: Yes X No

From: Clay Postlethwaite Fax No. \_\_\_\_\_

To: Mr. Steve Brown Fax No. (503) 986-0901

Company: Oregon WRD Contact No. \_\_\_\_\_

Copy To: \_\_\_\_\_ Fax No. \_\_\_\_\_

Company: \_\_\_\_\_ Contact No. \_\_\_\_\_

Copy To: \_\_\_\_\_ Fax No. \_\_\_\_\_

Company: \_\_\_\_\_ Contact No. \_\_\_\_\_

MESSAGE:

Steve,  
Thank you for your help  
Clay

NOTICE: THIS INFORMATION IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND EXEMPT FROM DISCLOSURE. IF THE READER IS NOT THE INTENDED RECIPIENT OR THE PERSON RESPONSIBLE FOR DELIVERY TO THE INTENDED RECIPIENT, DO NOT DISSEMINATE, DISTRIBUTE OR COPY THIS COMMUNICATION. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE.



## Enviroscientists, Inc.

7800 Kietzke Lane, Suite C129  
Reno, Nevada 89502  
Phone: (775) 826-8822 Fax (775) 826-8857  
www.enviroincus.com

---

May 19, 2004

via Fax and Surface Mail

Mr. Steve Brown  
State of Oregon  
Water Resources Department  
725 Summer St. NE, Suite A  
Salem, Oregon 97301-1271

Re: Ground Water Permit G-10657

Dear Mr. Brown:

As environmental consultants to Quincy Resources Inc. (QRI), Enviroscientists, Inc. is assisting QRI in obtaining the necessary permits to execute an exploration drilling project near Quartz Mountain in Lake County, Oregon. The well permitted for mining use under ground water Permit number G-10657 and Certificate number 67064 will be used to supply water for that program. We are requesting a statement of available water for that single industrial purpose in terms of gallons per day.

Please fax a copy of your statement to our office at (775) 826-8857 and mail a copy to us at the above address and to:

Orlando Gonzales  
Bly District Ranger  
Bly Ranger District  
Fremont-Winema National Forests,  
61100 Highway 140 East  
Bly, Oregon 97622

Public comment on QRI's Plan of Operations is closing May 26, 2004. We would greatly appreciate a response by Friday, May 21, 2004 to assure its inclusion in the public record.

Mr. Steve Brown

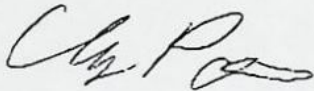
Page 2.

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Should you have any questions or require additional information, please do not hesitate to contact our office at (775) 826-8822.

Sincerely,

**Enviroscientists, Inc.**



Clay Postlethwaite  
Senior Environmental Specialist

CEP:ns

cc: Ms. K. Tureck - QRI, Boulder, CO

# Abstract of Permit

This is to certify that I have examined APPLICATION **G-11559** and do hereby grant the same SUBJECT TO EXISTING RIGHTS and the following limitations and conditions:

This permit is issued to **Wavecrest Resources Inc., HC-60, Quartz Mountain, Lakeview, Oregon, 97630, phone 947-3692,** for use of the waters from one well,

for the PURPOSE of **Industrial use to provide water for core reverse circulation drilling on a mineral exploration prospect,**

that the PRIORITY OF THE RIGHT dates from **July 17, 1986,**

and is limited to the amount of water which can be applied to beneficial use and shall not exceed **100.0 gallons per minute,**

measured at the point of diversion from the **well,** or its equivalent in case of rotation with other water users.

The well is to be LOCATED: **1240 feet South and 540 feet East from the Northwest corner of Section 35, being within the NW 1/4 NW 1/4 Section 35, Township 37 South, Range 16 East, WM, in the County of Lake.**

A description of the PLACE OF USE under the permit, and to which such right is appurtenant, is as follows:

Township 37 South, Range 16 East, WM	Section 26	S1/2	SW1/4	INDUSTRIAL
	Section 27	SE1/4	SW1/4	
		S1/2	SE1/4	
	Section 34	NE1/4		
		E1/2	NW1/4	
		N1/2	SE1/4	
		SE1/4	SE1/4	
	Section 35	NW1/4		
		W1/2	SW1/4	

The well shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The works constructed shall include an air line and pressure gauge or an access port for measuring line, adequate to determine water level elevation in the well at all times. The permittee shall install and maintain a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

Actual construction work shall begin on or before **December 22, 1987,** and shall thereafter be prosecuted with reasonable diligence and be completed on or before **October 1, 19 88.**

Complete application of the water to the proposed use shall be made on or before **October 1, 19 89.**

Witness my hand this **22nd** day of **December,** 19 **86.**

\_\_\_\_\_  
WATER RESOURCES DIRECTOR

This permit is for the beneficial use of water. By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan. It is possible that the land use you propose may not be allowed if it is not in keeping with the goals and the acknowledged plan. Your city or county planning agency can advise you about the land-use plan in your area.

*1/5/87  
12/12/86  
BWB*

*Quartz Mountain  
8/22/86*

INFO: RON RICHARDSON, SENIOR PROJECT GEOLOGIST. WELL IS  
USED AS SOURCE OF WATER FOR CORE SAMPLE DRILLING.  
OPERATION. SAID USED 1,000/DAY FOR AVG OF 80 DAYS/YR.  
JUNE - SEPT.

SOURCE: A WELL, 163' DEEP, 8" CASING, SWL 43', SANITARY SEAL.

PUMP: } SAID 10 Hp SUB. HAS 4" DISCHARGE  
MOTOR: } PUMP SET @ 147'.

PIPE: STAND PIPE FOR TANK

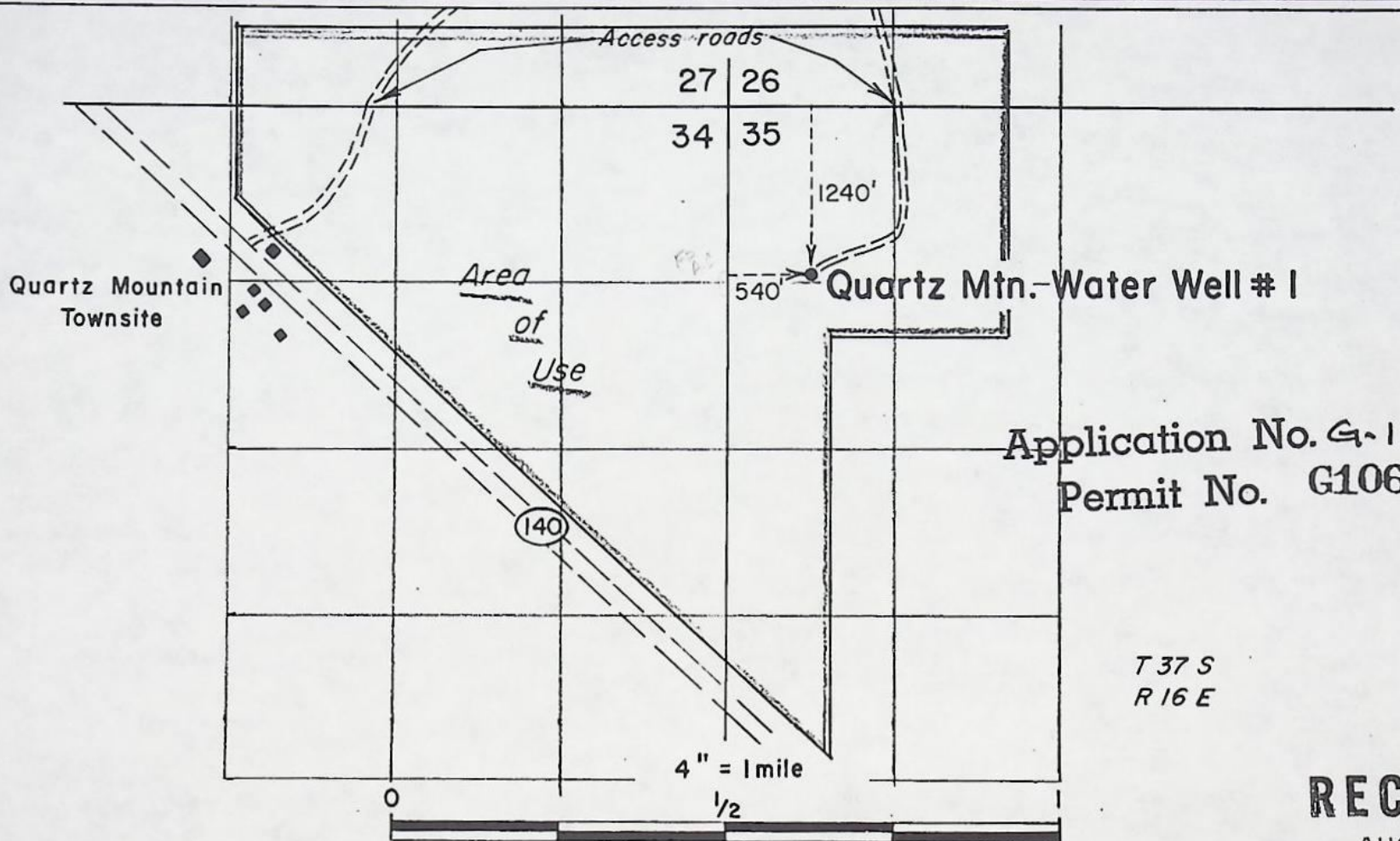
USE: CORE REVERSE CIRCULATION DRILLING.

LIFT: —

TIE: INSPECTION - LOCATED ALUMINUM CAP @ SW COR;  
NW<sup>4</sup>NW<sup>4</sup> SEC. 35

12/12/90

Benjamin W. Bishop  
F. I.



**Location Map of the Quartz Mountain Water Well #1**

**QUARTZ MOUNTAIN PROJECT**

**LAKE COUNTY, OREGON**

**RECEIVED**

AUG 18 1986

WATER RESOURCES DEPT

SALEM, OREGON

W.R. Rohtert

7/19/86



## Water Resources Department

3850 PORTLAND ROAD NE, SALEM, OREGON 97310

PHONE 378-3739

May 25 , 1990

WAVECREST RESOURCES INC  
5450 RIGGINS CT #3  
RENO NV 89502-6035

Reference File: G-11559

We have received your notice that complete application of water has been made under permit G-10657.

At a later date, a representative of this office will make an inspection and survey of your project.

You will be mailed a proposed certificate of water right covering the actual use of water as found by our Inspector. Any use described in the permit that was not made will not be included in the certificate.

In the meantime, the permit you hold is valid evidence of your right so long as you continue to use the water.

If you have any questions, please contact the Mapping Unit at 378-3739.



WAVECREST RESOURCES INC. 5450 RIGGINS COURT, #3, RENO, NV 89502  
702/829-1110

RECEIVED

MAY 17 1990

WATER RESOURCES DEPT.  
SALEM OREGON

May 14, 1990

Water Resources Department  
3850 Portland Rd. N.E.  
Salem, Oregon 97310  
Attn: Mr. Steve Applegate

OK  
C  
LHN

Dear Steve:

The purpose of this letter is to confirm in writing that our water well permit for Quartz Mountain permit No. G10657 was used prior to the first day of October 1989.

If we can be of further service please don't hesitate to give me a call.

Respectfully,

Ellen Westhoff  
Administration



## Water Resources Department

3850 PORTLAND ROAD NE, SALEM, OREGON 97310

PHONE 378-3739

April 20, 1990

Wavecrest Resources, Inc.  
HC-60, Quartz Mountain  
Lakeview, OR 97630

Reference File: G-11559

According to the terms of your Permit G-10657 complete application of water was to have been made by October 1, 1989.

Complete application of water means use of the water for the beneficial purpose described in the permit to the full extent intended. (In the case of irrigation, it means beneficial irrigation of the lands the permittee intends to cover). This may be a smaller amount than the permit allowed. If the water has been used, you should promptly submit notice describing the extent of completion as set forth in the letter accompanying your permit and also in our postal card of October 18, 1989.

ORS 537.260 provides that: "Whenever the time within which any appropriation under a permit should have been perfected has expired and the owner of the permit fails or refuses within three months thereafter to submit to the Water Resources Director proof of completion of the appropriation as required by ORS 537.230 and 537.250, the Water Resources Director may, after 60 days notice by registered mail, order the cancellation of the permit."

As provided in ORS 537.260, you are hereby notified that, unless proof of beneficial use is received within 60 days from the date of this letter, the permit may be canceled without further notice.

If you are no longer interested in the project described by the permit, we would appreciate being advised. If the property involved has been sold and any part of the project was completed, you should assign the permit to the new owner. An assignment form will be furnished upon request.

If additional information is needed, please contact the Applications/Permits Section.

CERTIFIED - RETURN RECEIPT REQUESTED

January 6, 1987

Wavecrest Resources, Inc.  
HC-60, Quartz Mountain  
Lakeview, OR 97630

G-11559

G-10657

September 5, 1986

William R. Rohtert, Project Geologist  
Wavecrest Resources, Inc.  
HC-60, Quartz Mountain  
Lakeview, OR 97630

Dear Mr. Rohtert:

REFERENCE: File G-11559

Your Application G-11559 describing the proposed use of 100 gallons of water per minute from one well for industrial resource development primarily to provide water for use in core and reverse circulation drilling on a mineral expiration prospect; together with the supporting map; has been reviewed.

Pursuant to your letter of August 18, 1986, I have amended the application to include the additional areas where the water may be used.

The application is now in satisfactory form and will be placed with the group to be considered for approval.

Sincerely,

WAYNE J. OVERCASH  
Senior Water Rights Examiner

WJO:wpc  
6386D

RECEIVED

AUG 20 1986

WATER RESOURCES DEPT  
SALEM, OREGON

WAVECREST RESOURCES INC./DIAMOND HEAD MINES LTD.

HC-60 Quartz Mountain  
Lakeview, Oregon 97630  
503/947-3692

August 18, 1986

Mr. Wayne Overcash  
Water Resources Department  
3850 Portland Road NE  
Salem, Oregon 97310

Dear Mr. Overcash,

Thank you for alerting me to the discrepancy between the areas of water use depicted on the map and reported in the text of Permit #378-3066. I apologize for the oversight.

The text of the permit application should be ammended herein to match the map on file. Specifically, the area of water use will include all or parts of:

Section 26; S $\frac{1}{2}$  SW $\frac{1}{4}$


Section 27; SE $\frac{1}{4}$  SW $\frac{1}{4}$   
S $\frac{1}{2}$  SE $\frac{1}{4}$

Section 34; NE $\frac{1}{4}$   
E $\frac{1}{2}$  NW $\frac{1}{4}$   
N $\frac{1}{2}$  SE $\frac{1}{4}$   
SE $\frac{1}{4}$  SE $\frac{1}{4}$

Section 35; NW $\frac{1}{4}$   
W $\frac{1}{2}$  SW $\frac{1}{4}$

Thank you for your prompt attention in this matter. Details of the completion of the well will be reported to Dennis Glender, the local Watermaster, for referral to your office.

Sincerely,

  
W.R. Rohtert  
Project Geologist



## Water Resources Department

3850 PORTLAND ROAD NE, SALEM, OREGON 97310

PHONE 378-3066

July 22, 1986

Wavecrest Resources, Inc.  
HC-60, Quartz Mountain  
Lakeview, OR 97630

REFERENCE: File G-11559

We have received your application for use of water for industrial resource development along with supporting data and fees. Our Receipt 49969 is enclosed. Your application has been filed and assigned number G-11559.

Applications which are received in proper form for a permit, including maps, supporting data and fees, will receive a permit shortly after the mandatory 30-day waiting period. Applications which are defective, conflict with existing rights or require additional information will be reviewed in detail and will be returned for completion or correction within 45 days.

If your application is approved, the permit authorizing the project described in the application would be subject to prior rights and require that the well be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon. The permit would also require that a weir, meter, or other suitable measuring device be installed, if required by the Watermaster, and a log be kept recording the amount of ground water withdrawals. If you have any questions regarding these provisions or the Well Standards, please contact this office.

Sincerely,

RALPH H. JACKSON, Supervisor  
Application/Permit Section

RHJ:wpc

enclosure  
0003/X  
5722D

Application No. G 11559

Permit No. \_\_\_\_\_

STATE OF OREGON  
WATER RESOURCES DEPARTMENT

RECEIVED

JUL 17 1986

WATER RESOURCES DEPT  
SALEM, OREGON

Application for a Permit to Appropriate Groundwater

Applicant: Wavecrest Resources Inc.

Mailing address: HC-60 Quartz Mountain

Lakeview OR 97630 503/947-3442  
City State Zip Phone No.

I hereby make application for a permit to appropriate the following described groundwaters of the State of Oregon:

1. **THE DEVELOPMENT** (number of wells, tile lines, infiltration galleries, etc.):

One well

Use of water: Industrial Resource Development

Amount of water: \_\_\_\_\_ or ≤ 100  
(cubic feet per second) (gallons per minute)

Diameter of well: 6" case, 10" o.d. Depth in feet: 200'

Type and size of well casing: Steel, 1 1/4" No. of feet: 200'

Estimated depth to water: 150'  
(feet)

Type of access port or measuring device: Mechanical Flowmeter

Wells to be drilled by: Roger Chancellor Well Drilling

Address: Klamath Falls Oregon 97601  
City State Zip

If the water well is flowing artesian, describe your water control and conservation works: \_\_\_\_\_

It is not artesian

If development is less than 1/4 mile from a natural stream, give the following:

Distance from development to stream: 200'

Elevation difference between streambed and development: Well is 30' above stream

**Note:** Wells must be constructed according to standards set by the department for the construction and maintenance of water wells.

2. LOCATION (if there is more than one well or source, describe on another sheet):

1240 feet South and 540 feet East  
(N or S) (E or W)

from the Northwest corner of Section 35  
(Public Land Survey Corner)

located within the NW 1/4 of the NW 1/4 of Section 35

Township 37 S., Range 16 E, WM. Tax Lot —

in Lake County.

3. PLACE OF USE (attach additional sheets, if necessary):

Township	Range	Section	1/4 1/4 Section	Tax Lot No.	Use	Use or acres to be irrigated
37 S	16 E	35	NW 1/4 <del>SW 1/4</del>	None		Industrial
		35	W 1/2 SW 1/4			"
37 S	16 E	34	NE 1/4	None		Industrial
		34	E 1/2 NW 1/4			"
		34	N 1/2 SE 1/4			"
		34	SE 1/4 SE 1/4			"
37 S	16 E	26	S 1/2 SW 1/4			"
37 S	16 E	27	SE 1/4 SW 1/4			"
		27	S 1/2 SE 1/4			"

4. DESCRIPTION OF WATER-DELIVERY SYSTEM:

Length and dimensions of supply ditch or pipeline: 10' water hose/pipe  
(4" dia.)

Size and type of pump and motor: 5 5/8 pump, 10 horsepower  
3 phase engine

Type of irrigation system (check appropriate box):  Flood  Wheel line

Hand line  Drip  Other \_\_\_\_\_

Other systems: Delivery system for a water truck.

Proposed date construction will begin: 8/15/86

Proposed date of completion of system: 8/30/86

Proposed date water use will be completed: None.

Is this groundwater source supplemental to another supply? No

If so, identify the supply and the existing water right: \_\_\_\_\_

Comments: Purpose of the well is primarily to provide water for use in core and reverse circulation drilling on a mineral exploration prospect.

William R. Stewart <sup>7/15/86</sup>  
Signature of Applicant  
Project Geologist  
Wavecrest Resources Inc.

**NOTE:** This permit, when issued, is for the beneficial use of water. By law, the land use associated with this water use must be in compliance with statewide land-use goals and any local acknowledged land-use plan. It is possible that the land use you propose may not be allowed if it is not in keeping with the goals and the acknowledged plan. Your city or county planning agency can advise you about the land-use plan in your area.

Application No. G-11559

Permit No. \_\_\_\_\_

(DO NOT WRITE IN THIS SPACE)

Dear Applicant:

I certify that I have examined the foregoing application, together with any accompanying information. I am returning it to you for the following reason(s): \_\_\_\_\_

In order to retain your priority, you must return this application with the requested corrections or additions on or before \_\_\_\_\_, 19 \_\_\_\_

Date: \_\_\_\_\_, 19 \_\_\_\_

WATER RESOURCES DEPARTMENT

By: \_\_\_\_\_

RECEIVED at Oregon Water Resources Department on:

July 17, 1986

at 8 o'clock AM/PM.

Application No. G-11559 Permit No. \_\_\_\_\_

### Permit to Appropriate the Public Waters of the State of Oregon

This is to certify that I have examined the foregoing application and do hereby grant the same, SUBJECT TO EXISTING RIGHTS INCLUDING THE EXISTING MINIMUM FLOW POLICIES ESTABLISHED BY THE WATER POLICY REVIEW BOARD and the following limitations and conditions:

The right herein granted is limited to the amount of water which can be applied to beneficial use and shall not exceed 100.0 gallons per minute cubic feet per second measured at the point of diversion from the well or source of appropriation, or its equivalent in case of rotation with other water users, from one well

The use to which this water is to be applied is industrial use to provide water for rare reverse circulation drilling on a mineral exploration prospects

If for irrigation, this appropriation shall be limited to of one cubic foot per second or its equivalent for each acre irrigated and shall be further limited to a diversion of not to exceed acre feet per acre for each acre irrigated during the irrigation season of each year;

and shall be subject to such reasonable rotation system as may be ordered by the proper state officer.

The well shall be constructed in accordance with the General Standards for the Construction and Maintenance of Water Wells in Oregon.

The works constructed shall include an air line and pressure gauge or an access port for measuring line, adequate to determine water level elevation in the well at all times.

The permittee shall install and maintain a weir, meter, or other suitable measuring device, and shall keep a complete record of the amount of ground water withdrawn.

The priority date of this permit is July 17, 1986

Actual construction work shall begin on or before and shall thereafter be prosecuted with reasonable diligence and be completed on or before October 1, 19

Complete application of the water to the proposed use shall be made on or before October 1, 19

WITNESS my hand this day of, 19

Handwritten initials/signature

STATE OF OREGON  
COUNTY OF LAKE  
PROPOSED CERTIFICATE OF WATER RIGHT

THIS CERTIFICATE ISSUED TO

WAVECREST RESOURCES, INC.  
5450 RIGGINS CT. #3  
RENO, NEVADA 89502-6035

confirms the right to use the waters of A WELL in the GOOSE LAKE BASIN for INDUSTRIAL USE TO PROVIDE WATER FOR CORE AND REVERSE CIRCULATION DRILLING ON A MINERAL EXPLORATION PROSPECT.

This right was perfected under Permit G-10657. The date of priority is JULY 17, 1986. This right is limited to 100 GALLONS PER MINUTE, NOT TO EXCEED 1,000 GALLONS PER DAY or its equivalent in case of rotation, measured at the well. THE USE OF WATER IS ALLOWED BETWEEN JUNE 1 AND SEPTEMBER 30 OF EACH YEAR.

The well is located as follows:

NW 1/4 NW 1/4, SECTION 35, T 37 S, R 16 E, W.M.; 1240 FEET SOUTH AND 540 FEET EAST FROM THE NORTHWEST CORNER OF SECTION 35.

The use shall conform to such reasonable rotation system as may be ordered by the proper state officer.

A description of the place of use to which this right is appurtenant is as follows:

S 1/2 SW 1/4  
SECTION 26

SE 1/4 SW 1/4  
S 1/2 SE 1/4  
SECTION 27

NE 1/4  
E 1/2 NW 1/4  
N 1/2 SE 1/4  
SE 1/4 SE 1/4  
SECTION 34

NW 1/4  
W 1/2 SW 1/4  
SECTION 35

TOWNSHIP 37 SOUTH, RANGE 16 EAST, W.M.

The right to use water for the above purpose is restricted to beneficial use on the lands or place of use described.

*Ri*  
G-11559.BB

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COUNTY OF LAKE  
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SECTION 34

NW 1/4  
W 1/2 SW 1/4  
SECTION 35

TOWNSHIP 37 SOUTH, RANGE 16 EAST, W.M.

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WITNESS the signature of the Water Resources Director, affixed JANUARY 24, 1992.

/s/ WILLIAM H. YOUNG

William H. Young

Recorded in State Record of Water Right Certificates numbered 67064.

G-11559.BB

STATE OF OREGON  
COUNTY OF LAKE  
CERTIFICATE OF WATER RIGHT

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/s/ WILLIAM H. YOUNG

William H. Young

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**WAVECREST RESOURCES INC.**

*5450 Riggins Ct #3*  
~~5280 South Virginia, Ste. 200~~  
Reno, Nevada U.S.A. 89502-6035



*Water Resources Department  
3850 Portland Rd. N. E.  
Salem, Oregon 97310*

*attn: Steve Applegate*



Water Resources Department

ORTLAND ROAD NE  
1, OREGON 97310

Claim Check  
No.

422022

Hold

Date

NAME \_\_\_\_\_  
1st Notice 4-23  
2nd Notice \_\_\_\_\_  
Return 5-8

1ST Notice

2ND Notice

Return

Detached from  
PS Form 3849-A,  
Oct. 1985

April 20, 1990

Wavecrest Resources, Inc.  
HC-60, Quartz Mountain  
Lakeview, OR 97630



*FWD EXPIRED*



Is your RETURN ADDRESS  
completed on the reverse side?

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address.      2.  Restricted Delivery  
(Extra charge)      (Extra charge)

3. Article Addressed to:

Wavecrest Resources, Inc  
HC-60 Quartz Mountain  
Lakeview, OR 97630

4. Article Number

50472

Type of Service:

- Registered       Insured  
 Certified       COD  
 Express Mail       Return Receipt  
for Merchandise

Always obtain signature of addressee  
or agent and DATE DELIVERED.

5. Signature - Address

X

6. Signature - Agent

X

7. Date of Delivery

8. Addressee's Address (ONLY if  
requested and fee paid)

PS Form 3811, Mar. 1988

\* U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

G-11559 F100

Thank you for using  
Return Receipt Service.