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State of Alaska Water Rights

CERTIFICATE OF APPROPRIATION LAS 21760

The State of Alaska, acting by and through the Department of Natural Resources, Division of Mining, Land and Water, 3700 Airport Way, Fairbanks, AK 99709-4699, hereinafter referred to as the grantor, under AS 46.15, the Alaska Water Use Act, and the regulations adopted under it, grants to:

Fairbanks Gold Mining, Inc. PO Box 73726 Fairbanks, AK 99707-3726

The right to the following use of water:

SOURCE:

Dewatering Well Field(s) 1,600 acre feet per year

QUANTITY: PERIOD:

January 1st through December 31st

USE:

Mining and milling

With a PRIORITY DATE of February 3, 1998.

The location of this water source:

Dewatering wells from a well field(s) located within Sections 4, 8 through 11, 14 through 17, and 20 through 23, Township 2 North, Range 2 East, Fairbanks Meridian.

The location to which this water right is appurtenant:

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The Fort Knox Project site within Sections 4, 8 through 11, 14 through 17, and 20 through 23, Township 2 North, Range 2 East, Fairbanks Meridian, Fairbanks Recording District, Fourth Judicial District, State of Alaska, subject to reservations and exceptions of record.

The holder of this Certificate of Appropriation shall comply with the following conditions:

- 1. Follow acceptable engineering standards in exercising the water right granted by this certificate.
- Except for claims or losses arising from negligence of the State, defend and indemnify the State, the State's agents, and the State's employees against and hold each of them harmless from any and all claims, demands, legal actions, loss, liability, and expense, including attorney fees, for injury to or death of persons and damages to or loss of property arising out of or connected with the exercise of the water right granted by this certificate.
- 3. Comply with all applicable laws, regulations, and conditions.
- 4. Notify the grantor of any change of address, transfer of any real property identified in this certificate, or proposed change in the water appropriation.
- 5. If the grantor determines that this appropriation unduly affects a prior appropriator's ability to obtain water in accordance with his or her permit or certificate, this appropriation may be amended or water use may be curtailed until the prior appropriator can again obtain water under his or her prior right. Those individuals within the same area that do not have water rights may also be required to curtail taking water.
- 6. Allow grantor's authorized representatives to inspect, at reasonable times, any facilities, equipment, practices, or operations regulated or required under this certificate.
- 7. Permanent decommissioning of any well must be in compliance with requirements of 18 AAC 80.015(e). Abandonment report shall be submitted to this office and DEC within forty-five (45) days.
- 8. The cost of any necessary field inspections shall be paid by the Grantee.
- Submit monthly water use records to the Water Resources Section on an annual basis.
- 10. This authorization is subject to an annual administrative service fee.

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The water right is granted subject to the pertinent statutory provisions in AS 46.15 and Administrative Regulations in 11 AAC 93.

on November 24 , 2015	hority of AS 46.15.120 and 11 AAC 93.130
HENRY C. BROOKS APPROX Notary Public High Approx TITLE	Natural Resource Manager I
STATE OF ALASKA) ss.) ss.)	
This is to certify that on November 24 Michael L. Walton known by me to be of Mining, Land and Water, Department of Naturathis Certificate of Appropriation was voluntarily exercises.	e the authorized representative of the Division ral Resources, and acknowledged to me that
Notary Public in and for the State of Alaska	With office My Commission Expires

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After recording return to the Grantor:

Department of Natural Resources Division of Mining, Land and Water 3700 Airport Way Fairbanks, Alaska 99709-4699

State Business - No Charge

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