

Recording requested by
And when recorded mail to:
Brooke Shaw Zumpft
1590 Fourth Street
Minden, Nevada 89423

REQUESTED BY
Brooke Shaw Zumpft
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA
2004 MAR 16 PM 2:13
WERNER CHRISTEN
RECORDER
\$2800 PAID *A* DEPUTY

R.P.T.T. \$ 7.80

WATER RIGHTS DEED

THIS INDENTURE WITNESSETH: That for a valuable consideration, receipt of which is hereby acknowledged, WILLIAM SHIPLEY (hereinafter referred to as "Grantor"), do hereby remise, release, and quitclaim to the DBMC COMPANY (hereinafter referred to as "Grantee"), of Douglas County, Nevada, any right, title, and interest to those certain water rights in the County of Douglas, State of Nevada, appurtenant to the property specifically described in Attachment "A," attached hereto and incorporated herein by reference as though fully set forth herein.

TO HAVE AND TO HOLD the said rights, together with the appurtenances, unto the said Grantee, and to the successors, heirs, and assigns of Grantee forever.

WITNESS our hands this 9th day of March 2004.

William Shipley
WILLIAM SHIPLEY

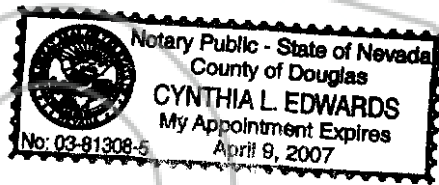
0607301

BK0304 PG07129

STATE OF NEVADA)
 :SS
COUNTY OF DOUGLAS)

On this 9th day of March 2004, **WILLIAM SHIPLEY** personally appeared before me, a notary public, personally known (or proved) to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.

Cynthia L Edwards
NOTARY PUBLIC



COOPER

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EXHIBIT A
WATER RIGHTS DEED
WILLIAM SHIPLEY TO THE
BENTLY FAMILY LIMITED PARTNERSHIP
DOUGLAS COUNTY

Including, but not limited to, all right, title or interest of Grantor in and to Amended Application for Permit to appropriate the Public Waters of the State of Nevada, Permit No. 53754 attached hereto, as issued by the office of the State Engineer of the State of Nevada, along with all and any seeps, springs artesian or vested rights of any kind or nature whatsoever, surface or underground, as has been historically been used upon, appurtenant to or owned by the property described in Exhibit B.

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AMENDED

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State-Engineer's Office AUG 14 1989
Returned to applicant for correction SEP 20 1989
Corrected application filed OCT 5 1989
Map filed OCT 5 1989

The applicant William Shipley
P.O. Box 464, of Gardnerville, Nevada 89410

hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is underground.

2. The amount of water applied for is 0.10 second-feet

(a) If stored in reservoir give number of acre-feet

3. The water to be used for mining and domestic.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated

(b) Stockwater, state number and kinds of animals to be watered

(c) Other use (describe fully under "No. 12. Remarks")

(d) Power:

(1) Horsepower developed

(2) Point of return of water to stream

5. The water is to be diverted from its source at the following point within the SE1/4 of Section 10, T.12N., R.21E., M.D.B.&M. or at a point from which the N1/4 corner of said Section 10 bears N8°27'57"E a distance of 1,541.73 feet.

6. Place of use portions of the following: The NW1/4, the NE1/4, the SE1/4, the SW1/4, and the SE1/4 all within Section 10, T.12N., R.21E., M.D.B.&M. Total area of the place of use is 77.686 acres.

7. Use will begin about 1 January and end about 31 December of each year.

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Drilled well, pump and motor, and piping.

9. Estimated cost of works \$10,000.



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10. Estimated time required to construct works Two years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use Five years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

To process 35 tons of ore per day.

/s/ Wyatt J. Owens
By P.O. Box 44 Smith, Nev. 89430

Compared bp/db bp/se

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The well must be sealed with cement grout, concrete grout or neat cement from ground level to 100 feet.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.1 cubic feet per second, but not to exceed 5.5 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before June 18, 1991

Proof of completion of work shall be filed on or before July 18, 1991

Application of water to beneficial use shall be made on or before June 18, 1993

Proof of the application of water to beneficial use shall be filed on or before July 18, 1993

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed JAN 22 1991 IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.

Proof of beneficial use filed _____ State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 18th day of June

Cultural map filed _____

Certificate No. _____ Issued _____ A.D. 19 90

[Signature]
State Engineer

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(PERMIT TERMS CONTINUED)

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

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EXHIBIT B
WATER RIGHTS DEED
WILLIAM SHIPLEY TO THE
BENTLY FAMILY LIMITED PARTNERSHIP
DOUGLAS COUNTY

Assignment of Mining Claims:

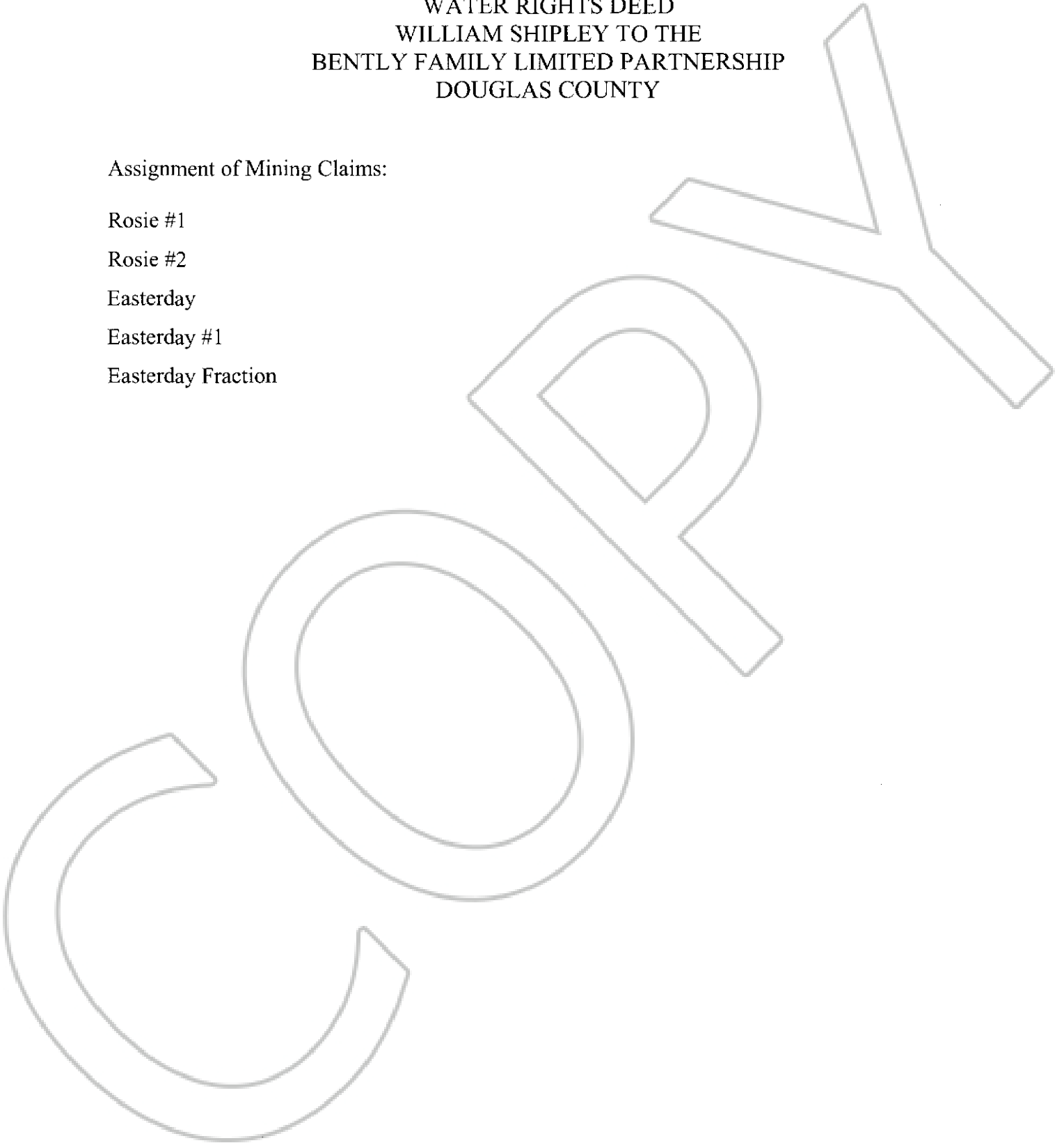
Rosie #1

Rosie #2

Easterday

Easterday #1

Easterday Fraction



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RECORDING REQUESTED BY
WHEN RECORDED MAIL TO

BROOKE · SHAW · ZUMPFT
POST OFFICE BOX 2860
MINDEN, NEVADA 89423

REQUESTED BY

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2004 MAR - 1 PM 2: 16

WERNER CHRISTEN
RECORDER

S. PAID DEPUTY

SPACE ABOVE THIS LINE
RESERVED FOR RECORDER'S
USE

ASSIGNMENT OF MINING CLAIMS

COPY

CONFORMED COPY
HAS NOT BEEN COMPARED
TO THE ORIGINAL

0607301

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ASSIGNMENT OF MINING CLAIMS

We, the undersigned, **BILL D. SHIPLEY** and **BLANCHE SHIPLEY**, do hereby sell, transfer and assign to the **DBMC COMPANY** all right, title and interest in and to those load mining claims identified in Exhibit A, attached hereto and incorporated herein as reference.

DATED this 14 day of January 2004

BILL D. SHIPLEY

Bill D. Shipley

BLANCHE SHIPLEY

Blanche Shipley

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EXHIBIT A

COPY

RECEIVED NSO BLM
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0.0m 6 5/8
CO 14 98

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CERTIFICATE OF LOCATION
LODE MINING CLAIM

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies that he has caused to be located the Lode Mining Claim in the following quarter section(s):

ROSIE #1

<u>1/4</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>
<u>NW</u>	<u>10</u>	<u>12N</u>	<u>21E</u>	<u>40M</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

in DOUGLAS County, Nevada, on the 23 day of MAY, 2003.

The name and mailing address of the locator is:

BILL & BLANCHE SHIPLEY
BOX 464
GARDNERVILLE, NV. 89410

The Claim is approximately 1320 feet long and 600 feet wide, such that 660 feet is claimed in a NORTHERLY direction and 660 feet in a SOUTHERLY direction from the point of discovery (monument of location), at which the Notice of Location was posted, together with 300 feet on each side of the monument of location and center line of the Claim. The general course of the lode or vein is from the SOUTH to the NORTH direction.

The number, location and markings on each side center or corner monument are as follows:

<u>No.</u>	<u>Location</u>	<u>Markings</u>	<u>Description</u>
No. 1:	<u>CENTER</u>	<u>SCRIBED/PAPERED</u> <u>4" PVC PIPE</u>	<u>300 FT EITHER SIDE</u> <u>660 EITHER END</u>
No. 2:	_____	_____	_____
No. 3:	<u>NW COR</u>	<u> </u>	_____
No. 4:	<u>NE COR</u>	<u> </u>	_____
No. 5:	<u>SW COR</u>	<u> </u>	_____
No. 6:	<u>SE COR</u>	<u> </u>	_____

As erected on the ground, each side center or corner monument is marked as described above by SCRIBED & PAPERED (e.g. metal tags, paint on posts).

The work of location consisted of making a claim map as provided in NRS 517.040.

Dated this 23 day of MAY, 2003.

SIGNATURE OF LOCATOR:

BY: Bill Shipley
Bill Shipley (Agent)
for
Blanche Shipley
BLANCHE SHIPLEY
Suggested Form - Nevada Department of Minerals
Nevada - Lode Certificate of Location - NRS 517.050
(Revised 2/27/01 NSO)

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2003 FEB -9 AM 11:07

RECORDER'S STAMP

REQUESTED BY
Bill Shipley
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 MAY 23 PM 3:47

WERNER CHRISTEN
RECORDER

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CERTIFICATE OF LOCATION
LODE MINING CLAIM

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies that he has caused to be located the POSIE #2
Lode Mining Claim in the following quarter section(s):

<u>1/4</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>
<u>NE</u>	<u>10</u>	<u>12 N</u>	<u>21 E</u>	<u>HDM</u>

in DOUGLAS County, Nevada, on the 23 day of MAY, 2003.

The name and mailing address of the locator is:

BILL & BLANCHE SHIPLEY
BOX 464
GARDNERVILLE NV 89410

The Claim is approximately 1320 feet long and 660 feet wide, such that 660 feet is claimed in a NORTHERLY direction and 660 feet in a SOUTHERLY direction from the point of discovery (monument of location), at which the Notice of Location was posted, together with 300 feet on each side of the monument of location and center line of the Claim. The general course of the lode or vein is from the SOUTH to the NORTH direction.

The number, location and markings on each side center or corner monument are as follows:

<u>No.</u>	<u>Location</u>	<u>Markings</u>	<u>Description</u>
No. 1:	<u>CENTER</u>	<u>SCRIBED/PAPERED</u> <u>4" PVC PIPE</u>	<u>300 FT EITHER SIDE</u> <u>660 FT EITHER END</u>
No. 2:			
No. 3:	<u>NW COR</u>	<u>4</u>	
No. 4:	<u>NE COR</u>	<u>4</u>	
No. 5:	<u>SW COR</u>	<u>4</u>	
No. 6:	<u>SE COR</u>	<u>4</u>	

As erected on the ground, each side center or corner monument is marked as described above by SCRIBED & PAPERED (e.g. metal tags, paint on posts).

The work of location consisted of making a claim map as provided in NRS 517.040.

Dated this 23 day of MAY, 2003.

SIGNATURE OF LOCATOR:

BY: Bill Shipley
Bill Shipley (Agent)
OR Blanche Shipley
Blanche Shipley

Suggested Form - Nevada Department of Minerals
Nevada - Lode Certificate of Location - NRS 517.050
(Revised 2/27/01 NSO)

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RECORDER'S STAMP

REQUESTED BY
Bill Shipley
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 MAY 23 PH 3: 47

WEINER CHRISTEN
RECORDER

20 10 PAID K2 DEPUTY

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0577906
BK0304 PG07140
BK0503 PG12677

847951

CERTIFICATE OF LOCATION
LODE MINING CLAIM

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies that he has caused to be located the EASTERDAY
Lode Mining Claim in the following quarter section(s):

<u>1/4</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>
<u>NE</u>	<u>10</u>	<u>12N</u>	<u>21E</u>	<u>MDM</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

in DOUGLAS County, Nevada, on the 23 day of MAY, 2003.

The name and mailing address of the locator is:

BILL & BLANCHE SHIPLEY
BOX 464
GARDNERVILLE NV 89470

The Claim is approximately 1500 feet long and 600 feet wide, such that 750 feet is claimed in a NORTHERLY direction and 750 feet in a SOUTHERLY direction from the point of discovery (monument of location), at which the Notice of Location was posted, together with 300 feet on each side of the monument of location and center line of the Claim. The general course of the lode or vein is from the SOUTH to the NORTH direction.

The number, location and markings on each side center or corner monument are as follows:

<u>Location</u>	<u>Markings: SCRIBED/PAPERED</u>	<u>Description</u>
No. 1: <u>CENTER</u>	<u>4" PVC PIPE</u>	<u>300 FT EITHER SIDES 750 EITHER END</u>
No. 2: _____	_____	_____
No. 3: <u>NW COR.</u>	<u> </u>	<u> </u>
No. 4: <u>NE COR.</u>	<u> </u>	<u> </u>
No. 5: <u>SW COR.</u>	<u> </u>	<u> </u>
No. 6: <u>SE COR.</u>	<u> </u>	<u> </u>

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2003 FEB -9 AM 11:07

As erected on the ground, each side center or corner monument is marked as described above by SCRIBED & PAPERED (e.g. metal tags, paint on posts).

The work of location consisted of making a claim map as provided in NRS 517.040.

Dated this 23 day of MAY, 2003.

SIGNATURE OF LOCATOR:

BY: Bill Shipley
BILL (Agent) SHIPLEY
Blanche Shipley
BLANCHE SHIPLEY

Suggested Form - Nevada Department of Minerals
Nevada - Lode Certificate of Location - NRS 517.050
(Revised 2/27/01 NSO)

RECORDER'S STAMP

REQUESTED BY
Bill Shipley
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 MAY 23 PM 3:47

WERNER CHRISTEN
RECORDER

\$20 PAID kg DEPUTY

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**CERTIFICATE OF LOCATION
LODE MINING CLAIM**

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies that he has caused to be located the Lode Mining Claim in the following quarter section(s):

EASTERDAY #1

<u>1/4</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>
<u>NE</u>	<u>10</u>	<u>12N</u>	<u>21</u>	<u>NDM</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

in DOUGLAS County, Nevada, on the 23 day of MAY, 2003.

The name and mailing address of the locator is:

BILL & BLANCHE SHIPLEY
Box 464
GARDNERVILLE, NV 89410

The Claim is approximately 1600 feet long and 600 feet wide, such that 750 feet is claimed in a NORTHERLY direction and 750 feet in a SOUTHERLY direction from the point of discovery (monument of location), at which the Notice of Location was posted, together with 300 feet on each side of the monument of location and center line of the Claim. The general course of the lode or vein is from the SOUTH to the NORTH direction.

The number, location and markings on each side center or corner monument are as follows:

<u>Location</u>	<u>Markings</u>	<u>Description</u>
No. 1: <u>CENTER</u>	<u>SCRIBED/PAPERED</u> <u>4" PVC PIPE</u>	<u>300FT EITHER SIDE 750 EITHER END</u>
No. 2: _____	_____	_____
No. 3: <u>NW COR</u>	<u> </u>	_____
No. 4: <u>NE COR</u>	<u> </u>	_____
No. 5: <u>SW COR</u>	<u> </u>	_____
No. 6: <u>SE COR</u>	<u> </u>	_____

As erected on the ground, each side center or corner monument is marked as described above by SCRIBED & PAPERED (e.g. metal tags, paint on posts).

The work of location consisted of making a claim map as provided in NRS 517.040.

Dated this 23 day of MAY, 2003.

SIGNATURE OF LOCATOR:

BY: Bill Shipley
Bill (Agent) SHIPLEY
OR Blanche Shipley
BLANCHE SHIPLEY

Suggested Form - Nevada Department of Minerals
Nevada - Lode Certificate of Location - NRS 517.050
(Revised 2/27/01 NSO)

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RECORDER'S STAMP

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Bill Shipley
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

2003 MAY 23 PM 3: 47

WERNER CHRISTEN
RECORDER

PAID ka DEPUTY

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847953

CERTIFICATE OF LOCATION
LODE MINING CLAIM

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies that he has caused to be located the EASTERDAY FRACTION
Lode Mining Claim in the following quarter section(s):

<u>1/4</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>
<u>NE</u>	<u>10</u>	<u>12N</u>	<u>21E</u>	<u>MDM</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

in DOUGLAS County, Nevada, on the 23 day of MAY, 2003.

The name and mailing address of the locator is:

BILL & BLANCHE SHIPLEY
Box 464
GARDNERVILLE, NV 89416

The Claim is approximately 450 feet long and 1320 feet wide, such that 225 feet is claimed in a NORTHERLY direction and 225 feet in a SOUTHERLY direction from the point of discovery (monument of location), at which the Notice of Location was posted, together with 1000 feet on each side of the monument of location and center line of the Claim. The general course of the lode or vein is from the WEST to the EAST direction.

The number, location and markings on each side center or corner monument are as follows:

<u>Location</u>	<u>Markings: SCRIBED/PAYEED</u>	<u>Description</u>
No. 1: <u>CENTER</u>	<u>4" PVC PIPE</u>	<u>225 FT EITHER SIDE CENTER</u>
No. 2: _____	_____	_____
No. 3: <u>NW COR</u>	<u>"</u>	_____
No. 4: <u>NE COR</u>	<u>"</u>	_____
No. 5: <u>SW COR</u>	<u>"</u>	_____
No. 6: <u>SE COR</u>	<u>"</u>	_____

As erected on the ground, each side center or corner monument is marked as described above (e.g. metal tags, paint on posts).

The work of location consisted of making a claim map as provided in NRS 517.040.

Dated this 23 day of MAY, 2003.

SIGNATURE OF LOCATOR:

BY: Bill Shipley
BILL (Agent) SHIPLEY
Or Blanche Shipley
BLANCHE SHIPLEY

Suggested Form - Nevada Department of Minerals
Nevada - Lode Certificate of Location - NRS 517.050
(Revised 2/27/01 NSO)

RECORDER'S STAMP

REQUESTED BY
Bill Shipley

IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

2003 MAY 23 PM 3:47

WERNER CHRISTEN
RECORDER

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