

Accommodation No. 88-132E
When recorded return to:
Lawyer's Title Insurance Corporation
975 One Allen Center
Houston, TX 77002

125755

QUITCLAIM DEED Attn: Carol Perry, National Service
Representative

THIS INSTRUMENT, made effective this 16 day of December
1988, has been executed by NL INDUSTRIES, INC., a New Jersey
corporation (formerly known as National Lead Company),
hereinafter called the "Grantor", in favor of BAROID DRILLING
FLUIDS, INC., a Delaware corporation, hereinafter called the
"Grantee".

WITNESSETH:

KNOW ALL MEN BY THESE PRESENTS that the Grantor, for and in
consideration of the sum of ten dollars (\$10.00) and other good
and valuable consideration, the receipt and sufficiency of which
are acknowledged, does hereby remise, release and quitclaim unto
the Grantee and its successors and assigns forever, all of the
Grantor's right, title and interest in and to those water permits
identified in the attached Exhibit "A", which is made a part of
this Instrument and incorporated herein by this reference.

By executing this Instrument, the Grantor does further
acknowledge, affirm and intend, and does hereby transfer and
quitclaim unto the Grantee and its successors and assigns
forever, all right, title and interest hereafter acquired by the
Grantor in and with respect to the aforesaid water permits, and
to this end, the Grantor agrees to execute such further
agreements, conveyances and assurances as may be reasonably
requested by the Grantee to properly effectuate the intent
expressed herein.

TO HAVE AND TO HOLD the said water permits, together with
all appurtenances and privileges thereunto belonging or in
anywise appertaining unto the Grantee and its successors and
assigns forever.

* * * * *

BOOK 182 PAGE 374

No. 43698

AMENDED
APPLICATION FOR PERMIT

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... MAY 18 1981
Returned to applicant for correction..... JUL 3 0 1981
Corrected application filed..... SEP 21 1981
Map filed..... SEP 21 1981 under 43698

The applicant... N L Industries, Inc.

P.O. Box 414, of ...Battle Mountain.....
Street and No. or P.O. Box No. City or Town

Nevada 89820..... hereby make application for permission to appropriate the public
waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorpora-
tion; if a copartnership or association, give names of members.) 1891 - New Jersey.

1. The source of the proposed appropriation is..... Underground Name of stream, lake or other source

2. The amount of water applied for is..... 2.5 x 0 second-feet
..... Water measured from capacity 440 ft. side, not true

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

3. The water to be used for..... Mining, Milling & Manufacturing
Irrigation, power, mining, manufacturing, domestic, or other use. Equal time to one use.

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. - At the State Boundary Line, T.

T. 37 N., R. 51 E., MDM, at a point about 900 feet east of the road junction of Nevada State Route 400 and Nevada State Route 401, being about a 0.02 acre subdivision of public waters and no name and address of a section corner. If on unnumbered land
it should be stated.....

6. Place of use T. 37 N., R. 51 E., MDM; Section 12, 1/4 of T. 38 N., R. 51 E., MDM
Describe by legal subdivisions, if on unnumbered land it should be so stated

Section 35; S4 SE1/4

Section 36; SW1/4, S4 SE1/4

7. The will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day

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.) Adrill and ase well, pump, motor, storage
facilities and distribution system

hole manner in which water is to be diverted, i.e. diversion percentage, discharge and diameter, draw-off, rate pump and outlet, etc.

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43698

9. Estimated cost of works..... \$20,000.00

10. Estimated time required to construct works..... 5 years If well completed, describe works

11. Estimated time required to complete the application to beneficial use.... 7 years

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

From any and all sources will not exceed 1,000 acre feet annually.

Please send copies of all correspondence and notices to undersigned agent

By...s/William A. Nisbet

Agent Signature, affix your

421 Court

Elko, Nevada 89801

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 total 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 to prevent waste. A totalizing meter 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.

No perforations shall be put in the production casing from mudline to 100 feet.

The total combined duty of water under permits 4,007 and 4,093 shall not exceed 100.9 million gallons annually.

(See Permits 4,007, 4,093)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed .000 cubic feet per second, or 100.9 million gallons annually.

Actual construction work shall begin on or before

Proof of commencement of work shall be filed before

Work must be prosecuted with reasonable diligence and be completed on or before

Proof of completion of work shall be filed before

Application of water to beneficial use shall be made on or before

Proof of the application of water to beneficial use shall be filed on or before

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

Commencement of work filed

Completion of work filed

Proof of beneficial use filed

Cultural map filed

Certificate No. issued

0700 2000 000

IN TESTIMONY WHEREOF, I

State Engineer of Nevada, have hereunto set my hand and the seal of

my office, this 12th day of November,

1987

WILLIAM A. NISBET

12/12/87
BOOK 102 PAGE 376

(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.

DECH 102 PAGE 377

EXHIBIT "A"

AMENDED

No. 42932

APPLICATION FOR PERMIT

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... DEC 8 1980
 Returned to applicant for correction.....
 Corrected application filed..... JAN 6 1981
 Map filed..... JAN 6 1981 under 42931

The applicant..... Baroid Division NL Industries

P. O. Box 414..... of Battle Mountain

Street and No. or P.O. Box No. City or Town
 Nevada 89820 hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinabove stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

1. The source of the proposed appropriation is..... Underground
Name of stream, lake or other source.
2. The amount of water applied for is..... 1.0 cfs
One thousand feet equals 43,560 gallons per min.
 (a) If stored in reservoir give number of acre-feet..... 200 ac. ft.
acre-foot equals 43,560 gallons.
3. The water to be used for..... Mining, Milling & Domestic
Industrial, power, mining, manufacturing, domestic, or other use. Must limit to one use.
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 NE^{1/4} NE^{1/4} of
 Section 22, T37N., R49E., MDM., at a point from which the NE corner
Describes being within a 40-acre subdivision of public survey, and by course and distance to a corner corner. If an easement
of said Section 22 bears N. 60° 42' E. 1348 feet
is described as follows:
6. Place of use..... Within Section 15, E^{1/4} of Section 21, Sections 22, 27, 28,
Described by legal subdivision. If an easement land it should be so stated.
 34 and 35, all in T37N., R49E., MDM.
7. Use will begin about..... JANUARY 1..... and end about..... DECEMBER 31 of each year.
Month and Day
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 and cased well, submersible pump, electric motor, distribution system to milling equipment
Items shown to be used solely to be diverted to diversion works, etc. and pump, drilled well with pump and motor, etc.
 and water truck

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42932

Estimated cost of works..... \$10,000.00

Estimated time required to construct works..... 3 years
U will accomplish works

11. Estimated time required to complete the application to beneficial use..... 4 years

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

Total combined duty from wells under 42931, 42932, 42933,
and 42934 will not exceed 1,000 acre feet per year.

Please send copies of all correspondence to the undersigned agent

By..... S/William A. Nisbet

Signature, officiate or agency

Compared..... ha/b1 bt/gk Agent
421 Court
Elko, Nevada 89801

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 all existing rights on the source. 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 at permittee's well due to other ground water development in the area. A measuring device must be installed and measurements of water use kept. The well shall be equipped with a 2-inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water granted herein at any and all times.

The total combined duty of water under this permit and Permits 42931, 42933, and 42934 shall not exceed 1,000 acre-feet annually.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed..... 1.0..... cubic feet per second, but not to exceed 724.0 acre-feet yearly.

Actual construction work shall begin on or before..... N/A

Proof of commencement of work shall be filed before..... N/A

Work must be prosecuted with reasonable diligence and be completed on or before September 10, 1982

Proof of completion of work shall be filed before..... October 10, 1982

Application of water to beneficial use shall be made on or before..... September 10, 1984

Proof of the application of water to beneficial use shall be filed on or before..... October 10, 1984

Map in support of proof of beneficial use shall be filed on or before.....

Commencement of work filed.....

Completion of work filed.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificate No. dated.....

IN TESTIMONY WHEREOF, I..... PETER G. MARROS

State Engineer of Nevada, have hereunto set my hand and the seal of
my office, this..... 10th day of SEPTEMBER

A.D. 1981.

Peter G. Marras
State Engineer

AMENDED

No. 42933

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

Date of filing in State Engineer's Office..... DEC 9 1981

Returned to applicant for correction..... JAN 6 1981

Corrected application filed..... JAN 6 1981 under 42931

Map filed.....

The applicant..... Baroid Division NL Industries

P.O. Box 414 of Battle Mountain.....
Street and No. or P.O. Box No. City or Town

Nevada 89820 Street and Zip Code No. hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinlater stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

1. The source of the proposed appropriation is Underground.....
Name of stream, lake or other source.

2. The amount of water applied for is..... 1.0 cfs..... second-feet
One acre-foot equals 43,560 cubic feet per min.

(a) If stored in reservoir give number of acre-feet..... 200 ac. ft. acre-feet

3. The water to be used for..... Mining, Milling & Domestic.....
Irrigation, power, mining, manufacturing, domestic, or other use. Min 1 foot to one min.

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 SW 1/4 NE 1/4 of
Section 22, T.37N., R.49E., MDM, at a point from which the NE corner
Described as being within a 40-acre subdivision of public survey, and by section and distance to a section corner. If on unassured land,
of said Section 22 bears N. 42° 0' E. 2223 feet.
It should be stated

6. Place of use: within Section 15, E 1/4 of Section 21, Sections 22, 27, 28,
34 and 35, all in T.37N., R.49E., MDM.
Describe by legal subdivision, if on unassured land it should be so stated.

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

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 and cased well, submersible pump, electric motor, distribution system to milling equipment
8000 gallons to 10000 gallons to be diverted to diversion structure, ditch and tanks, owned with the pump and motor, etc.
and water truck

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42933

9. Estimated cost of works..... \$10,000.00

10. Estimated time required to construct works..... 3 years
to well completed, describe work

11. Estimated time required to complete the application to beneficial use..... 4 years

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

Total combined duty from wells under 42931, 42932, 42933 and

42934 will not exceed 1,000 acre feet per year.

Please send copies of all correspondence to the undersigned agent

By..... s/William A. Nisbet

Signature, applicant or agentCompared..... ha/ bl ft/gk..... Agent
421 Court
Elko, Nevada 89801

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 all existing rights on the source. 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 at permittee's well due to other ground water development in the area. A measuring device must be installed and measurements of water use kept. The well shall be equipped with a 2-inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water granted herein at any and all times.

The total combined duty of water under this permit and Permits 42931, 42932, and 42934 shall not exceed 1,000 acre-feet yearly.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed..... 1.0 cubic feet per second, but not to exceed 724.0 acre-feet annually.

Actual construction work shall begin on or before..... N/A

Proof of commencement of work shall be filed before..... N/A

Work must be prosecuted with reasonable diligence and be completed on or before..... September 10, 1982

Proof of completion of work shall be filed before..... October 10, 1982

Application of water to beneficial use shall be made on or before..... September 10, 1984

Proof of the application of water to beneficial use shall be filed on or before..... October 10, 1984

Map in support of proof of beneficial use shall be filed on or before.....

Commencement of work filed.....

Completion of work filed.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificates No. issued.....

-0- 10/10/82 9:00 AM

IN TESTIMONY WHEREOF, I, PETER G. MORROS,

State Engineer of Nevada, have hereunto set my hand and the seal of
my office, this 10th day of SEPTEMBERA.D. 1982.

Peter G. Morros
State Engineer

ECC 102 PAGE 38

AMENDED NO. 42934
APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... DEC 8 1980
Returned to applicant for correction.....
Corrected application filed..... JAN 8 1981
Map filed..... JAN 8 1981 under 42931

The applicant... Baroid Division NL Industries

P. O. Box 414 of Battle Mountain

Bureau and No. or P.O. Box No. City or Town

Nevada 89820 hereby make^s application for permission to appropriate the public

waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.)

1. The source of the proposed appropriation is..... Underground

Name of stream, lake or other source.

2. The amount of water applied for is..... 1.0 cfs

One acre-foot equals 43,560 gallons per acre-foot.

second-feet

(a) If stored in reservoir give number of acre-feet..... 200 ac.ft.

acre-feet

3. The water to be used for..... Mining, Milling & Domestic

Industries, power, mining, manufacturing, domestic, or other use. Must total to one use.

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 NE^{1/4} SE^{1/4} of

Section 15, T37N, R49E, MDM, at a point from which the SE corner

Describes as being within a corner subdivision of public survey, and by section and distance to a section corner. If no surveyed land of said Section 15 bears S 37° 33' E 2031 feet

It should be stated

6. Place of use..... Within Section 15, E^{1/4} of Section 21, Sections 22, 27,

Described by legal subdivisions. If no surveyed land it should be so stated.

26, 34 and 35, all in T37N, R49E, MDM

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

Month and Day Month and Day

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 and cased well, submersible

pump, electric motor, distribution system to milling equipment
This project is where water is to be diverted to diversion structures, tanks and tanks, drilled well with pump and motor, etc
and water truck

42934

Estimated cost of works..... \$10,000.00

10. Estimated time required to construct works..... 3 years
If no completed, describe work

11. Estimated time required to complete the application to beneficial use..... 4 years

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

Total combined duty from wells under 42931, 42932, 42933,

and 42934 will not exceed 1,000 acre feet per year.

Please send copies of all correspondence to the undersigned agent

By..... s/William A. Nisbet
Signature, applied or typedCompared..... ha/bt bt/gk Agent
421 Court
Elko, Nevada 89801

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 all existing rights on the source. 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 at permittee's well due to other ground water development in the area. A measuring device must be installed and measurements of water use kept. The well shall be equipped with a 2-inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water granted herein at any and all times.

The total combined duty of water under this permit and Permits 42931, 42932, and 42933 shall not exceed 1,000 acre-feet yearly.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed..... 1.0..... cubic feet per second, but not to exceed 724.0 acre-feet annually.

Actual construction work shall begin on or before..... N/A

Proof of commencement of work shall be filed before..... N/A

Work must be prosecuted with reasonable diligence and be completed on or before September 10, 1982

Proof of completion of work shall be filed before..... October 10, 1982

Application of water to beneficial use shall be made on or before..... September 10, 1984

Proof of the application of water to beneficial use shall be filed on or before..... October 10, 1984

Map in support of proof of beneficial use shall be filed on or before.....

Commencement of work filed.....

Completion of work filed.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificates No. issued.....

10-6-883

IN TESTIMONY WHEREOF, I, PETER G. MOROS,
State Engineer of Nevada, have hereunto set my hand and the seal of
my office, this 10th day of SEPTEMBER

A.D. 1981

Peter G. Moros
State Engineer

BOOK 192 PAGE 383

AMENDED
APPLICATION FOR PERMIT

No. 43697

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office..... MAY 8 1981
Returned to applicant for correction..... JUL 30 1981
Corrected application filed..... SEP 21 1981
Map filed..... SEP 21 1981

The applicant..... NL Industries, Inc.

P.O. Box 414, Street and No. or P.O. Box No. of Battle Mountain, City or Town

Nevada 89820, State and Zip Code No. hereby makes..... application for permission to appropriate the public

waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) 1891 - New Jersey

1. The source of the proposed appropriation is..... Underground Name of stream, lake or other source

2. The amount of water applied for is 2.5 + 3 second-feet
One second-foot equals 600.01 gallons per min.

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

3. The water to be used for..... Mining, Milling & Domest. [
Irrigation, process, mining, manufacturing, domestic, or other use. Must itemize uses.

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 SE 1/4 SEC. 30, Twp. 1

39 N., R. 51 E., MDM, at a point from which the SW corner of said Section 30, Divided
Divided as being within a divided subdivision of public waters, and by corner and distance to a section corner. If on unappropriated land,
S 68° 29' E 865 feet
a should be stated

6. Place of use: SE 1/4 SEC. 30, of Section 30 and the SW 1/4 of Section 35, Twp. 30, R. 51 N.,
Divided by legal subdivision, if on unappropriated land it should be so stated
R. 51 E., MDM and all of Section 1, and 1/4 of Section 2, T. 37 N., R. 51 E., MDM

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

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, ditches and tanks, wells, pump, tanks, etc., facilities and distribution system
Work required to obtain water to be diverted, i.e. diversion structures, ditches and tanks, drilled well with pump and tanks, etc.

43697

9. Estimated cost of works..... \$20,000.00
10. Estimated time required to construct works..... 5 years
If well completed, describe works.
11. Estimated time required to complete the application to beneficial use..... 7 years
12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.
...for any and all sources will not exceed 1,000 acre feet annually.
...Please send copies of all correspondence and notices to undersigned agent.

Compared: sg/dh..... js/bc.....
By: s/William A. Nisbet
Agent Signature, applicant or agent
421 Court
Liu, Nevada 89801

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 to prevent waste. A totalizing meter 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.

No partitioning walls will be put in the production casing from ground level to 100 feet.

The total combined duty of water under permits 43697 and 43698 shall not exceed 162.92 million gallons annually.

(CONT'D 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 2.5 cubic feet per second and not to exceed million gallons annually.

Actual construction work shall begin on or before

Proof of commencement of work shall be filed before

Work must be prosecuted with reasonable diligence and be completed on or before

Proof of completion of work shall be filed before

Application of water to beneficial use shall be made on or before

Proof of the application of water to beneficial use shall be filed on or before

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

Commencement of work filed

Completion of work filed

Proof of beneficial use filed

Cultural map filed

Certificate No. Issued

10/10/87 9:00

IN TESTIMONY WHEREOF, I, WILLIE G. NORRIS
State Engineer of Nevada, have hereunto set my hand and the seal of
my office, this 12th day of November, 1987.

A.D. 1987

Willie G. Norris
State Engineer

10
88
70
50
24
16
8
4
2
1
500

(PERMIT TERMS CONTINUED)

This permit is issued under the preferred use provisions of M.S. 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.

IN WITNESS WHEREOF, the parties hereto have caused this
Instrument to be duly executed, effective as of the date first
written above.

NL INDUSTRIES, INC.
3000 North Belt East
Houston, Texas 77205

By: *Robert J. Leidich*
Robert J. Leidich
Vice President

SEAL
Affixed

STATE OF TEXAS)
COUNTY OF HARRIS) SS

On this 16 day of December 1988, before me,
TERRI T. BURY, a Notary Public in and for the
state and county aforesaid, personally appeared ROBERT J.
LEIDICH, known to me to be a Vice President of NL INDUSTRIES,
INC., a New Jersey corporation, who acknowledged that he executed
the within Instrument on behalf of the said corporation for the
purposes therein expressed.

TERRI T. BURY
Notary Public

SEAL
Affixed

TERRI T. BURY
Notary Public in and for State of Texas
My Commission Expires: My Commission Expires 7/3/89.

KMS1040C RECORDED AT THE REQUEST OF
Frontier Title Co
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192 374
88 DEC 22 P2 21

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBALIAN RECORDER
FILE NO. FEE \$ 18.00
125755 2

Documentary Transfer Tax is Exempt
NRS 375.080(10).
Under penalty of perjury:
Michael E. Hastings
Michael E. Hastings for _____ cent
for NL Industries, Inc.

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