



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

February 14, 2022

Gerald Aberle
Dakota Territory Resources Corp
106 Glendale Drive
Suite A
Lead, SD 57754

Re: EXNI 440 for Dakota Territory Resources Exploration Drilling in Portions of Sections 14, 15, 22, and 23; T5N-R2E, Lawrence County

Dear Mr. Aberle:

The department is in receipt of the Exploration Notice of Intent (EXNI) that you filed with our office on January 13, 2022. The department has determined the Notice of Intent to be procedurally complete. Based on our review of your Notice, we determined the following restrictions are required:

1. This project shall be conducted and reclaimed in such a manner as to prevent any violation of the beneficial uses of specified water quality criteria of any water resources in the area. In accordance with Chapter 74:51, all surface waters of the state have been assigned the following beneficial uses:
 - 9) Wildlife propagation, recreation, and stock watering waters; and
 - 10) Irrigation waters.
2. Any discharge from the site will shall be directed to a settling pond or flat vegetated area to allow suspended solids to settle out. For any discharge into a dry draw or gulch a South Dakota Surface Water Discharge permit may be required prior to discharge.
3. To ensure optimal soil erosion protection, all affected lands shall have adequate sedimentation and erosion control measures applied pursuant to SDCL 45-6C-32 and according to Best Mineral Management Practices. These measures shall be in the form of waterbar construction on access roads where appropriate; revegetation of roads; road embankment slopes; and the installation of straw bale or silt fence type sediment filters wherever necessary. Dakota Territory shall inspect, clean out, repair, or upgrade the sediment controls as necessary to prevent degradation of surface waters of the state.
4. All topsoil shall be salvaged and stockpiled whenever possible for use in reclamation.
5. When drilling fluids are used and/or when ground water is encountered during drilling, the drilling fluids shall be sufficiently contained to prevent overland flow or discharge to any waters of the state. If water tanks area used in lieu of mud pits, they shall also be sufficiently contained.
6. When mud pits are being utilized in drilling a hole, where possible, these pits shall be constructed on the uphill side of the drill pad.

7. Dakota Territory shall spray weeds in all disturbed areas and surrounding areas, up to 50 feet from disturbed areas, including along access roads within the exploration permit boundary. Weed control on all disturbed or reclaimed areas is required until this EXNI is released of reclamation liability by the Board of Minerals and Environment.
8. During periods of active exploration drilling, Dakota Territory shall provide, via email, a weekly schedule outlining when and where holes will be drilled so the department can plan inspections and witness plugging activities.
9. In the instance sulfate minerals are encountered during drilling activities, Dakota Territory shall perform paste pH analyses on mud pits and report the findings to DENR prior to reclamation. If deemed necessary by DENR, Dakota Territory shall amend the pit with lime or other buffer material and provide a report outlining reclamation performed at the drill site.
10. All test holes shall be capped, sealed and plugged according to ARSD 74:11:08 (Plugging Standards) immediately following drilling and probing.
11. If surface casing is used in exploration holes, the following requirement shall be met:
 - a) Prior to removal of surface casing, the hole shall be plugged in accordance with ARSD 74:11:08 to a level just below the bottom of the surface casing.
 - b) Following step a), the casing will be removed (when possible) or cut off at least one foot below the ground surface.
 - c) The remainder of the hole will be plugged in accordance with ARSD 74:11:08.
12. Dakota Territory shall notify the department, in writing, when exploration drilling penetrates an aquifer. Notification shall be provided as soon as possible, but not more than 90 days after penetration of the aquifer. Notification shall include the location of the test hole penetrating the aquifer.
13. Where affected roads and drill pad areas are no longer necessary for further exploration purposes, reclamation must be completed on these disturbed areas within 12 months. If Dakota Territory plans to continue exploration in disturbed areas but must temporarily cease exploration activities, reclamation must be completed within 24 months. Dakota Territory may submit a request to extend these deadlines as necessary to the department.
14. Reclamation must be completed on all affected acreages within 12 months following completion of all exploration activities allowed under this Notice.
15. The following seed mix shall be used for reclamation of the affected areas:

Western wheatgrass	8.02 PLS/acre
Big bluestem	1.67 PLS/acre
Sideoats grama	0.54 PLS/acre
Slender wheatgrass	2.11 PLS/acre
Green needlegrass	0.54 PLS/acre
Little bluestem	0.21 PLS/acre
Western yarrow	0.01 PLS/acre
Purple prairie clover	0.06 PLS/acre

16. Dakota Territory shall contact the Department of Game, Fish, and Parks prior to any road construction activities between March 1 and June 30 of a given year for preliminary bird nesting survey.
17. Dakota Territory shall avoid identified site 39LA0430 and any associated materials with these sites as indicated in the letter from the Archaeological Research Center dated January 27, 2022. Access roads through this site shall not be graded or have further soil moving activities such as road widening.
18. All drill pads, especially drill pad 16, should be initially monitored by a professional archaeologist to ensure protection of potential and known cultural resources.
19. During the conduct of its exploration activities, Dakota Territory shall avoid bones, artifacts, foundation remains, or other evidence of previously unrecorded past human use. For specific direction regarding avoidance of these sites, please contact the SD Archaeological Research Center.
20. If any artifacts or other archaeological or cultural resources are discovered during exploration activities, the activities shall be halted and the state archaeologist notified at once.

Please note that we have assigned your Notice of Intent the following number: **EXNI-440**. This Notice allows you to conduct only the type and amount of work which is hereby being approved. Any additional work must be covered by the submission of a new Notice to our office. Dakota Territory Resources may commence with the operation contingent upon compliance with the above restrictions.

Thank you for your interest in and consideration for the natural resources of South Dakota.

Sincerely,

\s/

Roberta Hudson
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Minerals and Mining Program
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cc: Stan Michals, Department of Game, Fish and Parks
Lisa Liang, Archaeological Research Center
Mark Keenihan, Rapid City Office