



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

July 9, 2025

Chrystal Gefaller
Custer Lawyer, PLLC
220 North 5th Street
Custer, SD 57730

Dear Ms. Gefaller:

The department has completed its review of the permit transfer application for Small Scale Mine Permit 397 you submitted on behalf of Robert Wade on June 17, 2025. Based on our review, we have found the application is incomplete. The following items will need to be addressed to complete the application:

1. Mine Permit Transfer Form: I am returning the mine permit transfer form for Permit 397 for completion. Please complete the new operator section in the upper right-hand portion of the form by adding Mr. Wade's name, address, and phone number. Also, please list the name and address of the surface and mineral owners for the permit area in the applicable spaces immediately underneath the present and new operators section located in the upper portion of the form.
2. ARSD 74:29:04:01(3): A replacement surety in the name of Robert Wade needs to be submitted before the transfer application can be considered complete. As I mentioned in my February 25, 2025 letter, DANR would be evaluating the current \$1,000 reclamation to ensure that it and the current \$4,500 reclamation bond held by the US Forest Service will adequately cover reclamation costs at the mine since the maximum reclamation bond amount for a small scale mine permit has increased from \$2,500 to \$38,500. DANR has completed its evaluation, and a **draft** reclamation bond calculation has been enclosed for Mr. Wade's review. The **draft** calculated amount is \$11,600, which is an increase of \$6,100 over the current combined DANR/US Forest Service bond amount of \$5,500. Please submit any comments Mr. Wade may have on the draft calculation for our consideration before a final bond amount that will be the replacement amount is determined.
3. ARSD 74:29:04:01(8): Please submit an instrument of consultation of the pending mine permit transfer with the US Forest Service who is the surface owner of the area covered under Mine Permit 397. This can consist of a letter sent by certified mail return receipt to

the Forest Service notifying the agency of the pending mine permit transfer. Proof of consultation can be the submittal of the certified mail return receipt.

4. Please note that during recent conversations with Jonathan Manning of the US Forest Service, he said the current plan of operations needs to be updated with Mr. Wade's name. He also said the plan expires in April 2026 and will need to be renewed. It is important that the US Forest Service plan of operations is in compliance with all federal requirements. Please note that under SDCL 45-6B-47, the Board of Minerals and Environment can deny a mine permit transfer if the operation is not or cannot be brought into compliance with all applicable federal, state or local laws. I encourage you to contact Mr. Manning, who has been cc'd on this letter, about the status of the plan of operations. His phone number is (605) 673-9314.

I encourage you to submit the above requested information as soon as possible. If you have any questions, please feel free to contact our office.

Sincerely,

ES/

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Enclosures

cc: Jonathan Manning, US Forest Service w/o enclosures