DEPARTMENT of AGRICULTURE and NATURAL RESOURCES
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April 30, 2025

Memo To: Hunter Roberts, Secretary
Department of Agriculture and Natural Resources

From: Terry Florentz, P.E., Administrator Terry Florentz (Apr 30, 2025 14:36 CDT)
Inspection, Compliance, and Remediation Program

Subject: Requesting approval for use of Regulated Substance Response Fund for expenses related to cleanup of a crude oil/production water spill at the Sunde well field in the Barker Dome area of Custer County, SD.
DANR File Number 2025.044.

Background
On April 28, 2025, DANR Minerals and Mining and Superfund Program (MMS) staff notified the Inspection, Compliance, and Remediation Program (ICR) of a spill of tank bottoms waste (crude oil and possibly salt water) that occurred at the Sunde well field in Custer County (43.48768241848465, -103.86858735352493). Based upon aerial satellite imagery, there were once pits (likely oil pits) at this location. Currently, there are no pits and instead there are several old tanks on the property.

The Sunde well field is no longer active. MMS has revoked the permit and bond, and has requested proposals for proper well abandonment at this site. The Request for Proposal for that work closed April 29, 2025.

The landowner did not operate the Sunde wells, and Mr. Sunde, the operator, is not a viable responsible party for cleanup of the spill.

Investigation Efforts
Initially, the property owner reported the spill to DANR and provided photographs of the site. ICR staff contacted American Engineering and Testing (AET) to request a quote for cleanup work. AET staff visited the site April 29, 2025. As requested by the department, AET staff were able to cap the leaking pipe on the source aboveground tank, confirm the boundaries of the contaminated area, dike the downgradient edge of the flow, and prevent the spilled oil from leaving the operational area. AET staff also documented a second, much smaller oil spill that came from a different tank on the property. The total quantity spilled is unknown, but is estimated at 10 barrels (420 gallons).

Proposed Action
The site must be remediated. The property owner bears no responsibility for the well field. The past operator is not a viable responsible party, and will not perform cleanup in a timely manner. The cause of the current release is unknown. As we have determined this cleanup is necessary to protect human health and the environment, I respectfully request your approval to access the Regulated Substance Response Fund.

ICR asked AET to prepare a quote for cleanup of the liquid crude oil and limited surface soil contamination. Following this cleanup, the site will be backfilled but it will not be seeded. Wellfield reclamation work, including regrading of this site, will be performed as a component of the MMS project.

This proposal estimated cleanup costs at a maximum of $21,554 with potential for higher costs if radionuclide testing reveals the spilled crude oil material cannot be disposed at an in-state landfill.

With your approval, ICR will instruct AET to proceed with this remediation project.

Approved:

Hunter Roberts (Apr 30, 2025 15:45 CDT)

04/30/2025

Hunter Roberts, Secretary
Inspection, Compliance, and Remediation Program

Date