

WATER PERMIT NO. 1736-1

Name of Applicant: Stanley Scheurer, Tom Gunderson, Eugene Gunderson

Address: PO Box 482, Piedmont SD 57769

Phone: 605 391-2094

Amount of Water Claimed: 1.11 cfs (500 gpm)

Total Acres: NA

Source of Water Supply: groundwater (one well)

Water to be used for: suburban housing development

County: Meade

Type of Waste Disposal System: individual drain fields

Location: 1 west of Piedmont

PRIORITY Date Received: 7-10-2000

Fee: \$350

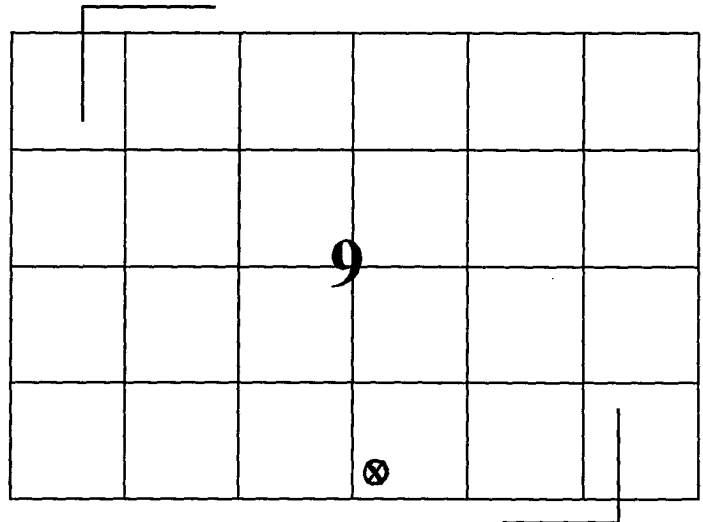
Corrected Application Received: 8-25-2000

Period of Annual Use: January 1 – December 31

Remarks:

Diversion Point: SW ¼ SE ¼ Sec 9-T3N-R6E

Land to be Irrigated: NA



Depth of Well: 700 feet deep

Well Driller: : Cimmarron Drilling

Remarks:

Type of Map: plat

Prepared by: Jerry J Wendland, PE

Reviewed and the Number Assigned on: 8-30-2000

By: Karen Schlaak

Notice of Hearing - date to intervene: _____

FORM 2: Application for uses other than irrigation
(type or print)

Mail to: Water Rights Program Joe Foss Building 523 E. Capitol Pierre, SD 57501-3181 (605) 773-3352	No. <u>1736-1</u>	(office use only) Hydrologic Unit <u>1012011</u>
	Basin <u>Upper Cheyenne</u>	
	Newspaper <u>Meade Co. Times, Tribune, Sturgis 57785</u>	
	<u>605-347-2583</u>	



Application For Permit To Appropriate Water Within The State Of South Dakota

Check use(s) of water:

☐ Municipal	☒ Suburban Housing	☐ Recreational	☐ Institutional
☐ Rural Water System	☒ Commercial	☐ Fish & Wildlife	☐ Geothermal Heat
☐ Domestic (over 18 gpm)	☐ Industrial	☐ Other	

Type of Application: ☒ New ☐ Vested Right (Use predates Mar 2, 1955) ☐ Future Use Reservation

(check one) Place to Beneficial Use Water Reserved by Future Use Permit No. _____

Amendment/Correction to Permit No. _____

Description of amendment/correction: (i.e. change diversion point(s), add diversion point(s), change use, etc.) _____

1. Name of Applicant Stanley Scheurer, Tom Bunderson, Eugene Bunderson Phone 605-391-2094
(check one) Owner Tenant/lessee
Mailing Address PO Box 482 Piedmont State SD 57769
(Street, RR. or Box) (Zip Code)

2. Amount of water claimed _____ *CFS or 500 **GPM ***AF
(*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use if applicable)

3. Source of water supply New Well Madison Formation

4. Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) 1 well on Well Lot
located in lot 3 less lot A of lot 3, All in the SE1/4 and SE1/4
of the SW1/4 of Sec. 9, T3N, R6E, B4M (SW1/4 SE1/4) County Meade Co.

5. County or counties where water will be used Meade

6. Annual period during which water is to be used year around Jan 1 - Dec 31

7. Give a description of the project. When available include any preliminary engineering report or other reports or information that will help explain the project. (Attach sheet if more space is needed)

Present use for 5 homes and eventually 200 unit Apartment and
possible Central water for Piedmont Approx. 200 homes and
possibly water source to replace current water system at Trails West,

STATE OF SOUTH DAKOTA)
County of Meade SS

Attachments: Attach Form 2A if diversion is from a well or dugout, or if storage of water is proposed. Attach map and any other technical information. (see instructions)

I, Stan Scheurer, the applicant, certify that I have read this application, have examined the attached map and that the matters stated are true and that I intend, and am able to complete the necessary construction.

Signed Stan Scheurer

Subscribed and sworn to before me this 7th day of July 2000

Charley Jones

Notary Public
Commission Expires August 2, 2003

Supplemental Information

(type or print in ink)



1. Well Information - Proposed Construction

- a) Drill Hole Diameter 8 3/4" Depth 700'
- b) Casing Type New Steele Diameter 7" Thickness Schedule 40
- c) Screen Type N/A Diameter _____ Thickness _____
- d) Gravel Pack N/A Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 550'
- f) Depth to Water (ground surface to water level) 60' Above ground level Flowing 400
- g) Distance to nearest existing domestic well: _____
 On applicants property 1/4 mile On property owned by others 600'

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) Individual Drain Fields
- b) System Capacity (gallons) 1500 Gallons Year Constructed 1999
- c) Connected to the City of N/A Sanitary System _____

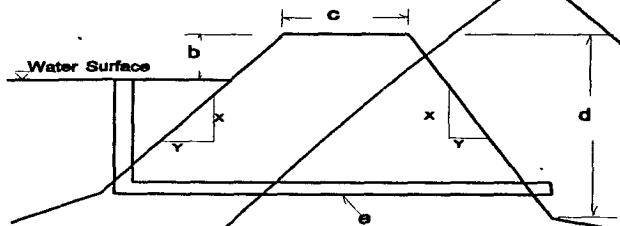
3. Dugout Information

- a) Surface Dimensions N/A Depth _____
- b) Depth to water (ground surface to water level) _____

4. Water Storage Dams

If the proposed water use system contains one or more storage dams, please furnish the information requested below for each dam. The locations of the dams need to be shown on the map submitted with the application.

- a) If a private engineering firm or government agency was involved in the design of this dam, please give their name and address:



- b) Freeboard _____
- c) Crest Width _____
Crest Length _____
- d) Height _____
- e) Primary Outlet Capacity _____
If pipe, diameter _____
- f) Secondary Spillway Capacity _____
Spillway Width _____
- g) X & Y Slope _____
Upstream _____
Downstream _____
- h) Surface Area of Impoundment _____
- i) Storage _____ Acre Feet
- j) Drainage Area Above Dam _____ Acres

**SOUTH DAKOTA
WATER PERMIT NO. 1736-1**

Date of first receipt of application July 10, 2000.

Date of return to applicant for corrections, amendments or changes July 10, 2000.

Date of receipt of corrected application August 25, 2000.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 1736-1 to Stanley Scheurer, Tom Gunderson and Eugene Gunderson, PO Box 482, Piedmont SD 57769 authorizing the construction of the water use system and the placing of water to beneficial use subject to the following limitations, conditions and qualifications:

1. Water Permit No. 1736-1 to appropriate 1.11 cubic feet of water per second from one well (Madison Limestone Formation) 695 feet deep located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 9-T3N-R6E.
2. The water appropriated shall be used for the purpose of supplying water to a suburban housing development and may be a future supply for the town of Piedmont and Trails West and may not exceed the amount of water needed for beneficial use.
3. The water is to be used during the following described annual period: January 1 – December 31.
4. The date of approval of Permit No. 1736-1 is November 20, 2000.
5. The date from which applicant may claim right is July 10, 2000.
6. One-fifth of the construction is to be completed on or before May 20, 2003.
7. All construction is to be completed on or before November 20, 2005.
8. Water is to be put to beneficial use on or before November 20, 2009.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 1736-1 is issued for a twenty year term. Pursuant to SDCL 46-2A-21, the twenty year term may be deleted at any time during the twenty year period or following its expiration. If the twenty year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1736-1 may also be cancelled for nonconstruction, forfeiture, abandonment or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1, and ARSD 74:02:01:37.
2. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
3. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Madison Limestone Formation.

WATER MANAGEMENT BOARD

By: _____

Garland Erbele, Chief Engineer

Water Rights Program

Department of Environment and Natural Resources

DEC 19 2000

date



RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

N2 416582

Pierre, July 10, 2000

RECEIVED OF Elk Mountain Estates, P.O. Box 482, Piedmont, SD 57769
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. 1736-1 to Appropriate Water, to construct
and to put water to beneficial use _____

350 00

Fee for Application for Permit No. _____ to Appropriate Water, for Future
Use _____

Fee to retain Future Use Permit No. _____ after period of seven years.

Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water
License No. 1736-1 _____

50 00

Fee for Filing Transfer Form _____

Fee for Filing Extension Request _____

Fee for _____

(Any Other Work Provided by Law)

Total

400 00

By Harold E. Eshel
Chief Engineer

1736-1

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location SE 1/4 SW 1/4 Sec 9 Twp 3-N Rg 6-E
 County Meade well lot North

Please mark well location with an "X"

W

E

Well Completion Date

5-07-2000

1 Mile

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 350 ft. from Septic (identify source).

PROPOSED USE:

☒ Domestic/Stock ☒ Municipal ☐ Business ☐ Test Holes
☐ Irrigation ☐ Industrial ☐ Institutional ☐ Monitoring well

METHOD OF DRILLING:

Rotary - Air - Water

CASING DATA:

☒ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT DIAMETER FROM TO HOLE DIAMETER
21 LB/FT 7 IN 0 FT 549 FT 8 1/4 IN
 _____ LB/FT _____ IN _____ FT _____ FT _____ IN
 _____ LB/FT _____ IN _____ FT _____ FT _____ IN

GROUTING DATA

Grout Type PORLAND No. of Sacks 80 Grout Weight 940 lb./gal From 0 ft To 549 ft
Type III lb./gal _____ ft _____ ft

Describe grouting procedure Pressure Grout thruCasing w Mud Pump - displace w waterSCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter _____ IN Length _____ FEET

Material _____

Slot Size _____ Set From _____ Feet to _____ Feet

Other information _____

WAS A PACKER OR SEAL USED? ☐ YES ☒ NO

If so, what material? _____

Describe packer(s) and location? _____

DISINFECTION: Was well disinfected upon completion?

☒ YES, How: ChlorinePellets

Laboratory sent to for water quality analysis

Mid-Continent Lab.

Well Owner: Schuerer & Gunderson
 Business Name: EJK MT. Estates
 Address: P.O. Box 482
Piedmont S.D. 57769

WELL LOG:

DEPTH

FORMATION	FROM	TO
SAND & GRAVEL	0'	10'
Minnekahta Limestone	10'	50'
Red SHALE & SS (Cape)	50'	180'
Red, white & yellow SS	180'	250'
White SAND	250'	300'
Red SAND	300'	340'
Red SHALE	340'	360'
Red & white SS (Morr)	360'	550'
(Madison) Limestone	550'	695'

STATIC WATER LEVEL

50' Above ground Feet

If flowing: closed in pressure

22 PSIGPM flow 400 through4 inch pipeControlled by ☒ Valve ☐ Reducers ☐ Other

Reduced Flowrate

18 GPM GPM

Can well be completely shut in?

yes

WELL TEST DATA:

☐ PumpedDescribe: SelfBailed OCT 2000

WATER RIGHTS

PROGRAM

Pump _____ Hrs. pumped _____ GPM

Pump _____ Hrs. pumped _____ GPM

Pump _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

Cleaned up in 2 HRS
will flow 400 GPM thru
2" pipe

This well was drilled under license # 568

And this report is true and accurate

Drilling firm Cinarron Drilling IncSignature of License Representative: Michael J. Deuterd

Signature of Well Owner or Equitable Property Holder: _____

Date: _____



copy

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

April 7, 2000

Michael Deutsch
Cimarron Drilling
9017 S. Ridge Trail
Sturgis, SD 57785

Dear Mr. Deutsch:

As requested, pursuant to South Dakota Well Construction Standard 74:02:04:21, you are authorized to construct a test well for Stan Schuerer and Tom and Gene Gunderson, PO Box 482, Piedmont SD, prior to approval of a water permit. The test well is to be completed into the Madison Aquifer in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 9, T3N-R6E. The test well must be constructed in accordance with the SD Well Construction Standards. Any test holes that are abandoned must be plugged pursuant to the SD Well Construction Standards.

Very truly yours,

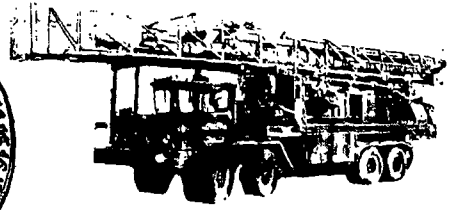
JAMES A. GOODMAN, P.E.
Natural Resources Engineer
for JOHN HATCH, Chief Engineer
Water Rights Program
(605) 773-3352

CIMARRON DRILLINGWATER WELLS - TEST HOLES - CATHODIC - PUMPS
PUMP SERVICE - SHALLOW PRODUCTION

9017 S. RIDGE TRAIL

STURGIS, SD 57785

605-347-3071



Gentlemen:

I am Requesting permission
To drill a test well until permit
CAN be obtained.

The well will be Approximately
700' To 800' into the MADISON F.M.
and located in THE SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of
SW $\frac{1}{4}$ of S-9- T3-N - R-6E of BHM
in Meade County S.D.

The owners will be STAN Schuerer
and Tom + Gene Gundersen. THE well
will be used for Residential Housing.
I would like to start drilling by
April 11 - 2000.

Respectfully,
Michael J. Deutscher
Cimarron Drilling Inc.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

July 10, 2000

Stanley Scheurer, Tom Gunderson & Eugene Gunderson
PO Box 482
Piedmont SD 57769

Dear Sirs:

Thank you for submitting the *Application for a Permit to Appropriate Water* for a suburban housing development. In order to complete the application the following is required.

A map showing the location of the well in relation to a government section corner or quarter corner by direction and distance. The map must be signed by one of the following: Registered Land Surveyor, Registered Professional Engineer or by any other government employee who normally prepares maps as a part of his assigned duties (i.e. local NRCS office).

If you have any questions, please contact me.

Sincerely,

Karen Schlaak

Karen Schlaak
Water Rights Program
605 773-3352



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1736-1, Stanley Scheurer, Tom Gunderson and Eugene Gunderson**

Pursuant to SDCL 46 - 2A-2, the following is the recommendation of the Chief Engineer, Water Rights Program, Department of Environment and Natural Resources concerning Water Permit Application No. 1736-1, Stanley Scheurer, Tom Gunderson and Eugene Gunderson, P.O. Box 482, Piedmont, SD 57769.

The Chief Engineer is recommending Approval of Application No. 1736-1 for a 20 year term pursuant to SDCL 46-1-14 and 46-2A-20 because 1) although evidence is not available to justify issuing this permit without a 20 year term limitation, there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use, and 4) it is in the public interest with the following qualifications:

1. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 1736-1 is issued for a twenty year term. Pursuant to SDCL 46-2A-21, the twenty year term may be deleted at any time during the twenty year period or following its expiration. If the twenty year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1736-1 may also be cancelled for nonconstruction, forfeiture, abandonment or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1, and ARSD 74:02:01:37.
2. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
3. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Madison Limestone Formation.

See report on application for additional information.

Garland Erbele
October 20, 2000

WATER PERMIT APPLICATION NO. 1736-1
STANLEY SCHEURER, TOM GUNDERSON &
EUGENE GUNDERSON
OCTOBER 6, 2000

Water Permit Application No. 1736-1 proposes to appropriate 1.11 cubic feet of water per second from one well (Madison Limestone) 695 feet deep located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec.9, T3N-R6E in Meade County. The water is to be used for a suburban housing development. The water may also be used in the future to supply the town of Piedmont and Trails West.

AQUIFER: Madison Aquifer (MDSN)

GENERAL:

The Madison Aquifer is a massive, carbonate (limestone and dolomite) aquifer that underlies most of western South Dakota. It is estimated that the aquifer contains at least 640 million acre-feet of recoverable water in storage in the State (Allen, 1984). The importance of the Madison as an aquifer is largely due to randomly distributed zones of secondary porosity and permeability formed by weathering of exposed surfaces, groundwater solution, and fracturing. These zones also play an important role in determining the hydraulic behavior of the Madison aquifer and the response of the system to stress. Recharge to the Madison aquifer occurs through streamflow losses and direct infiltration of precipitation at the outcrop area. Recharge for the entire Madison Aquifer in South Dakota has been estimated to range from 140,000 to 400,000 acre-feet per year (Woodward Clyde, 1981). The Madison is generally considered an excellent aquifer both in terms of quality and quantity, especially near the outcrop (recharge area). The Madison outcrop is located within approximately one mile west of this well site (Strobel, 1999), and the top of the Madison is reported to be approximately 550 feet below ground surface on the Water Well Completion Report submitted with this application.

The potentiometric surface of the Madison aquifer is reported to be around 50 feet above grade (22 psi shut in pressure) at this well. This well reported flows 400 gallons per minute through a four-inch diameter pipe.

WATER AVAILABILITY:

The well site proposed by this application is located approximately one mile west of Water Rights' Observation Wells MD-94A and MD-84A, completed into the Madison and Minnelusa aquifers respectively. A hydrograph for the Madison observation well (MD-94A), figure 1, shows that the water levels in the well, and presumably the Madison Aquifer in this area, have gradually increased nearly 50 feet from 1994 until the spring of 2000. The water level declines recorded in 1996 and 2000 are probably responses to normal seasonal climatic conditions.

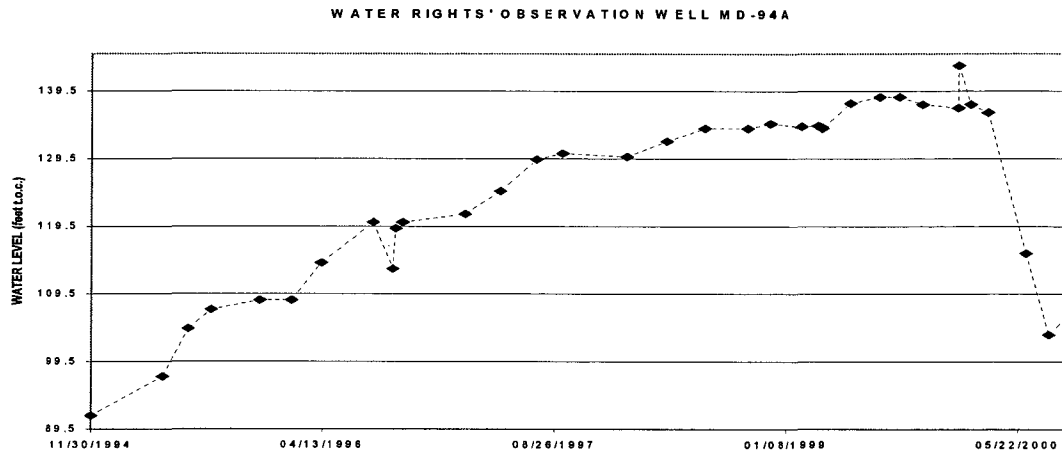


Figure 1. Madison Aquifer Observation Well within one mile of 1736-1

The Water Rights Program monitors 26 observation wells completed into the Madison aquifer in the Black Hills Area. Records from the observation wells indicate the potentiometric surface of the Madison Aquifer fluctuates 30-40 feet per year near the recharge area in response to seasonal and climatic variations. Long term water-level declines are not apparent from any of the hydrographs. Observation well data suggest that at the existing level of development, natural influences dominate the water level of the aquifer and the effects of pumping as yet are not obvious.

The high cost of Madison wells, except very near the outcrop, and the availability of groundwater from shallower aquifers, has limited domestic development and generally restricted usage from the Madison to those uses which require water rights. There are 111 permits/rights which appropriate water from the Madison aquifer in South Dakota. The majority of the water rights/permits from the aquifer are from Butte (17), Lawrence (21), Meade (20), Pennington (30) and Fall River (11) Counties. The Madison supplies water for irrigation, geothermal, industrial, commercial, recreational, and commercial use. However, by far the major use of the aquifer is for common distribution systems (suburban housing development and municipal use). The cities of Spearfish, Belle Fourche, Whitewood, Sturgis, Rapid City, Box Elder and Edgemont all depend on water from the Madison Aquifer.

If the worst case assumptions are made that (1) permits/rights with an annual withdrawal limitation (ac-ft/yr.) will use the maximum allowable; and (2) permits/rights that are limited by a diversion rate only, will use 60% of the maximum allowable (considered reasonable for water distribution systems); the total water use from the Madison would be approximately 50,000 acre-feet per year. The actual amount of water used from the Madison is considerably less than this estimate. Three Future Use Permits (2086-2, 1833-2, and 369-1) reserve another 7,133 acre feet annually from the Madison Aquifer for future use. Comparison of the estimated annual recharge to the Madison with the water use estimated from the aquifer indicates unappropriated water is available from the Madison aquifer.

AFFECTS ON EXISTING RIGHTS:

There are six Water Rights/Permits appropriating water from the Madison Aquifer within six miles of this well. The nearest Madison appropriation, Water Permit No. 1676-1, Stagebarn Subdivision, is located over two miles from this well. Well interference should not be an issue at this distance.

If the cumulative affect of development from the Madison Aquifer, (i.e., an affect that cannot be attributed directly to a single diversion), requires the lowering of pumps in existing wells or reduces flows of area springs or streams, impairment of existing rights questions may need to be answered. SDCL 46-6-6.1 authorizes the Water Management Board to protect domestic water use by controlling large capacity wells without the necessity of requiring maintenance of artesian head pressure in a domestic use well. The statute also provides for the lowering of a water lift mechanism to a depth near the bottom of the groundwater supply or, in artesian aquifers to a substantial depth below the geological formation confining the ground water. Considering this statute, although water levels may be affected, the affect may not be impairment.

There are 14 existing ground water rights/permits within two miles of this well site. These appropriations are from the Alluvium, Spearfish, Minnekahta, and Minnelusa aquifers. The extent of a hydrologic connection between the Madison and shallower aquifers is unclear. Testimony was presented in opposition to Water Permit No. 1569-1 that pumping the Madison Aquifer may affect nearby wells completed into the Minnelusa aquifer (Water Rights, 1993). The Minnelusa directly overlies the Madison aquifer and if a hydraulic connection occurs between shallower aquifers it would be most apparent between the Madison and Minnelusa aquifers. For the most part the Madison and Minnelusa Aquifers are "hydraulically distinct units". However, in general the potentiometric surfaces (water levels) suggest a potential for leakage from the Madison Aquifer to the Minnelusa Aquifer, and there is some concern over possible impacts to Minnelusa wells caused by pumping the Madison. If leakage is significant, drawdown in the Madison could cause decreased leakage and consequently lower water levels in the Minnelusa aquifer.

Well interference is not expected to be an issue with these nearby water rights/permits because of an apparent hydrologic separation between the Madison aquifer and shallower aquifers.

TERM LIMITATION:

SDCL 46-2A-20 requires that "... no water permit for construction of works to withdraw water from the Madison formation in Butte, Fall River, Custer, Lawrence, Meade and Pennington counties may be issued for a term of more than twenty years, unless the water management board determines, based upon the evidence presented at the hearing that:

- (1) Sufficient information is available to determine whether any significant adverse hydrologic effects on the supply of water in the Madison formation would result if the proposed withdrawal were approved; and
- (2) The information, whether provided by the applicant or by other means, show that there is a reasonable probability that issuance of the proposed permit would not have a significant adverse effect on nearby Madison formation wells and springs."

Evidence is not available to justify issuing this permit without a term limitation of 20 years.

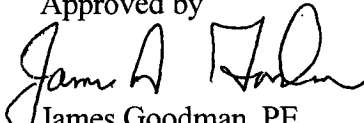
CONCLUSIONS:

1. This application proposes to appropriate 1.11 cfs from the Madison Aquifer.
2. The Madison Aquifer is a viable aquifer and unappropriated water is available.
3. This appropriation will not adversely impair existing water rights due to the distance between wells, and the apparent hydraulic separation between the Madison and shallower aquifers in this area.
4. Information is not available to justify issuing this permit without a term limitation of 20 years.



Ken Buhler
Water Rights Engineer

Approved by



James Goodman, PE
Water Rights Engineer

REFERENCES:

- Allen, J.C., D.Iles, A.Petres, 1984, Analysis of Groundwater and Streamflow Data, Western Dakotas Region of South Dakota, Task 3 & 4: Groundwater Resources Inventory, US Army Corps of Engineers Contract DAWC 45-82-C-015, SD DENR-Geological Survey, Vermillion SD
- Redden, J.A., 1994, Structural Contours and Phanerozoic Structures in the Rapid City, South Dakota, 1:100,000 Scale Quadrangle, Open-File Report 95-81, U.S. Geological Survey, Rapid City, SD
- Strobel, M.L., Jarrell, G.J., Sawyer, J.F., Schleicher, J.R., and Fahrenbach, M.D., 1999, Distribution of Hydrogeologic Units in the Black Hills Area, South Dakota, Hydrologic Investigations Atlas HA-743, U.S. Department of the Interior, U.S. Geological Survey
- Water Rights Program, 1993, "Water Permit File 1569-3", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD
- Water Rights Program, 2000, "Unpublished Observation Well Records", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD
- Water Rights Program, 2000, "Domestic Well Log Files", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD
- Water Rights Program, 2000, "Water Permit/Right Files", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD
- Woodward Clyde Consultants, 1981, Well Field Hydrology Technical Report, for the ETSI Coal Slurry Pipeline Project, U.S. Dept. of Interior, Bureau of Land Management



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

**NOTE: TO BE SURE OF PUBLICATION ON
THE CORRECT DATES, CONTACT
THE NEWSPAPER RIGHT AWAY.**

October 24, 2000

Stanley Scheurer, Tom Gunderson & Eugene Gunderson
PO Box 482
Piedmont SD 57769

Dear Sirs:

Water Permit Application No. 1736-1 for suburban housing development use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice of hearing has been sent to the Publisher of the Meade Co. Times-Tribune printed at Sturgis, SD (Ph # 605 347-2503). For your information, a copy of the notice, the recommendation of the Chief Engineer and a report on the application are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions.

Be sure to contact the above newspaper to authorize publication of your Notice of Hearing and to arrange for payment. Early contact with the paper can eliminate delays. The publisher has been instructed to publish your notice once each week for two consecutive weeks with the last publication to occur twenty days before the board meeting. The newspaper has been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

enclosures

NOTE: If you plan to contest any part of the Chief Engineer's recommendation, you must file a petition pursuant to the procedures outlined in the attached notice of hearing. The Water Management Board will then consider your concerns during a hearing on the application.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

October 24, 2000

Meade Co. Times-Tribune
Box 69
Sturgis SD 57785-0069

ATTENTION: Legal Public Notice

Enclosed is a Notice of Hearing on Application No. 1736-1 to Appropriate Water to be published twice. Please publish the first notice on November 1, 2000 with the second publication 7 days later.

The applicant must verify to you that the notice is to be published, before you make the first publication. **Please BILL the APPLICANT for the cost of publication.** The APPLICANT is Stanley Scheurer, Tom Gunderson, Eugene Gunderson (Ph # 605 391-2094).

Please send the Water Rights Program the first publication immediately. The publication is checked for accuracy so any corrections can be made in the second publication. You may use the form below or fax a copy of the first publication. Any fax should be sent to the attention of Karen Schlaak at (605) 773-4068. Publication errors can invalidate the public notice.

After the second publication, **please send us an affidavit or use the enclosed Proof of Publication form.** The applicant pays the cost of publication, but the Water Rights Program records require an affidavit or Proof of Publication. Delays in receiving the affidavit can be costly to the applicant.

Sincerely,


Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

-----CU T HERE-----

TO: Eric Gronlund
Water Rights Program
Joe Foss Building
Pierre SD 57501-3181

No. 1736-1

Date _____

We are in receipt of your letter of October 24, 2000 enclosing Notice of Hearing to Appropriate Water by Application No. 1736-1 which was first published in our issue of _____. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

Name

Newspaper

Instruction to Newspaper - Publish first Notice on November 1, 2000 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 1736-1 to Appropriate Water

Notice is given that Stanley Scheurer, Tom Gunderson and Eugene Gunderson, PO Box 482, Piedmont SD 57769 has filed an application for a water permit to appropriate 1.11 cubic feet of water per second from one well (Madison Limestone Formation) 695 feet deep located in the SW ¼ SE ¼ Section 9-T3N-R6E. The water is for a suburban housing development. the water may also be used in the future to supply the town of Piedmont and Trails West.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1736-1 for a 20 year term pursuant to SDCL 46-1-14 and 46-2A-20 because 1) although evidence is not available to justify issuing this permit without a 20 year term limitation, there is reasonable probability that there is unappropriated water is available, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use of water, and 4) it is in the public interest. In accordance with SDCL 46-2A-23, the Chief Engineer will act on the application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the Chief Engineer's recommendation. If a petition opposing the application or contesting the recommendation is filed, then a hearing will be scheduled and the Water Management Board will consider the application. Notice of the hearing will be given to the applicant and any person filing a petition.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by November 20, 2000.

The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained. Contact Eric Gronlund at the above Water Rights Program address to request copies of information pertaining to this application. Steven M. Pirner, Secretary, Department of Environment and Natural Resources.



PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
) SS
 County of Meade)

I, Joan Lewis

certify that the attached printed Notice was taken

from the Meade County Times

printed and published in Sturgis

County of Meade and

state of South Dakota. The notice was published

in the newspaper on the following two dates:

Nov. 1, 2000

Nov. 8, 2000

Cost of Printing 41.65

Joan M. Lewis
 (Signature)

Bookkeeper
 (Title)

11/16/00
 (Date Signed)

Water application

NOTICE OF APPLICATION

NO. 1736-1 to Appropriate Water

Notice is given that Stanley Scheurer, Tom Gunderson and Eugene Gunderson, PO Box 482, Piedmont SD 57769 have filed an application for a water permit to appropriate 1.11 cubic feet of water per second from one well (Madison Limestone Formation) 695 feet deep located in the SW1/4 SE1/4 Section 9-T3N-R6E. The water is for a suburban housing development. The water may also be used in the future to supply the town of Piedmont and Trails West.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1736-1 for a 20 year term pursuant to SDCL 46-1-14 and 46-2A-20 because 1) although evidence is not available to justify issuing this permit without a 20 year term limitation, there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use of water, and 4) it is in the public interest. In accordance with SDCL 46-2A-23, the Chief Engineer will act on the application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the Chief Engineer's recommendation. If a petition opposing the application or contesting the recommendation is filed, then a hearing will be scheduled and the Water Management Board will consider the application. Notice of the hearing will be given to the applicant and any person filing a petition.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by November 20, 2000.

The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained. Contact Eric Gronlund at the above Water Rights Program address to request copies of information pertaining to this application. Steven M. Pirner, Secretary, Department of Environment and Natural Resources.

Publ Nov. 1 and 8, 2000
 Meade County Times-Tribune



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
www.state.sd.us/denr

DEC 19 2000

Stanley Scheurer, Tom Gunderson & Eugene Gunderson
PO Box 482
Piedmont, SD 57769

Dear Sirs:

Enclosed is Water Permit No. 1736-1 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

Form 10, *Notice of Completion of Works and Application of Water to Beneficial Use*, is enclosed. Please return this completed form after you have finished the system and have put the water to beneficial use. An investigation can then be scheduled so the water license may be issued, thus completing the acquisition of a water right.

An informational sheet *Common Water Right Questions?* is also enclosed. This sheet is intended to answer some of the questions associated with obtaining and keeping a water right.

Sincerely,

Garland Erbele, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

WATER RIGHTS PROGRAM -- FILE DOCUMENTATION

NAME & ADDRESS: Stanley Scheurer, dba Elk Mountain Estates, PO Box 482, Piedmont, SD

DATE: June 4, 2002

TELEPHONE: 605 393-8100

RE: water use for 2001 for Elk Mountain Estates

COMMENTS:

On today's date, I spoke with Mr. Scheurer about water use from their Madison well for 2001. He indicated they were still under construction but a close estimate for last year would be 565,000 gallons.

He went on to say he hoped to have Piedmont central supply hooked up by next year. I explained to him that he needed to report on an annual basis what was being used and he could add in the use for Piedmont when that segment was finished and in use.



Genny McMath
Environmental Scientist

NOTICE OF TRANSFER OF OWNERSHIP

To: Chief Engineer
Water Rights Program, DENR
523 E. Capitol
Pierre, SD 57501-3181

Water Right/Permit No. 1736-1

Date: 1-24-06

I/We request that Water Right/Permit No. 1736-1 formerly owned by: Gunderson
Stan Scheurer, Tom Gunderson, Eugene be transferred to:

New Owner Name: Thomas and Holly Gunderson dba Elk Mountain Estates
Address: 14798 Highlight Drive
City, State, Zip Rapid City, SD 57703 Telephone No. 605-391-9811

Title to the following described land(s)/property has been transferred as described above:

located SW 1/4 SE 1/4 - Section 9, T3N, R6E,
Piedmont, SD

☒ I understand that the validity of Water Right/Permit No. 1736-1 has not been determined by this transfer action. If I have any questions on validity, I understand that only the Water Management Board has the authority to determine if a water right/permit is valid (see note below.)

You are requested to file this "Notice of Transfer" in the appropriate file with the Water Rights Program, as evidence of the change of ownership.

A fee of Two Dollars and Fifty Cents (\$2.50) is included to cover the filing fee as required by SDCL 46-2-13.

I, Thomas A. Gunderson, the new owner, certify that the above information is true and correct.

Thomas Gunderson
(Signed by new owner)

NOTE: Water permits may be cancelled for nonconstruction after the five year construction period has expired. Once a water permit is developed and the water used, the permit becomes a right. A water right may be lost for three reasons:

1. Abandonment - no intent to use water and use is abandoned.
2. Forfeiture - no use of water for three year period without legal excuse.
3. For a third violation of a condition of a water permit/right.

11/2002

RECEIVED
JAN 26 2006
WATER RIGHTS
PROGRAM

pd ck# 2248 1-24-06

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date January 26, 2006

RECEIVED OF Elk Mountain Estates, PO Box 260, Piedmont SD 57769

The following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. _____ to Appropriate Water, to construct and to put water to beneficial use	2	50
Fee for Application for Permit No. _____ to Appropriate Water for Future use		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____		
Fee for Filing Transfer Form <u>1736-1</u>		
Fee for _____		
Fee for Issuing New Well Driller's License No. _____ for C.Y. _____		
Fee for Renewal of Well Driller's License No. _____ for C.Y. _____		
Fee for Issuing Well Pump Installer's License No. _____ for C.Y. _____		
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	2.50

No. **002226**

By

Darla A. Eilert

Chief Engineer

[Signature]



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
www.state.sd.us/denr

January 26, 2006

1736-1

Thomas and Holly Gunderson
dba Elk Mountain Estates
14798 Highlight Drive
Rapid City SD 57703

Dear Mr. & Mrs. Gunderson:

Thank you for following up on the ownership change for Water Permit No. 1736-1 and reporting the amount of water used from the Madison Formation for 2005.

The transfer has been completed. The water is now listed in the name of Thomas & Holly Gunderson, dba Elk Mountain Estates. Enclosed is your receipt in the amount of \$2.50. If I can answer any questions for you, please contact me.

Sincerely,

Karen Schlaak
Environmental Scientist
Water Rights Program
(605) 773-3352
email: karen.schlaak@state.sd.us

enclosure

Permit No. 1736-1
Upper Cheyenne River - Water District

Report of Examination of Works and/or Application of Water to Beneficial Use

TO: Chief Engineer, Water Rights Program, DENR, Foss Bldg., Pierre, SD 57501

I have this day, **26 September 2007**, made a thorough examination of the water use system constructed by **Thomas and Holly Gunderson** of **PO Box 260, Piedmont SD 57769-0260** holder of Permit No. **1736-1**, bearing the priority of **10 July 2000** authorizing the diversion of **1.11** cu. ft. per second of the waters of **the Madison formation** for **suburban housing development** purposes, in **Meade** County.

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: **Cimarron Drilling**
- 2) No. of Wells **1**
- 3) Depth(s) **695** feet
- 4) Well log is available **Y**
- 5) Comment: **Well was artesian when it was drilled has recently had a submersible pump installed by Cimarron Drilling. Mike Deutch of Cimarron Drilling provided pump, motor and static water level information.**

Casing:

- 1) Diameter **7** inches
- 2) Length **549** feet
- 3) Type **steel**

Screen:

- 1) Type **none**
- 2) Static water level **20** feet

Pump:

- 1) Make **Grundfos**
- 2) Model **unknown**
- 3) Capacity **85** GPM

Motor:

- 1) Make **Franklin**
- 2) Horsepower rating **7.5** hp

B. Works used to transport water to place of use:

- 1) Type PVC 2) Size 6 inches 3) Length 6000 feet

C. Compliance with Permit Requirements:

- 1) Permit qualifications being abided by Y
2) Exceptions to compliance are: none

The system is in good condition with the point(s) of diversion located as follows: SE ¼ SE ¼ Sec 9-T3N-R6E, approximately 885 feet west and 348 feet north of the south east corner of section 9, N 44.22847 Latitude and W -103.39616 Longitude. The works are capable of diverting and conveying to the place of use 0.189 cu. ft. per second of water which is to be used for suburban housing development. The license should be issued for 0.189 cfs.

All structures, wells and lands on map Y

Comments or other permit(s) associated with the project: **A change of location of diversion point has been submitted with this report.**



Mark Costello
Natural Resources Engineer
DENR, Water Rights Program

Date report completed: 17 October 2007

Approval of Location Change and/or Additional Diversion Point(s)

NAME: Thomas and Holly Gunderson

ADDRESS: PO Box 260, Piedmont SD 57769-0260

DATE: 17 October 2007

COUNTY: Meade

TELEPHONE: 605-391-9811

AUTHORITY:

Pursuant to SDCL 46-5-13.1, the location of a diversion point may be changed or additional diversion points may be licensed provided the following conditions are met and the potential for interference with other existing diversions is not increased:

- **Developed water source same as permitted source and no additional water appropriated**

The diversion point for Permit No. 1736-1 was described as being located at the SW ¼ SE ¼ Sec 9-T3N-R6E, a physical inspection revealed the actual location of the diversion point to be located at SE ¼ SE ¼ Sec 9-T3N-R6E. There is a reduction in the rate of diversion authorized by Permit No. 1736-1 based on the installed pump limiting production and the source of water for this diversion has not changed.

- **If irrigation, no new land is irrigated**

The well described in Permit No. 1736-1 is used for suburban housing development purposes and is located on land owned by the applicant.

- **Review of Existing Diversions**

The actual well location is where it was described on the map that accompanied the application and was signed by a land surveyor. The legal description has been reported incorrectly on the application and permit. The nearest well to Permit No. 1736-1 is approximately 2200 feet to the north east; interference is not expected to be a problem.

RECOMMENDED ACTION

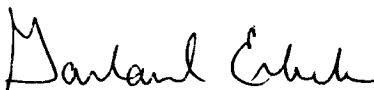
Based on the above criteria, it is recommended that the diversion point(s) be licensed as developed.



Mark Costello, Natural Resources Engineer
Water Rights Program

The Chief Engineer makes a finding pursuant SDCL 46-5-13.1 and ARSD 74:02:01:14.01 that:

This change in location and/or additional diversion point(s) does not increase the potential for adverse effects to existing diversions.



Garland Erbele, Chief Engineer
Water Rights Program



South Dakota

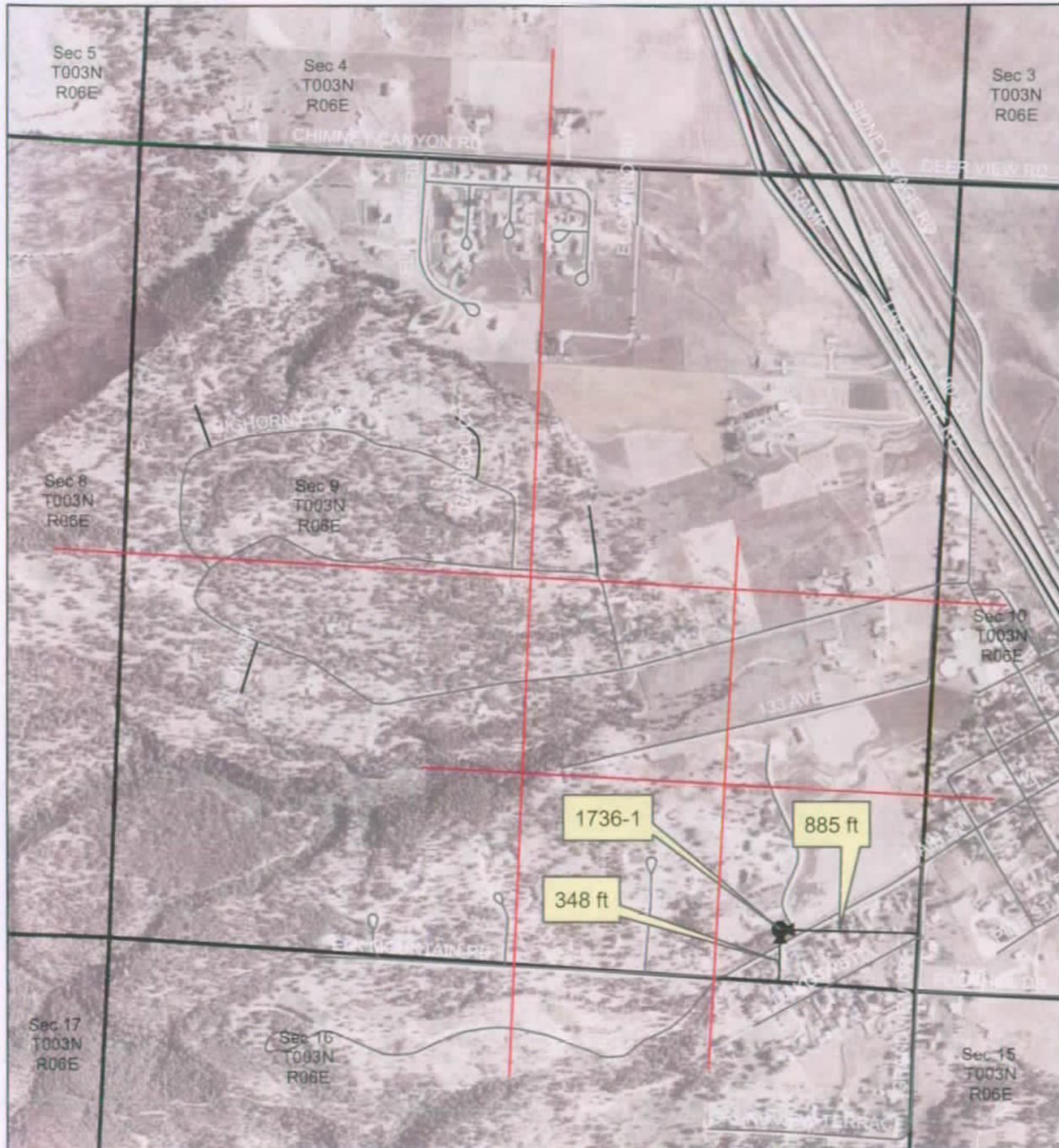
1736-1

Thomas and Holly Gunderson
14798 Highlight DR.
Rapid City, SD. 57703

South Dakota Department of
Environment and Natural Resources

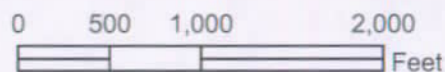


Protecting South Dakota's Tomorrow... Today



Mark Costello

Mark Costello
Natural Resources Engineer
SDDENR, Water Rights
16 October 2007



STATE OF SOUTH DAKOTA
WATER LICENSE NO. 1736-1

(1) Stanley Scheurer, Tom Gunderson and Eugene Gunderson, Piedmont SD made Application No. 1736-1, July 10, 2000 for a water permit to divert 1.11 cubic feet of water per second from groundwater (one well), Meade County, South Dakota for suburban housing development purposes. Permit No. 1736-1, with a priority date of July 10, 2000 was approved November 20, 2000 and issued to the applicants for diversion of water with construction of the described water supply system to be completed on or before November 20, 2005 and for the application to beneficial use of water on or before November 20, 2009.

On January 26, 2006, Water Permit No. 1736-3 was transferred to Thomas and Holly Gunderson, dba Elk Mountain Estates, PO Box 260, Piedmont SD 57769-0260.

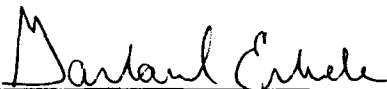
An investigation conducted for licensing purposes found the well under Water Permit No. 1736-1 was not in the location authorized by the permit. Pursuant to SDCL 46-5-13.1, the Chief Engineer makes a finding that the change in location of diversion point does not increase the potential for interference with existing water rights.

(2) The water supply system has been completed and water applied to beneficial use in accordance with South Dakota State Law. Pursuant to South Dakota Codified Law 46-5-30.1, the holders and/or owners of Water Right No. 1736-1 is issued a license, bearing a priority date of July 10, 2000 to appropriate 0.189 cubic feet of water per second from groundwater (one well) for suburban housing development purposes.

The diversion point is located: 885 feet west and 348 feet north of the southeast corner of Section 9-T3N-R6E (SE ¼ SE ¼).

(3) This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Permit No. 1736-1 including the following now applicable qualifications:

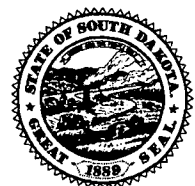
- In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 1736-1 is issued for a twenty year term. Pursuant to SDCL 46-2A-21, the twenty year term may be deleted at any time during the twenty year period or following its expiration. If the twenty year term is not deleted at the end of the term, the Permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1736-1 may also be cancelled for nonconstruction, forfeiture, abandonment or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1, and Board Rule ARSD 74:02:01:37.
- The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
- The permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Madison Limestone Formation.



Garland Erbele, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

OCT 19 2007

date





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
www.state.sd.us/denr

OCT 19 2007

1736-1

Thomas and Holly Gunderson
dba Elk Mountain Estates
PO Box 260
Piedmont SD 57769-0260

Dear Mr. & Mrs. Gunderson:

Enclosed is Water License No. 1736-1. This is the final water right document completing your process of obtaining a Water Right. Also, included with your license is a map prepared by the staff engineer who conducted the investigation.

For your information SDCL 46-6-27 requires that if the owner of an existing well, such as the well authorized by Water Right No. 1736-1, constructs a replacement well and does not plan to use the old well, the old well is considered abandoned and must be plugged. Also, any well that is being used or is not considered abandoned must be valved and controlled, if flowing, or sealed and capped so that no leaking occurs either underground or at the surface.

As long as you use the water beneficially, as stated in the Water License, the State Water Laws provide that you have a continuing right to use the water. If you have any questions, please contact our office.

Sincerely,

Garland Erbe, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

NOTICE OF TRANSFER OF OWNERSHIP

For assistance call (605) 773-3352

Mail to: PMB 2020
DENR - Water Rights Program
523 E Capitol Ave
Pierre, SD 57501-3182

Water Right/Permit No. 1736-1

Date: 9/30/2026

I/We request that Water Right/Permit No. 1736-1 formerly owned by:

Thomas and Holly Gunderson d/b/a Elk Mountain Estates

be transferred to:

New Owner Name: BLACK HILLS COMMUNITY WATERWORKS, LLC

Address: P.O. Box 75

City, State, Zip Piedmont SD 57769 Telephone No. 605-786-7214

Title to the following described land(s)/property has been transferred as described above:

Located SE 1/4 SE 1/4 - Section 9 - T3N, R6E,
Piedmont, SD

RECEIVED

OCT 05 2026

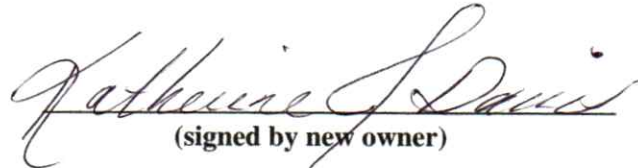
OFFICE OF
WATER

☒ I understand that the validity of Water Right/Permit No. 1736-1 has not been determined by this transfer action. If I have any questions on validity, I understand that only the Water Management Board has the authority to determine if a water right/permit is valid (see note below.)

You are requested to file this "Notice of Transfer" in the appropriate file with the Water Rights Program, as evidence of the change of ownership.

A fee of Fifty Dollars (\$50.00) is included to cover the filing fee as required by SDCL 46-2-13.

I, Katherine Davis, Managing Member, the new owner, certify that the above information is true and correct.


(signed by new owner)

NOTE: Water permits may be cancelled for nonconstruction after the five year construction period has expired. Once a water permit is developed and the water used, the permit becomes a right. A water right may be lost for three reasons:

1. Abandonment - no intent to use water and use is abandoned.
2. Forfeiture - no use of water for three year period without legal excuse.
3. For a third violation of a condition of a water permit/right.

RECEIPT

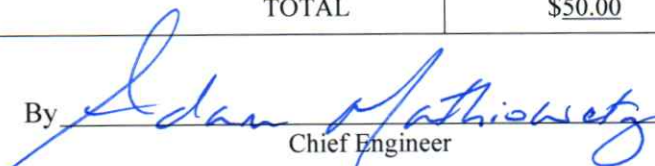
WATER RIGHTS PROGRAM South Dakota Department of Agriculture and Natural Resources

Date October 05, 2026

RECEIVED OF Black Hills Community Waterworks, LLC PO Box 75 Piedmont, SD 57769

The following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. _____ to Appropriate Water, to construct and to put water to beneficial use	\$ _____
Fee for Application for Permit No. _____ to Appropriate Water for Future use	\$ _____
Fee to retain Future Use Permit No. _____ after period of seven years.	\$ _____
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____	\$ _____
Fee for Filing Transfer Form #1736-1	\$ <u>50.00</u>
Fee for _____	\$ _____
Fee for Issuing New Well Driller's License No. _____	\$ _____
Fee for Renewal of Well Driller's License No. _____	\$ _____
Fee for Issuing Well Pump Installer's License No. _____	\$ _____
Fee for Renewal of Well Pump Installer's License No. _____	\$ _____
(Any Other Work Provided by Law)	
TOTAL	\$ <u>50.00</u>

By  Chief Engineer



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

Black Hills Community Waterworks, LLC
C/O Katherine Davis
PO Box 75
Piedmont, SD 57769

1736-1

Dear Ms. Davis:

The South Dakota Water Rights Program is in receipt of the "Notice of Transfer of Ownership" form and the fee you submitted for Water Right No. 1736-1, enclosed is a \$50.00 receipt of payment for your records.

Water Right No. 1736-1, previously held by Elk Mountain Estates, is now listed under Black Hills Community Waterworks LLC. I have also updated your contact information in our system.

As a reminder, so long as you use the water beneficially, as stated in the Permit/License (copy enclosed), State Water Laws provide that you have a continuing right to use the water. Should the water not be put to beneficial use for a period longer than 3 consecutive years, without legal excuse, the Permit/License will be subject to cancellation.

I am happy to answer any questions you may have.

Sincerely,

Shannon Konst
Water Rights Program
605 773-3352
Shannon.konst@state.sd.us

NOTE: The validity of Water Right No. 1736-1 has not been determined by this transfer action. Only the Water Management Board has the authority to determine if a water permit/right is valid.

enclosures