

WATER PERMIT NO. 1768-1

Name of Applicant: First Western Bank Sturgis

Address: PO Box 9, Sturgis SD 57785

Phone: 605 347-2562

Amount of Water Claimed: 0.056 cfs (25 gpm)

Total Acres: NA

Source of Water Supply: groundwater

Water to be used for: commercial use

County: Meade

Type of Waste Disposal System: septic tank with drainfield

Location: about 3 miles southeast of Piedmont

PRIORITY

Date Received: 3-13-02

Fee: \$50

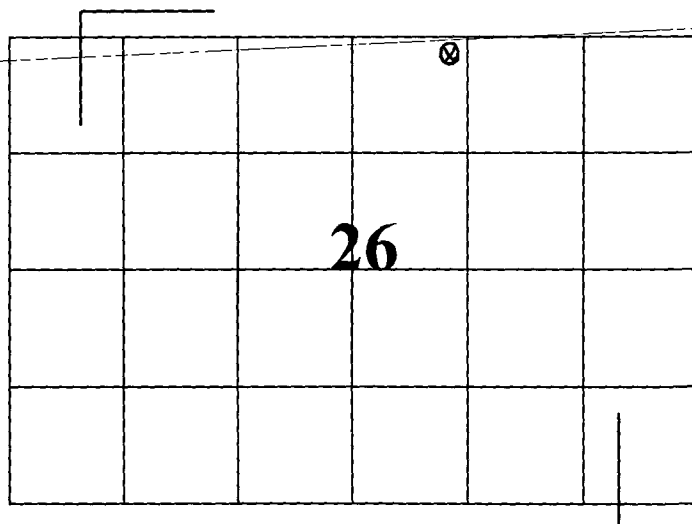
Corrected Application Received:

Period of Annual Use: January 1 - December 31

Remarks: For a bank and family practice medical clinic in Piedmont Valley

Diversion Point: NE ¼ NE ¼ Sec 26-T3N-R6E

Land to be Irrigated: NA



Depth of Well: 482 feet deep

Well Driller: : Cimmarron Drilling, Inc.

Remarks:

Type of Map: plat

Prepared by: Rick Bush, RLS

Reviewed and the Number Assigned on: 3-14-02

By: Karen Schlaak

Notice of Hearing - date to intervene: _____

**SOUTH DAKOTA
WATER PERMIT NO. 1768-1**

Date of first receipt of application March 13, 2002.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 1768-1 to First Western Bank Sturgis, PO Box 9, Sturgis SD 57785 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. 1768-1 appropriates 0.056 cubic feet of water per second (25 gallons per minute) from one well (Minnelusa Formation) 482 feet deep located in the NE ¼ NE ¼ Section 26-T3N-R6E.
2. The water appropriated shall be used for the purpose of supplying water for commercial use for a bank and family practice medical clinic in Piedmont Valley 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. 1768-1 is July 15, 2002.
5. The date from which applicant may claim right is March 13, 2002.
6. One-fifth of the construction is to be completed on or before January 15, 2005.
7. All construction is to be completed on or before July 15, 2007.
8. Water is to be put to beneficial use on or before July 15, 2011.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATION

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.

WATER MANAGEMENT BOARD

By: Garland Erbele

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

JUL 31 2002

date



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>1768-1</u> (office use only) Hydrologic Unit <u>10120111</u>
	Basin <u>Upper Chuyenne</u>
	Newspaper <u>Meade Co Times Tribune, Sturgis</u>

RECEIVED
MAR 13 2002
WATER RIGHTS
PROGRAM

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.) _____

- Name of Applicant First Western Bank Sturgis Phone 605 347-2562
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address PO Box 9, Sturgis State SD 57785
(Street, RR, or Box and City) (Zip Code)
- Amount of water claimed 0.056 *CFS or 25 **GPM ***AF
(*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use if applicable
- Source of water supply New Well #1
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)
NE1/4NE1/4, S26T3NR6EBHM
County Meade
- County or counties where water will be used Meade
- Annual period during which water is to be used 12 months Jan 1 - Dec 31
- 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)
Well is to provide water for a bank and family practice medical clinic at a new building located at I-90 Exit 48 in Piedmont Valley. First Western Bank Piedmont Valley
8071 Stage Stop Road
Black Hawk, SD 57718

STATE OF SOUTH DAKOTA) SS
County of Meade

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, John E. Johnson, 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.

Applicant's signature John E. Johnson

Subscribed and sworn to before me this 12th day of March 20 02

DEBBIE WALSH

Notary Public Notary Public signature

My Commission Expires December 29, 2003

Supplemental Information

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 7 7/8" Depth 482'
- b) Casing Type PVC Diameter 5" Thickness 200#
- c) Screen Type N/A Diameter _____ Thickness _____
- d) Gravel Pack N/A Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 370'
- f) Depth to Water (ground surface to water level) 250'
- g) Distance to nearest existing domestic well:
- On applicants property N/A On property owned by others 450'-500'

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) Septic Tank w/Drainfield
- b) System Capacity (gallons) 2,078 Year Constructed 2002
- c) Connected to the City of N/A Sanitary System _____

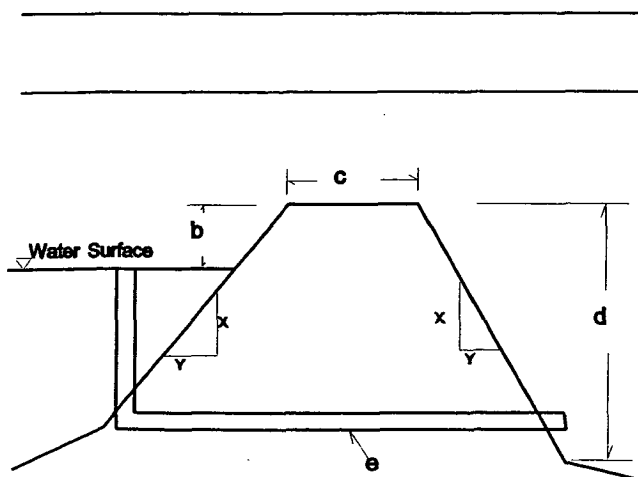
3. Dugout Information

- a) Surface Dimensions _____ 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

RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

417124

Pierre, March 14, 20 02

RECEIVED OF First Western Bank, 1200 Main Street, Sturgis, SD 57785
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>1768-1</u> to Appropriate Water, to construct and to put water to beneficial use _____	50	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. <u>1768-1</u> _____	50	00
Fee for Filing Transfer Form _____		
Fee for Filing Extension Request _____		
Fee for _____		

(Any Other Work Provided by Law)	Total	100 00

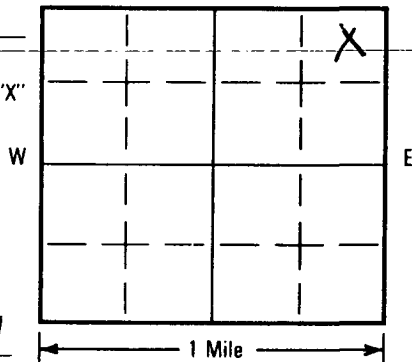
By Darlene Erbele
Chief Engineer
gm

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location NE 1/4 NE 1/4 Sec 26 Twp 3-N Rg 6-ECounty Meade North

Please mark well location with an "X"



Well Completion Date

12-10-01

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 300 ft. from Septic (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary Air WaterCASING DATA: ☐ Steel ☒ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>200 LB/FT</u>	<u>5 IN</u>	<u>0 FT</u>	<u>412 FT</u>	<u>IN</u>
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
<u>Portland type I-II</u>	<u>65</u>	<u>94 lb./gal</u>	<u>0 ft</u>	<u>412 ft</u>
Describe grouting procedure	<u>Pressure Grout thru casing</u>			
<u>Displace with water to surface w mud pump</u>				

SCREEN: ☐ 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

_____ NO, Why Not? _____

owner To Complete

Well Owner: _____

Business Name: FIRST WESTERN BANKAddress: 1200 MAIN ST.
STURGIS S.D. 57785

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
<u>Red Clay & Cyp. (Pine)</u>	<u>0'</u>	<u>215'</u>
<u>(Minn. & H. & A) Limestone</u>	<u>215'</u>	<u>255'</u>
<u>Red Clay & S. Stone</u>	<u>255'</u>	<u>370'</u>
<u>(OPECHE)</u>		
<u>White Sand</u>	<u>370'</u>	<u>375'</u>
<u>White Sand & S. Stone</u>	<u>375'</u>	<u>410'</u>
<u>White & Pink Sand</u>	<u>410'</u>	<u>482'</u>
<u>(Minn. & H. & A)</u>		

STATIC WATER LEVEL 250 Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped Describe: Air-developed☐ Bailed _____☒ Other _____

Pumping Level Below Land Surface

480 ft. After 2 Hrs. Blow 40 GPM300 ft. After 1 Hrs. Blow 8-10 GPMIf pump installed, pump rate 5HP @ 400' - 25 GPM

REMARKS

RECEIVED

FEB 12 2002

This well was drilled under license # 568

And this report is true and accurate.

Drilling firm CIMARRON Drilling INC

Signature of License Representative:

Michael J. Duntach

Signature of Well Owner or Equitable Property Holder:

Date: _____

FORMERLY THE UNPLATTED PORTION OF TRACT 1R,
LOCATED IN THE NW1/4NW1/4 SEC. 25, T3N, R6E, AND
THE NE1/4NE1/4 SEC. 26, T3N, R6E, BHM,
MEADE COUNTY, SOUTH DAKOTA.

1 - 90 INTERSTATE RIGHT-OF-WAY



- ~~Basis of Bearing: As shown here~~

- 1) Section Line vacated by Book 431, Page 374, Meade County register of Deeds
- 2) Lots are Classified under Meade County Ordinance 20 as Commercial.
- 3) Percussion Test were conducted in accordance with SDCL Chapter 74-03.01.

All major drainage easements shown hereon shall be kept clear of obstructions including, but not limited to, buildings, walls, fences, hedges, trees, and shrubs. These easements grant to all public authorities the right to construct, operate, maintain, inspect, and repair such improvements and structures as it deems necessary to facilitate drainage from any source.

Utility & Minor Drainage Easements:

8" Wide on the interior side of all side and rear lot lines

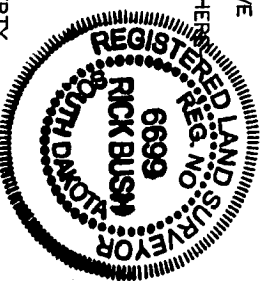
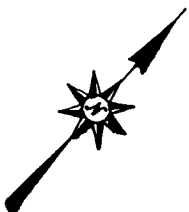
I, RICKY J. BUSH, 1021 JUNCTION AVE., STURGIS, SD, BEING A REGISTERED LAND SURVEYOR IN THE STATE OF SOUTH DAKOTA DO HEREBY CERTIFY THAT AT THE REQUEST OF THE OWNER AND UNDER MY SUPERVISION, I HAVE CAUSED TO BE SURVEYED AND PLATTED THE PROPERTY SHOWN AND DESCRIBED HEREON. I ALSO CERTIFY THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL DATED THIS 26th DAY OF July, 2009


RICKY J. BUSH, R.L.S. 6699

STATE OF SOUTH DAKOTA

DR. GEORGE W. JENTER AND LAVERNE WILBURN, DO HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY

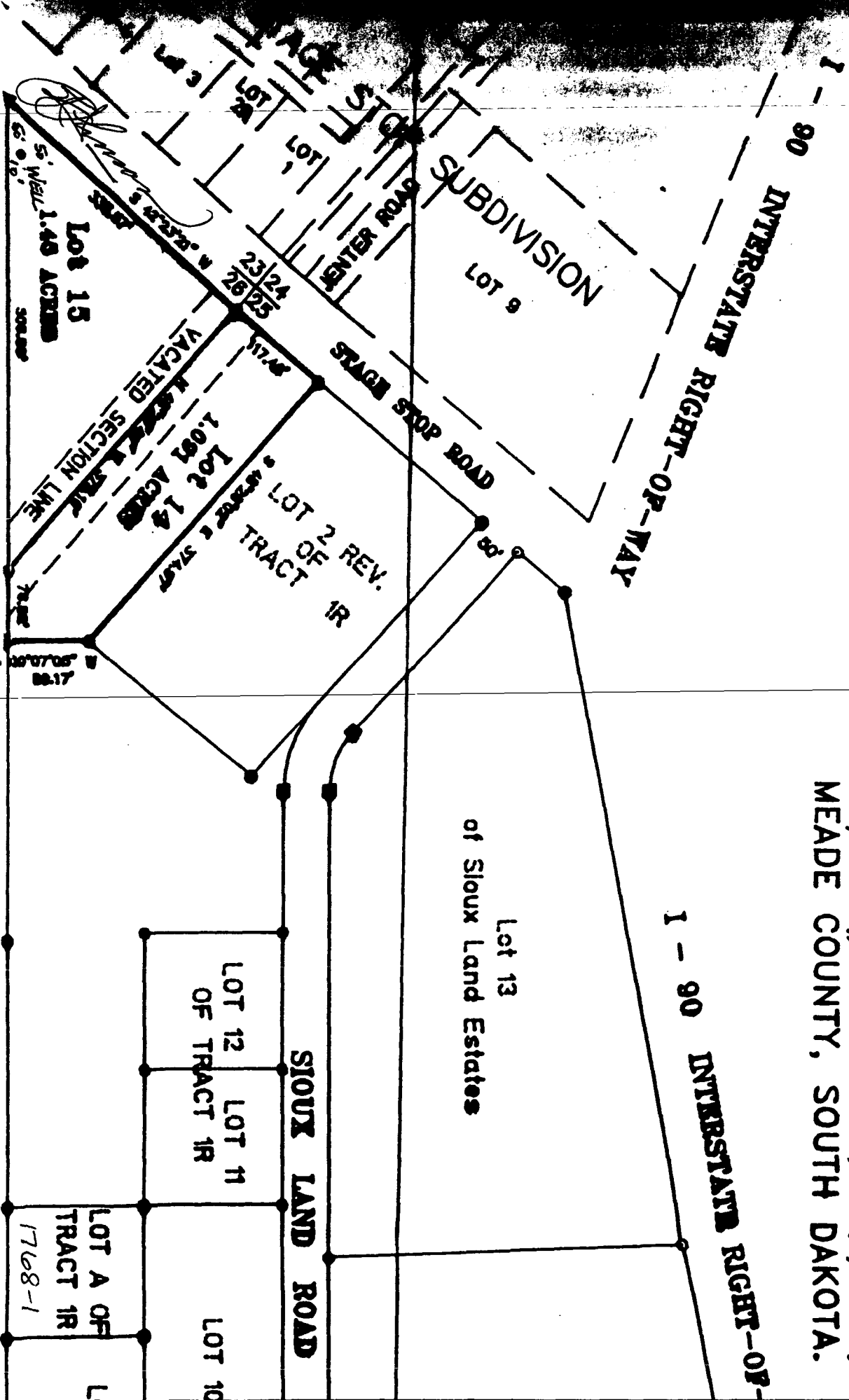
SHOWN AND DESCRIBED HEREON, THAT WE DO APPROVE THIS PLAT AS HEREON SHOWN AND THAT DEVELOPMENT OF



1768-1

PLAT OF Lots 14 & 15 OF SIOUX LAND ESTATE

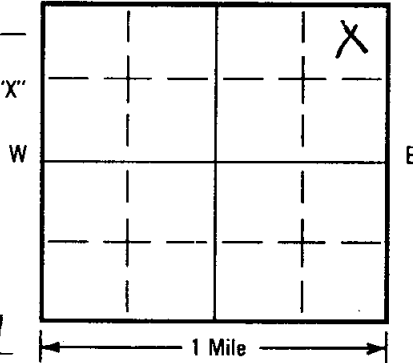
FORMERLY THE UNPLATTED PORTION OF TRACT
LOCATED IN THE NW1/4NW1/4 SEC. 25, T3N,
THE NE1/4NE1/4 SEC. 26, T3N, R6E, E
MEADE COUNTY, SOUTH DAKOTA.



SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location NE 1/4 NE 1/4 Sec 26 Twp 3-N Rg 6-E
 County Meade 180
 Please mark well location with an "X"



Well Completion Date

12-10-01

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 300 ft. from Septic (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary Air WaterCASING DATA: ☐ Steel ☒ Plastic ☐ Other

If other describe _____

PIPEWEIGHT DIAMETER FROM TO HOLE DIAMETER
200 LB/FT 5 IN 0 FT 412 FT _____ IN
 _____ LB/FT _____ IN _____ FT _____ FT _____ IN
 _____ LB/FT _____ IN _____ FT _____ FT _____ IN

GROUTING DATA

Grout Type Portland No. of Sacks 65 Grout Weight 9416 lb./gal From 0 ft To 412 ft
type I-II _____ lb./gal _____ ft _____ ft

Describe grouting procedure Pressure Grout thru casing
Displace with water to surface w mud pump

SCREEN: ☐ 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

NO, Why Not? _____

owner to complete

Well Owner: _____

Business Name: FIRST WESTERN BANKAddress: 1200 MAIN ST.
STURGIS S.D. 57783

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
<u>Red Clay & Cyp. (Pine)</u>	<u>0'</u>	<u>215'</u>
<u>(Minn. & H. & A) Limestone</u>	<u>215'</u>	<u>255'</u>
<u>Red Clay & S. Stone</u>	<u>255'</u>	<u>370'</u>
<u>(OPECHE)</u>		
<u>White Sand</u>	<u>370'</u>	<u>375'</u>
<u>White Sand & S. Stone</u>	<u>375'</u>	<u>410'</u>
<u>White & Pink Sand</u>	<u>410'</u>	<u>482'</u>
<u>(Minn. & H. & A)</u>		

STATIC WATER LEVEL 250 Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ PumpedDescribe: Air-developed☐ Bailed☒ Other

Pumping Level Below Land Surface

480 ft. After 2 Hrs. Blow 40 GPM300 ft. After 1 Hrs. Blow 8-10 GPMIf pump installed, pump rate SAP @ 400' - 25 GPM

REMARKS

RECEIVED

FEB 12 2002

This well was drilled under license # 568

And this report is true and accurate.

WATER RIGHTS PROGRAM

Drilling firm C. MARRON Drilling Inc.

Signature of License Representative:

Michael J. Duntach

Signature of Well Owner or Equitable Property Holder:

Date: _____



DESIGN CALCULATIONS

Septic Tank Size

Building – 5200 Sq Ft

Bank Area – 3170 Sq Ft

Clinic Area – 2030 Sq Ft

Statistical Factors (From 74:53:01:21 Table 3)

Bank - 0.04

Clinic – 0.62

Daily Flow

$$\text{GPD} - (3170 \times 0.04) + (2030 \times 0.62) = 1385$$

Tank Size

$$1.50 \times 1385 \text{ gallon} = 2078 \text{ gallons}$$

Drainfield Size

Percolation Rate – 9.7 min/inch

$$\text{Area} - 1385 \sqrt{9.7} / 5 = 863 \text{ Sq Ft}$$

Length of Trench Required

Width – 3.0'

$$\text{Length} - 863 \text{ Sq Ft} / 3.0 \text{ Ft} = 288 \text{ Ft}$$



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

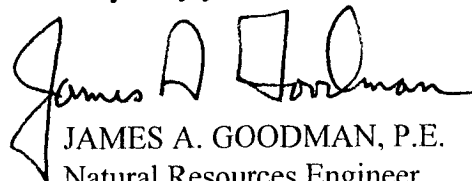
November 14, 2001

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 First Western Bank of Sturgis, (First Western Bank of Sturgis, SD, 1200 Main St., Sturgis, SD 57785) prior to approval of a water permit. The test well is to be completed into the Minnelusa aquifer in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 26, 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,



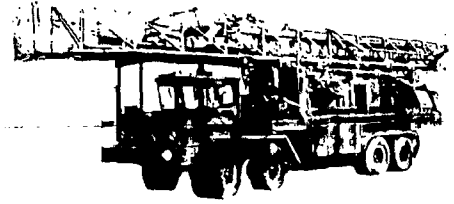
JAMES A. GOODMAN, P.E.
Natural Resources Engineer
for GARLAND ERBELE, Chief Engineer
Water Rights Program
(605) 773-3352

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
550' deep into the Minnekahta
Aquifer.

It will be located on Lot 15
of Souix Land Estates located in the
NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 26 T-3N
R-6E of the B.A.M. Meade County, S.D.

The well will be drilled for
First Western Bank of Sturgis S.D.
1200 Main St. Sturgis S.D.

It will be used for a BANK &
Medical Offices.

Respectfully Submitted
Michael J. Neufel
Cimarron Drilling Inc.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

February 20, 2002

First Western Bank
1200 Main St
Sturgis SD 57785

Dear Sir:

I am writing in regard to a well driller's report filed by Cimarron Drilling Inc.. The report shows a new well has been completed for First Western Bank. Based on the information in the report, you may need a water permit for this water use.

1. According to state law, a water permit is needed for any water use except for reasonable, private domestic use. Examples of commercial uses that require a water rights permit are: truckstops; motels; restaurants; bars; clubs; tourist attractions; campgrounds or any other business operation.
2. Also, as a new well owner, you need to be aware of some of your responsibilities. Enclosed is a copy of "Well Owner Responsibilities". Please review these responsibilities to ensure you are complying with all of the requirements.

Enclosed are application forms and instruction sheet to apply for a water permit. The completed forms with the application fee and map can be returned to: Water Rights Program, 523 E. Capitol, Pierre, SD 57501. Please respond by April 1, 2002.

If you believe your water use does not require a water permit or that you have an existing permit, or if help is needed completing the application forms, please contact Ron Duvall or me at (605) 773-3352. We will be happy to assist you in any way possible.

Sincerely,

Karen Schlaak
Water Rights Program

enclosures

WATER PERMIT APPLICATION NO. 1768-1

FIRST WESTERN BANK STURGIS

APRIL 10, 2002

Water Permit Application No. 1768-1 proposes to appropriate 0.056 cubic feet of water per second (25 gallons per minute) from one well approximately 482 feet deep (Minnelusa aquifer) located in the NE ¼ NE ¼ Sec.26, T3N-R6E. The water is for commercial use for a bank and family practice medical clinic in Piedmont Valley.

AQUIFER: Minnelusa Aquifer (MNLS)

GENERAL:

The Minnelusa Formation consists of alternating beds of sandstone and dolomitic limestone with lesser amounts of shale and chert, approximately 500 feet thick in this area (Carter, 1999a, Carter 1999b). The Minnelusa Formation outcrops less than one mile west of this well and the top of the formation is reported to be 370 feet below grade. The porous portions of the formation form the Minnelusa aquifer. Well sorted sand lenses have porosity's approaching 25%, but generally the sands have porosity's of 10%. The average porosity of the Minnelusa is estimated to be 10% and the effective porosity is assumed to be 5% (Rahn, 1979). The Minnelusa formation underlies virtually all of western South Dakota and the Minnelusa aquifer contains over 755 million acre-feet of recoverable water in storage in the state (Allen, 1984). The Minnelusa aquifer underlies approximately 2,172,800 acres of Meade County and contains an estimated 81,480,000 acre-feet of recoverable water in storage in the county (Allen, 1984). Ground water movement in the aquifer is probably toward the north and east (Strobel, 2000). There is no aquifer-test data available for the Minnelusa aquifer at this site; therefore, the aquifer transmissivity and storage coefficient values are unknown. Estimates from regional studies of the aquifer indicate the aquifer transmissivity may range from 30 to 1000 ft²/d, and the storage coefficient ranges from 6.6×10^{-5} to 2×10^{-4} (Kyllonen, 1987). The water quality of the aquifer is generally good near the outcrop but deteriorates considerably with distance from the recharge area. The aquifer is under artesian conditions at this site and the static water level of a well in this area is reported to be 250 feet below grade.

WATER AVAILABILITY:

The availability of unappropriated water from an aquifer can be evaluated by considering SDCL 46-6-3.1. This statute requires that an application to appropriate groundwater can not be approved if, according to the best information reasonably available, it is probable that the quantity of water withdrawn annually from a groundwater source will exceed the quantity of average estimated annual recharge.

Recharge to the Minnelusa aquifer is primarily from infiltration of precipitation on the outcrop and stream flow losses. Average annual recharge from 1931-1998 is estimated to be approximately 112,000 acre-feet per year (Carter and others, 2001a).

The Water Rights Program monitors 23 observation wells completed into the Minnelusa aquifer in the Black Hills area. Water Rights Observation Well MD-84A is located approximately two and one half miles northwest of this well. The hydrograph for the well (see figure 1), is fairly typical for the Minnelusa Aquifer. That is, the water levels reach their peak in the early summer each year and gradually decline until spring. The majority of the recharge to the system occurs between March and July.

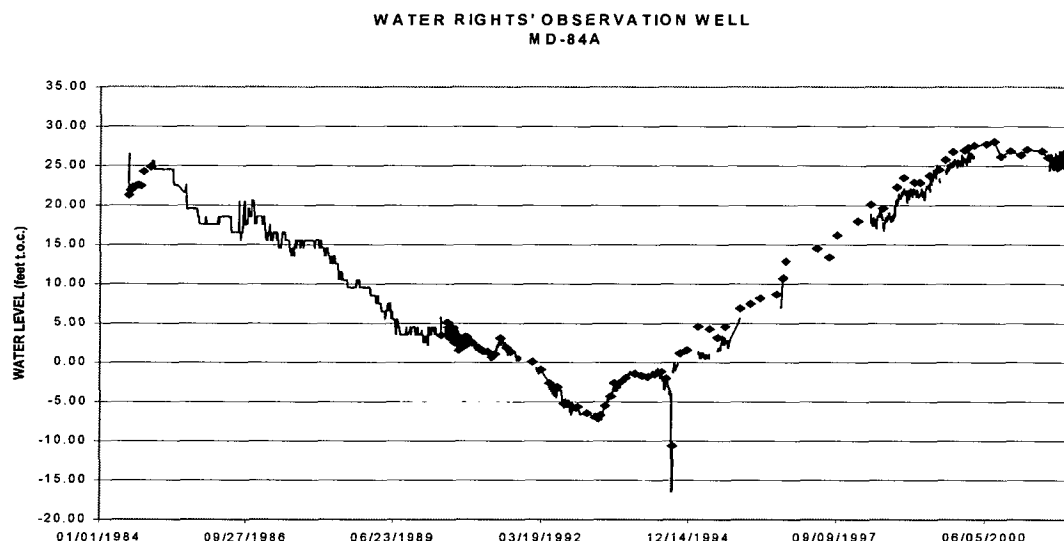


Figure 1. Hydrograph of a Minnelusa aquifer observation well located two and one half miles northwest of the well to be used to supply this permit.

The hydrograph also shows the magnitude of fluctuation in the water levels in the area (>35') with the lowest water level on record occurring in 1993 and the highest occurring in 2000. It is interesting to note on this hydrograph a period in November 1994 when approximately 13' of drawdown was measured on this well while the Minnelusa was essentially "being pumped" during drilling operations for a Madison observation well approximately 20' away.

It is obvious from the hydrographs of Minnelusa observation wells, that withdrawals have not exceeded recharge for the period of record. The observation well data suggests that at the existing level of development, the aquifer is capable of sustaining additional withdrawals.

AFFECTS ON EXISTING RIGHTS:

There are a total of 173 appropriations from the Minnelusa aquifer in South Dakota, including two Future Use Reservations (Water Rights, 2002c). The aquifer is used primarily for domestic, commercial, municipal, suburban housing and irrigation uses. There are 60 permits/rights appropriating water from the Minnelusa aquifer in Meade County (Water Rights, 2002c). In addition to appropriative rights, there are a number of domestic wells completed into the Minnelusa aquifer on file with the Water Rights Program (Water Rights, 2002a). The Future Use Permits (No. 902-1 and 969-1) reserve 1460 acre-feet annually. Water Permits and Rights represent appropriations up to 10,649.7 acre-feet annually for irrigation use and a combined diversion rate of 33.392 cfs for non-irrigation uses. Maximum well withdrawals from the Minnelusa aquifer,

assuming (1) that 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); would be approximately 25,000 acre-feet per year. The actual amount of water used from the aquifer is considerably less than this estimate. Withdrawals from wells (domestic and appropriative) completed into the Minnelusa aquifer were estimated to be 7,268.6 acre-feet annually from 1987-1996 (Carter and others, 2001b).

The maximum potential withdrawal from the Minnelusa aquifer at the current level of appropriation is less than 23% of than average annual recharge estimated for the aquifer. Therefore, based on a simple water budget, it is clear that unappropriated water is available for this appropriation.

There are 16 Water Rights/Permits appropriating groundwater within one mile of this existing well. Nine of these are from the Minnelusa aquifer, five are from the Madison aquifer, and two are from the Minnekahta aquifer. A great deal of discussion centered on a potential hydraulic connection between the Madison and Minnelusa aquifers when the nearby Madison appropriation (1569-1, Stagebarn Sanitary Dist. (formerly known as Indian Hills No. 4)) was approved. The interconnection between the aquifers in this area has not been proven. Nearby observation wells show very distinct potentiometric surfaces between the two aquifers and suggest the units are hydrologically separate. Since the Opeche Shale confines the Minnelusa aquifer, a hydrologic connection between the Minnelusa aquifer and the shallower aquifers is unlikely. Therefore, wells completed in the Minnekahta aquifer will not be affected by this appropriation.

There are nine Water Rights/Permits appropriating water from the Minnelusa aquifer, within one mile of this existing well, they include:

No.	Name	Aquifer	cfs.
1170-1	Niche Homeowners	Minnelusa	0.09
1334-1	Stage Stop Plaza	Minnelusa	0.08
1373-1	Eastridge Acres	Minnelusa	0.09
1533-1	Meade School Dist 46-1	Minnelusa	0.10
1588-2	Wonderland Water Assoc.	Minnelusa	0.24
1659-2	Sheridan Heights Inc	Minnelusa	0.26
1907-2	Our Lady of the Black Hills	Minnelusa	0.10
1497-2	Midland Heights Water	Minnelusa	0.09
1740-1	Clifford Stygles	Minnelusa	0.10

The nearest Minnelusa appropriation to this well is Water Right No. 1334-1, which is located within 500 feet of this well. Well interference is not expected to be a problem due to the fairly low diversion rate (25 gpm) proposed by this application.

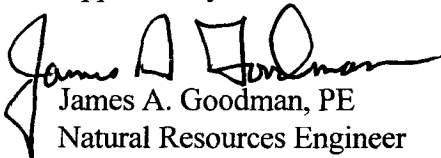
CONCLUSIONS:

1. The Minnelusa Aquifer is a viable aquifer in this area, and water is available for this appropriation.
2. The Minnelusa is under artesian conditions and drawdown due to this diversion can be expected. This drawdown is not expected to adversely affect adequate wells in the area.
3. This application proposes to use water from an existing well. The Well Completion Report submitted with this application indicates the well was constructed in accordance with the SD Well Construction Standards.



Ken Buhler
Natural Resources Engineer

Approved by



James A. Goodman, PE
Natural Resources 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-Division of Geological Survey, Vermillion SD
- Carter, J.M., Redden J.A., 1999a, Altitude of the Top of the Minnelusa Formation in the Black Hills Area, South Dakota, U.S. Geological Survey, Hydrologic Investigations Atlas HA-744-C,
- Carter, J.M., Redden J.A., 1999b, Altitude of the Top of the Madison Limestone in the Black Hills Area, South Dakota, U.S. Geological Survey, Hydrologic Investigations Atlas HA-744-D,
- Carter, J.M., Driscoll, D.G., and Hamade, G.R., 2001a, Estimated Recharge to the Madison and Minnelusa Aquifers in the Black Hills Area, South Dakota and Wyoming, Water Years 1931-98, Water-Resources Investigations Report 00-4278, U.S. Geological Survey, Rapid City, SD

Kyllonen, D.P., K. Peter, 1987, GeoHydrology and Water Quality of the Inyan Kara, Minnelusa, and Madison Aquifers of the Northern Black Hills, South Dakota and Wyoming, and Bear Lodge Mountains, Wyoming, U.S. Geological Survey, Water Resources Investigations Report 86-4158, Rapid City, SD

Rahn, P.H., 1979, Ground Water Resources of Western South Dakota, US Army Corps of Engineers, Draft Report-Final

Strobel, M.L., Galloway, J.M., Hanmade, G.R., and Jarrell, G.J, 2000, Potentiometric Surface of the Minnelusa Aquifer in the Black Hills Area, South Dakota, U.S. Geological Survey, Hydrologic investigations Atlas HA-745-C,

Water Rights Program, 2002a, "Domestic Well Log Files" DENR-Water Rights Program, Joe Foss Building, Pierre, SD

Water Rights Program, 2002b, "Observation Well Files" DENR-Water Rights Program, Joe Foss Building, Pierre, SD

Water Rights Program, 2002c, "Water Permit Files" DENR-Water Rights Program, Joe Foss Building, Pierre, SD



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1768-1, First Western Bank Sturgis**

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. 1768-1, First Western Bank Sturgis, c/o John E. Johnson, PO Box 9, Sturgis SD 57785.

The Chief Engineer is recommending APPROVAL of Application No. 1768-1 because 1) 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 qualification:

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.

See report on application for additional information.

Garland Erbele, Chief Engineer
May 14, 2002



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

May 15, 2002

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

ATTENTION: Legal Public Notice

Enclosed is a Notice of Hearing on Application No. 1768-1 to Appropriate Water to be published twice. Please publish the first notice on May 22, 2002 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 First Western Bank Sturgis, c/o John E. Johnson, PO Box 9, Sturgis SD 57785 (Ph # 347-2562).

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

-----CUT HERE-----

No. 1768-1

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

Date _____

We are in receipt of your letter of May 15, 2002 enclosing Notice of Hearing to Appropriate Water by Application No. 1768-1 which was first published in our issue of _____. **ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.**

Name

Meade Co. Times-Tribune
Newspaper



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

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

May 15, 2002

John E. Johnson
First Western Bank Sturgis
PO Box 9
Sturgis SD 57785

Dear Mr. Johnson:

Water Permit Application No. 1768-1 for commercial 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 # 347-2503). You will need to contact the newspaper and authorize publication of this notice. 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. Upon receiving authorization, 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 also 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.

Instruction to Newspaper - Publish first Notice on May 22, 2002 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 1768-1 to Appropriate Water

Notice is given that First Western Bank Sturgis, c/o John E Johnson, PO Box 9, Sturgis SD 57785 has filed an application for a water permit to appropriate 0.056 cubic feet of water per second (25 gallons per minute) from one well (Minnelusa Formation) 482 feet deep located in the NE ¼ NE ¼ Section 26-T3N-R6E. The water is for commercial use for a bank and family practice medical clinic in Piedmont Valley.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1768-1 because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it 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 June 10, 2002.

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.

Water Rights Program - File Documentation

NAME: First Western Bank Sturgis

ADDRESS: Sturgis SD

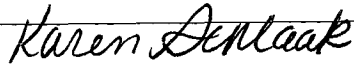
DATE: 6-19-2002 **COUNTY:** MD **TELEPHONE:**

RE: Publication Notice

COMMENTS:

I called Meade County Times Tribune to request the affidavit for this public notice. Theresa with the paper informed me that it was only published the first week, May 22nd.

I told Theresa the notice would need to be republished and we would be sending them the information.



Karen Schlaak
Environmental Scientist



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

June 19, 2002

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

ATTENTION: Legal Public Notice

Enclosed is a Notice of Hearing on Application No. 1768-1 to Appropriate Water to be published on **June 26 and July 3, 2002.**

The applicant must verify to you that the notice is to be published, before you make the first publication. The APPLICANT is First Western Bank Sturgis, c/o John E. Johnson, PO Box 9, Sturgis SD 57785 (Ph # 347-2562).

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 /ics

Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

-----CUT HERE-----

No. 1768-1

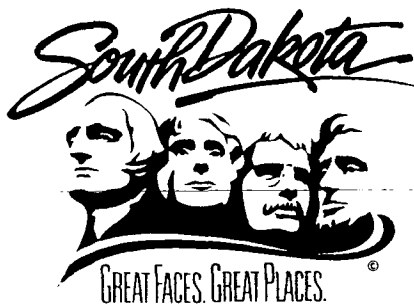
TO: Eric Gronlund
Water Rights Program
Joe Foss Building
Pierre SD 57501-3181

Date _____

We are in receipt of your letter of June 19, 2002 enclosing Notice of Hearing to Appropriate Water by Application No. 1768-1 which was first published in our issue of _____. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

Name

Meade Co. Times-Tribune
Newspaper



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

June 19, 2002

John E. Johnson
First Western Bank Sturgis
PO Box 9
Sturgis SD 57785

Dear Mr. Johnson:

I am writing to advise you that legal notice on Water Permit Application No. 1768-1 was not properly published for two successive weeks. Theresa with the Meade Co. Times Tribune informed us that the notice was printed on May 22nd only. State statute 46-2A-4 requires notice of the application and recommendation be published at least once a week for two successive weeks in one official newspaper in the county where the water will be diverted.

As a result of the error, the notice of application needs to be advertised again to ensure that the water permit is free from legal problems due to incomplete public notice. Enclosed is a copy of the public notice. The paper has been instructed to publish the notice on June 26 and July 3, 2002. Be sure to contact the above newspaper to authorize publication of your Notice of Hearing.

If you have any questions, please contact me.

Sincerely,

Eric Gronlund /KS

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

enclosures

c: Meade Co. Times Tribune

NOTICE OF APPLICATION NO. 1768-1 to Appropriate Water

Notice is given that First Western Bank Sturgis, c/o John E Johnson, PO Box 9, Sturgis SD 57785 has filed an application for a water permit to appropriate 0.056 cubic feet of water per second (25 gallons per minute) from one well (Minnelusa Formation) 482 feet deep located in the NE ¼ NE ¼ Section 26-T3N-R6E. The water is for commercial use for a bank and family practice medical clinic in Piedmont Valley.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1768-1 because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it 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 July 15, 2002.

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.

AFFIDAVIT OF PUBLICATION

STATE OF SOUTH DAKOTA
COUNTY MEADE

Theresa Finn, Being duly sworn, says: That the Meade County Times and Black Hills Press are and, during all times hereinafter mentioned, are legal newspapers as defined in SDDCL 17-2-2, as amended, published in Sturgis, Meade County, South Dakota, by Country Media, Inc.; that affiant is and, during all of said times, was employed as an accounting clerk by the publisher of such newspaper and has personal knowledge of the facts stated in the affidavit; that the notice, order or advertisement, a copy of which is attached, was published in said newspaper for the issues (s) bearing the following dates:

June 26 200 2

July 3 200 2

_____ 200 _____

_____ 200 _____

_____ 200 _____

That the full amount of the fee charged for publishing the same, to-wit, the sum of \$ 36.18, insures solely to the benefit of the publisher of said newspaper; that no agreement or understanding for the division of the fees has been made with any person, and that no part of the fee has been agreed to be paid to any other person.

Theresa Finn

Accounting Clerk

Subscribed and sworn before me this

16 day of July 200 2

Samula Buhler

Notary Public, South Dakota

My commission expires

Feb 8, 2007

Water application

**NOTICE OF APPLICATION
NO. 1768-1 to Appropriate Water**

Notice is given that First Western Bank Sturgis, c/o John E Johnson, PO Box 9, Sturgis SD 57785 has filed an application for a water permit to appropriate 0.056 cubic feet of water per second (25 gallons per minute) from one well (Minnelusa Formation) 482 feet deep located in the NE1/4 NE1/4 Section 26-T3N-R6E. The water is for commercial use for a bank and family practice medical clinic in Piedmont Valley.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1768-1 because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it 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 July 15, 2002.

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. Pimer, Secretary, Department of Environment and Natural Resources.

Publ June 26 and July 3, 2002
Meade County Times-Tribune

RECEIVED

JUL 17 2002

WATER RIGHTS
PROGRAM



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

First Western Bank Sturgis
John E Johnson
PO Box 9
Sturgis SD 57785

Dear Mr. Johnson:

Enclosed is Water Permit No. 1768-1 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

Permit No. 1768-1
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 **First Western Bank** of **PO Box 9, Sturgis, SD. 57785** holder of Permit No. **1768-1**, bearing the priority of **13 March 2002** authorizing the diversion of **0.056** cu. ft. per second of the waters of **the Minnelusa formation** for **commercial** purposes, in **Meade** County.

Inspection contact & relationship **Dennis Thuringer**
to permit holder, if applicable: **605-718-5290**
 Branch Manager

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: **Cimarron Drilling**
- 2) No. of Wells **1**
- 3) Depth(s) **482** feet
- 4) Well log is available **Y**
- 5) Comment: **Pump information supplied by Cimarron Drilling**

Casing:

- 1) Diameter **5** inches
- 2) Length **412** feet
- 3) Type **Plastic**

Screen:

- 1) Type **none**
- 2) Static water level **250** feet

Pump:

- 1) Make **Grundfos**
- 2) Capacity **25** GPM

Motor:

- 1) Horsepower rating **5** hp

B. 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: NE ¼ NE ¼ Sec 26-T3N-R6E, approximately 272 feet west and 32 feet south of the northeast corner of section 26, N 44.19813 Latitude and W -103.35344 Longitude. The works are capable of diverting and conveying to the place of use 0.056 cu. ft. per second of water which is to be used for commercial use.

The license should be issued for 0.056 cfs.

All structures, wells and lands on map Y

Comments or other permit(s) associated with the project: none



Mark Costello
Natural Resources Engineer
DENR, Water Rights Program

Date report completed: 15 October 2007



South Dakota

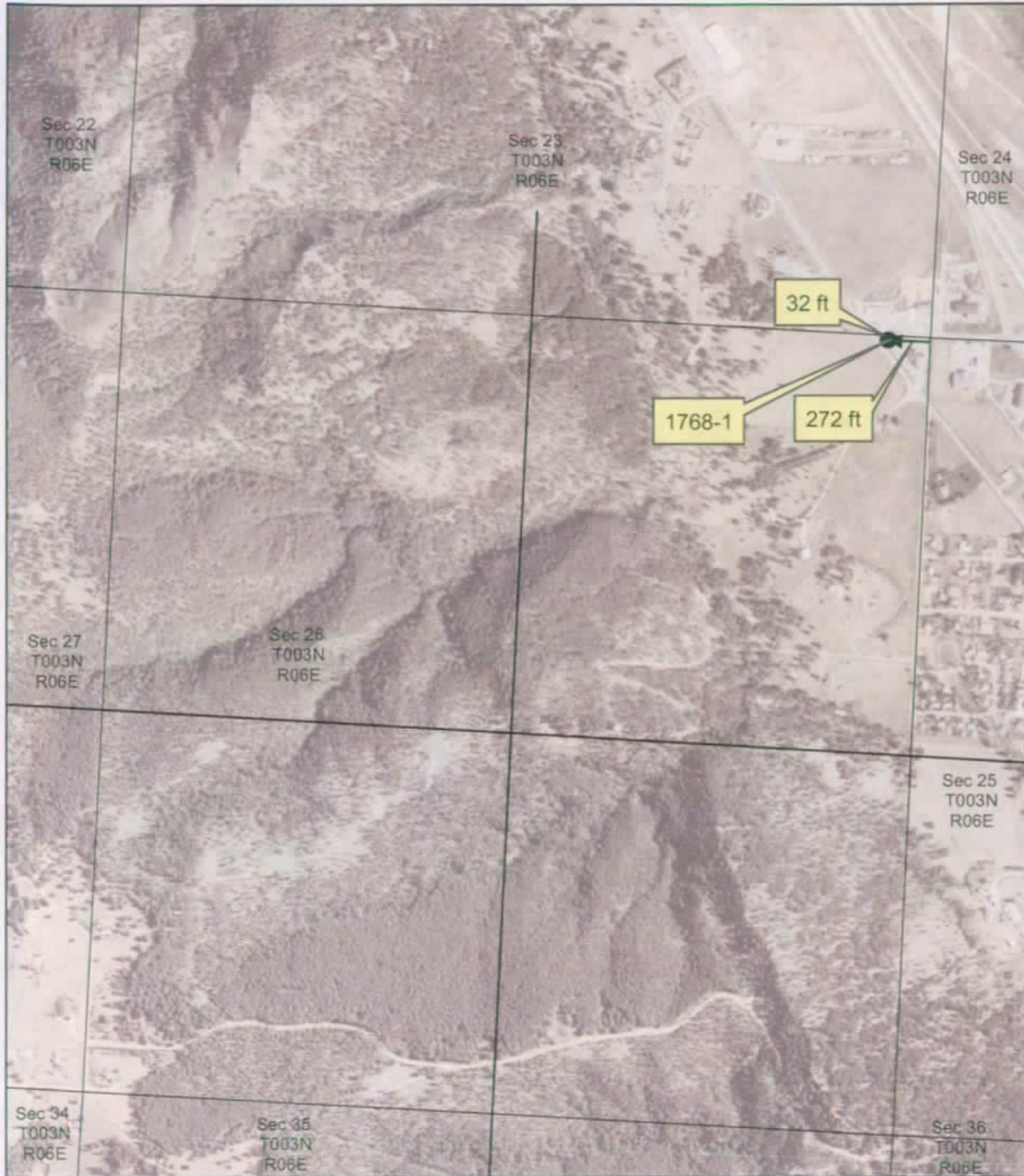
1768-1

First Western Bank
PO Box 9
Sturgis, SD. 57785

South Dakota Department of
Environment and Natural Resources



Protecting South Dakota's Tomorrow ... Today



Mark Costello

Mark Costello
Natural Resources Engineer
SD DENR, Water Rights
15 October 2007

1,000 500 0 1,000 2,000
Feet



STATE OF SOUTH DAKOTA

WATER LICENSE NO. 1768-1

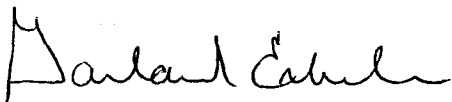
(1) First Western Bank of Sturgis, PO Box 9, Sturgis SD 57785 made Application No. 1768-1, March 13, 2002 for a water permit to divert 0.056 cubic feet of water per second from groundwater (one well), Meade County, South Dakota for commercial use purposes. Permit No. 1768-1, with a priority date of March 13, 2002 was approved July 15, 2002 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before July 15, 2007 and for the application to beneficial use of water on or before July 15, 2011.

(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 holder and/or owner of Water Right No. 1768-1 is issued a license, bearing a priority date of March 13, 2002 to appropriate 0.056 cubic feet of water per second from groundwater (one well) for commercial use purposes.

The diversion point is located: 272 feet west and 32 feet south of the northeast corner of Section 26-T3N-R6E (NE ¼ NE ¼).

(3) This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Permit No. 1768-1 including the following now applicable qualification:

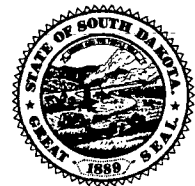
- The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.



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

OCT 19 2007

date





OCT 19 2007

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

1768-1

First Western Bank of Sturgis
Dennis Thuringer, Business Manager
PO Box 9
Sturgis SD 57785

Dear Mr. Thuringer:

Enclosed is Water License No. 1768-1. This is the final water right document completing the process of obtaining a Water Right. Also, included with the 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. 1768-1, 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 Erbele, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures