

WATER PERMIT NO. 1778-1

Name of Applicant: Spring Creek Ranch, LLC

Address: 1130 N Main, Ste 4, Spearfish SD 57783 Phone: 605 642-4540

Amount of Water Claimed: 0.40 cfs Total Acres: NA

Source of Water Supply: groundwater

Water to be used for: suburban housing development County: Lawrence

Type of Waste Disposal System:

Location: 2 miles north of Spearfish

PRIORITY Date Received: 9-20-2002 Application/License Fee: \$300

Corrected Application Received: Period of Annual Use: Jan 1- Dec 31

Remarks:

Diversion Point: NE ¼ NE ¼ Sec 22-T7N-R2E

Land to be Irrigated: NA

Depth of Well: 940 – 1060 feet deep

Well Driller: : Taylor Drilling

Remarks:

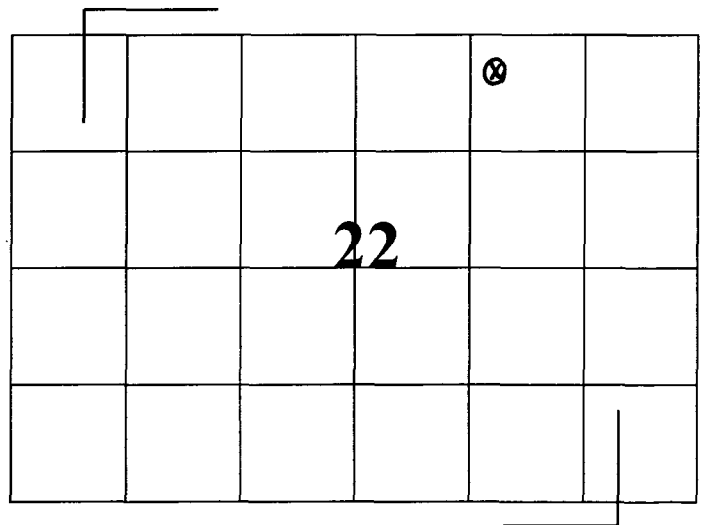
Type of Map: topo

Prepared by: Terry Steen, PE

Reviewed and the Number Assigned on: 9-20-2002

By: **Karen Schlaak**

Notice of Hearing - date to intervene:



SOUTH DAKOTA
WATER PERMIT NO. 1778-1

Date of first receipt of application September 20, 2002.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 1778-1 to Spring Creek Ranch, LLC, 1130 N Main, Ste 4, Spearfish SD 57783 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. 1778-1 appropriates 0.40 cubic feet of water per second from one well (Minnelusa Aquifer) 1300 feet deep located in the NE ¼ NE ¼ Section 22-T7N-R2E.
2. The water appropriated shall be used for the purpose of suburban housing development 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. 1778-1 is December 23, 2002.
5. The date from which applicant may claim right is September 20, 2002.
6. One-fifth of the construction is to be completed on or before June 23, 2005.
7. All construction is to be completed on or before December 23, 2007.
8. Water is to be put to beneficial use on or before December 23, 2011.
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. 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.
2. Spring Creek Ranch shall report to the Chief Engineer annually the amount of water withdrawn from the Minnelusa Aquifer.

WATER MANAGEMENT BOARD

By: Garland Erbele

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

MAR 13 2003

date



Mail to:
Water Rights Program
Joe Foss Building
523 E. Capitol
Pierre, SD 57501-3181
(605) 773-3352

(office use only)
No. 1778-1 Hydrologic Unit 10/20203
Basin Belle Fourche R.
Newspaper Black Hills Pioneer, Spearfish

RECEIVED
SEP 20 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.) _____

1. Name of Applicant Spring Creek Ranch, LLC Phone 605-642-4540
(check one) ☐ Owner ☐ Tenant/lessee
Mailing Address 1130 N. Main Ste. 4 Spearfish State SD 57783
(Street, RR, or Box and City) (Zip Code)
2. Amount of water claimed 0.40 *CFS or 180 **GPM 288 ***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 Well
4. Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)
1 Well in NE1/4NE1/4, Section 22, T7N, R2E, BHM
County Lawrence
5. County or counties where water will be used Lawrence
6. Annual period during which water is to be used year round 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)
This project involves developing a water well source and diverting the produced water to no more than 10 contiguous 40 acre agricultural tracts, which lie within a 400 acre parcel. Water will be supplied to each 40 acre tract to support one (1) residence along with the agricultural needs of the tract. The single well source will have the capacity to supply all tracts within the 400 acre parcel, eliminating the need for multiple well development. This will further aid in maintaining well head and aquifer protection.

STATE OF SOUTH DAKOTA)
County of LAWRENCE 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, Victor R. Utke, 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 Victor R. Utke

Subscribed and sworn to before me this 16th day of September 20 02

Richard V. Funch
Notary Public signature

My Commission expires 8/21/03

(Complete applicable portions only)

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 8 3/4" / 6 1/4" Depth 940' / 1060'
- b) Casing Type Steel Diameter 7" Thickness 0.317"
- c) Screen Type N/A Diameter -- Thickness --
- d) Gravel Pack N/A Length of Gravel Pack N/A
- e) Depth to Top of Water Bearing Material 900'
- f) Depth to Water (ground surface to water level) 0' (anticipate flowing well)
- g) Distance to nearest existing domestic well:
- On applicants property N/A On property owned by others 1400'

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) _____
- b) System Capacity (gallons) _____ Year Constructed _____
- c) Connected to the City of _____ Sanitary System _____

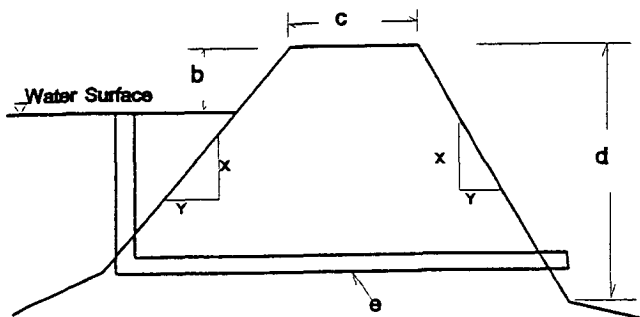
3. Dugout Information

- 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

Date September 20, 2002

RECEIVED OF Spring Creek Ranch LLC, 1130 North Main Suite 4, Spearfish SD 57783

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

Fee for Application for Permit No. <u>1778-1</u> to Appropriate Water, to construct and to put water to beneficial use	250	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>1778-1</u>	50	00
Fee for Filing Transfer Form _____		
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	300.00

No. 000232

By Darlene Erbe
Chief Engineer *gm*

To Belle Fourche

85

3422

S.C.R. WATER WELL
NE 1/4 NE 1/4 SEC. 22, T7N, R2E, B1M

SECTION CORNER

R2E

3384

3344

3302

400 ACRE BOUNDARY

22

3404

23

3367

3367

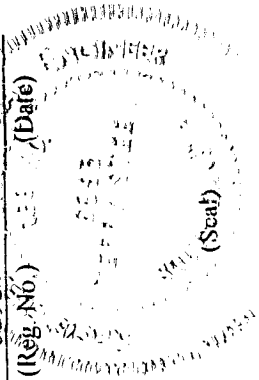
Highway 85

T7N

Spring Creek Sub
(Abandoned)

Victor R. Uttke
(Name)
Spring Creek Ranch, LLC
(Company)
Principal Member
(Title)
9-16-02
(Date)
1130 N. Main, Spearfish, SD 57783
(Address)

Terry Sleen, P.E.
(Name)
2407 N. 3rd
(Address)
Spearfish, SD 57783
(Address)
6393
(Reg. No.)
9-16-02
(Date)



SCALE:
1 INCH = 1000 FEET

To Spearfish

BM

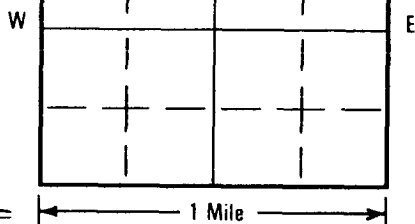
1778-1

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location NW 1/4 NE 1/4 Sec 22 Twp 7N Rg 12ECounty Lawrence North

Please mark well location with an "X"



Well Completion Date

Sept 13, 02

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 600 ft. from Septic (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Mud RotaryCASING DATA: ☒ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
36 LB/FT	9 5/8 IN	+1 FT	125 FT	13 1/2 IN
23 LB/FT	7 IN	+2 FT	1165 FT	8 3/4 IN
15.5 LB/FT	5 1/2 IN	1000 FT	1214 FT	6 1/4 IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
Portland 1-11	100	14 lb./gal	0 ft.	125 ft
Portland 1-11/220				

Describe grouting procedure Pressure Grouted Through Casing - 5 1/2 Pressure grouted with 100SK Portland 1-11SCREEN: ☐ 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: chlorine solution
☐ NO, Why Not? _____

Laboratory sent to for water quality analysis

Mud ContaminantWell Owner: Terry SteenBusiness Name: Spring Creek Ranch, LLCAddress: Northern Hills Plaza, 1130 N.Main, Suite 4Spearfish, SD 57783

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Brown Clay & Gravel	0	25
Sundance	25	340
Spearfish	340	1010
Minnekahta	1010	1050
Opache	1050	1160
Minnekahta	1160	1300

STATIC WATER LEVEL 0 FeetIf flowing: closed in pressure 40 PSIGPM flow 750 through 6" inch pipeControlled by ☒ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? Yes

WELL TEST DATA:

☐ Pumped Describe: Air Developed☐ Bailed _____☒ Other _____

Pumping Level Below Land Surface

400 ft. After 5 Hrs. pumped 1000 GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

RECEIVED

SEP 25 2002

TAYLOR DRILLING CO.

This well was drilled under license # 331

And this report is true and accurate.

Drilling firm Taylor Drilling Co.

Signature of License Representative:

K T J

Signature of Well Owner or Equitable Property Holder:

Date: _____

September 16, 2002

Water Rights Program, DENR
attn: Mr. Ken Buhler
Natural Resources Engineer
Joe Foss Building
523 East Capital
Pierre, SD 57501-3181

RECEIVED
SEP 20 2002
WATER RIGHTS
PROGRAM

Dear Mr. Buhler:

**RE: WATER RIGHTS APPLICATION FOR SPRING CREEK RANCH, LLC.
LAWRENCE COUNTY, SD.**

Enclosed, please find 2 completed Applications For Permit To Appropriate Water Within The State Of South Dakota (Form 2). Also included are 2 copies of the Supplemental Information (Form 2A) detailing the proposed well construction information along with 2 maps showing the project location.

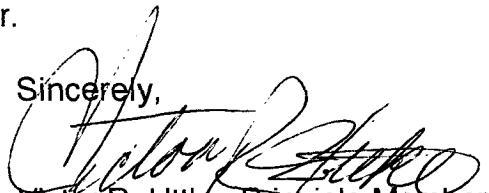
Taylor Drilling Co. of Rapid City, South Dakota has recently completed the drilling of the source well and will mail you a Completion Report under separate cover.

Also included is a check in the amount of \$300.00 to cover the filling fee, licensing and final inspection. We understand that the cost of publication in our local county newspaper is our responsibility.

If you have any questions, please do not hesitate to call. You can ask for myself, Terry Steen or Wayne Klein.

Thank you for your consideration in this matter.

Sincerely,



Victor R. Utke, Principle Member
Spring Creek Ranch, LLC
605-642-4540

Water Rights Program - DENR
Conversation File Documentation

NAME OF PERSON OR FILE: Application No. 1778-1, Spring Creek Ranch

ADDRESS: COUNTY: Lawrence

DATE: September 20, 2002 TELEPHONE: 605 642-4540

RE: Call to Terry Steen

COMMENTS:

I contacted Mr. Steen to inquire about the water use for this application. Under the description of the project it states water is to be used to support one residence along with the agriculture needs of the tract. I asked what the "agriculture needs" might be. Mr. Steen said it could be for livestock watering or possibly some tree farming. He said they are limiting the lawn irrigation to a specific amount of area. I told him I had asked because I wanted to know if there would be a considerable amount of irrigation on the property.

He said they arrived at the 180 gpm by review the state law on domestic use of 18 gpm. The 10 lots times 18 gpm equates to the 180 gpm they are requesting.

NAME: Eric Thompson

WATER PERMIT APPLICATION NO. 1778-1
SPRING CREEK RANCH, LLC
NOVEMBER 15, 2002

Water Permit application No. 1778-1 proposes to appropriate 0.40 cubic feet of water per second (cfs) from an existing well (Minnelusa Formation) 1300 feet deep located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 22, T7N-R2E, Lawrence County. The water will be used in a suburban housing development.

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 and Redden, 1999a; Carter and Redden, 1999b). The Minnelusa Formation outcrops approximately five miles southwest of this site (Strobel and others, 1999) and the top of the formation is reported to be 1160 feet below grade at this well. 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 (Allen and others, 1984). The Minnelusa aquifer underlies approximately 199,680 acres of Lawrence County and contains an estimated 5,591,040 acre-feet of recoverable water in storage in the county (Allen, and others, 1984). Ground water movement in the aquifer is probably toward the north and east (Strobel and others, 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 and Peter, 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 this well reportedly flows 750 gallons per minute (gpm) and has a shut in pressure of 40 pounds per square inch (psi).

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.

A report prepared at the request of the South Dakota Water Resources Commission (predecessor to the Water Management Board) concluded that withdrawal from the Minnelusa aquifer was greater than the recharge to the aquifer, and recommended "approval to drill irrigation wells in this area be held in abeyance until the extent of the overdraft could be determined" (Cox, 1962). Although Cox alluded to poor well construction as one reason some wells were experiencing decreased flow and/or pressure, he did report that "a serious overdraft" [withdrawals exceed recharge] of the Minnelusa aquifer exists in the Spearfish-

Belle Fourche area. Kyllonen and Peter, (1987), also suggested that water levels in wells in the Minnelusa aquifer declined significantly in the vicinity of Spearfish between 1907 and 1956 because of reduced recharge to the Madison and Minnelusa aquifers in the early 20th century. They add that “The system probably has established local equilibrium, as indicated by relatively constant water levels since 1950.”

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, Driscoll, and Hamade, 2001). Well withdrawals from the Minnelusa aquifer from 1987-1996 were estimated to be 8,108 ac-ft/yr (Carter, Driscoll, Hamade, and Jarrell, 2001). Comparison of annual recharge estimates and estimated annual well withdrawals show that well withdrawals from the Minnelusa are only a fraction of estimated average annual recharge

The best information available to evaluate development as it relates to recharge, is historical records and data from observation wells. The difference between withdrawal from an aquifer and recharge is reflected by the water level of the aquifer. If the water level of an aquifer continues to decline, it may suggest that withdrawals exceed recharge. The Water Rights Program monitors 23 observation wells completed into the Minnelusa aquifer in the Black Hills area (Water Rights, 2002c). Water Rights Observation Well LA-62A is located approximately two miles north-northwest of this well. The hydrograph for this well, figure 1 shows a good long term record for the Minnelusa aquifer.

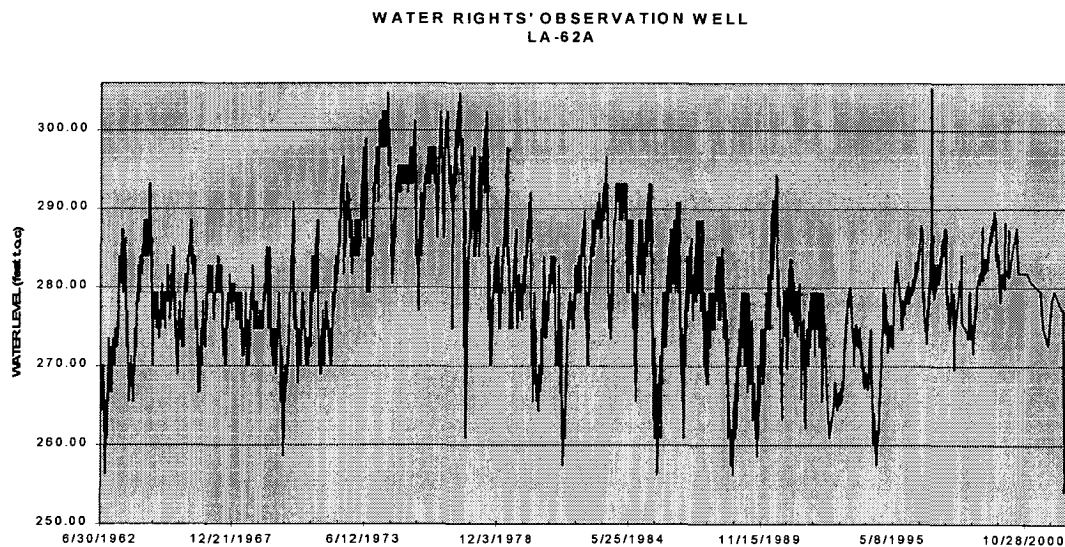


Figure 1. Hydrograph of Water Right's Observation Well LA-62A located approximately two miles north-northwest of the well to be used by 1778-1

Measurements taken from Water Rights' Observation wells suggest the system has established local equilibrium, as indicated by relatively constant water levels since 1963 (Water Rights, 2002c). The response to seasonal and climatic conditions can also be seen by this hydrograph, but more importantly, the 30+ year period of record show that at the existing level of development, natural influences dominate the water level of the aquifer; the effects of pumping as yet are not obvious. Therefore, it is apparent that water is available from the Minnelusa for additional development.

AFFECTS ON EXISTING RIGHTS:

There are 177 Water Rights/Permits that appropriate water from the aquifer in South Dakota. A total of 52 permits/rights appropriate water from the Minnelusa aquifer in Lawrence County (Water Rights, 2002d), where the aquifer is used primarily for suburban housing development, commercial, municipal and irrigation use. In addition, Future Use Permit No. 969-1, Black Hills State University, reserves 96 acre-feet annually. There are a number of domestic wells completed into the Minnelusa aquifer on file with the Water Rights Program (Water Rights, 2002a).

There are 23 irrigation permits/rights from the Minnelusa Aquifer in Lawrence County; most of these are located just north of Spearfish. Table one shows the number of appropriations and the reported pumpage from the Minnelusa aquifer from Lawrence County since 1987 (Water Rights, 2002c).

Year	No. of Permits/rights	Reported Pumpage
1987	18	1825
1988	20	2591.1
1989	20	1850.9
1990	20	2497
1991	21	2076
1992	21	2459.3
1993	22	589.5
1994	23	2018.73
1995	19	578.79
1996	21	1138.46
1996	21	1454
1998	21	1614.28
1999	21	770.60
2000	21	1739.88
2001	23	1278.22

Table 1. Lawrence County Irrigation 1987-2001 (Water Rights, 2002b).

There are 14 Water Rights/ Permits appropriating water from the Minnelusa aquifer within approximately two miles of this well site. Three of these appropriations are within one mile of this well, they include:

NO.	Name	Status	Use	cfs
684-1	Kellem	LC	IRR	1.1
876-2	Johnson	PE	IRR	1.0
1276-1	Delzer	LC	IRR	8.73

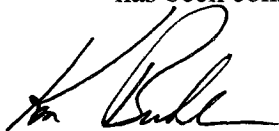
The nearest appropriation, Water Right No. 684-1 Edgar A. & Carole Kellem is approximately 1200 feet northwest of this well. This Water Right was issued during a time (1963) when there was concern over water availability in the Minnelusa aquifer. The Water Right was even qualified with the following language "The well may be from a source having limited supplies, and restrictions as to flow and time of flow by the commission may be necessary to protect prior water rights."

Although the impact of approving this application cannot be quantified precisely, it is still possible to address whether this appropriation can be made without adversely affecting water rights, including domestic wells. Water Management Board rules 74:02:04 and 74:02:05, which were promulgated pursuant to SDCL 46-6-6.1, provide protection to prior appropriators only to the degree necessary to maintain an adequate depth of water in wells that have the ability to produce water independent of artesian pressure. Simply put, the pump placement, or in this case artesian flow, in a prior appropriator's well is not necessarily protected. In fact, in past action, the Water Management Board it has concluded that if increased cost or decreased production is considered an adverse impact, it could be in conflict with SDCL 46-1-4, which requires South Dakota's water resources to be put to beneficial use to the fullest extent of which they are capable.

Although the Minnelusa is under artesian conditions in this area and pumping may cause a decline in the potentiometric surface over a fairly widespread area. Considering the Board's past actions, any well interference this proposed use would have on area water rights/permits and domestic wells is not expected to be significant or adverse. It may be necessary to install or lower pumps in wells during extended periods of drought to maintain water use.

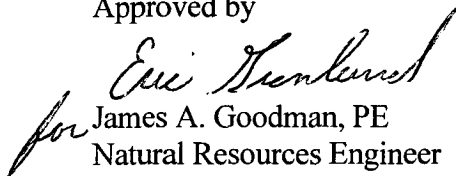
CONCLUSIONS:

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. The Completion Report submitted with this application indicates the existing well has been constructed in compliance with the SD Well Construction Standards.



Ken Buhler
Natural Resources Engineer

Approved by



for James A. Goodman, PE
Natural Resources Engineer

REFERENCES:

Allen, J.C., Iles, D.L., and Petres, A.K., 1984, Analysis of Groundwater and Streamflow Data Western Dakotas Region of South Dakota, Task 3 and 4: Groundwater Resource Inventory: South Dakota Department of Water and Natural Resources,

- 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, 2 sheets, scale 1:100,000
- 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, 2 sheets, scale 1:100,000
- Carter, J.M., Driscoll, D.G., Hamade, G.R., and Jarrell, G.J., 2001, Hydrologic Budgets for the Madison and Minnelusa Aquifers, Black Hills of South Dakota and Wyoming, Water Years 1987-96: U.S. Geological Survey Water-Resources Investigations Report 01-4119, 53 p.
- Carter, J.M., Driscoll, D.G., and Hamade, G.R., 2001, Estimated Recharge to the Madison and Minnelusa Aquifers in the Black Hills Area, South Dakota and Wyoming, Water Years, 1931-98: U.S. Geological Survey Water Resources Investigations Report 00-4278, 66 p.
- Cox, E.J., 1962, Artesian Water, Minnelusa and Pahasapa Formation, Spearfish - Belle Fourche Area: S.D. Geological Survey Special Report 19, 16 p.
- Kyllonen, D.P., and Peter, K.D., 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, 61 p.
- Rahn, P.H., 1979, Ground Water Resources of Western South Dakota, US Army Corps of Engineers, Draft Report-Final
- Strobel, M.L., Jarrell, G.J., Sawyer, J.F., Schleicher, J.R., Fahrenbach, M.D., 1999, Distribution of Hydrogeologic Units in the Black Hills Area, South Dakota: U.S. Geological Survey Hydrologic Investigations Atlas HA-744-C, 3 sheets, scale 1:100,000
- Strobel, M.L., Galloway, J.M., Hamade, G.R., 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, 2 sheets, scale 1:100,000
- Water Rights Program, 2002a, "Domestic Well Log Files" DENR-Water Rights Program,
- Water Rights Program, 2002b, "Irrigation Report by County" DENR-Water Rights Program,
- Water Rights Program, 2002c, "Observation Well Files" DENR-Water Rights Program
- Water Rights Program, 2002d, "Water Permit Files" DENR-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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1778-1, Spring Creek Ranch, LLC**

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. 1778-1, Spring Creek Ranch, LLC, c/o Victor R. Uttke, 1130 N. Main, Suite 4, Spearfish SD 57783.

The Chief Engineer is recommending APPROVAL of Application No. 1778-1 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 qualifications:

1. 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.
2. Spring Creek Ranch shall report to the Chief Engineer annually the amount of water withdrawn from the Minneulusa Aquifer.

See report on application for additional information.

Garland Erbele, Chief Engineer
November 22, 2002



**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.**

November 25, 2002

Spring Creek Ranch LLC
% Victor R Uttke
1130 N Main Ste 4
Spearfish SD 57783

Dear Mr. Uttke:

Water Permit Application No. 1778-1 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 Black Hills Pioneer printed at Spearfish, SD (Ph # 605-642-2761). 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.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

November 25, 2002

Black Hills Pioneer
PO Box 7
Spearfish SD 57783-0007

ATTENTION: Legal Public Notice

Enclosed is a Notice of Hearing on Application No. 1778-1 to Appropriate Water to be published twice. Please publish the first notice on December 4, 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 Spring Creek Ranch, LLC, % Victor R Uttke, 1130 N Main, Ste. 4, Spearfish SD 57783 (Ph # 605-642-4540).

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-----

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

No. 1778-1

Date _____

We are in receipt of your letter of November 25, 2002 enclosing Notice of Hearing to Appropriate Water by Application No. 1778-1 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 December 4, 2002 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 1778-1 to Appropriate Water

Notice is given that Spring Creek Ranch, LLC, c/o Victor R Uttke, 1130 N Main, Ste 4, Spearfish SD 57783 has filed an application for a water permit to appropriate 0.40 cubic feet of water per second from one well (Minnelusa Aquifer) 1300 feet deep located in the NE ¼ NE ¼ Section 22-T7N-R2E. The water is for use in a suburban housing development.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1778-1 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 December 23, 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.

PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
 County of Lawrence) SS

I, Shirley Rehm

certify that the attached printed Notice was taken

from the Black Hill Pioneer

printed and published in Spearfish

County of Lawrence and

state of South Dakota. The notice was published

in the newspaper on the following two dates:

December 4, 2002

December 11, 2002

Cost of Printing \$35.53

Shirley A. Rehm
 (Signature)

Acts Receivable Clerk
 (Title)

12/11/02
 (Date Signed)

NOTICE OF
 APPLICATION
 NO. 1778-1 to
 Appropriate Water

Notice is given that Spring Creek Ranch, LLC, c/o Victor R Utke, 1130 N. Main, Ste 4, Spearfish SD 57783 has filed an application for a water permit to appropriate 0.40 cubic feet of water per second from one well (Minnelusa Aquifer) 1300 feet deep located in the NE1/4 NE1/4 Section 22-T7N-R2E. The water is for use in a suburban housing development.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1778-1 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.

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#735
 Dec. 4, 11

RECEIVED
 DEC 13 2002
 WATER RIGHTS
 PROGRAM



MAR 13 2003

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

Spring Creek Ranch LLC
% Victor R Uttke
1130 N Main Ste 4
Spearfish SD 57783

Dear Mr. Uttke:

Enclosed is Water Permit No. 1778-1 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

March 20, 2003

RECEIVED

MAR 21 2003

WATER RIGHTS
PROGRAM

Detail of Completion:

The water well has been completed and a portion of the planned distribution system installed to service a specific area of the property which is currently being developed. The remaining portion of the distribution system will be constructed at a later date to service the remaining property when development occurs. The target date for completion of the entire water distribution system will be December 23, 2007 with the water being put to beneficial use by December 23, 2011, as specified in Water Permit No. 1778-1.

**NOTICE OF COMPLETION OF WORKS AND
APPLICATION OF WATER TO BENEFICIAL USE**

Date 3/20/2003

TO: Water Rights Program, DENR
523 E. Capitol
Pierre, SD 57501-3181

RECEIVED

MAR 21 2003

**WATER RIGHTS
PROGRAM**

FROM: Spring Creek Ranch, LLC
(name)

1130 N. Main, Ste. 4
(address)

Spearfish, SD 57783
(city, state, zip)

(605) 642-4540
(phone)

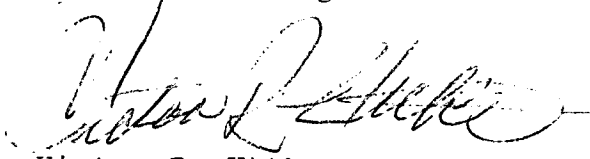
I have completed the construction of the water use system and I have put the water to beneficial use to the maximum extent it is going to be used. Please See Attached

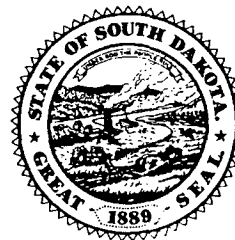
Water Permit No. 1778-1 states that the water use system is to be constructed by December 23, 2007, and water is to be put to beneficial use by December 23, 2011
(date) (date)

The water use system was completed on January 15, 2003
(date)

Applying the water to beneficial use was completed on January 15, 2003
(date)

You may schedule an investigation so that the water license may be issued.


Victor R. Uttke
(signature)



Water Rights Program - DENR

Conversation or File Documentation

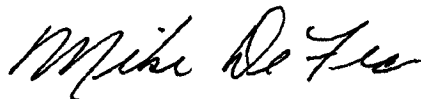
Name of Person: Spring Creek Ranch (Victor Uttke) **File No** 1778-1
Address: 1130 N Main, Ste.4, Spearfish, SD 57783
County: Lawrence
Date: July 21, 2010
Telephone: 642-4540
RE: Permit No. 1778-1

Comments:

On July 1, 2010, I met with Victor Uttke at the site where the housing development was to have been built. At the time of the inspection the well had been constructed for the development; however, only one house approximately 1/2 mile away used the water. Water from the well also was used to keep a fish pond (which was part of the project) full. Mr. Uttke stated the project would have already started except the economy went bad.

The well is located in the NE ¼ NE ¼ Sec. 22-T7N-R2E (N 44.56100, W -103.85337). The well is a flowing well capable of flowing at 1.67 cfs; however, flow is restricted to flow at 0.40 cfs.

Since the housing development has not begun the permit cannot be licensed at this time. The time period to put the water to beneficial use is December 23, 2011.



Mike DeFea
Natural Resources Project Engineer
DENR, Water Rights Program

Permit Nos. 1778-1
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 on this day, March 16, 2016, made a thorough examination of the water use system constructed by Spring Creek Ranch LLC., 1130 N Main St. Suite 4, Spearfish, SD 57783 holder of Permit No. 1778-1 which proposes bearing the priority of September 20, 2002, authorizes the diversion of 0.40 cubic foot of water per second (cfs), of the waters of the Minnelusa Aquifer for suburban housing purposes, in Lawrence County.

I have to report on the condition of the same as follows:

Contact: Terry Steen, Engineer with Landmark Realty

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: Taylor Drilling
- 2) No. of Wells 1
- 3) Depth(s) 1300 feet
- 4) Well log is available Y

Casing:

- 1) Diameter 9⁵/₈, 7, 5¹/₂ inches
- 2) Length 125, 1165, 1114 feet
- 3) Type Steel

Screen:

- 1) Type Open hole
- 2) Static water level Flowing well with 40 psi shut-in pressure, capable of 750 gpm valved down to 180 gpm

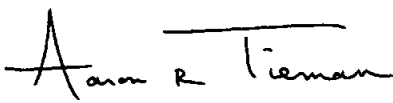
B. Works used to transport/apply water to beneficial use:

Water is supplied to 10 (ten) 40 acre tracts in order to supply one household and the agricultural needs for each tract.

The system is in the following condition good. The point of diversion is located 225 feet S and 1000 feet W from the NE corner of Section 22, T7N-R2E (NE¹/₄NE¹/₄), Lat/Lon N44.560945/W-103.853375. The works are capable of diverting and conveying to the place of use 0.40 cfs which is to be used for suburban housing purposes. Water has been put to beneficial use to the maximum extent and the license should be issued for 0.40 cfs.

All structures, wells and lands on map Y

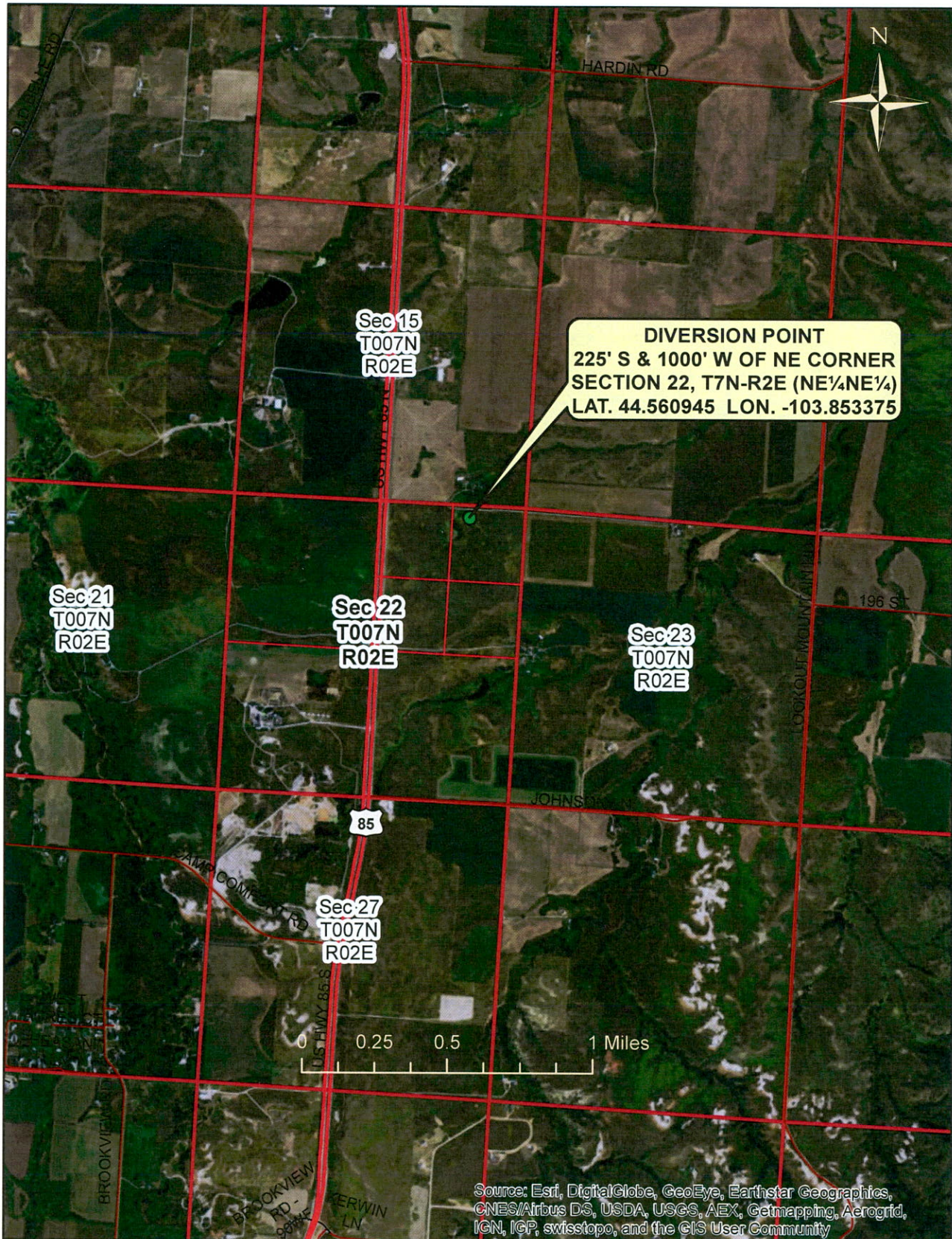
Exceptions to compliance are: none



Aaron Tieman
Natural Resources Engineer II
DENR Water Rights Program

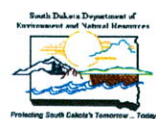
Date Report Completed: June 27, 2016

WATER PERMIT NO. 1778-1
JUNE 27, 2016



Aaron R. Tieman

Aaron Tieman
Natural Resources Engineer II
DENR Water Rights Program





DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3182
<http://denr.sd.gov>

JUL 22 2016

1778-1

Victor Uttke
Spring Creek Ranch LLC
1130 N Main Ste 4
Spearfish SD 57783

Dear Mr. Uttke:

Enclosed is Water License No. 1778-1. This is the final water right document completing your process of obtaining a Water Right. Included with your license is a map prepared by the staff engineer who conducted the field 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. 1778-1, 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,

Jeanne Goodman, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

STATE OF SOUTH DAKOTA

WATER LICENSE NO. 1778-1

(1) Spring Creek Ranch LLC, 1130 N Main St, Ste 4, Spearfish SD 57783 made Application No. 1778-1, September 20, 2002 for a water permit to divert 0.40 cubic feet of water per second from ground water, one well (Minnelusa Aquifer), Lawrence County, South Dakota for suburban housing development purposes. Permit No. 1778-1, with a priority date of September 20, 2002 was approved December 23, 2002 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before December 23, 2007 and for the application to beneficial use of said water on or before December 23, 2011.

(2) It is certified that the permit holder has complied with the provisions of South Dakota State Law relating to completion of the construction of the water supply system and is entitled to divert 0.40 cubic feet of water per second for beneficial use.

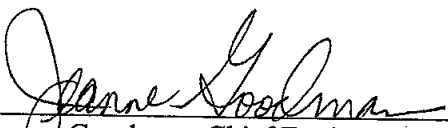
The location of the diversion point is 225 feet S and 1,000 feet W of the NE corner of Section 22, T7N, R2E (NE ¼ NE ¼).

(3) The permit holder has complied with the provisions of South Dakota State Law relating to the application of water to beneficial use.

(4) Pursuant to South Dakota Water Law 46-5-30.1 Spring Creek Ranch LLC, 1130 N Main St, Ste 4, Spearfish SD 57783 the holder and/or owner of Water Right No. 1778-1 is issued a license to appropriate water, the right to use 0.40 cubic feet of water per second from ground water, one well (Minnelusa Aquifer) with a priority date of September 20, 2002 from the location specified in (2) of this license for suburban housing purposes.

This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Right No. 1778-1 and subject to the following qualifications:

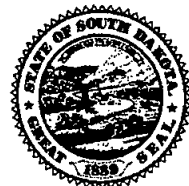
- The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
- Spring Creek Ranch shall report to the Chief Engineer annually the amount of water withdrawn from the Minnelusa Aquifer.



Jeanne Goodman, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

JUL 22 2016

date



NOTICE OF TRANSFER OF OWNERSHIP

For assistance call (605) 773-3352

PAID

JAN 12 2026

Ck# 3733

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

Water Right/Permit No. 1778-1 Rec't#

Date: 1-5-2026 **RECEIVED**

I/We request that Water Right/Permit No. 1778-1 formerly owned by:

JAN 13 2026

Spring Creek Ranch LLC

be transferred to **OFFICE OF WATER**

New Owner Name:

Spring Creek Water System Association

Address:

1130 N Main Ste 7 mobile:

City, State, Zip

Spearsfish SD 57783 email: terryleesteen@gmail.com

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

All facilities and rights as permitted under Permit No 1778-1

☒ I understand that the validity of Water Right/Permit No. 1778-1 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, Terry Steen, Director, the new owner, certify that the above information is true and correct.

[Signature] Director
(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, an inspection is conducted to issue a water right license for the project as developed. A water permit/right may be cancelled for one or more of the following 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

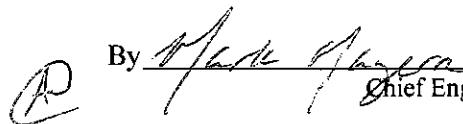
WATER RIGHTS PROGRAM South Dakota Department of Agriculture and Natural Resources

Date January 12, 2026

RECEIVED OF Spring Creek Water System Association 1130 N Main Ste 7 Spearfish SD 57783

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 #1778-1	\$50.00
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
	\$50.00

By  Chief Engineer



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

January 14th, 2025

Spring Creek Water System Association
1130 N Main Ste 7
Spearfish, SD 57783

1778-1

Dear Terry Steen:

The South Dakota Water Rights Program is in receipt of the "Notice of Transfer of Ownership" form and the required fees you submitted for Water Permit No. 1778-1. Enclosed is a receipt of payment for your records.

Water Permit No. 1778-1 previously held by Spring Creek Ranch LLC, is now listed under Spring Creek Water System Association. 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 (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 will be subject to cancellation.

If you have any questions, please contact me.

Sincerely,

Amanda Dewell
Permitting Administrator
Water Rights Program
605 773-3352
Amanda.Dewell@state.sd.us

NOTE: The validity of Water Permit No. 1778-1 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.

enclosure