

WATER PERMIT NO. 1825A-1

Name of Applicant: **Diamond Water Co. LLC**

Address: **1521 Forest Drive, Rapid City SD 57701**

Phone: **605 390-1986**

Amount of Water Claimed: **0.5 cfs**

Total Acres: **NA**

Source of Water Supply: **groundwater (2 wells)**

Water to be used for: **suburban housing development**

County: **Meade**

Type of Waste Disposal System:

Location: **1 miles southeast of Piedmont**

PRIORITY

Date Received: **3-13-09**

Application/License Fee: **\$50**

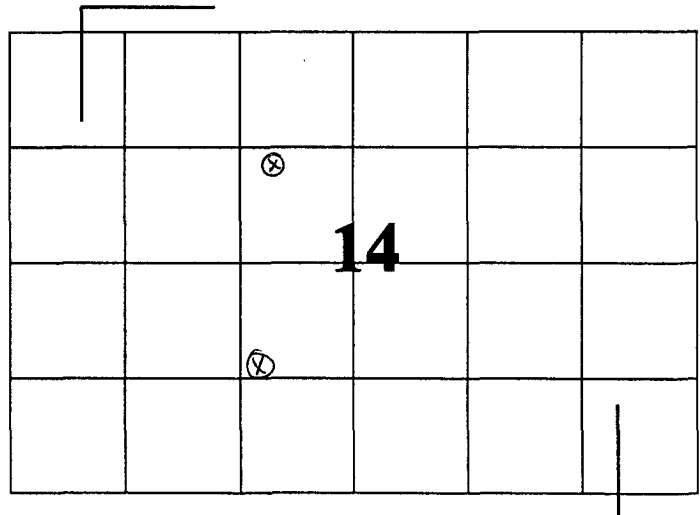
Corrected Application Received: **3-30-09**

Period of Annual Use: **Jan 1 – Dec 31**

Remarks: **Extension of time request for 2 years**

Diversion Point: **SW ¼ NW ¼ NE ¼ SW ¼ Section
14-T3N-R6E**

Land to be Irrigated: **NA**



Depth of Well: **1200-1400 feet deep**

Well Driller:

Remarks:

Type of Map:

Prepared by:

Reviewed and the Number Assigned on: **3-30-09**

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____

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

Mail to: Water Rights Program Joe Foss Building 523 E. Capitol Pierre, SD 57501-3181 (605) 773-3352	(office use only)	
	No. 1825A-1	Hydrologic Unit 10120111
	Basin Upper Cheyenne	
	Newspaper <u>Meade Co. Times</u> <u>Sturgis</u> <u>605-347-2513</u> <u>1022 Main St 57785</u>	

RECEIVED
MAR 13 2009
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.) _____

Extension of time request for Water Permit No. 1825-1

- Name of Applicant Diamond Water Co. LLC c/o R Gordon Bryan Phone 605 390-1986
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address 1521 Forest Drive, Rapid City SD 57701-4448 State _____
(Street, RR, or Box and City) (Zip Code)
- Amount of water claimed 0.5 *CFS or _____ **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 2 wells
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)
SW 1/4 NW 1/4 and NE 1/4 SW 1/4 Sec 14-T3N-R6E
County Meade
- County or counties where water will be used Meade
- Annual period during which water is to be used January 1 - December 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)

We are requesting a 2 year extension to be granted on construction for this water permit. We have one well constructed and in use. At this time, this well is large enough to serve the occupied homes in Sun Valley Estates. Construction and home sales in Sun Valley Estates has been slower than we anticipated. Add to this the downfall in the economy and we see a need to delay the construction on the second well.

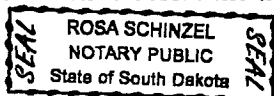
STATE OF SOUTH DAKOTA) SS
County of MEADE.

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, R. Gordon Bryan, 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.

My Commission Expires
October 28, 2009

Applicant's signature R. Gordon Bryan
Subscribed and sworn to before me this 10 day of March 2009



Rosa Schinzel

Notary Public signature

SOUTH DAKOTA
WATER PERMIT NO. 1825A-1

Date of first receipt of application March 13, 2009.

Date of return to applicant for corrections, amendments or changes March 13, 2009.

Date of receipt of corrected application March 30, 2009.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 1825A-1 to Diamond D Water Co LLC, c/o R Gordon Bryan, 1521 Forest Drive, Rapid City SD 57701 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. 1825A-1 amends Water Permit 1825-1 to extend the length of time allowed to put water to beneficial use. Water Permit No. 1825-1 appropriates 0.5 cubic feet of water per second from two wells to be completed into the Madison Aquifer (approximately 1200-1400 feet deep) located in SW 1/4 NW 1/4 and the NE 1/4 SW 1/4 Section 14-T3N-R6E.
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. 1825A-1 is July 20, 2009.
5. The date from which applicant may claim right is July 15, 2004 (established by Permit No. 1825-1).
6. All construction is to be completed and water is to be put to beneficial use on or before November 15, 2011.
7. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 1825-1 and 1825A-1 is issued for a 20-year term. Pursuant to SDCL 46-2A-21, the 20-year term may be deleted at any time during the 20-year period or following its expiration. If the 20-year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1825A-1 may also be cancelled for nonconstruction, forfeiture, abandonment, or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1 and ARSD 74:02:01:37.
2. The wells approved under Permit Nos. 1825-1 and 1825A-1 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.

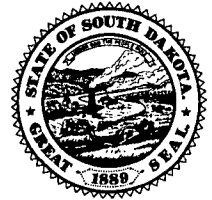
(continued)

3. The wells authorized by Permit Nos. 1825-1 and 1825A-1 shall be constructed by a licensed well driller and construction of the well and installation of the pump shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.
4. Diamond D Water Company shall report to the Chief Engineer annually the amount of water withdrawn each year from the Madison Formation for suburban housing development.

WATER MANAGEMENT BOARD

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

AUG 10 2009
date



RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 3/30, 20 09

RECEIVED OF Diamond D Water Company LLC 1521 Forest Dr Rapid City SD 57701

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

Fee for Application for Permit No. <u>1825A-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. _____		
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	50 00

No.

04007

By



Ernie J.
Chief Engineer

DIAMOND WATER CO LLC
1521 Forest Drive
Rapid City, SD 57701-4448

RECEIVED

FEB 25 2009

WATER RIGHTS
PROGRAM

February 17, 2009

SD DENR
Joe Foss Building
523 East Capitol
Pierre, SD 57501-3182

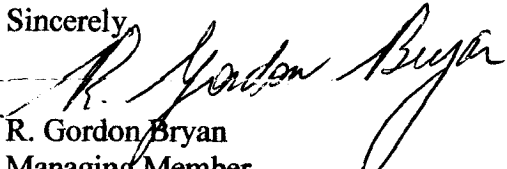
Re: Water permit No. 1825-1

Dear SD DENR,

Our current water permit states that all construction is to be completed on or before November 15, 2009. We are asking for a two year extension to be granted on construction for this water permit. We have one well constructed and in use. At this time, this well is large enough to serve the occupied homes in Sun Valley Estates. Construction and home sales in Sun Valley Estates has been slower than we anticipated. Add to this the downfall in the economy and we see a need to delay the construction on the second well.

Thank you for your consideration in extending the construction deadline on our water permit. If you need any further information, or have any questions, do not hesitate to contact us.

Sincerely,


R. Gordon Bryan
Managing Member
Diamond Water Company LLC
605/390-1986



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

February 27, 2009

Diamond Water Company LLC
R. Gordon Bryan, Managing Member
1521 Forest Drive
Rapid City SD 57701-4448

Dear Mr. Bryan:

We have received your letter requesting a two year extension of time for Water Permit No. 1825-1.

SDCL 46-5-26 states: A permit may be amended by extending the time for the completion of construction, or for application to beneficial use, for a reasonable time, but only on account of delays due to physical or engineering difficulties which could not have been reasonably anticipated, due to operation of law beyond the power of the applicant to avoid, or due to other exigent circumstances identified by the water management board.

The request to extend the time to complete construction requires filing an application which also includes public notice. The Water Management Board then ultimately decides whether to grant the extension of time. Your request indicates the primary reason for an extension is that the economy has affected construction and homes sales in the development. Generally, the Board has not considered financial considerations as an exigent circumstance for granting approval to extend the time of construction.

Enclosed is a partially completed *Application for a Permit to Appropriate Water* form for filing an extension of time. Please review the application form, make any necessary changes, sign, notarize and return prior to November 15, 2009. The application filing fee will be the \$50.00.

If you have any questions, please contact Eric Gronlund or me.

Sincerely,

Karen Schlaak
Water Rights Program
605 773-3352
karen.schlaak@state.sd.us

enclosure



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

March 13, 2009

Diamond Water Company LLC
R. Gordon Bryan, Managing Member
1521 Forest Drive
Rapid City SD 57701-4448

Dear Mr. Bryan:

Thank you for submitting the *Application for a Permit to Appropriate Water* for an extension of time request for Water Permit No. 1825-1.

As stated in my letter dated February 27, 2009, the application filing fee will be \$50.00. You should be aware that you will also be responsible for payment of the public notice (which we will prepare) in a local newspaper.

If you have any questions, please contact me.

Sincerely,

Karen Schlaak

Karen Schlaak
Water Rights Program
605 773-3352
karen.schlaak@state.sd.us



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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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. 1825A-1, Diamond D Water Co.**

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. 1825A-1, Diamond D Water Co., c/o R Gordon Bryan, 1521 Forest Drive, Rapid City SD 57701.

The Chief Engineer is recommending APPROVAL of Application No. 1825A-1 for an extension of time to complete construction of works until November 15, 2011 because 1) the proposed project as amended can be developed without unlawful impairment of existing rights, 2) the proposed use is a beneficial use and 3) it is in the public interest with the same qualifications as placed on Water Permit No. 1825-1 as follows:

1. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 1825-1 and 1825A-1 is issued for a 20-year term. Pursuant to SDCL 46-2A-21, the 20-year term may be deleted at any time during the 20-year period or following its expiration. If the 20-year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1825A-1 may also be cancelled for nonconstruction, forfeiture, abandonment, or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1 and ARSD 74:02:01:37.
2. The wells approved under Permit Nos. 1825-1 and 1825A-1 will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
3. The wells authorized by Permit Nos. 1825-1 and 1825A-1 shall be constructed by a licensed well driller and construction of the well and installation of the pump shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.
4. Diamond D Water Company shall report to the Chief Engineer annually the amount of water withdrawn each year from the Madison Formation for suburban housing development.

See report on application for additional information.

Garland Erbele, Chief Engineer
May 21, 2009

WATER PERMIT APPLICATION NO. 1825A-1
DIAMOND D WATER CO.
APRIL 28, 2009

Water Permit Application No. 1825A-1 proposes to extend the length of time allowed for construction of the project authorized by Water Permit No. 1825-1. Water Permit No. 1825-1 appropriates the diversion of 0.5 cubic feet of water per second from two wells to be completed into the Madison aquifer (approximately 1200-1400 feet deep) located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14, T3N-R6E for suburban housing development uses. Water Permit No. 1825-1 was approved November 15, 2004 and the project was to be completed by November 15, 2009, with water being put to beneficial use by November 15, 2013. Application No. 1825A-1 proposes to extend the length of time allowed for construction from November 15, 2009, to November 15, 2011. If approved, Application No. 1825A-1 will retain the July 15, 2004 priority date assigned to Permit No. 1825-1.

Discussion:

Pursuant to SDCL 46-5-26 a permit may be amended by extending the time for the completion of construction, "but only on account of delays due to physical or engineering difficulties which could not have been reasonably anticipated, due to operation of law beyond the power of the applicant to avoid, or by other exigent circumstances identified by the water management board."

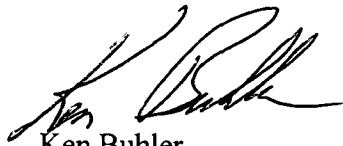
In the applicant's request for an extension of time to construct the works he indicates that:

"We have one well constructed and in use. At this time, this well is large enough to serve the occupied homes in Sun Valley Estates. Construction and home sales in Sun Valley Estates has been slower than we anticipated. Add to this the downfall in the economy and we see a need to delay the construction on the second well."

There may be a question of whether the request for an extension of time meets the requirements of exigent circumstances under SDCL 46-5-26.

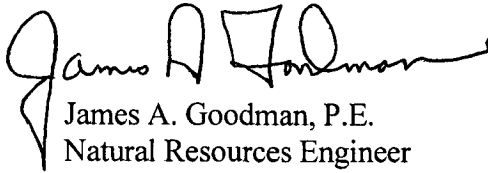
Conclusions:

1. This request for an extension of time is based on the applicant's failure to complete a second well within the construction period provided in Water Permit No. 1825-1.
2. The justification for an extension of time may not meet the requirements of SDCL 46-5-26.
3. The Water Management Board may determine that an exigent circumstance exists that justifies approving an extension of time for the construction of works for Water Permit No. 1825-1.
4. An extension of time for construction of works for Water Permit No. 1825-1 (if approved by the Board), is not expected to adversely affect existing water rights.



Ken Buhler
Natural Resources Engineer

approved by



James A. Goodman, P.E.
Natural Resources Engineer

References:

Water Rights Program, 2004, "Water Permit No. 1825-1 File", DENR-Water Rights
Program, Joe Foss Building, Pierre, SD 57501



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

May 22, 2009

Meade County Times & Tribune
1022 Main St
Sturgis SD 57785

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 1825A-1 to Appropriate Water to be published twice. Please publish the first notice on June 3, 2009 with the second publication 7 days later. The text of the notice can be e-mailed to your paper by contacting Karen Schlaak at (605) 773-3352.

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 Diamond D Water Co. LLC, c/o Gordon Bryan, 1521 Forest Dr., Rapid City SD 57701 (Ph # 605-390-1986).

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. 1825A-1

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

Date _____

We are in receipt of your letter of May 22, 2009 enclosing Notice to Appropriate Water by Application No. 1825A-1 which was first published in our issue of _____. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

Name

Newspaper



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
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 22, 2009

Diamond D Water Co LLC
c/o Gordon Bryan
1521 Forest Dr
Rapid City SD 57701

Dear Mr. Bryan:

Water Permit Application No. 1825A-1 for extension of time has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Publisher of the Meade County Times & Tribune printed at Sturgis SD (Ph # 605-347-2503). You will need to contact the newspaper and authorize publication of this notice. For your information, a copy of the notice, the recommendations of the Chief Engineer and reports on the applications are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions. The application was filed in the name Diamond Water Co. However, the existing permit is in the name Diamond D Water Co., therefore, the notice is in the name Diamond D Water Co.

Be sure to contact the above newspaper to authorize publication of your Notices 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. 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 applications.

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.

JUN 11 2009

WATER RIGHTS
PROGRAM

PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)

County of Meade) SSI, Pam Behlercertify that the attached printed Notice was
takenfrom the Meade County
Times Tribuneprinted and published in SturgisCounty of Meade andstate of South Dakota. The notice was
published

in the newspaper on the following two dates:

June 3, 2009June 10, 2009Cost of Printing \$56.34Pamela Behler

(Signature)

Office Manager / Notary

(Title)

June 10, 2009

(Date Signed)

NOTICE OF APPLICATION

NO. 1825A-1 to Amend
Water Permit No. 1825-1

Notice is given that Diamond D Water Co. LLC, c/o R Gordon Bryan, 1521 Forest Drive, Rapid City SD 57701 has filed an application for a water permit to amend Water Permit 1825-1 to extend the length of time allowed to complete construction of works. Water Permit No. 1825-1 appropriates 0.5 cubic feet of water per second from two wells to be completed into the Madison Aquifer (approximately 1200- 1400 feet deep) located in SW 1/4 NW 1/4 and the NE 1/4 SW 1/4 Section 14-T3N-R6E for suburban housing development uses.

Water Permit No. 1825-1 was approved November 15, 2004 and the proposed project was to be completed by November 15, 2009, with water being put to beneficial use by November 15, 2013. Application No. 1825A-1 requests to extend the length of time allowed to put water to beneficial use from November 15, 2009, to November 15, 2011. Application No. 1825A-1, if approved, will retain the July 15, 2004 priority date assigned to Permit No. 1825-1.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for a completion of construction due to delays caused by engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. This application is requesting an extension of time because the economy has caused home sales to be slower than anticipated.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1825A-1 because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. In accordance with SDCL 46-2A-23, the Chief Engineer will act on this 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 this 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 22, 2009.

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.

/s/ Steven M. Pirner, Secretary, Department of Environment and Natural Resources.

**Published Wed., June 3
and Wed., June 10, 2009
Meade County Times Tribune**



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

June 24, 2009

Diamond D Water Co LLC
c/o Gordon Bryan
1521 Forest Dr
Rapid City SD 57701

Dear Mr. Bryan:

The Notice of Application No. 1825A-1 to Amend Water Permit No. 1825-1 was published with an error. In the second paragraph of the notice, the second sentence states "Application No. 1825-1 requests to extend the length of time allowed to put water to beneficial use from November 15, 2009, to November 15, 2011." Your application was requesting an extension of the construction period, not the period to put water to beneficial use. Therefore, the notice of hearing needs to be readvertised to correct the error and the sentence will read as follows: "Application No. 1825A-1 requests to extend the length of time allowed to complete construction of the project from November 15, 2009, to November 15, 2011."

The Notice has been sent to the Meade County Times Tribune printed at Sturgis SD to be published July 1 and 8, 2009. The cost of publication of this notice will be paid by the Water Rights Program.

Please contact us if you have any questions.

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

enclosures



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

July 24, 2009

Meade County Times & Tribune
1022 Main St
Sturgis SD 57785

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 1825A-1 to Appropriate Water to be published twice. Please publish the first notice on July 1, 2009 with the second publication 7 days later. The text of the notice has been e-mailed to your paper.

This notice was previously published in the Tribune but there was an error that needs to be corrected. The newspaper was not responsible for the error.

Please BILL the Water Rights Program, 523 E Capitol, Pierre SD for the cost of publication.

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 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. 1825A-1

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

Date _____

We are in receipt of your letter of June 24, 2009 enclosing Notice to Appropriate Water by Application No. 1825A-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 July 1, 2009 with the second publication 7 days later. The Water Right Program is responsible for payment.

NOTICE OF APPLICATION NO. 1825A-1 to Amend Water Permit No. 1825-1

Notice is given that Diamond D Water Co. LLC, c/o R Gordon Bryan, 1521 Forest Drive, Rapid City SD 57701 has filed an application for a water permit to amend Water Permit 1825-1 to extend the length of time allowed to complete construction of works. Water Permit No. 1825-1 appropriates 0.5 cubic feet of water per second from two wells to be completed into the Madison Aquifer (approximately 1200-1400 feet deep) located in SW 1/4 NW 1/4 and the NE 1/4 SW 1/4 Section 14-T3N-R6E for suburban housing development uses.

Water Permit No. 1825-1 was approved November 15, 2004 and the proposed project was to be completed by November 15, 2009, with water being put to beneficial use by November 15, 2013. Application No. 1825A-1 requests to extend the length of time allowed to complete construction of the project from November 15, 2009, to November 15, 2011. Application No. 1825A-1, if approved, will retain the July 15, 2004 priority date assigned to Permit No. 1825-1.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for a completion of construction due to delays caused by engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. This application is requesting an extension of time because the economy has caused home sales to be slower than anticipated.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1825A-1 because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. In accordance with SDCL 46-2A-23, the Chief Engineer will act on this 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 this 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 20, 2009.

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.

Published twice at the total approximate cost of _____.

RECEIVED

JUL 13 2009

WATER RIGHTS
PROGRAM

AFFIDAVIT OF PUBLICATION

STATE OF SOUTH DAKOTA
COUNTY OF MEADE

Pam Buhler, being duly sworn, says: That the Meade County Times Tribune is, and during all times hereinafter mentioned, is a legal newspaper as defined in SDCL 17-2-2, as amended, published in Sturgis, Meade County, South Dakota, by Lee Enterprises; that affidavit is and during all of said times, is employed as an Office Manager by the publisher of such newspaper and has personal knowledge of the facts stated in the affidavit, that the notice, order or advertisement, a printed copy which is attached, was published in said newspaper for successive issues, bearing the following dates:

July 1,	200	9	_____	200	_____
July 8,	200	9	_____	200	_____
	200		_____	200	_____
	200		_____	200	_____
	200		_____	200	_____

that the full amount of the fee charged for publishing the same, to-wit, the sum of \$ 57.36, insures solely to the benefit of the publisher of said newspaper: that no agreement or understanding for the division of the fee has been made with any person, and that no part of the fee has been agreed to be paid to any other person.

[Signature] Publisher

Subscribed and sworn to before me this

6 day of July, 2009
Pamela Buhler

Notary Public, South Dakota

My Comm. Expires: Feb 8/2013

20364672

20364676

Account No.

60045495

Total Amount

\$ 57.36

Public No

NOTICE OF APPLICATION NO. 1825A-1 to Amend Water Permit No. 1825-1

Notice is given that Diamond D Water Co. LLC, c/o R Gordon Bryan, 1521 Forest Drive, Rapid City SD 57701 has filed an application for a water permit to amend Water Permit 1825-1 to extend the length of time allowed to complete construction of works. Water Permit No. 1825-1 appropriates 0.5 cubic feet of water per second from two wells to be completed into the Madison Aquifer (approximately 1200-1400 feet deep) located in SW 1/4 NW 1/4 and the NE 1/4 SW 1/4 Section 14-T3N-R6E for suburban housing development uses.

Water Permit No. 1825-1 was approved November 15, 2004 and the proposed project was to be completed by November 15, 2009, with water being put to beneficial use by November 15, 2013. Application No. 1825A-1 requests to extend the length of time allowed to complete construction of the project from November 15, 2009, to November 15, 2011. Application No. 1825A-1, if approved, will retain the July 15, 2004 priority date assigned to Permit No. 1825-1.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for a completion of construction due to delays caused by engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. This application is requesting an extension of time because the economy has caused home sales to be slower than anticipated.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1825A-1 because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. In accordance with SDCL 46-2A-23, the Chief Engineer will act on this 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 this 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 20, 2009.

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. /s/ Steven M. Pirner, Secretary, Department of Environment and Natural Resources.

Published twice at the total approximate cost of \$57.36.

Published Wed., July 1
and Wed., July 8, 2009

Meade County Times Tribune

07/13/2009

PAYMENT REQUEST FORM

PAYEE: BHWG Meade Co. Times
1022 Main St
Sturgis SD 57785

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

DESCRIPTION OF SERVICE, PRODUCE OR TRANSFER

Publication notice for 1825-1 (Diamond D Water Co)

AMOUNT: \$57.36

FUNDING SOURCE:

GENERAL: X

FEDERAL:

COMMENTS:

AUTHORIZATION:

Barbara E. Eide 7/13/09

I declare and affirm under the penalties of perjury that this claim is in all things, true and correct. I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulations issued thereunder relating to nondiscrimination in federal assisted programs.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

AUG 10 2003

Diamond D Water Co. LLC
c/o R Gordon Bryan
1521 Forest Drive
Rapid City SD 57701

Dear Mr. Bryan:

Enclosed is Water Permit No. 1825A-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

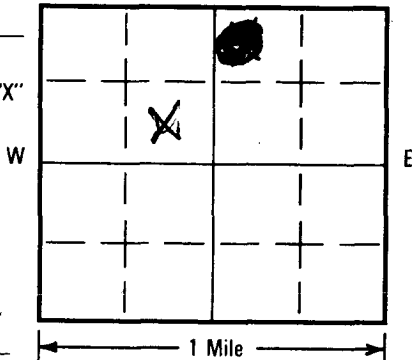
enclosures

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location ~~SE~~ ^{NE} 1/4 Sec 14 Twp 3-N Rg 6-E
County Meade

Please mark well location with an "X"



Well Completion Date

4-20-05

LOCATION:

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

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary Air-Water

CASING DATA:

☐ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>23</u> LB/FT	<u>7</u> IN	<u>0</u> FT	<u>955</u> FT	<u>8 3/4</u> IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type Portland No. of Sacks 120 Grout Weight 94 1/2 lb./gal From 0 ft To 955 ft
Type III _____ lb./gal _____ ft _____ ft

Describe grouting procedure Pressure Grout Then

Casing displaced with water by 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: Chlorine

☐ NO, Why Not? Pellets

Laboratory sent to for water quality analysis

owner to Complete

Well Owner: Gordon Bryan
Business Name: Sun Valley Estates
Address: 1521 Forestry Drive
Rapid City S.D. 57701

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
<u>Gravel</u>	<u>0'</u>	<u>20'</u>
<u>Spear Fish</u>	<u>20'</u>	<u>275'</u>
<u>Minnekahta Limestone</u>	<u>275'</u>	<u>330'</u>
<u>Opeche Shale</u>	<u>330'</u>	<u>520'</u>
<u>Minnehaha</u>	<u>520'</u>	<u>890'</u>
<u>Madison Limestone</u>	<u>890'</u>	<u>1020'</u>

STATIC WATER LEVEL 10 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

700 ft. After _____ Hrs. blew 150 GPM

1000 ft. After _____ Hrs. blew 200 GPM

If pump installed, pump rate _____ GPM

REMARKS

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. Ruel

Signature of Well Owner or Equitable Property Holder _____

RECEIVED

Signature of Well Owner or Equitable Property Holder _____

JAN 17 2006

WATER RIGHTS PROGRAM

Date: _____

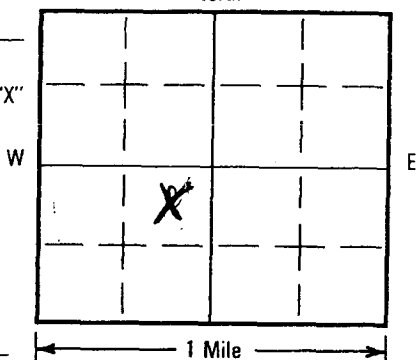
SOUTH DAKOTA WATER WELL COMPLETION REPORT

1825A-1

07-92

Location E 1/4 SW 1/4 Sec 14 Twp 3-N Rg 6-E
County Meade North

Please mark well location with an "X"



Well-Completion Date

Sept 01-10

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 2000 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>23</u> LB/FT	<u>7</u> IN	<u>0</u> FT	<u>1080</u> FT	<u>8 3/4</u> IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type Large Cavity @ 65'-110'
Portland No. of Sacks 300 Grout Weight 94 lb/gal From 0 ft. To 1080 ft.
Type I-II lb./gal _____ ft. _____ ft.

Describe grouting procedure Press Grout thru casing
displace water by 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: chlorine☐ NO, Why Not? Relief

Laboratory sent to for water quality analysis

OWNER TO Complete

Well Owner: Diamond Water Co.
 Business Name: Sun Valley Estate #2
 Address: 1521 Forest Drive
Rapid City, S.D. 57701

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Gravel & Cobbles	0'	65'
Red shale & Gyp (caverns)	65'	110'
Spearfish shale	110'	455'
Minnekahta Limestone	455'	495'
Opeche shale	495'	580'
Minnehaha	580'	1060'
Madison Limestone	1060'	1308'

STATIC WATER LEVEL 4' Above grade FeetIf flowing: closed in pressure 2 PSIGPM flow 10 through 2 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

500 ft. After 2 Hrs. Blew 100 GPM600 ft. After 2 Hrs. Blew 150 GPM

If pump installed, pump rate _____ GPM

REMARKS

6' 1/8" open Hole
1080' to 1308'

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. Deutrich

Signature of Well Owner or Equitable Property Holder: _____

Date: _____

Water Rights Program - File Documentation

NAME: Bob Powles

ADDRESS:

DATE: 4-17-12 **COUNTY:** PE **TELEPHONE:**

RE: Water Use for 2011

COMMENTS:

Bob Powles called regarding my letters requesting water use by Diamond D Water Co. LLC. Mr. Powles stated that R Gordon Bryan recently died, so the permit should have his name deleted and changed to Elizabeth Bryan, his wife.

Mr. Powles stated he will be the operator for this system in the future and he is working on getting the water use for last year. Mr. Powles further stated that the second well on this permit has just been brought on line, but was not used this past year.

He stated that the request for water use should continue to be sent to the PO Box 9651, Rapid City address.



Karen Schlaak
Environmental Scientist

Permit No. 1825-1 & 1825A-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, **August 11, 2012**, made a thorough examination of the water use system constructed by **Diamond D Water Co. LLC** of **1521 Forest Dr., Rapid City, SD 57701** holder of Permit No(s) **1825-1 & 1825A-1**, bearing the priority of **July 15, 2004** authorizing the diversion of **0.5** cu. ft. per second of the waters of the **Madison Aquifer** for **Suburban Housing Development use** purposes, in **Meade** County.

Inspection contact & relationship to permit holder, if applicable: **Bob Powles (787-5261, 381-1280 cell)**
Elizabeth Bryan (390- 1986)

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: **Cimarron Drilling Inc.**
- 2) No. of Wells **2**
- 3) Depth(s) **1825-1: 1,020, 1825A-1: 1,308** feet
- 4) Well log is available **Y**

Casing 1825-1:

Diameter **7** inches

Length **955** feet

Type **Unknown**

Casing 1825A-1:

Diameter **7** inches

Length **1,080** feet

Type **Steel**

Screen 1825-1:

Type **None**

Static water level **10** feet

Screen 1825A-1:

Type **None**

Static water level **Flowing**

Pump:

Make Grundfos
Model 85S-200-19
Size 20 hp
Capacity 85 GPM

Pump:

Make Unknown Submersible
Model Unknown
Size 15 hp
Capacity 30 GPM

B. Compliance with Permit Requirements:

- 1) Permit qualifications being abided by Y
- 2) Irrigation Questionnaires checked to determine if permit owner started irrigation by the end of construction period NA
- 3) Exceptions to compliance are: None

The system is in Good condition with the point(s) of diversion located as follows:

Well 1: Approximately 2,400 feet south and 2,450 feet east of the NW corner of Section 14-T3-R6E
(N 44.22093, W -103.36323) (SE ¼ NW ¼)

Well 2: Approximately 550 feet north and 2,600 feet east of the SW corner of Section 14-T3-R6E
(N 44.21439, W -103.36259) (SE ¼ SW ¼)

The works are capable of diverting and conveying to the place of use 0.26 cu. ft. per second of water which is to be used for Suburban Housing use.

The license should be issued for 0.26 cfs.

All structures, wells and lands on map Y

Comments or other permit(s) associated with the project:



Mike DeFea
Natural Resources Engineer II
DENR, Water Rights Program

Date report completed: November 20, 2013

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

NAME: Diamond D Water Co. LLC

ADDRESS: 1521 Forest Dr., Rapid City, SD 57701

DATE: November 21, 2013

COUNTY: Meade

TELEPHONE: 390-1986

AUTHORITY:

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

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

The water source is the Madison Aquifer which is the same as permitted and no additional water is appropriated. The two wells authorized by these permits were to be constructed in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ and the NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14-T3N-R6E. At the time of the licensing inspection, the wells were located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14-T3N-R6E.

Water Permit No. 1825-1 was authorized for two wells constructed into the Madison Formation. Water Permit No. 1825A-1 authorized an extension of time for construction of the second well.

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

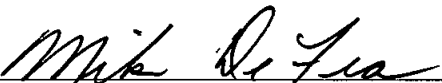
These permits are to be developed for the Sun Valley Estates Housing Development. No new land is to be irrigated.

- **Review of Existing Diversions**

There are no water rights/permits surrounding these applications which are authorized to use water from the Madison Formation. There are wells in the area which are authorized to use water from the Minnelusa and Inyan Kara aquifers. Interference should not be a concern.

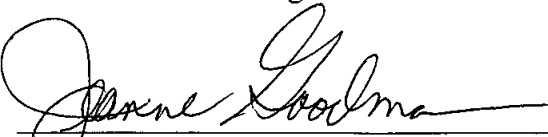
RECOMMENDED ACTION

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

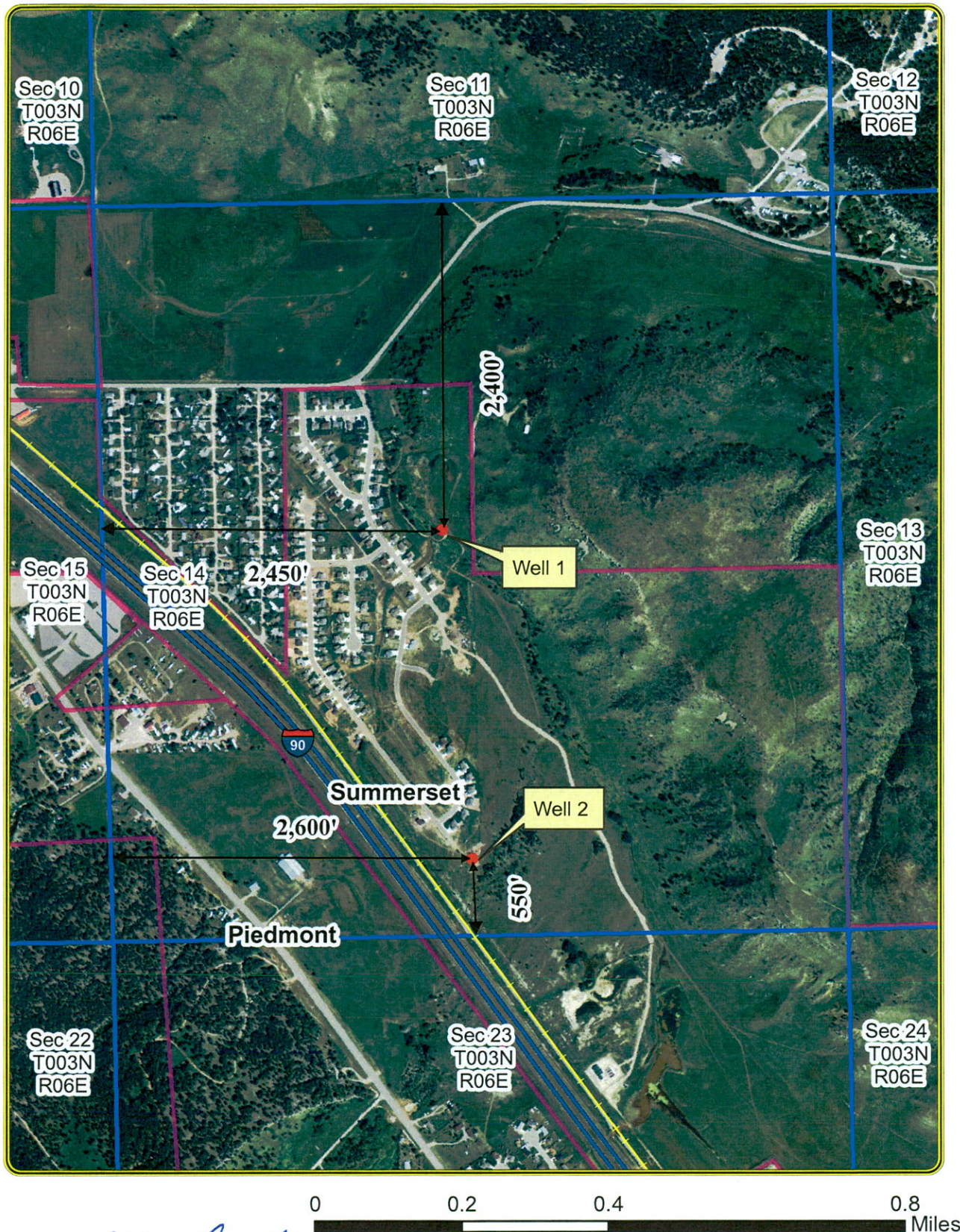

Mike DeFea, Natural Resources Engineer II
Water Rights Program

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

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


Jeanne Goodman, Chief Engineer
Water Rights Program

Diamond D Water Co., LLC
Permit No(s). 1825-1 & 1825A-1



Mike DeFea

Mike DeFea
Natural Resources Engineer II
DENR, Water Rights Program
November 20, 2013





DEPARTMENT OF ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov



APR 14 2014

1825-1
1825A-1

Bob Powles
Diamond D Water Company LLC
1521 Forest Dr
Rapid City SD 57701

Dear Mr. Powles:

Enclosed is Water License No. 1825A-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. 1825A-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.

The applicable portions of Water Permit No. 1825-1 were incorporated into Water License No. 1825A-1. 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. 1825A-1**

(1) Diamond D Water Company LLC, 1521 Forest Dr., Rapid City SD 57701 made Application No. 1825A-1, March 13, 2009 for a water permit to amend Water Permit No. 1825-1 by extending the length of time allowed to put water to beneficial use. No. 1825-1 authorizes 0.50 cubic feet of water per second from ground water – two wells (Madison Aquifer), Meade County, South Dakota to be used for suburban housing development purposes. Permit No. 1825A-1, with a priority date of July 15, 2004 (established under Water Permit No. 1825-1) was approved July 20, 2009 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before November 15, 2011.

The two wells authorized for Diamond D Water Company were to be constructed in the SW ¼ NW ¼ and NE ¼ SW ¼ Section 14, T3N, R6E. The inspection found the wells were actually constructed in the SE ¼ NW ¼ and SE ¼ SW ¼ Section 14, T3N, R6E. Pursuant to SDCL 46-5-13.1 and ARSD 74:02:01:14.01, the chief engineer makes a finding that the change in location of the diversion points does not increase the potential for adverse effects to existing diversions.

The applicable portions of Water Permit No. 1825-1 have been incorporated into Water License No. 1825A-1.

(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 0.26 cubic feet of water per second for beneficial use. The location of the diversion points are:

- Well #1: approximately 2,400 feet south and 2,450 feet east of the NW corner of Section 14, T3N, R6E (SE ¼ NW ¼);
- Well #2: approximately 550 feet north and 2,600 feet east of the SW corner of Section 14, T3N, R6E (SE ¼ SW ¼).

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

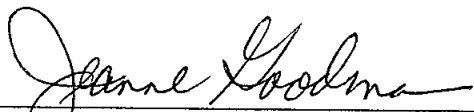
(4) Pursuant to South Dakota Water Law 46-5-30.1 Diamond D Water Company LLC, 1521 Forest Dr., Rapid City SD 57701 the holder and/or owner of Water Right No. 1825A-1 is issued a license to appropriate water, the right to use 0.26 cubic feet of water per second from ground water – two wells (Madison Aquifer) with a priority date of July 15, 2004 from the locations specified in (2) of this license for suburban housing development purposes.

This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Right No. 1825A-1 and subject to the following qualifications:

- In accordance with SDCL 46-1-14 and 46-2A-20, Permit Nos. 1825-1 and 1825A-1 are issued for a 20-year term. Pursuant to SDCL 46-2A-21, the 20-year term may be deleted at any time during the 20-year period or following its expiration. If the 20-year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 1825A-1 may also be cancelled for nonconstruction, forfeiture, abandonment, or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1 and ARSD 74:02:01:37.

continued

- The wells approved under Permit Nos. 1825-1 and 1825A-1 will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
- The wells authorized by Permit Nos. 1825-1 and 1825A-1 shall be constructed by a licensed well driller and construction of the well and installation of the pump shall comply with the Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28. *Both wells were completed by Cimarron Drilling Inc. (2005 and 2010 respectively); copies of the logs are on file with the Water Rights Program.*
- Diamond D Water Company shall report to the Chief Engineer annually the amount of water withdrawn each year from the Madison Formation for suburban housing development.



Jeanne Goodman, Chief Engineer
Water Rights Program

Department of Environment and Natural Resources

APR 14 2014

date

