

WATER PERMIT NO. 1904A-1

Name of Applicant: Douglas Ottema

Address: 1218 Easy St, Whitewood SD 57793 Phone: 605 717-2028

Amount of Water Claimed: 0.167 cfs Total Acres: NA

Source of Water Supply: series of small dams and dugout

Water to be used for: industrial use County: Lawrence

Type of Waste Disposal System:

Location: approximate 12 west of Lead/Deadwood

PRIORITY Date Received: 1-2-15 Application/License Fee: \$100

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

Remarks: Reinstatement of Permit No. 1904-1

Diversion Point: W 1/2 SW 1/4, SW 1/4 NW 1/4
Sec 20-T5N-R1E

Land to be Irrigated: NA

Depth of Well:

Well Driller:

Remarks:

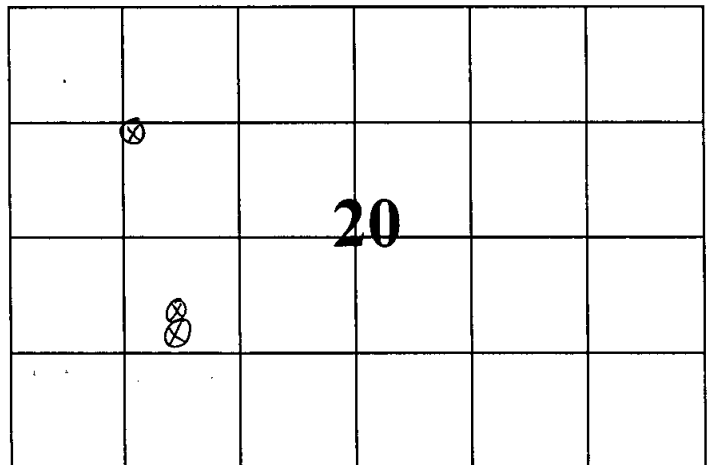
Type of Map: topo

Prepared by:

Reviewed and the Number Assigned on: 1-2-15

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____



FORM 2: Application for uses other than irrigation

(type or print)

Mail to:
PMB 2020
DENR - Water Rights
523 E Capitol Ave
Pierre, SD 57501-3182
ph. (605) 773-3352

No. 1904A-1 (office use only)
Hydrologic Unit 10120203
Basin Belle Fourche River
Newspaper Black Hills Pioneer PO Box 7
Spanish 57783 - 605-642-9060

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JAN 02 2015

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:
(check one)

☐ New ☐ Vested Right (Use predates Mar 2, 1955) ☐ Future Use Reservation
☐ Place to Beneficial Use Water Reserved by Future Use Permit No. _____
☒ Amendment/Correction to Permit No. 1904-1

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

reinstatement of portion of project not completed by the December 7, 2014 date to complete construction.1. Name to Appear on Water Permit Douglas Ottema(check one) ☒ Owner ☐ Tenant/lessee ☐ Owner's Legal Agent

(name and complete address if different than above name)

Mailing Address 1218 Easy Street Whitewood SD 57793
(Address) (City) (State) (Zip Code)

Home Phone 605 7172028 Cell _____ Email _____

2. Amount of water claimed 0.167 *CFS or 75 gpm **GPM up to 6.0 ***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 dams and diversions from dry gulches4. Location of point of diversion W 1/2 SW 1/4, SW 1/4 NW 1/4 Sec. 20, T5N, R1E County Lawrence

(example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)

If not a public water supply (e.g. municipal), will water be used outside of the area described above? ☐ Yes ☒ No

If "Yes," where will water be used? _____

(example - NW1/4 section 12-T104N-R53W)

5. County or counties where water will be used Lawrence6. Annual period during which water is to be used January 1 - December 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)

Construction of project was delayed due to magnitude of project and getting permitting through US Forest Service. Have completed one small pond capable of storing ~ 1 1/2 AF. Seek reinstatement of remaining storage up to 6.0 acre feet as the project moves forward.

I, Douglas Ottema, the applicant, certify that I have read this application, have examined the attached map, and that the matters stated are true.

SOUTH DAKOTA
WATER PERMIT NO. 1904A-1

Date of first receipt of application January 2, 2015.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 1904A-1 to Douglas Ottema, 1218 Easy St, Whitewood SD 57793 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. 1904A-1 reinstates the undeveloped portion of Permit No. 1904-1. Water Permit No. 1904-1 appropriates up to 6 acre-feet of water in a series of three small dry draw dams/dugouts for a mining operation located in the W 1/2 SW 1/4 and SW 1/4 NW 1/4 Section 20-T5N-R1E. The mining claim is within the boundaries of the Black Hills National Forest in Lawrence County. Water to fill the dams/dugouts will be supplied primarily by snowmelt and runoff events. Water will be diverted from the dams/dugouts at a maximum rate of 0.167 cubic feet of water per second [cfs] (75 gallons per minute) for use in processing ore.
2. The water appropriated shall be used for the purpose of industrial use for a mining operation 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. 1904A-1 is April 6, 2015.
5. The date from which applicant may claim right is January 2, 2015 (for undeveloped portion which is 5.5 acre-feet of water in storage) and March 30, 2009 (for the diversion rate of 0.167 cfs and 0.5 acre-feet of water in storage).
6. One-fifth of the construction is to be completed on or before October 6, 2017.
7. All construction is to be completed on or before April 6, 2020.
8. Water is to be put to beneficial use on or before April 6, 2024.
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. Water Permit Nos. 1904-1 and 1904A-1, combined, authorizes three dry draw dams/dugouts with a total combined storage capacity of six acre feet of water and sufficient water annually to maintain the water level in the dams/dugouts.
2. Low flows as needed for downstream domestic use, including livestock water and prior water rights, must be by-passed.
3. Applicable provisions of Water Permit No. 1904-1 are incorporated into Water Permit No. 1904A-1.

WATER MANAGEMENT BOARD

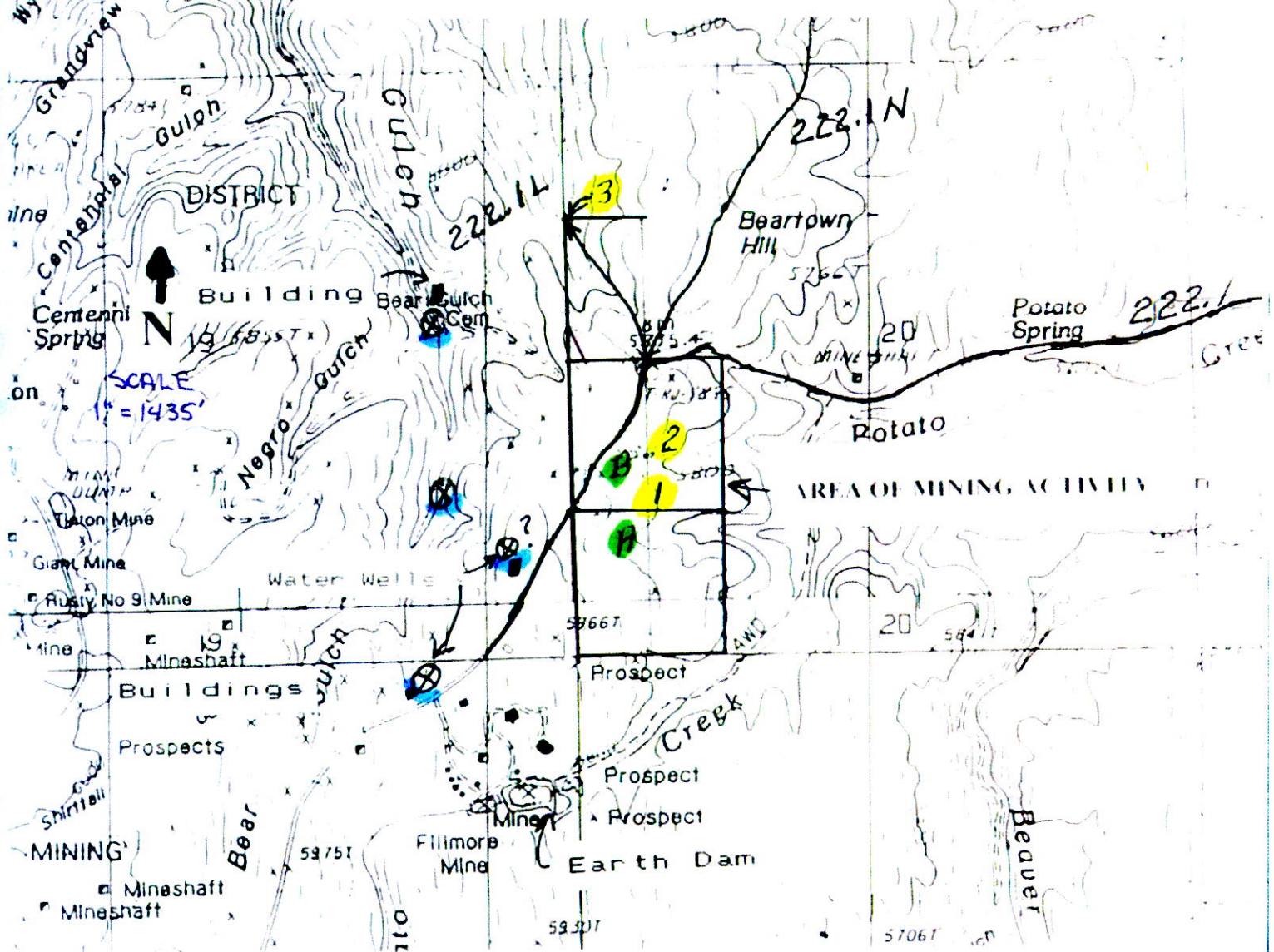
By: *Jeanne Goodman*
Jeanne Goodman, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

APR 23 2015
date



LOCATION OF PLACER MINING CLAIMS

SEC. 20, 15N, R1E, B1M
LAWRENCE COUNTY, SD



Location of Water Wells - No usage

Buildings

Description of dam and diversion locations

Legal Description, W 1/2 of SW 1/4, W 1/2 of SW 1/4 of NW 1/4 Sec. 20, 15N, R1E

- Dam No. 1 Beginning SW corner of Section 20 thence 1453 ft. North, thence 790 ft. East
- Dam No. 2 Beginning SW corner of Section 20 thence 2034 ft. North, thence 929 ft. East
- Dam No. 3 beginning SW corner of Section 20, thence 3960 ft. North, thence 56 ft. East
- Diversion A Beginning SW corner of Section 20, thence 1056 ft. North thence 422 ft. East
- Diversion B Beginning SW corner of Section 20, thence 1690 ft. North thence 528 ft. East

RECEIVED

JUN 26 2009

WATER RIGHTS
PROGRAM

MAP APPROVED BY:

Thomas D. Ver Helst
Thomas D. Ver Helst
Ag Engineer, NRCS, Belle Fourche

June 24, 2009

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

RECEIVED OF Douglas Ottema, 1218 Easy St, Whitewood SD 57793 Date 1-2, 20 15

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

Fee for Application for Permit No. <u>1904A-1</u> to Appropriate Water, to construct and to put water to beneficial use	100	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	100.00

No. **07054**

By Joanne Goodman
Chief Engineer *KS*

Schlaak, Karen

From: Gronlund, Eric
Sent: Monday, December 22, 2014 4:18 PM
To: Rath, Mark; Tieman, Aaron
Cc: Schlaak, Karen
Subject: WP 1904-1, Doug Ottema

Mr. Ottema called. I have worked with him since the late 1990's dealing with a small scale mining operation on BearTown Hill near Tinton in Lawrence Cty. He said he looked at his permit and saw all construction is to be completed on or before December 7, 2014, and I wondered what that meant. I told him he'd likely be limited to amount he has developed thus far. He indicated he has developed one pond with a capacity of about 1/3 acre-feet. The permit is for 6 acre feet in a series of three small dry draw dams/dugouts. He doesn't want to lose the ability to develop to this extent. He cited as reasons: the magnitude of the project, getting permitting through the US Forest Service and his wife's health issues. I told him he could file for reinstatement of the undeveloped portions.

Doug Ottema
1218 Easy Street
Whitewood, SD 57793
December 29, 2014

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JAN 02 2015
WATER RIGHTS
PROGRAM

Department of Environment and Natural Resources
Joe Foss Building
PMB 2020
523 East Capitol
Pierre, SD 57501-3182

Dear Mr. Gronlund:

Thank you for your promptness regarding the incompleteness of my water permit No. 1904-1. I don't have any changes to the original proposed water permit.

Problems that I have had are numerous. Once I received the State Mine permit dated April 15, 2010, it took another year for the Forest Service to approve my project (April 18 2011).

I started construction on the reservoir immediately after approval of all my permits and dug out a 1/3 acre foot capacity dugout reservoir and expanded it to approximately 1/2 acre feet the following year. This same year I had a couple of mechanical problems that needed repair. I then decided to focused my attention on the construction of a small placer processing plant. I have been building this the last few years and time spend has been limited since I was still working until this last year. I worked on this as much as I could and accomplished getting the structure completed along with fabrication of process equipment such as a grizzly. (Something happened that impaired my wife and this has required my attention.) I purchased a 235 Cat excavator this last spring and it's on location. I have now to refurbish the equipment and get a drive system in place. Once this is operating I will need to run several bulk samples to determine the economic value of the deposit. I have been prospecting the last 20 years in an attempt to define a reserve. I've defined the general trend of the ore body yet it is vary erratic.

I chose to leave the reservoir alone for now until I get a better feel for what I have for grade. Proving this is going to require constant running of bulk samples on the order of 20 to 50 yds. at a time. I work alone and between keeping up the upkeep of area such as fence rebuilding after winter snow, erosion control, equipment maintenance, mechanical repairs, fabrication of equipment and mining keeps me very busy. My open window is from Mid May into November. I have been dedicated to this project every year and I work until winter weather shuts me down.

Another dilemma is that the potential ore body runs under the reservoir compounding the construction. Due to my location on top of the hill, I needed to locate the reservoir for maximum capture of runoff. So far it stays full due to wet summers and has maintained it full capacity for the last two summers. The cost of completing construction of a reservoir is expensive and don't like to stick my neck out any more then needed. Over the years of exploration I have never obtained enough gold to cover the reinstatement cost let alone all the expense that I have encountered over the years.

The deposit is very interesting and has never been explored to any extent and mined in the past which is unusual. I definitely want to keep on the development of this and water is one critical part of this project. I enjoy what I'm doing and try to make the best of every day that I work on this.

Enclosed is a check for \$100 for the reinstatement cost. Thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Ottema". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Doug Ottema

Enclosures: Draft Application
Enclosed Check

Doug Ottema
1218 Easy Street
Whitewood, SD 57793-2126
January 14, 2015

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JAN 15 2015
MINERALS & MINING PROGRAM

Mr. Eric Holm
Department of Environment and Natural Resources
Minerals and Mining program
Joe Foss Building
523 East Capitol
Pierre, SD 57501-3182

Dear Mr. Holm:

I contacted you Dec. 17 concerning the changing of my mine permit and exploration permit from my personnel name to a LLC. I presently have a wholly owned LLC for that purpose which is Beartown Hill Placer Gold LLC (Corp. No. DL 002351). I have no plans to involve anyone else at this time or near future.

You requested that I mail you a letter stating this proposal and you would see what may be needed through your legal counsel.

What I'm proposing is to change the mine permit No.473, exploration permit EXNI No. 393 and also I should look at the water permit No. 1904-1, all in my name to the Beartown Hill Placer Gold LLC. I may need to include my storm water permit.

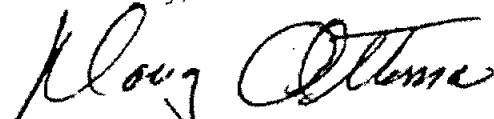
We also discussed that I wanted to transfer my mining claims to the LLC. It seems that the most critical part is the land description which we talked about a few years ago. Maybe all I need to do is send you a copy of the claims and the description.

I've been in contact with Wells Fargo Bank regarding the bond. I will need to establish a business account for them to transfer the bond to the LLC.

I've been waiting on a return call from Black Hill National Forest personnel to determine what I need to do to transfer ownership on my permit. I haven't been able to contact anyone on this yet.

I don't know if all of this has to be completed in a timely order. Such as the water permit, can I leave this in my name temporary without effecting my operation next summer? I would like to see about getting it all taken care of except it may take time.

Sincerely,


Doug Ottema



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 1904A-1, Douglas Ottema**

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. 1904A-1, Douglas Ottema, 1218 Easy Street, Whitewood SD 57793.

The Chief Engineer is recommending APPROVAL of Application No. 1904A-1 for reinstatement because there is reasonable probability that there is unappropriated water available for the applicant's proposed use, with the following qualifications:

1. Water Permit Nos. 1904-1 and 1904A-1, combined, authorizes three dry draw dams/dugouts with a total combined storage capacity of six acre feet of water and sufficient water annually to maintain the water level in the dams/dugouts.
2. Low flows as needed for downstream domestic use, including livestock water and prior water rights, must be by-passed.
3. Applicable provisions of Water Permit No. 1904-1 are incorporated into Water Permit No. 1904A-1.

See report on application for additional information.

Jeanne Goodman, Chief Engineer
March 17, 2015

REPORT ON APPLICATION NO. 1904A-1 to Reinstate Water Permit No. 1904-1

For Douglas Ottema

March 2, 2015

Water Permit Application No. 1904A-1 proposes to reinstate Water Permit No. 1904-1. Water Permit 1904-1 appropriates up to 6 acre-feet of water in a series of three dry draw dams/dugouts for industrial use in a mining operation located in the W½ SW¼ and SW¼ NW¼ Section 20, T5N-R1E. The mining claim is within the boundaries of the Black Hills National Forest in Lawrence County, South Dakota. Water to fill the dams/dugouts will be supplied primarily by snowmelt and runoff events. Water will be diverted from the dams/dugouts at a maximum rate of 0.167 cubic feet of water per second (cfs), less than 75 gallons per minute, for use in processing ore.

Water Permit No. 1904-1 was approved December 7, 2009, and the project was to be completed by December 7, 2014, with water being put to beneficial use by December 7, 2018. Application No. 1904A-1 proposes to reinstate Water Permit No. 1904-1 since the project has only been partially completed at this time. In addition, approval of Water Permit Application No. 1904A-1 will effectively cancel Water Permit No. 1904-1.

Water Permit Application No. 1904A-1 to reinstate Water Permit No. 1904-1 is made pursuant to South Dakota Codified Law 46-2A-8.1 which allows for reinstatement with a new priority date, if unappropriated water is available when construction, necessary to put water to beneficial use, is not completed within five years of approval of the permit.

The applicant is requesting reinstatement of the undeveloped portions of the project due to the magnitude of the project and to acquire proper permitting through the United States Forest Service.

WATER SOURCE – SURFACE WATER RUNOFF/SNOWMELT

As per the staff report for Water Permit No. 1904-1, the proposed mining operation is located near the headwaters of Bear Gulch and Beaver Creek, both of which are tributaries of the Redwater River and eventually the Belle Fourche River.

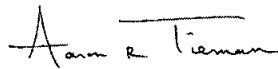
The water to be used in the mining operation is from surface runoff which will be stored in three reservoirs. Since runoff into the reservoirs may not be sufficient it may be necessary to divert water from the two adjacent dry gulches. These diversion points will be designed for gravity feeding or pumping water to the reservoirs.

Surface runoff water from the proposed mining area normally flows into Bear Gulch and Potato Creek (tributary of Beaver Creek). A short distance downstream from the proposed mining area, Bear Gulch and Beaver Creek pass over the Madison Limestone and Minnelusa Formation. As a result the streams lose flow up to their threshold rate. A USGS study found the loss thresholds for Beaver Creek to be 9.0 cfs and Bear Gulch to be 4.0 cfs (Hortness and Driscoll, 1998).

Two vested water rights (Nos. 1404-1 and 958-1) authorize a diversion rate of 3.28 cfs for irrigation of 138 acres from Crow Creek, immediately downstream of Beaver Creek. Beyond those, there are a number of existing water rights that divert from the Redwater and Belle Fourche Rivers. Except under wet conditions, runoff from the proposed project area likely would not survive the downstream loss zone so this project would not be expected to adversely impact these downstream water rights.

CONCLUSIONS

1. Water Permit Application No. 1904A-1 proposes to reinstate Water Permit No. 1904-1 which authorizes the appropriation of up to 6-acre feet of water in three small dry draw dams/dugouts for industrial use in a mining operation.
2. Water will be diverted at a maximum rate of 0.167 cfs from the dams/dugouts for use in processing ore.
3. Surface runoff from the mining area flows into Bear Gulch and Beaver Creek, both of which are tributaries to the Redwater River and eventually the Belle Fourche River.
4. There are a number of existing water rights that divert from a downstream creek and the Redwater and Belle Fourche Rivers. Except under wet conditions, runoff from the proposed project area likely would not survive the downstream loss zone so this project would not be expected to adversely impact these downstream water rights.



Aaron R. Tieman
Natural Resources Project Engineer

Approved by



Mark D. Rath
Natural Resources Engineering Specialist

BIBLIOGRAPHY

Hortness, J.E. and Driscoll, D.G., 1998. Streamflow Losses in the Black Hills of Western South Dakota, United States Geological Survey, Water Resources Investigations Report 98-4116.

Water Rights, 2015, Unpublished Water Rights Data, SD DENR, DES, Water Rights Program, Pierre, SD, 57501.

RECEIVED

MAR 30 2015

WATER RIGHTS
PROGRAM

NOTICE OF
APPLICATION
NO. 1904A-1 to
Reinstate Water Permit
No. 1904-1

Affidavit of Publication

STATE OF SOUTH DAKOTA:

COUNTY OF LAWRENCE:

Letitia Lister of said County and State being first duly sworn, on her oath says: That the BLACK HILLS PIONEER is a legal daily newspaper of general circulation, printed and published in the City of Spearfish, in said County and State by Letitia Lister, and has been such a newspaper during the times hereinafter mentioned; and that said newspaper has a bonafide circulation of at least 200 copies weekly, and has been published within said County in the English language for at least one year prior to the first publication of the notice herein mentioned, and is printed in whole or in part in an office maintained at the place of publication; and that I, Letitia Lister, the undersigned, am the Publisher of said newspaper and have personal knowledge of all the facts stated in this affidavit; and that the advertisement headed:

Notice Of Application

a printed copy of which is hereto attached, was printed and published in said newspaper for 1 successive and consecutive weeks, the first publication being made on the 25th day of March, 2015, and the last publication on the _____ day of _____, _____, that the full amount of fees charged for publishing same, to-wit: The sum of \$ 30.75, insures solely to the benefit of the publisher of the BLACK HILLS PIONEER, that no agreement or understanding for a division thereof has been made with any person and that no part thereof has been agreed to be paid to any other person whomsoever.

Letitia Lister
Subscribed and sworn to before me this 25th day of Mar, 2015

Arthur Richards
Notary Public, Lawrence County, South Dakota
My commission expires: 10-24-2016

Notice is given that Douglas Ottema, 1218 Easy St, Whitewood SD 57793 has filed an application for a water permit to reinstate Permit No. 1904-1. Water Permit No. 1904-1 appropriates up to 6 acre-feet of water in a series of three small dry draw dams/dugouts for a mining operation located in the W 1/2 SW 1/4 and SW 1/4 NW 1/4 Section 20-T5N-R1E. The mining claim is within the boundaries of the Black Hills National Forest in Lawrence County. Water to fill the dams/dugouts will be supplied primarily by snowmelt and runoff events. Water will be diverted from the dams/dugouts at a maximum rate of 0.167 cubic feet of water per second (75 gallons per minute) for use in processing ore.

The permit was approved December 7, 2009, and the project was to be completed by December 7, 2014, with water being put to beneficial use by December 7, 2018. Application No. 1904A-1 proposes to reinstate Water Permit No. 1904-1 since the project has only been partially completed at this time.

Application No. 1904A-1 to reinstate Permit No. 1904-1 is made pursuant to SDCL 46-2A-8.1 which allows for reinstatement with a new priority date, if unappropriated water is available when construction, necessary to put water to beneficial use, is not completed within five years of approval of the permit.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1904A-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 this application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the Chief Engineer's rec-

ommendation. 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 April 6, 2015.

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. Information concerning this application is available at <http://denr.sd.gov/public>. 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 once at the total approximate cost of \$31.65.

**#325
March 25**



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

March 17, 2015

Black Hills Pioneer
PO Box 7
Spearfish SD 57783

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 1904A-1 to Appropriate Water. Please publish the notice once on March 25, 2015. 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 and arrange for payment. **Please BILL the APPLICANT for the cost of publication.** The APPLICANT is Douglas Ottema, 1218 Easy St, Whitewood SD 57793 (Ph # 605-717-2028).

Please send the Water Rights Program an affidavit or the enclosed Proof of Publication form immediately.

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



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

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

March 17, 2015

Douglas Ottema
1218 Easy St
Whitewood SD 57793

Dear Mr. Ottema:

Water Permit Application No. 1904A-1 for industrial use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Black Hills Pioneer printed at Spearfish SD (Ph # 605-642-9060). You will need to contact the newspaper(s) and authorize publication of this notice. For your information, a copy of the notice, the recommendation of the Chief Engineer and 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(s) to authorize publication of your Notice and to arrange for payment. Early contact with the paper(s) can eliminate delays. Upon receiving authorization from you, the publisher has been instructed to publish your notice. The newspaper has also been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

enclosures

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

Instruction to Newspaper - Publish the Notice on March 25, 2015. The applicant is responsible for payment. The text of the notice can be e-mailed to your paper by contacting Karen Schlaak at (605) 773-3352 or email: Karen.schlaak@state.sd.us.

NOTICE OF APPLICATION NO. 1904A-1 to Reinstate Water Permit No. 1904-1

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Application No. 1904A-1 to reinstate Permit No. 1904-1 is made pursuant to SDCL 46-2A-8.1 which allows for reinstatement with a new priority date, if unappropriated water is available when construction, necessary to put water to beneficial use, is not completed within five years of approval of the permit.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 1904A-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 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 April 6, 2015.

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. Information concerning this application is available at <http://denr.sd.gov/public>. 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 once at the total approximate cost of _____.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

APR 23 2015

Douglas Ottema
1218 Easy St
Whitewood SD 57793

Dear Mr. Ottema:

Enclosed is Water Permit No. 1904A-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,

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

enclosures