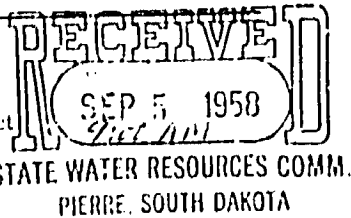


No. 347-1
 Water Division No. 1 Belle Fourche District
 (Blank to be filled by the Engineer for the W. D. E.)
W. D. E. Right



APPLICATION FOR PERMIT

To appropriate Water within the State of South Dakota

(NOTE—Draw a line through items not applicable.)

1. Name of applicant Louis Keffeler Ranch, Inc.
26 Hereford Route
 Postoffice address Sturgis, County Hotchkiss, State So. Dak.

I. If a corporation

- (a) Name of same _____
 (b) Date and place of incorporation _____
 (c) Amount of capital stock _____
 (d) Amount paid in _____
 (e) Names and addresses of directors _____

(NOTE—A certified copy of articles of incorporation must accompany the application.)

2. Method of accomplishing the work and financial resources of the applicant:

- (a) Method of accomplishing work (Whether by contract, employment of others, or by direct labor)

Contractor and own labor

(b) Cash on hand, \$ _____

(c) Treasury stock, \$ _____

(d) Bonds to be issued, \$ _____

(e) Other resources, \$ _____

3. Name of diversion work South Alkali4. Amount of water claimed .3 cubic feet per second5. Source of water supply From south breaks6. Location of point of diversion 1730 ft. s. and 3220 ft. to the west of northeast corner section 19 T. 1 R. 1 E. on _____ bank _____ County.7. Annual period or periods during which water is to be used when creek flows

To be used for:

- I. Irrigation or domestic use: Gravity, overhead sprinkling or combination system? Gravity

(a) Number of acres to be irrigated 21 acres.Area 11, NE 1/4 Sec 19-5N-8E

(b) Legal subdivisions to be irrigated _____

(NOTE—A list of lands to be irrigated, giving each subdivision and fraction with acreage thereof, should be written here, or may be appended as a part of this application. Same must also be shown on accompanying map.)

(c) Statement as to domestic use (giving location, etc.) _____

II. Stockwatering, mining, milling, power, fish culture, fire protection and public recreation:

(a) Nature of use _____
 Name any of the above uses claimed

(b) Amount of power to be generated _____ horse power.

Amount claimed for engine cooling _____

(c) Location of plant _____

(d) Method of developing power _____

(e) Point where water will be returned to stream _____

Map No. 314-1

8. Estimated cost of work:

(a) Head Gates, \$----- (b) Pumping plant, \$-----
 (c) Fluming, \$----- (d) Canal-earth, \$----- Rock, \$-----
 (e) Other structures 2 dikes \$ 400.00 Total, \$-----

9. Description of diversion works:

I. Nature of works: (Reservoir, dam, ditch, flume, pumping plant, etc.)

Dam and Dikes

II. Dimensions of works:

(a) Dam: Height-----feet; length at bottom-----feet; length at top-----feet; thickness at bottom-----feet; thickness at top-----feet; slope at front water face-----; slope at back face-----material used in construction-----
 (b) Reservoir: Capacity when filled-----acre feet. Surface area at highwater mark-----acres.

DEPTH AT OUTLET-Feet	SURFACE AREA AT EACH DEPTH AT OUTLET--ACRES	FEET	ACRE-Feet CAPACITY

(c)* Head gate: Width-----feet; height-----feet;
 Material-----

(d) Canal: Total length-----miles.

LOCATION BELOW HEADGATE	DEPTH	BOTTOM WIDTH	WIDTH AT WATER-LINE	GRADE PER MILE
At-----Mile	-----feet	-----feet	-----feet	-----feet
At-----Mile	-----feet	-----feet	-----feet	-----feet
At-----Mile	-----feet	-----feet	-----feet	-----feet
At-----Mile	-----feet	-----feet	-----feet	-----feet
At-----Mile	-----feet	-----feet	-----feet	-----feet
At-----Mile	-----feet	-----feet	-----feet	-----feet

(Give dimensions where reductions in size are made.)

10. Time required for completion of work-----years.
 11. Time required for complete application of water to the proposed beneficial use-----years.
 12. Choice of newspaper for publication of notice of intention to take appropriate-----

STATE OF SOUTH DAKOTA

County of Meade ss.

I, Louis Carlson, being first duly sworn on my oath depose and say: That my relation to the above described undertaking is that of owner, that I have read the above foregoing statement, examined the map accompanying the same, and that I know of my own personal knowledge that the matters therein stated and shown are true.

Signed Louis Carlson

Subscribed and sworn to before me this 3rd day of Sept 1958

Charles J. Williams
 Notary Public (or other qualified officer.)

*Each diversion must have a headgate or measuring device.



LOUIS CARLSON.

AREA	Location	ACRES
1	NE 1/4 sec 19 - T34 N R2 E	3
2	NW 1/4 sec 20	11/2
3	NE 1/4 sec 20	96
4	NW 1/4 sec 21	22
5	SE 1/4 sec 21	1
6	SW 1/4 sec 21	64
7	NE 1/4 sec 22	50
8	NW 1/4 sec 22	25
9	SE 1/4 sec 22	21
10	SW 1/4 sec 22	22
11	NE 1/4 sec 19	22
12	SE 1/4 sec 20	22
13	SW 1/4 sec 20	22
14	NE 1/4 sec 21	22

Map No. 314-1
 Appls. Nos. 347-1
 348-1
 349-1

Remarks by State Water Resources Commission:

Tested Right Claimed

The diversion rate limitation of 1 cubic foot per second for each 70 acres irrigated shall not apply to this Dry Draw irrigation diversion during periods of flood flows, when such flows are in excess of the amount of water required to satisfy domestic use requirements and other water rights.

STATE OF SOUTH DAKOTA
County of Hughes

ss.

Pierre, South Dakota, September 25, 1958

This is to certify that the foregoing application was received by the Commission at 9:00 o'clock.

A.m. upon the 5th day of September, 1958.

State Water Resources Commission

By:

W. B. Binner
Chief Engineer, Executive Officer

Number of permit 347-1

Date of first receipt of application September 5, 1958

Date of return to applicant for correction, amendments or changes required as follows: Sept 25, 1958

Date of receipt of corrected application August 14, 1959

Date from which applicant may claim right 1958

Approved September 23, 1959, Recorded in Book 5 Page 217

This is to certify that we have examined the foregoing application for a permit to appropriate water of the State of South Dakota, and we hereby grant the same as stated herein, subject, however, to the following limitations and conditions:

1st. The equivalent of at least one-fifth of the work above specified is to be completed on or before

Completed, 1958

2nd. The whole of said work is to be completed on or before Completed, 1958

3rd. The limit of time for proof of beneficial use of water appropriated in accordance herewith is

Completed, 1958

4th. The water appropriated shall be used for the purpose of irrigation

5th. The prior right of all persons who, by compliance with the laws of the State of South Dakota, have acquired a right to the use of water must not be injuriously affected by this appropriation.

6th. The amount of the appropriation herein granted shall not exceed 1.3 cubic feet per second; neither shall it exceed the capacity of the above described system of diversion works, nor the least amount of water that experience may hereafter indicate as necessary for the production of crops in the exercise of the best husbandry; and further, said appropriation must be limited to not more than one-seventieth (1/70) of one cubic foot of water per second of time for each acre of land to which water is actually and beneficially applied for irrigation on or before Completed, 1958; said water to be used during the following described annual period:

when Great flows

Witness my hand this 23 day of September, 1959

State Water Resources Commission

By:

W. B. Binner
Chief Engineer, Executive Officer

Certificate of Construction Issued September 23, 1959

Water License Issued September 23, 1959

STATE OF SOUTH DAKOTA

WATER LICENSE No. 347-1

WHEREAS, On the 5th day of September A. D. 1958

Louis Carlson

of Sturgis County of Meade and State of

South Dakota duly made application (No. 347-1) to us for a permit to use .3

cubic feet per second of the water of South Alkali Creek

County of Meade, State of South Dakota, for irrigation purposes; and

WHEREAS, On the 23rd day of September A. D. 1959

Permit No. 347-1 was issued to said applicant for the diversion of said water, and ~~providing for~~ recognizing the completion of the works of diversion therein described on ~~the following conditions:~~

in 1953

~~and~~ and ~~the~~ application to beneficial use of said water ~~on or before~~ in 1953 and,

WHEREAS, On the 10th day of September A. D. 1959

the holder of said permit duly made proof of the completion of adequate works for the diversion of .3

cubic feet per second of said waters, as evidenced by our Certificate No. 347-1

dated September 23, 1959 confirming the completion of works of sufficient capacity for

diverting and conveying to the place of intended use .3 cubic feet per second of water, with date of

priority of 1953 ~~and~~ and,

WHEREAS, On the 10th day of September A. D. 1959

proof was duly made of the application to beneficial use of .3 cubic feet per second of said water;

on 21 acres located in the NE 1/4, Sec. 19 T 5 N, R 8 E.

NOW, THEREFORE, By the virtue of the authority vested in us by the laws of the State of South Dakota,
We hereby grant and confirm to Louis Carlaon Vested Right
of Sturgis, South Dakota the holder and owner of said permit No. 347-1
a water right, dating from 1953 to the use of 3
cubic feet per second of the waters of South Alkali Creek
In the County of Meads and State of South Dakota, or so much thereof as may be
necessray for the purposes hereinbelow mentioned, to be diverted at a point 1730' S and 3220'
W of the NE Corner Section 19 T 5 N R 8 E
and conducted to and upon 21 acres in area 11 NE 1/4 Sec. 19 T 5 N, R 8 E,
more specifically described in Certificate of Completion of Works.
for the purpose of irrigation

subject, however, to the laws of the State of South Dakota applicable to a license for the use of the waters of the
State, and subject, also to the local or community customs, rules and regulations which have been or may be
adopted from time to time by a majority of the users from a common source of supply, canal or lateral from
which such water may be taken, when such rules and regulations have for their object the economical use of such
water.

WITNESS My hand and seal of our office at Pierre, South Dakota,
this 23rd day of September A. D. Nineteen
Hundred and fifty-nine

State Water Resources Commission

By:

J. W. GRIMES,

Chief Engineer, Executive Officer

STATE OF SOUTH DAKOTA

Water License No. _____

To _____

Source of Supply _____

County _____

Am't _____ c. f. s.

Point of Diversion _____

Place of Use _____

Purpose _____

Date of Priority _____

Recorded _____

In Book _____ of _____ Page _____

Permit No. **347-1**

Belle Fourche

Water Division No. **1** **River** Water District

Certificate of Completion of Works

TO ALL WHOM IT MAY CONCERN:

This is to Certify, That **Louis Carlson**

of **Sturgis**, County of **Meade**, and State of **South Dakota**, the holder of Permit No. **347-1**, Issued upon Application

No. **347-1**, bearing date of priority of **1953**, authorizing the diversion of

.3 cu. ft. per second of the waters of **South Alkali Creek**

County of **Meade**, State of South Dakota, at **a point 1730' S**

3220'W NE Corner Sec. 19 T 5 N, R 8 E

for **irrigation**

purposes, has fully complied with the provisions of the laws of the State of South Dakota relating to proof of completion of the works of diversion set out and described in said Permit; that said works are found in satisfactory condition for diverting and conveying to the place of intended use **.3** cu. ft. per second of water; and that the lands proposed to be irrigated by the use of said water are described as follows:

to-wit: **NE 1/4 Sec. 19, T 5 N, R 8 E** **21 acres**

Witness my hand this **23rd** day of **September** A. D. 19**59**

State Water Resources Commission

By:

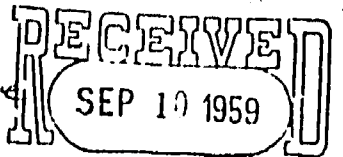
J. W. GRIMES,

Chief Engineer, Executive Officer

Location No.

347-1

Water Division No.

Belle Fourche
River Water DistrictSTATE WATER RESOURCES COMM.
PIERRE, SOUTH DAKOTA

Proof of Application of Water to Beneficial Use

PETITION OF HOLDER

Ques. 1. State your name, residence, occupation and postoffice address.

Ans. Louis Carlson Rancher Sturgis South Dakota

Ques. 2. If acting in behalf of a corporation, state its name, principal place of business (if a foreign corporation, give name and postoffice of statutory agent,) your position with reference to same, and your authority for appearing in its behalf.

Ans.

Ques. 3. State date of posting and date of recording notice of appropriation.

Ans. Project was surveyed by SCS Was not recorded

Ques. 4. State source of water supply and give exact location of point of diversion.

Ans. 1730 ft. E and 3220 ft. W. of Northeast corner section 19 T 5 N

R 8 E

Ques. 5. Describe your works of diversion giving length and height of each dam and state amount of water they are capable of conveying from point of diversion to place of use, and give name of canal or ditch or other works by which water is conducted to such place of use, and date of completion of same.

Ans. two dikes one 264 yds. and one 528 yds.

Ques. 6. State for what purpose water is used and describe place of use. (If for irrigation, name each subdivision in which used, and number of acres in each subdivision that have ACTUALLY been irrigated with said water.)

Ans. use to irrigate hay ground on south side of Alkali Creek in
section 19

Ques. 7. If for other than irrigation purpose, state how applied, amount of horse power generated, etc.

Ans.

Ques. 8. What is the minimum amount of water required for the use specified above?

Ans.

Ques. 9. If you are not the person or representative of the corporation to whom above mentioned permit was originally issued, please state how ownership was acquired by present holder.

Ans.

Ques. 10. State when, how, in what amount and to what extent, the water diverted under above mentioned permit has been used.

Ans. System was built in 1953 and water has been used in any amount available since that time

(Sign) Louis Carlson

I hereby certify that the foregoing testimony was read to the above subscriber before its signing, that I believe him to be the person he represents himself to be, and that said testimony was subscribed and sworn to before me, at my office in Sturgis, County of Meade

State of South Dakota, on this 3rd day of Sept A. D. 1958

Dorothy L. Besley
Recorder

Witnesses

Walter C. Walker Jr.

I, the undersigned, do hereby certify that I am a duly qualified elector residing in the immediate vicinity of the diversion works designated in the foregoing testimony, that I have no interest in the works, water or land above described, that I have read the foregoing testimony and that I know of my own personal knowledge that the matters therein stated are true.

Location No.-----

**PROOF OF APPLICATION OF
WATER TO BENEFICIAL USE**

PETITION OF HOLDER

Amount of Water ----- c. f. s.

Source -----

County -----

Purpose -----

Place of Use -----

Date of recording -----

Received and filed -----

RECEIPT

WATER RIGHTS COMMISSION

State of South Dakota

Nº 4 8310

PIERRE, June 23, 1931

RECEIVED OF Keffeler Ranch, Inc., 26 Hereford Rt., Sturgis, SD 57785

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

Fee for Application for Permit to Appropriate Water No. (examination, processing, recording and filing)		
Fee for inspecting Construction, and issuing Cert. of Construction No.		
Fee for inspecting Beneficial Use, and issuing Water License No.		
Fee for issuing Location Certificate-Dry Draw, No.		
Fee for filing transfer of WP# 347-1	2	50
Fee for certified copy of		
Fee for Print copy of map		
Fee for Certifying		
Fee for (any other work as provided by law)		
TOTAL	2	50

WATER RIGHTS COMMISSION

By (John Hatch)
Chief Engineer, Executive Officer
JOHN HATCH / Lt

NO. 347-1

NOTICE OF TRANSFER OF WATER



TO: Water Rights
Foss Building
Pierre, SD 57501

Date: _____

This is to notify you that the title to the lands described as follows:

NE $\frac{1}{4}$, Section 19, T5N, R8E

formerly owned by Louis Carlson

has been transferred to Keffeler Ranch Inc., 26 Hereford Rt., Sturgis, SD 57785

together with any rights to the beneficial use of water thereon as evidenced by

Water Right Permit No. 347-1 as provided for in SDCL 46-5-32 and 46-5-33.

You are therefore hereby requested to file this "Notice of Transfer of Water Permit" in its appropriate file at the Office of Water Rights, Water Management Board as evidence of the change of ownership.

A fee of Two Dollars and Fifty Cents (\$2.50) is hereto attached to cover filing fees as required under SDCL 46-2-13.

STATE OF SOUTH DAKOTA)
County of Meade) ss.

I, Mark Keffeler being first duly sworn on my oath depose and say:
That my relation to the above described undertaking is that of Owner, that I have read the above foregoing statement, and I know of my own personal knowledge that the information herein stated is true.
Keffeler Ranch, Inc.

By *Mark Keffeler*
(Signed) President

Subscribed and sworn to before me this 22nd day of June, 1981.

Janice Lundgren
(Notary Public)

J. NICE LUNDGREN
NOTARY PUBLIC
My Commission Expires Nov. 24, 1983

South Dakota Department of
Water & Natural Resources

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501-3181

September 21, 1988

NOTICE

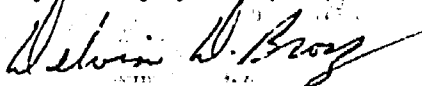
Thompson Ranch, Inc.
HC 75, Box 134
Sturgis SD 57785

Dear Sir:

I am writing to notify you that pursuant to the Notice of Intent to Validate Vested Water Right Claims dated June 20, 1988 that I intend to oppose validation of your water right claim No(s) 345-1, 346-1, 347-1, 348-1 and 349-1 until a field inspection has been completed. The claim has either never been inspected or an inspection was conducted so long ago that a new inspection is needed. An inspection is needed to determine the current state of your vested water right claim.

A staff member from the Division of Water Rights will be contacting you and scheduling an inspection of your water project. If we can answer any questions, please contact us.

Very truly yours,



JOHN HATCH, Chief Engineer
Water Rights Division
605 773-3352



NAME: Ed Thompson (need to transfer ownership from Keffeler Ranch Inc.)

ADDRESS: HC 75 Box 134, Sturgis SD 57785

DATE: September 23, 1999 **COUNTY:** Meade

RE: Validation Investigation of Vested Right Claim No. 347-1

COMMENTS:

On September 21, 1988, Notice was given to Thompson Ranch, Inc. that the Chief Engineer was opposing validation of No. 347-1 until a field inspection could be completed. The basis for the opposition was to determine if the project was developed as described on the original claim since no inspection had been completed.

INVESTIGATION RESULTS:

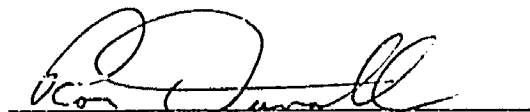
On July 14, 1999, a field inspection with Ed Thompson found the irrigation project still in use. The location of the diversion point and irrigated acreage match the map on file for No. 347-1. However, the legal description of the diversion point on No. 347-1 does not match the file map location. The correct location of the diversion point is 1,700 feet South and 2,300 feet W from the NE corner section 19-T5N-R8E (SW $\frac{1}{4}$ NE $\frac{1}{4}$).

All of the following irrigated acreage is located in Section 19-T5N-R8E:

SW $\frac{1}{4}$ NE $\frac{1}{4}$	10 ac
SE $\frac{1}{4}$ NE $\frac{1}{4}$	11 ac
Total	21 ac

RECOMMENDED ACTION:

Since the legal description of the diversion point is incorrect as advertised in the Notice of Validation, a readvertisement is needed to correct the legal description pursuant to SDCL 46-2A-22. If no one contests the readvertisement of Vested Right Claim No. 347-1, then the claim can be scheduled for validation for 21 acres with a diversion rate of 0.30 cfs. Since the location of the diversion point is being corrected, Notice should be given to Mr. Thompson of the Board meeting at which the claim will be validated.


Ron Duvall, Natural Resources Engineer
Water Rights Program

October 25, 1999

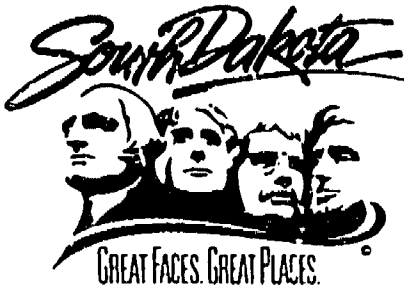
No. 347-1

Enclosed is a short documentation of what the inspection found and a map showing the irrigated area. This claim will be scheduled for validation by the Water Management Board for irrigation of 21 acres. Notice of the time and place of hearing will be provided to you. Prior to scheduling the claim for validation it will need to be readvertised to correct the legal description of the diversion point. This readvertisement will be completed free of charge to you and a copy of the readvertisement notice will be provided to you.

There are no applications needed to correct anything associated with this claim. However, there is an additional 21 acres located nearby that need to be covered by either a vested water right or a new water right permit. Enclosed in this folder is an application to cover 21 acres. If the irrigation qualifies as a vested water right, then the fee is \$15.00. If the irrigation began following March 2, 1955, then a new application needs to be filed. The application fee for a new permit for 21 acres is \$150.00 plus an additional \$50.00 for issuance of a water license. Please remit the correct fee when you return the completed application. The other expense to you will be publication of a notice in your local newspaper regardless of whether the application is for a vested right or a new water right permit.

Please complete the transfer of ownership form in the manila folder containing all of the transfer forms. Thank you,

Ron



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

October 25, 1999

Ed Thompson
HC 75 Box 134
Sturgis SD 57785

Dear Mr. Thompson:

I am writing in response to inspection of several of your vested water right claims and a water right permit on July 14, 1999. After reviewing the irrigated acreage, the following actions need to be taken:

No. 345-1

This vested right claim is for 302.9 acres in sections 24, 25; all in T5N-R8E. The inspection found 302.9 acres being irrigated within the areas described on the original claim. Enclosed is a map of the irrigated acreage and a short documentation of what the inspection found. Claim No. 345-1 will be scheduled for validation by the Water Management Board for irrigation of 302.9 acres from the diversion points described on the claim. A transfer of ownership form is also enclosed to change the name on No. 345-1 from LeRoy Thompson to you.

No. 346-1

This vested right claim is for 151 acres located primarily in section 18-T5N-R8E. The inspection found that 151 acres have been developed for irrigation with 5 additional acres outside of the area described on the original claim. Enclosed is a map of the irrigated acreage and a short documentation of what the inspection found. Claim No. 346-1 will be scheduled for validation by the Water Management Board for irrigation of 151 acres from the diversion points described on the claim. Enclosed is a partially-completed application form and map for the 5 additional acres and a second diversion point not included on No. 346-1. As I recall, the second diversion point and four acres (SE $\frac{1}{4}$ NW $\frac{1}{4}$) of the five acre area were developed at a later date. If so, this application should be treated as a new application as opposed to another vested water right claim. If I am incorrect and all of the project was completed on or before March 2, 1955, then you may claim a vested right. An Affidavit of Water Use form is enclosed if you intend to claim a vested water right for the additional acreage. A transfer of ownership form is also enclosed to change the name on No. 346-1 from LeRoy Thompson to you.

During the inspection, it was also noted that a large area was also being irrigated in section 13-T5N-R7E from a diversion near the center of the section. Water Right No. 1198-1 covers this area and no action is needed

No. 347-1

This vested right claim is for 21 acres in section 19-T5N-R8E. The inspection found that the 21 acres are being irrigated as described on the original claim. However, the legal description of the diversion point on the claim (SE $\frac{1}{4}$ NW $\frac{1}{4}$) does not match legal description on the original map (SW $\frac{1}{4}$ NE $\frac{1}{4}$) which is the actual location. To correct this error, the Notice of Validation will need to be readvertised at our expense to describe the correct location of the diversion point. After readvertisement, the vested right can be scheduled for validation by the Water Management Board for irrigation of 21 acres. Enclosed is a map of the irrigated acreage and a short documentation of what the inspection found. A transfer of ownership form is also enclosed to change the name on No. 347-1 from Keffeler Ranch Inc to you.

On a related matter, there is an additional area near the center of section 19 that you pointed out as being irrigated. This area, coincidentally, is also 21 acres in size. After reviewing our files, I could not find a water right for irrigation of the area. Enclosed is a partially-completed application form to cover the acreage with a map showing the acreage and diversion point. This application can be for either a new water right permit or a vested right claim depending on when the acreage was first developed for irrigation. In order to qualify for vested status the project needs to have been developed on or before March 2, 1955. If you intend to claim a vested right, there is an Affidavit of Water Use form that needs to be filled out to document when the project was developed.

No. 348-1

This vested right claim is for 158 acres primarily in section 28-T5N-R8E. The inspection found 158 acres being irrigated as described on the original claim with the irrigated area shifted slightly to the south since the section lines were not properly drawn on the original map. The legal description of the irrigated acreage in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ section 28 does not match legal description on the original claim (NE $\frac{1}{4}$ SE $\frac{1}{4}$). To correct this error, the Notice of Validation will need to be readvertised at our expense to describe the correct location of this part of the irrigated acreage. After readvertisement, the vested right can be scheduled for validation by the Water Management Board for irrigation of 158 acres. Enclosed is a map of the irrigated acreage and a short documentation of what the inspection found. A transfer of ownership form is also enclosed to change the name on No. 348-1 from Keffeler Ranch Inc to you.

No. 349-1

This vested right claim is for 358 acres in sections 19, 20, and 21; all in T5N-R8E. The inspection found 336 acres being irrigated within the area described on the claim. The remaining acreage (358 - 336 = 22 acres) is not being irrigated. Enclosed is a map of the irrigated acreage and a short documentation of what the inspection found. Claim No. 349-1 will be scheduled for validation by the Water Management Board for irrigation of 336 acres from the diversion points described on the claim. A transfer of ownership form is also enclosed to change the name on No. 349-1 from Keffeler Ranch Inc to you.

October 25, 1999

Ed Thompson

Page 3 of 3

No. 1523-1

This water right permit was issued to you on February 26, 1992, for irrigation of 388 acres in sections 17, 18, 19, and 20; all in T5N-R8E. Portions of the acreage in sections 19 and 20 are also irrigated from Alkali Creek under No. 349-1. The inspection found 299 acres developed for irrigation under No. 1523-1. Enclosed is a copy of the inspection report and map. Based on the inspection, Permit No. 1523-1 is ready to be licensed for 299 acres upon receipt of the \$50.00 licensing fee. Licensing this permit is the final step in obtaining a water right.

I apologize for the length of this letter and the number of enclosures. I have tried to layout the enclosures and provide directions as clearly as possible. If you have any questions, please give me a call at (605) 773-3352 and I will try to assist you.

Sincerely,



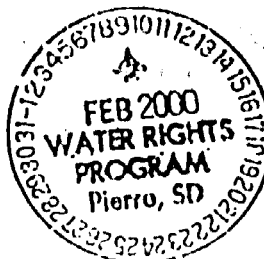
Ron Duvall
Natural Resources Engineer
Water Rights Program

enclosures

NOTICE OF TRANSFER OF OWNERSHIP

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

No. 347-1



Date: Nov. 22, 1999

I/We request that Vested Water Right No. 347-1

formerly owned by: Keffeler Ranch, Hereford Route, Sturgis SD 57785

be transferred to: (name & address) Thompson Ranch, Inc., HC 75 Box 134, Sturgis, SD 57785

Telephone No. 605-347-3183

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

All of the following irrigated acreage is located in Section 19-T5N-R8E:

SW $\frac{1}{4}$ NE $\frac{1}{4}$	10 ac
SE $\frac{1}{4}$ NE $\frac{1}{4}$	<u>11 ac</u>
Total	21 ac

I/We understand that the validity of Vested Water Right No. 347-1 has not been determined by this transfer action. If I/We have any questions on validity, I/We understand that only the Water Management Board has the authority to determine if a water permit/right is valid (see note).

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

A fee of Two Dollars and Fifty Cents (\$2.50) is required to cover the filing fees as required under SDCL 46-2-13. This form must be signed by the new owner.

STATE OF SOUTH DAKOTA)

County of Meade)

I/We Thompson Ranch, Inc. being first duly sworn on my oath depose and say that my relation to the above described undertaking is that of Owner, that I have read the above foregoing statement, and that I know of my own personal knowledge that the information herein stated is true.

Thompson Ranch Inc,
by Ed Thompson
(Signed)

Subscribed and sworn to before me this 28th day of January, 2000.

Margaret Dickisch
(Notary Public)

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

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



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 12, 2009

Ed Thompson
HC 75 Box 134
Sturgis SD 57785

Dear Mr. Thompson:

I am writing to followup on my letter of October 25, 1998 regarding your vested water right claims and water right permit. Enclosed is a copy of the letter and instruction sheet.

To date, we have not received a response. Please take a look at the packet of information I sent you in October and let me know if you have any questions. I can be reached at (605) 773-3352. We can not validate your vested right claims or license your permit until we get your response to the items mentioned.

Thank you again for taking the time to show me around. I look forward to your response.

Sincerely,

Ron Duvall
Natural Resources Engineer
Water Rights Program

enclosures



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

February 29, 2000

Ed Thompson
HC 75 Box 134
Sturgis SD 57785

Dear Mr. Thompson:

I am writing in response to our phone conversation on February 29, 2000 regarding a portion of your irrigated acreage in section 19-5N-8E. Enclosed is the completed application form we received from you on February 9, 2000. I have added 10 acres to this application located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ (5 acres) and NE $\frac{1}{4}$ SE $\frac{1}{4}$ (5 acres) of section 19. The attached map shows all of the acreage outlined in red.

I have also enclosed two additional forms for you to complete. The Form 2A is for information regarding the size of the diversion dam/dike located 1,700 feet South and 2,300 feet W from the NE corner section 19 (SW $\frac{1}{4}$ NE $\frac{1}{4}$ -- see map). I included the other Form 2A you already completed as a good example for you to follow. The second form to complete is the "Affidavit of Construction of Water Use System and Application of Water to Beneficial Use." In order to assist you with completing this form I have also enclosed a copy of Vested Right No. 347-1. The last two pages of No. 347-1 (Proof of Application of Water to Beneficial Use) may help you with choosing the priority date you wish to claim. According to No. 347-1 the system was constructed in 1953. The "Affidavit" will need to be signed and notarized. After completing the two forms, please return all of the forms and map I mailed you. You may keep the copy of 347-1 for your records.

Here is the total of all the fees:

Type of Fee	Amount
Transfer of Ownership (5 transfers @ \$2.50 per transfer)	\$12.50
Licensing of Water Permit No. 1523-1 for 299 acres	\$50.00
New application for 5 acres in section 18-5N-8E (\$50 application plus \$50 license)	\$100.00
Vested Right claim for 31 acres (this is concerning the enclosed forms)	\$15.00
Total fee (make check payable to Water Rights Program)	\$177.50

Please let me know if you have any questions. I can be reached at 605 773-3352. Thank you for your patience with getting all of this completed.

Sincerely,

Ron Duvall
Natural Resources Engineer
Water Rights Program

enclosures

RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

N2 416571

Pierre, July 6, 2000

RECEIVED OF Thompson Ranch, Inc., HC 75 Hereford Rt., Box 134, Sturgis, SD 57785-8908
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 Vested Water Right No. 347-1

Fee for Filing Extension Request _____

Fee for _____

2 50

(Any Other Work Provided by Law)

Total

2 50

By

Chief Engineer

Harold E. Ebel



**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.**

August 17, 2000

Ed Thompson
Thompson Ranch, Inc.
HC 75 Box 134
Sturgis SD 57785

Dear Mr. Thompson:

Thank you for finishing up the applications I sent to you. I have completed a report on each application and the chief engineer has prepared a recommendation for each application. A copy of the report and recommendation is enclosed for Application Nos. 1731-1 and 1732-1.

The next step is to publish a notice for Application No. 1731-1 and 1732-1. A copy of the notice is enclosed for your review and a copy of the notice has also been sent to the Meade County Times-Tribune at Sturgis SD -- phone 347-2503. Be sure to contact the newspaper to authorize publication of your Notice. You will be responsible for the cost of publishing this notice.

In addition, a second notice that needs to be published is enclosed for your review. This notice is a readvertisement to correct publication errors made concerning two of your vested rights -- Nos. 347-1 and 348-1. These errors concerned the legal description of the diversion point and irrigated acreage published back in 1988 when all of the vested rights in the state were being advertised for validation. The cost of this readvertisement publication will be paid by the Water Rights Program and a copy of this Notice has also been provided to the Meade County Times-Tribune. The paper has been directed by us to publish this notice since we are paying for the notice. However, feel free to remind the paper to publish the notice when you call concerning the notice for Application Nos. 1731-1 and 1732-1.

Finally, there is one more notice enclosed which does NOT need to be published. This is personal notice to you that the Water Management Board will consider validation of your Vested Water Right No. 349-1. You are being given personal notice concerning this vested right because we are recommending the vested right be validated for fewer acres than described on the vested right claim. Based on my inspection last year, we are recommending validation of 336 acres rather than for the 358 acres described on the original claim. All of your other vested rights will be validated by the board for the same number of acres and same amount of water as described on the original vested right claims.

Please feel welcome to attend the Water Management Board on September 28, 2000 at the Radisson Motel in Rapid City SD. However, if no one contests anything in the publication notices and you agree with validation of No. 349-1 for 336 acres, then there is no reason that you would need to attend the board meeting. But again, you are certainly welcome to attend anyway.

If you have any questions, please give me a call at 605 773-3352. I will try to help in any way possible. Thank you again for all of your help.

Sincerely,



Ron Duvall
Natural Resources Engineer
Water Rights Program

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 publication notices. The Water Management Board will then consider your concerns during the hearing on the application.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

August 17, 2000

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

Attn: Legal Department

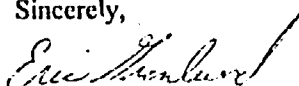
Enclosed is a Readvertisement of Notice of Intent to Validate Vested Water Right Claims to be published twice. Please publish the first notice on August 17, 2000 with the second publication 7 days later.

Please bill the Water Rights program for the cost of the advertisement.

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

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

Sincerely,


Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

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

No. 347-1 & 348-1

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

Date _____

We are in receipt of your letter of August 17, 2000 enclosing Notice of Hearing to Appropriate Water by Application Nos. 347-1 & 348-1 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 August 23, 2000 with the second publication 7 days later. The Water Rights Program is responsible for payment.

READVERTISEMENT OF NOTICE OF INTENT TO VALIDATE VESTED WATER RIGHT CLAIMS

Notice is given that the following vested water right claims in Meade County are eligible for validation by the Water Management Board pursuant to SDCL 46-2A-17 without a hearing unless a petition to oppose the validation is filed pursuant to SDCL 46-2A-22. Readvertisement of the original notice of intent to validate these claims, as published on June 22 and 29, 1988 in the Meade County-Times Tribune is necessary to correct errors in the previously published notice.

Recognized Vested Water Right No. 347-1 claims 0.30 cubic feet of water per second (cfs) from South Alkali Creek located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 19 to irrigate 21 acres located in the S $\frac{1}{2}$ NE $\frac{1}{4}$ Section 19; all in T5N-R8E. The priority date is January 1, 1953. The original publication notice incorrectly advertised the diversion point as being in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 19-T5N-R8E.

Recognized Vested Water Right No. 348-1 claims 2.2 cfs from Alkali Creek located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 28 to irrigate 158 acres. The corrected location of the irrigated acreage is the N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 28; all in T5N-R8E.

Any person who wishes to oppose validation of any of the readvertised vested right claims shall file a petition of intent to oppose the validation by September 11, 2000 with the Chief Engineer, Water Rights Program, Department of Environment and Natural Resources, Joe Foss Building, 523 East Capitol, Pierre, SD 57501-3181 (605 773-3352) and with the vested water right holder at the listed address. The petition may be informal, but it must include a statement describing the petitioner's interest in the vested water right claim, the reasons for the petitioner's opposition to the claim, and the signature and mailing address of the petitioner or his legal counsel if legal counsel is obtained.

If a petition of intent to oppose the validation of a recognized vested water right claim is filed, the Water Management Board will conduct a hearing on the opposed claim at 8:30 am, September 28, 2000, Radisson (Angostura Room), 445 Mt. Rushmore Road, Rapid City SD. The September 28, 2000 hearing date will be automatically delayed for at least 20 days upon written request to the Chief Engineer from the applicant or any interested person opposing the application. The request for an automatic delay must be filed by September 11, 2000.

If no person opposes validation of a recognized vested water right claim pursuant to SDCL 46-2A-16, the Water Management Board will issue an order pursuant to SDCL 46-2A-17, validating the vested water right claim.

These validations are made pursuant to the provisions of SDCL 46-1-1 thru 46-1-9, 46-1-14; 46-2-3.1, 46-2-9, 46-2-11, 46-2-17; 46-2A-16 thru 46-2A-18, 46-2A-22; 46-5-1 thru 46-5-6.1, 46-5-8.2, 46-5-13 thru 46-5-15, 46-5-30.2 thru 46-5-37.1, 46-5-46, 46-5-49; 46-6-1 thru 46-6-3, 46-6-6, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14, 46-6-21, 46-7-1 thru 46-7-5.3, 46-7-12, 46-7-14, 46-7-15 and Board Rules ARSD 74:02:01:01 thru 74:02:01:05.03 and 74:02:01:20 thru 74:02:01:22.

Contact Eric Gronlund by September 15, 2000, at the above Water Rights Program address to: 1) request copies of information pertaining to a vested right claim or a copy of the vested water right claim list for another county; 2) obtain a summary of South Dakota Water Law and Water Rights Information; 3) to assure access to the hearing by the handicapped; or 4) obtain an interpreter for the hearing impaired. Steven M Pimer, Secretary, Department of Environment and Natural Resources



PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
) SS
 County of Meade)

I, Joan Lewis

certify that the attached printed Notice was taken

from the Meade County Times

printed and published in Sturgis

County of Meade and

state of South Dakota. The notice was published

in the newspaper on the following two dates:

Aug. 23, 2000

Aug. 30, 2000

Cost of Printing 59.85

Joan M. Lewis
 (Signature)

Bookkeeper
 (Title)

9/1/2000
 (Date Signed)

Water application

READVERTISEMENT OF NOTICE OF

INTENT TO VALIDATE VESTED WATER RIGHT CLAIMS

Notice is given that the following vested water right claims in Meade County are eligible for validation by the Water Management Board pursuant to SDCL 46-2A-17 without a hearing unless a petition to oppose the validation is filed pursuant to SDCL 46-2A-22. Readvertisement of the original notice of intent to validate these claims, as published on June 22 and 29, 1988 in the Meade County-Times Tribune is necessary to correct errors in the previously published notice.

Recognized Vested Water Right No. 347-1 claims 0.30 cubic feet of water per second (cfs) from South Alkali Creek located in the SW 1/4 NE 1/4 Section 19 to irrigate 21 acres located in the S 1/2 NE 1/4 Section 19; all in T5N-R8E. The priority date is January 1, 1953. The original publication notice incorrectly advertised the diversion point as being in the SE 1/4 N W 1/4 Section 19-T5N-R8E.

Recognized Vested Water Right No. 348-1 claims 2.2 cfs from Alkali Creek located in the NW 1/4 SW 1/4 and the SW 1/4 NE 1/4 Section 28 to irrigate 158 acres. The corrected location of the irrigated acreage is the N 1/2 NW 1/4, SE 1/4 NW 1/4, N 1/2 SW 1/4, N 1/2 NE 1/4, SW 1/4 NE 1/4, NW 1/4 SE 1/4, Section 28; all in T5N-R8E.

Any person who wishes to oppose validation of any of the readvertised vested right claims shall file a petition of intent to oppose the validation by September 11, 2000 with the Chief Engineer, Water Rights Program, Department of Environment and Natural Resources, Joe Foss Building, 523 East Capitol, Pierre, SD 57501-3181 (605 773-3352) and with the vested water right holder at the listed address. The petition may be informal, but it must include a statement describing the petitioner's interest in the vested water right claim, the reasons for the petitioner's opposition to the claim, and the signature and mailing address of the petitioner or his legal counsel if legal counsel is obtained.

If a petition of intent to oppose the validation of a recognized vested water right claim is filed, the Water Management Board will conduct a hearing on the opposed claim at 8:30 am, September 28, 2000, Radisson (Angostura Room), 445 Mt. Rushmore Road, Rapid City SD. The September 28, 2000 hearing date will be automatically delayed for at least 20 days upon written request to the Chief Engineer from the applicant or any interested person opposing the application. The request for an automatic delay must be filed by

September 11, 2000.

If no person opposes validation of a recognized vested water right claim pursuant to SDCL 46-2A-16, the Water Management Board will issue an order pursuant to SDCL 46-2A-17, validating the vested water right claim.

These validations are made pursuant to the provisions of SDCL 46-1-1 thru 46-1-9, 46-1-14; 46-2-3.1, 46-2-9, 46-2-11, 46-2-17; 46-2A-16 thru 46-2A-18, 46-2A-22; 46-5-1 thru 46-5-6.1, 46-5-8.2, 46-5-13 thru 46-5-15, 46-5-30.2 thru 46-5-37.1, 46-5-46, 46-5-49; 46-6-1 thru 46-6-3, 46-6-6, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14, 46-6-21, 46-7-1 thru 46-7-5.3, 46-7-12, 46-7-14, 46-7-15 and Board Rules ARSD 74:02.01:01 thru 74:02.01:05.03 and 74:02.01:20 thru 74:02.01:22.

Contact Eric Gronlund by September 15, 2000, at the above Water Rights Program address to: 1) request copies of information pertaining to a vested right claim or a copy of the vested water right claim list for another county; 2) obtain a summary of South Dakota Water Law and Water Rights Information; 3) to assure access to the hearing by the handicapped; or 4) obtain an interpreter for the hearing impaired. Steven M Pirner, Secretary, Department of Environment and Natural Resources

Publ Aug. 23 and 30, 2000
 Meade County Times-Tribune

SOUTH DAKOTA

VESTED WATER RIGHT NO. 347-1 FOR IRRIGATION

Date of Receipt of Claim September 5, 1958.

Date of Validation September 28, 2000.

The Water Management Board validated Vested Water Right Claim No. 347-1 for irrigation purposes for Thompson Ranch, Inc., HC 75 Box 134, Sturgis SD 57785 with the following limitations, conditions and qualifications:

1. Vested Water Right No. 347-1 appropriates 0.30 cubic feet of water per second from South Alkali Creek (dry draw) located in the SW ¼ NE ¼ Section 19 to irrigate 21 acres located in the S ½ NE ¼ Section 19; all in T5N-R8E.
2. The appropriation may not exceed the amount of water needed for beneficial use for irrigation. The appropriation may not exceed 3 acre feet per irrigated acre per year. The water is to be used during the following annual period: January 1 – December 31.
3. The priority date of the Vested Water Right is January 1, 1953.
4. The water use system has been constructed and water has been applied to beneficial use.
5. Water Rights obtained in compliance with the laws of the State of South Dakota must not be unlawfully impaired by this appropriation.

QUALIFICATIONS

The diversion rate limitation of 1 cubic feet of water per second for each 70 acres irrigated shall not apply to this dry draw irrigation diversion during periods of flood flows, when such flows are in excess of the amount of water required to satisfy domestic use requirements and other water rights

WATER MANAGEMENT BOARD

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

NOV 01 2000

date





347-1
DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES
JOE FOSS BUILDING
523 EAST CAPITOL
PIERCE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

Ed Thompson
Thompson Ranch, Inc.
HC 75 Box 134
Sturgis SD 57785

Dear Mr. Thompson:

On September 28, 2000, the Water Management Board took action to validate and approve your water rights based on the inspections conducted by Ron Duvall, staff engineer. For your records, enclosed are the following:

- Vested Water Right and Reissued Vested Water Right No. 345-1.
- Vested Water Right No. 346-1, Water Permit No. 1731-1 and Water License No. 1731-1 (which incorporates the applicable portions of No. 346-1).
- Vested Water Right No. 347-1, Water Permit No. 1732-1 and Water License No. 1732-1 (which incorporates the applicable portions of No. 347-1).
- Vested Water Right and Reissued Vested Water Right No. 348-1.
- Vested Water Right and Reissued Vested Water Right No. 349-1.
- Water License No. 1523-1.
- Receipts for payment of transfer fee for Nos. 345-1, 346-1, 347-1, 348-1 and 349-1.
- Receipts for payment of license fee for Nos. 1731-1, 1732-1 and 1523-1.

As long as you use the water beneficially, as stated in the Water Licenses, State Water Laws provide that you have a continuing right to use the water.

Sincerely,

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

enclosures

MAP NOT TO SCALE
THIS IS NOT AN OFFICIAL WETLAND MAP



