

NOTICE OF TRANSFER OF OWNERSHIP

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

RECEIVED

AUG 03 2020

WATER RIGHTS
PROGRAMNo. 684-1Date: 4/29/20I/We request that Water Right No. 684-1formerly owned by: Edgar A & Carole Kellem

be transferred to: (name & address)

(1/2 well ownership)
ONE DIAMOND, Inc
P.O. Box 943 Spearfish, SD 57783 Telephone No. 605-641-0359

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

Tract 2 of the S 1/2 SE 1/4 and Part of the
NW 1/4 SE 1/4, Section 15, T7N R2E BHM

I/We understand that the validity of Water Right No. 684-1 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.

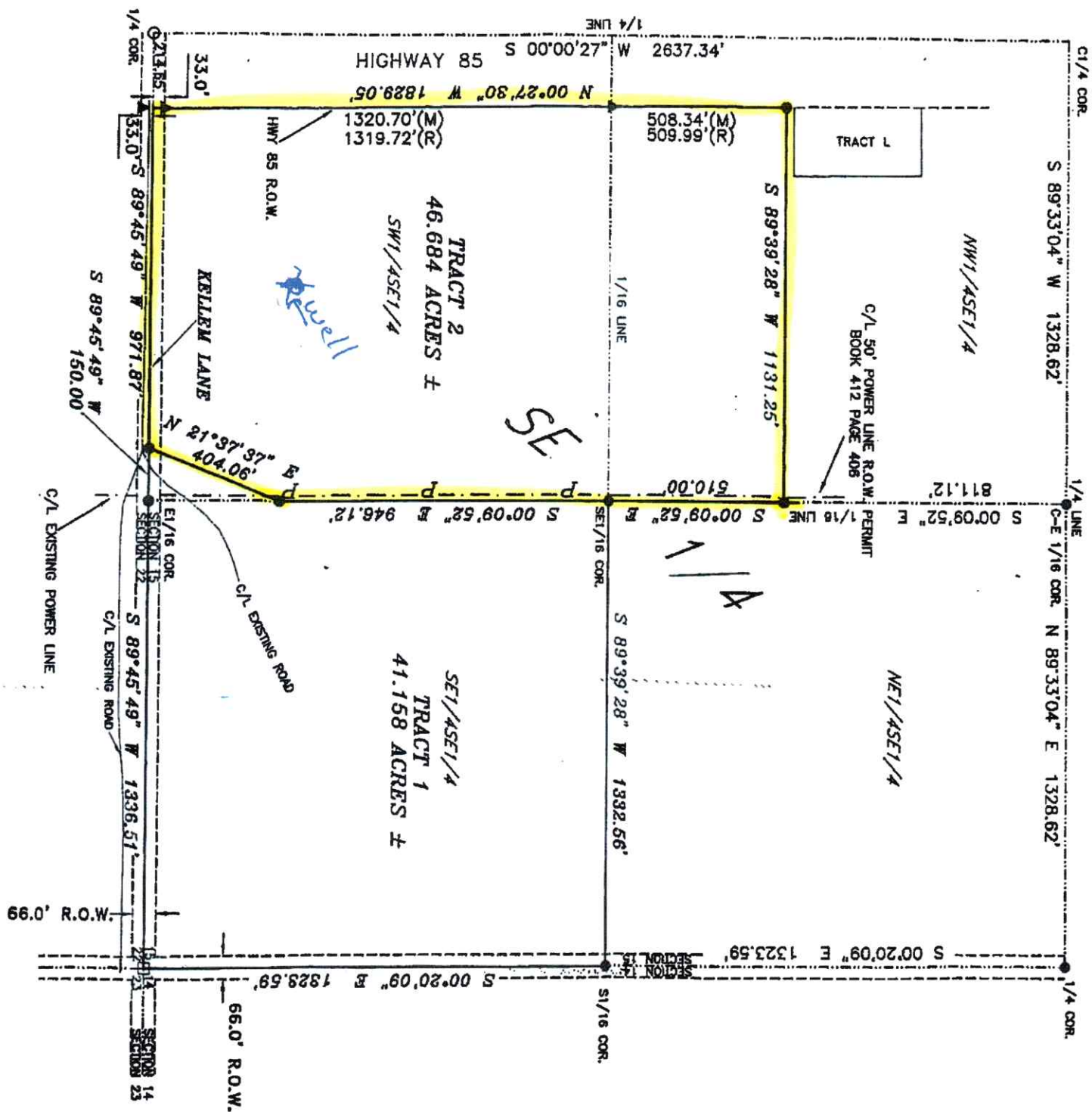
A fee of Fifty Dollars (\$50.00) is required to cover the filing fees as required under SDCL 46-2-13. This form must be signed by the new owner.

I/We One Diamond, Inc, the new owner, certify that the above information is true and correct.

One Diamond, Inc.
by Alan Cragg, President
(Signed by new owner)

NOTE: Water permits may be cancelled for nonconstruction after the five year construction period has expired. Once a water permit is developed 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.



RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date August 3, 2020

RECEIVED OF One Diamond Inc. PO Box 943 Spearfish SD 57783-0943

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 <u>684-1</u>	\$50.00
Fee for _____	\$
Fee for Issuing New Well Driller's License No. _____	\$
Fee for Renewal of Well Driller's License No. _____	\$
Fee for Issuing Well Pump Installer's License No. _____	\$
Fee for Renewal of Well Pump Installer's License No. _____	\$
(Any Other Work Provided by Law) TOTAL	\$50.00

By Eric Gronlund
Chief Engineer

vm

STATE OF SOUTH DAKOTA
WATER LICENSE NO. 684-1A
(DIVISION OF WATER RIGHT NO. 684-1 INTO 684-1A & 684-1B)

(1) Water Right No. 684-1, owned by Edgar & Carole Kellem, authorizes the diversion of 1.1 cubic feet of water per second (cfs) from groundwater, one well (Minnelusa Formation), Lawrence County, South Dakota for irrigation purposes. Water Right No. 684-1, with a priority date of May 1, 1963, authorizes the irrigation of 133 acres located within the SW ¼ NE ¼, W ½ SE ¼, and SE ¼ SE ¼; all in Section 15, T7N, R2E.

On August 3, 2020, One Diamond Inc. filed a "Notice of Transfer of Ownership" for a portion of the land described in Water Right No. 684-1. Based on the ownership change, Water Right No. 684-1 is being divided and reissued to reflect separate ownership as follows:

- **Water Right No. 684-1A, One Diamond Inc., c/o Alan Crago, PO Box 943, Spearfish SD 57783** authorizing the diversion of 0.39 cfs from one well to irrigate 46.7 acres located in S ½ NW ¼ SE ¼ & SW ¼ SE ¼ Section 15-T7N-R2E.
- **Water Right No. 684-1B, Edgar & Carole Kellem, 10978 Kellem Ln, Belle Fourche SD 57717** authorizing the diversion of 0.71 cfs from one well to irrigate 86.3 acres located in N ½ NW ¼ SE ¼, SW ¼ NE ¼, & S ½ SE ¼ Section 15-T7N-R2E.

(2) It is certified that the permit holders have 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 0.39 cubic feet of water per second for beneficial use. The location of the diversion point is:

- SW ¼ SE ¼ Section 15-T7N-R2E (Latitude 44.56318 & Longitude -103.85653)

(3) The water is to be used during the following described annual period: April 1 – October 30.

(4) The permit holder has complied with the provisions of South Dakota State Law relating to the application of water to beneficial use to irrigate to following land:

Section 15, T7N, R2E
N ½ NW ¼ SE ¼ 16.7 acres
SW ¼ NE ¼ 30 acres
TOTAL: 46.7 acres

(5) Pursuant to South Dakota Water Law 46-5-30.1 1 Diamond Inc., the holder and/or owner of Water Right No. 684-1A, is issued a license to appropriate water, the right to use 0.39 cubic feet of water per second from groundwater, one well (Minnelusa Formation), with a priority date of May 1, 1963, from the location specified in (2) of this license for irrigation purposes.

This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Right No. 684-1A and subject to the following qualifications:

1. The well must be valved, and the flow reduced to a small amount when water is not being used for irrigation.

continued

2. The well may be from a source having limited supplies, and restrictions to flow and time of flow by the Water Resources Commission may be necessary to protect prior water rights. (*The Water Resources Commission is now the Water Management Board.*)
3. If at any time this water right is cancelled or the well is abandoned, the well must be plugged with cement grout.

Eric Gronlund

Eric Gronlund, Chief Engineer
Water Rights Program
Department of Agriculture and Natural Resources

MAY 10 2024

date





**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

MAY 10 2024

684-1
684-1A

One Diamond Inc
c/o Alan Crago
PO Box 943
Spearfish SD 57783

Dear Mr. Crago:

Enclosed is Water License No. 684-1A and a receipt of payment for the transfer of ownership. Based on the "Notice of Transfer of Ownership" you filed, Water Right No. 684-1 was divided and reissued as follows:

- **Water Right No. 684-1A, One Diamond Inc., c/o Alan Crago, PO Box 943, Spearfish SD 57783**
- **Water Right No. 684-1B, Edgar & Carole Kellem, 10978 Kellem Ln, Belle Fourche SD 57717**

For your information SDCL 46-6-27 requires that if in the future, the owner of an existing well, 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.

So long as you use the water beneficially, as stated in the Water License, State Water Laws provide that you have a continuing right to use the water. If you have any questions, please contact our office.

Sincerely,

Eric Gronlund, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures