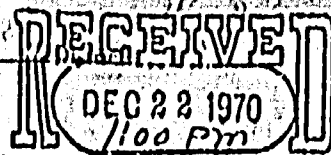


Water Right Number 1047-2

1. Considered January 20, 1971
2. Name of Applicant Navotny Bros.
3. Post Office Address Colome, S.D.
4. Amount of Water claimed 2.0
5. Source of Water supply ground water
6. Water to be used for irrigation
- Acres to be irrigated 202.46
7. Water to be diverted and used in Tripp County
about 85 miles of WINNER
8. Proof of Publication Received ~~1-20-71~~
Not Received _____
9. Application Approved _____
Subject to _____
Not Approved _____
Action Deferred _____
10. Remarks:

No. 1047-2Map No. 108-2 Water Division No. 2 WHITE RIVER
(Blanks to be Filled by the Engineer for the W. R. C.)

APPLICATION FOR PERMIT TO APPROPRIATE WATER RESOURCES COMM PIERRE SOUTH DAKOTA

To Appropriate Water within the State of South Dakota

(NOTE--Draw a line through items not applicable)

1. Name of Applicant Novotny, Ed (Edmund and Virgil)
Postoffice address R. R. #3, Pierre, State South Dakota
If a corporation show date and place of incorporation _____
2. Method of accomplishing work (contract, employment of others, or by direct labor) _____
3. Name of diversion work NOVOTNY #1
4. Amount of water claimed (cubic feet per second) 2.0
5. Source of water supply well
6. Location of point of diversion SE 20 - 98 - 76 Wilson Township
- County TRIPP
7. Annual period or periods during which water is to be used May 1 to November 1
8. Use to be made of water, (irrigation, industrial, municipal, commercial, recreation, etc.) irrigation
9. For irrigation use, Total number of acres to be irrigated 200.46 156

List below each forty-acre subdivision, or lot, or fraction thereof and show number of acres to be irrigated in each.

Land Description	No. Acres Irr.	Land Description	No. Acres Irr.
NE 1/4 NW 1/4 Sec 29 98 76	39.00	NE 1/4 NW 1/4 Sec 29 98 76	39.00
NW 1/4 NW 1/4 Sec 29 98 76	38.00	NW 1/4 NW 1/4 Sec 29 98 76	38.00
SW 1/4 NW 1/4 Sec 29 98 76	39.00	SW 1/4 NW 1/4 Sec 29 98 76	39.00
SE 1/4 NW 1/4 Sec 29 98 76	40.00	SE 1/4 NW 1/4 Sec 29 98 76	40.00

Attach sheet if more space is needed

10. Time required to complete construction of water supply system 1 years. Additional time required to complete application of water to the proposed beneficial use 4 years.
11. Choice of newspaper for Notice of Intent to Appropriate Water publication Pierre Advocate
12. Principal Features of the Proposed Water Supply System.

A. Works proposed to divert water from its natural source

WELL, PUMP & MOTOR

B. Works proposed to transport water to place of use.

MAINLINE

C. Works proposed to apply water to beneficial use.

SELF PROPELLEDEstimated Total Cost \$ 25,600.00Attachments: Attach Form 2A if diversion from a well or dugout, or if storage of water, is proposed. Attach map.
(See instructions concerning preparation.)

STATE OF SOUTH DAKOTA

County of HeadsI, Edmund Novotny

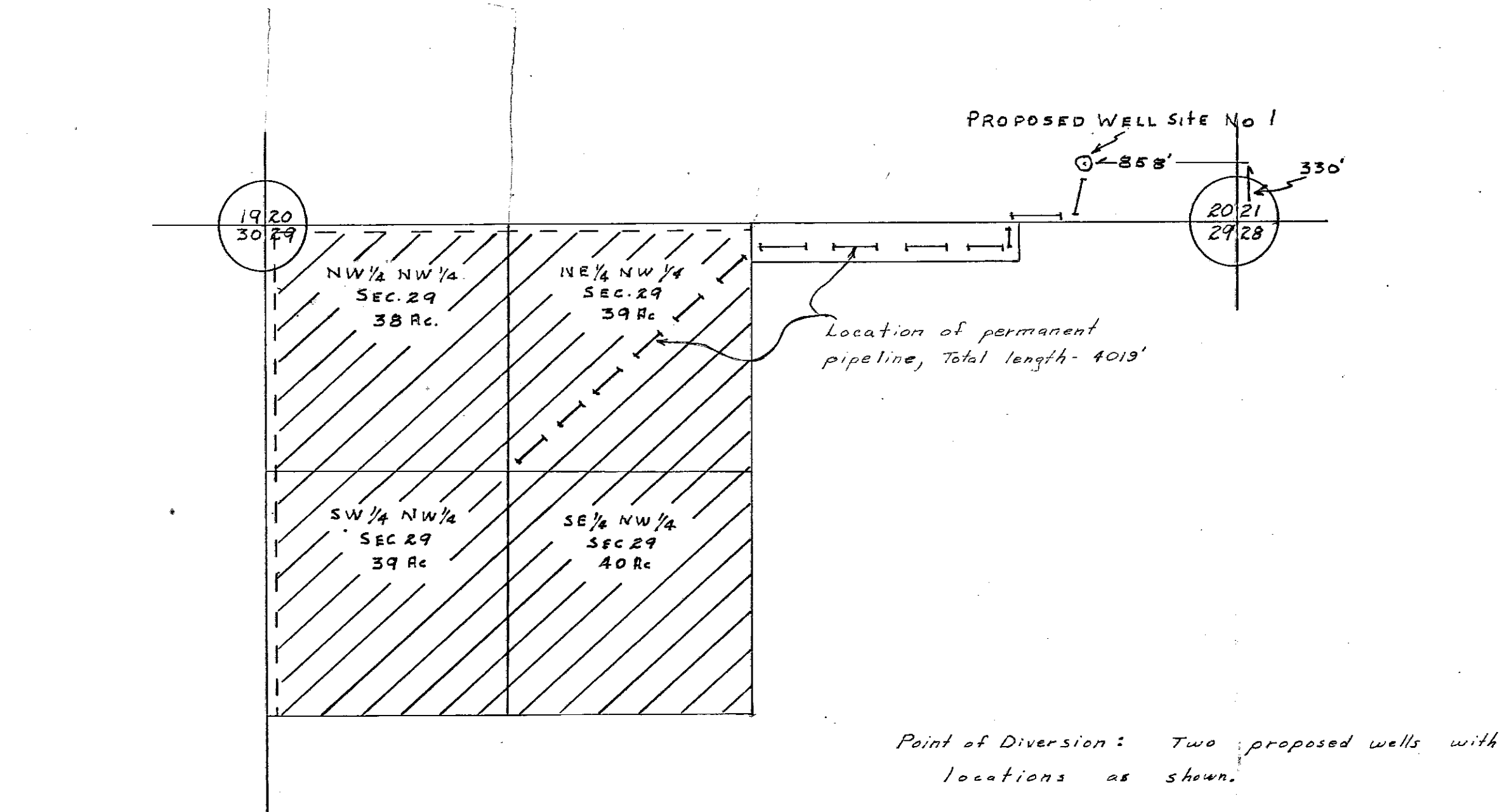
the applicant, certify that I have read the foregoing application and have examined the attached map and that the matters therein stated are true and that I intend, and am able to complete the necessary construction.

Signed Edmund NovotnySubscribed and sworn to before me this 22nd day of December, 1970

Notary Public (or other qualified officer)

John West W.R.C.

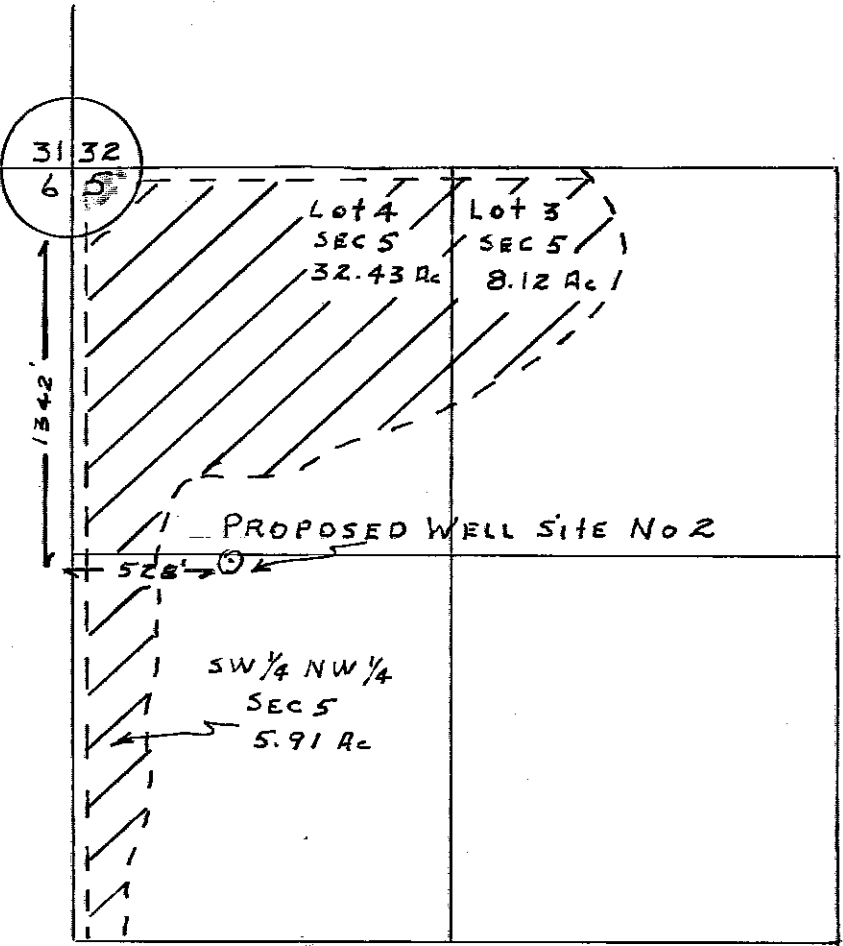
MAP OF
NOVOTNY IRRIGATION DEVELOPMENT .
LOCATED IN PORTIONS OF
SECTIONS 20, AND 29 IN T98N, R76W OF 5TH P. M.
AND
SECT. 5 IN T97N R76W OF 5TH P. M.
TRIPP COUNTY, SOUTH DAKOTA



LAND TO BE IRRIGATED

SCALE: 1" = 660'

LOCATION	SECTION	TWP	RANGE	ACRES	Owners
NE 1/4 NW 1/4	29	98	76	39.00	Virgil J. Novotny
NW 1/4 NW 1/4	29	98	76	38.00	Virgil J. Novotny
SW 1/4 NW 1/4	29	98	76	39.00	Virgil J. Novotny
SE 1/4 NW 1/4	29	98	76	40.00	Virgil J. Novotny
Lot 3	5	97	76	8.12	Edmund Novotny
Lot 4	5	97	76	32.43	Ed Novotny
SW 1/4 NW 1/4	5	97	76	5.91	Edmund Novotny
TOTAL				202.46	



SURVEYORS CERTIFICATE:

I, E. Lyle Kinport, a duly registered Professional Engineer and Land Surveyor in the State of South Dakota, do hereby certify that the accompanying Map shows the land to be watered from the water supply wells under the Novotny Irrigation Development in the NW 1/4 of Section 29, Township 98 North, Range 76 West of the 5th P.M., and the Sections indicated in the NW 1/4 of Section 5, Township 97 North, Range 76 West of the 5th P.M., Tripp County, South Dakota.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 18th day of December, 1970.

E. Lyle Kinport
Registered Professional Engineer and
Land Surveyor

STATE OF SOUTH DAKOTA } ss
COUNTY OF DAVISON }

On this 18th day of December, 1970, before me, Ruth J. Huffman, the undersigned officer, personally appeared E. Lyle Kinport, known to me to be the person whose name is subscribed to the within Surveyors Certificate and he acknowledged to me that he executed the same for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

My Commission Expires: February 28, 1975.

Ruth J. Huffman
Notary Public

WATER RIGHT APPLICATION APPROVAL

The Water Resources Commission hereby approves Water Right Application No. 1047-2

NOVOTNY BEES

R.R. #3, COLOME

(Post Office Address)

SOUTH DAKOTA

(State)

With the following modifications:

The irrigation well approved under this Permit will be located near domestic wells and ~~other~~ ^{MUNICIPAL} wells which may obtain water from the same aquifer. The irrigation well owner, under this Permit, shall control his irrigation withdrawals so there is not a reduction of needed water supplies in existing domestic wells or in ~~existing~~ wells having prior water rights.

Date of first receipt of application DECEMBER 22, 19 70

Date of return to applicant for correction, amendments or changes required —, 19 —

Date of receipt of corrected application —, 19 —

Approved JANUARY 20, 19 71, Recorded in Book 11 Page 222

WATER RIGHT PERMIT NO. 1047-2

The Water Resources Commission hereby grants and issues this Water Right Permit No. 1047-2 authorizing the construction of the water use system and the putting of water to beneficial use as stated in the Application and as modified in the Water Right Application approval, subject, however, to the following limitations and conditions:

1. The date from which applicant may claim right is DECEMBER 22, 19 70
2. The equivalent of a — fifth of the work above specified is to be completed on or before JULY 20, 19 71
3. The whole of said work is to be completed on or before JANUARY 20, 19 72
4. The limit of time from proof of beneficial use of water appropriated in accordance herewith is JANUARY 20, 19 76
5. The water appropriated shall be used for the purpose of IRRIGATION

6. 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.

7. The amount of the appropriation herein granted shall not exceed 2.0 cubic feet per second; neither shall it exceed the capacity of the above described water supply system, nor shall it exceed the amount of water needed for beneficial uses served, and if for the irrigation purposes said appropriation must be limited to not more than 3 acre feet per acre per year and 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 JANUARY 20, 19 76; said water to be used during the following described annual period: MAY 1 TO NOVEMBER 1

Witness my hand this 22ND day of JANUARY, 19 71

WATER RESOURCES COMMISSION

By:

DOUGLAS
Chief Engineer, Executive Officer

Certificate of Construction Issued —, 19 —

Water License Issued —, 19 —

Form 2A - Wells, Dugouts or Water Storage Dams (Supplement to form 2)

12. Principal Features of the Proposed Water Supply System (continued.)

D. Well Information or Estimates

- (1) Drill Hole, Diameter 32 inches, Depth 135 feet
(2) Casing, Type steel Diameter 16 inch Thickness 1/4 inch
(wood, concrete, steel, etc)
(3) Perforated Screen.
Type slit type, Diameter 16 inch, Length _____
(4) Gravel Pack, Thickness 8 inch, Length of gravel pack 60 feet

E. Dugout Information or Estimates.

- (1) Surface dimensions _____, Depth _____

F. Fill out for Either a Well or a Dugout.

- (1) Water Bearing Materials. (Please attach a copy to test well log if available.)

Character of Water bearing materials _____

Depth to top of water bearing material 60 feet

Depth to bottom of water bearing material 135 feet

Thickness of water bearing material 75 feet

Depth to water (ground surface to water level) 60 feet

- (2) Distance to nearest existing household or livestock watering wells.

On same owner's property 50 rds. On property owned by others 180 rds.

G. Water Storage Dams.

If the proposed water use system contains one or more water storage dams, please show in the space below, the height, maximum water depth, surface area and storage capacity of each storage dam. The location of each water storage dam should be shown on the water right map.

Novory Bros
Edward H. Novory
Signature of Applicant

13 TOWERS

1000 Gallons

NO.	PRESSURE	RAIN BIRD NO. Pressure Gauge	NOZZLE
1.	65		
2.	50	20	7/64
3.	45	20	1/8
4.	50	20	9/64
5.	55	20	5/32
6.	55	20	11/64
7.	55	20	3/16
8.	55	20	13/64
9.		30	3/16 x 3/32
10.		30	3/16 x 3/32
11.		30	3/16 x 1/8
12.		30	13/64 x 3/8
13.		30	7/32 x 1/8
14.		30	7/32 x 1/8
15.		70	7/32 x 11/64
16.		70	7/32 x 11/64
17.		70	1/4 x 11/64
18.		70	1/4 x 11/64
19.		70	1/4 x 11/64
20.		70	1/4 x 11/64
21.		70	9/32 x 3/16
22.		70	9/32 x 3/16
23.		70	9/32 x 7/32
24.		70	9/32 x 7/32
25.		70	9/32 x 7/32
26.		70	5/16 x 7/32
27.		70	5/16 x 7/32
28.		70	5/16 x 7/32
29.		70	11/32 x 7/32
30.		70	11/32 x 7/32
31.		70	3/8 x 7/32
32.		70	3/8 x 7/32
33.		70	3/8 x 7/32
34.		80	3/8 x 7/32
35.		80	3/8 x 7/32
36.		80	13/32 x 7/32
37.		80	13/32 x 7/32
38.		80	13/32 x 7/32
39.		80	13/32 x 7/32
40.		70	9/32 x 3/16
41.		30	13/64 1/8
42.		95	9/16 x 5/16 x 1/4

Bloomfield, Nebraska

Phone 373.4770

ESTIMATE SHEET

Job *6-11 of place*

Drilling and Casing	1st Hole	\$.....
Pump	60 - 20 Clay - Reg.	\$.....
Flexible Shaft	60 - 20 Sand	\$.....
Motor	80 - 100 Sand	\$.....
Gear Drive	100 - 120 Sand	\$.....
Pump Siab Foundation	40 - 135 Clay well	\$ good sand
Wiring		\$ Regd.
Gravel		\$.....
Freight and Installation		\$.....
Specials		\$.....
		\$.....
		\$.....
		\$.....
		\$.....
		\$.....
		\$.....
		\$.....
		\$.....
Sales Tax		\$.....
TOTAL		(.....)

Form 6 - Notice of Intent to Appropriate Water

1047-2

Publish first publication, on or before December 24, 1980

NOTICE
INTENT TO APPROPRIATE WATER

Pierre, South Dakota 57501

December 22, 1980

Notice is hereby given that Novatny Bros.

whose post office address is Colome, South Dakota, has made an application in accordance with the provisions of the water laws of South Dakota for a permit to appropriate for beneficial use

2.0 cubic feet of water per second of time from the ground water through the

Novatny #1, the point of diversion of which is to be located in the _____

SE 1/4 SE 1/4

of Section 20, Twp. 98 N, Range 76 W. Said water to be used for the purpose

of providing irrigation on the following described land:

NW 1/4, Section 23, T98N, R76W

This application No. 1047-2 will be considered by the Water Resources Commission at their office at

Pierre upon the 20th day of January, 1981, at 2:00 P. M. All interested persons may appear and be heard.

WATER RESOURCES COMMISSION

By:

BURTON F. JONES, Water Rights Specialist

cc: Novatny Bros. Colome, S.D.

Form 8 - Proof of Publication - Notice of
Intent to Appropriate Water

No. 1047-2

PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)

County Tripp) ss.

I, W. L. Johnson hereby

certify that the annexed printed copy of Notice of Intent to Appropriate
Water was taken from the Winner Advocate.

A newspaper which during the whole time of publication of said notice
herein after stated, has been and is printed and published in the

city of Winner

County of Tripp and State of South Dakota;
that the said notice was published in said newspaper on the following
four dates:

December 24, 1970

December 31, 1970

January 7, 1971

January 14, 1971

W. L. Johnson
(Signature)

Publisher
(Title)

January 14, 1971
(Date Signed)

NOTICE No. 1047-2
INTENT TO APPROPRIATE WATER
Pierre, South Dakota 57501
December 27, 1970
Notice is hereby given that Novotny
Brothers, whose post office address is
Colome, South Dakota, have made ap-
plication in accordance with the provisions
of the water laws of South Dakota for a
permit to appropriate for beneficial use 2.0
cubic feet of water per second of time from
ground water through the Kovotny
Irrigation Project No. 1, the point of
diversion of which is to be located in the
SE1/4 SE1/4 of Section 20, Township 98N,
Range 76W. Said water to be used for the
purpose of providing irrigation on the
following described land: NW1/4 of Section
29, Township 93 North, Range 76 West.
This application No. 1047-2 will be con-
sidered by the Water Resources Commission
at their office at Pierre upon the 20th day of
January, 1971, at 2:00 P.M. All interested
persons may appear and be heard.
WATER RESOURCES COMMISSION
By: Burton F. Jones, Water Rights
Specialist (52-2)

RECEIVED
JAN 20 1971
STATE WATER RESOURCES COM.
PIERRE, SOUTH DAKOTA

8-28-71

10: AM -

CALL FROM STATES ATTY AT WINNER
HAS A CLIENT SDC WINNER WHO
THINKS NOVOTNY IRRIGATION IS
AFFECTING HIS WELL - THEY HAD
NOT CONTACTED NOVOTNY'S. SUGGESTED
THEY DO THAT AND IF THEY DONT
GET RELIEF TO CALL US BACK -

(I GOT THE IMPRESSION THAT THIS WAS
REALLY NOT A SERIOUS COMPLAINT -
THE FELLOW STILL HAD WATER -

11:30 A.M. (COINCIDENCE)

NOVOTNY BROS WERE IN THE OFFICE
TOLD THEM OF THE CALL - THEY
WERE GOING TO CONTACT THE
STATES ATTY. WHEN THEY GOT BACK
TO WINNER - THEY ARE AWARE OF
THEIR OBLIGATION - THEY WILL TRY
AND WORK IT OUT DOWN THERE
WITHOUT US - NOVOTNYS SAY
CITY OBSERVATION WELL IS ABOUT
2' HIGHER THAN LAST YEAR

NOTICE OF COMPLETION OF WORKS AND/OR APPLICATION OF WATER TO BENEFICIAL USE

Post Office

Colome, S.D.

Date

Aug 23 - 1971

TO: Water Resources Commission
State Office Building No. 2
Pierre, South Dakota 57501

Dear Sirs:

This is to inform you that I have completed the construction of the water diversion system and/or that I have put the water to beneficial use to the maximum extent it is going to be used, not exceeding the amounts as specified in Water Right Permit No. 1047-2.

Water Right Permit No. 1047-2 states that the diversion system is to be constructed by Jan 20, 1972 and that the water is to be put to beneficial use by Jan. 20, 1974.

The diversion system was completed on July 1, 1971. Applying the water to beneficial use was completed on July 15, 1971.

You may schedule an inspection so that the Certificate of Construction and/or the Water License may be issued, thus completing my acquisition of a water right.

Howard H. Bros
Edward H. Howard
(Signature)

1047-2

November 3, 1971

Mr. Edmund A. Novotny
P.R. #3
Colome, South Dakota 57528

Dear Mr. Novotny:

This is to confirm the telephone conversation with this office on November 3, 1971.

This office has been notified that you are irrigating land not included in your Water Permit No. 1047-2. You confirmed that you are now irrigating such land. This office has been notified, also, that domestic users of water claim interference with their domestic water supplies due to your irrigation use.

As discussed with you, and pending settlement of the domestic users claim, your irrigation pumping is to be stopped immediately on the approximate 75 acres in the SW $\frac{1}{4}$, Section 20, T98N, R76W, which you irrigate without water right permit.

Sincerely,

J.W. GRIMES

JWG/DD/bv

1047-2



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3181

November 25, 1991

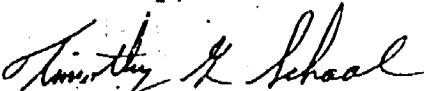
Virgil Novotny
RR 3, Box 24
Colome, SD 57538

Dear Mr. Novotny:

Enclosed is an application to add the additional storage in your irrigation dam as we discussed earlier. This application will also add the use of the dam in Water Permit No. 1047-2. Previously, the dam was only mentioned in Water Permit No. 1243-2. Please review the information, and if everything looks correct, return the forms to us, signed and notarized, along with the filing fee of \$250.00.

If you have any questions, please feel free to contact me.

Sincerely,


Timothy G. Schaal, P.E.
Natural Resources Engineer
Water Rights Division
(605) 773-3352

encl.

cc: Steve Novotny

1047-2



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3181

November 25, 1991

Novotny Brothers, Inc.
% Steve Novotny
RR 3, Box 26
Colome, SD 57538

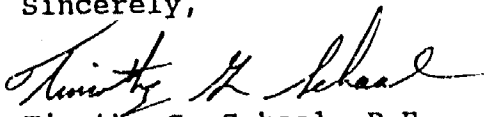
Dear Mr. Novotny:

Enclosed is a copy of the letter and application form I sent to Virgil Novotny concerning the additional storage in the irrigation dam. According to my calculations, I could not come up with more than the 520 Ac-Ft. of storage. I talked to Virgil and he thought that sounded about right.

Also, we still need to receive the \$50.00 inspection fee for Water Permit No. 1243-2. This permit was inspected in September 1983, and several letters were sent requesting this fee (Copy enclosed).

If you have any questions, please feel free to contact me.

Sincerely,


Timothy G. Schaal, P.E.
Natural Resources Engineer
Water Rights Division
(605) 773-3352

encl

cc: Virgil Novotny



8-1-97

Dear Ron,

I am sending you a

ASCS map of the quarter of where I am going to inject fertilizer into the pivot. It shows a sketch of the north part of the field where the underground irrigation pipe goes the marking showing the air intake valve that comes out of the ground. and the pivot is at least 15 maybe 20 feet below the air intake valve. if the pump at the dam should happen to stop all of the water from this point flows towards the pivot. there is no chance of any of it going back to the Camrite.

Sincerely
 Virgil Novotny
 RR3, Box 24
 Colome, S.D. 57528
 TEL #1-605-842-0421

HUGHES IMAGE SYSTEMS

**FOLLOWING
ARE BEST
DOCUMENTS
AVAILABLE**

HUGHES IMAGE SYSTEMS

10117-2

air intake valve at north side of field at high point gradually slopes to south gutter of line at

NOT TO SCALE

150.00
7.20-48





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JCE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181

August 6, 1997

Water Right No. 1047-2
2223-2

Virgil Novotny
RR 3, Box 24
Colome SD 57528

Dear Mr. Novotny:

I am writing in response to our phone conversation and your August 1, 1997 letter. As we discussed, you were investigating what sort of equipment you need in order to apply fertilizer through your irrigation system in the NW $\frac{1}{4}$ section 29-T98N-R76W. Thank you for sending the aerial photo and description.

After reviewing the topography of the area being irrigated, we can not grant a partial variance to the requirements of the chemigation rules. I have enclosed a copy of the topographical map to help show why the variance can not be granted. Depending on the position of the center pivot, it is possible for water to run past the vacuum relief valve. Part of the pivot is higher than the vacuum relief valve when the end of the pivot is situated to either the north end or west end of the NW $\frac{1}{4}$. Under these conditions, a water/fertilizer mixture could flow back past the vacuum relief valve if the pivot stopped running. The chemigation rules (copy enclosed) do not allow granting a variance unless protection equivalent to the rules is provided by your current irrigation setup. The enclosed copy of the rules provides directions and a diagram of how your system needs to be modified for application of fertilizer or other chemicals.

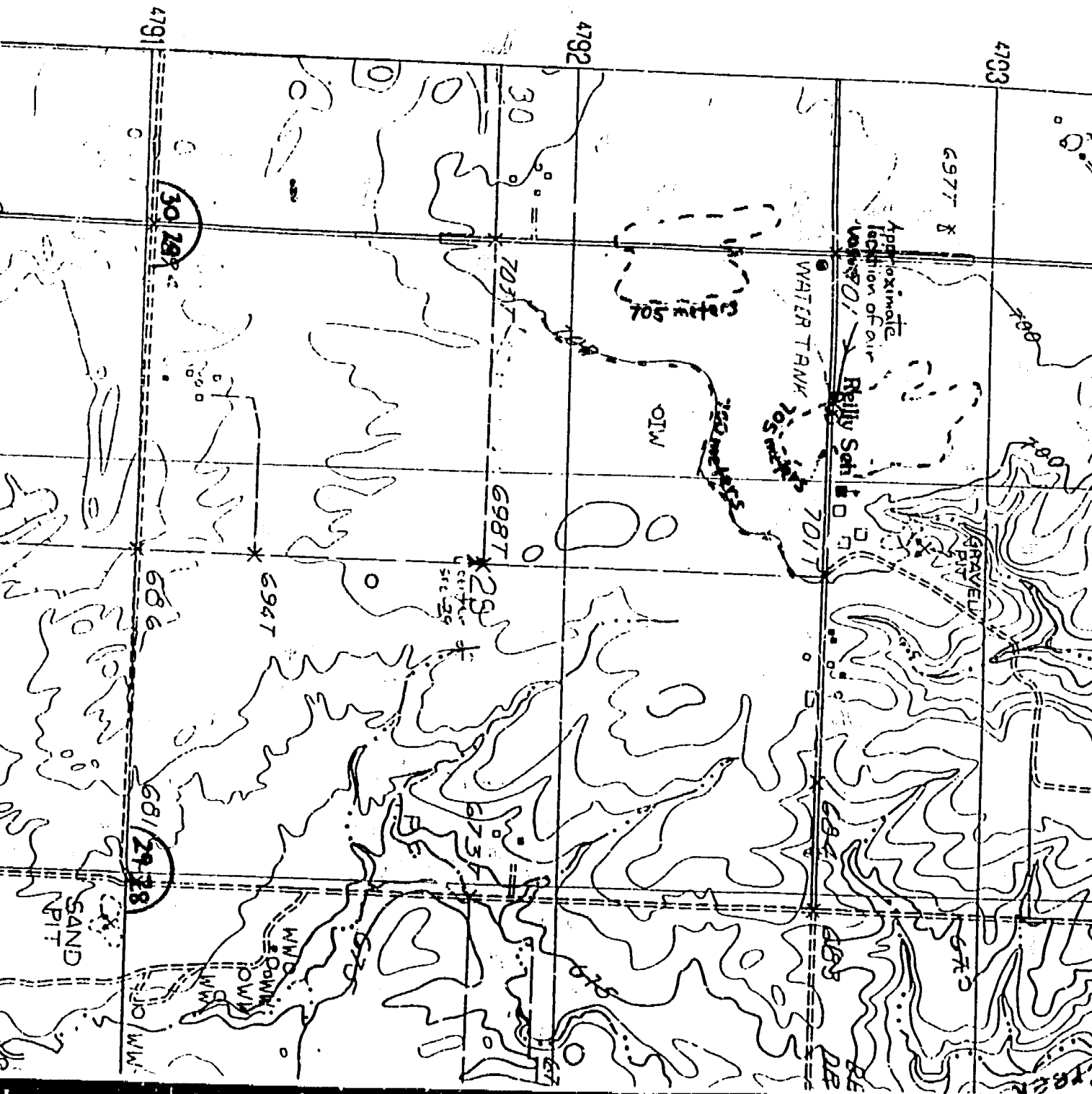
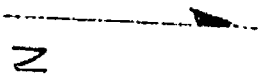
Please contact me at (605) 773-3352 if you have further questions or concerns regarding this issue. Thank you again for taking the time to check into this. Unfortunately, we can not grant a variance for your situation.

Sincerely,

Ron Duvall
Natural Resources Engineer
for
John Hatch, Chief Engineer
Water Rights Program

enclosures

5 meters = 1/6 inch



7

109

AGREEMENT

This Agreement made and entered into this 1st day of June, 1976, by and between Novotny Bros., Inc., a South Dakota Corporation by Virgil J. Novotny, President and Dorothy M. Novotny, Secretary, hereinafter referred to as the First Party and Virgil J. Novotny and Delores Novotny, also known as Delores A. Novotny, husband and wife, hereinafter referred to as the Second Party all of Colome, South Dakota, WITNESSETH:

Whereas, the First Party is presently the owner of the North Half (N $\frac{1}{2}$) of Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota, upon which is situated a dam used for impoundment of water which said water is used for recreational, irrigation and livestock purposes and, whereas, the Parties hereto desire to set forth the terms of their usage of said dam.

Now, Therefore, it is hereby agreed that in partial consideration of the Second Parties transfer to the First Party of all shares owned by the Second Parties in the First Party, the Second Parties shall have equal rights to the use with First Party of the water stored in said dam for irrigation and personal recreational purposes.

As further consideration for this said Agreement, the Parties hereto agree that the cost of pumping water into said dam will be shared on the basis of the amount of water pumped by the respective Parties from said dam, it being further understood that each Party hereto shall be liable and responsible for any damages sustained to the property of the other in conjunction with the usage of the water from said dam for irrigation and recreational purposes.

As further consideration in the premises, it is agreed that the irrigation well which is located in Novotny's Outlot "B" in the Southeast Quarter (SE $\frac{1}{4}$) of Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., together with the pumps and motors shall be owned one-half by First Party and one-half by Second Party and that the cost of pumping from said irrigation well shall be shared by each Party hereto according to the amount of their usage of said irrigation well.

To fulfill the terms of this Agreement, the Parties hereto also agree to execute Agreements one to the other conveying easements and rights of way and water rights over and across that real estate herein described.

It is also understood between the Parties hereto that the water in the dam above described shall never be drawn up so as to cause the water to be less than 15' in depth.

The Parties hereto further agree that no water or water rights to any of the land owned by either Party hereto which may be located in Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota, shall be sold by either Party to third persons without the written consent of the other Party hereto.

It is further understood between the Parties hereto that the terms and conditions of this Agreement shall run with the land and shall inure to the benefit of the Parties, their heirs, successors and assigns.

The Parties hereto bind their heirs, successors, and assigns and personal representatives to the faithful performance of the terms and conditions of this said Agreement.

NOVOTNY BROS., INC.

WITNESSES:

Robert G. Maulis
Harold Davis

By Virgil J. Novotny
President
Dorothy M. Novotny
Secretary

Virgil J. Novotny
Virgil J. Novotny
Delores Novotny
Delores Novotny

STATE OF SOUTH DAKOTA)
COUNTY OF TRIPP) SS

On this the 1st day of June, 1976, before me, the undersigned officer, personally appeared Virgil J. Novotny and Dorothy M. Novotny who acknowledged themselves to be the President and Secretary respectively of Novotny Bros., Inc., a South Dakota Corporation and that they as such President and Secretary, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by themselves as President and Secretary.

In Witness Whereof I hereunto set my hand and official seal.

Robert G. Maulis
Notary Public

My Commission Expires: 2/19/81

STATE OF SOUTH DAKOTA)
COUNTY OF TRIPP) SS

On this the 1st day of June, 1976, before me, the undersigned officer, personally appeared Virgil J. Novotny and Delores Novotny, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same for the purposes therein contained.

In Witness Whereof I hereunto set my hand and official seal.

Robert G. Maulis
Notary Public

My Commission Expires: 2/19/81

Microfilmed	☒
Compared	☒
Grantor	☒
Grantee	☒
Indexed	☒
Noted	☒
Release	☒
Transfer	☒
Report	☒

STOCK REDEMPTION AGREEMENT

This Agreement made and entered into this _____ day of _____, 1976, by and between Virgil J. Novotny and Delores Novotny, also known as Delores A. Novotny, hereinafter referred to as the "Stockholders" and Novotny Bros., Inc., a South Dakota Corporation, hereinafter referred to as the "Corporation", all of Colome, South Dakota, WITNESSETH:

Whereas, the Stockholders own shares of capital stock of the Corporation which the Stockholders desire to sell and, whereas, it is determined to be in the best interests of the Corporation to restrict the transfer of the capital stock of the Corporation in such a manner that it shall not find its way into the hands of persons who might be opposed to the best interest of the Corporation and its business.

Now, Therefore, in consideration of the premises, the parties hereto do mutually covenant and agree that the Corporation shall redeem and the Stockholders shall sell and transfer their shares of stock in the Corporation in the manner and upon the terms hereinafter provided:

- 1) The Corporation shall issue to the Stockholders a good and sufficient Quit Claim Deed to that property referred to as the Albargh Ranch consisting of 1520 acres, more or less, subject only to the unpaid balance of the purchase price and the unpaid balance of the debts for which said property has been given as security. It is also understood, however, that the Corporation shall issue its Promissory Note to the Stockholders in the amount of Thirty Five Thousand Eight Hundred Eighty Four and 37/100 (\$35,884.35) Dollars which Note shall provide for six annual payments of Five Thousand Nine Hundred Eighty and 72/100 (\$5,980.72) Dollars each plus the accumulated interest at the rate of 6 1/2% per annum. The first of said annual payments shall be due on June 1, 1977, and interest shall begin on June 1, 1976. Said Promissory Note shall be co-signed by Steven Novotny, Dorothy M. Novotny, and Robert Novotny.
- 2) The Corporation shall convey to the Stockholders, by means of a good and sufficient Quit Claim Deed, Novotny's Outlot "B" in the Southeast Quarter (SE 1/4) of Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota.
- 3) The Corporation shall convey to the Stockholders, by means of a good and sufficient Quit Claim Deed, the East 447.9' of Outlot "A" in the Northeast Quarter (NE 1/4) of Section Twenty-nine (29), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota.
- 4) The Corporation shall convey, by means of a good and sufficient Bill of Sale, five grain bins located on the Southeast Quarter of the Southwest Quarter (SE 1/4 SW 1/4) of Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota, together with an Easement upon said property for the location of said bins and for the purpose of

ingress and egress to said bins which said Easement shall remain in full force and effect so long as the bins remain on the premises.

- 5) The two domestic or livestock wells, one of which presently is located on the West one-fourth (W $\frac{1}{4}$) of Novotny's Outlot "B" above described and the other being located on the Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$ NW $\frac{1}{4}$) of Section Twenty-nine (29), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota, shall be available for the equal usage of each party hereto, however, the cost of maintenance and repairs shall be shared on a 50-50 basis. Neither party hereto shall excessively use the water from said wells so as to deprive the other party of water for domestic purposes.
- 6) Each party hereto shall have an equal right to use the water storage reservoir or dam located on the North Half (N $\frac{1}{2}$) of Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota, for irrigation and personal recreational and wild life purposes it being understood, however, that the cost of pumping into the dam will be shared on the basis of the amount of water used by the parties from said dam.
- 7) The reservoir shall never be pumped below a depth of 15 feet by either party hereto. The irrigation well located on Novotny's Outlot "B" above described shall be owned by both parties on an equal basis and the cost of pumping including repairs shall be shared according to use by the respective party of water from the reservoir above described. The pump and motor on the irrigation well shall also be equally owned and the cost of operation and repair shared on the same basis as with the irrigation well; however, each party shall own their own irrigation equipment and the parties hereto shall have or give to the other party the necessary water rights and easements.
- 8) Neither party hereto shall convey water rights or easements to third persons without the consent of the other to any part of portion of the real estate owned by either of said parties in Section Twenty (20) and in the Northwest Quarter (NW $\frac{1}{4}$) of Section Twenty-nine (29), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., Tripp County, South Dakota.
- 9) The Stockholders shall have the personal usage of the scale house located on the South Half (S $\frac{1}{2}$) of Section Twenty (20) above described on condition that they pay one-half of the inspection fees.
- 10) The livestock owned by the Corporation shall be divided equally between the parties hereto and the Corporation has assigned a brand owned by the Corporation to the Stockholders.
- 11) The Stockholders shall convey to the Corporation by means of a good and sufficient Quit Claim Deed all of their right, title, and interest in and to Section Twenty (20), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., less the

North 1020.7 feet of the West 818.6 feet of the Northwest Quarter (NW $\frac{1}{4}$) of said Section Twenty (20) and less the North 470 feet of the West 600 feet of the Southwest Quarter (SW $\frac{1}{4}$) of said Section Twenty (20) and less Novotny's Outlot "B" in the Southeast Quarter (SE $\frac{1}{4}$) of said Section Twenty (20) all in Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., and the Northwest Quarter (NW $\frac{1}{4}$) of Section Thirteen (13), Township Ninety-eight (98) North, Range Seventy-seven (77), West of the 5th P.M., and all of Outlot "A" in the Northeast Quarter (NE $\frac{1}{4}$) of Section Twenty-nine (29), Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M., except the East 447.9 feet thereof.

- 12) The Stockholders shall give a good and sufficient Bill of Sale to the Corporation for the fertilizer business of Novotny Bros., Inc. including but not exclusive of all machinery and equipment used in conjunction with the fertilizer business and all of the fertilizer inventory.
- 13) The parties shall divide the ownership of all of the machinery of the Corporation and execute the necessary Bills of Sale to effect the division.
- 14) Each Party shall have a reasonable time to remove the personal property owned by the respective party from the property whether previously owned by the other party or hereby acquired by the other party.
- 15) The Stockholders shall assign all of their shares in Novotny Bros., Inc. to the Corporation.

The Parties hereto bind their heirs, successors, and assigns to the faithful performance of the terms and conditions of this Agreement.

In Witness Whereof the Parties hereto set their hands the day and year first above written.

WITNESSES:

Ruben G. Maulis
Witness

STOCKHOLDERS:

Virgil Novotny
Virgil Novotny
Delores Novotny
Delores Novotny

CORPORATION:

NOVOTNY BROS., INC.

By Virgil Novotny
President
Delores Novotny
Secretary

EASEMENT

Novotny Bros., Inc., a South Dakota Corporation of Tripp County, South Dakota, Grantor, for and in consideration of One and No/100 (\$1.00) Dollar & OVC does hereby unconditionally give, convey, and grant unto Virgil J. Novotny and Delores Novotny, husband and wife, of Colome, South Dakota, Grantees, an Easement to lay, construct, maintain, repair and otherwise use water lines and water mains for domestic use and irrigation use across the following described real estate located in the County of Tripp, State of South Dakota, to-wit:

All of Section Twenty (20), except the North 1020.7 feet of the West 818.6 feet of the Northwest Quarter (NW $\frac{1}{4}$) of said Section Twenty (20) and less the North 470 feet of the West 600 feet of the Southwest Quarter (SW $\frac{1}{4}$) of said Section Twenty (20) and less Novotny's Outlot "B" in the Southeast Quarter (SE $\frac{1}{4}$) of said Section Twenty (20) and all of Outlot "A" in the Northeast Quarter (NE $\frac{1}{4}$) of Section Twenty-nine (29), except the East 447.9 feet thereof all in Township Ninety-eight (98) North, Range Seventy-six (76), West of the 5th P.M.

That in giving this said Easement it is understood that the term of this Easement shall be perpetual; that this said Easement does hereby run with the said real estate and all subsequent conveyances of the above described property shall be subject to this said Easement; it is further understood that the Grantee herein, after any construction, repair, maintenance, or the like in said Easement area will restore said area to a usable condition so far as is reasonably possible.

Dated this 1st day of June, 1976.

NOVOTNY BROS., INC.

By Virgil J. Novotny
President

Dorothy M. Novotny
Secretary

(CORPORATE SEAL)

STATE OF SOUTH DAKOTA)
COUNTY OF TRIPP)SS

On this the 1st day of June, 1976, before me, the undersigned officer, personally appeared Virgil J. Novotny and Dorothy M. Novotny, who acknowledged themselves to be the President and Secretary respectively of Novotny Bros., Inc., a South Dakota Corporation and that they as such President and Secretary, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Corporation by themselves as President and Secretary.

In Witness Whereof I hereunto set my hand and official seal.

Notary Public

My Commission Expires: 2/19/81

556.310

State of North Carolina

County of Wake

Filed for record this 29 day of

Sept. A.D. 1970

Deed, B. M., and

of

on

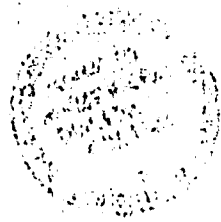
By

Deputy

Microfilmed
Compared
Grantor
Grantee
Indexed
Noted
Release
Transfer
Report

☒
☒
☒
☒
☒
☒
☒
☒
☒

7u 82.00 for 20
Rt 10- Vargel Norveling
Calame



ATTACHMENT

Permit Nos. 1047-2 & 1243-2

Permit No. 1047-2 was issued to Novotny Bros. (Edmund & Virgil) in January, 1971 for 2 cfs of groundwater to irrigate 156 acres in the NW $\frac{1}{4}$ of Section 29, T98N, R76W. Permit No. 1243-2 was issued to Novotny Bros. (Edmund & Virgil) in March, 1975 for 1 cfs of groundwater with a 250 acre foot storage dam to irrigate 160 acres in the NW $\frac{1}{4}$ of Section 29, T98N, R76W and 72.8 acres in the SW $\frac{1}{4}$ Section 20, T98N, R76W.

Edmund Novotny is now deceased and the Novotny Bros. property had been divided between Virgil and Edmund's sons (who operate under Novotny Bros, Inc. & Steve Novotny). The storage dam will be included on Permit No. 1047-2 and will be transferred to Virgil Novotny, and Permit No. 1243-2 will stay in Novotny Bros. The irrigation well and storage dam are owned by both parties on an equal basis (see paragraphs 6, 7 & 8 of enclosed legal agreement).

Timothy G. Schaal

TIMOTHY G SCHAAL
December 15, 1983

January 27, 1984

Virgil Novotny
Winner, South Dakota 57580

Dear Mr. Novotny:

The inspection of your water use system and inspection of the extent of the application of water to beneficial use, as developed under your Water Right No. 1047-2 has been completed. Your final water right document, the Water License, can now be issued.

Statutes require that we charge a \$50.00 fee for the inspection and issuing of the Water License. Upon receipt of the \$50.00 fee from you, your Water License will be sent to you.

South Dakota Water Law 46-5-30.1 requires that a permit holder may not divert water until this \$50.00 license fee has been paid. Please contact us if you have any questions.

Sincerely,

Genny McMath
Water Resources Analyst

GM:ms

NOTE: On form of payment, please include the number of the water permit. This insures proper handling of the fee.

Add \$2.50 to the \$50.00 licensing fee to cover enclosed transfer making total due of \$52.50. Complete the enclosed transfer notice sign and notarize and return.

NOTICE OF TRANSFER OF WATER PERMIT

TO: Water Rights
Foss Building
Pierre, SD 57501

Date: May 16, 1984

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

NW 1/4 Section 29, T98N, R76W

formerly owned by Novotny Brothers

has been transferred to Virgil Novotny, RR#3, Box 24, Colome, SD 57528
Winnery, South Dakota 57528

(please include complete mailing address)

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

Water Right Permit No. 1047-2 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 Div. 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 Tripp) ss.

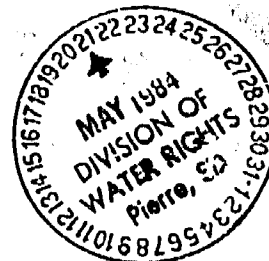
I, Virgil J. Novotny being first duly sworn on my oath depose and say: That my relation to the above described undertaking is that of Owner, that I have read the above foregoing statement, and I know of my own personal knowledge that the information herein stated is true.

Virgil J. Novotny
(Signed)

Subscribed and sworn to before me this 16th Day of May, 1984.

Robert S. Mancini
(Notary Public)

My Commission Expires: Febr. 25, 1989



RECEIPT

Division of Water Rights

South Dakota Department of Water and Natural Resources

No 4 9667

Pierre,

May 21

19 94

RECEIVED OF Virgil Novotny, RR 23, Box 24, Coloma, SD 57538

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

Fee for Application for Permit No. _____ to Appropriate Water, to construct works and to put water to beneficial use _____

Fee for Application for Permit No. _____ to Appropriate Water for Future Use _____

Fees to retain Future Use Permit No. _____ after period of seven years _____

Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. #1047-2 _____

Fee for Filing Transfer Forms #1047-2 _____

Fee for Filing Extension Request _____

Fee for Certified Copy of _____

Fee for Print Copy of Map _____

Fee for Certifying _____

Fee for _____

(Any Other Work Provided by Law)

Total

52

50

By

John Hatch

Chief Engineer

JOHN HATCH

White River Water District**Report Of Examination Of Works And/Or Application Of Water To Beneficial Use**

TO: Chief Engineer, Division of Water Rights, DWRN, Foss Bldg., Pierre, SD 57501

I have this day made a thorough examination of the water use system constructed by Virgil Novotny
 of RR#3 Box 24, Colome, SD holder of
 Permit No. 1047-2, bearing the priority of December 22 1970 authorizing
 the diversion of 2.0 cu. ft. per second of the waters of Groundwater
 for Irrigation purposes, in Tripp County.

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

A. Works used to divert the water:

At Well: 60HP Western Hand Roller
 Turbine Pump, Ser. No. C71205 & 30HP
 U.S. Elec. Motors, Model No. R-1707-01-171

At Dam: 100 HP Berkeley Centrifugal
 Model B3IRMBM CH
 Ser. No. 7578705, 13 1/2 Imp Dia.
 100 Hp Linsagard Elec. Motor, Model 402T

B. Works used to transport water to place of use:

1600 ft. Buried PVC - 8" and
5280 ft. Aluminum - 8"

C. Works used to apply water to beneficial use:

Reinke 10 tower Electrogrator Center Pivot

The system is in the following condition Good

The point of diversion is located Well - 165 ft. North & 850 ft. West of the SE Corner
(SE 1/4 SE 1/4) & Dam - 1320 ft. North & 500 ft. East of the Center (NW 1/4 NE 1/4)
of Sec. 20-T98N-R76W

The works are capable of diverting and conveying to the place of use 1.56 (See Attachment)
 cu. ft. per second of water which is to be used for Irrigation

Water has been put to beneficial use to the maximum extent as follows: Section 29-T98N-R76W

NW 1/4 NW 1/4 - 32.5 Ac
NE 1/4 NW 1/4 - 32.5 Ac
SW 1/4 NW 1/4 - 32.5 Ac
SE 1/4 NW 1/4 - 32.5 Ac

comprising a total of 130 acres of land and the license should be issued for 1.56 cfsApplicable permit qualifications have been complied with Yes NoExceptions to compliance are: _____ Date July 31, 1991

Originally Inspected Sept 26, 1988
Timothy M. Schaal
 (signature)

LICENSE FOR PERMIT NUMBER

1047-2

See #1243-2

1. Legal location of wells: 165 ft. North & 850 ft. West of the SE corner
(SE 1/4 SE 1/4) and Dam: 1320 ft. North & 500 ft. East of the Center of
 dams & structures: Section 20-T98N-R76W

2. Well Information: Well Drilling Firm Chase Drilling

Completion Report Yes No X No. of Wells 1 Depth 135 ft.
 Casing a) diameter 1 1/2 inch Screen a) type Slot Hole Pipe
 b) length 115' b) length 20'
 c) type Steel Static Water Level ~ 110'
 Pump a) make Western Land Roller Motor a) make U.S. Electric
 At Well b) ~~model~~ Serial C71205 b) model No. R-1707-01-171
 c) size 60 HP c) horsepower rating 30 Hp
 d) capacity 250 gpm
 e) turbine pump - no. of stages _____
 f) operating PSI _____

3. Distribution lines or canals Well to Dam:

a) size 8"
 b) type Buried PVC
 c) length ~ 1600'

Dam to Point:

8"
Aluminum
~ 5280'

4. Dam Information:

a) height to crest 45' m) Outlet tubes:
 b) height to primary spillway 38' 1) diameter NA
 c) height to secondary spillway _____ 2) type _____
 d) crest width 20' 3) valved (Y/N) _____
 e) crest length 600' 4) valve type _____
 f) spillway length 250' 5) location on structure _____
 g) spillway width 100'
 h) approx. storage 520 A.-Ft n) Category of Dam 3, Low Head
 i) approx. storage to crest 700 A.-Ft
 j) date constructed 1975
 k) inspection sheet completed (Y/N) No
 l) Name of Contractor Peterson

5. System Type a) sideroll:

- 1) length _____ feet
- 2) diameter of pipe _____
- 3) make, model & number of sprinklers _____
- 4) spacing of sprinklers _____
- 5) nozzle size _____

c) gun

- 1) make _____
- 2) nozzle size _____
- 3) capacity (GPM) _____
- 4) hose size _____
- 5) hose length _____

e) gated pipe

- 1) length _____
- 2) diameter _____
- 3) spacing of gates _____

f) portable boom

- 1) make _____
- 2) nozzle size _____
- 3) capacity (GPM) _____

b) towline:

- 1) length _____ feet
- 2) make, model & number of sprinklers _____
- 3) spacing of sprinklers _____
- 4) nozzle size _____

d) center pivot

- 1) make Reinke Electricator
- 2) number of towers 10
- 3) distance between towers ± 128'
- 4) overall length 1300'
- 5) end gun (Y/N) Yes Reinke
- 6) high or low pressure High
- 7) make & size of nozzles Reinke
- 8) capacity (GPM) 700 gpm

g) siphons

- 1) size _____
- 2) number _____

NOTE:

For Permits with additional wells or changes in well locations, record the following for each well: pumping capacity, date constructed, well driller and if a well log is available.

Indicate any other permit(s) which are associated with project # 1047-Z

Yes	No	Check Items
<u>NA</u>		1. Soil and water permit lands agree with lands being irrigated and lands listed on permit?
<u>X</u>		2. Special qualifications to permit being abided by?
<u>X</u>		3. All structures, wells and lands on map?
<u>X</u>		4. Irrigation Questionnaires checked to determine if permit owner started irrigation by end of construction period?
	<u>X</u>	5. Is chemigation used?
<u>NA</u>		6. If yes, does equipment comply with chemigation rules?

REMARKS: Pump at Dam: Berkley Centrifugal, Model B3IRHBM CW
Serial No. 7578705, 13 1/2" Imp Dia, 100 HP with
100 HP Linagard Eloc Motor, Model 404T



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

SEP 23 1998

1047-2
2223-2

Virgil Novotny
RR 2 Box 24
Colome, SD 57538

Dear Mr. Novotny:

Enclosed is your Water License No. 1047-2 and receipts for fees you paid for the investigation and licensing of Nos. 1047-2 and 1243-2.

The applicable portions of Water Permit No. 2223-2 which allowed use of water from the 520 acre feet storage dam to irrigate land described in Water Permit No. 1047-2, has been incorporated into No. 1047-2. The remaining portions of Water Permit No. 2223-2 which authorized an increase in storage capacity of the dam were incorporated into Water License No. 1243-2, held by Novotny Brothers Inc., % Steve Novotny.

As long as you beneficially use the water for the purpose it was appropriated, SD Water Laws provide that you have a continuing right to the use of the water.

If you have any questions concerning the enclosed water license, please contact Genny McMath with our program, at (605) 773-3352.

Very truly yours,

JOHN HATCH, Chief Engineer
Water Rights Program

enclosure

STATE OF SOUTH DAKOTA

WATER LICENSE NO. 1047-2

(1) Novotny Brothers made Application No. 1047-2, December 22, 1970 for a water permit to divert 2.00 cubic feet of water per second (cfs) from ground water (one well), Tripp County, South Dakota for irrigation purposes. Permit No. 1047-2, with a priority date of December 22, 1970 was approved January 20, 1971 and issued to the applicants for diversion of water with construction of the described water supply system to be completed on or before January 20, 1972 and the application to beneficial use of water on or before January 20, 1976.

On May 21, 1984, Water Permit No. 1047-2 was transferred from Novotny Brothers to Virgil Novotny.

Water Permit No. 1243-2, held by Novotny Brothers, Inc., authorizes diversion of water from an existing well (described in No. 1047-2) to a 250 acre feet storage dam for supplemental irrigation of 156 acres in the NW ¼ Section 29 (described in No. 1047-2) and irrigation of 73 acres in the SW ¼ Section 20, all in T98N, R76W. A February 11, 1975, priority date was established.

Water Permit No. 2223-2 was issued to Virgil Novotny and Novotny Brothers, Inc., authorizing an increase in the storage capacity of an existing dam from 250 acre feet to 520 acre feet. The additional 270 acre feet of water retains a March 9, 1992, priority date.

Water Permit Nos. 1047-2 and 1243-2 are held by different owners and will be licensed separately.

The applicable portions of Water Permit No. 2223-2 which allowed use of water from the 520 acre feet storage dam to irrigate land described in Water Permit No. 1047-2, has been incorporated into this license*. Use of water from the well retains a priority date of December 22, 1970, as established under Water Permit No. 1047-2. Impoundment and use of water from the storage dam retains a priority date of February 11, 1975, for the first 250 acre feet (as established under No. 1243-2) and a priority date of March 9, 1992, for the additional 270 acre feet of water held in storage (as established under No. 2223-2).

* The remaining portions of Water Permit No. 2223-2 which authorized an increase in storage capacity of the existing dam is incorporated into Water License No. 1243-2, held by Novotny Brothers Inc., % Steve Novotny.

(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 1.56 cubic feet of water per second for beneficial use. The system is capable of diverting 0.56 cfs from the well, with an application to the land from the storage dam at a rate of 1.56 cfs. The location of the diversion points are: well - 165'N and 850'W of the SE corner of Section 20, T98N, R76W (SE ¼ SE ¼) and dam (storage capacity of 520 acre feet) - 1,320'N and 500'E of the center of Section 20, T98N, R76W (W ½ NE ¼).

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

Section 29, T98N, R76W			
NW ¼ NW ¼	32.5 acres	NE ¼ NW ¼	32.5 acres
SW ¼ NW ¼	32.5 acres	SE ¼ NW ¼	32.5 acres
Total acres - 130.0			

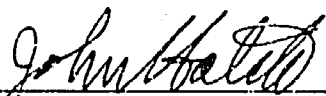
continued

Page 2

Water License No. 1047-2

Virgil Novotny

(4) Pursuant to South Dakota Water Law 46-5-30.1 Virgil Novotny, RR 3 Box 24, Colome, SD 57538 the holder and/or owner of Incorporated Water Permit No. 1047-2 is issued a license to appropriate water, the right to use 1.56 cubic feet of water per second from ground water (one well) and a storage dam (520 acre feet capacity) with priority dates of December 22, 1970 (well); February 11, 1975 (250 acre feet); and March 9, 1992 (270 acre feet) from the locations specified in (2) of this license. The water to be conducted to and upon lands specified in (3) of this license for the purpose of irrigation. This license is subject to any limitations or qualifications listed in Incorporated Water Permit No. 1047-2 and subject to South Dakota State Law.



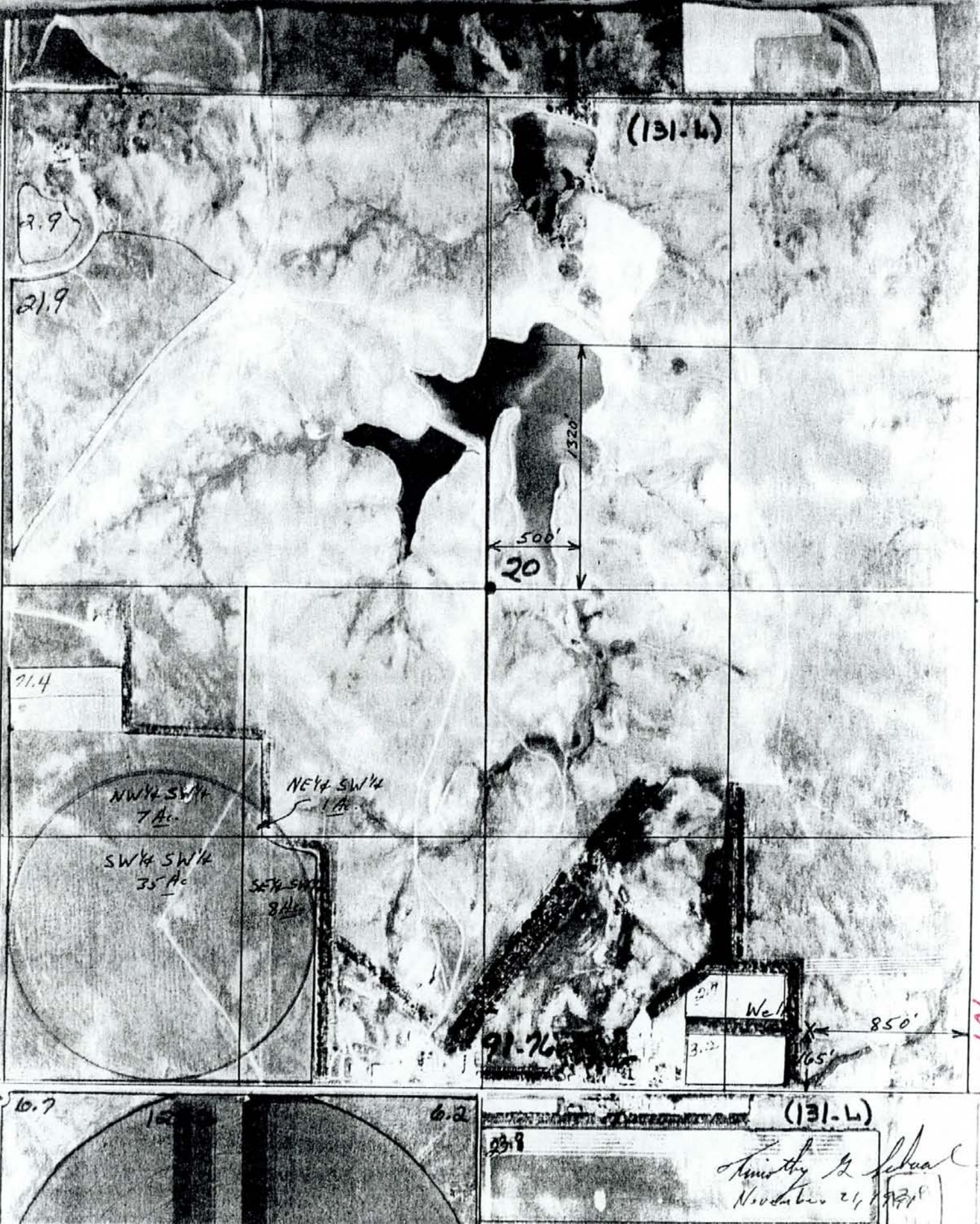
JOHN HATCH, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

SEP 23 1998

date



NOT TO SCALE



3.2

13.8

23.6

23.6

13.0

6.7

78.6

35.7

9.7

34.1

15.4

159

16

98-76

Timothy E. Nelson
November 26, 1991