

Considered: _____

WATER PERMIT NO. 1903-2

MAP No. 1903-2

Name of Applicant Placid Oil Company

Post Office Address 3900 Thanksgiving Tower, Dallas TX 75201

Amount of Water Claimed 0.32 Total Acres _____

Source of Water Supply 4000' deep well - Madison Formation

Water to be used for IND County _____

About _____ miles _____ of _____.

PROOF OF PUBLICATION: Received LT Not Received _____

APPLICATION: Approved 12-5-84 Subject to _____

F.F. & C.L. Adopted _____ Not Approved _____ Deferred _____

PRIORITY _____ Date Received 10/16/84 Fee 225.00 Remarks _____

10/16/84

Corrected Application Received _____ Period of Annual Use 1/1 to 12/31

WATER QUALITY APPROVAL RECEIVED _____ APPROVED/CONDITIONAL (Circle one)

WI-1 Description same as Application YES _____ NO _____ REMARKS _____

n/a

Diversion Point _____

NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 3-11S-1E

Land to be Irrigated _____

3	x				

Well Log: Driller _____ Licensed YES _____ NO _____

Depth of Well 4000' REMARKS _____

Type of Map drawn PREPARED BY PE Darrel Schlup Reviewed and the Number _____

assigned on 10/17/84 By Betty Westlund
Betty Westlund NRA III

Nelson

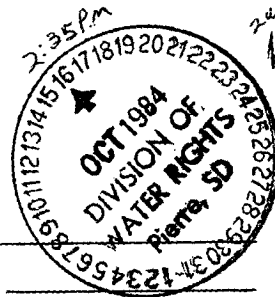
No. 1903-2 Hydrologic Unit 10120106
 Map No. 1903-2 Basin UC
 Newspaper Herald Tribune Oct 6th Edgemont
 57735

Application For Permit To Appropriate Water Within The State Of South Dakota

Check use of water: Industrial ☒ Commercial ☐ Municipal ☐ Other Common Distribution System ☐
 Rural Water System ☐ Suburban Housing ☐ Geothermal Heat ☐ Institutional ☐ Recreational ☐
 Domestic ☐ (above 18gpm) Other ☐

Type of Application: Check one or more of the following

New ☒ Vested Right ☐ Future Use ☐ Change Use ☐
☐ Amend Permit No. _____ with old priority date retained
 Change diversion point(s) ☐ Add diversion point(s) ☐ Other ☐ _____
☐ Application to: Change diversion point(s) ☐ Add diversion point(s) ☐ on Permit No. _____
☐ Construction to use water reserved by Future Use Permit No. _____

1. Name of Applicant Placid Oil Company Phone No. 214-741-3081Post Office Address 3900 Thanksgiving Tower, Dallas State Texas Zip Code 75201
(Street, RR or Box)2. Amount of water claimed (c.f.s.) 0.3183. Source of water supply Madison Limestone4. Location of point of diversion Alum Creek Field; T11S; R1E; Section 3 NE 1/4, SE 1/4
(See attached surveyor's map)County Fall River5. Counties where water will be used Fall River6. Annual period during which water is to be used Continuously

7. Give a brief description of proposed project. When available include any preliminary engineering report or other reports or information that will help explain the project. (Attach sheet if more space is needed)

The water source named will be used for injection into the Second Leo sandstone of Alum Creek Field as part of the approved secondary recovery program being initiated in this field.

Attachments: Attach Form 2A if diversion from a well or dugout, or if storage of water, is proposed. Attach map (see instruction)

STATE OF SOUTH DAKOTA)
 County of Dallas)^{ss} TX

I, Charles A. Williams - Placid Oil Company the applicant, certify that I have read the foregoing application, 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 Charles A. WilliamsSubscribed and sworn to before me this 15 day of Oct 1984

Dean Holger
 Notary Public (or other qualified officer)

WATER PERMIT

The Water Management Board hereby approves Water Permit Application No. 1903-2
Placid Oil Co. 3900 Thanksgiving Tower Dallas
(Applicant) (Post Office Address)
Texas 75201 With the following qualifications.
(State) (Zip Code)

The construction of the proposed Madison Formation well shall include pressure grouting with cement (bottom to top) of the casing above the water producing formation and compliance with Board well construction rules.

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

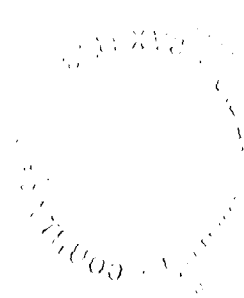
Date of first receipt of application October 16, 1984.

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

Date of receipt of corrected application —, 19—. Approved December 5, 1984.

The Water Management Board hereby approves this Water Permit No. 1903-2 authorizing the construction of the water use system and the placing of water to beneficial use as stated in the Application and as qualified in the Water Permit approval, subject, however, to the following limitations and conditions:

1. The date from which applicant may claim right is October 16, 1984.
2. The equivalent of at least one-fifth of the specified work is to be completed on or before JUNE 5, 1987.
3. The whole of said work is to be completed on or before December 5, 1989.
4. The limit of time from proof of beneficial use of water appropriated in accordance herewith is December 5, 1993.
5. The water appropriated shall be used for the purpose of Industrial
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 unlawfully impaired by this appropriation.
7. The amount of the appropriation herein granted shall not exceed 0.32 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 to which water is actually and beneficially applied for Industrial Use on or before December 5, 1993; said water to be used during the following described annual period: Jan. 1 to Dec. 31



WATER MANAGEMENT BOARD
 By: John Hatch
Chief Engineer
 Division of Water Rights
 Dept. of Water and Natural Resources
January 4, 1985

Supplemental Information

(type or print in ink)

1. Well Information - Proposed construction

- a) Drill Hole Diameter 12 1/4" to 800' Depth T.D. 4000'
J55 ST&C 8 5/8" 0.528" (24.0 lbs.)
- b) Casing Type J55 ST&C Diameter 5 1/2" Thickness 0.550" (15.5 lbs.)
- c) Screen Type _____ Diameter _____ Thickness _____
- d) Gravel Pack Thickness _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 3920' (+96)
- f) Depth of Water (ground surface to water level) 3920' (+96)
- g) Distance to nearest existing domestic well: 3.5 miles' north of Alum Creek Field (completed in alluvium)
 On applicants property _____ On property owned by others _____

2. Dugout Information Estimates

- a) Surface Dimensions _____ Depth _____
- b) Depth to water (ground surface to water level) _____

3. Water Storage Dams

If the proposed water use system contains one or more storage dams, please furnish the information requested below. The locations of each dam should be shown on the map submitted with the application.

- a) If a private engineering firm or government agency was involved in the design of this dam please give their name and address

b) Freeboard _____

c) Crest Width _____

Crest Length _____

d) Height _____

e) Outlet Dimensions:
 Pipe diameter _____

Spillway width _____

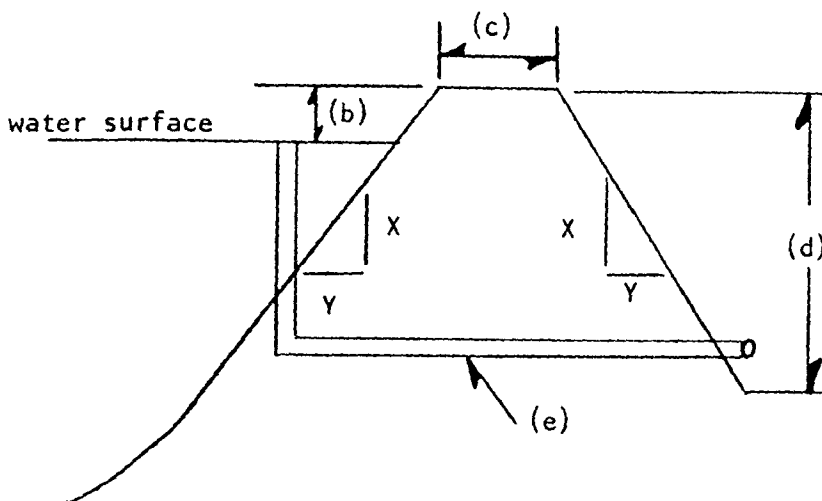
f) X & Y Slope
 Upstream _____

Downstream _____

Surface Area of Impoundment _____

Storage _____ acre feet

Drainage area above dam _____



Signature of Applicant _____

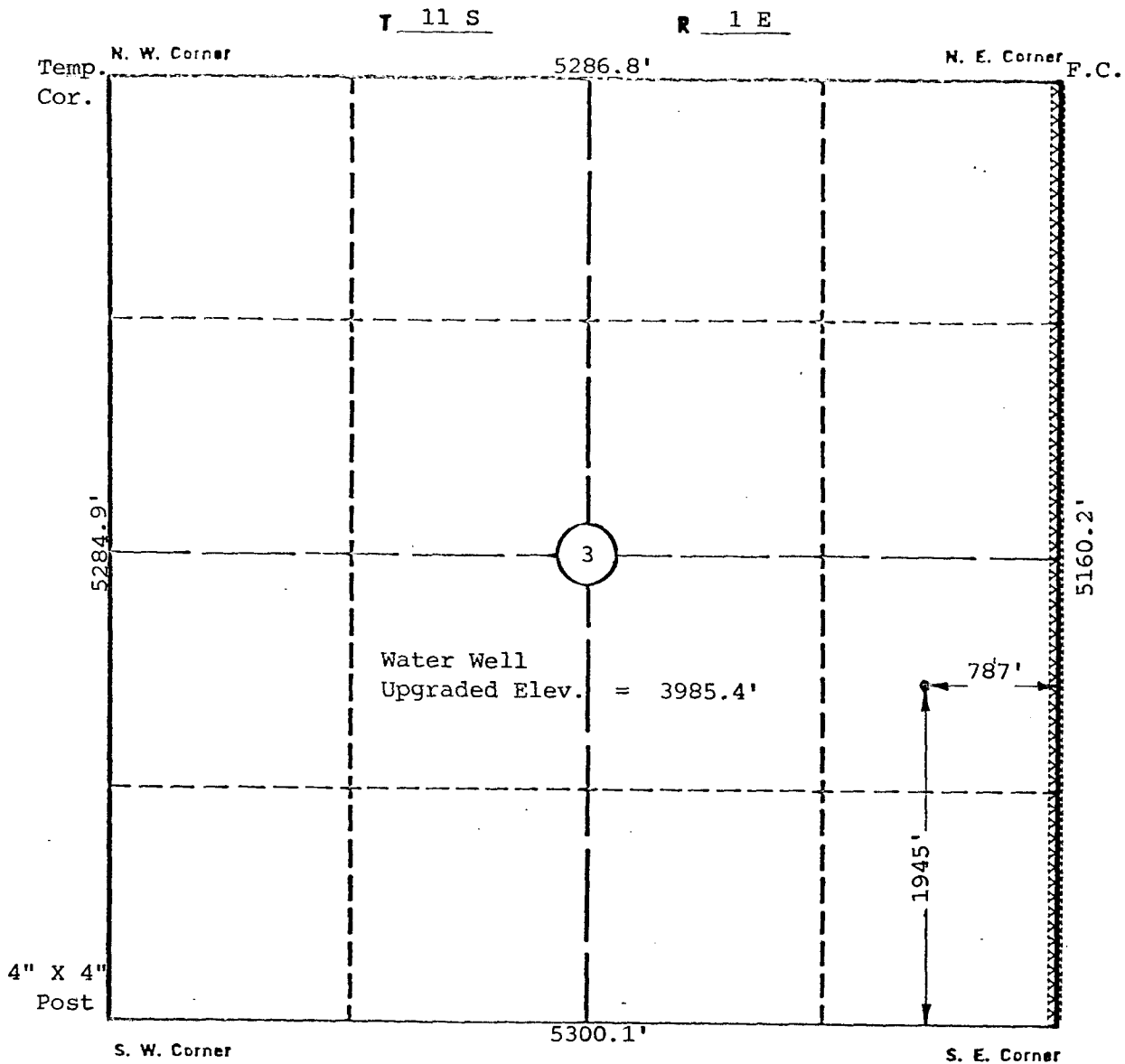


PLAINS ENGINEERING

A DIVISION OF HOSKINS-WESTERN-SONDEREGGER, INC.

ENGINEERS • ARCHITECTS • PLANNERS • SURVEYORS

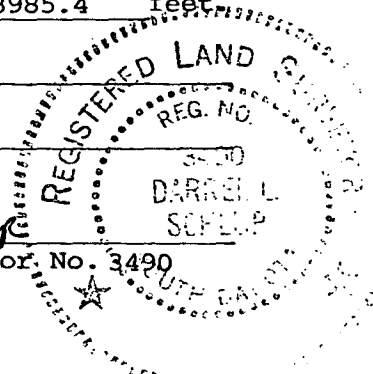
P.O. BOX 727 • NEWCASTLE, WY 82701 • 307-746-2754



I, Darrel L. Schlup, of Newcastle, Wyoming certify
that in accordance with a request from Jim Giffin
of Osage, Wyoming, for Placid Oil
made a survey (date) October 9, 1984 for the location
and elevation of a Water Well

As shown on the above map, the wellsite is in NE 1/4 SE 1/4
Section 3, Township 11 S South, Range 1 East,
Fall River County, South Dakota. Elevation is 3985.4 feet
Above mean sea level before dozing.

Darrel L. Schlup
South Dakota Licensed Surveyor No. 3490



RECEIPT

Division of Water Rights

No 4 9798

South Dakota Department of Water and Natural Resources

Pierre, October 16, 1984

RECEIVED OF Placid Oil Company, 3900 Thanksgiving Tower, Dallas, Texas 75201

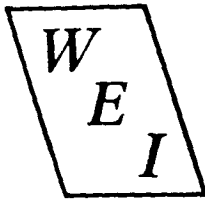
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>1903-2</u> to Appropriate Water, to construct works and to put water to beneficial use _____	225	00
Fee for Application for Permit No. _____ to Appropriate Water for Future Use _____		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____		
Fee for Filing Transfer Form _____		
Fee for 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	225 00

By

Chief Engineer

John Hatch
JOHN HATCH ms



Weston Engineering, Inc.

P.O. BOX 260—UPTON, WYOMING 82730—(307) 468-2605

Jeff Owens
Placid Oil Co.
3900 Thanksgiving Tower
Dallas, TX 75201

May 20, 1985

Dear Sir:

Please find enclosed quote for pump and related equipment for your WSW at Alum Creek Field, S. Dakota.

Conditions:

3000 bpd, 650' TDH, 5 $\frac{1}{2}$ " casing, 2 7/8 tubing
Water Sp.Gr. 1.0, BHT 130 deg. F
Primary voltage-480 (generator), 60 hz, 30 KVA req'd

Equipment

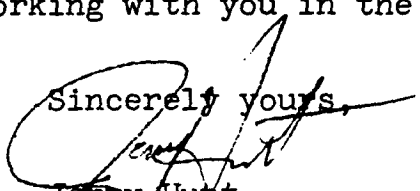
Motor- 25hp, 430v, 38a, 450FMB, 7.3'	\$8500.00
Pump- 41/N-80, 400FP-MT, #5, 8.9'	\$2835.00
Pump Intake- 400FP, 1.11'	\$ 475.00
Pump Discharge- 400FP, .84'	\$ 145.00
Seal- 400FSB, 6.0'	\$2130.00
Cable- 700' Centriline 200 #6 rd	\$1610.00
Flat guards- 3- 6' sect. @ \$4.80 ea.	\$ 14.40
Flat cable- 20' flat galv./450	\$ 485.00
Swage Nipple- 2 3/8 x 2 7/8 (EUE)	\$ 107.00
Check/Drain- 2 7/8 EUE	\$ 410.00
Control- 2C-CG w/overload, undercurrent, rec. ammeter, auto-start, lightning arrestor, Centri-gard	\$3055.00
Jct. Box- 2.7 KV	\$ 190.00
Tubing Head- 5 $\frac{1}{2}$ x 2 7/8 x #6rd HHS	\$685.00

Total	\$20,641.40
Discount	\$ 3866.40
Sub-Total	<u>\$16,775.00</u>

*Prices do not include freight or applicable sales tax
*Prices good thirty days from date
* Shipment approximately 7 days from date of order
*Equipment quoted is Centri-lift Hughes

Thank you for considering Weston Engineering, Inc. for this project and we look forward to working with you in the near future.

Sincerely yours,


Jerry Hunt
Weston Engineering, Inc.

JH/jh

RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT

APPLICATION NO. 1903-2, Placid Oil Company

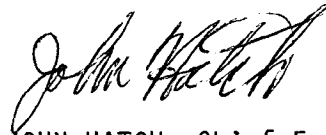
Pursuant to SDCL 46-2A-2, the following is the recommendation of the Chief Engineer, Water Rights Division, Department of Water and Natural Resources concerning Water Permit Application No. 1903-2, Placid Oil Company, 3900 Thanksgiving Tower, Dallas TX.

The Chief Engineer is recommending APPROVAL of Application No. 1903-2 because 1) there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use and 4) in the public interest with the following qualifications:

The construction of the proposed Madison Formation well shall include pressure grouting with cement (bottom to top) of the casing above the water producing formation and compliance with Board well construction rules.

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

See attached report for additional information.

A handwritten signature in black ink, appearing to read "John Hatch", is written above the typed name.

JOHN HATCH, Chief Engineer
Water Rights Division
October 18, 1984

REPORT ON PERMIT APPLICATIONS NO. 1903-2 and 1904-2

PLACID OIL COMPANY

October 17, 1984

Applications No. 1903-2 and 1904-2 request 0.32 cfs from either one 4000 feet deep Madison Limestone Well located in NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 3, T11S, R1E BHM or one 2350 feet deep Sundance (Canyon Springs) well located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 3, T11S, R1E BHM. The water is to be used for industrial purposes, that is, for injection water as a secondary recovery method for the Alum Creek Oil Field.

Aquifer - Madison Limestone or Sundance (Canyon Springs Sandstone)

Geology and Aquifer Characteristics

The Madison Limestone is a Mississippian aged light-gray limestone locally dolomitic which is approximately 300 feet thick in this area (Allen, Etal, 1984). The Sundance Formation is a Jurassic aged shale, siltstone and sandstone. The Canyon Springs is a lower member of the Sundance Formation which is described as a friable yellowish gray or pink sandstone approximately 40 feet thick. The entire thickness of the Sundance is given as approximately 400 feet (Allen, Etal., 1984). In Fall River County the amount of water recoverable from the Madison is estimated as 9.8 million acre-feet and from the Sundance as 11.2 million acre-feet (Allen, Etal., 1984).

Very little is known about the aquifer characteristics of the Sundance Formation. Only a very few domestic wells tap this formation and these are near the outcrop area in the southern Black Hills. During drilling of Provo Water Well #1 (Water Rights Division Well Files, 1984) 3 packer tests were run on the Sundance Formation. These tests indicate at that drill site (EL-3655), the shut in pressure of the Basal Sundance would be expected to be about 110 psi. No rate of flow was given. However, a water analysis was obtained.

The Provo wells were completed in the Madison Limestone. There is no available shut-in pressure for these; however, both flow at the land surface. The shut-in pressure for a Madison well at Edgemont is approximately 110 psi. The Provo wells have a specific capacity of 3.5 gpm/foot of drawdown (Water Rights Division Well Files, Provo #1, 1984).

Review of Existing Water Rights

There are no existing wells or water rights from the Sundance Formation in this area. The nearest existing Madison well permit is issued to the Igloo Water Co.

No. 1850-2 Igloo Water Co. 1.78 cfs 2) 3990' & 3855' both Madison

These wells are located 7-8 miles northeast of this application.

Conclusions

1. Water is available from either the Madison or Sundance Formation.
2. The aquifers will be under artesian conditions. The wells may not flow at the land surface. However, the wells should be pressure grouted from the producing formation to the land surface.
3. There are no other water permits in Fall River County from the Sundance Formation.

4. Any water use from the Madison, may have a slight affect on the Provo wells. However, the amount of water requested is small and any affects would be insignificant.
5. Very little is known about hydrologic characteristics of the Sundance Formation.
6. The hydrologic information available for the Madison indicates this formation to be a reliable source of water (Woodward-Clyde, 1981).



JAMES A GOODMAN
Hydrologist

Bibliography

Allen, J.C., D. Illes, A. Petres, 1984, Final Draft Ground Water Resource Inventory for Western SD, for U.S. Army Corps of Engineers, DWNR, Div. of Geological Survey, Vermillion SD, 57069.

Water Rights Division, 1984, Well Files, Provo #1, DWNR, Water Rights, Joe Foss Building, Pierre SD, 57501.

Woodward-Clyde, 1981, Well Field Hydrology, for Bureau of Land Management, ETSI Coal Slurry Pipeline Project, U.S. Dept. of Interior

Instruction to Newspaper - Publish first publication of the following Notice on or before **October 24, 1984** with 2nd publication 1 week later. The applicant is responsible for payment.

NOTICE OF HEARING on Application No. 1903-2 to Appropriate Water
and/or to Amend Water Permit or Water Rights No. _____

Notice is hereby given that the Placid Oil Company whose mailing address is
3900 Thanksgiving Tower, Dallas, Texas 75201, ~~South Dakota~~ has made an application for a permit

to appropriate 0.32 cubic feet per second of water from one well 4000 feet deep in
the Madison Formation located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 3-T11S-R1E. The water to
be used for industrial purposes.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends
APPROVAL of Application No. 1903-2 because 1) unappropriated water is available,
2) will be no unlawful impairment of existing rights, 3) is beneficial use of water and
4) is in the public interest.

This application will be considered by the Water Management Board at Joe Foss Building
Room 216, 523 East Capitol, Pierre, South Dakota, December 5 19 84 at 10:00 am.

The recommendation of the Chief Engineer is not final or binding upon the Board and the
Board is authorized to make a determination on this application after it reaches a con-
clusion based upon facts presented at the public hearing. Any interested person who may
be affected by a Board decision and who intends to participate in the hearing before the
Board and present evidence or cross-examine witnesses according to SDCL 1-26, must file a
written petition with BOTH the Applicant and the Chief Engineer by November 23, 1984.
The petition may be informal, but it must include a statement describing the petitioners
interest in the application, the reason for the petitioner's opposition to or support of
the application, and the signature and mailing address of the petitioner or his legal
counsel if legal counsel is obtained. The applicant need not file a petition.

This application is made pursuant to the provisions of SDCL 46-1-1 thru 46-1-9, 46-1-12
thru 46-1-15; 46-2-3.1, 46-2-9, 46-2-11, 46-2-13, 46-2-17, 46-5-1 thru 46-5-16, 46-5-24,
46-5-25, 46-5-30.2, 46-5-31; 46-2A-1 thru 46-2A-10, 46-2A-12; (ground) 46-6-3, 46-6-3.1,
46-6-6.1, 46-6-10, 46-6-13, 46-6-14; (future use) 46-5-38 thru 46-5-40; (transfer lands)
46-5-30.4, 46-5-33 thru 46-5-35; (10,000 AFA) 46-5-20.1, 46-5-8.1; and Board Rules ARSD
74:02:01:01 thru 74:02:01:15; (future use) 74:02:01:24 thru 74:02:01:25; (10,000 AFA)
74:02:01:15:02 thru 74:02:01:15:05.

This hearing is an adversary proceeding. The applicant or any person, after filing a
petition, has the right to be present or to be represented by a lawyer. These and other
due process rights will be forfeited if they are not exercised. Decisions of the Board
may be appealed to the Circuit Court and the State Supreme Court as provided by law.

Any person wishing a copy of the Chief Engineer's recommendation, further information on
this application or to assure access to the hearing by the handicapped can contact the
Water Rights Division, DWNR, Joe Foss Bldg, Pierre SD (605 773-3352) for assistance
prior to the hearing date. The time of the hearing will be automatically extended for
at least twenty days upon written request of the applicant or any person who has filed
a petition to oppose or support the application. The request for extension must be filed
with the Chief Engineer by November 23, 1984.

AFFIDAVIT OF PUBLICATION

STATE OF SOUTH DAKOTA,
County of Fall River-ss.

PALMA L. SIMKINS

of said county being first duly sworn, on oath says that he is
the publisher of the

EDGEMONT HERALD-TRIBUNE

a weekly newspaper printed and published in Edgemont,
said county of Fall River, and has full and personal
knowledge of all the facts herein stated that said newspaper
is a legal newspaper and has a bona fide circulation of at
least two hundred copies weekly and has been published
within said County for fifty-two successive weeks prior to
the publication of the notice herein mentioned, and was
printed wholly or in part in an office maintained at said place
of publication; that the

#5485

notice of hearing on
application #1903-2
(Placid oil Co.)

a printed copy of which, taken from the paper in which the
same was published, is attached to this sheet, and is made a
part of this affidavit, was published in said newspaper at
least once in each week for

two successive weeks,
on the day of each week on which said newspaper was
regularly published, to-wit:

October 24, 1984

October 31, 1984

19

19

19

19

That the full amount of the fees for the publication of the

annexed notice is \$ 32.27

Subscribed and sworn to before me this 3

day of December, 19 84

Debra L. Ebele

Notary Public.

County of Fall River, South Dakota.



NOTICE OF HEARING on Application 1903-2 to Appropriate Water

Notice is hereby given that the
Placid Oil Company whose mailing
address is 3900 Thanksgiving Tower,
Dallas, Texas 75201, has made an
application for a permit to appropri-
ate 0.32 cubic feet per second of
water from one well 4000 feet deep in
the Madison Formation located in
the NE 1/4 SE 1/4, Section 3-T1S-R1E.
The water to be used for industrial
purposes.

Pursuant to SDCL 46-2A-2 the
Chief Engineer of the Water Rights
Division recommends APPROVAL
of Application No. 1903-2 because
1) unappropriated water is available,
2) will be no unlawful impairment of
existing rights, 3) is beneficial use of
water and 4) is in the public interest.

This application will be considered
by the Water Management Board at
Joe Foss Building Room 216, 523
East Capitol, Pierre, South Dakota,
December 5 1984 at 10:00 am.

The recommendation of the Chief
Engineer is not final or binding upon
the Board and the Board is
authorized to make a determination
on this application after it reaches a
conclusion based upon facts present.

ed at the public hearing. Any
interested person who may be
affected by a Board decision and who
intends to participate in the hearing
before the Board and present
evidence or cross-examine witnesses
according to SDCL 1-26, must file a
written petition with BOTH the
Applicant and the Chief Engineer by
November 23, 1984. The petition
may be informal, but it must include
a statement describing the petition-
ers interest in the application, the
reason for the petitioner's opposition
to or support of the application, and
the signature and mailing address of
the petitioner or his legal counsel if
legal counsel is obtained. The
applicant need not file a petition.

This application is made pursuant
to the provisions of SDCL 46-1-1
thru 46-1-9, 46-1-12 thru 46-1-15;
46-2-3.1, 46-2-9, 46-2-11, 46-2-13,
46-2-17, 46-5-1 thru 46-5-16, 46-5-24,
46-5-25, 46-5-30.2, 46-5-31; 46-2A-1
thru 46-2A-10, 46-2A-12; 46-6-3,
46-6-3.1, 46-6-6.1, 46-6-10, 46-6-13,
46-6-14; and Board Rules ARSD
74:02:01:01 thru 74:02:01:15.

This hearing is an adversary
proceeding. The applicant or any
person, after filing a petition, has the
right to be present or to be
represented by a lawyer. These and
other due process rights will be
forfeited if they are not exercised.
Decisions of the Board may be
appealed to the Circuit Court and the
State Supreme Court as provided by
law.

Any person wishing a copy of the
Chief Engineer's recommendation,
further information on this applica-
tion or to assure access to the
hearing by the handicapped can
contact the Water Rights Division,
DWNr, Joe Foss Bldg, Pierre SD
(605 773-3352) for assistance prior to
the hearing date. The time of the
hearing will be automatically ex-
tended for at least twenty days upon
written request of the applicant or
any person who has filed a petition to
oppose or support the application.
The request for extension must be
filed with the Chief Engineer by
November 23, 1984.

(5485-91-43/44)



Department of Water & Natural Resources

Joe Foss Building
623 East Capitol
Pierre, South Dakota 57501

Water Rights Division
605 773-3352

January 4, 1985

Placid Oil Co.
3900 Thanksgiving Tower
Dallas TX 75201

Dear Sir:

Enclosed herewith is your Water Permit No. 1903-2 as approved by the Water Management Board authorizing you to construct your water diversion system and the water to beneficial use, not exceeding the limits as specified in said Water Permit No. 1903-2.

Also enclosed is Form 10, Notice of Completion of Works and Application of Water to Beneficial Use, which you are to complete and submit to the Chief Engineer when you have completed the system and/or have put the water to beneficial use. An inspection can then be scheduled so that your Water License may be issued to you, thus completing your acquisition of a Water Right.

Very truly yours,

JOHN HATCH, Chief Engineer
Water Rights Division

JH: ks

enclosure

PLEASE NOTE: Certain changes can be made in your permit within the five year construction period, usually without affecting the priority date provided an application to amend your permit is made within the five year period-i.e. changes in location or number of diversion points (wells) or location of land to be irrigated. Well locations for wells into the same aquifer can be moved up to 660 feet without application.

Applications to amend a permit after the five year construction period will be assigned a new priority date. Applications to change water sources, to add lands or increase original diversion rates, if approved will usually receive the date of the new application as a priority date regardless of the five year construction period.

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

Post Office P.O. Box F, Edgemont, SD
Date 9/6/85 57735

TO: Water Rights
Joe Foss Building
Pierre, South Dakota 57501

Dear Sirs:

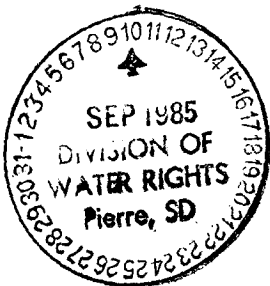
This is to inform you that I have completed the construction of the water diversion system and/or that I have put the water to beneficial use to maximum extent it is going to be used, not exceeding the amounts as specified in Water Right No. 1903-2.

Water Right Permit No. 1903-2 states that the diversion system is to be constructed by 1/4/90, and that the water is put to beneficial use by 1/4/90.

The diversion system was completed on 8/26/85. Applying the water to beneficial use was completed on 9/6/85.

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.

Joseph L. Shear
(Signature)



contact:

PLACID OIL, INC.
BOX F
EDGEMONT, SD 57735
(605) 662-6244

PLACID OIL COMPANY

3900 THANKSGIVING TOWER

DALLAS, TEXAS 75201

May 22, 1986



Department of Water and Natural Resources
Water Rights Division
Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501

Attention: Mr. Jim Goodman

Dear Mr. Goodman:

Please find enclosed the materials you requested concerning Water Permit No. 1903-2, issued to Placid Oil Company. Water Well "A" is capable of producing 3000 BWPD with the submersible pump currently installed. Before the pump was installed the well was jetted with nitrogen at a maximum rate of 4457 BWPD. If any more information is required in order to issue a Water License, please notify.

Very truly yours,
PLACID OIL COMPANY

Joseph B. Shea
Reservoir Engineer

JBS/mb

Enclosure

cc: Mr. J. Born
Mr. D. Branstetter
Reading File
Engineering File

WATER RIGHTS DIVISION
(605) 773-3352

May 27, 1986

Joe Shay
Placid Oil Company
3900 Thanksgiving Tower
Dallas, Texas 75201

Dear Mr. Shay:

I completed the inspection of the water well and the extent of the application of water to beneficial use under Water Permit No. 1903-2. This permit is for the water well located in the oil field southwest of Edgemont, South Dakota.

Before we issue the water license, the following information should be provided to our office:

1. Well log
2. Water analysis
3. Pump test data, if a pump test was conducted.
4. A letter stating that water permit No. 1904-2 will not be completed and can be cancelled.

Statutes require that we charge a \$50.00 fee for the inspection and issuance of the water license. Upon receipt of the fee and the other information from you, your Water License will be sent to you. South Dakota Codified Law 46-5-30.1 states that a permit holder may not divert water until the \$50.00 license fee has been paid. Please contact me if I can answer any questions.

Sincerely,

Delvin D. Brosz, P.E.
Hydrologist

DDB:ms

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

PLACID OIL COMPANY

3900 THANKSGIVING TOWER
DALLAS, TEXAS 75201

June 3, 1986



South Dakota Department of
Water & Natural Resources
Water Rights Division
Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501-3181
Attn: Delvin D. Brosz, P.E.

Re: Water Permit #1903-2

Dear Mr. Brosz:

Enclosed please find our check in the amount of \$50.00 to cover the indicated Water Permit and Inspection fee.

The other information you indicated in your letter of May 27, 1986, has already been submitted.

If you have any questions in regard to our Permit, please feel free to contact me at (214) 573-6233.

Very truly yours,

PLACID OIL COMPANY

James E. Jordan

JEJ/eas
encl.

RECEIPT

Division of Water Rights

South Dakota Department of Water and Natural Resources

410462

Pierre, June 9, 1986

RECEIVED OF Placid Oil Co., 3900 Thanksgiving Tower, Dallas, Texas 75201

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 _____		
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. <u>1903-2</u>	50	00
Fee for Filing Transfer Form _____		
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	50 00

By John Hatch
Chief Engineer JOHN HATCH (ms)

Upper Cheyenne Water District**Report Of Examination Of Works And/Or Application Of Water To Beneficial Use**

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

I have this day made a thorough examination of the water use system constructed by Placid
Oil Company of Dallas, Tx 75201 holder of
Permit No. 1903-2, bearing the priority of October 16, 1982 authorizing
the diversion of 0.32 cu. ft. per second of the waters of ground water
for industrial purposes, in Fall River County.

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

(Well construction Report on file)

A. Works used to divert the water: A 428' feet deep Madison Limestone well.The well is 5 1/2 inch diameter steel casing with a 4" submersible pump. The pump is capable of diverting 116 gpm and is set at 648 feet.

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

Pipeline from well to storage tanks

C. Works used to apply water to beneficial use:

Water is pumped from the storage tanks back into the ground for secondary oil recovery.The system is in the following condition Very goodThe point of diversion is located North 1945' & West 787' from the SE corner of Section 3, T11S, R1EThe works are capable of diverting and conveying to the place of use 0.26cu. ft. per second of water which is to be used for injection water in secondary oil recovery

Water has been put to beneficial use to the maximum extent as follows:

N.A.comprising a total of — acres of land and the license should be issued for 0.26 cfsApplicable permit qualifications have been complied with ☒ Yes ☐ NoExceptions to compliance are: _____ Date May 23, 1986Delwin D. Bragg, P.E.
(signature)

LICENSE FOR PERMIT NUMBER 1903-2

1. Legal location of wells: NE 1/4 SE 1/4 Section 3, T11S, R1E

dams & structures: _____

2. Well Information: Well Drilling Firm Placid Oil Company

No. of wells one Depth 4284 feet

Casing a) diameter 5.5" Screen a) type perforated casing

b) length 4283.58' b) length see below *

c) type steel Static Water Level 170'

Pump a) make Centrifugal ^(submersible) Motor a) make Centrifugal

b) model 41N/80 b) model no. _____

c) size 4" c) horsepower rating 25 HP

d) capacity 116 GPM d) motor efficiency rating _____

e) turbine pump no. of stages 41

Pump set
@ 647.82'

3. Distribution lines:

a) size of lines _____

b) type _____

c) length _____

* Level	shots/foot
4024' - 4032'	8
4044' - 4064'	8
4078 - 4088	8
4098 - 4112	8
4123 - 4145	8
4150 - 4195	8

4. Dam information:

a) height to crest _____

b) height to spillway _____

c) crest width _____

d) crest length _____

e) spillway length _____

f) spillway width _____

g) approx. storage _____

h) Distribution lines or canals:

1) size _____

2) type _____

3) length _____

i) Outlet tubes:

1) diameter _____

2) type _____

3) valued (Y/N) _____

4) valve type _____

5) location on structure _____

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 _____

b) towline:

1) length _____ feet

2) make, model & number of sprinklers _____

3) spacing of sprinklers _____

4) nozzle size _____

5. System Type: c) center pivot

- 1) make _____
- 2) number of towers _____
- 3) distance between towers _____
- 4) overall length _____
- 5) End gun (Y/N) _____
- 6) high or low pressure _____
- 7) make & size of nozzles _____
- 8) PSI reading while system is running _____
- 9) GPM _____

g) Gun

- 1) make _____
- 2) serial number _____
- 3) nozzle size _____
- 4) capacity (GPM) _____
- 5) PSI _____
- 6) hose size _____
- 7) hose length _____

d) Gate Pipe

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

e) Siphons

- 1) number _____
- 2) size _____

f) Portable boom

- 1) make _____
- 2) serial number _____
- 3) nozzle size _____
- 4) capacity (GPM) _____
- 5) PSI _____

h) Hydromatic

- 1) make _____
- 2) model _____
- 3) serial number _____
- 4) length _____
- 5) nozzle size _____
- 6) spacing _____
- 7) PSI _____
- 8) capacity (GPM) _____

YES	NO	Check Items
_____	_____	1. Soil and water permit lands agree with lands being irrigated and lands listed on permit.
_____	_____	2. Special Qualifications to permit being abided by.
_____	_____	3. All Structures, wells and lands on map.

REMARKS:

State of South Dakota
Water License No. 1903-2

(1) Placid Oil Company
of 3900 Thanksgiving Tower, Dallas, Texas 75201
made Application No. 1903-2, October 16, 1984 for a water permit to appropriate
0.32 cubic feet per second of water from groundwater (one well - Madison Limestone),
Fall River County, South Dakota for industrial purposes.
Permit No. 1903-2, with a priority date of October 16, 1984
was approved December 5, 1984 and issued to applicant(s) for diversion of water with construction of the described
water supply system to be completed on or before December 5, 1989 and for the application to beneficial use of said
water on or before December 5, 1993.

and

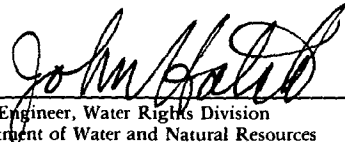
(2) It is certified that the application has complied with the provisions of South Dakota State Law relating to completion of
the construction of the water supply system and is entitled to divert 0.26 cubic feet per second of water
for beneficial use. The location of the diversion point(s) is North 1945' & West 787' from the
SE Corner of Section 3, T11S, R1E (NE $\frac{1}{4}$ SE $\frac{1}{4}$)

and

(3) The applicant has complied with the provisions of South Dakota State Law relating to the application of water to beneficial use to the following extent, water is pumped from storage tanks back into ground
for secondary oil recovery.

(4) Pursuant to §46-5-30.1 Placid Oil Company
of 3900 Thanksgiving Tower, Dallas, Texas 75201
the holder(s) and/or owner(s) of Water Permit No. 1903-2 is issued a license to appropriate water, the right to use
0.26 cubic feet per second of water from groundwater (one well) with a priority date
of October 16, 1984 from the location 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 industrial use

This license is subject to any limitations or qualifications listed in Water Permit No. 1903-2 and subject
to South Dakota State Law.


Chief Engineer, Water Rights Division
Department of Water and Natural Resources

JOHN HATCH

JUN 22 1986



Department of Water & Natural Resources

Joe Foss Building
523 East Capitol
Pierre, South Dakota 57501

WATER RIGHTS DIVISION
Phone (605) 773-3352

July 23, 1986

Placid Oil Company
3900 Thanksgiving Tower
Dallas, Texas 75201

Dear Sir:

Enclosed herewith is, Water License No. 1903-2. This is the final water right document completing your process of obtaining a water right.

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

Very truly yours,

A handwritten signature in cursive script, reading "John Hatch". The signature is written in dark ink and is positioned above the printed name and title.

JOHN HATCH, Chief Engineer
Water Rights Division

JH: ms

Enclosures

1903-2

**WATER RIGHTS PROGRAM
FILE DOCUMENTATION**

NAME OF PERSON OR FILE: Ron Pfister

ADDRESS: PO Box 1277, Lusk, WY 82225

COUNTY: Fall River

DATE: August 6, 1997

TELEPHONE: (307) 334-3558

RE: Water Right No. 1903-2 for Placid Oil

COMMENTS:

Mr. Pfister called to inquire if he would need a permit to use water for livestock watering purposes. The well is covered under No. 1903-2 for Placid Oil. Placid Oil no longer owns the well, it is owned and operated by Occidental Petroleum. He said they have a Madison formation well as an injection well and would be willing to let him use some of the water for watering his cattle.

I told him he could use water for domestic purposes without a permit, however if his use of water exceeded 25,920 gallons a day or 25 gallons per minute, he would need a permit. He indicated he has a 16,000 gallon tank that would be filled about 3 times a week. I explained that he would be well under the volume limitation, however if the rate of water delivered to his tank(s) exceeded 25 gpm, he would need a permit. He thought that the pump in the well had been replaced from the original 116 gpm to a smaller pump. He indicated that the 2" pipe to be used would run about a mile. He said he would do some calculations to find out the rate being delivered, but felt it would be well below the 25 gpm by the time he figured in line losses and loss in pressure.

He requested that I send him application forms for a water permit in case he needed them.



Genny McMath
Environmental Scientist



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

August 7, 1997

1903-2

Ron Pfister
PO Box 1277
Lusk, WY 82225

Dear Mr. Pfister:

Thank you for your calling me concerning your proposed use of water. My understanding from our telephone conversation is that Occidental Petroleum now owns the well in the NE¼ SE¼ Section 3, T11S, R1E (described in Water Right No. 1903-2) and will be supplying water to you for livestock watering purposes.

Water Right No. 1903-2 currently authorizes diversion of 0.26 cubic feet of water per second (116 gpm) from the Madison formation well to be used for industrial purposes. They could supply water to you for domestic purposes if the following criteria are met:

- water use by the facility is less than 25,920 gallons per day; OR if
- the maximum pump rate of water delivered to your facility is less than 25 gallons per minute.

You indicated that water would be diverted to your tank(s) a mile away through a 2 inch line. At the present time only one - 16,000 gallon tank would be filled three times a week. During our conversation, you indicated that the original pump in the well (pumping 116 gpm) had been replaced by a smaller pump. Your use of water may fall under the domestic use definition if the above criteria are met.

Enclosed, as we discussed, is a set of water permit application forms and an instruction sheet. If the volume of water or maximum pump rate will be exceeded, a water permit will be required. I am enclosing a copy of Water Right No. 1903-2 for your review. The water right is currently under the name of Placid Oil Company.

If you have any questions, please contact me.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352



July 20, 1998

Water Rights Program
Joe Foss Building
523 E. Capitol
Pierre, SD 57501-3181



RE: REQUEST FOR WATER RIGHT INFORMATION, CERTIFICATES, ETC.

Dear Sir or Madam:

Attached please find the legal description of the Wheeler Ranch that is located in South Dakota. I have recently listed this property for sale and would like to receive very detailed information on all stock water wells, irrigation wells, flood rights, adjudicated rights, etc.

I understand that there is a charge for making copies of this information. Please call my office at (307)684-9556 and leave a message with Anne as to the amount of this charge and we will immediately forward a check to you.

Thanking you in advance for your assistance,

Sincerely,

A handwritten signature in cursive script that reads "John D. Pearson".

John D Pearson

JDP:ap
Attachment

WHEELER PLACE

Township 10 South, Range 1 East of the B. H. M.

Section 7: S $\frac{1}{2}$
Section 8: S $\frac{1}{2}$
Section 9: W $\frac{1}{2}$ SW $\frac{1}{4}$
Section 16: W $\frac{1}{2}$ W $\frac{1}{2}$
Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 21: All
Section 22: W $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Section 27: All
Section 28: All
Section 29: All
Section 30: All
Section 31: All
Section 32: All
Section 33: All
Section 34: All

Township 11 South, Range 1 East of the B. H. M.

Section 1: All
Section 2: NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$
Section 3: All
Section 4: E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$
Section 9: E $\frac{1}{2}$
Section 10: All
Section 11: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 12: N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

July 30, 1998

John D Pearson
Pearson Real Estate Co., Inc.
PO Box 696
Buffalo WY 82834

Dear Mr. Pearson:

As requested, enclosed are copies of Water Right No. 1903-2 and Water Permit No. 2393-2. These are the only permits located within the legal descriptions listed of your July 20th letter. A phone conversation with Nancy Geehan, of your office, indicated you were only concerned with the groundwater permits.

If you have any questions or need additional information, please contact this office

Sincerely,

Karen Schlaak
Water Rights Program
605 773-3352

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

December 31, 1998

1903-2

Arlene Valliquette
Merit Energy Corporation
12222 Merit Dr – Suite 1500
Dallas, TX 75251

Dear Ms. Valliquette:

Thank you for contacting us regarding the ownership change for Water Right No. 1903-2 listed in the name of Placid Oil Company. Enclosed is a copy of the water right which you may keep for your records.

Also enclosed is a partially completed "Notice of Transfer of Ownership" form for use in filing an ownership change with Water Right No. 1903-2. Please complete the form and sign it in the presence of a notary public. Upon completion, return the form to our office with a required filing fee of \$2.50. Please make payment payable to the "Water Rights Program" and include the water right number to ensure proper handling.

If you have any questions concerning the water right or with completion of the transfer form, please get in touch with me.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

encl

MERIT ENERGY COMPANY

12222 Merit Drive, Suite 1500
Dallas, Texas 75251
(972) 701-8377
(972) 960-1252 Fax

February 17, 1999



State of South Dakota
Dept. of Environment & Natural Resources
523 East Capitol
Pierre, SD. 57501-3181

Attention: Genny McMath

RE: Transfer of Water Right

Dear Genny,

Enclosed you will find the Notice of Transfer of Ownership for Water Right No. 1903-2. Also enclosed is Merit's check #122492 in the amount of \$2.50 to cover the filing fee for the transfer.

Should you need any additional information, please contact me at (972) 383-6558.
Thank you.

Sincerely,

MERIT ENERGY COMPANY

Arlene Valliquette
Arlene Valliquette
Regulatory Manager

Encls. (2)

NOTICE OF TRANSFER OF OWNERSHIP

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

No. 1903-2



Date: _____

I/We request that Water Right No. 1903-2

formerly owned by: Placid Oil Company

be transferred to: (name & address) Merit Energy Company, 12222 Merit Drive, Suite 1500

Dallas, TX. 75251

Telephone No. 972-701-8377

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

diversion point location: NE ¼ SE ¼ Section 3, T11S, R1E

I/We understand that the validity of Water Right No. 1903-2 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.

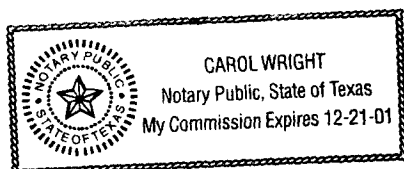
STATE OF ~~SOUTH DAKOTA~~)
TEXAS)
County of Dallas)

Arlene Valliquette, Regulatory Manager
I/We for Merit Energy Company 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.

MERIT ENERGY COMPANY

By: Arlene Valliquette
(Signed) Arlene Valliquette
Regulatory Manager

Subscribed and sworn to before me this 17TH day of FEBRUARY, 19 99.



Carol Wright
(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.

RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

N^o 416050

Pierre, February 23, 1999

RECEIVED OF Merit Energy Co., 12222 Merit Dr., Suite 1500, Dallas, TX 75251
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 Water Right No. 1903-2 2 50

Fee for Filing Extension Request _____

Fee for _____

(Any Other Work Provided by Law)

Total 2 50

By _____
Chief Engineer

John Hatch



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

February 23, 1999

1903-2

Arlene Valliquette
Merit Energy Company
12222 Merit Drive – Suite 1500
Dallas, TX 75251

Dear Ms. Valliquette:

Thank you for sending in the ownership change for Water Right No. 1903-2. The transfer has been completed and the water right is now listed in the name of Merit Energy Company.

Enclosed is your Receipt No. 416050 in the amount of \$2.50. I am including a copy of the transfer form you filed. You may keep both for your records.

If I can answer any questions for you, please let me know.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352

enclosures

NOTICE OF TRANSFER OF OWNERSHIP



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

No. 1903-2

Date: 9/30/00

I/We request that Water Permit/Right No. 1903-2

formerly owned by: Merit Energy Company, 12222 Merit Dr., Suite 1500, Dallas, TX. 75251

be transferred to: (name & address) Journey Operating, L.L.C., 1201 Louisiana, Suite 1040, Houston, TX. 77002

Telephone No. 713-655-0595

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

Diversion point location: NE 1/4 SE 1/4 Section 3, T11S, R1E

I/We understand that the validity of Water Permit/Right No. 1903-2 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 attached to cover the filing fees as required under SDCL 46-2-13.

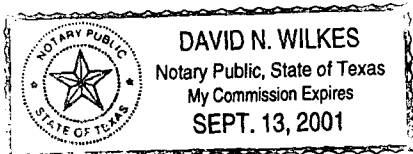
STATE OF TEXAS)
County of Harris)

I/We Brian A. Baer, President of Journey Operating, L.L.C. 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.

JOURNEY OPERATING, L.L.C.

BY: Brian A. Baer
(Signed) **Brian A. Baer, President**

Subscribed and sworn to before me this 6th day of October, 20 00.



[Signature]
(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.

RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

N^o 416668

Pierre, November 3, 2000

RECEIVED OF Journey Operating, LLC, 1201 Louisiana, Suite 1040, Houston TX 77002
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>No. 1903-2</u>	2	50
Fee for Filing Extension Request _____		
Fee for _____		

(Any Other Work Provided by Law)	Total	2 50

By Portland Erbe
Chief Engineer

KS



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

November 7, 2000

1903-2

Brian A Baer, President
Journey Operating LLC
1201 Louisiana – Suite 1040
Houston TX 77002

Dear Mr. Baer:

Thank you for following up the ownership change for Water Right No. 1903-2. The transfer has been completed and the water right is now listed in the name of "Journey Operating, LLC."

Enclosed is your Receipt No. 416668 in the amount of \$2.50. I am also including a copy of the transfer form you submitted. You may keep both of these for your records.

If I can answer any questions for you concerning the water right, please get in touch with me.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 3, 2001

1903-2

David Wilkes
Journey Operating, LLC
1201 Louisiana, Suite 1040
Houston, TX 77002

Dear Mr. Wilkes:

Thank you for your inquiry into ownership of Water Right No. 1903-2. I checked the file and found that the ownership was already changed to Journey Operating, LLC.

Enclosed is a copy of the transfer form that was filed in November, 2000. You may keep the copy for your records.

If any further changes should be made to the water right, please get in touch with me.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

enclosure

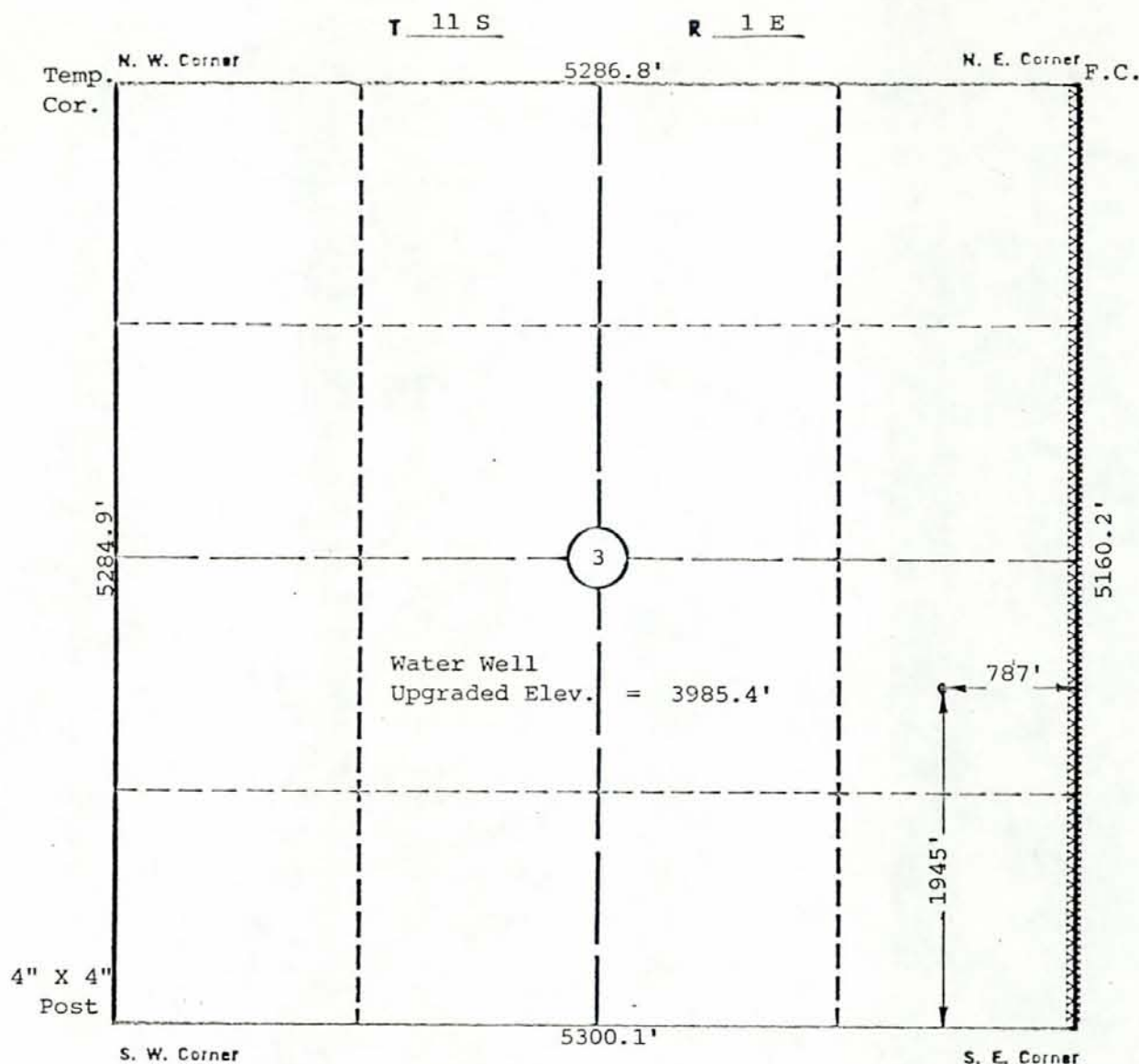


PLAINS ENGINEERING

A DIVISION OF HOSKINS-WESTERN-SONDEREGGER, INC.

ENGINEERS • ARCHITECTS • PLANNERS • SURVEYORS

P.O. BOX 727 • NEWCASTLE, WY 82701 • 307-746-2754

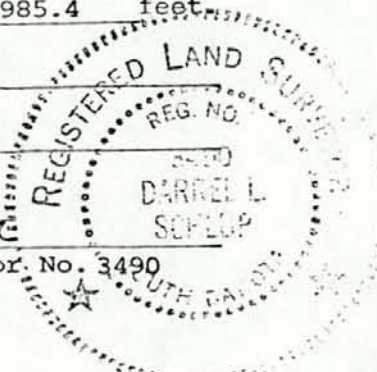


I, Darrel L. Schlup, of Newcastle, Wyoming certify
that in accordance with a request from Jim Giffin
of Osage, Wyoming, for Placid Oil
made a survey (date) October 9, 1984 for the location
and elevation of a Water Well

As shown on the above map, the wellsite is in NE 1/4 SE 1/4
Section 3, Township 11 S South, Range 1 East,
Fall River County, South Dakota. Elevation is 3985.4 feet
Above mean sea level before dozing.

Darrel L. Schlup

South Dakota Licensed Surveyor No. 3490



A/M 1903-2

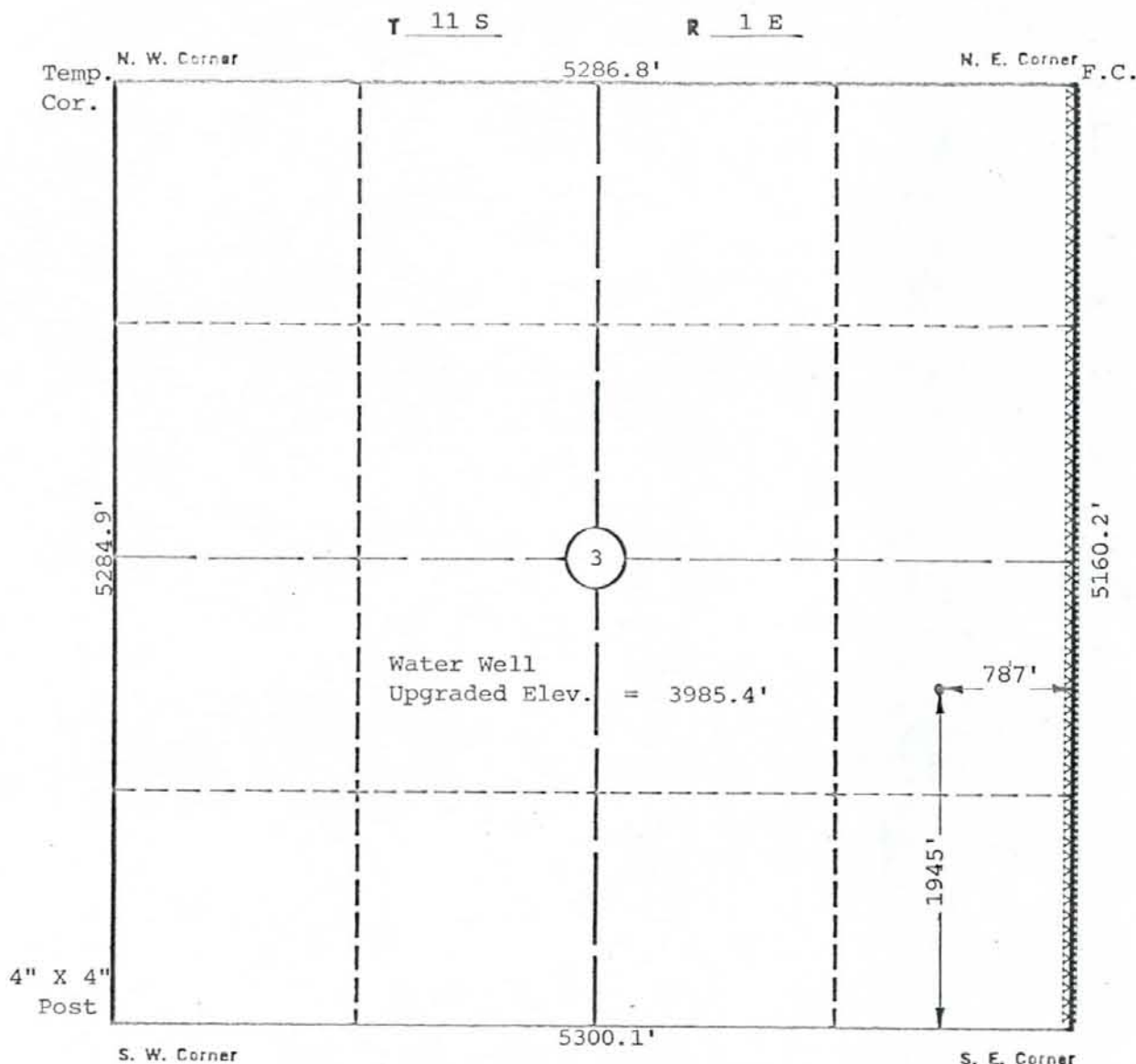


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Darrel L. Schlup
South Dakota Licensed Surveyor No. 3490



A/M 1903-2

SD EForm - 0495 V1 NOTICE OF TRANSFER OF OWNERSHIP

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

Water Right/Permit No. 1903-2

Date: 6/9/2006

I/We request that Water Right/Permit No. 1903-2 formerly owned by:
Journey Operating, L.L.C. be transferred to:

New Owner Name: Citation Oil & Gas Corp.

Address: 8223 Willow Place South

City, State, Zip Houston TX 77070 Telephone No. (281) 517-7800

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

Diversion point location: NE SE Section 3-T11S-R1E

RECEIVED

JUN 22 2006

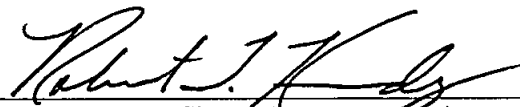
WATER RIGHTS
PROGRAM

☒ I understand that the validity of Water Right/Permit No. 1903-2 has not been determined by this transfer action. If I have any questions on validity, I understand that only the Water Management Board has the authority to determine if a water right/permit is valid (see note below.)

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 included to cover the filing fee as required by SDCL 46-2-13.

I, Robert T. Kennedy, Sr. Vice President, the new owner, certify that the above information is true and correct.



(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 JUNE 22, 20 06

RECEIVED OF CITATION OIL & GAS CORP, 8223 WILLOW PLACE DR S, HOUSTON TX 77070

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	2	50
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>1903-2</u>		
Fee for _____		
Fee for Issuing New Well Driller's License No. _____ for C.Y. _____		
Fee for Renewal of Well Driller's License No. _____ for C.Y. _____		
Fee for Issuing Well Pump Installer's License No. _____ for C.Y. _____		
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	2.50

No.

02497

By

Darland Erbe
Chief Engineer gm



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

June 22, 2006

1903-2

Robert T Kennedy, Sr, Vice President
Citation Oil and Gas Corporation
8223 Willow Place South
Houston TX 77070

Dear Mr. Kennedy:

I am writing to acknowledge receipt of the ownership change you filed for Water Right No. 1903-2. The transfer has been completed. The water right formerly listed in the name of Journey Operating LLC is now listed in the name of Citation Oil and Gas Corporation.

Enclosed is your Receipt No. 02497 in the amount of \$2.50. I also included the additional copy of the transfer form you submitted. You may keep both for your records. If I can answer any questions for you, please contact me.

Sincerely,

Genny McMath
Environmental Scientist
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

enclosure

1903-2

RECEIVED

SEP 08 2023

OFFICE OF
WATER

NOTICE OF TRANSFER OF OWNERSHIP

For assistance call (605) 773-3352

Mail to: SD DANR, Water Rights Program
523 E Capitol Ave
Pierre, SD 57501-3182Water Right/Permit No. 1903-2

Date: _____

I/We request that Water Right/Permit No. 1903-2 formerly owned by:
Citation Oil & Gas Corporation be transferred to:New Owner Name: Tetrad Corp. Attn: JD Williams
Address: 251 A Greasewood Rd mobile: 307 340 6006
City, State, Zip: Lusk, WY 82225 email: jdlw1074@gmail.com

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

1903-2	NE 1/4 SE 1/4 Sec 3 T11S 1E	PAID SEP 08 2023 CK# <u>6115</u> Rec'd # <u>118103</u>
--------	-----------------------------	--

☒ I understand that the validity of Water Right/Permit No. 1903-2 has not been determined by this transfer action. If I have any questions on validity, I understand that only the Water Management Board has the authority to determine if a water right/permit is valid (see note below).

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 included to cover the filing fee as required by SDCL 46-2-13.

I, JD Williams / Tetrad Corp, the new owner, certify that the above information is true and correct.

Tetrad

JD Williams
(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, an inspection is conducted to issue a water right license for the project as developed. A water permit/right may be cancelled for one or more of the following 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 AGRICULTURE
and NATURAL RESOURCES**

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

September 11, 2023

1903-2

Tetrad Corp
c/o JD Williams
251 A Greasewood Rd
Lusk WY 82225

Dear Mr. Williams:

I have received your "Notice of Transfer of Ownership" form and the required fees. Enclosed is a receipt of payment for your records.

Water Right No. 1903-2 previously owned by Citation Oil & Gas Corp is now listed under Tetrad Corp. I have also updated your contact information in our system.

As a reminder, so long as you use the water beneficially, as stated in the Water Right, State Water Laws provide that you have a continuing right to use the water. Should the water not be put to beneficial use for a period longer than 3 consecutive years, without legal excuse, the Right will be subject to cancellation.

If you have any questions, please contact me.

Sincerely,

Amanda Dewell
Water Rights Program
605 773-3352
Amanda.Dewell@state.sd.us

enclosure

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Agriculture and Natural Resources

Date September 8, 2023

RECEIVED OF Tetrad Corporation DBA D8-ZN-4 3 Ranches

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>1903-2</u>	\$ <u>50.00</u>
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
	\$ <u>50.00</u>

By Eric Gronlund
Chief Engineer
vm