

Considered: \_\_\_\_\_

WATER PERMIT NO. 1937-2

MAP No. Same

Name of Applicant Gray Rocks Resort

Post Office Address Box 486 Custer S.D.

Amount of Water Claimed 0.05 Total Acres \_\_\_\_\_

Source of Water Supply Groundwater - 2 wells

Water to be used for Com County Custer

About 2 miles S of Custer.

PROOF OF PUBLICATION: Received 9-3-85 Not Received \_\_\_\_\_

APPLICATION: Approved 10-16-85 Subject to \_\_\_\_\_

F.F. & C.L. Adopted \_\_\_\_\_ Not Approved \_\_\_\_\_ Deferred \_\_\_\_\_

PRIORITY Date Received 6-18-85 Fee \$5000 Remarks \_\_\_\_\_

6-18-85

Corrected Application Received \_\_\_\_\_ Period of Annual Use May 15 - Sept 15

WATER QUALITY APPROVAL RECEIVED N.A. APPROVED/CONDITIONAL (Circle one)

WI-1 Description same as Application YES \_\_\_\_\_ NO \_\_\_\_\_ REMARKS \_\_\_\_\_

Diversion Point SE4 NW4 sec. 35 T3S-R4E

Land to be Irrigated N.A.

|    |  |  |  |  |  |
|----|--|--|--|--|--|
|    |  |  |  |  |  |
| 45 |  |  |  |  |  |
| 35 |  |  |  |  |  |
|    |  |  |  |  |  |
|    |  |  |  |  |  |
|    |  |  |  |  |  |

Well Log: Driller \_\_\_\_\_ Licensed YES \_\_\_\_\_ NO \_\_\_\_\_

Depth of Well 100' & 160' REMARKS No logs available

Type of Map USGS Topo PREPARED BY R. Larson Reviewed and the Number  
assigned on 6-25-85 By Kevin C. Larson

|                                       |                                 |
|---------------------------------------|---------------------------------|
| No. <u>1937-2</u>                     | Hydrologic Unit <u>10120109</u> |
| Map No. <u>same</u>                   | Basin <u>Upper Cheyenne</u>     |
| Newspaper <u>Custer Co. Chronicle</u> | <u>Box 551 (Wed)</u>            |

**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

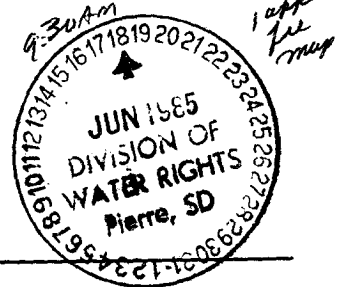
New ☒ Vested Right ☐ Future Use ☐ Change Use ☐☐ Amend Permit No. \_\_\_\_\_ with old priority date retainedChange diversion point(s) ☐ Add diversion point(s) ☐ Other ☐ \_\_\_\_\_☐ Application to: Change diversion point(s) ☐ Add diversion point(s) ☐ on Permit No. \_\_\_\_\_☐ Construction to use water reserved by Future Use Permit No. \_\_\_\_\_1. Name of Applicant Gray Rocks Resort Phone No. 605-673-4366Post Office Address Box 486 Custer State S.D. Zip Code 57730  
(Street, RR or Box)2. Amount of water claimed (c.f.s) 0.053. Source of water supply groundwater 2 wells4. Location of point of diversion E 1/2 NW 1/4 sec. 35 T3S-R4ECounty Custer5. Counties where water will be used SameX 6. Annual period during which water is to be used May 15 - Sept. 15

X 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)

Well No. 1 - Drilled about 1930 - (use - Residence year round)

Well No. 2 - Drilled - 1956 (use - Cabins - May 15 to Sept. 15)

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 X Custer)<sup>ss</sup>X I, Robert B. Davis 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.X Signed Robert B. DavisSubscribed and sworn to before me this 14<sup>th</sup> day of June 1985X Frances M. HansonNotary Public (or other qualified officer) Com. exp. 5/22/1990

# WATER PERMIT

The Water Management Board hereby approves Water Permit Application No. 1937-2  
Gray Rocks Resort Box 486 Custer  
(Applicant) (Post Office Address)  
South Dakota 57730 With the following qualifications.  
(State) (Zip Code)

The wells approved under this Permit are located near domestic 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.

Date of first receipt of application June 18, 1985.  
 Date of return to applicant for correction, amendments or changes required —, 19—.  
 Date of receipt of corrected application —, 19—. Approved October 16, 1985.

The Water Management Board hereby approves this Water Permit No. 1937-2 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 June 18, 1985.
2. The equivalent of at least one-fifth of the specified work is to be completed on or before —, 19—.
3. The whole of said work is ~~to be~~ completed ~~on or before~~ —, 19—.
4. The limit of time from proof of beneficial use of water appropriated in accordance herewith is —, 19—.
5. The water appropriated shall be used for the purpose of commercial campground and domestic
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 0.05 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 Commercial use ~~on or before~~ —, 19—; said water to be used during the following described annual period: May 15 to September 15

**WATER MANAGEMENT BOARD**  
 By: John Hatch  
Chief Engineer  
 Division of Water Rights  
 Dept. of Water and Natural Resources  
 NOV 19 1985  
 JOHN HATCH

# Supplemental Information

(type or print in ink)

## 1. Well Information - Proposed construction 2 - Wells

- a) Drill Hole Diameter \_\_\_\_\_ Depth 100 FT + 160 FT
- b) Casing Type Steel Diameter 6 inch Thickness \_\_\_\_\_
- c) Screen Type \_\_\_\_\_ Diameter \_\_\_\_\_ Thickness \_\_\_\_\_
- d) Gravel Pack Thickness \_\_\_\_\_ Length of Gravel Pack \_\_\_\_\_
- e) Depth to Top of Water Bearing Material 41 FT.
- f) Depth of Water (ground surface to water level) 34 FT.
- g) Distance to nearest existing domestic well:  
On applicants property 400 FT. On property owned by others 250 FT.

## 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 \_\_\_\_\_

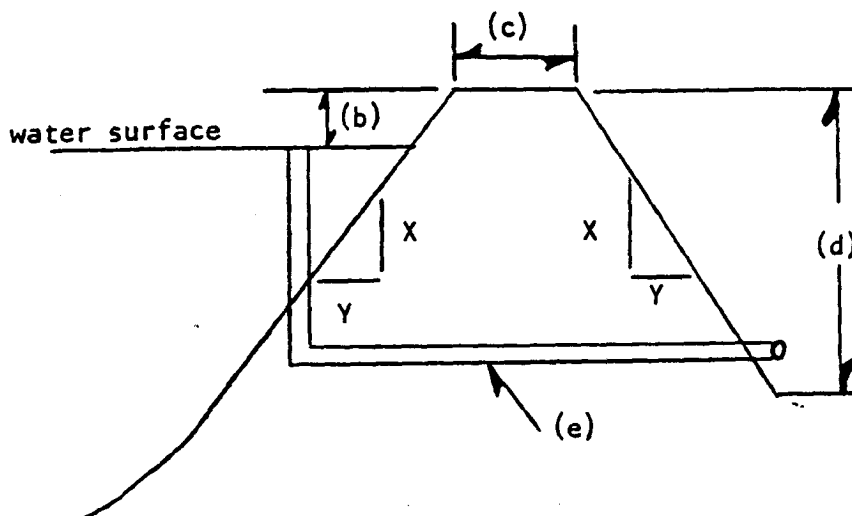
f) X & Y Slope  
Upstream \_\_\_\_\_

Downstream \_\_\_\_\_

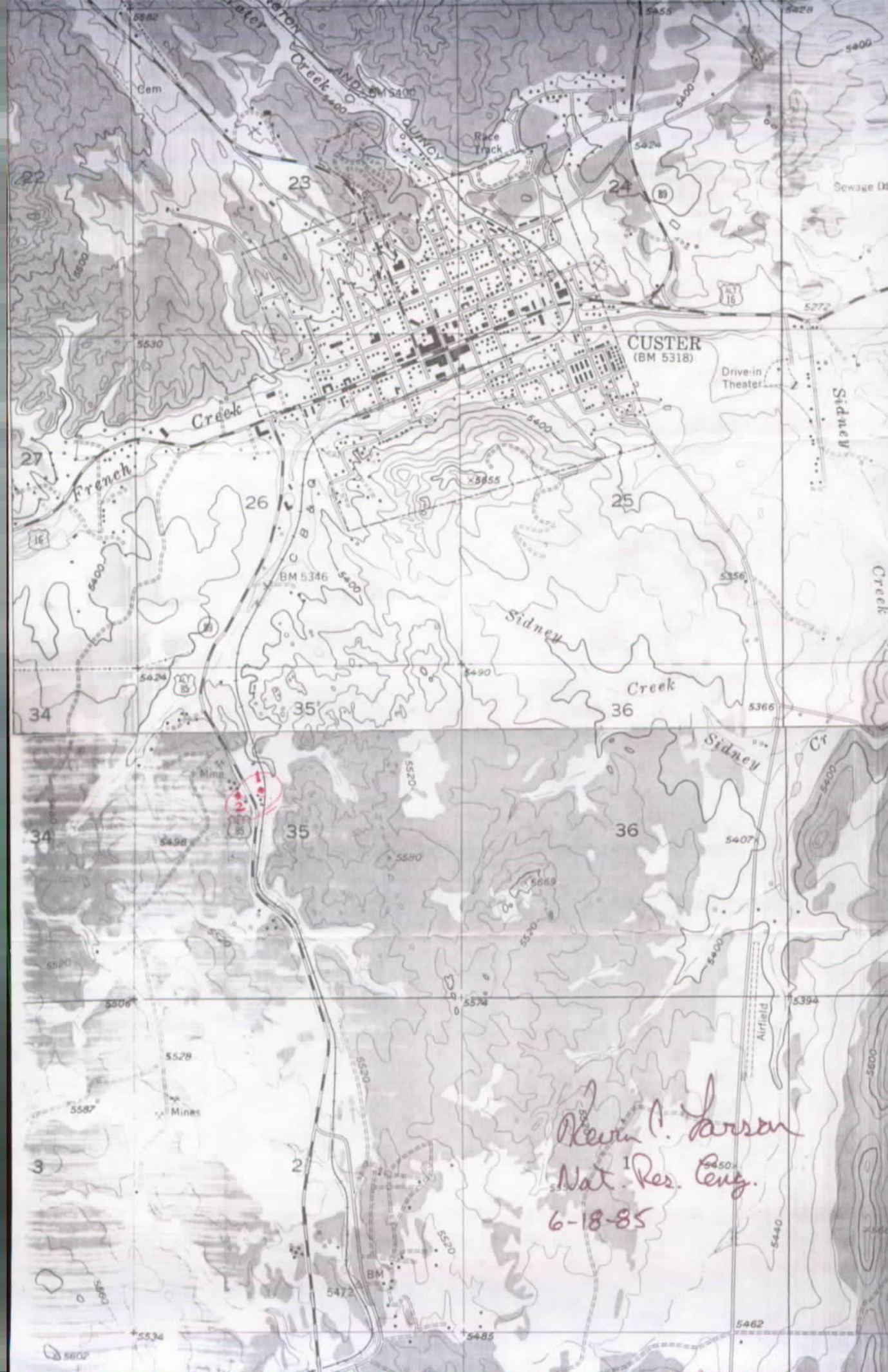
Surface Area of Impoundment \_\_\_\_\_

Storage \_\_\_\_\_ acre feet

Drainage area above dam \_\_\_\_\_



X Robert B. Davis  
Signature of Applicant



Kevin P. Larson  
Nat. Res. Eng.  
6-18-85

# RECEIPT

Division of Water Rights

No 410083

South Dakota Department of Water and Natural Resources

Pierre, June 20, 1985

RECEIVED OF Gray Rocks Resort, Robert/ Helen Davis, Box 486, Custer, SD 57730

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 _____ | 50    | 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 | 50 00 |

By

Chief Engineer

John Hatch  
JOHN HATCH

NA = nonapplicable

ID# 4600560

Survey taken by Steve Naylor (SDSMET) Survey date 5-28-84

Is system active or inactive Active

If inactive, deactivation date NA

Deactivation reason NA

Location of NC PWS 1 1/2 mile south of Custer on highway 385

Type of NC PWS (campground, motel, resort, etc.) Resort (Summer cabins)

Name of NC PWS Gray Rocks Resort

NC PWS mailing address Box 486, Custer Telephone # 673-4366

Name of Operator/Manager Bob & Helen Davis

Owner of NC PWS Box 486, Custer

Owner's mailing address Bob & Helen Davis

Type of owner: private (☒) city ( ) state ( ) federal ( ) other ( )

County NC PWS located in Custer Seasonal operation dates 6-1 to 9-15

Number of people served: Average daily 30 Peak daily 30

Comments on type of people (transient vs. permanent) Transient. This resort rents by the week or by the entire summer. Owners live here year around

Water source (well, spring, lake, river, other) WELLS (2)

Source name unknown

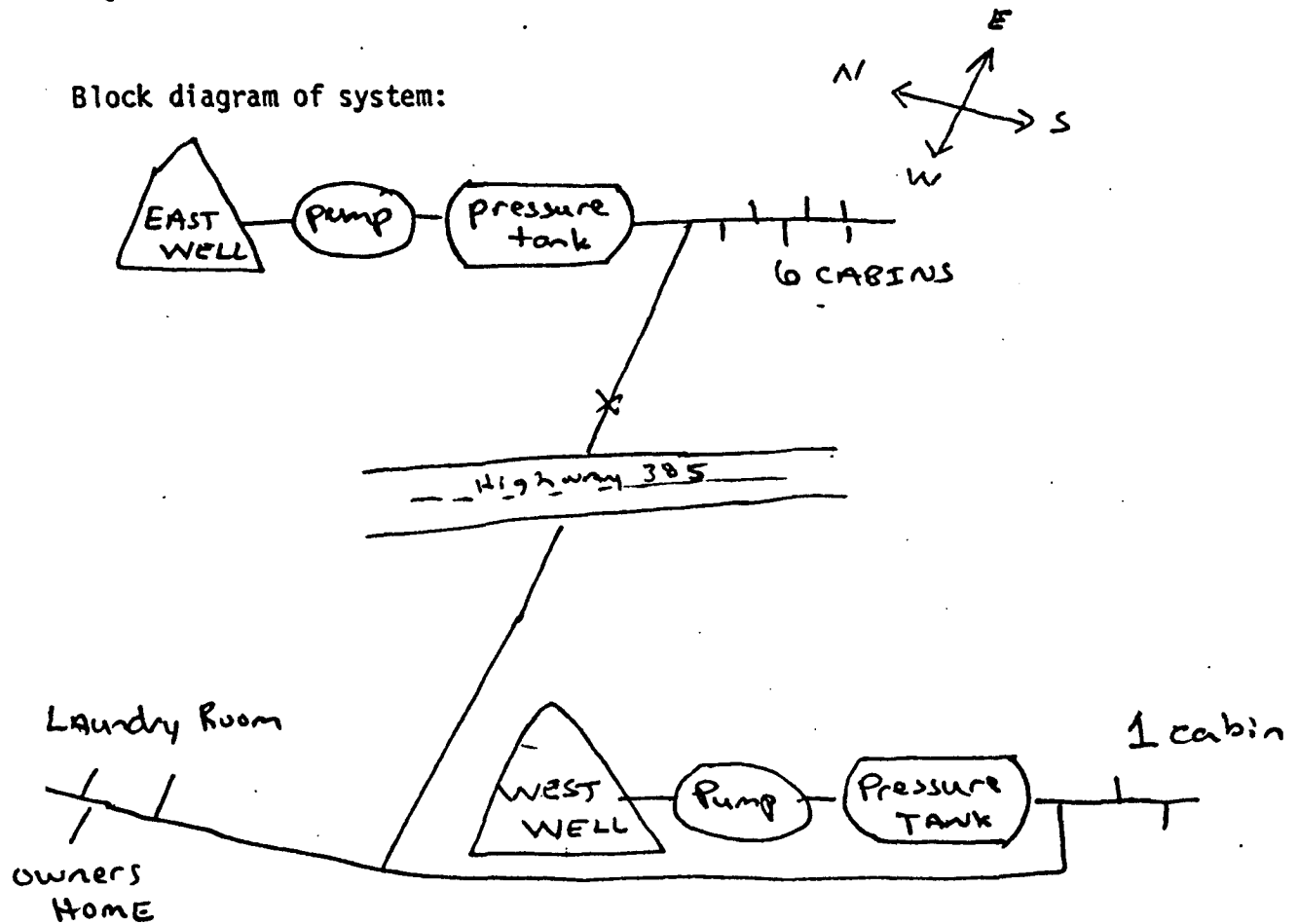
Visual inspection of water source (comments) NA

Observation of owner/operator making a turbidity test (if source is a surface supply). (comments) NA

Surface Area Characteristics Gray rocks Resort is split by highway 385. On the west side of the road there are cabins on a pine covered hillside. On the east side of the road is the owners home and more cabins. They are located in a valley.

NOTE: There are (2) wells that are used. Information pertaining to each well will be expressed in the form: EAST WELL / west WELL

Block diagram of system:



Short report on system:

There are two wells for this system. They will be referred to as the east and west wells. In the case of each well, water is pumped via a submersible pump up to a pressure tank which then distributes the water. A line running under highway 385 connects the 2 systems so if one well can't be used the other well can serve both sides of the road. Otherwise the two systems operate separately. A sample was taken from a cabin on the west side of 385 and a sample was taken in the owners home on the east side of 385 so as to get a representative sample from each well. There doesn't seem to be any deficiencies in either of these two systems.

Wells: drilled (☒) bored ( ) dug ( ) driven ( )

Well depth 100 ft / 160'

Casing material Steel/Steel

Casing diameter 6" / 6" Height casing top above ground 2" / 8"

Grouted Yes / yes Grouted to what depth unknown / unknown

Date of well construction Early 1950's / Late 1950's

Distance to: Septic tank 100 ft / 500 ft Disposal field 100 ft<sup>(A)</sup> / 500 ft<sup>(A)</sup>

Is well situated in a pit or depression where it will be subject to flooding  
Located in a pit 2 feet deep with wood walls & Top. Could flood but has a drain / No - Located in a concrete block pit, 5 ft deep

Any known private sewage systems nearby NONE

Any known source of contamination YES - They had high bacteria counts on EAST well in 1987 / No - for the west well

Pump:

Well pump type Submersible / sub. Capacity 500 g / 9 GPM

Number of service connections ~~6 cabins~~ 1 cabin, laundry room, managers home / 6 cabins

Pumphouse floor/ housekeeping NA

Storage:

Size and type of storage Only storage available is what is in the pressure tanks

Cover/manhole conditions (overlapping cover?) NA

Overflow and vents screened NA

Distance from pits/ contamination/ drainage NA

General condition NA



# Department of Water & Natural Resources

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

August 28, 1984

Gray Rocks Resort  
Box 486  
Custer, South Dakota 57730

Dear Mr. & Mrs. Davis:

The Division of Environmental Quality of this Department is conducting a survey of non-community public water supply systems. As a part of the survey, we have reviewed our records and we can not find any water rights on file for Gray Rocks Resort.

A water permit is required pursuant to SDCL 46-1-15 to use water from a private source for commercial use. Any use of water, except for private domestic use, requires a water permit. Examples of commercial use are: truckstops, motels, restaurants, tourist attractions, commercial campgrounds and any other business operation. Examples of non-commercial use that require permits for private supplies are: churches, hospitals and nursing homes (any amount of water) and schools that pump more than 18 gallons per minute.

If you have a water permit that has been issued under another name or if you believe a permit has been issued under another name, please contact us. We are enclosing the necessary permit application forms and instructions, if you need a permit. Please complete and submit with a \$50.00 filing fee.

An existing business without a water right has no right to the use of water. Except for private domestic use, any water user without a water right is not entitled to receive protection in the event of well interference by a new or future user who has a water right. The new user with a water right will have the senior priority over an existing user without a water right. In South Dakota, the first in time (senior priority) is the first in right, except for individual domestic use. Individual household, farm or ranch use does not require a permit and has preference over all other users of water.

If you have any questions or need assistance with completion of the forms, please feel free to contact us.

Sincerely,

Kevin C. Larson  
Water Resources Engineer  
Office of Water Rights  
Phone: (605) 773-3352

Enclosures



# Department of Water & Natural Resources

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

April 25, 1985

## NOTICE

Gray Rocks Resort  
Box 486  
Custer, South Dakota 57730

Dear Mr. and Mrs. Davis:

August 28, 1984 we notified you that State Law requires that a water permit be obtained for any use of water from a private source for use in a business operation. We have not heard from you on this. Failure to comply with State Laws--SDCL 46-1-6(6), 46-1-15, 46-5-8.2, 46-5-9, and 46-5-10 and Water Management Board Rule ARSD 74:02:01:03--can result in an order to stop water use until an application for a water permit has been submitted and approved.

If you have questions or need another set of permit applications forms or if you believe you already have the required water permit or need assistance in completing the forms, feel free to contact us. Please submit the completed application forms prior to June 25, 1985.

Sincerely,

A handwritten signature in black ink, appearing to read "John Hatch". The signature is written in a cursive, flowing style.

John Hatch, Chief Engineer  
Water Rights Division  
Phone: (605) 773-3352

S519.WR

Water Rights Division  
605 773-3352

June 12, 1985

Gray Rocks Resort  
Robert Davis  
Box 486  
Custer SD 57730

Mr. Davis:

Enclosed please find copies of partially completed water permit application forms and a map. Please complete the forms where marked and mark the location of your wells on the map. Return the completed forms, map and a \$50.00 filing fee to this office and we will process your application. If you have any questions, please contact this office.

Thank you,

KEVIN C LARSON  
Natural Resources Engineer

KCL:ks

enclosures

RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT

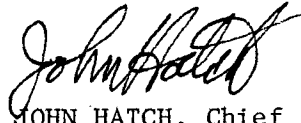
APPLICATION NO. 1937-2, Gary Rocks Resort

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. 1937-2, Gray Rocks Resort, Box 486, Custer SD.

The Chief Engineer is recommending APPROVAL of Application No. 1937-2 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 wells approved under this Permit are located near domestic 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.

See the attached report for additional information.

A handwritten signature in cursive script, appearing to read "John Hatch", is written in dark ink.

JOHN HATCH, Chief Engineer  
July 31, 1985

REPORT ON APPLICATION NO. 1937-2

GRAY ROCKS RESORT

July 31, 1985

This application proposes to appropriate 0.05 cfs from two existing wells 100 and 160 feet deep, located in the SE 1/4 NW 1/4, Section 35, T3S, R4E BHM. The water is used to supply a resort.

Aquifer - Precambrian rocks

Geology and Aquifer Characteristics

The Precambrian rocks in this area consists of metagraywacke and quartz-mica schist or phyllite (Reddon, 1975). Ground water is contained in fractures and natural foliations within these rocks. Wells are typically low yield and the applicant indicates each well will produce 9 gpm.

Review of Existing Water Permits

There are no existing groundwater permits in this area, however, there are numerous domestic wells of similar construction and yield in this area (Water Rights Division, 1985). Interference should not be a problem.

Conclusions

1. Water is available from the Precambrian rocks in this area. These wells have been in existence for about 30 years and used for this purpose.
2. Interference should not be a problem because of the relatively small pumping rates.

  
JAMES A GOODMAN  
Hydrologist III

Bibliography

Reddon, J.A., J.J. Norton, 1975, Precambrian Geology of the Black Hills in Mineral and Water Resources of South Dakota, USGS, U.S. Government Printing Office, Washington D.C.

Water Rights Division, 1985, Water Right Division Domestic Well Files, DWNr, Water Rights Division, Joe Foss Bldg, Pierre SD 57501

No. 1937-2

Instruction to Newspaper - Publish first publication of the following Notice on or before August 14, 1985 with 2nd publication 1 week later. The applicant is responsible for payment.

NOTICE OF HEARING on Application No. 1937-2 to Appropriate Water  
~~and/or to Amend Water Permit or Water Right No. \_\_\_\_\_~~

Notice is hereby given that Gray Rocks Resort whose mailing address is Box 486, Custer, South Dakota has made an application for a permit

to appropriate 0.05 cubic feet per second from two wells, 100 feet and 160 feet deep located in the ~~SE1/4~~ Section 35, T3S-R4E. The water supplies a resort.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends

**APPROVAL** of Application No. 1937-2 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 Howard Johnson, Nebraska Room, 3300 W. Russell, Sioux Falls, SD, October 16 19 85 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 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 October 4, 1985. 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; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-15; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2, 46-5-31; (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 October 4, 1985.

# Notice of Hearing

## PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA )  
 ) ss.  
County of Custer )

I, Randall O'Neill hereby

certify that the annexed printed copy of Notice of Intent to Appropriate

Water was taken from the Custer County Chronicle

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 Custer

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

August 13, 1985

August 20, 1985

X *Randall O'Neill*  
(Signature)

Publisher  
(Title)

8/13/85  
(Date Signed)

Cost of Printing: \_\_\_\_\_

August 13, 1985 - \$22.11

August 20, 1985 - 17.71

TOTAL for 8/13 & 8/20 - \$39.85



NOTICE OF HEARING on Application No. 1937-2 to Appropriate Water.

Notice is hereby given that Gray Rocks Resort whose mailing address is Box 486, Custer, South Dakota has made an application for a permit to appropriate 0.05 cubic feet per second from two wells, 100 feet and 160 feet deep located in the SE 1/4 NW 1/4 Section 35, T3S-R4E. The water supplies a resort.

Pursuant to SDCL 46-2A-2 the Chief Engineer of the Water Rights Division recommends APPROVAL of Application No. 1937-2 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 Howard Johnson, Nebraska Room, 3300 W. Russell, Sioux Falls, SD October 16, 1985, at 10:00 a.m.

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 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 October 4, 1985. The petition may be informal, but it must include a statement describing the petitioner's interest in 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; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-15; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2, 46-5-31; 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, by 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 October 4, 1985.

#259 08-13-85

08-20-85



# Department of Water & Natural Resources

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

Water Rights Division  
605 773-3352

1937-2

NOV 19 1985

Gray Rocks Resort  
Robert Davis  
Box 486  
Custer, South Dakota 57730

Dear Mr. Davis:

Enclosed is your Water Permit No. 1937-2 as approved by the Water Management Board authorizing the water diversion system and apply the water to beneficial use, not exceeding the limits as specified in the Water Permit.

We will schedule an inspection so that the Water License may be issued to you, thus completing your acquisition of a Water Right.

Very truly yours,

A handwritten signature in black ink that reads "John Hatch". The signature is written in a cursive style with a large, prominent "J" and "H".

JOHN HATCH, Chief Engineer  
Water Rights Division

JH:ms

enclosure

## SOUTH DAKOTA WELL REHABILITATION REPORT

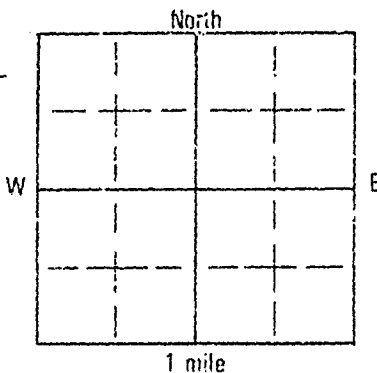
10-25

Location SW 1/4 NW 1/4 Sec 35 Twp 35 Rg 4E

County

CUSTER

Please mark well location with an "X"

Rehabilitation Completion Date JUNE 14 1989

## PROPOSED USE:

☒ Domestic    ☐ Municipal    ☐ Stock  
☐ Irrigation    ☐ Industrial
Well Owner: GREY ROCKS MOTELName BOB DAVISAddress Box 486 CUSTER S.D. 57730Describe original construction if possible?  
(Attach original log if known)

APPROX 40 FT STEEL 6" CASING  
IN HOLE. OPEN HOLE BELOW  
TO T.D., ORIGINAL LOG  
IN STATE FILE JOE NEFF  
DRILLED ORIGINAL HOLE - 1958

Description of condition of well before rehabilitation: WELL WAS PRODUCING

LESS THAN 2 GPM WHEN TESTED. STATIC LEVEL  
22 FT BOTTOM OF HOLE 98 FT

Description of rehabilitation work completed: DEEPEND HOLE FROM 98 FT TO

140 FT, PICKED UP 18 GPM AT 116 FT.  
HOLE DIA 5 1/8" CLEANED OUT HOLE AND PUT 1  
GAL CITICORX IN WELL 24 HRS + RESET NEW PUMP  
TO 115 FT.

Recasing information: Material \_\_\_\_\_ Diameter \_\_\_\_\_ Inches Depth \_\_\_\_\_ Feet

Describe screen or perforations \_\_\_\_\_ Screen Location From \_\_\_\_\_ To \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_

Grout: ☐ YES ☒ NO Describe grouting procedure and grout

NOTE WATER SAMPLE  
TAKEN AND SENT TRAVIS LAB AND CAME BACK  
O.K. (JUNE 2 1989)

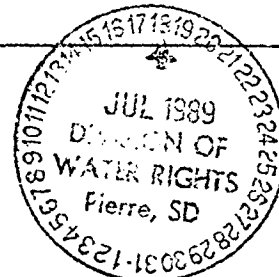
Well Test Data:

Specific capacity 25 GPM Static water level 22

If a flowing well GPM \_\_\_\_\_ Shut in \_\_\_\_\_ PSI

This well rehabilitation was completed under license # 415Drilling firm RABY DRILLINGSignature of Licensed Representative Randy P. RabySignature of Well Owner Bob DavisDate JULY 8 - 1989

And this report is true and accurate.



**SOUTH DAKOTA** Department of  
**Water & Natural Resources**

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

July 5, 1990

Gray Rocks Resort  
Robert and Helen Davis  
Box 486  
Custer, SD 57730

Dear Mr. & Mrs. Davis:

This letter is in regards to your postcard from July 3, 1990 questioning whether Gray Rocks Resort has a water right.

On November 19, 1985 Water Permit No. 1937-2 was issued to Gray Rocks Resort which appropriated 0.05 cubic feet of water per second for the purposes of a commercial campground and domestic uses. A copy of this permit is attached for your records.

Currently, the resort has a water permit assuming that the permit is not subject to cancellation for non-use or forfeiture. The Water Management Board is ultimately responsible for making final determinations regarding the status of any water permit. However, if you have beneficially used the water for the purposes stated in the permit during the past five year there is no reason to believe that your permit is not valid.

A water license has not been issued on your permit at this time. This can only be issued after an inspection of your project. I have put the resort on our list of permits needing to be inspected. This water license is the final step in acquisition of a Water Right.

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

Sincerely,

*Eric Gronlund*  
Eric Gronlund  
Water Rights Division  
605 773-3352

attachment



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3182  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

May 14, 2002

1937-2

Gray Rocks LLC  
7140 S 75<sup>th</sup>  
Lincoln NE 68516

Dear Sirs:

I am contacting you in regard to ownership and status of Water Permit No. 1937-2. Gary Rocks Resort filed the original water permit application in June, 1985. Enclosed is a copy of the application and permit for your review.

It is our understanding that a business no longer exists at that location. Under South Dakota Water Law, water must be placed to beneficial use for the purpose it was appropriated, at least once every three years in order to maintain a water permit or water right. If water has not been used for other than domestic use for a period of longer than three years, Water Permit No. 1937-2 may have been abandoned or forfeited.

Has the land been sold and does another business exist at that location? Are the well(s) being used for domestic or commercial use and if not, have they been properly capped or plugged to prevent contamination of the ground water supply.

Please take a few minutes to get in touch with us regarding Water Permit No. 1937-2. If we should be directing our questions to another person or entity, let me know.

Thank you in advance for your help.

Sincerely,

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

enclosure

SCENIC  
RUSTIC  
RESTFUL

MODERN  
CABINS  
WITH  
KITCHENS



Box 486

SINCE 1927

57730

Phone 673-4366

1½ Mile South of City on US 385

Refrigerators

Children's Playground

Bob & Helen Davis

## McMath, Genny

---

**From:** Sheila Brown [sb@uniserviceinc.com]  
**Sent:** Monday, May 20, 2002 10:36 AM  
**To:** genny.mcmath@state.sd.us  
**Subject:** Gray Rocks Water Permit No. 1937-2

Ms. McMath:

Thank you for contacting us about the water permit. Gray Rocks LLC purchased the cabins in 1997. They are rented out in the summertime--May 15th through September 15th is the approximate season. The wells are still used.

Sheila Brown

**Permit No. 1937-2**  
**Custer County**

To: Chief Engineer, Water Rights Program, DENR Foss Bldg., Pierre, SD 57501

Other permit/license(s) associated with project: **None**

Contact Person & Address: **Rich Brown, Gray Rocks LLC, 7140 S 75<sup>th</sup> , Lincoln, NE 68516**

**Report Of Examination Of Works**

On **August 5, 2002**, I made a thorough examination of the water use system authorizing the appropriation of 0.05 cubic feet per second (cfs) of water from two (2) wells for **commercial use** bearing the priority date of June 18, 1985. The well heads are connected by pipeline under the highway and supply water for cabins and a lodge. Both wells are normally used but can be individually selected through the system controls.

The wells and distribution system are in fair condition and are being rebuilt as necessary. The wells are reported to be capable of pumping a total of **22.4 gallons per minute (gpm)**. Both wells are located in the **SE¼ NW¼ Section 35 T3S R4E**. One well is located on the West side of Highway 385 **1740-feet East and 2000-feet South of the Northwest Corner Section 35 (N43.7472 W103.6115)**. The second well is located on the East side of Highway 385 **2060-feet East and 2000-feet South of the Northwest Corner Section 35 (N43.7472 W103.6102)**.

**Review of Permit Qualifications And Regulations:**

- 1) Special qualifications to permit being abided by: **Yes**
- 2) All structures, wells and lands on map: **Yes**
- 3) Irrigation Questionnaires checked to determine if permit owner started irrigation by the end of construction period: **NA**
- 4) Exceptions to compliance are: **None**

**Report On the Specifics of the System**

**Diversion Point Information:**

- |                                        |                                   |
|----------------------------------------|-----------------------------------|
| 1) Well Drilling Firm: <b>Joe Neff</b> | 2) No. of Wells: <b>2</b>         |
| 3) Depth(s): <b>140 &amp; 160-feet</b> | 4) Well logs available: <b>No</b> |

**Casing:**

- 1) Diameter: **6-inch**
- 2) Length: **Unknown**
- 3) Type: **Steel**

**Screen:**

- |                                                |                      |
|------------------------------------------------|----------------------|
| 1) Type: <b>Unknown</b>                        | 2) Length: <b>NA</b> |
| 4) Static water level: <b>22 &amp; 34 feet</b> |                      |

**Pump\ Motor:**

- |                                                     |                                    |
|-----------------------------------------------------|------------------------------------|
| 1) Pump Make: <b>Unknown, Submersible, Electric</b> | 2) Pump Model: <b>NA</b>           |
| 3) Capacity: <b>Unknown</b>                         | 4) Motor Make: <b>NA</b>           |
| 5) Motor Model No.: <b>Unknown</b>                  | 6) Horsepower rating: <b>NA hp</b> |

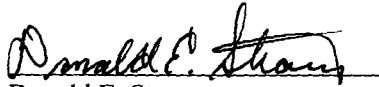
**Distribution System:**

- 1) Type: **Unknown**
- 2) Length: **Unknown feet**

**COMMENTS:**

Gray Rocks LLC purchased the property at auction several years ago and are rebuilding the lodge, cabins, and water system. The wells were drilled in the 1950s and no well logs are available. One well was rehabilitated

and deepened to 140-foot in 1989. It appears this is the well on the West side of the highway. The wells should be licensed for the as built capacity of **0.05 cfs** and the license transferred to Grays Rocks LLC, 7140 S 75<sup>th</sup>, Lincoln, NE 68516.



Donald E. Stroup

Natural Resources Project Engineer

DENR, Water Rights Program

8/12/02  
Date

**Permit No. 1937-2**  
**Custer County**

To: Chief Engineer, Water Rights Program, DENR Foss Bldg., Pierre, SD 57501  
Other permit/license(s) associated with project: **None**  
Contact Person & Address: **Rich Brown, Gray Rocks LLC, 7140 S 75th, Lincoln, NE 68516**

**Report Of Examination Of Works**

On **August 5, 2002**, I made a thorough examination of the water use system authorizing the appropriation of 0.05 cubic feet per second (cfs) of water from two (2) wells for **commercial use** bearing the priority date of June 18, 1985. The well heads are connected by pipeline under the highway and supply water for cabins and a lodge. Both wells are normally used but can be individually selected through the system controls.

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**Review of Permit Qualifications And Regulations:**

- 1) Special qualifications to permit being abided by: **Yes**
- 2) All structures, wells and lands on map: **Yes**
- 3) Irrigation Questionnaires checked to determine if permit owner started irrigation by the end of construction period: **NA**
- 4) Exceptions to compliance are: **None**

**Report On the Specifics of the System**

**Diversion Point Information:**

- |                                        |                                   |
|----------------------------------------|-----------------------------------|
| 1) Well Drilling Firm: <b>Joe Neff</b> | 2) No. of Wells: <b>2</b>         |
| 3) Depth(s): <b>140 &amp; 160-feet</b> | 4) Well logs available: <b>No</b> |

**Casing:**

- 1) Diameter: **6-inch**
- 2) Length: **Unknown**
- 3) Type: **Steel**

**Screen:**

- |                                                |                      |
|------------------------------------------------|----------------------|
| 1) Type: <b>Unknown</b>                        | 2) Length: <b>NA</b> |
| 4) Static water level: <b>22 &amp; 34 feet</b> |                      |

**Pump\ Motor:**

- |                                                     |                                    |
|-----------------------------------------------------|------------------------------------|
| 1) Pump Make: <b>Unknown, Submersible, Electric</b> | 2) Pump Model: <b>NA</b>           |
| 3) Capacity: <b>Unknown</b>                         | 4) Motor Make: <b>NA</b>           |
| 5) Motor Model No.: <b>Unknown</b>                  | 6) Horsepower rating: <b>NA hp</b> |

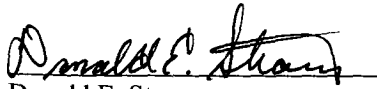
**Distribution System:**

- 1) Type: **Unknown**
- 2) Length: **Unknown feet**

**COMMENTS:**

Gray Rocks LLC purchased the property at auction several years ago and are rebuilding the lodge, cabins, and water system. The wells were drilled in the 1950s and no well logs are available. One well was rehabilitated

and deepened to 140-foot in 1989. It appears this is the well on the West side of the highway. The wells should be licensed for the as built capacity of **0.05 cfs** and the license transferred to Grays Rocks LLC, 7140 S 75<sup>th</sup>, Lincoln, NE 68516.



Donald E. Stroup  
Natural Resources Project Engineer  
DENR, Water Rights Program

8/12/02  
Date

Gray Rocks Resort  
Gray Rocks LLC  
7140 S 75th  
Lincoln, NE 68516

T3S R4E

5490W



5424



35

2000'

Mine

1740'

2060'



35

5498

5520

5580

5560

5520

5520

5520

5506

0 0.2 0.4 0.6 0.8 1 Miles



South Dakota



*Donald E. Stroup* 8/12/02

Donald E. Stroup  
Natural Resources Project Engineer  
DENR Water Rights Program



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3182  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

August 13, 2002

1937-2

Gray Rocks LLC  
c/o Rich Brown  
7140 S 75<sup>th</sup>  
Lincoln NE 68516

Dear Mr. Brown:

On August 5, 2002 the investigation of your water use system, including the extent of application of water to beneficial use, as developed under Water Permit No. 1937-2, was completed by Donald E Stroup, a staff engineer with our program. Your final water right document, the water license, can now be issued.

State law require that we charge a \$50.00 fee for the investigation and issuance of the water license. Upon receipt of the \$50.00 fee from you, we will complete processing your water license.

Your licensed water right will be similar to a property right that can not be lost as long as the water use continues and you abide by the permit requirements.

Also, enclosed is a *Notice of Transfer of Ownership* form. The form needs to be completed, signed by the owner and returned with a \$2.50 filing fee. The check or money order for the fees (\$52.50) should be made payable to the "Water Rights Program".

If you have any questions regarding the water permit, investigation of your water use system or payment of the fee, please contact Genny McMath with our program at (605) 773-3352.

Sincerely,

A handwritten signature in cursive script that reads "Karen Schlaak".

Karen Schlaak  
Water Rights Program

# RECEIPT

## WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date August 26, 20 02

RECEIVED OF Gray Rocks Resort, X Bob Brown, 7140 S 75th, Lincoln NE 68516-2608

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. <u>1937-2</u>    | 50    | 00    |
| Fee for Filing Transfer Form <u>1937-2</u>                                                                     | 2     | 50    |
| 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 | 52.50 |

No.

**000259**

By

Darland Ebele  
Chief Engineer *gm*

# NOTICE OF TRANSFER OF OWNERSHIP

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

RECEIVED  
AUG 26 2002  
WATER RIGHTS  
PROGRAM

No. 1937-2

Date: Aug 22, 2002

I/We request that Water Right/Permit No. 1937-2

formerly owned by: Gray Rocks Resort

be transferred to: (name & address) Gray Rocks LLC, c/o <sup>Bob</sup> Rich Brown, 7140 S 75<sup>th</sup>, Lincoln NE

68516

Telephone No. (402) 423-4294

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

2 wells - SE 1/4 NW 1/4 Sec 35-T3S-R4E

I/We understand that the validity of Water Right/Permit No. 1937-2 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.

I/We GRAY ROCKS LLC, the new owner, certify that the above information is true and correct.

GRAY ROCKS LLC Bob Brown  
(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.



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3182  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

SEP 17 2002

1937-2

Bob Brown  
Gray Rocks LLC  
7140 S 75<sup>th</sup>  
Lincoln NE 68516

Dear Mr. Brown:

Enclosed is Water License No. 1937-2. This is the final water right document completing your process of obtaining a Water Right. Enclosed is Receipt No. 000259 in the amount of \$52.50 which you paid for investigation and issuance of the Water License and the transfer of ownership.

For your information SDCL 46-6-27 requires that if the owner of an existing well, such as the wells authorized by Water Right No. 1937-2, constructs a replacement well and does not plan to use the old well, the old well is considered abandoned and must be plugged. Also, any well that is being used or is not considered abandoned must be valved and controlled, if flowing, or sealed and capped so that no leaking occurs either underground or at the surface.

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. If you have any questions, please contact our office.

Sincerely,

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

enclosures

# STATE OF SOUTH DAKOTA

## WATER LICENSE NO. 1937-2

(1) Gray Rocks Resort, Custer, SD made Application No. 1937-2, June 18, 1985 for a water permit to divert 0.05 cubic feet of water per second from ground water (two wells), Custer County, South Dakota for commercial and domestic purposes. Permit No. 1937-2, with a priority date of June 18, 1985 was approved October 16, 1985 and issued to the applicant for diversion of water with construction of the described water supply system completed and the application to beneficial use of water completed.

On August 26, 2002, Water Permit No. 1937-2 was transferred to Gray Rocks LLC.

(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 0.05 cubic feet of water per second for beneficial use. The location of the diversion points are:

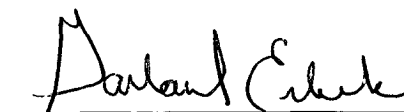
- Well #1 – 1,740'E & 2,000'S of the NW corner of Section 35, T3S, R4E (SE ¼ NW ¼),
- Well #2 – 2,060'E & 2,000'S of the NW corner of Section 35, T3S, R4E (SE ¼ NW ¼).

(3) The permit holder has complied with the provisions of South Dakota State Law relating to the application of water to beneficial use.

(4) Pursuant to South Dakota Water Law 46-5-30.1 Gray Rocks LLC, % Bob Brown, 7140 S 75<sup>th</sup>, Lincoln, NE 68516 the holder and/or owner of Water Right No. 1937-2 is issued a license to appropriate water, the right to use 0.05 cubic feet of water per second from ground water (two wells) with a priority date of June 18, 1985 from the locations specified in (2) of this license for commercial and domestic purposes.

This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Right No. 1937-2, including the following qualification:

- The wells 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.



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

SEP 17 2002

date

