

2357-2  
WATER PERMIT NO. ~~5921-3~~

Name of Applicant: Valu Pact Properties, L.L.C.

Address: PO Box 288, Chamberlain SD 57325

Phone: 605 734-6064

Amount of Water Claimed: 0.11 cfs (50 gpm)

Total Acres: NA

Source of Water Supply: groundwater (one well)

Water to be used for: geothermal heating and cooling

County: Lyman

Type of Waste Disposal System: NA

Location: in Oacoma

PRIORITY Date Received: 3-19-96

Fee: \$150.00

Corrected Application Received: 3-29-96

Period of Annual Use: January 1 - December 31

Remarks:

Diversion Point: Lot A-1 of Lot A,

NE 1/4 NE 1/4 Sec 24-T104N-R72W

Land to be Irrigated: NA

Depth of Well: 800 feet

Well Driller:

Remarks: well not drilled yet

Type of Map: topo

Prepared by: Gary Kindredt, NRCS

Reviewed and the Number Assigned on: 4-2-96

By: Karen Schlaak

Notice of Hearing - date to intervene: \_\_\_\_\_

|  |  |    |  |   |  |
|--|--|----|--|---|--|
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|  |  | 24 |  |   |  |
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## FORM 2: Application for uses other than irrigation

(type or print)



Mail to:  
Water Rights Division  
Joe Foss Building  
523 E Capitol  
Pierre SD 57501-3181  
605 773-3352

No. 2357-2 Hydrologic Unit 10/40101  
Basin Missouri River  
Newspaper Lynan Co. Herald, Presko, SD  
(office use only)

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

## Check use of water:

☐ Municipal ☐ Suburban Housing ☐ Recreational ☐ Institutional  
☐ Rural Water System ☐ Commercial ☐ Fish & Wildlife ☒ Geothermal Heat  
☐ Domestic ☐ Industrial ☒ Other Geothermal cooling  
(over 18 gpm)

Type of Application: ☒ New ☐ Vested Right (Use predates Mar 2, 1955) ☐ Future Use Reservation  
(check one) ☐ Place to Beneficial Use Water Reserved by Future Use Permit No. \_\_\_\_\_  
☐ Amendment/Correction to Permit No. \_\_\_\_\_

Description of amendment/correction: (i.e. change diversion point(s), add diversion point(s), change use, etc.) \_\_\_\_\_

- Name of Applicant Valu Pact Properties, L.L.C. (H. Douglas Knust - President) Phone 605-734-6064  
(check one) ☐ Owner ☐ Tenant/lessee  
Mailing Address P.O. Box 288 Chamberlain State SD 57325  
(Street, RR, or Box) (City) (Zip Code)
- Amount of water claimed 0.11 \*CFS or 50 \*\*GPM \*\*\*AF  
(\*Cubic Feet per Second) (\*\*Gallons per Minute) (\*\*\*)Acre Feet - storage capacity of dam/dugout or annual use if applicable)
- Source of water supply Dakota Aquifer
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) 1 well in Lot A-1,  
a subdivision of a portion of Lot A, Town of Oacoma SD in the NE 1/4 of the  
NE 1/4 of section 24, Township 104 North, Range 72 west of County Lynan  
5th P.M.
- County or counties where water will be used Lynan
- Annual period during which water is to be used year around Jan 1 - Dec 31
- Give a description of the 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)  
For geothermal heating and cooling

Attachments: Attach Form 2A if diversion is from a well or dugout, or if storage of water is proposed. Attach map and any other technical information. (see instructions)

## STATE OF SOUTH DAKOTA)

County of Brule ss

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

Signed \_\_\_\_\_

Subscribed and sworn to before me this 18 day of March 19 96

Notary Public

**SOUTH DAKOTA**  
**WATER PERMIT NO. 2357-2**

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Date of first receipt of application March 19, 1996.

Date of return to applicant for corrections, amendments or changes March 20, 1996.

Date of receipt of corrected application March 29, 1996.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2357-2 to Valu Pact Properties, L.L.C., PO Box 288, Chamberlain SD 57325-0288 authorizing the construction of the water use system and the placing of water to beneficial use subject to the following limitations, conditions and qualifications:

1. Water Permit No. 2357-2 appropriates 0.11 cubic feet of water per second (50 gallons per minute) from one well (Dakota Formation) 800 feet deep located in Lot A-1 of Lot A in the NE 1/4 NE 1/4 Section 24-T104N-R72W.
2. The water appropriated shall be used for the purpose of supplying water for geothermal heating and cooling uses and may not exceed the amount of water needed for beneficial use for geothermal heating and cooling purposes.
3. The water is to be used during the following described annual period: January 1 - December 31
4. The date of approval of Permit No. 2357-2 is May 20, 1996.
5. The date from which applicant may claim right is March 19, 1996.
6. One-fifth of the construction is to be completed on or before November 20, 1998.
7. All construction is to be completed on or before May 20, 2001.
8. Water is to be put to beneficial use on or before May 20, 2005.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

**QUALIFICATIONS**

1. 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.
2. The well authorized by Permit No. 2357-2 shall be constructed by a licensed well driller and construction shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) from the producing formation to the surface pursuant to Section 74:02:04:28.

(continued)

3. The well approved under this Permit shall be valved and the flow reduced to the amount needed or to a minimum when not being used (directly or for storage purposes). The well shall also be equipped with a pressure gauge and a record kept of any pressure fluctuations. Such records shall be available to the Chief Engineer upon request. If this well is abandoned or the Permit cancelled, the well must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
4. No chemicals, such as corrosion inhibitors, may be added to the geothermal water without prior written permission by the Air and Surface Water Program, Department of Environment and Natural Resources. This requirement is to control the discharge of potential toxics regulated by Water Management Board Rules, Chapter 74:03:02:14.

**WATER MANAGEMENT BOARD**

By: John Hatch  
John Hatch, Chief Engineer  
Water Rights Program  
Department of Environment and Natural Resources

JUL 2 1996

date



## Supplemental Information

(type or print in ink)

### 1. Well Information - Proposed Construction

- a) Drill Hole Diameter 7 7/8" - 4 1/2" Depth 800 ft.
- b) Casing Type Steel and PVC Diameter 5" + 2" Thickness Schedule 40 + Schedule 80
- c) Screen Type PVC Diameter 2" Thickness Schedule 80
- d) Gravel Pack Thickness n/a Length of Gravel Pack n/a
- e) Depth to Top of Water Bearing Material 700 ft.
- f) Depth to Water (ground surface to water level) flow
- g) Distance to nearest existing domestic well:  
On applicants property none On property owned by others 600-700 ft.

### 2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) Litman ~~Box~~ n/a
- b) System Capacity (gallons) n/a c) Year Constructed n/a
- d) Connected to the City of ~~San Antonio~~ n/a Sanitary System.



### 3. Dugout Information

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

### 4. Water Storage Dams

If the proposed water use system contains one or more storage dams, please furnish the information requested below for each dam. The locations of the dams need to 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) Primary Outlet Capacity \_\_\_\_\_

If pipe, diameter \_\_\_\_\_

f) Secondary Spillway Capacity \_\_\_\_\_

Spillway Width \_\_\_\_\_

g) X & Y Slope

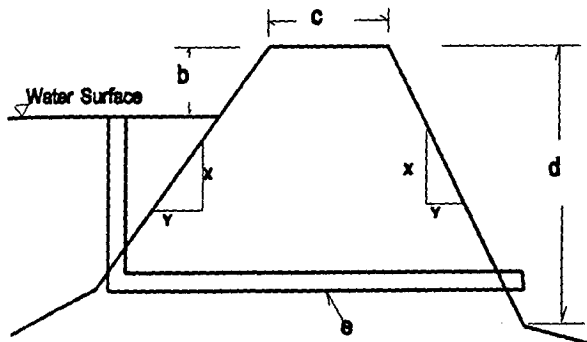
Upstream \_\_\_\_\_

Downstream \_\_\_\_\_

h) Surface Area of Impoundment \_\_\_\_\_

i) Storage \_\_\_\_\_ Acre Feet

j) Drainage Area Above Dam \_\_\_\_\_ Acres



# RECEIPT

414863

Division of Water Rights

South Dakota Department of Environment and Natural Resources

Pierre, \_\_\_\_\_ March 19, 19 96

RECEIVED OF Valupact Properties, L.L.C., 220 W. Beebe St., Chamberlain, SD 57325

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

|                                                                                                                              |       |        |
|------------------------------------------------------------------------------------------------------------------------------|-------|--------|
| Fee for Application for Permit No. <u>2357-2</u> to Appropriate Water, to construct and to put water to beneficial use _____ | 150   | 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 _____                                                                                                                |       |        |
| _____                                                                                                                        |       |        |
| _____                                                                                                                        |       |        |
| (Any Other Work Provided by Law)                                                                                             | Total | 150 00 |

By John Hatch  
Chief Engineer

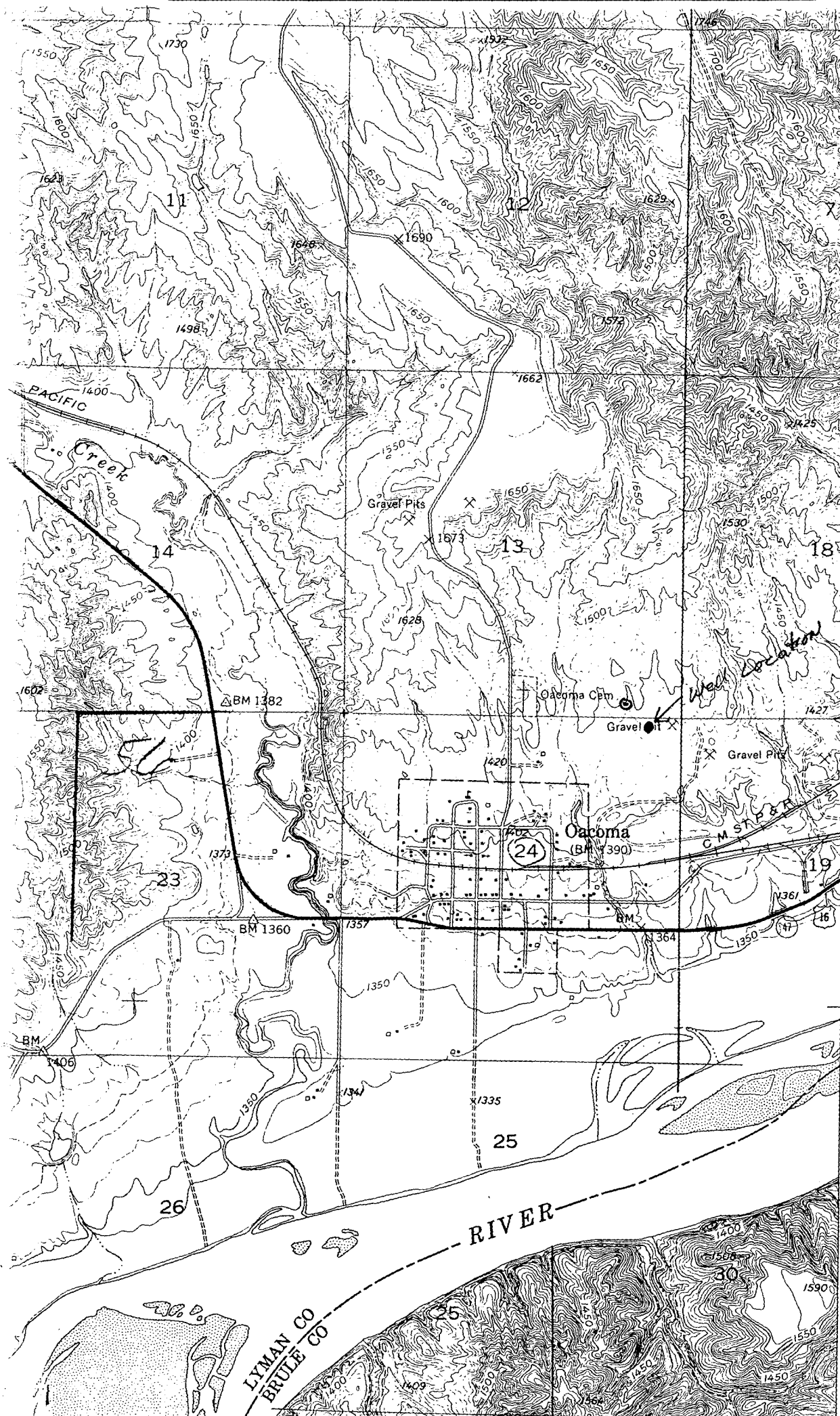
NAPP-4446

MAP 8" = 1m  
(COPY)

Diversion  
Point

Lawrence

NRES 3/18/96



CHAMBERLAIN 2.7 MI.  
PLANKINTON 50 MI.



*Handwritten signature*  
NRCS  
3/19/96

2357-2

## SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location NE 1/4 NE 24 Twp 104 Rg 72County Lynn

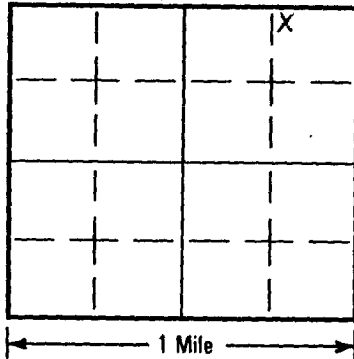
North

Please mark well location with an "X"

W

E

Well Completion Date

10-7-97

## LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 5500 ft. from South Logan (identify source).

## PROPOSED USE:

☐ Domestic/Stock ☐ Municipal ☒ Business ☐ Test Holes  
☐ Irrigation ☐ Industrial ☐ Institutional ☐ Monitoring well

## METHOD OF DRILLING:

1-1/2" longCASING DATA: ☒ Steel ☒ Plastic ☐ Other

If other describe \_\_\_\_\_

| PIPEWEIGHT         | DIAMETER    | FROM        | TO            | HOLE DIAMETER           |
|--------------------|-------------|-------------|---------------|-------------------------|
| <u>12</u> LB/FT    | <u>5</u> IN | <u>0</u> FT | <u>350</u> FT | <u>7 7/8</u> IN         |
| <u>11.80</u> LB/FT | <u>2</u> IN | <u>0</u> FT | <u>760</u> FT | <u>4 3/4 - 4 1/2</u> IN |
| _____ LB/FT        | _____ IN    | _____ FT    | _____ FT      | _____ IN                |

## GROUTING DATA

| Grout Type         | No. of Sacks | Grout Weight        | From        | To            |
|--------------------|--------------|---------------------|-------------|---------------|
| <u>Pure cement</u> | <u>3500</u>  | <u>13.6</u> lb./gal | <u>0</u> ft | <u>350</u> ft |
| <u>Water</u>       | <u>24</u>    | <u>7.4</u> lb./gal  | <u>0</u> ft | <u>680</u> ft |

Describe grouting procedure Pure cement through 5" steel

SCREEN: ☐ Perforated pipe ☐ ManufacturedDiameter 2 IN Length 80 FEETMaterial PVC Sch 80Slot Size 5/16 Set From 680 Feet to 760 Feet

Other information \_\_\_\_\_

WAS A PACKER OR SEAL USED? ☐ YES ☒ NO

If so, what material? \_\_\_\_\_

Describe packer(s) and location? \_\_\_\_\_

DISINFECTION: Was well disinfected upon completion?

YES, How: Chlorine

NO, Why Not? \_\_\_\_\_

Laboratory sent to for water quality analysis

StateWell Owner: H. Douglas KnustBusiness Name: Harry K. KnustAddress: PO Box 258Clambrlain, SD 57325

## WELL LOG:

| FORMATION        | DEPTH      |            |
|------------------|------------|------------|
|                  | FROM       | TO         |
| <u>Gravel</u>    | <u>0</u>   | <u>25</u>  |
| <u>Brine</u>     | <u>0</u>   | <u>153</u> |
| <u>N. obvara</u> | <u>158</u> | <u>377</u> |
| <u>Caliche</u>   | <u>377</u> | <u>538</u> |
| <u>Gowanus</u>   | <u>538</u> | <u>561</u> |
| <u>Gowanus</u>   | <u>561</u> | <u>675</u> |
| <u>Dakota</u>    | <u>675</u> | <u>760</u> |
|                  |            |            |
|                  |            |            |
|                  |            |            |

STATIC WATER LEVEL \_\_\_\_\_ Feet

If flowing: closed in pressure 49 PSIGPM flow 50 through 2 inch pipeControlled by ☒ Valve ☒ Reducers ☐ Other \_\_\_\_\_Reduced Flowrate 40 GPMCan well be completely shut in? Yes

## WELL TEST DATA:

☐ Pumped

Describe: \_\_\_\_\_

☐ Bailed☐ Other

Pumping Level Below Land Surface

\_\_\_\_\_ ft. After \_\_\_\_\_ Hrs. pumped \_\_\_\_\_ GPM

\_\_\_\_\_ ft. After \_\_\_\_\_ Hrs. pumped \_\_\_\_\_ GPM

If pump installed, pump rate \_\_\_\_\_ GPM

## REMARKS

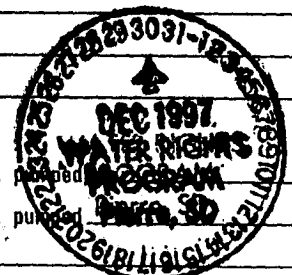
under permit approved  
to Harry K  
or Valu Pack (23.11)

This well was drilled under license # 213

And this report is true and accurate.

Drilling firm Klutwig Drilling IncSignature of License Representative: [Signature]

Signature of Well Owner or Equitable Property Holder: \_\_\_\_\_

Date: 10-21-97



March 20, 1996

**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

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

ValuPact Properties, L.L.C.  
H. Douglas Knust, President  
PO Box 288  
Chamberlain SD 57325

Dear Mr. Knust:

We received your water permit application on March 19, 1996. Enclosed are the maps submitted with the application. On the map, please mark the location of the diversion point (place where the well is to be located) in relation to a government section corner or quarter corner by direction and distance. Also, the map must be signed by one of the following: Registered Land Surveyor, Registered Professional Engineer or by any other government employee who normally prepares maps as a part of his assigned duties (i.e. local SCS or ASCS office).

If you have any questions, please contact this office.

Sincerely,

*Karen Schlaak*

Karen Schlaak  
Environmental Scientist  
605 773-3352

enclosure



March 26, 1996



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

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

ValuPact Properties, L.L.C.  
H. Douglas Knust, President  
PO Box 288  
Chamberlain SD 57325

Dear Mr. Knust:

Enclosed is the topograph map submitted with your application. On this map, please mark the well location. The well location was marked on the other map, however, the map did not reference a government section corner or quarter corner. From that map, it is difficult to determine the correct legal description location of the well.

The application states the well is located in Lot A-1 of Lot A in the NE 1/4 NE 1/4 Section 24-T104N-R72W. It appears that the well may not be located in the NE 1/4 NE 1/4 Section 24. The well location as described on the application and marked on the map must correspond.

If you have any questions, please contact me.

Sincerely,

*Karen Schlaak*

Karen Schlaak  
Environmental Scientist  
605 773-3352

enclosure

REPORT ON WATER PERMIT APPLICATION NO. 2357-2  
for Valu Pact Properties, LLC  
April 9, 1996

Application No. 2357-2 proposes to appropriate 0.11 cfs (50 gpm) from one well approximately 800 feet deep located in Lot A-1 of Lot A in the NE 1/4 NE 1/4 of section 24, T104N R72W in Lyman County. The water will be used for geothermal heating and cooling purposes.

#### AQUIFER - DAKOTA FORMATION (DKOT)

The Dakota Formation is a buried sand, sandstone and shale which is under confined or artesian conditions at this site. The aquifer is approximately 300 to 350 feet thick in this area and underlies one million acres and contains an estimated 28.3 million acre feet of recoverable water in storage in Lyman County (Allen, 1984). The aquifer extends into all surrounding counties and underlies most of eastern and central South Dakota (Schoon, 1971). At this site, a well completed into the Dakota Formation will free flow at the land surface. A nearby domestic well, completed in 1992 to a depth of 760 feet was capable of flowing 40 gpm and had a shut in pressure of 42 psi (Well Files, 1996).

The Water Rights Program monitors observation well BL-83A completed into the Dakota Formation and located about five miles southeast of this application. Water levels for this observation well appear to fluctuate annually due to withdrawals during the winter months. Also the observation well has shown a net decline of about 8 feet since installed in 1983. A hydrograph for this well is included with this report. The water level record indicates that the aquifer is capable of sustaining additional withdrawals (Water Rights, 1996).

#### REVIEW OF EXISTING WATER PERMITS/RIGHTS

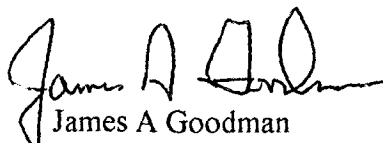
The nearest existing water permit from the Dakota Formation is No. 2087-2 and it is located about 2 miles northeast of this application. Also the Chamberlain Country Club has a Dakota Formation well located about 2 miles west which is used to irrigate the golf course. There is no permit for this well but the well has been in use for many years and may qualify for a vested right. These are all free flowing wells. Also there are other domestic wells in this area which are free flowing wells. Interference will occur. That is drawdown resulting from allowing the well to flow will affect the area water levels. This is not expected to adversely affect the water supply of the aquifer.

Historically, many wells have been completed into the Dakota Formation in the Chamberlain area which had large flows. Early in this century wells completed in Chamberlain reportedly flowed 7100 to 10,700 gpm (from a total of 8 wells) (Darton, 1909). Darton also indicated that at that time there was noticeable decline in flow and condition of the wells. Another set of measurements in 1957, indicated a flow of 2567 gpm plus from these same wells (Davis, 1961). The reason the flow was estimated is because the condition of most of the wells had deteriorated to a point where flow was either difficult to measure or was issuing from ground much like a "spring". Water levels have declined from 1828 feet msl in 1891 to 1684 feet msl in 1900 and 1600 feet msl in 1953 for the Chamberlain area (Schoon, 1971). Presently, water levels are about 1590 feet msl at observation well BL-83A.

#### CONCLUSIONS

1. Water is available from the Dakota Formation.
2. The aquifer is confined and under artesian conditions. Drawdown will result from this proposed diversion. However, this should not be significant or adversely affect in existing water permits/rights.

3. The well for this application will be free flowing at the land surface. The well must be constructed in accordance with SD Well Construction Standards. Also the well must be valved and controlled to prevent the waste of water and is limited to amount of water needed.
4. There is no information in the permit application which describes what the applicant proposes to do with the discharge water. It may be necessary to obtain a NPDES permit or to find another use for the water.
5. Declining water levels in the Dakota Formation are universally accepted. The Water Management Board has looked at this question many times in the past. The Board has continued to issue water permits from the Dakota Formation even though the water levels are declining. The main reason for this situation is because of the large number of wells which have been completed into the Dakota Formation which have been allowed to flow to waste. Many of these wells have deteriorated to a point where even plugging the well may be impossible or at least very expensive.

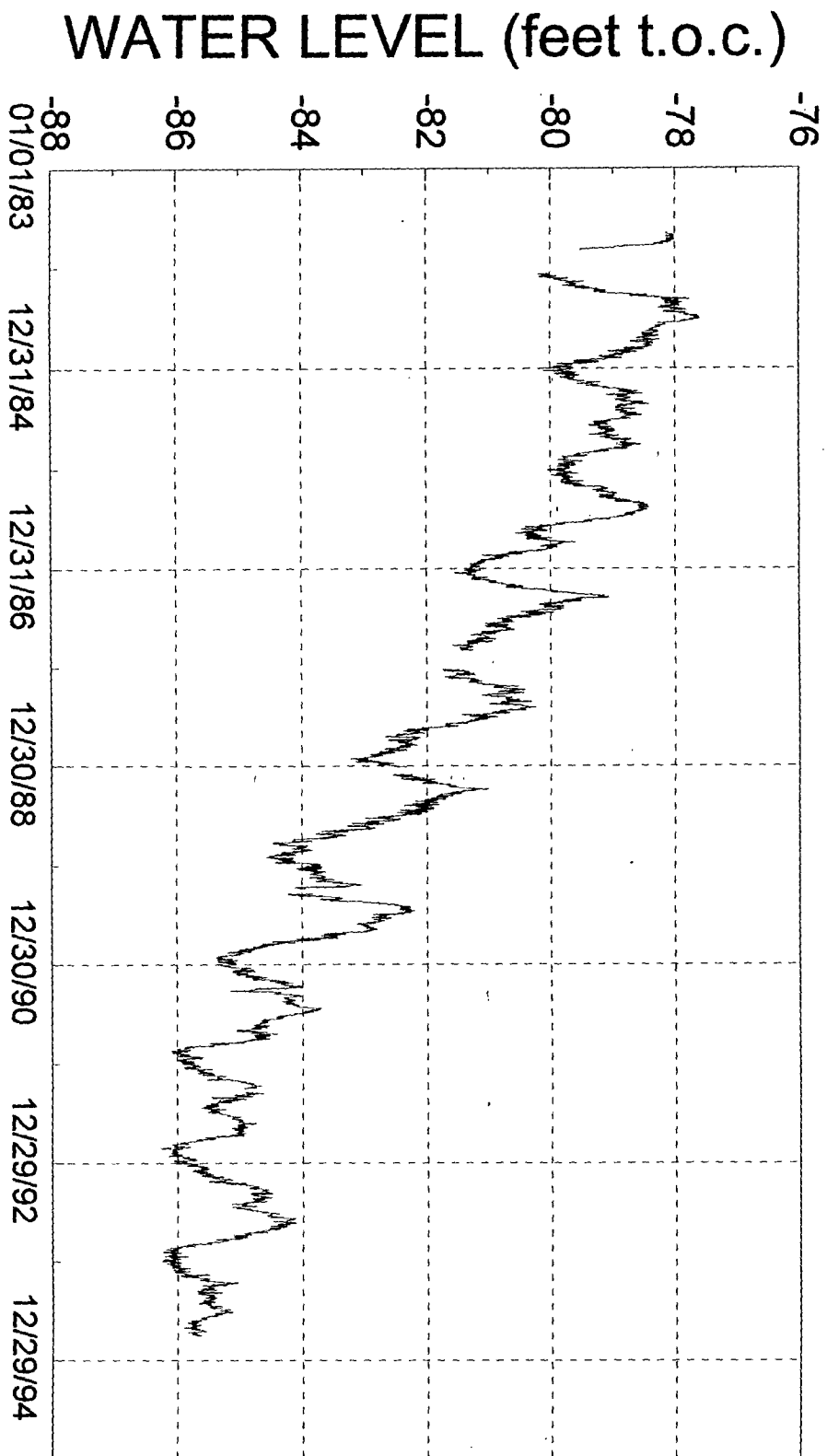
  
James A Goodman  
Natural Resources Engineer

#### BIBLIOGRAPHY

- Allen, J.C., D.L. Iles, A.K. Petres, 1984, Analysis of Ground Water and Streamflow Data Western Dakotas Region of SD, for US Army Corps of Engineers, SD DENR, SDGS, Vermillion, SD, 57069.
- Darton, N.H., 1909, Geology and Underground Waters of South Dakota, Water Supply Paper 227, USGS, Washington DC.
- Davis, R.W., C.F. Dyer, J.E. Powell, 1961, Progress Report on Wells Penetrating Artesian Aquifers in South Dakota, Water Supply Paper 1534, USGS, Washington DC.
- Schoon, R.A., 1971, Geology and Hydrology of the Dakota formation in South Dakota, Report of Investigations No. 104, SD DENR, SDGS, Vermillion, SD, 57069.
- Water Rights, 1996, Unpublished Observation Well Data for the Dakota Formation, SD DENR, Division of Environmental Services, Water Rights Program, Pierre, SD, 57501.
- Well Files, 1996, Unpublished Well Driller's Logs, SD DENR, Division of Environmental Services, Water Rights Program, Pierre, SD, 57501.

# WATER RIGHTS OBSERVATION WELL

BL-83A



**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT**  
**APPLICATION NO. 2357-2, Valu Pact Properties, LLC**

Pursuant to SDCL 46-2A-2, the following is the recommendation of the Chief Engineer, Water Rights Program, Department of Environment and Natural Resources concerning Water Permit Application No. 2357-2, Valu Pact Properties, LLC, %H. Douglas Knust, P.O. Box 288, Chamberlain, SD 57325.

The Chief Engineer is recommending APPROVAL of Application No. 2357-2 because 1) there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion has been 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:

1. 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.
2. The well authorized by Permit No. 2357-2 shall be constructed by a licensed well driller and construction shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) from the producing formation to the surface pursuant to Section 74:02:04:28.
3. The well approved under this Permit shall be valved and the flow reduced to the amount needed or to a minimum when not being used. The well shall also be equipped with a pressure gauge and a record kept of any pressure fluctuations. Such records shall be available to the Chief Engineer upon request. If this well is abandoned or the Permit cancelled, the well must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
4. No chemicals, such as corrosion inhibitors, may be added to the geothermal water without prior written permission by the Air and Surface Water Program, Department of Environment and Natural Resources. This requirement is to control the discharge of potential toxics regulated by Water Management Board Rules, Chapter 74:03:02:14.

See report on application for additional information.



JOHN HATCH, Chief Engineer  
April 24, 1996



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

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

NOTE: TO BE SURE OF PUBLICATION ON  
THE CORRECT DATES, CONTACT  
THE NEWSPAPER RIGHT AWAY.

April 25, 1996

Valu Pact Properties, L.L.C.  
%H. Douglas Knust  
P.O. Box 288  
Chamberlain, SD 57325

Dear Mr. Knust:

Water Permit Application No. 2357-2 for geothermal heating and cooling use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice of hearing has been sent to the Publisher of the Lyman Co. Herald printed at Presho, SD (Ph # (605) 895-2505). For your information, a copy of the notice, the recommendation of the Chief Engineer and a report on the application are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions.

Be sure to contact the above newspaper to authorize publication of your Notice of Hearing and to arrange for payment. Early contact with the paper can eliminate delays. The publisher has been instructed to publish your notice once each week for two consecutive weeks with the last publication to occur twenty days before the board meeting. The newspaper has been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

  
Eric Gronlund  
Natural Resources Engineer  
605 773-3352

enclosures

NOTE: If you plan to contest any part of the Chief Engineer's recommendation, you must file a petition pursuant to the procedures outlined in the attached notice of hearing. The Water Management Board will then consider your concerns during a hearing on the application.



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

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

April 25, 1996

Lyman Co. Herald  
Box 280  
Presho, SD 57568-0280

ATTENTION: Legal Department

Enclosed is a Notice of Hearing on Application No. 2357-2 to be published twice. Please publish the first notice on May 1, 1996, with the second publication 7 days later.

The APPLICANT MUST VERIFY TO YOU THAT THE NOTICE IS TO BE PUBLISHED, before you make the first publication. Please BILL the APPLICANT for the cost of publication. The APPLICANT is Valu Pact Properties, L.L.C., %H. Douglas Knust, P.O. Box 288, Chamberlain, SD 57325 (Ph # (605) 734-6064).

A copy of BOTH publications must be SENT to the WATER RIGHTS PROGRAM. IMMEDIATELY return the FIRST publication with the FIRST Transmittal form on the bottom of this page. The first copy is needed to check the publication for errors so any corrections can be made in the second publication. Publication errors can invalidate the public notice and cause the applicant costly delays.

Please be sure the SECOND publication is returned IMMEDIATELY with the enclosed Proof of Publication form. DO NOT WAIT until the end of the month or the billing cycle. No action may be taken on the permit application until proof of publication has been received.

Sincerely,

*Eric Gronlund*  
Eric Gronlund  
Natural Resources Engineer  
605 773-3352

enclosures

-----CUT HERE-----

FIRST TRANSMITTAL NOTICE

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

No. \_\_\_\_\_

Date \_\_\_\_\_

We are in receipt of your letter of \_\_\_\_\_ enclosing Notice of Hearing to Appropriate Water by Application No. \_\_\_\_\_ which was first published in our issue of \_\_\_\_\_. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Newspaper

Instruction to Newspaper - Publish first Notice on May 1, 1996, with the second publication 7 days later. The applicant is responsible for payment.

---

NOTICE OF APPLICATION NO. 2357-2 to Appropriate Water

Notice is given that Valu Pact Properties, L.L.C., %H. Douglas Knust, P.O. Box 288, Chamberlain, SD 57325 has filed an application for a water permit to appropriate 0.11 cubic feet of water per second (50 gallons per minute) from one well (Dakota Formation) 880 feet deep located in Lot A-1 of Lot A in the NE 1/4 NE 1/4 Section 24-T104N-R72W. The water will be used for geothermal heating and cooling purposes.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2357-2 because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest. In accordance with SDCL 46-2A-23, the chief engineer will act on the application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the chief engineer's recommendation. If a petition opposing the application or contesting the recommendation is filed, then a hearing will be scheduled and the Water Management Board will consider the application. Notice of the hearing will be given to the applicant and any person filing a petition.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and chief engineer. The applicant must file a petition if contesting the chief engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by May 20, 1996.

The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained. Contact Eric Gronlund at the above Water Rights Program address to request copies of information pertaining to this application. Nettie H. Myers, Secretary, Department of Environment and Natural Resources.

## PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA )  
County of Lyman ) SS

I, Patricia McNaughton

certify that the attached printed Notice was

taken from the Lyman  
County Record

printed and published in Presko

County of Lyman and State of

South Dakota. The notice was published in  
the newspaper on the following two dates:

5-1-96

5-8-96

Cost of Printing: \$37.03

Patricia J. McNaughton  
(Signature)

Editor  
(Title)

5-9-96  
(Date Signed)



# NOTICE OF APPLICATION NO. 2357-2

## to Appropriate Water

Notice is given that Valu Pact Properties, L.L.C., % H. Douglas Knust, P.O. Box 288, Chamberlain, SD 57325 has filed an application for a water permit to appropriate 0.11 cubic feet of water per second (50 gallons per minute) from one well (Dakota Formation) 880 feet deep located in Lot A-1 of Lot A in the NE 1/4 NE 1/4 Section 24-T104N-R72W. The water will be used for geothermal heating and cooling purposes.

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**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

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

JUL 2 1996

Valu Pact Properties, L.L.C.  
%H. Douglas Knust  
P.O. Box 288  
Chamberlain, SD 57325-0288

Dear Mr. Knust:

Enclosed is Water Permit No. 2357-2 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

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 the Water License may be issued, thus completing your acquisition of a Water Right.

Very truly yours,

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

enclosures

**PLEASE NOTE:** Certain changes may be made to your water permit usually without affecting the priority date. The location of a point of diversion may be changed or additional points of diversion may be approved if the water source remains unchanged; no additional water is appropriated; and, if irrigating, no additional land is irrigated. The change may be allowed without application or publication, if the Water Rights Program is contacted and the chief engineer makes a finding that the change does not increase the potential for interference with existing diversions.

A new water permit application is required to change water sources, increase the permitted diversion rate, or increase the irrigated acreage. If the application is approved, the water permit will receive a new priority date.



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3181  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

August 22, 2000

2357-2

Doug Knust, President  
Valu Pact Properties  
PO Box 288  
Chamberlain, SD 57325-0288

Dear Mr. Knust:

On August 10, 2000, the investigation of your water use system, including the extent of application of water to beneficial use, as developed under Water Permit No. 2357-2, was completed by Don Stroup, a staff engineer with our program. Your final water right document, the water license, can now be issued.

State law requires 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. The check or money order for the fee should be made payable to the "Water Rights Program".

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.

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,

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

# RECEIPT

## Water Rights Program

South Dakota Department of Environment and Natural Resources

N<sup>o</sup> 416613

Pierre, August 25, 2000

RECEIVED OF Harry K, PO Box 288, Chamberlain SD 57325 (Wu Pact Properties)  
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. 2357-2

50 00

Fee for Filing Transfer Form \_\_\_\_\_

Fee for Filing Extension Request \_\_\_\_\_

Fee for \_\_\_\_\_

(Any Other Work Provided by Law)

Total

50 00

By Garland Erbeley  
Chief Engineer

1/55



**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3181  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

**Permit No. 2357-2**

**Report Of Examination Of Works**

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

On, **August 10, 2000**, I made a thorough examination of the water use system constructed by **Valu Pact Properties of Chamberlain, SD** holder of Permit No. **2357-2**, bearing the priority date of **March 19, 1996** and authorizing the diversion of **0.11** cubic feet per second of the water of **one well** for **geothermal heating and cooling purposes**, in **Lyman** County.

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

Works used to apply water to beneficial use:

**One controlled flowing well.**

The system is in the following condition: **Good**. The point of diversion is located **4611 feet East 145 feet South of the NW corner Section 24 T104N R72W (N43° 48.216' W99° 23.223')**. The works are capable of diverting and conveying to the place of use **0.11** cubic feet per second of water. Well supplies geothermal heating and cooling for two commercial enterprises.

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

8/22/00  
Date

## **REPORT ON EXAMINATION OF PERMIT NO. 2357-2**

**DATE OF EXAMINATION: 8/10/2000**

Other permit(s) associated with the project: **None**

Contact Person & Address: **Doug Knust, Valu Pact Properties, Harry K Chevrolet, Oacoma, SD**

**DIVERSION POINT LEGAL LOCATION: NE $\frac{1}{4}$  NE $\frac{1}{4}$  Section 24 T104N R72W (N43° 48.216' W99° 23.223')**

**WATER SUPPLY SOURCE: Controlled Flowing Well**

### **Well Information:**

- |                                                       |                                      |
|-------------------------------------------------------|--------------------------------------|
| 1) Well Drilling Firm: <b>Hutmacher Well Drilling</b> | 2) No. of Wells: <b>1</b>            |
| 3) Depth(s) feet: <b>760</b>                          | 4) Well log is available: <b>Yes</b> |

### **Casing:**

Type: **Steel and Plastic**

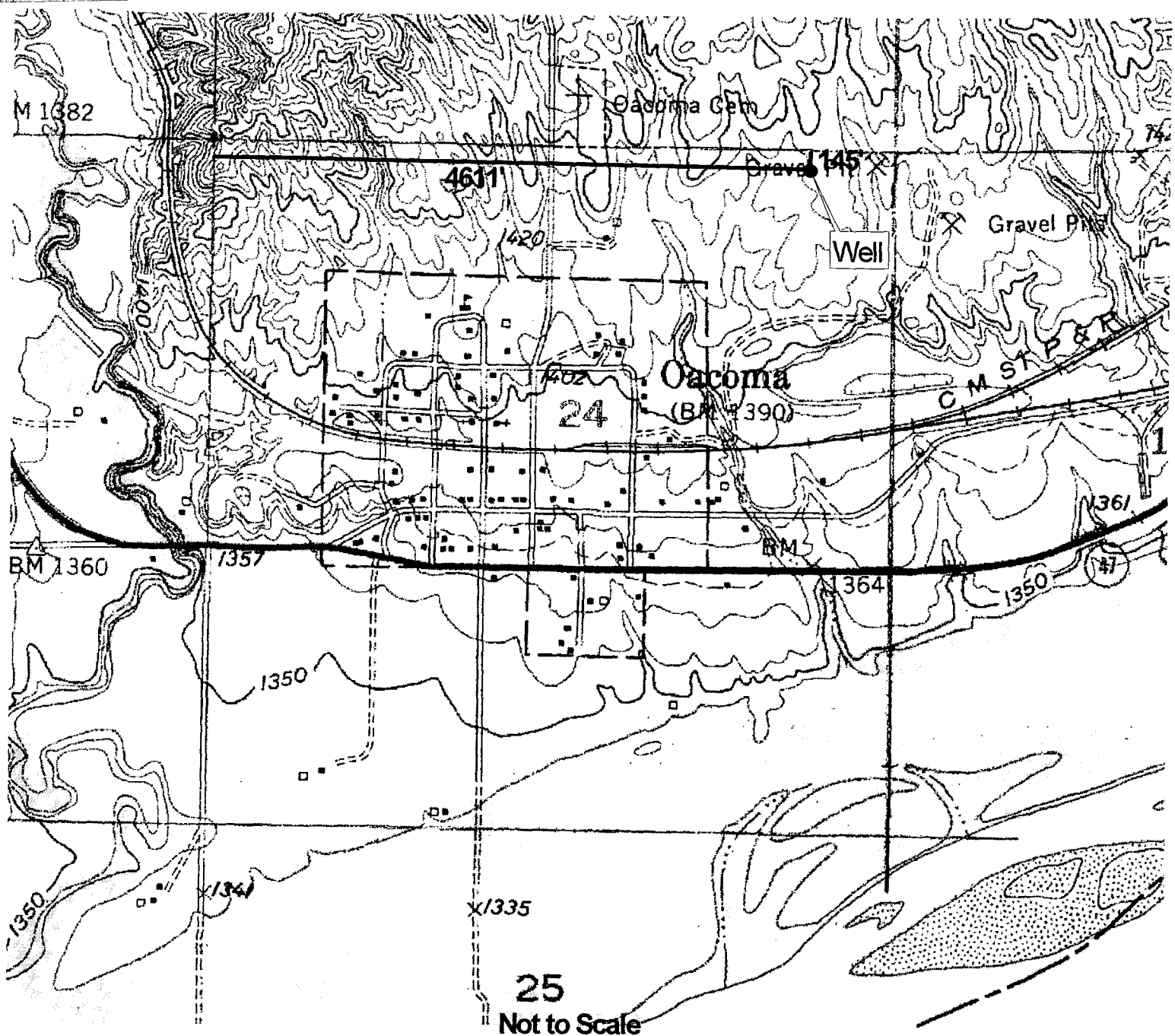
Diameter & Length: **5 inch Dia. Steel – 350 ft    2 inch Dia. PVC – 760 ft**

### **Screen:**

- |                                             |                           |
|---------------------------------------------|---------------------------|
| 1) Type: <b>2" Slotted PVC</b>              | 2) Length: <b>80 feet</b> |
| 3) Static water level: <b>Flowing Well.</b> |                           |

Applicable permit qualifications have been complied with: **Well pressure grouted from 680' to top. Well is controlled and can be shut in.**

Exceptions to compliance are: **Pressure fluctuation records are not available.**



# 2357-2  
Valu Pact Properties  
PO Box 288  
Chamberlain, SD 57325-0288

NE1/4 NE1/4  
Section 24  
T104N R72W

*Donald E. Stroup* 8/29/00  
Donald E. Stroup  
DENR Natural Resources Engineer

# STATE OF SOUTH DAKOTA

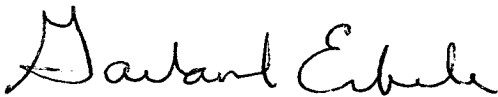
## WATER LICENSE NO. 2357-2

(1) Valu Pact Properties LLC, PO Box 288, Chamberlain SD 57325-0288 made Application No. 2357-2, March 19, 1996 for a water permit to divert 0.11 cubic feet of water per second from groundwater (one well), Lyman County, South Dakota for geothermal heating and cooling purposes. Permit No. 2357-2, with a priority date of March 19, 1996 was approved May 20, 1996 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before May 20, 2001 and for the application to beneficial use of said water on or before May 20, 2005.

(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 0.11 cubic feet of water per second for beneficial use. The location of the diversion point is 4,611 feet east and 145 feet south of the northwest corner of Section 24-T104N-R72W (NE ¼ NE ¼).

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

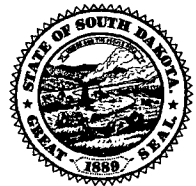
(4) Pursuant to South Dakota Water Law 46-5-30.1 Valu Pact Properties LLC, PO Box 288, Chamberlain SD 57325-0288 the holder and/or owner of Water Right No. 2357-2 is issued a license to appropriate water, the right to use 0.11 cubic feet of water per second from groundwater (one well) with a priority date of March 19, 1996 from the location specified in (2) of this license for geothermal heating and cooling purposes. This license is subject to any limitations or qualifications listed in Water Right No. 2357-2 and subject to South Dakota State Law.



GARLAND ERBELE, Chief Engineer  
Water Rights Program  
Department of Environment and Natural Resources

SEP 07 2000

date





**DEPARTMENT of ENVIRONMENT  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA 57501-3181  
[www.state.sd.us/denr](http://www.state.sd.us/denr)

SEP 07 2000

2357-2

Valu Pact Properties, LLC  
Doug Knust  
PO Box 288  
Chamberlain SD 57325-0288

Dear Mr. Knust:

Enclosed is Water License No. 2357-2. This is the final water right document completing your process of obtaining a Water Right. Enclosed is Receipt No. 416613 in the amount of \$50.00 which you paid for the investigation and issuance of the Water License.

For your information SDCL 46-6-27 requires that if the owner of an existing well, such as the well authorized by Water Right No. 2357-2, 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