

WATER PERMIT NO. 2447-2

Name of Applicant: Heartland Resorts LLC

Address: 830 Main Street, Rapid City SD 57701

Phone: 605 342-8113

Amount of Water Claimed: 0.10 cfs (45 gpm)

Total Acres: NA

Source of Water Supply: groundwater (one well)

Water to be used for: commercial use

County: Custer

Type of Waste Disposal System: lagoon

Location: 1 south of Hermosa

PRIORITY

Date Received: 9-20-2000

Fee: \$150

Corrected Application Received::

Period of Annual Use: January 1 – December 31

Remarks: **for use at a campground**

Diversion Point: NE ¼ SE ¼ (Lot 1 HJW
Subdivision) Section 6-T3S-R8E

Land to be Irrigated: NA

Depth of Well: 1050 feet

Well Driller: :

Remarks:

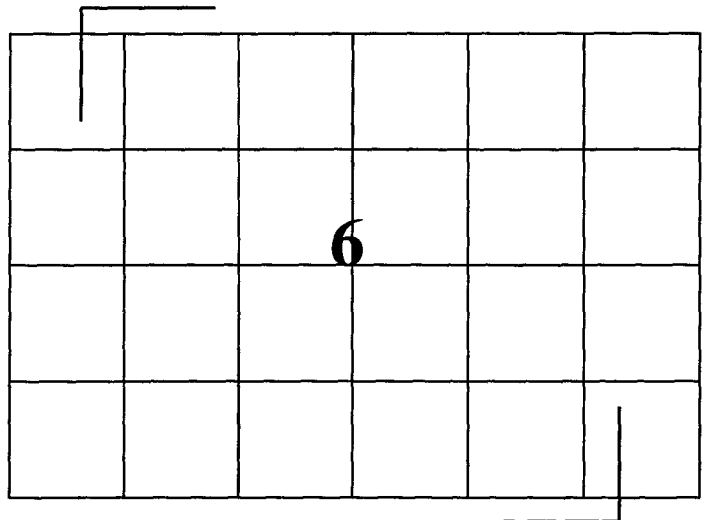
Type of Map: plat

Prepared by: Frances M Larsen

Reviewed and the Number Assigned on: 9-21-2000

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____



**SOUTH DAKOTA
WATER PERMIT NO. 2447-2**

Date of first receipt of application September 20, 2000

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2447-2 to Heartland Resorts, LLC, 830 Main Street, Rapid City SD 57701 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. 2447-2 appropriates 0.10 cubic feet of water per second (45 gallons per minute) from one well (Inyan Kara Formation) approximately 1050 feet deep located in Lot 1 HJW subdivision (NE ¼ SE ¼) Section 6-T3S-R8E.
2. The water appropriated shall be used for the purpose of supplying water for commercial use at a campground and may not exceed the amount of water needed for beneficial use.
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. 2447-2 is December 18, 2000.
5. The date from which applicant may claim right is September 20, 2000.
6. One-fifth of the construction is to be completed on or before June 18, 2003.
7. All construction is to be completed on or before December 18, 2005.
8. Water is to be put to beneficial use on or before December 18, 2009.
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. 2447-2 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) pursuant to Section 74:02:04:28.
3. The proposed lagoon must be designed by a licensed professional engineer and approved by the Department of Environment and Natural Resources prior to construction.

WATER MANAGEMENT BOARD

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

JAN 29 2001

date



FORM 2: Application for uses other than irrigation
(type or print)

Mail to: Water Rights Program Joe Foss Building 523 E. Capitol Pierre, SD 57501-3181 (605) 773-3352	No. <u>2447-2</u>	(office use only) Hydrologic Unit <u>10120109</u>
	Basin <u>Upper Cheyenne</u>	
	Newspaper <u>Custer Co. Chronicle, Custer</u>	



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

Check use(s) of water:

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

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 HEARTLAND RESORTS LLC Phone 605-342-8113
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address 830 MAIN STREET RAPID CITY State SD 57701
(Street, RR. or Box) (Zip Code)
- Amount of water claimed 0.10 *CFS or **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 Water Well (Lakota formation)
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) 1 well located
in SW corner of Lot 1 NW subdivision, E1/2 E1/2 section 6 T35 R8E
BPM (NE 1/4 SE 1/4) County Custer
- County or counties where water will be used Custer
- Annual period during which water is to be used -Annual 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)
200 sites campground

STATE OF SOUTH DAKOTA)

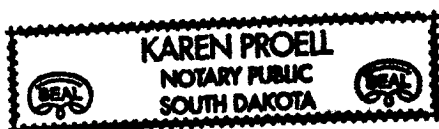
County of Pearlington SS

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)

I, ALAN HAWKS, 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 [Signature]

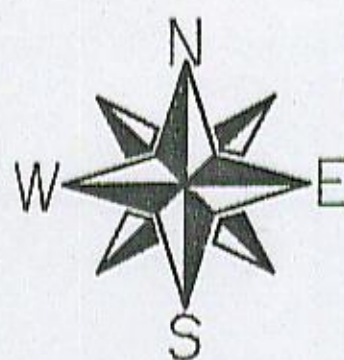
Subscribed and sworn to before me this 13th day of Sept 2000



[Signature]
Notary Public

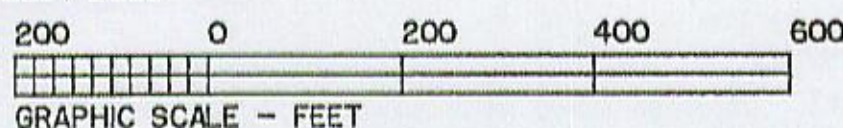
My Commission Expires
March 27, 2005

HJW SUBDIVISION
PLAT OF LOTS 1 and 2 HJW SUBDIVISION,
Located in E1/2E1/2 SECTION 6, T3S,
R8E, BHM, CUSTER COUNTY, SOUTH DAKOTA



PLAT PREPARED BY:
HANSON SURVEYING AND MAPPING
832 HORACE MANN DR
RAPID CITY, SD 57701
605-388-9652

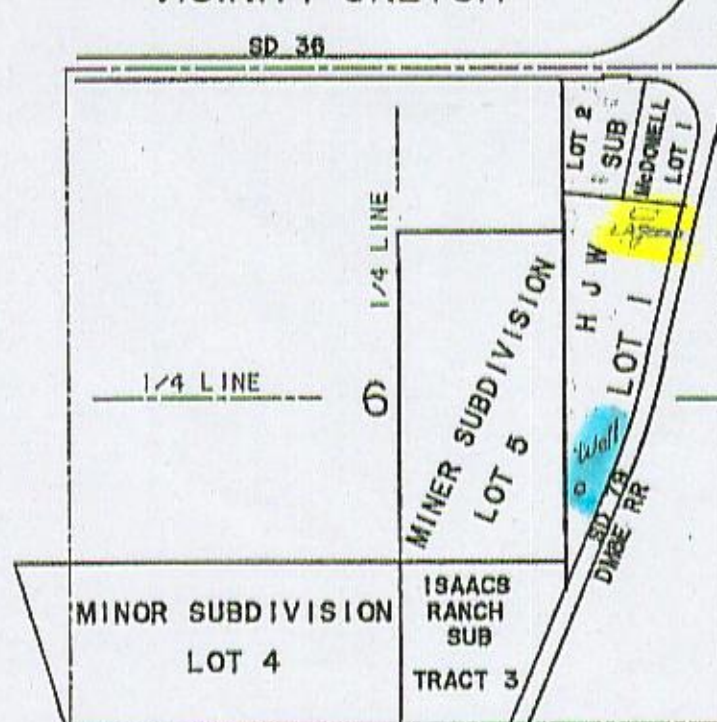
AUGUST 2000



- FD 5/8" RB W/ CAP 1019
- ⊙ FD 5/8" RB W/ CAP 2696
- ⊙ SET 5/8" RB W/ CAP 6251
- (M) MEASURED
- (R) RECORDED

— P — EXISTING PWR LINE; 10' EASEMENT EACH SIDE
NOTE: TEN FOOT WIDE UTILITY EASEMENT SHALL
EXIST ON THE INTERIOR SIDE OF ALL LOT LINES.

VICINITY SKETCH



CERTIFICATE OF SURVEYOR

I, Michael R. Hanson, Registered South Dakota Land Surveyor No. 6251 do hereby
certify that being so authorized that I did and/or oversee the platting and
surveying work on the plat; that the above shown is a true representation of
recorded and field data completed for the survey; and that all area amounts shall
be followed with the words "more or less".

SURVEYOR: _____ DATE: _____

CERTIFICATE OF OWNERSHIP

I, William O. McDowell, do hereby certify that I am the owner of the land shown and
described hereon; that I do approve of the survey and plat of said land; and that
the development of this land shall conform to all existing applicable zoning,
subdivision, and sediment control regulations.

OWNER: _____ DATE: _____
WILLIAM O. McDOWELL

On the _____ day of _____, 2000, before me, a Notary Public,
personally appeared William O. McDowell, known to me to be the person described in
the foregoing instrument, and acknowledged to me that he signed the same.

NOTARY PUBLIC: _____ DATE: _____

MY COMMISSION EXPIRES: _____

CERTIFICATE OF OWNERSHIP

We, John A. Loerzel and Grace M. Loerzel, do hereby certify that we are the owners
of the land shown and described hereon; that we do approve of the survey and plat
of said land; and that the development of this land shall conform to all existing
applicable zoning, subdivision, and sediment control regulations.

OWNER: _____ DATE: _____
JOHN A. LOERZEL

OWNER: _____ DATE: _____
GRACE M. LOERZEL

On the _____ day of _____, 2000, before me, a Notary Public,
personally appeared John A. Loerzel and Grace M. Loerzel, known to me to be the
persons described in the foregoing instrument, and acknowledged to me that they
signed the same.

NOTARY PUBLIC: _____ DATE: _____

MY COMMISSION EXPIRES: _____

CERTIFICATE OF HIGHWAY AUTHORITY

The location of these lots meet the minimum requirements of the State and or County
as it relates to access on South Dakota Highways 36 and 79.

State Authority: Don Kreis DATE: 8-17-00

County Authority: _____ DATE: _____

CERTIFICATE OF COUNTY TREASURER

I, Treasurer for Custer County, do hereby certify that all taxes which are liens
upon the within described properties have been fully paid according to the records
of my office.

TREASURER: Samuel R. Rangel, Deputy DATE: Aug 25 2000

CERTIFICATE OF DIRECTOR OF EQUALIZATION

I, Director of Equalization for Custer County, do hereby certify that I have a copy
of the within described plat in my office.

DIRECTOR OF EQUALIZATION: Bernice Rice 8/25/2000

RESOLUTION OF GOVERNING BOARD

I, Auditor of Custer County, do hereby certify that an official meeting held on
the 25 day of August, 2000, the Custer County Commissioners by resolution
did approve the plat as shown here on.

CUSTER COUNTY AUDITOR: Christine Pedersen

CERTIFICATE OF REGISTER OF DEEDS

Filed for record this 25 day of August, 2000, at 2:30 o'clock
P.M. and recorded in book 15386 of plats on page 584.

CUSTER COUNTY REGISTER OF DEEDS: Francis M. Larsen

2447-2

SEC 31
SECTION LINE
SEC 6 55.1'
SD 36 R/W
SD 36
EAST(R)
S 89°52'44"E (M)
218.00' (M&R)
EAST(R)
S 89°52'44"E (M)
85.45' (M)
NORTH (R)
N 00°07'16"E (M)
25.00' (M&R)

LOT 2
±12.108 AC

McDOWELL SUBDIVISION
LOT 1

S 84°34'21"E (R)
S 84°45'11"E (M)
475.14' (M)
475.17' (R)

Lagoon

SD 79

LOT 1
±37.279 AC

L = 1147.16 (R) DELTA = 9°02' (R)
L = 1032.99' (M) DELTA = 8°53'46" (M)
R = 6776.00' (R&M)

LOT 5 MINER SUBDIVISION

N 0°05'10"E (R)
N 00°04'54"E (M)
2641.31' (M)
2642.08' (R)

50,000 gal.

Storage

Well location

SD 79

S 20°34'53"W (M)
234.89' (M)
S 20°39'W (R)
981.38' (M)

Planning Commission Action
Approved ☒ Disapproved ☐
Date 8-8-00

Signature: Donald E. Kullb

ACCESS
EASEMENT
TO LOT 5

N 00°16'26"E (M)
87.18' (M)
N 00°45'26"W (M)
132.31' (M)
S 0°18'45"E (R)
132.00' (R)

TRACT 3
ISAACS RANCH SUB

Supplemental Information

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 7 7/8" Depth 1050' est.
- b) Casing Type Steel Diameter 5" ID 15.5 lb/ft Thickness .272
- c) Screen Type port. through Diameter 5" steel casing Thickness 30' est.
- d) Gravel Pack casing & cement Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 750' est. - Top of Inyan Kara
- f) Depth to Water (ground surface to water level) 150' est. Lakota Sm well.
- g) Distance to nearest existing domestic well: per Dennis V. Johnson SD Drillers Lic. 511
- On applicants property None On property owned by others 1000'

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) Lagoon
- b) System Capacity (gallons) 20,000 gpd est. Year Constructed planned 2000
- c) Connected to the City of _____ Sanitary System _____

3. Dugout Information

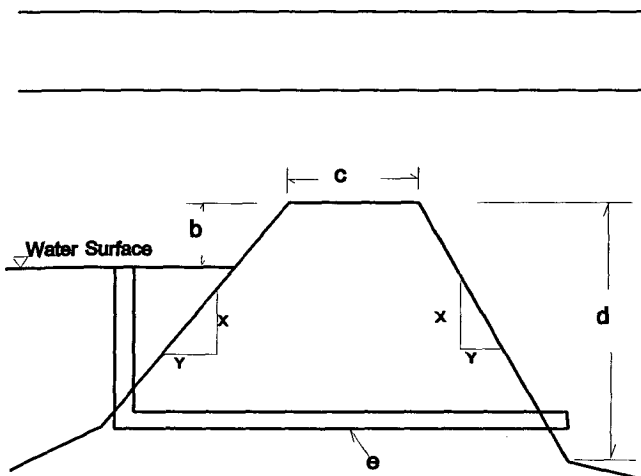
- a) Surface Dimensions _____ Depth _____
- b) Depth to water (ground surface to water level) _____

4. Water Storage Dams

(Planned Storage is 2 30,000 gal tanks)

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

Water Rights Program

South Dakota Department of Environment and Natural Resources

N2 416636

Pierre, September 19, 2000

RECEIVED OF Hartland Resort, LLC, 830 Main Street, Rapid City SD 57701
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. 3447-2 to Appropriate Water, to construct
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. 3447-2 _____

50 00

Fee for Filing Transfer Form _____

Fee for Filing Extension Request _____

Fee for _____

(Any Other Work Provided by Law)

Total

100 00

By Darland Ebel
Chief Engineer

K5



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 2447-2, Heartland Resorts, 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. 2447-2, Heartland Resorts, LLC, c/o Alan Hanks, 830 Main Street, Rapid City, SD 57701.

The Chief Engineer is recommending APPROVAL of Application No. 2447-2 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) it is 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. 2447-2 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) pursuant to Section 74:02:04:28.
3. The proposed lagoon must be designed by a licensed professional engineer and approved by the Department of Environment and Natural Resources prior to construction.

See report on application for additional information.

Garland Erbele, Chief Engineer
November 14, 2000

WATER PERMIT APPLICATIONS NO. 2447-2
HEARTLAND RESORTS, LLC.
NOVEMBER 2, 2000

Water Permit Application No. 2447-2 proposes to appropriate 0.10 cubic feet of water per second (45 gallons per minute) from one well (Inyan Kara Aquifer), approximately 1050-feet deep, located in the NE¼ SE¼ Sec. 6, T3S-R8E. The water is for commercial use at a campground.

AQUIFER: Inyan Kara (INKR)

GENERAL:

The Inyan Kara Aquifer consists of interbedded sandstone (thin bedded to massive), siltstone, and shale from the Fall River and Lakota Formations. Although the Fuson Shale sometimes separates these two formations it is often difficult to differentiate the bottom of the Fall River from the top of the Lakota. The two formations are probably hydraulically connected and therefore can be considered a single aquifer. The aquifer is areally extensive, underling over 36,000 square miles of western South Dakota (Allen, 1984). The aquifer underlies 360,960 acres and contains an estimated 8,121,600 acre-feet of recoverable water in storage in Custer County alone (Allen, 1984). This well site is approximately 1 ½ miles east of the outcrop where the beds dip approximately five degrees to the east, (DeWitt, 1989). The top of the Inyan Kara is expected to be 680' below ground surface at this site (Carter, 1999). The entire Inyan Kara Group is expected to be approximately 275-300' thick in this area (Water Rights, 1998), although only the sandstone beds actually make up the aquifer. The thickness of the Inyan Kara Aquifer does however, vary considerably within short distances. The Skull Creek Shale confines the Inyan Kara in this area and the aquifer is under artesian conditions. Approximately 1000 feet of confining beds separate the Inyan Kara Aquifer from the next aquifer, which is the Minnelusa aquifer. The water level in a well at this site is expected to be approximately 3200' msl or 180' below ground surface (Strobel, 2000).

WATER AVAILABILITY:

Water Rights Program monitors 7 observation wells completed into the Inyan Kara Aquifer in the Black Hills Area. The nearest observation well to this permit (CU-83B) is located approximately two miles northwest of this site. The water level data indicate that there has been essentially no change in the amount of water in storage since the well was installed (see figure 1), (Water Rights, 2000_b).

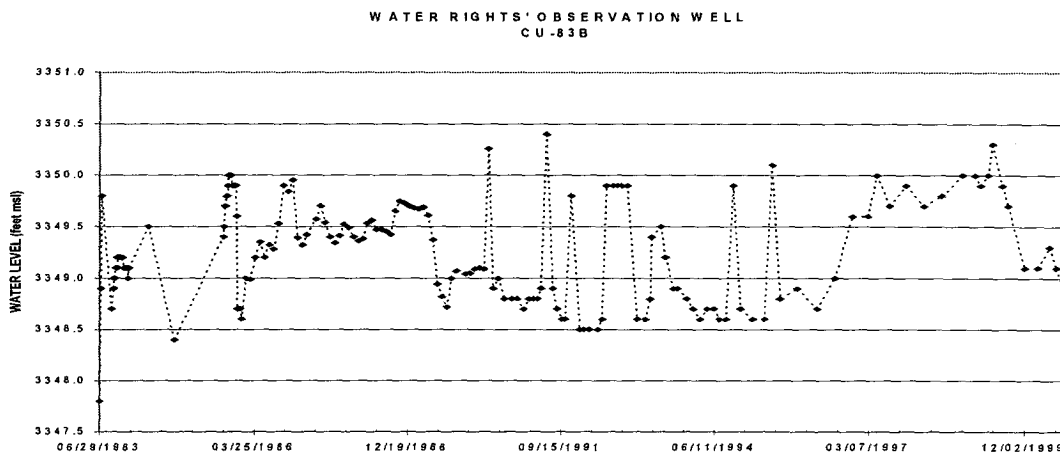


Figure 1. Water Rights' Inyan Kara Observation Well Hydrograph

One Water Rights' Inyan Kara observation well (CU-83C), which is located about two and one half miles southwest of this well site, showed a steady, gradual (4 feet) loss of head between 1985 and 1997, and increasing heads from 1997 to present, see figure 2.

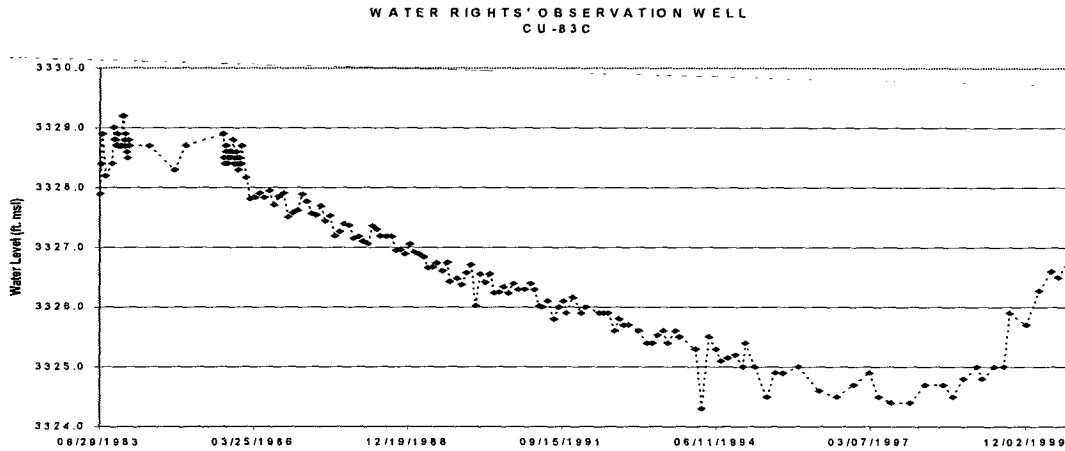


Figure 2. Water Rights' Inyan Kara Observation Well Hydrograph

It is unclear why the water levels have fluctuated in this well, it may simply be localized drawdown. With the exception of CU-83C, hydrographs of Water Rights' observation wells indicate the Inyan Kara Aquifer is in dynamic equilibrium showing minor changes in water level corresponding with seasonal or climatic conditions only. The hydrographs indicates water is available for this appropriation.

EXISTING WATER RIGHTS:

The Inyan Kara Aquifer has been developed in at least 23 counties in South Dakota with 126 Water Rights/Permits. There are 10 rights/permits appropriating water from the Inyan Kara Aquifer in Custer County. There are two Inyan Kara appropriations within one and one-half miles of this site, they include:

Water Right No.	Name	cfs	Use	Distance from 2447-2
744B-2	City of Hermosa	0.15	SHD	1 mile north east
1482-2	Singletree Co.	0.2	SHD	1.3 miles west

In addition to appropriative rights, there are several domestic well logs on file for wells completed into the Inyan Kara Aquifer in this area (Water Rights, 2000_a).

The diversion proposed by this application should not result in an adverse impact to adequate wells in the area because of the relatively low diversion rate proposed (45 gpm) and the distance between wells.

CONCLUSIONS:

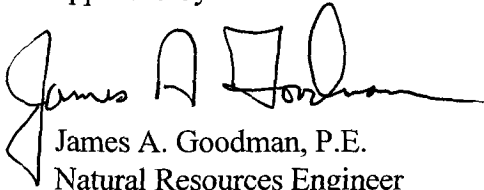
1. The Inyan Kara Aquifer is a viable aquifer in this area, and water is available for this appropriation.

2. Well interference should not be a problem in this area. The requested diversion rate is relatively small and should not cause significant drawdown.
3. The application lists the wastewater disposal system as a lagoon (20,000 gpd est.). The system must be approved by DENR.



Ken Buhler
Natural Resources Engineer

approved by



James A. Goodman, P.E.
Natural Resources Engineer

REFERENCES:

- Allen, J.C., D.Iles, A.Petres, 1984, Analysis of Groundwater and Streamflow Data, Western Dakotas Region of South Dakota, Task 3 & 4: Groundwater Resources Inventory, US Army Corps of Engineers Contract DAWC 45-82-C-015, SD DENR-Geological Survey, Vermillion SD
- Carter, J.M., Redden, J.A., 1999, Altitude of the Top of the Inyan Kara Group in the Black Hills Area, South Dakota, Hydrologic Investigations Atlas HA-744-A, U.S. Department of the Interior, U.S. Geological Survey,
- DeWitt, E., Redden, J.A., Buscher, D., Burbach Wilson, A., 1989, Geologic Map of the Black Hills Area, South Dakota and Wyoming, U.S. Geological Survey, Map I-1910,
- Strobel, M.L., Galloway, J.M., Hamade, G.R., Jarrell, G.J., 2000, Potentiometric Surface of the Inyan Kara Aquifer in the Black Hills Are, South Dakota, Hydrologic Investigations Atlas HA-745-A, U.S., Department of the Interior, U.S. Geological Survey
- Water Rights Program, 2000_a, "Domestic Well Log Files" DENR-Water Rights Program, Joe Foss Building, Pierre, SD 57501
- Water Rights Program, 2000_b, " Observation Well Files" DENR-Water Rights Program, Joe Foss Building, Pierre, SD 57501
- Water Rights Program, 2000_c, "Water Permit Files," DENR-Water Rights Program, Joe Foss Building, Pierre, SD 57501



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

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

November 17, 2000

Heartland Resorts, LLC
c/o Alan Hanks
830 Main St
Rapid City SD 57701

Dear Mr. Hanks:

Water Permit Application No. 2447-2 for commercial 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 Custer Co. Chronicle printed at Custer, SD (Ph # 605 673-2217). 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 57501-3182
www.state.sd.us/denr

November 17, 2000

Custer Co. Chronicle
Box 551
Custer SD 57730-0551

ATTENTION: Legal Public Notice

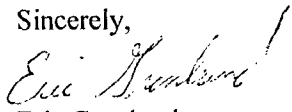
Enclosed is a Notice of Hearing on Application No. 2447-2 to Appropriate Water to be published twice. Please publish the first notice on November 30, 2000 with the second publication 7 days later.

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 Heartland Resorts LLC, c/o Alan Hanks, 830 Main Street, Rapid City SD 57701 (Ph # 605 342-8113).

Please send the Water Rights Program the first publication immediately. The publication is checked for accuracy so any corrections can be made in the second publication. You may use the form below or fax a copy of the first publication. Any fax should be sent to the attention of Karen Schlaak at (605) 773-4068. Publication errors can invalidate the public notice.

After the second publication, **please send us an affidavit or use the enclosed Proof of Publication form.** The applicant pays the cost of publication, but the Water Rights Program records require an affidavit or Proof of Publication. Delays in receiving the affidavit can be costly to the applicant.

Sincerely,


Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

-----CU T HERE-----

No. 2447-2

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

Date _____

We are in receipt of your letter of November 17, 2000 enclosing Notice of Hearing to Appropriate Water by Application No. 2447-2 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 November 30, 2000 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 2447-2 to Appropriate Water

Notice is given that Heartland Resorts LLC, 830 Main Street, Rapid City SD 57701 has filed an application for a water permit to appropriate 0.10 cubic feet of water per second (45 gallons per minute) from one well (Inyan Kara Formation) approximately 1050 feet deep located in Lot 1 HJW subdivision (NE ¼ SE ¼) Section 6-T3S-R8E. The water is for commercial use at a campground.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2447-2 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 December 18, 2000.

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. Steven M. Pirner, Secretary, Department of Environment and Natural Resources.

Affidavit of Publication

State of South Dakota)

)ss.

County of Custer)

Charles W. Najacht of said county, being duly sworn, on oath says that he is publisher of the Custer County Chronicle, a weekly newspaper printed and published in Custer City, said County of Custer and has full and personal knowledge of all the facts herein stated; that said newspaper is a legal newspaper and has a bona-fide circulation of at least two hundred copies weekly, and has been published within said County for fifty-two successive weeks next prior to the publication of the notice herein, mentioned, and was and is printed wholly or in part in an office maintained at said place of publication: that the

NOTICE OF APPLICATION NO.

2447-2

TO APPROPRIATE WATER

Notice is given that Heartland Resorts LLC, 830 Main Street, Rapid City SD 57701 has filed an application for a water permit to appropriate 0.10 cubic feet of water per second (45 gallons per minute) from one well (Inyan Kara Formation) approximately 1050 feet deep located in Lot 1 HWJ subdivision (NE1/4SE1/4) Section 6-T3S-R8E. The water is for commercial use at a campground.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2447-2 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 the 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 S.D. 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 December 18, 2000.

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. Steven M. Pirner, Secretary, Department of Environment and Natural Resources.

#299, 11/30, 12/7

Heartland Resorts
Notice of Application
No. 2447-2

a printed copy of which, taken from the paper in which the same was published, is attached to this sheet, and is made a part of this Affidavit, was published in said newspaper at least once each week for 2 successive week(s), on which said newspaper was regularly published, to wit:

Nov 30, 2000; Dec 7, 2000;

_____, _____; _____, _____;
_____, _____; _____, _____;
_____, _____; _____, _____;

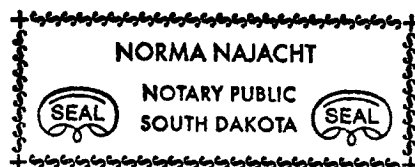
the full amount of the fees for the publication of the annexed notice is \$ 19.56.

Charles W. Najacht

Subscribed and sworn to me before this 7

of December, 2000;

Norma Najacht
NOTARY PUBLIC
MY COMMISSION EXPIRES: May 5, 2006





JAN 29 2001

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

Heartland Resorts, LLC
830 Main Street
Rapid City SD 57701

Dear Sir:

Enclosed is Water Permit No. 2447-2 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

Form 10, *Notice of Completion of Works and Application of Water to Beneficial Use*, is enclosed. Please return this completed form after you have finished the system and have put the water to beneficial use. An investigation can then be scheduled so the water license may be issued, thus completing the acquisition of a water right.

An informational sheet *Common Water Right Questions?* is also enclosed. This sheet is intended to answer some of the questions associated with obtaining and keeping a water right.

Sincerely,

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

enclosures

Water Rights Program - DENR
Conversation File Documentation

NAME OF PERSON OR FILE: Water Permit No. 2447-2, Heartland Resorts, LLC

ADDRESS: COUNTY: Custer

DATE: March 19, 2003 TELEPHONE: 343-1540

RE: Call from Mr. Dennis Johnson

COMMENTS:

Mr. Johnson called about completing the Notice of Completion of Works. Wondered what else he was required to do. I indicated that qualification to the permit required the lagoon to get DENR approval prior to construction. He indicated they obtained that approval. We discussed the licensing process – that a staff person would come out and look at project and license issued for what was developed as long as it was developed within the permit guidelines (amount of water, location, etc.).

He then inquired about what type of use is authorized by the permit. I stated the water permit was issued for commercial use for a campground. He asked that if they served some trailer houses on the adjoining property whether they'd need another permit. I told him that I did not believe we would make an issue of it as long as no additional water was appropriated. I did say if they added irrigation or some of use far removed from commercial use they may then need to amend the permit.

He then asked questions related to requirements for sampling. I directed him to Barb Friedeman with the Drinking Water Program.

NAME: *Eric Thompson*

Permit No. 2447-2
Upper Cheyenne River - Water District

Report of Examination of Works and/or Application of Water to Beneficial Use

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

I have this day, September 28, 2010, made a thorough examination of the water use system constructed by Heartland Resorts, LLC of 24742 Hwy 79, Hermosa, SD 57744 holder of Permit No. 2447-2, bearing the priority of September 20, 2000 authorizing the diversion of 0.10 cu. ft. per second of the waters of the Inyan Kara aquifer for commercial purposes, in Custer County.

Inspection contact & relationship **Dennis Johnson, Part owner &**
to permit holder, if applicable: **Mike Engle, Manager**

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: Dennis V. Johnson
- 2) No. of Wells one
- 3) Depth(s) 1000 feet
- 4) Well log is available Yes

Casing:

- 1) Diameter 5 1/2 inches (O.D.)
- 2) Length 996 feet (total including perfs)
- 3) Type 15.5 #/ft steel

Screen:

- 1) Type wire line perforated casing
- 2) Length 170 feet (35 total feet of perfs from 954-964, 920-930 and 794-809 feet below grade)
- 3) Static water level 180 feet

Pump:

- 1) Make Grundfos
- 2) Model submersible
- 3) Size 5 hp
- 4) Capacity 27 GPM

Motor:

- 1) Make Franklin Electric (single phase)

2) Horsepower rating 5 hp

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

1) Type PVC 2) Size 6 inches 3) Length $\cong$ 1685 feet

1) Type PVC 2) Size 3 & 4 inches 3) Length $\cong$ 5100 feet

C. Works used to apply water to beneficial use:

Water is supplied to 147 camper pads and 16 cabins with $\frac{3}{4}$ -inch service taps off the 3 & 4-inch diameter distribution lines.

D. Compliance with Permit Requirements:

1) Permit qualifications being abided by Yes

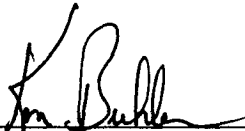
2) Irrigation Questionnaires checked to determine if permit owner started irrigation by the end of construction period NA

3) Exceptions to compliance are: list

The system is in good condition with the point(s) of diversion located as follows: 1,270 feet west and 2,035 feet north of the south east corner of Section 6, T3S-R4E, (Latitude 43.81619, and Longitude -103.20392). The works are capable of diverting and conveying to the place of use 0.06 cu. ft. per second of water which is to be used for commercial use. Water has been put to beneficial use to the maximum extent and the license should be issued for 0.06 cfs.

All structures, wells and lands on map Yes

Comments or other permit(s) associated with the project:



Ken Buhler

DENR, Water Rights Program

Date report completed: November 16, 2010





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

JAN 14 2011

2447-2

Dennis Johnson
Heartland Resorts LLC
24742 Hwy 79
Hermosa SD 57744

Dear Mr. Johnson:

Enclosed is Water License No. 2447-2. This is the final water right document completing your process of obtaining a Water Right. Included with your license is a map prepared by the staff engineer who conducted the field investigation.

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. 2447-2, 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,

A handwritten signature in black ink, appearing to read "Garland Erbele".

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

enclosures

**STATE OF SOUTH DAKOTA
WATER LICENSE NO. 2447-2**

(1) Heartland Resorts LLC, 24742 Hwy 79, Hermosa SD 57744 made Application No. 2447-2, September 20, 2000 for a water permit to divert 0.10 cubic feet of water per second (45 gallons per minute) from ground water (one well – Inyan Kara Formation), Custer County, South Dakota for commercial purposes. Permit No. 2447-2, with a priority date of September 20, 2000 was approved December 18, 2000 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before December 18, 2005 and for the application to beneficial use of said water on or before December 18, 2009.

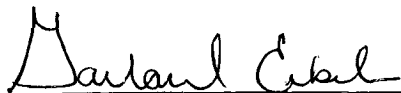
(2) It is certified that the permit holder has complied with the provisions of South Dakota State Law relating to completion of the construction of the water supply system and is entitled to divert 0.06 cubic feet of water per second (27 gallons per minute) for beneficial use. The location of the diversion point is 1,270 feet west and 2,035 feet north of the SE corner of Section 6, T3S, R4E (NE ¼ SE ¼).

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

(4) Pursuant to South Dakota Water Law 46-5-30.1 Heartland Resorts LLC, 24742 Hwy 79, Hermosa SD 57744 the holder and/or owner of Water Right No. 2447-2 is issued a license to appropriate water, the right to use 0.06 cubic feet of water per second from ground water (one well – Inyan Kara Formation) with a priority date of September 20, 2010 from the location specified in (2) of this license for commercial purposes.

This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Right No. 2447-2 and subject to the following qualification:

- 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.
- The well authorized by Permit No. 2447-2 shall be constructed by a licensed well driller and construction shall comply with the Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28. *Well was drilled in 2000 by Dennis V Johnson – well log is on file with the Water Rights Program.*
- The proposed lagoon must be designed by a licensed professional engineer and approved by the Department of Environment and Natural Resources prior to construction. *(approval by DENR in 2000)*



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

JAN 14 2011

date

