

WATER PERMIT NO. 2473-2

Name of Applicant: Anita Cregut / Cregut, Inc.

Address: 5360 Snowberry Cr., Rapid City SD 57702

Phone: 605 348-6832

Amount of Water Claimed: 0.04 cfs

Total Acres: NA

Source of Water Supply: groundwater

Water to be used for: commercial

County: Pennington

Type of Waste Disposal System:

Location: southwest of Rapid City along Sheridan Lake Road

PRIORITY

Date Received: 11-15-01

Fee: \$50

Corrected Application Received::

Period of Annual Use: January 1 – December 31

Remarks: Existing Permit No. 2459-2 for a Deadwood Formation well – well actually drilled into Madison Formation

Diversion Point: SW ¼ SE ¼ Sec 29-T1N-R7E

Land to be Irrigated: NA

Depth of Well: 560 feet

Well Driller: : Bice Drilling

Remarks:

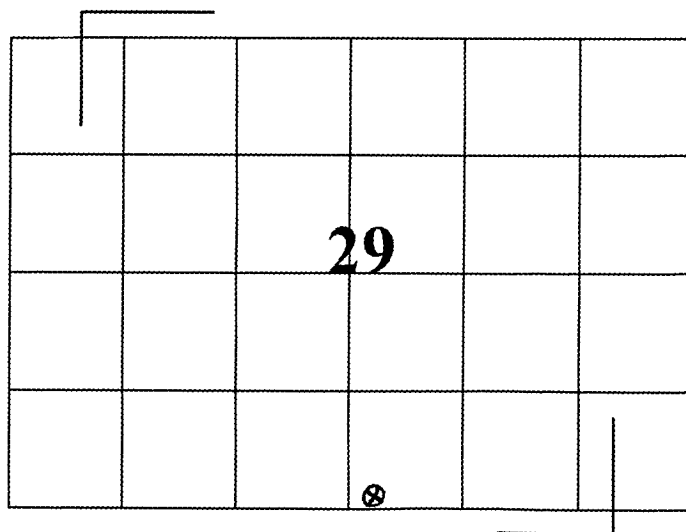
Type of Map: aerial

Prepared by: Ken Buhler

Reviewed and the Number Assigned on: 11-15-2001

By: Karen Schlaak

Notice of Hearing - date to intervene: _____



SOUTH DAKOTA
WATER PERMIT NO. 2473-2

Date of first receipt of application November 15, 2001.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2473-2 to Anita Cregut / Cregut Inc., 5360 Snowberry Ct, Rapid City SD 57702 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. 2473-2 appropriates 0.04 cubic feet of water per second (18 gallons per minute) from one well (Madison Formation) 560 feet deep located in the SW ¼ SE ¼ Section 29-T1N-R7E. The permit holder originally obtained a water permit for a Deadwood Formation well but developed this Madison Formation well.
2. The water appropriated shall be used for the purpose of supplying water for commercial use at the Black Hills Family Recreation Center 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. 2473-2 is February 4, 2002.
5. The date from which applicant may claim right is November 15, 2001.
6. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 2473-2 is issued for a twenty year term. Pursuant to SDCL 46-2A-21, the twenty year term may be deleted at any time during the twenty year period or following its expiration. If the twenty year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 2473-2 may also be cancelled for nonconstruction, forfeiture, abandonment or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1, and ARSD 74:02:01:37.
2. 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 withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
3. Water Permit No. 2459-2 originally issued for a Deadwood Formation well to supply this facility is cancelled with approval of Water Permit No. 2473-2.

WATER MANAGEMENT BOARD

By: Garland Erbele

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

MAR 04 2002

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	(office use only)	
	No. <u>2473-2</u>	Hydrologic Unit <u>10120110</u>
	Basin <u>Upper Cheyenne</u>	
	Newspaper <u>Rapid City Journal</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 Anita Cregut/ Cregut Inc Phone (605) 348-6832
(check one) ☐ Owner ☐ Tenant/lessee
Mailing Address 5360 Snowberry Cr., Rapid City State SD 57702
(Street, RR, or Box and City) (Zip Code)
- Amount of water claimed 0.04 *CFS or 18 **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 One well completed into the Madison aquifer
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)
One well located in the SW1/4 SE1/4 Section 29, T1N-R7E
County Pennington
- County or counties where water will be used Pennington
- Annual period during which water is to be used January 1 - December 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)

Water will be used by the Black Hills Family Recreation Center

STATE OF SOUTH DAKOTA)

County of Pennington 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)

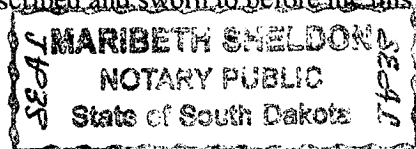
I, Anita Cregut, the applicant, certify that I have read this application, have examined the attached map and that the matters stated are true and that I intend, and am able to complete the necessary construction.

Applicant's signature Anita Cregut

Subscribed and sworn to before me this 8th day of November 20 01

My Commission Expires
August 1, 2005

4-2000



Maribeth Snelton
Notary Public signature

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 8¾ - inch Depth 560 feet
- b) Casing Type steel Diameter 7-inch Thickness 0.317
- c) Screen Type Open hole Diameter 6¾-inch Thickness _____
- d) Gravel Pack None Length of Gravel Pack Na
- e) Depth to Top of Water Bearing Material 380 feet
- f) Depth to Water (ground surface to water level) 420 feet
- g) Distance to nearest existing domestic well:
- On applicants property _____ On property owned by others _____

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) Septic Tank with drain field
- b) System Capacity (gallons) 7880 gal (2 tanks 3940 gal) Year Constructed 2001
- c) Connected to the City of Na Sanitary System Na

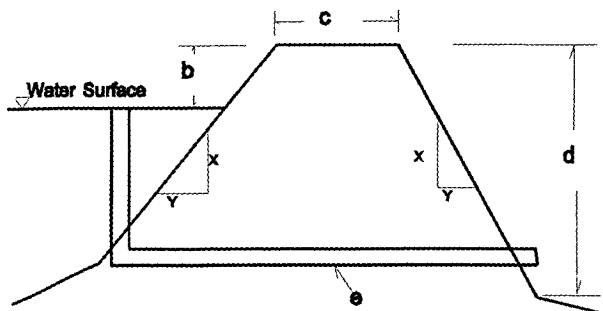
3. Dugout Information

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

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

Water Rights Program

South Dakota Department of Environment and Natural Resources

N^o 416972

Pierre, November 15, 20 01

RECEIVED OF Anita Cregut, 5360 Snowberry Court, Rapid City, SD 57702
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>2473-2</u> 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. <u>2473-2</u>	50	00
Fee for Filing Transfer Form _____		
Fee for Filing Extension Request _____		
Fee for _____		

(Any Other Work Provided by Law)	Total	100 00

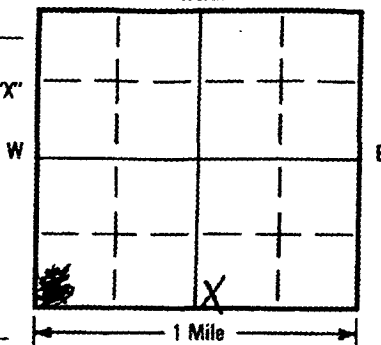
By Darland Ebele
Chief Engineer *gm*

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location SW 1/4 SE 1/4 Sec 29 Twp 1N Rg 7E
 County Pennington

Please mark well location with an "X"



Well Completion Date

8/15/01

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 150 ft. from septic (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

AIR Rotary

CASING DATA: ☒ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>23 LB/FT</u>	<u>7 IN</u>	<u>+1.5 FT</u>	<u>530 FT</u>	<u>9 3/4 IN</u>
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
<u>portland</u>	<u>75</u>	<u>14 lb./gal</u>	<u>530 ft.</u>	<u>0 ft.</u>
_____	_____	_____ lb./gal	_____ ft.	_____ ft.

Describe grouting procedure pressure grouted through casing

SCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter _____ IN Length _____ FEET

Material _____

Slot Size _____ Set From _____ Feet to _____ 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 _____

Well Owner: Robbie Cregut

Business Name: 5360 Snowberry Court

Address: Rapid City, SD 57702

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Red shale / boulders	0	10
yellow sand	10	30
mostly sand / limestone	30	140
purple gray limestone	140	380
yellow limestone	380	560

STATIC WATER LEVEL 420 Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped Describe: AIR Developed

☐ Bailed _____

☒ Other _____

Pumping Level Below Land Surface

520 ft. After 2 Hrs. pumped 50 GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

This well was drilled under license # 195

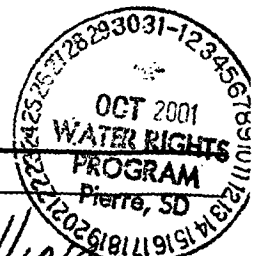
And this report is true and accurate.

Drilling firm S. Blue Drilling

Signature of License Representative _____

Signature of Well Owner or Equitable Property Holder _____

Date: 10/28/01





October 24, 2001

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

Anita Cregut, Cregut Inc.
5360 Snowberry Ct.
Rapid City, SD 57702

Dear Ms. Cregut:

On October 9, 2001, I met with Robbie Cregut and was informed that the water system for Black Hills Family Recreation Center had been completed and the final Water Right (license) could be issued. However, Water Permit No. 2459-2 authorized a Deadwood aquifer well and the well that was installed for the Black Hills Family Recreation Center was completed into the Madison aquifer. Since this is a different water source, a new water permit will be necessary to allow for withdrawals from the Madison aquifer. I have completed an "Application for a Permit to Appropriate Water Within the State of South Dakota" for your use. Please sign the form, have it notarized and return it to us along with the application fee of \$100.00. Upon receiving the application we will begin the permit process.

If you do not intend to construct a well into the Deadwood aquifer Water Permit No. 2459-2 should be scheduled for cancellation due to forfeiture. Please advise regarding this forfeiture so we can schedule it with Water Management Board.

I have also enclosed a copy of a "Notice of Completion of Works and Application of Water to Beneficial Use" for your use. If you would like to fill out this form, all except the Water Permit No. which will be assigned to a Madison aquifer Permit, we can issue the final water license for the Madison well once the new permit is obtained.

If you have any questions feel free to contact me at (605) 773-3352.

Sincerely,

Ken Buhler
Natural Resources Engineering Specialist
DENR-Water Rights Program

enclosures

WATER PERMIT APPLICATION NO. 2473-2
ANITA CREGUT/ CREGUT INC.
DECEMBER 10, 2001

Water Permit No. 2459-2 which was issued July 26, 2001, appropriated 0.167 cubic feet of water per second (cfs) from a well that was to be completed into the Deadwood aquifer. On August 15, 2001 a well was completed into the Madison aquifer with the intent of using it instead of a Deadwood aquifer well.

Water Permit Application No. 2473-2 proposes to appropriate 0.04 cubic feet of water per second (18 gallons per minute) from one well (Madison aquifer) 560 feet deep located in the SW¼ SE¼ Sec.29, T1N-R7E, in Pennington County.

AQUIFER: Madison aquifer (MDSN)

The Madison (Pahasapa) Limestone is a massive limestone and dolomite that underlies much of the Western United States. In this area the Madison Limestone is estimated to be 300-400 feet thick (Cattermole, 1969). The top portion of the Madison Limestone contains randomly distributed zones of secondary porosity and permeability formed by weathering of exposed surfaces, groundwater solution and fracturing, and is considered the Madison aquifer. The Madison is generally considered an excellent aquifer both in terms of quality and quantity, especially near the outcrop (recharge area). The aquifer underlies approximately 30,000 square miles of western South Dakota and contains at least 640 million acre-feet of recoverable water in storage in the State (Allen and others, 1984). The well that is to be used to supply this permit is located approximately one mile from the Madison outcrop (recharge area). The top of the Madison Limestone is approximately 380 feet below grade at this well. The well completion report for this well indicates the static water level of the well is 420 feet below grade, and the well is capable of producing 50 gallons per minute.

Recharge to the Madison aquifer occurs through streamflow losses and direct infiltration of precipitation at the outcrop area. Recharge for the entire Madison aquifer in South Dakota has been estimated to range from 140,000 to 400,000 acre-feet per year (Woodward Clyde, 1981). Average annual recharge from 1931-1998 is estimated to be approximately 137,000 ac-ft/yr (Carter and others, 2001a).

The Water Rights Program monitors 26 observation wells completed into the Madison aquifer in the Black Hills area. The well that is to be used to supply this permit is located within approximately three and one-half miles of three Water Rights' Observation wells that are completed into the Madison aquifer, (PE-86A, PE-96A and PE-89A). Hydrographs for the wells show the aquifers response to climatic conditions and clearly demonstrate the system is recharged.

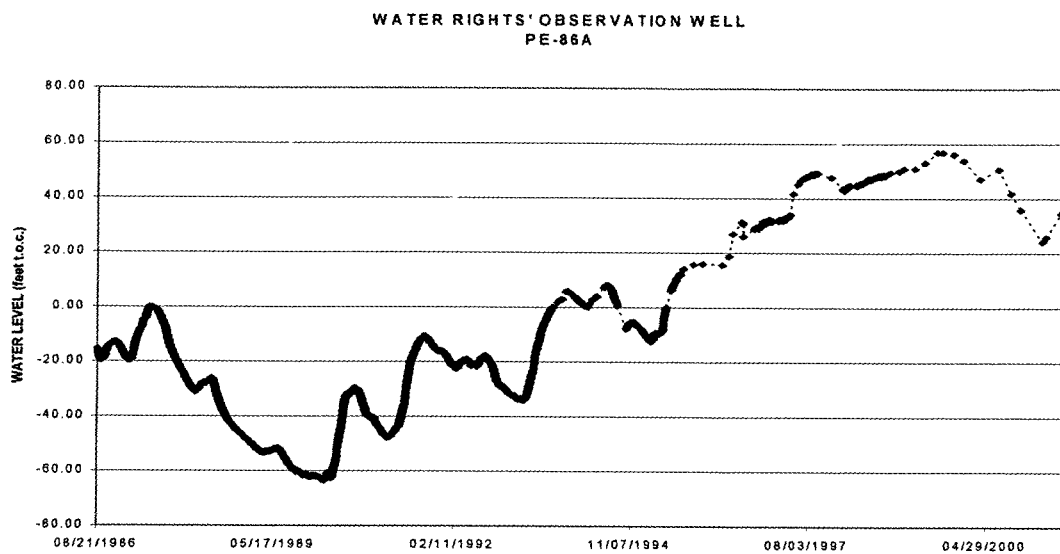


Figure 1. Hydrograph of Water Rights' Observation Well PE-86A, located approximately two and one-half miles southeast of the well to be used by 2473-2

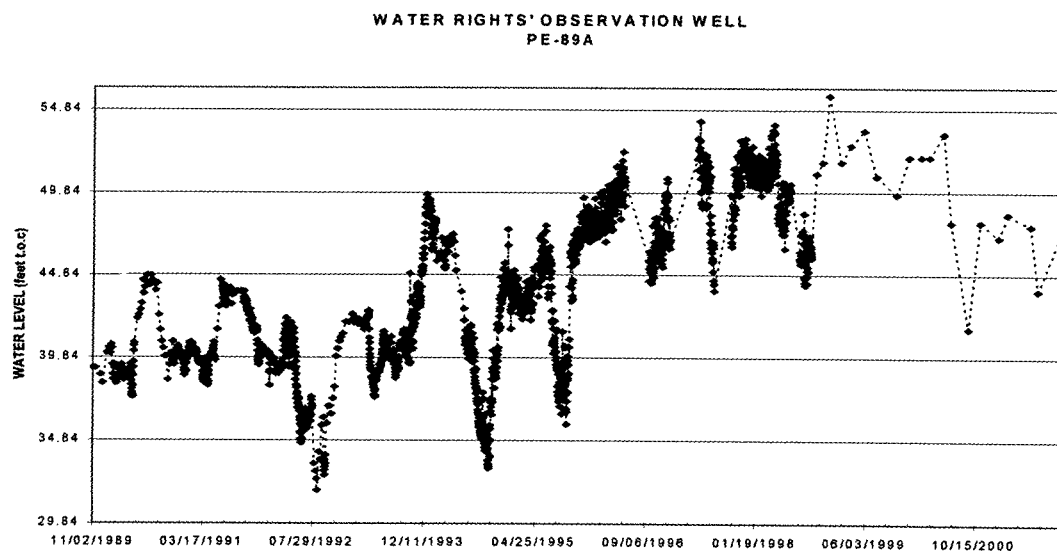


Figure 2. Hydrograph of Water Rights' Observation Well PE-89A, located approximately three and one-half miles north of the well to be used by 2473-2

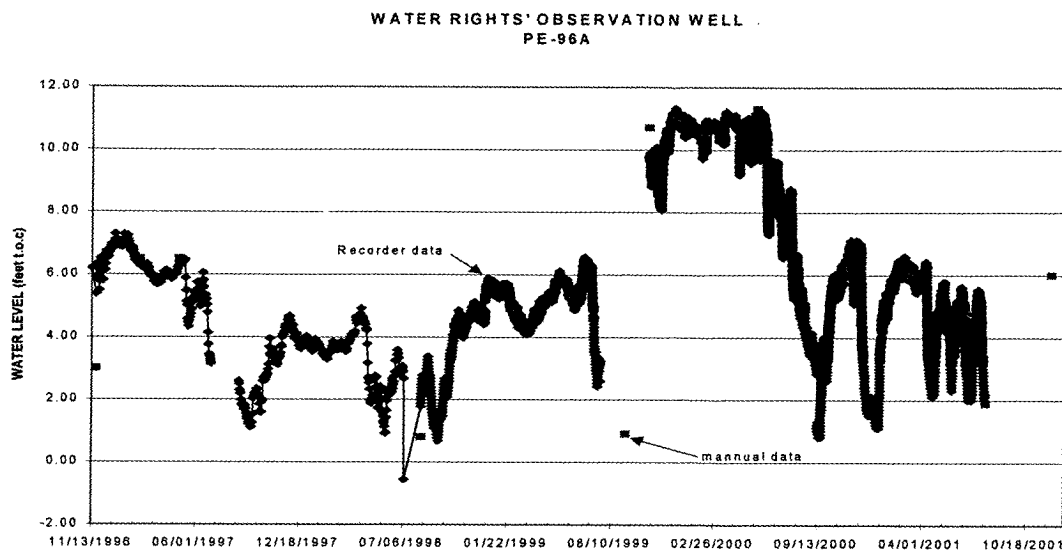


Figure 3. Hydrograph of Water Rights' Observation Well PE-96A, located approximately three miles northwest of the well to be used by 2473-2

Records from the observation wells indicated the potentiometric surface of the Madison aquifer fluctuates 30-40 feet per year near the recharge area in response to seasonal and climatic variations. Long-term water level declines are not apparent from any of the hydrographs. Observation well data suggest that at the existing level of development, natural influences dominate the water levels of the aquifer and the effects of pumping as yet are not obvious.

The high cost of Madison wells, except very near the outcrop, and the availability of groundwater from shallower aquifers, has limited domestic development and generally restricted usage from the Madison to those uses which require water rights. There are a total of 116 permits/rights which appropriate water from the Madison aquifer in South Dakota. The majority of the water rights/permits from the aquifer are from Butte(17), Lawrence(22), Meade(23), Pennington(31) and Fall River(11) Counties. The Madison supplies water for irrigation, geothermal, industrial, and commercial use. However, by far the major use of the aquifer is for common distribution systems (suburban housing development and municipal use). The cities of Spearfish, Belle Fourche, Sturgis, Rapid City, Box Elder, and Edgemont all depend on water from the Madison Aquifer.

If the worst case assumptions are made that (1) permits/rights with an annual withdrawal limitation (ac-ft/yr) will use the maximum allowable; and (2) permits/rights that are limited by a diversion rate only, will use 60% of the maximum allowable (considered reasonable for water distribution systems); the total water use from the Madison would be less than 50,000 acre-feet per year. The actual amount of water used from the Madison is considerably less than this estimate. Withdrawals from wells completed into the Madison aquifer were estimated to be 10,990.2 acre-feet annually from 1987-1996 (Carter and others, 2001b). Comparison of the estimated annual recharge to the Madison with the water use estimated from the aquifer indicates unappropriated water is available from the Madison aquifer.

This application proposes an additional appropriation of up to 28.9 ac-ft/yr. from the Madison aquifer. This amount of water will have a negligible affect on the balance of withdrawals to recharge for the system.

Affects on Existing Rights:

This application proposes to appropriate water in an area that received a fair amount of media attention during the summer of 2000 because of water shortages. The water shortages were the result of the area's dramatic population increase in recent years with suburban housing development infrastructures not keeping pace. Simply put, water shortages in the area were the result of delivery problems rather than supply problems. The last application to appropriate water from the Madison aquifer in this area (No. 2461-2, Colonial Pine Hills Sanitary District) was approved following a contested case hearing.

There are nine Water Rights/Permits appropriating groundwater within approximately one mile of the well that is to be used for 2473-2, they include:

Permit No.	Owner	Aquifer	Use	cfs
1726-2	Colonial Pine Hills	MDSN	SHD	0.38
1925-2	Ponderosa Park Dev.	MDSN	SHD	0.03
1965-2	Highland Hills Water Assoc.	MDSN	SHD	0.06
2056-2	Countryside Homeowners	DDWD	SHD	0.30
2108-2	Clarkson	MDSN	SHD	0.09
2295-2	Colonial Pine Hills	DDWD	SHD	0.30
2458-2	Red Rock Development	MDSN	IRR	1.33
2459-2	Cregut Inc.'	DDWD	COM	0.17
2461-2	Colonial Pine Hills	MDSN	SHD	0.33

Wells supplied from aquifers other than the Madison are not expected to be affected by withdrawals from the Madison because the aquifer is isolated from shallower aquifers by the lower Minnelusa formation and isolated from deeper aquifers by the Englewood and Whitewood Formations.

Two Madison aquifer wells, one authorized by Water Permit No. 2108-2 and the second authorized by Water Right No.1726-2, are located within approximately two thousand feet of the well that is to be used for this appropriation. At this time it is not practical to attempt to quantify the specific affect pumping this well will have on these wells since aquifer characteristics have not been determined for this area, and the variability of the hydraulic characteristics has been well documented (Greene, 1993). In addition, Greene concluded that the transmissivity of the Madison is not equal in all directions (anisotropic), therefore the drawdown cone will extend farther in one direction than another.

Although the impact of this appropriation cannot be quantified precisely, it is still possible to address whether this appropriation can be made without adversely affecting water rights, including domestic wells. In the first place, this application proposes a maximum diversion

rate of 18 gpm. The drawdown resulting from this relatively low pump rate should be negligible. Secondly, Water Management Board rules 74:02:04 and 74:02:05, which were promulgated pursuant to SDCL 46-6-6.1, provide protection to prior appropriators only to the degree necessary to maintain an adequate depth of water in wells that have the ability to produce water independent of artesian pressure. Simply put, the pump placement in a prior appropriator's well is not necessarily protected. In fact, in past action, the Water Management Board it has concluded that if increased cost or decreased production is considered an adverse impact, it could be in conflict with SDCL 46-1-4, which requires South Dakota's water resources to be put to beneficial use to the fullest extent of which they are capable.

Although there are a limited number of domestic wells completed into the Madison aquifer in this area (Water Rights 2001a) the potential affect of this appropriation to domestic wells must be considered. It is likely that even if a domestic well completed into the Madison aquifer in this area experienced interference, it would still be capable of delivering sufficient water with a pump inlet placed near the top of the aquifer. Therefore adverse impact to domestic wells is not probable.

Term Limitation:

SDCL 46-2A-20 requires that "... no water permit for construction of works to withdraw water from the Madison formation in Butte, Fall River, Custer, Lawrence, Meade and Pennington counties may be issued for a term of more than twenty years, unless the water management board determines, based upon the evidence presented at the hearing that:

- (1) Sufficient information is available to determine whether any significant adverse hydrologic effects on the supply of water in the Madison formation would result if the proposed withdrawal were approved; and
- (2) The information, whether provided by the applicant or by other means, show that there is a reasonable probability that issuance of the proposed permit would not have a significant adverse effect on nearby Madison formation wells and springs."

Evidence is not available to justify issuing this permit without a term limitation of 20 years.

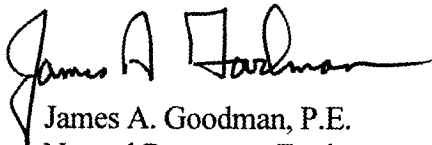
Conclusions:

1. The Madison aquifer is under unconfined conditions at this well site.
2. This is an application to appropriate 0.04 cfs (18 gpm) from an existing well completed into the Madison aquifer.
3. The Madison aquifer is a viable aquifer in this area and unappropriated water is available.
4. This appropriation will not adversely impair existing water rights.
5. Information is not available to justify issuing this permit without a term limitation of 20 years.



Ken Buhler
Natural Resources Engineer

Approved by



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

References:

- Allen, J.C., Iles, D.L., Petres, A.K., Analysis of Groundwater and Streamflow Data Western Dakotas Region of South Dakota, Task 3 and 4: Groundwater Resource Inventory, U.S. Army Corps of Engineers Contract DAWC 45-82-C-0151, SD DENR-Geological Survey, Vermillion, SD
- Carter, J.M., Driscoll, D.G., Hamade, G.R., 2001a, Estimated Recharge to the Madison and Minnelusa Aquifers in the Black hills Area, South Dakota and Wyoming, Water Years 191-98, Water-Resources Investigations Report 00-4278, U.S. Department of the Interior, U.S. Geological Survey, Rapid City, SD
- Carter, J.M., Driscoll, D.G., Hamade, G.R., and Jarrell, G.J., 2001b, Hydrologic Budgets for the Madison and Minnelusa Aquifers, Black Hills of South Dakota and Wyoming, Water Years 1987-1996, Water-Resources Investigations Report 01-4119, U.S. Department of the Interior, U.S. Geological Survey, Rapid City, SD
- Cattermole, J.M., 1969, Geologic Map of the Rapid City West Quadrangle, Pennington County, South Dakota, Geologic Quadrangle Maps of the United States, Map GQ-828, U.S. Geological Survey, Washington, D.C.
- Greene, E.A., 1993, Hydraulic Properties of the Madison Aquifer System in the Western Rapid City Area, South Dakota, Water-Resources Investigations Report 93-4008, U.S. Department of the Interior, U.S. Geological Survey, Rapid City, SD
- Water Rights Program, 2001_a, "Domestic Well Log Files", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD
- Water Rights Program, 2001_b, "Unpublished Observation Well Records", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD

Water Rights Program, 2001c, "Water Permit/Right Files", South Dakota DENR-Water Rights Program, Joe Foss Building, Pierre, SD

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



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. 2473-2, Cregut, Inc.

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. 2473-2, Cregut, Inc., c/o Anita Cregut, 5360 Snowberry Court, Rapid City SD 57702

The Chief Engineer is recommending APPROVAL of Application No. 2473-2 for a 20 year term pursuant to SDCL 46-1-14 and 46-2A-20 because 1) although evidence is not available to justify issuing this permit without a 20 year term limitation, 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. In accordance with SDCL 46-1-14 and 46-2A-20, Permit No. 2473-2 is issued for a twenty year term. Pursuant to SDCL 46-2A-21, the twenty year term may be deleted at any time during the twenty year period or following its expiration. If the twenty year term is not deleted at the end of the term, the permit may either be cancelled or amended with a new term limitation of up to twenty years. Permit No. 2473-2 may also be cancelled for nonconstruction, forfeiture, abandonment or three permit violations pursuant to SDCL 46-1-12, 46-5-37, 46-5-37.1, and ARSD 74:02:01:37.
2. 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 withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
- 31 Water Permit No. 2459-2 originally issued for a Deadwood Formation well to supply this facility is cancelled with approval of Water Permit No. ~~6242-3~~.

2473-3/ks

See report on application for additional information.

Garland Erbele
January 8, 2002



**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.**

January 8, 2002

Anita Cregut
Cregut, Inc.
5360 Snowberry Cr
Rapid City, SD 57702

Dear Ms. Cregut:

Water Permit Application No. 2473-2 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 Rapid City Journal printed at Rapid City, SD (Ph # 605-394-8300). You will need to contact the newspaper and authorize publication of this notice. 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. Upon receiving authorization, 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 also 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

January 8, 2002

Rapid City Journal
PO Box 450
Rapid City, SD 57709-0450

ATTENTION: Legal Public Notice

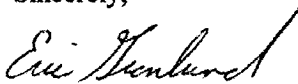
Enclosed is a Notice of Hearing on Application No. 2473-2 to Appropriate Water to be published twice. Please publish the first notice on January 16, 2002 with the second publication 7 days later.

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 Anita Cregut, Cregut Inc., 5360 Snowberry Cr., Rapid City, SD 57702 (Ph # 605-348-6832).

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

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

No. 2473-2

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

Date _____

We are in receipt of your letter of January 8, 2002 enclosing Notice of Hearing to Appropriate Water by Application No. 2473-2 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 January 16, 2002 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 2473-2 to Appropriate Water

Notice is given that Anita Cregut / Cregut Inc., 5360 Snowberry Cr., Rapid City SD 57702 has filed an application for a water permit to appropriate 0.04 cubic feet of water per second (18 gallons per minute) from one well (Madison Formation) 560 feet deep located in the SW ¼ SE ¼ Section 29-T1N-R7E. The water is for commercial use at the Black Hills Family Recreation Center. The applicant originally obtained a water permit for a Deadwood Formation well but developed this Madison Formation well.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2473-2 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 February 4, 2002.

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.



PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
) SS
 County of Pennington)

I, Patricia K. Van Datten

certify that the attached printed Notice was taken

from the Rapid City Journal

printed and published in Rapid City

County of Pennington and

state of South Dakota. The notice was published

in the newspaper on the following two dates:

January 16, 2002

January 23, 2002

Cost of Printing Eighty-seven dollars
and thirty-six cents (\$87.36)

Patricia K. Van Datten
 (Signature)

Legal Advertising Representative
 (Title)

1/23/02
 (Date Signed)

Jan. 16, 23 L1060960

NOTICE OF APPLICATION NO. 2473-2 TO APPROPRIATE WATER

Notice is given that Anita Cregut/Cregut Inc., 5360 Snowberry Ct., Rapid City, SD 57702, has filed an application for a water permit to appropriate 0.04 cubic feet of water per second (18 gallons per minute) from one well (Madison Formation) 560 feet deep located in the SW¼ SE¼ Section 29-T1N-R7E. The water is for commercial use at Black Hills Family Recreation Center. The applicant originally obtained a water permit for a Deadwood Formation well but developed this Madison Formation well.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2473-2 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 also 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 February 4, 2002.

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 Granlund 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



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 8, 2002

Robert Borgmeyer
Selador Ranches, Inc.
6770 North Longfellow Drive
Tucson, AZ 85718-2420

Dear Mr. Borgmeyer:

I am writing regarding Water Permit Application No. 2473-2 filed by Anita Cregut. This application proposes to appropriate water for commercial use. The applicant originally obtained a water permit for a Deadwood Formation well but actually developed a well into the Madison Formation which necessitates a new permit be obtained.

Enclosed is a copy of the recommendation, report and notice of hearing on this application. The notice is to be published in the Rapid City Journal on January 16 and 23, 2002. If you are opposed to this application and want a hearing held before the Water Management Board, you must file a petition by February 4, 2002.

This information is being sent to you because of the interest you have expressed in keeping informed on water issues in this area.

Sincerely,

Eric Gronlund
Water Rights Program
(605) 773-3352

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 8, 2002

Linda Iverson, President
Colonial Pine Hills Sanitary District
4605 Dunsmore Road
Rapid City SD 57702

Dear Ms. Iverson:

I am writing regarding Water Permit Application No. 2473-2 filed by Anita Cregut. This application proposes to appropriate water for commercial use. The applicant originally obtained a water permit for a Deadwood Formation well but actually developed a well into the Madison Formation which necessitates a new permit be obtained.

Enclosed is a copy of the recommendation, report and notice of hearing on this application. The notice is to be published in the Rapid City Journal on January 16 and 23, 2002. If you are opposed to this application and want a hearing held before the Water Management Board, you must file a petition by February 4, 2002.

This information is being sent to you because of the interest the District has expressed on water issues in this area.

Sincerely,

Eric Gronlund
Water Rights Program
(605) 773-3352

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 8, 2002

Roy Brumbaugh
8707 Highland Hills Road
Rapid City SD 57702

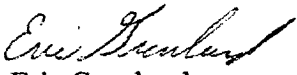
Dear Mr. Brumbaugh:

I am writing regarding Water Permit Application No. 2473-2 filed by Anita Cregut. This application proposes to appropriate water for commercial use. The applicant originally obtained a water permit for a Deadwood Formation well but actually developed a well into the Madison Formation which necessitates a new permit be obtained.

Enclosed is a copy of the recommendation, report and notice of hearing on this application. The notice is to be published in the Rapid City Journal on January 16 and 23, 2002. If you are opposed to this application and want a hearing held before the Water Management Board, you must file a petition by February 4, 2002.

This information is being sent to you because of the interest you have expressed on water issues in this area.

Sincerely,


Eric Gronlund
Water Rights Program
(605) 773-3352

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 8, 2002

James Simons, President
Highland Hills Water Association
8888 Highland Hills Road
Rapid City SD 57702

Dear Mr. Simons:

I am writing regarding Water Permit Application No. 2473-2 filed by Anita Cregut. This application proposes to appropriate water for commercial use. The applicant originally obtained a water permit for a Deadwood Formation well but actually developed a well into the Madison Formation which necessitates a new permit be obtained.

Enclosed is a copy of the recommendation, report and notice of hearing on this application. The notice is to be published in the Rapid City Journal on January 16 and 23, 2002. If you are opposed to this application and want a hearing held before the Water Management Board, you must file a petition by February 4, 2002.

This information is being sent to you because of the interest the Association has expressed on water issues in this area.

Sincerely,

Eric Gronlund
Water Rights Program
(605) 773-3352

enclosures



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

January 8, 2002

Jack Brand
8703 Highland Hills Road
Rapid City SD 57702

Dear Mr. Brand:

I am writing regarding Water Permit Application No. 2473-2 filed by Anita Cregut. This application proposes to appropriate water for commercial use. The applicant originally obtained a water permit for a Deadwood Formation well but actually developed a well into the Madison Formation which necessitates a new permit be obtained.

Enclosed is a copy of the recommendation, report and notice of hearing on this application. The notice is to be published in the Rapid City Journal on January 16 and 23, 2002. If you are opposed to this application and want a hearing held before the Water Management Board, you must file a petition by February 4, 2002.

This information is being sent to you because of the interest you have expressed on water issues in this area.

Sincerely,

Eric Gronlund
Water Rights Program
(605) 773-3352

enclosures

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

Date

11/12/01

TO: Water Rights Program, DENR
523 E. Capitol
Pierre, SD 57501-3181

FROM:

ANITA CREGUT

(name)

7800 ALBERTA DR

(address)

RC SD 57702

(city, state, zip)

(phone)



I have completed the construction of the water use system and I have put the water to beneficial use to the maximum extent it is going to be used.

Water Permit No. 2473-2 states that the water use system is to be constructed by

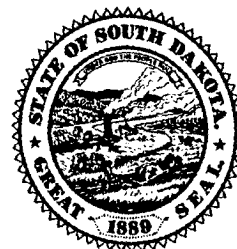
_____, and water is to be put to beneficial use by _____
(date) (date)

The water use system was completed on _____
(date)

Applying the water to beneficial use was completed on _____
(date)

You may schedule an investigation so that the water license may be issued.

Anita Cregut
(signature)



Permit No. 2473-2
Upper Cheyenne River - Water District

Other permit/license(s) associated with project: none

Contact Person & Address: Robbie Cregut, 5360 Snowberry Ct., Rapid City, SD 57702

Report Of Examination Of Works

On, October 9, 2001, I made a thorough examination of the water use system constructed by Anita Cregut/Cregut Inc. of 5360 Snowberry Ct., Rapid City, SD 57702 holder of Permit No. 2473-2, bearing the priority of November 15, 2001 authorizing the diversion of 0.04 cu. ft. per second of the waters of groundwater for commercial purposes, in Pennington County.

The system is in the following condition good. The point of diversion is located 205 feet north and 2345 feet west of the southeast corner of Sec. 29, T1N-R7E with a longitude of -103.301041 and a latitude of 44.010158. The works are capable of diverting and conveying to the place of use 0.04 cu. ft. per second of water which is to be used for commercial purposes. Water has been put to beneficial use and the license should be issued for 0.04 cfs.

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: <u>S. Bice Drilling</u> | 2) No. of Wells <u>one</u> |
| 3) Depth(s) <u>560</u> feet | 4) Well log is available <u>yes</u> |

Casing:

- | | |
|-----------------------------|---------------------------|
| 1) Diameter <u>7</u> inches | 2) Length <u>530</u> feet |
| 3) Type <u>steel</u> | |

Screen:

- | | |
|---------------------------------------|--------------------------|
| 1) Type <u>open hole completion</u> | 2) Length <u>30</u> feet |
| 3) Static water level <u>420</u> feet | |

Pump\ Motor:

- | | |
|---|-----------------------------|
| 1) Pump Make <u>A.Y. McDonald submersible</u> | 2) Pump Model <u>21500P</u> |
|---|-----------------------------|

3) Capacity 18 GPM

4) Motor Make Franklin Electric

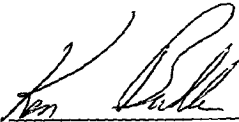
5) Horsepower rating 5 hp

Distribution System:

1) Type Polyethylene 2) Size 1½ inches

SYSTEM SUMMARY:

Water is pumped from the well to a 5000-gallon concrete storage tank through 1½-inch diameter Polyethylene pipe with the A.Y McDonald submersible pump. A 50 gpm electrical centrifugal pump transfers water from the concrete storage tank to two 45-gallon pressure tanks. Water is used in Black Hills Family Recreation Center and the effluent is disposed of through a septic system.



Ken Buhler
Natural Resources Engineering Specialist
DENR, Water Rights Program

12/14/01

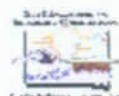
Date

Well Location for
Black Hills Family Recreation Center



2000 0 2000 4000 Feet

Ken Buhler
Natural Resources Engineering Specialist
DENR-Water Rights Program



STATE OF SOUTH DAKOTA

WATER LICENSE NO. 2473-2

(1) Anita Cregut / Cregut Inc., 5360 Snowberry Ct., Rapid City SD 57702 made Application No. 2473-2, November 15, 2001 for a water permit to divert 0.04 cubic feet of water per second from groundwater (one well), Pennington County, South Dakota for commercial use purposes. Permit No. 2473-2, with a priority date of November 15, 2001 was approved February 4, 2002 and issued to the applicant for diversion of water with construction of the described water supply system and the application to beneficial use of said water completed.

(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 0.04 cubic feet of water per second for beneficial use. The location of the diversion point is 205 feet north and 2,345 feet west of the southeast corner of Section 29-T1N-R7E (SW 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 at the Black Hills Family Recreation Center.

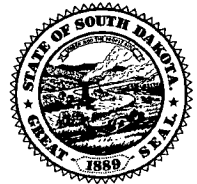
(4) Pursuant to South Dakota Water Law 46-5-30.1 Anita Cregut / Cregut Inc., 5360 Snowberry Ct., Rapid City SD 57702 the holder and/or owner of Water Right No. 2473-2 is issued a license to appropriate water, the right to use 0.04 cubic feet of water per second from groundwater (one well) with a priority date of November 15, 2001 from the location specified in (2) of this license for commercial use purposes. This license is subject to any limitations or qualifications listed in Water Right No. 2473-2 and subject to South Dakota State Law.

Garland Erbele

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

MAR 04 2002

date





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

MAR 04 2002

2473-2
2459-2

Anita Cregut
Cregut Inc.
5360 Snowberry Ct.
Rapid City SD 57702

Dear Ms. Cregut:

Enclosed are Water Permit and License No. 2473-3 and a location map. The water license is the final water right document completing your process of obtaining a Water Right.

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. 2473-2, 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

NOTE: Water Permit No. 2459-3 originally issued for a Deadwood Formation well to supply this facility is cancelled with approval of Water Permit No. 2473-2.

enclosures