

WATER PERMIT NO. 2579-2

Name of Applicant: Pacer Corporation

Address: 35 S 6th St, Custer SD 57730

Phone: 605 673-4419

Amount of Water Claimed: 0.022 cfs

Total Acres: NA

Source of Water Supply: groundwater (one well)

Water to be used for: commercial

County: Custer

Type of Waste Disposal System:

Location: 3 miles southwest of Custer

PRIORITY Date Received: 2-13-06

Application/License Fee: \$200

Corrected Application Received:

Period of Annual Use: January 1 – December 31

Remarks: Used for bathroom and kitchen facilities at the White Bear Mica Plant

Diversion Point: SE ¼ NW ¼ Sec 11-T4S-R4E

Land to be Irrigated: NA

Depth of Well: 255 feet deep

Well Driller: : Howe Well Drilling

Remarks:

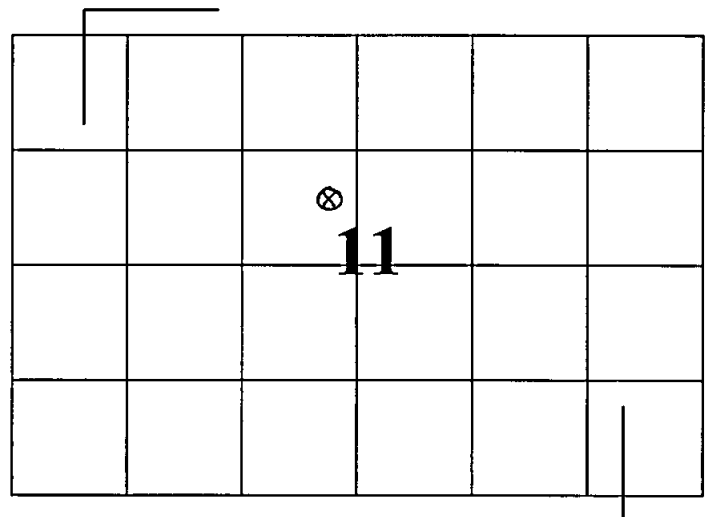
Type of Map: plat

Prepared by: Thomas W Crawford

Reviewed and the Number Assigned on: 2-13-06

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____



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. 2579-2 (office use only)
Hydrologic Unit 10120109
Basin Upper Cheyenne
Newspaper Custer Co. Chronicle, Custer

RECEIVED
FEB 13 2006
WATER RIGHTS
PROGRAM

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 PACER Corporation Phone 605-673-4419
(check one) Owner Tenant/lessee
Mailing Address 35 So 6th Street State SD 57730
(Street, RR, or Box and City) (Zip Code)
Custer
- Amount of water claimed 0.022 *CFS or 10 **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 Well
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) 1 well in SE 1/4 of
NW 1/4, Section 11, T4S, R4E
County Custer
- County or counties where water will be used Custer
- Annual period during which water is to be used All year 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)
Water will be used for domestic use in one mens and one womans
bathroom and small kitchen in employee break room at mica
processing plant at 25429 US Hwy 385, Custer SD 57730

STATE OF SOUTH DAKOTA)
County of Custer 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, George D. KRUSE, 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 George D. Kruse

Subscribed and sworn to before me this 9th day of February 20 06



Notary Public signature Karen M. Schleining
My Commission Expires
September 26, 2007

**SOUTH DAKOTA
WATER PERMIT NO. 2579-2**

Date of first receipt of application February 13, 2006.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2579-2 to Pacer Corporation, 35 S 6th St, Custer SD 57730 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. 2579-2 appropriates 0.022 cubic feet of water per second from one well completed into the Precambrian Crystalline Rock Aquifer (255 feet deep) located in the SE ¼ NW ¼ Section 11-T4S-R4E.
2. The water appropriated shall be used for the purpose of commercial use in the restroom and kitchen facility at the White Bear Mica Plant 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. 2579-2 is April 10, 2006.
5. The date from which applicant may claim right is February 13, 2006.
6. One-fifth of the construction is to be completed on or before October 10, 2008.
7. All construction is to be completed on or before April 10, 2011.
8. Water is to be put to beneficial use on or before April 10, 2015.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

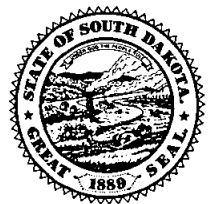
QUALIFICATION

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.

WATER MANAGEMENT BOARD

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

APR 17 2006
date



Supplemental Information

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 6" Depth 255'
- b) Casing Type Plastic Diameter 6" Thickness Sch 40
- c) Screen Type _____ Diameter _____ Thickness _____
- d) Gravel Pack _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material 90'
- f) Depth to Water (ground surface to water level) 40'
- g) Distance to nearest existing domestic well: Well is located on 20 acres owned by PACER
On applicants property NONE On property owned by others UNKNOWN

2. Wastewater Disposal System Information Well is 200' from drainfield

- a) Type of System (i.e. septic tank, drain field) Septic tank and drainfield
- b) System Capacity (gallons) 1500 Year Constructed 2005
- c) Connected to the City of _____ Sanitary System _____

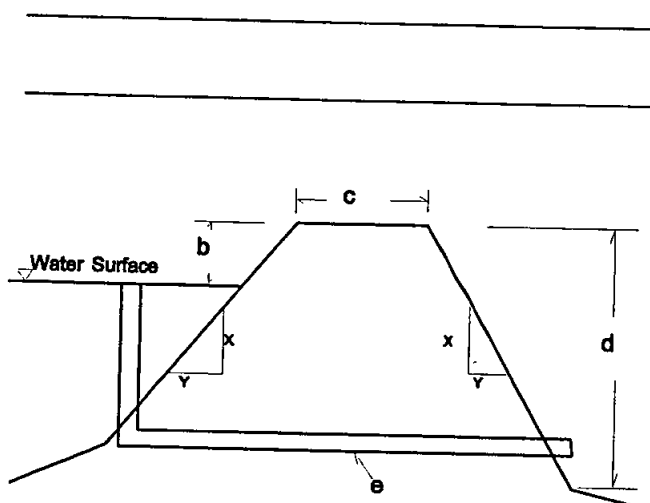
3. Dugout Information

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

4. Water Storage Dams

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

Date February 13, 2006

RECEIVED OF Pacer Corporation, PO Box 912, Custer SD 57730-1914

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

Fee for Application for Permit No. <u>2579-2</u> to Appropriate Water, to construct and to put water to beneficial use	150	00
Fee for Application for Permit No. _____ to Appropriate Water for Future use		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. <u>2579-2</u>	50	00
Fee for Filing Transfer Form _____		
Fee for _____		
Fee for Issuing New Well Driller's License No. _____ for C.Y. _____		
Fee for Renewal of Well Driller's License No. _____ for C.Y. _____		
Fee for Issuing Well Pump Installer's License No. _____ for C.Y. _____		
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	200.00

No. 02294

By Darland Elvele
Chief Engineer gm

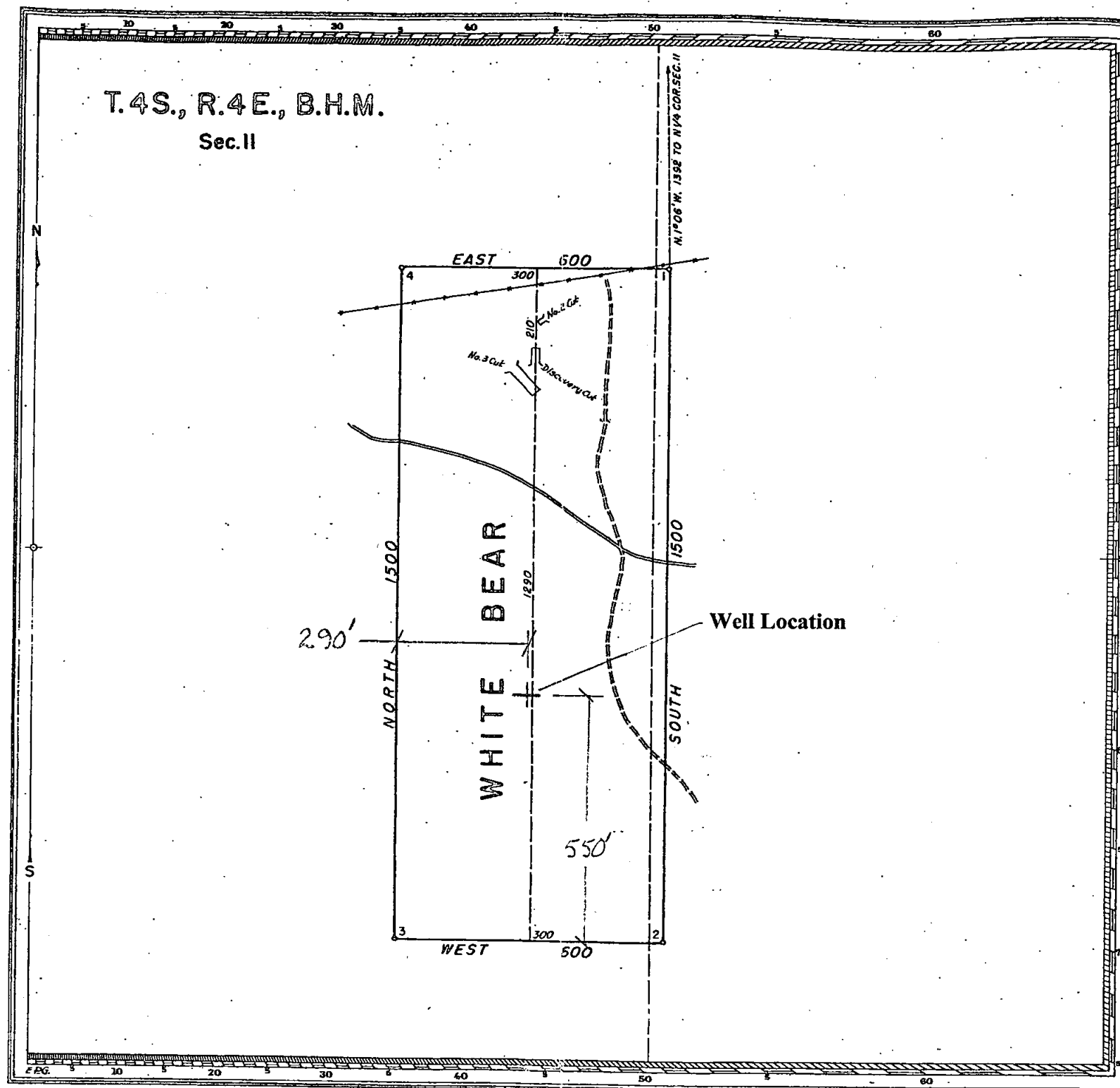
George D. Kruse
President

2/9/06

Blaise Emerson

Blaise En

Community Development Director
City of Custer
2/9/06



MONTANA- 021827 (SD)

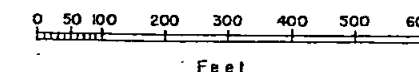
MINERAL SURVEY
No. 2185
SOUTH DAKOTA

DEPT. OF LAND & NATURAL RESOURCES
 LAND OFFICE
 MAR 7 1955
 9:00 a.m. (OMA)

Pacer Corporation
White Bear Mica Plant

Well Location Map

SITUATE IN
Sec. II, T. 4 S., R. 4 E., B. H. M.
CUSTER COUNTY
Unorganized Mining District
Lat. 43°43'N., Long. 103°36'W., at Cor. I



Magnetic Declination 14°00' E., at each Cor.

Surveyed, July 22 to September 29, 1955
By Stein Bongs, Mineral Surveyor

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LANDMANAGEMENT
Division of Engineering

Billings, Montana, December 16, 1955

I hereby certify that this plat of
Mineral Survey No. 2185, South Dakota
is strictly conformable to the field
notes of said survey which have been
examined and approved

Thomas W. Crawford
Office Cadastical Engineer

This Photo Copy is a reduction of the original plat placed with the Custer County Register of Deeds for Recording purposes.

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

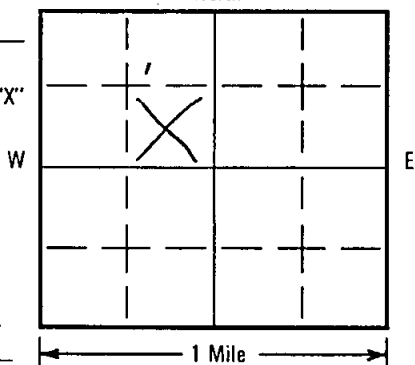
Location SE 1/4 NW 1/4 Sec 11 Twp 4S Rg 4E

County

Custer

North

Please mark well location with an "X"



Well Completion Date

May 25, 2005

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 200 ft. from Sewer (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

RotaryCASING DATA: ☐ Steel ☒ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>sch. 40 LB/FT</u>	<u>6</u> IN	<u>0</u> FT	<u>40</u> FT	<u>8 3/4</u> IN
_____ 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 Cement</u>	<u>6</u>	<u>16</u> lb./gal	<u>0</u> ft	<u>40</u> ft
_____	_____	_____ lb./gal	_____ ft	_____ ft

Describe grouting procedure _____

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 Tablets

Laboratory sent to for water _____ NO, Why Not? _____

quality analysis _____

Well Owner: _____

Business Name: Pacer CorporationAddress: Po box 912Custer, SD 57730

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
<u>Mica Shist</u>	<u>0</u>	<u>255</u>

STATIC WATER LEVEL 40 Feet

If flowing: closed in pressure _____ PSI

GPM flow 15 through _____ inch pipeControlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped Describe: _____☐ Bailed _____☐ Other _____

Pumping Level Below Land Surface

_____ ft. After _____ Hrs. pumped _____ GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

This well was drilled under license # 363

And this report is true and accurate.

Drilling firm Howe Well Drilling

Signature of License Representative:

Erin Wilkins

Signature of Well Owner or Equitable Property Holder:

Date: _____

RECEIVED
MAY 27 2005
WATER DIVISION
SOUTH DAKOTA

May 23, 2005
Dept. of Environment & Natural Resources
Surface Water Quality Program
Joe Foss Building
523 E. Capitol
Pierre, SD 57501

RECEIVED
MAY 24 2005
WATER RIGHTS
PROGRAM

Dear Mr. Ken Beuhler,

I am requesting to drill a test hole for the future sight of Pacer Corporation's Mica Plant. It is located on Hwy 385 South of Custer. The Owner of the property is Pacer Corporation. The Legal Description is: SE ¼ of NW ¼ of Sec. 11 Twp 4S Range 4E. MS 2185

Sincerely,

Charles Howe

Charles Howe
Howe Well Drilling & Excavating, Inc.
PO Box 766
Custer, SD 57730



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

May 25, 2005

Charles Howe
Howe Well Drilling & Excavating, Inc.
PO Box 766
Custer SD 57730

Dear Mr. Howe:

As requested, pursuant to South Dakota Well Construction Standard 74:02:04:21, Hamm Well Drilling is authorized to construct a test hole for the future sight of Pacer Corporation's Mica Plant prior to approval of a water permit. The test well is to be completed into the Precambrian Rock aquifer in the SE¼ NW¼ Sec. 11, T4S-R4E. The test well must be constructed in accordance with the SD Well Construction Standards. Any test holes that are abandoned must be plugged pursuant to the SD Well Construction Standards.

A SD Water Permit must be obtained before water from this well can be used. Approval of this test well does not assure issuance of a water permit. Following review of a Water Permit Application; and assessing the availability of water, the potential impacts to existing users, the beneficial use, and the public interest of a permit, the Chief Engineer will make a recommendation to the Water Management Board regarding the application. The recommendation to approve, deny, or defer the application will be publicly noticed and an opportunity afforded for the public to intervene. A public hearing may be required to consider the water permit.

Very truly yours,

JAMES A. GOODMAN, P.E.
Natural Resources Engineer
for GARLAND ERBELE, Chief Engineer
Water Rights Program
(605) 773-3352



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

February 1, 2006

Pacer Corporation
PO Box 912
Custer SD 57730

Dear Sir:

I am writing in regard to a well driller's report filed by Howe Well Drilling. The report shows a new well was completed on May 25, 2005. Based on the information in the report, you may need a water permit for this water use.

1. According to state law, a water permit is needed for any water use except for reasonable, private domestic use. Examples of commercial uses that require a water rights permit are: truckstops; motels; restaurants; bars; clubs; tourist attractions; campgrounds or any other business operation.
2. Also, as a new well owner, you need to be aware of some of your responsibilities. Enclosed is a copy of "Well Owner Responsibilities". Please review these responsibilities to ensure you are complying with all of the requirements.

Enclosed are application forms and instruction sheet to apply for a water permit. The completed forms with the application fee and map can be returned to: Water Rights Program, 523 E. Capitol, Pierre, SD 57501. Please respond by March 1, 2006.

If you believe your water use does not require a water permit or that you have an existing permit, or if help is needed completing the application forms, please contact Ron Duvall or me at (605) 773-3352. We will be happy to assist you in any way possible.

Sincerely,

Karen Schlaak
Water Rights Program
karen.schlaak@state.sd.us

enclosures

PAYMENT REQUEST

DATE: April 12, 2006

FROM: Dept. of Environment and Natural Resources

PAYEE: Pacer Corporation
% George D Kruse
46 S 6th Street
Custer SD 57730

DESCRIPTION: Refund of \$100.00 over payment

FUNDING SOURCE:

INVOICE:

GENERAL: X

FEDERAL:

AMOUNT: \$100.00

COMMENTS: \$100.00 was refunded because they paid \$200.00 but the fee was \$100.00

I declare and affirm under the penalties of perjury that this claim is in all things, true and correct.
I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulation
issues thereunder relating to nondiscrimination in federally assisted programs.

Claimant

Date

Paula Ell

4/14/06

Authorization

Date

REPORT ON APPLICATION NO. 2579-2

For Pacer Corporation

March 15, 2006

This application proposes to appropriate 0.022 cubic feet of water per second (cfs) from one well completed into the Precambrian Crystalline Rock Aquifer (approximately 255 feet deep) located in the SE ¼ NW ¼ Section 11 T4S R4E. The water is for commercial use in the restroom and kitchen facility at the White Bear Mica Plant.

AQUIFER – PRECAMBRIAN CRYSTALLINE ROCK AQUIFER (CRSL)

The Precambrian rocks consist primarily of mica schist or phyllite, quartzite, amphibolite, meta-iron formations and graphitic schist. The Precambrian aquifer is not continuous and ground water conditions are controlled mainly by secondary permeability caused by fracturing and weathering (Carter, 2003). The aquifer is under unconfined conditions and the aquifer's water table is expected to be about the same elevation as local streams. According to a water well completion report filed with this application the static water level of the well constructed at this site was reported to be 40 feet below grade. The well completion report also indicates that the well is completed in accordance with SD Well Construction Standards. Recharge to the crystalline rock occurs through infiltration of precipitation and streamflow losses. Average annual recharge to the aquifer has not been quantified.

The Water Rights Program monitors an observation well (CU-86A) located near Custer approximately 4 miles north of this location. The hydrograph shows that the water levels in the aquifer fluctuate in response to climatic conditions, that is, rising water levels during wet years (recharge) and gradually declining water levels during dry years. In general, the observation well record indicates that the aquifer is capable of sustaining additional withdrawals (Water Rights, 2006). A hydrograph for this observation well is included in this report and labeled as Figures 1.

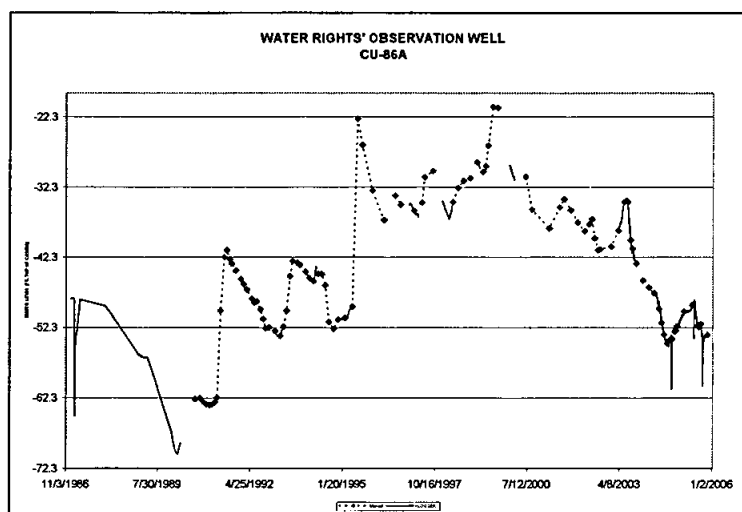


Figure 1. Hydrograph of observation well CU-86A.

REVIEW OF EXISTING WATER PERMITS/RIGHTS

There are several existing Water Rights appropriating ground water within a two mile radius of this application. A list of the permits is included with this report labeled as Table 1. The nearest water right/permit from the Precambrian aquifer is approximately ½ mile to the north. This well is for Water Right No. 2079A-2 (0.06 cfs for commercial). Interference is not expected to be a problem.

Table 1. Table identifying permits within a two mile radius of the application.

PERMIT NO	LAST NAME	AQUIFER	USE	CFS
2060-2	WITTROCK	CRSL	COM	0.033
2079A-2	SEADO	CRSL	COM	0.06
2243-2	CUSTER COUNTY AIRPORT	CRSL	COM	0.015
2264-2	SD DEPT OF CORRECTIONS	CRSL	INS	0.18
2332-2	FIRST BAPTIST CHURCH	CRSL	INS	0.022

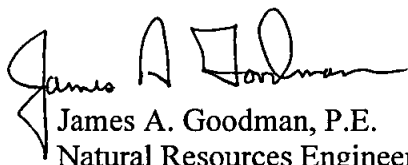
CONCLUSIONS

1. The Precambrian aquifer is a viable groundwater source and water is available for this appropriation.
2. The aquifer is under unconfined conditions at this site. The well completion report filed with this application indicates a static water level of 40 feet. The pumping rate is small and interference should not be a concern.
3. The well authorized for this application is completed in accordance with SD Well Construction Standards.



Aaron R. Tieman
Natural Resources Engineer

Approved by



James A. Goodman, P.E.
Natural Resources Engineering Director

BIBLIOGRAPHY

Carter, J., Driscoll, D., Sawyer, J., 2003, Ground Water Resources in the Black Hills Area, South Dakota, U.S. Geological Survey Water-Resources Investigations Report 03-4049, Rapid City, SD, 57701.

Water Right, 2006, Unpublished Observation Well Data, SD DENR, DES, Water Rights Program, Pierre, SD, 57501.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

PMB 2020
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. 2579-2, Pacer Corporation**

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. 2579-2, Pacer Corporation, c/o George D. Kruse, 35 South 6th Street, Custer SD 57730.

The Chief Engineer is recommending APPROVAL of Application No. 2579-2 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 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.

See report on application for additional information.

Garland Erbele, Chief Engineer
March 16, 2006

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

Pacer Corporation

Notice of Application

2579-2

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:

Mar. 22, 2006; Mar. 29, 2006;

_____, _____; _____, _____;

_____, _____; _____, _____;

_____, _____; _____, _____;

the full amount of the fees for the publication of the annexed notice is \$ 40.93.

Chuck W. Najacht

Subscribed and sworn to me before this 29

of March, 2006;

Norma Najacht

NOTARY PUBLIC

MY COMMISSION EXPIRES: May 5, 2006

OK

NOTICE OF APPLICATION

NO. 2579-2

TO APPROPRIATE WATER

Notice is given that Pacer Corporation, 35 S. 6th St., Custer, SD 57730 has filed an application for a water permit to appropriate 0.022 cubic feet of water per second from one well completed into the Precambrian Crystalline Rock Aquifer (255 feet deep) located in the SE 1/4 NW 1/4 Section 11-T4S-R4E. The water is for use in the rest-room and kitchen facility at the White Bear Mica Plant.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application of 2579-2 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 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 April 10, 2006.

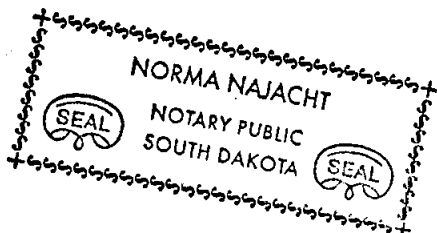
The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.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

Steven M. Pimer

Secretary

Department of Environment and Natural Resources

#85, 3/22, 3/29



RECEIVED
MAR 31 2006
WATER RIGHTS
PROGRAM



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

March 16, 2006

Custer County Chronicle
PO Box 551
Custer SD 57730-0551

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 2579-2 to Appropriate Water to be published twice. Please publish the first notice on March 22, 2006 with the second publication 7 days later. The text of the notice can be e-mailed to your paper by contacting Karen Schlaak at (605) 773-3352.

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 Pacer Corporation, 35 S 6th Street, Custer SD (Ph # 605-673-4419).

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,

for 
Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

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

No. 2579-2

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

Date _____

We are in receipt of your letter of March 16, 2006 enclosing Notice to Appropriate Water by Application No. 2579-2 which was first published in our issue of _____. ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.

Name

Newspaper



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

PMB 2020
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.

March 16, 2006

George Kruse
Pacer Corporation
35 S 6th Street
Custer SD 57730

Dear Mr. Kruse:

Water Permit Application No. 2579-2 for commercial use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Publisher of the Custer County Chronicle printed at Custer, SD (Ph # 605-673-2217). 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 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. 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,

for 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.

Instruction to Newspaper - Publish first Notice on March 22, 2006 with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 2579-2 to Appropriate Water

Notice is given that Pacer Corporation, 35 S 6th St, Custer SD 57730 has filed an application for a water permit to appropriate 0.022 cubic feet of water per second from one well completed into the Precambrian Crystalline Rock Aquifer (255 feet deep) located in the SE ¼ NW ¼ Section 11-T4S-R4E. The water is for use in the restroom and kitchen facility at the White Bear Mica Plant.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2579-2 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 April 10, 2006.

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.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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APR 17 2006

Pacer Corporation
c/o George D Kruse
35 S 6th St
Custer SD 57730

Dear Mr. Kruse:

Enclosed is Water Permit No. 2579-2 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

At the time of application, a \$200 application/license filing fee was submitted (receipt enclosed). The correct filing fee for this permit is \$100. Therefore, \$100 will be refunded to you. You should be receiving this refund within the next couple of weeks.

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

Report of Examination of Works and/or Application of Water to Beneficial Use For Permit No. 2579-2

I have this day, Jan 13, 2016, made a thorough examination of the water use system constructed by Pacer Corporation, 245 Mount Rushmore Rd, Custer SD of Permit No. 2579-2, bearing the priority of 2/13/06 authorizing the diversion of .02 cu. ft. per second of the water from 1 well for commercial purposes, in Custer County.

Inspection contact & relationship to permit holder, if applicable: **Pat Zeimet, Plant Manager**
P.O. Box 912, Custer S.D., 57730

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: Howe Well Drilling
- 2) No. of Wells 1
- 3) Depth(s) 255 feet
- 4) Well log is available Yes

Casing:

- 1) Diameter 6" inches
- 2) Length 40 feet
- 3) Type PVC

Screen:

- 1) Type N/A
- 2) Length N/A feet
- 3) Static water level 40 feet

Pump:

- 1) Make Gould
- 2) Model only Make and Hp known - pump is most likely a 10GS07
- 3) Size 4"
- 4) Capacity 10 GPM
- 5) Horsepower rating 3/4 hp

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

- 1) Type Plastic
- 2) Size 1 1/4 inches
- 3) Length 150 feet

C. Works used to apply water to beneficial use:

The water is only used for the restroom and break room at the plant.

D. Compliance with Permit Requirements:

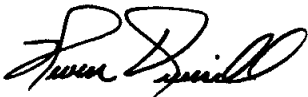
- 1) Permit qualifications being abided by Yes
- 2) Exceptions to compliance are: none

E. Condition and Location:

1. The system is in good condition with the point of diversion located as follows: SE ¼ NW ¼ S 11, T4S, R4E (2,388 ft. east and 2,273 ft. south of the NW corner), N 43.717669° W 103.60909°
2. The works are capable of diverting and conveying to the place of use .02 cu. ft. per second (10 gpm) of water which is to be used for **commercial use** and the license should be issued for **.02 cfs**.
3. All structures, wells and lands on map - **Yes**

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

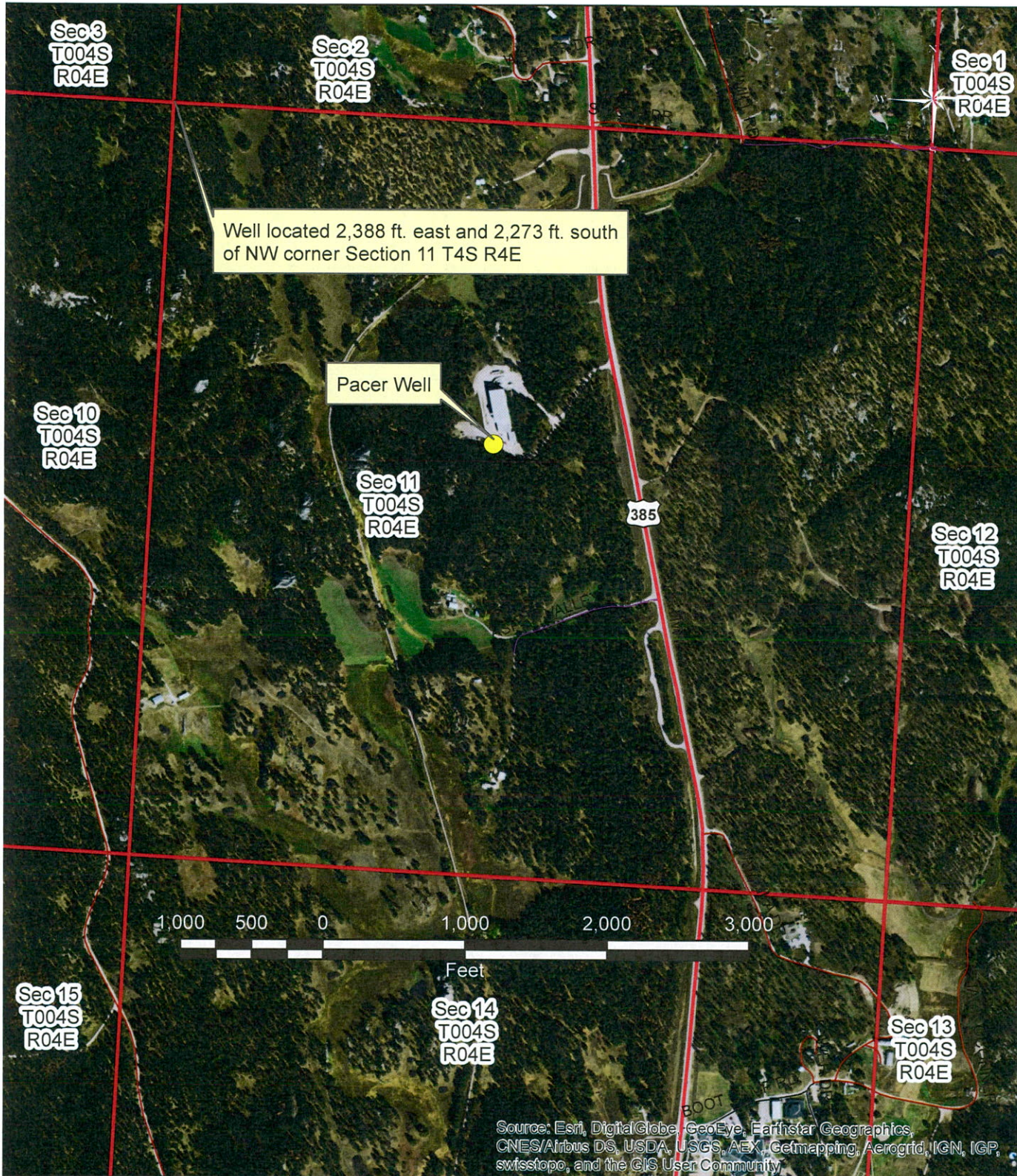
None



Steven Quissell
Water Rights Inspector
DENR, Water Rights Program

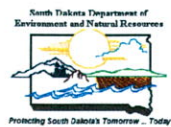
Date report completed: 1/13/16

Pacer Corporation
1/13/2016



Steven Quissell

Steven Quissell
Water Rights Inspector
ENR Water Rights Program





DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3182
<http://denr.sd.gov>

JAN 29 2016

2579-2

Pat Ziemet, Plant Manager
Pacer Corporation
PO Box 912
Custer SD 57730

Dear Mr. Ziemet:

Enclosed is Water License No. 2579-2. This is the final water right document completing the process of obtaining a Water Right. Included with the 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. 2579-2, 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,

Jeanne Goodman, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

STATE OF SOUTH DAKOTA

WATER LICENSE NO. 2579-2

(1) Pacer Corporation, PO Box 912, Custer SD 57730 made Application No. 2579-2, February 13, 2006 for a water permit to divert 0.022 cubic feet of water per second from ground water , one well (Precambrian Crystalline Rock), Custer County, South Dakota for commercial purposes. Permit No. 2579-2, with a priority date of February 13, 2006 was approved April 10, 2006 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before April 10, 2011 and for the application to beneficial use of said water on or before April 10, 2015.

(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 0.022 cubic feet of water per second for beneficial use.

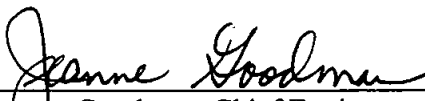
The location of the diversion point is 2,388 feet east and 2,273 feet south of the NW corner Section 11, T4S, R4E (SE ¼ NW ¼)

(3) The permit holder has complied with the provisions of South Dakota State Law relating to the application of water to beneficial use supplying water to restroom and kitchen facilities at the White Bear Mica Plant.

(4) Pursuant to South Dakota Water Law 46-5-30.1 Pacer Corporation, PO Box 912, Custer SD 57730 the holder and/or owner of Water Right No. 2579-2 is issued a license to appropriate water, the right to use 0.022 cubic feet of water per second from ground water, one well (Precambrian Crystalline Rock Aquifer) with a priority date of February 13, 2006 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. 2579-2 and subject to the following qualifications:

- 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.



Jeanne Goodman, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

JAN 29 2016

date

