

WATER PERMIT NO. 2752A-2

Name of Applicant: **Southern Black Hills Water System**

Address: **26858 Hwy 385, Hot Springs SD 57747**

Phone: **605 745-4669**

Amount of Water Claimed: **no add'l**

Total Acres: **NA**

Source of Water Supply: **groundwater (3 wells)**

Water to be used for: **rural water system**

County: **Custer**

Type of Waste Disposal System:

Location: **1/2 northwest of Hermosa**

PRIORITY Date Received: **2-5-21**

Application/License Fee: **\$ 100**

Corrected Application Received: **-**

Period of Annual Use: **Jan 1 – Dec 31**

Remarks: **Extension of time**

Diversion Point: **SE 1/4 NE 1/4 Sec 30-T2S-R8E**

Land to be Irrigated: **NA**

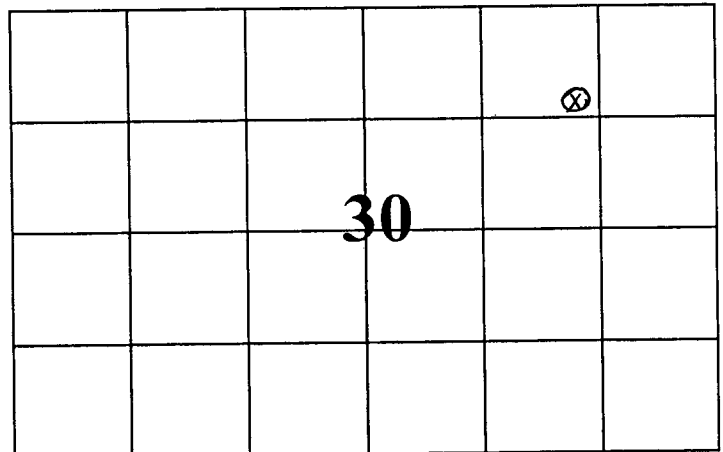
Depth of Well: **500 feet**

Well Driller:

Remarks:

Type of Map:

Prepared by:



Reviewed and the Number Assigned on:

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____

**SOUTH DAKOTA
WATER PERMIT NO. 2752A-2**

Date of first receipt of application February 5, 2021.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2752A-2 to Southern Black Hills Water System, c/o Don Peterson, Manager, 26858 Hwy 385, Hot Springs SD 57747 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. 2752A-2 amends Water Permit No. 2752-2 to extend the length of time to complete construction of works to divert water. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually at a maximum diversion rate of 0.33 cubic feet of water per second from three wells to be completed into the Inyan Kara Aquifer (500 feet deep) in the SE 1/4 NE 1/4 Section 30-T2S-R8E for rural water system use serving users in Pennington and Custer Counties. This site is located approximately 1/2 mile northwest of Hermosa.
2. The water appropriated shall be used for the purpose of rural water system use 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. 2752A-2 is April 19, 2021.
5. The date from which applicant may claim right is April 25, 2016 (established by Permit No. 2752-2).
6. All construction is to be completed on or before November 30, 2022.
7. Water is to be put to beneficial use on or before July 11, 2025.
8. 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 wells approved under Water Permit Nos. 2752-2 and 2752A-2 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. Water Permit Nos. 2752-2 and 2752A-2 are limited to an annual diversion of 170 acre-feet of water from the Inyan Kara aquifer.
3. Southern Black Hills Water System shall report to the Chief Engineer annually the amount of water withdrawn from the Inyan Kara aquifer.

WATER MANAGEMENT BOARD

By: Eric Gronlund
Eric Gronlund, Chief Engineer
Water Rights Program
Department of Agriculture and Natural Resources

MAY 17 2021
date



PAID
FEB 5 2021
Ck# 98401

Mail to: DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>2752A-2</u> (office use only) Hydrologic Unit <u>10120109</u>
	Basin <u>Upper Cheyenne</u>
	Newspaper <u>Custer County Chronicle</u>
	<u>Rapid City Journal</u>

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

Check use(s) of water:

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

Type of Application:
(check one)

☐ New	☐ Vested Right (Use predates Mar 2, 1955)	☐ Future Use Reservation
☐ Place to Beneficial Use Water Reserved by Future Use Permit No. _____		
☒ Amendment/Correction to Permit No. <u>2752-2</u>		

Description of amendment/correction: (i.e. change diversion point(s), add diversion point(s), change use, etc.)
Construction period pursuant to SDCL §46-5-26.

1. Name to Appear on Water Permit Southern Black Hills Water System

Mailing Address 26858 Highway 385 Hot Springs SD 57747
(Address) (City) (State) (Zip Code)
Phone 605-745-4669 Mobile _____ Email sbh@goldenwest.net

2. Amount of water claimed no add't *CFS or 5 **GPM and 5 ***AF or _____ Gallons
Flow rate and volume are both required. (*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use)

3. Source of water supply groundwater

4. Location of point of diversion SE1/4 NE1/4 Sec. 30 Twp 26 R8E County Custer
(example - 3 wells in SW1/4 NE1/4 section 12-T104N-R33W)

If not a public water supply (e.g. municipal), will water be used outside of the area described above? ☒ Yes ☐ No

If "Yes," where will water be used? Rural Residents in Custer, Pennington Counties
(example - NW1/4 section 12-T104N-R33W)

5. County or counties where water will be used Custer, Pennington

6. Annual period during which water is to be used January 1 to December 31

7. 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)
See attached sheet.

Extension of time request to November 30, 2022

I, Don L Peterson Manager, the applicant, certify under
Name of Person Title (if applicable)
penalty of perjury that I have read this application, examined the attached map, and that the matters stated are true. I further certify, if acting on behalf of an entity or individual other than myself, that I am authorized to submit this application.

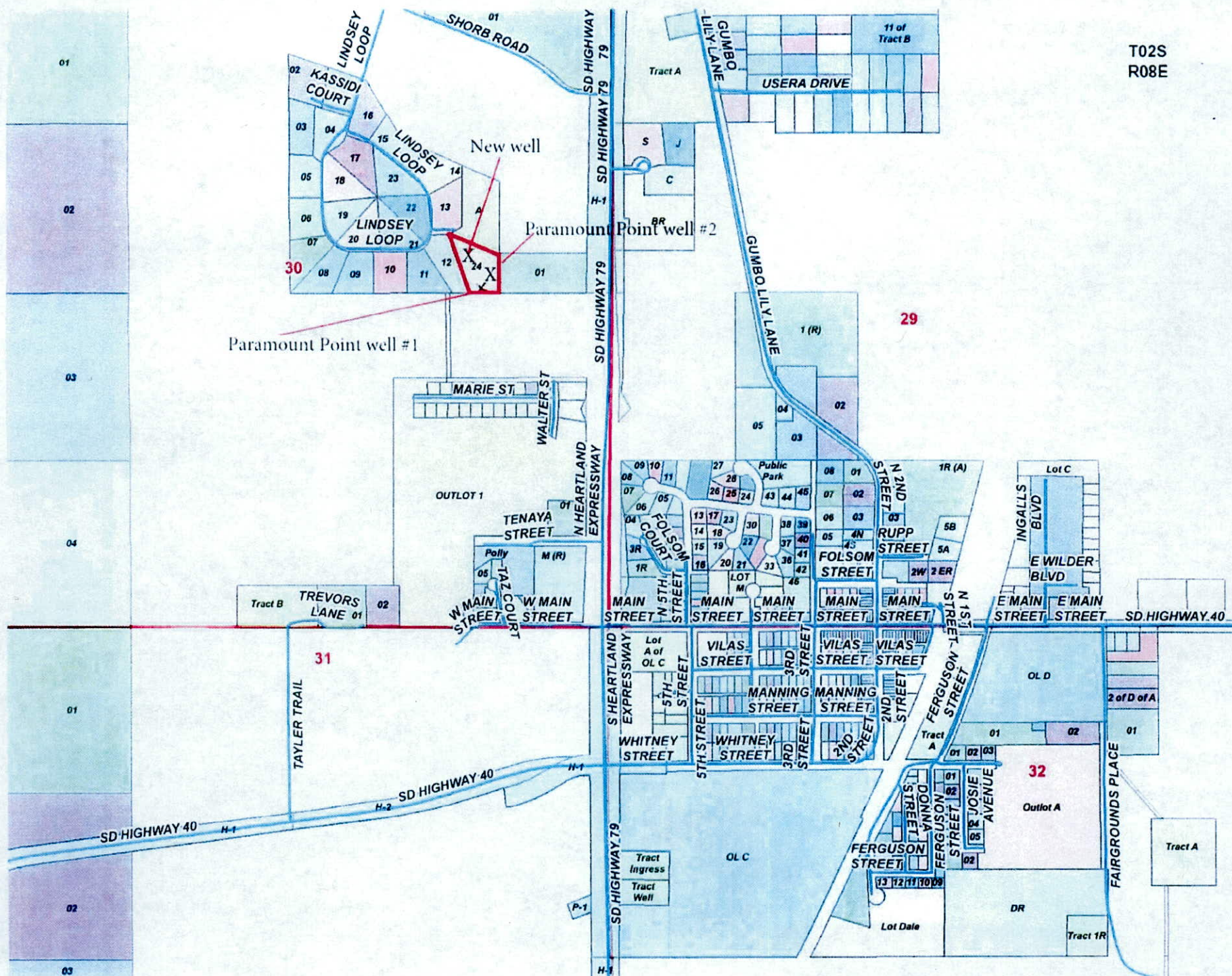
2015-10

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

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This is a request pursuant to SDCL § 46-5-26 to extend the construction period for Permit #2752-2. Southern Black Hills Water has diligently pursued construction of the authorized appropriation under this permit. However, due to engineering and other circumstances out of its control, Southern Black Hills Water may not have the fully appropriated amount put to beneficial use by the completion of the construction date currently required, July 11, 2021. Southern Black Hills Water was recently (November 25, 2020) authorized to construct a third diversion point under this Permit. The need to add an additional point of diversion to appropriate all permitted water was unexpected, and delayed completing construction on the project. Additionally, the COVID-19 pandemic delayed responsible planning and contracting, which must occur prior to construction. Currently the construction on the new well is scheduled to begin in May of 2021 and be completed by November 2021. Due to unknown contingencies caused by the COVID-19 pandemic, Southern Black Hills is requesting the construction period under Permit #2752-2 be extended to November 30, 2022. This should eliminate the need to return to the Water Management Board for an additional extension of the construction period.

T02S
R08E



RECEIPT

WATER RIGHTS PROGRAM South Dakota Department of Environment and Natural Resources

Date February 5, 2021

RECEIVED OF Gunderson Palmer Nelson & Ashmore LLP PO Box 8045 Rapid City SD 57709

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

Fee for Application for Permit No. <u>2752-2^A</u> to Appropriate Water, to construct and to put water to beneficial use	\$100.00
Fee for Application for Permit No. _____ to Appropriate Water for Future use	\$
Fee to retain Future Use Permit No. _____ after period of seven years.	\$
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____	\$
Fee for Filing Transfer Form _____	\$
Fee for _____	\$
Fee for Issuing New Well Driller's License No. _____	\$
Fee for Renewal of Well Driller's License No. _____	\$
Fee for Issuing Well Pump Installer's License No. _____	\$
Fee for Renewal of Well Pump Installer's License No. _____	\$
(Any Other Work Provided by Law)	
TOTAL	\$100.00

By *Eric Gronlund*
Chief Engineer
vm



DENR
SOUTH DAKOTA

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

November 25, 2020

Matthew E. Naasz
Southern Black Hills Water System, Inc.
26858 Hwy 385
Hot Springs, SD 57747

Dear Mr. Naasz,

I am writing in regard to the request submitted by Southern Black Hills Water System, Inc. for an additional well to what is currently authorized by Water Permit No. 2752-2.

Water Permit No. 2752-2 authorizes the appropriation of 170 acre-feet of water annually at a maximum instantaneous diversion rate of 0.33 cubic feet per second (cfs) from two wells (500 and 600 feet deep) located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30-T2S-R8E and completed into the Inyan Kara aquifer for rural water system use. It was noted this request for a third well will allow Southern Black Hills Water System, Inc. to place the full amount of appropriated water authorized by Water Permit No. 2752-2 to beneficial use.

Upon review of the request and pursuant to SDCL 46-5-13.1, the additional well to be located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30-T2S-R8E and completed into the Inyan Kara aquifer, is authorized without application or publication of a notice of hearing pursuant to SDCL 46-2A-4. No increase in the authorized diversion rate of 0.33 cfs from the three wells is authorized. If the total diversion rate increases, a new water right permit will need to be obtained.

Under Water Permit No. 2752-2, the construction of works deadline is on or before July 11, 2021.

If you have any questions, please contact me at (605) 773-3352.

Sincerely,

Eric Gronlund, Chief Engineer
Water Rights Program



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FEB 03 2021

WATER RIGHTS
PROGRAM

506 Sixth Street
Post Office Box 8045
Rapid City, South Dakota 57709
Main: (605) 342-1078
Fax: (605) 342-9503

www.gpna.com

Matthew E. Naasz
Email: mnaasz@gpna.com
Direct Dial: (605) 719-3424

January 27, 2021

VIA US MAIL AND EMAIL

Ron Duvall
Water Rights Program
South Dakota Department of Environment and Natural Resources
523 East Capitol Ave.
Pierre, SD 57501

Re: Southern Black Hills Water System, Inc.'s Application for Amendment for Permit #2752-2

Dear Mr. Duvall:

Enclosed please find the application of Southern Black Hills Water System, Inc. for an extension of the construction period for Permit #2752-2 pursuant to SDCL § 46-5-26. Southern Black Hills seeks an extension of the construction period to place the full amount of appropriated water to beneficial use. The current construction period requires completion by July 11, 2021. Southern Black Hills is requesting that construction period be extended until November 30, 2022.

As you can see from the application, the extended construction period is required because Southern Black Hills needed to add a third point of diversion in order to obtain the full amount of appropriated water. At the time of the initial application, Southern Black Hills was not aware that it would be required to construct three (3) wells to fully utilize the appropriated amount. Additionally, the COVID-19 pandemic delayed planning and engineering which delayed project completion.

Currently the construction schedule is to begin construction of the third well in May of 2021 and complete construction of the third well by November of 2021. However, as you know, scheduling is a delicate task given the COVID-19 pandemic. Therefore, Southern Black Hills is requesting the construction period be extended through November 30, 2022. Extension of the construction period through November of 2022 would reduce the likelihood that Southern Black Hills be forced to seek an additional extension of the construction period should the COVID-19 pandemic further delay construction.

Offices in Rapid City and Pierre, South Dakota

Attorneys licensed to practice in South Dakota, North Dakota, Nebraska, Wyoming, and Montana

Southern Black Hills Water System, Inc. greatly appreciates the assistance provided by the South Dakota Water Rights Program. If there are any questions regarding this application, please contact myself or Don Peterson with Southern Black Hills Water.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Naasz', with a stylized flourish at the end.

Matthew E. Naasz

MEN:eah

cc: Don Peterson, Southern Black Hills Water System



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FEB 05 2021

WATER RIGHTS
PROGRAM

506 Sixth Street
Post Office Box 8045
Rapid City, South Dakota 57709
Main: (605) 342-1078
Fax: (605) 342-9503

www.gpna.com

February 3, 2021

Matthew E. Naasz
Email: mnaasz@gpna.com
Direct Dial: (605) 719-3424

Ms. Karen Schlaak
Water Rights Program
South Dakota Department of Environment and Natural Resources
523 East Capitol Ave.
Pierre, SD 57501

Re: SBHWS - Water Permit Applications 2752-2 & 2377-2
GPNA File No. 07653.0008

Dear Ms. Schlaak:

Attached are the signed applications to amend water permits number 2752-2 and 2377-2. Also included are two checks from this firm in the amount of \$100 each for the application fees.

If you have any questions, please do not hesitate to contact me. As always I appreciate your help with this.

Sincerely,

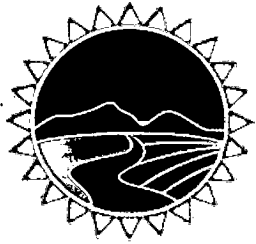
A handwritten signature in black ink, appearing to read 'M. Naasz', with a stylized flourish at the end.

Matthew E. Naasz

MEN:aa
cc: client via email
Enclosures

Offices in Rapid City and Pierre, South Dakota

Attorneys licensed to practice in South Dakota, North Dakota, Nebraska, Wyoming, and Montana



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**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 2752A-2, Southern Black Hills Water System**

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. 2752A-2, Southern Black Hills Water System, c/o Don Peterson, Manager, 26858 SD Hwy 385, Hot Springs SD 57747.

The Chief Engineer is recommending APPROVAL of Application No. 2752A-2 because 1) the proposed diversion can be developed without unlawful impairment of existing rights, 2) the proposed use is a beneficial use and 3) it is in the public interest with the following qualifications:

1. The wells approved under Water Permit Nos. 2752-2 and 2752A-2 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. Water Permit Nos. 2752-2 and 2752A-2 are limited to an annual diversion of 170 acre-feet of water from the Inyan Kara aquifer.
3. Southern Black Hills Water System shall report to the Chief Engineer annually the amount of water withdrawn from the Inyan Kara aquifer.

See report on application for additional information.

Eric Gronlund, Chief Engineer
March 25, 2021

REPORT ON WATER PERMIT APPLICATION NO. 2752A-2
SOUTHERN BLACK HILLS WATER SYSTEM INC.
MARCH 24, 2021

Water Permit Application No. 2752A-2 proposes to amend Water Permit No. 2752-2 to extend the length of time to complete construction of the works to divert water. The need to add a third diversion point to appropriate all permitted water was unexpected and unknown contingences caused by the Covid-19 pandemic delayed completing construction of this project. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually (ac-ft/yr) at a diversion rate of 0.33 cubic feet per second (cfs) for rural water system users in Pennington and Custer Counties. Water is to be withdrawn from the Inyan Kara aquifer by three wells, approximately 500 feet deep, to be completed in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 30-T2S-R8E. The site is approximately 0.5 miles northwest of Hermosa, SD, in Pennington County.

Water Permit No. 2752-2 was initially issued having a priority date of April 25, 2016, with the construction for a single well to be completed July 11, 2021. To supply the total 0.33 cfs diversion rate, an additional well was authorized February 19, 2019, to be constructed approximately 30 feet northeast of the original well. To place the full amount of appropriated water authorized by Water Permit No. 2752-2 to beneficial use, a third well was authorized on November 25, 2020, to be constructed approximately 250 feet northwest of the existing two wells. The construction for this well was also to be completed before, July 11, 2021. Water Permit Application No. 2752A-2, if approved, will extend the date to complete construction from July 11, 2021, to November 30, 2021. No increase in the diversion rate is requested by this application. This application, if approved, will retain the April 25, 2016, priority date assigned to Water Permit No. 2752-2.

Pursuant to South Dakota Codified Law (SDCL) 46-5-26 a permit may be amended to extend the construction period, "but only on account of delays due to physical or engineering difficulties which could not have been reasonably anticipated, due to operation of law beyond the power of the applicant to avoid, or due to other exigent circumstances identified by the Water Management Board." In reviewing the application, SDCL 46-2A-12 and 46-5-30.4 provide guidance regarding the extent of review. SDCL 46-2A-12 provides for amendment of a permit or license "only if the change does not unlawfully impair existing rights and is for beneficial use and in the public interest. SDCL 46-5-30.4 provides that an amendment may not increase the rate of diversion or increase the volume of water to be appropriated under the original water permit and the amendment may not impair existing rights.

AQUIFER: Inyan Kara (INKR)

Aquifer Characteristics

The Inyan Kara Group consists of the Lakota Formation and overlying Fall River Formation. The Lakota Formation consists of yellow, brown, and reddish-brown massive to thinly bedded sandstone, pebble conglomerate, siltstone, and claystone; locally there are lenses of limestone and coal. The Fall River Formation is a brown to reddish-brown, fine-grained sandstone, thin bedded at the top and massive at the bottom (Driscoll, et al., 2002). For the purpose of appropriations, the Water Management Board and the SD DENR-Water Rights Program consider the Inyan Kara Group as one aquifer.

The well completion report for Water Permit No. 2752-2 specifies 460 feet of shale overlying the water bearing sandstone of the Fall River Formation. A static water level measured at 125 feet below the top of casing indicates that the Inyan Kara aquifer is under confined conditions, with 335 feet of artesian head pressure, near the location of the proposed third well (Water Rights, 2021a). There are also several domestic wells, on file with the SD DENR-Water Rights Program, in the vicinity of this application with similar well completion reports which further indicate confined conditions for the Inyan Kara aquifer (Water Rights, 2021b).

OBSERVATION WELL DATA

The DENR-Water Rights Program monitors 9 observation wells completed into the Inyan Kara aquifer (Water Rights, 2021c). The hydrographs created from observation wells illustrate how the aquifer reacts to regional climatic conditions and local pumping. Figure 1 contains the hydrographs Observation well CU-83B, approximately 2.1 miles west, and CU-83C, approximately 4.7 miles south, of the location of Water Permit Application No. 2752A-2. They indicate that the aquifer responds well to climatic conditions with rising water levels during wet periods and declining water levels during drier periods. They also demonstrate that any drawdowns from pumping are temporary because the water levels seasonally recover. This recovery indicates that climatic conditions (the natural effects of recharge to and discharge from the aquifer) govern the long-term fluctuations in water level of aquifer rather than the impacts of pumping. However, observation well CU-83B has dropped from its highest recorded historical level, in 2018, to its current level which is its lowest historical level since measurements have been collected for this well. It should be noted that this observation well has been relatively stable over the period of record. The swings in water level may be attributed to the effects of pumping from Water Permit Nos. 2752-2 and 2799-2. It is possible that observation well CU-83B is in the process of stabilizing again due to this recent development. Observation well CU-83C has been experiencing a downward trend since 2007 however, it appears to be stabilizing.

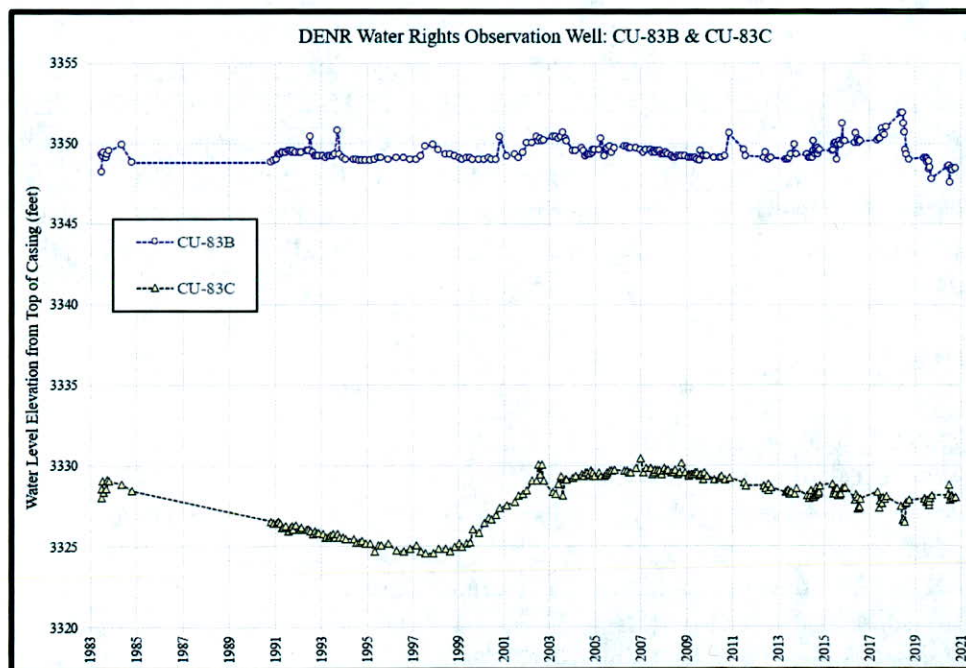


Figure 2: Hydrographs for observation well CU-83B and CU-83C. These wells are located approximately 2.1 miles southwest and 4.7 miles south, respectively, from Water Permit Application No. 2752A-2 (Water Rights, 2021c).

POTENTIAL FOR UNLAWFUL IMPAIRMENT OF EXISTING WATER RIGHTS

Currently, there are 203 water rights/permits, 1 future use permit, and 1 application held in abeyance, appropriating water from the Inyan Kara aquifer (Water Rights, 2021a). There are several domestic wells on file with the SD DENR-Water Rights Program, which appear to be completed into the Inyan Kara aquifer within the area of the proposed application. (Water Rights, 2020b). However, the permitted diversion rate and annual appropriation authorized by Water Permit No. 2752-2 will not be increased by this application. Therefore, there should not be any increase in the likelihood of impairing existing rights. The expectation for no unlawful impairment from pumping is further supported because there are no complaints on file with SD DENR-Water Rights Program regarding well interference due to pumping by Water Permit No. 2752-2 or in the vicinity of the proposed application (Water Rights, 2021d).

CONCLUSIONS

1. Water Permit Application No. 2752A-2 proposes to extend the construction period for Water Permit No. 2752-2 from July 11, 2021, to November 30, 2021. The request for the time extension is due to the unexpected necessity of adding a third diversion point to appropriate all permitted water and unknown contingences caused by the Covid-19 pandemic may delay completing construction of this project.
2. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually at a diversion rate of 0.33 cubic feet per second for rural water system users in Pennington and Custer Counties.
3. Water Permit No. 2752-2 was initially issued authorizing the construction of one well. Two additional wells have subsequently been authorized administratively without public notice.
4. There is no increase in diversion rate or volume of water to be authorized by this application. Consequently, there is no expected unlawful impairment of existing water rights as specified in SDCL 46-5-30.4.
5. This permit will retain the priority date and qualifications from Water Permit No. 2752-2.



Blaise M. Hansen
SD DENR – Water Rights Program

REFERENCES

Driscoll, D.G., Carter, J.M., Putnam, L. D., Williamson, J. E., 2002, *Hydrology of the Black Hills Area, South Dakota*. U.S. Geological Survey Water-Resources Investigations Report 02-4094.

Water Rights. 2021a. *Water Right/Permit Files*. SD DENR-Water Rights Program. Joe Foss Building, Pierre, South Dakota.

Water Rights. 2021b. *Well Completion Report Files*. SD DENR-Water Rights Program. Joe Foss Building, Pierre, South Dakota.

Water Rights. 2021c. *Observation Well Database*. SD DENR-Water Rights Program. Joe Foss Building, Pierre, South Dakota.

Water Rights. 2021d. *Pennington County Files*. SD DENR-Water Rights Program, Joe Foss Building, Pierre, South Dakota.

*** Proof of Publication ***

STATE OF SOUTH DAKOTA)

County of Pennington)

SS:

SOUTHERN BLACK HILLS WATER SYSTEM

Don Peterson

26858 HWY. 385

HOT SPRINGS SD 57747

ORDER NUMBER 27747

The undersigned, being duly sworn, upon his/her oath says: That he/she is now and was at all time hereinafter mentioned, a clerk of the RAPID CITY JOURNAL, a corporation of Rapid City, South Dakota, a legal and daily newspaper printed and published in Rapid City, in said County of Pennington, and has full and personal knowledge of all the facts herein stated as follows: that said newspaper is and at all of the times herein mentioned has been a legal and daily newspaper with a bonafide paid circulation of at least Two Hundred copies daily, and has been printed and published for at least one year prior to the first date of the published notice.

This affidavit is a true and corrected copy of notice which appeared

in said newspaper once each day for one
successive day, the first publication there of being on the
7th day of April, 2021

Lacy Broesler

Section: Legal

Category: 0084 Water Permits

PUBLISHED ON: 04/07/2021

TOTAL AD COST: 83.40

FILED ON: 4/7/2021

Subscribed and sworn to before me this

7th day of April, 2021

Sheri Spender Notary Public

My commission expires

November 21, 2025



April 7 127747

NOTICE OF APPLICATION
NOS. 2752A-2 and 2377A-2
Notice is given that Southern Black Hills Water System, c/o Don Peterson, Manager, 26858 Hwy 385, Hot Springs SD 57747 has filed the following applications for a water permit.

Application No. 2752A-2 proposes to amend Water Permit No. 2752-2 to extend the length of time to complete construction of works to divert water. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually at a maximum diversion rate of 0.33 cubic feet of water per second (cfs) from three wells to be completed into the Inyan Kara Aquifer (500 feet deep) in the SE 1/4 NE 1/4 Section 30-T2S-R8E for rural water system use serving users in Pennington and Custer Counties. This site is located approximately 1/2 mile northwest of Hermosa.

Water Permit No. 2752-2 was approved July 11, 2016, with construction of works to be completed by July 11, 2021, with water being put to beneficial use by July 11, 2025. Application No. 2752A-2 requests to extend the length of time allowed for construction of works (Well No. 3) from July 11, 2021 to November 30, 2022. Application No. 2752A-2, if approved, will retain the April 25, 2018 priority date assigned to Permit No. 2752-2.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for application to beneficial use due to delays caused by

engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. The permit holder is requesting an extension of time due to the unexpected need for a third well and construction delays caused by the COVID-19 pandemic.

Application No. 2377A-2 proposes to amend Water Right No. 2377-2 to include rural water system use. Water Right No. 2377-2 appropriates 0.333 cfs from two wells (main well and backup well) completed into the Madison Aquifer for suburban housing development and commercial use. The main well is located in the NE 1/4 NE 1/4 Section 20 and the backup well in the NE 1/4 SW 1/4 Section 17; both in T2S-R7E. This application proposes the addition of rural water system use to the water right. Application No. 2377A-2, if approved, will retain the October 11, 1996 priority date assigned to Permit No. 2377-2. No additional water appropriation is requested with this application. This site is located approximately 6 miles southeast of Keystone SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application Nos. 2752A-3 and 2377A-3 with qualifications because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. The Chief Engineer's recommendation with qualifications, the applications, and staff reports are available at <http://denr.sd.gov/public> or contact Ron Duval for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting the applications or recommendations must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendations. 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 19, 2021.

The petition may be informal but must include a statement describing the petitioner's interest in the applications, the petitioner's reasons for opposing or supporting the applications, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

If the applicant does not contest the recommendations of the Chief Engineer and no petition to oppose the applications is received, the Chief Engineer shall act on the applications pursuant to the recommendations with no hearing held before the Water Management Board. If a petition opposing the applications or contesting the recommendations is filed, then a hearing will be scheduled, and the Water Management Board will consider the applications. Notice of the hearing will be given to the applicant and any person filing a petition.

(Published once at the approximate cost of \$83.40)

RECEIVED

APR 22 2021

WATER RIGHTS PROGRAM

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

Dept of Environment-Water Rights Dept.

Notice of Application Nos 2752A-2

& 2377A-2 - In Black Hills Water System

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 one successive week(s), on which said newspaper was regularly published, to wit:

Apr 7, 2021; _____;

_____;

_____;

_____;

_____;

the full amount of the fees for the publication of the annexed notice is \$ 39.99.

Charles W. Najacht

Subscribed and sworn to me before this 7th

of April, 20 21;

Norma Najacht

NOTARY PUBLIC

MY COMMISSION EXPIRES: May 5, 2024

NORMA NAJACHT

NOTARY PUBLIC

SOUTH DAKOTA

NOTICE OF APPLICATION

NOS. 2752A-2 AND 2377A-2

Notice is given that Southern Black Hills Water System, c/o Don Peterson, Manager, 26858 Hwy 385, Hot Springs SD 57747 has filed the following applications for a water permit.

Application No. 2752A-2 proposes to amend Water Permit No. 2752-2 to extend the length of time to complete construction of works to divert water. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually at a maximum diversion rate of 0.33 cubic feet of

water per second (cfs) from three wells to be completed into the Inyan Kara Aquifer (500 feet deep) in the SE 1/4 NE 1/4 Section 30-T2S-R8E for rural water system use serving users in Pennington and Custer Counties. This site is located approximately 1/2 mile northwest of Hermosa.

Water Permit No. 2752-2 was approved July 11, 2016, with construction of works to be completed by July 11, 2021, with water being put to beneficial use by July 11, 2025. Application No. 2752A-2 requests to extend the length of time allowed for construction of works (Well No. 3) from July 11, 2021 to November 30, 2022. Application No. 2752A-2, if approved, will retain the April 25, 2016 priority date assigned to Permit No. 2752-2.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for application to beneficial use due to delays caused by engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. The permit holder is requesting an extension of time due to the unexpected need for a third well and construction delays caused by the COVID-19 pandemic.

Application No. 2377A-2 proposes to amend Water Right No. 2377-2 to include rural water system use. Water Right No. 2377-2 appropriates 0.333 cfs from two wells (main well and backup well) completed into the Madison Aquifer for suburban housing development and commercial use. The main well is located in the NE 1/4 NE 1/4 Section 20 and the backup well in the NE 1/4 SW 1/4 Section 17; both in T2S-R7E. This application proposes the addition of rural water system use to the water right. Application No. 2377A-2, if approved, will retain the October 11, 1996 priority date assigned to Permit No. 2377-2. No additional water appropriation is requested with this application. This site is located approximately 6 miles southeast of Keystone SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application Nos. 2752A-3 and 2377A-3 with qualifications because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. The Chief Engineer's recommendation with qualifications, the applications, and staff reports are available at <http://denr.sd.gov/public> or contact Ron Duvall for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting the applications or recommendations must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendations. 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 19, 2021.

The petition may be informal but must include a statement describing the petitioner's interest in the applications, the petitioner's reasons for opposing or supporting the applications, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

If the applicant does not contest the recommendations of the Chief Engineer and no petition to oppose the applications is received, the Chief Engineer shall act on the applications pursuant to the recommendations with no hearing held before the Water Management Board. If a petition opposing the applications or contesting the recommendations is filed, then a hearing will be scheduled, and the Water Management Board will consider the applications. Notice of the hearing will be given to the applicant and any person filing a petition.

Published once at the total approximate cost of \$39.99

Schlaak, Karen

From: Schlaak, Karen
Sent: Friday, March 26, 2021 8:45 AM
To: Rapid City Journal (legals@rapidcityjournal.com)
Subject: 2752A-2 and 2377A-2, Southern Black Hills Water System
Attachments: 2752A-2&2377A-2public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on April 7, 2021.

Southern Black Hills Water System, Don Peterson, Manager, 2685 Hwy 385, Hot Springs SD 57747 (605 745-4669) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

Let me know if you have questions. Please acknowledge receipt of this email.

Karen Schlaak

Water Rights Program
(605) 773-3352



Schlaak, Karen

From: Schlaak, Karen
Sent: Friday, March 26, 2021 8:44 AM
To: 'custerchronicle@gwtc.net'
Subject: 2752A-2 and 2377A-2, Southern Black Hills Water System
Attachments: 2752A-2&2377A-2public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on April 7, 2021.

Southern Black Hills Water System, Don Peterson, Manager, 2685 Hwy 385, Hot Springs SD 57747 (605 745-4669) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

Let me know if you have questions. Please acknowledge receipt of this email.

Karen Schlaak

Water Rights Program
(605) 773-3352





DENR
SOUTH DAKOTA

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

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

March 26, 2021

Southern Black Hills Water System
Don Peterson, Manager
26858 Hwy 385
Hot Springs SD 57747

Dear Mr. Peterson:

Water Permit Application Nos. 2752A-2 and 2377A-3 for rural water system use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Custer Co. Chronicle printed at Custer SD (Ph # 605 673-2217) and the Rapid City Journal printed at Rapid City SD (Ph # 605 394-8336). You will need to contact the newspapers and authorize publication of this notice. For your information, a copy of the notice, the recommendations of the Chief Engineer and reports on the applications 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 newspapers to authorize publication of your Notice and to arrange for payment. Early contact with the papers can eliminate delays. Upon receiving authorization from you, the publishers have been instructed to publish your notice. The newspapers have 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,

Karen Schlaak
Water Rights Program
(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.

c: Matt Naasz

NOTICE OF APPLICATION NOS. 2752A-2 and 2377A-2

Notice is given that Southern Black Hills Water System, c/o Don Peterson, Manager, 26858 Hwy 385, Hot Springs SD 57747 has filed the following applications for a water permit.

Application No. 2752A-2 proposes to amend Water Permit No. 2752-2 to extend the length of time to complete construction of works to divert water. Water Permit No. 2752-2 appropriates 170 acre-feet of water annually at a maximum diversion rate of 0.33 cubic feet of water per second (cfs) from three wells to be completed into the Inyan Kara Aquifer (500 feet deep) in the SE 1/4 NE 1/4 Section 30-T2S-R8E for rural water system use serving users in Pennington and Custer Counties. This site is located approximately 1/2 mile northwest of Hermosa.

Water Permit No. 2752-2 was approved July 11, 2016, with construction of works to be completed by July 11, 2021, with water being put to beneficial use by July 11, 2025. Application No. 2752A-2 requests to extend the length of time allowed for construction of works (Well No. 3) from July 11, 2021 to November 30, 2022. Application No. 2752A-2, if approved, will retain the April 25, 2016 priority date assigned to Permit No. 2752-2.

Pursuant to SDCL 46-5-26 a permit may be amended to extend the time for application to beneficial use due to delays caused by engineering difficulties, delays caused by operation of law or delays caused by other exigent circumstances as identified by the Water Management Board. The permit holder is requesting an extension of time due to the unexpected need for a third well and construction delays caused by the COVID-19 pandemic.

Application No. 2377A-2 proposes to amend Water Right No. 2377-2 to include rural water system use. Water Right No. 2377-2 appropriates 0.333 cfs from two wells (main well and backup well) completed into the Madison Aquifer for suburban housing development and commercial use. The main well is located in the NE 1/4 NE 1/4 Section 20 and the backup well in the NE 1/4 SW 1/4 Section 17; both in T2S-R7E. This application proposes the addition of rural water system use to the water right. Application No. 2377A-2, if approved, will retain the October 11, 1996 priority date assigned to Permit No. 2377-2. No additional water appropriation is requested with this application. This site is located approximately 6 miles southeast of Keystone SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application Nos. 2752A-3 and 2377A-3 with qualifications because 1) existing rights will not be unlawfully impaired, 2) it is a beneficial use of water, and 3) it is in the public interest. The Chief Engineer's recommendation with qualifications, the applications, and staff reports are available at <http://denr.sd.gov/public> or contact Ron Duvall for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting the applications or recommendations must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendations. 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 19, 2021.

The petition may be informal but must include a statement describing the petitioner's interest in the applications, the petitioner's reasons for opposing or supporting the applications, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

If the applicant does not contest the recommendations of the Chief Engineer and no petition to oppose the applications is received, the Chief Engineer shall act on the applications pursuant to the recommendations with no hearing held before the Water Management Board. If a petition opposing the applications or contesting the recommendations is filed, then a hearing will be scheduled, and the Water Management Board will consider the applications. Notice of the hearing will be given to the applicant and any person filing a petition.

Published once at the total approximate cost of_

Schlaak, Karen

From: Schlaak, Karen
Sent: Friday, March 26, 2021 8:51 AM
To: sbh@goldenwest.net
Cc: Matthew Naasz
Subject: Water Permit Application Nos. 2752A-2 and 2377A-2
Attachments: 0955.pdf

Mr. Peterson:

Attached are copies of the reports, chief engineer recommendations and information regarding the public notice for your water permit applications. As stated in the letter, please contact the papers as soon as possible to authorize publication and arrange for payment. The notice is scheduled to be published on April 7, 2021. This information is being mailed to you today.

Karen Schlaak

Water Rights Program
(605) 773-3352



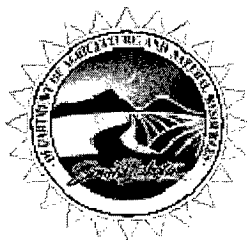
Schlaak, Karen

From: Schlaak, Karen
Sent: Monday, May 17, 2021 9:22 AM
To: Matthew Naasz
Subject: Water Permits for Southern Black Hills Water System Inc.
Attachments: 1226.pdf

Good Morning Matt,
Attached are copies of the two water permits issued to Southern Black Hills Water System Inc.

Karen Schlaak

DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>





**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E. CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

MAY 17 2021

Southern Black Hills Water System Inc.
c/o Don Peterson, Manager
26858 Hwy 385
Hot Springs SD 57747

Dear Mr. Peterson:

Enclosed is Water Permit Nos. 2377A-2 and 2752A-2 authorizing construction of the water diversion systems and beneficial use of the water, not exceeding the limits as specified in the Water Permits.

Form 10's, *Notice of Completion of Works and Application of Water to Beneficial Use*, are enclosed. Please return these completed forms after you have finished the systems and have put the water to beneficial use. An investigation can then be scheduled so the water licenses 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,

Eric Gronlund, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 E. CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

February 7, 2023

Matthew E. Naasz
Gunderson, Palmer, Nelson, Ashmore, LLP
PO Box 8045
Rapid City SD 57709

Dear Mr. Naasz

Southern Black Hills Water System Inc. (SBHWS) has filed a request for an additional point of diversion authorized by Water Permit Nos. 2752-2 and 2752A-2. The additional well is to be located in the SE 1/4 NE 1/4 Section 30-T002S, R08E in Custer County.

Water Permit No. 2752-2 held by Southern Black Hills Water System, Inc. (SBHWS) appropriated 170 acre feet of water annually at a maximum diversion rate of 0.33 cubic feet of water per second (cfs) from one well (Well #1) completed into the Inyan Kara aquifer (500 feet deep) located in the SE 1/4 NE 1/4 Section 30-T002S, R08E in Custer County. The water is appropriated for the purpose of rural water system use.

Well #2 was authorized as an additional point of diversion pursuant to SDCL 46-5-13.1 in February 2019. Initially Well #3 was authorized as an additional point of diversion pursuant to SDCL 46-5-13.1 in November 2020. When SBHWS was going to be unable to complete Well #3 by July 11, 2021 as date set forth on Water Permit No. 2752-2, an amendment was filed and granted by Permit No. 2752A-2 for an extension of time to complete construction of works until November 30, 2022. Well #3 has not been completed and therefore SBHWS has requested authorization to complete this well pursuant to 46-5-13.1.

Upon review of the request and pursuant to SDCL 46-5-13.1, the additional location (Well #3) is authorized as set forth above without application or publication of a notice of hearing pursuant to SDCL 46-2A-4. No increase in the authorized diversion rate or volume of water from the Inyan Kara aquifer is authorized. SBHWS has until July 11, 2025, to complete the well and place water to beneficial use as set forth in Water Permit No. 2752A-2.

If you have any questions, please contact me at (605) 773-3352.

Sincerely,

Eric Gronlund, Chief Engineer
Water Rights Program

Approval of Additional Diversion Point

NAME: Southern Black Hills Water System, Inc., c/o Matthew Naasz, Attorney
ADDRESS: Gunderson, Palmer, Nelson, Ashmore, LLP, PO Box 8045, Rapid City SD 57709
DATE: February 6, 2023 **COUNTY:** Custer **TELEPHONE:**

Water Permit No. 2752-2 held by Southern Black Hills Water System, Inc. (SBHWS) appropriates 170 acre feet of water annually at a maximum diversion rate of 0.33 cubic feet of water per second (cfs) from one well (well #1) completed into the Inyan Kara aquifer (500 feet deep) located in the SE 1/4 NE 1/4 Section 30-T002S, R08E in Custer County. The water is appropriated for the purpose of rural water system use. The date for completion of all works was July 11, 2021. and water is to be placed to beneficial use on or before July 11, 2025. Well #1 has been completed and water placed to beneficial use.

On February 19, 2019, upon request to the chief engineer, SBHWS was granted a second well (well # 2) pursuant to SDCL 46-5-13.1. Well #2 is to be located in the same legal description described above, completed into the Inyan Kara aquifer and no increase in the volume or diversion rate was authorized. Well #2 has been completed and water placed to beneficial use.

On November 25, 2020, upon request to the chief engineer, SBHWS was granted a third well (well # 3) pursuant to SDCL 46-5-13.1. Well #3 is to be located in the same legal description described above, completed into the Inyan Kara aquifer and no increase in the volume or diversion rate was authorized. The intent of the third well was to allow SBHWS to place the full amount of appropriated water authorized by Water Permit No. 2752-2 to beneficial use.

However, SBHWS was going to be unable to complete Well # 3 by the July 11, 2021, date set forth on Water Permit No. 2752-2. This was due to engineering and other circumstance as well as COVID-19 pandemic delaying planning and contracting for completion of Well #3. SBHWS applied for and was granted an amendment to Water Permit No. 2752-2 for an extension of time to complete construction of works. Water Permit No. 2752A-2 was issued on May 17, 2021, granting an extension of time until November 30, 2022 to complete construction of works and July 11, 2025 to place water to beneficial use. Well #3 was not completed by November 30, 2022, and therefore no longer authorized by Water Permit No. 2752A-2.

On January 24, 2023, SBHWS through legal counsel filed a request for an additional well (Well #3) pursuant to 46-5-13.1. The request indicates the additional well is to be located 250 feet northwest of the existing wells permitted by Permit No. 2752A-2. The request includes that the source will be the Inyan Kara aquifer and the additional well will not increase the diversion rate or annual volume authorized by Permit No. 2752-2. The purpose remains rural water system use.

The request goes on to state that the works constructed in Well #1 and #2 currently have the capacity to divert the full amount of appropriation of Permit No. 2752-2 (0.33 cfs). However due to the proximity of Well #1 and #2 to each other prevents full appropriation from being sustainable. Well #3 will allow SBHWS to place the full appropriation of water authorized by Permit No. 2752-2 on a sustainable basis. SBHWS indicates they will operate Well #3 at 50 gpm and the diversion from Well #1 and #2, combined, will not exceed 100 gpm.

It is important to note that Well # 1 and #2 are capable of diverting at a rate of 150 gpm which fulfills the requirement that completion of works as authorized by the extension of time granted by Permit No. 2752A-2.

Therefore, works were in place to divert at 0.33 cfs (150 gpm) and SBHWS can now request a Well #3 pursuant to SDCL 46-5-13.1.

AUTHORITY:

Pursuant to SDCL 46-5-13.1, the location of a diversion point may be changed or additional diversion points may be authorized provided the following conditions are met and the potential for interference with other existing diversions is not increased:

- **Developed water source same as permitted source and no additional water appropriated**

The water source remains the Inyan Kara aquifer. Mr. Naasz indicates in the letter that the additional well, along with the two previously constructed wells, will not exceed 0.33 cfs (150 gpm). Therefore, no additional water is appropriated.

- **Review of Existing Diversions**

Mr. Naasz indicates Well #3 is to be 250 feet northwest of the two existing wells permitted by Water Permit No. 2752-2. Given the short distance, any drawdown effect from Well #3 would be nearly the same as if the Well #1 and #2 were being pumped at the permitted diversion rate of 0.33 cfs (150 GPM). Well # 3 is to be located in the same quarter-quarter section (SE 1/4 NE 1/4 Section 30-T002S, R08E) in Custer County as Well #1 and Well #2.

The closest water right (not held by SBHWS) is Water Right No. 2550-2 held by the city of Hermosa, which is located approximately 0.56 miles to the southeast of SBHWS's wells. This well had 450 feet of artesian head pressure at the time it was completed in 2006. The next closest well completed into the Inyan Kara aquifer is Water Right No. 2462-2 held by Ronald Usera, which is located approximately 0.76 miles to the northeast of the SBHWS wells. The Usera well had 805 feet of artesian head pressure at the time it was completed in 2001.

The closest domestic well, drilled for Romera, and is located approximately 0.26 miles to the west of SBHWS's wells. This well had 345 feet of artesian head pressure at the time it was completed in 1978. The next closest domestic well completed into the Inyan Kara aquifer was drilled for Danny Holsworth and is located approximately 0.45 miles to the north of the SBHWS wells. The Holsworth well had 250 feet of artesian head pressure at the time it was completed in 2021.

Given there is no history of well interference complaints, the significant amount of artesian head pressure in local wells, and no additional water is to be appropriated, there is a reasonable probability the additional well will not increase the potential for unlawful impairment of existing water rights/permits, or domestic users with adequate wells within the Inyan Kara aquifer

CONCLUSIONS

1. The maximum instantaneous diversion rate for the three wells, is not to exceed 0.33 cfs (150 gpm). Therefore, no additional water is appropriated from the Inyan Kara aquifer.
2. Well #3 is to be completed into the same aquifer as the two existing SBHWS wells.
3. There is a reasonable probability the additional well will not increase the potential for unlawful impairment of existing water rights/permits, or domestic users. This is based on the artesian head pressure in the Inyan Kara aquifer at this location as well as no history of well interference complaints.
4. Water shall be put to beneficial use as set forth in Water Permit No. 2752-2 and 2752A-2 on or before July 11, 2025.

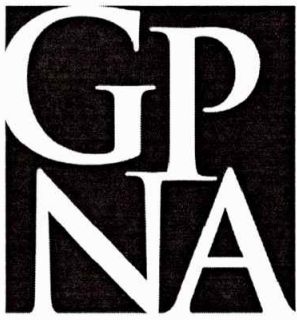
RECOMMENDED ACTION

The Chief Engineer makes a finding pursuant SDCL 46-5-13.1 and ARSD 74:02:01:14.01 that:

The additional diversion point does not increase the potential for adverse effects to existing diversions.



Eric Gronlund, Chief Engineer
Water Rights Program



RECEIVED

JAN 26 2023

OFFICE OF
WATER

506 Sixth Street
Post Office Box 8045
Rapid City, South Dakota 57709
Main: (605) 342-1078
Fax: (605) 342-9503

www.gpna.com

January 24, 2023

Matthew E. Naasz
Email: mnaasz@gpna.com
Direct Dial: (605) 719-3424

Eric Gronlund
Water Rights Program
South Dakota Department of Environment and Natural Resources
523 E. Capitol Ave.
Pierre, SD 57501

Re: Paramount Point - Spring Creek Interconnection Project
GPNA File No. 07653.0020

Dear Mr. Gronlund:

Enclosed please find the application of Southern Black Hills Water System, Inc. for an additional point of diversion to Permit No. 2752-2. This application is being submitted pursuant to SDCL § 46-5-13.1. The new point of diversion is from a well (Paramount Point well #3) to be located approximately 250 feet northwest of the existing wells permitted by Permit No. 2752-2. The new diversion point is from the same source of water as Permit No. 2752-2, the Inyan Kara aquifer. The requested diversion point will not increase diversion rate or annual appropriation to Permit No. 2752-2. The application requests diversion at the new well be permitted at 50 gallons per minute or .11 cubic feet per second. Diversion at the existing wells (Paramount Point well #1 and #2) will not exceed 100 gpm.

The works constructed in Paramount Point well #1 and well #2 currently have the capacity to instantaneously divert the full amount of appropriation of Permit No. 2752-2 (.33 cfs). However, the proximity of Paramount Point wells #1 and #2 prevent full appropriation from being sustainable. The third well will allow Southern Black Hills to place the full amount of appropriated water by Permit No. 2752-2 to beneficial use. The water will be used for rural water system use, consistent with Permit No. 2752-2. It is our understanding that construction of the new well, if approved, would need to be completed to allow water to be put to beneficial use by July 11, 2025, as articulated on Water Permit 2752-2.

Southern Black Hills Water System greatly appreciates the assistance provided by the South Dakota Water Rights Program in providing the residents of southwest South Dakota a reliable source of high-quality water.

Offices in Rapid City and Pierre, South Dakota

Attorneys licensed to practice in South Dakota, North Dakota, Nebraska, Wyoming, and Montana

If there are any questions regarding this application, please do not hesitate to contact me.

Sincerely,



Matthew E. Naasz

MEN:aa
Enclosures
cc: client

SD EForm - 1685LD V5

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

Mail to: DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. _____ (office use only) Hydrologic Unit _____
	Basin _____
	Newspaper _____

RECEIVED

JAN 26 2023

OFFICE OF
WATER

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

Check use(s) of water:

- | | | | |
|---|---|--|--|
| ☐ Municipal | ☒ Water Distribution System | ☐ Recreational | ☐ Institutional |
| ☐ Rural Water System | ☐ Commercial | ☐ Fish & Wildlife | ☐ Geothermal |
| ☐ Domestic (over 18 gpm) | ☐ Industrial | ☐ Other _____ | |

Type of Application:
(check one)

- ☐ New ☐ Vested Right (Use predates Mar 2, 1955) ☐ Future Use Reservation
☐ Place to Beneficial Use Water Reserved by Future Use Permit No. _____
☒ Amendment/Correction to Permit No. 2752-2

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

This amendment seeks to add a third point of diversion to Permit No. 2752-2. The new point of diversion is a well to be located approximately 250 feet northwest of the existing wells permitted by 2452-2.

1. Name to Appear on Water Permit
- Southern Black Hills Water System

Mailing Address 26858 HWY 385 Hot Springs SD 57747
(Address) (City) (State) (Zip Code)

Phone (605) 745-4669 Mobile _____ Email _____

2. Amount of water claimed .33 *CFS or 150 **GPM and 170 ***AF or _____ Gallons
Flow rate and volume are both required. (*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use)

3. Source of water supply
- Inyan Kara aquifer

4. Location of point of diversion
- 1 additional well SE1/4NE1/4 Section 30 T2S, R8E
- County
- Custer

(example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)If not a public water supply (e.g. municipal), will water be used outside of the area described above? ☒ Yes ☐ NoIf "Yes," where will water be used? Rural residents in Custer and Pennington Counties(example - NW1/4 section 12-T104N-R53W)

5. County or counties where water will be used
- Custer, Pennington

6. Annual period during which water is to be used
- January 1- December 31

7. 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)

This is a request pursuant to SDCL 46-5-13.1 to add an additional point of diversion to Permit No. 2752-2. The additional diversion point is a well to be located in the SE1/4NE1/4 Section 30 T2S, R8E, Custer County, SD. The requested diversion point is from the same source of water (Inyan Kara aquifer) and no additional appropriation of water or diversion authority is requested. Also, the water will be used for the purpose of rural water system use consistent with Permit No. 2752-2. This application requests diversion authority at the new well of 50 gallons per minute or .11 cfs. The diversion at the existing wells will not exceed 100 gpm. Permit No. 2752-2 currently authorizes diversion of .33 cfs (150 gpm).

I, Don Peterson Manager, the applicant, certify under
Name of Person Title (if applicable)

penalty of perjury that I have read this application, examined the attached map, and that the matters stated are true. I further certify, if acting on behalf of an entity or individual other than myself, that I am authorized to submit this application.

2015-10

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

Supplemental Information

(type or print)

1. Well Information

(check one or both as applicable) ☒ Drilling new well(s) ☐ Using existing well(s)

a) If new wells, how many 1 Have test holes been drilled ☐ Yes ☒ No Drilled by _____
(if yes, please provide copies of logs)

b) If existing wells, how many _____ Provide copy of log(s), if available. Drilled by Alexander Drilling Inc.

For either Existing or Proposed Wells:

c) Well Depth (required) 500' est. Depth to Top of Water Bearing Material _____ Depth to Water from Surface _____

d) Distance to nearest domestic well on applicant's property 250 feet Property owned by others approx. 1/2 mile

2. Wastewater Disposal System Information

a) Type of System (i.e. septic tank, drain field) _____

b) System Capacity (gallons) _____ Year Constructed _____

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 (e.g. 3 to 1 is a typical slope)

Upstream _____

Downstream _____

h) Surface Area of Impoundment _____

i) Storage _____ Acre Feet

j) Drainage Area Above Dam _____ Acres

