

WATER PERMIT NO. 2809-2

Name of Applicant: Black Hills Bungalows

Address: 24941 America Center Rd, Custer SD 57730

Phone: 605 517-1683

Amount of Water Claimed: 0.09 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: approximately 3 miles northeast of Custer

PRIORITY Date Received: 11-01-19

Application/License Fee: \$ 300

Corrected Application Received: 11-12-19

Period of Annual Use: April 1 – Oct 31

Remarks:

Diversion Point: SE 1/4 NE 1/4 Sec 16-T3S-R5E

Land to be Irrigated:

16



Depth of Well: 180

Well Driller: Alexander Drilling

Remarks:

Type of Map: aerial

Prepared by:

Reviewed and the Number Assigned on: 11-13-19

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____

**SOUTH DAKOTA
WATER PERMIT NO. 2809-2**

Date of first receipt of application November 1, 2019.

Date of return to applicant for corrections, amendments or changes November 4, 2019.

Date of receipt of corrected application November 12, 2019.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2809-2 to Black Hills Bungalows, c/o Scott Hans, 24941 America Center Rd, 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. 2809-2 appropriates 7.5 acre-feet of water annually at a maximum pump rate of 0.09 cubic feet of water per second from one well completed into the Crystalline Rock Aquifer (180 feet deep) located in the SE 1/4 NE 1/4 Section 16-T3S-R5E. This site is located approximately 3 miles northeast of Custer SD.
2. The water appropriated shall be used for the purpose of commercial 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: April 1 – October 31.
4. The date of approval of Permit No. 2809-2 is February 3, 2020.
5. The date from which applicant may claim right is November 1, 2019.
6. One-fifth of the construction is to be completed on or before August 3, 2022.
7. All construction is to be completed on or before February 3, 2025.
8. Water is to be put to beneficial use on or before February 3, 2029.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. The permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Crystalline Rock aquifer.
3. Water Permit No. 2809-2 authorizes a total annual diversion of 7.5 acre foot of water.

WATER MANAGEMENT BOARD

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

FEB 2 0 2020

date



Mail to: DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>2809-2</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>	

PAID
NOV 01 2019
Ck# 1190

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. _____		

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

- Name to Appear on Water Permit ~~BOB BEE~~ Black Hills Bungalows
Mailing Address 24941 America Center Rd Custer SD 57730
(Address) (City) (State) (Zip Code)
Phone 605-673-5253 Mobile 605-517-1683 Email bhbungalows@goldenwest.net
- Amount of water claimed 0.09 *CFS or 40 **GPM and 7.5 ***AF or 16 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
- Source of water supply well
- Location of point of diversion AA SE 1/4 NE 1/4 Sec 19 - T35 - R5E County Custer
(example - 3 wells in SW 1/4 NE 1/4 section 12-T104N-R53W)
If not a public water supply (e.g. municipal), will water be used outside of the area described above? ☐ Yes ☒ No
If "Yes," where will water be used? _____
(example - NW 1/4 section 12-T104N-R53W)
- County or counties where water will be used Custer
- Annual period during which water is to be used April - Oct³¹ (seasonal cabins)
- 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)

Well drilled by Alexander drilling, new well, for new cabin construction on our property. Seasonal cabins.

RECEIVED

NOV 01 2019

I, [Signature] Owner, the applicant, **WATER RIGHTS PROGRAM**
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.

After Well Completion report
Supplemental Information
(type or print)

PAID
NOV 01 2019
Ck# 1189

- 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 Alexander Drilling
(if yes, please provide copies of logs)
- b) If existing wells, how many Provide copy of log(s), if available. Drilled by
- For either Existing or Proposed Wells:
- c) Well Depth (required) Depth to Top of Water Bearing Material Depth to Water from Surface
- * d) Distance to nearest domestic well on applicant's property 1000 ft Property owned by others 250 ft

- 2. Wastewater Disposal System Information**
- a) Type of System (i.e. septic tank, drain field) septic + drain field
- b) System Capacity (gallons) 2800 Year Constructed 2019
- c) Connected to the City of N/A Sanitary System

- 3. Dugout Information**
- a) Surface Dimensions Depth 180 ft well depth
- b) Depth to water (ground surface to water level)

- 4. Water Storage Dams**
- If the proposed water use system contains one or more ^{no} 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:

** We do not have the pumps installed for the well. We plan to do that next spring.*

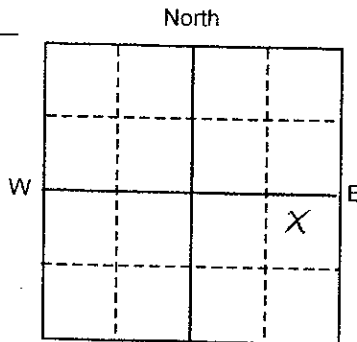


- b) Freeboard N/A
- c) Crest Width
Crest Length
- d) Height
- e) Primary Outlet Capacity
If pipe, diameter
- f) Secondary Spillway Capacity
Spillway Width
- g) X & Y Slope (e.g. 3 to 1 is a typical slope)
Upstream
Downstream
- h) Surface Area of Impoundment
- i) Storage Acre Feet
- j) Drainage Area Above Dam Acres

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SOUTH DAKOTA WATER WELL COMPLETION REPORT

11-02

Location SE 1/4 NE 1/4 Sec 16 Twp 3S Rg 5ECounty CusterPlease mark well
location with an "X"

Well Completion Date

April 9, 2019Distance to nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)?
160.0 ft. from Septic (identify source)

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary downhole hammer

CASING DATA:

☐ Steel ☒ Plastic ☐ Other
 If other describe Set 40' of 6" 160 PVC

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
LB/FT	IN	0.0 FT	38.0 FT	8.75 IN
LB/FT	IN	38.0 FT	180.0 FT	6.00 IN
LB/FT	IN	FT	FT	IN

GROUTING DATA:

Grout Type	No. of Sacks	Grout Weight	From	To
Portland II	4	Lb/gal	38.0 Ft	6.0 Ft
		Lb/gal	Ft	Ft

Describe grouting procedure
through trimmie pipe

SCREEN:

☒ Perforated pipe ☐ Manufactured
 Diameter 4.00 Inches Length 170.0 Feet
 Material 4" PVC liner - 80' perforated
 Slot Size Set From 10.0 Feet to 180.0 Feet
Other information staggered from the bottom

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? w/chlorine solution
☐ No, Why Not?
 Lab to which water
 quality sample sent for analysis
Well Owner: Black Hills Bungalows - Scott Hans

Business Name:

Address: 24941 American Center RoadCity, State, Zip: Custer SD 57730

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Drift	0	30
Med/Hard Pegmatite	30	65
Med yellow/brown schist	65	92
Hard grey schist/pegmatite	92	126
Fracture, 10 gpm	126	128
Hard grey schist/pegmatite	128	145
Fracture, 20 gpm	145	147
Hard grey schist	147	158
Schist fracture, 30+ gpm	158	160

STATIC WATER LEVEL 25.0 FEET

If flowing: closed in pressure _____ PSI

GPM flow 30.0 through _____ Inch pipeControlled by ☐ Valve ☐ Reducers ☐ Other

Reduced flow rate _____ GPM

Can well be completely shut in?

WELL TEST DATA:

☒ Pumped Describe: w/air☐ Bailed☐ Other

Pumping Level Below Land Surface

_____ Ft. After _____ Hrs. pumped _____ GPM

_____ Ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate: _____ GPM

REMARKS

Well Log Formation continued:
160-180 Hard grey schistThis well was drilled under license # 324 and this
report is true and accurate.Drilling firm: Alexander Drilling Inc.

Signature of License Representative

Scott Hans

Signature of Well Owner or Equitable Property Holder:

Scott HansDate: 4-22-19

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APR 25 2019

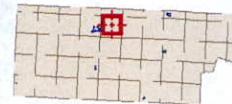
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WATER RIGHTS
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Overview



Legend

-  Corporate Limits
- Highways
 -  SD Hwy
 -  US Hwy
 -  Roads
-  Parcels

Parcel ID	005109	Alternate ID	n/a	Owner Address	MILLER ELLROY W & JOYCE MAE
Sec/Twp/Rng	016/0003/005	Class	Commercial		HANS SCOTT D
Property Address	24941 AMERICA CENTER RD	Acreage	0.43		24941 AMERICA CENTER RD
	CUSTER				CUSTER SD 57730-8335
District	16.1-1-1-0-0				
Brief Tax Description	LOT 11 OF TR C OF E2NE4 SEC 16 T-3 R-5.43 AC 1330501600003300				
	(Note: Not to be used on legal documents)				

Parcels are not adjusted to match aerial background. GIS information is for reference purposes only and is not a legal document. Data may contain errors.

Date created: 10/12/2018

Last Data Uploaded: 10/12/2018 12:39:20 AM

Developed by  **Schneider**
GEOSPATIAL

~~Black Mountain Elec Dannie 787 8122~~
~~Rapid city racPC building materials@menards.com~~

3S 5E
Section: 08

3S 5E
Section: 09

3S 5E
Section: 10

3S 5E
Section: 17

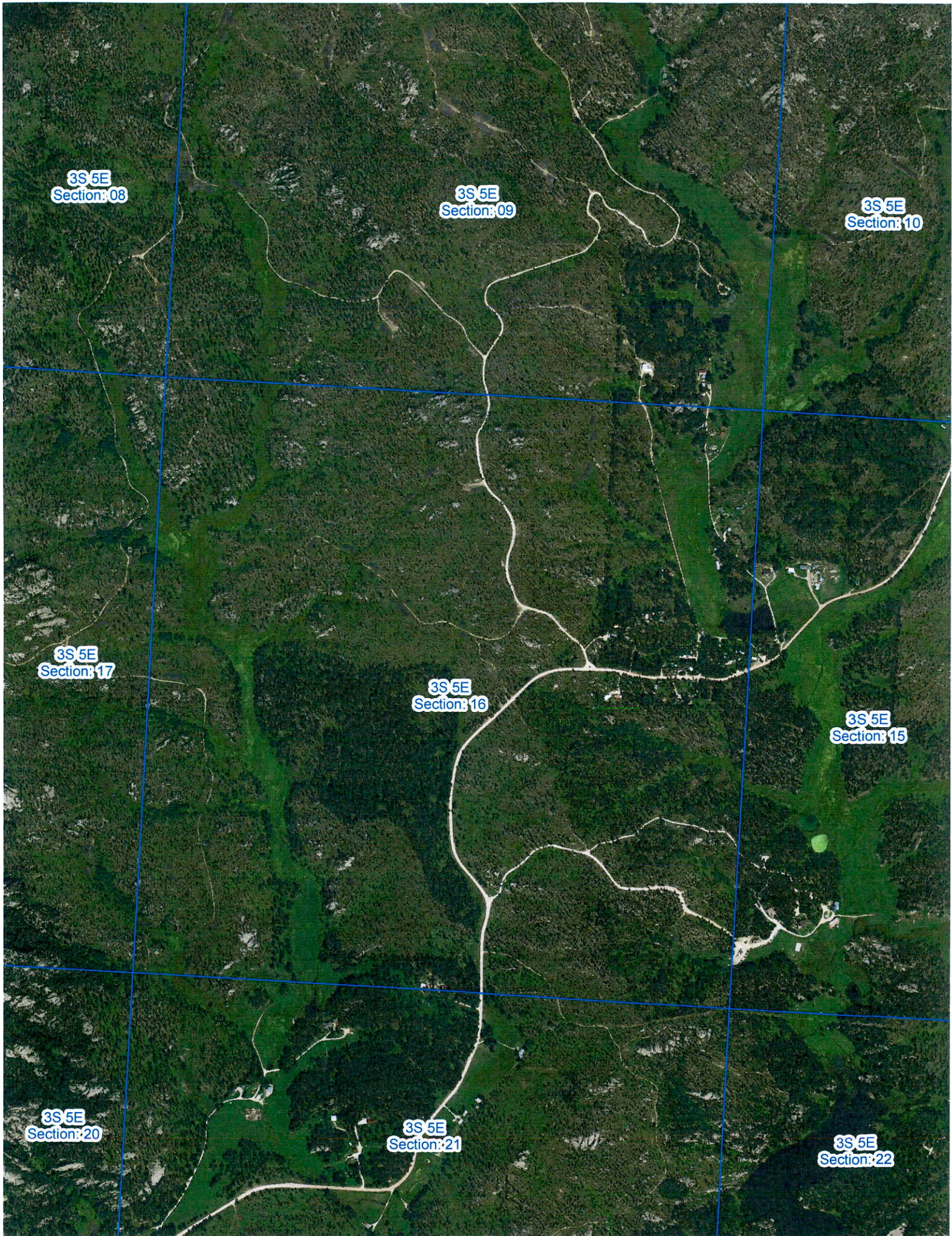
3S 5E
Section: 16

3S 5E
Section: 15

3S 5E
Section: 20

3S 5E
Section: 21

3S 5E
Section: 22



RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date November 1, 20 19

RECEIVED OF Black Hills Bungalows 24941 America Center Rd Custer SD 57730-8335

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

Fee for Application for Permit No. <u>2809-2</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. <u>2809-2</u>	200	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	300 00

No. **09229**

By

Jeanna Goodman
Chief Engineer
2921



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

September 16, 2019

Black Hills Bungalows
Scott Hans
24941 American Center Rd
Custer SD 57730

Dear Mr. Hans:

I am writing in regard to a well completion report filed by Alexander Drilling Inc. The report shows a new well was completed for you on April 9, 2019. 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 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 October 31, 2019.

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



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

November 4, 2019

Black Hills Bungalows
Scott Hans
24941 America Center Rd
Custer SD 57730

Dear Mr. Hans

Thank you for submitting the *Application for a Permit to Appropriate Water* for commercial use in Custer County. In order to complete the application, the following is required.

- The application requests an appropriation of 16 gallons per minute (gpm). In addition to the pump rate, the application needs to include the annual volume in either gallons/year or acre feet/year. In calculating the annual volume, be reasonable but also plan for the maximum annual volume of use from the well at full development. It is unrealistic that 16 gpm will be pumped continuously during an entire year. Therefore, DENR requests an annual volume to be used.
- A general practice is to convert the diversion rate to a volume in acre-feet of water annually based on 60% pumping. Applying this 60% rate to 16 gpm over the course of a year equates to 15 acre-feet of water annually. Since you are requesting seasonal use (approximately 6 months per year) that amount would be half or 7.5 acre-feet annually. Do you concur with this amount?

The application was submitted with two checks. The application/license fee for the application is \$300.00. The additional check for \$312.00 will be refunded to you after the permit has been processed.

If you have any questions, please contact me.

Sincerely,

Karen Schlaak
Water Rights Program
605 773-3352
karen.schlaak@state.sd.us

Water Rights Program - File Documentation

NAME: Sandy Hans

ADDRESS: Custer SD

DATE: 11-12-19 **COUNTY:** Custer **TELEPHONE:** 701 367-4736

RE: Pending application

COMMENTS:

Regarding my letter dated November 4, 2019, Susan Hans called and stated they agree with the amount of 7.5 acre-feet annually. She was relying on the amount we suggested because they did not know.

Regarding the additional check for \$312, Susan stated she made a mistake and the check was payment for another bill and she mistakenly wrote and sent it to us. I told her we would be refunding that amount to her and they would be receiving the check within 2 weeks.



Karen Schlaak
Water Rights Program

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date November 1, 20 19

RECEIVED OF Black Hills Bungalows 24941 America Center Rd Custer SD 57730-8335

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

Fee for Application for Permit No. _____ to Appropriate Water, to construct and to put water to beneficial use	312	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. _____ 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	312	00

No. 09230

By Jeanne Goodman
Chief Engineer Jm

November 13, 2019

PAYMENT REQUEST FORM

PAYEE: Black Hills Bungalows
24941 America Center Rd
Custer, SD 57730-8335

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

DESCRIPTION OF SERVICE, PRODUCE OR TRANSFER

Over Payment of Water Permit Application

AMOUNT: \$312.00

FUNDING SOURCE:

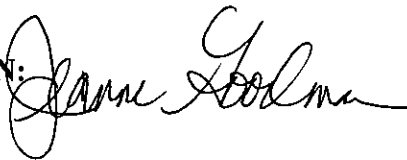
GENERAL: X

FEDERAL:

OTHER:

COMMENTS:

AUTHORIZATION:



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 regulations issued thereunder relating to nondiscrimination in federal assisted programs.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 2809-2, Black Hills Bungalows**

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. 2809-2, Black Hills Bungalows, c/o Scott Hans, 24921 America Center Road, Custer SD 57730.

The Chief Engineer is recommending APPROVAL of Application No. 2809-2 because 1) there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use and 4) it is in the public interest with the following qualifications:

1. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. The permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Crystalline Rock aquifer.
3. Water Permit No. 2809-2 authorizes a total annual diversion of 7.5 acre foot of water.

See report on application for additional information.

Jeanne Goodman, Chief Engineer
January 15, 2020

Report to the Chief Engineer
Water Permit Application No. 2809-2
Black Hills Bungalows

25 November 2019

Black Hills Bungalows seeks to withdraw up to 7.5 ac-ft/yr at a maximum instantaneous diversion rate of 0.09 cubic feet of water per second (cfs) from one well completed into the Crystalline Rock aquifer (180 feet deep) located in the SE ¼ NE ¼ Section 16-T3S-R5E for commercial use. This site is located approximately 3 miles northeast of Custer, South Dakota.

Aquifer: Crystalline Rock (CRSL)

Hydrogeologic characteristics of the aquifer

The Crystalline Rock aquifer is the designation given for all localized aquifers in the Precambrian igneous and metamorphic rocks and Tertiary Period igneous rocks of the Black Hills. Within those formations, water is transmitted to wells from joints, faults, and fractures (secondary porosity) below the surface (Rahn, 1979). Below a depth of 500 feet, lithostatic pressure effectively prevents secondary porosity from occurring in the aquifer (Rahn, 1979). Using a depth of 500 feet, an effective porosity of 0.01, and the area of the outcrop of the aquifer ($25 \times 10^9 \text{ ft}^2$), the amount of recoverable water in the Crystalline Rock aquifer is estimated to be around 2.9 million acre-feet (Rahn, 1979). Since water in the Crystalline Rock aquifer is transmitted to wells via secondary porosity, availability of water is site-specific.

One well was completed for this application on April 9, 2019. The driller reported “drift” from 0 to 30 feet below grade, pegmatite from 30 to 65 feet, yellow/brown schist from 65 to 92 feet, schist/pegmatite from 92 to 126 feet, a fracture flowing at 10 gallons per minute (gpm) from 126 to 128 feet, schist/pegmatite from 128 to 145 feet, a fracture flowing at 20 gpm from 145 to 147 feet, schist from 147 to 158 feet, a fracture flowing at 30 or more gpm from 158 to 160 feet, and schist from 160 to 180 feet. The well was cased from 0 to 38 feet below grade. The static water level at the time of drilling was 25 feet below grade.

Applicable South Dakota Codified Law

Pursuant to SDCL 46-2A-9, a permit to appropriate water may be issued if there is reasonable probability that there is unappropriated water available for the applicant’s proposed use, that the proposed diversion can be developed without unlawful impairment of existing rights, and that the proposed use is a beneficial use and in the public interest. This report will address the availability of water and possibility of developing this application without unlawful impairment of existing rights only.

Pursuant to SDCL 46-6-3.1, no application to appropriate groundwater may be approved if it is probable that the quantity of water withdrawn annually from a groundwater source will exceed the quantity of the average estimated annual recharge of the water to the groundwater source. An exception allows water distribution systems to withdraw from groundwater sources older or

stratigraphically lower than the Greenhorn Formation regardless of the results of a hydrologic budget. The Crystalline Rock aquifer is older than the Greenhorn Formation, but Black Hills Bungalows is not a water distribution system as defined in SDCL 46-1-6(17). Therefore, a hydrologic budget must find reasonable probability recharge exceeds withdrawals to approve this application.

Water Availability

Hydrologic budget

Driscoll and Carter (2001) described the Crystalline Rock aquifer as multiple localized aquifers and estimated recharge to the Crystalline Rock aquifers to be equal to withdrawals, however, it was noted that actual recharge to the crystalline aquifers must be larger than estimated to account for discharge to streams. Driscoll and Carter (2001) concluded quantification of a hydrologic budget to the Crystalline Rock aquifer is not feasible because "Recharge conditions are highly transient and have large spatial variability." Therefore, there are no estimates of either average annual recharge to or withdrawals from the localized aquifer available in literature. An attempt at a hydrologic budget can be done based on arbitrary boundaries such as a 1-mile radius around the well for this application, but such a hydrologic budget should not be construed as complete given the factors listed above. A 1-mile radius was chosen because there is a natural break between the number of water rights/permits within 1 mile and the number outside of the area 1 mile from the well for this application.

Recharge

Recharge to the aquifer occurs by infiltration of precipitation and streamflow losses (Driscoll & Carter, 2001). A precise estimate of recharge to the Crystalline Rock aquifer within a 1-mile radius of the well for this application is not available at this time.

Discharge

Discharge from the aquifer occurs through evapotranspiration, seepage to streams, and withdrawals from wells (Driscoll & Carter, 2001). Figure 1 shows the water rights/permits near this application. The two water rights/permits within 1 mile of this application are Water Right No. 1967-2 held by Outlaw Ranch and Water Right No. 2753-2 held by the Black Hills National Forest (SD Water Rights, 2019b). Water Right No. 1967-2 appropriates 0.042 cfs for institutional use. Water Right No. 2753-2 appropriates 0.013 cfs, also for institutional use. Both water rights are limited only by their maximum instantaneous pump rate (SD Water Rights, 2019b). If they pump their maximum licensed rate 60% of the time, their total withdrawal rate is approximately 24 ac-ft/yr. This is a conservative estimate based on previous experience.

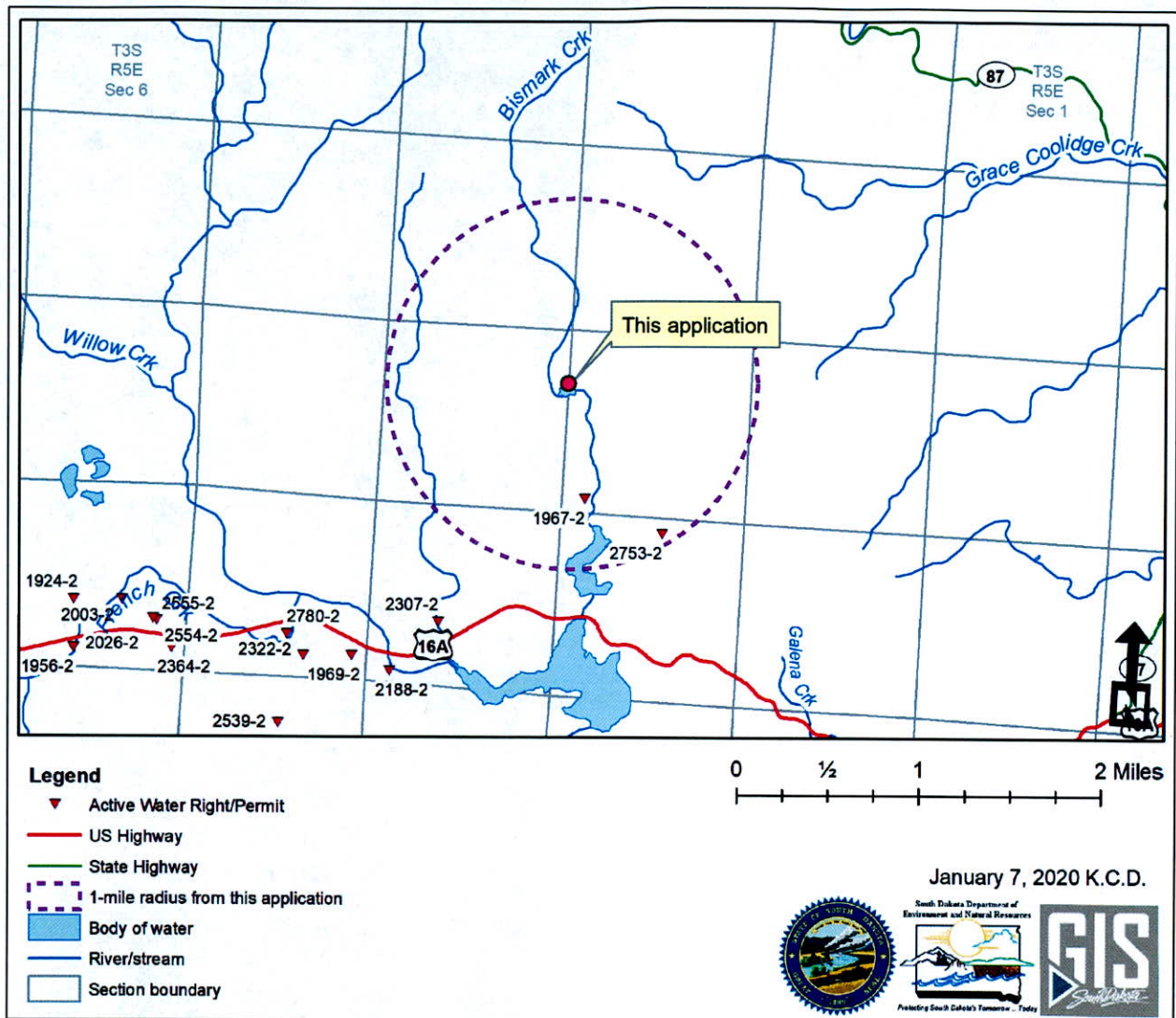


Figure 1: Crystalline rock water rights/permits in the area of this application (SD Water Rights, 2019b)

Balance of hydrologic budget

There is no estimate of recharge available in the Crystalline Rock aquifer in general nor within the arbitrary 1-mile radius set for this hydrologic budget. The estimated discharge by current water rights/permits within a 1-mile radius of this application is 24 ac-ft/yr and this application seeks to withdraw a maximum of 7.5 ac-ft/yr.

Observation Well Data

The Water Rights Program maintains two observation wells that have been historically considered completed into the Crystalline Rock aquifer, labeled PE-95D and CU-86A. Observation Well PE-95D is open to the Deadwood Formation and Precambrian rock (Kilts, 2018). Mathiowetz (2019) concluded “it is uncertain how representative observation well PE-95D is of either the Deadwood or Crystalline Rock aquifers.” Therefore, Observation Well CU-

86A is the only observation well available to analyze the Crystalline Rock aquifer. Observation Well CU-86A is located approximately 3.9 miles west of the location of the well for this application in the City of Custer. Figure 2 shows a hydrograph of Observation Well CU-86A.

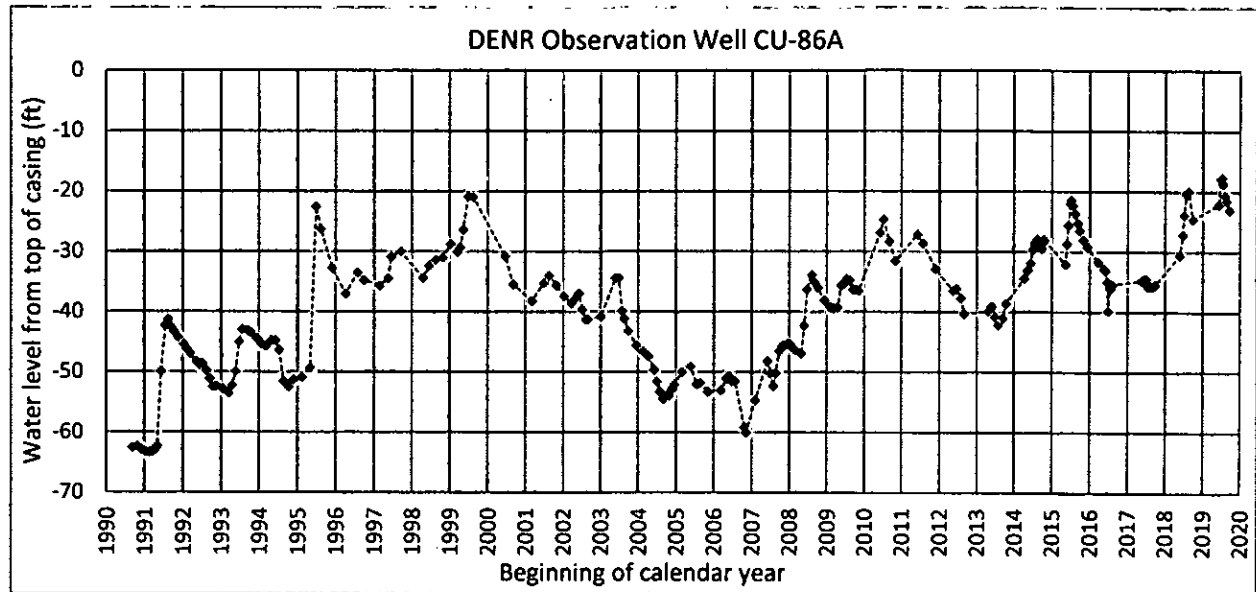


Figure 2: DENR Observation Well CU-86A (SD Water Rights, 2019a)

While Observation Well CU-86A is relatively near the applicant's well, the nature of the Crystalline Rock aquifer means that it is not necessarily hydrologically connected to the area of the aquifer the well for this application is in. However, the hydrograph for the observation well generally follows climate trends for the Black Hills and shows the large variance in water levels possible in the Crystalline Rock aquifer due to climate (NOAA, 2019). Since the pump rate for the well for this application is relatively small, it is unlikely this well will cause a change in water level in the aquifer that is distinguishable from variance due to climate. Therefore, there is reasonable probability water is available for this application without withdrawals exceeding recharge.

Existing Users

Figure 3 shows a map of well completion reports and water right/permits near this application. Table 1 shows the well completion reports mapped in Figure 3. The SD DENR Well Completion Report Database map layer shows the locations of wells as accurately as they are known to the SD DENR Water Rights Program. Since the legal description is the only location information required to be included in well completion reports, most are only mapped to the centroid of the quarter-quarter of their legal description. There is one domestic well on file with the DENR with a legal description that is the same quarter-quarter as this application, mapped as point F on Figure 3. The maximum distance it could be from this application is 0.3 miles, but it could be closer (SD Water Rights, 2019c). There are also five domestic wells on file with the DENR in Section 16-T3S-R5E which only include a legal description of the section and not the quarter-quarter they are in, shown at point J on the map (SD Water Rights, 2019c).

The map the applicant provided shows that the applicant's well is near the eastern boundary of Section 16-T3S-R5E. There is one well on file with the DENR located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 15-T3S-R5E, which is the quarter-quarter just east of the legal description of the applicant's well, mapped as point H (SD Water Rights, 2019c). Due to the number of wells in the same quarter-quarter or the quarter-quarter just east of the applicant's legal description, it is impossible to determine the nearest well to this application based on information in the Well Completion Report Database. It is also likely that there are wells in the area of the application that are not on file with the DENR. The nearest water right or permit to this application is Water Right No. 1967-2, held by Outlaw Ranch and located approximately 0.6 miles south of the well for this application and is licensed to pump at 0.042 cfs (SD Water Rights, 2019b).

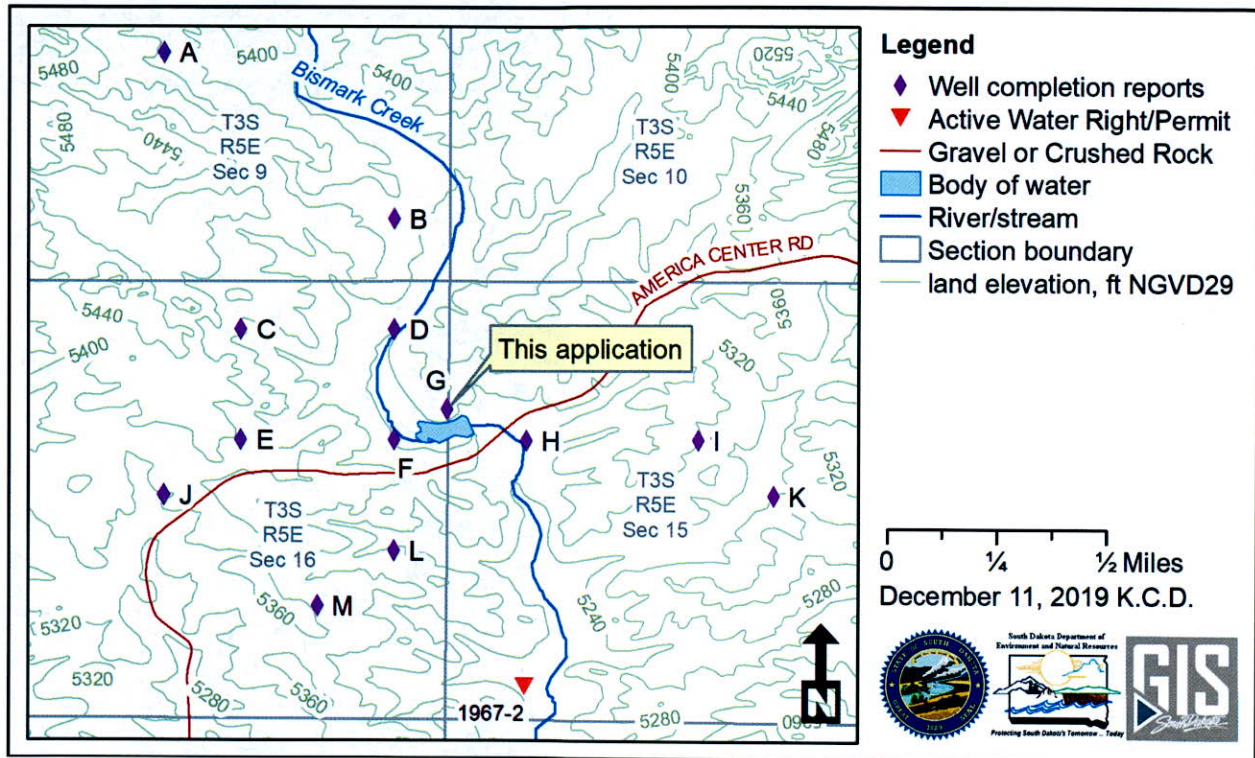


Figure 3: Crystalline rock well completion reports and water rights/permits near this application (SD Water Rights, 2019b; 2019c)

Table 1: Well completion reports shown in Figure 3 (SD Water Rights, 2019c)

Label	Name/Business	Date Completed	Depth (Ft)
A	David Streets	1994-05-01	105
A	Ron Lane	2000-07-01	115
B	Daryl Stisser	2014-11-18	160
C	Steve Cullum	1980-09-06	166
D	Don Luhrsen	1997-11-01	130
D	Sue Brown	2006-04-05	255
E	Don Rockvam	1986-07-02	104
F	A. E. Loken	1987-03-10	340
G	Black Hills Bungalows	2019-04-09	180
H	Robert L. Coleman	1978-05-29	90
I	Walter Yeager	2008-07-17	200
J	David Fluck	2002-03-14	330
J	Pat Dillon	1980-07-30	125
J	Ralph Merchen		128
J	Wealthy Righter	1988-08-02	63
J	Wilma Loken	1995-07-01	215
K	Fred D. "Duffy" Warfel	1976-07-20	110
L	Carroll Wilhelm	1976-04-01	80
M	Sarah Aruesen (Atuesen)	1975-06-15	110

In the past, the Water Management Board has recognized that to place water to maximum beneficial use, a certain amount of drawdown within the aquifer may occur. To protect domestic well users, the Water Management Board defined an “adversely impacted adequate well” in ARSD 74:02:04:20(7) as:

“A well in which the pump intake was set at least 20 feet below the top of the aquifer at the time of construction or, if the aquifer is less than 20 feet thick, is as near to the bottom of the aquifer as is practical and the water level of the aquifer has declined to a level that the pump will no longer deliver sufficient water for the well owner's needs.”

While in most aquifers putting the pump intake 20 feet below the top of the aquifer is sufficient for domestic wells, in the Crystalline Rock aquifer, 20 feet below the top of the aquifer is seldom a sufficient depth for a well to be a dependable water supply. This is due to the low porosity of the crystalline rock and water availability at a given location being linked to the unpredictable occurrence of secondary porosity. Wells that meet the ARSD 74:02:04:20(7) definition of an adequate well might not yield sufficient water for a well owner’s needs. The precise drawdown behavior cannot be known without a pumping test. Water levels in the Crystalline Rock aquifer are known to vary up to 45 feet based on climactic conditions, as shown in Figure 2. There are no complaints of well interference in Custer County for wells completed into the Crystalline Rock aquifer on file with the DENR Water Rights Program (SD Water Rights, 2019d). However, some water permit applications have been denied in the past due to their use type and close proximity to the City of Custer (SD Water Rights, 2019b). Due to the relatively low pump rate

Report on Water Permit Application 2809-2

for this application, distance from other water rights/permits, and lack of well interference complaints on file, it is likely this application can be developed without unlawful impairment to existing water rights/permits and domestic users.

Conclusions

1. Water Permit Application No. 2809-2 seeks to appropriate 7.5 ac-ft/yr at a maximum instantaneous pump rate of 0.09 cfs from one well completed into the Crystalline Rock aquifer located in the SE ¼ NE ¼ Section 16-T3S-R5E for commercial use.
2. An estimate of average annual recharge to the local Crystalline Rock aquifer is not available so a hydrologic budget cannot be analyzed. However, based on observation well data and the relatively small diversion rate proposed by this application, there is reasonable probability unappropriated water is available for this application.
3. It is likely that this well can be developed without unlawful impairment of existing water rights/permits and domestic users.


Kimberly C. Drennon
Natural Resources Engineer

References

Driscoll, D. G. & Carter, J. M., 2001. *Hydrologic Conditions and Budgets for the Black Hills of South Dakota, Through Water Year 1998*, Rapid City, South Dakota: U. S. Geological Survey.

Kilts, W. K., 2018. *Report to the Chief Engineer on Water Permit No. 2789-2*, Joe Foss Bldg., Pierre, South Dakota: SD DENR Water Rights Program.

Mathiowetz, A., 2019. *Report to the Chief Engineer on Water Permit Application No. 2808-2*, Joe Foss Bldg., Pierre, South Dakota: SD DENR Water Rights Program.

NOAA, 2019. *Climate at a Glance: Divisional Time Series*. [Online]
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[Accessed 12 December 2019].

Rahn, P. H., 1979. *Ground Water Resources of Western South Dakota*, Rapid City, South Dakota: South Dakota School of Mines and Technology.

SD Water Rights, 2019a. *Observation Well Database*, Joe Foss Bldg., Pierre, South Dakota: SD DENR Water Rights Program.

SD Water Rights, 2019b. *Water Right/Permit File Database*, Joe Foss Bldg., Pierre, South Dakota: SD DENR Water Rights Program.

SD Water Rights, 2019c. *Well Completion Reports Database*, Joe Foss Bldg., Pierre, South Dakota: SD DENR Water Rights Program.

SD Water Rights, 2019d. *County Files*, Joe Foss Bldg. Pierre, South Dakota: SD DENR Water Rights Program.

Affidavit of Publication

STATE OF SOUTH DAKOTA

County of Pennington

SS:

RECEIVED

JAN 27 2020

WATER RIGHTS
PROGRAM

Jan 22 L5458

NOTICE OF APPLICATION NO.

2809-2 to Appropriate Water
Notice is given that Black Hills Bungalows, c/o Scott Hans, 24921 America Center Rd, Custer SD 57730 has filed an application for a water permit to appropriate 7.5 acre-feet of water annually at a maximum pump rate of 0.09 cubic feet of water per second from one well completed into the Crystalline Rock Aquifer (180 feet deep) located in the SE 1/4 NE 1/4 Section 16-T3S-R5E for commercial use. This site is located approximately 3 miles northeast of Custer, SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2809-2 with qualifications 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. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <http://denr.sd.gov/public> or contact Eric Gronlund for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605-773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by February 3, 2020.

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.

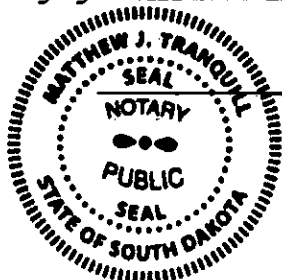
If the applicant does not contest the recommendation of the Chief Engineer and no petition to oppose the application is received, the Chief Engineer shall act on the application pursuant to the recommendation with no hearing held before the Water Management Board. If a petition opposing the application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

(Published once at the total approximate cost of \$47.98)

Sheri Sponder being first duly sworn, upon his/her oath says: That he/she is now and was at all time hereinafter mentioned, an employee of the RAPID CITY JOURNAL, a corporation of Rapid City, South Dakota, the owner and publisher of the RAPID CITY JOURNAL, 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 in the English language, at and within an office maintained by the owner and publisher thereof, at Rapid City, in said Pennington County, and has been admitted to the United States mail under the second class mailing privilege for at least one year prior to the publication herein mentioned; that the advertisement, a printed copy of which, taken from said Rapid City Journal, the paper in which the same was published, is attached to this sheet and made a part of this affidavit, was published in said paper once each day for one successive day, the first publication there of being on the 22nd day of Jan 2020 that the fees charged for the publication there of are 47 dollars and 98 cents.

Sheri Sponder

Subscribed and sworn to before me this 24th day of January, 2020.



Matthew J. Tranquill

Notary public

December 5, 2025

My commission expires

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

SD DENR- Water Rights Program
Black Hills Bungalows
Notice of Application- No 2809-2

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

Jan 22, 2020; _____;

_____; _____;

_____; _____;

_____; _____;

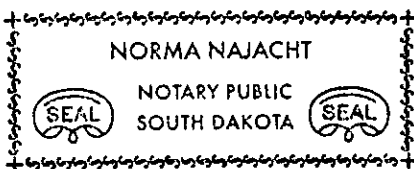
the full amount of the fees for the publication of the annexed notice is \$ 23.94.

Charles W. Najacht

Subscribed and sworn to me before this 22nd

of January, 20 20;

Norma Najacht
NOTARY PUBLIC
MY COMMISSION EXPIRES: May 5, 2024



NOTICE OF APPLICATION

NO. 2809-2 TO
APPROPRIATE WATER

Notice is given that Black Hills Bungalows, c/o Scott Hans, 24941 America Center Rd, Custer SD 57730 has filed an application for a water permit to appropriate 7.5 acre-feet of water annually at a maximum pump rate of 0.09 cubic feet of water per second from one well completed into the Crystalline Rock Aquifer (180 feet deep) located in the SE 1/4 NE 1/4 Section 16-T3S-R5E for commercial use. This site is located approximately 3 miles northeast of Custer SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2809-2 with qualifications 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. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <http://denr.sd.gov/public> or contact Eric Gronlund for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by February 3, 2020.

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.

If the applicant does not contest the recommendation of the Chief Engineer and no petition to oppose the application is received, the Chief Engineer shall act on the application pursuant to the recommendation with no hearing held before the Water Management Board. 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 this application. Notice of the hearing will be given to the applicant and any person filing a petition.

Published once at an approximate cost of \$23.94.

RECEIVED

JAN 27 2020

WATER RIGHTS
PROGRAM

Schlaak, Karen

From: Schlaak, Karen
Sent: Wednesday, January 15, 2020 9:29 AM
To: Rapid City Journal (legals@rapidcityjournal.com)
Subject: 2809-2, Black Hills Bungalows
Attachments: 2809-2public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on January 22, 2020.

Black Hills Bungalows, c/o Scott Hans, 24921 American Center Rd, Custer SD 57730 (605 517-1683) 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

SD DENR, Water Rights Program
(605) 773-3352



Schlaak, Karen

From: Schlaak, Karen
Sent: Wednesday, January 15, 2020 9:28 AM
To: 'custerchronicle@gwtc.net'
Subject: 2809-2, Black Hills Bungalows
Attachments: 2809-2public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on January 22, 2020.

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

Karen Schlaak
SD DENR, Water Rights Program
(605) 773-3352





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.**

January 15, 2020

Black Hills Bungalows
c/o Scott Hans
24921 America Center Rd
Custer SD 57730

Dear Mr. Hans:

Water Permit Application No. 2809-2 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 Custer County 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 recommendation of the Chief Engineer and 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 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 publisher has been instructed to publish your notice. The newspaper has also been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

Eric Gronlund /KS

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.

NOTICE OF APPLICATION NO. 2809-2 to Appropriate Water

Notice is given that Black Hills Bungalows, c/o Scott Hans, 24921 America Center Rd, Custer SD 57730 has filed an application for a water permit to appropriate 7.5 acre-feet of water annually at a maximum pump rate of 0.09 cubic feet of water per second from one well completed into the Crystalline Rock Aquifer (180 feet deep) located in the SE 1/4 NE 1/4 Section 16-T3S-R5E for commercial use. This site is located approximately 3 miles northeast of Custer SD.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2809-2 with qualifications 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. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <http://denr.sd.gov/public> or contact Eric Gronlund for this information, or other information, at the Water Rights Program address provided below.

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Published once at the total approximate cost of_____.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

FEB 20 2020

Black Hills Bugalows
c/o Scott Hans
24941 America Center Rd
Custer SD 57730

Dear Mr. Hans:

Enclosed is Water Permit No. 2809-2 authorizing construction of the water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

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

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

Sincerely,

A handwritten signature in black ink, reading "Jeanne Goodman". The signature is fluid and cursive, with the first name "Jeanne" being more prominent than the last name "Goodman".

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

enclosures

Schlaak, Karen

From: Schlaak, Karen
Sent: Tuesday, January 24, 2023 10:49 AM
To: 'Jordan Hirschfeld'; Jordan Adam; Trystin Morales
Subject: RE: [EXT] Water Consumption- Black Hills Bungalows
Attachments: 4704.pdf

Attached is a partially completed Notice of Transfer of Ownership form. Please complete the form and return with the required \$50.00 fee. I have also included a copy of Water Permit No. 2809-2 for your records. Highlighted is the qualification that requires reporting water use for each year.

We still need answers Regarding water usage – we can come up with an estimate of water used if we know the following: How many cabins are there? Would it be fair to say on the average two people per cabin? With those amounts we can estimate 60% usage from May to December.

Let me know if you have questions.
 Karen

From: Jordan Hirschfeld <info@jandjhospitality.com>
Sent: Tuesday, January 24, 2023 10:15 AM
To: Jordan Adam <bhbungalows@gmail.com>; Schlaak, Karen <Karen.Schlaak@state.sd.us>; Trystin Morales <trystinmorales@gmail.com>
Subject: Re: [EXT] Water Consumption- Black Hills Bungalows

Hey Karen,

I am not the new owner of BHB but we are managing the resort. I've attached the owner (Trystin Morales) to this email thread so that you can send us all the required documentation that we need to fill out for the transfer of ownership.

I'm sorry about the delay in doing this as the previous owners did not inform us that we needed to do any paperwork to get the well rights stuff transferred over.

Thanks, Jordan

On Mon, Jan 23, 2023 at 7:41 PM Jordan Adam <bhbungalows@gmail.com> wrote:

From the department of agriculture.

----- Forwarded message -----

From: **Schlaak, Karen** <Karen.Schlaak@state.sd.us>
Date: Mon, Jan 23, 2023 at 12:23 PM
Subject: RE: Water Consumption- Black Hills Bungalows
To: Jordan Adam <bhbungalows@gmail.com>

A couple of questions regarding Black Hills Bungalows and water use.

Are you the new owner of the business? If so, a Transfer of Ownership form needs to be completed.

Regarding water usage – we can come up with the estimate of water used if we know the following:

How many cabins are there? Would it be fair to say on the average two people per cabin?

From: Jordan Adam <bhbungalows@gmail.com>

Sent: Saturday, January 21, 2023 10:58 AM

To: Schlaak, Karen <Karen.Schlaak@state.sd.us>

Subject: [EXT] Water Consumption- Black Hills Bungalows

Hi Karen,

How are you?

This is in regards to the letter you've sent to Black Hills Bungalows about the amount of water used in 2022.

We reached out to inform you that we do not have a meter or gauge to measure the water used in the well.

I just wanted to let you know as well that the new owner took ownership in May of 2022. Occupancy from then until the end of December was around 60%. Also, there is no way for us to gauge the number of gallons used to be able to estimate the consumption.

I believe you have the permit number on file.

Thank you and Have a great day!

Kind regards,

Black Hills Bungalows

--

	JORDAN HIRSCHFELD	
	Vacation Rental Manager	
	☐ <u>605-593-1832</u>	
	☐ <u>www.jandihospitality.com</u>	
☐ 550 N 5th St #315, Rapid City, SD 57701		

--

2809-2

RECEIPT**WATER RIGHTS PROGRAM**

South Dakota Department of Agriculture and Natural Resources

Date February 6, 2023RECEIVED OF Trystin Morales 24941 America Center Rd., Custer SD 57730

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

Fee for Application for Permit No. _____ to Appropriate Water, to construct and to put water to beneficial use	\$ _____
Fee for Application for Permit No. _____ to Appropriate Water for Future use	\$ _____
Fee to retain Future Use Permit No. _____ after period of seven years.	\$ _____
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. _____	\$ _____
Fee for Filing Transfer Form <u>2809-2</u>	<u>\$50.000</u>
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	<u>\$50.00</u>

By

Eric Gronlund

Chief Engineer

VM

PAID

FEB 6 2023

Ck# Cash

Rec't# _____

NOTICE OF TRANSFER OF OWNERSHIP

To: Chief Engineer
Water Rights Program, DENR
523 E. Capitol
Pierre, SD 57501-3181

No. 2809-2

Date: 01/30/2023

I/We request that Water Right/Permit No. 2809-2

formerly owned by: Black Hills Bungalows – Scott Hans

X be transferred to: (name & address) Trystin Morales (B) / SMORE Investments LLC
24941 America Center rd. Custer, SD 57730

Telephone No. _____

Title to the following described land(s)/property has been transferred as described above:

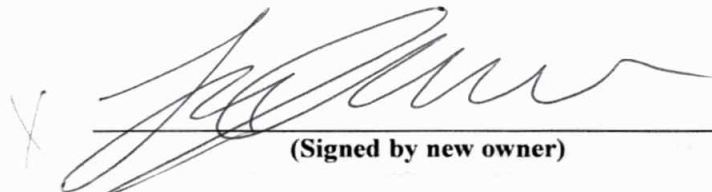
one well located in the SE 1/4 NE 1/4 Section 16-T3S-R5E for commercial use

I/We understand that the validity of Water Right/Permit No. 2809-2 has not been determined by this transfer action. If I/We have any questions on validity, I/We understand that only the Water Management Board has the authority to determine if a water permit/right is valid (see note).

You are requested to file this "Notice of Transfer" in the appropriate file with the Water Rights Program, as evidence of the change of ownership.

A fee of Fifty Dollars (\$50.00) is required to cover the filing fees as required under SDCL 46-2-13. This form must be signed by the new owner.

I/We _____, the new owner, certify that the above information is true and correct.

X 
(Signed by new owner)

NOTE: Water permits may be cancelled for nonconstruction after the five year construction period has expired. Once a water permit is developed and the water used, the permit becomes a right. A water right may be lost for three reasons:

1. Abandonment - no intent to use water and use is abandoned.
2. Forfeiture - no use of water for three year period without legal excuse.
3. For a third violation of a condition of a water permit/right.

RECEIVED

FEB 06 2023

OFFICE OF
WATER



FL226275

APPLICATION FOR CERTIFICATE OF AUTHORITY

Secretary of State
500 E. Capitol Ave
Pierre, SD 57501-5070
(605) 773-4845

FOREIGN LIMITED LIABILITY COMPANY
SDCL 47-34A-1002

Filing Fee: \$750

Total Fee: \$750

Please Type or Print Clearly in Ink
Please submit one Original
Make payable to the SECRETARY OF STATE

Application must be accompanied by a one page **Original Certificate of Existence** issued by the Secretary of State or other official having custody of the organizational records in the state or other jurisdiction under whose law it is organized.

1. The name of the Company: **ISMORE INVESTMENTS LLC**
2. If the name indicated above does not include Limited Liability Company, Limited Company or the abbreviation L.L.C., LLC, L.C. or LC. (Limited may be abbreviated as Ltd. and company may be abbreviated as Co.), then what is the alternative name adopted:

ISMORE INVESTMENTS LLC

3. The name of the state or other jurisdiction under whose laws it is organized: **TEXAS**

4. The address of its principal office (this is the address of the executive offices of the company):

Actual Street Address

**24941 AMERICA CENTER RD
CUSTER, SD 57730**

Mailing Address

**24941 AMERICA CENTER RD
CUSTER, SD 57730**

5. If the jurisdiction under which the company is formed requires the company to maintain an office in that jurisdiction then provide for that office:

Actual Street Address

Mailing Address

6. The South Dakota Registered Agent's Name:

South Dakota law permits the registered agent to be either (a) a noncommercial registered agent, or (b) a commercial registered agent.

(b) The South Dakota Commercial Registered Agent's name & CRA#

CRA: **REGISTERED AGENTS INC (0000035)**

Actual Street Address in this State

Mailing Address in this State

**25 1ST AVE SW
STE A
WATERTOWN, SD 57201-3507**

7. The duration of the company if other than perpetual is: **Perpetual**

If the document is not to be effective upon filing by the Secretary of State, the delayed effective date is: _____

B0720-19/9 05/03/2022 5:15PM Rec'd by SD SOS



8. Beneficial Owners (optional): A beneficial owner is a person who has or in some manner controls an equity security. Please consult an attorney for legal advice if you have any questions concerning this entry. Any question under this heading is considered a request for legal advice and the secretary of state's office is, by statute, not permitted, to provide legal advice.

Name	Address
Trystin Morales	24941 America Center Rd, Custer, SD 57730

No person may execute this report knowing it is false in any material respect. Any violation may be subject to a criminal penalty (SDCL 22-39-36).

05/03/2022
Dated

Email (Optional)

Trystin Morales
Signature of an Authorized Person

Trystin Morales
Printed Name

B0220-1980 05/03/2022 5:15PM Rec'd by SD SOS



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

February 6, 2023

2809-2

Trystin Morales
Ismore Investments LLC
24941 America Center Rd
Custer SD 57730

Dear Mr. Morales:

I am writing to acknowledge receipt of the transfer form and filing fee you submitted for Water Permit No. 2809-2.

The ownership change has been completed. The water permit formerly held by Black Hills Bungalows is now listed under Ismore Investments LLC.

Enclosed for your records is a receipt for the filing fee you paid.

Sincerely,

Genny McMath
Water Rights Program
605 773-3352
Genny.mcmath@state.sd.us

enclosure



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**
JOE FOSS BUILDING
523 E. CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

May 23, 2025

NOTICE OF HEARING

TO: Ismore Investments LLC., 24941 America Center Road, Custer SD 57730

FROM: Ron Duvall, Engineer III
for Mark Mayer, PE
Director of Office of Water

SUBJECT: Violation of Permit Qualification to Report Annual Water Use

Our records indicate your 2024 annual water use has not been submitted for Permit No. 2809-2. The request to report water use for 2024 was dated January 3, 2025. Two follow-up attempts to get the required water use report have gone unanswered. The Water Management Board has directed owners of water permits who have not submitted the 2024 water use reporting be given notice of permit violation and a hearing to be held by the Board. The hearing is to determine what action is to be taken for violation of Water Permit No. 2809-2 qualification:

"The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Crystalline Rock Aquifer."

The hearing will be held on **Wednesday, July 9, 2025, at 9:30 am (Central Time)** in the Floyd Matthew Training Center, Joe Foss Building, 523 E Capitol Avenue, Pierre, SD and will be conducted pursuant to SDCL 46-1-12, 46-1-14, 46-2-9, 46-2-11 and 46-2-17. These are contested case hearings pursuant to Chapter 1-26. According to SDCL 46-1-12, the Board may suspend a permit for a period of up to one year for the first violation of a permit qualification or up to three years for a second violation or cancel a permit for a third violation. Following the hearing, the Water Management Board can:

1. Suspend or cancel Permit No. 2809-2 in accordance with applicable provisions of SDCL 46-1-12;
2. Postpone any action; or
3. Take no action.

The hearing is an adversary proceeding. The permit owner has the right to be present or to be represented by a lawyer. These and other due process rights will be forfeited if they are not exercised. Decisions of the Board may be appealed to the Circuit Court and the State Supreme Court as provided by law.

If the water use report(s) is (are) received in this office before the **July 9, 2025**, hearing, you will no longer be in violation of your permit and your name will be removed from the Board agenda. You may submit your water use report by providing the information to Rachel Rodriguez at (605) 773-3352 or via email at rachel.rodriguez@state.sd.us. You may also submit the water use report via mail using the address in the NOTE at the bottom of this Notice.

NOTE: Please contact the Water Rights Program, Joe Foss Building, 523 E Capitol, Pierre, SD 57501 or call (605-773-3352) to assure access to the meeting room for the handicapped or to obtain an interpreter for the hearing impaired.



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

July 11, 2025

**NOTICE OF ENTRY OF ORDER REGARDING ONE YEAR SUSPENSION
OF WATER PERMIT**

TO: Ismore Investments LLC., c/o Trystin Morales, 24941 American Center Rd, Custer SD 57730

FROM: *for* Mark Mayer, Acting Chief Engineer
Water Rights Program 

SUBJECT: One Year Suspension of Water Permit No. 2809-2

Pursuant to the Notice of Hearing dated and mailed to you on May 23, 2025, the Water Management Board took action on July 9, 2025, and ordered the following:

Effective August 1, 2025, Water Permit No. 2809-2 is suspended for one year for failure to report your 2024 water use. If your 2024 water use is reported prior to August 1, 2025, the suspension will not take effect.

A one-year suspension of Water Permit No. 2809-2 means water may not be pumped for one year beginning on the effective date of suspension which is August 1, 2025. If your 2024 water use is reported prior to August 1, 2025, the one-year suspension will not go into effect. You may report your use via phone by contacting Rachel Rodriguez at 605-773-3352 or by email at Rachel.Rodriguez@state.sd.us.

Water Rights staff will conduct unscheduled compliance checks of suspended water permits. Pursuant to South Dakota Codified Law 46-1-11, violation of this suspension will be a Class 2 misdemeanor, subject to a civil fine of up to \$500.00. Each day of noncompliance is deemed a separate violation meaning up to \$500.00 for each day of violation.

If you fail to report prior to August 1, 2025, you may petition the Board to rescind the suspension. To do so, you will need to submit to the Water Rights Program your 2024 water use, a letter including your reason for not reporting within the allotted time, and requesting time on the agenda for the next Water Management Board meeting. The next Water Management Board meeting is scheduled for October 1-2, 2025, in Pierre SD.

Decisions made by the Board may be appealed to the Circuit Court and State Supreme Court as provided by law.

Please contact Rachel Rodriguez at 605-773-3352 with any questions.

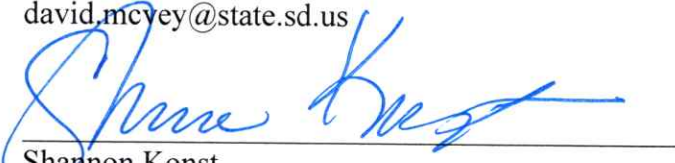
CERTIFICATION

The undersigned hereby certifies under the penalty of perjury that a true and correct copy of a Notice of Entry of Order, concerning a one-year suspension of Water Right No. 2809-2, dated July 11, 2025, in the matter of violating the annual water use reporting requirement, was served by U. S. certified mail, upon the following on this 11th day of July 2025.

Ismore Investments, LLC.
c/o Trystin Morales
24941 American Center Road
Custer SD 57730

Above sent inter-office to:

David McVey, Assistant Attorney General
1302 East Highway 14, Suite 1
Pierre SD 57501-8501
david.mcvay@state.sd.us


Shannon Konst
Water Rights Program, DANR

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF HUGHES)

Sworn to, before me, this 11th day of July, 2025.


Rachel Rodriguez
Notary Public
My Commission expires May 16, 2029



7021 1970 0000 9489 7936

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| ☐ Certified Mail Restricted Delivery | \$ _____ |
| ☐ Adult Signature Required | \$ _____ |
| ☐ Adult Signature Restricted Delivery | \$ _____ |

Postmark
Here

RR

ISMORE INVESTMENTS LLC
C/O TRYSTIN MORALES
24941 AMERICAN CENTER RD
CUSTER SD 57730

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ISMORE INVESTMENTS LLC
C/O TRYSTIN MORALES
24941 AMERICAN CENTER RD
CUSTER SD 57730



9590 9402 6392 0303 3267 13

2. Article Number (Transfer from service label)

7021 1970 0000 9489 7936

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

X Teresa R.

☐ Agent☐ Addressee**B. Received by (Printed Name)**

Teresa Rodriguez

C. Date of Delivery

07/21/25

D. Is delivery address different from item 1?☐ Yes

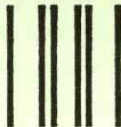
If YES, enter delivery address below:

☐ No**3. Service Type**

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

USPS TRACKING #



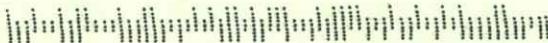
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

9590 9402 6392 0303 3267 13

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DANR WATER RIGHTS PROGRAM
523 E CAPITOL AVE
PIERRE SD 57501



Rodriguez, Rachel

From: Rodriguez, Rachel
Sent: Monday, July 21, 2025 12:50 PM
To: 'Black Hills Bungalows'
Cc: Trystin Morales
Subject: RE: [EXT] Black Hills Bungalows| 2024 Water Usage

Excellent! The suspension will not go into effect.

Thank you,

Rachel Rodriguez
DANR | Program Assistant
Rachel.Rodriguez@state.sd.us



From: Black Hills Bungalows <support@blackhillsbungalows.com>
Sent: Monday, July 21, 2025 12:29 PM
To: Rodriguez, Rachel <Rachel.Rodriguez@state.sd.us>
Cc: Trystin Morales <trystinmorales@gmail.com>
Subject: [EXT] Black Hills Bungalows| 2024 Water Usage

Hi Rachel,

The estimated water usage for 2024 is 675,000 gallons. Our Water Permit Number is 2809-2.

If you need any additional information or further details, please don't hesitate to reach out.

Best regards,
Black Hills Bungalows