

WATER PERMIT NO. 2876-2

Name of Applicant: Hwy 16, LLC

Address: 2700 W Main Street, Rapid City SD 57702

Phone: 605-390-9903

Amount of Water Claimed: 955 AF

Total Acres: N/A

Source of Water Supply: Surface

Water to be used for: WDS, COM

County: Pennington

Type of Waste Disposal System:

Location: Approx. 8 miles southwest of Rapid City

PRIORITY Date Received: 03-26-24

Application/License Fee: \$1,550.00

Corrected Application Received:

Period of Annual Use: January 1 – December 31

Remarks: Water will be used for housing and commercial development. There are 2 existing wells and one new proposed well, see well completion report.

Diversion Point: SW 1/4 SW 1/4 (Lot 6) Sec 6-T1S-R7E

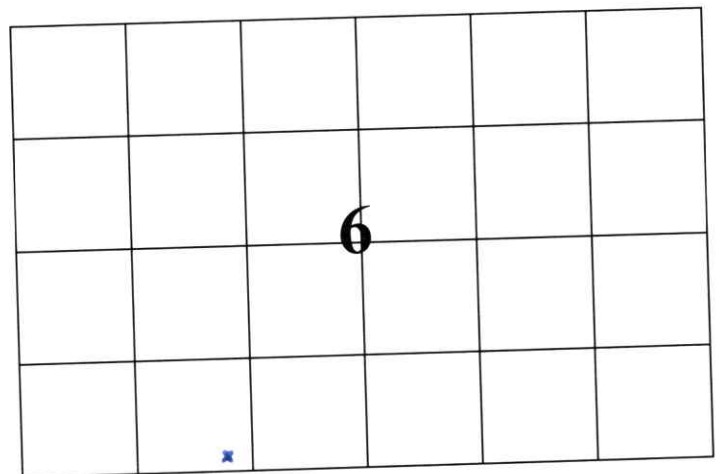
Land to be Irrigated: N/A

Depth of Well: 20

Well Driller: Bice Drilling/F. Conway

Remarks:

Type of Map: topo



Reviewed and the Number Assigned on: 03-27-24

By: **Rachel Rodriguez**

Notice of Hearing - date to intervene: _____

SOUTH DAKOTA
WATER PERMIT NO. 2876-2

Date of first receipt of application March 26, 2024.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 2876-2 to Hwy 16, LLC, 2700 W. Main Street, Rapid City SD 57702, authorizing the construction of the water use system and the placing of water to beneficial use subject to the following limitations, conditions and qualifications:

1. Water Permit No. 2876-2 appropriates up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cubic feet of water per second from an infiltration gallery adjacent to and primarily fed by Spring Creek to be completed into an alluvial aquifer (approximately 20 feet deep) located in the SW 1/4 SW 1/4 (Lot 6) Section 6 for a water distribution system and commercial use located in portions of Sections 7, 8, 17, and 18; all in T1S-R7E. This site is located approximately three miles southwest of the Rapid City SD, city limits.
2. The water appropriated shall be used for the purpose of water distribution system and 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: January 1 – December 31.
4. The date of approval of Permit No. 2876-2 is June 24, 2024.
5. The date from which applicant may claim right is March 26, 2024.
6. One-fifth of the construction is to be completed on or before December 24, 2026.
7. All construction is to be completed on or before June 24, 2029.
8. Water is to be put to beneficial use on or before June 24, 2033.
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 infiltration gallery approved under Water Permit No. 2876-2 is located near domestic wells and other wells which may obtain water from the same aquifer. Water withdrawals must be controlled so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. Low flows in Spring Creek as needed for downstream domestic use, including livestock water and prior water rights must be by-passed. Diversions under this Permit shall be in accordance with any written orders by the Chief Engineer.
3. Water Permit No. 2876-2 is subject to shut-off orders issued by the Chief Engineer if a holder of a downstream senior water right or domestic user makes a call of impairment and the Chief Engineer determines under current flow conditions, pumping diminishes the flow available downstream.

(continued)

4. The infiltration gallery authorized by Permit No. 2876-2 must be constructed by a licensed well driller and construction of the main casing/caisson of the gallery and installation of the pump must comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.
5. No construction of works under Permit No. 2876-2 may begin prior to obtaining a certificate of approval from the SD DANR, Drinking Water Program as required by Administrative Rules of South Dakota 74:04:09:04.
6. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Quaternary Alluvium aquifer.
7. Water Permit No. 2876-2 appropriates up to 955 acre-feet of water annually.

WATER MANAGEMENT BOARD

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

JUL 08 2024
date



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

Mail to: SD DANR, Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>2876-2</u> Hydrologic Unit <u>10120109</u>
	Basin <u>Cheyenne</u>
	Newspaper <u>Rapid City Journal</u>
	(office use only)

PAID
MAR 26 2024
Ck# 13839
Rec't# 361624

Application for Permit to Appropriate Water in 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.)

N/A

1. Name to Appear on Water Permit Hwy 16, LLC

Mailing Address 2700 W. Main St Rapid City SD 57702
(Address) (City) (State) (Zip Code)

Phone _____ Mobile 605 390-9903 Email markandersonwater@gmail.com

2. Amount of water claimed 2.5 *CFS or 955 **GPM and 955 ***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 Spring Creek Alluvium

4. Location of point of diversion SE1/4, SW1/4 SW1/4 Section 6 of T1S R7E County Penn

(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 ☐ No

If "Yes," where will water be used? Portions of Sections 7, 8, 17, 18 of T1S R7E

(example - NW1/4 section 12-T104N-R53W)

5. County or counties where water will be used Pennington

6. Annual period during which water is to be used all year Jan 1 - Dec 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)

The water will be used to support housing and commercial development on ~728 acres of largely undeveloped land along Hwy 16 south of Rapid City. (see attached map of point of diversion, narrative of plans to develop an infiltration gallery to withdrawn water from Spring Creek).

I, Patricia A. Hance owner, 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.

2021-08

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)

RECEIVED
MAR 26 2024
OFFICE OF
WATER

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 2 Provide copy of log(s), if available. Drilled by Bice Drilling/F. Conway

For either existing or proposed wells:

- c) Well Depth (required) 20' Depth to Top of Water Bearing Material 1' Depth to Water from Surface 3-4'
- d) Distance to nearest domestic well on applicant's property N/A Property owned by others 1320'

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) on-site wastewater treatment systems
- b) System Capacity (gallons) est. 200 MG/yr Year Constructed TBD
- c) Connected to the City of N/A Sanitary System

3. Dugout Information

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

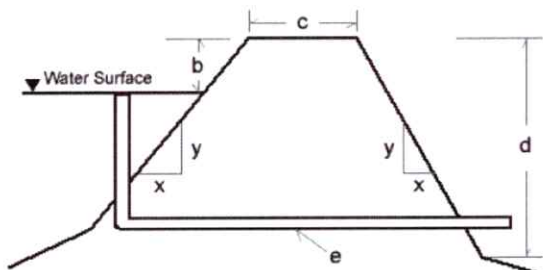
4. Water Storage Dams

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:

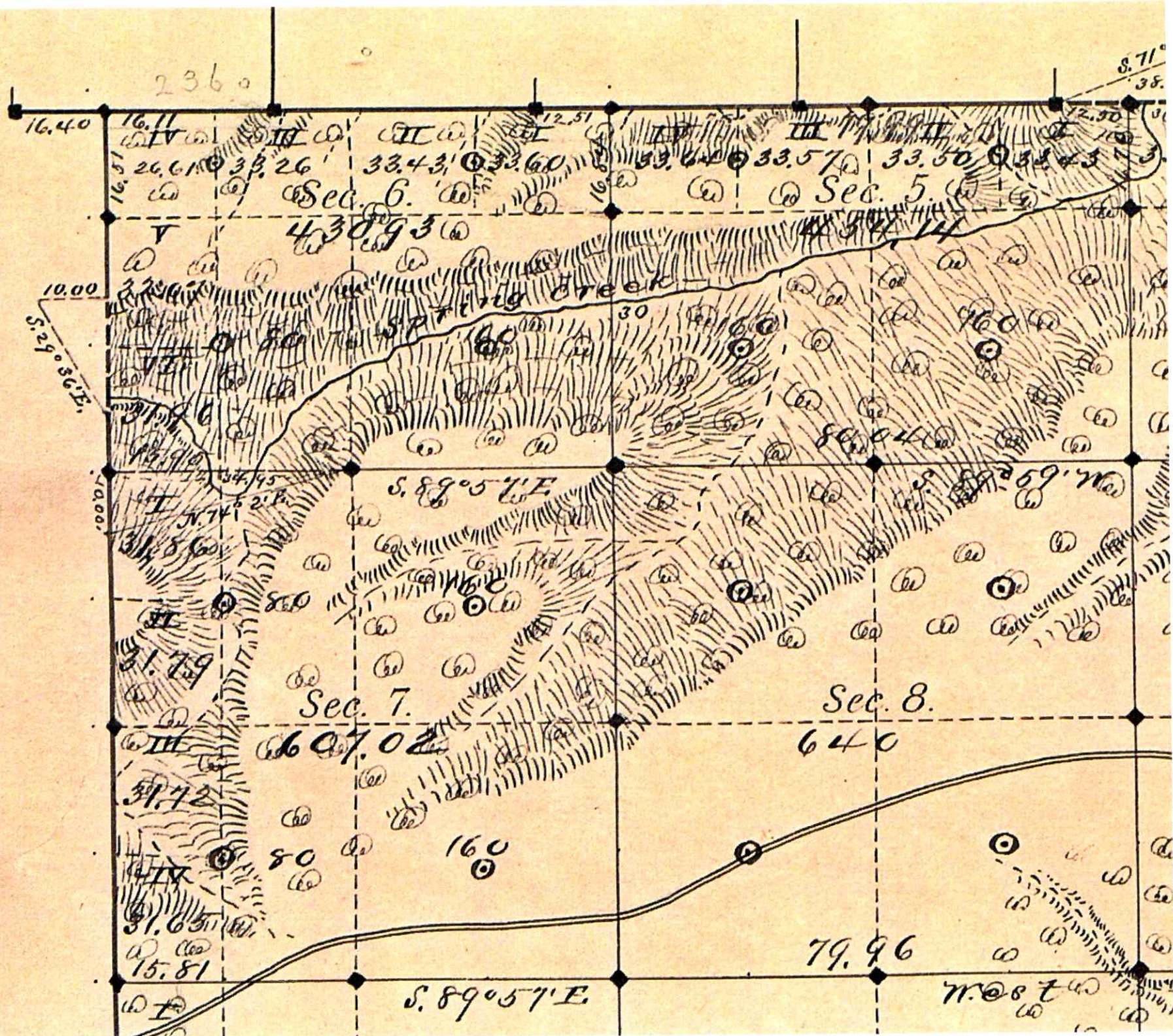


- b) Freeboard _____
- c) Crest Width _____
Crest Length _____
- d) Height _____
- e) Primary Outlet Capacity _____



- 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) Area of Impoundment _____
- i) Storage _____ Acre Feet
- j) Drainage Area Above Dam _____ Acres

A hand-drawn map of a section of land, likely a survey. The map is divided into sections by a grid of lines. The top section is labeled "Sec. 6." and contains several smaller sections labeled I, II, III, IV, V, and VI. The bottom section is labeled "I". A creek, labeled "Spring Creek", flows from the top right towards the bottom left. The map includes various measurements and bearings, such as "16.40", "16.11", "12.51", "26.61", "33.26", "33.43", "33.60", "33.6", "430.93", "10.00", "S. 29° 56' E.", "34.95", "2' E.", "S. 89° 57' E.", "100' 00\"", "31.86", and "30". The map also shows a series of small circles or dots, possibly representing trees or other features, and a series of parallel lines representing the creek's banks.



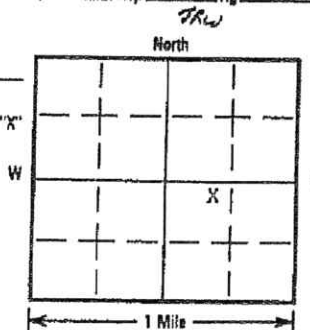
SOUTH DAKOTA WATER WELL COMPLETION REPORT 2389-27-82

Location NW 1/4 SE 1/4 Sec 17 Twp 15 Rg 7E

County

Pennington

Please mark well location with an "X"



Well Completion Date 03-02-97

LOCATION:

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

PROPOSED USE:

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

METHOD OF DRILLING:

Air Rotary

CASING DATA:

☒ Steel ☐ Plastic ☐ Other

If other describe

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
17 LB/FT	5.5 IN	+1.5 FT	665 FT	6 3/4 IN
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
Portland	75	14 lb./gal	665 ft	0 ft
		lb./gal	ft	ft

Describe grouting procedure

Pressure Grouted Through Casing

SCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter IN Length FEET

Material

Slot Size Set From Feet to Feet

Other information

WAS A PACKER OR SEAL USED? ☐ YES ☐ NO

If so, what material?

Describe packer(s) and location?

DISINFECTION:

Was well disinfected upon completion? XXYES, How: Chlorine

NO, Why Not?

Laboratory sent to for water quality analysis

Well Owner: Duhamel Enterprises

Business Name: Sitting Bull Cave

Address: 518 St. Joe

Rapid City, SD 57701

ATTN: Monte Loos

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Red Clay/Limestone	0	15
Off White Limestone	15	120
Yellow to Orange Limestn	120	140
Off White Limestone	140	220
Off White/Pink Limestone	220	400
Drk Rose Limestone	400	460
Drk Purple Siltstone	460	500
Hard Red Siltstone	500	560
Hard Purple/Green Shale	560	580
Hard Green Shale	580	660
Brownish Orange Sand	660	710

STATIC WATER LEVEL 365 Feet

If flowing: closed in pressure PSI

GPM flow through inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other

Reduced Flowrate GPM

Can well be completely shut in?

WELL TEST DATA:

☐ Pumped Describe: Air Developed☐ Bailed☒ Other

Pumping Level Below Land Surface

650 ft. After 2 Hrs. pumped 20 GPM

ft. After Hrs. pumped GPM

If pump installed, pump rate GPM

REMARKS

Driller: Frank Conway



This well was drilled under license # 195

And this report is true and accurate.

Drilling firm: S. Rice Drilling Co., Inc.

Signature of License Representative:

Signature of Well Owner or Equitable Property Holder:

Date: 06-11-97

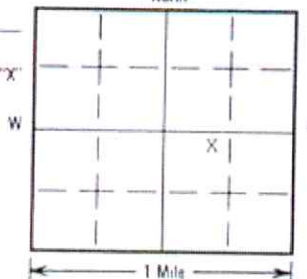
SOUTH DAKOTA WATER WELL COMPLETION REPORT 2389-2 07-92

Location NW 1/4 SE 1/4 Sec 17 Twp 15 Rg 7E

County

Pennington

Please mark well location with an "X"



Well Completion Date 03-02-97

LOCATION:

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

PROPOSED USE:

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

METHOD OF DRILLING:

Air Rotary

CASING DATA:

☒ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>17 LB/FT</u>	<u>5.5 IN</u>	<u>1.5 FT</u>	<u>6.65 FT</u>	<u>6 3/4 IN</u>
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
<u>Portland</u>	<u>75</u>	<u>14 lb/gal</u>	<u>6.65 ft</u>	<u>0 ft</u>
_____	_____	_____ lb/gal	_____ ft	_____ ft

Describe grouting procedure _____

Pressure Grouted Through Casing

SCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter _____ IN Length _____ FEET

Material _____

Slot Size _____ Set From _____ Feet to _____ Feet

Other information _____

WAS A PACKER OR SEAL USED? ☐ YES ☐ NO

If so, what material? _____

Describe packer(s) and location? _____

DISINFECTION:

Was well disinfected upon completion? XX YES, How Chlorine

_____, NO, Why Not? _____

Laboratory sent to for water quality analysis _____

Well Owner: Duhamel Enterprises

Business Name: Sitting Bull Cave

Address: 518 St. Joe

Rapid City, SD 57701

ATTN: Monte Loos

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Red Clay/Limestone	0	15
Off White Limestone	15	120
Yellow to Orange Limestn	120	140
Off White Limestone	140	220
Off White/Pink Limestone	220	400
Drk Rose Limestone	400	460
Drk Purple Siltstone	460	500
Hard Red Siltstone	500	560
Hard Purple/Green Shale	560	580
Hard Green Shale	580	660
Brownish Orange Sand	660	710

STATIC WATER LEVEL 365 Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped

Describe: Air Developed

☐ Bailed

☒ Other

Pumping Level Below Land Surface

650 ft. After 2 Hrs. pumped 20 GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

Driller: Frank Conway



This well was drilled under license # 195

And this report is true and accurate

Drilling firm S. Rice Drilling Co., Inc.

Signature of License Representative

Frank Conway

Signature of Well Owner or Equitable Property Holder

Monte Loos

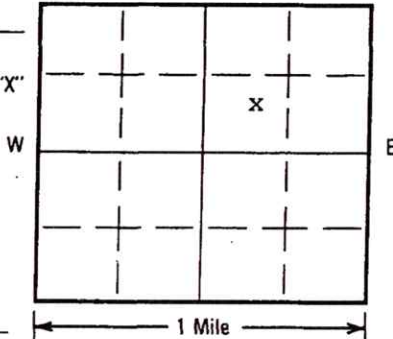
Date: 06-11-97

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 17 Twp 1S Rg 7E
County Pennington

Please mark well location with an "X"



Well Completion Date

04-21-98

Well Owner: Duhamel Enterprises
Business Name: Setting Back Crystal Caverns, Inc.
Address: 518 St. Joe St
Rapid City, SD 57701

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Minnelusa	0	220
Off White Limestone	220	360
Lost Returns	360	
Tan Sand/Hard Green Shale	880	900

LOCATION:

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

PROPOSED USE:

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

METHOD OF DRILLING:

Air Rotary

CASING DATA: ☒ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>23</u> LB/FT	<u>7</u> IN	<u>+1.5</u> FT	<u>808</u> FT	<u>8 3/4</u> IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN
_____ LB/FT	_____ IN	_____ FT	_____ FT	_____ IN

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
<u>Portland</u>	<u>125</u>	<u>14</u> lb./gal	<u>808</u> ft	<u>0</u> ft
_____	_____	_____ lb./gal	_____ ft	_____ ft

Describe grouting procedure Pressure grouted
through casing

SCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter _____ IN Length _____ FEET

Material _____

Slot Size _____ Set From _____ Feet to _____ Feet

Other information _____

WAS A PACKER OR SEAL USED? ☐ YES ☒ NO

If so, what material? _____

Describe packer(s) and location? _____

DISINFECTION: Was well disinfected upon completion?

☒ YES, How: Chlorine

Laboratory sent to for water quality analysis _____

_____ NO, Why Not? _____

STATIC WATER LEVEL 600' Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other _____

Reduced Flowrate _____ GPM

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped Describe: Air Developed
☐ Bailed
☒ Other _____

Pumping Level Below Land Surface

900 ft. After 2 Hrs. pumped 30 GPM

800 ft. After 2 Hrs. pumped 12 GPM

If pump installed, pump rate _____ GPM

REMARKS

DRILLER: Frank Conway

This well was drilled under license # 195

And this report is true and accurate.

Drilling firm S. Bice Drilling Co.

Signature of License Representative:

Frank Conway

Signature of Well Owner or Equitable Property Holder:

Setting Back Crystal Caverns, Inc.

Date: 06-15-98



Water Supply Strategy for Proposed BH Ranch Housing Development

Project Description

The former Sitting Bull Caverns and 728 acres of undeveloped land along Hwy 16 about eight miles south of Rapid City are proposed to be developed (Figure 1). Tentatively named Black Hills Ranch, the area will be developed for a housing subdivision and commercial use. The geologic aquifers lying beneath the property, notably the Minnelusa and Madison formations are present but are either not saturated or only partially saturated. Therefore, a water supply off-site is being sought. The purpose of this water right application is to secure an amount of water sufficient to support a high-density housing development of various types such as, single family homes, townhouses and/or condominiums. Some commercial use is planned along Hwy 16.

Water Supply Strategy

Several water supply options were examined including 1) groundwater on and off-site, 2) surface water from the closest perennial stream (Spring Creek), and 3) rainwater harvesting and reuse to suppress demand. Two wells were drilled on the property in 1997-8 and completed in the Deadwood Formation with yields initially estimated to be about or less than 30 gpm.

Water from Spring Creek, if secured by a water right, can be withdrawn from the alluvial gravels along the stream in sufficient volumes to meet demand. Water would then be pumped to the site via a water pipeline largely following public right-of-ways.

The proposed point of diversion is shown in figure 2 from land owned by the applicant under the name Spring Creek Jewell Property, LLC. The site is downstream of the USGS streamflow gage (Spring Creek nr Keystone, 06407500) but above the water loss zone of the Madison formation. Annual discharge statistics, flow duration curves and the estimated amount of flow contributed to aquifer recharge are available as requested.

Proposed Construction

The preferred approach is to construct an infiltration gallery into the sand, gravel and cobble of the alluvial aquifer adjoining the stream. The preliminary design concept is shown in figures 3 and 4. Depths to bedrock and the static water level in the alluvium will be equivalent to the water level surface of the creek. The proposed construction is to install up to 250 linear feet of 24" perforated HDPE pipe at a depth of around 20' (or less if bedrock is encountered). This will provide approximately 5800 gallons of subterranean storage. The exact location/alignment of the 24" perforated pipe is to be determined but will be connected to the stilling well where water will be withdrawn by a pump. The entire 24" pipe will be encased with at least one foot of $\frac{3}{4}$ " clean gravel to help minimize sediment flow into the pipe and allow better transfer of groundwater. Additional engineering may be required to verify the overall design. Additional design considerations for pump and pipeline sizing, route alignment and easements will follow when a water right is granted.

Figures

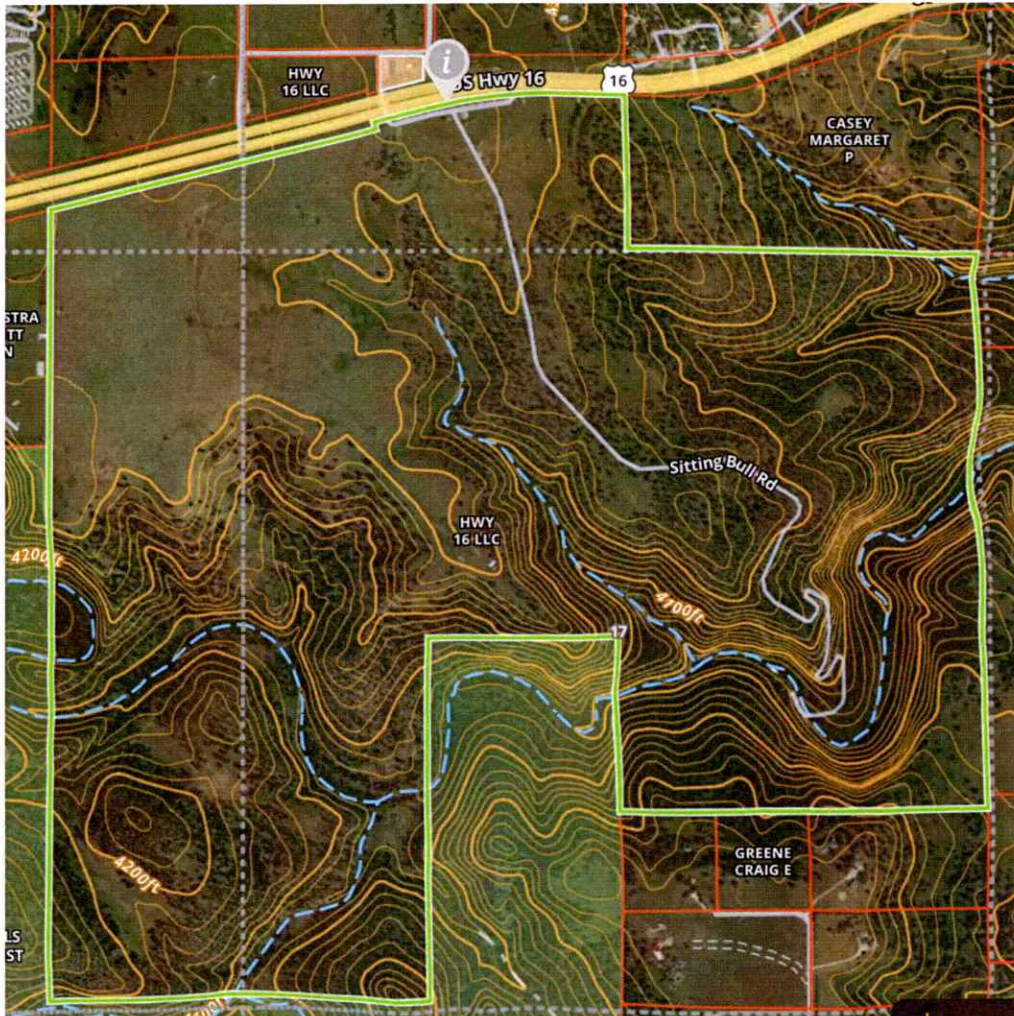


Figure 1--Location of the BH Ranch Development Project along Highway 16 about 8 miles south of Rapid City. Green line denotes the property boundary. T1S R7E section 17,18

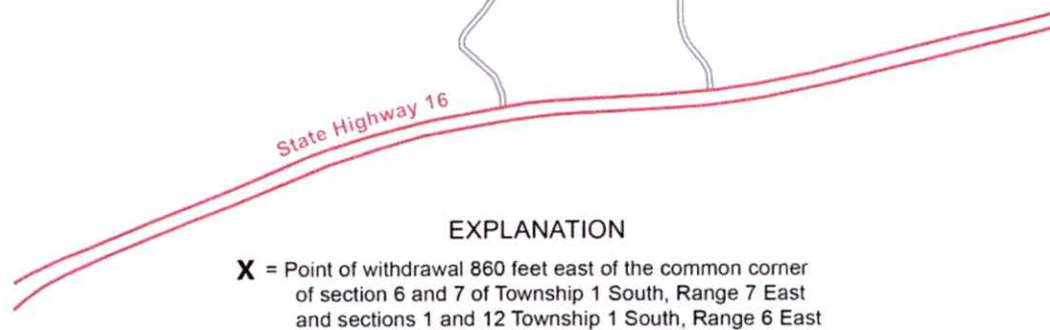
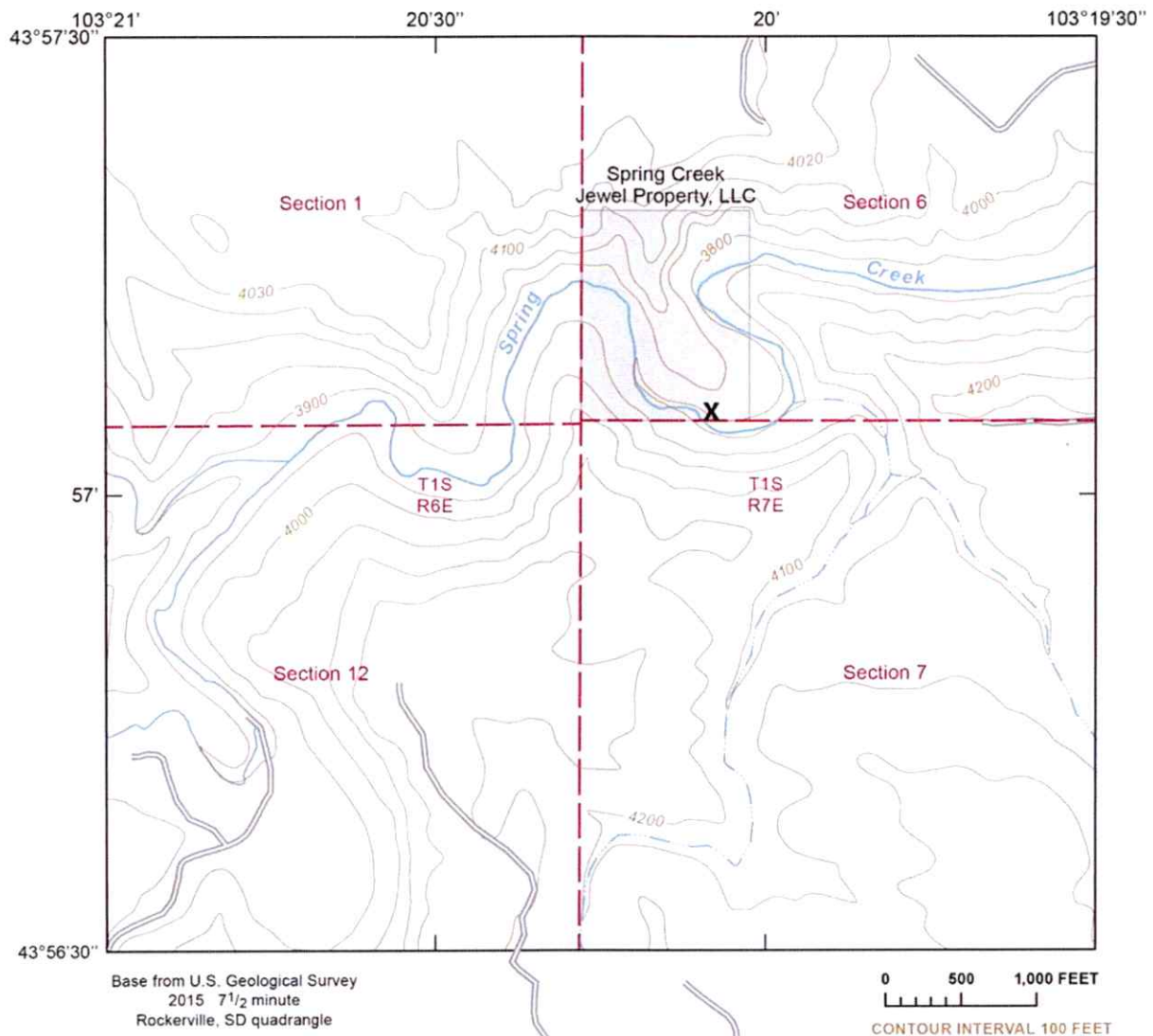


Figure 2--Proposed point of diversion from Spring Creek.

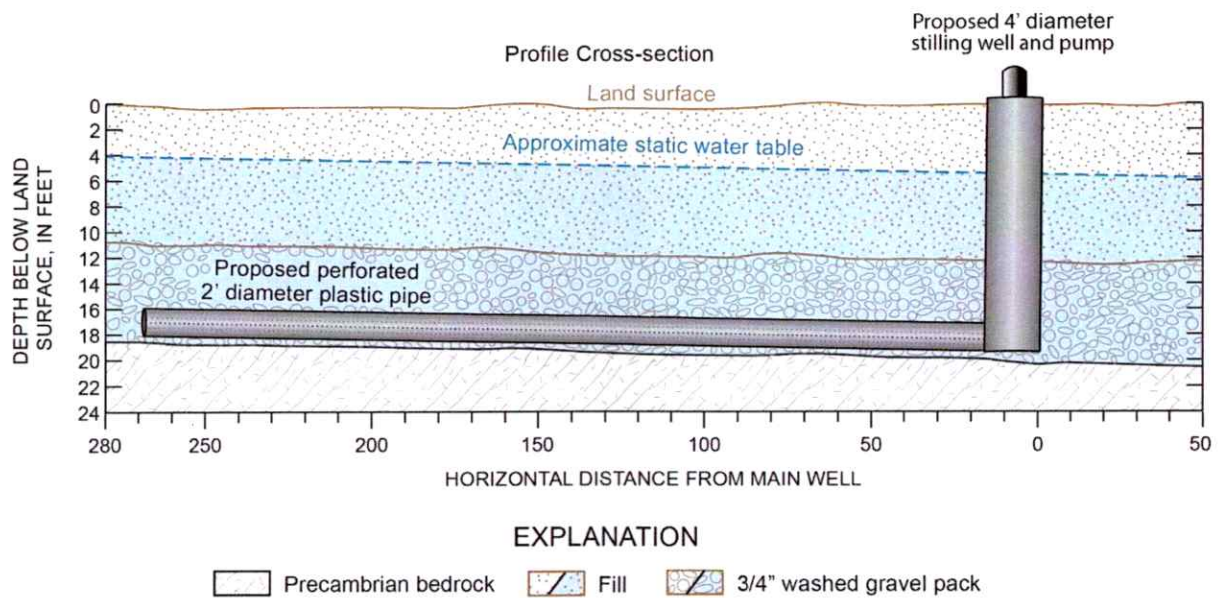


Figure 3--Profile of proposed infiltration gallery.

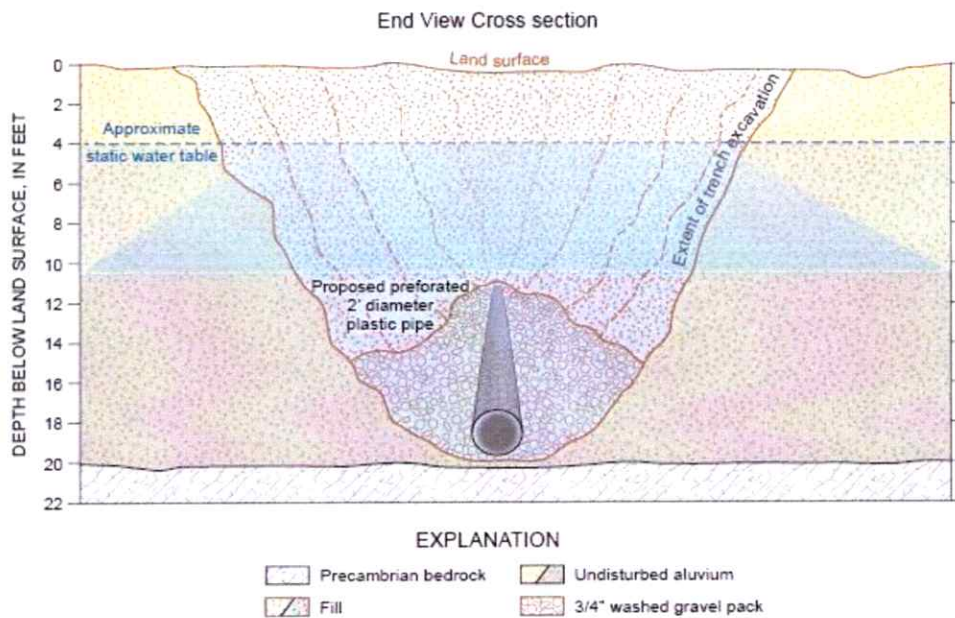


Figure 4-- Cross-sectional end view of proposed infiltration gallery development for water supply along Spring Creek.

PRH INVESTMENTS, LLC
Doug Bell
561-502-6374 Cell
605-718-4000 Office
belldoug161@gmail.com

3-20-2024

TO: WATER RIGHTS PROGRAM

Please find enclosed a DANR application for the Spring Creek Surface Water Application for Permit. Mark Anderson of Anderson Hydrology prepared the application.

Please contact either Mark or I at the following #'s or e-mail addresses if you have questions or comments for us.

Doug Bell
PRH Investments, LLC
Highway 16, LLC.
Spring Creek Jewell Property, LLC
2700 West Main Street
Rapid City, SD 57702
571-502-6374 (cell)
605-718-4000 (office)
belldoug161@gmail.com

Mark Anderson
Anderson Hydrology
1805 Central Boulevard
Rapid City, SD 57702
605-390-9903

Thank you.



Doug Bell

RECEIPT

WATER RIGHTS PROGRAM South Dakota Department of Agriculture and Natural Resources

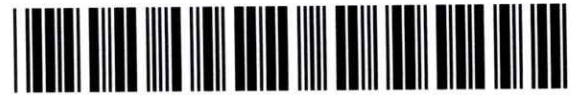
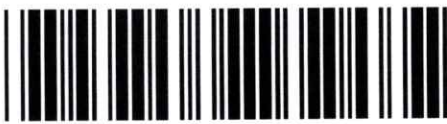
Date March 26, 2024

RECEIVED OF PRH Investments, Inc. for Hwy 16, LLC c/o Patric Hall 2700 W Main Street Rapid City SD 57702

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

Fee for Application for Permit No. <u>2876-2</u> to Appropriate Water, to construct and to put water to beneficial use	\$1350.00
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>2876-2</u>	\$200.00
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	\$1550.00

By Eric Gronlund
Chief Engineer
zm



532030749

B0285-3958 10/02/2023 1:24PM Rec'd by SD SOS

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

2023
FILING YEAR

ANNUAL REPORT

Domestic Limited Liability Company
SDCL 47-34A-211; 59-11-24, 24.1

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

Filing Fee: \$50

Late Fee: \$50

Total Fee: \$100

1. Business ID and Name:

DL186002
BUSINESS ID

Hwy 16, LLC
BUSINESS NAME

2. The jurisdiction under whose law it is formed **South Dakota**

3. The address of the principal executive office (business address):

Actual Street Address

**2700 WEST MAIN STREET
RAPID CITY, SD 57702**

Mailing Address

**2700 WEST MAIN STREET
RAPID CITY, SD 57702**

4. 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.

(a) The South Dakota Noncommercial Registered Agent's name

Name **PATRICK R HALL**

Actual Street Address in this State

**2700 WEST MAIN STREET
RAPID CITY, SD 57702**

Mailing Address in this State

**2700 WEST MAIN STREET
RAPID CITY, SD 57702**

5. If the LLC is manager-managed, list the names and addresses of its Managers. SDCL 59-11-24. If the LLC is member-managed, this section may be left blank.

6. 43-2A-1. "Agricultural land" defined.

For purposes of this chapter, the term "agricultural land" means land capable of use in the production of agricultural crops, timber, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit and other horticultural products but does not include any royalty interest, any oil, gas, or other mineral interest, or any lease, right-of-way, option, or easement relating thereto, or any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use

Does the entity own any Agricultural land? (Required)

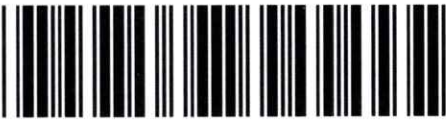
Yes

If the answer is yes, please answer below

"Foreign Beneficial Owner" Foreign government, a government, or the state-controlled enterprise of a government, other than the United States, its states, or its territories. A natural person who is not a United States Citizen. An entity registered outside the United States or its territories.

Does the entity have any foreign beneficial owners/interests?

No



7. 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.

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).

10/02/2023
Dated

Email (Optional)

Patrick R Hall
Signature of an Authorized Person
Patrick R Hall
Printed Name

Gronlund, Eric

From: Dewell, Amanda
Sent: Thursday, May 23, 2024 11:30 AM
To: Rodriguez, Rachel; Gronlund, Eric
Subject: FW: [EXT] Water Permit Application to Place Reserved Water to Use

Amanda Dewell
DANR - Water Rights Program
Permitting Administrator
Main Phone: 605 773-3352
Website: danr.sd.gov



From: Matthew Oedekoven <matthew.oedekoven@dgr.com>
Sent: Thursday, May 23, 2024 11:27 AM
To: Duvall, Ron <Ron.Duvall@state.sd.us>; Dewell, Amanda <Amanda.Dewell@state.sd.us>
Cc: Heath Thompson <heath@kingbrookruralwater.com>; Kingbrook General Email <office@kingbrookruralwater.com>
Subject: FW: [EXT] Water Permit Application to Place Reserved Water to Use

Ron,

Kingbrook does not plan to use water associated with this water right in Moody, Minnehaha, or Brookings Counties. Therefore, we do not need to advertise this water right application in those counties. The additional counties in the 2017 Public Notice must have been in error or from a desire to be abundantly communicative.

Thank you for asking.

Matthew N. Oedekoven, P.E.

From: Duvall, Ron <Ron.Duvall@state.sd.us>
Sent: Monday, May 20, 2024 8:57 AM
To: Kingbrook Office <office@kingbrookruralwater.com>
Cc: Rodriguez, Rachel <Rachel.Rodriguez@state.sd.us>; Dewell, Amanda <Amanda.Dewell@state.sd.us>
Subject: Water Permit Application to Place Reserved Water to Use

You don't often get email from ron.duvall@state.sd.us. [Learn why this is important](#)

Heath,

The application submitted to place 1,100 acre-feet to use is nearly ready to have public notice published in papers in which water service is provided. I have a question concerning what counties the notice should be published in. On the application you indicate that the counties where the water will be used is Beadle, Clark, Kingsbury, Lake, Miner, McCook, Hamlin and Sanborn counties. The following screen snip shows the papers the public notice for the 2017 review of Future Use Permit No. 5209-3 was published in:

Future Use Permit No. 5209-3 will be reviewed for progress in the development and future plans for use of the water reserved. Water rights law requires publication of a notice in the county where water will be diverted or used. A copy of the Notice of Hearing for this review has been emailed to the following papers:

Argus Leader, Sioux Falls 605 331-2200
Moody Co Enterprise, Flandreau 605 997-3725
DeSmet News, DeSmet 605 854-3331
Daily Leader, Madison 605 256-4555
Hamlin Co Herald Enterprise, Hayti 605 783-3636
Sanborn Weekly Journal, Woonsocket 605 796-4221

Salem Special, Salem 605 425-2361
Brookings Register, Brookings 605 692-6271
Miner County Pioneer, Howard 605 772-5644
Clark County Courier, Clark 605 532-3654
Plainsman, Huron 605 353-7414

In addition to the counties listed on your recent application, I see Moody, Minnehaha, and Brookings counties listed in the above snip. Should those three counties also be listed on your application?

Thank you,

Ron Duvall
Dept. of Agriculture & Natural Resources
Office of Water, Water Rights Program
605.773.3352
danr.sd.gov



DANR
SOUTH DAKOTA

Rath, Mark

From: Mark Anderson <markandersonwater@gmail.com>
Sent: Thursday, April 25, 2024 9:51 AM
To: Rath, Mark
Cc: Gronlund, Eric; Duvall, Ron; Dewell, Amanda; McIntire, Mark; eric.fuhrer@state.sd.us; Kevin Thom; Doug Bell
Subject: Re: [EXT] Water Permit Application No. 2876-2, Hwy 16 LLC

Dear Mark,

Thank you for your reply and request for follow up information. Our responses are as follows:

- Does the applicant consider this an application from groundwater or surface water, or both? The application indicates under Item No. 3 that the source is Spring Creek Alluvium and under No. 7 states an infiltration gallery to withdraw water from Spring Creek.

The plan is to withdraw water from the alluvium identified on geologic maps as Quaternary Alluvium (Qal) and/or Terrace Deposits (Qt). We consider the source as groundwater.

- The application requests 2.5 cfs (950 acre feet of water annually). The USGS gaging station on Spring Creek near Keystone shows periods of the year under the 10 and 25 percentiles that the flow is less than 2.5 cfs (see figure below). This indicates this could be an unreliable water source for use in a public water system. Do you have alternative water source planned during those periods? If so, what is it? It is doubtful that the alluvium is extensive enough to support an extended period of pumping if Spring Creek is not flowing.

Yes, the plan is to pump the alluvium up to 2.5 cfs when available. The developer is simultaneously examining groundwater sources to augment supply during seasonal low flows and protracted drought conditions. There are also plans for on-site water storage.

The DANR Drinking Water Program also reviewed the information provided and they stated they would probably consider the source to be a groundwater under the direct influence of surface water (GWUDI) source unless the public water system can prove otherwise. As a GWUDI drinking water system, the water system would need to provide treatment as if this is a surface water system. Surface water systems require filtration and disinfection that achieves 4-log virus inactivation, 3-log giardia removal/inactivation and 2-log cryptosporidium removal/inactivation. This is assuming that the system will serve more than 15 service connection or 25 people. The developer would also need to meet all the requirements of the capacity development process prior to serving water to their consumers.

The developer is aware of this provision and the possibility that the source may be considered under the influence of surface water. There are public supplies around the Black Hills drawing from alluvium that are able to meet water quality standards with only chlorination. Further testing will be required on the aquifer as well as water quality characteristics of the alluvium and Spring Creek to make this determination.

If further questions arise, please don't hesitate to contact us.

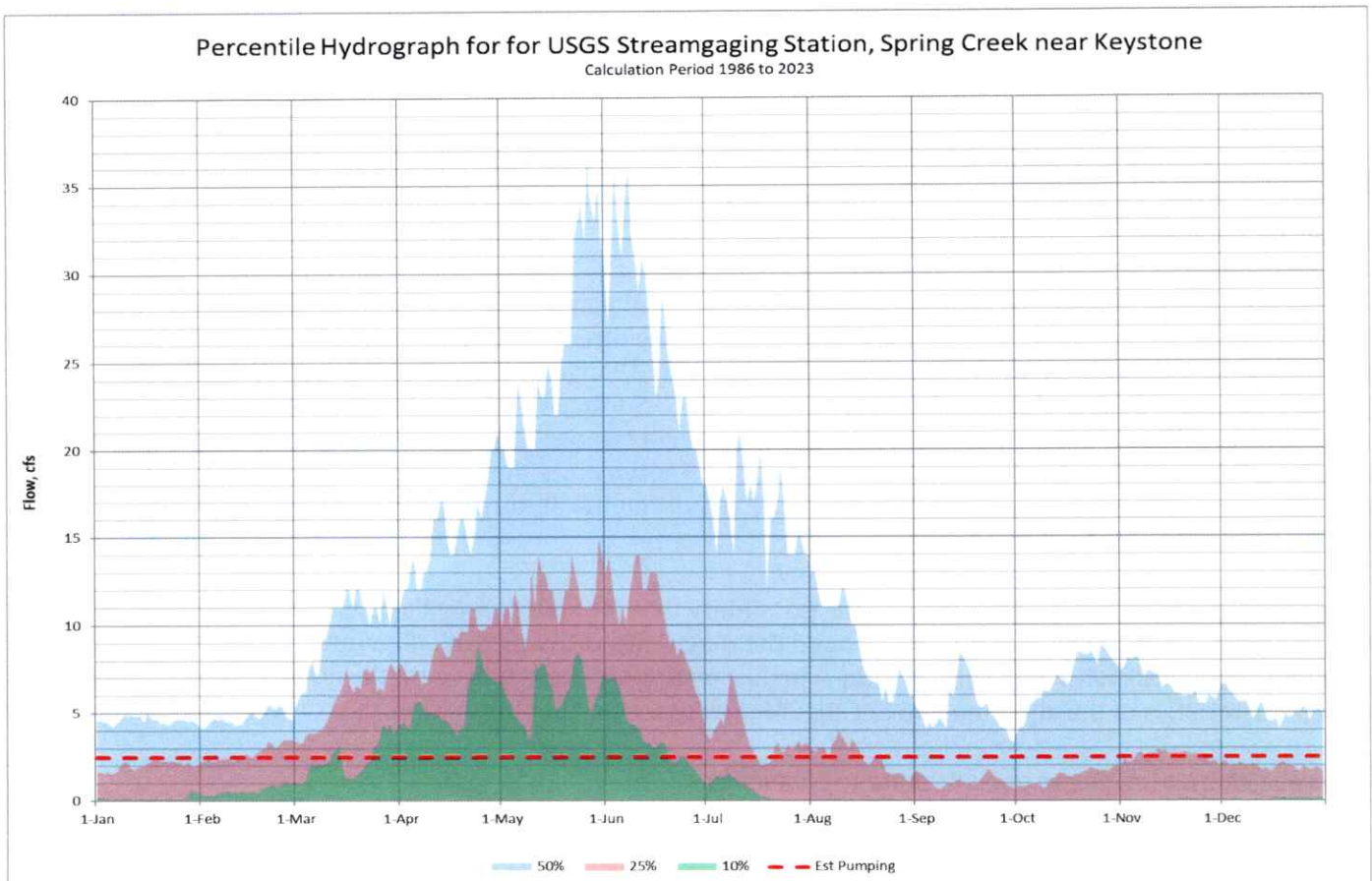
Mark T. Anderson
605 390-9903

On Fri, Apr 19, 2024 at 8:13 AM Rath, Mark <Mark.Rath@state.sd.us> wrote:

Mark,

DANR Water Rights staff have been reviewing the information provided in Water Permit Application No. 2876-2 for Hwy 16, LLC to divert water from the alluvium adjacent to Spring Creek and have some follow-up questions:

- Does the applicant consider this an application from ground water or surface water, or both? The application indicates under Item No. 3 that the source is Spring Creek Alluvium and under No. 7 states an infiltration gallery to withdraw water from Spring Creek.
- The application requests 2.5 cfs (950 acre feet of water annually). The USGS gaging station on Spring Creek near Keystone shows periods of the year under the 10 and 25 percentiles that the flow is less than 2.5 cfs (see figure below). This indicates this could be an unreliable water source for use in a public water system. Do you have alternative water source planned during those periods? If so, what is it? It is doubtful that the alluvium is extensive enough to support an extended period of pumping if Spring Creek is not flowing.



The DANR Drinking Water Program also reviewed the information provided and they stated they would probably consider the source to be a groundwater under the direct influence of surface water (GWUDI) source unless the public water system can prove otherwise. As a GWUDI drinking water system, the water system would need to provide treatment as if this is a surface water system. Surface water systems require filtration and disinfection that achieves 4-log virus inactivation, 3-log giardia removal/inactivation and 2-log cryptosporidium removal/inactivation. This is assuming that the system will serve more than 15 service connection or 25 people. The developer would also need to meet all the requirements of the capacity development process prior to serving water to their consumers. Questions regarding the Drinking Water Program's requirements can be directed to Eric Fuehrer at 605 394-2229 or eric.fuhrer@state.sd.us.

We would appreciate your timely response to our questions so we can continue our technical review. Thank you.



Mark D Rath
Department of Agriculture and Natural Resources
Water Rights Program
523 E Capitol Avenue, Pierre, SD 57501
Telephone (605) 773-3352



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 2876-2, Hwy 16 LLC**

Pursuant to SDCL 46-2A-2, the following is the recommendation of the Chief Engineer, Water Rights Program, Department of Agriculture and Natural Resources concerning Water Permit Application No. 2876-2, Hwy 16 LLC, c/o Patrick Hall, 2700 W. Main Street, Rapid City SD 57702.

The Chief Engineer is recommending APPROVAL of Application No. 2876-2 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 domestic water uses and water rights, 3) the proposed use is a beneficial use and 4) it is in the public interest as it pertains to matters of public interest within the regulatory authority of the Water Management Board with the following qualifications:

1. The infiltration gallery approved under Water Permit No. 2876-2 is located near domestic wells and other wells which may obtain water from the same aquifer. Water withdrawals must be controlled so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. Low flows in Spring Creek as needed for downstream domestic use, including livestock water and prior water rights must be by-passed. Diversions under this Permit shall be in accordance with any written orders by the Chief Engineer.
3. Water Permit No. 2876-2 is subject to shut-off orders issued by the Chief Engineer if a holder of a downstream senior water right or domestic user makes a call of impairment and the Chief Engineer determines under current flow conditions, pumping diminishes the flow available downstream.
4. The infiltration gallery authorized by Permit No. 2876-2 must be constructed by a licensed well driller and construction of the main casing/caisson of the gallery and installation of the pump must comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.

(continued)

5. No construction of works under Permit No. 2876-2 may begin prior to obtaining a certificate of approval from the SD DANR, Drinking Water Program as required by Administrative Rules of South Dakota 74:04:09:04.
6. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Quaternary Alluvium aquifer.
7. Water Permit No. 2876-2 appropriates up to 955 acre-feet of water annually.

See report on application for additional information.



Eric Gronlund, Chief Engineer

June 3, 2024

NOTES:

1. South Dakota Administrative Rule 74:04:09:04 requires that a new public water system must obtain a certificate of approval from the Department Secretary of DANR prior to providing any water to its customers. To obtain the certificate of approval, the new water system must complete the capacity development process to demonstrate to DANR that it has adequate technical, managerial, and financial capacity to operate a public water system. A few of the requirements include, approved plans and specifications for the water system, a business plan, operation and maintenance manuals, and water quality analysis results for the source water. For more information on the requirements of the capacity development program, please contact Eric Fuehrer with the DANR Drinking Water Program at (605) 394-2229.
2. During drier climatic conditions when streamflow and overall recharge to the Quaternary Alluvium aquifer is limited, there may be times sufficient water is not available from this source to provide an adequate supply of water. A supplemental source of water will need to be secured by the applicant to accommodate these water short periods. The applicant's consultant indicated that groundwater sources to augment the water supply are being examined as well as on-site water storage. A new water permit will be required for each supplemental water source unless supplied by currently permitted source authorized to supply a water distribution system use.
3. Compliance with the well construction rules may not be possible. The Water Rights Program is willing to discuss the construction with the driller to bring the collection gallery in line with well construction standards as best possible. The Water Rights Program may consider issuance of a variance from the standards if it is shown that sanitary conditions are met to protect the public health. To discuss the well construction standards, please contact Adam Mathiowetz with the DANR Water Rights Program at (605) 773-3352.

REPORT ON WATER PERMIT APPLICATION NO. 2876-2

Hwy 16, LLC

c/o Patrick Hall

June 03, 2024

Water Permit Application No 2876-2 proposes to appropriate up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cubic feet of water per second (cfs) from an infiltration gallery adjacent to and primarily fed by Spring Creek to be completed into an alluvial aquifer (approximately 20 feet deep) located in the SW 1/4 SW 1/4 (Lot 6) Section 6 for water distribution system and commercial uses located in portions of Sections 7, 8, 17, and 18; all in T1S-R7E. The site is located approximately three miles southwest of the Rapid City, SD, city limits in Pennington County.

South Dakota Codified Law SDCL 46-2A-2 directs the Chief Engineer to make a recommendation to the Water Management Board on a permit application. The Chief Engineer needs to consider four criteria in making a recommendation on whether a permit should be approved, approved with qualifications, denied, or deferred. They are: 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 domestic water uses and water rights, 3) the proposed use is a beneficial use, and 4) it is in the public interest as it pertains to matters of public interest within the regulatory authority of the Water Management Board. This report will analyze the available information to make a recommendation to the Chief Engineer on the first two criteria the Chief Engineer needs to consider in making an official recommendation to the Water Management Board.

REVIEW OF PROPOSED WATER SOURCES

The proposed project consists of constructing an infiltration gallery into the alluvium adjacent to Spring Creek (Lester and Rahn, 2001). The infiltration gallery is to consist of a larger diameter vertical casing with a smaller diameter horizontal collection pipe. Water in the alluvium is fed from the infiltration of local runoff; although, a large portion of the source of water for this project is from flow in Spring Creek infiltrating into the alluvium.

AQUIFER: Quaternary Alluvium (ALQ)

HYDROGEOLOGY:

The Quaternary Alluvium aquifer is a general name for aquifers that occur in the material deposited by streams and rivers and is not considered contiguous with a larger named aquifer (Water Rights, 2024a and 2024b).

The alluvium (including the connected terrace deposits) is restricted to the Spring Creek flood plain and collectively underlies approximately 231 acres between Sheridan Lake and the proposed diversion point, with 83 of these acres directly adjacent to the proposed diversion point (mapped in Figure 1, modified from Lester and Rahn, 2001; Redden et al., 2016). The alluvium

can be considered an aquifer where there is sufficient saturated material to supply water to wells. The aquifer is generally under unconfined conditions; however, because alluvium consists of interfingering layers of differing materials and permeability, confined aquifer conditions can be encountered (Water Rights, 2024a and 2024c). Groundwater movement in the alluvium is generally towards Spring Creek and in a downstream direction (to the east).

Figure 1 displays the location of the proposed diversion point, the Spring Creek watershed boundary (USGS, 2004), the approximate areal extent of the Quaternary Alluvium aquifer along Spring Creek between Sheridan Lake and the proposed diversion point (modified from Lester and Rahn, 2001 and Redden et al., 2016), the Minnelusa Formation and Madison Limestone outcrops (Martin et al., 2004), the water rights/permits currently authorized to withdraw water from Spring Creek and the Quaternary Alluvium aquifer along Spring Creek downstream of Sheridan Lake (Water Rights, 2024b).

The Quaternary Alluvium aquifer along Spring Creek is hydrologically connected to the creek, and groundwater withdrawals can deplete streamflow. The proposed diversion point is located approximately 45 feet from Spring Creek. Given the close proximity of the proposed diversion point to Spring Creek, the proposed project could have an impact to the flow in Spring Creek under lower flow conditions.

No water well completion report was submitted with Water Permit Application No. 2876-2. Water well completion reports on file with the DANR-Water Rights Program for wells completed into the Quaternary Alluvium aquifer along Spring Creek within approximately eight miles of the proposed diversion point have saturated aquifer thicknesses ranging from approximately 7 to 18 feet, with the depth to the top of aquifer materials ranging from approximately 7 to 17 feet below the ground surface, and static water levels at well completion varying from approximately 7 to 17 feet below the ground surface (SDGS, 2024; Water Rights, 2024a and 2024c). The Quaternary Alluvium aquifer along Spring Creek is expected to be unconfined near the proposed diversion point based on the well completion reports on file for nearby wells completed into the aquifer and the lithologic logs on file for nearby observation wells (SDGS, 2024; Water Rights, 2024a and 2024c).

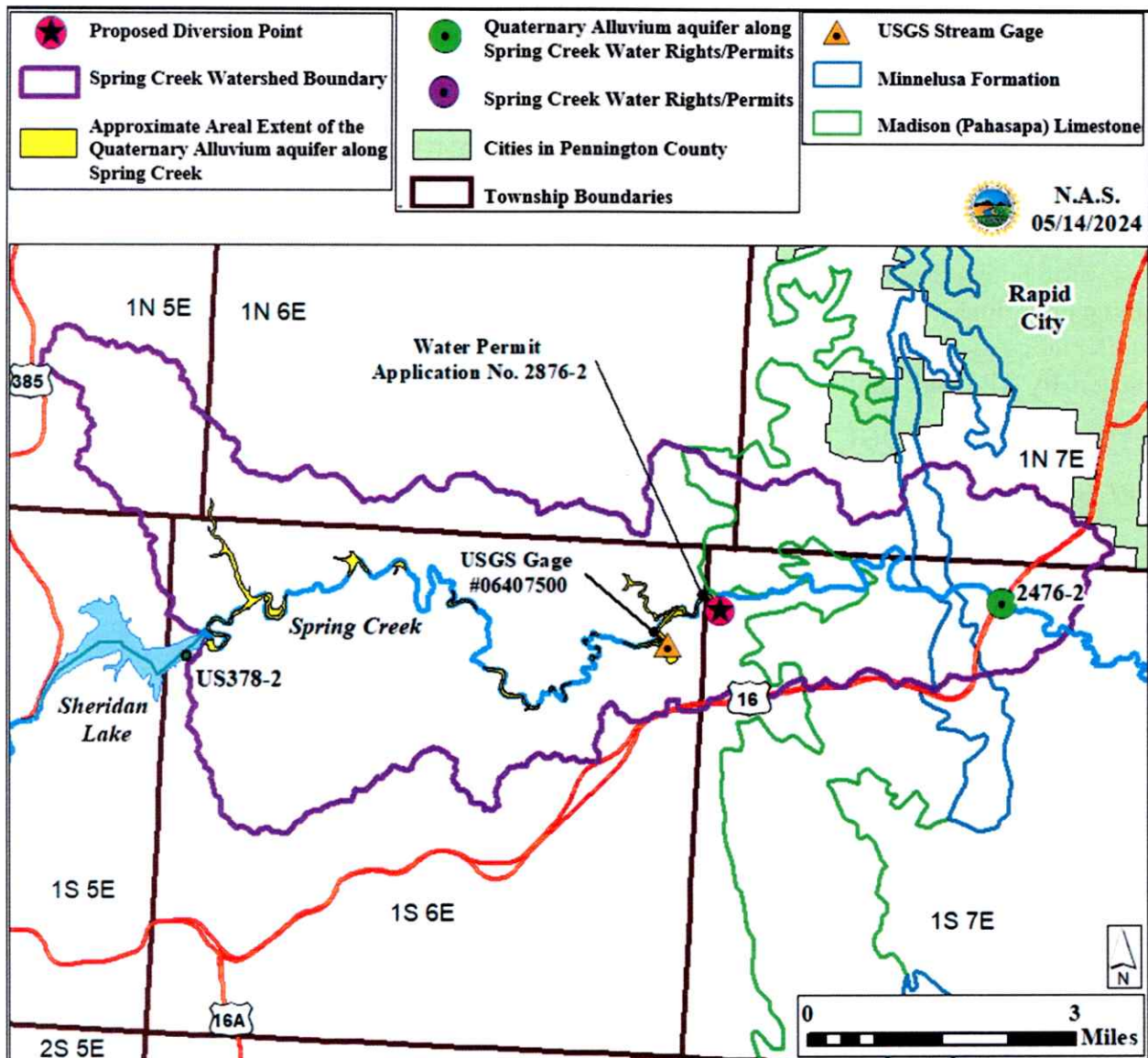


Figure 1. Location of the proposed diversion point, the approximate areal extent of the Quaternary Alluvium aquifer along Spring Creek between Sheridan Lake and the proposed diversion point (modified from Lester and Rahn, 2001 and Redden et al., 2016), the Minnelusa Formation and Madison Limestone outcrops (Martin et al., 2004), and the water rights/permits currently authorized to withdraw water from Spring Creek and the Quaternary Alluvium aquifer along Spring Creek downstream of Sheridan Lake (Water Rights, 2024b).

WATER AVAILABILITY:

Water Permit Application No. 2876-2 proposes to appropriate water from the Quaternary Alluvium aquifer along Spring Creek. The probability of unappropriated water being available from the aquifer can be evaluated by considering SDCL 46-6-3.1, which requires “No application to appropriate groundwater may be approved if, according to the best information reasonably available, 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 water to the groundwater source. An application may be approved, however, for withdrawals of groundwater from any groundwater formation older than or stratigraphically lower than the

greenhorn formation in excess of the average estimated annual recharge for use by water distribution systems.” The Quaternary Alluvium aquifer along Spring Creek is not older than or stratigraphically lower than the Greenhorn Formation (Fahrenbach et al., 2010), but the applicant’s proposed use is for use in a water distribution system as defined by SDCL 46-1-6(17). Therefore, the average annual recharge and average annual withdrawal rates to and from the Quaternary Alluvium aquifer along Spring Creek must be considered.

It is worth noting the proposed water source for the application is primarily Spring Creek, then during drier times, water is expected to be withdrawn from the adjacent Quaternary Alluvium aquifer along the creek. If at times water is not available in Spring Creek or the adjacent Quaternary Alluvium aquifer, the applicant indicated an alternate water source will be utilized.

HYDROLOGIC BUDGET:

RECHARGE

Recharge to the Quaternary Alluvium aquifer along Spring Creek is primarily through seepage from Spring Creek, the infiltration of precipitation falling directly on the aquifer where it is at or near the ground surface, seepage from irrigation ditches and losses, and some inflow from exchanges with adjacent water-bearing deposits along the boundaries of the alluvial aquifer (Eldridge and Anderson, 2020).

Eldridge and Anderson (2020) estimated a recharge rate of 5.1 inches per year using a soil-water balance model throughout the year 2019 for unconsolidated (including alluvial) deposits along the Stagebarn Canyon drainage near Summerset, SD, approximately 15 miles northeast of the applicant’s project site. Utilizing the estimated recharge rate of 5.1 inches per year (Eldridge and Anderson, 2020), the average annual recharge rate is approximately 98.2 acre-feet per year to the Quaternary Alluvium aquifer along Spring Creek. That estimate is a likely maximum recharge rate.

Additionally, the 98.2 acre-feet of water expected to be stored in the alluvium is a collective number, as that volume is divided into the separate alluvium and terrace deposits along Spring Creek between Sheridan Lake and the proposed diversion point, with a portion of that volume expected to be stored in the alluvium near the proposed diversion point. The alluvium directly adjacent to the proposed diversion point and Spring Creek encompasses approximately 83 acres. Utilizing the estimated recharge rate of 5.1 inches per year (Eldridge and Anderson, 2020), the average annual recharge rate is approximately 35.3 acre-feet per year to the alluvium directly adjacent to the proposed diversion point.

These recharge rates do not account for the induced recharge from Spring Creek that may occur to the aquifer from the pumping at the proposed diversion point, as there is a hydrologic connection between the Quaternary Alluvium aquifer along Spring Creek and Spring Creek. Therefore, when the elevation of water in Spring Creek is higher than the elevation of water in the aquifer, the creek will recharge the aquifer. In contrast, when the elevation of water is higher in the Quaternary Alluvium aquifer, the aquifer naturally discharges to Spring Creek.

SURFACE WATER CONTRIBUTION TO THE QUARTENARY ALLUVIUM:

Spring Creek headwaters in the west central Black Hills and flows in a general easterly direction before exiting the Black Hills and flowing out onto the prairie before flowing into the Cheyenne River in eastern Pennington County. On the eastern edge of the Black Hills, Spring Creek flows across the Madison Limestone and Minnelusa Formation outcrops. Many Black Hills streams, including Spring Creek, generally lose their entire base flow to Madison and Minnelusa loss zones recharging these bedrock aquifers until flow upstream from a loss zone exceeds the threshold level, which is the recharge capacity of the loss zone. Spring Creek at the proposed diversion point is located approximately two miles upstream from the interface of the Madison Limestone and Minnelusa Formation loss zone (Figure 1). The threshold flow necessary to survive the loss zone to the Madison Limestone and Minnelusa Formation for Spring Creek is 28 cfs (USGS, 1998). If approved, Water Permit Application No. 2876-2 will be authorized to divert up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cfs. To sustain the proposed volume, 1.32 cfs would be required to be flowing in Spring Creek continuously throughout the year at the proposed diversion point.

The USGS Stream Gaging No. 06407500 Spring Creek near Keystone, SD is located approximately 1.5 river miles upstream from the proposed diversion point (USGS, 2024). Figure 2 displays a hydrograph showing the 50, 25 and 10 percentile daily flow values and the estimated maximum proposed diversion of 2.5 cfs.

The median (50th percentile) hydrograph curve exhibits the daily flow values at or below the indicated level on average one out of two years. The hydrograph displays flow in Spring Creek starting the year just below 5 cfs before increasing from March 1st to July 1st (to approximately 10 cfs to 35 cfs) corresponding to spring snowmelt and spring rain events, then steadily dropping to around 5 cfs near September 1st. Flows bounce between 3 and 8.5 cfs for the remainder of the year.

At the 25-percentile level, which occurs on average one out of four years, flows begin the year below 2.5 cfs until mid-February before increasing to 15 cfs around June 1st then dropping to around 2.5 cfs near July 15. For the remainder of the year, flow at the 25% level is at or below 2.5 cfs.

At the 10-percentile level, which occurs on average one out of ten years, there is no flow for most of January. In February, flow begins then increases above 2.5 cfs in the second half of March. From the third week of March until mid-June flows fluctuate between 4 and 8 cfs. At which time, flow steadily declines to zero cfs around July 15 and remain at zero cfs the remainder of the year.

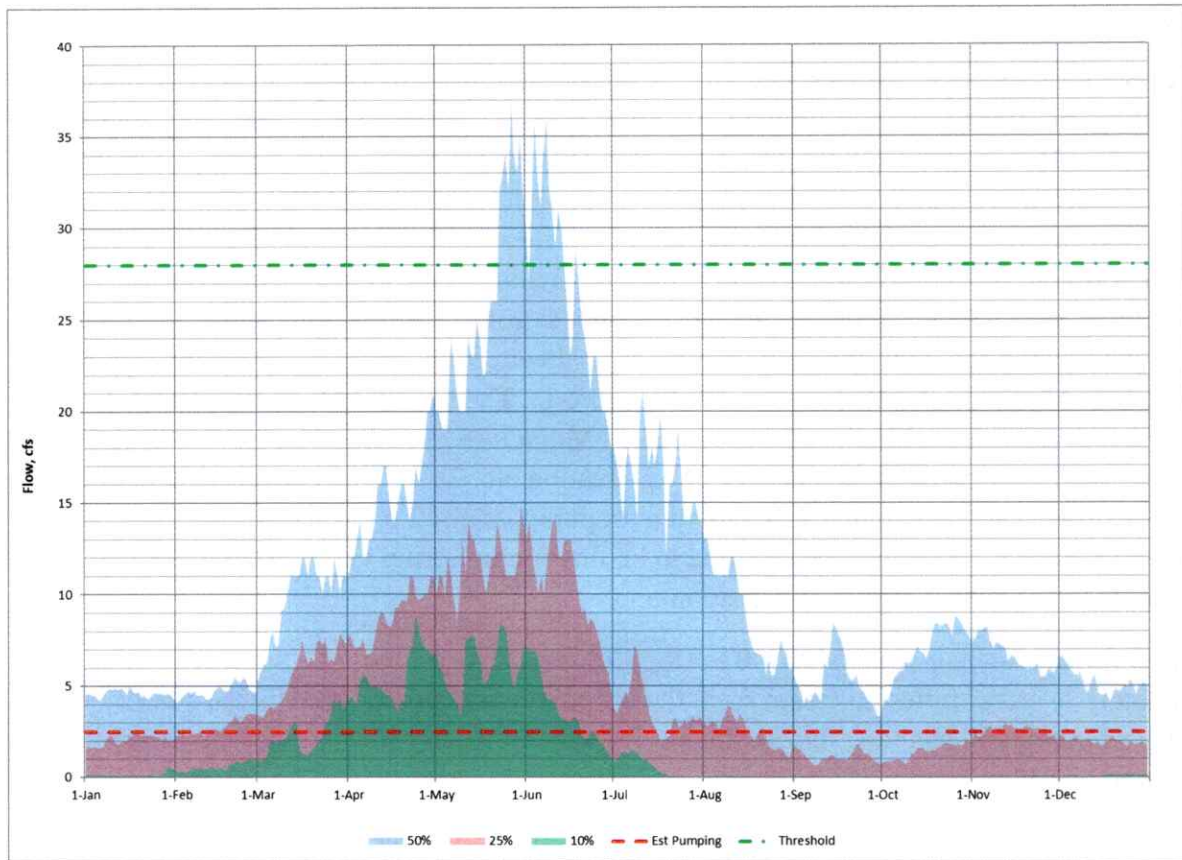


Figure 2. Daily percentile flow hydrograph for the USGS Stream Gaging Station, Spring Creek near Keystone, Calculation Period 1986 to 2023 (USGS, 2024)

DISCHARGE

Spring Creek

Downstream from the proposed diversion point, there are six existing water rights/permits collectively appropriating 18.86 cfs, all of which are located downstream of the loss zone for irrigation use (Table 1) (Water Rights, 2024b). Water Permit Application No 2876-2 is proposing a diversion rate of 2.5 cfs. If approved, the collective authorized diversion rate from Spring Creek downstream of Sheridan Lake would be approximately 21.4 cfs.

Table 1. Water rights/permits authorized to appropriate water from Spring Creek downstream of proposed diversion point (Water Rights, 2024b)

Permit No.	Name	Priority Date	Status	Use	Authorized Acres if IRR	Authorized Diversion Rate (cfs)
0438-2A	Orrin Sundquist	03/15/1903	LC	IRR	120	1.71
223-2	J Gordon Brown	07/17/1917	LC	IRR	284	4.1
56-2	M & H Rypkema Family Ranch	08/27/1908	LC	IRR	480	7
61-2	Gene Peterson	12/10/1908	LC	IRR	35.5	0.51
62-2	Mary/Thomas/John McMahon	12/10/1908	LC	IRR	171	2.5
2827-2	A & B Ranch Inc	10/23/1890	LC	IRR	212.8	3.04
LC: Licensed Water Right; PE: Water Permit; DOM: Domestic;				TOTAL:	1,303.3	18.86
FWP: Fish & Wildlife Propagation; IRR: Irrigation; REC: Recreation						

Quaternary Alluvium Aquifer Along Spring Creek

Discharge from the Quaternary Alluvium aquifer along Spring Creek is primarily through well withdrawals (Water Rights, 2024c), leakage to Spring Creek, and evapotranspiration (Eldridge and Anderson, 2020).

There are five existing water rights/permits appropriating 1.41 cfs from alluvium adjacent to Spring Creek. Four of these water rights/permits are located several miles upstream of Sheridan Lake and the proposed diversion point. One water right (No. 2476-2) authorizing 0.078 cfs is located downstream of the proposed diversion point and the loss zone but it was indicated in the permit file the well is for standby purposes as it is used as a backup supply (Water Rights, 2024b).

Historically, average water use by non-irrigation appropriations limited by an instantaneous diversion rate have been assumed to be pumping 60% of full time at the respective permitted diversion rate. Water rights/permits limited by an annual volume are assumed to withdraw their entire respective annual volume limitation. This is a standard method used by the DANR-Water Rights Program for estimating annual withdrawals by non-irrigation appropriations from an aquifer (Water Rights, 2024b). Using this method, if the well authorized by Water Right No. 2476-2 were to be utilized, the average annual withdrawal rate for the Quaternary Alluvium aquifer along Spring Creek water right is approximately 33.9 acre-feet per year.

There are domestic wells completed into the Quaternary Alluvium aquifer along Spring Creek that do not require a water right/permit, so the withdrawal amount from these wells is unknown (Water Rights, 2024c). Due to their relatively low diversion rates, withdrawals from domestic wells are generally not considered to be a significant portion of the hydrologic budget. Additionally, some domestic well users utilizing the Quaternary Alluvium aquifer in general may have transitioned to public water systems where available or may have drilled wells into deeper, more reliable groundwater sources. Therefore, the quantity of water withdrawn by domestic wells is estimated to be negligible to the hydrologic budget for the Quaternary Alluvium aquifer along Spring Creek.

OBSERVATION WELL DATA:

Administrative Rule of South Dakota (ARSD) 74:02:05:07 requires that the Water Management Board shall rely upon the record of observation well measurements in addition to other data to determine that the quantity of water withdrawn annually from the aquifer does not exceed the estimated average annual recharge of the aquifer.

Observation wells provide data on how the aquifer reacts to regional climatic conditions and local pumping. The DNR-Water Rights Program monitors three observation wells completed into the Quaternary Alluvium aquifer along Spring Creek, all of which are located downstream of Sheridan Lake, the proposed diversion point, and the loss zone (Water Rights, 2024a). The location of the observation wells in relation to the proposed diversion point are PE-58FR (approximately 7.7 miles southeast), PE-58GR (approximately 15.1 miles southeast), and PE-58G (approximately 15.1 miles southeast). The hydrographs for these observation wells are displayed in Figures 3 to 5 (Water Rights, 2024a). The data points utilized to construct the hydrographs are measurements of the static water level in the observation wells from the top of the well casing.

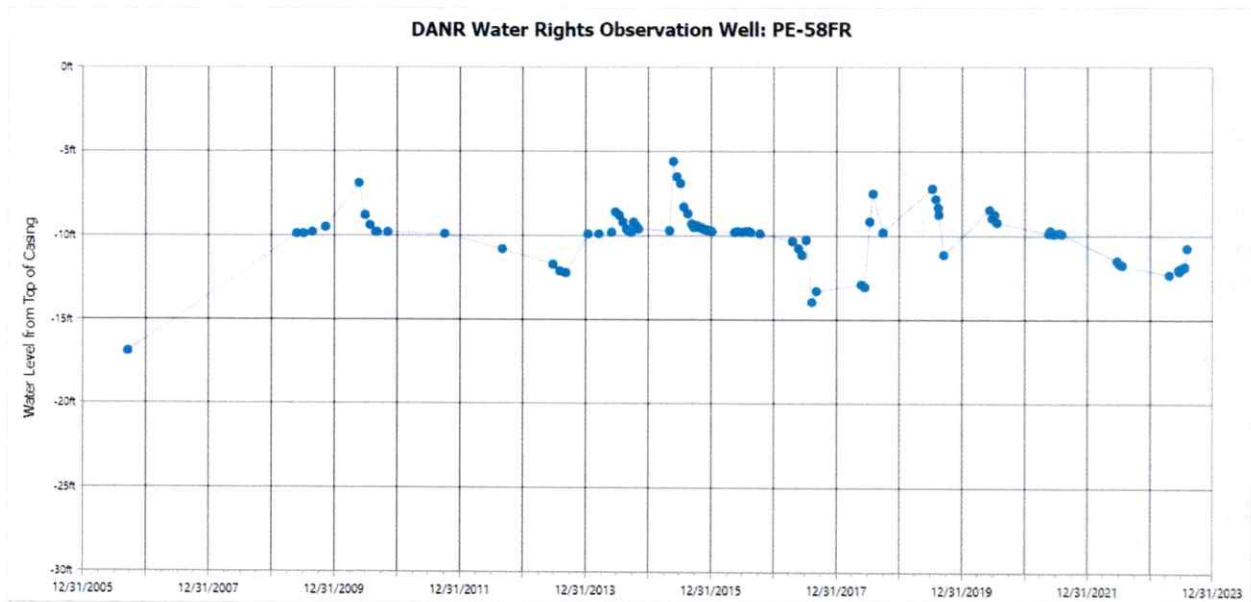


Figure 3. Hydrograph for observation well PE-58FR (Water Rights, 2024a)

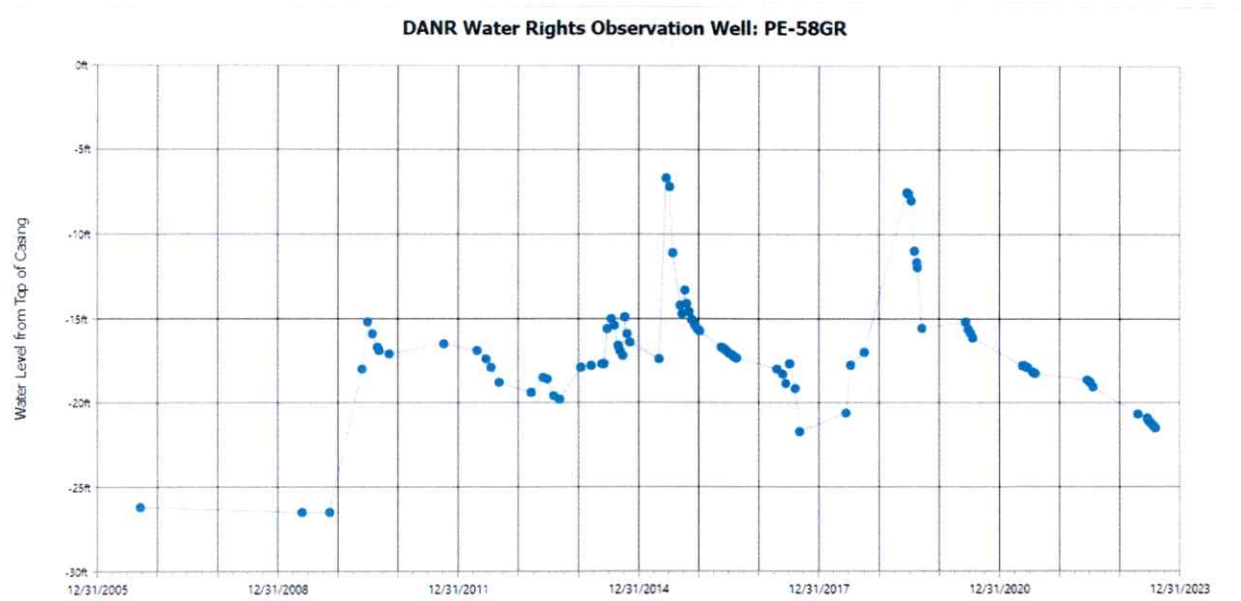


Figure 4. Hydrograph for observation well PE-58GR (Water Rights, 2024a)

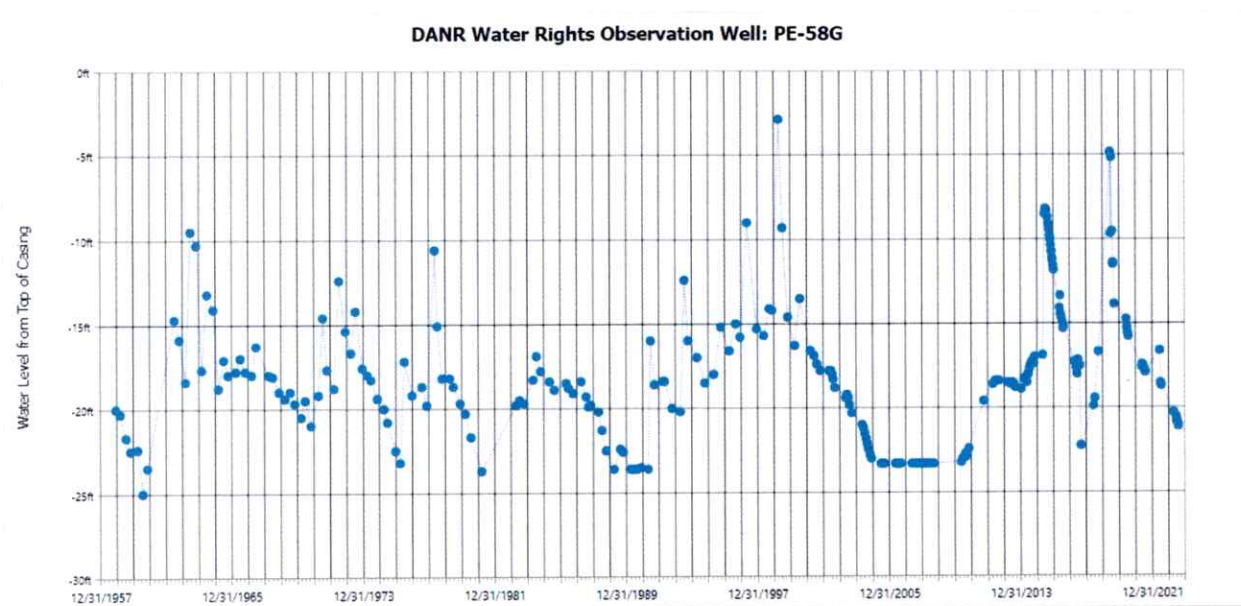


Figure 5. Hydrograph for observation well PE-58G (Water Rights, 2024a)

The hydrographs for the observation wells display stable water levels over their respective periods of record. The hydrographs for the Quaternary Alluvium aquifer along Spring Creek indicate that the aquifer responds well to climatic conditions because water levels are rising during wetter periods and declining to a stable water level during drier periods. Additionally, the water levels in the observation wells display that the amount of recharge to and natural discharge from the aquifer exceeds pumping with the aquifer returning to pre-pumping conditions seasonally. Aquifer recovery indicates that climatic conditions and therefore, the effects of recharge to and natural discharges from the aquifer govern the long-term fluctuations of waters levels in the aquifer rather than the impacts of pumping from the Quaternary Alluvium aquifer along Spring Creek. By recognizing that both recharge to and natural discharge from an aquifer can be captured for pumping, the observation well hydrographs demonstrate unappropriated water is available from the Quaternary Alluvium aquifer along Spring Creek.

DISCUSSION:

If approved, Water Permit Application No. 2876-2 will be authorized to divert up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cfs for year-round use. The proposed water source for the application is primarily Spring Creek, then during drier times, water is expected to be withdrawn from the adjacent Quaternary Alluvium aquifer along Spring Creek. If at times water is not available in Spring Creek or the adjacent Quaternary Alluvium aquifer, the applicant indicated an alternate water source will be utilized. To sustain this volume, 1.32 cfs would be required to be flowing in Spring Creek continuously throughout the year at the proposed diversion point.

The median (50th percentile) hydrograph for Spring Creek near Keystone, SD indicates on average one out of two years flow values remain steady (approximately 10 cfs to 35 cfs) through June, with flow values decreasing in July and leveling out to approximately 3 to 8.5 cfs for the remainder of the year. Currently, there are 6 existing irrigation water rights/permits appropriating 18.86 cfs from Spring Creek, and if this application is approved, 21.4 cfs would be authorized. From the daily percentile flow hydrograph, it was determined there will be times of the year, and entire years where water will be not available solely from Spring Creek for the proposed diversion, and likely the Quaternary Alluvium aquifer during these drier times.

The likely maximum average annual recharge rate to the Quaternary Alluvium aquifer along Spring Creek to the proposed diversion point is approximately 98.2 acre-feet per year. That volume is divided into the separate deposits along Spring Creek to the proposed diversion point, with only approximately 35.3 acre-feet per year of that volume expected to recharge the alluvium directly adjacent to the proposed diversion point. These recharge rates do not account for the induced recharge from Spring Creek that may occur to the aquifer from the pumping at the proposed diversion point, as there is a hydrologic connection between the Quaternary Alluvium aquifer along Spring Creek and Spring Creek. Therefore, when the elevation of water in Spring Creek is higher than the elevation of water in the aquifer, the creek will recharge the aquifer. In contrast, when the elevation of water is higher in the Quaternary Alluvium aquifer, the aquifer naturally discharges to Spring Creek.

One water right (No. 2476-2) authorizing 0.078 cfs is located downstream of the proposed diversion point and the loss zone but it was indicated in the permit file the well is for standby purposes as it is used as a backup supply (Water Rights, 2024b). If utilized, the average annual withdrawal rate for this water right is approximately 33.9 acre-feet per year.

Wells completed into the Quaternary Alluvium aquifer along Spring Creek within approximately eight miles of the proposed diversion point have saturated aquifer thicknesses ranging from approximately 7 to 18 feet (SDGS, 2024; Water Rights, 2024a and 2024c). A saturated aquifer thickness of 7 to 18 feet would not allow for enough thickness for a pump to be placed 20 feet below the top of the aquifer. Therefore, to be considered an adequate well at this location, the inlet of the pump would need to be placed as near as practical to the bottom of the saturated aquifer to qualify as an adequate well under ARSD 74:02:04:20(6). Situations may occur where pumping from a thicker part of an unconfined aquifer could cause drawdown impacting adequate wells in a thinner part of the aquifer. Under such conditions, an unlawful impairment of senior water rights/permits or adequate domestic wells may occur. Therefore, the applicant should control their water withdrawals, so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights. In Pennington County, there are no substantiated complaints on file with the DANR-Water Rights Program regarding well interference for adequate wells completed into the Quaternary Alluvium aquifer along Spring Creek (Water Rights, 2024d).

However, during drier climatic conditions when streamflow and overall recharge to the Quaternary Alluvium aquifer is limited, there will be times sufficient water may not be available from this source to provide an adequate supply of water for this project. It is recommended that an alternate source of supplemental water be secured by the applicant to address these water short periods.

CONCLUSIONS:

1. Water Permit Application No 2876-2 proposes to appropriate up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cfs from an infiltration gallery adjacent to and primarily fed by Spring Creek to be completed into an alluvial aquifer (approximately 20 feet deep) for water distribution system and commercial uses. The site is located approximately three miles southwest of the Rapid City, SD city limits in Pennington County.
2. Based upon an assessment of the historical flow data and observation well data, there is a reasonable probability that there is unappropriated water available for the applicant's proposed use from Spring Creek and the Quaternary Alluvium aquifer along Spring Creek during normal to wetter climatic conditions.
3. From the daily percentile flow hydrograph, it was determined there will be times of the year, and entire years where water will be not available solely from Spring Creek for the proposed diversion, and likely the Quaternary Alluvium aquifer during these drier times.

4. During drier climatic conditions when streamflow and overall recharge to the Quaternary Alluvium aquifer is limited, there will be times sufficient water may not be available from these sources to provide an adequate supply of water for this project. It is recommended that an alternate source of supplemental water be secured by the applicant to address these water short periods.
5. There is a reasonable probability that the proposed diversion by Water Permit Application No. 2876-2 will not unlawfully impair adequate wells for existing water rights/permits and domestic users.
6. If the proposed application is approved, a qualification requiring the applicant to control their water withdrawals, so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights, should be included.



Mark D. Rath
Natural Resources Engineer III



Nakaila Steen
Natural Resources Engineer II
SD DANR - Water Rights Program

REFERENCES

- Eldridge, W.G., and Anderson, T.M., 2020. Hydrogeology and Groundwater Flow in Alluvial Deposits, North Summerset, South Dakota. Scientific Investigations Report 2020-5097. U.S. Geological Survey, Reston, VA.
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USGS. 2024. United States Geological Survey, National Water Information System – Stream Gaging Station Network for South Dakota.

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Water Rights, 2024b. Water Right/Permit Files, SD DANR-Water Rights Program, Joe Foss Bldg, Pierre, SD.

Water Rights, 2024c. Well Completion Reports, SD DANR-Water Rights Program, Joe Foss Bldg, Pierre, SD.

Water Rights, 2024d. County Files, SD DANR-Water Rights Program, Joe Foss Bldg, Pierre, SD.



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

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

June 4, 2024

Hwy 16, LLC
c/o Patrick Hall
2700 W. Main Street
Rapid City SD 57702

Dear Mr. Hall:

Water Permit Application No. 2876-2 for commercial and water distribution 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 Rapid City Journal printed in Rapid City SD (see attachment for contact phone number). You will need to contact the newspaper and authorize publication of this notice. For your information, a copy of the notice, the recommendation of the Chief Engineer and report on the application are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions.

Be sure to contact the above newspaper to authorize publication of your Notice and to arrange for payment. Early contact with the paper can eliminate delays. Upon receiving authorization 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,

Rachel Rodriguez

Rachel Rodriguez
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.

NOTICE OF APPLICATION NO. 2876-2 to Appropriate Water

Notice is given that Hwy 16, LLC, c/o Patrick Hall, 2700 W. Main Street, Rapid City SD 57702 has filed an application for a water permit to appropriate up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cubic feet of water per second from an infiltration gallery adjacent to and primarily fed by Spring Creek to be completed into an alluvial aquifer (approximately 20 feet deep) located in the SW 1/4 SW 1/4 (Lot 6) Section 6 for a water distribution system and commercial use located in portions of Sections 7, 8, 17, and 18; all in T1S-R7E. This site is located approximately three miles southwest of the Rapid City SD, city limits.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2876-2 with qualifications because 1) unappropriated water is available, 2) existing domestic water uses and water rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest as it pertains to matters within the regulatory authority of the Water Management Board. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <https://danr.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 this application or recommendation shall allege that the application, upon approval, will cause injury to the person that is unique from any injury suffered by the public in general. The injury must concern a matter either within the regulatory authority found in SDCL 46-2A-9 for approval or denial of the application, or other matter concerning the application within the regulatory authority of the board to act upon as defined by SDCL 46-2-9 and 46-2-11, or both. Any person meeting the petitioner requirements and wishing to be a party of record in a contested case hearing shall file a written petition to oppose the application with BOTH the applicant and Chief Engineer. A petition opposing the application shall be filed on a form provided by the Chief Engineer. The petition form is available online at <https://danr.sd.gov/public> or by contacting the Chief Engineer. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501" or call (605) 773-3352. The applicant's mailing address is given above. If contesting the Chief Engineer's recommendation, the applicant shall also file a petition. A petition filed by either an interested person or the applicant must be filed by June 24, 2024.

The petition shall include a statement describing the unique injury upon approval of the application on the petitioner, the petitioner's reasons for opposing the application, and the name and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

Any interested person may file a comment on the application with the Chief Engineer. The comment shall be filed on a form provided by the Chief Engineer and is available online at <https://danr.sd.gov/public> or by calling (605) 773-3352 or writing the Chief Engineer at the address provided above. Filing a comment does not make the commenter a party of record or a participant in any hearing that may be held. Any comment must be filed by June 24, 2024.

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_

Rodriguez, Rachel

From: Rodriguez, Rachel
Sent: Tuesday, June 4, 2024 10:20 AM
To: RCY Legals
Subject: 2876-2 Hwy 16, LLC - Public Notice
Attachments: 2876-2 public.short_final.docx; FORM8.FRM.doc

Attached is a notice to be published on June 13, 2024.

Hwy 16, LLC, c/o Patrick Hall, 2700 W. Main Street, Rapid City SD 57702, 605-390-9903, 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 Ave, Pierre SD 57501.

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

Thank you,

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



AFFIDAVIT OF PUBLICATION

Mark Anderson

State of Pennsylvania, County of Lancaster, ss:

Yuade Moore, being first duly sworn, deposes and says: That (s)he is a duly authorized signatory of Column Software, PBC and duly authorized agent 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 on the following dates:

PUBLICATION DATES: June. 13 2024

NOTICE ID: 2eggglGilEh1FkbZGw0Z

PUBLISHER ID: COL-SD-0312

NOTICE NAME: 2876-2 Public Notice

TOTAL AD COST: \$77.68

FILED ON: Jun. 4, 2024

(Signed)

Yuade Moore

VERIFICATION

State of Pennsylvania
County of Lancaster

Commonwealth of Pennsylvania - Notary Seal
Nicole Burkholder, Notary Public
Lancaster County
My commission expires March 30, 2027
Commission Number 1342120

Subscribed in my presence and sworn to before me on this: 06/14/2024

Nicole Burkholder

Notary Public

Notarized remotely online using communication technology via Proof.

NOTICE OF APPLICATION NO.

2876-2 to Appropriate Water

Notice is given that Hwy 16, LLC, c/o Patrick Hall, 2700 W. Main Street, Rapid City SD 57702 has filed an application for a water permit to appropriate up to 955 acre-feet of water annually at a maximum pump rate of 2.5 cubic feet of water per second from an infiltration gallery adjacent to and primarily fed by Spring Creek to be completed into an alluvial aquifer (approximately 20 feet deep) located in the SW 1/4 SW 1/4 (Lot 6) Section 6 for a water distribution system and commercial use located in portions of Sections 7, 8, 17, and 18; all in T1S-R7E. This site is located approximately three miles southwest of the Rapid City SD, city limits.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2876-2 with qualifications because 1) unappropriated water is available, 2) existing domestic water uses and water rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest as it pertains to matters within the regulatory authority of the Water Management Board. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <https://danr.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 this application or recommendation shall allege that the application, upon approval, will cause injury to the person that is unique from any injury suffered by the public in general. The injury must concern a matter either within the regulatory authority found in SDCL 46-2A-9 for approval or denial of the application, or other matter concerning the application within the regulatory authority of the board to act upon as defined by SDCL 46-2-9 and 46-2-11, or both. Any person meeting the petitioner requirements and wishing to be a party of record in a contested case hearing shall file a written petition to oppose the application with BOTH the applicant and Chief Engineer. A petition opposing the application shall be filed on a form provided by the Chief Engineer. The petition form is available online at <https://danr.sd.gov/public> or by contacting the Chief Engineer. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501" or call (605) 773-3352. The applicant's mailing address is given above. If contesting the Chief Engineer's recommendation, the applicant shall also file a petition. A petition filed by either an interested person or the applicant must be filed by June 24, 2024.

The petition shall include a statement describing the unique injury upon approval of the application on the petitioner, the petitioner's reasons for opposing the application, and the name and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

Any interested person may file a comment on the application with the Chief Engineer. The comment shall be filed on a form provided by the Chief Engineer and is available online at <https://danr.sd.gov/public> or by calling (605) 773-3352 or writing the Chief Engineer at the address provided above. Filing a comment does not make the commenter a party of record or a participant in any hearing that may be held. Any comment must be filed by June 24, 2024.

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 June 13, 2024 for a total approximate cost of \$77.68 and may be viewed for free at www.sd-publicnotices.com)
Legal No: COL-SD-0312

Rodriguez, Rachel

From: Rodriguez, Rachel
Sent: Tuesday, June 4, 2024 11:53 AM
To: markandersonwater@gmail.com
Subject: 2876-2 Hwy 16, LLC - Public Notice
Attachments: 2876-2 Rec.pdf; 2876-2 Ltr.pdf; 2876-2 PubNotice.pdf

Hello,

Attached is a copy of the report, chief engineer's recommendation, and information regarding the public notice for your water permit application. The newspaper has a new online process, you will be receiving an email directly from the newspaper with instructions. As stated in the letter, please contact the paper(s) as soon as possible to authorize publication and arrange for payment. This information is also being mailed to you today.

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

Thank you,

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





**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

JUL 08 2024

Hwy 16, LLC
c/o Patrick Hall
2700 W. Main Street
Rapid City SD 57702

Dear Mr. Hall:

Enclosed is Water Permit No. 2876-2 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,

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

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF HUGHES)

**Affidavit of Public Notice
Posting on DANR Website**

Pursuant to SDCL § 46-2A-4, public notice of the following application was posted on the DANR web site at <https://danr.sd.gov/public>. The posted public notice is the same notice as published in the pertinent newspaper(s) and a copy of the public notice is maintained in the application file. If the application is contested, the posting is moved to the DANR contested case website at <https://danr.sd.gov/public/ContestedCase.aspx> until final action is taken on the application pursuant to SDCL § 46-2A-4.

Application No.: 2876-2

Name of Applicant: Hwy 16, LLC, c/o Patrick Hall

Date of Posting: 6/10/2024

Date of Removal: 7/8/2024



Ron Duvall, Engineer III

7/8/2024

Date

Subscribed and sworn to before me, a notary public, this 8th day of July, 2024.



Notary Public - South Dakota
My commission expires May 16, 2029
Rachel Rodriguez
My Commission Expires
May 16, 2029



(SEAL)



**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: Hwy 16 LLC., 2700 W Main Street, Rapid City SD 57702

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. 2876-2. 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. 2876-2 qualification:

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

The hearing will be held at **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. 2876-2 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.



Anderson Hydrology Consulting, LLC
1805 Central Blvd
Rapid City, SD 57702
605 390-9903
markandersonwater@gmail.com

To: Department of Agriculture and Natural Resources
Joe Foss Building
523 E. Capitol Ave
Pierre SD, 577501-3182

June 16, 2025

Subject: Water Right 2876-2

Dear Ms. Rodriguez,

Thank you for your reminder call of June 13, 2025 regarding the reporting requirement for water use under the subject water right. I am responding on behalf of Mr. Patrick Hall of Hwy 16, LLC. No water was used under this permit in 2024. This project is a major undertaking with engineering firms retained to design the water supply system. As such, construction has yet to begin.

If this letter does not suffice to meet the reporting requirement, please don't hesitate to contact me.

Thanks again for your cooperation.

Sincerely,

Mark T. Anderson
Anderson Hydrology Consulting
605 390-9903

Rodriguez, Rachel

From: Mark Anderson <markandersonwater@gmail.com>
Sent: Monday, June 16, 2025 2:04 PM
To: Rodriguez, Rachel
Cc: Kevin Thom; Randy Stone; Doug Bell; Duvall, Ron
Subject: [EXT] Water use report for Water Right 2876-2
Attachments: Hwy 16 Water Use Report 2024.pdf

Dear Ms. Rodriguez,

The attached letter reports the water use for 2024 under the subject water right. If this means of reporting is not sufficient, please don't hesitate to give me a call.

Thank you for the reminder call and in advance for your cooperation.

Mark T. Anderson
605 390-9903

RE: [EXT] Water use report for Water Right 2876-2 - Message (HTML)

FileMessageHelpAcrobatTell me what you want to do

Delete

Archive

Respond

Share to Teams

All Apps

Quick Steps

Move

Tags

Editing

Immersive

Zoom

Reply with Scheduling Poll

Translate Message

Viva Insights

Delete

Teams

Apps

Quick Steps

Zoom

Find Time

Translator

Add-in

RE: [EXT] Water use report for Water Right 2876-2

RR

Rodriguez, Rachel

To Mark Anderson

Retention Policy 2 Year Delete (Default) (2 years)

Expires 06/16/2027

General - Anyone

Reply

Reply All

Forward

Mon 06/16/2025 2:11 PM

This is perfect!

Thank you,

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

