

WATER PERMIT NO. 6087-3

Name of Applicant: Hilltop Dairy LLP

Address: 48514 US Hwy 14, Elkton SD 57026

Phone: 605 542-3111

Amount of Water Claimed: 0.333 cfs

Total Acres: NA

Source of Water Supply: groundwater (2 wells)

Water to be used for: commercial – dairy operation

County: Brookings

Type of Waste Disposal System:

Location: 13 miles east of Brookings

PRIORITY

Date Received: 6-19-1998

Fee: \$225

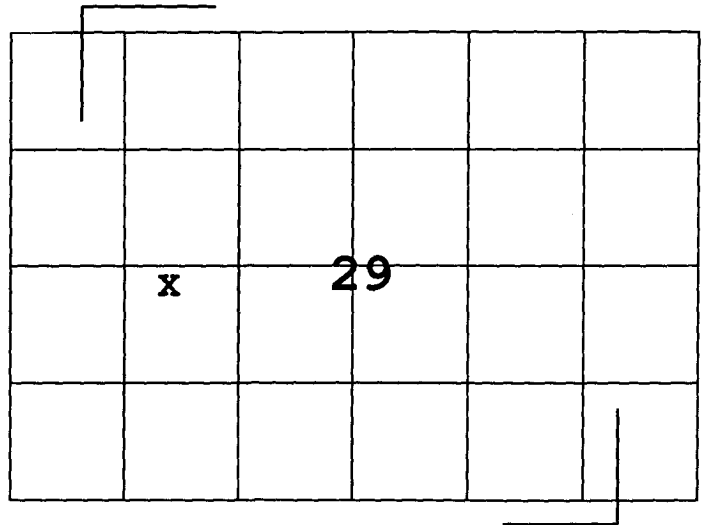
Corrected Application Received:

Period of Annual Use: January 1 – December 31

Remarks: Second well will be for back-up and located near the first well

Diversion Point: NW ¼ SW ¼ Sec 29-T110N-
R47W

Land to be Irrigated: NA



Depth of Well: 193 feet

Well Driller: Huron Drilling

Remarks:

Type of Map: plat

Prepared by: Mark E Johnson, RLS

Reviewed and the Number Assigned on: 6-22-1998

By: Karen Schlaak

Notice of Hearing - date to intervene: _____

SOUTH DAKOTA
WATER PERMIT NO. 6087-3

Date of first receipt of application June 19, 1998.

The Water Management Board approved Water Permit Application No. 6087-3 on October 1, 1998 for Hilltop Dairy LLP, c/o Howard Whitmore, 48514 US Hwy 14, Elkton SD 57026 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. 6087-3 appropriates 0.333 cubic feet of water per second (150 gallons per minute) from two wells (Rutland Aquifer) 193 feet deep located in the NW ¼ SW ¼ Section 29-T110N-R47W.
2. The water appropriated shall be used for the purpose of commercial use in a dairy operation 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 from which applicant may claim right is June 19, 1998.
5. One-fifth of the construction is to be completed on or before April 1, 2001.
6. All construction is to be completed on or before October 1, 2003.
7. Water is to be put to beneficial use on or before October 1, 2007.
8. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. The wells approved under 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. Permit No. 6087-3 is subject to compliance with requirements of the general Water Pollution Control Permit for concentrated animal feeding operation.
3. The wells authorized by Permit No. 6087-3 shall be constructed by a licensed well driller and construction shall 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)

4. Permit No. 6087-3 is subject to compliance with the existing and applicable Water Management Rules:

- a) Chapter 74:54:01 Ground Water Quality Standards,
- b) Chapter 74:54:02 Ground Water Discharge Permit,
- c) Chapter 74:51:01 Surface Water Quality Standards,
- d) Chapter 74:51:02 Uses Assigned to Lakes,
- e) Chapter 74:51:03 Uses Assigned to Streams, and
- f) Chapter 74:52:01 through 74:52:11 Surface Water Discharge Provisions.

WATER MANAGEMENT BOARD

By: _____

John Hatch

John Hatch, Chief Engineer

Water Rights Program

Department of Environment and Natural Resources

JAN 19 1999

date



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

Mail to: Water Rights Program Joe Foss Building 523 E. Capitol Pierre, SD 57501-3181 (605) 773-3352	No. <u>6087-3</u>	(office use only) Hydrologic Unit <u>10/70202</u>
	Basin <u>Sioux River</u>	
	Newspaper <u>Elkton Record, Elkton, SD</u>	



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

Check use(s) of water:

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

Type of Application: ☒ New ☒ Vested Right (Use predates Mar 2, 1955) ☐ Future Use Reservation
(check one) ☐ Place to Beneficial Use Water Reserved by Future Use Permit No. _____
☐ Amendment/Correction to Permit No. _____

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

- Name of Applicant** Hilltop Dairy LLP **Phone** 605-542-3111
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address 48514 US Highway 14 Elkton **State** SD 57026
(Street, RR. or Box) (Zip Code)
- Amount of water claimed** 0.333 *CFS or 150 **GPM ***AF
(*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use if applicable
- Source of water supply** Rutland Aquifer
- Location of point of diversion** (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) 2 wells in the NW 1/4 of the SW 1/4
Section 29, T110N, R47W
County Brookings
- County or counties where water will be used** Brookings
- Annual period during which water is to be used** January to January ~ December 31
- Give a description of the project.** When available include any preliminary engineering report or other reports or information that will help explain the project. This project consists of a new 1,650 head dairy operation to be located in the SW 1/4 Section 20 T110N, R47W. Plans and specifications for coverage under the state general permit for concentrated livestock feeding operations have been submitted to SD-DENR. An easement agreement has been made with David Pankonim (605-542-3821) for access to wellhead.

Supplemental Information

(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter 8" Depth 183'
- b) Casing Type PVC Diameter 5" Thickness SDR17
- c) Screen Type Stainless slot Diameter 2" Thickness No. 25
- d) Gravel Pack Eu Claire #30 Length of Gravel Pack 10'
- e) Depth to Top of Water Bearing Material 183'
- f) Depth to Water (ground surface to water level) 48'
- g) Distance to nearest existing domestic well: 500'
- On applicants property _____ On property owned by others David Pankonim

2. Wastewater Disposal System Information

- a) Type of System (i.e. septic tank, drain field) See submitted plans and specifications
- b) System Capacity (gallons) _____ Year Constructed 1998
- c) Connected to the City of NA Sanitary System

3. Dugout Information

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

4. Water Storage Dams

If the proposed water use system contains one or more storage dams, please furnish the information requested below for each dam. The locations of the dams need to be shown on the map submitted with the application.

- a) If a private engineering firm or government agency was involved in the design of this dam, please give their name and address:
- NA
- _____
- _____
- b) Freeboard NA
- c) Crest Width NA
Crest Length NA
- d) Height NA
- e) Primary Outlet Capacity NA
If pipe, diameter NA
- f) Secondary Spillway Capacity NA
Spillway Width NA
- g) X & Y Slope NA
Upstream NA
Downstream NA
- h) Surface Area of Impoundment NA
- i) Storage NA Acre Feet

STATE OF SOUTH DAKOTA) SS
County of _____)

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

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

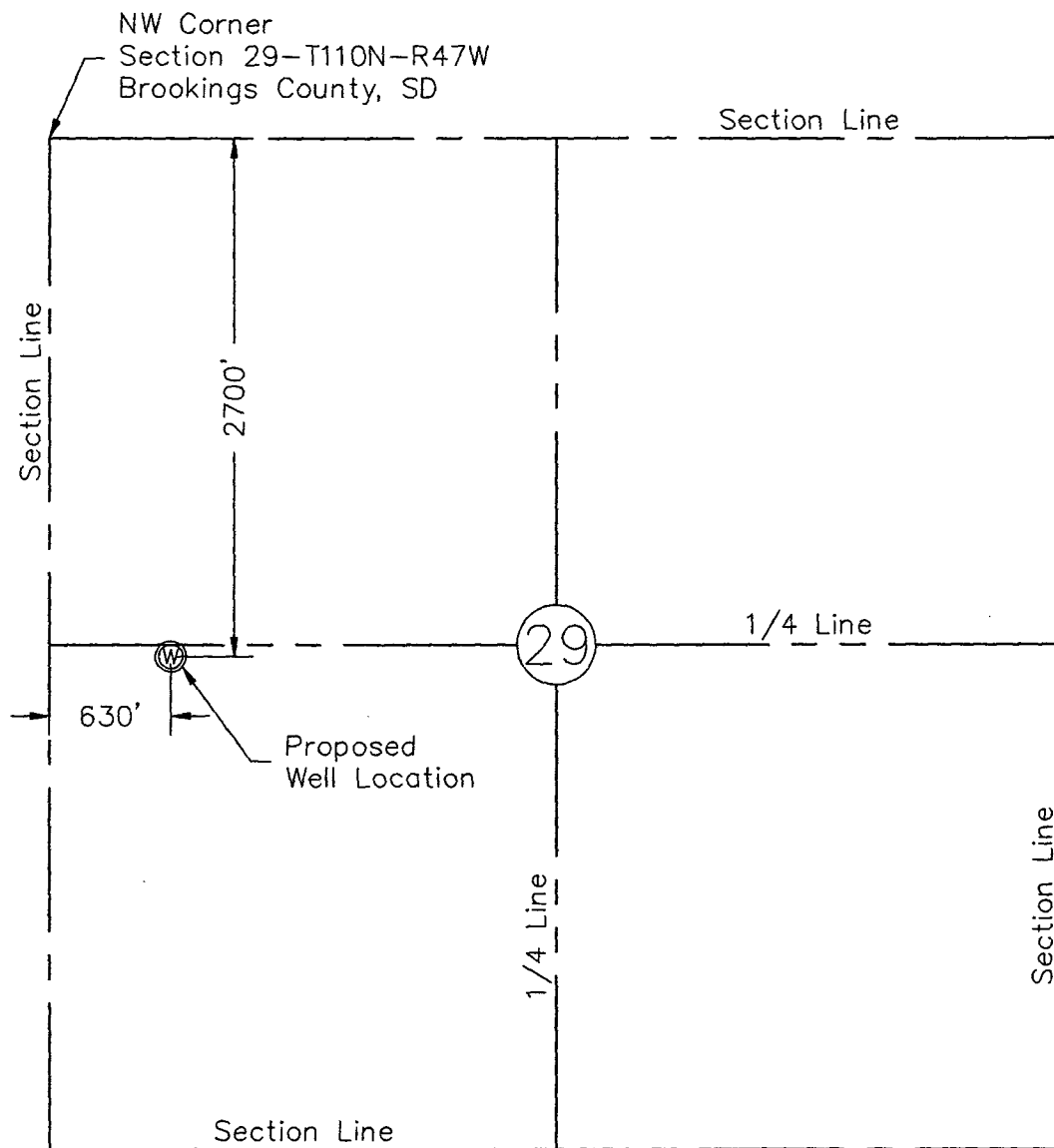
Signed Howard Whitmore

Subscribed and sworn to before me this 16 day of June, 1998

Johanna Hess
Notary Public

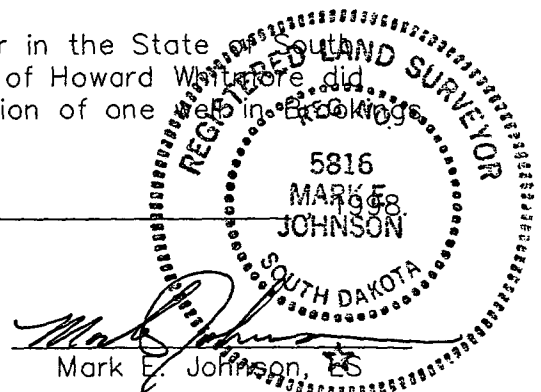
8-96





I, Mark E. Johnson, a Registered Land Surveyor in the State of South Dakota, do hereby certify that at the request of Howard Whitmore, I did prepare this map depicting the proposed location of one well in Brookings County, South Dakota.

Dated this 10TH day of JUNE

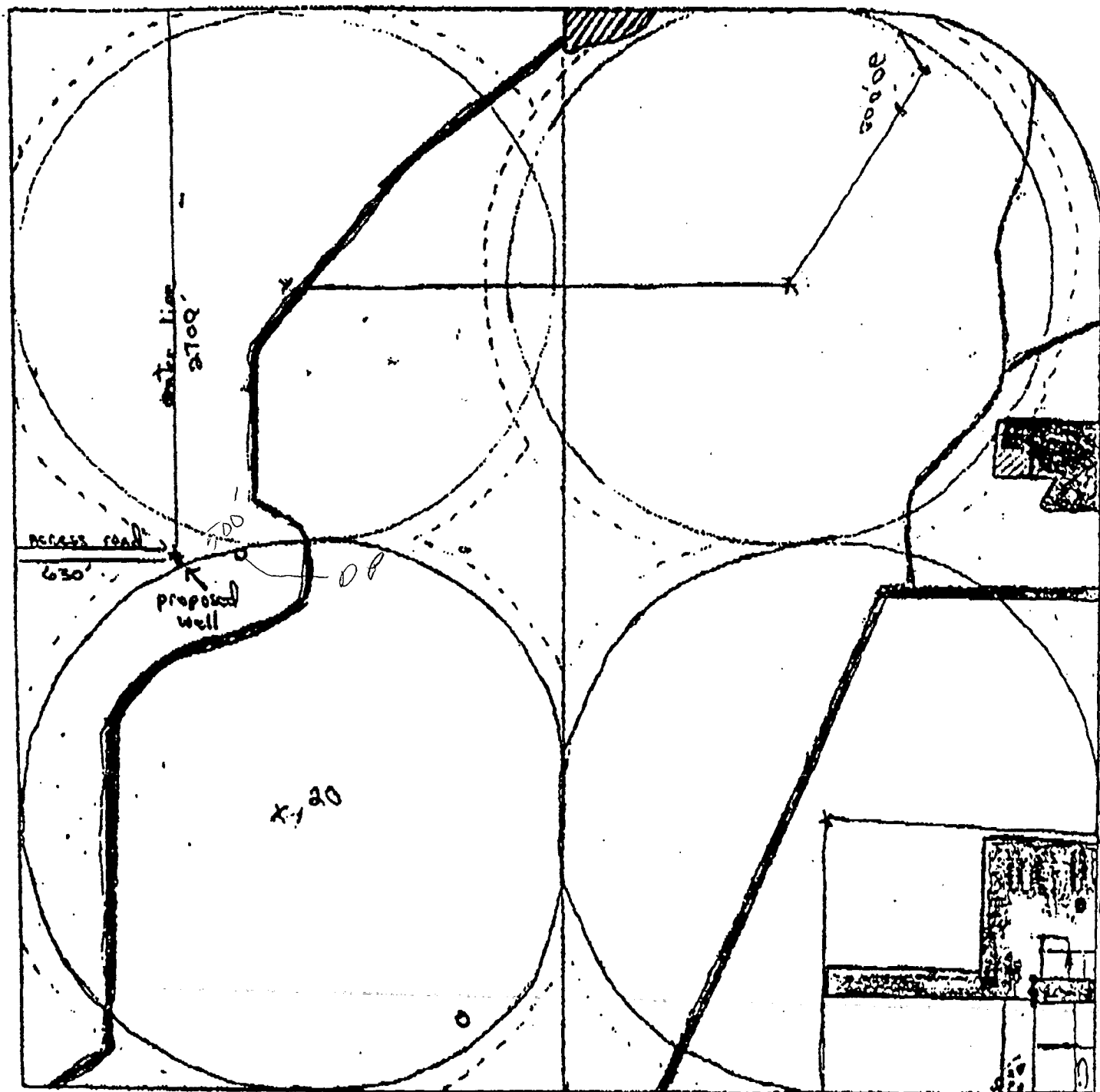


Hill Top Dairy LLP

Home Farm - David Pankonin

29-110-47

Water system Easement.

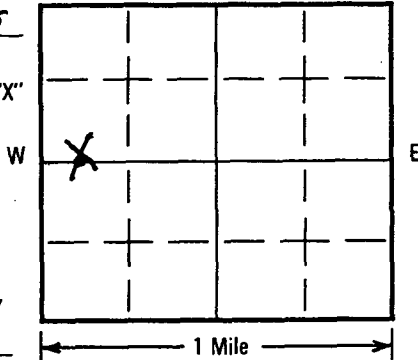


SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

Location SW 1/4 SW 1/4 Sec 29 Twp 110 Rg 47
 County Brookings North

Please mark well location with an "X"



Well Completion Date

May 12, 98

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 250 ft. from Septic (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary

CASING DATA:

☐ Steel ☒ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>250</u> LB/FT	<u>8</u> IN	<u>0</u> FT	<u>183</u> FT	<u>7 1/8</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>Packshot</u>	<u>20</u>	_____ lb./gal	<u>0</u> ft	<u>183</u> ft
_____	_____	_____ lb./gal	_____ ft	_____ ft

Describe grouting procedure Grouting Plug

SCREEN: ☐ Perforated pipe ☒ Manufactured

Diameter 8 IN Length 10 FEET

Material 304 Stainless

Slot Size 25 Set From 183 Feet to 193 Feet

Other information Beaver Park
Con. 14143 #30

WAS A PACKER OR SEAL USED? ☒ YES ☐ NO

If so, what material? Packshot Cement

Describe packer(s) and location? 0-183

DISINFECTION: Was well disinfected upon completion?

☒ YES, How: HTH

☐ NO, Why Not?

Laboratory sent to for water
 quality analysis

Pierre, SD

Well Owner: James Whitmore
 Business Name: 2807 Woodhewer Dr.
 Address: Champaign, Ill.
61821

WELL LOG:

DEPTH

FORMATION	FROM	TO
<u>Top Soil</u>	<u>0</u>	<u>5</u>
<u>Yellow Clay</u>	<u>5</u>	<u>20</u>
<u>Blue Clay</u>	<u>20</u>	<u>183</u>
<u>Gravel</u>	<u>183</u>	<u>193</u>

STATIC WATER LEVEL 48 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 Seo Pump
☐ Bailed _____
☐ Other _____

Pumping Level Below Land Surface

60 ft. After 4 Hrs. pumped 100 GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

This well was drilled under license # 94

And this report is true and accurate.

Drilling firm Hayes Drilling Inc

Signature of License Representative: [Signature]

Signature of Well Owner or Equitable Property Holder: _____

Date: May 12, 98

Howard Witmore

JOB NAME

Brookings

LOCATION

5/6/98

DATE

24

RIG NO.

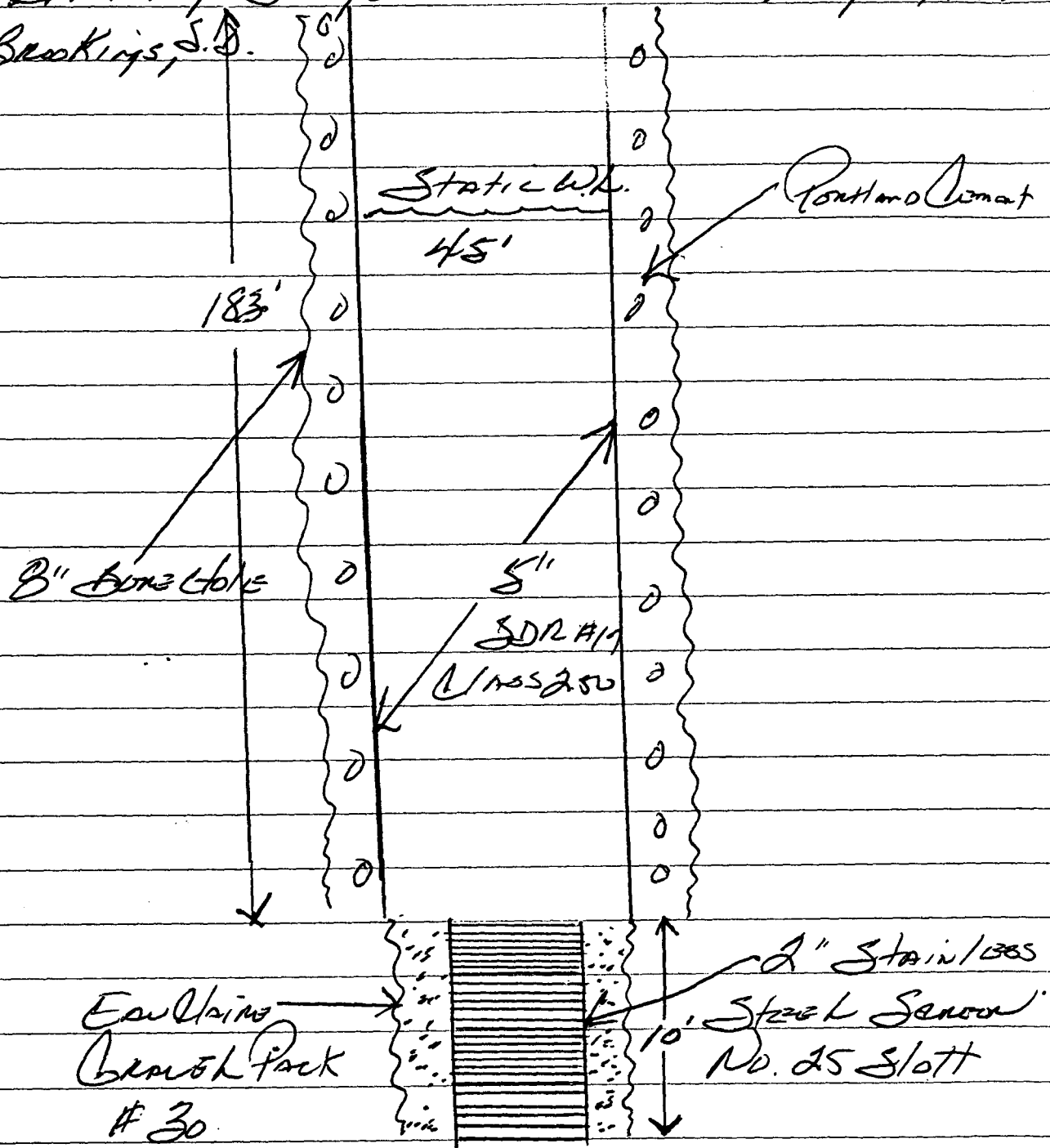
Tom R

FOREMAN

SI No.	DEPTH	TIME	REMARKS
1	20	2:35	7 7/8 Bit
2	40	2:45	
3	60	3:10	5/8/98
4	80	3:25	
5	100	3:35	45
6	120	3:45	148
7	140	3:55	193
8	160	4:15	
9	180		180' 5" SDR 17 Cemented 15 Bags
10	195		5/11/98
			165' Down To Leader Pipe
			10' 25 Slot Johnson 2" Screen
			#30 Gravel Pack
			195' T.D.
			Pump 50 GPM 2 Pipe Jet @ 160'

Hill Top Spring Well
Brookings, S.D.

May 29, 1998



Pitless Unit and Pump Record

1. Well Owner:
Name How and Whitmore
Address 8807 Northaven Dr.
2. Location: Champaign Ill. 61
County Peoria Kings
SW $\frac{1}{4}$, SW $\frac{1}{4}$ Section 29, Township 110, N., Range 47 West
3. Well Head Completion:
Pitless Unit brand name Monitor, diameter 5 in., type of joint slip
depth of joint 6 Ft, inches above grade 12, other _____
- Date of Installation: May 13, 1998
4. Pump:
Type: submersible ☒, jet _____, cylinder _____, turbine _____, other _____
Manufacturer's name Aeromotion
Model No. A-7555-750 HP 7 1/2 Volts 230 3ph
Pump setting (depth), 140 Ft - 2" Sch #80 Buss Coupling pumping rate 75 gpm.
Is well vented? yes ☒ no _____ Is there a measuring port? yes _____ no ☒.
5. Pressure tank (if installed) Yes _____ No _____
Manufacturer's name _____ Model No. _____ Capacity _____ gallons.
above ground _____, below ground _____
Pressure Rating of pipe between well and tank. _____
6. Was Well and Other Plumbing Disinfected Upon Completion? Yes ☒ No _____

Motor Serial # 32291 Franklin 4" motor

B-3 Flat Sub Pump Case

Pump Serial # A4-9807441

110

Location of well: 5 1/4 36 1/4 Section 57 Township North Range 4

Date well drilling completed 4-5-77 Purpose of well for water
(domestic, irrigation, municipal, industrial, other)

[illegible]

Casing information: In the space below show kind, size, weight, lengths per diameter, etc., for production casing and surface casing, if used.

1st - Johnson stain less
3rd - H-g

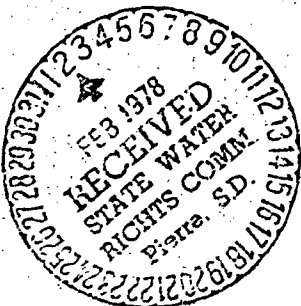
Donald Lee Harris
Name of Drilling Contractor

2) PUMP INSTALLATION

Depth of pump placement _____ ft., Date of pump installation _____

On some wells an oil-ight water surface measuring tube is required: See Section 46.40B of Chapter 46.4, MINIMUM WELL CONSTRUCTION STANDARDS.

Name of Pump Installation Contractor

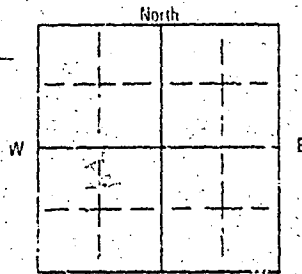


SOUTH DAKOTA WATER WELL COMPLETION REPORT

10-85

Location W 1/4 Sec 29 Twp 102N Rg 47County Brookings

Please mark well location with an "X"

Well Completion Date 7-79

PROPOSED USE:

☐ Domestic ☐ Municipal ☒ Test Holes
☐ Irrigation ☐ Industrial ☐ Stock

Method of Drilling:

Direct Rotary

CASING DATA:

☐ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN

GROUT:

Was the well grouted? ☐ YES ☐ NO

To what depth? _____ FEET

What is grouting material? _____

If cement, number of sacks? _____

Describe grouting procedure Backfilled with cuttings

What was grout weight? _____ LB/GAL

SCREEN: ☐ Perforated pipe ☐ Manufactured

Diameter _____ IN Length _____ FEET

Material _____

Slot Size _____ Set From _____ Feet To _____ Feet

Slot Size _____ Set From _____ Feet To _____ Feet

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? _____

Was well disinfected upon completion? ☐ YES ☐ NO

Explain _____

Bacteriological analysis ☐ YES ☐ NO

Laboratory sent to _____

Well Owner:

Name David Paul HansenAddress Elkton

Well Log:

Depth

Formation	From	To
Gravel	0	15
Yellow clay	15	63
Blue clay	63	128
Yellow clay	128	179
Yellow clay	179	190
Blue clay	190	213
Gravel	213	216
Blue clay	216	220
Gravel	220	226
Blue clay	226	235
Gravel	235	240
Blue clay	240	246
Gravel	246	250
Blue clay	250	256
Gravel	256	260
Blue clay	260	266
Gravel	266	270
Blue clay	270	276
Gravel	276	280
Blue clay	280	286
Gravel	286	290
Blue clay	290	296
Gravel	296	300
Blue clay	300	306
Gravel	306	310
Blue clay	310	316
Gravel	316	320
Blue clay	320	326
Gravel	326	330
Blue clay	330	336
Gravel	336	340
Blue clay	340	346
Gravel	346	350
Blue clay	350	356
Gravel	356	360
Blue clay	360	366
Gravel	366	370
Blue clay	370	376
Gravel	376	380
Blue clay	380	386
Gravel	386	390
Blue clay	390	396
Gravel	396	400
Blue clay	400	406
Gravel	406	410
Blue clay	410	416
Gravel	416	420
Blue clay	420	426
Gravel	426	430
Blue clay	430	436
Gravel	436	440
Blue clay	440	446
Gravel	446	450
Blue clay	450	456
Gravel	456	460
Blue clay	460	466
Gravel	466	470
Blue clay	470	476
Gravel	476	480
Blue clay	480	486
Gravel	486	490
Blue clay	490	496
Gravel	496	500
Blue clay	500	506
Gravel	506	510
Blue clay	510	516
Gravel	516	520
Blue clay	520	526
Gravel	526	530
Blue clay	530	536
Gravel	536	540
Blue clay	540	546
Gravel	546	550
Blue clay	550	556
Gravel	556	560
Blue clay	560	566
Gravel	566	570
Blue clay	570	576
Gravel	576	580
Blue clay	580	586
Gravel	586	590
Blue clay	590	596
Gravel	596	600
Blue clay	600	606
Gravel	606	610
Blue clay	610	616
Gravel	616	620
Blue clay	620	626
Gravel	626	630
Blue clay	630	636
Gravel	636	640
Blue clay	640	646
Gravel	646	650
Blue clay	650	656
Gravel	656	660
Blue clay	660	666
Gravel	666	670
Blue clay	670	676
Gravel	676	680
Blue clay	680	686
Gravel	686	690
Blue clay	690	696
Gravel	696	700
Blue clay	700	706
Gravel	706	710
Blue clay	710	716
Gravel	716	720
Blue clay	720	726
Gravel	726	730
Blue clay	730	736
Gravel	736	740
Blue clay	740	746
Gravel	746	750
Blue clay	750	756
Gravel	756	760
Blue clay	760	766
Gravel	766	770
Blue clay	770	776
Gravel	776	780
Blue clay	780	786
Gravel	786	790
Blue clay	790	796
Gravel	796	800
Blue clay	800	806
Gravel	806	810
Blue clay	810	816
Gravel	816	820
Blue clay	820	826
Gravel	826	830
Blue clay	830	836
Gravel	836	840
Blue clay	840	846
Gravel	846	850
Blue clay	850	856
Gravel	856	860
Blue clay	860	866
Gravel	866	870
Blue clay	870	876
Gravel	876	880
Blue clay	880	886
Gravel	886	890
Blue clay	890	896
Gravel	896	900
Blue clay	900	906
Gravel	906	910
Blue clay	910	916
Gravel	916	920
Blue clay	920	926
Gravel	926	930
Blue clay	930	936
Gravel	936	940
Blue clay	940	946
Gravel	946	950
Blue clay	950	956
Gravel	956	960
Blue clay	960	966
Gravel	966	970
Blue clay	970	976
Gravel	976	980
Blue clay	980	986
Gravel	986	990
Blue clay	990	996
Gravel	996	1000

STATIC WATER LEVEL _____ Feet

If flowing: closed in pressure _____ PSI

GPM flow _____ through _____ inch pipe

Controlled by ☐ Valve ☐ Reducers ☐ Other

If other, specify: _____

Can well be completely shut in? _____

WELL TEST DATA:

☐ Pumped☐ Bailed

Describe: _____

☐ Other

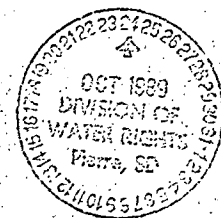
Pumping Level Below Land Surface:

_____ ft. After _____ Hrs. pumped _____ GPM

_____ ft. After _____ Hrs. pumped _____ GPM

_____ ft. After _____ Hrs. pumped _____ GPM

REMARKS:

This well was drilled under license # 337

And this report is true and accurate.

Drilling firm Fresh Well Works

Signature of License Representative:

David Paul Hansen

Signature of Well Owner:

Date 10-17-89

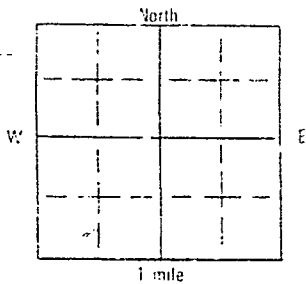
SOUTH DAKOTA WATER WELL COMPLETION REPORT

10-85

Location _____ Sec _____ Twp _____ Rg _____

County _____

Please mark well location with an "X"

Well Completion Date 12/1/88

PROPOSED USE:

☐ Domestic ☐ Municipal ☐ Test Hole
☐ Irrigation ☐ Industrial ☐ Stock

Method of Drilling _____

CASING DATA:

☐ Steel ☐ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
10.7 LB/FT	4 IN	0 FT	10 FT	4 IN
10.7 LB/FT	4 IN	10 FT	15 FT	4 IN
10.7 LB/FT	4 IN	15 FT	20 FT	4 IN
10.7 LB/FT	4 IN	20 FT	25 FT	4 IN

GROUT:

Was the well grouted? ☐ YES ☒ NO

To what depth? _____ FEET

What is grouting material? grout

in cement, number of sacks? _____

Describe grouting procedure _____

What was grout weight? _____ LB/GAL

SCREEN: ☐ Perforated pipe ☒ ManufacturedDiameter 4 IN Length 15 FEETMaterial 40 mesh 100 lb bagSlot Size 100 Set From 102 Feet To 117 Feet

Slot Size _____ Set From _____ Feet To _____ Feet

Slot Size _____ Set From _____ Feet To _____ Feet

Other information _____

Was packer or seal used? ☐ YES ☒ NO

If so, what material? _____

Describe packer(s) and location? _____

Was well disinfected upon completion? ☐ YES ☒ NO

Explain _____

Bacteriological analysis ☐ YES ☒ NO

Laboratory sent to _____

Well Owner:

Name _____

Address _____

Well Log: _____

Formation _____

Depth _____

From _____ To _____

This well was drilled under license # 287

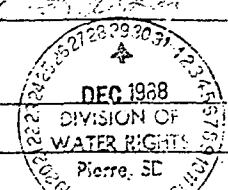
And this report is true and accurate.

Drilling firm Franklin Wells

Signature of License Representative: _____

Signature of Well Owner: _____

Date 12/1/88



NOTICE OF WELL CONSTRUCTION

Conservation

(1) WELL CONSTRUCTION

110N

Location of well: 5 1/4 1/4 Section 29 Township 110N Range 12E

Well owner: David P. Korman, Jr. (Name) 110 N. 12th St. (Address)

Date well drilling completed: 11-5-17 Purpose of well: Domestic (domestic, irrigation, municipal, industrial, other)

WELL LOG

Layers, top to top in feet	Description of layer	Depth to top of water producing aquifer	ft.
0 - 2'	Topsoil	182'	
2 - 30'	Yellow clay	Depth to static water level	182'
30 - 74'	Blue clay	Name of producing aquifer (if known)	
74 - 105'	Yellow clay	Total depth of drill hole	182'
105 - 157'	Blue clay	Depth to bottom of casing	182'
157 - 174'	Yellow clay	Casing information: In the space below show kind, size, weight, lengths per diameter, etc., for production casing and surface casing, if used.	
174 - 183'	Blue clay	14' 2" - 2" - 1"	
183 - 197'	Yellow clay	Screen information: In the space below show length of screen below bottom of casing, diameter and kind of screen or casing perforations.	
197 - 200'	Blue clay	14' 2" - 2" - 1"	
200 - 201'	Yellow clay	If a flowing well, flow of completed well: _____ G.P.M.	

Attach sheet if more space is needed

Name of Drilling Contractor: Johnston & Sons
300 - 11th St.

(2) PUMP INSTALLATION

Company name and size of pump: _____ HP

Type of pump: _____ Capacity of installed pump: _____ G.P.M.

Depth of pump placement: _____ ft., Date of pump installation: _____

(3) WATER SURFACE MEASURING TUBE

On some wells an air-tight water surface measuring tube is required. See Section 46.408 of Chapter 46.4, MINIMUM WELL CONSTRUCTION STANDARDS.

Show exact vertical length of water surface measuring tube, when installed: _____ ft., tube diameter: _____, tube material: _____

Name of Pump Installation Contractor: _____

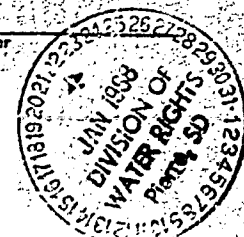
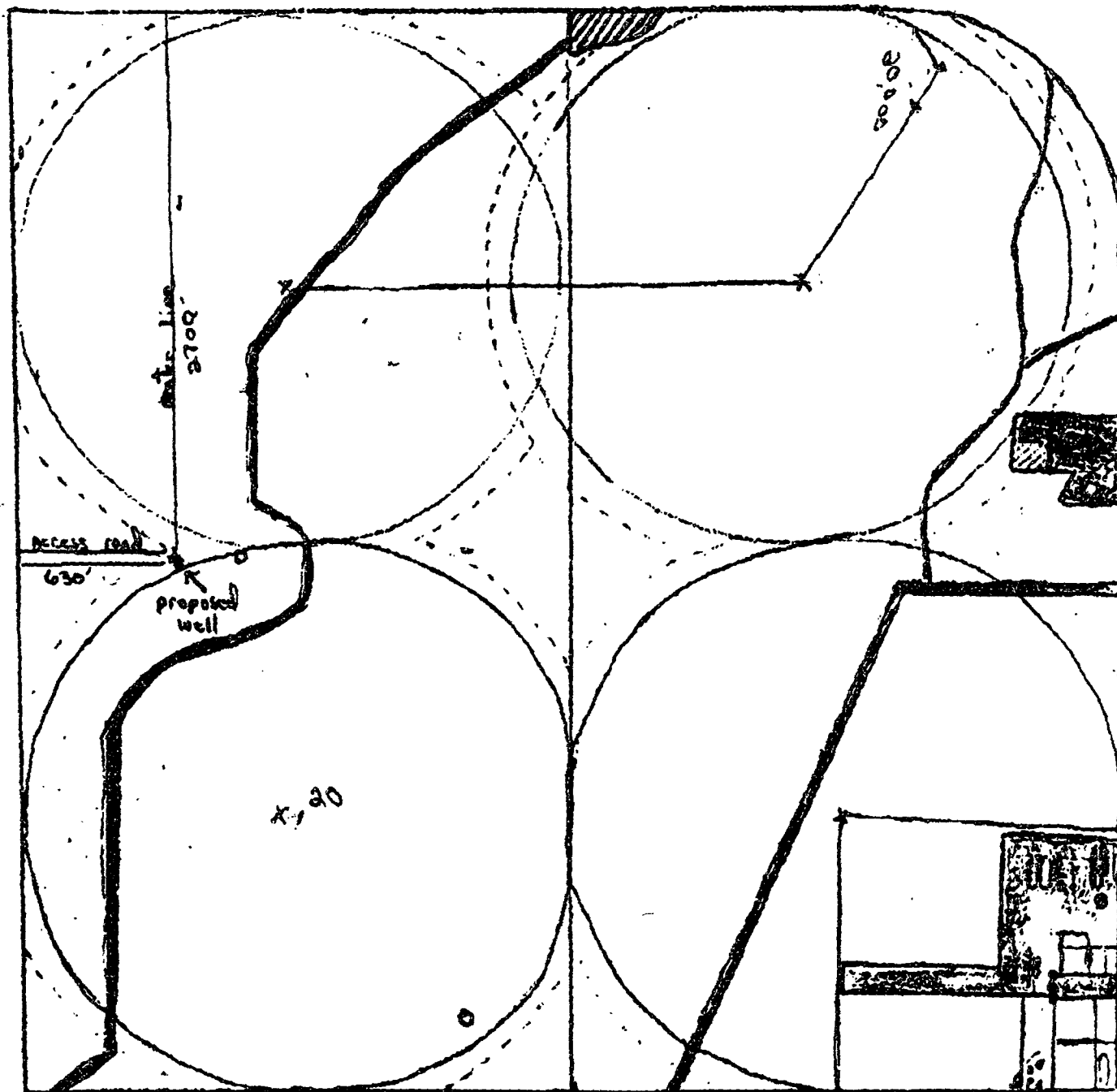


EXHIBIT "A"

Home Farm - David Pankonin
29-110-47
Water system Easement.



the exercise by the Grantee of the rights granted in this agreement.

V.

Grantors reserve the right to use and enjoy the premises to the fullest extent possible without unreasonable interference with the exercise by Grantee of the rights granted in this agreement.

VI.

Grantee agrees to bury all pipelines to a depth that is sufficient to avoid freezing and any interference with the farming operations of the Grantors. Grantee further agrees to pay any and all crop damage that may arise from the construction, maintenance, repair and operation of the water pipeline and well head.

VII.

This agreement shall be effective immediately and shall bind and benefit the parties, their respective heirs, successors and assigns.

David A. Pankonin
DAVID A. PANKONIN

Joanne Pankonin
JOANNE PANKONIN

STATE OF SOUTH DAKOTA)
 :SS
COUNTY OF)

On this the 6th day of January, 1998, before me, personally appeared David A. Pankonin and Joanne Pankonin, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

[Signature]
Notary Public -

My Commission Expires: 2/4/01



HILL-TOP DAIRY, LLP

By Marvin Schluter
MARVIN SCHLUTER, Partner

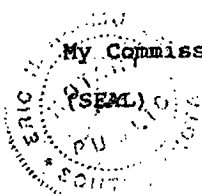
SD
STATE OF ~~ILLINOIS~~)
 :SS
COUNTY OF Brookings)

On this the 29 day of January, 1998, before me, personally appeared Marvin Schluter, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained and that he executed the same in the capacity therein stated with authority to do so.

In witness whereof I hereunto set my hand and official seal

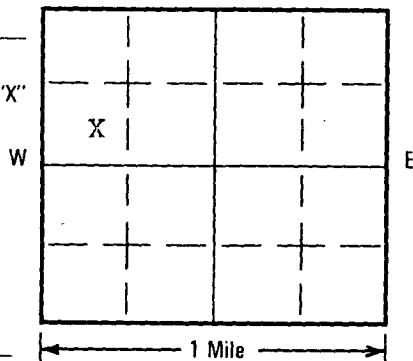
[Signature]
Notary Public - South Dakota

My Commission Expires: 2/4/01



STATE OF SOUTH DAKOTA COUNTY OF BROOKINGS
FILED THIS 22nd DAY OF Jan 19 98 AT 4:52 O'CLOCK P
BOOK 146 PAGE 61-66
[Signature] BY
REGISTER OF DEEDS DEPUTY

10-8-99



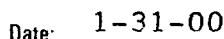
Elkton, SD 57026

DEPTH

FORMATION	FROM	TO
Top soil	0	5
Yellow clay	5	20
Blue clay	20	183
Gravel	183	193

Rotary

Pierre, SD





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3181

April 15, 1998

Howard L. Whitmore
Hill Top Dairy
707 South Grove
Urbana IL 61808

Dear Mr. Whitmore:

The Manure Management System for Hill Top Dairy's proposed dairy operation is currently being reviewed by DENR's Surface Water Quality Program staff. I am writing to ensure that you are also aware of the water right permit requirements in South Dakota.

State law requires that a water right permit be obtained to supply a concentrated livestock feeding operation if the amount of water for all uses from well(s) at the site exceeds 25,920 gallons per day or if the maximum pump rate is greater than 25 gallons per minute. I want to emphasize that these criteria are not based on gallons per day or pump rate averaged over a week, month or year. The standard is the amount of water use on a peak day and peak pump rate.

State law is specific and prohibits construction of works for storing or carrying water until a permit is issued if the water right permitting criteria listed above are exceeded. When comparing the size of your facility with similar sized dairy facilities that have recently obtained water right permits, it appears that the water use for this facility will require a water permit. I am enclosing water right permit application forms. If you have any questions about the water right permitting requirements, the permitting process or do not believe a permit is needed for your intended use, please contact me.

Sincerely,

Eric Gronlund
Water Rights Program
605 773-3352

enclosures

RECEIPT

Water Rights Program

South Dakota Department of Environment and Natural Resources

NO 415806

Pierre, June 19, 1998

RECEIVED OF Hill Top Dairy, 2807 Woodhaven Dr., Champaign IL 61821
the following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>6087-3</u> to Appropriate Water, to construct and to put water to beneficial use _____	225	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 Filing Extension Request _____		
Fee for _____		

(Any Other Work Provided by Law)	Total	225 00

By

Chief Engineer

John Hatch

(125)

Water Rights Program - DENR
Conversation File Documentation

NAME OF PERSON OR FILE: Hilltop Dairy LLP water permit application

ADDRESS: COUNTY: Brookings

DATE: June 19, 1998 TELEPHONE:

RE: Discussion with John Childs, engineering consultant

COMMENTS:

Mr. Childs returned my phone call. I stated that the application states two wells will be drilled but the map only showed the placement of one well. Mr. Childs indicated that the wells will be located next to one another. The applicant plans to have one of the well to act at a back-up water supply.

Mr. Childs indicated that he would be sending in the easement with Mr. Pankonim and the original signed application.

File in Permit or other file as necessary. Use to document conversations and what the other party was told; why action or decision was made.

NAME:

Eric Pankonim

EASEMENT AGREEMENT

Easement Agreement made and entered into this 27th day of January, 1998 by and between DAVID A. PANKONIN and JOANNE PANKONIN, (hereinafter "Grantors") and HILL-TOP DAIRY, LLP, (hereinafter "Grantee").

The parties recite and declare as follows:

A. The parties have an interest in adjoining real estate situated in Brookings County, South Dakota; and

B. The parties desire to create an easement in favor of the Grantee over a strip of land twenty feet wide for the purpose of construction and maintenance of a water line. In addition, an easement shall be created for an access drive and water well head.

In consideration of the foregoing,

NOW, THEREFORE, the parties agree as follows:

I.

Grantee agrees to pay the sum of Ten Thousand (\$10,000) Dollars at the signing of this Agreement, plus and additional One Thousand (\$1,000) Dollars per year, with no interest, for the next ten (10) years. The first payment shall be due on the anniversary date of this Agreement. In exchange, Grantors grant, sell and convey to grantee, its successors and assigns, a right of way for the purpose of laying, constructing, operating, inspecting, maintaining, repairing, replacing, substituting, relocating and removing a pipeline for the transportation of water on, in, over and through the following described real estate in Brookings, South Dakota:

The West One-Half (W $\frac{1}{2}$) of Section Twenty-nine (29), Township One Hundred Ten (110) North, Range Forty-seven (47), West of the 5th P.M., Brookings County, South Dakota,

the center of which right-of-way shall be located approximately 630 feet east of the West line of the above described real property and shall extend in a north and south direction approximately 2700 feet from the north line of the property. In addition, grantee shall be entitled to construct an access road approximately 630 feet in length from the west line of the property to the well head located at the terminus of the water line. Attached hereto and incorporated as Exhibit A is a drawing showing the approximate location of the water line, access road and well head.

II.

This Agreement also entitles the Grantee to draw water from the well head at a rate not to exceed 150 gallons per minute.

III.

The rights granted by this Easement Agreement shall be possessed and enjoyed by the Grantee, its successors and assigns, so long as the pipeline and appurtenances constructed pursuant to this agreement shall be maintained and operated by the Grantee, its successors and assigns.

IV.

Grantee shall have the right of ingress and egress to and from the premises for any and all purposes necessary or convenient to

REPORT ON WATER PERMIT APPLICATION NO. 6087-3

for Hilltop Dairy LLP

August 7, 1998

Application No. 6087-3 proposes to appropriate 0.333 cfs (150 gpm) from two wells approximately 193 feet deep located in the NW 1/4 SW 1/4 of Section 29, T110N-R47W in Brookings County. The water is for a commercial dairy operation.

AQUIFER - RUTLAND (RUT)

The Rutland is a buried glacial outwash (sand and gravel) which is under confined or artesian conditions at this site. The aquifer underlies 240 square miles and contains an estimated 400,000 acre feet of water in storage in Brookings County (Hamilton, 1989). The aquifer extends into Deuel County to the north, Minnesota to the east and into Moody County to the south. The direction of ground water movement is from east to west in the area of this application.

The Water Rights Program does monitor an observation well, BG-78E, which is located about one-half mile south of the application and completed into the Rutland aquifer. Water levels for this well show significant response to pumping and also to recharge. A hydrograph for this observation well is included with this report (Water Rights, 1998).

REVIEW OF EXISTING WATER PERMITS/RIGHTS

There is an existing water right No. 3876-3 which appropriates 4.0 cfs from two wells for irrigation of 480 acres. One of the irrigation wells is about 500 feet east of the diversion point for this application. Interference will occur. Based upon the hydrograph for observation well BG-78E which fluctuates about 35 feet when the irrigation wells are pumped, and test data for one of the irrigation wells which indicates about 50 feet of drawdown after 48 hours pumping at a rate of 1050 gpm, the pump in the proposed well will have to set at least 50 feet below the anticipated pumping level which should be about 66 feet using the test data supplied in the application. This would mean a minimum pump setting of 116 feet below land surface. Without better information this can only be an estimate. Certainly during the summer months when irrigation is occurring careful monitoring of water levels at the production site is warranted.

CONCLUSIONS

1. Water is available from the Rutland aquifer.
2. The aquifer is confined and under artesian conditions. Based upon observation well and production well data in the immediate area significant drawdown will occur at this proposed well site. Actual production testing will be required to determine a pump depth setting. Even though significant drawdown will occur it appears that the aquifer is capable of sustaining additional withdrawals.
3. The wells authorized by this application must be constructed in accordance with SD Well Construction Standards.
4. Plans and specifications for coverage under the state general permit for concentrated livestock feeding operations for this facility must be submitted to and approved by the SD DENR, Surface Water Quality Program.
5. The applicant has obtained an easement from the landowner to locate and develop this water supply.



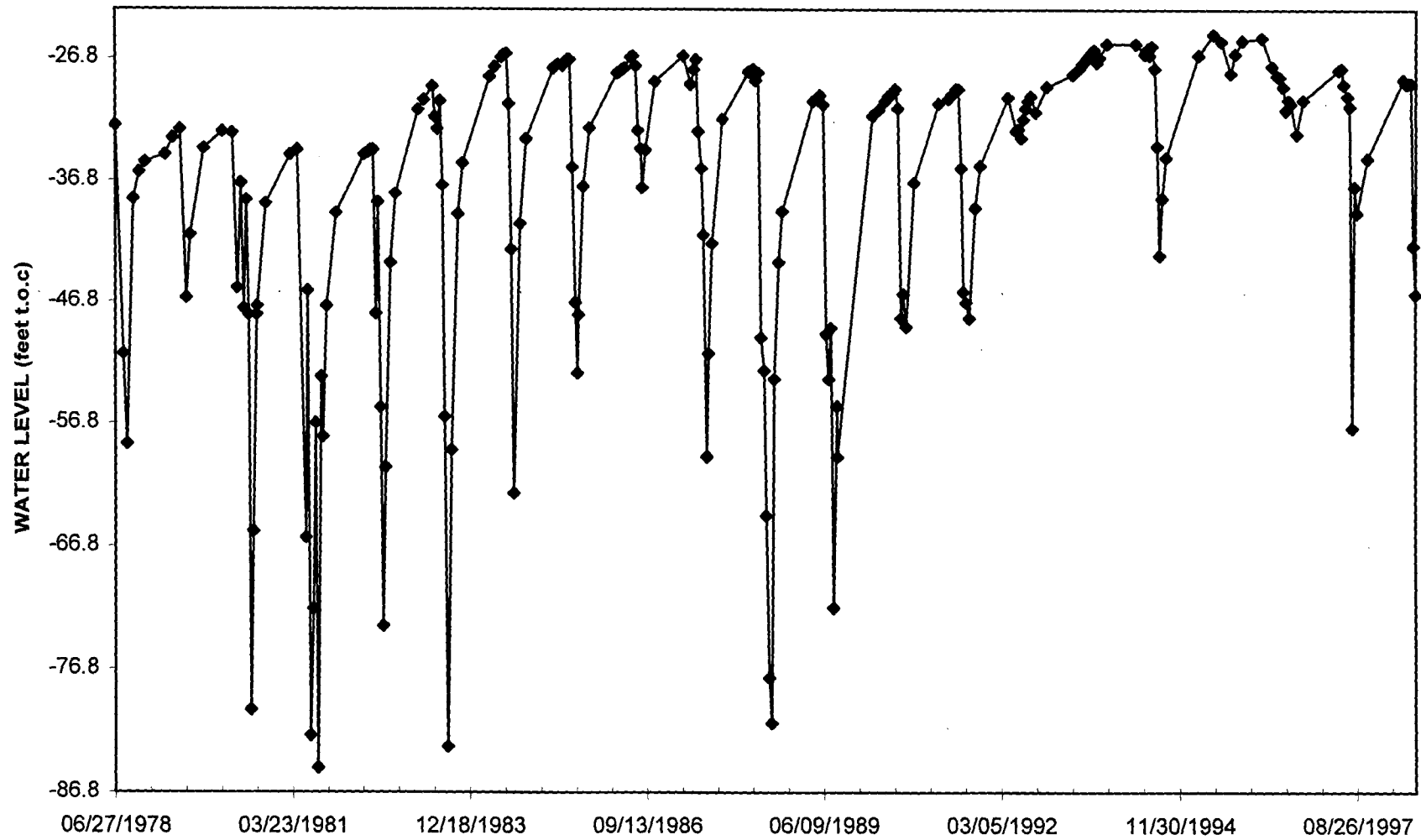
James A Goodman
Natural Resources Engineer

BIBLIOGRAPHY

Hamilton, L.J., 1989, Water Resources of Brookings and Kingsbury Counties, South Dakota, Water-Resources Investigations Report 88-4185, USGS, Huron, SD, 57350.

Water Rights, 1998, Unpublished Observation Well Data for Brookings County, SD DENR, Division of Environmental Services, Water Rights Program, Pierre, SD, 57501.

**WATER RIGHTS' OBSERVATION WELL
BG-78E**



**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 6087-3, Hilltop Dairy, LLP**

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. 6087-3, Hilltop Dairy, LLP, c/o Howard L. Whitmore, 48514 US Hwy 14, Elkton SD 57026

The Chief Engineer is recommending APPROVAL of Application No. 6087-3 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 wells 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. Permit No. 6087-3 is subject to compliance with requirements of the general Water Pollution Control Permit for concentrated animal feeding operation.
3. The wells authorized by Permit No. 6087-3 shall be constructed by a licensed well driller and construction shall 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.
4. Permit No. 6087-3 is subject to compliance with the existing and applicable Water Management Rules:
 - a) Chapter 74:54:01 Ground Water Quality Standards,
 - b) Chapter 74:54:02 Ground Water Discharge Permit,
 - c) Chapter 74:51:01 Surface Water Quality Standards,
 - d) Chapter 74:51:02 Uses Assigned to Lakes,
 - e) Chapter 74:51:03 Uses Assigned to Streams, and
 - f) Chapter 74:52:01 through 74:52:11 Surface Water Discharge Provisions.

See report on application for additional information.



JOHN HATCH, Chief Engineer
August 17, 1998



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

August 26, 1998

David Pankonin
RR 2 Box 11
Elkton SD 57026

Dear Mr. Pankonin:

Please find enclosed a copy of the report, recommendation and public notice for Water Right Permit Application No. 6087-3 filed by Hilltop Dairy. This information is being sent to you because I understand the well will be located on your property. A copy of the easement agreement that you entered into with Hilltop Dairy is part of the application file.

Sincerely,

Eric Gronlund
Water Rights Program
(605) 773-3352

enclosure



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

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

August 26, 1998

Hilltop Dairy LLP
%Howard Whitmore
48514 US Hwy. 14
Elkton, SD 57026

Dear Mr. Whitmore:

Water Permit Application No. 6087-3 for commercial dairy operation has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice of hearing has been sent to the Publisher of the Elkton Record printed at Elkton, SD (Ph # (605) 542-4831). For your information, a copy of the notice, the recommendation of the Chief Engineer and a report on the application are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions.

Be sure to contact the above newspaper to authorize publication of your Notice of Hearing and to arrange for payment. Early contact with the paper can eliminate delays. The publisher has been instructed to publish your notice once each week for two consecutive weeks with the last publication to occur twenty days before the board meeting. The newspaper has been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

enclosures

c: John Childs, Eisenbraun and Associates, 215 Walnut Street, Yankton, SD 57078

NOTE: If you plan to contest any part of the Chief Engineer's recommendation, you must file a petition pursuant to the procedures outlined in the attached notice of hearing. The Water Management Board will then consider your concerns during a hearing on the application.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

August 26, 1998

Elkton Record
Box K
Elkton, SD 57026

ATTENTION: Legal Department

Enclosed is a Notice of Hearing on Application No. 6087-3 to Appropriate Water to be published twice. Please publish the first notice on September 3, 1998, with the second publication 7 days later.

The applicant must verify to you that the notice is to be published, before you make the first publication. **Please BILL the APPLICANT for the cost of publication.** The APPLICANT is Hilltop Dairy LLP, %Howard Whitmore, 48514 US Hwy. 14, Elkton, SD 57026 (Ph # (605) 542-3111).

Please send the Water Rights Program the first publication immediately. The publication is checked for accuracy so any corrections can be made in the second publication. You may use the form below or fax a copy of the first publication. Any fax should be sent to the attention of Karen Schlaak at (605) 773-4068. Publication errors can invalidate the public notice.

After the second publication, **please send us an affidavit or use the enclosed Proof of Publication form.** The applicant pays the cost of publication, but the Water Rights Program records require an affidavit or Proof of Publication. Delays in receiving the affidavit can be costly to the applicant.

Sincerely,

Eric Gronlund
Natural Resources Engineer
605 773-3352

enclosures

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

No. 6087-3

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

Date _____

We are in receipt of your letter of August 26, 1998, enclosing Notice of Hearing to Appropriate Water by Application No. 6087-3 which was first published in our issue of _____. **ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.**

Name

Newspaper

Instruction to Newspaper - Publish first Notice on September 3, 1998, with the second publication 7 days later. The applicant is responsible for payment.

NOTICE OF APPLICATION NO. 6087-3 to Appropriate Water

Notice is given that Hilltop Dairy LLP, c/o Howard Whitmore, 48514 US Hwy 14, Elkton SD 57026 has filed an application for a water permit to appropriate 0.333 cubic feet of water per second (150 gallons per minute) from two wells (Rutland Aquifer) 193 feet deep located in the NW ¼ SW ¼ Section 29-T110N-R47W. The water is for commercial use in a dairy operation.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 6087-3 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.

Any person interested in opposing or supporting this application must file a written petition with BOTH the applicant and Chief Engineer. The applicant must also file a petition if opposed to 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 September 21, 1998. 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.

The Water Management Board will consider this application at 10:00 a.m., October 1, 1998, Floyd Matthew Training Center, Joe Foss Building, 523 East Capitol, Pierre, SD. The Chief Engineer's recommendation is not final or binding upon the Board. The Board is authorized to 1) approve, 2) approve with qualifications, 3) defer, or 4) deny this application based on the facts presented at the public hearing. The October 1, 1998, hearing date will be automatically delayed for at least 20 days upon written request to the Chief Engineer from the applicant or any interested person opposing the application. The request for an automatic delay must be filed by September 21, 1998.

Any hearing will be an adversary proceeding. Any person filing a petition and/or the applicant have the right to be represented by a lawyer and may present evidence or cross-examine witnesses according to SDCL 1-26. These and other due process rights will be forfeited if not exercised. Decisions of the Board may be appealed to the Circuit Court and State Supreme Court as provided by law. Contact Eric Gronlund by September 21, 1998, at the above Water Rights Program address to request copies of information pertaining to this application, to assure access to the hearing by the handicapped or to obtain an interpreter for the hearing impaired.

This application is made pursuant to SDCL 46-1-1 thru 46-1-9, 46-1-12 thru 46-1-16; 46-2-3.1, 46-2-9, 46-2-11, 46-2-13, 46-2-17; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-15, 46-2A-20, 46-2A-21; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2, 46-5-30.4, 46-5-31; 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14, 46-6-26; and Board Rules ARSD 74:02:01:01 thru 74:02:01:15. Nettie H. Myers, Secretary, Department of Environment and Natural Resources.



PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
County of Brookings) SS

I, Phyllis Moir

certify that the attached printed Notice was taken
from the EIKton Record

printed and published in EIKton

County of Brookings and

state of South Dakota. The notice was published

in the newspaper on the following two dates:

Sept. 3, 1998

Sept. 10, 1998

Cost of Printing \$46.50

Phyllis K. Moir
(Signature)

Mgr. Editor, RFD News Group

& Notary Public
(Title)

Sept. 11, 1998
(Date Signed)

No. 1702, 2x, Sept. 3 & 10ER NOTICE OF APPLICATION NO. 6087-3 TO Appropriate Water

Notice is given that Hilltop Dairy LLP, c/o Howard Whitmore, 48514 US Hwy 14, Elkton SD 57026 has filed an application for a water permit to appropriate 0.333 cubic feet of water per second (150 gallons per minute) from two wells (Rutland Aquifer) 193 feet deep located in the NW 1/4 SW 1/4 Section 29-T110N-R47W. The water is for commercial use in a dairy operation.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 6087-3 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.

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Any hearing will be an adversary proceeding. Any person filing a petition and/or the applicant have the right to be represented by a lawyer and may present evidence or cross-examine witnesses according to SDCL 1-26. These and other due process rights will be forfeited if not exercised. Decisions of the Board may be appealed to the Circuit Court and State Supreme Court as provided by law. Contact Eric Gronlund by September 21, 1998, at the above Water Rights Program address to request copies of information pertaining to this application, to assure access to the hearing by the handicapped or to obtain an interpreter for the hearing impaired.

This application is made pursuant to SDCL 46-1-1 thru 46-1-9, 46-1-12 thru 46-1-16; 46-2-3.1, 46-2-9, 46-2-11, 46-2-13, 46-2-17; 46-2A-1 thru 46-2A-10, 46-2A-12, 46-2A-14, 46-2A-15, 46-2A-20, 46-2A-21; 46-5-1 thru 46-5-11, 46-5-13 thru 46-5-15, 46-5-24, 46-5-25, 46-5-30.2, 46-5-30.4, 46-5-31; 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-13, 46-6-14, 46-6-26; and Board Rules ARSD 74:02:01:01 thru 74:02:01:15. Nettie H. Myers, Secretary, Department of Environment and Natural Resources.



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
www.state.sd.us/denr

JAN 19 1999

Hilltop Dairy LLP
%Howard Whitmore
48514 US Hwy. 14
Elkton, SD 57026

Dear Mr. Whitmore:

Enclosed is Water Permit No. 6087-3 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

Also enclosed is Form 10, Notice of Completion of Works and Application of Water to Beneficial Use, which you are to complete and submit to the Chief Engineer when you have completed the system and/or have put the water to beneficial use. An inspection can then be scheduled so that the Water License may be issued, thus completing your acquisition of a Water Right.

Very truly yours,

JOHN HATCH, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

PLEASE NOTE: Certain changes may be made to your water permit usually without affecting the priority date. The location of a point of diversion may be changed or additional points of diversion may be approved if the water source remains unchanged; no additional water is appropriated; and, if irrigating, no additional land is irrigated. The change may be allowed without application or publication, if the Water Rights Program is contacted and the chief engineer makes a finding that the change does not increase the potential for interference with existing diversions.

A new water permit application is required to change water sources, increase the permitted diversion rate, or increase the irrigated acreage. If the application is approved, the water permit will receive a new priority date.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

June 21, 2008

6087-3

Hilltop Dairy LLP
c/o Mike Gussisberg
48514 US Hwy 14
Elkton SD 57026

Dear Sir:

On August 22, 2006 the investigation of Hilltop Dairy's water use system, including the extent of application of water to beneficial use, as developed under Water Permit No. 6087-3, was completed by Mike DeFea, a staff engineer with our program. Your final water right document, the water license, can now be issued.

State laws require that we charge a \$50.00 fee for the investigation and issuance of the water license. Upon receipt of the \$50.00 fee, we will complete processing the water license.

A licensed water right will be similar to a property right that can not be lost as long as the water use continues and you abide by the permit requirements.

Also, enclosed is a *Notice of Transfer of Ownership* form. The form needs to be completed, signed by the current owner, and returned with a \$2.50 filing fee. The check or money order for the fees (\$52.50) should be made payable to the "Water Rights Program".

If you have any questions regarding the water permit, investigation of your water use system or payment of the fee, please contact Genny McMath with our program at (605) 773-3352.

Sincerely,

Karen Schlaak
Water Rights Program
(605) 773-3352

NOTICE OF TRANSFER OF OWNERSHIP

RECEIVED

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

JUN 28 2007
WATER RIGHTS
PROGRAM

No. 6087-3

Date: June 25th 2007

I/We request that Water Right/Permit No. 6087-3

formerly owned by: Hilltop Dairy LLP, c/o Howard Whitmore

be transferred to: (name & address) Hilltop Dairy LLP, c/o Wilhelmus H.M. Reuvekamp,
48514 US Highway 14 Olga Reuvekamp - Brouwer
Elkton, SD 57026 Telephone No. 605-542-3111

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

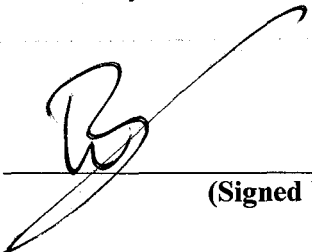
2 wells - located in the NW 1/4 SW 1/4 Section 29-T110N-R47W

I/We understand that the validity of Water Right/Permit No. 6087-3 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 Two Dollars and Fifty Cents (\$2.50) 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 Wilhelmus & Olga Reuvekamp, the new owner, certify that the above information is true and correct.


(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.

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 6/28, 20 07

RECEIVED OF Hilltop Dairy LLP 48514 US HWY 14 Elkton SD 57026

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	50	00
Fee for Application for Permit No. _____ to Appropriate Water for Future use		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. <u>6087-3</u>		
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	50 00

No.

03082

By *David L. Erbe*
Chief Engineer

[Signature]

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 6/28, 20 07

RECEIVED OF Hilltop Dairy LLP 48514 US HWY 14 Elkton SD 57026

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	2	50
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>6087-3</u>		
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. _____	2	50
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	2 50

No.

03084

By

David Erbe

Chief Engineer

Permit No. 6087-3
Sioux River - Water District

Report of Examination of Works and/or Application of Water to Beneficial Use

TO: Chief Engineer, Water Rights Program, DENR, Foss Bldg., Pierre, SD 57501

I have this day, August 22, 2006, made a thorough examination of the water use system constructed by Hilltop Dairy LLC of 48514 US Hwy 14, Elkton, SD 57026 holder of Permit No. 6087-3, bearing the priority of June 19, 1998 authorizing the diversion of 0.333 cu. ft. per of the waters of the Rutland Aquifer for Commercial use purposes, in Brookings County.

Inspection contact & relationship to permit holder, if applicable: **Mike Guggisberg (542-3111)**

A. Works used to divert the water:

Well Information North Well:

- 1) Well Drilling Firm: Huron Drilling
- 2) No. of Wells 2
- 3) Depth(s) 193 feet
- 4) Well log is available Y

Casing:

- 1) Diameter 5 inch to 173 feet and 2 inch from 173 to 183 feet
- 2) Length 183 feet
- 3) Type Plastic

Screen:

- 1) Type 304 Stainless Steel
- 2) Length 10 feet
- 3) Static water level 48 feet

Pump:

- 1) Make Grundfos
- 2) Size 7.5 hp
- 3) Capacity 50 GPM

Well Information South Well:

- 1) Well Drilling Firm: Huron Drilling
- 2) Depth(s) 193 feet
- 3) Well log is available Y

Casing:

- 1) Diameter 5 inches
- 2) Length 183 feet
- 3) Type Plastic

Screen:

- 1) Type 304 Stainless Steel
- 2) Length 10 feet
- 3) Static water level 48 feet

Pump:

- 1) Make Grundfos
- 2) Size 7.5 hp
- 4) Capacity 50 GPM

B. Compliance with Permit Requirements:

- 1) Permit qualifications being abided by Y
- 2) Irrigation Questionnaires checked to determine if permit owner started irrigation by the end of construction period NA
- 3) Exceptions to compliance are: None

The system is in Good condition with the point(s) of diversion located as follows

North Well: Approximately 2575 feet north and 645 feet east of the SW corner of Section 29-T110N-R47W (N 44.30392, W -96.50430)

South Well: Approximately 2520 feet north and 635 feet east of the SW corner of Section 29-T110N-R47W (N 44.30405, W -96.50425)

Report of Examination of Works

Permit No. 6087-3

The works are capable of diverting and conveying to the place of use 0.22 cu. ft. per second of water which is to be used for **Commercial use**. Water has been put to beneficial use to the maximum extent as follows:

Water from the wells is pumped to the dairy and used as needed for various purposes.

The license should be issued for 0.22 cfs.

All structures, wells and lands on map Y



Mike DeFea

Natural Resources Project Engineer

DENR, Water Rights Program

Date report completed: June 13, 2007

Hilltop Dairy, LLP
48514 US Hwy 14
Elkton, SD 57026
542-3111

Water Permit No. 6087-3



Mike DeFea

Mike DeFea
Natural Resources Engineer
DENR, Water Rights Program
June 13, 2007



0 850 1,700 3,400 Feet



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

AUG 03 2007

6087-3

Hilltop Dairy LLP
48514 US Hwy 14
Elkton SD 57026

Dear Sir:

Enclosed is Water License No. 6087-3. This is the final water right document completing your process of obtaining a Water Right. Enclosed are Receipt Nos. 03083 & 03084 in the amount of \$50.00 and \$2.50 which you paid for the investigation and issuance of the Water License and transfer fee. Also, included with your license is a map prepared by the staff engineer who conducted the investigation.

For your information SDCL 46-6-27 requires that if the owner of an existing well, such as the well authorized by Water Right No. 6087-3, constructs a replacement well and does not plan to use the old well, the old well is considered abandoned and must be plugged. Also, any well that is being used or is not considered abandoned must be valved and controlled, if flowing, or sealed and capped so that no leaking occurs either underground or at the surface.

As long as you use the water beneficially, as stated in the Water License, the State Water Laws provide that you have a continuing right to use the water. If you have any questions, please contact our office.

Sincerely,

Garland Erbele, Chief Engineer
Water Rights Program
(605) 773-3352

enclosures

STATE OF SOUTH DAKOTA
WATER LICENSE NO. 6087-3

(1) Hilltop Dairy LLP, Elkton SD 57026 made Application No. 6087-3, June 19, 1998 for a water permit to divert 0.333 cubic feet of water per second from groundwater (two wells), Brookings County, South Dakota for commercial purposes. Permit No. 6087-3, with a priority date of June 19, 1998 was approved October 1, 1998 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before October 1, 2003 and for the application to beneficial use of water on or before October 1, 2007.

On June 28, 2007, Water Permit No. 6087-3 was transferred to Hilltop Dairy LLP, c/o Wilhelmus & Olga Reuvekamp, 48514 US Hwy 14, Elkton SD 57026.

(2) The water supply system has been completed and water applied to beneficial use in accordance with South Dakota State Law. Pursuant to South Dakota Codified Law 46-5-30.1, the holder and/or owner of Water Right No. 6087-3 is issued a license, bearing a priority date of June 19, 1998 to appropriate 0.22 cubic feet of water per second from groundwater (two wells) for commercial purposes in a dairy operation.

The diversion points are located: North Well: approximately 2,575 feet north and 645 feet east of the southwest corner of Section 29-T110N-R47W, South Well: approximately 2,520 feet north and 635 feet east of the southwest corner of Section 29-T110N-R47W (both in the NW ¼ SW ¼).

(3) This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Permit No. 6087-3 including the following now applicable qualifications:

- The wells 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.
- Permit No. 6087-3 is subject to compliance with requirements of the general Water Pollution Control Permit for concentrated animal feeding operation.
- The wells authorized by Permit No. 6087-3 shall be constructed by a licensed well driller and construction shall 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.
- Permit No. 6087-3 is subject to compliance with all existing and applicable Water Management Board Rules including but not limited to:
 - a) Chapter 74:54:01 Ground Water Quality Standards,
 - b) Chapter 74:54:02 Ground Water Discharge Permit,
 - c) Chapter 74:51:01 Surface Water Quality Standards,
 - d) Chapter 74:51:02 Uses Assigned to Lakes,
 - e) Chapter 74:51:03 Uses Assigned to Streams, and
 - f) Chapter 74:52:01 through 74:52:11 Surface Water Discharge Provisions



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

AUG 03 2007

date



6087-3



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

January 13, 2010

Hilltop Dairy
c/o Wilhelmus Reuvekamp
48514 US Hwy 14
Elkton SD 57026

Dear Mr. Reuvekamp:

I am writing in regard to a well driller's report filed by Steffl Drilling & Pump Inc. The report shows a new well was completed for Hilltop Dairy on July 2, 2009. A review of our files indicates that Hilltop Dairy holds Water Right No. 6087-3 for 100 gallons per minute (gpm) from two wells, approximately 193 feet deep located in the NW ¼ SW ¼ Section 29-T110N-R47W for commercial use.

South Dakota Codified Law 46-5-13.1 provides that a point of diversion (well) may be changed or additional points of diversion may be approved without application or publication of a notice of hearing if the additional point of diversion is from the same source of water, no additional water is appropriated and the Chief Engineer makes a finding that the change does not increase the potential for interference with existing diversions.

Mr. Reuvekamp, does the peak diversion rate from the wells exceed 100 gpm? If so, a new permit application will be required for the additional diversion rate above 100 gpm. Enclosed are application forms and instructions. If the well is a replacement well or an additional well which does not increase the total appropriation of 100 gpm, please let me know. We can then determine, what action if any is necessary.

If you have any questions, please contact Eric Gronlund or me. We will be happy to assist you in any way possible.

Sincerely,

Karen Schlaak

Karen Schlaak
Water Rights Program
605 773-3352

Water Rights Program - File Documentation

NAME: Bill Reuvekamp

ADDRESS: Elkton SD

DATE: 1-25-10 **COUNTY:** BG **TELEPHONE:**

RE: Well Completion Report

COMMENTS:

Bill Reuvekamp called regarding my letter dated 1-13-10. Mr. Reuvekamp stated the new well was a replacement well for one of the two wells authorized by Permit No. 6087-3. The new was drilled approximately 20 feet from an existing well and is approximately the same depth. They will not exceed the permitted 100 gpm. The very most they use is 75 gpm during the summer. One of the original well: has a pump stuck in it and the other well is maintained for backup.



Karen Schlaak
Environmental Scientist

SOUTH DAKOTA WATER WELL COMPLETION REPORT

07-92

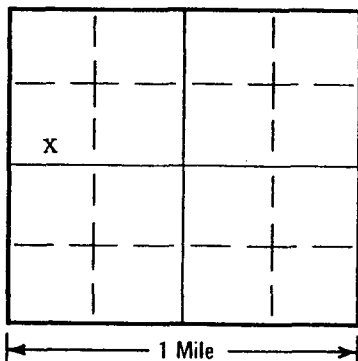
Location NW 1/4 NW 1/4 Sec 29 Twp 11N Rg 47W
 County Brookings
 North

Please mark well location with an "X"

W X E

Well Completion Date

7/2/09



LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 1500 ft. from Farm Yard (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Mud Rotary

CASING DATA: ☐ Steel ☒ Plastic ☐ Other

If other describe _____

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
_____ LB/FT	<u>8</u> IN	<u>+2</u> FT	<u>186</u> FT	<u>12 1/2</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>Quick</u>	<u>20</u>	_____ lb./gal	<u>0</u> ft	<u>181</u> ft
<u>Grout</u>	_____	_____ lb./gal	_____ ft	_____ ft

Describe grouting procedure Pressure Tremi LineSCREEN: ☐ Perforated pipe ☒ ManufacturedDiameter 8 IN Length 10' FEETMaterial Stainless SteelSlot Size 80 Set From 186 Feet to 196 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?

X YES, How: Granular

Laboratory sent to for water quality analysis _____

_____ NO, Why Not? _____

Well Owner: Hilltop DairyBusiness Name: 48514 US Hwy 14Address: Elkton SD 57026

WELL LOG:

			DEPTH	
FORMATION			FROM	TO
Clay	Ylw	M	0	4
Gravel	Ylw	M	4	7
Clay	Ylw	M	7	18
Clay	Blu	Gummy	18	70
Clay	Tan	Gummy	70	116
Clay	Blu	Gummy	116	187
Sand	Blu	12-40s1t	187	196
Clay	Blu	Gummy	196	200

STATIC WATER LEVEL 50' 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: _____☐ Bailed _____☒ Other Air Lifted

Pumping Level Below Land Surface

140 ft. After 10 Hrs. pumped 500 GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

N44° 18' 15.0"
 W096° 30' 14.8"

RECEIVED

DEC 21 2009

WATER RIGHTS PROGRAM

This well was drilled under license # 463

And this report is true and accurate.

Drilling firm Steffl Drilling & Pump Inc.

Signature of License Representative: _____

Signature of Well Owner or Equitable Property Holder: _____

Date: 8-20-2009



ANALYTICAL SUMMARY REPORT

July 16, 2009

Susan Yeo

Steffl Drilling and Pump

2295 66th Ave NE

Willmar, MN 56201

Workorder No.: R09070105

Project Name: Hilltop Dairy

Energy Laboratories Inc. received the following 1 sample for Steffl Drilling and Pump on 7/8/2009 for analysis.

Sample ID	Client Sample ID	Collect Date	Receive Date	Matrix	Test
R09070105-001	New Well	07/07/09 14:00	07/08/09	Drinking Water	Metals by ICP/ICPMS, Dissolved Bacteria, Private Water Supply Conductivity Anions by Ion Chromatography

As appropriate, any exceptions or problems with the analyses are noted in the Laboratory Analytical Report, the QA/QC Summary Report, or the Case Narrative.

If you have any questions regarding these tests results, please call.

Report Approved By:



LABORATORY ANALYTICAL REPORT

CLIENT: Steffi Drilling and Pump

Project: Hilltop Dairy

Report Date: 07/16/09

Lab ID: R09070105-001 **Matrix:** DRINKING WATER

Collection Date: 07/07/09 14:00

Client Sample ID: New Well

Received Date: 07/08/09 10:30

Sampled By: Not Provided

Analyses	Result	Units	Safe/Unsafe	Qualifier	Method	Analysis Date / By
MICROBIOLOGICAL						
Bacteria, Total Coliform	Absent	P/A	SAFE		A9223 B	07/08/09 17:25 / jmh
Bacteria, E-Coli Coliform	Absent	P/A			A9223 B	07/08/09 17:25 / jmh

Comments: The notation "SAFE" indicates that the water was bacteriologically SAFE when sampled.

The notation "UNSAFE" indicates that the water was bacteriologically UNSAFE when sampled.

Method Reference: E - EPA / MCAWW Methodology A - Standard Methods 19th Ed.

LABORATORY ANALYTICAL REPORT

Client: Steffi Drilling and Pump
Project: Hilltop Dairy
Lab ID: R09070105-001
Client Sample ID: New Well

Report Date: 07/16/09
Collection Date: 07/07/09 14:00
Date Received: 07/08/09
Matrix: Drinking Water

Analyses	Result	Units	Qualifiers	RL	MCL/ QCL	Method	Analysis Date / By
PHYSICAL PARAMETERS							
Conductivity @ 25 C	1730	umhos/cm		5.0		A2510 B	07/15/09 09:31 / tb
INORGANIC PARAMETERS							
Nitrogen, Nitrate as N	ND	mg/L		0.1	10	E300.0	07/08/09 21:19 / jmh
Sulfate	794	mg/L		1		E300.0	07/16/09 00:37 / jmh
DISSOLVED METALS ANALYSES							
Sodium	73	mg/L		1		E200.7	07/11/09 16:37 / eli-b6

Report RL - Analyte reporting limit.
Definitions: QCL - Quality control limit.

MCL - Maximum contaminant level.
ND - Not detected at the reporting limit.

Page 1 of 1