

WATER PERMIT NO. 7098-3

Name of Applicant: **Ron Walker Feedlot**

Address: **30170 191st St, Onida SD 57564**

Phone: **605 264-5430**

Amount of Water Claimed: **0.12 cfs**

Total Acres: **NA**

Source of Water Supply: **groundwater (one well)**

Water to be used for: **commercial**

County: **Sully**

Type of Waste Disposal System:

Location: **6 south and 3 west of Onida**

PRIORITY

Date Received: **2-19-09**

Application/License Fee: **\$200**

Corrected Application Received: **2-25-09**

Period of Annual Use: **January 1 – December 31**

Remarks: **beef feedlot operation**

Diversion Point: **SW ¼ SE ¼ Sec 5-T113N-R77W**

Land to be Irrigated: **NA**

Depth of Well: **2250 feet deep**

Well Driller: : **Stretch's Well Service, Inc.**

Remarks:

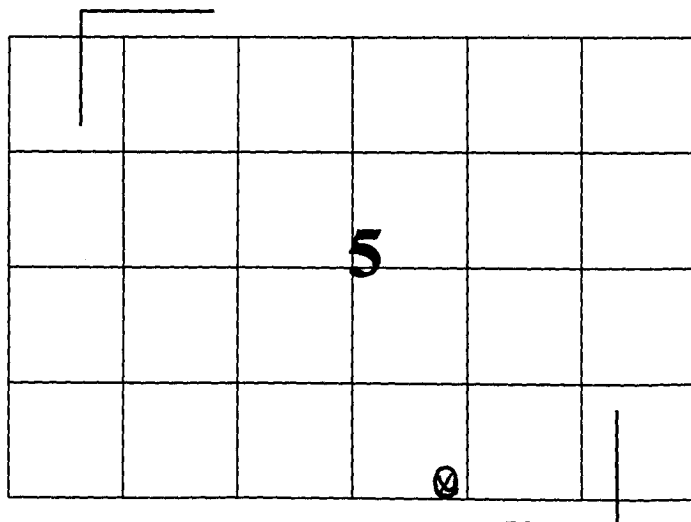
Type of Map: **plat**

Prepared by: **Daniel L DeHann, PE**

Reviewed and the Number Assigned on: **2-26-09**

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____



SD EForm - 1585 V2
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>7098-3</u> (office use only) Hydrologic Unit <u>1 0140103</u>
	Basin <u>Missouri River</u>
	Newspaper <u>Onida Watchmen P O Box 245</u>
	<u>605-258-2604</u> <u>57564</u>

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FEB 19 2009

WATER RIGHTS
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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 <u>Livestock</u>	

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

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

- Name of Applicant Ron Walker Feedlot Phone (605) 264-5430
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address 30170 191st Street Onida State SD 57564
(Street, RR, or Box and City) (Zip Code)
- Amount of water claimed 0.04 *CFS or 18 **GPM 52.8 ***AF
(*Cubic Feet per Second) (**Gallons per Minute) (***Acre Feet - storage capacity of dam/dugout or annual use if applicable)
- Source of water supply _____
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) County Sully
1 well in the SE1/4, SE1/4, Section 5, T 113 N, R 77 W
SW
- County or counties where water will be used Sully
- Annual period during which water is to be used Year round Jan 1 - Dec 31
- Give a description of the project. When available include any preliminary engineering report or other reports or information that will help explain the project. (Attach sheet if more space is needed)

Application for one existing well to serve a 3,800 head beef feedlot.

STATE OF SOUTH DAKOTA)

County of Sully) SS

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

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

Applicant's signature Ron Walker

Subscribed and sworn to before me this 17th day of February, 2009

Donna Crandall
Notary Public signature

SOUTH DAKOTA
WATER PERMIT NO. 7098-3

Date of first receipt of application February 19, 2009.

Date of return to applicant for corrections, amendments or changes February 19, 2009.

Date of receipt of corrected application February 25, 2009.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 7098-3 to Ron Walker Feedlot, 30170 191st St, Onida SD 57564 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. 7098-3 appropriates 0.04 cubic feet of water per second (18 gallons per minute) from one well completed into the Inyan Kara Aquifer (2250 feet deep) located in SW ¼ SE ¼ Section 5-T113N-R77W.
2. The water appropriated shall be used for the purpose of domestic use in a cattle feedlot 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 of approval of Permit No. 7098-3 is August 10, 2009.
5. The date from which applicant may claim right is February 19, 2009.
6. One-fifth of the construction is to be completed on or before February 10, 2011.
7. All construction is to be completed on or before August 10, 2014.
8. Water is to be put to beneficial use on or before August 10, 2018.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

QUALIFICATIONS

1. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. The well shall be equipped with a permanent flow reducer to limit the discharge from the well to 18 gpm. In addition, the well approved under this Permit shall be valved and the flow reduced to a minimum when not being used. If this well is abandoned or the Permit cancelled, the well must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
3. Permit No. 7098-3 is subject to compliance with requirements of the Department's Water Pollution Control Permit issued pursuant to SDCL 34A-2-36 or 34A-2-112 for concentrated animal feeding operations.

(continued)

4. Permit No. 7098-3 is subject to compliance with all existing and applicable Water Management Board Rules including but not limited to:

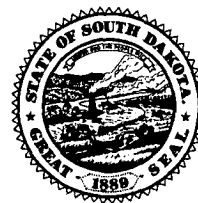
- a) Chapter 74:54:01 Ground Water Quality Standards,
- b) Chapter 74:54:02 Ground Water Discharge Permit,
- c) Chapter 74:51:01 Surface Water Quality Standards,
- d) Chapter 74:51:02 Uses Assigned to Lakes,
- e) Chapter 74:51:03 Uses Assigned to Streams, and
- f) Chapter 74:52:01 through 74:52:11 Surface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

WATER MANAGEMENT BOARD

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

SEP 24 2009

date



(type or print in ink)

1. Well Information - Proposed Construction

- a) Drill Hole Diameter _____ Depth _____
- b) Casing Type _____ Diameter _____ Thickness _____
- c) Screen Type _____ Diameter _____ Thickness _____
- d) Gravel Pack _____ Length of Gravel Pack _____
- e) Depth to Top of Water Bearing Material _____
- f) Depth to Water (ground surface to water level) _____
- g) Distance to nearest existing domestic well:
On applicants property _____ On property owned by others _____

2. Wastewater Disposal System Information

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

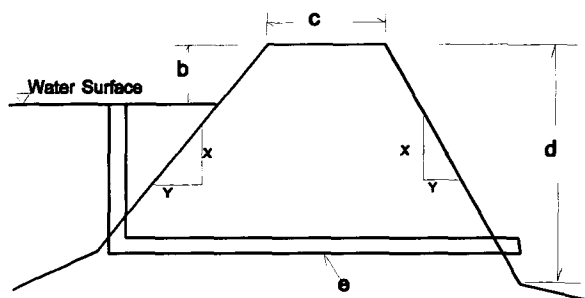
3. Dugout Information

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

4. Water Storage Dams

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

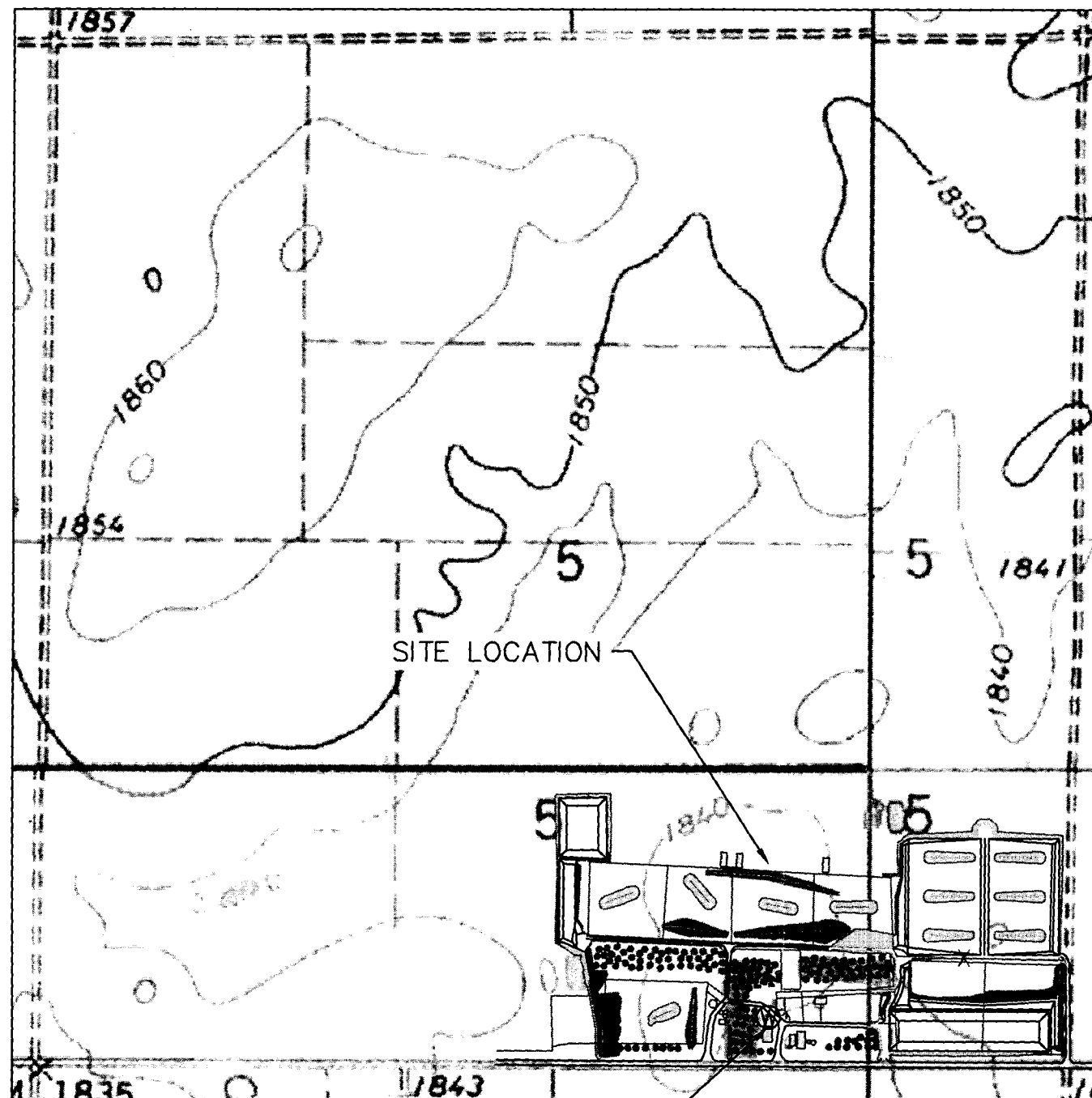
- a) If a private engineering firm or government agency was involved in the design of this dam, please give their name and address:



- b) Freeboard _____
- c) Crest Width _____
Crest Length _____
- d) Height _____
- e) Primary Outlet Capacity _____
If pipe, diameter _____
- f) Secondary Spillway Capacity _____
Spillway Width _____
- g) X & Y Slope _____
Upstream _____
Downstream _____
- h) Surface Area of Impoundment _____
- i) Storage _____ Acre Feet
- j) Drainage Area Above Dam _____ Acres

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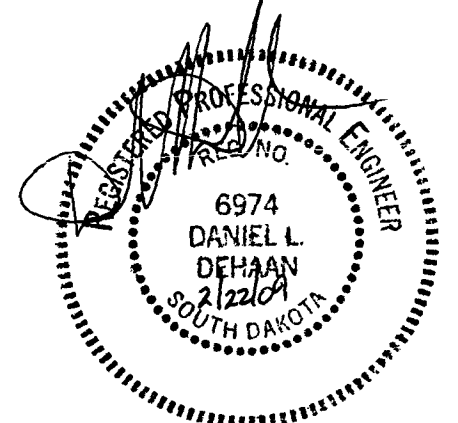
WELL LOCATED APPROXIMATELY 185' NORTH
& 1,350' WEST OF THE SE SECTION CORNER
OF SECTION 5, T 113 N, R 77 W, SULLY
COUNTY, SOUTH DAKOTA

GENERAL NOTES

W WELL

SCALE, FEET

0 400 800 1200 1600



DeHaan, Grabs & Associates, LLC
Registration Number: C-1341

No.	Revision/Issue	Date

**DeHaan, Grabs
& Associates, LLC**
Consulting Engineers
PO Box 522, Mandan, ND 58554
(701) 663-1116, FAX: (701) 667-1356
www.dgaengineering.com

RON WALKER

SE 1/4, SEC 5, T 113, R 77 W
SULLY COUNTY, SOUTH DAKOTA

WELL LOCATION USGS MAP

DATE:
FEB 3, 2009

SCALE:
1" = 800'

DRAWN BY:
CAS

CHECKED BY:
DLD

SHEET:

4

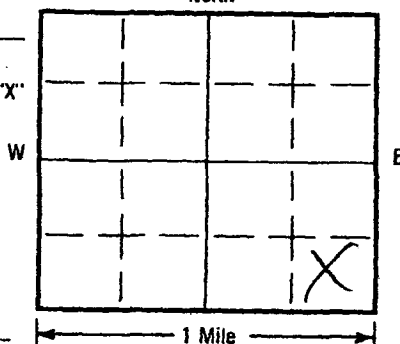
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JUN 21 2007

SOUTH DAKOTA WATER WELL COMPLETION REPORT

Location S-E 1/4 S-E 1/4 Sec 5 Twp 113 Rg 77
County Sully North

Please mark well location with an "X"



Well Completion Date

6-15-07

LOCATION:

Distance from nearest potential pollution source (septic tank, abandoned well, feed lot, etc.)? 150 ft. from _____ (identify source).

PROPOSED USE:

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

METHOD OF DRILLING:

Mud RotaryCASING DATA: ☐ Steel ☒ Plastic ☒ OtherIf other describe K Copper

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>250 LB/FT</u>	<u>5 IN</u>	<u>0 FT</u>	<u>300 FT</u>	<u>7 7/8 IN</u>
<u>SC480 LB/FT</u>	<u>2 IN</u>	<u>0 FT</u>	<u>2150 FT</u>	<u>4 1/2 IN</u>
<u>K Copper</u>	<u>2 IN</u>	<u>2150 FT</u>	<u>2250 FT</u>	<u>4 1/2 IN</u>

GROUTING DATA

Grout Type	No. of Sacks	Grout Weight	From	To
<u>Portland</u>	<u>40</u>	<u>15 lb./gal</u>	<u>0 ft</u>	<u>300 ft</u>

Describe grouting procedure Pumped Through 5"SCREEN: ☒ Perforated pipe ☐ ManufacturedDiameter 2 IN Length 100 FEETMaterial K CopperSlot Size 3/8 Set From 2150 Feet to 2250 Feet

Other information _____

WAS A PACKER OR SEAL USED? ☒ YES ☐ NOIf so, what material? RubberDescribe packer(s) and location? above Perfs

DISINFECTION: Was well disinfected upon completion?

YES, How: _____

☒ NO, Why Not? _____Flowing WellWell Owner: Ron Walker

Business Name: _____

Address: 30170 191st St.Onida S.D. 57564

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WELL LOG:

DEPTH

FORMATION	FROM	TO
<u>yellow clay</u>	<u>0</u>	<u>55</u>
<u>Blue Clay</u>	<u>55</u>	<u>210</u>
<u>Shale</u>	<u>210</u>	<u>750</u>
<u>Chalk</u>	<u>750</u>	<u>780</u>
<u>Greenhorn</u>	<u>1180</u>	<u>1190</u>
<u>Dakota</u>	<u>1535</u>	<u>1590</u>
<u>Lakota</u>	<u>1660</u>	<u>1720</u>
<u>Sundance</u>	<u>1970</u>	<u>2250</u>

STATIC WATER LEVEL _____ Feet

If flowing: closed in pressure 150 PSIGPM flow 100 through 2 inch pipeControlled by ☒ Valve ☐ Reducers ☐ Other _____Reduced Flowrate 15 GPMCan well be completely shut in? yes

WELL TEST DATA:

☐ Pumped

Describe: _____

☐ Bailed☐ Other _____

Pumping Level Below Land Surface

_____ ft. After _____ Hrs. pumped _____ GPM

_____ ft. After _____ Hrs. pumped _____ GPM

If pump installed, pump rate _____ GPM

REMARKS

This well was drilled under license # 722

And this report is true and accurate.

Drilling firm Stretch's Well Service Inc.

Signature of License Representative: _____

Tom Rathjen

Signature of Well Owner or Equitable Property Holder: _____

Date: _____

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Laboratory sent to for water
quality analysis

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WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 2/19, 20 09

RECEIVED OF Potter County Feed Yards LLC 16344 303rd Ave Gettysburg SD 57442

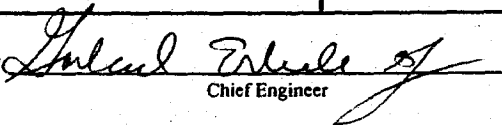
The following amount in fees for services rendered as provided for by law:

Fee for Application for Permit No. <u>7098-3</u> to Appropriate Water, to construct and to put water to beneficial use	150	00
Fee for Application for Permit No. _____ to Appropriate Water for Future use		
Fee to retain Future Use Permit No. _____ after period of seven years.		
Fee for Inspecting Constructed Works, confirming beneficial use and issuing Water License No. <u>7098-3</u>	50	00
Fee for Filing Transfer Form _____		
Fee for _____		
Fee for Issuing New Well Driller's License No. _____ for C.Y. _____		
Fee for Renewal of Well Driller's License No. _____ for C.Y. _____		
Fee for Issuing Well Pump Installer's License No. _____ for C.Y. _____		
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	200 00

No.

04036

By


Chief Engineer



**DeHaan, Grabs
& Associates, LLC**
Consulting Engineers
www.dgaengineering.com

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WATER RIGHTS
PROGRAM

SD Dept. of Natural Resources
Water Rights Program
523 East Capital
Pierre, SD 57501-3181

February 3, 2009

Dear Sir:

I have enclosed one copy of the *Application For Permit To Appropriate Water Within The State Of South Dakota*. The application is for Ron Walker Feedlot located in Sully County, SD.

This Application is for the well located in Section 5, T 113 N, R 77 W, Sully County, SD. Please review and process the enclosed documents accordingly.

Sincerely,

Daniel L. DeHaan, PE
President

Enclosures

cc: Ron Walker

North Dakota Office

P.O. Box 522
Mandan, ND 58554-0522
(701) 663-1116
Fax (701) 667-1356

Nebraska Office

4727 N. 26th St. Suite A
Lincoln, NE 68521-4706
(402) 742-4976
Fax (402) 742-4977



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

February 19, 2009

DeHaan, Grabs & Associates, LLC
PO Box 522
Mandan ND 58554

RE: Ron Walker Feedlot

Dear Sir:

Thank you for submitting the *Application for a Permit to Appropriate Water* for a livestock feedlot located in Sully County. In order to complete the application the following is required.

- Enclosed is the submitted with the application. The map must be signed by one of the following: Registered Land Surveyor, Registered Professional Engineer or by any other government employee who normally prepares maps as a part of his assigned duties.
- Also the application states the well is located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5-T113N-R77W. A review of the map indicates the well is located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5-T113N-R77W. Do you concur with this change on the application?

If you have any questions, please contact me.

Sincerely,

Karen Schlaak

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

enclosure



**DeHaan, Grabs
& Associates, LLC**

Consulting Engineers

www.dgaengineering.com

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FEB 25 2009

**WATER RIGHTS
PROGRAM**

February 23, 2009

SD Dept. of Natural Resources
Water Rights Program
523 East Capital
Pierre, SD 57501-3181

RE: Ron Walker Feedlot

Dear Ms. Schlaak:

I have enclosed the signed copy of the well location map for Ron Walker Feedlot located in Sully County, SD.

Also as discussed the well is located in SW 1/4 SE 1/4 Section 5, T 113 N, R 77 W, Sully County, SD. Please review and process the enclosed documents accordingly.

Sincerely,

Daniel L. DeHaan, PE
President

Enclosures

North Dakota Office

P.O. Box 522
Mandan, ND 58554-0522
(701) 663-1116
Fax (701) 667-1356

Nebraska Office

4727 N. 26th St. Suite A
Lincoln, NE 68521-4706
(402) 742-4976
Fax (402) 742-4977



Ron Walker Feedlot
30170 1891st Street
Onida SD 57564

June 18, 2009

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

Dear Mr. Walker:

Water Permit Application No. 7098-3 for commercial use of water at a feedlot has been examined and the well found not to comply with the South Dakota Well Construction Standards for commercial livestock watering well use. Therefore, the Chief Engineer's recommendation is to limit the maximum instantaneous flow from the well to 18 gpm which is the maximum flow rate that may be allowed for this type of well construction under domestic / noncommercial criteria for the intended use. Please review the enclosed staff report and recommendation carefully.

The completion report submitted by the driller shows the well was constructed using an alternate method that does not require the casing to be grouted from the top of the aquifer to ground surface (see staff report). This type of well construction can only be used for private and reasonable domestic use wells. The proposed diversion rate of 52.8 gpm exceeds the reasonable domestic use criteria set forth in water rights regulations. Therefore the proposed water use at the feedlot constitutes a commercial use of water which requires the well casing to be grouted from the top of the Inyan Kara to the ground surface. Since this well construction technique was not intended or appropriate for large capacity wells, the Chief Engineer's recommendation is to limit the diversion to the domestic use criteria of 18 gallons per minute. The domestic use of water of 18 gallons per minute or less for livestock watering does not require a state water right permit to be obtained.

The application will be scheduled for hearing before the Water Management Board. The next meeting that this application can be scheduled for is October 7 – 8, 2009. In the future, notice will be sent to the Publisher of the Onida Watchman and you. At that time you will be instructed to contact the newspaper and authorize publication of this notice. This Board hearing is your opportunity to present to the Board the basis for the application to be approved for an amount greater than 18 gpm.

Until Board makes a formal decision on the application, the flow from the well must be limited to 18 gallons per minute or less. Please contact Ken Buhler if you have a question regarding the well construction or myself regarding the water permitting process. We both may be reached at (605) 773-3352.

Sincerely,

Eric Gronlund
Natural Resources Engineer

enclosures

c: Daniel DeHaan, DeHaan, Grabs & Associates, PO Box 522, Mandan ND 58554



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 7098-3, Ron Walker Feedlot**

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. 7098-3, Ron Walker Feedlot, c/o Ron Walker, 30170 191st Street, Onida SD 57564.

The Chief Engineer is recommending APPROVAL of Application No. 7098-3 for a maximum diversion rate of 0.04 cubic feet of water per second (18 gallons per minute) 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, 4) it is in the public interest, and 5) the type of construction used for completing this existing well can not be used for commercial use and therefore the diversion rate must be limited to the domestic / noncommercial criteria of 18 gpm. The recommendation for approval includes the following qualifications:

1. The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
2. The well shall be equipped with a permanent flow reducer to limit the discharge from the well to 18 gpm. In addition, the well approved under this Permit shall be valved and the flow reduced to a minimum when not being used. If this well is abandoned or the Permit cancelled, the well must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
3. Permit No. 7098-3 is subject to compliance with requirements of the Department's Water Pollution Control Permit issued pursuant to SDCL 34A-2-36 or 34A-2-112 for concentrated animal feeding operations.
4. Permit No. 7098-3 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

(continued)

See report on application for additional information.

A handwritten signature in dark ink, appearing to read "Garland Erbele". The signature is fluid and cursive, with the first name "Garland" being more prominent than the last name "Erbele".

Garland Erbele, Chief Engineer

June 10, 2009

NOTE: The existing well was constructed using a less expensive alternative well construction method that does not require the casing to be grouted from the top of the aquifer to ground surface (see staff report). This type of well construction can only be used for private and reasonable domestic use wells. The proposed diversion rate of 52.8 gpm exceeds the reasonable domestic use criteria and therefore the water use constitutes a commercial use of water which requires the well casing to be grouted from the top of the Inyan Kara to the ground surface. Therefore, the flow must be limited to the reasonable domestic use criteria. Please understand that the flow is limited to a maximum rate of 18 gpm. A greater flow rate than 18 gpm is not permissible.

WATER PERMIT APPLICATION NO. 7098-3
RON WALKER FEEDLOT
APRIL 3, 2009

Water Permit Application No. 7098-3 proposes to appropriate 0.12 cubic feet of water per second from an existing well 2,250 feet deep, which is completed into the Inyan Kara aquifer. The well is located in the SW¼ SE¼ Section 5, T113N-R77W, Sully County. The water is to be used for commercial use in a cattle feedlot operation.

AQUIFER: Inyan Kara (INKR)

GENERAL:

The Inyan Kara aquifer is a bedrock aquifer consisting of fine to medium grained sandstone; with beds of shale and siltstone. The Inyan Kara, which was deposited in shallow waters along the eastern shore of the Skull Creek Sea during the Lower Cretaceous age (Merewether, 1975), occurs at a regional scale, extending into Wyoming, North Dakota and Nebraska as well as a major portion of South Dakota, see figure 1.

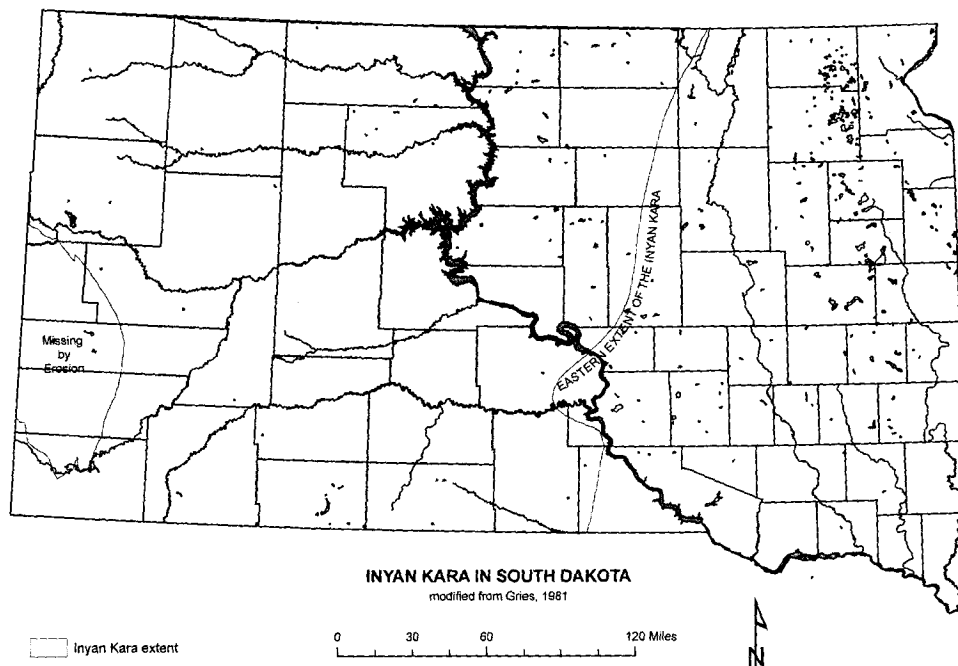


Figure 1. Areal extent of the Inyan Kara aquifer in South Dakota

The entire Inyan Kara Group is estimated to be over 350 feet thick in this area (Gries, 1981). The actual aquifer material within the Inyan Kara group is estimated to be less than 100 feet thick immediately south of this well site in Hughes County (Hamilton, 1986). Stratigraphically, the Inyan Kara Group overlies the Jurassic aged Sundance Formation. The South Dakota Water Well Completion Report submitted with this permit application identifies the "Lakota" at 1,660 to 1,770 feet below grade and the "Sundance" from 1,970 to 2,250 feet below grade. Kume (1987) considered the Inyan Kara and Sundance

separate aquifers in Walworth County, however, the Inyan Kara Group and the Sundance Formation are considered hydraulically connected across beds of sandy shale and siltstone by Hamilton (1986) in Hughes County. For purpose of considering this Water Permit Application, the two formations can be considered a single aquifer.

Recharge of the Inyan Kara is mostly by upward leakage from the underlying Minnelusa and Madison aquifers. The rate of leakage between the lower aquifers and the Inyan Kara is quite small, however, when considering the large contributing area, recharge is fairly significant. Recharge to the Inyan Kara from upward leakage in adjacent Hughes County alone, has been estimated to be 180,000 ac-ft/yr (Hamilton, 1986).

WATER AVAILABILITY:

SDCL 46-6-3.1 requires that an application to appropriate groundwater may not 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 the water to the groundwater source". Average annual recharge to the Inyan Kara aquifer has not been quantified and it is not expected to be ascertained in the near future. The best information available to evaluate development as it relates to recharge, is historical records and data from observation wells.

The difference between withdrawal from an aquifer and recharge is reflected by the water level of the aquifer. If the water level of an aquifer continues to decline, it may suggest that withdrawals exceed recharge. However, withdrawals from a confined aquifer such as the Inyan Kara, affect water levels over a relatively large area. Water levels will continue to decline as the result of withdrawals until a dynamic equilibrium is established and water levels stabilize.

The nearest Inyan Kara aquifer observation well monitored by the Water Rights Program is located nearly 90 miles northeast of this well. The water level data from the observation well is probably not relevant for this area. A well located about 37 miles north-northwest of this well was monitored by the USGS from 1976 through 1989. The water level declined 40 feet over the period of record (Winter, 1994). The potentiometric surface of the Inyan Kara probably has declined 150-300 feet since development of this bedrock aquifer began in the 1880's (Hamilton, 1986).

The primary reason for declines in the Inyan Kara aquifer head pressure is due to water being discharged without beneficial use through uncontrolled flowing wells. The casings for many of the uncontrolled flowing Inyan Kara wells have deteriorated or no longer exist and many such wells are not visible at the ground surface. Discharges from these wells are to either groundwater formations above the Inyan Kara or to the surface at various distances from the original well casing. Such discharges can not be quantified, and most can not be controlled. The Water Management Board and the Water Rights Program are actively enforcing the statutes to require uncontrolled flowing wells to be controlled or plugged where practical.

In theory, the Inyan Kara head pressure is stabilizing relative to withdrawals and discharges.

Although SDCL 46-6-3.1 does not allow “mining” of an aquifer, which would be evidenced by declining water levels; SDCL 46-6-6.1 does not require the artesian head pressure to be protected. However, the Courts have determined that the Board must consider and balance the effect of a limitation of a loss of artesian head pressure as one of the factors under the public interest determination.

The quantity or volume of water in the Inyan Kara Aquifer that is related to head pressure is only a small percentage of the total water in storage. The quantity of water represented by the decline in head pressure is a fraction of the small percentage of water related to head pressure. Denial of this application will not preserve the head pressure, because head pressure declines are primarily due to discharges from uncontrollable flowing wells and not due to beneficial use of Inyan Kara aquifer water. In fact, additional appropriations for beneficial use should serve to lessen wasteful discharges.

REVIEW OF EXISTING WATER RIGHTS/PERMITS

There are only two existing Water Rights/Permits appropriating water from the Inyan Kara within approximately 15 miles of this well. They are shown in table 1.

WATER RIGHT	NAME	USE	DIVERSION	DISTANCE
5879-3	Danbred Production Partnership	Commercial (CAFO)	0.71 cfs	5 miles
595-3	City of Onida	Municipal *	1.11 cfs	6.5 miles
* Identified as abandoned as a source for public water system (DENR, 2004)				

Table 1. Inyan Kara Water Rights within 15 miles of 7098-3

In addition to appropriative rights, the DENR-Water Rights Program has record of over 30 domestic wells completed into the Inyan Kara aquifer within approximately 15 miles of the well for this application. The nearest of these wells is located approximately three miles southeast of the well this application proposes to use.

The Inyan Kara aquifer is under artesian conditions in this area. The completion report for the well this applicant proposes to use indicates the well flows 100 gallons per minute and has a reported shut-in pressure of 150 psi. Drawdown caused by individual well withdrawals from artesian aquifers can extend over a fairly large area. Drawdown from this appropriation may actually be measurable in other area Inyan Kara wells. However, well interference is not expected to be significant due to the distance between wells. Furthermore, ARSD 74:02:04:20(7) states that for a domestic well to be considered “adversely impacted”, the well’s pump intake must be set at least 20 feet below the top of the aquifer and the water level of the aquifer must have declined to a level that the pump will no longer deliver sufficient water for the well owner’s needs. This rule, in keeping with SDCL 46-6-6.1, provides protection to domestic wells without the necessity of requiring maintenance of artesian head pressure in the domestic use well. However, the domestic wells completed into the Inyan Kara aquifer in this area were constructed in accordance with ARSD 74:02:04:36, otherwise known as “slim hole” wells, which

arguably do depend on artesian pressure. It is questionable if a sufficient sized pump could actually be lowered into a slim hole well to compensate for a significant loss of artesian pressure. Even in the unlikely event that interference created significant drawdown in a domestic well, it is doubtful that it could be considered adverse, simply because of the limitations of the slim hole domestic well.

This application proposes to use an existing well that was constructed in accordance with South Dakota Well Construction Standard 74:02:04:36. ARSD 74:02:04:36 is a less expensive alternative well construction method that does not require the casing to be grouted from the top of the aquifer to ground surface. This well construction, as described in ARSD 74:02:04:36 can only be used for private and reasonable domestic use wells and for noncommercial livestock watering wells. Commercial livestock watering wells must be constructed in accordance with ARSD 74:02:04:28, in other words with the well casing grouted from the top of the Inyan Kara to the ground surface. In other words, this existing well was not constructed in accordance with the South Dakota Well Construction Standards for a well to be used for a commercial livestock watering well.

Aerial photography of this facility shows it has been a fairly large feedlot for a number of years. This facility recently received a Storm Water Discharge permit from the DENR-Surface Water Quality Program. However this facility has not applied for a *General Water Pollution Control Permit for Concentrated Animal Feeding Operations* (general permit).

CONCLUSIONS:

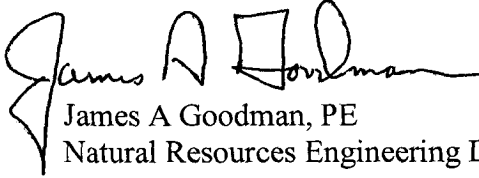
1. The Inyan Kara aquifer is significant aquifer on a regional scale. There is a reasonable probability unappropriated water is available for to satisfy this appropriation.
2. The Inyan Kara aquifer is under artesian conditions. The existing well that is to supply this appropriation is a flowing well, capable of delivering more than the amount of water requested by this application. The well should be equipped with a flow reducer to limit the diversion to the amount authorized.
3. The well must be maintained and regulated to prevent the waste of water.
4. Well interference is not expected to be a problem.
5. This existing well was not constructed in accordance to the South Dakota Well Construction Standards for commercial livestock watering well use.
6. This facility has received a storm water permit from the DENR-Surface Water Quality Program.
7. This facility has not applied for coverage under the General Water Pollution Control Permit for Concentrated Animal Feeding Operations.



Ken Buhler

Natural Resources Engineering Specialist

approved by



James A Goodman, PE

Natural Resources Engineering Director

REFERENCES:

DENR-Drinking Water Program, 2004, Public Water System Data Handbook, South Dakota DENR-Drinking Water Program

Gries, J.P., 1981, unpublished maps prepared for the Office of Drinking Water, South Dakota Dept. of Water and Natural Resources for the Underground Injection Control Program.

Hamilton, L.J, 1986, Water Resources of Hughes County, South Dakota, USGS Water-Resources Investigations Report 84-4195, 60 p.

Kume, J. and Howells, L., 1987, Water Resources of Walworth county, South Dakota, USGS Water-Resources Investigations Report 85-4015, 10 p.

Merewether, E.A., 1975, Mesozoic Rocks: Mineral and Water Resources of South Dakota, Committee on Interior and Insular Affairs, United States Senate pg. 41

Winter, D.R. 1994, Waer Levels through 1989 in Bedrock Aquifers in South Dakota, USGS Open-File Report 94-320, pg 119

RECEIVED

AUG 20 2009

AFFIDAVIT OF PUBLICATION

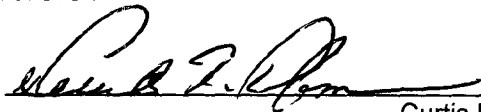
WATER RIGHTS
PROGRAM

STATE OF SOUTH DAKOTA)
COUNTY OF SULLY)

Curtis R. Olson of said County and State, being first duly sworn on his oath, says that the **ONIDA WATCHMAN** is a weekly newspaper of general circulation, published in the English language in the City of Onida, in said County and State, by said Curtis R. Olson, and has been admitted to the United States mail under the second class mailing privilege at all times hereinafter mentioned, and that all of said times has had more than 200 bona fide paid subscribers; that I, the undersigned, am the publisher of said newspaper, in charge of the legal/display advertising department thereof, and have personal knowledge of all the facts stated in the affidavit; and that the advertisement headed:

**NOTICE OF APPLICATION NO. 7098-3 TO
APPROPRIATE WATER**

A printed copy of which is hereto attached, was printed and published in said newspaper for **TWO** successive issues, the first publication made **2009** the **23rd** day of **JULY**, and the last publication on **2009** the **30th** day of **JULY**, and that **\$47.05** being the full amount of the fee for publication of the annexed notice insured solely to the benefit of the publisher of said newspaper; that no arrangements or understanding for a revision thereof has been made with any person, and that no part thereof has been agreed to be paid to any other person whatsoever.



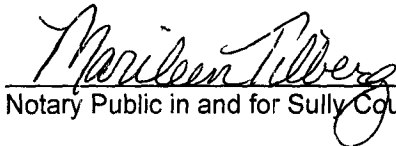
Curtis R. Olson

Subscribed and Sworn to me this

17th Day of August, 2009

(SEAL)

My commission expires April 24, 2010



Notary Public in and for Sully County, South Dakota

**NOTICE OF
APPLICATION
NO. 7098-3
To Appropriate
Water**

Notice is given that Ron Walker Feedlot, 30170 191st St, Onida SD 57564 has filed an application for a water permit to appropriate 0.12 cubic feet of water per second from one well completed into the Inyan Kara Aquifer (2250 feet deep) located in SW¼SE¼ Section 5-T113N-R77W for commercial use in a cattle feedlot operation.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 7098-3 for a maximum diversion rate of 0.04 cubic feet of water per second (18 gallons per minute) 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, 4) it is in the public interest, and 5) the type of construction used for completing this existing well can not be used for commercial use and therefore the diversion rate must be limited to the domestic/noncommercial criteria of 18 gpm. In accordance with SDCL 46-2A-23, the Chief Engineer will act on this application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the Chief Engineer's recommendation. If a petition opposing the application or contesting the recommendation is filed, then a hearing will be scheduled and the Water Management Board will consider this application. Notice of the hear-

ing will be given to the applicant and any person filing a petition.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605-773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by August 10, 2009.

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

Steve M. Pirner, Secretary, Department of Environment and Natural Resources.

Published twice at the total approximate cost of \$47.05.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

July 13, 2009

Onida Watchman
PO Box 245
Onida SD 57564

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 7098-3 to Appropriate Water to be published twice. Please publish the first notice on July 23, 2009 with the second publication 7 days later. The text of the notice can be e-mailed to your paper by contacting Karen Schlaak at (605) 773-3352.

The applicant must verify to you that the notice is to be published, before you make the first publication. **Please BILL the APPLICANT for the cost of publication.** The APPLICANT is Ron Walker Feedlot, c/o Ron Walker, 30170 191st St., Onida SD 57564 (Ph # 605-264-5430).

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. 7098-3

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

Date _____

We are in receipt of your letter of July 13, 2009 enclosing Notice to Appropriate Water by Application No. 7098-3 which was first published in our issue of _____. **ENCLOSED IS A COPY OF THIS FIRST PUBLICATION.**

Name

Newspaper



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

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

July 13, 2009

Ron Walker Feedlot
c/o Ron Walker
30170 191st St
Onida SD 57564

Dear Mr. Walker:

On June 18, 2009, the Department of Environment and Natural Resources (DENR) sent you a letter regarding Water Permit Application No. 7098-3 seeking to appropriate approximate 53 gallons per minute from a well for commercial use of water at a feedlot. Our review found that the well as constructed did not to comply with the South Dakota Well Construction Standards for commercial livestock watering well use.

Initially DENR indicated that the application would be scheduled for hearing before the Water Management Board at the October 7-8, 2009 meeting. However, DENR has decided to proceed with public notice in a manner that if no one petitions in opposition to the application or the Chief Engineer's recommendation, the application will be approved with the limitations set forth in the June 10th recommendation of the Chief Engineer. This will limit the flow rate of the well to a maximum rate of 18 gallons per minute and require installation of a permanent flow reducer. You have the right to file a petition opposing the Chief Engineer's recommendation. As stated in the notice, a petition to contest the Chief Engineer's recommendation for 18 gpm must be submitted on or before August 10, 2009. A hearing will then be scheduled before the Water Management Board at the October 7-8, 2009 meeting. At that time you may provide testimony regarding the well's construction and why the permit should be approved for the requested amount of 52.8 gpm.

Enclose is the Notice of Application which is to be published in the Onida Watchman. Also enclosed again for your review is the staff report and recommendation on Application No. 7098-3.

The notice has been sent to the Publisher of the Onida Watchman (Ph # 605-258-2604). You will need to contact the newspaper and authorize publication of this notice. Be sure to contact the above newspaper to authorize publication of the Notice and to arrange for payment. Early contact with the paper can eliminate delays. Upon receiving authorization, the publisher has been instructed to publish your notice once each week for two consecutive weeks. The newspaper has also been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the applications.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eric Gronlund".

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

c: Daniel DeHaan, DeHaan, Grabs & Associates, PO Box 522, Mandan ND 58554

enclosures

Instruction to Newspaper - Publish first Notice on July 23, 2009 with the second publication 7 days later. The applicant is responsible for payment. The text of the notice can be e-mailed to your paper by contacting Karen Schlaak at (605) 773-3352 or email: Karen.schlaak@state.sd.us.

NOTICE OF APPLICATION NO. 7098-3 to Appropriate Water

Notice is given that Ron Walker Feedlot, 30170 191st St, Onida SD 57564 has filed an application for a water permit to appropriate 0.12 cubic feet of water per second from one well completed into the Inyan Kara Aquifer (2250 feet deep) located in SW ¼ SE ¼ Section 5-T113N-R77W for commercial use in a cattle feedlot operation.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 7098-3 for a maximum diversion rate of 0.04 cubic feet of water per second (18 gallons per minute) 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, 4) it is in the public interest, and 5) the type of construction used for completing this existing well can not be used for commercial use and therefore the diversion rate must be limited to the domestic / noncommercial criteria of 18 gpm. In accordance with SDCL 46-2A-23, the Chief Engineer will act on this application, as recommended, unless a petition is filed opposing the application or the applicant files a petition contesting the Chief Engineer's recommendation. If a petition opposing the application or contesting the recommendation is filed, then a hearing will be scheduled and the Water Management Board will consider this application. Notice of the hearing will be given to the applicant and any person filing a petition.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by August 10, 2009.

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

Published twice at the total approximate cost of _____.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

SEP 24 2009

Ron Walker Feedlot
c/o Ron Walker
30170 191st St
Onida SD 57564

Dear Mr. Walker:

Enclosed is Water Permit No. 7098-3 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

As noted in qualification No. 2, the well shall be equipped with a permanent flow reducer to limit the discharge from the well to 18 gallons per minute.

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

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

Sincerely,

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

enclosures

c: Daniel DeHaan, DeHaan, Grabs & Associates

Water Permit No. 7098-3
Missouri 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, **November 12, 2015**, made a thorough examination of the water use system constructed by **Ron Walker Feedlot** of **30170 191st St., Onida, SD 57564** holder of Permit No. **7098-3**, bearing the priority of **February 19, 2009** authorizing the diversion of **0.04** cu. ft. per second (**18 gpm**) of water from the **Inyan Kara Aquifer** for **Domestic and Commercial use**, in **Sully** County.

Inspection contact & relationship to permit holder, if applicable: **Mike and Jessie Fuller, (605-310-8474)**

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: **Stretch's Well Service Inc.**
- 2) No. of Wells **1**
- 3) Depth(s) **2,250** feet
- 4) Well log is available **Y**

Casing:

- 1) Diameter **5 and 2** inches
- 2) Length **2,250** feet
- 3) Type **Plastic**

Screen:

- 1) Type **Copper**
- 2) Length **100** feet
- 3) Static water level **Flowing Well**

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

- 1) Type **Buried Pipe**

C. 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:

Approximately 150 feet north and 1,255 feet west of the SE corner of Section 5-T113N-R77W

(N 44.62145, W -100.12632) (SE ¼ SE 1/4)

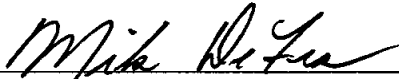
The works are capable of diverting and conveying to the place of use 0.04 cu. ft. per second of water which is to be used for Domestic and Commercial use in a Cattle Feedlot Operation.

The license should be issued for 0.04 cfs.

All structures, wells and lands on map Y

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

Water from the well flows through underground pipe to stock tanks which when full will allow water to flow tank-to-tank as needed when valve is open. Water is regulated by the valve and maximum flow is limited to approximately 18 gpm. Excess water may flow to a small storage pond. The DENR Feedlot Program has this operation permitted for 3,800 cattle.



Mike DeFea

Natural Resources Engineer II
DENR, Water Rights Program

Date report completed: December 23, 2015

Approval of Location Change and/or Additional Diversion Point(s)

NAME: Ron Walker Feedlot (New Owners- Mike and Jessie Fuller)

ADDRESS: 30170 391st St., Onida, SD 57564

DATE: December 29, 2015

COUNTY: Sully

TELEPHONE: 310-8474

AUTHORITY:

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

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

The water source is the Inyan Kara aquifer same as permitted with no additional water appropriated. The permit originally indicated the location of the diversion point to be in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5-T113N-R77W. At the time of the permit licensing inspection, GPS coordinates were taken which indicate the actual location of the well to be located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5-T113N-R77W.

- **If irrigation, no new land is irrigated**

Domestic and Cattle Feedlot Operation

- **Review of Existing Diversions**

There are only two existing water rights authorized to appropriate water from the Inyan Kara aquifer within approximately 15 miles of this well. Water Right No. 5879-3 is located approximately 5 miles NW and is authorized to divert 0.71cfs for commercial purposes, and Water Right No. 595-3 located approximately 6.5 miles NE authorizes 1.11 cfs for municipal use for the City of Onida. In the application report dated April 3, 2009, these two water rights and domestic wells completed into the Inyan Kara aquifer were taken into consideration. The author concluded well interference would not be expected to be significant due to the distance between wells.

This well is located approximately 95 feet east and 30 feet south of the originally permitted location. The potential for interference with other existing diversions would not be expected.

RECOMMENDED ACTION

Based on the above criteria, it is recommended that the diversion point(s) be licensed as developed.

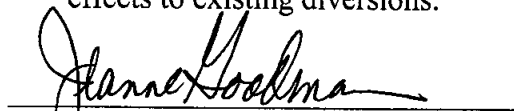


Mike DeFea, Natural Resources Engineer II

DENR, Water Rights Program

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

This change in location and/or additional diversion point(s) does not increase the potential for adverse effects to existing diversions.

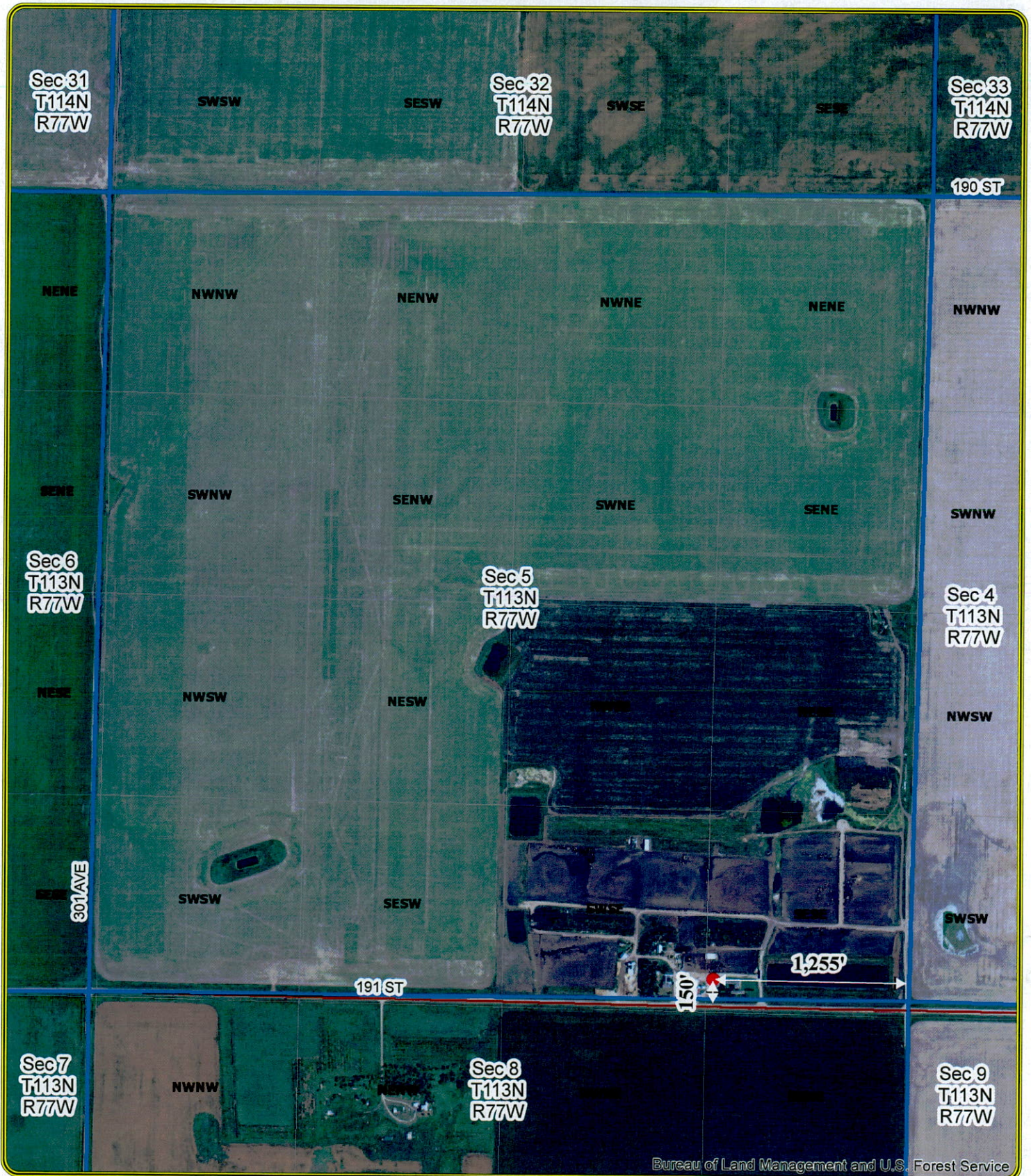


Jeanie Goodman, Chief Engineer

DENR, Water Rights Program

Ron Walker Feedlot

Water Permit No. 7098-3



0 440 880 1,760 2,640
Feet

Mike DeFea
Mike DeFea
Natural Resources Engineer
DENR, Water Rights Program
December 29, 2015



South Dakota
Department of Environment
& Natural Resources
Protecting SD's Tomorrow... Today



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

denr.sd.gov

December 30, 2015

7098-3

Mike & Jessie Fuller
30170 191st St
Onida SD 57564

Dear Mr. & Mrs. Fuller:

Recently, Mike DeFea with our program conducted a field investigation for licensing purposes of the water use system authorized under Water Permit No. 7098-3. The water permit is currently listed under the name of Ron Walker Feedlot.

It is my understanding that the ownership of the feedlot has changed and therefore the water permit needs to be changed. Enclosed is a partially completed Notice of Transfer of Ownership form for filing an ownership change. Upon completion, please sign the form and return it to our office with a required filing fee of \$50.00. The check or money order for the fee can be made payable to the Water Rights Program.

We will hold up issuance of the water license until you file the ownership change. This will allow the license to be issued in the correct name. Thank you for updating the permit and if I can answer any questions for you, please let me know.

Sincerely,

Genny McMath
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

enclosure

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 2/18, 20 16

RECEIVED OF Fuller Trucking LLC 30170 191st St Onida SD 57564

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. _____		
Fee for Filing Transfer Form <u>7098-3</u> <u>7098-3</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. _____	50	00
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	50 00

No. **07761**

By

Jeanne Goodman
Chief Engineer

RECEIVED

FEB 18 2016

WATER RIGHTS
PROGRAM

SD EForm - 0495LD V2

NOTICE OF TRANSFER OF OWNERSHIP

For assistance call (605) 773-3352

Mail to: PMB 2020
DENR - Water Rights Program
523 E Capitol Ave
Pierre, SD 57501-3182

Water Right/Permit No. 7098-3Date: December 29, 2015I/We request that Water Right/Permit No. 7098-3 formerly owned by:Ron Walker Feedlot be transferred to:New Owner Name: Mike & Jessie FullerAddress: 30170 191st StreetCity, State, Zip Onida SD 57564 Telephone No. 605-310-8474

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

One Well: SE 1/4 SE 1/4 Section 5-T113N-R77W

☒ I understand that the validity of Water Right/Permit No. 7098-3 has not been determined by this transfer action. If I have any questions on validity, I understand that only the Water Management Board has the authority to determine if a water right/permit is valid (see note below.)

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

A fee of Fifty Dollars (\$50.00) is included to cover the filing fee as required by SDCL 46-2-13.

I, Michael Fuller, 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.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

denr.sd.gov

MAR 22 2016

7098-3

Mike and Jesse Fuller
30170 191st St
Onida SD 57564

Dear Mr. & Mrs. Fuller:

Enclosed is Water License No. 7098-3. This is the final water right document completing your process of obtaining a Water Right. Enclosed is the receipt in the amount of \$50.00 which you paid for the transfer of ownership and also 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. 7098-3, 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,

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

enclosures

STATE OF SOUTH DAKOTA

WATER LICENSE NO. 7098-3

(1) Ron Walker Feedlot, Onida SD made Application No. 7098-3, February 19, 2009 for a water permit to divert 0.04 cubic feet of water per second from one well-Inyan Kara Aquifer, Sully County, South Dakota for domestic and commercial purposes. Permit No. 7098-3, with a priority date of February 19, 2009 was approved August 10, 2009 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before August 10, 2014 and for the application to beneficial use of water on or before August 10, 2018.

On February 18, 2016, Water Permit No. 7098-3 was transferred to Mike and Jessie Fuller, 30170 191st St, Onida SD 57564.

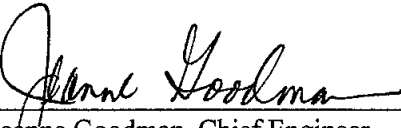
An investigation conducted for licensing purposes found the well under Water Permit No. 7098-3 was not in the location authorized by the permit. Pursuant to SDCL 46-5-13.1, the Chief Engineer makes a finding that the change in location of diversion point does not increase the potential for interference with existing water rights.

(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 holders and/or owners of Water Right No. 7098-3 are issued a license, bearing a priority date of February 19, 2009 to appropriate 0.04 cubic feet of water per second from one well-Inyan Kara Aquifer for domestic and commercial use in a cattle feedlot operation.

The diversion point is located: approximately 150 feet north and 1,255 feet west of the SE corner of Section 5-T113N-R77W (SE 1/4 SE 1/4).

(3) This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Permit No. 7098-3 including the following qualifications:

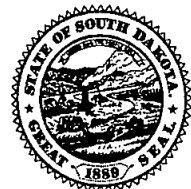
- The well approved under this Permit will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner under this Permit shall control his withdrawals so there is not a reduction of needed water supplies in adequate domestic wells or in adequate wells having prior water rights.
- The well shall be equipped with a permanent flow reducer to limit the discharge from the well to 18 gpm. In addition, the well approved under this Permit shall be valved and the flow reduced to a minimum when not being used. If this well is abandoned or the Permit cancelled, the well must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04. *The well was drilled by Stretch's Well Service Inc. in June, 2007. A copy of the log is on file with the Water Rights Program.*
- Permit No. 7098-3 is subject to compliance with requirements of the Department's Water Pollution Control Permit issued pursuant to SDCL 34A-2-36 or 34A-2-112 for concentrated animal feeding operations.
- Permit No. 7098-3 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


Jeanne Goodman, Chief Engineer
Water Rights Program

Department of Environment and Natural Resources

MAR 22 2016

date





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

denr.sd.gov

December 6, 2017

Hewitt Land Company
1205 N. Harrison, Suite 202
Pierre SD 57501

Dear Sir:

I was provided the sales listing for the Fuller Feedlot located southwest of Onida. The listing indicates there is an artesian well on the property to supply the feedlot. The house and sheep pen are hooked up to the rural water system which is also available to the feedlot pens as a secondary well.

Mike and Jessie Fuller hold Water Right No. 7098-3 (copy enclosed) for the use of up to 18 gallons per minute (gpm) from this well to supply water for commercial use to the feedlot. This water right was obtained by the prior owner, Ron Walker, in 2009. Mr. Walker originally applied for a diversion of 54 gpm. However, the water right was limited to a diversion of 18 gpm since the well was constructed using a less expensive alternative well construction method (commonly known as "slim hole" construction) that does not require the casing to be grouted from the top of the aquifer to groundwater. This type of well construction can only be used for private and reasonable domestic use wells and not for commercial use. See the second qualification on the water right which states "The well shall be equipped with a permanent flow reducer to limit the discharge from the well to 18 gpm".

As the agent selling this property, DENR wanted to make you aware of the diversion rate limitation on the use of this well.

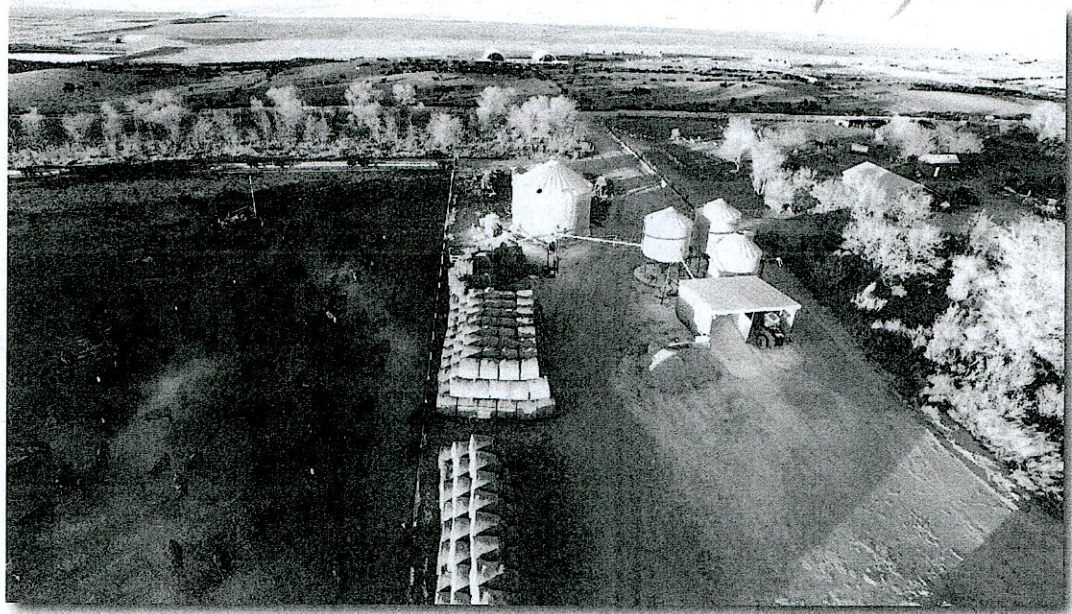
Finally, when the property is sold the new owner will need to file the enclosed notice of transfer of ownership form to transfer the water right into their name.

Please feel free to contact me if you have any questions.

Sincerely,

Eric Gronlund
Water Rights Program, DENR
605 773-3352

enclosures



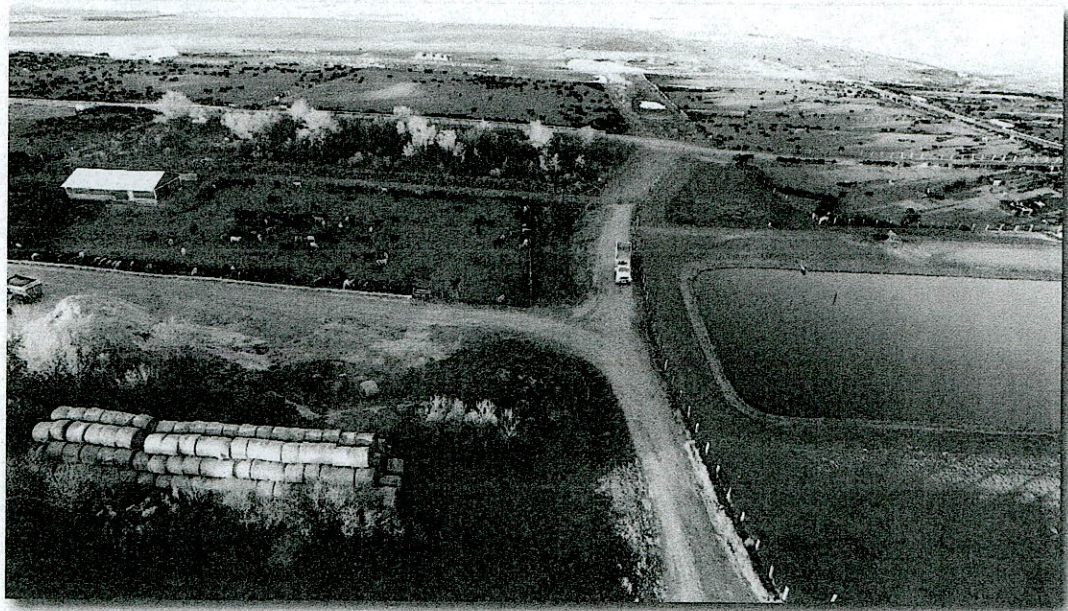
Fuller Feedlot

Onida, South Dakota, Sully County

Location:

The Fuller Feedlot is established 6 miles Southwest of Onida, SD, Sully County. Sully County is known for its fertile soil and high yielding production in various crops including; corn, sunflowers, wheat, soy beans, sorghum, triticale, alfalfa, and barley. The Fuller Feedlot is also approximately 30 miles from Pierre/Ft. Pierre, SD. Pierre is the South Dakota State Capitol, and has many amenities including; movie theatres, restaurants, implement dealerships, auto dealerships, women's prison, and a major live-stock sale barn across the Missouri River in Ft. Pierre. The Pierre/Ft. Pierre area is a place in the know in South Dakota, with the some of the State's top business men and women visiting the Capitol when in session, as well as a class AA school education system.

A contributing asset to the location of the Fuller Feedlot is that it is merely minutes from the location of an Ethanol plant build site. Although the organization building the plant is currently on their "equity drive", prerequisites to the approval of the plant have been met and it is more a matter of "when" rather than "if" the ethanol plant will be built. This will provide what is known as 'distiller grain', a by-product of ethanol production, to cattle producers. Distiller grain is a highly efficient and economical source of protein when feeding cattle. This could give the local area a competitive edge in feeding cattle with trucking being minimal cost factor.



Improvements:

3,800 head permitted feedlot

All pens equipped with free flowing wells, run off of artisan well system.

Clay mounds and drainage in every pen.

- 4,000 feet feed bunk space
- 5 pens at 400 head per pen
- 2 pens at 250 head per pen
- 6 pens at 225 head per pen

Water

- 2,650' free flowing Artisan well
- Water comes out at 90 degrees Fahrenheit under 80-110 pounds of pressure
- House and sheep pen hooked up to rural water system, also available to feed lot pens as a secondary water source.

Buildings

Home

- 3,400 +/- Sq. ft. plus the basement
- 4 Bed / 3 Bath
- Half basement (finished)
- Kitchen with modern updates
- Wood fire place
- Tile, hardwood, and carpet flooring
- Most appliances stay



Shop 42' x 96'

- Hoop building type
- Heated concrete flooring
- Office (heat and A/C)
- Rural water hookup

Garage 30' x 56'

- 3 door

Lambing barn 36' x 54'

- Heated

(2) CoverAll Livestock sheds

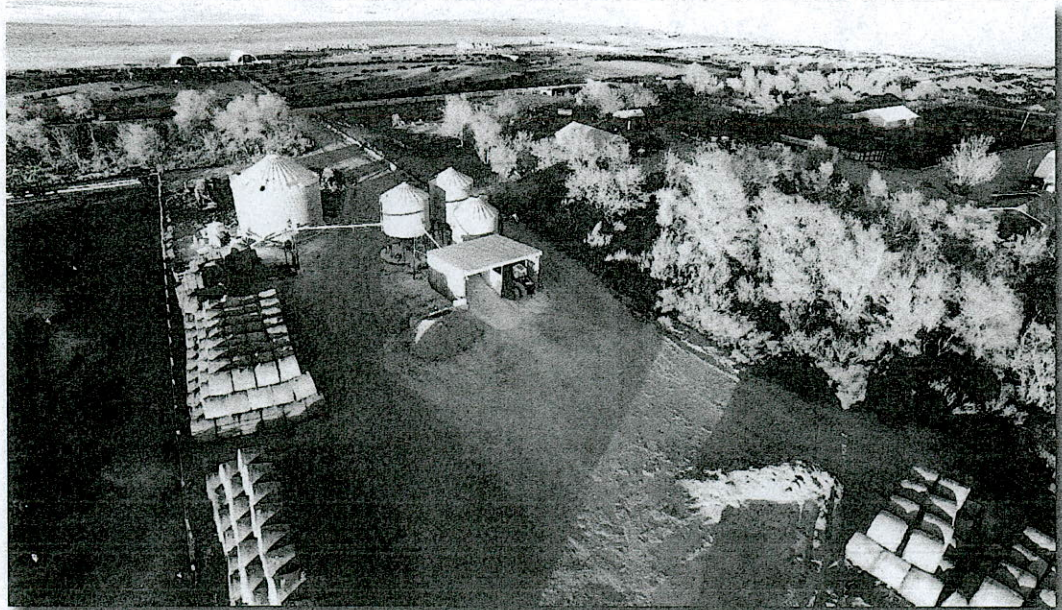
- 30' x 72'
- New tops

Commodity Shed

- Two stall (12' x 12' per stall)
- Extended cement pad

Equipment to be included in sale

- Hydraulic Squeeze chute
- Tub and Alley
- Irrigation equipment
- Roller mill Setup





Legal Description

<u>Township 113 North, Range 77 West, Sully County SD</u>	<u>Acres +/-</u>	<u>Taxes</u>
Sec. 5; SE4	158.52	\$2,300.00

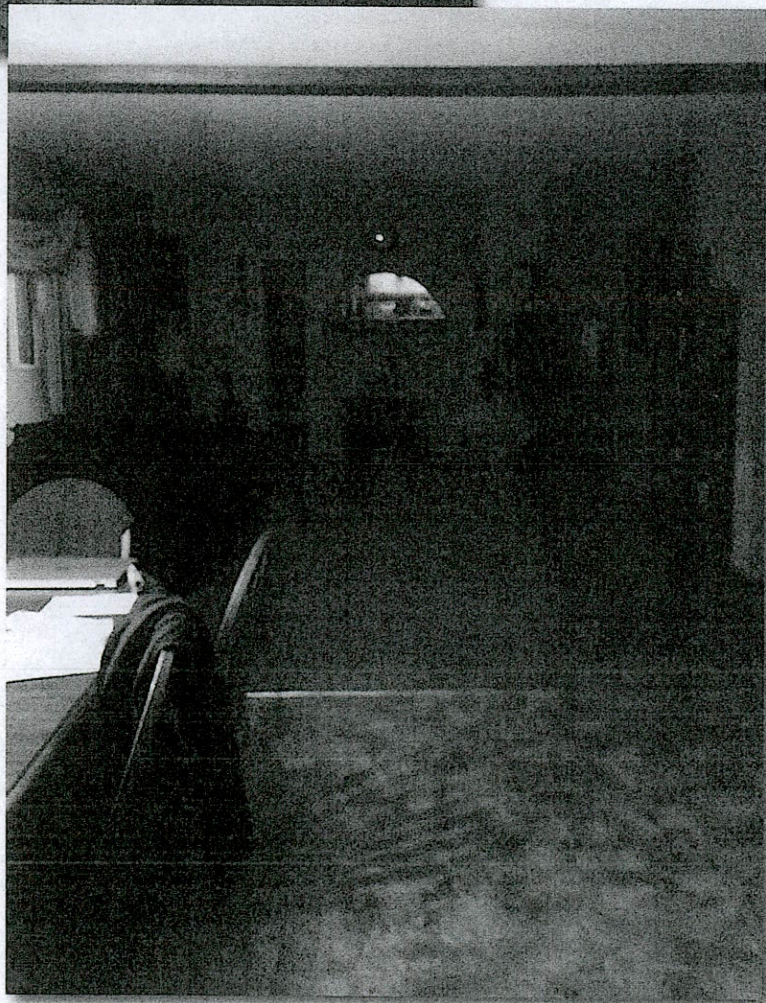
Real Estate Taxes - \$2,300

The Fuller Feedlot consists of 158.52 total acres, about 80 of which could be tillable and partially irrigated. The Feedlot is priced in its entirety at \$1,600,000. Purchase price is to include all things pertinent to operation of the Feedlot barring any rolling machinery.

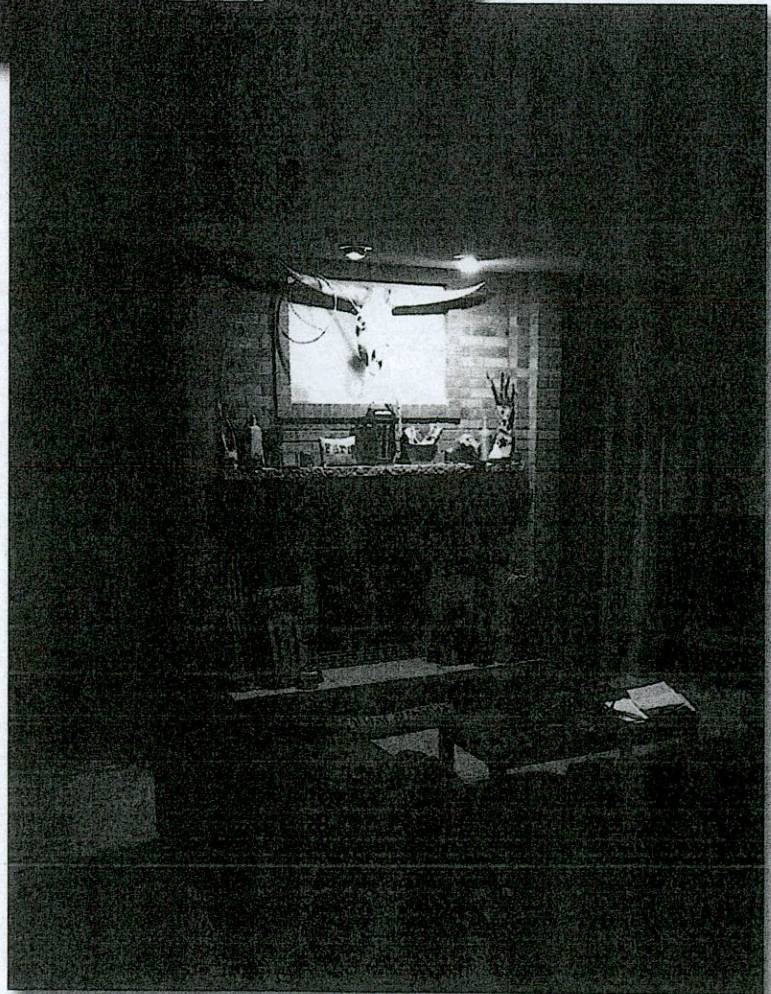


For more information regarding the Fuller Feedlot and the outstanding business possibility in Sully County, please contact either office; Pierre Office at 605.494.0205 or the Piedmont Office at 605.791.2300.

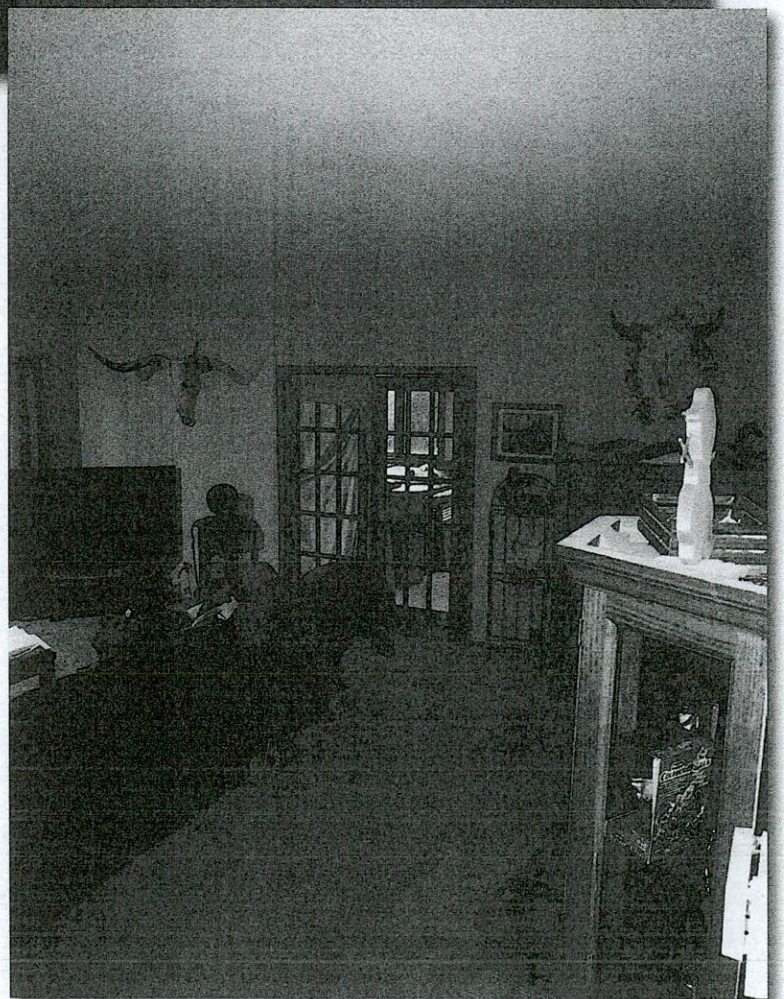
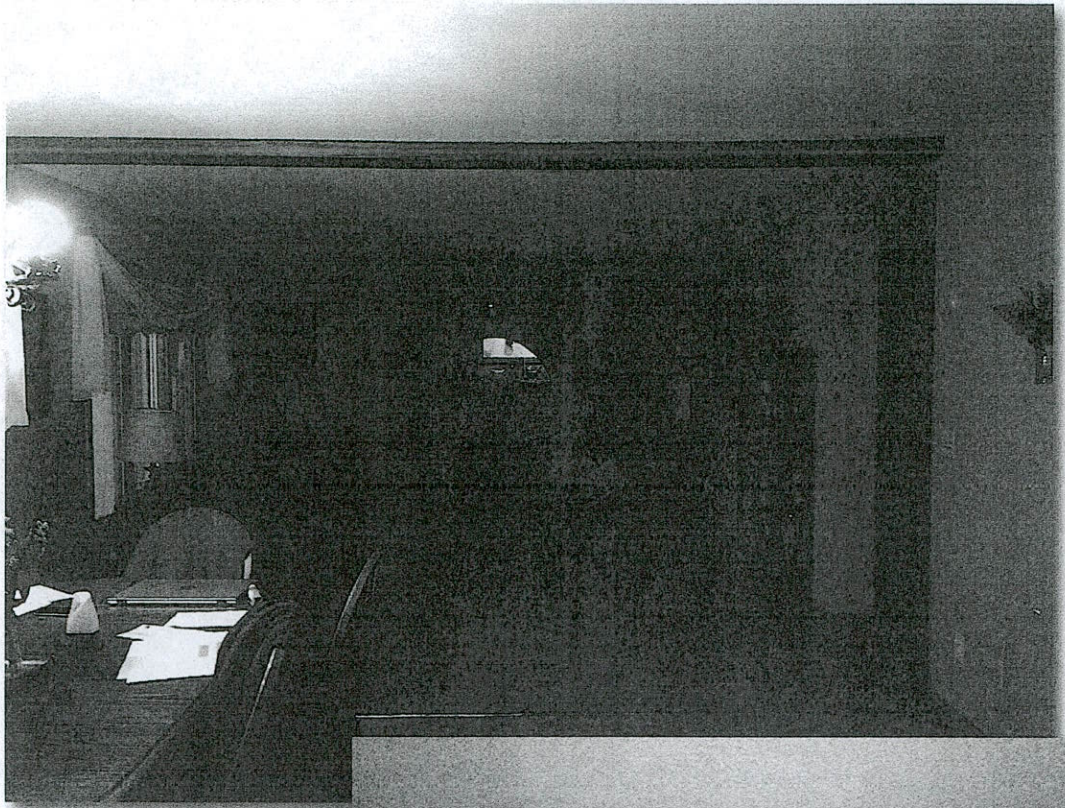
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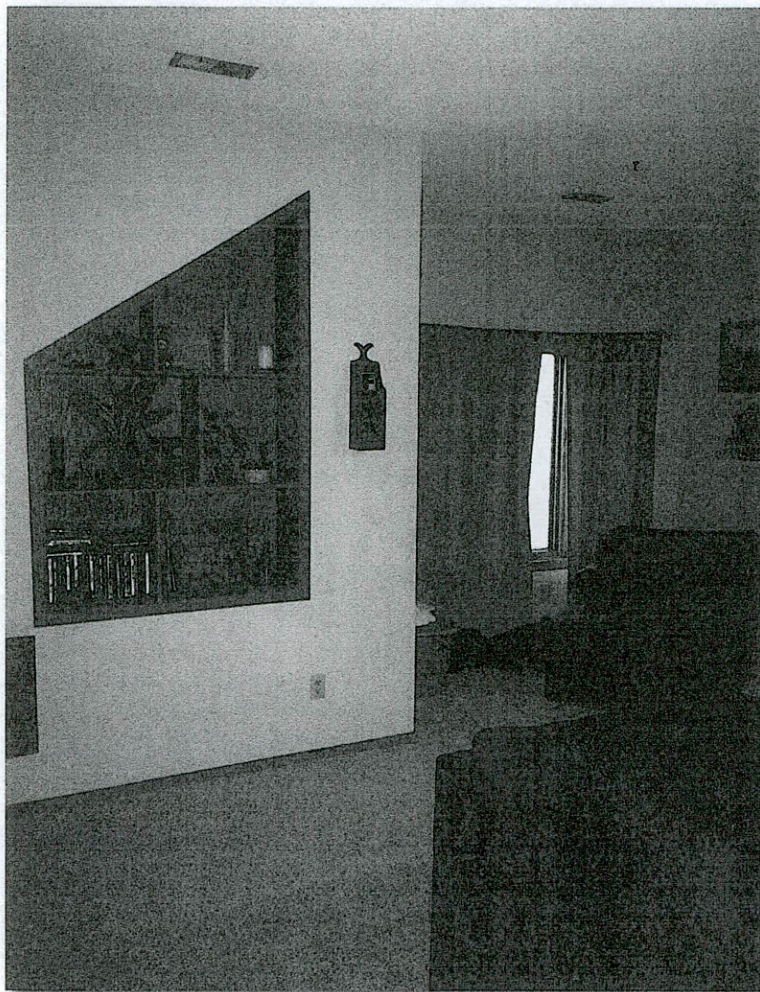
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HLC



HLC



For more information contact:

Dan Todd, Pierre Office at 605.494.0205 or the Piedmont Office at 605.791.2300.