

WATER PERMIT NO. 7248-3

Name of Applicant: **Prairie Ethanol LLC dba Poet Biorefining Mitchell**

Address: **40509 247th St, Mitchell SD 57301** Phone: **605 996-1686**

Amount of Water Claimed: **0.467 cfs** Total Acres: **NA**

Source of Water Supply: **runoff into storage ponds**

Water to be used for: **industrial** County: **Davison**

Type of Waste Disposal System:

Location: **6 miles northwest of Mitchell**

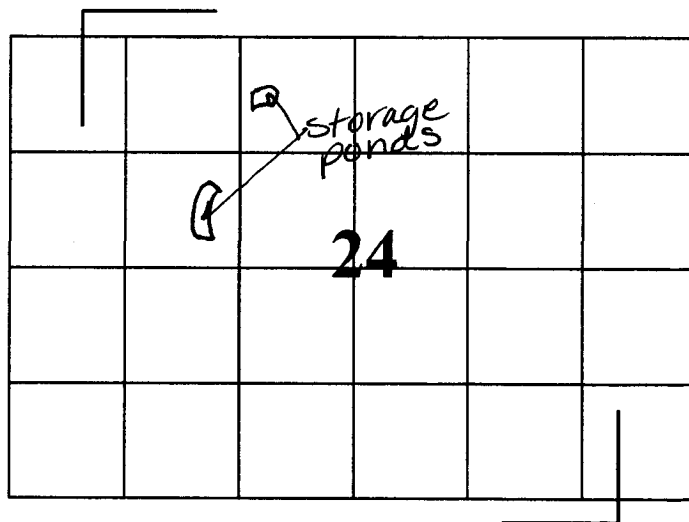
PRIORITY Date Received: **4-29-2011** Application/License Fee: **\$1,050**

Corrected Application Received: Period of Annual Use: **Jan 1 – December 31**

Remarks: **Reuse storm water collected in 2 ponds (31.2 acre-feet of storage capacity)**

Diversion Point: **NE ¼ NW ¼, SW ¼ NW ¼ Sec**
24-T104N-R61W

Land to be Irrigated: **NA**



Depth of Well: **NA**

Well Driller:

Remarks:

Type of Map: **topo**

Prepared by: **John Brown, PE**

Reviewed and the Number Assigned on: **2-5-2011**

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____

Mail to: PMB 2020 DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>7248-3</u> (office use only) Hydrologic Unit <u>10160011</u>
	Basin <u>James River</u>
	Newspaper <u>Daily Republic PO Box 1288</u>
	<u>605-996-5514</u> <u>Mitchell 57301</u>

RECEIVED
APR 29 2011

WATER RIGHTS

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:
(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. _____

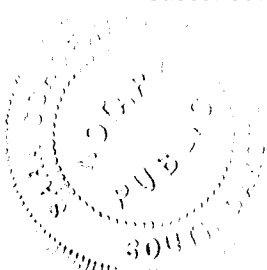
Description of amendment/correction: (i.e. change diversion point(s), add diversion point(s), change use, etc.)

Change use of storm water collected on-site. Instead of discharging storm water to Dry Run Creek, Poet Biorefining Mitchell would like to use the collected water back in the process.

- Name of Applicant Prairie Ethanol LLC dba Poet Biorefining Mitchell Phone (605) 996-1686
(check one) ☒ Owner ☐ Tenant/lessee
Mailing Address 40509 247th St. Mitchell SD 57301
(Address) (City) (State) (Zip Code)
- Amount of water claimed 0.467 *CFS or 210 **GPM 31.2 ***AF
(*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use if applicable
- Source of water supply Rainwater/snowmelt
- Location of point of diversion (example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W) County Davison
Two storm water containment ponds located in NE 1/4 NW 1/4 SW 1/4 NW 1/4
Section 24-T104N-R61W of the 5th PM, Davison County, South Dakota
- County or counties where water will be used Davison
- Annual period during which water is to be used Throughout the year whenever there is water available
- 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)
Rainwater run-off from the site drains to two main storm water ponds. Currently, the water from the ponds are discharged through a controlled lift station to Dry Run Creek. Poet Biorefining Mitchell would like to pump the water back into the facility to be used in the process.

STATE OF SOUTH DAKOTA)
County of Davison) SS

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

I, Dean Frederickson, 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 Dean FredericksonSubscribed and sworn to before me this 28th day of April 20 11Sara Schonfeld
Notary Public signature

**SOUTH DAKOTA
WATER PERMIT NO. 7248-3**

Date of first receipt of application April 29, 2011.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 7248-3 to Prairie Ethanol LLC dba Poet Biorefining Mitchell, 40509 247th St, Mitchell SD 57301 authorizing the placing of water to beneficial use subject to the following limitations, conditions and qualifications:

1. Water Permit No. 7248-3 appropriates 0.467 cubic feet of water per second from runoff collected in two storm water containment ponds (31.2 acre-feet storage capacity) located in NE ¼ NW ¼ Section 24-T104N-R61W. Instead of discharging the water to Dry Run Creek, the permit holder will maintain the water for industrial use at the facility.
2. The water appropriated shall be used for the purpose of industrial use and may not exceed the amount of water needed for beneficial use.
3. The water is to be used during the following described annual period: January 1 – December 31.
4. The date of approval of Permit No. 7248-3 is August 1, 2011.
5. The date from which applicant may claim right is April 29, 2011.
6. One-fifth of the construction is to be completed on or before February 1, 2014.
7. All construction is to be completed on or before August 1, 2016.
8. Water is to be put to beneficial use on or before August 1, 2020.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

WATER MANAGEMENT BOARD

By: Garland Erbele

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

AUG 25 2011

date



Supplemental Information

(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 applicant's 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

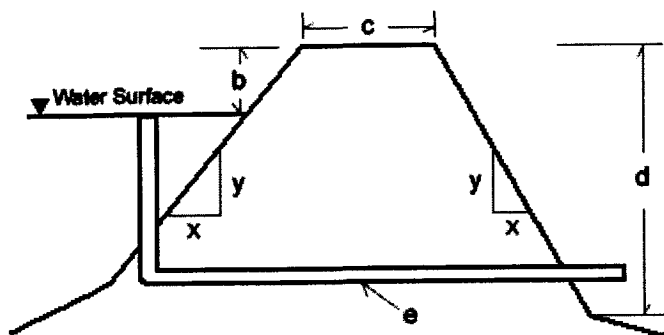
- a) Surface Dimensions pond 1: 387' x 113'; pond 2: 640' x 221' Depth _____
- b) Depth to water (ground surface to water level) This will vary with rainfall

4. Water Storage Dams

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

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

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



APR 29 2011
WATER RIGHTS
PROGRAM

PHASE 2

PHASE 1

PHASE 3

Pond 1: 25.0 ac-ft

Pond 2: 6.2 ac-ft

SCANNED
601,000,000,000

Poet Biorefining Mitchell Storm Water Ponds 1 & 2 Detail Information

Pond 1

STORM WATER MANAGEMENT (NORTH POND)	
Total Project Area	161.2 Ac.
Watershed Area	55.7 Ac.
Impervious Area	12.0 Ac.
Pre-Development SCS Weighted Curve No.	80
Post-Development SCS Weighted Curve No.	69
100 YR. Pre-Development Peak Runoff	490 CFS
100 YR. Post-Development Peak Runoff	480 CFS
100 YR. Post Development Peak Runoff From Pond	157 CFS
Pond Live Storage to Elev. 1299.00	25.0 Ac-Ft
High Water Elevation of Pond	1295.00
Site Storm Water Runoff enters the pond which drains via Storm Sewer to Morris Creek.	

Pond 2

STORM WATER MANAGEMENT (WEST POND)	
Total Project Area	161.20 Ac.
Watershed Area	28.4 Ac.
Impervious Area	10.0 Ac.
Pre-Development SCS Weighted Curve No.	80
Post-Development SCS Weighted Curve No.	73
100 YR. Pre-Development Peak Runoff	490 CFS
100 YR. Post-Development Peak Runoff	480 CFS
100 YR. Post Development Peak Runoff From Pond	125 CFS
Pond Live Storage to Elev. 1299.00	6.2 Ac-Ft
High Water Elevation of Pond	1295.00
Site Storm Water Runoff enters the pond which drains via Storm Sewer to Morris Creek	

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 4/29, 2011

RECEIVED OF Poet Biorefining of Mitchell 40509 247th St Mitchell SD 57301

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

Fee for Application for Permit No. <u>7248-3</u> to Appropriate Water, to construct and to put water to beneficial use	850	00
Fee for Application for Permit No. _____ to Appropriate Water for Future use		
Fee to obtain Future Use Permit No. _____ after period of seven years.		
Fee for inspecting Constructed Works, confirming beneficial use and issuing Water License No. <u>7248-3</u>	200	00
Fee for Filing Transfer Form _____		
Fee for _____		
Fee for Issuing New Well Driller's License No. _____ for C.Y. _____		
Fee for Renewal of Well Driller's License No. _____ for C.Y. _____		
Fee for Issuing Well Pump Installer's License No. _____ for C.Y. _____		
Fee for Renewal of Well Pump Installer's License No. _____ for C.Y. _____		
(Any Other Work Provided by Law)	TOTAL	1050 00

No. 04975

By [Signature]
Chief Engineer



40509 - 247th St.
Mitchell, SD 57301
poetenergy.com

605.996.1686
605.996.1521

RECEIVED
APR 29 2011
WATER RIGHTS
PROGRAM

April 29, 2011

Mr. Eric Gronlund
Water Rights Program
South Dakota Department of Environment and Natural Resources
Joe Foss Building
523 East Capitol Avenue
Pierre, SD 57501-3181

Re: POET Biorefining – Mitchell
Water Rights Application

Dear Mr. Gronlund:

Prairie Ethanol, LLC d.b.a. Poet Biorefining – Mitchell is submitting an Application for Permit to Appropriate Water within the State of South Dakota.

Poet Biorefining Mitchell currently discharges storm water run-off collected in two ponds at the facility through a controlled lift station to Dry Run Creek (also known as Morris Creek). Instead of discharging the water to Dry Run Creek, Poet Mitchell would like to reclaim the water and use it in the process. The storm water reclaimed would be combined with Lake Mitchell water entering the facility and be filtered via the HFUF filtration system. The amount and time of year the storm water would be reclaimed is dependent upon the amount of rainfall and when the rain occurs.

Poet Biorefining Mitchell implemented a Total Water Recovery (TWR) program in October, 2010. With this program, there has been no discharge of non-contact process water from the facility. With the implementation of TWR, the piping that exists from the facility to the controlled lift station is no longer being used. This piping would be used to pump the storm water back into the facility.

Form 2 and Form 2A along with a site map showing the location of the two ponds, detail information regarding both ponds, and the application fee (\$1050) are enclosed. If you have any questions or need additional information, please contact Becky Pitz at 605-996-1686 or becky.pitz@poet.com.

Sincerely,

Dean Frederickson, General Manager
Poet Biorefining – Mitchell

Enclosures



**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. 7248-3, Prairie Ethanol LLC**

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. 7248-3, Prairie Ethanol LLC dba Poet Biorefining Mitchell, 40509 247th Street, Mitchell SD 57301.

The Chief Engineer is recommending APPROVAL of Application No. 7248-3 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.

See report on application for additional information.

Garland Erbele, Chief Engineer
July 6, 2011

NOTE: These stormwater containment ponds may not be a reliable source of water.

REPORT ON WATER PERMIT APPLICATION NO. 7248-3

Prairie Ethanol LLC dba Poet Biorefining Mitchell
40509 247th St.
Mitchell, SD 57301
July 1, 2011

Water Permit Application No. 7248-3, proposes to appropriate 0.467 cubic feet per second (cfs) of water from run-off collected in two storm water containment ponds (31.2 acre-feet of storage capacity) located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 24-T104N-R61W. Instead of discharging the water into Dry Run Creek, the applicant is proposing to use the water for industrial use at the facility. The project is located in Davison County, approximately 2 $\frac{1}{2}$ miles northwest of Mitchell, SD.

Review of the Water Source and Existing Water Rights

The source of water for this application is from run-off collected into two storm water containment ponds. Water from the containment ponds will be combined with water from Lake Mitchell entering the facility and filtered through the filtration system. The amount and time of year the storm water will be used is dependent upon the amount of run-off from some surface water source such as melting snow or run-off from rainfall and when it occurs. The two containment ponds have a total drainage area of approximately 81 acres which is limited to a confined area within the facility. During dry periods, these containment ponds cannot be considered a reliable source of water. There are no existing water rights authorized to divert water from run-off in the area.

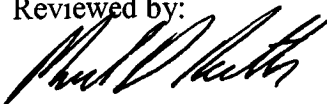
Conclusions

1. Application No. 7248-3 proposes to appropriate 0.467 cfs of water from run-off collected in two storm water containment ponds (31.2 acre-feet of storage capacity) located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 24-T104N-R61W.
2. During dry periods, these containment ponds cannot be considered a reliable source of water.
3. There are no existing water rights authorized to divert water from run-off in the area.



Mike DeFea
Natural Resources Project Engineer
DENR, Water Rights Program

Reviewed by:



Mark D. Rath
Natural Resources Engineer Specialist
DENR, Water Rights Program

RECEIVED

JUL 27 2011

WATER RIGHTS
PROGRAM

**NOTICE OF
APPLICATION
NO. 7248-3
to Appropriate Water**

Notice is given that
Prairie Ethanol LLC dba

Poet Biorefining Mitchell, 40509 247th St., Mitchell SD 57301 has filed an application for a water permit to appropriate 0.467 cubic feet of water per second from runoff collected in two storm water containment ponds (31.2 acre-feet storage capacity) located in NE 1/4 NW 1/4, SW 1/4 NW 1/4 Section 24-T104N-R61W. Instead of discharging the water to Dry Run Creek, the applicant is proposing to use the water for industrial use at the facility.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 7248-3 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. 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 1, 2011.

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. Pimer,
Secretary,
Department of
Environment and
Natural Resources

PROOF OF PUBLICATION

STATE OF SOUTH DAKOTA)
) SS
County of Davison)

I, Penny Hebbach

certify that the attached printed Notice was
taken

from the Daily Republic

printed and published in Mitchell

County of Davison and

state of South Dakota. The notice was
published

in the newspaper on the following two dates:

Friday, July 15, 2011

Friday, July 22, 2011

Cost of Printing \$124.03

Penny Hebbach
(Signature)

Legal Advertising
(Title)

7-25-11

(Date Signed)



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 7, 2011

Mitchell Daily Republic
PO Box 1288
Mitchell SD 57301

ATTENTION: Legal Public Notice

Enclosed is a Notice on Application No. 7248-3 to Appropriate Water to be published twice. Please publish the first notice on July 15, 2011 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 Prairie Ethanol LLC, dba Poet Biorefining, c/o Dean Frederickson, 40509 247th St., Mitchell SD 57301 (Ph # 605-996-1686).

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. 7248-3

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

Date _____

We are in receipt of your letter of July 7, 2011 enclosing Notice to Appropriate Water by Application No. 7248-3 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 7, 2011

Prairie Ethanol LLC
Poet Biorefining
Dean Frederickson
40509 247th St
Mitchell SD 57301

Dear Mr. Frederickson:

Water Permit Application No. 7248-3 for industrial use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Publisher of the Daily Republic printed at Mitchell SD (Ph # 605-996-5514). You will need to contact the newspaper and authorize publication of this notice. For your information, a copy of the notice, the recommendation of the Chief Engineer and report on the application are enclosed. Please review the notice prior to publication and notify this office, if you have any corrections or questions.

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

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352
eric.gronlund@state.sd.us

enclosures

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

Instruction to Newspaper - Publish first Notice on July 15, 2011 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. 7248-3 to Appropriate Water

Notice is given that Prairie Ethanol LLC dba Poet Biorefining Mitchell, 40509 247th St, Mitchell SD 57301 has filed an application for a water permit to appropriate 0.467 cubic feet of water per second from runoff collected in two storm water containment ponds (31.2 acre-feet storage capacity) located in NE ¼ NW ¼ Section 24-T104N-R61W. Instead of discharging the water to Dry Run Creek, the applicant is proposing to use the water for industrial use at the facility.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 7248-3 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. 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 1, 2011.

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

AUG 25 2011

Prairie Ethanol LLC
dba Poet Biorefining Mitchell
40509 247th St
Mitchell SD 57301

Dear Sir:

Enclosed is Water Permit No. 7248-3 authorizing construction of your water diversion system and beneficial use of the water, not exceeding the limits as specified in the Water Permit.

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

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

Sincerely,

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

enclosures

NOTICE OF COMPLETION OF WORKS AND
APPLICATION OF WATER TO BENEFICIAL USE

RECEIVED

SEP - 1 2011

WATER RIGHTS
PROGRAMDate August 31, 2011

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

FROM: Prairie Ethanol LLC dba POET Biorefining - Mitchell

(name)

40509 247th St

(address)

Mitchell SD 57301

(city, state, zip)

605-996-1686

(phone)

I have completed the construction of the water use system and I have put the water to beneficial use to the maximum extent it is going to be used.

Water Permit No. 7248-3 states that the water use system is to be constructed by
August 1, 2016 , and water is to be put to beneficial use by August 1, 2020 .
(date) (date)

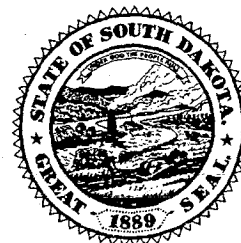
The water use system was completed on August 31, 2011 .
(date)

Applying the water to beneficial use was completed on August 31, 2011 .
(date)

You may schedule an investigation so that the water license may be issued.



(signature)





**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
PMB 2020
523 EAST CAPITOL
PIERRE SOUTH DAKOTA 57501-3182
<http://denr.sd.gov>

September 6, 2011

7248-3

Dean Frederickson
Prairie Ethanol LLC
40509 247th St
Mitchell SD 57301

Dear Mr. Frederickson:

I am writing to acknowledge receipt of the "Notice of Completion of Works" form that you sent in to let us know the water use system has been completed.

The system is now ready for inspection. Inspections are done on a county-by-county basis as staff time permits. You have done everything you need to do and the intervening time between the completion of the project and the staff inspection has no bearing on the water permit.

Someone from our office will contact you prior to the inspection to set up a time that is convenient for you. If you have any questions, please contact me.

Sincerely,

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

Water Permit No. 7248-3
James 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, January 22, 2015, made a thorough examination of the water use system constructed by Prairie Ethanol LLC dba Poet Biorefining Mitchell of 40509 247th St., Mitchell, SD holder of Permit No. 7248-3, bearing the priority of April 29, 2011 authorizing the diversion of 0.467 cu. ft. per second and/or the storage of 31.2 acre-feet of Runoff water for Industrial use purposes, in Davison County.

Inspection contact & relationship **Becky Pitz**
to permit holder, if applicable:

A. Works used to divert the water:

Pump:

- 1) Make Grundfos
- 2) Model 150S-100-5
- 3) Size 10 hp
- 4) Capacity 150 GPM

Pond 1:

- 1) Length 387 feet
- 2) Width 113 feet
- 3) Approx. storage 25 acre-feet

Pond 2:

- 1) Length 640 feet
- 2) Width 221 feet
- 3) Approx. storage 6.2 acre-feet

B. Compliance with Permit Requirements:

- 1) Permit qualifications being abided by NA
- 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:

Pump House:

Approximately 830 feet south and 1,560 feet east of the NW corner of Section 24-T104N-R61W

(N 43.80092, W -98.10056) (NE ¼ NW ¼)

Pond #1:

(N 43.80142, W -98.10029) (NE ¼ NW ¼)

Pond #2:

(N 43.79838, W -98.10345) (SW ¼ NW ¼)

The works are capable of diverting and conveying to the place of use **0.33** cu. ft. per second of water and/or storing **31.2** acre-feet of water which is to be used for **Industrial use**.

The license should be issued for **0.33** cfs and **31.2** acre-feet of storage.

All structures, wells and lands on map **Y**.

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

Water Permit No. 7248-3 appropriates water from run-off collected into two storm water containment ponds with a combined 31.2 acre-feet of storage capacity. The total drainage area for the two ponds is limited to the confined area within the facility. Instead of discharging water from the ponds into Dry Run Creek, the permit holder developed a Total Water Recovery (TWR) system which filters and treats water until it is of usable quality for the facility.

The depth of the ponds are not listed because the storage capacity varies with the amount, time of year the storm water will be used and is also dependent upon the amount of run-off from some surface water source such as melting snow or run-off from rainfall and when it occurs. The total storage capacities of each pond were provided by the applicant.



Mike DeFea
Natural Resources Engineer II
DENR, Water Rights Program

Date report completed: **May 13, 2015**

POET Biorefining - Mitchell

Water Permit No. 7248-3



0 0.125 0.25 0.5 Miles

Mike DeFea

Mike DeFea
Natural Resources Engineer
DENR, Water Rights Program
May 13, 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

7248-3

MAY 19 2015

Prairie Ethanol LLC
dba Poet Biorefining Mitchell
40509 247th St
Mitchell SD 57301

Dear Sir:

Enclosed is Water License No. 7248-3. This is the final water right document completing your process of obtaining a Water Right. Also, included with your license is a map prepared by the staff engineer who conducted the investigation.

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. 7248-3

(1) Prairie Ethanol LLC dba Poet Biorefining Mitchell, 40509 247th St, Mitchell SD 57301 made Application No. 7248-3, April 29, 2011 to divert 0.467 cubic feet of water per second from runoff and impoundment of 31.2 acre feet of water in Davison County, South Dakota for industrial use. Permit No. 7248-3, with a priority date of April 29, 2011 was approved August 1, 2011 and issued to the applicant for diversion of water with construction of the described water supply system to be completed on or before August 1, 2016 and for the application to beneficial use of water on or before August 1, 2020.

Runoff is collected into two storm water containment ponds with a combined storage capacity of 31.2 acre-feet. The permit holder developed a Total Water Recovery system which filters and treats the water for reuse at the facility.

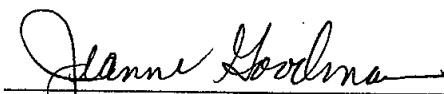
(2) The water supply system has been completed and water applied to beneficial use in accordance with South Dakota State Law. Pursuant to South Dakota Codified Law 46-5-30.1, the holder and/or owner of Water Right No. 7428-3 is issued a license, bearing a priority date of April 29, 2011, to divert 0.33 cubic feet of water per second from runoff with impoundment of 31.2 acre feet of water for industrial use purposes.

The location of the pump house is 830 feet S and 1,560 feet E of the NW corner of Section 24-T104N-R61W (NE 1/4 NW 1/4).

The location of Pond # 1 is the NE 1/4 NW 1/4 Section 24-T104N-R61W.

The location of Pond # 2 is the SW 1/4 NW 1/4 Section 24-T104N-R61W.

(3) This license is subject to South Dakota Water Law, any limitations or conditions listed in Water Permit No. 7248-3.



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

MAY 19 2015

date

