

WATER PERMIT NO. 8249-3

Name of Applicant: Schwartz Farms Inc – Kaylor Site

Address: 32296 190th St, Sleepy Eye MN 56085

Phone: 507 794-5779

Amount of Water Claimed: 0.07 add'l cfs (30 gpm)

Total Acres: NA

Source of Water Supply: groundwater (1 add'l well)

Water to be used for: commercial

County: Hutchinson

Type of Waste Disposal System:

Location: 7 miles east of Tripp

PRIORITY Date Received: 11-17-16

Application/License Fee: \$ 700 (refund \$400)

Corrected Application Received: 12-5-16

Period of Annual Use: Jan 1 – Dec 31

Remarks: Additional well and diversion rate to Water Right No. 6038-3

Diversion Point: SW 1/4 SW 1/4 Sec 8-T97N-

R59W

Land to be Irrigated: NA

Depth of Well: 640 feet deep

Well Driller: Hutmacher Drilling

Remarks:

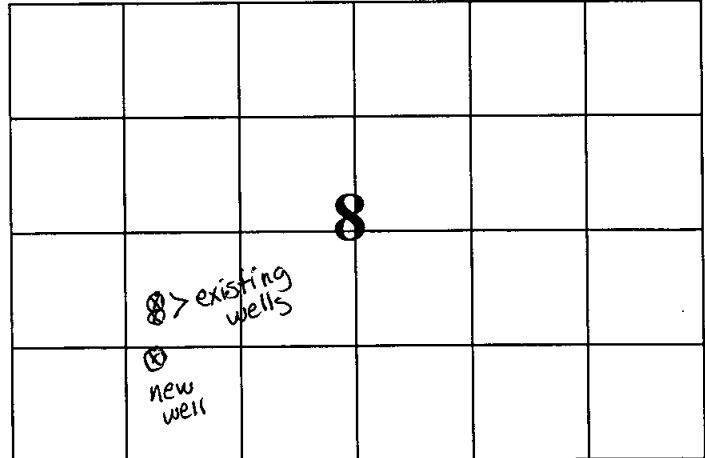
Type of Map: aerial

Prepared by:

Reviewed and the Number Assigned on: 12-5-16

By: **Karen Schlaak**

Notice of Hearing - date to intervene: _____



Mail to: DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>8249-3</u> (office use only) Hydrologic Unit <u>10160011</u>
	Basin <u>James River</u>
	Newspaper <u>Parkston Advance 605-928-3111</u>
	<u>Press & Dakotan - Yankton 605-665-7811</u>

RECEIVED

NOV 17 2016

WATER RIGHTS
PROGRAM

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

Check use(s) of water:

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

Type of Application:
(check one)

☐ New	☐ Vested Right (Use predates Mar 2, 1955)	☐ Future Use Reservation
☐ Place to Beneficial Use Water Reserved by Future Use Permit No. _____		
☒ Amendment/Correction to Permit No. <u>6038-3</u>		

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

Currently, two wells are permitted for livestock production. An additional well is proposed.

- Name to Appear on Water Permit Schwartz Farms, Inc. - Kaylor Site
Mailing Address 32296 190th St. Sleepy Eye MN 56085
(Address) (City) (State) (Zip Code)
Phone 507-794-5779 Mobile _____ Email mmiller@schwartzfarms.net
- Amount of water claimed 0.07 *CFS or 60 **GPM and 45 ***AF or 14.6M Gallons
Flow rate and volume are both required. (*Cubic Feet per Second) (**Gallons per Minute) (***)Acre Feet - storage capacity of dam/dugout or annual use
- Source of water supply Dakota Aquifer
- Location of point of diversion SW 1/4, SW 1/4 Sec 8-T97N-R59W County Hutchinson
(example - 3 wells in SW1/4 NE1/4 section 12-T104N-R53W)
If not a public water supply (e.g. municipal), will water be used outside of the area described above? ☐ Yes ☒ No
If "Yes," where will water be used? _____
(example - NW1/4 section 12-T104N-R53W)
- County or counties where water will be used Hutchinson
- Annual period during which water is to be used Jan-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)
Schwartz Farms Inc. - Kaylor site is an existing swine CAFO operation. They are proposing to add an addition gilt development unit which will require addition water resources. The CAFO permit is currently being reviewed by SD DENR.

I, John Schwartz CEO, the applicant, certify under
Name of Person Title (if applicable)

penalty of perjury that I have read this application, examined the attached map, and that the matters stated are true. I further certify, if acting on behalf of an entity or individual other than myself, that I am authorized to submit this application.

SOUTH DAKOTA
WATER PERMIT NO. 8249-3

Date of first receipt of application November 17, 2016.

Date of return to applicant for corrections, amendments or changes November 17, 2016.

Date of receipt of corrected application December 5, 2016.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 8249-3 to Schwartz Farms Inc - Kaylor Site, c/o John Schwartz, 32296 190th St, Sleepy Eye MN 56085 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. 8249-3 authorizes an additional well and increases the diversion rate authorized by Water Right No. 6038-3. Water Right No. 6038-3 authorizes 0.07 cubic feet of water per second (cfs) from two wells completed into the Dakota Aquifer located in the NW 1/4 SW 1/4 Section 8-T97N-R59W. This permit authorizes an additional well to be completed into the Dakota Aquifer (640 feet deep) located in the SW 1/4 SW 1/4 Section 8-T97N-R59W. The permit will increase the total water appropriation from 0.07 cfs to 0.14 cfs. This permit will also set a combined annual volume of water authorized by Water Right No. 6038-3 and Water Permit No. 8249-3 of 45 acre-feet of water annually. The water is for commercial use in a swine operation located in the SW 1/4 Section 8-T97N-R59W.
2. The water appropriated shall be used for the purpose of commercial use and may not exceed the amount of water needed for beneficial use.
3. The water is to be used during the following described annual period: January 1 – December 31.
4. The date of approval of Permit No. 8249-3 is February 6, 2017.
5. The date from which applicant may claim right is November 17, 2016.
6. One-fifth of the construction is to be completed on or before August 6, 2019.
7. All construction is to be completed on or before February 6, 2022.
8. Water is to be put to beneficial use on or before February 6, 2026.
9. Water rights obtained in compliance with the laws of the State of South Dakota may not be unlawfully impaired by this appropriation.

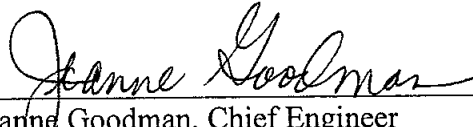
QUALIFICATIONS

1. The wells approved under Water Right No. 6038-3 and Water Permit No. 8249-3 will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner, under these Permits shall control 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 new well authorized by Permit No. 8249-3 shall be constructed by a licensed well driller and construction of the well and installation of the pump shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.

(continued)

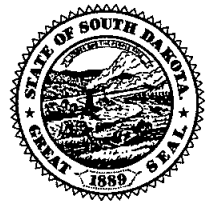
3. The wells authorized by Water Right no. 6038-3 and Water Permit No. 8249-3 shall be valved and the flow reduced to the amount needed or to a minimum when not being used (directly or for storage purposes). If the wells are abandoned or the Permit cancelled, the wells must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
4. Water Right No. 6038-3 and Water Permit No. 8249-3 are 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.
5. Water Right No. 6038-3 and Water Permit No. 8249-3 are 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
6. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Dakota aquifer.
7. Water Right No. 6038-3 and Water Permit No. 8249-3, combined, authorize a total annual diversion of 45 acre feet of water.

WATER MANAGEMENT BOARD

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

MAR 02 2017

date



Supplemental Information

(type or print)

1. Well Information (check one or both as applicable) ☒ Drilling new well(s) ☒ Using existing well(s)

- a) If new wells, how many 1 Have test holes been drilled ☐ Yes ☒ No Drilled by _____
(if yes, please provide copies of logs)
- b) If existing wells, how many 2 Provide copy of log(s), if available. Drilled by Hutmacher Drilling

For either Existing or Proposed Wells:

- c) Well Depth (required) 600' Depth to Top of Water Bearing Material 506' Depth to Water from Surface 0-25'
- d) Distance to nearest domestic well on applicant's property 150'± Property owned by others ≈3,500'

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 (e.g. 3 to 1 is a typical slope)

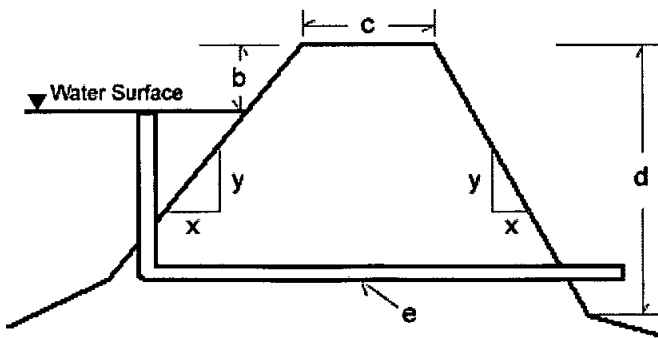
Upstream _____

Downstream _____

h) Surface Area of Impoundment _____

i) Storage _____ Acre Feet

j) Drainage Area Above Dam _____ Acres





Scale - 1" = 400'

STOCKWELL
STOCKWELL ENGINEERS, INC.
215 WALNUT ST.
YANKTON, SD 57078
PH: 605.665.8092
FAX: 605.665.0523

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WATER RIGHTS
PROGRAM

Schwartz Farms, Inc.
Well Location Map
SW 1/4 Sec. 8, T97N, R59W

REVISION SCHEDULE	
ISSUE/REVISION	DATE

SEI PROJECT #: 16147

WELL LOCATION
MAP

A-1

6038-3

**WATER RIGHTS
PROGRAM**

RECEIPT

WATER RIGHTS PROGRAM

South Dakota Department of Environment and Natural Resources

Date 12-5-16, 20__

RECEIVED OF Schwartz Farms, Inc., 32296 190th st, Sleepy Eye MN 56085

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	700 00 500
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. _____	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	700.00

No. **07970**

By *James H. Woodman*
Chief Engineer (KS)

February 28, 2017

PAYMENT REQUEST FORM

PAYEE: Schwartz Farms Inc
Kaylor Site
32296 190th St
Sleepy Eye MN 56085

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

DESCRIPTION OF SERVICE, PRODUCE OR TRANSFER

refund on Water License 8249-3 -overpayment

AMOUNT: \$400.00

FUNDING SOURCE:

GENERAL:

FEDERAL:

OTHER: WATER RIGHT FEES

COMMENTS:

AUTHORIZATION: 

I declare and affirm under the penalties of perjury that this claim is in all things, true and correct. I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulations issued thereunder relating to nondiscrimination in federal assisted programs.

SECRETARY OF STATE
 STATE CAPITOL
 500 E. CAPITOL AVE.
 PIERRE, S.D. 57501
 (605)773-4845
 Fax (605)773-4550

QUALIFICATION FOR FAMILY FARM CORPORATION AND AUTHORIZED FARM CORPORATION

No Filing Fee

RECEIVED

APR 18 '05

S.D. SEC. of STATE

Pursuant to the provisions of the Family Farm Act of 1974, SDCL 47-9A the following report is filed in order to qualify to engage in farming as defined under the terms of said Act.

1. The name of the corporation is Schwartz Farms, Inc.
2. The state of its incorporation is State of Minnesota
3. The address of the registered office and the name of the registered agent in South Dakota is CT Corporation System,
319 South Cotteau Street, Pierre, SD Zip+4 57501
4. If a foreign corporation, the address of its principal office or registered office in its state of incorporation is _____
32296 190th Street, Sleepy Eye, MN Zip+4 56085
5. List the acreage and location by section, township and county of each lot or parcel of land in this state owned or leased by the corporation and used for the growing of crops or the keeping or feeding of poultry or livestock:
Tracts A and B, lying in the SW 1/4 of Section 8, Township 97 North, Range 59 West of the
5th P.M., in Hutchinson County, South Dakota, containing approximately 34 acres, more
or less.
6. The names and addresses of the officers and the board of directors: (Both officers and directors are to be listed even though they may be the same.)
 President John Schwartz
 Vice President _____
 Secretary Joseph Schwartz
 Treasurer Joseph Schwartz
 Director John Schwartz
 Director Joseph Schwartz
 Director _____

7. Please check which applies to this corporation.

FAMILY FARM CORPORATION ☒ AUTHORIZED FARM CORPORATION _____

(A) Applies to a FAMILY FARM CORPORATION. (SDCL 47-9A-14) The number of shares owned by person(s) residing on the farm or actively engaged in farming, or their relatives within the third degree of kindred, or who has resided on or has actively operated the farm is 1,000. Degree of kindred is defined as the number of generations with each generation being a degree.

OR

The number of shares owned by resident stockholders who are family farmers and are actively engaged in farming as their primary economic activity is _____.

(B) Applies only to AUTHORIZED FARM CORPORATION. (SDCL 47-9A-15) The percentage of gross receipts of the corporation derived from rent, royalties, dividends, interest and annuities is _____ %. (Must not exceed 20% of its gross receipts).

RECEIVED

NOV 17 2016

WATER RIGHTS
PROGRAM



November 15, 2016

SD Water Right Program
c/o Eric Gronlund
Foss Building, 523 E. Capitol
Pierre, South Dakota 57501

RE: Schwartz Farms, Inc. – Kaylor Site, Hutchinson County, SD
Project No. 16147

Dear Mr. Gronlund:

This letter and the attached documentation shall serve as the informational submittal for Schwartz Farms, Inc.'s amended Water Rights Permit 6038-3 application. The existing operation is located in the SW ¼, Section 8, T97N, R59W, Hutchinson County, SD.

Schwartz Farms currently has a CAFO permit for a maximum of 5,686 swine over 55 lbs. They are amending their permit to add a new gilt development unit (GDU) which will increase their maximum site population by 2,000 swine over 55 lbs. and 650 under 55 lbs.

Schwartz Farms currently has two wells under Water Rights Permit 6038-3. One of the wells has been problematic. The attached permit amendment requests permission to add one additional well in the Dakota Aquifer, increase the maximum withdrawal rate to 60 gpm, and set the annual maximum water usage at 14,600,000 gallons.

Attached is the Form 2 application, well log, location map. A \$700 fee payment will come in a separate mailing. Let me know if you have questions. Thanks

Sincerely,
Stockwell Engineers, Inc.

Todd Van Maanen, PE
Project Engineer

Enclosures

Schlaak, Karen

From: Todd Van Maanen <tvanmaanen@stockwellengineers.com>
Sent: Thursday, November 17, 2016 8:03 PM
To: Gronlund, Eric
Cc: Schlaak, Karen
Subject: Re: Schwartz water permit application

The intent is to request a total withdrawal rate of 60gpm from one or more wells at any moment in time. I'll be in the office tomorrow if you have any questions Karen. The \$700 fee will be coming direct to you from Schwartz Farms. Thanks

Sent from my Verizon 4G LTE Droid

On Nov 17, 2016 1:43 PM, "Gronlund, Eric" <Eric.Gronlund@state.sd.us> wrote:

Todd

Out of an abundance of caution inquiring about the diversion rate for the Schwartz application.

Their current permit is for 31 gpm.

The application DENR received states 60 gpm.

The cover letter requests permission to add one additional well in the Dakota aquifer, increase the maximum withdrawal rate **to 60 gpm**.....

Is the filed application for 60 gpm which would bring total permitted diversion authority to 91 gpm OR is the application for 30 gpm additional to bring total permitted diversion authority to 61 gpm.

I am out of the office the rest of today and Friday and will return Monday. Include Karen in your response.

Thanks - Eric

Gronlund, Eric

From: Gronlund, Eric
Sent: Thursday, November 17, 2016 1:43 PM
To: tvanmaanen@stockwellengineers.com
Cc: Schlaak, Karen
Subject: Schwartz water permit application

Todd

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Their current permit is for 31 gpm.

The application DENR received states 60 gpm.

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Is the filed application for 60 gpm which would bring total permitted diversion authority to 91 gpm OR is the application for 30 gpm additional to bring total permitted diversion authority to 61 gpm.

I am out of the office the rest of today and Friday and will return Monday. Include Karen in your response.

Thanks - Eric

Schlaak, Karen

From: Schlaak, Karen
Sent: Monday, November 28, 2016 1:28 PM
To: 'Todd Van Maanen'
Subject: RE: Schwartz water permit application

Todd,
As of today, we still have not received the \$700 application fee from Schwartz Farms.

Karen Schlaak

From: Todd Van Maanen [<mailto:tvanmaanen@stockwellengineers.com>]
Sent: Thursday, November 17, 2016 8:03 PM
To: Gronlund, Eric
Cc: Schlaak, Karen
Subject: Re: Schwartz water permit application

The intent is to request a total withdrawal rate of 60gpm from one or more wells at any moment in time. I'll be in the office tomorrow if you have any questions Karen. The \$700 fee will be coming direct to you from Schwartz Farms. Thanks

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I am out of the office the rest of today and Friday and will return Monday. Include Karen in your response.

Thanks - Eric

Schlaak, Karen

From: Brad Woerner <bwoerner@stockwellengineers.com>
Sent: Thursday, December 01, 2016 4:01 PM
To: Schlaak, Karen
Subject: Schwartz Farms application

Karen,

I will be the new contact for this application. Todd is no longer working for our firm.

I did speak with the applicant regarding the \$700 application fee. They instructed me to send in a check on their behalf. The check will be written next week and will be mailed to the Water Rights Program.

If you need anything further or have any questions/concerns, please contact me at your convenience. Thanks!

Sincerely,

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com

Phone: 605.665.8092

Cell: 605.660.1362

Fax: 605.665.0523

215 Walnut Street

Yankton, SD 57078

stockwellengineers.com

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Schlaak, Karen

From: Schlaak, Karen
Sent: Tuesday, December 06, 2016 8:42 AM
To: Brad Woerner (bwoerner@stockwellengineers.com)
Subject: FW: Schwartz Farms Water Rights

I am returning the \$700 fee we received from your company today, since we already have the payment from Schwartz Farms.
Karen

From: Schlaak, Karen
Sent: Monday, December 05, 2016 9:33 AM
To: 'Brad Woerner'
Subject: RE: Schwartz Farms Water Rights

We received the fee today. The application is now complete and you are listed as the contact person for this application.
Karen

From: Brad Woerner [<mailto:bwoerner@stockwellengineers.com>]
Sent: Friday, December 02, 2016 8:56 AM
To: Schlaak, Karen
Subject: Schwartz Farms Water Rights

Karen,
I am now told we will be writing the check and sending directly to you in today's mail.
If you do not receive it by mid-week, please let me know.

If you need anything further, please contact me at your convenience.

Thanks!

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com
Phone: 605.665.8092
Cell: 605.660.1362
Fax: 605.665.0523
215 Walnut Street
Yankton, SD 57078
stockwellengineers.com

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DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

denr.sd.gov

December 6, 2016

Stockwell Engineering Inc.
Bradley S Woerner, PE
215 Walnut St
Yankton SD 57078

RE: Schwartz Farms Inc. Application

Dear Mr. Woerner:

Enclosed is the check for \$700 which we received today. The check is being returned because we received the application/license fee from Schwartz Farms Inc. yesterday.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads 'Karen Schlaak'.

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

enclosure

Buhler, Ken

From: Brad Woerner <bwoerner@stockwellengineers.com>
Sent: Thursday, January 05, 2017 11:43 AM
To: Buhler, Ken
Subject: Schwartz Farms - Kaylor Site

Ken,
To clarify my previous email, we are currently using 60-65% of the proposed 45 ac-ft allotment.
Let me know if you have any questions.

Thanks,

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com

Phone: 605.665.8092

Cell: 605.660.1362

Fax: 605.665.0523

215 Walnut Street

Yankton, SD 57078

stockwellengineers.com

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Buhler, Ken

From: Brad Woerner <bwoerner@stockwellengineers.com>
Sent: Thursday, January 05, 2017 10:03 AM
To: Buhler, Ken
Subject: RE: Schwartz Farms - Kaylor Site

Ken,

I was able to connect with Tim Schwartz and confirm the additional usage for the facility. Including animals, cool cells, office, etc., the site could use an additional 25-30 gpm. Looking at their existing usage, this would put the peak usage between 50-60 gpm. We did discuss the overall volume on a yearly basis. Based on their other farms similar in size to this one, they are comfortable with the annual volume of 45 ac-ft and the peak flowrate of 60 gpm.

Hope this answers what you needed? If not, please let me know. I should be in the office the balance of today. You can call the office or my cell phone, whichever works for you.

Thanks!

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com
Phone: 605.665.8092
Cell: 605.660.1362
Fax: 605.665.0523
215 Walnut Street
Yankton, SD 57078
stockwellengineers.com

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From: Buhler, Ken [<mailto:Ken.Buhler@state.sd.us>]
Sent: Wednesday, January 04, 2017 09:42
To: Brad Woerner <bwoerner@stockwellengineers.com>
Subject: RE: Schwartz Farms - Kaylor Site

Thanks Brad

From: Brad Woerner [<mailto:bwoerner@stockwellengineers.com>]
Sent: Wednesday, January 04, 2017 9:25 AM
To: Buhler, Ken
Subject: RE: Schwartz Farms - Kaylor Site

Ken

I've been playing phone tag with Tim Schwartz. We have some prelim numbers for usage but he and I wanted to confirm before sending the number to you.

I will call him this morning and try to get this wrapped up for you.

Sorry it has taken this long. Always fun to try and work around Holidays....

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com

Phone: 605.665.8092

Cell: 605.660.1362

Fax: 605.665.0523

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From: Buhler, Ken [<mailto:Ken.Buhler@state.sd.us>]
Sent: Wednesday, January 04, 2017 09:20
To: Brad Woerner <bwoerner@stockwellengineers.com>
Subject: RE: Schwartz Farms - Kaylor Site

Good morning Brad,

Have you been able to work up an estimate of the amount of water that will be involved in the new appropriation proposed by Schwartz Farms? To refresh your memory, the application I'm working on will add a third well and increase the maximum diversion rate authorized for the facility from 0.07 cfs to 0.14 cfs. The permit, if approved will limit diversions from the facility to 45 acre-feet annually. I would like to be able to report an estimated change in the annual diversion rate that would result from the approval of this application.

Thanks in advance for your help on this.

Ken Buhler
SD DENR-Water Rights Program
605.773.4060

From: Brad Woerner [<mailto:bwoerner@stockwellengineers.com>]
Sent: Tuesday, December 27, 2016 12:01 PM
To: Buhler, Ken
Subject: Schwartz Farms - Kaylor Site

Ken,
I have a voicemail in to Tim Schwartz to see what info they may have for historical usage and/or future usage from the additional animals.

I did speak with the farm manager, also. He said they installed a flow meter around December 1st of this year. The info from that meter will not be a good representation of the year round numbers but he is going to forward the data to me regardless.

I will let you know when I get what you are needing.

Thanks,

Bradley S. Woerner, PE
PROJECT MANAGER



bwoerner@stockwellengineers.com

Phone: 605.665.8092

Cell: 605.660.1362

Fax: 605.665.0523

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Yankton, SD 57078

stockwellengineers.com

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**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

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

denr.sd.gov

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 8249-3, Schwartz Farms, Inc.**

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. 8249-3, Schwartz Farms, Inc., c/o John Schwartz, 32296 190th Street, Sleepy Eye, MN 56085.

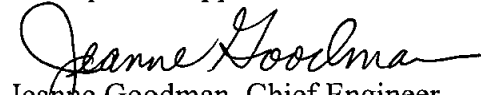
The Chief Engineer is recommending APPROVAL of Application No. 8249-3 because 1) there is reasonable probability that there is unappropriated water available for the applicant's proposed use, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use, 4) it is in the public interest with the following qualifications:

1. The wells approved under Water Right No. 6038-3 and Water Permit No. 8249-3 will be located near domestic wells and other wells which may obtain water from the same aquifer. The well owner, under these Permits shall control 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 new well authorized by Permit No. 8249-3 shall be constructed by a licensed well driller and construction of the well and installation of the pump shall comply with Water Management Board Well Construction Rules, Chapter 74:02:04 with the well casing pressure grouted (bottom to top) pursuant to Section 74:02:04:28.
3. The wells authorized by Water Right no. 6038-3 and Water Permit No. 8249-3 shall be valved and the flow reduced to the amount needed or to a minimum when not being used (directly or for storage purposes). If the wells are abandoned or the Permit cancelled, the wells must be plugged in accordance with Water Management Board Rules, Chapter 74:02:04.
4. Water Right No. 6038-3 and Water Permit No. 8249-3 are 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.
5. Water Right No. 6038-3 and Water Permit No. 8249-3 are 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

6. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Dakota aquifer.
7. Water Right No. 6038-3 and Water Permit No. 8249-3, combined, authorize a total annual diversion of 45 acre feet of water.

See report on application for additional information.


Jeanne Goodman, Chief Engineer
January 18, 2017

**REPORT TO THE CHIEF ENGINEER
ON
WATER PERMIT APPLICATION NO. 8249-3
SCHWARTZ FARMS INC., KAYLOR SITE
DECEMBER 21, 2016**

Water Permit Application No. 8249-3 proposes authorization to construct a well into the Dakota aquifer. The well will be used in conjunction with two wells authorized by Water Right No. 6038-3 to supply water for a commercial use in a swine operation. Water Right No. 6038-3 authorizes a maximum diversion rate of 0.07 cubic feet of water per second (cfs) from two wells completed into the Dakota aquifer. Water Permit No. 8249-3, if approved, will authorize a maximum total diversion rate from the three wells that are to serve the facility of 0.14 cfs. This permit, if approved, will also establish a maximum annual diversion limit of 45 acre-feet per year (ac-ft/yr) for this swine operation (i.e. total diversions authorized by Water Right No. 6038-3 and Water Permit No. 8249-3 combined). The concentrated animal feeding operation is located in the SW¼ Sec.8, T97N-R59W, the existing wells are located in the NW¼ SW¼ Sec. 8, T97N-R59W, the proposed well is to be located in the SW¼ SW¼ Sec. 8, T97N-R59W.

AQUIFER: DAKOTA AQUIFER (DKOT)

AQUIFER CHARACTERISTICS:

The Dakota aquifer consists of the permeable beds of sand and sandstone contained in the Cretaceous age Dakota Formation. The lithology of the Dakota Formation is quite variable both laterally and vertically, consisting of interbedded sand, sandstone, and shale. "The aquifer is composed of a very fine- to medium-grained, friable to well-cemented, quartzose sandstone interbedded with claystone layers as much as 70 ft thick" (Lindgren and Hansen, 1990). The porosity of the Dakota varies with the lithology but is assumed to average 15%, and the specific yield of the aquifer is assumed to be 0.075 (Hedges and others, 1982). Over large areas of the eastern part of State, the Dakota Formation can be subdivided into three units: an upper unit consisting of light-brown to reddish-brown, fine-to medium-grained, friable, sandstone that is interbedded with gray to dark-gray shale and thin, discontinuous beds of lignite; a middle unit consisting of a gray silty clay; and a lower unit consisting of medium-to coarse-grained quartz sandstone (Schoon, 1971). In western Hutchinson County the aquifer is characterized by two sand layers. These sand layers thin to the east and pinch out against Sioux Quartzite (Lindgren and Hansen, 1990). In the area of this proposed project, the Dakota Formation is overlain by the Granarous Shale. In this area, the Dakota Formation overlies either Sioux Quartzite or Quartzite wash (Lithologic Logs Database). The completion reports on file for the wells that currently supply this facility report the top of the Dakota at 510 feet and 506 feet below grade (Water Rights, 2017c). One of the existing wells only penetrated 28 feet of the Dakota Formation, while the second well identifies 134 feet of the formation. The completion report for the well completed July 14, 2001, reports a closed in pressure for the well of 20 pounds per square inch (psi). Therefore the potentiometric surface of the Dakota aquifer at this site is approximately 1439 feet above mean sea level elevation (fmsl).

"The Dakota sandstone is the most widely extended and serviceable water-bearing formation in South Dakota and it is the principal source of artesian flow in the many wells." (Darton, 1909) The Dakota Formation underlies approximately 66,500 square miles of the 77,047 total square miles that constitute the State (Schoon, 1971). The aquifer contains 1.1 billion acre-feet of water

in storage in South Dakota (Schoon, 1971). The total recoverable water in storage in the Dakota Formation in eastern South Dakota is estimated to be 381,104,000 acre-feet of water (Hedges and others, 1982). The Dakota-Newcastle Formation contains another 308,442,000 acre-feet of recoverable water in storage in western South Dakota (Allen and others, 1985).

SOUTH DAKOTA CODIFIED LAW (SDCL) 46-2A-9:

South Dakota Codified Law (SDCL) 46-2A-9 requires “A permit to appropriate water may be issued only if there is reasonable probability that there is unappropriated water available for the applicant's proposed use, that the proposed diversion can be developed without unlawful impairment of existing rights and that the proposed use is a beneficial use and in the public interest.” This report will address the availability of unappropriated water from the aquifer and existing water rights.

Water Availability:

Water Permit Application No. 8249-3 proposes to appropriate water from the Dakota aquifer. This application proposes to increase the instantaneous diversion rate from wells at the facility by 0.07 cfs (31.4 gpm), and establish a maximum annual diversion limit of 45 acre-feet per year (ac-ft/yr) for this swine operation. The current usage of the Dakota aquifer at this facility is estimated to average 27- 29.25 ac-ft/yr (Bradley S. Woerner, email message to author, January 05, 2017). Therefore, this application is proposing authorization to withdraw an additional 15.75-18 ac-ft/yr. The probability of 15.75-18 ac-ft/yr of unappropriated water available from the Dakota aquifer can be evaluated by considering SDCL 46-6-3.1 which requires “No application to appropriate groundwater may be approved if, according to the best information reasonably available, it is probable that the quantity of water withdrawn annually from a groundwater source will exceed the quantity of the average estimated annual recharge of water to the groundwater source.” If the source of the water is older or lower than the Greenhorn Formation and a water distribution system has applied for a permit, the Board need not consider the recharge/withdrawal issue. Although there is an exception to the recharge/withdrawal consideration in SDCL 46-6-3.1, it applies only to applications filed by water distribution systems and is not applicable here.

On an aquifer wide basis, data is not available to compare an average annual recharge estimate for the Dakota aquifer with an average annual withdrawal estimate for the aquifer. Since the early 1900's there has been concern in regard to the declining artesian head of the Dakota Formation. This artesian pressure decline has been well documented, and in some parts of the state, water levels have declined several hundred feet since the aquifer was first developed. Some have interpreted this declining pressure as an indicator that the Dakota is being “mined”. As Schoon (1971) states: “The fact that withdrawal from the artesian system exceeds recharge is clearly demonstrated by declining pressures.”

On a more localized level, recharge to the Dakota aquifer in Hutchinson County is through subsurface inflow from outside the county, and Lindgren and Hansen (1990) postulate recharge may also be from the underlying Sioux Quartzite in northeastern Hutchinson County and northern Turner County. Lindgren and Hansen (1990) contend that water levels in the Dakota aquifer in Hutchinson and Turner Counties show a close correlation with long-term trends in precipitation. Discharge from the Dakota aquifer in Hutchinson County is to the Lower-James Missouri aquifer (Lindgren and Hansen, 1990), through well withdrawals and as groundwater outflow to adjacent counties. Groundwater outflow from Hutchinson County is toward the major

discharge areas for the Dakota aquifer in southeastern South Dakota which include the Lower Vermillion-Missouri aquifer in Clay County (Stephens, 1967) and the Missouri aquifer in Union County. Lindgren and Hansen, (1990) suggest that there may be a hydraulic connection between the Niobrara and Dakota aquifers in northwestern Turner County with a gradient from the Niobrara to the Dakota during winter, fall, and spring and a gradient from the Dakota to the Niobrara during the summer.

The DENR-Water Rights Program monitors 46 observation wells completed into the Dakota aquifer (Water Rights, 2017a). The nearest Dakota aquifer observation well, HT-80B, is located approximately 12 miles east-southeast of the well site proposed by this application. Considering the regional aspect of this artesian aquifer, at a distance of 12 miles, this observation well can be considered representative of this area. A hydrograph for the observation well is shown in Figure 1. The water level data suggests a correlation with area precipitation and that over the period of record (1980-2016) the potentiometric surface of the Dakota aquifer in the area has actually risen.

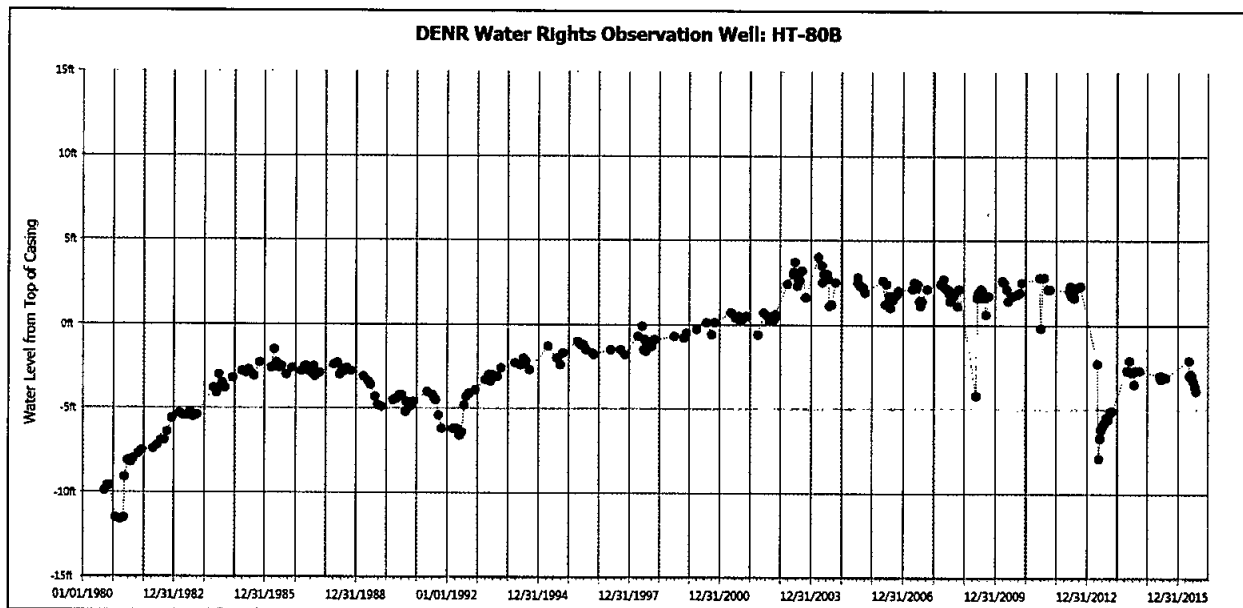


Figure 1. Hydrograph for Observation Well HT-80B which is completed into the Dakota aquifer approximately 12 miles east-southeast of the well site proposed by Application No. 8249-3.

Outside of the area represented by observation well HT-80B, the Dakota aquifer observation well data may respond differently. For example, observation well AU-89A, which is located approximately 40 miles northwest of the well site proposed by Application No. 8249-3 does not appear to reflect climatic conditions and documents a fairly steady decline of 12.9 foot in the potentiometric surface of over the period of record (1990-2016) (see Figure 2.).

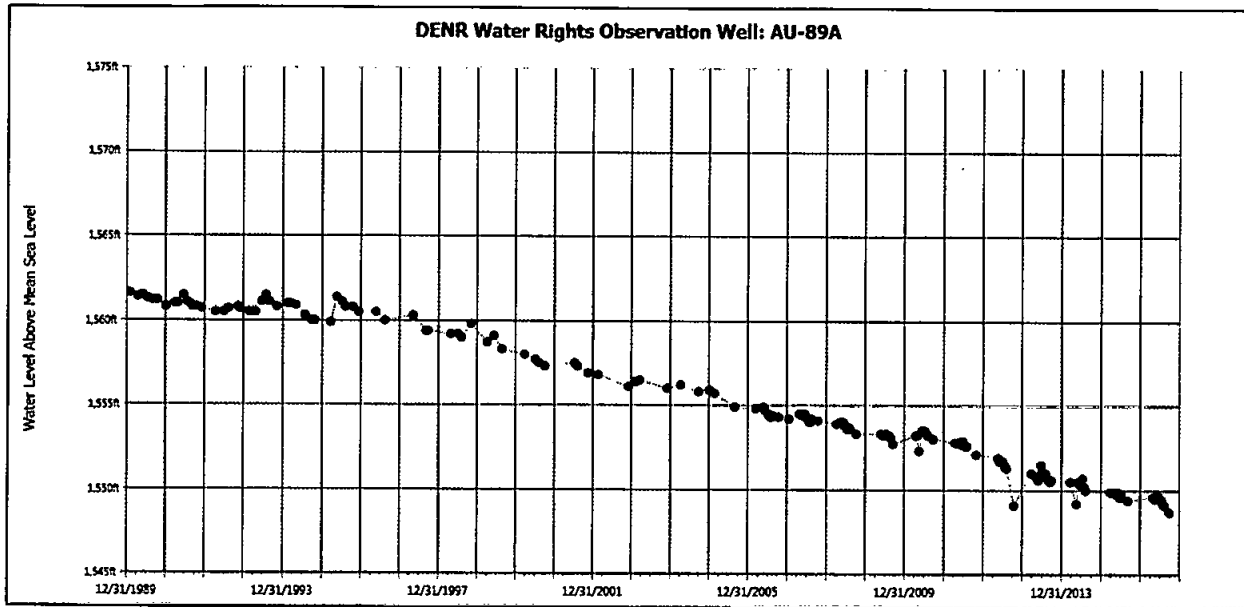


Figure 2. Hydrograph for Observation Well AU-89A which is completed into the Dakota aquifer approximately 43 miles northwest of the well site proposed by Application No. 8249-3.

Although the water level fluctuations in AU-89A may be influenced by the total withdrawal by all wells and the amount of recharge to the aquifer, they likely have been more influenced by local conditions and the draft on the aquifer near the well.

Groundwater development disrupted the natural equilibrium that existed in the Dakota aquifer where, on average recharge equaled natural discharge. Eventually, the groundwater system will reach a new equilibrium through a decrease in storage in the aquifer, a reduction in the natural discharge from the aquifer, an increase in recharge, or a combination of these changes. Large ground water systems, like the Dakota aquifer, take long periods of time to reach a new steady-state condition.

The potentiometric surface for the Dakota aquifer in the vicinity of this well site has been estimated for different time periods. The approximate elevations of the potentiometric surface in the vicinity of the well site proposed by this application are shown in Table 1.

Table 1. Potentiometric surface for the Dakota aquifer in the vicinity of the well site proposed by Water Permit Application No. 8249-3.

Date	Potentiometric Surface (feet above mean sea level elevation)	Source
1909	1450	Schoon, 1971
1914-15	1450	Schoon, 1971
1936-53	1425	Schoon, 1971
1986	1430	Lindgren and Hansen, 1990
2001	1439	Water Rights, 2017c

Within the accuracy of the potentiometric surface maps, interpretation of the maps, and the data reported by the drillers on completion reports, the potentiometric surface appears to be reaching a new equilibrium in this area.

The Water Management Board has carefully considered the issue of declining pressures in the Dakota aquifer. In its deliberation and approval of Permit No. 5136-3, the Board adopted findings of fact and conclusions of law that basically stated that the quantity of the average estimated annual recharge to the Dakota is not likely to be quantified in the near future. The Board concluded that whether withdrawals exceed the average annual recharge cannot be determined based solely upon a decline in head pressure and in theory the Dakota aquifer head pressure is stabilizing relative to withdrawals and discharges. The Board found that the decline of head pressure is due to water being discharged without beneficial use through uncontrolled flowing wells and that water discharged from uncontrolled flowing wells does not constitute withdrawal (appropriation) pursuant to SDCL 46-6-3.1. The Board also found that withdrawals pursuant to SDCL 46-6-3.1 are appropriations for beneficial uses of water, including withdrawals through private domestic wells for domestic use (Water Rights, 1987).

In this area, the artesian pressure of the Dakota aquifer appears to not be declining, thus minimizing the need to rely on the principles summarized above to rationalize approval of a water permit appropriation. The steady-state condition in this area indicates that well withdrawals plus natural discharge does not exceed recharge. Well withdrawals from the aquifer can be separated into two categories: (a) withdrawals which are placed to beneficial use; and (b) withdrawals that are unused. Water discharged from flowing wells that is wasted can be captured by increasing the water applied to beneficial use. Therefore, unappropriated water is available for further additional appropriations from the Dakota aquifer in this area.

Existing Water Rights:

The nearest water right/permit appropriating water from the Dakota aquifer (Water Right No. 6228-3, Starburst Farms Coop) is located approximately 4.75 miles north of the well site proposed by this application. The next nearest water right/permits are for the City of Tyndall which is over 16 miles south of this project area (Water Rights, 2017b). There are a number of domestic wells completed into the Dakota aquifer in this area. Many of these wells free flow and have relatively low shut in pressures (Water Rights, 2017c). The Dakota aquifer is confined and under artesian conditions in this area and drawdown resulting from the withdrawal proposed by this application may extend some distance from a production well. Although this permit application proposes to authorize a maximum rate of 0.14 cfs (approximately 62.8 gallons per minute (gpm)), the annual diversion rate of 45 ac-ft/yr is equivalent to an average diversion rate of 0.0062 cfs (27.9 gpm). At an average diversion rate of 27.9 gpm, the distance between this project area and existing appropriative rights is sufficient to ensure existing rights will not be unlawfully impaired.

Completion reports on file with the DENR-Water Rights Program identify over 550 feet of artesian head pressure in this area (Water Rights, 2017c). Wells supplying existing water rights/permits and domestic uses are protected from adverse impacts per Water Management Board rules 74:02:04 and 74:02:05, which were promulgated pursuant to SDCL 46-6-6.1. These rules provide for the regulation of large capacity wells to the degree necessary to maintain an adequate depth of water for a prior appropriator in wells that have the ability to produce water **independent of artesian pressure**. Simply put, the pump placement in a prior appropriator's well is not necessarily protected.

If the water levels in the Dakota aquifer were to decline, owners of existing wells bear the responsibility of lowering the pump inlet in the well to the top of the aquifer, if necessary.

Increased lift would decrease the pump discharge or require a larger pump or a different type of a pump to maintain the same output.

An increase in operating expenses that may result from interference between wells is not necessarily an adverse impact. The Water Management Board considered this situation in the matter of Water Permit Application 2313-2, Coca-Cola Bottling Company of the Black Hills (Water Rights, 1995). The Board adopted findings of fact and conclusions of law that basically state that if the increased cost or decreased production is considered an adverse impact, it could be in conflict with SDCL 46-1-4, which requires South Dakota's water resources to be put to beneficial use to the fullest extent of which they are capable.

CONCLUSIONS:

1. Water Permit Application No. 8249-3 proposes authorization to construct a well into the Dakota aquifer.
2. This application proposes to use the additional well in conjunction with two wells authorized by Water Right No. 6038-3 to supply water for a commercial use in a swine operation.
3. Water Permit No. 8249-3, if approved, will authorize a maximum total diversion rate from the three wells that are to serve the facility of 0.14 cfs.
4. Water Permit No. 8249-3, if approved, will also establish a maximum annual diversion limit of 45 acre-feet per year from the Dakota aquifer at this facility.
5. Water levels in the Dakota aquifer have declined in many parts of the State since the first wells were completed into the aquifer.
6. The Water Management Board has concluded that whether withdrawals exceed average annual recharge cannot be determined based solely upon a decline in head pressure.
7. The potentiometric surface of the Dakota aquifer has declined primarily as a result of the waste of water from uncontrolled flowing wells.
8. The Water Management Board has concluded that in reference to SDCL 46-6-3.1, "withdrawals" applies only to water placed to beneficial use via appropriations or domestic use.
9. The Water Management Board's position has been to optimize development for beneficial use from the Dakota aquifer.
10. The potentiometric surface of the Dakota aquifer appears to be near a steady-state condition in the area of the well site proposed by this application.
11. Steady-state condition in this area indicates that well withdrawals plus natural discharge does not exceed recharge.
12. Water discharged from flowing wells that is wasted can be captured by increasing the water applied to beneficial use. Therefore, unappropriated water is available for further additional appropriations from the Dakota aquifer in this area.
13. There is a reasonable probability that existing water rights/permits will not be adversely impacted if this application is approved.



Ken Buhler
SD DENR-Water Rights Program

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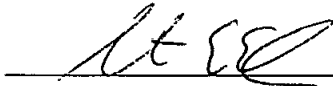
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WATER RIGHTS
PROGRAM

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JANUARY 25, 2017

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THAT NO AGREEMENT OR UNDERSTAND-
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HAS BEEN MADE WITH ANY PERSON,
AND THAT NO PART OF THE FEE HAS
BEEN AGREED TO BE PAID TO ANY
OTHER PERSON.



SUBSCRIBED AND SWORN TO BEFORE
ME THIS 25TH DAY OF JANUARY
A.D., 2017



NOTARY PUBLIC, COUNTY OF
HUTCHINSON, SOUTH DAKOTA



MY COMMISSION EXPIRES
JANUARY 12, 2022

NOTICE OF APPLICATION
NO. 8249-3 TO
APPROPRIATE WATER

Notice is given that Schwartz
Farms Inc., c/o John Schwartz, 32296
190th St., Sleepy Eye, MN 56085 has
filed an application for an additional
well and to increase the diversion rate
authorized by Water Right No. 6038-
3. Water Right No. 6038-3 authorizes
0.07 cubic feet of water per second
(cfs) from two wells completed into
the Dakota Aquifer located in the NW
1/4 SW 1/4 Section 8-T97N-R59W. This
application proposes to construct an
additional well to be completed into

the Dakota Aquifer (640 feet deep)
located in the SW 1/4 SW 1/4 Section
8-T97N-R59W. The application will
increase the total water appropriation
from 0.07 cfs to 0.14 cfs. This applica-
tion will also set a combined annual
volume of water authorized by Water
Right No. 6038-3 and Water Permit
No. 8249-3 of 45 acre-feet of water an-
nually. The water is for commercial
use in a swine operation located in the
SW 1/4 Section 8-T97N-R59W.

Pursuant to SDCL 46-2A-2, the Chief
Engineer recommends APPROVAL
of Application No. 8249-3 with quali-
fications because 1.) unappropriated
water is available, 2.) existing rights
will not be unlawfully impaired, 3.)
it is a beneficial use of water, and
4.) it is in the public interest. The
Chief Engineer's recommendation
with qualifications, the application,
and staff report are available at
<http://denr.sd.gov/public> or contact
Eric Gronlund for this information,
or other information, at the Water
Rights Program address provided
below.

Any person interested in opposing
or supporting this application or
recommendation must file a written
petition with BOTH the applicant and
Chief Engineer. The applicant must
file a petition if contesting the Chief
Engineer's recommendation. The
Chief Engineer's address is "Water
Rights Program, Foss Building, 523
E. Capitol, Pierre, SD 57501 (605 773-
3352)" and the applicant's mailing
address is given above. A petition filed
by either an interested person or the
applicant must be filed by February
6, 2017.

The petition may be informal, but
must include a statement describ-
ing the petitioner's interest in the
application, the petitioner's reasons
for opposing or supporting the ap-
plication, and the signature and
mailing address of the petitioner or
the petitioner's legal counsel, if legal
counsel is obtained.

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

Steven M. Pirner, Secretary, Depart-
ment of Environment and Natural Re-
sources.

Published once at the total approxi-
mate cost of \$33.63.

AFFIDAVIT OF PUBLICATION

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WATER RIGHTS
PROGRAM

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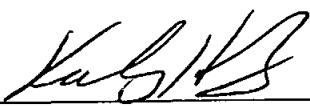
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COUNTY OF YANKTON

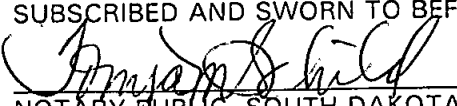
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MEDIA INC, A CORPORATION, THE PRINTER AND THE PUBLISHER OF THE
YANKTON DAILY PRESS AND DAKOTAN, A LEGAL DAILY NEWSPAPER
PUBLISHED AND CIRCULATED IN THE CITY OF YANKTON, SAID COUNTY
AND STATE, AND ONE OF THE OFFICIAL NEWSPAPERS OF THE SAID
COUNTY OF FACTS STATED IN THIS AFFIDAVIT; THAT THE ANNEXED
1 + 25 NOTICE OF APPLICATI

TAKEN FROM THE PAPER, IN WHICH IT WAS LAST PUBLISHED IN THE
NEWSPAPER ON THE 25th DAY OF January, 2017
THAT THE FULL AMOUNT OF THE FEE CHARGED FOR THE PUBLICATION
OF SAID NOTICE TO WIT \$30.41 ENSURES TO THE
BENEFITS OF THE PUBLISHER OF SAID NEWSPAPER AND THAT NO
AGREEMENT AND UNDERSTANDING FOR THE DIVISION THEREOF HAS
BEEN MADE WITH ANY OTHER PERSON, AND THAT NO PART THEREOF
HAS BEEN AGREED TO BE PAID TO ANY PERSON WHOMSOEVER.

PUBLISHED ON: 01/25/2017

FILED ON: 01/25/2017


SUBSCRIBED AND SWORN TO BEFORE ME THIS 25th DAY OF January, 2017


NOTARY PUBLIC, SOUTH DAKOTA
MY COMMISSION EXPIRES 08/19/2021

NOTICE OF APPLICATION NO. 8249-3 to Appropriate Water

Notice is given that Schwartz Farms Inc., c/o John Schwartz, 32296 190th St, Sleepy Eye MN 56085 has filed an application for an additional well and to increase the diversion rate authorized by Water Right No. 6038-3. Water Right No. 6038-3 authorizes 0.07 cubic feet of water per second (cfs) from two wells completed into the Dakota Aquifer located in the NW 1/4 SW 1/4 Section 8-T97N-R59W. This application proposes to construct an additional well to be completed into the Dakota Aquifer (640 feet deep) located in the SW 1/4 SW 1/4 Section 8-T97N-R59W. The application will increase the total water appropriation from 0.07 cfs to 0.14 cfs. This application will also set a combined annual volume of water authorized by Water Right No. 6038-3 and Water Permit No. 8249-3 of 45 acre-feet of water annually. The water is for commercial use in a swine operation located in the SW 1/4 Section 8-T97N-R59W.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 8249-3 with qualifications because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest. The Chief Engineers recommendation with qualifications, the application, and staff report are available at <http://denr.sd.gov/public> or contact Eric Gronlund for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352) and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by February 6, 2017.

The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

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

Steven M. Pirner, Secretary, Department of Environment and Natural Resources.
Published once at the total approximate cost of \$30.41.

Schlaak, Karen

From: Schlaak, Karen
Sent: Thursday, January 19, 2017 8:07 AM
To: advance@santel.net
Subject: 8249-3, Schwartz Farms Inc
Attachments: 8249-3public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on January 25, 2017.

Schwartz Farms, Inc, c/o John Schwartz, 32296 190th St, Sleepy Eye MN 56085 (507 794-5779) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP.

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

Karen Schlaak
Water Rights Program
523 E Capitol Ave
Pierre SD 57501
Phone: 605 773-3352

Schlaak, Karen

From: Schlaak, Karen
Sent: Thursday, January 19, 2017 8:07 AM
To: 'Tera Schmidt'
Subject: 8249-3, Schwartz Farms Inc
Attachments: 8249-3public.short.docx; FORM8.FRM.doc

Attached is a notice to be published on January 25, 2017.

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Please send the affidavit or return the attached Proof of Publication form ASAP.

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

Karen Schlaak
Water Rights Program
523 E Capitol Ave
Pierre SD 57501
Phone: 605 773-3352



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

denr.sd.gov

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

January 18, 2017

Schwartz Farms Inc
John Schwartz
32296 190th St
Sleepy Eye MN 56085

Dear Mr. Schwartz:

Water Permit Application No. 8249-3 for commercial use has been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Parkston Advance printed at Parkston SD (Ph # 605-928-3111) and the Press & Dakotan printed at Yankton SD (Ph # 605-665-7811). You will need to contact the newspaper(s) 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(s) to authorize publication of your Notice and to arrange for payment. Early contact with the paper(s) can eliminate delays. Upon receiving authorization from you, the publisher has been instructed to publish your notice. The newspaper has also been instructed to send us the Proof of Publication. We must receive Proof of Publication before action can be taken on the application.

Sincerely,

Eric Gronlund
Natural Resources Engineer
(605) 773-3352

cc: Stockwell Engineering, Bradley Woerner, 215 Walnut St, Yankton SD 57078

enclosures

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

NOTICE OF APPLICATION NO. 8249-3 to Appropriate Water

Notice is given that Schwartz Farms Inc., c/o John Schwartz, 32296 190th St, Sleepy Eye MN 56085 has filed an application for an additional well and to increase the diversion rate authorized by Water Right No. 6038-3. Water Right No. 6038-3 authorizes 0.07 cubic feet of water per second (cfs) from two wells completed into the Dakota Aquifer located in the NW 1/4 SW 1/4 Section 8-T97N-R59W. This application proposes to construct an additional well to be completed into the Dakota Aquifer (640 feet deep) located in the SW 1/4 SW 1/4 Section 8-T97N-R59W. The application will increase the total water appropriation from 0.07 cfs to 0.14 cfs. This application will also set a combined annual volume of water authorized by Water Right No. 6038-3 and Water Permit No. 8249-3 of 45 acre-feet of water annually. The water is for commercial use in a swine operation located in the SW 1/4 Section 8-T97N-R59W.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 8249-3 with qualifications because 1) unappropriated water is available, 2) existing rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <http://denr.sd.gov/public> or contact Eric Gronlund for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing or supporting this application or recommendation must file a written petition with BOTH the applicant and Chief Engineer. The applicant must file a petition if contesting the Chief Engineer's recommendation. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501 (605 773-3352)" and the applicant's mailing address is given above. A petition filed by either an interested person or the applicant must be filed by February 6, 2017.

The petition may be informal, but must include a statement describing the petitioner's interest in the application, the petitioner's reasons for opposing or supporting the application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained.

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

Steven M. Pirner, Secretary, Department of Environment and Natural Resources. Published once at the total approximate cost of _____.



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

8249-3

MAR 02 2017

Schwartz Farms Inc. – Kaylor Site
c/o John Schwartz
32296 190th St
Sleepy Eye MN 56085

Dear Mr. Schwartz:

Enclosed is Water Permit No. 8249-3 authorizing construction of the water diversion system and beneficial use of the water, not exceeding the limits as specified in the water permit.

The application was submitted with a fee of \$700.00. The application /license fee for Permit No. 8249-3 is \$300.00. Therefore, \$400.00 will be refunded to you. The refund check should be received within a couple of weeks.

Form 10, *Notice of Completion of Works and Application of Water to Beneficial Use*, are enclosed. Please return the 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,

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

enclosures

8249-3

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

Date January 25, 2018

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

FROM: Schwartz Farms, Inc - Kaylor Site (c/o John Schwartz)

(name)
32296 190th Street

(address)

Sleepy Eye, MN 56085

(city, state, zip)

(507) 794-5779

(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. 8249-3 states that the water use system is to be constructed by
February 6, 2022 , and water is to be put to beneficial use by February 6, 2026
(date) (date)

The water use system was completed on ~June 2017
(date)

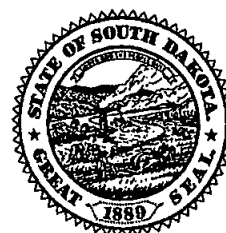
Applying the water to beneficial use was completed on ~June 2017
(date)

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


(signature)

Stockwell Engineers, Inc.

7-98 Brad Woerner, PE on behalf of
Schwartz Farms, Inc.





DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

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

January 29, 2018

8249-3

John Schwartz
Schwartz Farms Inc
32296 190th St
Sleepy Eye MN 56085

Dear Mr. Schwartz:

I am writing to acknowledge receipt of the "Notice of Completion of Works" form sent in to let us know the development under Water Permit No. 8249-3 for your confinement unit is 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 your project and the staff inspection has no bearing on your 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
Water Rights Program
(605) 773-3352
email: genny.mcmath@state.sd.us

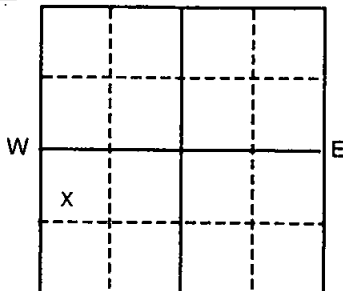
SOUTH DAKOTA WATER WELL COMPLETION REPORT

11-02

Location NW ¼ SW ¼ Sec 8 Twp 97 Rg 59

County Hutchinson

North

Please mark well
location with an "X"

Well Completion Date

6/15/2017

1 Mile

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

PROPOSED USE:

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

METHOD OF DRILLING:

Forward Rotary

CASING DATA:

If other describe

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
LB/FT	5 IN	0 FT	300 FT	8.75 IN
LB/FT	2 IN	300 FT	460 FT	6.75 IN
LB/FT	2.5 IN	460 FT	705 FT	4.75 IN

GROUTING DATA:

Grout Type	No. of Sacks	Grout Weight	From	To
DF Grout	39	Lb/gal	0 Ft	476 Ft
		Lb/gal	Ft	Ft

Describe grouting procedure

SCREEN:

☐ Perforated pipe ☒ Manufactured
Diameter 2.5 Inches Length 225 Feet

Material SCH 80

Slot Size 0.025 Set From 480 Feet to 705 Feet

Other information

WAS A PACKER OR SEAL USED? ☒ Yes ☐ No

If so, what material? Sand 31 Bags 60/65 Sand

Describe packer(s) and location

476-705'

DISINFECTION: Was well disinfected upon completion?

☐ Yes, How?☐ No, Why Not?Lab to which water
quality sample sent for analysis

Well Owner: Schwartz Farms

Business Name:

Address: 41151 275th St

City, State, Zip: Parkston SD 57366

WELL LOG:

FORMATION	DEPTH	
	FROM	TO
Yellow Clay	0	27
Blue Clay w/ Rock	27	290
Shale	290	480
Shale w/ Hard Spots	480	500
Tight to Fair Sand w/ Shale Breaks	500	705

STATIC WATER LEVEL

If flowing: closed in pressure 20 AM per 2/3/18 PSI
GPM flow 75 through 2.5 Inch pipeControlled by ☒ Valve ☐ Reducers ☐ Other

Reduced flow rate GPM

Can well be completely shut in?

WELL TEST DATA:

☒ Pumped Describe: w/ Air☐ Bailed☐ Other

Pumping Level Below Land Surface

Ft. After Hrs. pumped 150+ GPM

Ft. After Hrs. pumped GPM

If pump installed, pump rate: GPM

REMARKS

Dakota AM

This well was drilled under license # 440 and this
report is true and accurate.

Drilling firm: Pullman Well Drilling Inc.

Signature of License Representative:

Signature of Well Owner or Equitable Property Holder:

Date:

RECEIVED
FEB 02 2018
WATER RIGHTS
PROGRAM