

WATER PERMIT NO. 8617-3

Name of Applicant: Victory Farms LLC

Address: 48176 153rd St, Milbank SD 57252

Phone: 605 237-8391

Amount of Water Claimed: 0.34 add'l cfs

Total Acres: NA

Source of Water Supply: groundwater (2 existing wells)

Water to be used for: commercial

County: Grant

Type of Waste Disposal System:

Location: 12 miles southwest of Milbank

PRIORITY

Date Received: 3-24-22

Application/License Fee: \$ 500

Corrected Application Received:

Period of Annual Use: Jan 1 – December 31

Remarks: Based on inspection by Darrell DeBoer

Diversion Point: SE 1/4 SE 1/4 Sec 32-T119N-
R48W

Land to be Irrigated: NA

Depth of Well: 144 and 148 feet deep

Well Driller:

Remarks:

Type of Map: aerial

Prepared by:

Reviewed and the Number Assigned on: 3-24-22

By: Karen Schlaak

Notice of Hearing - date to intervene: _____

			32		
				⊗	

**SOUTH DAKOTA
WATER PERMIT NO. 8617-3**

Date of first receipt of application March 24, 2022.

The Chief Engineer, on behalf of the Water Management Board, issues Water Permit No. 8617-3 to Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 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. 8617-3 appropriates an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3. Water Permit No. 8015-3 appropriates 0.33 cfs from two wells (144 and 148 feet deep) located in the SE 1/4 SE 1/4 Section 32-T119N-R48W for commercial use in a dairy operation. Water Permit No. 8015-3 identified the aquifer to be the Veblen Aquifer. This permit also serves to correct the water source to the Reville Aquifer. An investigation of the permit found the system capable of diverting an additional 0.34 cfs from the two existing wells. This permit and Water Permit No. 8015-3 will authorize a total of 122 acre-feet of water annually at a maximum pump rate of 0.67 cfs for the dairy operation located in the S 1/2 SE 1/4 Section 32-T119N-R48W. This site is located approximately 10 miles south of Milbank.
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 dates from which applicant may claim right are March 24, 2022 (0.34 cfs) and May 13, 2014 (0.33 cfs).
5. The date of approval of Permit No. 8617-3 is July 5, 2022.
6. 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 Permit Nos. 8015-3 and 8617-3 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. Water Permit Nos. 8015-3 and 8617-3 are subject to compliance with requirements of the Department's Water Pollution Control Permit issued pursuant to SDCL 34A-2-36 or 34A-2-36.2 or 34A-2-112 or 34A-2-124 for concentrated animal feeding operations.
3. Water Permit Nos. 8015-3 and 8617-3 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

(continued)

Water Permit No. 8617-3
Victory Farms LLC
Page 2

4. Approval of Water Permit No. 8617-3 corrects the water source identified on Water Permit No. 8015-3 to the Revillo aquifer. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Revillo aquifer.
5. Water Permit Nos. 8015-3 and 8617-3, combined, authorize a total annual diversion of 122 acre-feet of water from the Revillo aquifer.

WATER MANAGEMENT BOARD

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

AUG 04 2022
date



STATE OF SOUTH DAKOTA
WATER LICENSE NO. 8617-3

(1) Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 made Application No. 8617-3, March 24, 2022, for a water permit to divert an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3 from groundwater (Revilla Aquifer), Grant County, South Dakota. Permit No. 8617-3, with a priority date of March 24, 2022 was approved July 5, 2022 and issued to the applicant for diversion of water with construction of the described water supply system and application to beneficial use completed.

Water Permit No. 8015-3, with a priority date of May 13, 2014 authorized 0.33 cfs from two wells for commercial use. The applicable portions of No. 8015-3 are incorporated into this water license.

(2) It is certified that the permit holder has complied with the provisions of South Dakota State Law relating to completion of the construction of the water supply system and is entitled to divert 0.67 cubic feet of water per second for beneficial use. The location of the two diversion points are:

- Well # 1 – 280'N and 340'W Latitude 45.06437 Longitude -96.60053
 - Well #2 – 310'N and 340'W Latitude 45.06437 Longitude -96.60061
- both from the SE corner of Section 32-T119N-R48W (SE 1/4 SE 1/4)

(3) Pursuant to South Dakota Water Law 46-5-30.1 Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 the holder and/or owner of Incorporated Water Right No. 8617-3 is issued a license to appropriate water, the right to use 0.67 cubic feet of water per second (122 acre-feet annually) from groundwater (2 wells) Revilla Aquifer with priority dates of May 13, 2014 (0.33 cfs) and March 24, 2022 (0.34 cfs) from locations specified in (2) of this license for commercial use purposes at a dairy.

This license is subject to South Dakota State Law, any limitations or conditions listed in Incorporated Water Right No. 8617-3 and subject to the following qualifications:

- The wells approved under Water Permit Nos. 8015-3 and 8617-3 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.
- Water Permit Nos. 8015-3 and 8617-3 are subject to compliance with requirements of the Department's Water Pollution Control Permit issued pursuant to SDCL 34A-2-36 or 34A-2-36.2 or 34A-2-112 or 34A-2-124 for concentrated animal feeding operations.
- Water Permit Nos. 8015-3 and 8617-3 are subject to compliance with all existing and applicable Water Management Board Rules including but not limited to:
 - Chapter 74:54:01 Ground Water Quality Standards,
 - Chapter 74:54:02 Ground Water Discharge Permit,
 - Chapter 74:51:01 Surface Water Quality Standards,
 - Chapter 74:51:02 Uses Assigned to Lakes,
 - Chapter 74:51:03 Uses Assigned to Streams, and
 - Chapter 74:52:01 through 74:52:11 Surface Water Discharge Provisions

(continued)

- Water Permit No. 8617-3 corrects the water source identified on Water Permit No. 8015-3 to the Reville aquifer. The Permit holder shall report to the Chief Engineer annually the amount of water withdrawn from the Reville aquifer.
- Water Permit Nos. 8015-3 and 8617-3, combined, authorize a total annual diversion of 122 acre-foot of water from the Reville aquifer.

Eric Gronlund

Eric Gronlund, Chief Engineer
Water Rights Program
Department of Environment and Natural Resources

AUG 04 2022

date



RECEIVED

MAR 24 2022

PAID

MAR 24 2022

Ck# 9025

Rec't#

Mail to: DENR - Water Rights 523 E Capitol Ave Pierre, SD 57501-3182 ph. (605) 773-3352	No. <u>8617-3</u>	(office use only) Hydrologic Unit <u>0702001</u>	WATER RIGHTS PROGRAM
	Basin <u>Minnesota-Whitstone</u>		
	Newspaper <u>Grant County Review</u>		
	<u>Public Opinion</u>		

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 <u>dairy farm</u>	

Type of Application:
(check one)

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

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

Adding diversion rate to existing Water Permit No. 8015-3

- Name to Appear on Water Permit Victory Farms LLC
Mailing Address 48176 153rd St Milbank SD 57252
(Address) (City) (State) (Zip Code)
Phone 605 432-5606 Mobile 605 237-8391 Email victory@tnice.com jersey breeder@gmail.com
- Amount of water claimed 0.34 *CFS or 122 **GPM and 40 million ***AF or 40 million 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 ground water - two wells, Veblen Aquifer
- Location of point of diversion SE 1/4 SE 1/4 Section 32, T119N, R48W County Grant
(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? S1/4 SE1/4 Sec 32-T119N-R48W
(example - NW1/4 section 12-T104N-R53W)
- County or counties where water will be used Grant
- Annual period during which water is to be used January 1 - December 31
- Give a description of the project. When available include any preliminary engineering report or other reports or information that will help explain the project. (Attach sheet if more space is needed)

Water Permit No. 8015-3 authorizes 0.33 cfs or 150 gpm. Actual use is 0.67 cfs from the two existing wells.

I, Kevin Souza, 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.

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 ____ 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 Kranz Well & Excavation
(drilled in 2015)

For either Existing or Proposed Wells:

c) Well Depth (required) 140 Depth to Top of Water Bearing Material ____ Depth to Water from Surface ____

d) Distance to nearest domestic well on applicant's property ____ Property owned by others ____

2. Wastewater Disposal System Information

a) Type of System (i.e. septic tank, drain field) ____

b) System Capacity (gallons) ____ Year Constructed ____

c) Connected to the City of ____ Sanitary System

3. Dugout Information

a) Surface Dimensions ____ Depth ____

b) Depth to water (ground surface to water level) ____

4. Water Storage Dams

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

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

b) Freeboard ____

c) Crest Width ____

Crest Length ____

d) Height ____

e) Primary Outlet Capacity ____

If pipe, diameter ____

f) Secondary Spillway Capacity ____

Spillway Width ____

g) X & Y Slope (e.g. 3 to 1 is a typical slope)

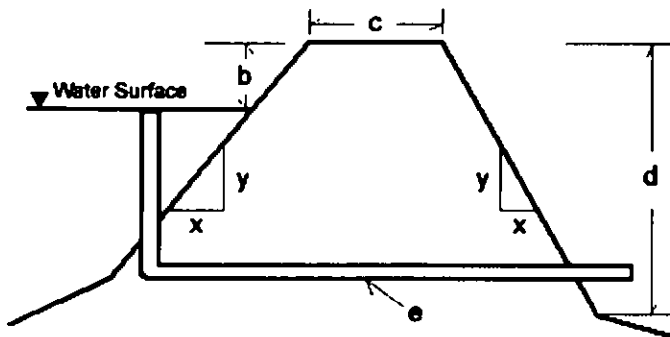
Upstream ____

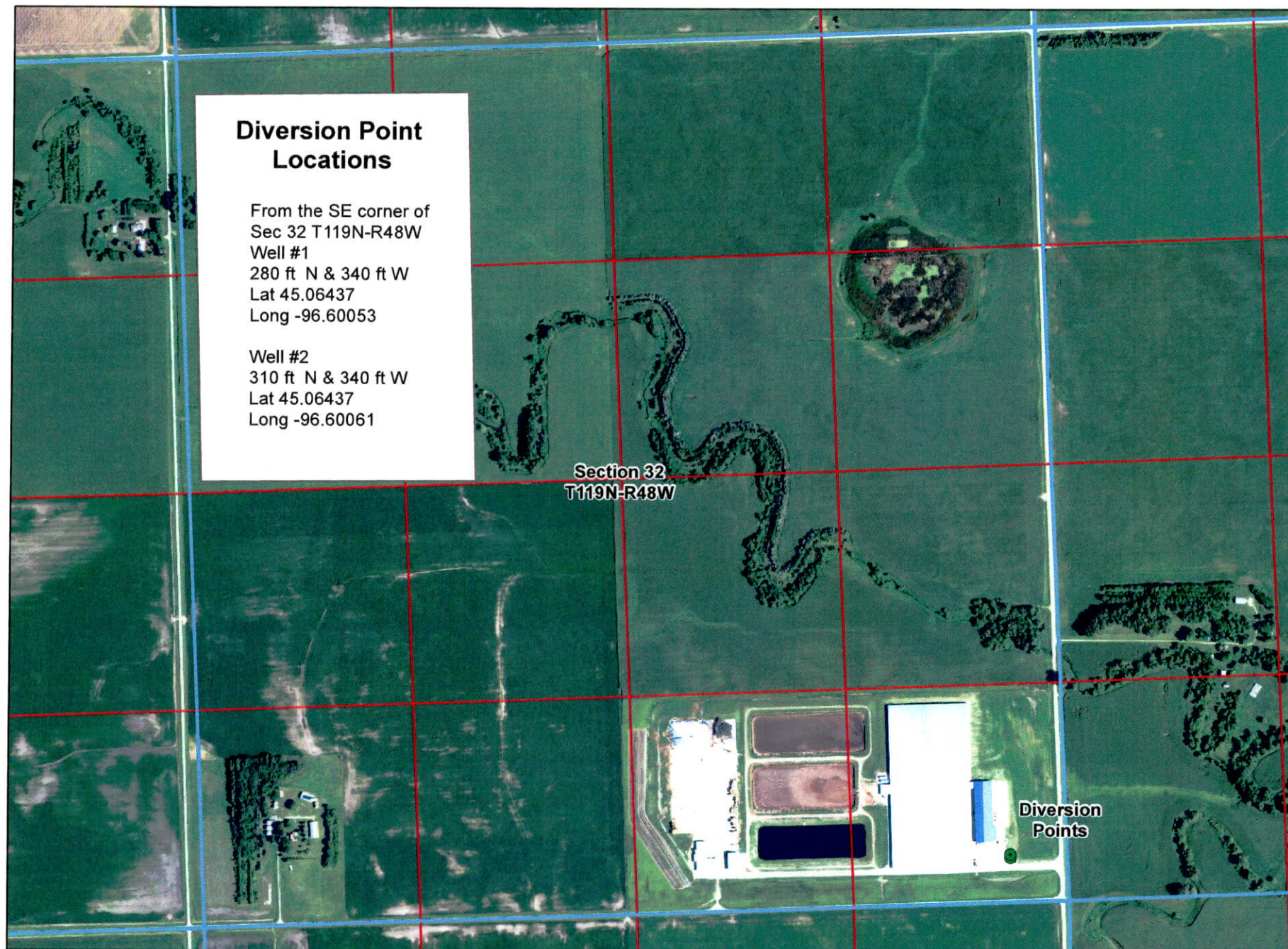
Downstream ____

h) Surface Area of Impoundment ____

i) Storage ____ Acre Feet

j) Drainage Area Above Dam ____ Acres





0 600 1,200 2,400 3,600 4,800 Feet

8015-3

SOUTH DAKOTA WATER WELL COMPLETION REPORT

11-02

Location SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec 32 Twp 119N Rg 48W

Vernon

County
Grant

North

Please mark well
location with an "X"

W

E

North Well

Well completion Date

Oct 8, 2015

1 Mile

Distance from nearest potential pollution source (Septic tank, abandoned well, feed lot, etc.)

? 108 ft from septic tank (identify source)

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary

CASING DATA:

☐ Steel ☒ Plastic ☐ Other

If other describe

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>dr 21</u> LB/FT	<u>8</u> IN	<u>100</u> FT	<u>0</u> FT	<u>12 3/4</u> IN
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN

GROUTING DATA:

Grout Type	No. of Sacks	Grout Weight	From	To
<u>bentonite</u>	<u>18</u>	Lb/gal	<u>20</u> Ft	<u>104</u> Ft
<u>Cement</u>	<u>3</u>	Lb/gal	<u>0</u> Ft	<u>20</u> Ft

Describe grouting procedure premixed

SCREEN:

☐ Perforated pipe ☒ Manufactured
Diameter 8 Inches Length 40 FeetMaterial Stainless steelSlot Size .030 Set From 100 Feet to 140 FeetOther information #40 Red Flint 30 100# bags

WAS A PACKER OR SEAL USED?

☒ Yes ☐ No
If so, what material? S. Steel capDescribe packer(s) and location bottom of screen

DISINFECTION: Was well disinfected upon completion?

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

Well Owner:

Business Name: Victory FarmsAddress1: 48176 153 Str.

Address2:

City, State, Zip: Milbank SD 57252

WELL LOG:

DEPTH

FORMATION

FROM

TO

Yellow clay014Black soil1417Yellow clay1725Blue clay2587Multi-colored sand87144

STATIC WATER LEVEL

10

FEET

If flowing: closed in pressure

PSI

GPM flow

through

Inch pipe

Controlled by

☐ Valve

☐ Reducers

☐ Other

Reduced flow rate

GPM

Can well be completely shut in?

yes

WELL TEST DATA:

☐ Pumped

Describe:

Air lifted
☐ Bailed

☒ Other

Pumping Level Below Land Surface

Ft. After

Hrs. pumped

500

GPM

Ft. After

Hrs. pumped

GPM

If pump installed, pump rate:

GPM

REMARKS

RECEIVED

OCT 19 2015

WATER RIGHTS
PROGRAM

YEB

This well was drilled under license #

598

And this report is true and accurate.

Drilling firm:

Kranz Well & Excav

Signature of License Representative:

Charles King

Signature of Well Owner or Equitable Property Holder:

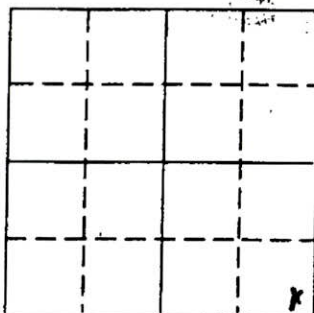
Date:

7-6-15

8015-3

SOUTH DAKOTA WATER WELL COMPLETION REPORT

11-02

Location SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec 32 Twp 119N Rg 48WCounty
GrantVernon
North

Please mark well location with an "X"

south well

Well completion Date

Oct 7, 2015

1 Mile

Distance from nearest potential pollution source (Septic tank, abandoned well, feed lot, etc.)

? 138 ft. from septic tank (identify source)

PROPOSED USE:

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

METHOD OF DRILLING:

Rotary

CASING DATA:

☐ Steel ☒ Plastic ☐ Other

If other describe

PIPEWEIGHT	DIAMETER	FROM	TO	HOLE DIAMETER
<u>dr 21</u> LB/FT	<u>8</u> IN	<u>100</u> FT	<u>0</u> FT	<u>12 3/4</u> IN
LB/FT	IN	FT	FT	IN
LB/FT	IN	FT	FT	IN

GROUTING DATA:

Grout Type	No. of Sacks	Grout Weight	From	To
<u>bentonite</u>	<u>18</u>	Lb/gal	<u>20</u> Ft	<u>108</u> Ft
<u>Cement</u>	<u>3</u>	Lb/gal	<u>0</u> Ft	<u>20</u> Ft

Describe grouting procedure tremmie line

SCREEN:

☐ Perforated pipe ☒ Manufactured
Diameter 8 Inches Length 40 FeetMaterial SSteelSlot Size .030 Set From 100 Feet to 140 FeetOther information #40 Red Flint 30 100#bags

WAS A PACKER OR SEAL USED?

☒ Yes ☐ No
If so, what material? SSteel capDescribe packer(s) and location bottom of screen

DISINFECTION: Was well disinfected upon completion?

☒ Yes, How? Bleach
☐ No, Why Not?

Lab sample sent to for water quality analysis

Well Owner:

Business Name:

Victory Farms

Address1:

48176 153 Str.

Address2:

City, State, Zip:

Milbank SD 57252

WELL LOG:

DEPTH

FORMATION

FROM

TO

Yellow clay015Black top soil1517Yellow clay1725Blue clay2587Multi-colored sand87148

STATIC WATER LEVEL

10

FEET CO

If flowing: closed in pressure

PSI

GPM flow

through

inch pipe

Controlled by

☐ Valve

☐ Reducers

☐ Other

Reduced flow rate

GPM

Can well be completely shut in?

yes

WELL TEST DATA:

☐ Pumped

Describe:

Air lifted
☐ Bailed

☒ Other

Pumping Level Below Land Surface

Ft. After

Hrs. pumped

500

GPM

Ft. After

Hrs. pumped

GPM

If pump installed, pump rate:

GPM

REMARKS

RECEIVED

OCT 19 2015

WATER RIGHTS PROGRAM

VEB

This well was drilled under license #

598

And this report is true and accurate.

Drilling firm:

Kranz Well + Excav

Signature of License Representative:

Frank Krz

Signature of Well Owner or Equitable Property Holder:

Date:

7-6-15

24th May 2005
OK [Signature]
 FILED
 S.D. SEC. OF STATE

**ARTICLES OF ORGANIZATION
 OF
 VICTORY FARMS, L.L.C.**

RECEIVED

MAY 24 '05

S.D. SEC. of STATE

PURSUANT TO Section 902(d) of the South Dakota Limited Liability Company Act (1998), VICTORY FARMS, the undersigned Nebraska General Partnership, does hereby execute, verify, and deliver the following Articles of Organization.

ARTICLE I: NAME

The name of the limited liability company is: **VICTORY FARMS, L.L.C.**

ARTICLE II: INITIAL DESIGNATED OFFICE

The initial designated office of the limited liability company is: 768 Twin Creeks Way, San Luis Obispo, California 93401.

ARTICLE III: INITIAL AGENT FOR SERVICE OF PROCESS

The name and street address of the limited liability company's initial agent for service of process is: **John C. Quaintance** of Quaintance Law Office, P.C., 100 North Phillips Avenue, Suite 600, Sioux Falls, South Dakota 57104-6725.

ARTICLE IV: ORGANIZERS

The name and address of each organizer is:

VICTORY FARMS, A Nebraska General Partnership
 768 Twin Creeks Way
 San Luis Obispo, California 93401.

ARTICLE V: MANAGEMENT

The limited liability company shall be **member-managed**.

DL9253

ARTICLE VI: MEMBERS' LIABILITY FOR COMPANY DEBTS

No Member of the limited liability company shall be liable for the limited liability company's debts or obligations.

ARTICLE VII: CONVERSION OF GENERAL PARTNERSHIP

Pursuant to Section 902 of the South Dakota Limited Liability Company Act, VICTORY FARMS was converted to a limited liability company from a general partnership.

ARTICLE VIII: NAME OF FORMER GENERAL PARTNERSHIP

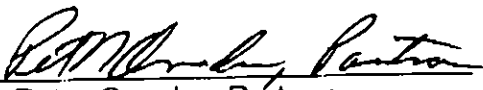
The name of the former general partnership was: VICTORY FARMS.

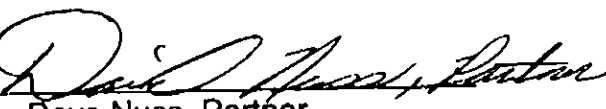
ARTICLE IX: VOTES FOR AND AGAINST CONVERSION

All of the partners who were entitled to vote on the issue of partnership conversion voted for conversion of the partnership.

EXECUTED THIS 30th day of December, 2004

VICTORY FARMS

By 
Peter Orradre, Partner

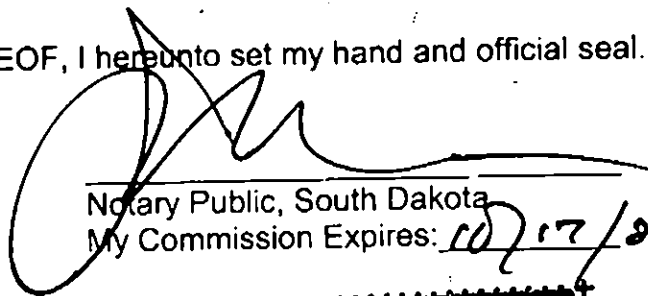
By 
Dave Nuss, Partner

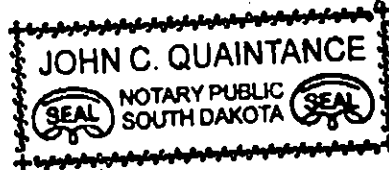
By 
Kevin Souza, Partner

STATE OF SOUTH DAKOTA)
:SS
COUNTY OF MINNEHAHA)

On this 30th day of December, 2004, before me personally appeared **Peter Orradre, Dave Nuss and Kevin Souza**, as partners of **VICTORY FARMS**, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same, on behalf of **VICTORY FARMS**, for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public, South Dakota
My Commission Expires: 10/17/2010





**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

August 11, 2021

Kevin Souza
Victory Farms LLC
48176 153rd S
Milbank SD 57252

Dear Mr. Souza:

Recently Darrell Deboer, a staff engineer with our program, conducted a field investigation of the water use system authorized under Water Permit No. 8015-3 for licensing purposes.

Water Permit No. 8015-3 authorizes a diversion of 0.33 cfs from two wells for commercial purposes in your dairy operation. During the inspection you indicated the diversion from the two wells was 0.67 cfs or 300 gpm.

In order to bring the water use system into compliance, a new permit will need to be obtained for the additional diversion rate. A partially completed application is enclosed. In addition to the increased pump rate, the application also needs to include the **total** annual volume in either gallons/year or acre feet/year (see highlighted area). Once you have completed the application, please sign, and return it to our office with a filing fee of \$500. No licensing fee will be needed because it was paid under Water Permit No. 8015-3.

Only the application and fee will need to be returned to our office. A map and the well logs are already on file. If you have any questions concerning the application, please contact Karen Schlaak with our program (605 773-3352).

Sincerely,

Genny McMath
Water Rights Program
605 773-3352
Genny.mcmath@state.sd.us

enclosures



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

**RECOMMENDATION OF CHIEF ENGINEER FOR WATER PERMIT
APPLICATION NO. 8617-3, Victory Farms LLC.**

Pursuant to SDCL 46-2A-2, the following is the recommendation of the Chief Engineer, Water Rights Program, Department of Agriculture and Natural Resources concerning Water Permit Application No. 8617-3, Victory Farms LLC, 48176 153rd Street, Milbank SD 57252.

The Chief Engineer is recommending APPROVAL of Application No. 8617-3 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 domestic water uses and water rights, 3) the proposed use is a beneficial use and 4) it is in the public interest as it pertains to matters of public interest within the regulatory authority of the Water Management Board with the following qualifications:

1. The wells approved under Water Permit Nos. 8015-3 and 8617-3 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.
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(continued)

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5. Water Permit Nos. 8015-3 and 8617-3, combined, authorize a total annual diversion of 122 acre-feet of water from the Revillo aquifer.

See report on application for additional information.



Eric Gronlund, Chief Engineer

May 23, 2022

REPORT TO THE CHIEF ENGINEER
ON
WATER PERMIT APPLICATION NO. 8617-3
VICTORY FARMS LLC
C/O KEVIN SOUZA
MAY 24, 2022

Water Permit Application No. 8617-3 proposes to appropriate an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3. Water Permit No. 8015-3 appropriates 0.33 cfs from two wells (144 and 148 feet deep) completed into the Reville aquifer located in the SE ¼ SE ¼ Section 32-T119N-R48W for commercial use in a dairy operation. Water Permit No. 8015-3 identified the aquifer to be the Veblen aquifer. This application also serves to correct the water source to the Reville aquifer. This application, if approved, and Water Permit No. 8015-3 will authorize a total of 122 acre-feet of water annually (ac-ft/yr) at a maximum pump rate of 0.67 cfs for use in the dairy operation located in the S ½ SE ¼ Section 32-T119N-R48W. This site is located approximately 10 miles south of Milbank, SD.

AQUIFER: Reville (REV)

Aquifer Characteristics:

The Reville aquifer is a glacial meltwater deposit of sand and gravel that generally occupies a buried, pre-glacial, bedrock valley in southern Roberts County and extends through north-central and into southeastern Grant County (Hansen, 1990; Thompson, 2001). The South Dakota Geological Survey is currently studying the aquifers in the area, including the Reville aquifer, to refine delineations of the aquifer. This ongoing study is how it was determined the wells authorized by Water Permit No. 8015-3 were incorrectly identified as completed into the Veblen aquifer by Water Rights Program Staff (Christensen, 2022; Mathiowetz, 2014).

In Roberts County, the Reville aquifer has been identified as underlying approximately 86.7 square miles (55,488 acres) and contains approximately 315,200 ac-ft of water in storage (Thompson, 2001). In Grant County, the Reville aquifer was estimated to underlie approximately 190 square miles (121,600 acres) and contains an estimated 1,000,000 ac-ft of water in storage (Hansen, 1990). The aquifer is generally under confined conditions and the groundwater movement is from north to south (Hansen, 1990; Thompson, 2001). The well completion reports and test hole report on file for Water Permit No. 8015-3 show fine and coarser multi-colored sand ranging from 87 to 148 feet below grade. The static water level in each of the two production wells was 10 feet below grade in October 2015 at the time of well completion. The Reville aquifer is confined at the applicant's location.

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

Pursuant to SDCL 46-2A-9, "A permit to appropriate water may be issued only if there is a reasonable probability that there is unappropriated water available for the applicant's proposed use, that the diversion point can be developed without unlawful impairment of existing domestic water uses and water rights, and that the proposed use is a beneficial use and in the public interest as it pertains to matters of public interest within the regulatory authority of the Water Management Board as defined by SDCL 46-2-9 and 46-2-11." This report will address the availability of unappropriated water and the potential for unlawful impairment of existing domestic water uses and water rights from the Reville aquifer.

WATER AVAILABILITY:

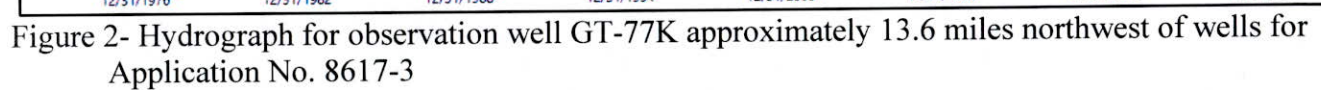
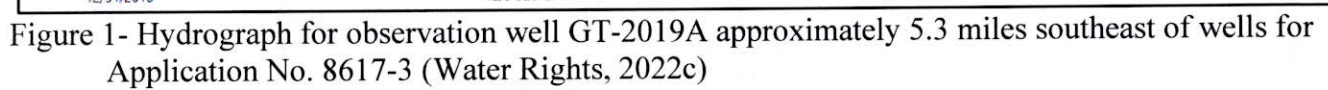
This application proposes to appropriate water from the Reville aquifer. The probability of unappropriated water available from the aquifer can be evaluated by considering SDCL 46-6-3.1, which requires the amount of water withdrawn annually to not exceed the average estimated recharge unless the aquifer is older or lower than the Greenhorn Formation and the applicant is a water distribution system. The Reville aquifer is not stratigraphically lower/older than the Greenhorn Formation (Fahrenbach et al, 2010), and the applicant is not a water distribution system as defined in SDCL 46-1-6(17). Therefore, a comparison of average annual recharge and average annual withdrawals from the Reville aquifer is required for this application.

Observation Well Data:

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

The Water Rights Program currently maintains 6 observation wells completed into the Reville aquifer (Water Rights, 2022c). The nearest observation wells are GT-2019A, GT-77K and GT-79D located 5.3 miles southeast, 13.6 miles northwest, and 16.2 miles northwest of the applicant's wells respectively (Water Rights, 2022c). The hydrographs for these observation wells are shown in Figures 1 through 3.

Observation well GT-2019A has too short a period of record to be of much use for determining the availability of unappropriated water from an aquifer when considering long term average recharge and withdrawals. However, it must be noted that the first year of measurements of the well were taken during a very wet year that has subsequently lead into a drought. The other 5 observation well hydrographs show generally stable water levels for the two in Grant County and slightly rising water levels for the three in Roberts County (Water Rights, 2022c). The observation well hydrographs document the aquifer responds well to climatic conditions with rising water levels during wetter periods and declining to stable levels during drier periods. Furthermore, the water levels of the aquifer readily recover between irrigation pumping seasons. The water level responding to climatic conditions and recovery between irrigation seasons is indicative that climatic conditions and, therefore, recharge to and natural discharge from the aquifer govern the long term fluctuations in water levels in the aquifer instead of pumping. By recognizing both recharge to, and natural discharge from an aquifer can be captured for pumping, the observation well hydrographs document there is a reasonable probability of unappropriated water being available for this proposed appropriation.



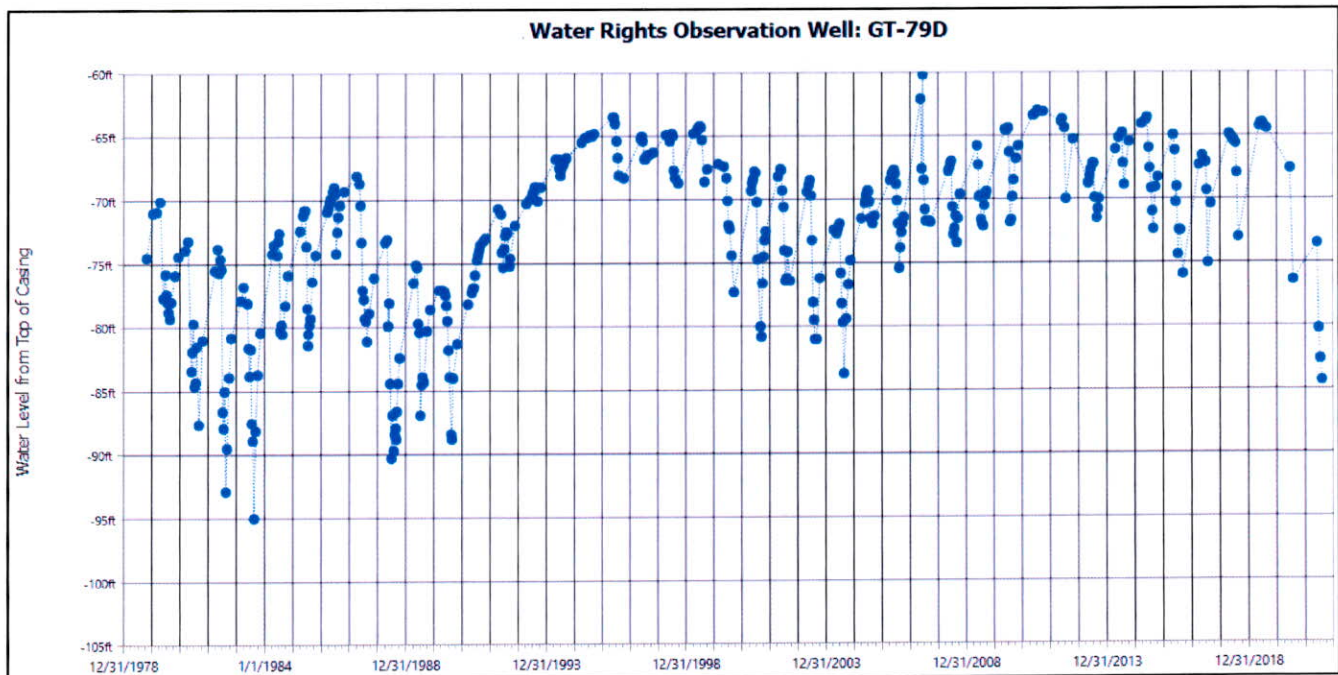


Figure 3- Hydrograph for observation well GT-79D approximately 16.2 miles northwest of wells for Application No. 8617-3

Hydrologic Budget

Recharge

The Revillo aquifer is primarily recharged through direct infiltration of precipitation where the aquifer is near land surface, leakage from till, and possibly through inflow from overlying outwash lenses (Hansen, 1990; Thompson, 2001). There has been no specific recharge rate estimated for the Revillo aquifer. Hedges and others (1985) concluded that for management and development programs an estimated recharge rate range of 0.15 to 0.60 inches per year to buried confined aquifers, such as the Revillo, should be used. Using the estimated areas for the aquifer in Roberts and Grant Counties that were previously mentioned, the estimated average annual recharge rate to the Revillo aquifer is likely between 2,213 and 8,854 ac-ft/yr.

Discharge:

Discharge from the Revillo aquifer primarily occurs through well withdrawals and possible outflow to hydrologically connected outwash lenses (Thompson, 2001). Currently, there are 11 water rights/permits authorized to withdraw water from the Revillo aquifer, plus Water Permit No. 8015-3, for a total of 12 water rights/permits (Water Rights, 2022d). The water rights/permits are listed in Table 1. The estimated average annual use by non-irrigation permits is also shown in Table 1. The Town of Wilmot is connected to Grant-Roberts Rural Water System and therefore use under their permit is assumed to be negligible (Friedeman, 2022). Historically, average annual water use by non-irrigation appropriations limited only by diversion rate have been assumed to pump at their permitted rate 60% of the time. Based on Water Rights Program staff experience, this estimate is known to generally be an overestimate. Water rights/permits limited by an annual volume limit are assumed to be fully developable and pump their entire volume. If this application is approved, non-irrigation water rights/permits are estimated to use 1,447 ac-ft/yr.

Table 1- Reville aquifer water rights/permits and pending applications (Water Rights, 2022d)

PERMIT NO.	NAME	COUNTY	PRIORITY DATE	STATUS	USE	CFS	ACRES	EST. VOL. (ac-ft/yr)
1764-3	TOWN OF WILMOT	RB	01/01/1954	LC	MUN	0.39	n/a	0*
1769-3	CITY OF MILBANK	GT	08/07/1970	LC	MUN	2.16	n/a	938.3
3250-3	DELTON L STRASSER	RB	10/25/1976	LC	IRR	1.89	132	n/a
4785-3	CITY OF MILBANK	GT	08/27/1958	LC	MUN	0.89	n/a	386.6
5044-3	RAY A & DAVID R HANSEN	RB	01/04/1984	LC	IRR	2.28	459	n/a
5482-3	ALAN OR LINDA SCHNECK	GT	04/02/1981	LC	IRR	4.28	410	n/a
7148-3	JASON E FRERICH	RB	06/25/2009	PE	IRR	1.44	60	n/a
7306-3	TYLER AMMANN	RB	01/13/2012	PE	IRR	2.22	91	n/a
7471-3	DAVID PIERCE	RB	10/17/2012	LC	IRR	2	280	n/a
7530-3	TYLER L AMMANN	RB	03/27/2012	LC	IRR	2.9	349	n/a
8015-3	VICTORY FARMS LLC	GT	05/13/2014	PE	COM	0.33	n/a	0**
8564-3	DAVID R HANSEN	RB	12/20/2012	LC	IRR	0.89	131	n/a
8617-3	VICTORY FARMS LLC	GT	n/a	APP	COM	0.34	n/a	122
*= connected to rural water, ** accounted for as part of App. No. 8617-3 RB= Roberts, GT= Grant, LC= Water Rights, PE= Water Permits, APP= Application, MUN= Municipal, IRR= Irrigation, COM = Commercial						Non-Irr. Total (ac-ft/yr)		1446.9

The historic average annual pumpage for irrigation use is shown in Table 2. Historically, the Reville aquifer was not classified as a separate aquifer until 1994 (Drennon, 2022). Review of irrigation questionnaires (Water Rights, 2022b) performed by Farmer (2017) for all active, cancelled, and incorporated permits that are now labeled as withdrawing from the Reville aquifer is the data source for the 1979 to 1993 irrigation data. The 1979 through 2020 historic average irrigation pumpage from the Reville aquifer is 299.8 ac-ft/yr (Water Rights, 2022b; Farmer, 2017). There was a significant increase in the number of permits for irrigation starting in 2013. The 2013 through 2020 reported average irrigation pumpage rate is 455.7 ac-ft/yr. For the hydrologic budget section of this report, the 2013 through 2020 average will be used due to it being more reflective of current average use from the aquifer.

Balance of Hydrologic Budget

The estimated average annual pumpage from the Reville aquifer is 1,902.6 ac-ft/yr (non-irrigation: 1,446.9; irrigation: 455.7) including the annual volume limitation for this application, if approved. The estimated average annual recharge to the aquifer is 2,213 and 8,854 ac-ft/yr. Therefore, there is a reasonable probability unappropriated water is available for this proposed appropriation.

Table 2- Historic reported irrigation use from the Reville aquifer (Water Rights, 2022b; modified from: Farmer, 2017)

Year	No. of Permits Reporting	Pumpage (ac-ft)	Year	No. of Permits Reporting	Pumpage (ac-ft)
2020	12	692.0	1997	5	284.0
2019	12	0	1996	5	208.1
2018	12	351.0	1995	5	0
2017	12	573.0	1994	5	66.2
2016	12	414.0	1993	5	23.0
2015	12	498.0	1992	5	144.0
2014	12	417.0	1991	5	0
2013	12	700.6	1990	5	64.0
2012	6	526.0	1989	5	200.2
2011	4	51.9	1988	5	228.3
2010	4	210.3	1987	5	126.0
2009	3	144.1	1986	5	0
2008	3	131.7	1985	4	160.0
2007	3	446.3	1984	3	59.0
2006	3	481.5	1983	3	169.8
2005	3	263.9	1982	3	116.7
2004	4	943.8	1981	3	129.9
2003	4	1204.0	1980	3	246.9
2002	4	557.8	1979	3	95.2
2001	4	557.9	Min	3	0
2000	4	607.4	Max	12	1204.0
1999	4	194.9	Avg	5.6	299.8
1998	4	303.6	Avg 2013-2020	12.0	455.7

POTENTIAL FOR UNLAWFUL IMPAIRMENT OF EXISTING WATER RIGHTS:

The nearest Reville aquifer water right/permit, excluding Water Permit No. 8015-3, is Water Right No. 1769-3 for the City of Milbank located approximately 13 miles northwest of the well sites for this application (Water Rights, 2022d). The nearest domestic well on file with the Water Rights Program is located approximately 0.7 miles southwest of the applicant's well sites (Water Rights 2022e). There may be other domestic wells not on file with the Water Rights Program near the applicant's proposed well site.

Observation well GT-77K is located within approximately 0.7 miles of three high capacity wells and 1.4 miles of five high capacity wells, wells with a diversion rate greater than 0.2 cfs (Water Rights, 2022c and 2022d). The hydrograph for GT-77K is shown in Figure 2. The seasonal drawdown and effects of pumping for irrigation and the more year round effects of pumping by the City of Milbank are shown in the water level. However at the lowest recorded water levels shown in the hydrograph, there is still approximately 90 feet of artesian head pressure above the top of the aquifer.

In a confined aquifer, drawdown created by pumping a well can extend some distance from the well. The applicant's proposed well site will be under confined conditions. South Dakota Codified Law (SDCL) 46-6-6.1 does not necessarily protect artesian head pressure as a means of delivery, and the Water Management Board has recognized in the past to place water to maximum beneficial use, a certain amount of drawdown may occur. In order to balance interests between appropriative use and delivery of water by

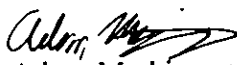
artesian head pressure, the Water Management Board defined an “adversely impacted domestic well” in Administrative Rule of South Dakota (ARSD) 74:02:04:20(7) as:

“a well in which the pump intake was set at least 20 feet below the top of the aquifer at the time of construction or, if the aquifer is less than 20 feet thick, is as near to the bottom of the aquifer as is practical and the water level of the aquifer has declined to a level that the pump will no longer deliver sufficient water for the well owner’s needs”.

The Water Management Board considered the delivery of water by artesian head pressure versus maximum beneficial use of water issue for Water Right No. 2313-2 for Coca-Cola Bottling Company of the Black Hills (Water Rights, 1995). The Water Management Board adopted Findings of Facts and Conclusions of Law that noted reservation of artesian head pressure for delivery of water would be inconsistent with SDCL 46-1-4 which states, “general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable...” (Water Rights, 1995). Furthermore, the Water Management Board found if increased cost or decreased production as a result of impacts on artesian head pressure by legitimate users is to be considered an adverse impact it would also be in conflict with SDCL 46-1-4 (Water Rights, 1995). With that in mind, some existing well owners may need to lower their pumps to accommodate for deeper water levels where the aquifer is locally confined. There are no well interference complaints on file in Grant County for the Revillo aquifer (Water Rights, 2022a). Based on the information available, there is a reasonable probability this application can be developed without unlawfully impairing existing adequate appropriative user wells or domestic users with adequate wells.

CONCLUSIONS:

1. Application No. 8617-3 proposes to appropriate an additional 0.34 cfs from the Revillo aquifer to what is currently authorized by Water Permit No. 8015-3 and set an annual combined volume limit for both this application and Water Permit No. 8015-3 of 122 ac-ft/yr for use in a commercial dairy operation in Grant County.
2. Water Permit No. 8015-3 authorizes the diversion of water 0.33 cfs from two wells completed into the Revillo aquifer.
3. Combined, Application No. 8617-3, if approved, and Water Permit No. 8015-3 would authorize the diversion of water from two wells completed into the Revillo aquifer at a maximum instantaneous diversion rate of 0.67 cfs with a combined annual volume limit of 122 ac-ft/yr.
4. Based on the observation well data and a hydrologic budget, there is a reasonable probability unappropriated water is available for this proposed appropriation.
5. There is a reasonable probability that pumping this proposed diversion will not unlawfully impair existing domestic water users and water rights with adequate wells.


Adam Mathiowetz, PE
SD DANR-Water Rights Program

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Schlaak, Karen

From: Schlaak, Karen
Sent: Tuesday, May 24, 2022 11:22 AM
To: kevin souza (jerseybreeder@gmail.com)
Subject: FW: Water Permit Application No. 8617-3
Attachments: 3493.pdf

Attached is a copy of the report, chief engineer recommendation and information regarding the public notice for your water permit application. As stated in the letter, please contact the paper(s) as soon as possible to authorize publication and arrange for payment. This information is being mailed to you today.

Karen Schlaak

DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>



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Aberdeen News
Watertown Public Opinion

PO Box 630567 Cincinnati, OH 45263-0567

PROOF OF PUBLICATION

Sd Dept Of Environment
Sd Dept Of Environment
WATER RIGHTS PROGRAM
523 E. CAPITOL
Pierre SD 57501

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JUN 30 2022

OFFICE OF
WATER

STATE OF SOUTH DAKOTA, COUNTY OF CODINGTON

The Watertown Public Opinion is, and during all the times hereafter mentioned was, a daily legal newspaper as defined in SDCL 17-2-2.1 through 17-2-2.4, as amended, published at Watertown, Codington County, South Dakota, by Watertown Public Opinion; that the notice, order or advertisement, a printed copy of which is attached, was published in said newspaper in the issue dated:

06/22/2022

and that the fees charged are legal.

Sworn to and subscribed before on 06/22/2022

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SARAH BERTELSEN
Notary Public
State of Wisconsin

NOTICE OF
APPLICATION NO. 8617-3
to Appropriate Water

RECEIVED

JUN 30 2022

OFFICE OF
WATER

Notice is given that Victory Forms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 has filed an application for a water permit to appropriate an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3. Water Permit No. 8015-3 appropriates 0.33 cfs from two wells (144 and 148 feet deep) located in the SE 1/4 SE 1/4 Section 32-T119N-R48W for commercial use in a dairy operation. Water Permit No. 8015-3 identified the aquifer to be the Veblen Aquifer. This application also serves to correct the water source to the Renville Aquifer. An investigation of the permit found the system capable of diverting an additional 0.34 cfs from the two existing wells. This application, if approved, and Water Permit No. 8015-3 will authorize a total of 122 acre-feet of water annually at a maximum pump rate of 0.67 cfs for the dairy operation located in the S 1/2 SE 1/4 Section 32-T119N-R48W. This site is located approximately 10 miles south of Milbank.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 8617-3 with qualifications because 1) unappropriated water is available, 2) existing domestic water uses and water rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest as it pertains to matters within the regulatory authority of the Water Management Board. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <https://danr.sd.gov/public> or contact Ron Duvall for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing this application or recommendation shall allege that the application, upon approval, will cause injury to the person that is unique from any injury suffered by the public in general. The injury must concern a matter either within the regulatory authority found in SDCL 46-2A-9 for approval or denial of the application, or other matter concerning the application within the regulatory authority of the board to act upon as defined by SDCL 46-2-9 and 46-2-11, or both. Any person meeting the petitioner requirements and wishing to be a party of record in a contested case hearing shall file a written petition to oppose the application with BOTH the applicant and Chief Engineer. A petition opposing the applica-

tion shall be filed on a form provided by the Chief Engineer. The petition form is available online at <https://danr.sd.gov/public> or by contacting the Chief Engineer. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E. Capitol, Pierre SD 57501" or call (605) 773-3352. The applicant's mailing address is given above. If contesting the Chief Engineer's recommendation, the applicant shall also file a petition. A petition filed by either an interested person or the applicant must be filed by July 5, 2022.

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

Any interested person may file a comment on the application with the Chief Engineer. The comment shall be filed on a form provided by the Chief Engineer and is available online at <https://danr.sd.gov/public> or by calling (605) 773-3352 or writing the Chief Engineer at the address provided above. Filing a comment does not make the commenter a party of record or a participant in any hearing that may be held. Any comment must be filed by July 5, 2022.

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

Published once at the total approximate cost of \$55.12
6/22/22

Printer's Affidavit of Publication

RECEIVED

STATE OF SOUTH DAKOTA
COUNTY OF GRANT

} ss.

JUN 06 2022

Debbie Hemmer

OFFICE OF
WATER

of said County and State, being first duly sworn, on oath says that the Grant County Review is a legal weekly newspaper of general circulation, printed and published in Milbank, in said County of Grant and State of South Dakota, by Grant County Review, Inc., and has been such newspaper during the times hereinafter mentioned; that said newspaper is a legal newspaper; and that it has a bona fide circulation of more than two hundred copies weekly, and has been published within said County of Grant in the English language and has been admitted to the United States mail under second class mailing privilege, for at least one year next prior to the publication of the Notice herein mentioned, and has been printed wholly in an office maintained at the said place of publication, that I, the undersigned, Co-owner of said newspaper, in charge of the accounts receivable department thereof, have personal knowledge of all the facts stated in this affidavit; that the advertisement headed Notice of Application No. 8617-3 to Appropriate Water - Victory Farms LLC

a printed copy of which, taken from the paper in which the same was published, is attached to this sheet and is made a part of this Affidavit, was published in said newspaper at least once each week for One successive week(s), on the day of each week on which the said newspaper was regularly published, to-wit:

<u>June 1</u>	<u>20 22</u>	<u>20</u>
<u>20</u>	<u>20</u>	<u>20</u>
<u>20</u>	<u>20</u>	<u>20</u>

That \$ 46.99, being the full amount of the fee charged for the publication of said Notice, inures to the benefit of the publisher of the Grant County Review; that no agreement or understanding for the division thereof has been made with any person, and that no part has been agreed to be paid to any person whomsoever.

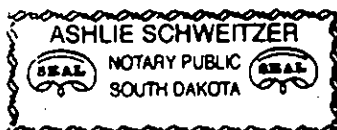
Debbie Hemmer

Subscribed and sworn to before me this 1st day of June 20 22

Ashlie Schweitzer

Notary Public, Grant County, South Dakota

My Commission Expires:
September 21, 2027



Publication Fee \$ 46.99
Notarial Fee \$ 46.99
Total \$ 46.99

NOTICE OF APPLICATION

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and Attorney's Affidavit Ex-Rel. Fees

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STATE OF SOUTH DAKOTA }
COUNTY OF GRANT } ss.

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_____ on the

_____ day of _____, 20____

Attorney for _____

is given above. If contesting the Chief Engineer's recommendation, the applicant shall also file a petition. A petition filed by either an interested person or the applicant must be filed by June 13, 2022.

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

Any interested person may file a comment on the application with the Chief Engineer. The comment shall be filed on a form provided by the Chief Engineer and is available online at <https://danr.sd.gov/public> or by calling (605) 773-3352 or writing the Chief Engineer at the address provided above. Filing a comment does not make the commenter a party of record or a participant in any hearing that may be held. Any comment must be filed by June 13, 2022.

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

Published once at an approximate cost of \$46.99 and can be viewed free of charge at www.sdpublicnotices.com.

Schlaak, Karen

From: Schlaak, Karen
Sent: Wednesday, June 15, 2022 9:58 AM
To: Watertown Public Opinon (legals@thepublicopinion.com)
Subject: 8617-3, Victory Farms LLC
Attachments: 8617-3public.short_final.docx; FORM8.FRM.doc

Attached is a notice to be published on June 22, 2022.

Victory Farms LLC, 48176 153rd St, Milbank SD 57252 (605 237-8391) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

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

Karen Schlaak

DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>



NOTICE OF APPLICATION NO. 8617-3 to Appropriate Water

Notice is given that Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 has filed an application for a water permit to appropriate an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3. Water Permit No. 8015-3 appropriates 0.33 cfs from two wells (144 and 148 feet deep) located in the SE 1/4 SE 1/4 Section 32-T119N-R48W for commercial use in a dairy operation. Water Permit No. 8015-3 identified the aquifer to be the Veblen Aquifer. This application also serves to correct the water source to the Renville Aquifer. An investigation of the permit found the system capable of diverting an additional 0.34 cfs from the two existing wells. This application, if approved, and Water Permit No. 8015-3 will authorize a total of 122 acre-feet of water annually at a maximum pump rate of 0.67 cfs for the dairy operation located in the S 1/2 SE 1/4 Section 32-T119N-R48W. This site is located approximately 10 miles south of Milbank.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 8617-3 with qualifications because 1) unappropriated water is available, 2) existing domestic water uses and water rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest as it pertains to matters within the regulatory authority of the Water Management Board. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <https://danr.sd.gov/public> or contact Ron Duvall for this information, or other information, at the Water Rights Program address provided below.

Any person interested in opposing this application or recommendation shall allege that the application, upon approval, will cause injury to the person that is unique from any injury suffered by the public in general. The injury must concern a matter either within the regulatory authority found in SDCL 46-2A-9 for approval or denial of the application, or other matter concerning the application within the regulatory authority of the board to act upon as defined by SDCL 46-2-9 and 46-2-11, or both. Any person meeting the petitioner requirements and wishing to be a party of record in a contested case hearing shall file a written petition to oppose the application with BOTH the applicant and Chief Engineer. A petition opposing the application shall be filed on a form provided by the Chief Engineer. The petition form is available online at <https://danr.sd.gov/public> or by contacting the Chief Engineer. The Chief Engineer's address is "Water Rights Program, Foss Building, 523 E Capitol, Pierre SD 57501" or call (605) 773-3352. The applicant's mailing address is given above. If contesting the Chief Engineer's recommendation, the applicant shall also file a petition. A petition filed by either an interested person or the applicant must be filed by July 5, 2022.

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

Any interested person may file a comment on the application with the Chief Engineer. The comment shall be filed on a form provided by the Chief Engineer and is available online at <https://danr.sd.gov/public> or by calling (605) 773-3352 or writing the Chief Engineer at the address provided above. Filing a comment does not make the commenter a party of record or a participant in any hearing that may be held. Any comment must be filed by July 5, 2022.

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

Published once at the total approximate cost of_



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

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

May 24, 2022

Victory Farms LLC
c/o Kevin Souza
48176 153rd St
Milbank SD 57252

Dear Mr. Souza:

Water Permit Application No. 8617-3 for irrigation use have been examined and found to comply with the South Dakota Water Laws and applicable rules. A notice has been sent to the Grant County Review printed at Milbank (Ph # 605 432-4516) and the Public Opinion printed at Watertown (Ph # 605 886-6901). You will need to contact the newspapers 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 newspapers to authorize publication of your Notice and to arrange for payment. Early contact with the papers can eliminate delays. Upon receiving authorization from you, the publishers have been instructed to publish your notice. The newspapers have 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,

Karen Schlaak

Karen Schlaak
Water Rights Program
(605) 773-3352

enclosures

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

NOTICE OF APPLICATION NO. 8617-3 to Appropriate Water

Notice is given that Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 has filed an application for a water permit to appropriate an additional 0.34 cubic feet of water per second (cfs) to what is currently authorized by Water Permit No. 8015-3. Water Permit No. 8015-3 appropriates 0.33 cfs from two wells (144 and 148 feet deep) located in the SE 1/4 SE 1/4 Section 32-T119N-R48W for commercial use in a dairy operation. Water Permit No. 8015-3 identified the aquifer to be the Veblen Aquifer. This application also serves to correct the water source to the Revillo Aquifer. An investigation of the permit found the system capable of diverting an additional 0.34 cfs from the two existing wells. This application, if approved, and Water Permit No. 8015-3 will authorize a total of 122 acre-feet of water annually at a maximum pump rate of 0.67 cfs for the dairy operation located in the S 1/2 SE 1/4 Section 32-T119N-R48W. This site is located approximately 10 miles south of Milbank.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 8617-3 with qualifications because 1) unappropriated water is available, 2) existing domestic water uses and water rights will not be unlawfully impaired, 3) it is a beneficial use of water, and 4) it is in the public interest as it pertains to matters within the regulatory authority of the Water Management Board. The Chief Engineer's recommendation with qualifications, the application, and staff report are available at <https://danr.sd.gov/public> or contact Ron Duvall for this information, or other information, at the Water Rights Program address provided below.

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Schlaak, Karen

From: Schlaak, Karen
Sent: Tuesday, May 24, 2022 9:24 AM
To: Watertown Public Opinon (legals@thepublicopinion.com)
Subject: 8617-3, Victory Farms LLC
Attachments: 8617-3public.short_final.docx; FORM8.FRM.doc

Attached is a notice to be published on June 1, 2022.

Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 (605 237-8391) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

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

Karen Schlaak

DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>



Schlaak, Karen

From: Schlaak, Karen
Sent: Tuesday, May 24, 2022 9:23 AM
To: Julie Madison, Grant County Review (gcreview@itcmilbank.com)
Subject: 8617-3, Victory Farms LLC
Attachments: 8617-3public.short_final.docx; FORM8.FRM.doc

Attached is a notice to be published on June 1, 2022.

Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 (605 237-8391) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

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

Karen Schlaak

DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>



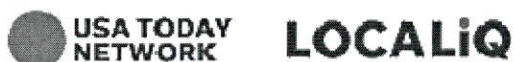
Schlaak, Karen

From: Gannett Legals Public Notices <GanLegPubNotices@gannett.com>
Sent: Wednesday, June 15, 2022 9:01 AM
To: Schlaak, Karen
Subject: RE: [EXT] 7333998 - 8617-3, Victory Farms LLC

Yes, unfortunately its showing that it is cancelled so you will need to resend it.

Have a nice day.

Ryan Speller
Public Notice Representative – Affidavits Team
rspeller@localiq.com



From: Schlaak, Karen <Karen.Schlaak@state.sd.us>
Sent: Wednesday, June 15, 2022 7:45 AM
To: Gannett Legals Public Notices <GanLegPubNotices@gannett.com>
Subject: RE: 7333998 - 8617-3, Victory Farms LLC

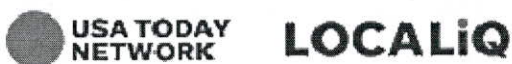
That is the only information I received from your paper. Please let me know if it did not run and I will resend it. There are time sensitive dates within the notice.

Karen

From: Gannett Legals Public Notices <GanLegPubNotices@gannett.com>
Sent: Wednesday, June 15, 2022 7:34 AM
To: Schlaak, Karen <Karen.Schlaak@state.sd.us>
Subject: RE: [EXT] 7333998 - 8617-3, Victory Farms LLC

Is there a different number for this AD? This one is showing as cancelled.

Ryan Speller
Public Notice Representative – Affidavits Team
rspeller@localiq.com



From: Schlaak, Karen <Karen.Schlaak@state.sd.us>
Sent: Tuesday, June 14, 2022 4:08 PM
To: Gannett Legals Public Notices 4 <ganlegpubnotices4@gannett.com>
Subject: RE: 7333998 - 8617-3, Victory Farms LLC

Please send me the affidavit for this publication.

Thanks,
Karen

From: Gannett Legals Public Notices 4 <ganlegpubnotices4@gannett.com>
Sent: Tuesday, May 24, 2022 9:56 AM
To: Schlaak, Karen <Karen.Schlaak@state.sd.us>
Subject: RE: [EXT] 7333998 - 8617-3, Victory Farms LLC
Importance: High

Hello,

Your notice is scheduled to run on 6/1 in the Public Opinion.

The total cost is \$53.16, which includes an affidavit that will be mailed to you after the final run date.

Prepayment is required in order for the notice to run. Please call the number in my signature below before 5pm CST on 5/26 to make payment!

Please reference ad # 7333998 when calling. A proof of the notice is attached for your review.

Any revisions or corrections to the notice are needed before payment is made.

Please forward the above payment instructions to Kevin.

Thank you,
Forrest Grade
Public Notice Representative



**USA TODAY
NETWORK**

LOCALiQ

Office: 844-254-5287

From: Schlaak, Karen <Karen.Schlaak@state.sd.us>
Sent: Tuesday, May 24, 2022 9:24 AM
To: SD-Watertown Legals <legals@thepublicopinion.com>
Subject: 7333998 - 8617-3, Victory Farms LLC

Attached is a notice to be published on June 1, 2022.

Victory Farms LLC, c/o Kevin Souza, 48176 153rd St, Milbank SD 57252 (605 237-8391) has been notified to contact you to authorize publication and arrange for payment.

Please send the affidavit or return the attached Proof of Publication form ASAP to the Water Rights Program, 523 E Capitol, Pierre SD 57501.

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

Karen Schlaak
DANR - Water Rights Program
(605) 773-3352
Website: <https://danr.sd.gov>

8617-3

Report of Examination of Works and/or Application of Water to Beneficial Use For Permit No. 8015-3

I have this day, August 9, 2021, made a thorough examination of the water use system constructed by Victory Farms c/o Kevin Souza, 48176 153rd St, Milbank, SD 57252 of Permit No. 8015-3, bearing the priority of May 13, 2014 authorizing the diversion of 0.33 cu. ft. per second of the waters of the Veblen Aquifer for commercial (dairy) purposes, in Grant County.

A. Works used to divert the water:

Well Information:

- 1) Well Drilling Firm: Kranz Well & Excavation
- 2) No. of Wells 2
- 3) Depth(s) 140 feet
- 4) Well logs are available Y

(Both wells were constructed the same)

Casing:

- 1) Diameter 8 inches
- 2) Length _____ feet
- 3) Type plastic

Screen:

- 1) Type slotted
- 2) Length 40 feet
- 3) Static water level 10 feet

Pump:

- 1) Make NA
- 2) Model Submersible
- 3) Size NA
- 4) Capacity 150 each: 300 total GPM (source: Kevin Souza)

Motor: unknown

D. Compliance with Permit Requirements:

- 1) Permit qualifications being abided by Y
- 2) Exceptions to compliance are: diverting at a higher rate than permitted

E. Condition and Location:

The system is in **excellent** condition with the point(s) of diversion located as follows: **From the SE corner of Sec 32 T119N R48W, (30 ft apart)**

WELL #1 280 ft N & 340 ft W, Lat 45.06437 Long. -96.60053 (SE ¼ SE ¼ Sec 32).

WELL #2 310 ft N & 340 ft W, Lat 45.06437, Long -96.60061 (SE ¼ SE ¼ Sec 32).

1. The works are capable of diverting and conveying to the place of use **0.67** cu. ft. per second of water which is to be used for **commercial (dairy)**.
2. The license should be issued for **0.33** cfs
3. All structures, wells and lands on map **Y**

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

The address and phone number supplied in the review materials are current with Mr. Kevin Souza being the contact person.

Note: the permit is for 0.33 cfs but the dairy is using 0.67 cfs at this time according to Mr. Souza.

FSA maps and the ArcMAPS software were used to determine the well locations (2 wells within 30 feet of each other)

Detailed information regarding the wells is missing. Included what information that could be gathered during a site visit.



Darrell W DeBoer
Water Rights Inspector
DANR, Water Rights Program

Date report completed: **August 10, 2021**

**Note: A new water permit will need to be obtained for the additional diversion rate of 0.34 cfs.
Genny**



**DEPARTMENT of AGRICULTURE
and NATURAL RESOURCES**

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

AUG 04 2022

Victory Farms LLC
c/o Kevin Souza
48176 153rd St
Milbank SD 57252

Dear Mr. Souza:

Enclosed are Water Permit and Water License No. 8617-3. These are the final water right documents completing your process of obtaining a Water Right. Also, enclosed is a map showing the location of the wells.

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,

Eric Gronlund, Chief Engineer
Water Rights Program
(605) 773-3352

Enclosures

Note: The applicable portions of No. 8015-3 are incorporated into this water license.