



## POWERTECH (USA) INC.

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DEPT. OF ENVIRONMENT &  
NATURAL RESOURCES,  
GROUND WATER PROGRAM

January 4, 2010

Mr. William Markley, Administrator  
Groundwater Quality Programs  
South Dakota Department of Environment  
and Natural Resources  
523 East Capitol  
Pierre, SD 57501

Re: Dewey-Burdock Project, Class V Well Regulations and Requirements

Dear Mr. Markley:

As discussed with you and others at DENR during the December 2009 meeting, Powertech (USA) plans to evaluate and potentially install and operate a Class V well in South Dakota as part of the disposal process for its Dewey-Burdock Project in Fall River and Custer Counties.

We have reviewed the pertinent regulations at ARSD 74:55:02:03-04 and the referenced Chapter 34A-2, *Water Pollution Control*, and would like additional clarification as to the specific requirements for obtaining authorization from DENR to install and operate a Class V disposal well in South Dakota. Clarification is necessary to provide a clear process for our consultants and to avoid unnecessary confusion and/or duplication of effort.

We will be preparing an application per EPA requirements as Class V wells are clearly under their jurisdiction as well. One question is, "Does DENR require a separate application or can the EPA application also be submitted for DENR's review? If a separate application is required, is there clear guidance as to the contents and format? Further, based on our review, it is not clear if DENR requires a surety arrangement or if the surety arrangement that is acceptable to EPA is sufficient for DENR?"

Your prompt consideration and reply to this inquiry will be appreciated as it will allow Powertech (USA) and its consultants to prepare an adequate and complete application for both EPA and DENR.

Respectfully,

Richard E. Blubaugh  
Vice President EH&S Resources