



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

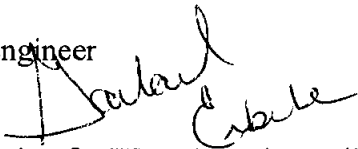
PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

November 28, 2012

NOTICE

TO: Richard Blubaugh
Powertech (USA) Inc.
5575 DTC Parkway, Suite #140
Greenwood Village, CO 80111
And Parties of Record (see attached list)

FROM: Garland Erbele, Chief Engineer
Water Rights Program 

SUBJECT: Automatic Delay of Hearing for Water Permit Application Nos. 2685-2 and 2686-2,
Powertech (USA) Inc.

The hearing before the Water Management Board on Powertech's two water permit applications will not be held on December 5, 2012. Enclosed is the Department of Environment and Natural Resources' press release announcing delay of the hearing on Powertech's applications.

Petitions have been submitted opposing Water Permit Application Nos. 2685-2 and 2686-2 in response to the notice of hearing published November 13 and 14, 2012 in area newspapers. A copy of the public notice is enclosed. The applications, Water Rights Program staff report and Chief Engineer's recommendations and submitted petitions may be viewed on-line at <http://denr.sd.gov/des/wr/ptech.aspx>.

A number of the petitions also requested an automatic delay of the December 5, 2012 hearing on Water Permit Application Nos. 2685-2 and 2686-2. Therefore, the hearing on Application Nos. 2685-2 and 2686-2 is automatically delayed pursuant to SDCL 46-2A-4 and 46-2A-5 and will not be held on December 5, 2012.

The hearing to consider Application Nos. 2685-2 and 2686-2 will be rescheduled for a future meeting of the Water Management Board early in 2013. Future notice of the time and place of the hearing for Application Nos. 2685-2 and 2686-2 will be provided to parties of record.

Please contact Eric Gronlund at (605) 773-3352 or eric.gronlund@state.sd.us, if you have any questions regarding the hearing process.

Enclosures

c: Diane Best, Assistant Attorney General

Parties of Record List for Water Permit No. 2685-2 & 2586-2 – Powertech (USA) Inc

Applicant:

Powertech(USA)Inc.
Richard Blubaugh
5575 DTC Parkway # 140
Greenwood Village CO 80111

Represented by:

Max Main
Bennett Main & Gubbrud
618 State St
Belle Fourche SD 57717

Petitioners:

Dewane Stearns
11500 Indian Canyon Rd
Edgemont SD 57735

Tom Emanuel
19 Pine St
Vermillion SD 57069

National Park Service-Water Resource Division
William R Hansen
1201 Oakridge Dr # 250
Fort Collins CO 80525

Susan Henderson
11507 Hwy 471
Edgemont SD 57735

Bruce Ellison
PO Box 2508
Rapid City SD 57709

Mark & Jennifer Belitz
28233 Cascade Rd
Hot Springs SD 57747

Cindy Brunson
11122 Fort Igloo Rd
Edgemont SD 57735

Jeremiah J Davis
130 E Centennial
Rapid City SD 57701

Defenders of the Black Hills
Charmaine White Face
PO Box 2003
Rapid City SD 57709

Mark Tubbs
10891 River Rd
Edgemont SD 57735

Jerri Baker
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Hot Springs SD 57747

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Rapid City SD 57702

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Rapid City SD 57702

Donald H Kelley MD
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Deadwood SD 57732

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22198 Elk Vale Rd
Rapid City SD 57701

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Hot Springs SD 57747

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Rapid City SD 57709

Lilias Jarding
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Rapid City SD 57702

Jillian Anawaty
2804 Willow Ave
Rapid City SD 57701

Sabrina King
14705 Halter Court
Piedmont SD 57767

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PO Box 422
Rapid City SD 57709

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2146 Minnekahta
Hot Springs SD 57747

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Peggy Semler
PO Box 245
Hot Springs SD 57747

Casey Neugebauer
27552 S Buffalo Gap Rd
Oral SD 57766

Mel Pence
2330 Washington Ave
Hot Springs SD 57747

Louise Kursave
27275 SD Hwy 79
Buffalo Gap SD 57722

Betty Welch
PO Box 14
Edgemont SD 57735

Rusty Witte
301 S Chicago
Hot Springs SD 57747

Lena Walker
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Hot Springs SD 57747

Dan Jensen
806 Galveston Ave
Hot Springs SD 57747

Gary Schweigert
279 Cascade Rd
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Maura Smith
306 Joplin # 8
Hot Springs SD 57747

Kellee Walton
1005 S River St
Hot Springs SD 57747

Michelle Sugeg
PO Box 139
Hot Springs SD 57747

Milli Vong
333 N River St
Hot Springs SD 57747

Linda L Smith
947 S Chicago St
Hot Springs SD 57747

Jerry & Ronald Baker
705 N River St
Hot Springs SD 57747

Jeanie Tiff
2342 Wilson Ave
Hot Springs SD 57747

Lyle Jensen
13167 Fall River Rd
Hot Springs SD 57747

Dennis Sutherland
2022 University
Hot Springs SD 57747

Lynda Davies
PO Box 1204
Hot Springs SD 57747

Brenda Gamache
2337 Wilson Ave
Hot Springs SD 57747

Alison Swan
302 S 16th St
Hot Springs SD 57747

Donald & Bonnie Maritz
545 N River St #313
Hot Springs SD 57747

Calvin Larive
713 N River St
Hot Springs SD 57747

Sharon Parker
1913 Jennings Ave
Hot Springs SD 57747

Robert Lee
338 S 5th St
Hot Springs SD 57747

Gary Putnam
204 4th Ave
Edgemont SD 57735

Gary Friendshuh
27098 Elk Rd
Buffalo Gap SD 57722

Dan Lang
27564 Ponderosa Rd
Hot Springs SD 57747

Dayton O Hyde
PO Box 932
Hot Springs SD 57747

Susan Watt
PO Box 790
Hot Springs SD 57747

Leora & Joe Doppen
13174 Fall River Rd
Hot Springs SD 57747

Susan Stolarcek
PO Box 686
Hot Springs SD 57747

Trip Williams
27662 Scenic Rd
Hot Springs SD 57747

Judith Klein
238 N 6th St
Hot Springs SD 57747

Craig Romey
342 N 4th
Hot Springs SD 57747

Michelle Brock
26846 Hwy 385
Hot Springs SD 57747

Nancy Blatchford
441 S 4th Street
Hot Spring SD 57747

Rich and Jackie Gericke
305 S 14th Street
Hot Springs SD 57747

Elaine Everhart
545 N River Street
Hot Springs SD 57747

Allen Chesson
545 N River Street
Hot Springs SD 57747

Gary Friedshuh
22098 Elk Road
Buffalo Gap SD 57722

Moses and Ciser Hernandez
410 ½ South Street
Hot Springs SD 57747

Sarah and AJ Phillips
705 N River Street, Apt 1
Hot Springs SD 57747

Richardo Jacoue ?
601 Albany Avenue
Hot Springs SD 57747

Julie and Emily Christensen
603 N River Street
Hot Springs SD 57747

Paula Tonemah ?
306 Thompson
Hot Springs SD 57747

Loraine Tucker
PO Box 1129
Hot Springs SD 57747

Eddie Berford
241 Galveston Avenue
Hot Springs SD 57747

Veronica Herandez
410 ½ South St
Hot Springs SD 57747

DeAnn McComb
PO Box 254
Hot Springs SD 57747

Georgiana Cross
2045 Canton Avenue #530
Hot Springs SD 57747

Karen Yekel
2455 Minnekahta
Hot Springs SD 57747

Marion Muhm
1614 Coldbrook Avenue
Hot Springs SD 57747

Patricia Hernandez
246 South 6th St, Apt 4
Hot Springs SD 57747

Miriam and Ken Martin
801 N River Street
Hot Springs SD 57747

Jake Haacke
1026 Evanston Avenue
Hot Springs SD 57747

Brianna Badure
PO Box 971
Hot Springs SD 57747

Rex and Mildred Piper
12616 Argyle Road
Hot Springs SD 57747

Jim Red Cloud
13084 Gray Drive
Hot Springs SD 57747

J Smith
2728 Hot Brook
Hot Springs SD 57747

Steve ?
2317 Washington
Hot Springs SD 57747

B J Hunter
353 Bears Ave
Hot Springs SD 57747

Jim Johnson
12569 W Cascade Mt Rd
Hot Spring SD 57747

Gail Saxonis
745 Happy Hollow
Hot Spring SD 57747

Barbara Walter
545 N River St # 503
Hot Spring SD 57747

Carolyn Hertel
27615 Country View Rd
Hot Spring SD 57747

Gary Miles
27582 Rathbun Rd
Hot Spring SD 57747

Niklaus Towne
28423 Old Hwy 79
Hot Spring SD 57747

Ray Powell
2025 Lincoln Ave
Hot Spring SD 57747

Joe Bassingham
10985 Pleasant Valley Rd
Hot Spring SD 57747

Joel Hawkins
504 16th St
Hot Spring SD 57747

Terry Holcomb
105 S 23rd St
Hot Spring SD 57747

Grady Lockhart
PO Box 152
Oelrichs SD 57652

Rose Pettris
12544 West Cascade Rd
Hot Spring SD 57747

LATE FILED

W Cindy Gillis
Gonzalez Law Firm
522 7th St # 202
Rapid City SD 57701



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
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FOR IMMEDIATE RELEASE: Tuesday, November 27, 2012
FOR MORE INFORMATION: Kim Smith, 773-3153

DENR Announces Hearing for Powertech Water Right Applications Delayed

PIERRE, S.D. – The South Dakota Department of Environment and Natural Resources (DENR) announced today that a hearing on two applications from Powertech (USA) Inc. for water right permits for proposed uranium in situ leach mining in southwestern South Dakota has been postponed.

The hearing before the state Water Management Board was originally scheduled for Dec. 5. A new date for the hearing has not been set, but it will likely be rescheduled sometime early in 2013.

A DENR public notice gave interested parties until Nov. 26 to petition to intervene on the water right applications. A provision in state law says the applicant or any person who has filed a petition to support or oppose an application may submit a written notice requesting postponement of the published hearing date for the application. The department has received written petitions requesting the postponement.

The Powertech water right applications are two of four applications Powertech has submitted to DENR. The other applications are for a large-scale mine permit and ground water discharge plan. Powertech must also seek an operating license from the Nuclear Regulatory Commission and necessary permits from the U.S. Environmental Protection Agency.

Powertech submitted the two water right applications on June 12. One application is for water from the Inyan Kara aquifer and the other is for water from the Madison aquifer. Water from the Inyan Kara aquifer will be used to extract uranium ore using an in situ recovery process. Water from the Madison aquifer will be used for aquifer restoration and may also be used for facility operations and to supply domestic and livestock water to local ranchers. For more information about the two water right permit applications, visit <http://denr.sd.gov/des/wr/ptech.aspx>.

Powertech seeks a proposed uranium in situ leach mine and processing facility about 13 miles northwest of Edgemont. The proposed mining area encompasses about 10,580 acres. Most of the acres are private land in Custer and Fall River counties. About 240 acres of Bureau of Land Management land are included in the permit boundary. Production is estimated at 1 million pounds of uranium oxide per year for 20 years.

NOTICE OF HEARING on Water Permit Application Nos. 2685-2 and 2686-2 to Appropriate Water for Powertech (USA) Inc.

Notice is given that Powertech (USA) Inc., c/o Richard Blubaugh, 5575 DTC Parkway Suite #140, Greenwood Village CO 80111 has filed two applications for water permits for primarily industrial use in a uranium in-situ mining project called the Dewey-Burdock Project located in Custer and Fall River Counties. The Dewey-Burdock Project area (project area) encompasses approximately 10,580 acres including portions of Sections 1 through 5, 10 through 12, and 14 through 15 in T7S, R1E and Sections 20 through 21, and 27 through 35 in T6S, R1E, Black Hills Meridian.

Project Overview: Powertech (USA) proposes to recover uranium by a method known as in-situ recovery, or ISR, in which groundwater from the formation containing uranium (the Inyan Kara Group) is pumped to the surface from a field of wells, fortified with oxygen and carbon dioxide, and recirculated through the formation. The oxidized groundwater changes the uranium to a soluble form and is pumped to the surface, where uranium is removed from the solution. ISR circulates water through the uranium ore zone. Only a small fraction of the water is a net withdrawal because most water is recirculated back through the ore zone. A portion of the water extracted from the Inyan Kara Aquifer will be "bled off" to maintain a cone of depression so native groundwater continually flows toward the center of the production zone. Production bleed rates may vary in the range of 0.5 to 3 percent over the life of the project. Restoration bleed rates up to 17 percent may be used briefly but would be limited to well fields undergoing aquifer restoration. The ISR process is repeated until the economic reserves of uranium are fully removed from that particular well field. The process moves to another well field, and the uranium depleted well field is restored by continuing to circulate clean water through the wells until the water is similar in quality to the water that existed in the formation prior to the ISR operations. Most of the water removed from the Inyan Kara Aquifer during the ISR process is recirculated and re-injected through the well field, resulting in the net consumptive use of water being a small portion of the gross withdrawal rate. Most of the water used in the ISR operations will be obtained from the Inyan Kara Group. However, Powertech (USA) plans to use water from the Madison Aquifer to make up for water that is not provided from the ISR process. The amount of "make-up" from the Madison Aquifer will depend upon the water disposal method which is either deep disposal well or land application. The use of water from these two formations necessitates obtaining water permits from each source. The applications listed below describe the proposed points of diversion, amount of water to be used, the maximum annual diversion rate and annual volume that may be diverted. The eastern portion of the project area is known as the Burdock area. It will include a series of ISR well fields and a central processing plant. The western portion of the project area is the Dewey area which will include ISR well fields and a satellite processing plant.

Each application, Water Rights Program staff report and Chief Engineer's recommendation may be viewed online at <http://denr.sd.gov/Powertech.aspx>.

Water Permit Application No. 2685-2 proposes to appropriate and place to beneficial use up to 1.228 cubic feet of water per second (cfs) with an annual consumptive use up to 888.8 acre feet of water annually from up to two or more wells completed into the Madison Aquifer at an approximate depth between 2,700 to 3,400 feet. The instantaneous peak diversion rate of 1.228 cubic feet of water per second (cfs) equates to 551 gallons per minute (gpm). The wells are to be located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 32, T6S, R1E and the NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 11, T7S, R1E. Madison Aquifer water is primarily proposed for aquifer restoration following in-situ recovery but also may serve as the general facility water supply including the central processing plant, satellite plant and for domestic and livestock use for area landowners inside and near the project area.

The required yield may be obtained from one Madison well or several wells dependent on a number of factors. Powertech (USA) listed two potential well locations on this water permit application, one in the Dewey portion of the project and one in the Burdock portion. The final decision as to number and location of wells will depend upon water requirements, well yield, water quality and economic factors.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2685-2 subject to a 20-year term limitation because 1) although evidence is not available to justify issuing the permit without a 20-year term limitation, there is reasonable probability that there is unappropriated water available, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use and 4) it is in the public interest.

Water Permit Application No. 2686-2 proposes to appropriate and place to beneficial use up to 18.938 cfs limited to an annual consumptive use volume up to 274.2 acre feet of water (equivalent to 0.38 cfs or 170 gpm) from multiple wells completed into the Inyan Kara aquifer at a depth between 200 to 800 feet. The wells will be located within the project area as defined in the first paragraph of this notice of hearing. The application is for a gross withdrawal (flow) rate of 18.938 cfs which equates to 8,500 gpm. The net consumptive use of water is a small portion of the gross withdrawal rate. Approximately two percent of the water is "bled off" during the process in order to maintain flow gradients toward the center of the well field. The remaining approximately ninety eight percent of the water is recirculated and continuously re-injected as part of the ISR process. The maximum net withdrawal rate equates to 0.38 cfs (170 gpm) from the Inyan Aquifer for an annual volume of up to 274.2 acre feet of water annually consumptively removed from the aquifer during the project.

Uranium recovery operations will continue for approximately 7 to 20 years. A typical well field grid of Inyan Kara wells consists of a 100 by 100 foot grid with one production well in the center and four surrounding wells for injection into the ore body. The well pattern may differ from well field to well field and be modified as needed to fit the characteristics of each ore body. Well fields will be completed along the various uranium zones. Current development plans include construction of approximately 600 ISR production wells in the Dewey portion of the project area and 900 ISR production wells in the Burdock portion of the project area. The maximum number of production wells in operation at any one time within the entire project area including production and restoration is 1,000 wells. Based on the project life and number of production wells scheduled as the well fields are developed, Powertech (USA) anticipates requesting a future permit amendment for an extension of the five year construction period pursuant to SDCL 46-2A-8. Powertech (USA) will provide an annual diversion report to DENR describing the number and location of pumping production wells. This report will include request for change in the number and designated locations of pumping wells pursuant to SDCL 46-5-13.1. This statute allows for the location of point of diversion or additional points of diversion to be approved without application or publication if the wells are completed into the same source, no additional water is appropriated and the Chief Engineer makes a finding that the change does not increase the potential for interference with existing diversions.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends Approval of Application No. 2686-2 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.

SDCL 46-2A-4(10) provides that "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 Chief Engineer's recommendation and no hearing may be held before the board, unless the Chief Engineer makes a finding that an application, even if uncontested, presents important issues of public policy or public interest that should be heard by the board." In this case, the Chief Engineer finds that these applications present important issues of public interest that should be heard by the Water Management Board.

The Water Management Board will consider these applications at 8:30 AM on December 5, 2012 in the Matthew Training Center, 523 E. Capitol Ave. Pierre SD. The Chief Engineer's recommendation is not final or binding upon the Board. The Board is authorized to 1) approve, 2) approve with qualifications, 3) defer, or 4) deny these applications based on the facts presented at the public hearing.

Any interested person who intends to participate in the hearing shall file a petition to oppose or support the applications and the petition shall be filed with BOTH the applicant and Chief Engineer. The applicant must

also file a petition if opposed to 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 November 26, 2012. The petition may be informal, but shall be in writing and shall include a statement describing the petitioner's interest in either application, the petitioner's reasons for opposing or supporting either application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained. The hearing is an adversary proceeding and any party has the right to be present at the hearing and to be represented by a lawyer. These and other due process rights will be forfeited if they are not exercised at the hearing and decisions of the Board may be appealed to the Circuit Court and State Supreme Court as provided by law.

The December 5, 2012 hearing date will be automatically delayed for at least 20 days upon written request to the Chief Engineer from the applicant or any person who has filed a petition to oppose or support either application. The request for an automatic delay must be filed by November 26, 2012. If an automatic delay is requested, the hearing will be rescheduled for a future Board meeting and personal notice will be provided to all petitioners regarding the time, date and location.

Contact Eric Gronlund by November 26, 2012, at the above Chief Engineer's address to request copies of the staff reports, recommendations, applications or other information. Additionally each application, Water Rights Program staff report and Chief Engineer's recommendation may be viewed on-line at <http://denr.sd.gov/Powertech.aspx>. Notice is given to individuals with disabilities that this hearing is being held in a physically accessible place. Please notify the Department of Environment and Natural Resources at least 48 hours before the hearing if you have a disability for which special arrangements must be made at the hearing. The telephone number for making arrangements is (605) 773-3352.

Under SDCL 1-26-17(7) notices must state that "if the amount in controversy exceeds \$2,500.00 or if a property right may be terminated, any party to the contested case may require the agency to use the Office of Hearing Examiners by giving notice of the request to the agency no later than ten days after service of a notice of hearing issued pursuant to SDCL 1-26-17." This is a Notice of Hearing, service is being provided by publication, and the applicable date to give notice to the Chief Engineer is November 26, 2012. However, since this particular matter involves water permit applications and not a monetary controversy in excess of \$2,500.00 or termination of a property right the Chief Engineer disputes the applicability of this provision and maintains that the hearing must be conducted by the Board.

The legal authority and jurisdiction under which the hearing is to be held are the following as applicable: SDCL 1-26-16 thru 1-26-28; SDCL 46-1-1 thru 46-1-9, 46-1-14 thru 46-1-16; 46-2-3.1, 46-2-9, 46-2-11, 46-2-17; 46-2A-1 thru 46-2A-10, 46-2A-14, 46-2A-15; 46-5-6.11, 46-5-10 thru 46-5-13, 46-5-30 thru 46-5-30.3, 46-5-32; 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-26; and Board rules ARSD 74:02:01:01 thru 74:02:01:15.

The particular section of statutes and rules pertaining to these permit applications are, in addition to the above, the following: SDCL 46-2A-9, 46-6-3.1, 46-2A-15, 46-2A-20, 46-2A-21 46-5-10 thru 46-5-13.1, 46-5-26, 46-6-10, 46-6-26; the above listed administrative rules and the following rules pertaining to qualifications recommended by the Chief Engineer: ARSD Chapter 74:02:01 and 74:02:04.

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



**DEPARTMENT of ENVIRONMENT
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PMB 2020
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

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November 28, 2012

NOTICE

TO: Richard Blubaugh
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5575 DTC Parkway, Suite #140
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FROM: Garland Erbele, Chief Engineer
Water Rights Program *Garland Erbele*

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Enclosures

c: Diane Best, Assistant Attorney General

Parties of Record List for Water Permit No. 2685-2 & 2586-2 – Powertech (USA) Inc

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Powertech(USA)Inc.
Richard Blubaugh
5575 DTC Parkway # 140
Greenwood Village CO 80111

Represented by:

Max Main
Bennett Main & Gubbrud
618 State St
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1201 Oakridge Dr # 250
Fort Collins CO 80525

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Hot Springs SD 57747

Rebecca R Leas Ph D
6509 Seminole Lane
Rapid City SD 57702

Barbara Cromwell
2313 Cruz Dr
Rapid City SD 57702

Donald H Kelley MD
12637 Merritt Estes Rd
Deadwood SD 57732

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22198 Elk Vale Rd
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12747 Oak Road
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Gena M Parkhurst
PO Box 1914
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Lilias Jarding
418 N 44th St
Rapid City SD 57702

Jillian Anawaty
2804 Willow Ave
Rapid City SD 57701

Sabrina King
14705 Halter Court
Piedmont SD 57767

Gary Heckenliable
PO Box 422
Rapid City SD 57709

SD Dept. of Game Fish & Parks
Leslie Murphy – Sr Biologist
523 E. Capitol Ave
Pierre SD 57501

Edward H Binns
408 N 17th St
Hot Springs SD 57747

Fall River County Commission
Michael P Ortner - Chairman
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Hot Springs SD 57747

Neal Miller
486 Almond St
Hot Springs SD 57747

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410 S 4th St
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Hot Springs SD 57747

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PO Box 245
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Betty Welch
PO Box 14
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Rusty Witte
301 S Chicago
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Dan Jensen
806 Galveston Ave
Hot Springs SD 57747

Gary Schweigert
279 Cascade Rd
Hot Springs SD 57747

Maura Smith
306 Joplin # 8
Hot Springs SD 57747

Kellee Walton
1005 S River St
Hot Springs SD 57747

Michelle Sugeg
PO Box 139
Hot Springs SD 57747

Milli Vong
333 N River St
Hot Springs SD 57747

Linda L Smith
947 S Chicago St
Hot Springs SD 57747

Jerry & Ronald Baker
705 N River St
Hot Springs SD 57747

Jeanie Tiff
2342 Wilson Ave
Hot Springs SD 57747

Lyle Jensen
13167 Fall River Rd
Hot Springs SD 57747

Dennis Sutherland
2022 University
Hot Springs SD 57747

Lynda Davies
PO Box 1204
Hot Springs SD 57747

Brenda Gamache
2337 Wilson Ave
Hot Springs SD 57747

Alison Swan
302 S 16th St
Hot Springs SD 57747

Donald & Bonnie Maritz
545 N River St #313
Hot Springs SD 57747

Calvin Larive
713 N River St
Hot Springs SD 57747

Sharon Parker
1913 Jennings Ave
Hot Springs SD 57747

Robert Lee
338 S 5th St
Hot Springs SD 57747

Gary Putnam
204 4th Ave
Edgemont SD 57735

Gary Friendshuh
27098 Elk Rd
Buffalo Gap SD 57722

Dan Lang
27564 Ponderosa Rd
Hot Springs SD 57747

Dayton O Hyde
PO Box 932
Hot Springs SD 57747

Susan Watt
PO Box 790
Hot Springs SD 57747

Leora & Joe Doppen
13174 Fall River Rd
Hot Springs SD 57747

Susan Stolarcek
PO Box 686
Hot Springs SD 57747

Trip Williams
27662 Scenic Rd
Hot Springs SD 57747

Judith Klein
238 N 6th St
Hot Springs SD 57747

Craig Romey
342 N 4th
Hot Springs SD 57747

Michelle Brock
26846 Hwy 385
Hot Springs SD 57747

Nancy Blatchford
441 S 4th Street
Hot Spring SD 57747

Rich and Jackie Gericke
305 S 14th Street
Hot Springs SD 57747

Elaine Everhart
545 N River Street
Hot Springs SD 57747

Allen Chesson
545 N River Street
Hot Springs SD 57747

Gary Friedshuh
22098 Elk Road
Buffalo Gap SD 57722

Moses and Ciser Hernandez
410 ½ South Street
Hot Springs SD 57747

Sarah and AJ Phillips
705 N River Street, Apt 1
Hot Springs SD 57747

Richardo Jacoue ?
601 Albany Avenue
Hot Springs SD 57747

Julie and Emily Christensen
603 N River Street
Hot Springs SD 57747

Paula Tonemah ?
306 Thompson
Hot Springs SD 57747

Loraine Tucker
PO Box 1129
Hot Springs SD 57747

Eddie Berford
241 Galveston Avenue
Hot Springs SD 57747

Veronica Herandez
410 ½ South St
Hot Springs SD 57747

DeAnn McComb
PO Box 254
Hot Springs SD 57747

Georgiana Cross
2045 Canton Avenue #530
Hot Springs SD 57747

Karen Yekel
2455 Minnekahta
Hot Springs SD 57747

Marion Muhm
1614 Coldbrook Avenue
Hot Springs SD 57747

Patricia Hernandez
246 South 6th St, Apt 4
Hot Springs SD 57747

Miriam and Ken Martin
801 N River Street
Hot Springs SD 57747

Jake Haacke
1026 Evanston Avenue
Hot Springs SD 57747

Brianna Badure
PO Box 971
Hot Springs SD 57747

Rex and Mildred Piper
12616 Argyle Road
Hot Springs SD 57747

Jim Red Cloud
13084 Gray Drive
Hot Springs SD 57747

J Smith
2728 Hot Brook
Hot Springs SD 57747

Steve ?
2317 Washington
Hot Springs SD 57747

B J Hunter
353 Bears Ave
Hot Springs SD 57747

Jim Johnson
12569 W Cascade Mt Rd
Hot Spring SD 57747

Gail Saxonis
745 Happy Hollow
Hot Spring SD 57747

Barbara Walter
545 N River St # 503
Hot Spring SD 57747

Carolyn Hertel
27615 Country View Rd
Hot Spring SD 57747

Gary Miles
27582 Rathbun Rd
Hot Spring SD 57747

Niklaus Towne
28423 Old Hwy 79
Hot Spring SD 57747

Ray Powell
2025 Lincoln Ave
Hot Spring SD 57747

Joe Bassingham
10985 Pleasant Valley Rd
Hot Spring SD 57747

Joel Hawkins
504 16th St
Hot Spring SD 57747

Terry Holcomb
105 S 23rd St
Hot Spring SD 57747

Grady Lockhart
PO Box 152
Oelrichs SD 57652

Rose Pettris
12544 West Cascade Rd
Hot Spring SD 57747

James B Woodward
PO Box 599
Wellington CO 80549

LATE FILED

W Cindy Gillis
Gonzalez Law Firm
522 7th St # 202
Rapid City SD 57701



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES
JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3181
denr.sd.gov

FOR IMMEDIATE RELEASE: Tuesday, November 27, 2012
FOR MORE INFORMATION: Kim Smith, 773-3153

DENR Announces Hearing for Powertech Water Right Applications Delayed

PIERRE, S.D. – The South Dakota Department of Environment and Natural Resources (DENR) announced today that a hearing on two applications from Powertech (USA) Inc. for water right permits for proposed uranium in situ leach mining in southwestern South Dakota has been postponed.

The hearing before the state Water Management Board was originally scheduled for Dec. 5. A new date for the hearing has not been set, but it will likely be rescheduled sometime early in 2013.

A DENR public notice gave interested parties until Nov. 26 to petition to intervene on the water right applications. A provision in state law says the applicant or any person who has filed a petition to support or oppose an application may submit a written notice requesting postponement of the published hearing date for the application. The department has received written petitions requesting the postponement.

The Powertech water right applications are two of four applications Powertech has submitted to DENR. The other applications are for a large-scale mine permit and ground water discharge plan. Powertech must also seek an operating license from the Nuclear Regulatory Commission and necessary permits from the U.S. Environmental Protection Agency.

Powertech submitted the two water right applications on June 12. One application is for water from the Inyan Kara aquifer and the other is for water from the Madison aquifer. Water from the Inyan Kara aquifer will be used to extract uranium ore using an in situ recovery process. Water from the Madison aquifer will be used for aquifer restoration and may also be used for facility operations and to supply domestic and livestock water to local ranchers. For more information about the two water right permit applications, visit <http://denr.sd.gov/des/wr/ptech.aspx>.

Powertech seeks a proposed uranium in situ leach mine and processing facility about 13 miles northwest of Edgemont. The proposed mining area encompasses about 10,580 acres. Most of the acres are private land in Custer and Fall River counties. About 240 acres of Bureau of Land Management land are included in the permit boundary. Production is estimated at 1 million pounds of uranium oxide per year for 20 years.

NOTICE OF HEARING on Water Permit Application Nos. 2685-2 and 2686-2 to Appropriate Water for Powertech (USA) Inc.

Notice is given that Powertech (USA) Inc., c/o Richard Blubaugh, 5575 DTC Parkway Suite #140, Greenwood Village CO 80111 has filed two applications for water permits for primarily industrial use in a uranium in-situ mining project called the Dewey-Burdock Project located in Custer and Fall River Counties. The Dewey-Burdock Project area (project area) encompasses approximately 10,580 acres including portions of Sections 1 through 5, 10 through 12, and 14 through 15 in T7S, R1E and Sections 20 through 21, and 27 through 35 in T6S, R1E, Black Hills Meridian.

Project Overview: Powertech (USA) proposes to recover uranium by a method known as in-situ recovery, or ISR, in which groundwater from the formation containing uranium (the Inyan Kara Group) is pumped to the surface from a field of wells, fortified with oxygen and carbon dioxide, and recirculated through the formation. The oxidized groundwater changes the uranium to a soluble form and is pumped to the surface, where uranium is removed from the solution. ISR circulates water through the uranium ore zone. Only a small fraction of the water is a net withdrawal because most water is recirculated back through the ore zone. A portion of the water extracted from the Inyan Kara Aquifer will be "bled off" to maintain a cone of depression so native groundwater continually flows toward the center of the production zone. Production bleed rates may vary in the range of 0.5 to 3 percent over the life of the project. Restoration bleed rates up to 17 percent may be used briefly but would be limited to well fields undergoing aquifer restoration. The ISR process is repeated until the economic reserves of uranium are fully removed from that particular well field. The process moves to another well field, and the uranium depleted well field is restored by continuing to circulate clean water through the wells until the water is similar in quality to the water that existed in the formation prior to the ISR operations. Most of the water removed from the Inyan Kara Aquifer during the ISR process is recirculated and re-injected through the well field, resulting in the net consumptive use of water being a small portion of the gross withdrawal rate. Most of the water used in the ISR operations will be obtained from the Inyan Kara Group. However, Powertech (USA) plans to use water from the Madison Aquifer to make up for water that is not provided from the ISR process. The amount of "make-up" from the Madison Aquifer will depend upon the water disposal method which is either deep disposal well or land application. The use of water from these two formations necessitates obtaining water permits from each source. The applications listed below describe the proposed points of diversion, amount of water to be used, the maximum annual diversion rate and annual volume that may be diverted. The eastern portion of the project area is known as the Burdock area. It will include a series of ISR well fields and a central processing plant. The western portion of the project area is the Dewey area which will include ISR well fields and a satellite processing plant.

Each application, Water Rights Program staff report and Chief Engineer's recommendation may be viewed on-line at <http://denr.sd.gov/Powertech.aspx>.

Water Permit Application No. 2685-2 proposes to appropriate and place to beneficial use up to 1.228 cubic feet of water per second (cfs) with an annual consumptive use up to 888.8 acre feet of water annually from up to two or more wells completed into the Madison Aquifer at an approximate depth between 2,700 to 3,400 feet. The instantaneous peak diversion rate of 1.228 cubic feet of water per second (cfs) equates to 551 gallons per minute (gpm). The wells are to be located in the NW ¼ NW ¼ Section 32, T6S, R1E and the NW ¼ NE ¼ Section 11, T7S, R1E. Madison Aquifer water is primarily proposed for aquifer restoration following in-situ recovery but also may serve as the general facility water supply including the central processing plant, satellite plant and for domestic and livestock use for area landowners inside and near the project area.

The required yield may be obtained from one Madison well or several wells dependent on a number of factors. Powertech (USA) listed two potential well locations on this water permit application, one in the Dewey portion of the project and one in the Burdock portion. The final decision as to number and location of wells will depend upon water requirements, well yield, water quality and economic factors.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends APPROVAL of Application No. 2685-2 subject to a 20-year term limitation because 1) although evidence is not available to justify issuing the permit without a 20-year term limitation, there is reasonable probability that there is unappropriated water available, 2) the proposed diversion can be developed without unlawful impairment of existing rights, 3) the proposed use is a beneficial use and 4) it is in the public interest.

Water Permit Application No. 2686-2 proposes to appropriate and place to beneficial use up to 18.938 cfs limited to an annual consumptive use volume up to 274.2 acre feet of water (equivalent to 0.38 cfs or 170 gpm) from multiple wells completed into the Inyan Kara aquifer at a depth between 200 to 800 feet. The wells will be located within the project area as defined in the first paragraph of this notice of hearing. The application is for a gross withdrawal (flow) rate of 18.938 cfs which equates to 8,500 gpm. The net consumptive use of water is a small portion of the gross withdrawal rate. Approximately two percent of the water is "bled off" during the process in order to maintain flow gradients toward the center of the well field. The remaining approximately ninety eight percent of the water is recirculated and continuously re-injected as part of the ISR process. The maximum net withdrawal rate equates to 0.38 cfs (170 gpm) from the Inyan Aquifer for an annual volume of up to 274.2 acre feet of water annually consumptively removed from the aquifer during the project.

Uranium recovery operations will continue for approximately 7 to 20 years. A typical well field grid of Inyan Kara wells consists of a 100 by 100 foot grid with one production well in the center and four surrounding wells for injection into the ore body. The well pattern may differ from well field to well field and be modified as needed to fit the characteristics of each ore body. Well fields will be completed along the various uranium zones. Current development plans include construction of approximately 600 ISR production wells in the Dewey portion of the project area and 900 ISR production wells in the Burdock portion of the project area. The maximum number of production wells in operation at any one time within the entire project area including production and restoration is 1,000 wells. Based on the project life and number of production wells scheduled as the well fields are developed, Powertech (USA) anticipates requesting a future permit amendment for an extension of the five year construction period pursuant to SDCL 46-2A-8. Powertech (USA) will provide an annual diversion report to DENR describing the number and location of pumping production wells. This report will include request for change in the number and designated locations of pumping wells pursuant to SDCL 46-5-13.1. This statute allows for the location of point of diversion or additional points of diversion to be approved without application or publication if the wells are completed into the same source, no additional water is appropriated and the Chief Engineer makes a finding that the change does not increase the potential for interference with existing diversions.

Pursuant to SDCL 46-2A-2, the Chief Engineer recommends Approval of Application No. 2686-2 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.

SDCL 46-2A-4(10) provides that "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 Chief Engineer's recommendation and no hearing may be held before the board, unless the Chief Engineer makes a finding that an application, even if uncontested, presents important issues of public policy or public interest that should be heard by the board." In this case, the Chief Engineer finds that these applications present important issues of public interest that should be heard by the Water Management Board.

The Water Management Board will consider these applications at 8:30 AM on December 5, 2012 in the Matthew Training Center, 523 E. Capitol Ave. Pierre SD. The Chief Engineer's recommendation is not final or binding upon the Board. The Board is authorized to 1) approve, 2) approve with qualifications, 3) defer, or 4) deny these applications based on the facts presented at the public hearing.

Any interested person who intends to participate in the hearing shall file a petition to oppose or support the applications and the petition shall be filed with BOTH the applicant and Chief Engineer. The applicant must

also file a petition if opposed to 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 November 26, 2012. The petition may be informal, but shall be in writing and shall include a statement describing the petitioner's interest in either application, the petitioner's reasons for opposing or supporting either application, and the signature and mailing address of the petitioner or the petitioner's legal counsel, if legal counsel is obtained. The hearing is an adversary proceeding and any party has the right to be present at the hearing and to be represented by a lawyer. These and other due process rights will be forfeited if they are not exercised at the hearing and decisions of the Board may be appealed to the Circuit Court and State Supreme Court as provided by law.

The December 5, 2012 hearing date will be automatically delayed for at least 20 days upon written request to the Chief Engineer from the applicant or any person who has filed a petition to oppose or support either application. The request for an automatic delay must be filed by November 26, 2012. If an automatic delay is requested, the hearing will be rescheduled for a future Board meeting and personal notice will be provided to all petitioners regarding the time, date and location.

Contact Eric Gronlund by November 26, 2012, at the above Chief Engineer's address to request copies of the staff reports, recommendations, applications or other information. Additionally each application, Water Rights Program staff report and Chief Engineer's recommendation may be viewed on-line at <http://denr.sd.gov/Powertech.aspx>. Notice is given to individuals with disabilities that this hearing is being held in a physically accessible place. Please notify the Department of Environment and Natural Resources at least 48 hours before the hearing if you have a disability for which special arrangements must be made at the hearing. The telephone number for making arrangements is (605) 773-3352.

Under SDCL 1-26-17(7) notices must state that "if the amount in controversy exceeds \$2,500.00 or if a property right may be terminated, any party to the contested case may require the agency to use the Office of Hearing Examiners by giving notice of the request to the agency no later than ten days after service of a notice of hearing issued pursuant to SDCL 1-26-17." This is a Notice of Hearing, service is being provided by publication, and the applicable date to give notice to the Chief Engineer is November 26, 2012. However, since this particular matter involves water permit applications and not a monetary controversy in excess of \$2,500.00 or termination of a property right the Chief Engineer disputes the applicability of this provision and maintains that the hearing must be conducted by the Board.

The legal authority and jurisdiction under which the hearing is to be held are the following as applicable: SDCL 1-26-16 thru 1-26-28; SDCL 46-1-1 thru 46-1-9, 46-1-14 thru 46-1-16; 46-2-3.1, 46-2-9, 46-2-11, 46-2-17; 46-2A-1 thru 46-2A-10, 46-2A-14, 46-2A-15; 46-5-6.11, 46-5-10 thru 46-5-13, 46-5-30 thru 46-5-30.3, 46-5-32; 46-6-3, 46-6-3.1, 46-6-6.1, 46-6-10, 46-6-26; and Board rules ARSD 74:02:01:01 thru 74:02:01:15.

The particular section of statutes and rules pertaining to these permit applications are, in addition to the above, the following: SDCL 46-2A-9, 46-6-3.1, 46-2A-15, 46-2A-20, 46-2A-21 46-5-10 thru 46-5-13.1, 46-5-26, 46-6-10, 46-6-26; the above listed administrative rules and the following rules pertaining to qualifications recommended by the Chief Engineer: ARSD Chapter 74:02:01 and 74:02:04.

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

