The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=67

Minutes of the
Board of Minerals and Environment
Matthew Training Center
523 East Capitol Avenue
Pierre, South Dakota

October 15, 2026
10:00 a.m. Central Time

CALL TO ORDER: The meeting was called to order by Chairman Tim Johns. The roll was called, and a quorum was present.

The meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Tim Johns, Glenn Blumhardt, Bob Ewing, Jessica Gruenwald, Doyle Karpen, Rhett Miller, Bob Morris, and Bruce Outka attended remotely, and Laurie Schultz attended in person.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: Mike Lees, Roberta Hudson, Eric Holm, Tom Cline, and Bret Graves, Minerals, Mining, and Superfund Program; Tony Wegner, Solid Waste Program; and Emily Greco, Assistant Attorney General.

APPROVE AGENDA: Motion by Karpen, seconded by Miller, to approve the agenda. The motion carried unanimously.

APPROVAL OF MINUTES FROM AUGUST 20, 2026, MEETING: Motion by Outka, seconded by Ewing, to approve the minutes from the August 20, 2026, Board of Minerals and Environment meeting. The motion carried unanimously.

MINING ISSUES CONSENT CALENDAR: Prior to the meeting the board received a copy of the consent calendar (see attachment).

Tom Cline, Minerals, Mining, and Superfund Program, was available for questions from the board. There were no questions.

Motion by Karpen, seconded by Schultz, to approve the consent calendar, as presented. The motion carried unanimously.

TRANSFER OF SMALL SCALE MINE PERMIT 479 FROM ROBERT W. PACE TO BRET AYE: Eric Holm reported that Bret Aye has requested transfer of Small Scale Mine Permit 479

from Robert W. Pace. The general location of the permitted operation is approximately three miles east of Rochford, SD.

Under SDCL 45-6B-47, any mine permit can be transferred from one operator to another, with the successor operator assuming all reclamation liability.

The complete transfer application form and $100.00 transfer fee were submitted August 28, 2026, the $10,700 replacement surety was submitted September 8, 2026, and the application was deemed complete on September 14, 2026.

The department recommendation to transfer the permit was prepared on September 21, 2026, and published in the Rapid City Journal October 1 and 8, 2026. The Affidavit of Publication was received October 8, 2026.

Under SDCL 45-6B-47, the board cannot deny a mine permit transfer unless the operation is not or cannot be brought into compliance with all applicable federal, state or local laws or the successor operator is in violation of state mining laws or mine permit conditions for any mining operation in the state. The current mine permit and Bret Aye are both in compliance with all federal, state, and local laws and regulations. Bret Aye also submitted a Certification of Applicant form and disclosed no violations.

Regarding the replacement surety, DANR currently holds a $2,500 Certificate of Deposit. Since the maximum small scale reclamation bond amount has been increased from $2,500 to $38,500, DANR reviewed the reclamation surety and calculated a replacement surety amount of $10,700. Bret Aye submitted a Certificate of Deposit in the amount of $10,700 as the replacement surety. Upon acceptance of the $10,700 replacement surety by the board, the existing $2,500 Certificate of Deposit held by DANR will be released to Robert W. Pace.

The department recommended that the board transfer Small Scale Mine Permit 479 and liability from Robert W. Pace to Bret Aye, accept CD No. 1030226644, Stockman Bank of Montana, Miles City, MT, in the amount of $10,700, and release CD No. 6701000601, First Interstate Bank, New Underwood, SD in the amount of $2,500.

Motion by Ewing, seconded by Schultz, to approve the transfer of Small Scale Mine Permit 479 and liability from Robert W. Pace to Bret Aye, accept CD No. 1030226644, Stockman Bank of Montana, Miles City, MT, in the amount of $10,700, and release CD No. 6701000601, First Interstate Bank, New Underwood, SD in the amount of $2,500. The motion carried unanimously.

RELEASE OF RECLAMATION LIABILITY AND SURETY FOR JAMES DEAN EXPLORATION NOTICE OF INTENT 402: Mr. Holm stated that EXNI-402 was issued to James Dean on July 28, 2005, to excavate a 5,000-ton bulk sample from slate approximately 10.5 miles northwest of Hill City, South Dakota.

Mr. Dean completed exploration activities and reclaimed approximately 0.60 of an acre in the bulk sample area. He submitted a closing report and a request for release of reclamation liability on August 10, 2022.

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The final inspection took place on July 23, 2026, with the US Forest Service who is the surface owner of the exploration area. Mr. Dean has backfilled and regraded the bulk sample area, applied topsoil, and seeded. There is a good to excellent stand of grasses, and a good diverse cover has become established. Vegetative species found during the inspection that are in the approved seed mix include western and other wheatgrasses, Canada wildrye, and purple prairie clover. Other species found include wild bergamot, yarrow, and raspberry. Mr. Dean also successfully sprayed noxious and other weeds such as mullein and Canada and musk thistle to eliminate any infestations. The post-mining land use is forest land.

On August 5, 2026, the US Forest Service submitted a letter to DANR stating that all reclamation requirements in the Operating Plan for the exploration area have been satisfied. It approved the release of the $5,000 reclamation surety and closed the operating plan.

The department recommended that the board approve release of James Dean's reclamation liability and CD No. 80489, First Interstate Bank, Hill City, South Dakota, in the amount of $5,000.

Motion by Karpen, seconded by Outka, to release James Dean's reclamation liability and CD No. 80489, First Interstate Bank, Hill City, South Dakota, in the amount of $5,000. The motion carried unanimously.

ANNUAL REVIEW OF OPEN MEETING LAWS IN ACCORDANCE WITH SDCL 1-25-13: Prior to the meeting the board members were provided with a copy of the brochure "Conducting the Public's Business in Public" revised in 2026 and published on the Attorney General's website https://atg.sd.gov/docs/July%202025OpenMeetingsLaw.pdf. SDCL 1-25-13 requires the board to annually review the open meeting laws during an official meeting.

Emily Greco, Assistant Attorney General, provided an overview of the open meeting laws to the board.

Chairman Johns acknowledged that the board members had completed the required annual review of the open meeting laws.

PUBLIC COMMENT PERIOD IN ACCORDANCE WITH SDCL 1-25-1: There were no public comments.

UPCOMING BOARD MEETINGS: The next meeting is scheduled for November 19, 2026.

ADJOURN: Motion by Ewing, seconded by Outka, to adjourn the meeting. The motion carried unanimously.

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Secretary, Board of Minerals and Environment Date

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Consent Calendar
South Dakota Board of Minerals & Environment

October 15, 2026

License Holder	License No.	Site No.	Surety Amount	Surety Company or Bank	DANR Recommendation
Transfer of Liability:					
Dakota Constructors Inc. Harrisburg, SD	21-1090		$20,000	Granite Re, Inc. – Oklahoma City, OK	Transfer Liability
		1090001	SW1/4 Section 6; T103N-R53W, McCook County		
Transfer to:					
Jacob Tysdal Montrose, SD	26-1166		$23,100	Capitol Indemnity Corp. – Madison, WI	
Cody Schad Rapid City, SD	19-1047		$20,000	Pioneer Bank & Trust – Rapid City, SD	Transfer Liability
		1047001	SW1/4 Section 19; T5N-R1E, Lawrence County		
Transfer to:					
Lion Rock Resources (SD) Inc. Sturgis, SD	26-1167		$38,500	First Interstate Bank – Billings, MT	
Release of Liability & Surety Release:					
C.W. Archibald & Sons Grand River Township, SD	03-761		$1,000	Dakota Community Bank Bowman, ND	Release Liability & $1,000
		761001	SE1/4 Section 10; T22N-R12E, Perkins County		
Darlene Kelly Faith, SD	21-1095		$1,000	First National Bank – Faith, SD	Release Liability & $1,000
		1095001	SW1/4 Section 35; T17N-R15E, Perkins County		

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Consent Calendar
South Dakota Board of Minerals & Environment

October 15, 2026

License Holder	License No.	Site No.	Surety Amount	Surety Company or Bank	DANR Recommendation
Release of Liability & Surety Release:					
Harold Orr Bristol, SD	95-562		$1,000	First National Bank – Pierre, SD	Release Liability & $1,000
		562001	SE1/4 Section 15; T120N-R59W, Day County		
Release of Liability & Surety Release:					
Keith Vanderwerff Miller, SD	02-740		$2,000	First State Bank – Miller, SD Quoin Financial Bank – Miller, SD	Release Liability & $2,000
		74001	NE1/4 Section 18; T109N-68W, Hand County		
Release of Liability:					
Faulk County Highway Dept. Faulkton, SD	83-103		Exempt	NA	
		103005	E1/2 NW1/4 Section 6; T116N-R69W, Hand County		Release Liability
		103007	SW1/4 Section 8; T119N-R66W, Faulk County		
Grand River Township Grand River Township, SD	98-667		Exempt	NA	
		667001	SE1/4 Section 10; T22N-R12E, Perkins County		Release Liability

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Consent Calendar
South Dakota Board of Minerals & Environment

October 15, 2026

License Holder	License No.	Site No.	Surety Amount	Surety Company or Bank	DANR Recommendation
Release of Liability:					
Gene Green Murdo, SD	01-730		$2,000	Wells Fargo Bank – White River, SD	
		730001	SW1/4 Section 23; T43N-R30W, Mellette County		Release Liability
Mellette County Highway Dept. White River, SD	83-193	Exempt	NA		Release Liability
		193042	SE1/4 Section 30; T43N-R29W, Mellette County		
Morris Inc. Ft. Pierre, SD	83-2		$100,000	United Fire & Casualty Co. Cedar Rapids, IA	Release Liability
		2011	NE1/4 Section 15 & SE1/4 Section 10; T110N-R77W Hughes County		
		2030	SE1/4 Section 30; T43N-R29W, Mellette County		

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October 15, 2026

Permit Holder	Permit No.	Surety Amount	Surety Company or Bank	DANR Recommendation
Transfer of Small Scale Mine Permit 479:				
Robert W. Pace New Underwood, SD	479	$2,500	First Interstate Bank, New Underwood, SD	Transfer Permit 479 and liability from Robert W. Pace to Bret Aye. Accept CD 1030226644, Stockman Bank of Montana, Miles City, MT in the amount of $10,700. Release CD 6701000601, First Interstate Bank, New Underwood, SD in the amount of $2,500
Transfer to:		E1/2 SE1/4 NW1/4 Section 28; T2N-R4E, Pennington County		
Bret Aye Miles City, MT		$10,700	Stockman Bank of Montana, Miles City, MT	
Release of Liability and Surety – James Dean:				
James Dean Hill City, SD	EXNI-402	$5,000	First Interstate Bank, Hill City, SD	Release reclamation liability and CD 80489 in the amount of $5,000.
		Section 24; T1N-R3E, Pennington County		

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