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

July 17, 2025
10:00 a.m. Central Time

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

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

Chairman Blumhardt welcomed former board member and chairman, Dick Sweetman.

BOARD MEMBERS PRESENT: Glenn Blumhardt, Bob Ewing, Gregg Greenfield, Jessica Gruenwald, Gary Haag, Doyle Karpen, Rhett Miller, Bob Morris, and Laurie Schultz.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: Kyrik Rombough and Samantha Olmstead, DANR Air Quality Program; Steve Blair, Deputy Attorney General; David McVey, Assistant Attorney General; Roberta Hudson, Mike Lees, Eric Holm, Tom Cline, and Bret Graves, DANR Minerals, Mining, and Superfund Program; Kent Woodmansey, Director, DANR Environmental Services; and Dick Sweetman, Sioux Falls.

APPROVE AGENDA: Motion by Karpen, seconded by Haag, to approve the agenda. Motion carried unanimously.

APPROVE MINUTES FROM MAY 15, 2025, MEETING: Motion by Ewing, seconded by Karpen, to approve the minutes from the May 15, 2025, Board of Minerals and Environment meeting. Motion carried unanimously.

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

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

Motion by Morris, seconded by Schultz, to approve the consent calendar, as presented. Motion carried unanimously.

ANNUAL UPDATE OF THE PRELIMINARY LIST OF SPECIAL, EXCEPTIONAL, CRITICAL OR UNIQUE LANDS: Eric Holm reported that under ARSD 74:29:10:19, the Board of Minerals

and Environment is required to annually hold a hearing to consider any petitions received to nominate lands to the Preliminary List.

Under ARSD 74:29:10:17(4), DANR publishes an annual notice to solicit petitions to add areas to the preliminary list. The notice was published on March 5, 2025, in the Sioux Falls Argus Leader, Black Hills Pioneer, and Rapid City Journal. Affidavits of publication were received from all newspapers.

On February 28, 2025, the South Dakota Department of Tourism, the Department of Game, Fish, and Parks, the State Historical Preservation Office, and the Archaeological Research Center were also invited to submit nominating petitions.

The deadline for submittal of petitions to nominate areas to preliminary list was June 3, 2025. No nominating petitions were submitted, so no board action is required.

Mr. Holm noted that the last petition submitted during the annual update period that required board action was in 1992.

PUBLIC HEARING TO CONSIDER AMENDMENTS AND ADDITIONS TO ARSD 74:36, AIR POLLUTION CONTROL PROGRAM RULES: The Board of Minerals and Environment convened at 10:00 a.m. Central Time on July 17, 2025, in the Matthew Training Center, Joe Foss Building, 523 East Capitol Avenue, Pierre, South Dakota.

The purpose of the hearing was to consider the adoption of amendments and additions to Administrative Rules of South Dakota numbered 74:36:01, 74:36:02, 74:36:03, 74:36:04, 74:36:05, 74:36:07, 74:36:08, 74:36:09, 74:36:10, 74:36:11, 74:36:12, 74:36:13, 74:36:16, 74:36:18, 74:36:20, and 74:36:21, adopted under the authority of SDCL 34A-1-6, 34A-1-12, 34A-1-15, 34A-1-18, 34A-1-19, and 34A-1-21.

The hearing officer was Board of Minerals and Environment Chair Glenn Blumhardt. Other members of the board participating were Robert Ewing, Gregg Greenfield, Jessica Gruenwald, Gary Haag, Doyle Karpen, Rhett Miller, Bob Morris, and Laurie Schultz.

Others in attendance were Kyrik Rombough and Samantha Olmstead, Department of Environment and Natural Resources (DANR) Air Quality Program; Steve Blair, Deputy Attorney General; David McVey, Assistant Attorney General; Roberta Hudson, Mike Lees, and Eric Holm, DANR Minerals, Mining, and Superfund Program; Kent Woodmansey, Director, DANR Environmental Services; and Dick Sweetman, member of the public.

Samanth Olmstead, DANR Air Quality Program, provided a slide presentation discussing the proposed amendments to ARSD 74:36, Air Pollution Control Program.

In April 2025, DANR started the initial outreach by providing a draft of the proposed revisions by letter and email to several Title V facilities and a subset of nine interested parties. The draft was also available on DANR's website.

The environmental groups that were notified during the initial outreach included Black Hills Group Sierra Club, EPA, Dakota Rural Action, and Black Hills Regional Multiple Use Coalition.

Industry notified during the initial outreach included Ag Processing, Aberdeen Energy, Hub City Energy, Glacial Lakes Energy, Huron Energy, NuStar, Dakota Ethanol, Pete Lien, Red River Energy, Redfield Energy, Ring Neck Energy, Magellan, NuGen Energy, Otter Tail, POET Biorefining, SD Soybean, and Valero.

Other interested parties that were notified during the initial outreach included BAE Systems, Black Hills Corporation, Black Hills Council of Local Governments, Bureau of Land Management, Sioux Falls Public Works, and South Dakota State University.

Following the initial outreach DANR received concurrence from six facilities and one question. No other comments were received.

The question the department received was regarding what would happen if the federal rules that are under congressional review are rescinded. Ms. Olmstead stated that if that were the case, the said reference would be removed from the states Air Pollution Control Program rules.

On May 27, 2025, DANR Secretary Roberts granted permission to move forward with the formal rule-making process. On May 30, 2025, the draft rules were submitted to the Legislative Research Council (LRC) and the Bureau of Finance and Management (BFM), which included Fiscal Note, Public Notice, and Small Business Impact Statement.

Notice of the public hearing was published in nine daily newspapers on June 6, 7, and 10, 2025. Affidavits of Publication are on file at DANR.

Letters and the public notice were sent to 114 companies, individuals and other interested parties. The public notice was also available on the Open South Dakota webpage, DANR One Stop webpage, and DANR Air Quality Program webpage.

Ms. Olmstead stated that, periodically, the Air Quality Program needs to go through the state regulations to ensure they are equivalent to the federal regulations. For federal regulations that are adopted by reference, DANR proposed to update the reference date in the rules to the most current version of the federal regulation, which is currently July 1, 2024. DANR also proposed correcting several typographical errors.

Ms. Olmstead pointed out the following proposed revisions:

- 74:36:01:01(18) – There is a National Ambient Air Quality Standard for Ozone. Ozone is formed by the reaction of volatile organic compounds and nitrogen oxides in the presences of sunlight. DANR has received comments that it is not clear that volatile organic compounds are considered a criteria pollutant. The other National Ambient Air Quality Standards are for sulfur dioxide, particulate matter, nitrogen dioxide, carbon monoxide, and lead. DANR proposed to update the definition of “criteria pollutant” to clarify volatile organic compounds and nitrogen oxides are considered a criteria pollutant.
- 74:36:02:02 – EPA revised the National Ambient Air Quality Standard for particulate matter less than 2.5 microns (e.g. PM_{2.5}) on March 6, 2024, and for sulfur oxides on

December 27, 2024. The revisions are incorporating the new National Ambient Air Quality Standards.

- 74:36:04:12 – DANR has received requests to receive the permitting documents by email instead of by mail. To allow the use of email as a method of notification, DANR proposed updating the language referring to how the department sends a copy of the draft permit for a minor source to the applicant.
- DANR proposed to correct typographical errors in the following sections: 74:36:05:04.01, 74:36:07:105, 74:36:07:125(3), 74:36:07:131, 74:36:07:137, 74:36:07:141(8), 74:36:08:59, and 74:36:09:02.
- 74:36:12:02(3) – South Dakota’s opacity requirements do not apply during such operations as soot blowing, startup, shutdown, and malfunctions. However, the wording in this section does not include “such operations as.” DANR proposed to update the language in this section.
- 74:36:20:11 – DANR has received requests to receive the permitting documents by email instead of by mail. To allow the use of email as a method of notification, DANR proposed updating language referring to how the department sends a copy of the draft construction permit to the applicant.
- DANR proposed repealing the following sections:
 - 74:36:05:16.01(18) – EPA has removed 40 CFR Part 70.6(g) from the federal regulations. To maintain approval of the Title V permitting program, DANR is removing this section.
 - 74:36:09 – DANR is updating to remove language from the rules that was removed from the federal regulations.
- DANR proposed adding the following new sections:
 - 74:36:07:14.01 – Standards of performance for volatile organic liquid storage vessels (including petroleum liquid storage vessels) for which construction, reconstruction, or modification commenced after October 4, 2023.
 - 74:36:07:22.02 – Standards of performance for equipment leaks of VOC in synthetic organic chemicals manufacturing industry for which construction, reconstruction, or modification commenced after April 25, 2023.
 - 74:36:07:23.01 – Standards of performance for bulk gasoline terminals that construction, reconstruction, or modification commenced after June 10, 2022.

DANR received no comments from the public following the public notice.

DANR received concurrence of the fiscal note from BFM. Mr. Rombough provided each board member with a copy of BFM's comments.

LRC reviewed the proposed rules for form, style, clarity, and legality. LRC submitted more than 5,000 comment recommending changes to the entire rule package outside of the newly drafted language that was proposed by DANR. The board members received the proposed rules containing LRC's comments via email prior to the hearing. The board was also provided with a hard copy of the rules with LRC's comments at the beginning of the hearing. Because LRC made so many comments, DANR prepared a proposed rule document that the department recommended the board accept.

Mr. Rombough handed out copies of the newly prepared proposed rules. The original proposed changes are shown in red with a strikethrough and blue with an underline, and LRC's requested changes are highlighted in yellow. Ms. Olmstead noted that page A-5 shows an example of these changes.

Below is a list of style and form changes requested by LRC:

- Change numerical numbers to written numbers (30 to thirty, 95% to ninety-five percent)
- Change "shall" to "must"
- Change "which" to "that"
- Change definition subdivision ("CO" means carbon monoxide to "CO," carbon monoxide.
- Change section symbol to part when referring to parts (40 C.F.R § 60, Subpart A to 40 C.F.R Part 60, Subpart A)
- Change part to section symbol when referring to parts of sections (40 C.F.R Part 70.6(d) to 40 C.F.R. § 70.6(d))
- Remove spaces between subdivisions

Examples of clarity changes requested by LRC and accepted by DANR include:

- Chapter 7 and 8, the table of contents, catchline, and body of the rule must match the title of the federal rule. You can see an example of this on Page A-50.
- Change "Environmental Protection Agency" to "the EPA"

LRC clarity changes rejected by DANR:

- There are federal rules the state cannot adopt by reference and, therefore, must be written word for word in the rules. DANR discussed all LRC recommendations that changed wording with EPA, and EPA said they would not accept it so it must remain the same,
- Change "should" to "must": Cannot change because "should" is interpreted as more stringent, and the state has stringency limitations.

The following are legality changes requested by LRC:

- Update law implemented: add 34A-1-1 to the list for 34A-1-6 and 34A-1-15. An example of this change is shown on Page A-11.
- The LRC commented on the portion of the rules packet that discusses municipal solid waste landfills. The language read, “This section is no longer in effect on the effective date of EPA's approval of the state's § 111(d) plan required in the Clean Air Act. The secretary shall certify to the Interim Rules Review Committee that the approval has occurred.” After speaking with EPA, Steve Blair, Deputy Attorney General and LRC code council, DANR updated the language to read: “The EPA approved South Dakota’s 111d plan as required by the Clean Air Act on March 30, 2021. These rules are no longer in effect except for the owner or operators permitted prior to the date of the EPA approval.” You can see this language on Page A-69.
- LRC also commented on the section we revised earlier in my presentation. In 74:36:12:02(3), we proposed adding “such operations as”. However, LRC did not want us to include this language. We talked with EPA, and they were ok with LRC’s recommendation and removed the proposed language. This language can be seen on Page A-242.

This concluded Ms. Olmstead’s presentation.

Besides BFM fiscal note concurrence and LRC’s comments no additional written or oral testimony was submitted during the public hearing.

Ms. Olmstead and Mr. Rombough answered questions from the board.

DANR requested that the board approve the proposed rules as presented, which included LRC’s form and style changes, some of LRC’s clarity changes, and LRC’s legality changes.

There were no changes to the proposed rules presented by DANR staff because of the public hearing or a comment.

Motion by Morris, seconded by Miller, to adopt the proposed amendments to ARSD 74:36 – Air Pollution Control rules including LRC’s form and style changes, clarity changes, and legality changes as presented by DANR staff. A roll call vote was taken, and the motion carried unanimously.

Chairman Blumhardt declared the hearing closed at 10:45 a.m.

PUBLIC HEARING TO CONSIDER AMENDMENTS TO ARSD 74:29, MINED LAND

RECLAMATION RULES: The Board of Minerals and Environment convened at 10:50 a.m. Central Time on July 17, 2025, in the Matthew Training Center, Joe Foss Building, 523 East Capitol Avenue, Pierre, South Dakota.

The purpose of the hearing was to consider the adoption of amendments to rules numbered ARSD 74:29:01:02; 74:29:01:07; 74:29:10:19; and the adoption of new rules numbered ARSD 74:29:12:01; 74:29:12:02; 74:29:12:03; 74:29:12:04; 74:29:12:05; 74:29:12:06; 74:29:12:07; 74:29:12:08; 74:29:12:09; 74:29:12:10; 74:29:12:11; 74:29:12:12; 74:29:12:13; 74:29:12:14; 74:29:12:15; 74:29:12:16; 74:29:12:17; 74:29:12:18, adopted under the authority of SDCL 45-6B-81.

Hearing Officer: Board of Minerals and Environment Chair Glenn Blumhardt.

Members of the Board in Attendance: Other members of the board participating were Robert Ewing, Gregg Greenfield (participating telephonically), Jessica Gruenwald, Gary Haag, Doyle Karpen, Rhett Miller, Bob Morris, and Laurie Schultz.

Others in Attendance: Kyrik Rombough and Samantha Olmstead, DANR Air Quality Program; Steve Blair, Deputy Attorney General; David McVey, Assistant Attorney General; Roberta Hudson, Mike Lees, and Eric Holm, DANR Minerals, Mining, and Superfund Program; Kent Woodmansey, Director, DANR Environmental Services; and Dick Sweetman, member of the public.

Written Testimony: None

Oral Testimony: None

Roberta Hudson, DANR Minerals, Mining, and Superfund Program, provided an overview of the proposed rule changes to the board.

Ms. Hudson explained that no public comments were received in response to the publication of the Notice of Hearing. She further explained that the lack of comments reflects the fact that the department solicited comments from all permitted mine operators during the initial stages of rule drafting and addressed industry questions and concerns prior to beginning the formal rulemaking process.

Ms. Hudson explained that the Legislative Research Council (LRC) provided the department with its review of the rules in early July 2025. All of LRC's style, form, and legality changes were incorporated into the draft provided to the board in the board packet. Subsequently, LRC identified three outstanding items for the department to address after the draft rules were mailed to the board in the board packet. The department addressed LRC's additional recommendations and presented the additional changes to the board during Ms. Hudson's presentation at the hearing.

Ms. Hudson provided a slide presentation discussing the proposed amends to ARSD 74:29, Mined Land Reclamation. Article 74:29 applies to mine permit applications filed under SDCL 45-6B. The proposed revisions update department review timelines for a mine permit application. The reason for the changes is to make the rules more consistent with other permits issued by the department, to allow longer review time for the department, which is necessary for larger, more complex permits, and to remove the unnecessary definition of review timeline calculation.

74:29:01:02, Computation of Time - remove unnecessary details regarding computation of time associated with processing of permit applications.

74:29:01:07, Determination of Procedural Completeness - change the timeline for reviewing and responding to an applicant's response to deficiencies in a mine permit application from seven days to thirty days.

74:29:10:19, Board update of preliminary list - change the requirement for board hearings to consider nominating petitions for updating the preliminary list of special, exceptional, critical or unique lands from annual to as needed.

New Chapter-ARSD 74:29:12, Reclamation and postclosure financial assurance. The 2024 South Dakota SD Legislature passed SB 111 granting approval for the Board of Minerals and Environment to promulgate rules to establish procedures for posting and monitoring financial assurance. The new proposed rules allow for clarity on several issues, including types of bonds, expectations and requirements for each bond type, operator bankruptcy, board refusal of a bond, and review of financial assurance amounts.

Mike Lees reiterated that LRC's style, form, and legality changes were incorporated into the proposed amendments and the new Chapter.

74:29:12:01. Financial assurance cost elements. Ms. Hudson noted that after the proposed rules were sent to the board members, a second review the proposed rules by LRC determined that under SDCL 45-6B-81(11), which was approved in SB 111, Section 74:29:12:01 constitutes substance, not procedure, and the board does not have the authority to expound on criteria for setting financial assurance beyond those provided in **45-6B-21, Criteria for determining amount and duration of surety**. Ms. Hudson explained that the department recommended deleting 74:29:12:01, Financial assurance cost elements, from the proposed rules, and that the remaining sections of the new chapter be re-numbered as sections 74:29:12:01 through 74:29:12:17.

Renumbered sections **74:29:12:01 through 74:29:12:17**. This new chapter clarifies requirements that permitted mine operators must meet when posting financial assurance to cover reclamation and postclosure liability and clarifies surety requirements pertaining to long-term water treatment costs.

The reasons for adopting the proposed rules are to provide clear financial assurance requirements for permitted mine operators and to adjust cumbersome mine permit application timing requirements.

74:29:12:04. Surety bonds. Ms. Hudson pointed out that the draft rules provided in the board packet contained typographical errors in subsection (7) that will be corrected in the final rules to read:

“(7) The sum of all surety bonds issued by a surety company as financial assurance for one or more permits held by an operator is not in excess of thirty percent of the surety company's capital surplus account, as shown on a balance sheet attached to the surety bond and certified by a certified public accountant for the most recent annual reporting period;”

74:29:12:06. Irrevocable letters of credit. Ms. Hudson pointed out that the draft rules provided in the board packet included a typographical error in subsection (8) that will be corrected in the final rules to read:

“(8) The sum of multiple irrevocable letters of credit issued by a bank as financial assurance for multiple permits held by an operator is not in excess of thirty percent of the bank's capital surplus account as shown on a balance sheet certified by a certified public accountant;”

74:29:12:13. Provisions for large-scale heap leach gold mine holding costs. Ms. Hudson pointed out that one of the three outstanding issues LRC recommended after the rules were mailed in the

board packet pertained to this section. LRC recommended revising the definition of “holding costs.” To address this issue the department recommended the board change the section to read:

“74:29:12:13. Provisions for large-scale heap leach gold mine holding costs. A large-scale heap leach gold mine shall submit a cash deposit that complies with the requirements of § 74:29:12:07 to cover holding costs for a period of time until proceeds from a forfeited reclamation financial assurance instrument are received by the department. Holding costs cover expenses the department incurs for work necessary to ensure a mine remains in compliance with SDCL chapters 45-6B and 34A-2 during the interim period between bankruptcy of the operator and the payment of proceeds from the forfeiture to the department. The calculation for these holding costs must be part of the reclamation financial assurance calculation, and the cash deposit must be submitted at the same time as the reclamation financial assurance.”

This concluded Ms. Hudson’s presentation.

DANR requested that the board approve the proposed rules as presented.

Motion by Morris, seconded by Karpen, to adopt the proposed amendments to ARSD 74:29, Mined Land Reclamation, as presented by DANR staff, including the form, style, and legality changes made by LRC and the deletion of 74:29:12:01 and renumbering of the remainder of the sections. A roll call vote was taken, and the motion carried unanimously.

Summary of Changes to proposed Rules Because of the Public Hearing or Comment: There were no written or oral public comments submitted prior to or during the hearing, so, other than LRC recommendations, there were no changes to the proposed rules.

Adjournment: Chairman Blumhardt declared the hearing closed at 12:45 p.m.

PETITION TO REVOKE SMALL SCALE MINE PERMIT NO. 404 ISSUED TO ROY SCHIEFER AND FRED JOHNSON AND PETITION FOR FORFEITURE OF SURETY: Hearing Chair Gregg Greenfield opened the hearing. He noted that Mr. Schiefer and Mr. Johnson are both deceased.

Steve Blair, Deputy Attorney General, represented the DANR Minerals, Mining, and Superfund Program.

No one appeared on behalf of Roy Schiefer and Fred Johnson.

Mr. Blair stated that copies of the petition to revoke Small Scale Mine Permit No. 404 and for forfeiture of the surety and the Notice of Violation were provided to the board, as part of the meeting packet, prior to the hearing.

The Board of Minerals and Environment issued a Small Scale Mine Permit to Roy Schiefer in 1983, and Mr. Schiefer posted a \$2,500 reclamation surety. The Surety Bond No. 58058341 was issued by Western Surety Company. In 2021, Mr. Schiefer requested that the permit be transferred to himself and Fred Johnson, and a rider was executed with the surety company, placing Mr. Johnson of the surety bond.

The department became aware of Mr. Schiefer's death in early 2024 during efforts to have the operator submit the annual report and the required notice of intent to continue mining along with an annual fee.

The department also mailed this information to Mr. Johnson. The documents were returned to the department by the US Postal Service with a forwarding address. The documents were remailed to the forwarding address, but they were returned to the department with no forwarding address.

In September 2024 the department became aware of Mr. Johnson's passing. The department then attempted to make contact with the surviving heirs of Mr. Schiefer and Mr. Johnson that were able to be identified. Mr. Johnson's obituary listed his daughter Sydney Johnson as a survivor, and Mr. Schiefer's obituary listed Beverly Schiefer as a surviving daughter.

Various attempts were made to contact both Ms. Schiefer and Ms. Johnson as heirs of the two estates taking into account that the estates may hold an interest in the mining permit that survived the death of Mr. Schiefer and Mr. Johnson. So, moving forward on any potential revocation and forfeiture, the department wanted to make sure there were attempts made to identify heirs of the estates.

The department engaged in some communications through mailings with both Ms. Schiefer and Ms. Johnson. Those mailings were returned or unanswered, so in February 2025 DANR issued a Notice of Violation concerning Small-Scale Mine Permit No. 404. The Notice of Violation asked that the annual report form and fee be submitted within twenty days of receipt of the Notice, or that a transfer application for the permit be submitted within that time period. The Notice of Violation was directed to Sydney Johnson and Beverly Schiefer, as the identified surviving heirs of Mr. Johnson and Mr. Schiefer.

After the Notice of Violation was issued, Beverly Schiefer contacted the department by telephone, and she followed up with a letter dated February 4, 2025, to the department memorializing the conversation she had with staff, which was that she and her sister were the only remaining family members for Roy Schiefer, and that they had no interest in Small-Scale Mine Permit No. 404 or the surety.

The Notice of Violation that was mailed to Ms. Johnson was returned to the department as unclaimed; however, in May 2025 the department received a letter from legal counsel for Sydney Johnson stating that Ms. Johnson had no intention to contest the revocation of the mine permit or forfeiture of the associated surety.

Western Surety Company was contacted regarding this matter and did not contest forfeiture of surety bond number 58058341, in the amount of \$2,500 to the State of South Dakota. Western Surety Company has submitted the surety proceeds, in the amount of \$2,500, to the department.

Mr. Blair stated that all parties were duly notified of the action the board is being asked to take during this hearing. Given the violations that are noted in the petition, the failure to file the annual report and the annual fee, the department requested that the Board of Minerals and Environment revoke Small Scale Mine Permit No. 404, order that Surety Bond No. 58058341, issued by Western Surety Company, totaling \$2,500, be forfeited to the State of South Dakota, and order that the staff for the Department of Agriculture and Natural Resources be directed to hold the surety proceeds in the name

of the Board of Minerals and Environment. Mr. Blair also requested that the board release the heirs of Mr. Schiefer and Mr. Johnson from further liability under the permit.

Mr. Greenfield asked Mr. Blair if he is satisfied with the factual basis for the revocation of the permit and the forfeiture of the bond. Mr. Blair answered that he is.

Mr. Blair stated that for the purposes of the record he would ask that a default be noted and that the allegations in the petition be accepted.

Mr. Greenfield stated that in hearing no objections, he would note the default for the purposes of the record. He asked if there were any questions from the board.

Mr. Ewing asked if any reclamation is needed at the site. Eric Holm, Minerals, Mining, and Superfund Program, responded that currently just under an acre is disturbed. There is a 12-foot highwall that needs to be either reduced or the material underneath the highwall that was used to construct a pad needs to be pushed up against it, and the trails need to be ripped and seeded.

Mr. Haag asked if this site is on Forest Service land. Mr. Holm answered that it is on Forest Service land, and the forfeited surety will likely be given to the Forest Service to reclaim the site. The reclamation costs are estimated at \$9,000. He noted that another person has taken over the mining claim, and the Forest Service will need to converse with him to see what his plans are. The Forest Service cannot reclaim the area unless it gets approval from the claim holder.

Mr. Morris asked if an estate that was created. Mr. Blair said he is not aware of any information that would indicate a formal estate was created for either Mr. Schiefer or Mr. Johnson.

Mr. Morris asked if the board made the decision to not seek reimbursement from the heirs of the estate would affect the Forest Service's ability to reclaim the site. Mr. Blair answered that he does not believe the Forest Service would be affected. Ms. Hudson stated that it is possible that the Forest Service has additional bonding for this permit to clean up the site.

Mr. Karpen said the \$2,500 bond is not enough to reclaim the site. Mr. Holm stated that even though the bond amount is less than the estimated \$9,000 it will cost to reclaim the site, the Forest Service will still perform the work.

Mr. Ewing asked if the individual that took over the claim has a permit with the state. Mr. Holm answered that he does not. The individual has not contacted DANR, and he has talked to the Forest Service only once. Mr. Holm said the individual will need a new mine permit if he wants to mine at the site.

Motion by Karpen, seconded by Ewing, to revoke Small Scale Mine Permit No. 404, order that Surety Bond No. 58058341, issued by Western Surety Company, totaling \$2,500, be forfeited to the State of South Dakota, and order that the staff for the Department of Agriculture and Natural Resources be directed to hold the surety proceeds in the name of the Board of Minerals and Environment, and to release the heirs of Mr. Schiefer and Mr. Johnson from further liability under the permit. A roll call vote was taken, and the motion carried with Blumhardt, Ewing, Gruenwald, Haag, Karpen, Miller, Morris, and Schultz voting aye. Greenfield abstained.

Mr. Blair will prepare a draft Order for Mr. Greenfield's consideration.

ELECTION OF OFFICERS: Motion by Karpen, seconded by Gruenwald, that the current slate of officers remain for another year: Glenn Blumhardt, Chair; Gregg Greenfield, Vice Chair; and Laurie Schultz, Secretary. Motion carried unanimously.

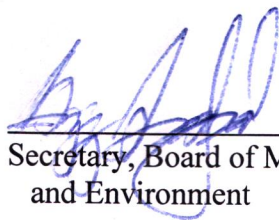
PUBLIC COMMENT PERIOD IN ACCORDANCE WITH SDCL 1-25-1: There were no public comments.

UPCOMING BOARD MEETINGS: The board is scheduled to meet in Pierre August 20 and 21, 2025, and in Deadwood September 17 and 18, 2025. (NOTE: the August 20-21 meeting was cancelled in early August.)

EXECUTIVE SESSION: At 1:35 p.m. Karpen made a motion, seconded by Ewing, to enter into executive session to consult with legal counsel about pending litigation pursuant to SDCL 1-25-2(3). Motion carried unanimously.

The board exited executive session at 1:50 p.m. No board action was taken.

ADJOURN: Motion by Karpen, seconded by Haag, that the meeting be adjourned. Motion carried unanimously.



Secretary, Board of Minerals
and Environment

9/16/25
Date

Consent Calendar
South Dakota Board of Minerals & Environment

July 17, 2025

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Liability:</u>					
Hand County Highway Dept. Miller, SD	83-148		Exempt	NA	Transfer liability
		148005	NE1/4 Section 3; T115N-R70W, Hand County		
Transfer to:					
Charles Martinmaas Orient, SD	05-362		\$8,047	American Bank & Trust - Miller	
<u>Release of Liability & Surety Release:</u>					
Michael Gustafson Deadwood, SD	12-943		\$1,500	First Interstate Bank - Deadwood	Release Liability & \$1,500
		943001	NE1/4 Section 23 and SE1/4 Section 14; T5N-R3E, Lawrence County		
William S. Raabe Tyndall, SD	10-891		\$2,500	Community Bank - Avon	Release Liability & \$2,500
		891001	NE1/4 Section 14; T95N-R60W, Bon Homme County		
Robideau Trucking Company Mitchell, SD	97-628		\$1,500	First National Bank - Mitchell Fulton State Bank - Mitchell	Release Liability & \$1,500
		628001	Section 22 & SW1/4 Section 23; T104N-R60W, Davison County		

Consent Calendar
South Dakota Board of Minerals & Environment

July 17, 2025

July 17, 2025

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Release of Liability & Surety Release</u>					
Tri State Construction LLC Queen Creek, AZ	83-85		\$20,000	United Fire & Casualty Company Cedar Rapids, IA	Release Liability & \$20,000
		85004	NE1/4 SE1/4 Section 25; T8N-R2E & Section 30, Butte County		
<u>Release of Liability:</u>					
Bowes Construction, Inc. Brookings, SD	83-164		\$20,000	Hudson Insurance Company New York, NY	Release Liability
		164027	N1/2 SE1/4 Section 19; T92N-R49W, Union County		
Cedar Township Ree Heights, SD	94-531		Exempt	NA	Release Liability
		531001	NW1/4 Section 17; T110N-R70W, Hand County		
Central Specialties Alexandria, MN	02-733		\$20,000	Ohio Farmers Insurance Company Westfield Center, OH	Release Liability
		733005	NW1/4 Section 16; T121N-R74W, Walworth County		

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<u>Release of Liability:</u>					
Corson County Highway Dept. McIntosh, SD	83-239		Exempt	NA	Release Liability
		239022	NE1/4 Section 3; T19N-R27E, Corson County		
Dawson Construction, Inc Howard, SD	83-21		\$20,000	Sun Surety Insurance Company Rapid City	Release Liability
		21007	N1/2 Section 11; T106N-R56W, Miner County		
First Rate Excavate Inc Sioux Falls, SD	05-817		\$20,000	North American Specialty Insurance Company - Sioux Falls	Release Liability
		817003	SW1/4 SW1/4 Section 1; T101N-R49W, Minnehaha County		
Gregory County Highway Dept. Burke, SD	83-171		Exempt	NA	Release Liability
		171002	Section 16; T97N-R68W, Gregory County		
		171013	W1/2 Section 20; T97N-R68W, Gregory County		
		171015	SE1/4 Section 13; T97N-R73W, Gregory County		
Hand County Highway Dept. Miller, SD	83-148		Exempt	NA	Release Liability
		148011	SW1/4 Section 11; T114N-R68W, Hand County		
		148018	NE1/4 Section 16; T115N-R67W, Hand County		

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<u>Release of Liability:</u>					
Cory Harms DBA Harms Gravel Milbank, SD	83-94		\$9,000	First Interstate Bank - Billings, MT	Release Liability
		94006	SE1/4 Section 8; T120N-R51W, Grant County		
Daniel J. Healy Utica, SD	11-919		\$5,000	CorTrust Bank, Yankton	Release Liability
		919003	Section 18; T95N-R55W, Yankton County		
Jerauld County Highway Dept. Wessington Springs, SD	83-80		Exempt	NA	Release Liability
		80044	SE1/4 Section 1; T106N-R63W, Jerauld County		
Marlene Pajl Winner, SD	92-463		\$1,000	First Fidelity Bank - Winner	Release Liability
		463001	W1/2 Section 28; T102N-R77W, Tripp County		
Midland Contracting, Inc. Volga, SD	03-768		\$20,000		
		768005	SW1/4 Section 18; T110N-R63W, Beadle County		
		768010	NW1/4 Section 17; T109N-R63W, Beadle County		

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<u>Release of Liability:</u>					
Miner County Highway Dept. Howard, SD	83-177		Exempt	NA	Release Liability
		177006	SE1/4 Section 28; T105N-R55W, Miner County		
Morris Inc. Ft. Pierre, SD	83-2		\$20,000	United Fire & Casualty Company Cedar Rapids, IA	Release Liability
		2014	Section 9; T110N-R78W, Hughes County		
Gale Nitteberg DBA Nitteberg Construction Co. Estelline, SD	95-566		\$20,000	United Fire & Casualty Company Cedar Rapids, IA	Release Liability
		566003	SW1/4 Section 5; T113N-R53W, Hamlin County		
Ries Brothers, LLC Watertown, SD	14-976		\$1,000	First Premier Bank - Sioux Falls	Release Liability
		976001	NW1/4 Section 17; T116N-R51W, Codington County		
Roger Johnson Sand & Gravel Huron, SD	83-139		\$14,058	First National Bank - Pierre	Release Liability
		139006	NE1/4 Section 32; T112N-R62W, Beadle County		
		139008	NW1/4 Section 24; T111N-R65W, Beadle County		

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<u>Release of Liability:</u>					
SD Game Fish & Parks Pierre, SD	21-1100		Exempt	NA	Release Liability
		1100001	NE1/4 SE1/4 Section 9; T10N-R6E, Butte County		
Wheatland Township of Day County Webster, SD	87-348		Exempt	NA	Release Liability
		348003	SW1/4 Section 15; T120N-R55W, Day County		
Zandstra Construction Inc. Rapid City, SD	84-254		Exempt	NA	Release Liability
		254004	SW1/4 SE1/4 Section 6; T3S-R8E, Custer County		

ATTENDANCE SHEET
BOARD OF MINERALS AND ENVIRONMENT
DATE 7-17-2025

NAME (PLEASE PRINT)

ADDRESS

REPRESENTING

Kyril Rombough

Pierre, SD

SD DNR-AQ

Steve Blum

ATG-DC

Dick Sweetman

Soar Falls

self

Thomas Cline Jr

523 East Capital

SD DNR-m+m

Bret Graves

523 E. Capital

SD DNR-M&M

M/K Las

" "

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Samantha Olmstead

Pierre, SD

SD-DNR HQ