

Submit To: CHIEF ENGINEER
 Division of Water Resources
 Kansas Department of Agriculture
 1320 Research Park Drive
 Manhattan, Kansas 66502
 http://agriculture.ks.gov/dwr

**APPLICATION FOR APPROVAL TO
 CHANGE THE PLACE OF USE, THE
 POINT OF DIVERSION OR THE USE
 MADE OF THE WATER UNDER AN
 EXISTING WATER RIGHT**



State of Kansas

*Filing Fee Must Accompany the Application
 (Please refer to Fee Schedule on signature page of application form.)*

Paragraph Nos. 1, 2, 3, 4 & 8 must be completed. Complete all other applicable portions. A topographic map or detailed plat showing the authorized and proposed points(s) of diversion and /or place of use must accompany this application.

1. Application is hereby made for approval of the Chief Engineer to change the

- (Check one or more)
- Place of Use
 - Point of Diversion
 - Use Made of Water

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12:01

KS DEPT OF AGRICULTURE

File No. 10,946

2. Name of applicant: Adsit Farming Enterprise, Inc. APC Company, Inc.

Address: 3009 Longhorn Drive 1197 U.S. Highway 83

City, State and Zip: Lawrence, Kansas 66049 Sublette, KS 67877
(620) 675-8691

Phone Number: (785) 842-7676 E-mail address: _____

What is your relationship to the water right; owner tenant agent other? If other, please explain. _____

See, attached copy of water rights deed dated December 10, 2015, recorded in book 226, page 630-632.

For irrigation: _____

For industrial use: _____

Name of water use correspondent: Adsit Farming Enterprise, Inc. APC Company, Inc.

Address: 3009 Longhorn Drive 1197 U.S. Highway 83

City, State and Zip: Lawrence, Kansas 66049 Sublette, KS 67877
(620) 675-8691

Phone Number: (785) 842-7676 E-mail address: _____

3. The change(s) proposed herein are desired for the following reasons (please be specific): _____

APC Company, Inc., has increased its capacity and desires to add new processes that require additional water. APC Company purchased a portion of water right file no. 10,946 to change to be diverted from its well for industrial use at its plant to supply the additional water requirement.

The change(s) (was) (will be) completed by _____

(Date)

For Office Use Only:

F.O. 4 GMD 3 Meets K.A.R. 5-5-1 (YES/NO) Use FRP Source G/S County HS By AW Date 10/16/17
 Code C-3 Fee \$ 700 TR # _____ Receipt Date 10/16/17 Check # 19062

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DWR 1-120 (Revised 06/16/2014)

OCT 12 2017

OCT 16 2017 Assisted by: _____

Garden City Field Office
 Division of Water Resources

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10/24/2017 LLM

4. The presently authorized place of use is:

Owner of Land — NAME: Adsit Farming Enterprise, Inc.

ADDRESS: c/o Mary Brinkley, Secretary 3009 Longhorn Drive, Lawrence, KS 66049

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
30	28S	32W					40	36.67	36.67	40									153.34
24	28S	33W									40	40	40	40	40	40	40	40	320

List any other water rights that cover this place of use. 18,165 and 21,416

Owner of Land — NAME: F & E Cox Farms, Inc.

ADDRESS: 1111 RD 90, SUBLETTE KS 67877

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
30	28S	32W	40	40	40	40													160

List any other water rights that cover this place of use. 18,165 and 21,416

(If there are more than two landowners, attach additional sheets as necessary.)

5. It is proposed that the place of use be changed to: PARTIAL CHANGE

Owner of Land — NAME: APC Company, Inc.

ADDRESS: 1197 U.S. Highway 83, SUBLETTE, KS 67877

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
25	28S	33W																XXX	Industrial

List any other water rights that cover this place of use. 11,104-D2

Owner of Land — NAME: _____

ADDRESS: _____

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

List any other water rights that cover this place of use. _____

IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS AS NECESSARY

WATER RESOURCES DIVISION

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4. The presently authorized place of use is:

Owner of Land — NAME: Rex Brown and Rhonda Brown

ADDRESS: 1338 RD 170, SUBLETTE KS 67877

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
30	28S	32W																	153.38

List any other water rights that cover this place of use. 18,165 and 21,416

Owner of Land — NAME: _____

ADDRESS: _____

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

List any other water rights that cover this place of use. _____

(If there are more than two landowners, attach additional sheets as necessary.)

5. It is proposed that the place of use be changed to:

Owner of Land — NAME: _____

ADDRESS: _____

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

List any other water rights that cover this place of use. _____

Owner of Land — NAME: _____

ADDRESS: _____

Sec.	Twp.	Range	NE¼				NW¼				SW¼				SE¼				TOTAL ACRES
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

List any other water rights that cover this place of use. _____

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6. The presently authorized point(s) of diversion (is) ~~(are)~~ 1 well and 1 pump for irrigation use
(Provide description and number of points)
7. The proposed point(s) of diversion ~~(is)~~ (are) 1 well and 1 pump for irrigation use & 1 well and 1 pump for industrial use
(Provide description and number of points)

List all presently authorized point(s) of diversion:

8. **Presently authorized point of diversion:**
 One in the SW Quarter of the SW Quarter of the SW Quarter of Section 30, Township 28S South, Range 32 (E/W), in Haskell County, Kansas, 2658 feet North 4770 feet West of Southeast corner of section.
 Authorized Rate 800 g.p.m. Authorized Quantity 385 acre-feet
 (DWR use only: Computer ID No. _____ GPS _____ feet North _____ feet West)
 This point will not be changed This point will be changed as follows:
Proposed point of diversion: (Complete only if change is requested) IRRIGATION USE
 One in the no change Quarter of the no change Quarter of the no change Quarter of Section no change, Township no change South, Range no change (E/W), in no change County, Kansas, no change feet North no change feet West of Southeast corner of section.
 Proposed Rate 760 g.p.m. Proposed Quantity 318.9 acre-feet
 This point is: Additional Well Geo Center List other water rights that will use this point none

9. **Presently authorized point of diversion:**
 One in the _____ Quarter of the _____ Quarter of the _____ Quarter of Section _____, Township _____ South, Range _____ (E/W), in _____ County, Kansas, _____ feet North _____ feet West of Southeast corner of section.
 Authorized Rate _____ Authorized Quantity _____
 (DWR use only: Computer ID No. _____ GPS _____ feet North _____ feet West)
 This point will not be changed This point will be changed as follows:
Proposed point of diversion: (Complete only if change is requested) INDUSTRIAL USE
 One in the NE Quarter of the NE Quarter of the NE Quarter of Section 25, Township 28 South, Range 33 (E/W), in Haskell County, Kansas, 4934 feet North 132 feet West of Southeast corner of section.
 Proposed Rate 40 g.p.m. Proposed Quantity 40 acre-feet (13,034,040 gal.)
 This point is: Additional Well Geo Center List other water rights that will use this point 11,104-D2

10. **Presently authorized point of diversion:**
 One in the _____ Quarter of the _____ Quarter of the _____ Quarter of Section _____, Township _____ South, Range _____ (E/W), in _____ County, Kansas, _____ feet North _____ feet West of Southeast corner of section.
 Authorized Rate _____ Authorized Quantity _____
 (DWR use only: Computer ID No. _____ GPS _____ feet North _____ feet West)
 This point will not be changed This point will be changed as follows:
Proposed point of diversion: (Complete only if change is requested)
 One in the _____ Quarter of the _____ Quarter of the _____ Quarter of Section _____, Township _____ South, Range _____ (E/W), in _____ County, Kansas, _____ feet North _____ feet West of Southeast corner of section.
 Proposed Rate _____ Proposed Quantity _____
 This point is: Additional Well Geo Center List other water rights that will use this point _____

11. Describe the current condition of and future plans for any point(s) of diversion which will no longer be used. N/A

IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS AS NECESSARY

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12. The presently authorized use of water is for irrigation use purposes.

It is proposed that the use be changed to irrigation and industrial use purposes.

13. If changing the place of use and/or use made of water, describe how the consumptive use will not be increased.

K.A.R. 5-5-10 will be applied.

(Please show any calculations here.)

14. It is requested that the maximum annual quantity of water be reduced to 318.9 acre-ft. IRR
40 acre-ft. IND (acre-feet or million gallons).

15. It is requested that the maximum rate of diversion of water be reduced to No change* gallons per minute (c.f.s.).
*760 g.p.m. will be retained for irrigation and 40 g.p.m. will be changed to industrial use.

16. The application must include either a topographic map or detailed plat. A U.S. Geological Survey Topographic Map, scale 1:24,000, is available through the Kansas Geological Survey, 1930 Constant Avenue, University of Kansas, Lawrence, Kansas 66047-3726 (www.usgs.gov). The map should show the location of the presently authorized point(s) of diversion. Distances North and West of the Southeast corner of the section must be shown. The presently authorized place of use should also be shown. Identify the center of the section, the section lines and the section corners and show the appropriate section, township, and range numbers on the map. In addition the following information must also be shown on the map.

a. If a change in the location of the point(s) of diversion is proposed, show:

- 1) The location of the proposed point(s) of diversion. Distances North and West of the Southeast corner of the section must be shown. Please be certain that the information shown on the map agrees with the information shown in Paragraph Nos. 9, 10 and 11 of the application.
- 2) If the source of supply is groundwater, please show the location of existing water wells of any kind, including domestic wells, within 1/2 mile of the proposed well or wells. Identify each well as to its use and furnish name and mailing address of the property owner or owners. If there are no wells within 1/2 mile, please indicate so on the map.
- 3) If the source of supply is surface water, the names and mailing addresses of all landowner(s) 1/2 mile downstream and 1/2 mile upstream from your property lines must be shown.

b. If a change in the place of use is desired, show the proposed place of use by crosshatching on the map. Please be certain that the information shown on the map agrees with the information shown in Paragraph No. 5 of the application.

17. Attach documentation to show the change(s) proposed herein will not impair existing water rights and relates to the same local source of supply as to which the water right relates. This information may include statements, plats, geology reports, well logs, test hole logs, and other information as necessary information to show the above. Additional comments may be made below.

The addition of 40 acre-feet at 40 g.p.m. to the existing well under file no. 11,104-D2 will not be sufficient to result in impairment of the well under file no. 11,104-D1, considering the wells are separated by slightly more than 2,700 feet.

The source of supply for the existing well under file no. 11,104-D2 is water in the aquifer located 390' to 570' BGL, and the source of supply for the existing well under file no. 10,946 is water in the aquifer located 340' to 586' BGL.

The two wells are separated by less than one-half mile. WWC5 reports for both wells are included.

18. If the proposed change(s) does not meet all applicable rules and regulations of the Kansas Water Appropriation Act, please identify the rules and regulations for which you request a waiver. State the reason why a waiver is needed and why the request should be granted. Attach documentation showing that granting the request will not impair existing water rights and will not prejudicially and unreasonably affect the public interest.

No waivers are necessary.

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Any use of water that is not as authorized by the water right or permit to authorize water **before** the chief engineer approves this application is a violation of the Kansas Water Appropriation Act for which criminal or civil penalties may be assessed. Such violation is a class C misdemeanor, punishable by a fine not to exceed \$500 and/or a term of confinement not to exceed one month in the county jail. K.S.A. 82a-728(b). Civil penalties shall be not less than \$100 nor more than \$1,000 per violation. In the case of a continuing violation, each day such violation continues may be deemed a separate violation. In addition to these penalties the water right may be modified or suspended. K.S.A. 82a-737, as amended.

The application must be signed by all owners of the place of use authorized under the water right and his or her spouse, if married. Please indicate if there is no spouse. If land is being purchased under contract, the seller must sign as landowner until such time as the contract is completed.

In the event that all applicants cannot appear before one notary public, they may as necessary sign separate copies of the application before any notary public conveniently available to them. All copies signed in this manner shall be considered to be valid parts of the application.

If the request is signed on behalf of any Owner by someone with legal authority to do so (for example, an agent, one who has power of attorney, or an executor, executrix, conservator), it will be necessary to attach proper documents showing such authority.

I declare that I am an owner of the currently authorized place of use as identified herein, or that I represent all such owners and am authorized to make this application on their behalf, and declare further that the statements contained herein are true, correct, and complete. By filing this application I authorize the chief engineer to permanently reduce the quantity of water and/or rate of diversion as specified in sections 14 and 15 of this application.

Dated at Ankeny, Iowa, ~~Kansas~~ this _____ day of October, 2017.
APC Company, Inc., by:

Andy Etnyre (Owner) _____ (Spouse) _____
(Please Print) (Please Print)

Andy Etnyre, Director of Operations (Please Print) _____ (Please Print) _____
(Owner) (Spouse)

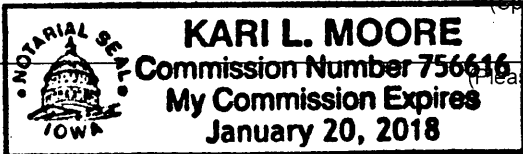
_____ (Please Print) _____ (Please Print)

_____ (Owner) _____ (Spouse)

_____ (Please Print) _____ (Please Print)

_____ (Please Print) _____ (Please Print)

State of ~~Kansas~~ Iowa }
County of Polk } SS



I hereby certify that the foregoing application was signed in my presence and sworn to before me this 5 day of October, 2017.

Kari L. Moore
Notary Public

My Commission Expires 1-20-18

FEE SCHEDULE

Each application to change the place of use, the point of diversion or the use made of the water under this section shall be accompanied by the application fee set forth in the schedule below:

- (1) Application to change a point of diversion 300 feet or less \$100
- (2) Application to change a point of diversion more than 300 feet \$200
- (3) Application to change the place of use \$200
- (4) Application to change the use made of the water \$300

Make check payable to Kansas Department of Agriculture.

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Any use of water that is not as authorized by the water right or permit to authorize water **before** the chief engineer approves this application is a violation of the Kansas Water Appropriation Act for which criminal or civil penalties may be assessed. Such violation is a class C misdemeanor, punishable by a fine not to exceed \$500 and/or a term of confinement not to exceed one month in the county jail. K.S.A. 82a-728(b). Civil penalties shall be not less than \$100 nor more than \$1,000 per violation. In the case of a continuing violation, each day such violation continues may be deemed a separate violation. In addition to these penalties the water right may be modified or suspended. K.S.A. 82a-737, as amended.

The application must be signed by all owners of the place of use authorized under the water right and his or her spouse, if married. Please indicate if there is no spouse. If land is being purchased under contract, the seller must sign as landowner until such time as the contract is completed.

In the event that all applicants cannot appear before one notary public, they may as necessary sign separate copies of the application before any notary public conveniently available to them. All copies signed in this manner shall be considered to be valid parts of the application.

If the request is signed on behalf of any Owner by someone with legal authority to do so (for example, an agent, one who has power of attorney, or an executor, executrix, conservator), it will be necessary to attach proper documents showing such authority.

I declare that I am an owner of the currently authorized place of use as identified herein, or that I represent all such owners and am authorized to make this application on their behalf, and declare further that the statements contained herein are true, correct, and complete. By filing this application I authorize the chief engineer to permanently reduce the quantity of water and/or rate of diversion as specified in sections 14 and 15 of this application.

Dated at Wichita, Kansas, this 10th day of October, 2017.

Adsit Farming Enterprise, Inc., by:
William H. Adsit
(Owner)

(Spouse)

William H. Adsit, President

F & E Cox Farms, Inc., by: (Please Print)
Adsit Farming Enterprise, Inc., by:
William H. Adsit
(Owner)

(Please Print)

(Spouse)

William H. Adsit, Pres., Adsit Farming Enterprise, agent for F & E Cox Farms, Inc.

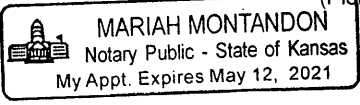
Rex Brown, by: (Please Print)
Adsit Farming Enterprise, Inc., by:
William H. Adsit
(Owner)

Rhonda Brown, by: (Please Print)
Adsit Farming Enterprise, Inc., by:
William H. Adsit
(Spouse)

William H. Adsit, Pres., Adsit Farming Enterprise, agent for Rex Brown
(Please Print)

William H. Adsit, Pres., Adsit Farming Enterprise, agent for Rhonda Brown
(Please Print)

State of Kansas)
County of Sedgwick) SS



I hereby certify that the foregoing application was signed in my presence and sworn to before me this 10th day of October, 2017.

M. Montandon
Notary Public

My Commission Expires May 12, 2021

FEE SCHEDULE

Each application to change the place of use, the point of diversion or the use made of the water under this section shall be accompanied by the application fee set forth in the schedule below:

- (1) Application to change a point of diversion 300 feet or less \$100
- (2) Application to change a point of diversion more than 300 feet \$200
- (3) Application to change the place of use \$200
- (4) Application to change the use made of the water \$300

Make check payable to **Kansas Department of Agriculture.**

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COMMENTS SUPPLEMENTING INDUSTRIAL USE SUPPLEMENTAL SHEET

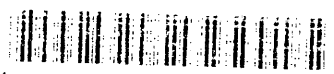
Year	Annual diversion (million gallons)	Gal. Change	Product (lbs.)	gal/lb product	Comments
HISTORICAL					
2012	27.1	N/A	32,338,000	0.837	Historic year. No comments.
2013	25.7	N/A			
2014	22.8	N/A			
2015	21.9	N/A			
2016	22.6	0.7	34,652,000	0.653	Several factors caused water use to decline between year 2012 up to year 2016. Industry-wide the number of livestock slaughtered decreased due to external events, reducing the amount of product processed. Water use efficiency measures were implemented: seal water was either switched from well water to polished water or reclaimed and re-used; more water efficient washing equipment and methods were installed; unnecessary running water was identified and shut off at times when the plant was idle; leaks were repaired; and, when possible process water was captured and re-used. By the end of 2016 the number of slaughter facilities from which blood was collected increased from 7 to 9, which increased plant operating days to 7 per week.
PROJECTED					
2017	26.2	3.5	35,200,000	0.743	Due to new food standards, the conservation practice of re-using rinse water was discontinued. Working with slaughter facilities increased the amount of raw product collected, which increased plant production and water use. A new sanitization system was installed that requires more cleaning water. A new line of products went on line requiring more water for cleaning processes.
2018	29.2	3.1	39,100,000	0.747	FSMA food safety regulations and standards will require even more cleaning operations and increase water use. It is reasonably anticipated that raw product will become available from an additional slaughter facility, which will increase water needed to clean tankers, filtration systems and storage containers.
2019	30.7	1.5	41,500,000	0.740	It is reasonably anticipated that raw product will become available from one more slaughter facility, resulting in more water use as in year 2018.
2020	32.4	1.7	41,800,000	0.775	The company plans to release a new line of processed products, which will require the installation of additional equipment that must be cleaned, increasing water use.
2021	33.2	0.8	43,000,000	0.772	Sales of the new product line initiated in year 2020 are anticipated to significantly increase, which will increase the use of water in production.
2022	34.0	0.8	43,000,000	0.791	A new market for existing product is planned to be developed, which will alter processing in a way that will require greater use of water.

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RECORDED IN MY OFFICE THE 30th
 DAY OF December 20 15
Carole Davis
 HASSELL COUNTY CLERK



State of Kansas, Haskell County
 This instrument was filed for
 Record on December 30, 2015 12:11:00
 Recorded in Book 225 Page 630-632
 Fee: \$28.00 201501186



Candy Ruffine
 Candy Ruffine Register of Deeds

**CORPORATE WARRANTY DEED
 (Water Rights Only)**

Date: December 10, 2015
 Grantor: Adsit Farming Enterprise, Inc.
 Grantee: APC Company, Inc.

In consideration of Ten Dollars and other valuable consideration, the receipt of which is acknowledged, Grantor conveys and warrants unto Grantee the following interest in real property, to wit:

A portion of Appropriation Water Right File No. 10,946, that is or may be appurtenant to the following described lands in Haskell County, Kansas, described as follows:
 40 acres NE/4 NE/4, 36.67 acres SW/4 NW/4,
 40 acres NW/4 NE/4, 40 acres SE/4 NW/4,
 40 acres SW/4 NE/4, 40 acres NE/4 SW/4,
 40 acres SE/4 NE/4, 36.69 acres NW/4 SW/4,
 40 acres NE/4 NW/4, 36.69 acres SW/4 SW/4, and
 36.67 acres NW/4 NW/4, 40 acres SE/4 SW/4,
 a total of 466.7 acres in Section 30-T28S-R32W, and
 320 acres in the S/2 of Section 24-T28S-R33W,

With the following attributes:

Priority Date: April 8, 1965
 Authorized Use: Irrigation
 Authorized Irrigation Quantity: 66.1 acre-feet per year,
 Actual Rate: 40 gallons per minute,
 Authorized Point of Diversion: One well located in the SW/4 SW/4 NW/4, located 2,740 feet north and 5,080 feet west of the southeast corner of Section 30-T28S-R32W, Haskell County, Kansas,
 Authorized Place of Use: 466.7 acres in Section 30-T28S-R32W described above, and if approved by Grantor's application to change the place of use, the 320 acres in the S/2 of Section 24-T28S-R33W, and

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Perfected Acres: 33.1 perfected acres (the maximum acres irrigated during the perfection period as determined under K.A.R. 5-5-9(a) or K.A.R. 5-5-10(d)),

Collectively referred to in this instrument as the "Conveyed Water Rights,"

SUBJECT TO THE LIMITATION that Grantee's diversion of water and use and enjoyment of the Conveyed Water Rights is entirely dependent on Grantee obtaining the administrative approval from the chief engineer of the Division of Water Resources, Kansas State Department of Agriculture, of administrative changes to the Conveyed Water Rights that permit Grantee to divert the Conveyed Water Rights from Grantee's well(s) for use at Grantee's industrial facility,

PROVIDED, GRANTOR EXCEPTS, EXCLUDES AND RETAINS that portion of Water Right File No. 10,946 with the following attributes:

Priority Date: April 8, 1965
Authorized Use: Irrigation
Authorized Irrigation Quantity: 318.9 acre-feet per year,
Authorized Rate: All authorized rate in excess of 40 gallons per minute, not to exceed 760 gallons per minute,
Authorized Point of Diversion: One well located in the SW/4 SW/4 NW/4, located 2,740 feet north and 5,080 feet west of the southeast corner of Section 30-T28S-R32W, Haskell County, Kansas,
Authorized Place of Use: 466.7 acres in Section 30-T28S-R32W described above, and if approved by Grantor's application to change the place of use, the 320 acres in the S/2 of Section 24-T28S-R33W,
Perfected Acres: All perfected acres in excess of the 33.1 perfected acres conveyed to Grantee in this instrument (the maximum acres irrigated during the perfection period as determined under K.A.R. 5-5-9(a) or K.A.R. 5-5-10(d)),

FURTHER RESERVING UNTO GRANTOR the exclusive use of the above-described authorized point of diversion and authorized place of use for irrigation, as this deed transfers only title in and to the portion of Appropriation Water Right File No. 10,946 described above as the Conveyed Water Rights and does not transfer any possessory interest in the currently authorized place of use for irrigation or in the currently authorized point of diversion.

Grantor covenants with Grantee as follows:

- a. The actual quantity of water that will be available to Grantee for industrial use shall be not less than forty (40) acre-feet (13.034 million gallons) per calendar year, without limitation, after the authorized use of water under the Conveyed Water Rights is changed from irrigation use to Grantee's industrial use;
- b. The authorized and actual rate of diversion to Grantee from the Conveyed Water Rights shall be not less than forty (40) gallons per minute; and,

- c. Grantor will fully cooperate with Grantee's efforts to change the use, place of use and point of diversion of the Conveyed Water Rights, and Grantor will on its own behalf and as agent for others join with Grantee and sign Grantee's application to change the Conveyed Water Rights as contemplated by this instrument.

SIGNED:

ADSIT FARMING ENTERPRISE, INC., by:

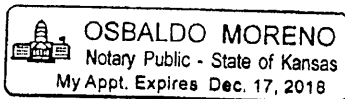
William H. Adsit
William H. Adsit, President

STATE OF KANSAS, COUNTY OF SEDGWICK, ss:

The foregoing Corporate Warranty Deed was acknowledged before me this 10th day of December, 2015, by William H. Adsit, as president of Adsit Farming Enterprise, Inc.

[Signature]
Notary Public

My Appointment Expires: Dec, 17, 2018



CONSENT TO CHANGE OF WATER RIGHTS
AND LIMITED POWER OF ATTORNEY

WHEREAS, Rex Brown and Rhonda Brown, husband and wife, are the owners of real property in Haskell County, described as follows:

The southwest quarter (SW $\frac{1}{4}$) of section thirty (30), township twenty-eight south (28S), range thirty-two west (32W) of the 6th P.M. ("Browns' Quarter");

WHEREAS, Adsit Farming Enterprise, Inc. is the owner of real property in Haskell County, described as follows:

The northwest quarter (NW $\frac{1}{4}$) of section thirty (30), township twenty-eight south (28S), range thirty-two west (32W) of the 6th P.M. ("Adsit's Quarter");

WHEREAS, F & E Cox Farms, Inc. is the owner of real property in Haskell County, described as follows:

The northeast quarter (NE $\frac{1}{4}$) of section thirty (30), township twenty-eight south (28S), range thirty-two west (32W) of the 6th P.M. ("Cox's Quarter");

WHEREAS, appropriation water right file no. 10946 ("WR 10946") and appropriation water right file 18165 ("WR 18165") are authorized to irrigate 160 acres located within Cox's Quarter, 153.34 acres located within Adsit's Quarter and 153.38 acres located in Browns' Quarter from wells owned and operated by Adsit Farming Enterprise, Inc. and located on Adsit's Quarter;

WHEREAS, the undersigned claim some undetermined interest in WR 10946 and WR 18165;

WHEREAS, Adsit Farming Enterprise, Inc. desires to relocate the well authorized under WR 18165 from the existing location, 5,130 feet north and 2,790 feet west of the southeast corner of Section 30-T28S-R32W, to a new location for a replacement well on Adsit's Quarter;

WHEREAS, Adsit Farming Enterprise, Inc., also desires to sell a portion of WR 10946, or WR 18165, or both, to APC, Inc., to be changed for industrial use by APC, Inc., at its facility located in the E $\frac{1}{2}$ of Section 25-28S-33W, in an amount sufficient to provide not less than forty (40) acre-feet per calendar year for industrial use, to be diverted from a point to be determined at an authorized pumping rate not to exceed forty (40) gallons per minute;

WHEREAS, in order for Adsit Farming Enterprise, Inc. to relocate its well and sell a portion of the water rights to be changed to industrial uses, applications to change the water rights must be filed and the approval of the chief engineer of the Division of Water Resources ("DWR") will be necessary; and,

WHEREAS, Rex Brown and Rhonda Brown and F & E Cox, Inc., desire to accommodate Adsit Farming Enterprise, Inc., by expressing their consent to the changes and by appointing

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Adsit Farming Enterprise, Inc. as their agent and attorney-in-fact under a limited power of attorney;

WHEREFORE, Rex Brown and Rhonda Brown and F & E Cox, Inc., by this instrument take the following action:

1. Consent to the relocation of the irrigation well of Adsit Farming Enterprise, Inc. authorized under WR 18165 from the existing location, 5,130 feet north and 2,790 feet west of the southeast corner of Section 30-T28S-R32W, to a new location anywhere on Adsit's Quarter that Adsit Farming Enterprise, Inc. deems favorable;

2. Appoint Adsit Farming Enterprise, Inc. as agent and attorney-in-fact of the undersigned, solely for the purpose and time necessary to change the authorized point of diversion under WR 18165, and to sign such applications, forms and other documents for and on behalf of the undersigned as may be required by DWR in connection with changing the authorized point of diversion under WR 18165, hereby waiving all requirements for the execution of documents or signatures of undersigned on all such applications, forms and documents that otherwise would be required by DWR pursuant to K.A.R. 5-5-1 or other applicable law, rule or regulation;

3. Consent to the sale by Adsit Farming Enterprise, Inc., of a portion of WR 10946, or WR 18165, or both, to APC, Inc., upon such terms and conditions as Adsit Farming Enterprise, Inc. deems favorable, and consent to such changes to a portion of WR 10946, or WR 18165, or both, as may be required to authorize the industrial use of water by APC, Inc., at its facility located in the E½ of Section 25-28S-33W, in an amount sufficient to provide not less than forty (40) acre-feet per calendar year for industrial use, to be diverted from a point to be determined at an authorized pumping rate not to exceed forty (40) gallons per minute; and,

4. Appoint Adsit Farming Enterprise, Inc. as agent and attorney-in-fact of the undersigned, solely for the purpose and time necessary to change the authorized use of water, place of use and point of diversion under WR 10946, or WR 18165, or both, as necessary to accomplish the changes described in the preceding paragraph and to sign such applications, forms and other documents for and on behalf of the undersigned as may be required by DWR in connection with such changes, hereby waiving all requirements for the execution of documents or signatures of undersigned on all such applications, forms and documents that otherwise would be required by DWR pursuant to K.A.R. 5-5-1 or other applicable law, rule or regulation.

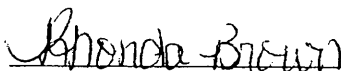
F & E Cox Farms, Inc., by:



Kenneth Cox, President



Rex Brown



Rhonda Brown

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STATE OF KANSAS, HASKELL COUNTY, ss:

This instrument was acknowledged before me on this 11th day of April 2014, by Kenneth Cox as President of F & E Cox Farms, Inc.

Melissa A. Blevins
NOTARY PUBLIC



My Appointment Expires: January 22, 2017

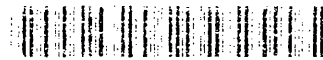
STATE OF KANSAS, HASKELL COUNTY, ss:

This instrument was acknowledged before me on this 11th day of April 2014, by Rex Brown and Rhonda Brown, husband and wife.

Melissa A. Blevins
NOTARY PUBLIC



My Appointment Expires: January 22, 2017



State of Kansas, Haskell County
This instrument was filed for
Record on December 30, 2015 12:11:00
Recorded in Book 208 Page 627-629
Fee \$28.00 201501165



Candy Huffine
Candy Huffine Register of Deeds

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WATER WELL RECORD Form WWC-5 1264320

Division of Water Resources App. No.

10946

Well ID

Original Record Correction Change in Well Use

1 LOCATION OF WATER WELL: County: Haskell Fraction SE 1/4 SW 1/4 SW 1/4 NW 1/4 Section Number 30 Township Number T 28 S Range Number R 32 E W

2 WELL OWNER: Last Name: ADSIT Farming Enterprises INC First: Street or Rural Address where well is located (if unknown, distance and direction from nearest town or intersection): APPROX 8 MILES NORTH OF SUBLETTE KANSAS

3 LOCATE WELL WITH "X" IN SECTION BOX: [Diagram] 4 DEPTH OF COMPLETED WELL: 596 ft. 5 Latitude: 37.584077 Longitude: 100.869163 6 Elevation: 2941 ft.

7 WELL WATER TO BE USED AS: 1. Domestic 2. Irrigation 3. Feedlot 4. Industrial 5. Public Water Supply 6. Dewatering 7. Aquifer Recharge 8. Monitoring 9. Environmental Remediation 10. Oil Field Water Supply 11. Test Hole 12. Geothermal 13. Other

Was a chemical/bacteriological sample submitted to KDHE? Water well disinfected?

8 TYPE OF CASING USED: Steel PVC Other CASING JOINTS: Glued Clamped Welded Threaded Casing diameter 16 in. to 596 ft. Diameter 12 in. to 586 ft. Weight 42.09 lbs./ft. Wall thickness or gauge No. 250

9 GROUT MATERIAL: Neat cement Cement grout Bentonite Other Grout Intervals: From 0 ft. to 20 ft. Nearest source of possible contamination: Septic Tank Lateral Lines Pit Privy Livestock Pens Insecticide Storage

Table with columns: FROM, TO, LITHOLOGIC LOG, FROM, TO, LITHO. LOG (cont.) or PLUGGING INTERVALS. Includes 'WATER RESOURCES RECEIVED' and 'OCT 16 2017' stamp.

11 CONTRACTOR'S OR LANDOWNER'S CERTIFICATION: This water well was constructed, reconstructed, or plugged under my jurisdiction and was completed on (mo-day-year) 8/13/2015 and this record is true to the best of my knowledge and belief.

Form	WWC5
Contractor	Hydro Resources Mid Continent, Inc.
Well Owner	
Doc ID	1264320

Litholgy

From	To	Lithologic Log
0	59	clay, brown sandy
59	169	and brown fine to coarse gravel
169	176	clay, brown sandy
176	210	sand brown fine to coarse gravel
210	230	clay, brown, sandy, sticky
230	331	gray clay
331	370	sand, gray to brown, fine to coarse
370	385	sand brown fine to coarse w/ brown gravel
385	387	clay gray to brown
387	410	sand, brown fine to coarse with fine to coarse brown gravel
410	508	clay brown to gray, some sandy gray clay
508	513	gravel brown, fine to med w/ some brown gray clay
513	515	clay brown to gray
515	517	cemented zone - very hard
517	520	gravel brown fine to med with sand
520	522	fine to med
522	525	gravel, fine to med with med to coarse sand
525	527	cemented gravel

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Form	WWC5
Contractor	Hydro Resources Mid Continent, Inc.
Well Owner	
Doc ID	1264320

Litholgy

From	To	Lithologic Log
527	586	gravel brown with med to coarse sand
586	605	shale, gray oily

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1 LOCATION OF WATER WELL:	Fraction	Section Number	Township Number	Range Number
COUNTY: 041 HASKELL	NE 1/4 NE 1/4 NE 1/4	25	T 28 S	R 33 W

2 WATER WELL OWNER: CLAUSEN KOCH COPORATION
 RR#, St. Address, Box # : HCR 1 BOX 14A Board of Agriculture, Division of Water Resources
 City, State, ZIP code : SUBLETTE, KS 67877-9756 Application Number: 11,104-D2

FROM	TO	LITHOLOGIC LOG
207	218	05 SAND 13 FINE GRAVEL 14 MED GRAVEL
228	288	01 CLAY
218	228	01 CLAY
288	322	01 CLAY 05 SAND
228	288	01 CLAY
322	340	05 SAND 13 FINE GRAVEL 01 CLAY
288	322	01 CLAY 05 SAND
340	378	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
322	340	05 SAND 13 FINE GRAVEL 01 CLAY
378	400	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
340	378	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
400	418	05 SAND 13 FINE GRAVEL 14 MED GRAVEL
378	400	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
418	428	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
400	418	05 SAND 13 FINE GRAVEL 14 MED GRAVEL
418	428	05 SAND 13 FINE GRAVEL 04 SANDY CLAY
428	441	04 SANDY CLAY 20 LIMESTONE 28 ROCK
441	472	05 SAND 01 CLAY
428	441	04 SANDY CLAY 20 LIMESTONE 28 ROCK
472	490	04 SANDY CLAY 20 LIMESTONE 05 SAND
441	472	05 SAND 01 CLAY
490	510	01 CLAY 05 SAND 28 ROCK
472	490	04 SANDY CLAY 20 LIMESTONE 05 SAND
510	530	05 SAND 28 ROCK 01 CLAY
490	510	01 CLAY 05 SAND 28 ROCK
530	568	05 SAND 28 ROCK
510	530	05 SAND 28 ROCK 01 CLAY
568	574	31 CALICHE 01 CLAY
530	568	05 SAND 28 ROCK
574	578	19 SHALE
568	574	31 CALICHE 01 CLAY
574	578	19 SHALE

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7 CONTRACTOR'S OR LANDOWNER'S CERTIFICATION: This water well was Constructed under my jurisdiction and was completed on (mo/day/year) 06/11/99 and this record is true to the best of my knowledge and belief. Kansas Water Well Contractor's License No. 145 This Water Well Record was completed on (mo/day/yr) 06/21/99 under the business name of HENKLE DRILLING & SUPPLY by (signature) *Bruce Reichmuth*

Ground Water Associates, Inc.

109 W. 1st Ave., P.O. Box 792, Goddard, Ks 67052-0792 • 316-262-3322

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Sep 25, 2015

APC
c/o Michael K. Ramsey, Attorney
P.O. Box 439
Garden City, Kansas 67846

Subject: Adsit Well Report

Dear Mike,

This letter is written to serve as a report concerning the development pumping and final test on the new northeast and southwest Adsit irrigation wells located in the northwest quarter of Section 30, T28S, R32W in Haskell County.

The northeast well is located approximately 337' south and 125' west of the NE corner of the NW ¼ of Section 30, T28S, R32W (N 37° 35.425' W 100° 51.715', NAD1927:datum).

Northeast Well

Bottom of Aquifer	587'
Static Water Level	<u>451.62'</u>
Aquifer thickness	135.38'

Development pumping was run at the following rates:

Gallons per Minute	Pumping Water Level (ft)	Drawdown (ft)	Specific Capacity (gal/ft of dd)	Percent Drawdown
263	457.77	6.97	37.73	5.15%
359	459.85	9.05	39.68	6.68
445	463.55	12.75	34.90	9.41
563	464.28	13.58	41.45	10.03
653	466.55	15.75	41.53	11.63
731	468.40	17.60	41.53	13.00
815	470.55	19.75	41.26	14.59
868	471.51	20.71	41.91	15.30
1003	473.18	22.38	44.81	16.53



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M. Ramsey, Attorney
Page 2
Sep 24, 2015

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The final eight hour test was run at 857 gallons per minute.

Gallons per Minute	Pumping Water Level (ft)	Drawdown (ft)	Specific Capacity (gal/ft of dd)	Percent Drawdown
857	470.35	18.73	45.76	13.84%

Using Aquifer Test 4.0 software our analysis shows a semi-confined to confined aquifer with a transmissivity of 94,200 gallons per day per foot and storativity of 0.000344. During the last four hours pumping water level stabilized with a drop of 3/4 foot.

The southwest well is located approximately 18' north and 425' east of the SW corner of the NW ¼ of Section 30, T28S, R32W (N 37° 35.043' W 100° 52.125', NAD1927:datum).

Southwest Well

Bottom of Aquifer	586'
Static Water Level	<u>441.18'</u>
Aquifer thickness	144.82'

The first well sounder Hydro Resources used was not reading correctly (sticking to the side of the steel drawdown pipe) on the first two pumping rates. We replaced the first sounder and continued the development. Development pumping was run at the following rates:

Gallons per Minute	Pumping Water Level (ft)	Drawdown (ft)	Specific Capacity (gal/ft of dd)	Percent Drawdown
466	?	?	?	?
522	?	?	?	?
650	460.58	19.40	33.51	13.39
756	464.34	23.16	32.64	15.99
857	464.41	23.80	36.00	16.43
962	470.23	29.05	33.11	20.06
1003	473.75	32.57	30.80	22.49

The final six hour test was run at 857 gallons per minute.

Gallons per Minute	Pumping Water Level (ft)	Drawdown (ft)	Specific Capacity (gal/ft of dd)	Percent Drawdown
857	465.40	24.22	35.38	16.72%

Using Aquifer Test 4.0 software our analysis shows a semi-confined to confined aquifer. Matching to the early data (up to 40 minutes) the transmissivity is 79,200 gallons per day per foot and the storativity is 0.00000585. Matching to the late data (after 240

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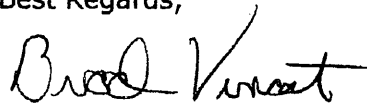
M. Ramsey, Attorney
Page 3
Sep 25, 2015

minutes) the transmissivity is 79,000 gallons per day per foot and the storativity is 0.0000406. The pumping water level stabilized after 70 minutes until the six hour point when the test was concluded.

Both wells pumped nicely at 857 gallon per minute. The biggest difference between wells is the starting static water level which was higher at the southwest well site. This shows up as a lower specific capacity but a higher final pumping water level at the southwest well. This difference in static water level would reflect the pumping of the old well near the northeast well site this season. Both wells have layers of brown clay that act as a confining layer on the bottom aquifer (see attached test hole logs).

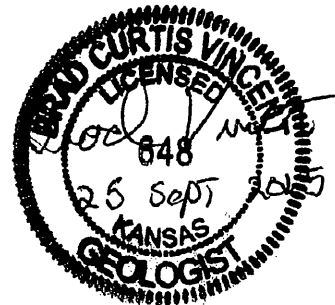
Please give us call with any comments or questions.

Best Regards,



Brad Vincent, P.G.
Ground Water Associates, Inc.

Pc: Mary Brinkley
Adsit Farming



**LAW OFFICES OF
HOPE, MILLS, BOLIN, COLLINS & RAMSEY**

PHONE AREA 620-276-3203
TELECOPIER 620-276-3300
607 N. SEVENTH – P.O. BOX 439
GARDEN CITY, KANSAS 67846

JIM D. MILLS
MICHAEL E. COLLINS
MICHAEL K. RAMSEY

Wm. EASTON HUTCHISON (1860-1952)
C. E. VANCE (1878-1958)
A. M. FLEMING (1888-1971)
CLIFFORD R. HOPE (1923-2010)
WILLIAM B. BOLIN (1934-2014)

October 12, 2017

Mike Meyer, Water Commissioner
Kansas State Department of Agriculture
Division of Water Resources
2508 Johns Street
Garden City, KS 67846-2804

HAND DELIVERED

Re: APC Company, Inc. ("APC")
Adsit Farming Enterprise, Inc. ("Adsit")
Application to partially change water right file no. 10,946
Haskell County, Kansas

Dear Mike,

With this letter I am delivering an application to partially change the use made of water, place of use and point diversion of water right file no. 10,946 for industrial use by APC at its facility located in the southeast quarter of section 25-28S-33W, Haskell County, Kansas. Also enclosed is a filing fee check in the amount of \$700.00.

It is urgent that the application be acted upon prior to the end of year 2017. You will find from the industrial use supplemental sheet included with the application that due to increased plant production and food safety requirements, the projected water use at APC's plant in 2017 may exceed the quantity available under file number 11,104-D2. For that reason, as soon as you are able, please reply to this letter and inform me whether or not approval of the change in year 2017 is reasonably possible. If it is not, APC will file an application for a term permit. I hesitate to recommend that APC file an application for a term permit should it later prove to have been unnecessary and a waste of administrative time.

Included with the application is a copy of the pumping analysis of the current well owned by Adsit performed by Ground Water Associates, Inc., during September 2015. At the time of the test pumping, the maximum pumping rate of Adsit's well was in excess of the certified rate of 800 g.p.m. Thus, Adsit should be able to retain a rate of 760 g.p.m., and APC should be

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OCT 12 2017

Garden City Field Office
Division of Water Resources

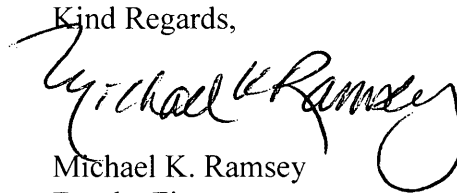
permitted a rate of 40 g.p.m. Please let me know as soon as possible whether or not a re-test will be required.

A copy of a recorded deed is included with the application, by which APC acquired a portion of water right file no. 10,946 from Adsit in December 2015. Filing the application to change the acquired water right has been delayed while APC evaluated whether or not to establish a separate point of diversion for the acquired water right.

Further, included with the application is a recorded consent and power of attorney given by the owners of other lands authorized as a place of use to be irrigated under file no. 10,946, by which they have consented to the proposed change and have appointed Adsit as their agent to accomplish the change.

If you have questions or concerns, please do not hesitate to contact me.

Kind Regards,



Michael K. Ramsey
For the Firm

MKR/mkr

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OCT 12 2017

Garden City Field Office
Division of Water Resources



1320 Research Park Drive
Manhattan, Kansas 66502
(785) 564-6700

900 SW Jackson, Room 456
Topeka, Kansas 66612
(785) 296-3556

Jackie McClaskey, Secretary

Governor Sam Brownback

ADSIT FARMING ENTERPRISE, INC
3009 LONGHORN DRIVE
LAWRENCE, KS 66049

10/17/2017

FILE COPY

RE: File No 10946

Dear Sir or Madam:

An application for approval of the Chief Engineer to change the following condition or conditions of the file number referred to above has been received:

- place of use PU/PD/UMW
- point of diversion
- use made of water

As a matter of record, the Division of Water Resources has on hand a large number of applications awaiting processing. Therefore, to be fair to all concerned, and so that we can process those applications on hand in the order they were received, we intend to concentrate on the backlog of applications until the issue is resolved. You will be contacted regarding this application as soon as it has been examined.

In accordance with the provisions of the Kansas Water Appropriation Act, a portion of which is included below, the use of water prior to approval of the application is unlawful. You should not proceed and divert water as indicated by your plans in your application for a change for this file until you receive approval for this change from the Chief Engineer. Once approved, compliance with the terms, conditions and limitations of the permit is necessary. Conservation of the water resources of Kansas is required.

Section 82a-728 of the Kansas Water Appropriation Act, provides (a) except for the appropriation of water for the purpose of domestic use, . . . it shall be unlawful for any person to appropriate or threaten to appropriate water from any source without first applying for and obtaining a permit to appropriate water in accordance with the provisions of the Water Appropriation Act or for any person to violate any condition of a vested right, appropriation right or an approved application for a permit to appropriate water for beneficial use.

(b) (1) The violation of any provision of this section by any person is a class C misdemeanor...

A class C misdemeanor is punishable by a fine not to exceed \$500 and/or a term of confinement not to exceed one month in the county jail. Each day that the violation occurs constitutes a separate offense.

If you have any questions, please contact me at (785) 564-6645. If you wish to discuss a specific file, please have the file number ready so that we may help you more efficiently.

Sincerely,

Brent Tourney, L.G.
Change Applications Unit Supervisor
Water Appropriation Program

BAT: DLW
pc: GARDEN CITY Field Office GMD3