DNRC REPORT TO EQC HB22 ADJUDICATION PROGRESS

September, 2014

Claims Examination Progress

- First benchmark <u>8,000</u> claims by <u>12-31-2006</u>
- Second benchmark 19,000 claims by 12-31-2008
- Third benchmark 31,000 claims by <u>12-31-2010</u>
- Fourth benchmark 44,000 claims by 12-31-2012
- Claims examined July 2005 thru June 2014 **57,000**
- Claims examined by Purpose

| | | 57,000 | |
|---|------------|--------------|-----|
| 0 | Other | <u>5,200</u> | 9% |
| 0 | Domestic | 7,327 | 13% |
| 0 | Stock | 31,337 | 55% |
| 0 | Irrigation | 13,136 | 23% |

Claims remaining to be examined

0

The Department has met every benchmark set for it by the legislature in 2005 with the completion of initial examination of the 57,000 claims. Staff are currently working on issuing summary reports in the remaining 5 basins with two additional basins dependent on what happens with the CSKT compact and water rights.

| Summary Reports to Water Court | Date Issued |
|--|--------------------|
| Union Creek (part of 76F) | May 19, 2005 |
| Teton River (410) | August 15, 2005 |
| Big Hole River (41D) | October 31, 2006 |
| Tongue River, below hanging Woman Creek (42C) | August 7, 2007 |
| Blackfoot River (76F) | August 14, 2007 |
| Missouri River, from Holter Dam to Sun River (41QJ) | August 15, 2007 |
| Tongue River, above Hanging Woman (42B) | December 5, 2007 |
| Pryor Creek (43E) | August 18, 2008 |
| Smith River (41J) | September 1, 2008 |
| Beaver Creek (40M) | September 1, 2008 |
| Flatwillow Creek (40B) | September 11, 2008 |
| Milk River (40J) | December 5, 2008 |
| Little Big Horn River (430) | February 6, 2009 |
| Big Muddy Creek (40R) | April 6, 2009 |
| Missouri River, Sun River to Marias River (41Q) | June 16, 2009 |
| Beaverhead River (41B) | August 14, 2009 |
| Arrow Creek (41R) | October 23, 2009 |
| Missouri River, from Marias River to Bullwhacker Creek (41T) | November 17, 2009 |
| Milk River above Fresno Reservoir (40F) | April 15, 2011 |

| Rosebud Creek (42A) | December 13, 2012 |
|---|--------------------|
| Red Rock River (41A) | January 10, 2013 |
| Peoples Creek (40I) | February 5, 2013 |
| Shoshone River (43N) | February 12, 2013 |
| Yellowstone River below Powder River (42M) | July 17, 2013 |
| Missouri R between Bullwhacker & Musselshell (40EJ) | September 25, 2013 |
| St. Mary River (40T) | January 31, 2014 |

| Decrees Issued by Water Court | Date Issued | Number of Claims |
|--|--------------------|------------------|
| Teton River (410) | 12/29/2 | 2005 2,541 |
| Union Creek (part of 76F) | 3/10/20 | 006 42 |
| Big Hole River (41D) | 4/6/200 | 3,892 |
| Missouri River (41QJ) | 2/6/200 | 08 2,584 |
| Tongue River (42C) | 2/28/20 | 008 4,710 |
| Tongue River (42B) | 2/28/20 | 008 1,345 |
| Forest Service Compact | 5/19/20 | 008 262 |
| BLM-Montana Compact | 3/6/200 | 09 2 |
| Beaver Creek (40M) | 3/20/20 | 009 2,942 |
| Big Muddy Creek (40R) | 1/28/20 | 2,029 |
| Pryor Creek (43E) | 2/25/20 | 010 629 |
| Little Big Horn River (43O) | 3/17/20 | 010 1,176 |
| Missouri River from Sun River to Marias River (41Q) | 5/27/20 | 010 4,127 |
| Milk River between Fresno Res & Whitewater (40J) | 6/24/20 | 010 12,897 |
| Smith River (41J) | 12/16/2 | 2010 2,719 |
| Blackfoot River (76F) | 2/10/20 | 3,717 |
| Flatwillow Creek (40B) | 5/5/201 | 11 3,677 |
| Arrow Creek (41R) | 6/23/20 | 011 2,179 |
| National Bison Range Compact | 9/30/20 | 011 97 |
| Missouri River, from Marias River to Bullwhacker Creek (4 | 41T) 4/19/20 | 3,073 |
| Crow Tribe of Indians Montana Compact | 1/28/20 | 013 NA |
| Beaverhead River (41B) | 5/9/20 | 13 2,238 |
| Red Rock River (41A) | 5/9/20 | 13 2,861 |
| Rosebud Creek (42A) | 5/23/20 | 013 1,220 |
| Shoshone River (43N) | 6/13/20 | 013 165 |
| Peoples Creek (40I) | 6/20/20 | 013 686 |
| Milk River above Fresno Reservoir (40F) | 12/12/2 | 2013 2,339 |
| Yellowstone River below Powder River (42M) | 1/24/20 | 014 5,290 |
| Bowdoin National Wildlife Refuge Compact | 4/2/201 | 14 7 |
| Missouri River between Bullwhacker & Musselshell River (40EJ | J) 4/25/20 | 2,676 |
| St. Mary River (40T) | 6/25/20 | 014 267 |

Above decrees scanned and available at:

 $\underline{http://www.dnrc.mt.gov/wrd/water_rts/adjudication/default.asp}$

| | BASINS BY COMPLETION DATE - DNRC WORK PLAN FY 2015 | | | |
|-------|--|------------------------|----------------------|------|
| BASIN | | | Estimated Completion | |
| COUNT | BASIN NAME | WORK STATUS | Date | |
| | | Summary Report | Dependant | |
| 1 | Flathead R below Flathead Lake (76L) | pending | on CSKT | |
| 2 | Big Horn R below Greybull R (43P) | Summary Report pending | 3 | 2015 |
| | | Summary Report | Dependant | |
| 3 | Flathead River (76LJ) | pending | on CSKT | |
| | | Summary Report | | |
| 4 | Cut Bank River (41L) | pending | 6 | 2015 |
| 5 | Two Medicine River (41M) | Summary Report pending | 10 | 2014 |
| | | Summary report | | |
| 6 | Marias River (41P) | Pending | 9 | 2014 |
| | | Summary Report | | |
| 7 | Bitterroot R, E side (76HA) | pending | 4 | 2015 |

Assistance for District Court Enforcement of Water Court Decrees

| 2005 season | completed water court assistance for 23 projects |
|-------------|--|
| 2006 season | completed water court assistance for 23 projects |
| 2007 season | completed water court assistance for 26 projects |
| 2008 season | completed water court assistance for 32 projects |
| 2009 season | completed water court assistance for 36 projects |
| 2010 season | completed water court assistance for 38 projects |
| 2011 season | completed water court assistance for 38 projects |
| 2012 season | completed water court assistance for 40 projects |
| 2013 season | completed water court assistance for 42 projects |
| 2014 season | completed water court assistance for 42 projects |

HB39 Automate Ownership updates (effective July 1, 2008)

- -Department staff continue to validate water right geocodes for property transfers that occurred from November 2010 thru January 2012.
- -In 2010, 3,821 ownerships were updated involving 9,460 water rights
- -In 2011, 6,245 ownerships were updated involving 15,765 water rights.
- -In 2012 8,729 ownerships were updated involving 20,496 water rights.
- -In 2014 7,618 ownerships were updated involving 18,360 water rights.
- -So far this fiscal year 651 ownerships have been updated involving 1,393 water Rights

Post Decree Assistance (July-FY2015)

| case type | case co | ount | work hours |
|----------------|---------|-----------|------------|
| Certified case | | | 0 |
| Case with Obj | ector | 3 | 93 |
| 85-2-248 case | | 17 | 588 |
| General assist | | | 144 |
| Total hours | | | 825 |

Post Decree assistance primarily involves working with claimants and the Water Court to help resolve issue remarks on water rights. This assistance is generated through the on motion process (85-2-248) and objections by water users resulting in a case. Assistance includes meeting with claimants, conducting field investigations, mapping, and providing recommendations and technical reports pertaining to individual cases. In addition, assistance is requested by the Water Court to help with certified cases before and after the initial decree phase. Unique requests to help the Water Court resolve specific cases such as large basin mapping projects, and other technical requests fall within the general assistance category.

SB355 Fillings (effective Oct 1, 2013)

The department has received 205 statement of claims to date. Of these, 30 have the purpose of domestic and 175 have the purpose of stock. Examination is occurring on basins nearing initial decree and basins with notice deadlines.

Re-examination order on verified and early examined basins

The department has started initial work in basin 76GJ (Flint Creek), which is one of the 43 basins with approximately 90,000 claims affected by this order. The work involved primarily addresses water distribution issues and is not a full examination of the claims. Work in these basins is anticipated to be complete by July 1st of 2021 if additional funding is received to maintain current staffing levels at DNRC and the Water Court.

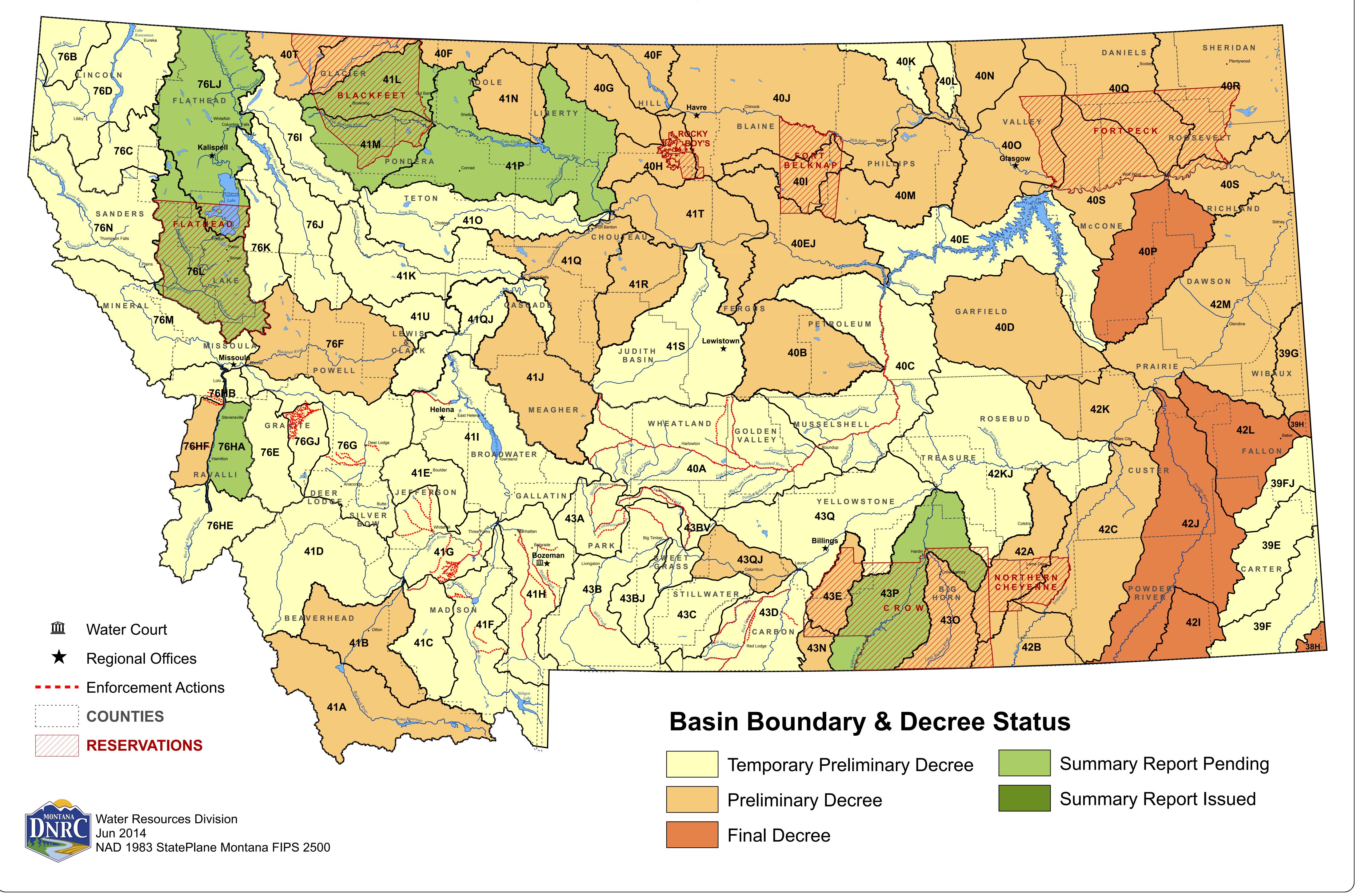
Other additional adjudication work could include:

- Examination and decrees of non-compacted tribal water rights;
- Possible examination of water rights for post-73 abandonment;

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Basin Location and Adjudication Status

June 26, 2014



WATER COURT REPORT TO WPIC AND EQC September, 2014

Status of Interim Decrees

The Water Court issued 6 Preliminary/Interim decrees in 2013. These decrees are all in an objection or counterobjection period. The table below shows deadlines for the decrees and number of objections or counterobjections received on these decrees as of August 13, 2014.

| Basin | Date Prelim | Original Obj | Extended | Extended | Counterobj | No of Obj & |
|-------|-------------|--------------|-----------|-----------|-------------|-------------------|
| | Issued | Deadline | Deadline | Deadline | Deadline | Counterobjections |
| | | | | | | As of 8/13/2014 |
| 41A | 5/9/2013 | 11/5/2013 | 2/3/2014 | 5/5/2014 | 8/16/2014 | 1282 |
| | | | | | Extended to | |
| | | | | | 10/31/2014 | |
| 42A | 5/23/2013 | 11/19/2013 | 2/14/2014 | 5/14/2014 | 9/15/2014 | 511 |
| 43N | 6/13/2013 | 12/10/2013 | 3/10/2014 | 6/10/2014 | 9/15/2014 | 32 |
| 401 | 6/20/2013 | 12/17/2013 | 3/17/2014 | 6/16/2014 | 10/6/2014 | 542 |
| 41B | 5/9/2013 | 11/5/2013 | 2/3/2014 | 5/5/2014 | 8/16/2014 | 863 |
| | | | | | Extended to | |
| | | | | | 10/31/2014 | |
| 40F | 12/12/2013 | 6/10/2014 | 9/8/2014 | | | 35 |

Decrees Issued in 2014: The Water Court has issued 3 degree so far in 2014.

| Basin | Date Preliminary | Original Objection | Extended | Extended | No of Objections |
|-------|------------------|--------------------|------------|----------|------------------|
| | Issued | Deadline | Deadline | Deadline | As of 8/13/2014 |
| 42M | 1/24/2014 | 7/23/2014 | 10/21/2014 | | 27 |
| 40EJ | 4/25/2014 | 10/22/2014 | | | 2 |
| 40T | 6/19/2014 | 12/22/2014 | | | |

Initial Decrees remaining to be issued:

There are 7 initial decrees remaining to be issued. Assuming timely production of summary reports and the absence of other issues these 7 decrees should be issued before the end of 2017. We anticipate 50 percent of claims in the new decrees will receive objection or issue remarks. This percentage is based on historical averages and represents the number of claims that must be addressed in court proceedings. Basins without initial decrees are:

41L-Cut Bank River

41M-Two Medicine River

41P-Marias River

43P-Bighorn River below Greybull River

76HA-Bitterroot River, East side

76L-Flathead River below Flathead Lake

76LJ-Flathead River including Flathead Lake

Summary Reports

The Water Court is not currently reviewing any Summary Reports. As we receive additional reports from DNRC we will assign staff.

Enforcement Actions for 2014

The Water Court has sent 40 final enforcement tabulations to the district courts with enforcement actions in their jurisdictions. The Water Court is beginning discussions with other areas in the state regarding petitions for enforcement in spring of 2015.

Exempt from filing (SB 355)

SB 355 was passed during the last legislative session. The resulting law allows individuals to file on exempt claims. The process at the court and DNRC became operational on October 1, 2013. The court continues to receive a number of petitions for this process. Many of the resulting rights are being incorporated into objection lists that will be published later this year.

Staffing Changes

The Water Court employed two temporary legal interns this summer, these individuals provided a great deal of service to the court, but have now returned to law school. Since last report, a half-time Water Master has resigned. The court currently has one vacant deputy clerk position for which we are recruiting.

Progress of Adjudication

The Water Court continues to work on initiatives to increase productivity, quality and responsiveness and track our progress in the adjudication. The following chart shows our average number of claims closed per month.



Decree Issuance Update

Decrees Issued And Still In An Objection Period

Decrees Issued in 2013

| Basin | Date Prelim | Original Obj | Extended | Extended | Counterobj | No of Obj & |
|-------|-------------|--------------|-----------|-----------|--|--------------------------------------|
| | Issued | Deadline | Deadline | Deadline | Deadline | Counterobjections As of 8/13/2014 |
| 41A | 5/9/2013 | 11/5/2013 | 2/3/2014 | 5/5/2014 | 8/16/2014 Extended to 10/31/2014 | 1282 |
| 42A | 5/23/2013 | 11/19/2013 | 2/14/2014 | 5/14/2014 | 9/15/2014 | 511 |
| 43N | 6/13/2013 | 12/10/2013 | 3/10/2014 | 6/10/2014 | 9/15/2014 | 32 |
| 401 | 6/20/2013 | 12/17/2013 | 3/17/2014 | 6/16/2014 | 10/6/2014 | 452 |
| 41B | 5/9/2013 | 11/5/2013 | 2/3/2014 | 5/5/2014 | 8/16/2014 Extended to 10/31/2014 | 863 |
| 40F | 12/12/2013 | 6/10/2014 | 9/8/2014 | | | 35 |

Decrees Issued in 2014

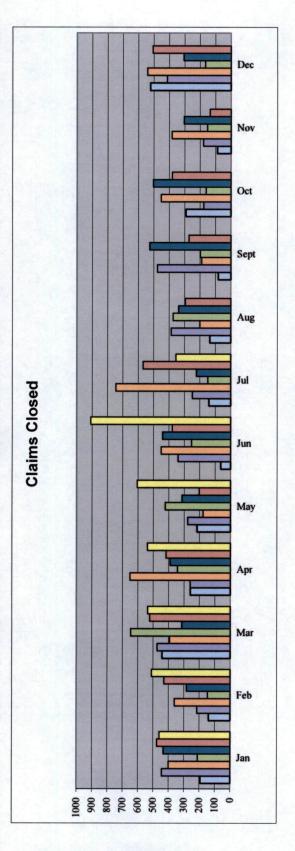
| Basin | Date Preliminary | Original Objection | Extended | Extended | No of Objections |
|-------|------------------|--------------------|------------|----------|------------------|
| | Issued | Deadline | Deadline | Deadline | As of 8/13/2014 |
| 42M | 1/24/2014 | 7/23/2014 | 10/21/2014 | | 62 |
| 40EJ | 4/25/2014 | 10/22/2014 | | | 24 |
| 40T | 6/19/2014 | 12/22/2014 | | | |

First Decrees Remaining to be Issued: Seven first decrees still need to be issued.

| Type of Decree | Status | | | | |
|---|--|--|--|--|--|
| 41L | Pending receipt of summary report from DNRC. | | | | |
| 41M | Pending receipt of summary report from DNRC. | | | | |
| 41P | Pending receipt of summary report from DNRC. | | | | |
| 43P | Pending receipt of summary report from DNRC. | | | | |
| 76L | Pending receipt of summary report from DNRC. | | | | |
| 76LJ | Pending receipt of summary report from DNRC. | | | | |
| 76HA Pending receipt of summary report from DNRC. | | | | | |

Claim Closing by Month Comparison 2008-2014

| Average | 214 | 324 | 411 | 268 | 365 | 452 | 559 |
|---------|------|------|------|------|------|------|------|
| Dec | 523 | 414 | 542 | 166 | 306 | 202 | |
| Nov | 88 | 178 | 382 | 152 | 304 | 136 | |
| Oct | 292 | 176 | 452 | 191 | 503 | 380 | |
| Sept | 81 | 476 | 189 | 198 | 527 | 272 | |
| Aug | 136 | 387 | 200 | 374 | 339 | 295 | |
| Jul | 141 | 249 | 745 | 148 | 222 | 695 | 355 |
| Jun | 64 | 341 | 450 | 253 | 441 | 378 | 806 |
| May | 216 | 277 | 177 | 423 | 315 | 202 | 605 |
| Apr | 259 | 260 | 651 | 343 | 391 | 417 | 539 |
| Mar | 442 | 474 | 393 | 646 | 315 | 523 | 536 |
| Feb | 140 | 215 | 362 | 146 | 283 | 429 | 510 |
| Jan | 193 | 444 | 400 | 211 | 433 | 475 | 459 |
| | 2008 | 5000 | 2010 | 2011 | 2012 | 2013 | 2014 |



8/15/2014

Updated:

Percent of Claims Resolved Elapsed Time from Notice of Intent to Appear

| | Number of | | | | | | |
|-------|----------------|---------------|------------|------------|---------------|---|------------|
| | Claims on | | % Complete | % Complete | % Complete | % Complete | % Complete |
| Basin | Objection List | NOIA Deadline | 6 Months | 12 Months | 2 Years | 5 Years | 8/1/2014 |
| 41D | 2233 | 2/3/2009 | -1.8% | 0.5% | 19.3% | 86.16% | 94.0% |
| 41QJ | 198 | 4/28/2009 | 3.4% | 25.8% | 58.3% | 88.68% | 88.9% |
| 42C | 916 | 8/25/2009 | -29.5% | -29.1% | -5.9% | | 50.3% |
| 42B | 999 | 8/25/2009 | 8.3% | 33.6% | 53.9% | | 73.3% |
| 40M | 1464 | 8/9/2010 | 20.3% | 25.7% | 43.3% | | %6.89 |
| 40R | 728 | 6/3/2011 | 2.5% | 26.9% | 73.9% | | 86.1% |
| 43E | 488 | 9/26/2011 | -15.0% | -13.3% | 5.3% | | 14.3% |
| 430 | 1135 | 10/3/2011 | -20.0% | -19.7% | 0.4% | | 10.0% |
| 410 | 1071 | 11/1/2011 | 27.9% | 26.7% | 74.5% | | %9.62 |
| 401 | 4789 | 4/10/2011 | -0.5% | 1.1% | 15.3% | | 43.7% |
| 413 | 1062 | 6/11/2012 | 14.3% | 19.8% | 28.6% | | 29.9% |
| 76F | 1346 | 6/30/2012 | -0.3% | 11.2% | 52.5% | | 54.3% |
| 40B | 1419 | 6/16/2012 | 12.9% | 21.2% | 32.6% | | 34.5% |
| 41R | 848 | 3/12/2012 | 19.2% | 23.5% | %6.69 | | 81.7% |
| 41T | 1471 | 9/17/2013 | 51.8% | | · 是由人工的工作的工作。 | A THE RESIDENCE OF THE PARTY O | 76.8% |
| | | | | | | | |

Elapsed Time is calculated from date that the NOIA period closed to the month indicated in last column.

complete is negative, this indicates that filings outside the decree issuance process have been received by the court and need attention. These additional proceeding include but are not limited to motions to amend, splits, and claims called in on-motion of the court. Percentage Complete is calculated based on number of claims on the objection list compared to the number of claims open. When %

Greyed out cells indicate that the the elapsed time has not been reached.

Filename: Percent by Elapsed

| Compact Name | Case # | Status | |
|---|------------------------------|-------------------|--|
| Blackfeet Tribe Compact | WC-1991-1 | OPEN | |
| Fort Peck-Montana Compact | WC-1992-1 | CLOSED | |
| Northern Cheyenne Compact | WC1993-1 | CLOSED | |
| National Park Service-MT Compact | WC1994-1 | CLOSED | |
| Rocky Boys Compact | WC-2000-01 | CLOSED | |
| Red Rock Lakes Compact | WC-2000-02 | CLOSED | |
| USFWS Black Coulee and Benton Lake Compact | WC-2000-03 WC-2002-04 | CLOSED | |
| USDA Forest Service | WC-2007-03 | OPEN | |
| USA-BLM-MT Compact | WC-2008-10 | CLOSED | |
| National Bison Range Compact | WC-2011-01 | CLOSED | |
| Crow Tribe Compact | WC-2012-06 | OPEN | |
| Bowdoin National Wildlife Refuge Compact | WC-2013-04 | OPEN | |
| USDA Fort Keogh Research Station | WC2014-07 - Issued 8/21/2014 | OPEN | |
| USDA Sheep Experiment Station | WC2014-06 - Issued 8/21/2014 | OPEN | |
| Charles M. Russell National Wildlife Refuge | Not yet at Water Court | | |
| Upper Missouri River Breaks National Monument | Not yet at Water Court | | |
| Fort Belknap Indian Reservation | Not yet at Water Court | The second second | |
| Confederated Salish and Kootenai Tribes of the Flathead Reservation | TBD - Compact Commission | | |
| Turtle Mountain Chippewa | TBD - Compact Commission | | |

Filename: Compact Status