

**DNRC REPORT TO EQC
HB22 ADJUDICATION PROGRESS
July 15, 2008**

Claims Examination Progress

- First benchmark 8,000 claims by 12-31-2006
 - **Second benchmark 19,000 claims by 12-31-2008**
 - Claims examined July 2005 thru **June, 30 2008** **26,618**
 - Claims examined by Purpose
 - o Irrigation 5,838 22%
 - o Stock 16,088 60%
 - o Domestic 2,840 11%
 - o Other 1,852 7%
- 26,618**

Claims remaining to be examined **31,182**

Total Claims examined based on original
remaining 57,000 claims (57,000 – **30,382**) = ***26,618**

*1470 claims were examined prior to enactment of HB22

Summary Reports to Water Court

Union Creek (part of 76F)	May 19, 2005
Teton River (41O)	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 Creek (42B)	December 5, 2007

Decrees Issued by Water Court

Teton Basin Decree	December 29, 2005	2,500 claims
Union Creek Decree	March 10, 2006	42 claims
Big Hole River Decree	April 6, 2007	3,892 claims
Missouri River 41QJ	Feb 6, 2008	2,584 claims
Tongue River 42C	Feb 28, 2008	4710 claims
Tongue River 42B	Feb 28, 2008	1345 claims
Forest Service Compact	May 19, 2008	262 rights

Above decrees scanned and available at: http://dnrc.mt.gov/wrd/water_rts/adjudication

BASINS BY COMPLETION DATE - DNRC WORK PLAN 2008				
BASIN COUNT	BASIN NAME	WORK STATUS	EST COMPLETE DATE	
1	Beaver Creek (40M)	Summary prep pending	7	2008
2	Flatwillow Creek (40B)	Summary prep pending	7	2008
3	Smith River (41J)	Summary prep pending	7	2008
4	Pryor Creek (43E)	Examination in progress	7	2008
5	Milk River between Fresno & Whitewater (40J)	Summary prep pending	12	2008
6	Little Big Horn River (43O)	Summary prep pending	1	2009
7	Shoshone River (43N)	To be Examined	3	2009
8	Big Horn R below Greybull R (43P)	Summary prep pending	3	2009
9	Beaverhead River (41B)	Examination in progress	7	2009
10	Rosebud Creek (42A)	Summary prep pending	7	2009
11	Big Muddy Creek (40R)	Examination in progress	10	2009
12	Peoples Creek (40I)	Summary prep pending	12	2009
13	Arrow Creek (41R)	To be Examined	7	2010
14	Missouri R to Marias (41Q)	Examination in progress	7	2010
15	Flathead River (76LJ)	Examination in progress	12	2010
16	Milk River above Fresno (40F)	Summary prep pending	7	2011
17	Flathead R below Flathead Lake (76L)	Examination in progress	10	2011
18	Red Rock River (41A)	Examination in progress	3	2012
19	Cut Bank River (41L)	Summary prep pending	7	2012
20	St. Mary River (40T)	Summary prep pending	7	2012
21	Two Medicine River (41M)	Summary prep pending	8	2012
22	Yellowstone R below Powder R (42M)	To be Examined	8	2012
23	Marias River (41P)	Examination in progress	4	2014
24	Missouri R from Marias to Bullwacker (41T)	Examination in progress	5	2014
25	Missouri R between Bullwacker & Musselshell (40EJ)	To be Examined	3	2015
26	Bitterroot R, E side (76HA)	Examination in progress	6	2015

District Court Enforcement Actions

- Completed water court assistance on 23 streams 2005 season
- Completed water court assistance on 23 streams 2006 season
- Completed water court assistance on 26 streams 2007 season
- **Completed water court assistance on 30 streams 2008 season**
- Automated indexes are now in use

Expenses

YTD FY08: Operating Costs	\$ 519,458.00
Personnel services	<u>\$ 1,721,644.00</u>
Total	\$ 2,241,102.00
Budget	\$ 2,506,301.00

Note: Spending authority for \$150,000 used for HB22 fee collection in FY06 was not considered expendable for FY08, thus Adjudication FY08 ending balance. Funds revert into Adjudication account.

Billing System

- 108,000 bills mailed Dec. 27, 2005
- 18,552 2nd bills mailed March 1, 2006
- Estimated revenue generated \$6.2 million
- Revenue received \$5.163 million representing 93,737 invoices paid (in full /or part)

Appeals

- 5,002 Appeals received to date
 - o 3,030 appeals based on ownership;
 - o 1,972 appeals based on fee calculation
- **2771 appeals have been resolved to date (663 denied, 2108 resolved with fee correction)**
- Hired a temp to help resolve appeals

Ownership Records / Forms Received

(Form 608) Ownership Updates

(Form 602) Notices of Completion of Groundwater Development (wells 35gpm or less)

Fiscal Year	608 Counts	602 Counts
2008	4996	2870
2007	6098	3720
2006	13998	5948
2005	5414	3453
2004	4780	3053

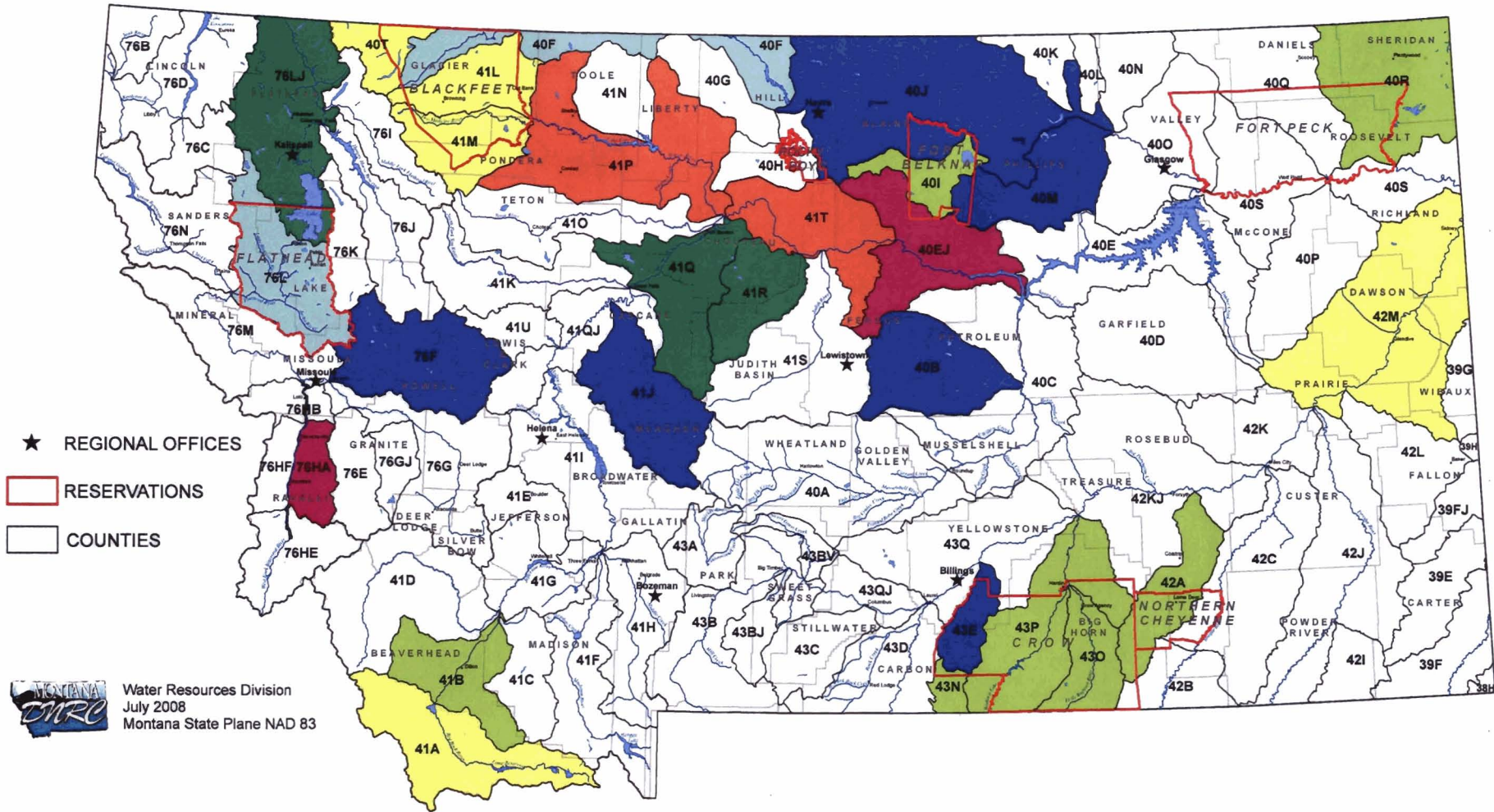
- **HB 39 Automate Ownership Updates effective July 1, 2008**
 - o **Working with DOR contractor, Tyler Inc, to add water right fields to DOR Orion database.**
 - o **Geocodes were loaded into DNRC database in June.**

- **Redesign of DOR Realty Transfer Certificate completed and posted on DOR web July 1, 2008**
- Purchase software for matching property geocodes with water right parcels in July. Match and upload geocodes to water right database by June 2008.
- DOR Orion property records system updated with water right fields by June 2008
- Public and realty industry education on HB 39 and new process Aug 2007 thru June 2008

Database Progress

- **Testing development of Reserved Water Right Compact water right records, automating annual reporting and implementing subordination provisions. Completion date – August 2008.**
- Moved Water Right Database to ITSD in May 2007.
- Automated water court objection list (120 hours) August 2007

Summary Report Projections



Current Summary Report Dates and Statistics

2008	2009	2010	2011	2012	2014	2015
Total: 26,521	Total: 9,515	Total: 11,556	Total: 5,397	Total: 10,045	Total: 6,762	Total: 5,382
Stock: 15,860	Stock: 5,786	Stock: 5,004	Stock: 2,823	Stock: 5,967	Stock: 4,911	Stock: 2,572
Domestic: 1,363	Domestic: 807	Domestic: 3,016	Domestic: 767	Domestic: 845	Domestic: 527	Domestic: 232
Mult. Domestic: 415	Mult. Domestic: 104	Mult. Domestic: 250	Mult. Domestic: 20	Mult. Domestic: 12	Mult. Domestic: 35	Mult. Domestic: 0
Irrigation: 4,520	Irrigation: 2,324	Irrigation: 2,437	Irrigation: 1,545	Irrigation: 2,249	Irrigation: 894	Irrigation: 1,953
Other Purpose: 4,363	Other Purpose: 494	Other Purpose: 849	Other Purpose: 242	Other Purpose: 972	Other Purpose: 395	Other Purpose: 625