DNRC REPORT TO EQC HB22 ADJUDICATION PROGRESS September, 2012

Claims Examination Progress

- First benchmark <u>8,000</u> claims by <u>12-31-2006</u>
- Second benchmark <u>19,000</u> claims by <u>12-31-2008</u>
- 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 July, 31 2012 51,419
- Claims examined by Purpose

		· 1		
0	Irrigation		11,435	22%
0	Stock		28,435	55%
0	Domestic		6,683	13%
0	Other		4,866	10%
			51,419	
	ining to be	· · · · · · · · · · · · · · · · · · ·	3	

Claims remaining to be examined

5,581

Summary Reports to Water CourtDate IssuedUnion Creek (part of 76F)May 19, 2005Teton River (41O)August 15, 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 (43O)	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 (40F)*	April 15, 2011

(* basins not yet decreed)

Decrees Issued by Water Court	Date Issued	Number of Claims
Teton River (410)	12/29/2	2,541
Union Creek (part of 76F)	3/10/20	06 42
Big Hole River (41D)	4/6/200	3,892
Missouri River (41QJ)	2/6/200	2,584
Tongue River (42C)	2/28/20	4,710
Tongue River (42B)	2/28/20	08 1,345
Forest Service Compact	5/19/20	08 262
BLM-Montana Compact	3/6/200	9 2
Beaver Creek (40M)	3/20/20	09 2,942
Big Muddy Creek (40R)	1/28/20	2,029
Pryor Creek (43E)	2/25/20	629
Little Big Horn River (43O)	3/17/20	1,176
Missouri River from Sun River to Marias River (41Q)	5/27/20	4,127
Milk River between Fresno Res & Whitewater (40J)	6/24/20	10 12,897
Smith River (41J)	12/16/2	2,719
Blackfoot River (76F)	2/10/20	3,717
Flatwillow Creek (40B)	5/5/201	1 3,677
Arrow Creek (41R)	6/23/20	2,179
National Bison Range Compact	9/30/20	97
Missouri River, from Marias River to Bullwhacker Creek (4	41T) 4/19/20	3,073

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

	BASINS BY COMPLETION DATE - DNRC WORK PLAN FY 2013			
BASIN COUNT	BASIN NAME	WORK STATUS	Estimated Completion Date	
COUNT	BASIN NAME	Examination	Dale	
1	Flathead R below Flathead Lake (76L)	complete	12	2009
2	Big Horn R below Greybull R (43P)	Summary Report pending	11	2013
3	Rosebud Creek (42A)	Summary Report pending	12	2012
4	Shoshone River (43N)	Summary Report pending	10	2012
5	Flathead River (76LJ)	Examination in progress	7	2013
6	Cut Bank River (41L)	Summary Report pending	6	2013
7	St. Mary River (40T)	Summary Report pending	12	2012
8	Yellowstone R below Powder R (42M)	Examination in progress	6	2013
9	Red Rock River (41A)	Summary Report pending	10	2012
10	Peoples Creek (40I)	Summary Report pending	12	2012
11	Two Medicine River (41M)	Summary Report pending	8	2013
12	Marias River (41P)	Examination in progress	5	2014
13	Missouri R between Bullwhacker & Musselshell (40EJ)	Examination in progress	12	2012
14	Bitterroot R, E side (76HA)	Examination in progress	6	2015
15	Frenchman Creek Re-Examination (40L)	Summary Report pending	7	2014

Assistance for District Court Enforcement of Water Court Decrees

2005 season	completed water court assistance for 23 streams
2006 season	completed water court assistance for 23 streams
2007 season	completed water court assistance for 26 streams
2008 season	completed water court assistance for 32 streams
2009 season	completed water court assistance for 36 streams
2010 season	completed water court assistance for 38 streams
2011 season	completed water court assistance for 38 streams
2012 season	completed water court assistance for 40 streams

Post Decree Assistance (July-FY2013)

Case type	case count	work hours
Certified case	1	5
85-2-248	9	326
Case	3	42
General assist		235
Total hours		608

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.

Expenses

YTD FY 2012:	Operating Costs	\$ 13,374
	Personnel Services	\$ <u>59,154</u>
	Total	\$ 72,528
	Budget	\$ 2,082,984

Billing System

108,000 bills mailed Dec 27, 2005Estimated revenue generated \$6.2Revenue received\$5.218 million

Appeals

5,089 Appeals received

5089 appeals resolved to date (1,121 denied, 3,113 resolved with fee correction, 855 cancelled)

The department is working on preparing 264 invoices over \$200.00 to send to the Department of Revenue for collection. These invoices total approximately \$287,000.

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.

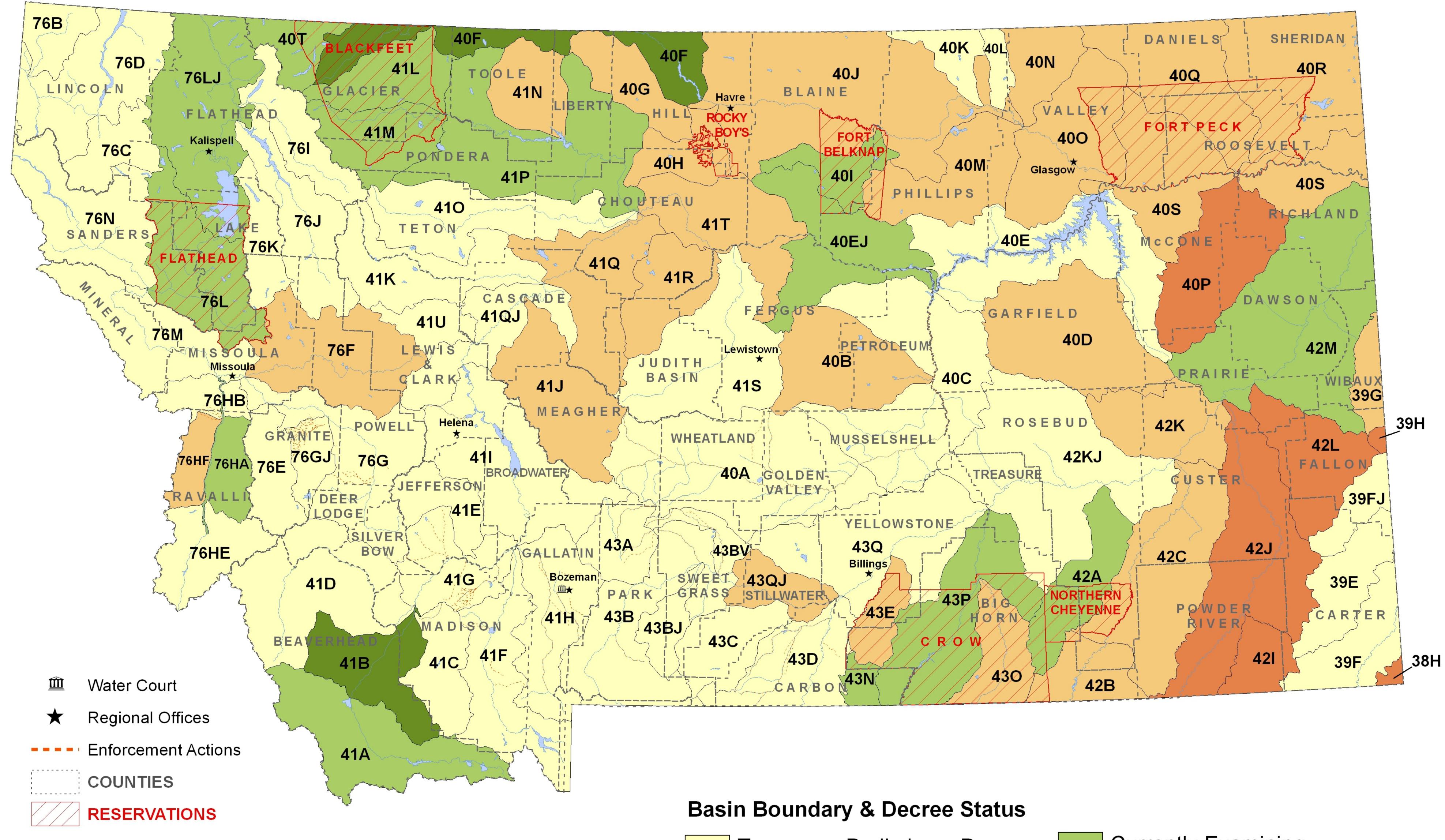
-In 2012 8,729 ownerships were updated involving 20,496 water rights.

-So far this fiscal year, 1,455 ownerships have been updated involving 3,280 water rights.

Adjudication Transition Plan

-The adjudication transition plan was completed summer of 2011 as identified in the legislative audit report. This plan identifies potential resources needed beyond 2015.

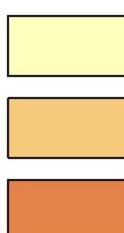




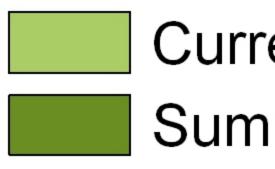


Water Resources Division August 2012 Montana State Plane NAD 83

Basin Location and Adjudication Status 08/24/2012



Temporary Preliminary Decree Preliminary Decree **Final Decree**



Currently Examining Summary Report Issued

WATER COURT ADJUDICATION PROGRESS REPORT TO THE EQC (AND WATER POLICY INTERIM COMMITTEE) PURSUANT TO § 85-2-281, MCA Submitted by C. Bruce Loble, Chief Water Judge As of August 27, 2012

The Water Court is continuing to work through its expanding inventory of water right claims that have unresolved objections, issue remarks, motions to amend, and claims certified to the Water Court by the DNRC or District Courts. The Water Court is primarily working on water right claims in the following basins:

Basin	Sources	Claims in Decree	Remaining Claims to Resolve
40B	Flatwillow Creek	3,677	1,468
40H	Big Sandy Creek	797	31
40J	Milk River Between Fresno Reservoir & Whitewater Cr.	12,897	4,654
40M	Beaver Creek, Tributary of Milk River	2,942	852
400	Milk River Below Whitewater Creek	3,306	135
40R	Big Muddy Creek	2,029	449
41D	Big Hole River	3,892	964
41I	Missouri River upstream of Holter Dam to Three Forks	5,168	193
41J	Smith River	2,719	957
41K	Sun River	2,856	104
410	Teton River	2,541	224
41Q	Missouri River from Sun River to Marias River	4,127	493
41QJ	Missouri River from Holter Dam to Sun River	2,584	242
41R	Arrow Creek	2,179	Decree issued 6/23/2011 - Objection deadline expired 6/15/2012 - Counterobjection deadline 9/10/2012
41T	Missouri River from Marias River to & including Bullwhacker Creek	3,073	Decree issued 4/19/2012 - Initial Objection Deadline 10/16/2012
42B	Tongue River above & including Hanging Woman Creek	1,345	213
42C	Tongue River below Hanging Woman Creek	4,710	903

42KJ	Yellowstone River between Bighorn and Tongue Rivers	4,767	113
43A	Shields River	3,395	101
43B	Yellowstone River above & including Bridger Creek	4,860	308
43E	Pyror Creek	629	485
430	Little Bighorn River	1,176	1,135
43Q	Yellowstone River between Clarks Fork Yellowstone and Bighorn Rivers	2,473	87
76F	Blackfoot River	3,717	1,347
76HF	Bitterroot River - Westside Subbasin	3,774	104

United States Forest Service - Montana Compact — A hearing on the objections was held on January 4, 2012 in Missoula. A draft decision has been prepared and is being finalized for issuance in September.

United States of America, Fish and Wildlife Service, National Bison Range - Montana Compact was issued September 30, 2011. One objection was received by the objection deadline. An initial settlement period has been set and a Status Report is due on November 19, 2012.

The Water Right Adjudication Advisory Committee had hopes it would be able to complete its work about the claims which were exempt from the claim filing process and to offer some suggested options for legislative consideration. The Advisory Committee had reached a tentative conclusion, based on an agreement of the plurality of the members, to suggest enactment of a voluntary petition filing process. After circulating a draft of the proposed statutory modifications, it seems less likely that a consensus on the proposed statutory changes can be reached. During the oral presentation of the Water Court's Report in September, we may have an update on this topic.

The Water Court has been planning to issue simultaneous decrees in the Red Rock River and Beaverhead River drainages, Basins 41A and 41B, before the end of 2012. To reach this goal, all claim amendments and all DNRC claim examination work needs to be completed. A few months ago, the Court had announced a mid-September ending date for amendments. We have recently received letters from a few attorneys and one consultant who are assisting water users in these drainages. These letters are requesting the Court to extend the amendment deadline into October or November. If the deadline is extended, we may not be able to issue both decrees in 2012.

S:\Share\Judge\EQC & Water Policy 2003--\EQC Report 8-27-2012