

EXHIBIT 2
DATE 1.16.13
HB 2

January 16, 2013

Dear Chairman and committee members,

Thank you for the opportunity to oppose House Bill 37. This bill will be the beginning of bad policy through which the state of Montana will lose control of our water and give that control to private individuals. Montana water law is based on basic human needs and priorities were based in this order: 1. man and beast, 2. food and fiber, and 3. industry. The state of Montana has the authority and responsibility to determine best uses, when and where supplies are adjudicated, and to resolve disputes when conflicts arise. Water rights are granted to applicants as a privilege. That privilege has never before allowed a water right holder to sell water to another entity for uses other than its intended purpose or to be used in a different location or by different individuals, or even at different times of the year. With this law, water will now be available to the highest bidder, even though this might not be the original intent for which the water right was granted for. Water will become a commodity and no longer a basic human right.

Impetus for this law has come from various factions. Over the past few years drilling in the Bakken has increased the need for fracking water in areas that are arid and already short of water supplies. One well can require between 1-8 million gallons of water for fracking and wells can be fracked more than once. After this water is used for fracking it is so toxic that it has to be re-injected to extremely deep aquifers. Unlike most water uses, this water can never be re-used again and the water is lost to the system. Fracking contaminates water which we may need in the future.

Water is already being used illegally. In the summer of 2012, the DNRC discovered that many people were selling water without changing their rights to accommodate this new demand for water. Instead of penalizing these people and revoking their water rights, the DNRC would like to now facilitate continuation of this practice. This legislation will make that activity legal and extremely profitable. This is a dereliction of the DNRC's responsibilities to protect and conserve our resources. Montana is facing many problems with getting water to those who need it the most and for the benefit of its citizens, and this legislation is not the proper route to address water needs.

Enforcement efforts for water rights violations should become a leading issue in this legislature. Our existing system has worked well for many years, but as water supplies dwindle and population and water needs increase, the monitoring of our water rights will become increasingly important. Efforts to conserve and not pollute our precious water resources should be the focus of water related bills during this and future legislatures. Opening up our water resources for resale is not the answer. This is a risky bill. I urge you to vote NO on HB 37. Thank you for this opportunity to address this issue.

Terry Punt
Bones Brothers' Ranch, Birney, Montana 59012

