

Mr. Chairman and members of this committee:

My name is Matt Knox. My wife Karla and I, and our daughters, Sally and Sarah, ranch 24 miles northeast of Winifred, in the Missouri River Breaks. I am giving this testimony on behalf of the Missouri River Stewards and the Fergus County Farm Bureau, Karla and I are also members of Montana Stockgrowers.

I would like to start by thanking this committee for giving us the opportunity to testify. The first time we became aware of this federally created water reservation, was when we read the proclamation creating the monument, signed by President Clinton in January of 2001. We didn't understand it, and explanations by BLM personnel, at the time, really didn't clarify it for us.

The BLM came out with their initial proposal at a meeting in Lewistown a year ago. This was the first negotiating meeting between BLM and the State Compact Commission. There were aspects of this first proposal that we felt were unacceptable. For example, a cap provision had the potential to create a large closed basin in parts of Fergus and Judith Basin counties, far beyond the boundaries of the Missouri River Monument. We objected to this provision, and relayed our objections to the compact commission, and BLM in public comment. In subsequent meetings the BLM dropped this provision, and brought their proposal back to a common sense level. I will give a lot of credit to the compact commission. Most of us have only a rudimentary understanding of water law, and it helped immensely to have an entity negotiating for us, comprised of people who do understand it. BLM should also be credited for negotiating in good faith, and responding to the concerns of our local communities.

The final settlement, with its 2012 priority date, protects senior water right holders, and allows for future development of water for both agriculture and our local municipalities. I also believe that we are better off with a negotiated settlement for this reservation. The alternative is water court, which could prove risky and expensive for landowners.

The CMR compact followed a similar trajectory. They started out calling for closed basins and claiming all unquantified rights. Once again there was pushback from the public at the compact meetings and in subsequent negotiations these provisions were removed. The people of central and eastern Montana affected by this issue hired an attorney, Hertha Lund, to help us address in detail the aspects of the proposal we were concerned with. The Water Compact Commission and CMR made the process accessible and the efforts were mostly successful.

In closing I would urge this committee to pass these agreements as written. Any amendments would likely be a deal-breaker for the agencies and we would end up in water court. As written, these agreements would have 2012 and 2013 priority dates, respectively. This is critical. In water court the BLM could conceivably receive a 2001 priority date and the CMR a 1936 priority date.

Once again, I believe that a negotiated settlement is the best way forward.

Respectfully submitted,

Matt Knox

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