

# WPIC Exempt Wells: A Changing Landscape

January 13, 2010 Helena, Montana

Laura Ziemer, Director  
Trout Unlimited's  
Montana Water Project

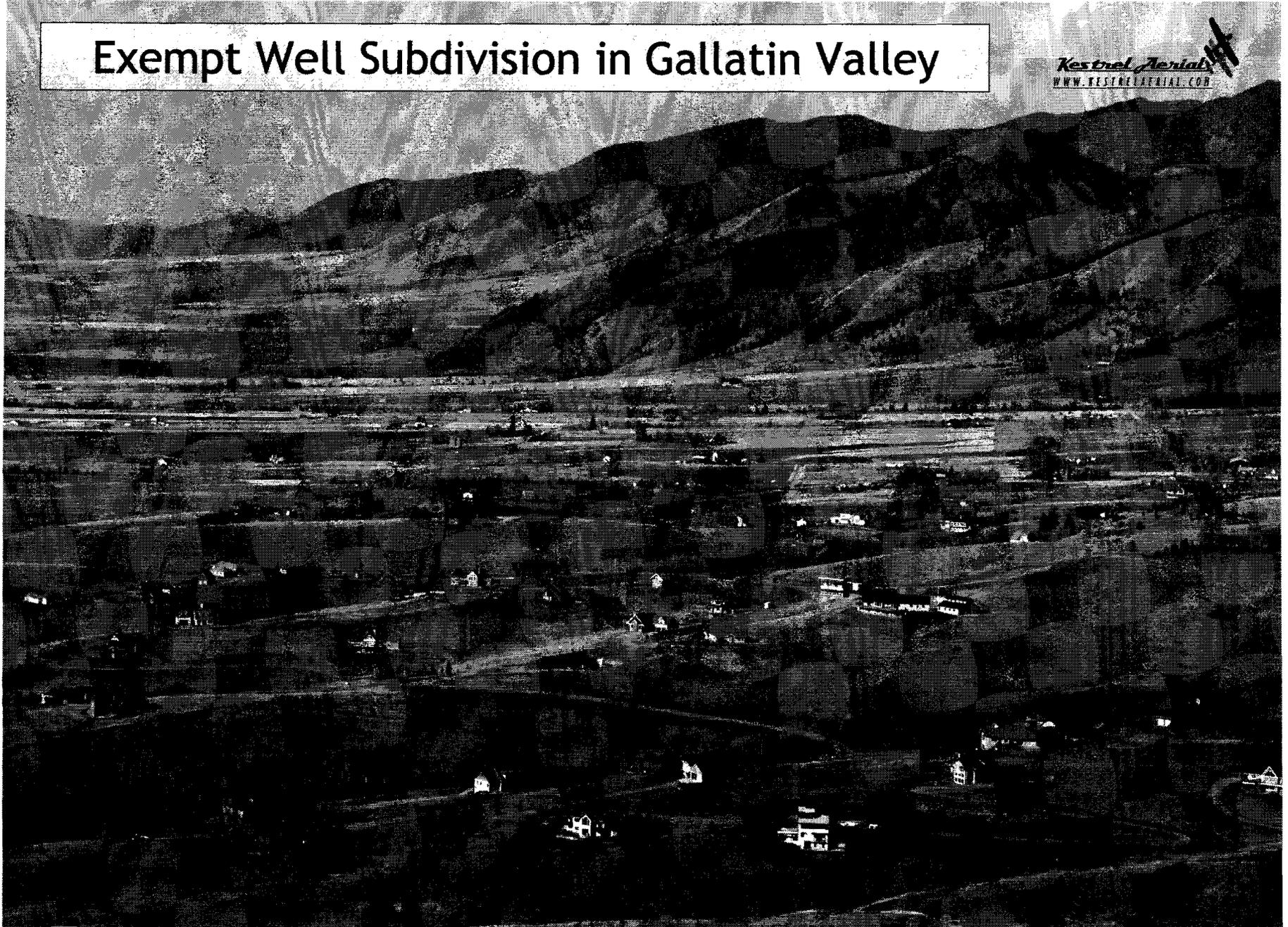
WATER POLICY INTERIM  
COMMITTEE  
JANUARY 13, 2010  
EXHIBIT 14



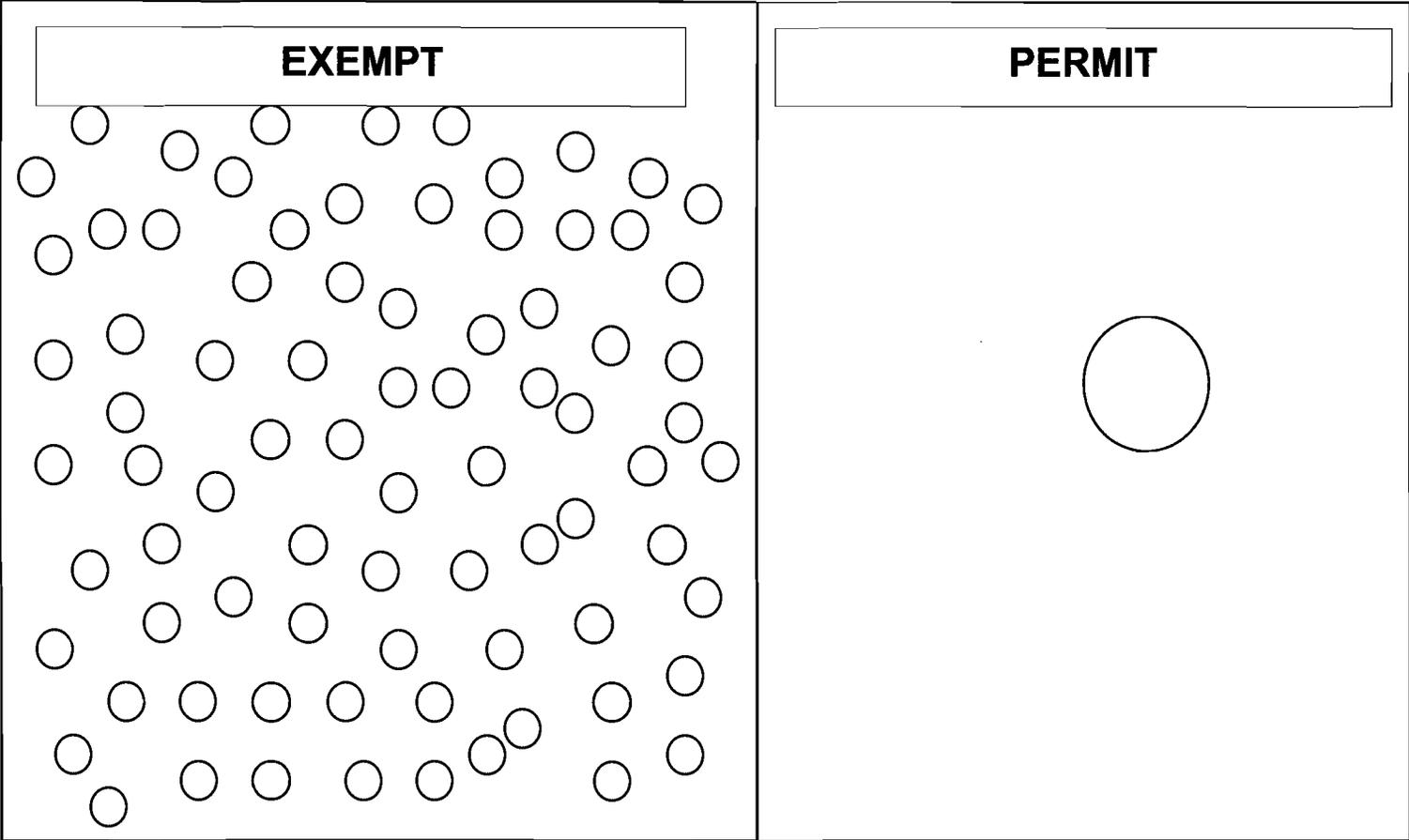


# Exempt Well Subdivision in Gallatin Valley

*Kestrel Aerials*  
WWW.KESTRELAERIALS.COM

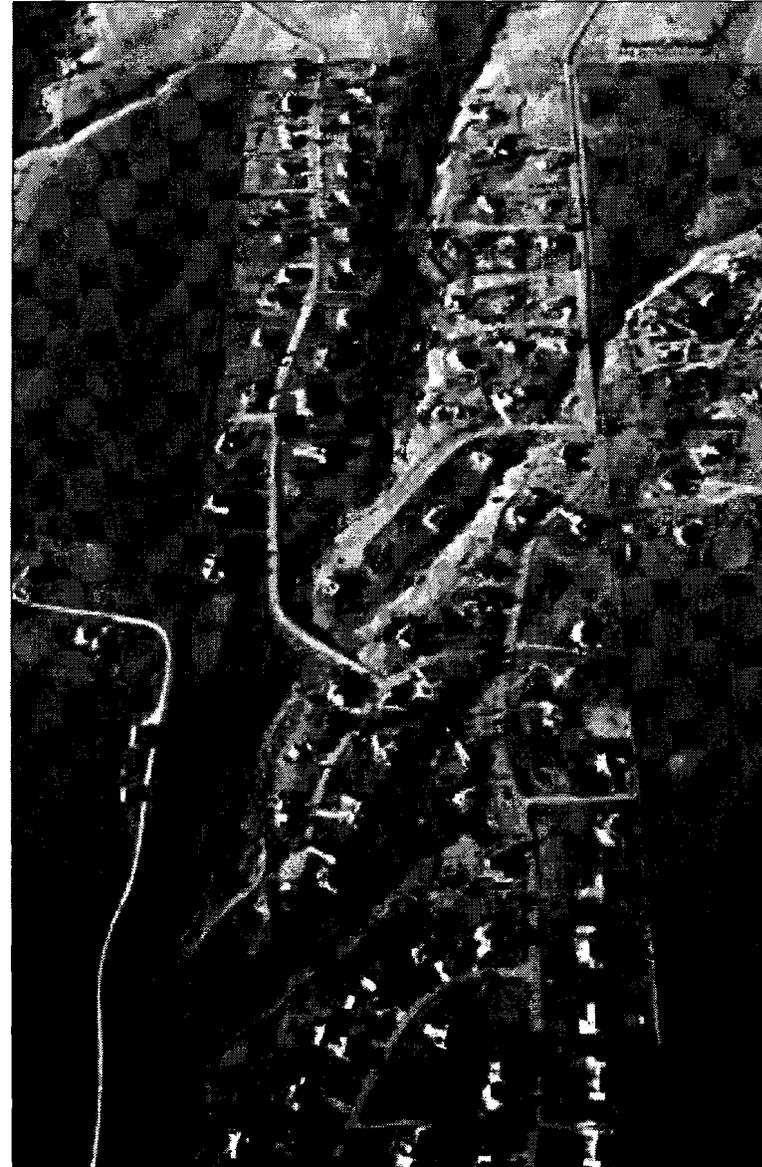


# Petition to Return to Original DNRC Rule



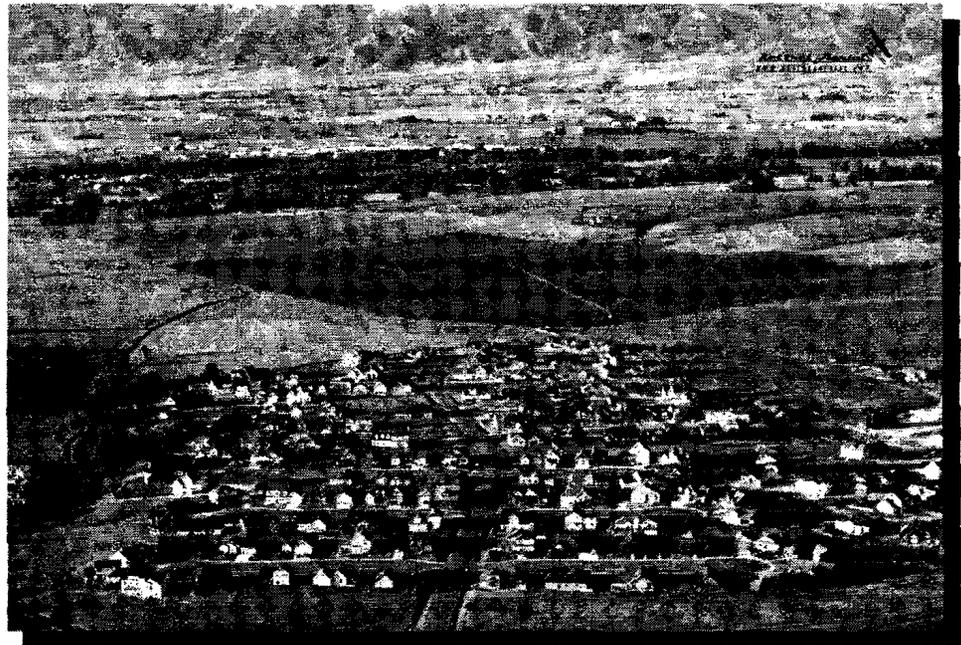
Return to 1987  
Definition:

“The amount of  
water appropriated  
for the entire  
project or  
development is the  
combined  
appropriation.”



# Response to Changing Regulatory Landscape

- New growth needs mitigation water
- Impediment to making mitigation water available in Montana Water Code
- Proposal: amend MCA Section 85-2-310, subsection (9)(c)(v)(A)-(D).



# Amend Section 310 to Allow Free-Market Solutions

- Currently, 310 requires identified users and a signed contract before marketing water for any use
- Amend Section 310 narrowly to allow sale of mitigation water within a defined area



## **2009 “Blueprint”**

- Reports on successful mitigation water banking models from around the Pacific NW

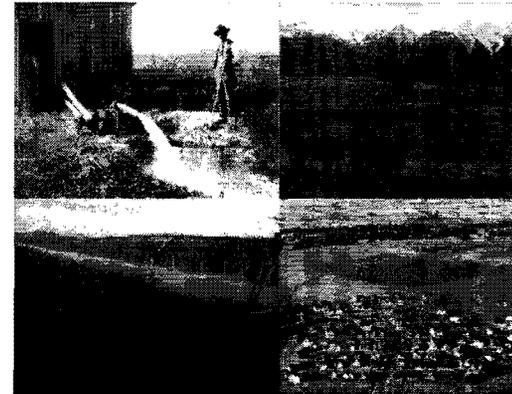
## **2004 “Analysis”**

- Provides an analysis of water banking legislation, policies, and programs in 12 Western states. The analysis beginning with the legislative history of the development of the banking programs in each state.

**Montana implementation through either CGWA or amendment to Section 310**

### **BLUEPRINT FOR A GROUND WATER MITIGATION EXCHANGE**

#### **PILOT PROJECT IN MONTANA**



A report to the Montana Water Project of Trout Unlimited

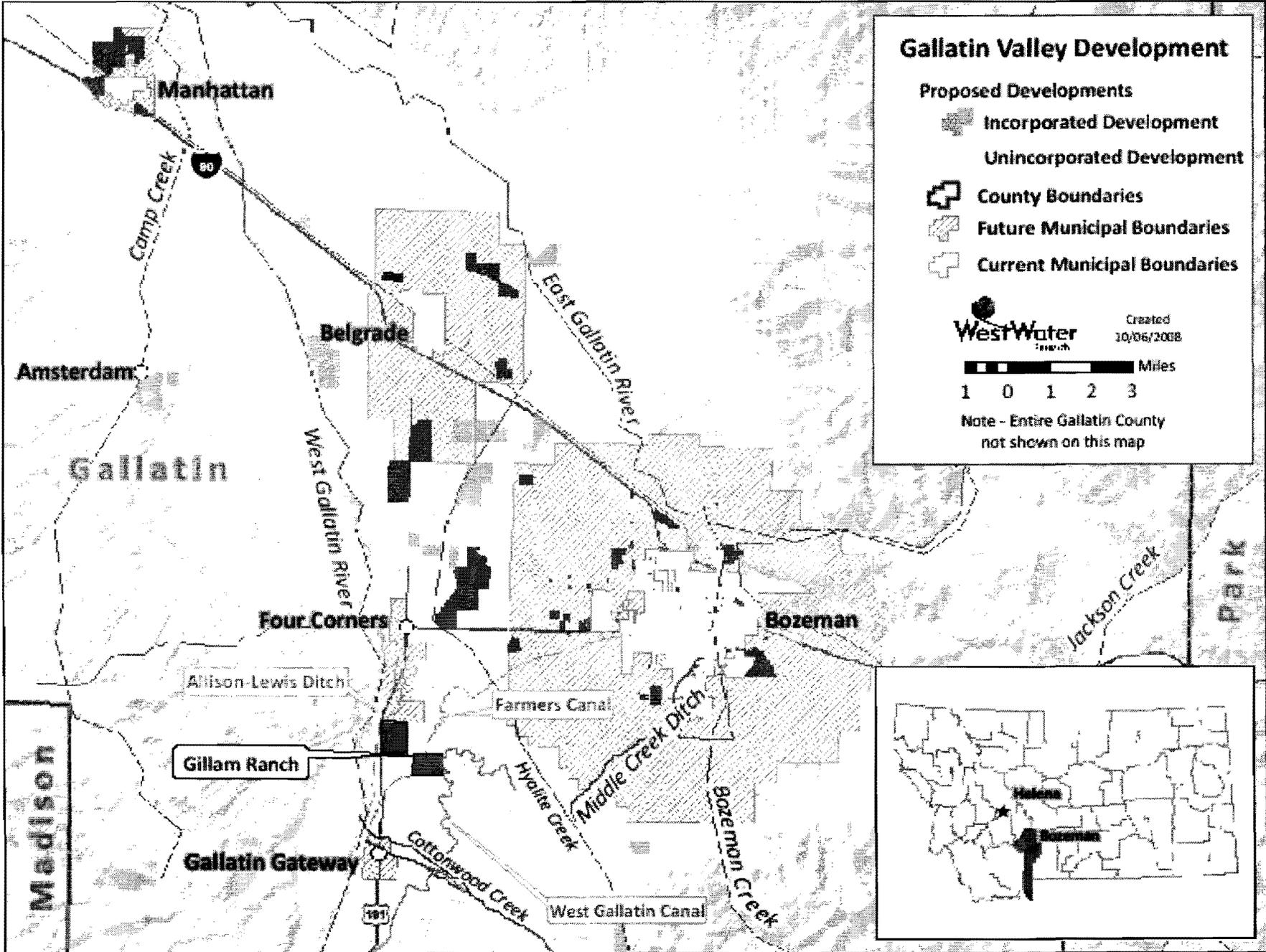
By Sarah Bates

September 2009

## **Analysis of Water Banks In the Western States**

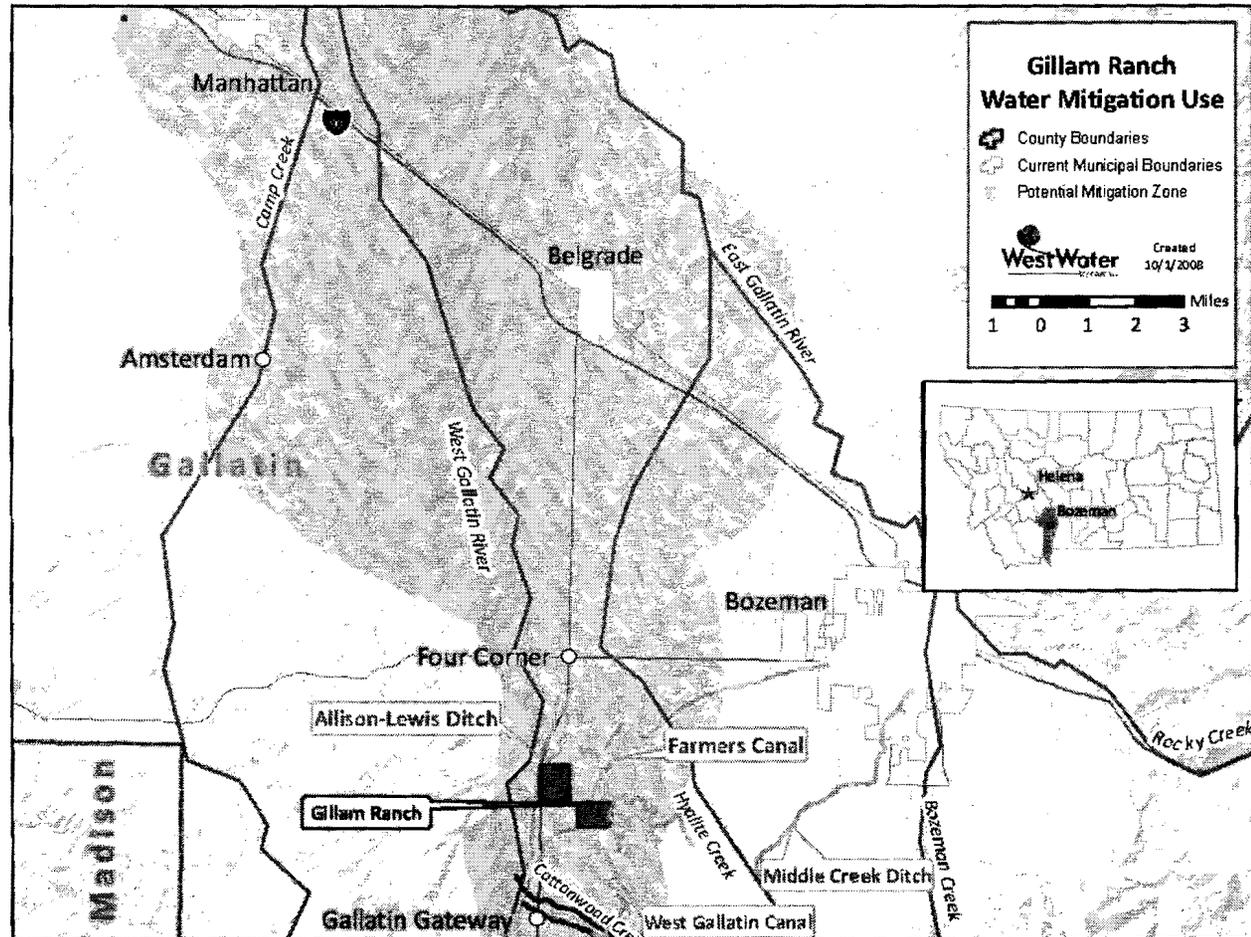


July 2004  
Publication No. 04-11-011



# Exchanging Mitigation Credits

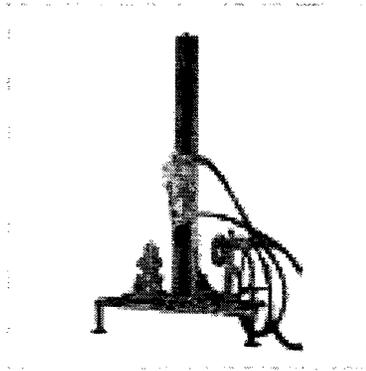
- Pre-approved region in which the mitigation-water provider can sell mitigation credits.
- Buyers within the service area can purchase mitigation credits to offset their use.
- Buyers can include all new water users



Potential mitigation zone shown on map is for illustrative purposes only.

# Buyers: Exempt Well Users

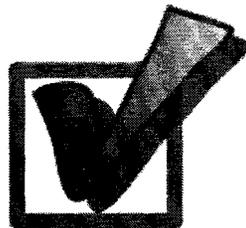
1. Drill Exempt Well



2. Purchase Mitigation Credits From Mitigation Seller



3. Check Mitigation Box on Form 602



Form No. 602 R 4/21/2009

### NOTICE OF COMPLETION OF GROUNDWATER DEVELOPMENT

Use this form for completed groundwater developments where the water has been put to use for the purposes identified with a maximum use of 35 GPM not to exceed 10 AC-FT per year.

Incomplete forms will be returned.

**Filing Fee \$125.00**

FOR DEPARTMENT USE ONLY

Notice No. \_\_\_\_\_ Basin \_\_\_\_\_

Priority Date \_\_\_\_\_ Time \_\_\_\_\_

Rec'd By \_\_\_\_\_

Fee Rec'd \$ \_\_\_\_\_ Check No. \_\_\_\_\_

Deposit Receipt # \_\_\_\_\_

Payor (if different from name(s) listed in item \_\_\_\_\_

Refund \$ \_\_\_\_\_ Date \_\_\_\_\_

Deficiency Letter Sent \_\_\_\_\_

= Your priority is determined by the date of filing. If it is determined this form was improperly filed, your priority date may be changed.  
 = If your development is within a Controlled Ground Water Area, the regional office will contact you to explain the correct filing requirements.

1. NAME \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

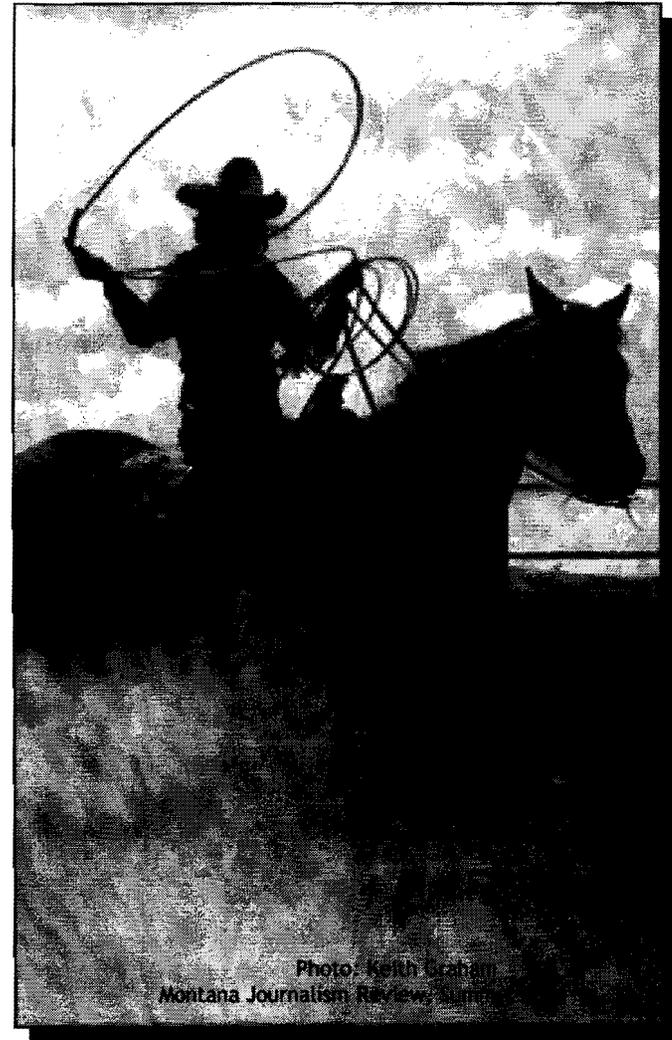
WORK PHONE \_\_\_\_\_ HOME PHONE \_\_\_\_\_ CELL PHONE \_\_\_\_\_

2. DIVERSION USED TO OBTAIN GROUNDWATER

Well - Attach well log, if available      Water Well Contractor Name: \_\_\_\_\_

# Protect Senior Water Rights

- Keep senior water rights intact
- Provide workable mechanisms for mitigation water
- Provide solutions for new growth



# Goal is to Prevent Litigation and Dry Rivers

- Learn from lessons in New Mexico, Arizona, Idaho, and Colorado
- This fall, a Colorado groundwater pumper was put in jail for not turning off his pumps





