

**DNRC REPORT TO EQC  
HB22 ADJUDICATION PROGRESS  
September 9, 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 **August, 31 2008**      **27,419**
  - Claims examined by Purpose
    - o Irrigation                      6,028      22%
    - o Stock                            16,538     60%
    - o Domestic                       2,978     11%
    - o Other                            1,875     7%
- 27,419**

**Claims remaining to be examined**                      **29,581**  
 Total Claims examined based on original  
 remaining 57,000 claims (57,000 – **30,382**) =      **\*27,419**

\*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         |
| <b>Pryor Creek (43E)</b>                            | <b>August 18, 2008</b>   |
| <b>Smith River (41J)</b>                            | <b>September 1, 2008</b> |
| <b>Beaver Creek (40M)</b>                           | <b>September 1, 2008</b> |

**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](http://dnrc.mt.gov/wrd/water_rts/adjudication)

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

|                  |                           |                        |
|------------------|---------------------------|------------------------|
| <b>YTD FY09:</b> | <b>Operating Costs</b>    | <b>\$ 39,827.00</b>    |
|                  | <b>Personnel services</b> | <b>\$ 234,765.00</b>   |
|                  | <b>Total</b>              | <b>\$ 274,592.00</b>   |
|                  | <b>Budget</b>             | <b>\$ 2,597,873.00</b> |

**Billing System**

- 108,000 bills mailed Dec. 27, 2005
- 18,552 2<sup>nd</sup> bills mailed March 1, 2006
- Estimated revenue generated \$6.2 million
- Revenue received **\$5.173 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
- **3302 appeals have been resolved to date (826 denied, 2476 resolved with fee correction)**
- **1703 appeals remain**

**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 |
|-------------|------------|------------|
| <b>2009</b> | <b>451</b> | <b>346</b> |
| 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 Contract is finalized and Tyler Inc is developing the program for DOR to pass thru new property owner names to DNRC for updating water right records. **Anticipate testing program in October.**
  - o Geocodes were loaded into DNRC database in June.
  - o Redesign of DOR Realty Transfer Certificate completed and posted on DOR web July 1, 2008. Print version is currently at the printers.

### **Database Progress**

- **Final testing** 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