



**TROUT UNLIMITED'S MISSION IS TO CONSERVE,
PROTECT AND RESTORE NORTH AMERICA'S
COLDWATER FISHERIES AND THEIR WATERSHEDS**

WPIC Exempt Wells: A Changing Landscape

January 13, 2010 Helena, Montana



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Trout Unlimited's
Montana Water Project



Photo: Keith Graham
Montana Journalism Review, Summer 2004 No. 33

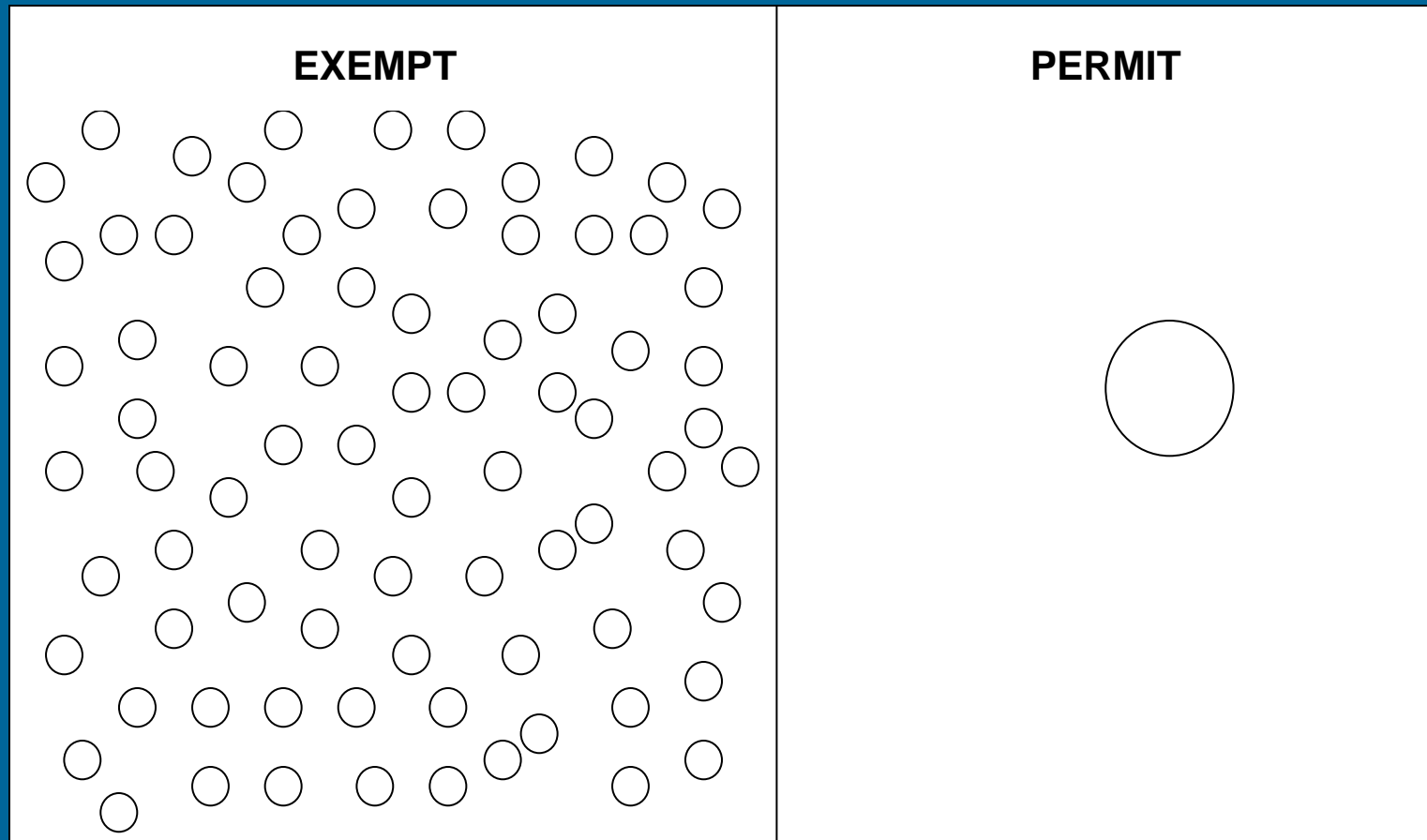
November 30, 2009: Ranchers across three Montana river basins file DNRC petition to protect their water rights from exempt wells.



Exempt Well Subdivision in Gallatin Valley



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



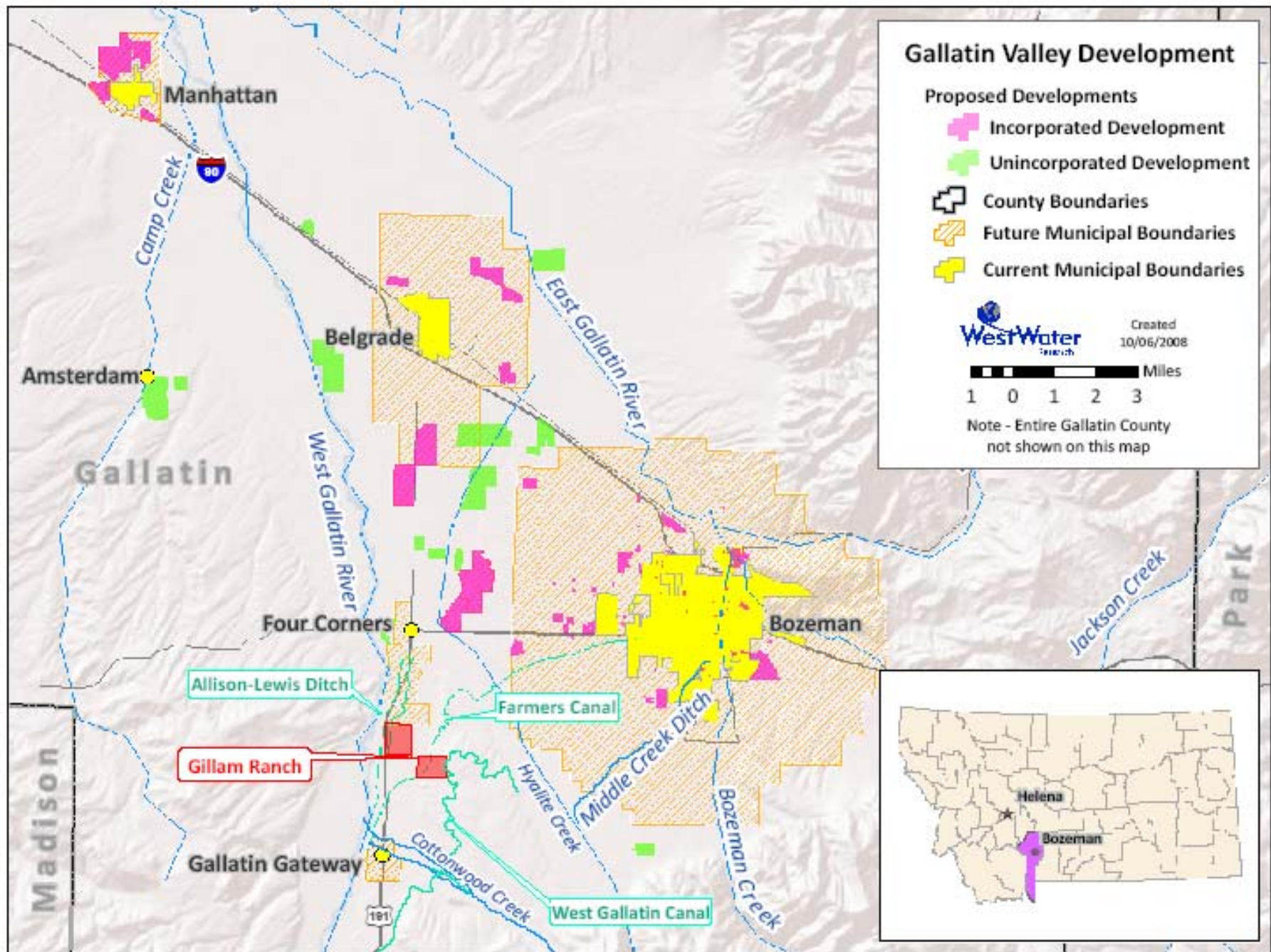
A report to the Montana Water Project of Trout Unlimited
By Sarah Bates

September 2009

Analysis of Water Banks In the Western States

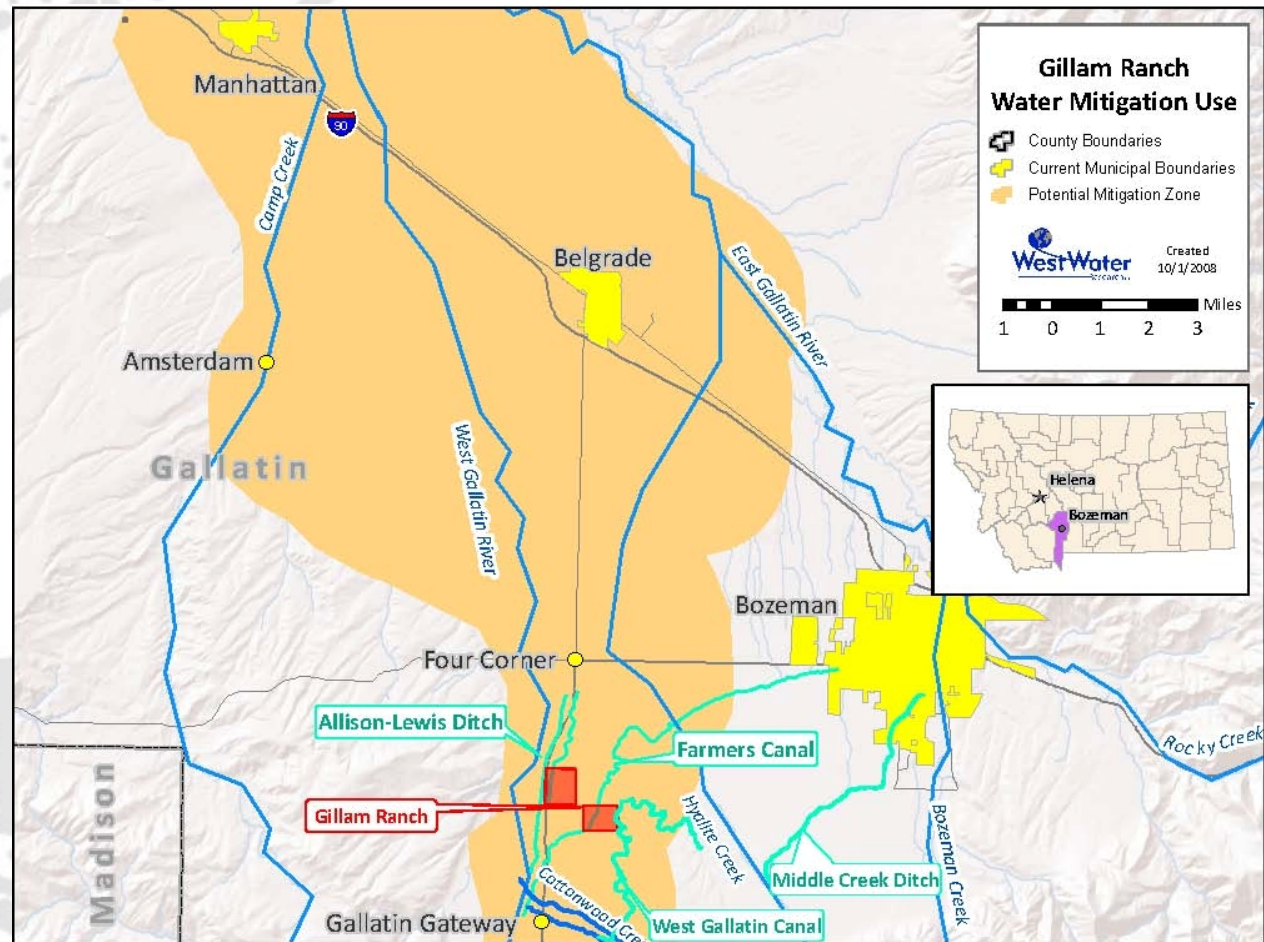


July 2004
Publication No. 04-11-011



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

FOR DEPARTMENT USE ON

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

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 loc. 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



Photo: Keith Graham
Montana Journalism Review, Summer 2004 No. 33

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





Photo by Jennifer Boyer

