

# DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

## ANNUAL REPORT

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*Serving Montanans First through Natural Resource  
Management*



The department is responsible for managing state trust lands; protecting Montana’s natural resources from wildfire; promoting stewardship of state water, soil, forest, and rangeland resources; aiding the conservation districts; providing natural resource conservation education; and providing support to the Board of Oil and Gas Conservation and other commissions and advisory councils. Our vision is to serve Montanans first through natural resource management.

#### **CENTRALIZED SERVICES DIVISION**

Provides management and administrative services for the department. This includes activities such as legal, human resources, financial, information technology, records management, administrative hearings, safety, and communication services.

#### **OIL AND GAS CONSERVATION DIVISION**

Is responsible for programs operated for the prevention of resource waste through regulation of oil and gas exploration and production. This division supports the quasi-judicial Board of Oil and Gas that is charged with regulation of the industry.

#### **CONSERVATION AND RESOURCE DEVELOPMENT DIVISION**

Provides administrative, legal, and technical assistance and financial grants to the conservation districts and manages natural resource conservation and development grant and loan programs for local governments, state agencies, and private individuals. The division also administers five attached councils and commissions and the Montana Sage Grouse Oversight Team.

#### **WATER RESOURCES DIVISION**

Is responsible for the administration of all water use within the state, including maintaining the database for all water rights, providing technical and legal support for implementation of approved water compacts for Indian tribes and federal agencies, managing state water projects, investigating water use act violations, ensuring dam safety compliance, and providing water adjudication support to the Water Court.

#### **FORESTRY AND TRUSTLAND DIVISION**

Is responsible for planning and implementing forestry programs statewide. Division responsibilities include protecting natural resources from wildfire, regulating forest practices, providing a variety of services to private forest landowners, implementing cross boundary projects to build resilient forests, sustainable economies, and fire adapted communities, increasing forest restoration, management and health on federal lands, and growing and selling seedlings for conservation and reforestation plantings on state and private lands in Montana.

The Division also manages state trust land resources to produce revenues for the trust beneficiaries while considering environmental factors and protecting the future income-generating capacity of the land. This work is done under the direction of the State Board of Land Commissioners (comprised of the Governor, State Auditor, Attorney General, Superintendent of Public Instruction, and Secretary of State), who are constitutionally charged to oversee trust resources. The department director is the chief administrative officer of the board.

## BETTER MANAGE OUR LANDS

Improve and expand forest management by utilizing all available tools across management ownerships and meet Trust Land Management Division Annual Sustainable Yield target.

### Key Measures

- Have 70,000 acres under management by December 2024.
- Identify 2 landscape-level\* projects.
- Establish related agreements for 2 landscape-level projects.
- Achieve the increased annual timber sales volume in Fiscal Year 2024 of 60 million board feet.
- Complete 10 Community Wildfire Protection Plans.

\* Over 10,000 acres


### FY 24 Performance Report Update


- DNRC has 58,851 acres under management with additional projects planned.
- DNRC identified the Mud Creek and Basin Creek as landscape-level projects for 2024.
- DNRC established agreements and started projects on two landscape level projects: the Mud Creek project, southwest of Darby and Basin Creek project in the Butte area. The Basin Creek project was in partnership with the Beaverhead Deerlodge National Forest and Butte-Silver Bow County to thin and remove fuels in the area of the main water supply. The Mud Creek Project, in partnership with the Bitterroot National Forest and West Fork Ranger District, intends to use logging and prescribed burning to restore healthy, resilient forest ecosystems on 48,486 acres.
- DNRC achieved the increased annual timber sales volume in Fiscal Year 2024 of 60.3 million board feet.
- DNRC has completed 7 Community Wildfire Protection Plans with more underway by the end of fiscal year 2025.




Strategic Outcome

#1

 <p><b>Strategic Outcome</b></p> <p><b>#2</b></p>	<p><b>STREAMLINE PERMITTING AND REGULATORY PROCESSES</b></p>	
	<p><b>Increase efficiencies that will reduce customer time in water permitting process.</b></p>	
	<p><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Commence rule and guidance updates for consistency with the 68th Legislative session HB 114 passage and new statutory deadlines.</li> <li>• Adopt rule package by January 2024.</li> <li>• Apply new guidance and permitting process to achieve to reduce processing time from 360 days to 105 days.</li> </ul>
<p><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• DNRC completed the rulemaking process by the statutory deadline to ensure consistency with the passage of House Bill 114 and new statutory deadlines.</li> <li>• The new guidance and permitting process has been implemented to reduce processing time from 360 days to 105 days on average.</li> <li>• DNRC completed 23 changes and permits, 2,664 notice of groundwater certificates, and 9,951 ownership updates in the last year.</li> </ul>	

 <p><b>Strategic Outcome</b></p> <p><b>#3</b></p>	<p><b>IMPROVE CUSTOMER SERVICE</b></p>	
	<p><b>Making accurate water right and public land access information easy to find and use.</b></p>	
	<p><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Launch the overhauled Water Right Query System which is a user-friendly tool for citizens to access accurate and detailed information about Montana water rights by December of 2024.</li> <li>• Publish a digital Public Access Map for state trust lands by December 31, 2024. This interactive web mapping application will be a simple resource for the public to distinguish accessible and inaccessible parcels.</li> </ul>
<p><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• DNRC unveiled the new Water Right Query System in October of 2023. The new system features simple and advanced search tabs and allows user to search by multiple water right numbers, types, statuses, owners, and parameters.</li> </ul>	

	<p align="center"><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• A new public access map for state trust lands was published on November 15, 2024. The map promotes responsible recreation by providing comprehensive information on the status of all state trust lands, including public accessibility, restrictions, and special scenarios such as accessibility by water-only.</li> </ul>
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 <p align="center"><b>Strategic Outcome</b></p> <p align="center"><b>#4</b></p>	<p align="center"><b>MORE EFFICIENT GOVERNMENT</b></p>	
	<p align="center"><b>Streamline internal processes by adopting relevant technology.</b></p>	
	<p align="center"><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Select best electronic loan application system (Submittable, ServiceNow, or other) that meets needs of all loan types by March 31, 2024.</li> <li>• Develop loan application portal in selected system by June 1, 2024.</li> <li>• Assess number and level of signatures and notary requirements for 450 documents.</li> <li>• Adopt standardized electronic workflows for 75% of Department documents by December 2024.</li> </ul>
<p align="center"><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• DNRC researched loan application systems to meet the needs of all loan types and is in the process of identifying what may work to meet our needs.</li> <li>• DNRC successfully assessed the number and level of signatures and notary requirements for 450 documents. A signature platform was identified and implemented.</li> <li>• A standardized electronic workflow was identified, and work is moving forward to advance the public portal.</li> </ul>	



## Strategic Outcome

# #5

### EFFICIENT FINANCIAL MANAGEMENT

Get federal and state funds on the ground as soon as possible.

#### Key Measures

- Obligate 95% of the 423 ARPA Water and Sewer grants (\$408 million) by the end of 2024.
- Obligate 70% of the \$13,750,000 appropriated in HB 6 for Renewable Resource Grant and Resource Development Grant programs by the end of 2024.

#### FY 24 Performance Report Update

- DNRC has obligated all 452 ARPA Water and Sewer grants before the federal deadline at the end of 2024.
- DNRC has obligated 94% (12 million) of the \$13,750,000 appropriated in HB 6 by the end of 2024.