

**IN THE WATER COURT OF THE STATE OF MONTANA
USDA FOREST SERVICE – MONTANA COMPACT**

Case No. WC-2007-03

**NOTICE OF ENTRY OF USDA FOREST SERVICE - MONTANA COMPACT
PRELIMINARY DECREE AND NOTICE OF AVAILABILITY**

AS A WATER USER YOU MUST READ ALL OF THIS NOTICE

The Montana Water Court has been asked to approve a Compact settling and defining all of the reserved water rights claimed by the United States of America on behalf of the U.S. Department of Agriculture - Forest Service (“USDA Forest Service”). The USDA Forest Service – Montana Compact (“the Compact”) was negotiated by the State of Montana and the United States, and ratified by the 2007 Montana Legislature. The Compact needs your review before the Court determines whether to approve the Compact in accordance with applicable law.

The Compact defines the present and future consumptive uses for discrete and dispersed administrative water uses on National Forest System Lands and emergency fire suppression in 50 of Montana’s 85 water basins, and for instream flows for the South Fork Flathead Wild and Scenic River (Basin 76J). A summary description of the water rights in the Compact is enclosed with this Notice.

You are receiving this Notice because the State’s water right records indicate you have filed a statement of claim, have applied for or received a permit to appropriate water, or have a water reservation in one of the 50 basins in which a reserved water right in the Compact is located. Since your water rights may be affected by the Compact, you should review the Compact. Accordingly,

THIS IS YOUR OFFICIAL NOTIFICATION that the Montana Water Court has entered a Preliminary Decree containing the USDA Forest Service-Montana Compact. If the Court approves the Compact, it will enter a final decree adjudicating the reserved water rights of the United States as they are recognized in the Compact. That final decree will be binding on all water users in the Montana water rights adjudication.

WHAT IS A PRELIMINARY DECREE AND WHAT ARE YOUR RIGHTS AND OBLIGATIONS TO OBJECT TO THE COMPACT?

This Preliminary Decree is a decree entered by the Water Court in accordance with Mont. Code Ann. § 85-2-231 (2007). At this stage in the adjudication, all affected parties are required to state any objections that they may have to the Compact. If you do not agree with the water rights recognized by the Compact, you may file an objection and request a hearing and the Water Court will hear your objection. **This will be your only opportunity to object to the USDA Forest Service-Montana Compact. Any Final Decree entered by the Water Court adjudicating the reserved water rights for the National Forest System Lands, and the South Fork of the Flathead Wild & Scenic River will be binding on you.**

RIGHT TO APPEAL

If you do not participate in Water Court proceedings, your right to appeal an adverse decision is limited. Section 85-2-235, MCA, provides that (1) a person whose existing rights and priorities are finally determined may appeal that determination only if: (a) the person requested a hearing and appeared and entered objections in the Preliminary Decree; (b) the person's rights or priorities as determined in the decree were affected as the result of an objection filed by another person; (c) the person requested a hearing and appeared before the Water Court to finally resolve an issue remark; or (d) the person is a claimant appealing an adverse decision when the Water Court

issued the decision as the result of an evidentiary hearing or as the result of calling the claim in on the Court's own motion. (2) If the Attorney General participated as an intervenor as provided in 85-2-248, the Attorney General may appeal a decision. (3) An interlocutory ruling by a water judge upon a question of law may be appealed by a party affected by the decision and who participated in the matter in which the ruling was issued.

SHOULD YOU FILE AN OBJECTION?

Only you can answer this question. To help you determine whether you should file an objection to the Compact, you should first examine the Compact and the abstracts. Your examination should not stop there, however. You must also compare the water rights in the Compact with the claims that you have filed with the Water Court or the water right permits or certificates that you have received from the Montana Department of Natural Resources and Conservation, and possibly the claims and permits of others within the 50 affected Basins.

The following documents can be viewed at the list of offices identified below:

- A. The USDA Forest Service Compact;
- B. The abstracts of the water rights for each of the current and future discrete administrative uses and the abstract for the South Fork of the Flathead Wild & Scenic River;
- C. All of the water rights claims that have been filed and all water right permits and certificates located in the 50 water basins affected by the Compact; and
- D. The Court's Order of May 19, 2008 authorizing this proceeding.

The offices at which the documents referenced above can be viewed are:

1. The Montana Water Court, 601 Haggerty Lane, Bozeman, Montana. (USDA Forest Service Compact, Findings of Fact, Conclusions of Law and Order of Commencement only.)

2. The following Montana Department of Natural Resources and Conservation offices:

- a. Helena - Water Rights Adjudication Office, 910 Helena Ave.
Telephone (406) 444-0560;
- b. Billings - 1371 Rimtop Dr. - Telephone (406) 247-4415;
- c. Bozeman - 2273 Boothill Court – Telephone (406) 586-3136;
- d. Havre - 210 Sixth Ave – (406) 265-5516;
- e. Kalispell - 109 Cooperative Way, Suite 110 – Telephone (406) 752-3267;
- f. Lewistown - 613 NE Main, Suite E – Telephone (406) 538-7459;
- g. Missoula - 1610 S Third St. Suite 103 – Telephone (406) 721-4284.

3. Clerk of District Court office for the following counties: Beaverhead, Broadwater, Carbon, Carter, Cascade, Chouteau, Custer, Deer Lodge, Fergus, Flathead, Gallatin, Glacier, Golden Valley, Granite, Jefferson, Judith Basin, Lake, Lewis and Clark, Lincoln, Madison, Meagher, Mineral, Missoula, Park, Pondera, Powder River, Powell, Ravalli, Rosebud, Sanders, Silver Bow, Stillwater, Sweet Grass, Teton, and Wheatland. (USDA Forest Service Compact, Abstracts, Findings of Fact, Conclusions of Law and Order of Commencement only.)

Internet information at www.dnrc.mt.gov/wrd/adjudication/water_rts/adjudication is also available. Scroll down through the various basins to Forest Service Compact. Click on Forest Service Compact and click on the Decree information that interests you.

You may obtain a paper or electronic copy of the PRELIMINARY DECREE from the Department of Natural Resources and Conservation, Water Rights Bureau, P.O. Box 201601, Helena, MT, 59620-1601. The cost of a paper copy of this Decree, including the Index, abstracts and Findings and Conclusions (approximately 500 pages) is \$40.00. An electronic copy of this Decree on CD, including the abstracts, Index, and Findings and Conclusions is \$10.00.

The USDA Forest Service Compact is published in Section 85-20-1401 of the Montana Code Annotated beginning at page 976 of Volume 10 (2007 edition). The Montana Code Annotated can be found in many public offices and public libraries.

HOW TO FILE AN OBJECTION AND REQUEST A HEARING

An objection to the Compact must be filed on forms provided by the Water Court. Objection forms can be found at any of the offices listed above. **All objections must be filed and received by the Montana Water Court, P.O. Box 1389, Bozeman, Montana 59771-1389, before NOVEMBER 15, 2008. LATE OBJECTIONS WILL NOT BE CONSIDERED.**

INFORMATIONAL MEETING WITH THE CHIEF WATER JUDGE

Public meetings to explain the Water Court procedures and the USDA Forest Service Compact will be held by the Chief Water Judge in:

Billings, at 7:00 p.m. on July 14, 2008, in the conference room of the Custer National Forest Supervisor's Office, 1310 Main Avenue;

Lewistown, at 7:00 p.m. on July 15, 2008, in the main conference room of the BLM Lewistown Field Office, 920 NE Main Street;

Dillon, at 7:00 p.m. on July 16, 2008, in the Old Depot Theater, 15 South Montana Avenue;

Kalispell, at 7:00 p.m. on July 17, 2008, in the Flathead National Forest Office, 650 Wolfpack Way;

Missoula, at 7:00 p.m. on July 18, 2008, in the Training Center of the Missoula Technology and Development Center (MTDC), 5785 Highway 10 West; and

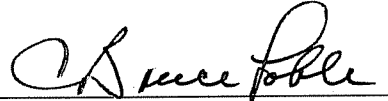
Bozeman, at 7:00 p.m. on July 22, 2008, in the large conference room of the Bozeman Public Library, 626 East Main.

Representatives of the Settling Parties will be present to answer your questions.

ANY QUESTIONS?

Use our toll-free number 1-800-624-3270 (in Montana). Our regular office number is (406) 586-4364, and is not toll-free. Or call your regional DNRC office at the telephone number listed in paragraphs 2. b. – 2.g. above.

DATED this 19th day of May, 2008.



C. BRUCE LOBLE
Chief Water Judge