FILE D 10/23/2024 Sara Calkins CLERK Montana Water Court STATE OF MONTANA By: <u>D'Ann CIGLER</u> 41S-0525-R-2024 Block, Nathaniel 8.00

Montana Water Court PO Box 1389 Bozeman, MT 59771-1389 1-800-624-3270 (406) 586-4364 watercourt@mt.gov

IN THE WATER COURT OF THE STATE OF MONTANA LOWER MISSOURI DIVISION JUDITH RIVER BASIN (41S) PRELIMINARY DECREE

CLAIMANTS: Hughes Newford Co.; Hughes & Sons Cattle Company CASE 41S-0525-R-2024 41S 13343-00 41S 148581-00

NOTICE OF FILING OF MASTER'S REPORT

This Master's Report was filed with the Montana Water Court on the above stamped date. Please review this report carefully.

You may file a written objection to this Master's Report within **10 days** of the stamped date if you disagree or find errors with the Master's findings of fact, conclusions of law, or recommendations. Rule 23, W.R.Adj.R. If the Master's Report was mailed to you, the Montana Rules of Civil Procedure allow an additional 3 days be added to the 10-day objection period. Rule 6(d), M.R.Civ.P. If you file an objection, you must serve a copy of the objection to all parties on the service list found at the end of the Master's Report. The original objection and a certificate of mailing to all parties on the service list must be filed with the Water Court.

If you do not file a timely objection, the Water Court will conclude that you agree with the content of this Master's Report.

MASTER'S REPORT

The above-captioned claims appeared in the Preliminary Decree for the Judith

River (Basin 41S) with the following issue remarks:

Claim 41S 13343-00:

THE WATER RIGHTS LISTED FOLLOWING THIS STATEMENT ARE FILED ON THE SAME FORMERLY DECREED WATER RIGHT. THE SUM OF THE CLAIMED FLOW RATES EXCEEDS THE 300 MINER'S INCHES DECREED IN CASE NO. 3, FERGUS COUNTY. 41S 13343-00, 41S 148581-00.

FLOW RATE MAY REQUIRE MODIFICATION BASED ON RESOLUTION OF MAXIMUM ACRES ISSUE.

THE JUDITH BASIN COUNTY WATER RESOURCES SURVEY (1963) APPEARS TO INDICATE 79.00 ACRES IRRIGATED. A DESCRIPTION OF THESE ACRES IS IN THE CLAIM FILE.

USDA AERIAL PHOTOGRAPH NO(S). 30045-179-136 AND 30045-179-157 , DATED 09/17/1979 , APPEARS TO INDICATE 79.00 ACRES IRRIGATED. A DESCRIPTION OF THESE ACRES IS IN THE CLAIM FILE.

POINT OF DIVERSION WAS MODIFIED AS A RESULT OF DNRC REVIEW UNDER MONTANA WATER COURT REEXAMINATION ORDERS. IF NO OBJECTIONS ARE FILED TO THIS CLAIM, THESE ELEMENTS WILL REMAIN AS THEY APPEAR ON THIS ABSTRACT AND THE REMARK WILL BE REMOVED FROM THE CLAIM.

Claim 41S 148581-00:

THE WATER RIGHTS LISTED FOLLOWING THIS STATEMENT ARE FILED ON THE SAME FORMERLY DECREED WATER RIGHT. THE SUM OF THE CLAIMED FLOW RATES EXCEEDS THE 300 MINER'S INCHES DECREED IN CASE NO. 3, FERGUS COUNTY. 41S 13343-00, 41S 148581-00.

ON 05/17/1985 HUGHES NEWFORD CO. FILED A LATE OBJECTION TO THE OWNERSHIP, PLACE OF USE, POINT OF DIVERSION, VOLUME, AND FLOW RATE. THIS WILL BE HEARD AFTER PROPER NOTICE ON THE NEXT OBJECTION LIST.

POINT OF DIVERSION WAS MODIFIED AS A RESULT OF DNRC REVIEW UNDER MONTANA WATER COURT REEXAMINATION ORDERS. IF NO OBJECTIONS ARE FILED TO THIS CLAIM, THESE ELEMENTS WILL REMAIN AS THEY APPEAR ON THIS ABSTRACT AND THE REMARK WILL BE REMOVED FROM THE CLAIM.

THE TYPE OF HISTORICAL RIGHT MAY BE QUESTIONABLE. DOCUMENTATION SUBMITTED WITH THE CLAIM INDICATES A DECREED RIGHT.

The claims were consolidated into Case 41S-0525-R-2024 on March 21, 2024 and on April 23, 2024 a status conference was held. On July 8, 2024, Hughes & Sons Cattle Co. filed documentation detailing an agreement between the parties to resolve the issue remarks on the claims. On July 18, 2024, Hughes Newford Co. filed a response stating that they concurred with the terms of the agreement detailed in the July 8, 2024 filing (collectively, the "Agreement").

On July 22, 2024, this Master issued an Order detailing the proposed modifications to the claims as described by the Agreement and as understood by this Master. The Order required the parties to file documentation if they believed it did not reflect the agreement between the parties. The Order further required the parties to detail how the proposed acreage reduction for claim 41S 148581-00 should be allocated between the two places of use. On July 29, 2024, Hughes & Sons Cattle Co. filed a proposed abstract and map detailing the place of use for claim 41S 148581-00.

FINDINGS OF FACT

1. Pursuant to the Agreement, claim 41S 13343-00 should be modified as follows:

Flow Rate:	7.50 CFS 7.0	06 CFS
2. Pursuant to the Agreen	ment, claim 41S	148581-00 should be modified as follows:
Type of Historical Right:	FILED Decre	ed
Flow Rate:	269.28 GPM	195.5 GPM

Maximum Acres: 46.00 11.5 ac

Place of Use:

<u>ID</u> 4	<u>Acres</u> 1.00	<u>Govt Lot</u>	<u>Qtr Sec</u> SESW	<u>Sec</u> 28	-	_	<u>County</u> JUDITH BASIN
2 Total:	<u>- 15.00</u> 16.00		SE	28	15N	11E	JUDITH BASIN

3. The flow rate modifications resolve the decree exceeded issue remark.

PRINCIPLES OF LAW

 The Montana Water Court has the authority to determine the extent of all water rights in the state as they existed prior to July 1, 1973. *Fellows v. Saylor*, 2016 MT 45, ¶
382 Mont. 298, 367 P.3d 732; §§ 85-2-233, -102(13), MCA.

2. A properly filed Statement of Claim for Existing Water Right is prima facie proof of its content. § 85-2-227, MCA. This prima facie proof may be contradicted and overcome by other evidence that proves, by a preponderance of the evidence, that the elements of the claim do not accurately reflect the beneficial use of the water right as it existed prior to July 1, 1973. This is the burden of proof for every assertion that a claim is incorrect. Rule 19, W.R.Adj.R.

4. The Water Court may use information submitted by the DNRC, the Statement of Claim, and any other data obtained by the Court to evaluate a water right. §§ 85-2-227, -231(2), MCA.

5. "The Water Court is not bound by settlement agreements. Any settlement reached by the parties is subject to review and approval by the Water Court." Rule 17(a), W.R.Adj.R; *In re Argabright*, 2014 Mont. Water LEXIS 9, 411 265 (December 12, 2014).

CONCLUSIONS OF LAW

1. The Agreement between the parties resolves the decree exceeded issue remark.

2. The 'acres irrigated' issue remarks on claim 41S 13343-00 fail to overcome the prima facie status of the claim and should be removed.

RECOMMENDATION

1. Upon review the record in this case, the claims should be modified as discussed above.

2. Modification of the claims resolves the decree exceeded remark on the claims as well as the 'type of historical right' issue remark on claim 41S 148581-00. The decree exceeded issue remarks should be removed from the claims and the 'type of historical right' issue remark should be removed from claim 41S 148581-00.

3. The 'acres irrigated' issue remarks should be removed from claim 41S 13343-00.

4. Pursuant to the Agreement, adoption of the modifications resolves the 'late objection' issue remark on claim 41S 148581-00.

5. The remaining remarks are notice-type remarks which provide notice that an element was modified during DNRC review. The remarks state that if no objections were filed, the elements would remain as they appeared in the decree and the remarks would be removed.

Post Decree Abstracts of Water Right Claims are attached to this Master's Report for review.

ELECTRONICALLY SIGNED AND DATED BELOW.

<u>Service via USPS Mail:</u>

Hughes Newford Co. P.O. Box 558 Stanford, MT 59479

Hughes & Sons Cattle Company P.O. Box 195 Stanford, MT 59479-0195

\UUDHLNSRV-DATA\Share\UDGALH2OSRV (Datavol)\Share\WC-BASIN FOLDERS\41S PD\Cases\525\NB 41S-0525-R-2024 MR - Resolution of IRs 248 (NEW, multiple claims, DE, stip, POU_POD, FR, remove issue remarks) 10-16-2024 rr.docx

POST DECREE ABSTRACT OF WATER RIGHT CLAIM

JUDITH RIVER

BASIN 41S

Water Right Number:		D STATEMENT		IM		
	S	tatus: ACTIVE				
Owners:	HUGHES NE\ PO BOX 558 STANFORD, I					
Priority Date:	MAY 13, 1882	2				
Type of Historical Righ	t: DECREED					
Purpose (Use):	IRRIGATION					
Irrigation Type:	FLOOD					
Flow Rate:	7.06 CFS					
Volume:	225.00 AC-FT					
Climatic Area:	3 - MODERAT	E				
Maximum Acres:	85.50					
Source Name:	RUNNING WO	OLF CREEK				
Source Type:	SURFAC	E WATER				
*Point of Diversion and I	Means of Diversion:					
<u>ID</u> 1	<u>Govt Lot</u>	<u>Qtr Sec</u> NESENW	<u>Sec</u> 22	<u>Тwp</u> 15N	<u>Rge</u> 11E	<u>County</u> JUDITH BASIN
Period of Diversion:	MAY 1 TO SE	PTEMBER 10				
Diversion Means:	HEADGATE					
Period of Use:	MAY 1 TO SE	PTEMBER 10				
Place of Use:						
ID 1	<u>Acres</u> <u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u> 15N	<u>Rge</u>	County

<u>ID</u>		Acres	GOVI LOI	<u>Qti sec</u>	Sec	<u>1 wp</u>	<u>nge</u>	County
1		25.00		W2SE	15	15N	11E	JUDITH BASIN
2		48.00		W2NE	15	15N	11E	JUDITH BASIN
3		12.50		SWSE	10	15N	11E	JUDITH BASIN
	Total:	85.50						

POST DECREE ABSTRACT OF WATER RIGHT CLAIM

JUDITH RIVER BASIN 41S

Water Right Number:	41S 148581-00 STATEMENT OF CLAIM Version: 4 POST DECREE Status: ACTIVE				
Owners:	HUGHES & SONS CATTLE COMPANY PO BOX 195 STANFORD, MT 59479-0195				
Priority Date:	MAY 13, 1882				
Type of Historical Right:	DECREED				
Purpose (Use):	IRRIGATION				
Irrigation Type:	FLOOD				
Flow Rate:	195.50 GPM				
Volume:	73.60 AC-FT				
Climatic Area:	4 - MODERATELY LOW				
Maximum Acres:	11.50				
Source Name:	RUNNING WOLF CREEK				
Source Type:	SURFACE WATER				
*Point of Diversion and Means	of Diversion:				
<u>ID</u> 1	Govt LotQtr SecSecTwpRgeCountySESESW2815N11EJUDITH BASIN				
Period of Diversion:	MAY 15 TO SEPTEMBER 15				
Diversion Means:	DIKE				
Period of Use:	MAY 15 TO SEPTEMBER 15				
Place of Use:					
ID Acre 1 11.50 Total: 11.50	SE 28 15N 11E JUDITH BASIN				