

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

FILED
05/16/2025
Sara Calkins
CLERK
Montana Water Court
STATE OF MONTANA
By: D'Ann CIGLER
41F-0075-R-2025
Reynolds, Brooke
8.00

IN THE WATER COURT OF THE STATE OF MONTANA
UPPER MISSOURI DIVISION
MADISON RIVER BASIN (41F)
PRELIMINARY DECREE

CLAIMANT: Reed Montana Holdings LLC

OBJECTOR: United States of America (USDA – Forest Service)

CASE 41F-0075-R-2025
41F 136414-00

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 Montana Water Court included water right claim 41F 136414-00 in the Preliminary Decree for the Madison River (Basin 41F). The claim received an objection from the United States of America (USDA – Forest Service) (“United States”), but no Department of Natural Resources and Conservation (“DNRC”) issue remarks, counterobjections, or notices of intent to appear. The Water Court consolidated the claim into Water Court Case 41F-0075-R-2025 to resolve the United States’ objection. (Doc.¹ 1.00).

FINDINGS OF FACT

1. Claim 41F 136414-00 is a stockwater right from a Spring, Unnamed Tributary of North Meadow Creek, with a priority date of June 1, 1888.
2. Reed Montana Holdings LLC (“Reed Montana”) owns the claim.
3. The United States filed an objection to the place of use, asserting that it should be modified to remove federal land from the legal land description.
4. The Court set a settlement deadline for Reed Montana and the United States to resolve the objection. (Doc. 1.00).
5. On May 2, 2025, the United States filed a Stipulation to Resolve Objection with Reed Montana. (Doc. 7.00).
6. The parties agree that the place of use should be the E2SE of Section 4, T4S, R2W, Madison County.

CONCLUSIONS OF LAW

1. 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, ¶ 25, 382 Mont. 298.
2. A properly filed claim of an existing right or an amended claim of existing right is prima facie proof of its content. Section 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

¹ “Doc.” Numerical references correlate to case file docket numbers in the Water Court’s Full Court case management system.

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.

3. The Montana Water Court is permitted to use information submitted by the Department of Natural Resources and Conservation, the statement of claim, information from approved compacts, and any other data obtained by the Court to evaluate water right claims. Section 85-2-231(2), MCA.

4. Settlement agreements are subject to review and approval of the Water Court. Rule 17(a), W.R.Adj.R. If a claimant agrees to reduce or limit an element of a claim, the water court may accept the claimant's requested reduction or limitation without further presentation of evidence, unless there is an unresolved issue remark on the claim, in which case § 85-2-248, MCA must be applied. Rule 17(c), W.R.Adj.R.

5. The Stipulation reduces the claim's place of use, thus requiring no presentation of evidence for the modification. The Stipulation should be approved.

6. The Stipulation resolves the United States' objection to the claim.

RECOMMENDATIONS

Based on the foregoing Findings of Fact and Conclusions of Law, this Master recommends the Water Court adopt the above-specified changes.

A Post Decree Abstract of Water Right Claim is served with this Master's Report to confirm the modification to the place of use has been made in the State's centralized water right record system.

ELECTRONICALLY SIGNED AND DATED BELOW.

Service via Electronic Mail

Breeann M. Johnson
Kirsia Shelkey
Western Roots Law PLLC
Johnson@westrootslaw.com
shelkey@westrootslaw.com
(attys for Reed Montana Holdings LLC)

Romney S. Philpott, Senior Attorney
US DOJ-ENRD
Romney.Philpott@usdoj.gov;
MontanaBasins.Enrd@Usdoj.Gov
(atty for United States of America (USDA – Forest Service))

**POST DECREE
ABSTRACT OF WATER RIGHT CLAIM
MADISON RIVER
BASIN 41F**

Water Right Number: 41F 136414-00 STATEMENT OF CLAIM

Version: 3 -- POST DECREE

Status: ACTIVE

Owners: REED MONTANA HOLDINGS LLC
C/O COHEN & CO
600 SUPERIOR AVE E STE 2430
CLEVELAND, OH 44114-2610

Priority Date: JUNE 1, 1888

Type of Historical Right: USE

Purpose (Use): STOCK

***Flow Rate:** A SPECIFIC FLOW RATE HAS NOT BEEN DECREED BECAUSE THIS USE CONSISTS OF STOCK DRINKING DIRECTLY FROM THE SOURCE, OR FROM A DITCH SYSTEM. THE FLOW RATE IS LIMITED TO THE MINIMUM AMOUNT HISTORICALLY NECESSARY TO SUSTAIN THIS PURPOSE.

***Volume:** THIS RIGHT INCLUDES THE AMOUNT OF WATER CONSUMPTIVELY USED FOR STOCK WATERING PURPOSES AT THE RATE OF 30 GALLONS PER DAY PER ANIMAL UNIT. ANIMAL UNITS SHALL BE BASED ON REASONABLE CARRYING CAPACITY AND HISTORICAL USE OF THE AREA SERVICED BY THIS WATER SOURCE.

Source Name: SPRING, UNNAMED TRIBUTARY OF NORTH MEADOW CREEK

Source Type: GROUNDWATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		NESESE	4	4S	2W	MADISON

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: FLOWING

Period of Use: JANUARY 1 TO DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			E2SE	4	4S	2W	MADISON