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**Litigation has the potential to shut down thousands of existing wells and cripple housing and agricultural development**

(Helena, Mont.)— Several organizations representing agricultural producers, housing, real estate, and water well drilling professionals have moved to intervene in ongoing litigation to protect Montana’s ability to support homes, farms, and growing communities with reliable water access under clear, consistent laws. The case threatens the predictability of Montana’s water permitting framework and the ability of property owners, builders, lenders, and local governments to rely on approvals granted under existing law.

Tens of thousands of small wells that supply water to homes and livestock could soon be shut down as a result of a lawsuit against the state of Montana over the permissibility of exempt wells. The lawsuit would also prevent additional small wells from being drilled for residential and agricultural use.

“What the plaintiffs are asking for would be catastrophic for Montana,” said Angela Kline-Hughes, President of the Montana Association of REALTORS®. “Tens of thousands of Montana homeowners, and as many ag producers, rely on exempt wells for their water. The plaintiffs want to shut those wells down, leaving property owners with one option: spending hundreds of thousands of dollars to go through a broken water permitting process.”

“All Montana agriculture deserves a voice in this lawsuit,” added Lane Yeager, President of the Montana Senior Ag Water Rights Alliance. “Many farms and ranches rely on exempt wells to operate, and the plaintiffs’ effort to eliminate them would disrupt decades of established practice without meaningfully strengthening protections for senior water rights.”

Exempt wells are defined as those that use a small amount of water. They’re ordinarily used for general household consumption or to supply water to livestock. Most of the water used by an exempt well owner is returned to the ground. Because of their *de minimus* use, Montana law does not require exempt wells to acquire a permit

to be drilled. In Montana, the average water permit costs \$300,000 and takes about 3 years to acquire.

The plaintiffs who brought the lawsuit want to eliminate exempt wells altogether and require all water users—regardless of size—to go through the costly and time-consuming permitting process. For most, acquiring a permit will be cost prohibitive.

“In many cases, the additional cost of acquiring a permit would double the cost of building a home,” said Andy Shirtliff, Executive Director of the Montana Building Industry Association. “The number one problem in Montana right now is our housing affordability crisis. The only way out of that crisis is to increase supply, but if this lawsuit is successful vast areas of Montana will be off limits to building.”

Several groups representing agricultural producers, housing, real estate, and drilling professionals have intervened in the litigation and share a common goal: ensure that Montanans can continue to live, work, and build in communities supported by reliable water resources and clear, consistent laws. At stake is the predictability of Montana’s water permitting framework and the ability of ag producers, homeowners, builders, lenders, and local governments to rely on approvals granted under existing law.

“Regulatory uncertainty in water access directly impacts property values, housing supply, financing, and the economy statewide,” said Klein-Hughes. We support responsible water access and use and recognize the importance of protecting Montana’s natural resources. At the same time, we believe solutions must be grounded in science, legal consistency, and practical implementation, not uncertainty that stalls housing and destabilizes communities.”

“For tens of thousands of Montana families, exempt wells are a lifeline, not a loophole,” said Tyler Sampson, President of the Montana Water Well Drillers Association. “By litigating to eliminate these wells, plaintiffs are effectively pulling the plug on tens of thousands of kitchen sinks and livestock troughs that sustain our Montana way of life.”

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