



FUTURE FISHERIES IMPROVEMENT PROGRAM GRANT APPLICATION

All sections must be addressed, or the application will be considered invalid



I. APPLICANT INFORMATION

A. Applicant Name: Coltan Pipinich

Mailing Address: 504 S Oak St

City: Townsend State: MT Zip: 59644

Telephone: (406) 461-5125 E-mail: coltan.pipinich@mt.gov

B. Contact Person (if different than applicant): _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ E-mail: _____

C. Landowner and/or Lessee Name (if different than applicant): Dustin Laughery

Mailing Address: 69 Loomont Ln

City: Whitehall State: MT Zip: 59759

Telephone: (406) 490-7705 E-mail: dustin@dlcustomleather.com

II. PROJECT INFORMATION

A. Project Name: Parsons Slough Irrigation Change

River, stream, or lake: stream

Location: Township: 1 S Range: 5 W Section: 14

Latitude: 45.74924 Longitude: -112.17478 *Within project (decimal degrees)*

County: Madison

B. Purpose of Project: *(high level, focus on why the project is important)*

Parsons Slough is a small perennial spring tributary to the Jefferson River near Waterloo Bridge (Figure 1). Parsons Slough contains about 10 cfs of cool (Average ~55°F) water, providing ideal thermal conditions for spawning and rearing wild trout. An irrigation ditch (Figure 2) diverts 3 to 8 cfs to provide irrigation water to two downstream users (Figure 3). This project would involve moving the point of diversion for the upstream user to the Jefferson River and discontinuing water diversion from the stream. Retiring the open ditch would eliminate fish entrainment and increase the amount of cool water that makes it to the Jefferson River. This cool water is considered an important source of thermal refuge for local fishes during hot summer periods in the most severely dewatered reach of the Jefferson River. Therefore, maximizing instream flow in Parsons Slough will benefit the local trout populations.

C. Brief Project Description (attach additional information to end of application). Please include the anticipated construction schedule:

The Parsons Slough irrigation upgrade is the final phase of a project to remove irrigation withdrawals from Willow Springs and Parsons Slough (Figures 1 and 3). The Willow Springs portion of the overall project involves building a new pump site in the Jefferson River below the Parsons railroad bridge (46.75003, -112.17377), re-plumbing the existing sprinkler systems, and FWP leasing the unused water for instream flow. Funding from FWP has been delivered to the Willow Springs Ranch owner, so they can begin construction during the summer low-flow period in 2026.

All river-side work will be completed in a two-week period between July 1, 2026, and September 2026. A new Jefferson River pump site will be constructed on the existing streambank to facilitate water pumping. The full fishery benefits of the Willow Springs irrigation project will not be realized unless the Parsons Slough project is completed.

Before the Parson's Ditch can be retired, one more water user must be made whole (Figure 4). Another Parsons Slough water user (Laughery) currently pumps from the Parsons Ditch (Figure 5) with a water right of 700 gpm. A point of diversion change application would be completed and submitted to DNRC. The existing pump site would be retired, and a replacement pump would be installed at the new Jefferson River well (Figure 6). A new irrigation supply line would be buried, supplying water to the existing irrigated ground. The Laughery sprinkler system is currently a hand line system and will remain a handline system (Figure 7).

The overall construction timeline for the Parsons Slough Irrigation project depends on the completion of the Willow Springs irrigation project. Therefore, the general construction window for the Parsons Slough project is from July 2026 through September 2027. The new Laughery pump and water line could be installed at any point after the Jefferson River pump site is completed. A power supply wire must be buried from Loomont Lane to the river pump site (Figure 7). Ideally, the electrical supply wire for Laughery's pump could be buried at the same time as the Willow Springs Ranch supply wire. Burying the supply wire for both pumps at the same time would save time and money.

Construction window: July 2026 – September 2027

Steps:

- 1) Construct new Jefferson River pump site (separate project).
- 2) Install electrical supply wire at the same time as the Willow Springs supply wire.
- 3) Install new Laughery pump at Jefferson River pump site
- 4) Install new mainline and risers for the handline irrigation system.

D. What was the cause of habitat degradation and how will the project correct the cause?

Diversion of water from Parsons Slough has been the primary cause of habitat degradation. Operation of the headgate has led to variable flow levels in the Parsons Slough spawning channel. Overall, the diversion reduces the instream flow to the spawning channel. During some periods of water diversion, the Parsons Ditch ends up diverting too much water, leaving the spawning channel severely impaired and impassable by adult trout (Figures 8 and 9). There have been times when headgate operation has created back water effects, inundating riffles where trout typically spawn. The water level variability created by a diversion structure in this stream leads to unpredictable spawning and rearing conditions for trout.

E. Length of stream or size of lake that will be treated (project extent): The lowest 0.4 miles of Parsons slough will no longer be dewatered.

Length/size of impact, if larger than project extent (e.g., stream miles opened): Approximately 1.3 miles of irrigation ditch retired.

F. Project Budget Summary:

Grant Request (Dollars):	\$	36,265.98		
Matching Dollars:	\$	98,965.98		
Matching In-Kind Services:*	\$			
<i>*salaries of government employees are not considered matching contributions</i>				
Other Contributions (not used as match)	\$			
Total Project Cost:	\$	135,231.96		

G. Attach itemized (line item) budget – see budget template

H. Attach project location map(s) that include:

- Extent of the project, including context (relation to major landmark or town)
- Indication of public and private property
- Riparian buffer locations and widths (if applicable) and grazing locations

I. Attach project plans:

- Detailed sketches or plan views with the location and proposed restoration
- Pre-project photographs (GPS location strongly recommended)
- If water leasing or water salvage is involved, attach a supplemental questionnaire (<https://myfwp.mt.gov/getRepositoryFile?objectID=36110>)

J. Attach support letters or statements of (e.g., landowner consent, community or public support). For FWP statement, attach provided template. List any other project partners:

The Montana Fish, Wildlife & Parks Water program has committed extensive time and resources to the Parsons and Willow Springs irrigation projects. Trout unlimited, Jefferson River Watershed Council, Jefferson County Conservation District, Jefferson Valley Sportsman’s Association, Skyline Sportsman, and local landowners are supportive of the project. A letter of support from private land owner Dustin Laughery is attached (Figure 10).

III. MAINTENANCE AND MONITORING (attach additional information to end of application):

- A. A 20-year maintenance commitment is required*. Please confirm that you will ensure this protection and describe your approach. Attach any relevant maintenance plans. Yes No
**If it is a water leasing project, describe the length of the agreement.*

As part of a formal Water Management Agreement between FWP and Laughery, there will be a 20-year maintenance commitment. The supplemental attached file is a draft agreement that describes the respective responsibilities of FWP and Laughery.

- B. Will grazing be part of or adjacent to the project? If so, describe or attach land management plans, including short term and long term grazing regimes. If the landowner is not the applicant, please describe their involvement in the project. *If you want assistance with grazing plan development, note your need.*

Grazing does not play a major role in this project. Some irrigated ground associated with the project area will be occasionally grazed, but primary land use is for cash crop production.

- C. Will the project be monitored to determine if goals were met? If so, what are the short-term and long-term plans to assess benefits and lessons learned? Were pre-project data collected? Will monitoring information be shared with FWP?

There is over 25 years of fisheries monitoring data tied to Parsons Slough and Willow Springs. The Waterloo section of the Jefferson River is heavily influenced by the water quantity and quality conditions of Parsons Slough and Willow Springs. Therefore, the fisheries monitoring in these tributaries and the mainstem Jefferson River will continue. Trout population monitoring has occurred in the Jefferson River nearby since 2000 (Figure 11). Trout redd counts have occurred in the spring and autumn since 1991 (Figure 12). Juvenile relative abundance surveys have been completed in each tributary since 2001 (Figures 13 and 14). Fisheries trends will be an important metric to determine the overall success of the irrigation project.

FWP has also taken periodic flow measurements and temperature recordings over the last 5 years. Stream flow and water temperature data will be measured post-project to determine if perceived project benefits are realized.

The effectiveness of the new irrigation system for crop production will be monitored by the water user. Adjustments to the irrigation system can be made if changes fall within the formal agreement made with FWP.

IV. PROJECT BENEFITS (attach additional information to end of application):

- A. What species of fish will benefit from this project?

Brown Trout, Rainbow Trout, Rocky Mountain Sculpin, and Suckers.

B. How will the project protect or enhance wild fish habitat?

The short and long-term improvements to local fish populations will include improved spawning habitat, nursery habitat, and thermal refuge.

Habitat work to improve spawning was completed by FWP in 2004 to improve trout access and spawning in Parsons Slough (Figure 15). This irrigation improvement project would ensure the previous channel work remains viable habitat for trout spawning and rearing.

C. What is the expected improvement to fish populations, both short term and long term? How might the project translate to angler success?

There is an expected short and long-term improvement to local fish population abundance. In addition to the habitat improvements, a major project benefit is eliminating fish loss to ditch entrainment. Currently the Parsons Ditch captures an unknown number of juvenile trout. A fall electrofishing survey conducted after the headgate was closed revealed up to 129 juvenile trout per 200 yards after the headgate is closed. Parsons Slough is identified as the most prolific brown trout spawning tributary in the entire Jefferson River sub-basin. Losing a large proportion of produced brown trout juveniles each year to ditch entrainment is not conducive to maintaining a robust brown trout population in the Jefferson River.

These benefits are expected to help maintain and increase population abundance of trout in the nearby Jefferson River. Anglers can realize the benefits of the project when fishing in the mainstem of the Jefferson River. An increase in trout population abundance typically results in increased catch rates for anglers.

D. Will the project increase public fishing opportunity for wild fish and, if so, how? Is public fishing allowed onsite? Is it allowed by permission? If not, describe how the public would benefit.

While the project is expected to increase opportunities to encounter wild trout in the Jefferson River, the project will not change public fishing access opportunity. Fishing access on private property is limited and will not be increased. Furthermore, Parsons Slough near the property does not hold many resident catchable size trout. The Parsons fishery is primarily made up of small juvenile trout.

This project will also not directly increase the number of days anglers can fish. The increased volume of cool water that makes it to the Jefferson River will provide more thermal refuge for trout in the river. However, the expected temperature benefits (figure 16) will not change the frequency of condition-based fishing closures. Hoot Owl fishing closures are based on the upstream USGS stream gauge near Twin Bridges (06026500).

E. Aside from angling, what local or large-scale public benefits will be realized from this project?

The Parsons Slough project will contribute to making water use more efficient. More efficient systems will lead to more water in public waterways.

The cold, high quality water, in Parson's Slough and Willow Springs support more than just local fisheries. Maximizing the amount of cool spring water that makes it to the Jefferson River will benefit other aquatic organisms in the vicinity of the project. Macroinvertebrates, aquatic mammals, and birds can all be observed in this area.

F. Will the project interfere with water or property rights of adjacent landowners? (explain):

No.

G. Will the project result in the development of commercial recreational use on the site (including paid access)? Explain:

The project is not expected to change land use beyond developing a more efficient irrigation water delivery system.

H. Is this project associated with the reclamation of past mining activity?

No.

Each approved project applicant must enter into a written agreement with Montana Fish, Wildlife & Parks specifying terms and duration of the project. The applicant must obtain all applicable permits prior to project construction. A competitive bid process must be followed when using State funds.

V. AUTHORIZING STATEMENT

I (we) hereby declare that the information and all statements to this application are true, complete, and accurate to the best of my (our) knowledge and that the project or activity complies with rules of the Future Fisheries Improvement Program.

Applicant Signature: Coltan Pipinich Date: 5/15/2026

Submittal: Applications must be signed and received on or before November 15 and May 15 to be considered for the subsequent funding period. Late or incomplete applications will be rejected.

<p>Mail to: FWP Future Fisheries Fish Habitat Bureau PO Box 200701 Helena, MT 59620-0701</p>	<p>Email: Future Fisheries Coordinator FWPFFIP@mt.gov (electronic submissions must be signed) For files over 10MB, use https://transfer.mt.gov and send to mmcgree@mt.gov</p>
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Figures and Supplemental Material

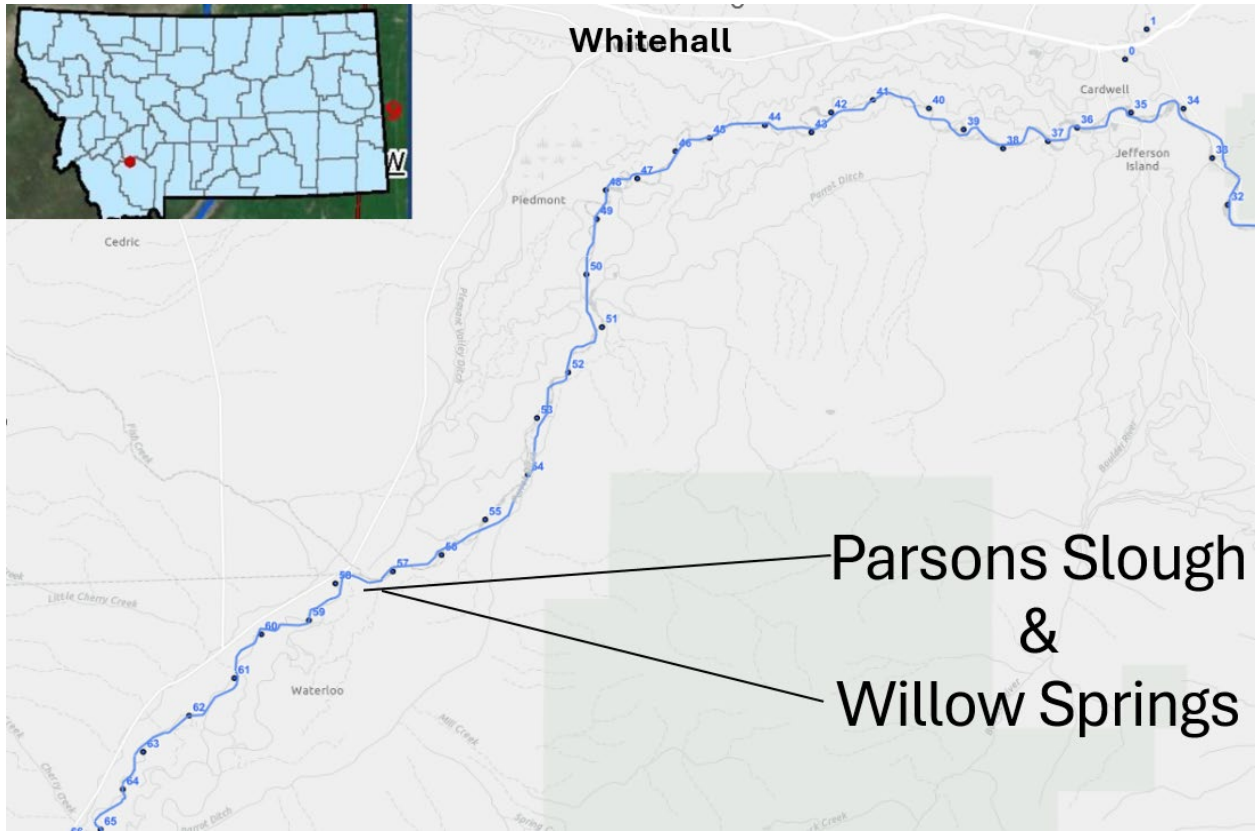


Figure 1. Map of Parsons Slough in relation to Whitehall and Willow Springs.



Figure 2. A view looking downstream at the irrigation diversion structure on Parsons Slough below Loomont Lane. The gate on the left controls flow to the spawning channel that joins the Jefferson River. The larger gate on the right controls flow to the irrigation ditch. The proposed project will eliminate the need to divert any water at this location.

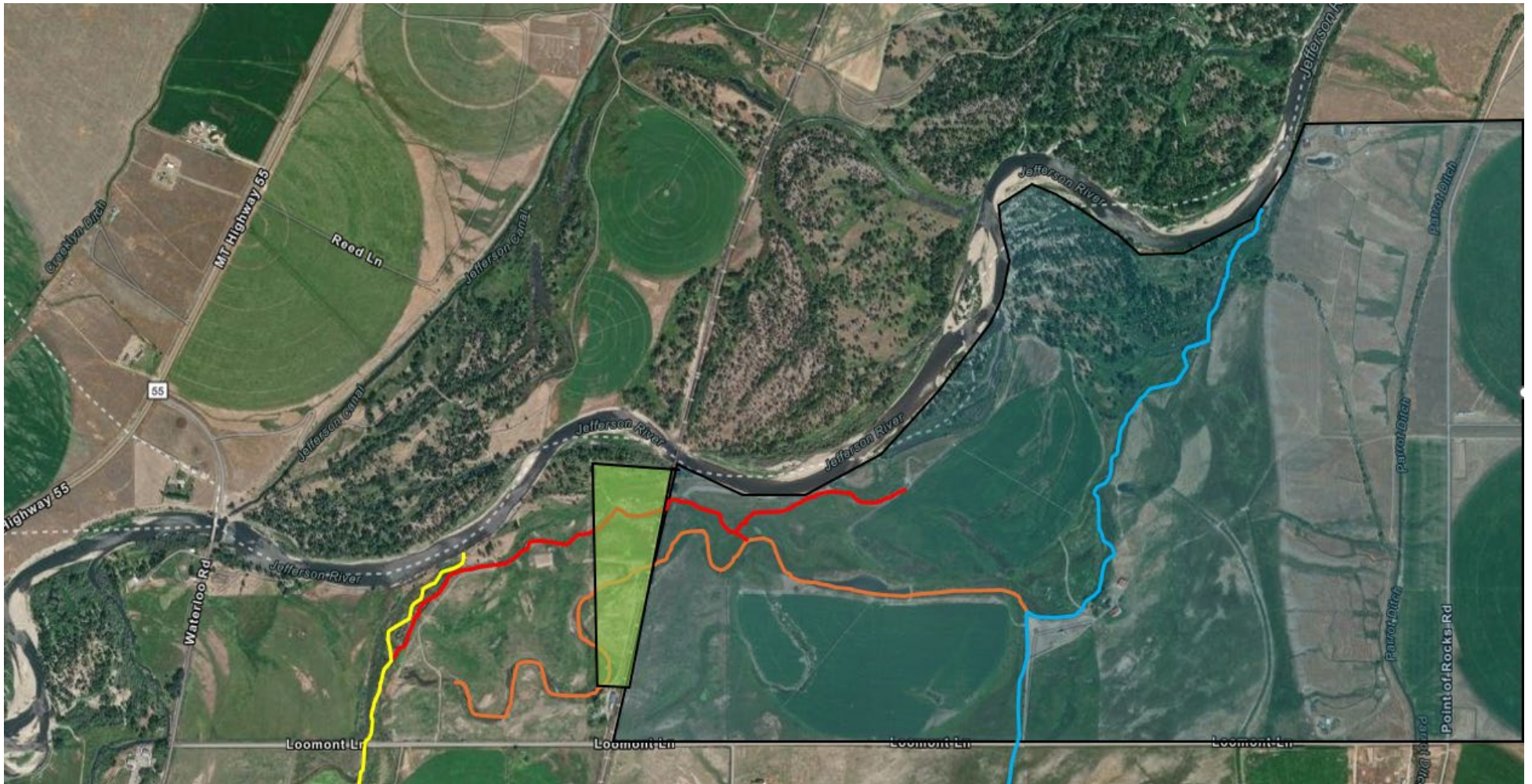
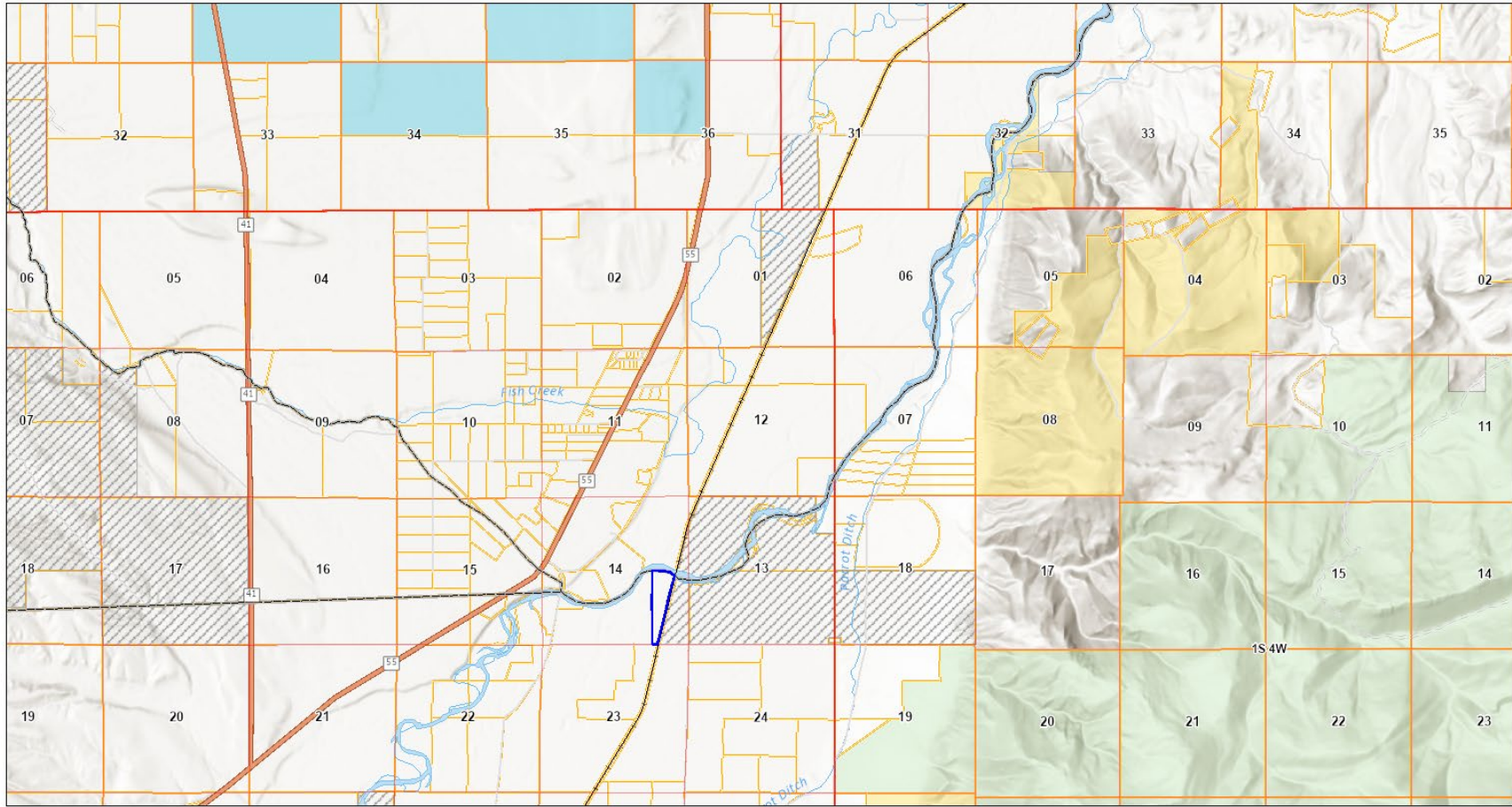


Figure 3. Aerial imagery of Parsons Slough (yellow), 1.3-mile-long Parsons Ditch (red), Willow Springs (blue), and the historic Willow Springs channel (orange). The land ownership for the Parsons Irrigation project is highlighted in lime green. Private landownership for the Willow Springs irrigation project is highlighted in dark green.

ArcGIS Web Map



4/22/2026, 1:37:12 PM

1:59,619



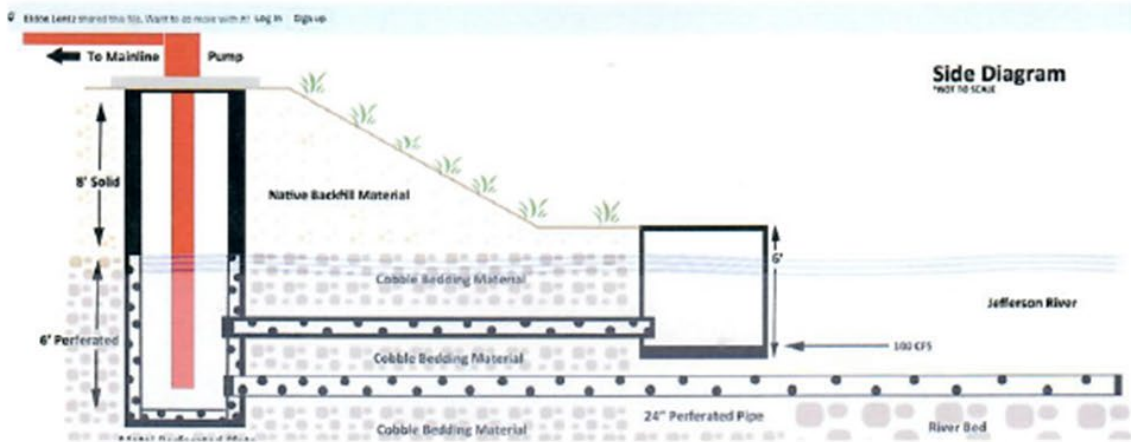
Esri, NASA, NGA, USGS, FEMA

Figure 4. Complete view of local landownership as it relates to the project location (blue highlighted parcel).



Figure 5. Photograph of the existing Laughery pump site on the Parsons Ditch. The ditch flows from left to right in the image. The Parsons Railroad Bridge can be seen along the tree line.

Conceptual Pump-Site. Jefferson River near Waterloo.



Proposed Pump Location in August 2023 (Flow 370 cfs).

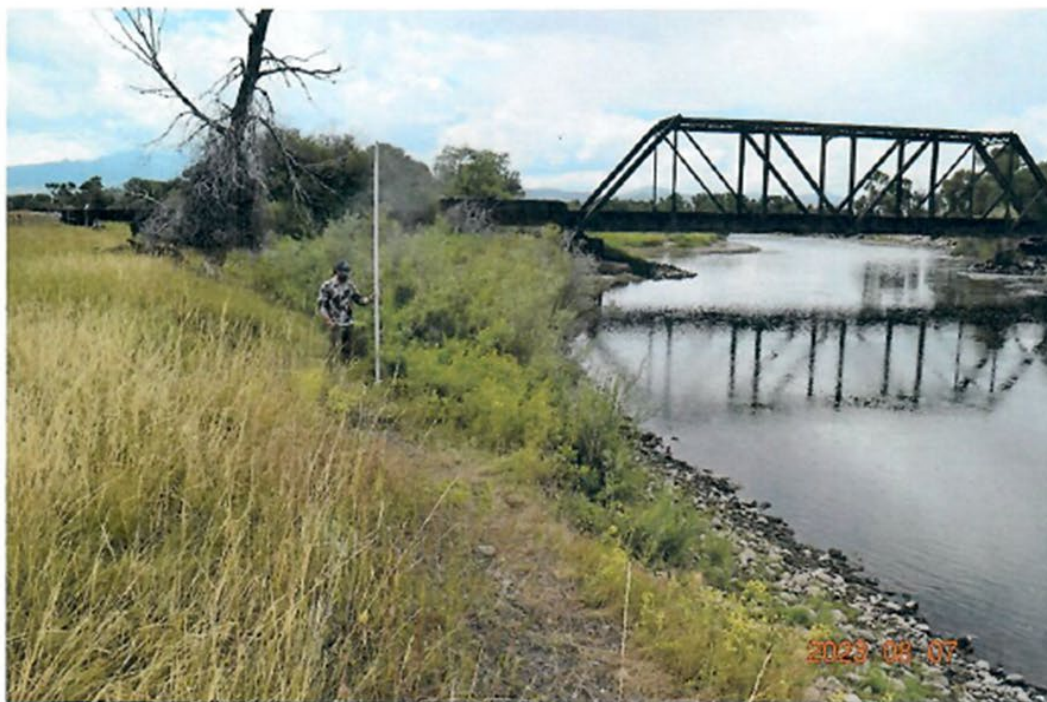


Figure 6. Conceptual drawing of pump site (top) and the proposed location on the Jefferson River downstream of Parsons railroad bridge (46.75003, -112.17377).



Figure 7. Conceptual design of replacement hand-line irrigation system at Laughery's.



Figure 8. View looking upstream at the spawning channel diversion with check-boards (stop logs) installed. At certain times, low flow conditions occur in the spawning channel when water is being diverted down the irrigation ditch.



Figure 9. A wide view of the spawning channel that depicts water at low velocity and receded from the vegetated shoreline.

Dustin Laughery
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Whitehall, MT 59759
dustin@dlcustomleather.com – (406) 490-7705

5/11/2026

Future Fisheries Improvement Program
PO Box 200701
Helena, MT 59620-0701

Subject: Letter of Support for FWP's Proposal to Utilize Parsons Slough Water Rights for Fish Habitat Enhancement

To Whom It May Concern:

I am writing to express our full support for Montana Fish, Wildlife & Parks' proposal to utilize our existing water rights associated with Parsons Slough to divert cold water for the purpose of improving local fish habitat. We recognize the ecological value of enhancing cold-water inflows to support native and sport fish populations, and we appreciate FWP's leadership in pursuing strategies that strengthen the long-term health of our aquatic ecosystems.

Under the proposed arrangement, FWP would redirect cold water from Parsons Slough to benefit downstream habitat conditions, while we would be authorized to utilize a corresponding volume of water from the Jefferson River for our agricultural irrigation needs. We believe this exchange is both reasonable and beneficial. It maintains our operational water requirements while contributing meaningfully to habitat resiliency and fishery conservation within the watershed.

We are confident that the proposed project aligns with state resource-management priorities and represents a responsible, collaborative use of shared water resources. We appreciate FWP's commitment to working cooperatively with landowners and water-right holders to achieve mutually supportive environmental and agricultural outcomes.

Please accept this letter as formal confirmation of our support for the proposal. We look forward to continued collaboration and to the positive ecological effects this project is expected to bring.

If any additional documentation, clarification, or participation is needed as this proposal advances, please feel free to contact me at your convenience.

Sincerely,
Dustin Laughery

Figure 10. Landowner letter of support.

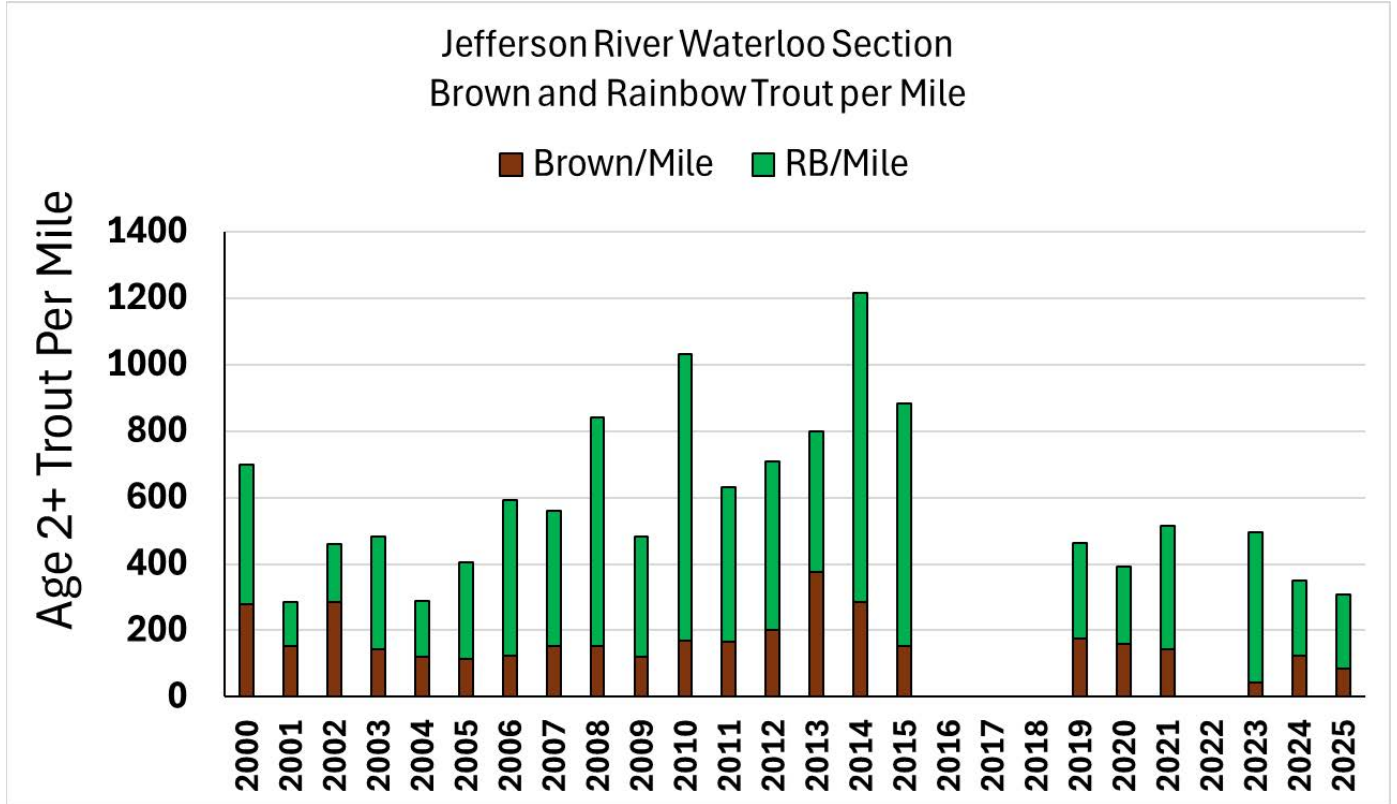


Figure 11. Population abundance of all trout at least two years old in the Jefferson River below the Waterloo Bridge.

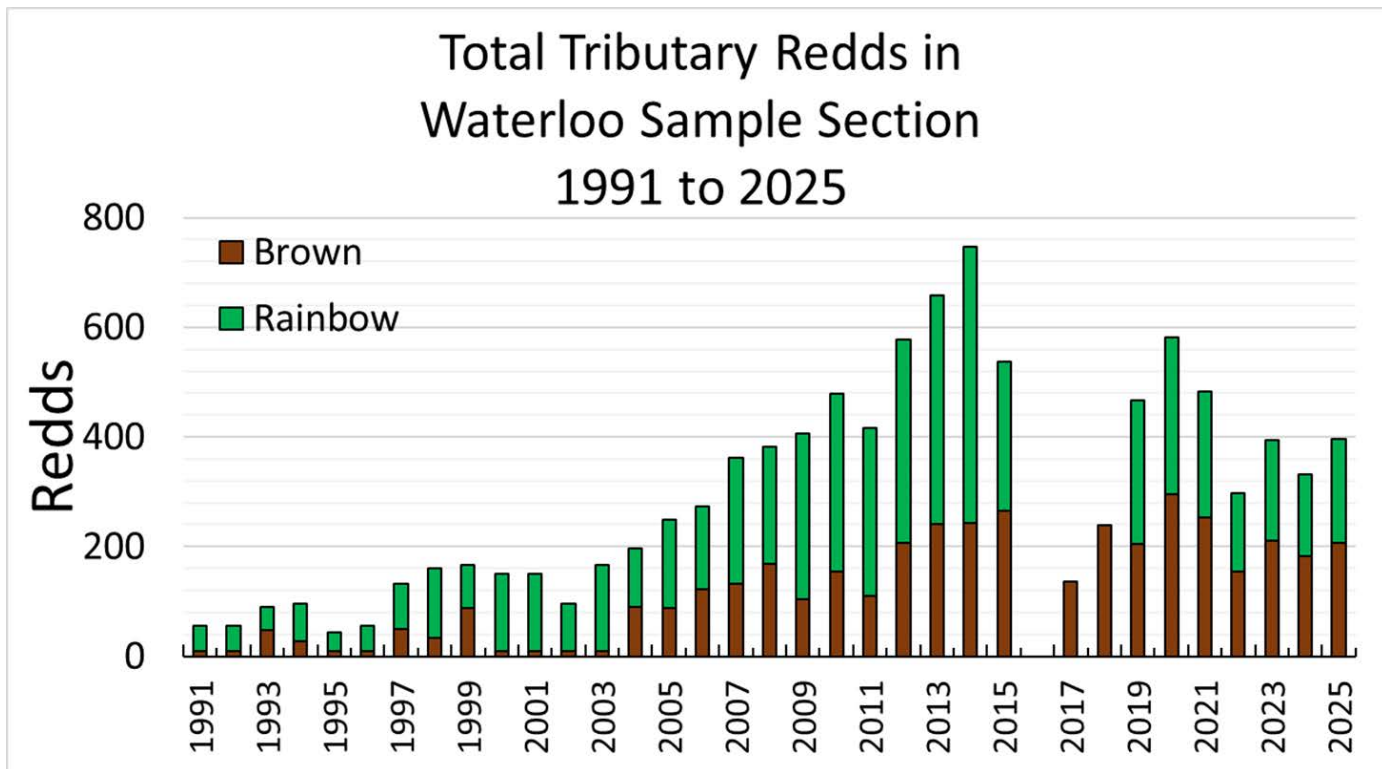


Figure 12. Total trout redds counted in Parsons Slough and Willow Springs in the spring and autumn of each year.

YOY Brown Trout Per minute

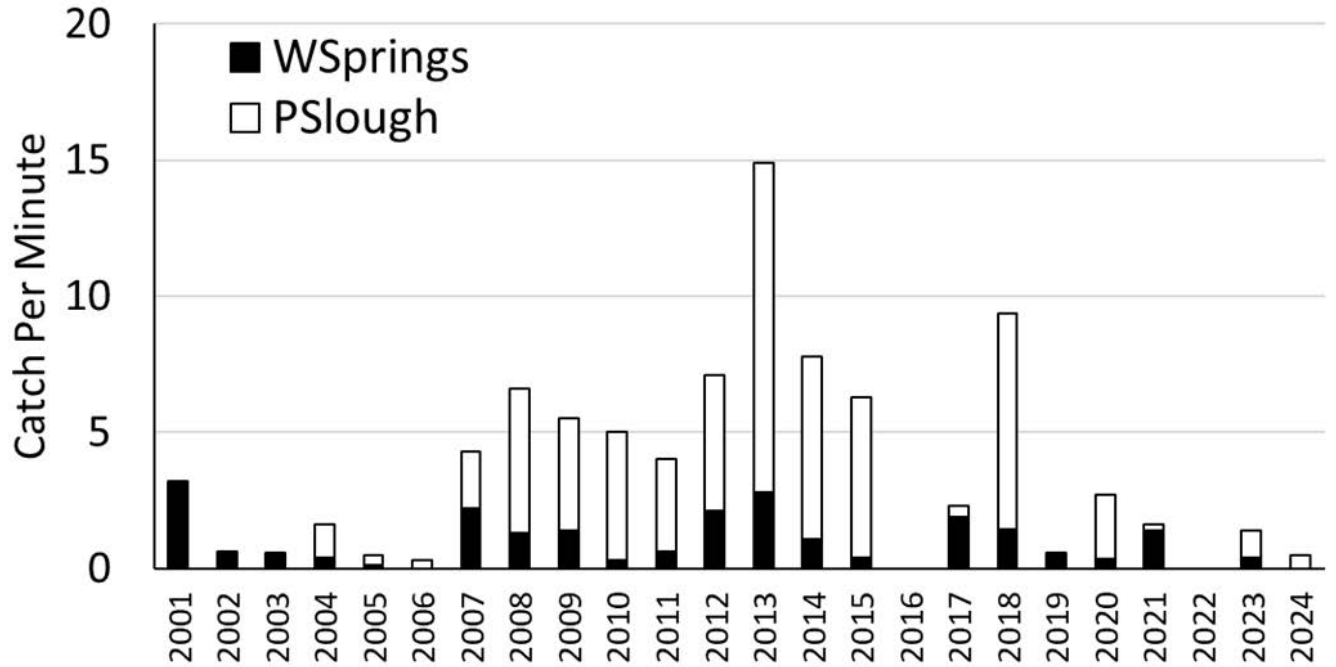


Figure 13. Relative abundance of age-0 brown trout in Parsons Slough and Willow Springs.

YOY Rainbow Trout Per minute

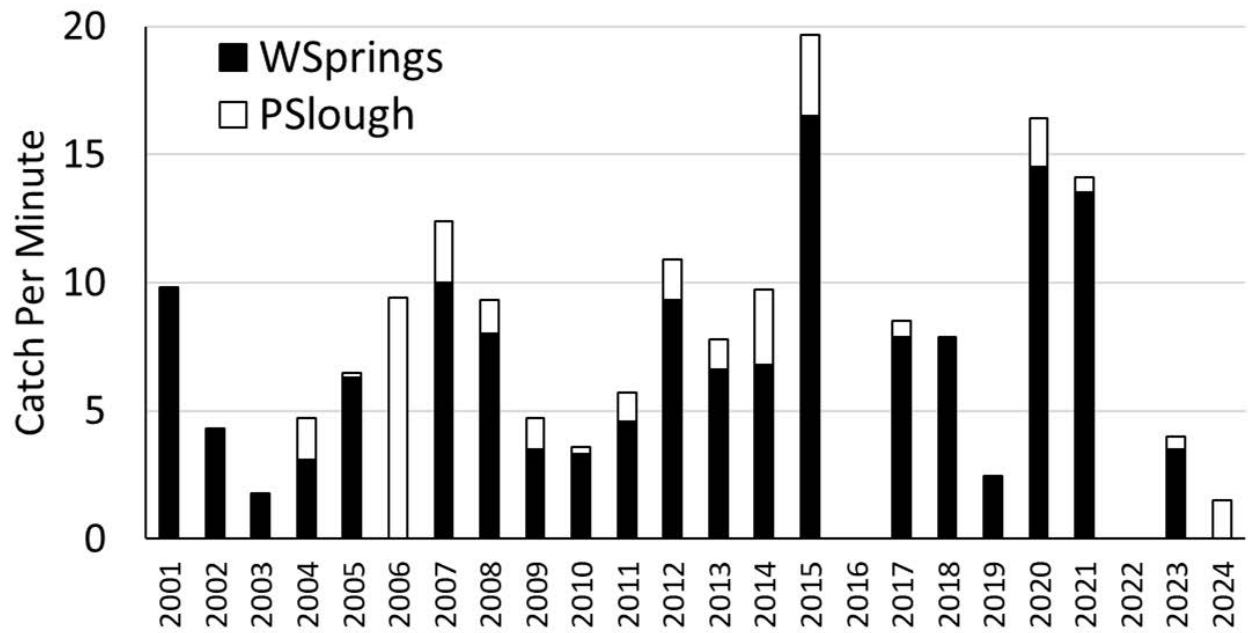


Figure 14. Relative abundance of age-0 rainbow trout in Parsons Slough and Willow Springs.



Figure 15. Habitat restoration work on Parsons Slough to improve water conveyance, fish passage, and trout spawning and rearing.

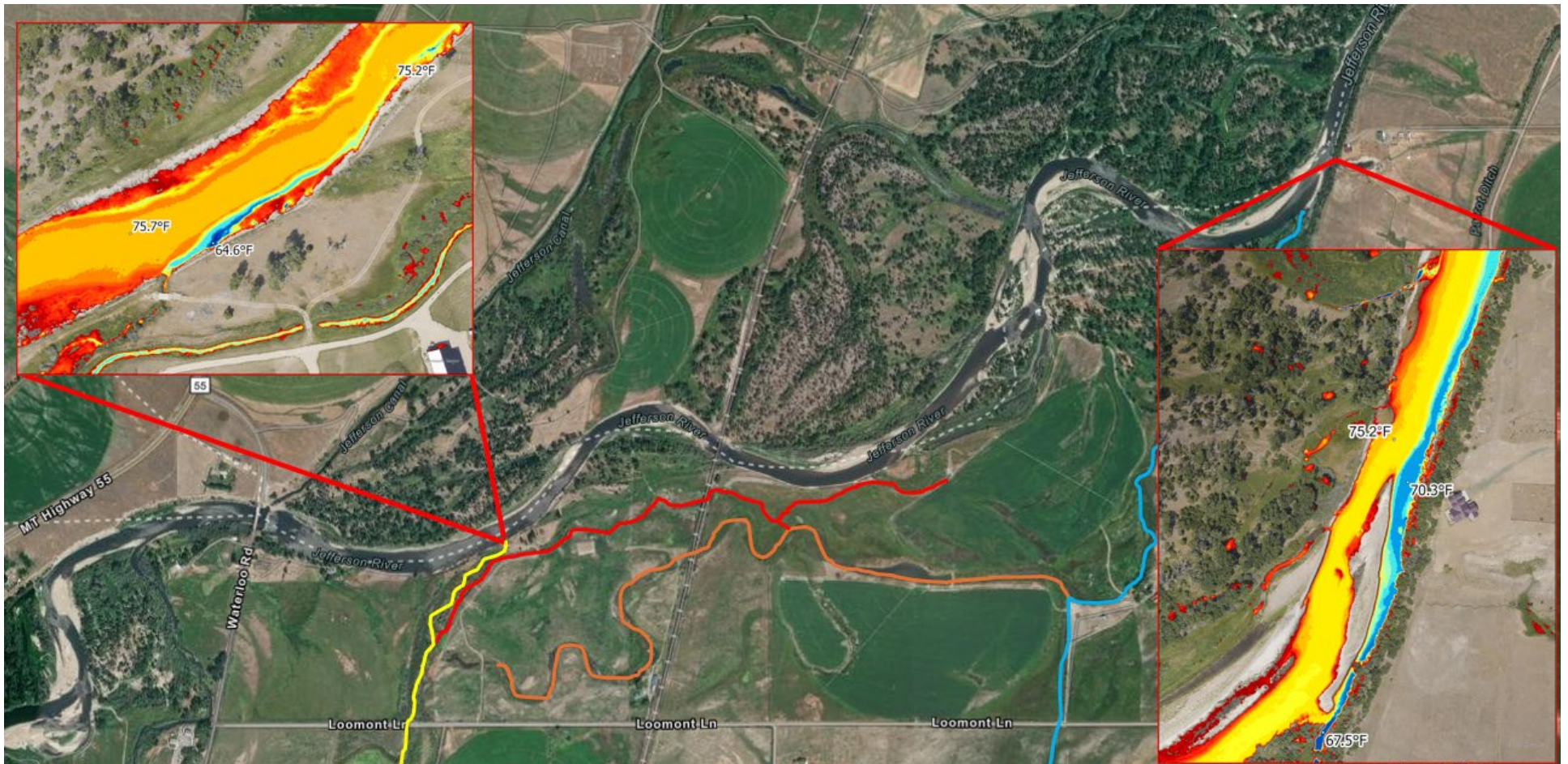


Figure 16. Thermal imagery taken at the mouths of Parsons Slough (left) and Willow Springs (right). The warmest temperatures are represented by red and cooler water temperatures display as green and blue.

BUDGET TEMPLATE SHEET FOR FUTURE FISHERIES PROGRAM APPLICATIONS

Both tables MUST be completed appropriately or the application will be invalid. Please see the example budget sheet for clarification.

PROJECT COSTS					GRANT REQUEST AND FUNDING			
Work Items (Itemize by Category)	Number of Units	Unit Description*	Cost/Unit	Total Cost	FUTURE FISHERIES REQUEST	Matching Contributions (Cash or In- Kind)***	Other Contributions (Funds not used as match)	Total Funding
<i>*Units = feet, hours, cubic yards, etc. Do not use lump sum unless necessary.</i>								
Personnel								
Survey				\$ -				\$ -
Design				\$ -				\$ -
Engineering				\$ -				\$ -
Permitting				\$ -				\$ -
Oversight				\$ -				\$ -
Maintenance**				\$ -				\$ -
			Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -
Travel								
Mileage				\$ -				\$ -
Per diem				\$ -				\$ -
			Sub-Total	\$ -		\$ -	\$ -	\$ -
Construction Materials								
3 Phase irrigation service	1	each	\$2,498.00	\$ 2,498.00	1,249.00	1,249.00		\$ 2,498.00
underground wire in conduit and installed	2,300	linear feet	\$5.40	\$ 12,420.00	6,210.00	6,210.00		\$ 12,420.00
15 HP turbine pump and install	1	each	\$17,238.00	\$ 17,238.00	8,619.00	8,619.00		\$ 17,238.00
15 HP Pump panel and wiring	1	each	\$1,895.00	\$ 1,895.00	947.50	947.50		\$ 1,895.00
Pump tie-in	1	each	\$968.00	\$ 968.00	484.00	484.00		\$ 968.00
6" #125 PVC pipe and install	1000	linear feet	\$13.64	\$ 13,640.00	6,820.00	6,820.00		\$ 13,640.00
4" #125 PVC pipe and install	1120	linear feet	\$12.29	\$ 13,764.80	6,882.40	6,882.40		\$ 13,764.80
Mainline ender with valve	1	each	\$495.00	\$ 495.00	247.50	247.50		\$ 495.00
Pump out and air vent access	1	each	\$360.00	\$ 360.00	180.00	180.00		\$ 360.00
concrete thrust blocks	5	each	\$179.20	\$ 896.00	448.00	448.00		\$ 896.00
Galv. Steel risers and install	22	each	\$220.78	\$ 4,857.16	2,428.58	2,428.58		\$ 4,857.16
			Sub-Total	\$ 69,031.96	\$ 34,515.98	\$ 34,515.98	\$ -	\$ 69,031.96
Equipment, Labor, and Mobilization								
Mobilization	1	each	\$3,500.00	\$ 3,500.00	1,750.00	1,750.00		\$ 3,500.00
				\$ -				\$ -

BUDGET TEMPLATE SHEET FOR FUTURE FISHERIES PROGRAM APPLICATIONS

			Sub-Total	\$ 3,500.00	\$ 1,750.00	\$ 1,750.00	\$ -	\$ 3,500.00
Other								
Water Management Agreement	20	annual	\$3,000.00	\$ 60,000.00		\$ 60,000.00		\$ 60,000.00
Water Right Application	1	each	\$1,500.00	\$ 1,500.00		\$ 1,500.00		\$ 1,500.00
Easement Application	1	each	\$1,200.00	\$ 1,200.00		\$ 1,200.00		\$ 1,200.00
				\$ -				\$ -
				\$ -				\$ -
				\$ -				\$ -
				\$ -				\$ -
			Sub-Total	\$ 62,700.00	\$ -	\$ 62,700.00	\$ -	\$ 62,700.00
OVERALL TOTALS				\$ 135,231.96	\$ 36,265.98	\$ 98,965.98	\$ -	\$ 135,231.96

OTHER REQUIREMENTS:

**For projects that include a maintenance request, it cannot exceed 10% of the total project cost.

***Match can include in-kind materials or labor. Justification for in-kind labor (e.g. hourly rates used) can be noted below. Do not use government salaries as match.

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Additional budget detail:

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APPLICATION MATCHING CONTRIBUTIONS

Total should equal match listed above; do not include requested funds

CONTRIBUTOR	IN-KIND	CASH	TOTAL	Secured? (Y/N)
Jefferson Valley Sportsman's Association	\$ -	\$ 1,000.00	\$ 1,000.00	Y
Skyline Outdoorsmen	\$ -	\$ 5,000.00	\$ 5,000.00	Y
Montana Department of Natural Resources and Conservation	\$ -	\$ 10,265.98	\$ 10,265.98	Y
Montana Fish, Wildlife & Parks Water Program	\$ -	\$ 62,700.00	\$ 62,700.00	Y
George Grant Trout Unlimited	\$ -	\$ 20,000.00	\$ 20,000.00	N
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	
TOTALS		\$ -	\$ 98,965.98	\$ 98,965.98

OTHER CONTRIBUTIONS

Total should equal other contributions listed above; these are funds not specifically matched to the Future Fisheries application

CONTRIBUTOR	IN-KIND	CASH	TOTAL	Secured? (Y/N)
	\$ -	\$ -	\$ -	

WATER MANAGEMENT AGREEMENT

THIS WATER MANAGEMENT AGREEMENT (the “Agreement”) is made and entered into by DUSTIN LAUGHERY and YVONIE LAUGHERY (“LAUGHERYS”) and the Montana Department of Fish, Wildlife and Parks (“FWP”). LAUGHERYS and FWP are sometimes referred to herein individually as a “Party” or collectively as the “Parties.”

WITNESSETH

WHEREAS, FWP desires to restore and protect instream flows in Parsons Slough, a tributary to the Jefferson River, during the irrigation season of each year; and

WHEREAS, chronic dewatering of the Jefferson River severely limits the function of the fishery due to low water flow and high water temperature; and

WHEREAS, relocating the point of diversion of LAUGHERYS’ irrigation system to the Jefferson River, rather than Parsons Slough, will allow colder water to enter the Jefferson River from Parsons Slough, thereby cooling water temperatures in the Jefferson River and providing important refugia in Parsons Slough.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the Parties hereto agree as follows:

1. New Pump Site. LAUGHERYS agree to construct a new pump site (“Site”) on the Jefferson River approximately 125 feet downstream of the Union Pacific Railroad Bridge. The location for the Site is owned and is currently being developed as a pump site by Treasured Mountains Holdings LLC under a separate agreement with FWP.

2. Irrigation. For the term of this Agreement, LAUGHERYS agree to discontinue diverting water from Parsons Slough and agree to only divert water from the Site at a total flow rate of no more than 280 gallons per minute. LAUGHERYS agree not to irrigate more than approximately 14.3 acres nor divert more than 280 gallons per minute under Provisional Permit 41G 2262-00 from the Jefferson River during the term of this Agreement. If, during the term of this Agreement, the new pump station at the Site is rendered inoperable due to circumstances outside the control of LAUGHERYS, including pump failure, electrical supply issues, flooding, ice damage, or any other situation which renders the new pump station inoperable or unable to

reliably provide 280 gallons per minute, LAUGHERYS may resume use of the current Parsons Slough diversion until such time as repairs or improvements to the Site are completed and the system is again fully operational and equally effective. LAUGHERYS shall notify FWP in writing, through the liaison listed in Paragraph 16 below, of any necessary maintenance issues or repairs which render the Site inoperable or unable to reliably supply the full 280 gallons per minute. LAUGHERYS agree to repair the Site promptly.

3. Repairs and Maintenance. Until all necessary construction and improvements to the new pump system at the Site are completed and approved by LAUGHERYS (which approval shall not be unreasonably withheld), and the new system at the Site is shown to reliably supply 280 gallons per minute, all costs for necessary improvements at the Site shall be the responsibility of FWP. After the new pump system at the Site is in place and is shown to reliably supply 280 gallons per minute, going forward from that time, LAUGHERYS shall be responsible for any and all repairs and routine maintenance of the Site and related water diversion infrastructure in amounts up to Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) per occurrence. FWP shall be responsible for any and all amounts in excess of Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) per occurrence, unless the damage or required maintenance is caused by LAUGHERYS' negligence or neglect.

4. Easements. Easements and/or other access agreements between LAUGHERYS and Treasured Mountains Holdings LLC and Montana Rail Link, Inc. ("MRL") will be necessary for LAUGHERYS to use the Site and install and operate the new supply pipeline. LAUGHERYS are responsible for securing any easements or other access agreements that may be necessary to install the new pump station and supply pipeline. However, FWP agrees to pay the \$1,200.00 application fee to secure an easement from MRL and to assist LAUGHERYS with preparation of the easement application.

5. Water Right Changes. The Parties recognize that a permanent change application adding a point of diversion from the Jefferson River for Provisional Permit 41G 2262-00 must be approved by the Montana Department of Natural Resources and Conservation ("DNRC"). FWP shall prepare the change application on behalf of LAUGHERYS. LAUGHERYS shall review the application and sign the application upon concurrence with FWP on its contents. FWP shall pay the filing fees for the application. The Parties agree to cooperate fully in preparing and

submitting the application. If DNRC does not approve the application or imposes conditions of approval that are unacceptable to LAUGHERYS or to FWP, this Agreement shall terminate upon written notice by the Party finding the conditions unacceptable.

6. Stream Permitting. FWP agrees to pay all costs associated with the stream permitting process, as well as provide the technical assistance necessary to prepare a *Joint Application for Proposed Work in Montana's Streams, Wetlands, Floodplains & Other Water Bodies*, submit said application(s), and manage the application process, as necessary, in order to acquire all required permits for working in and around the Jefferson River for installation of the Site.

7. Term of Agreement; Option for Renewal. The initial term of this Agreement shall be twenty (20) years, covering twenty (20) irrigation seasons after DNRC's approval of the change authorization for Provisional Permit 41G 2262-00 and the completion of the Site. At the end of the initial 20-year term, LAUGHERYS shall have the option to renew the Agreement for one (1) additional ten (10) year period, with the potential to renew the Agreement further in the future, subject to mutual agreement of the Parties. Unless LAUGHERYS provide written notice to FWP at the end of the initial 20-year term that they intend to terminate the Agreement or renegotiate its terms, LAUGHERYS shall be deemed to have exercised their option to renew the Agreement upon the same terms.

8. Water Measurement. FWP shall be responsible for installing a stream gage and providing personnel to measure the stream flows in Parsons Slough if required by DNRC to demonstrate the amount of water reaching the Jefferson River from Parsons Slough exceeds the amounts being pumped from the Jefferson River at the new Site. FWP shall submit all measuring reports required by DNRC.

9. Consideration. In consideration of LAUGHERYS's discontinuation of the diversion of water from Parsons Slough, FWP shall pay up to a maximum of Seventy Two Thousand Five Hundred Thirty One and 96/100 Dollars (\$72,531.96) for the construction of infrastructure to divert water at the Site ("FWP's Construction Contribution"). The Parties acknowledge that other funding partners may provide a portion or all of FWP's Construction Contribution and the Parties agree that any costs paid by FWP's funding partners for construction of infrastructure at the Site will satisfy, either partially or in full, FWP's payment obligation. In

addition to FWP's Construction Contribution, FWP shall make annual payments to LAUGHERYS in the amount of Three Thousand and No/100 Dollars (\$3,000.00) each year this Agreement remains in effect and the water is managed in accordance with Paragraph 2 above. The first annual payment shall be made to LAUGHERYS when construction of the Site is completed, and all subsequent annual payments shall be made on or around the anniversary date of completion of the Site.

10. Early Termination. If, after the Site is constructed and reasonable efforts are made to correct any problems, the Site is unable to reliably provide 280 gallons per minute due to inadequate design or construction, changes in the Jefferson River channel, or other unforeseen circumstances, and the Parties determine the system cannot be improved to operate as intended, this Agreement shall terminate and neither Party shall have any further liability to the other. If LAUGHERYS terminate this Agreement during the initial 20-year term for any reason other than the Site's inability to reliably provide 280 gallons per minute, LAUGHERYS agree to repay to FWP a prorated portion of FWP's Construction Contribution at a rate of five percent (5%) per year for each year remaining in the initial 20-year term of this Agreement.

11. No Call. For the term of this Agreement and any subsequent renewals, FWP agrees not to place call on Provisional Permit 41G 2262-00.

12. Petition to Modify or Revoke Permit. During the term of this Agreement and any subsequent renewals, FWP agrees not to petition to modify or revoke Provisional Permit 41G 2262-00 as provided in Mont. Code Ann. § 85-2-313.

13. Funding Contingency. This Agreement is expressly conditioned upon FWP securing funding for the Agreement through the Future Fisheries Improvement Program and/or other sources. If FWP is unable to secure adequate funding to carry out the Agreement, FWP will notify LAUGHERYS in writing. Upon such notification, this Agreement shall terminate and neither Party shall have any further liability to the other under this Agreement.

14. Access. LAUGHERYS agree to allow FWP or its representatives access to their property for measuring and monitoring purposes throughout the term of this Agreement and any subsequent renewals. FWP shall provide reasonable notice to LAUGHERYS liaison identified in Paragraph 16 below via telephone or text messaging prior to entering LAUGHERYS property,

unless other notice provisions are agreed to in writing by LAUGHERYS and FWP.

15. Default. If either Party fails to carry out any duty or obligation arising out of or resulting from this Agreement, the other Party may notify the defaulting Party of the default. The defaulting Party shall have thirty (30) calendar days from the date written notice of default is given or received to correct the default if the default is correctable. If the default is not correctable, or if the default is not corrected within thirty (30) calendar days of the notice, then the non-defaulting Party may terminate this Agreement. If, due to the fault of LAUGHERYS, the Site is not completed and put in operation, and the diversion of water from Parsons Slough discontinued, within three (3) years of the date this Agreement is last signed by the Parties, and except if the Site is rendered inoperable due to circumstances outside the control of LAUGHERYS necessitating continued diversion from Parsons Slough, this Agreement shall automatically terminate. This three-year period may be extended upon written agreement of the Parties.

16. Notice. Any notice to be given under this Agreement shall be in writing and shall either be served upon the Party personally or served by registered or certified mail, return receipt requested, directed to the Party to be served at the address of the Party set forth in this paragraph. A Party wishing to change its designated address shall do so by notifying the other Party in writing. Notices served by mail shall be deemed complete when deposited in the United States mail. Rejection or other refusal to accept notice, or the inability to deliver because of changed address for which no notice was given, shall be deemed to be receipt of the notice.

FWP's liaison, mailing address, and phone is:

Andy Brummond, Water Conservationist
Montana Fish, Wildlife & Parks
P.O. Box 938
Lewistown, MT 59457-0938
Telephone: (406) 708-7223
Email: abrummond@mt.gov

LAUGHERYS' liaison, mailing address, and phone is:

Dustin Laughery
69 Loomont Lane
Whitehall, MT 59759
Telephone: _____
Email: _____

17. Indemnification. FWP shall indemnify and hold LAUGHERYS harmless against any claim or action by third parties challenging the validity of this Agreement. FWP shall not indemnify the LAUGHERYS against any claim by third parties that arises out of or as a result of LAUGHERYS' negligent or willful conduct not authorized under this Agreement.

18. Choice of Law and Venue. The validity, interpretation, construction, and performance of this Agreement shall be governed by the law of the State of Montana. The exclusive venue for any dispute relating to or arising out of this Agreement shall be the Montana First Judicial District Court, Lewis & Clark County. Any action relating to or arising out of this Agreement must be commenced within one (1) year after the cause of action accrued.

19. Severability. If any provision of this Agreement or part thereof is held to be invalid or unenforceable for any reason whatsoever, the validity and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. The provision or part thereof held to be invalid or unenforceable shall be reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the Parties.

20. Binding Effect. This Agreement shall be binding upon the heirs, personal representatives, administrators, successors, and assigns of the Parties, except as otherwise provided by mutual written agreement.

21. Cooperation of Parties. The Parties agree to cooperate fully and to provide such assistance and information as may be necessary to implement this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement this ____ day
of _____, 2026.

DUSTIN LAUGHERY:

MONTANA FISH, WILDLIFE & PARKS:

Dustin Laughery

Christy Clark
Director

YVONIE LAUGHERY:

FWP Legal Counsel

Yvonie Laughery

DRAFT