No. 137, Original

In The Supreme Court Of The United States

STATE OF MONTANA,

Plaintiff,

V.

STATE OF WYOMING

and

STATE OF NORTH DAKOTA

Defendants.

Before the Honorable Barton H. Thompson, Jr. Special Master

MONTANA'S NOTICE OF SETTLEMENT OFFER

TIMOTHY C. FOX Attorney General of Montana

ALAN L. JOSCELYN Chief Deputy Attorney General TOMMY BUTLER Deputy Attorney General 215 North Sanders Helena, Montana 59620-1401

JEFFREY J. WECHSLER Special Assistant Attorney General MONTGOMERY & ANDREWS, P.A. 325 Paseo de Peralta Santa Fe, New Mexico 87501 iwechsler@montand.com

JOHN B. DRAPER* Special Assistant Attorney General MATTHEW E. DRAPER DRAPER & DRAPER LLC 325 Paseo de Peralta Santa Fe, New Mexico 87501 john.draper@draperllc.com

*Counsel of Record

August 11, 2016

MONTANA'S NOTICE OF SETTLEMENT OFFER

- 1. In Case Management Order No. 16 ("CMO16"), issued May 18, 2015, the Special Master pointed out that "it is the 'Court's often expressed preference that, where possible, States settle their controversies by mutual accommodation and agreement.' Arizona v. California, 373 U.S. 546, 564 (1963) (internal quotation marks omitted)." CMO 16 at 2.
- 2. The Special Master also pointed out in CMO 16 that "a partial settlement, agreeing on the amount of damages that should be awarded, would be beneficial because it would . . . (2) avoid the potential need, if the Court decides to remand the issue of damages to me, to hold a trial on the amount of damages and interest." *Id*.
- 3. Again at the recent hearing in Denver, the Special Master urged the States to agree, before September 1, 2016, on the form and amount of the damages Wyoming owes Montana for past violations of the Yellowstone River Compact.
- 4. Accordingly, on August 10, 2016, Montana made a confidential offer of settlement to Wyoming for Montana's damages claims stemming from Wyoming's violation of the Yellowstone River Compact in 2004 and 2006. The settlement offer encompassed only damages for past violations, and did not encompass any of the other relief that Montana seeks in these proceedings.
- Montana requested that Wyoming respond to Montana by August 22, 2016.
 Montana will provide the Special Master with updates on this settlement effort as appropriate.

Respectfully submitted,

TIMOTHY C. FOX Attorney General of Montana

ALAN L. JOSCELYN Chief Deputy Attorney General TOMMY BUTLER Deputy Attorney General 215 North Sanders Helena, Montana 59620-1401

August 11, 2016

JEFFREY J. WECHSLER
Special Assistant Attorney General
MONTGOMERY & ANDREWS, P.A.
325 Paseo de Peralta
Santa Fe, New Mexico 87501
jwechsler@montand.com

JOHN B. DRAPER*

Special Assistant Attorney General

MATTHEW E. DRAPER DRAPER & DRAPER LLC

325 Paseo de Peralta

Santa Fe, New Mexico 87501

john.draper@draperllc.com

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CERTIFICATE OF SERVICE

I certify that copies of Montana's Notice of Settlement Offer was served electronically or by U.S. Mail to the following on August 11, 2016, as indicated below:

Peter K. Michael
Attorney General of Wyoming
Jay Jerde
Christopher M. Brown
Andrew Kuhlmann
James C. Kaste
The State of Wyoming
123 Capitol Building
Cheyenne, WY 82002
peter.michael@wyo.gov
jjerde@wyo.gov
chris.brown@wyo.gov
andrew.kuhlmann@wyo.gov
james.kaste@wyo.gov

Jennifer L. Verleger Assistant Attorney General North Dakota Attorney General's Office 500 North 9th Street Bismarck, ND 58501-4509 jverleger@nd.gov

Jeanne S. Whiteing Attorney at Law 1628 5th Street Boulder, CO 80302 jwhiteing@whiteinglaw.com Solicitor General of the United States U. S. Department of Justice 950 Pennsylvania Avenue, N.W. Room 5614
Washington, D.C. 20530-0001
SupremeCtBriefs@usdoj.gov

Michael B. Wigmore Vinson & Elkins LLP 2200 Pennsylvania Avenue, NW Suite 500 West Washington, DC 20037 mwigmore@velaw.com

James DuBois
United States Department of Justice
Environmental and Natural Resources
Division of Natural Resources Section
999 18th St. #370 South Terrace
Denver, CO 80202
james.dubois@usdoj.gov

Barton H. Thompson, Jr., Special Master Laurita Wheeler, Assistant Jerry Yang and Akiko Yamazaki Environment & Energy Building, MC-4205 473 Via Ortega Stanford, CA 94305-4205 (Original and 3 paper copies) lauritaw@stanford.edu

I further certify that all parties required to be served have been served.

John B. Draper