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DEPARTMENT OF
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IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

In Re SRBA	)	
Case No. 39576	)	
	)	Subcase Nos: 27-04096
	)	
	)	EIGHTH JOINT CASE
	)	MANAGEMENT REPORT OF
	)	GOVERNMENTAL PARTIES

The United States of America as Trustee on behalf of the Shoshone-Bannock Tribes of the Fort Hall Reservation (hereinafter referred to as the "United States"), the State of Idaho and the Shoshone-Bannock Tribes (hereinafter referred to as the "Tribes"), hereby submit this *Eighth Joint Case Management Report of Governmental Parties* in accordance with the *Order Setting Deadline and Scheduling Conference* entered on April 7, 2009 and the extension granted on April 29, 2009.

I. SETTLEMENT DISCUSSIONS HELD SINCE THE LAST STATUS HEARING

As earlier reported to the Court, the parties agreed to address the Equitable Adjustment issue in two primary documents. The first document would address water management issues in the Blackfoot River Basin and would be called the "Blackfoot River Water Management Plan" (Plan). The second document would only concern the equitable adjustment and ensure compliance with the terms of the Court's Decree approving the Fort Hall Indian Water Rights Agreement of 1990. Both of these documents were required by the Fort Hall Indian Water Rights Agreement of 1990.

A. Blackfoot River Management Plan

The Technical Committee Members have completed a final round of revisions to the Plan and final equation methodologies are being circulated. Once this is completed the Plan will be circulated to the attorneys for the parties for final review.

The Plan is a major accomplishment under the Fort Hall Agreement and will provide for water gaging sites, accounting, measurements and tracking of water utilized in the Blackfoot River basin.

B. Equitable Adjustment Discussions

Since May 21, representatives of the United States, State of Idaho, Tribes, Committee of Nine, Water Districts 01 and 27, and the Idaho Department of Water Resources have worked on the draft of the settlement agreement and most recently held a conference call on June 29 to discuss the status of these negotiations.

Although the parties have diligently and in good faith pursued settlement, no final resolution is apparent as this date. Thus, the governmental parties believe it is necessary to move forward with a motion for summary judgment on the issue of the legal effect of the language of Article 7 of the Fort Hall Agreement and Section II of the Court's Order, which provides in pertinent part as follows:

The Tribes and United States shall exercise this water right in a manner that ensures persons diverting natural flow from the Blackfoot River prior to January 1, 1990, whose rights are decreed in the SRBA will continue to receive their full legal entitlement under state law. The parties will specifically enumerate all rights protected by this provision once the SRBA Decree for this basin becomes final. These state created water rights are estimated to divert not more than 45,000 AFY of water from the Blackfoot River. In the event this estimate of the amount of existing diversion under state created water rights is exceeded as a result of the Decree in the SRBA, the parties shall negotiate an equitable adjustment to the Tribal water rights to account for this change.

The United State and Tribes filed objections to water right claims which did not contain a water volume. Even though the Court may rule that there is a water volume required on water claims in Basin 27, such a ruling will not fully settle the issue of what "equitable adjustment" means within the Fort Hall Agreement.

The United States and Tribes respectfully request permission from the court to file in this test case summary judgment motions on the interpretation of Article 7 of the 1990 Fort Hall Agreement. Once the motion is decided, the Tribes and United States recommend that the Court schedule a status conference to address scheduling of future proceedings in the subcases.

2. A LIST OF ADDITIONAL SUBCASES SETTLED WITH SF5S FILED WITH THE COURT.

While the negotiations on the global volume diversion issue have proceeded, the governmental parties have continued to review and settle other subcases. Since May, the parties have filed eight Standard Forms 5 in the following subcases: 27-11355; 27-11728; 27-11729; 27-11730; 27-11996; 27-12079; 27-12211; 27-12076, and 27-4101 will be filed within the week. There is one Stipulation (27-2069) to Resolve Objections that is also in circulation. Respectfully submitted this 8th day of July 2010.

SHOSHONE-BANNOCK TRIBES


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CERTIFICATE OF SERVICE

I certify that on this 8th day of July 2010, I caused to be served the original and copies of the **EIGHTH JOINT CASE MANAGEMENT REPORT OF GOVERNMENT PARTIES** to the persons listed below and via the method indicated::

Original via U.S. Mail, First Class Postage Prepaid
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Twin Falls, Idaho 83303-2707

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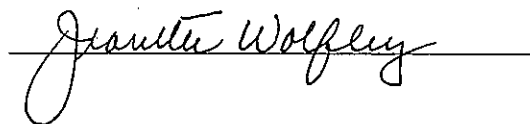
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A handwritten signature in cursive script, reading "Jonathan Wolfley", is written over a horizontal line.