1 2 3 4 5 6 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA 7 IN AND FOR THE COUNTY OF MARICOPA 8 9 IN RE THE GENERAL ADJUDICATION | No. W-1 (Salt) 10 OF ALL RIGHTS TO USE WATER IN THE No. W-2 (Verde) GILA RIVER SYSTEM AND SOURCE No. W-3 (Upper Gila) 11 No. W-4 (San Pedro) 12 CONTESTED CASE NO. W1-11-0245 13 (Consolidated with Contested Case No. W1-11-14 -3397) 15 NOTICE OF DESIGNATION OF ISSUES OF 16 **BROAD LEGAL IMPORTANCE** 17 18 CONTESTED CASE NAME: In re Town of Huachuca & In re Whiting Ranches 19 (consolidated) 20 HSR INVOLVED: San Pedro River Watershed Hydrographic Survey Report. 21 DESCRIPTIVE SUMMARY: Notice is given that two issues have been designated as ones of 22 broad legal importance in this general adjudication. NUMBER OF PAGES: 5 23 DATE OF FILING: June 18, 2020 24 25 26 27 28

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This consolidated case presents two situations involving owners of wells located within the subflow zone for which no showing has been made that the well owners filed for appropriative water rights.

## **Town of Huachuca City**

According to the Disclosure Statement filed by the Town of Huachuca ("Town"), the Town has been the local water provider for nearly 60 years. Four production wells that the Town stated were drilled prior to 1976 provide the source of water. The report prepared by Arizona Department of Water Resources included in the San Pedro Hydrographic Survey Report (Nov. 20, 1991) identified 1957 as the date of first apparent use. The Town registered the wells in 1982 and represents that it has consistently maintained that the wells pump groundwater. Department of Water Resources ("ADWR") determined that two of the wells listed in its report are located in the subflow zone which constitutes clear and convincing evidence that the wells are pumping appropriable water. In re Gen. Adjudication of All Rights to Use Water in Gila River Sys. & Source, 198 Ariz. 330, 343, ¶ 6, 9 P.3d 1069, 1082 (2000). The Town has the burden of proof to demonstrate that either the wells are not in the subflow zone or are not pumping subflow. Id. The Town represents that the town residents have invested vast amounts of money to install and maintain its municipal water system and argues that if the Court determines that the wells are pumping subflow, the Town should be entitled to an appropriative right with a priority date corresponding to the date the well was drilled or first beneficial use because it relied on the strong presumption that the wells pumped groundwater.

## Whiting Ranches

According to the Disclosure Statement filed by Michael and Susan Cavender, the property involved in this case is a cattle ranch that has been in operation for over a century. The ranch is located upstream of Aravaipa Canyon and the owners are dependent on wells for domestic, farming, and ranching needs. The report prepared by ADWR included in the San Pedro

Issue

Hydrographic Survey Report listed wells 01, 02, and 03 as the source of water for irrigation and subsequently identified wells 01 and 02 as located in the subflow zone. The Cavenders argue that the wells were drilled and permitted in compliance with the 1945 Groundwater Act and that the wells pump percolating groundwater and they are entitled to withdraw a sufficient amount to supply all present and future reasonable uses of their property.

Each of these cases present a situation where wells were drilled after 1919 and the owners believed that the wells pumped percolating groundwater. The parties further represent that they have complied with the rules governing wells that pump percolating groundwater. Each case involves wells located in the subflow zone. Objections to the reports filed by ADWR include objections to the absence of Water Rights Registration or any reported filings by the claimants establishing a right to appropriable water. *See, e.g.,* Objections filed by the United States, the Gila River Indian Community, San Carlos Apache Tribe, Tonto Apache Tribe, Yavapai-Apache Indian Community and Camp Verde Reservation on May 12, 1992 in W1-11-0245 and the Gila River Indian Community, San Carlos Apache Tribe, Tonto Apache Tribe, Yavapai-Apache Indian Community and Camp Verde Reservation on May 13, 1992 in W1-11-3397. The objections by the parties in this case raise an issue that is one of broad legal importance that should be resolved.

Pursuant to Rules for Proceedings Before the Special Master §12.03, the Master may designate an issue raised by objections, Watershed File Reports or motions as an issue of broad legal significance to claimants throughout the river system being adjudicated or to litigants in other river system adjudications in Arizona. An issue of broad legal importance is defined as one that has procedural or substantive significance that is similar to issues in other contested cases and may establish a precedent for other contested cases in that river system. *Id.* at §12.01. In this case,

the objections and positions taken by the parties raise legal issues that may affect numerous claimants in this general adjudication who relied on the strong presumption that water withdrawn from a well is percolating groundwater but now seek an appropriative water right to be decreed in this adjudication for water pumped from a well located in the subflow zone.

IT IS ORDERED designating the following issues as ones of broad legal importance.

Is the process set out in the 1919 Arizona Surface Water Code and subsequent versions of that statute the exclusive method for a well owner who has filed a statement of claimant under A.R.S. §45-254 to obtain an appropriative water right in Arizona for water pumped from a well located in the subflow zone with a priority date after June 12, 1919?

Does the adjudication court have equitable powers to decree an appropriative water right for a claimant who began withdrawing water from a well located in the subflow zone after June 12, 1919, but did not comply with the 1919 Arizona Surface Water Code and subsequent versions of that statute?

Any claimant in the general adjudications may respond to these issues by filing a Response with copies to all persons listed on the Court-approved mailing list for W-1, W-2, W-3 and W-4 and CV-6417.

IT IS FURTHER ORDERED that Responses to the issue shall be filed by August 11, 2020, 1 and replies shall be filed by September 8, 2020. 2 3 4 5 SÙSAN WARD HARRIS 6 Special Master 7 8 On June 18, 2020 the original of the foregoing was delivered to the Clerk of the Maricopa County Superior 9 Court for filing and distributing a copy to all persons listed on the Court-approved mailing list for this contested case 10 and to the Court-approved mailing list for W-1, W-2, W-3 11 and W-4 as required by Rules for Proceedings Before the Special Master §12.03. 12 In addition, this Notice was filed with the Clerk of the 13 Apache County Superior Court for filing and distributing a 14 copy to all person listed on the Court-approved mailing list for CV 6417. 15 In addition, courtesy copies of the Notice were sent 16 to all persons listed on the Court-approved mailing lists for contested cases W1-11-3115, W1-11-3117, 17 W1-11-3119, W1-11-3123, W1-11-3124, W1-11-18 3125, W1-11-3126, W1-11-3199, and W1-11-3203. 19 20 Barbara Brown 21 22 23

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