IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF MARICOPA IN RE THE GENERAL ADJUDICATION OF ALL RIGHTS TO USE WATER IN THE GILA RIVER SYSTEM AND SOURCE CONTESTED CASE NO. W1-11-3310 ORDER INITIATING CONTESTED CASE CONTESTED CASE NAME: In re Larsen. HSR INVOLVED: San Pedro River Watershed Hydrographic Survey Report. DESCRIPTIVE SUMMARY: The Special Master initiates a contested case to address objections to watershed file report 115-04-ADA-001 and sets a Scheduling Conference. NUMBER OF PAGES: 10 DATE OF FILING: June 27, 2017. This Order initiates a contested case to resolve objections to watershed file report 115-04-ADA-001 that sets forth proposed water rights to Aravaipa Creek for domestic and irrigation use.

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On September 19, 1977, James T. O'Neil filed a Statement of Claim of Right to Use Public Waters of the State no. 36-48316 to use 200 acre feet of water from the Aravaipa Creek for irrigation and domestic purposes. Approximately two years later, James T. O'Neil filed Statement of Claimant 39-1486 claiming a water right for 200 acre feet for irrigation to be used on the SESW Sec. 26 T6S R17E and on NE2 Sec. 23 T6S R17E and an additional On or about July 14, 1980, James T. O'Neil and Mary amount of water for domestic use. E. O'Neil filed Statement of Claimant 39-12598 for a right to 200 acre feet of water for irrigation on 125 acres located in sections 23 and 26, T6 R17E and 50 acre feet/gallons (units not specified) for domestic use.

On May 4, 1988, James T. O'Neil and Mary O'Neil signed a Deed of Gift that transferred to Kathleen Larsen 5.57 acres of land in NW Sec. 26 T6S R17E. Later that same year, Mary Kathleen Larsen filed a Statement of Claimant dated October 19, 1988, for 8.8 acre feet of water for irrigation, approximately 0.28 acre feet for domestic use (54,750 gallons for domestic use and 36,500 gallons for a garden) and 18,250 gallons for stockwatering. Ms. Larsen explained in the Statement of Claimant that the claim resulted from the 1988 gift of land and the claim is a part of Statement of Claimant 39-1486 that was amended by Statement of Claimant 39-12598. On October 19, 1988, James T. O'Neil and Mary O'Neil signed an Assignment of Statements of Claimant 39-1486 and 39-12598 in favor of Ms. Larsen (1988 Assignment). In a subsequently filed document Ms. Larsen attached an explanation stating that the 1988 Assignment was intended as a partial assignment of claims for water rights that pertained to the 5.57 acres of land gifted to Ms. Larsen. Partial Assignment of Statement of Claimant dated March 29, 1994 (1994 Partial Assignment).

On March 15, 1989, James T. O'Neil and Mary O'Neil signed a second assignment of Statement of Claimant in favor of Mary Kathleen Larsen which listed Statements of Claimant 39-1486 and 39-12598.

By a deed recorded April 18, 1994 (1994 Deed), James T. O'Neil in his individual capacity and as personal representative of the estate of Mary O'Neil conveyed portions of sections 23 and 26 T6S R17E to Philip W. Hedrick and Catherine J. Gorman. The Partial Assignment represented that the 1994 Deed conveyed the balance of Mr. O'Neil's 123 acres reduced by the 5.57 acres gifted to Ms. Larsen. It also assigned to "Philip W. Hedrick and Catherine J. Gorman that portion of Statements of Claimant 39-1486 and 39-12598 which pertains to the property purchased by them from James T. O'Neil, located in sections 23 and 26 T6S R17E GSRBM, Pinal County, Arizona." Partial Assignment, Explanatory Note, p. 2. By deed recorded in Pinal County in March 15, 2005, Philip W. Hedrick and Catherine J. Gorman conveyed to Linda S. Peck and William J. McGuire, portions of Sec. 26, T6S, R17E. On July 11, 2013, Philip W. Hedrick and Catherine J. Gorman transferred portions of sections 23 and 26, T6S, R17E to Philip W. Hedrick and Catherine J. Gorman as trustees of the Hedrick-Gorman Trust, dated June 26, 2013. The preceding statements do not constitute a finding of fact regarding legal ownership. Instead, these statements are intended as a summary of the documents filed with the Pinal County Recorder. The readily available public records maintained by the Arizona Department of Water Resources do not contain an assignment of claims for water rights from Philip W. Hedrick and Catherine Gorman to Linda S. Peck and William J. McGuire.

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Watershed File Report 115-04-ADA-001

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In 1991, the Arizona Department of Water Resources issued Watershed File Report 115-04-ADA-001 (WFR) as part of the San Pedro Hydrographic Survey Report. It proposed four water rights: two water rights for domestic use on Sec. 26 T6S R17E and two water rights for irrigation uses for use on sections 23 and 26 T6S R17E. A copy of the WFR is attached as Appendix A. The WFR describes water right claims or uses that are less than 500 acre feet per year. James T. O'Neil and Mary Kathleen Larsen filed extensive

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objections to the WFR. Objections have also been filed by those entities listed on Appendix B.

IT IS ORDERED:

- 1. <u>Contested Case Designation and Docket Number</u>. This contested case shall be known as *In re Larsen* and it will address the objections that were filed to the watershed file report 115-04-ADA-001 published in the Final San Pedro River Watershed Hydrographic Survey Report (1991).
- 2. <u>Litigants</u>. The litigants in this contested case are the claimants, namely Mary Kathleen Larsen and Philip W. Hedrick and Catherine Gorman, all persons who filed objections to watershed file report 115-04-ADA-001 listed on Appendix B, and claimants who are allowed to intervene by order.

3. <u>Court-Approved Mailing List.</u>

A. The initial Court-approved mailing list for this case shall include all persons listed on Appendix B of this order as well as Janet Miller at the Arizona Department of Water Resources. A courtesy copy of this Order shall be sent to Linda S. Peck and William J. McGuire at their address shown by the Pinal County Tax Assessor's Office. The list may be modified only by filing a motion with the Special Master to amend the Court-approved mailing list. Litigants are responsible for using the current Court-approved mailing list which can be found at: https://www.superiorcourt.maricopa.gov/SuperiorCourt/GeneralStreamAdjudication/mailingLists.asp.

B. A copy of any pleading filed with the Clerk of the Maricopa County Superior Court in this case shall be served upon each person listed on the Court-approved mailing list.

C. Claimants wishing to be added or removed from the mailing list shall file a motion with the Special Master. Parties allowed to intervene will be automatically added to the mailing list.

4. <u>Scheduling Conference</u>. Pursuant to §8.03[1], Rules for Proceedings before the Special Master, a scheduling conference shall be held to address the adjudication of this case, a schedule to identify issues, file disclosure statements, conduct discovery, submit prehearing motions, and set a trial date, if needed. No party shall conduct any discovery or file any motions prior to the Scheduling Conference. The Scheduling Conference shall be held **Wednesday**, **August 23, 2017**, at **1:30 p.m.** before:

Special Master Susan Ward Harris Superior Court of Arizona 201 West Jefferson Street Courtroom 301 Phoenix, AZ 85003-2202

Instructions for telephonic appearance:

Dial: 602-506-9695 (local)

1-855-506-9695 (toll free long distance)

Dial Participant Pass Code 357264#

USAN WARD HARRIS

Special Master

On June 27, 2017 the original of the foregoing was delivered to the Clerk of the Maricopa County Superior Court for filing and distributing a copy to all persons listed on the Court-approved mailing list for this contested case, a copy of which is attached hereto as Appendix B.

APPENDIX A

LAND OWNER

WATERSHED FILE REPORT NUMBER

LARSEN, MARY KATHLEEN 115-04-ADA-001

APPLICABLE FILINGS AND DECREES

CLEARLY STATED INFORMATION FROM FILINGS AND DECREES

FILING NUMBER	FILING STATUS	USES	QUANTITY IN AFA	USE L SECTION	OCATI TWNP		CLAIM DATE	DIVERSIO SECTION		ATION RNGE
10-1104199.1100		IRRIGATION OTHER			060\$	170E	1891	NE26	060S	170E
10-1104565.1200 10-1105634.1200		IRRIGATION IRRIGATION	9000.00	SENENE26 SE23 NENE26	0605	170E 170E 170E	1894 1899	NWSW24 NWSESE23 SESESE23	0605	170E
10-1112496.1100		IRRIGATION		SWSW26 SWNESE26 NWSESE23	0605	170E	1910	SENW26 NWSW24	0605	170E
10-1113412.1100		IRRIGATION	10800.00		0605		1911	SESE23	0605	170E
36-0048316		IRRIGATION DOMESTIC	200.00	SESE23 N223	060S 060S	170E 170E	1900	SESE23 NENE26		
39-0001486		IRRIGATION DOMESTIC	200.00	N223	060S 060S	170E 170E 170E	1890	SESE23	0608	170E
39-0012598		IRRIGATION DOMESTIC	200.00 .50	SESW26 SESE23 NE26		170E 170E 170E	1900	SESE23 NENE26		170E 170E

DWR ANALYSIS OF FILINGS AND DECREES

10-1104199.1100 IRRIGATION NOT APPLICABLE OTHER NOT APPLICABLE 10-1104565.1200 IRRIGATION NOT APPLICABLE	ERS
10 1101505 1000 5555	hels else and
10-1105634.1200 IRRIGATION IRRIGATION IROO1 10-1112496.1100 IRRIGATION NONE	
10-1113412.1100 IRRIGATION IRRIGATION IRRO1 36-0048316 IRRIGATION IRRIGATION PO1,W01,W02 DM001,DM002,IR001	
39-0001486 IRRIGATION IRRIGATION PO1,P02,W01 DM001,DM002,IR001	
39-0012598 IRRIGATION IRRIGATION PO1,PO2,WO1 DM001,DM002,IR001 DOMESTIC DOMESTIC WO2,WO3	

DIVERSIONS

DIV #	LOCATION SECTION TWNP RNGE	DIVERSION NAME	WATER SOURCE AND CLASSIFICATION
PO1 PO2 WO1 WO2 WO3	SWNENE26 060S 170E NWSWNE26 060S 170E SWSESE23 060S 170E SESESE23 060S 170E NESWNE26 060S 170E	UNNAMED UNNAMED UNNAMED	SURFACE WATER: ARAVAIPA CREEK SURFACE WATER: ARAVAIPA CREEK GROUNDWATER : ZONE 1 OF THE ARAVAIPA CREEK GROUNDWATER : ZONE 1 OF THE ARAVAIPA CREEK GROUNDWATER : ZONE 1 OF THE ARAVAIPA CREEK

USES

PWR #	LOCATION SECTION TWNP RNGE	SUPPLIED BY DIVERSIONS			SOURCE CHANGE FACILITY NAME
	NWNENE26 060S 170E SENWNE26 060S 170E NENE26 060S 170E	W01, W03	GROUNDWATER : ZONE 1 GROUNDWATER : ZONE 1 SURFACE WATER	1935	NO NO YES
IRO02	SESE23 060S 170E NENE26 060S 170E SWNE26 060S 170E	P02	GROUNDWATER : ZONE 1 SURFACE WATER	1980	NO .

PWR #		APPLICABLE PRE FILINGS	*APPARENT FIRST USE DATE* DATE BASIS FOR DATE	WATER SOURCES AND CLASSIFICATIONS
DMOO1	39-0001486 39-0012598	36-0048316		GROUNDWATER : ZONE 1 OF THE ARAVAIPA CREEK
DM002	39-0001486 39-0012598	36-0048316		GROUNDWATER : ZONE 1 OF THE ARAVAIPA CREEK
IROO1	39-0001486 39-0001486 39-0012598 39-0012598	10-1105634.1200 10-1113412.1100 36-0048316	1890 FILING 39-1486	SURFACE WATER: ARAVAIPA CREEK GROUNDWATER: ZONE 1 OF THE ARAVAIPA CREEK
IR002	39-0001486 39-0012598	36-0048316	1980 1980 AERIAL PHOTO	SURFACE WATER: ARAVAIPA CREEK
NONE	NONE	10-1104199.1100 10-1104565.1200 10-1112496.1100	b	

QUANTITIES OF USE

PWR # DMOO1 DMOO2	QUANTIFICATION TYPE	ACRES	CROP TYPE	EFF	WATER DUTY	ESTIMATED VOLUME	REMARKS
IROO1	MAX. OBSERVED REGIONAL MAX. POTENTIAL MAX. OBSERVED REGIONAL MAX. POTENTIAL	5.3 5.3 2.3 2.3	FRUIT W/GC AVE. CROP ALFALFA PERM. PSTR AVE. CROP ALFALFA	67% 50% 67% 61% 50% 61%	5.3 AF/AC 5.4 AF/AC 5.0 AF/AC 3.3 AF/AC 5.4 AF/AC 5.4 AF/AC	28.1 AFA 28.6 AFA 26.5 AFA 7.6 AFA 12.4 AFA 12.4 AFA	DEFICIT IRRIGATION

EXPLANATION

FILINGS AND DECREES

FILING 10-1104199-11 - CLAIMS IRRIGATION AND OTHER WATER USES FROM ARAVAIPA CREEK. THE CLAIMED USES DO NOT APPLY TO THIS W.F.R.

FILING 10-1104565-12 - CLAIMS IRRIGATION AN IRRIGATION WATER USE FROM ARAVAIPA CREEK. NO WATER USES APPLY TO THIS FILING.

FILING 10-1112496-11 - CLAIMS IRRIGATION WATER USES FROM ARAVAIPA CREEK. NO IRRIGATION WAS FOUND AT THE CLAIMED LOCATION.

DIVERSIONS

P1 & P2 - PORTABLE INSTREAM PUMP DIVERSIONS FROM ARAVAIPA CREEK INTO A PIPELINE SYTEM.

W1 - WELL PROVIDES WATER FOR IRRIGATION AND DOMESTIC USES. W2 - WELL PROVIDES WATER FOR IRRIGATION USE.

W3 - WELL PROVIDES WATER FOR DOMESTIC USE.

USES AND RESERVOIRS

DM1 & DM2 - DOMESTIC USES.

IR1 - IRRIGATED ORCHARD WITH GROUND COVER USED FOR PASTURE.

IR2 - IRRIGATED PASTURE.

A RESERVOIR ON THIS PROPERTY IS PRESENTLY BREACHED AND UNUSED.

DISPOSITION OF LAND OWNER/CLAIMANT COMMENTS

AN EXTENSIVE COMMENT WAS RECEIVED WHICH CLARIFIED LAND OWNERSHIP, DIVERSIONS, DISTRIBUTION METHODS, AND DAMAGES DUE TO FLOODING OF ARAVAIPA CREEK.

1	APPENDIX B
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3	ASARCO LLC
4	Lauren J. Caster and Gregory L. Adams
5	Fennemore Craig, P.C. 2394 East Camelback Road, Suite 600
6	Phoenix, AZ 85016-3429
7	BHP Copper, Inc. John D. Burnside and Megan Tracy
8	Snell & Wilmer, L.L.P.
9	400 East V an Buren, Suite 1900 Phoenix, AZ 85004
10	Gila River Indian Community
11	Linus Everling and Thomas L. Murphy
12	Gila River Indian Community Office of the General Counsel
13	P. O. Box 97 Sacaton, AZ 85147
14	Philip W. Hedrick and Catherine J. Gorman
15	92425 E Aravaipa Road
16	Winkelman, Az 85192
17	Mary Kathleen Larsen 402 E. Paseo DeEnrique
18	Casa Grande, AZ 85222
19	Salt River Valley Water Users' Association and the
20	Salt River Project Agricultural Improvement and Power District John B. Weldon, Jr. and Mark A. McGinnis
21	Salmon, Lewis & Weldon PLC 2850 E Camelback Rd, Ste 200
22	Phoenix, AZ 85016
23	San Carlos Apache Tribe
24	Tonto Apache Tribe Joe P. Sparks, Julia M. R. Kolsrud and
25	Laurel A. Hermann The Sparks Law Firm, P.C.
26	7503 First Street

Scottsdale, AZ 85251-4573

United States David Negri U. S. Department of Justice 800 Park Boulevard, #600 Boise, ID 83712 **United States** R. Lee Leininger U.S. Department of Justice Natural Resources Section 999 18th Street, So Terrace, Suite 370 Denver, CO 80202 Yavapai-Apache Nation, Camp Verde Reservation Susan B. Montgomery/Robyn L. Interpreter Montgomery & Interpreter, PLC 3301 E. Thunderbird Road Phoenix, AZ 85032