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 $\mathbf{I}\mathbf{N}$ RE THE **GENERAL** W1-00-001234 (Consolidated) ADJUDICATION OF ALL RIGHTS TO 10 USE WATER IN THE GILA RIVER Contested Case No. W1-00-000106 SYSTEM AND SOURCE 11 12 ORDER APPROVING THE SPECIAL IN RE THE **GENERAL** MASTER'S REPORT CONCERNING 13 ADJUDICATION OF ALL RIGHTS TO SUMMARY ADJUDICATION 14 WATER IN THE LITTLE PROCEEDINGS IN THE VERDE COLORADO RIVER SYSTEM AND RIVER WATERSHED 15 **SOURCE** 16 CONTESTED CASE NAME: In re Subflow Technical Report, Verde River Watershed 17 REPORT INVOLVED: De Minimis Domestic, Stockpond, and Stock and Wildlife 18 Watering Uses in the Verde River Watershed 19 DESCRIPTIVE SUMMARY: The Special Master's February 13, 2025, report, 20 concerning de minimis procedures for the Verde River Watershed is adopted with certain modifications. 21 22 DATE OF FILING: December 9, 2025 23 The Court has reviewed and considered the following: 24 1. Final Report of the Special Master Concerning Summary Adjudication 25 Proceedings in the Verde River Watershed ("Special Master Report"), dated February 13, 2025 26 2. Arizona State Land Department's Objections to the Special Master's Final Report 27 Concerning Summary Adjudication Proceedings in the Verde River Watershed 28 ("ASLD Objections"), filed April 14, 2025

3. Salt River Project's Objections to Final Report of Special Master Concerning

- Summary Adjudication Proceedings in Verde River Watershed ("SRP Objections"), filed April 14, 2025
- 4. Arizona State Land Department's Response to SRP Objections ("ASLD Response"), filed May 14, 2025
- 5. Salt River Project's Partial Joinder in and Response to ASLD Objections ("SRP Response"), filed May 14, 2025
- 6. Yavapai-Apache Nation's Joinder in SRP Objections ("Yavapai-Apache Nation Joinder"), filed April 14, 2025.
- 7. City of Phoenix's Partial Joinder in SRP Objections ("Phoenix Joinder"), filed April 14, 2025

The goal of this proceeding is to determine whether, given the impacts of domestic, stockpond, and stock and wildlife watering uses in the Verde River Watershed, "the public and private benefits of [summary] adjudication outweigh the costs." In her report, the Special Master reviewed ADWR's analysis of the impacts of the above uses and approved objectors' stipulations regarding application of summary adjudication procedures to those uses. To implement that conclusion, the Special Master proposed summary adjudication procedures for domestic, stockpond, and stock and wildlife watering uses. As discussed below, the Court adopts the Special Master's recommendations with certain modifications.

I. FACTUAL AND PROCEDURAL BACKGROUND

Pursuant to the Special Master's June 14, 2022, case management order ("De Minimis Order"), the Arizona Department of Water Resources ("ADWR") prepared a technical assessment of domestic, stockpond, and stock and wildlife watering uses in the Verde River Watershed. On August 29, 2022, ADWR filed its technical report, titled De Minimis Adjudication of Stockpond and Stockwatering Uses in the Verde River Watershed ("De Minimis Report"). Various individuals and entities filed timely comments and objections to the De Minimis Report.

¹ W1-11-19, Memorandum Decision, Findings of Fact, and Conclusions of Law for Group 1 Cases Involving Stockwatering, Stockponds, and Domestic Uses at 26 (Nov. 14, 1994).

² W1-106, Special Master Report at 30 (Feb. 13, 2025).

On February 23, 2024, the Salt River Project ("SRP") filed a Motion for Partial Summary Judgment Regarding Enforcement of Summarily Adjudicated Uses ("Enforcement MPSJ") requesting that the Special Master enter a ruling that summarily adjudicated rights for *de minimis* water uses remain subject to possible future administration by the Court and calls by holders of senior water rights. No party objected to the motion, and the Special Master granted the Enforcement MPSJ on April 24, 2024.³

In response to ADWR's *De Minimis* Report, SRP filed three separate motions seeking partial summary judgment regarding impacts of domestic, stockpond, and stock watering uses in the Verde River Watershed. SRP requested that the Special Master enter a ruling in favor of SRP's methodologies for calculating the amount of water available in the watershed;⁴ the number of potential uses under consideration for domestic, stock and wildlife watering, and stockpond uses;⁵ and the scope and impact of these uses on the available water supply.⁶

All objectors to ADWR's *De Minimis* Report subsequently filed three separate stipulations agreeing to the application of summary adjudication procedures to domestic, stock and wildlife watering, and stockpond uses in the Verde River Watershed.⁷ The Special Master then stayed further consideration of the motions for partial summary judgment and issued orders preliminarily approving those stipulations.⁸ On February 13,

³ W1-106, Order Granting Salt River Project's Enforcement MPSJ at 2 (Apr. 24, 2024).

⁴ See W1-106, Salt River Project's Motion for Partial Summary Judgment Regarding Water Availability for Summary Adjudication Determination ("Factor 1 Motion") (Apr. 12, 2024).

⁵ See W1-106, Salt River Project's Motion for Partial Summary Judgment on Number of Uses for Summary Adjudication Determination ("Factor 2 Motion") (Apr. 12, 2024).

⁶ See W1-106, Salt River Project's Motion for Partial Summary Judgment Regarding Impact of Uses for Summary Adjudication Determination ("Factor 3 Motion") (Apr. 12, 2024).

⁷ W1-106, Stipulation Regarding Summary Adjudication of Claims to Water Rights for *De Minimis* Domestic Uses in the Verde River Watershed ("Domestic Stipulation") (May 29, 2024); W1-106, Stipulation Regarding Summary Adjudication of Claims to Water Rights for Stock and Wildlife Watering Uses in the Verde River Watershed ("Stock and Wildlife Watering Stipulation") (June 19, 2024); W1-106, Stipulation Regarding Summary Adjudication of Claims to Water Rights for Stockpond Uses in the Verde River Watershed ("Stockpond Stipulation") (Aug. 2, 2024).

⁸ W1-106, Order Granting Domestic Stipulation and Granting Stay of Consideration of Pending Motions for Summary Judgment (June 4, 2024); W1-106, Order Granting *De Minimis* Stock and

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2025, the Special Master issued the Report of the Special Master Concerning Summary Adjudication Proceedings in the Verde River Watershed ("Special Master Report"), which reviewed the three stipulations in detail. Finding that the benefits of summary adjudication of domestic, stockpond, and stock watering uses outweigh the costs, the Special Master ultimately concluded that summary adjudication procedures may be applied to those uses.9

II. THE SPECIAL MASTER'S DE MINIMIS FINDINGS.

In a 1994 decision pertaining to the San Pedro Watershed, Special Master Thorson laid the framework for determining whether summary adjudication procedures should apply to a class of uses. The Special Master characterized the determination of whether to adopt summary adjudication proceedings as "a balance between the private and public needs for a specification of these rights and resources appropriate for making this determination." Special Master Thorson's 1994 decision set out four factors for determining whether a particular type of water use should be summarily adjudicated:

- 1. Water availability in the watershed.
- 2. The specific number of uses.
- 3. The extent and impact of those uses.
- 4. The costs and benefits of a complete, rather than abbreviated, adjudication of the uses.11

On September 26, 2002, Judge Ballinger approved and adopted the 1994 decision, with modifications.12

As described earlier, the parties to this proceeding stipulated to "impact" values

Wildlife Watering Stipulation at 2-3 (July 3, 2024); W1-106, Minute Entry (Aug. 9, 2024) (corrected in Minute Entry (Dec. 9, 2024)).

⁹ W1-106, Special Master Report at 30 (Feb. 13, 2025).

¹⁰W1-11-19, Memorandum Decision, Findings of Fact, and Conclusions of Law for Group 1 Cases Involving Stockwatering, Stockponds, and Domestic Uses (Nov. 14, 1994). ¹¹ *Id.* at 12.

¹² W1-11-19, Order Approving Special Master's 1994 De Minimis Report (Sept. 27, 2002).

encompassing the first three factors. The Parties further reached agreement that, so long as the Court determines a value for each of the first three Thorson Factors between values provided in the *De Minimis* Report and the stipulated values, the cost-benefit analysis would weigh in favor of adopting summary adjudication procedures. The Special Master approved the parties' stipulations.

No party objects to the Special Master's conclusions regarding the application of summary adjudication procedures to domestic, stockpond, and stock and wildlife watering in the Verde River Watershed. In fact, the only party to address these conclusions, SRP, stated that "[t]he Special Master correctly calculates the values for the first three factors (many of which were stipulated to by the parties), and appropriately weighs the costs and benefits of summarily adjudicating the claims at issue based on the inputs from the first three factors." As described below, parties filed objections only with respect to the procedures proposed in the Special Master Report.

IT IS ORDERED accepting Finding of Fact Nos. 1–7 and Conclusions of Law Nos. 1–19.

III. THE SPECIAL MASTER'S PROPOSED PROCEDURES.

In addition to determining that summary adjudication is applicable to certain small water uses in the Verde River Watershed, the Special Master proposed procedures to effectuate that determination.¹⁴ These procedures grew out of draft guidelines attached to the Special Master's order approving the Stock and Wildlife Watering Stipulation¹⁵ and comments to those guidelines filed by the Arizona State Land Department ("ASLD"), the United States, and SRP.¹⁶

¹³ SRP Objections at 2–3 (Apr. 14, 2025); see also Yavapai-Apache Nation Joinder at 2 ("The Nation hereby joins in and adopts SRP's Objections as its own as if stated in full.").

¹⁴ W1-106, Special Master Report at 30–40.

¹⁵ W1-106, Attachment A to Order Granting *De Minimis* Stock and Wildlife Watering Stipulation (July 3, 2024).

¹⁶ W1-106, Salt River Project's Comments on Draft Summary Adjudication Procedures for the Verde River Watershed (Sept. 30, 2024); W1-106, Arizona State Land Department's Comments

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Objections to the Special Master Report focused solely on the proposed procedures. The objections, filed by ASLD, SRP, and the City of Phoenix, ¹⁷ concerned seven issues:

- 1. Eligibility and treatment of *de minimis* uses supplied by wells.
- 2. The procedure for filing objections to a de minimis use.
- 3. Whether a stockpond application may serve as a basis of right.
- 4. Eligibility of uses deviating from standard attributes.
- 5. Good faith requirements for Water Rights Registration Act filings.
- 6. The assignment of de minimis claims to contested cases.
- 7. Clarification of potentially ambiguous phrasing.

1. Eligibility and Treatment of Wells

a. Eligibility of Wells Outside the Subflow Zone

Section 1.3 of the proposed procedures states that that "[w]ells outside the subflow zone are not eligible for summary adjudication." ASLD and SRP object that wells both inside and outside the lateral boundaries of the subflow zone should be eligible for summary adjudication. SRP argues that "[a]llowing those numerous claims and uses to be summarily adjudicated as *de minimis* if and when they are determined to be within the Court's jurisdiction would further promote judicial efficiency and would help avoid the unnecessary expenditure of public and private resources on fully adjudicating each of those claims." ²⁰

The Special Master Report determined that approximately 20,149 domestic wells

on Proposed Summary Adjudication Procedures (Sept. 30, 2024); W1-106, United States' Comments on Proposed *De Minimis* Procedures (Oct. 1, 2024).

¹⁷ W1-106, ASLD Objections (Apr. 14, 2025); W1-106, SRP Objections (Apr. 14, 2025); W1-106, W1-106, Phoenix Joinder (Apr. 14, 2025); W1-106, Yavapai-Apache Nation Joinder (Apr. 14, 2025).

¹⁸ W1-106, Special Master Report at 33 (Feb. 13, 2025).

¹⁹ SRP Objections at 4–5; ASLD Objections at 2–4.

²⁰ SPR comments

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27 || 21 Special Master Report, at 15.

exist in the Verde River Watershed, most of which are outside the subflow zone.²¹ Undoubtedly, a number of those wells will pump appropriable water from the subflow zone at some time. Those water users should be able to take advantage of summary adjudication procedures if they are determined to be pumping subflow and if they are otherwise eligible.

However, because it will not be possible to determine the "subflow-pumping status" of wells outside the subflow zone until the Court implements cone of depression and subflow depletion tests for the Verde Watershed,²² wells outside the subflow zone will not be subject to prioritized summary adjudication. Once cone of depression and subflow depletion tests for the Verde Watershed have been completed and approved, wells subject to the jurisdiction of this court may request summary adjudication. Therefore, the summary adjudication procedures are amended to clarify that uses supplied by wells outside the subflow zone will be eligible for non-prioritized summary adjudication at a later date.

b. Waiver of Objections to Presumption of Subflow Pumping

The Special Master Report recommends at Section 1.3 that "[c]laimants who wish to object to the presumption of pumping subflow are not eligible for summary adjudication." Additionally, that section states that a well owner who participates in the summary adjudication procedures "waive[s] their opportunity to object to pumping subflow at a later date." *Id.* ASLD comments that the Special Master Report is "unclear whether the waiver described in Section 1.3 would bar a claimant who has summarily adjudicated their claims from objecting to a jurisdictional determination based on their well's cone of depression, a determination of whether their well is withdrawing subflow and the amount withdrawn, or both." Further, ASLD objects to a waiver barring a claimant who summarily adjudicates a well from raising any defense regarding the

²² These tests are currently in development for the San Pedro River Watershed, but it will be some time before a similar test is available for Verde River water uses.

²³ Special Master Report at 33.

amount of subflow that they are pumping at a future enforcement proceeding, asserting that such a waiver would not speed up the adjudication, and may instead deter parties from participating.²⁴

The waiver provision serves an important purpose; it seeks to prevent water users from claiming that their well is pumping subflow in one instance and subsequently disclaiming subflow pumping when expedient. Nonetheless, common law principles adequately serve this purpose without creating the potential ambiguity or hesitation that ASLD cites. For instance, the doctrine of judicial estoppel is a backstop against the potential exploitation that the waiver provision sought to prevent. Specifically, the doctrine of judicial estoppel holds that where "a party has gained an advantage . . . in one action by asserting one position . . . he must accept the burdens of that position in any subsequent litigation." The Court therefore amends Section 1.3 of the proposed procedures to exclude the waiver provision.

2. Filing and Consideration of De Minimis Objections and Corrections

a. Objections Regarding Ownership of Water Rights on Public Lands

ASLD objects to footnote 144 in Section 2.3.2 of the proposed procedures, which prohibits objections regarding ownership of water rights on state trust land during the HSR objection period.²⁶ The agency asserts that allowing a lessee to file these objections during the HSR objection period and pursue them during summary adjudication would promote efficiency.²⁷ The Court agrees with ASLD and updates the final summary adjudication procedures accordingly.

b. Consideration of Objections and Corrections

Section 3.1 of the proposed procedures lists the corrections and objections to a

²⁴ W1-106, ASLD Comments fn. 1 (Apr. 14, 2025).

²⁵ State Farm Auto Ins. Co. v. Civil Service Emp. Ins. Co., 19 Ariz. App. 594, 600 (1973); Colonia Verde Homeowners Ass'n v. Kaufman, 122 Ariz. 574, 578 (1979); Bank of America Nat. Trust and Sav. Ass'n v. Maricopa County, 196 Ariz. 173, 175 (1999) ("Judicial estoppel is a doctrine that protects the integrity of the judicial system by preventing a party from taking an inconsistent position in successive or separate actions.").

²⁶ W1-106, ASLD Objections at 8.

²⁷ *Id*.

draft abstract that the Special Master will consider directly following the HSR objection period. SRP points out that the stage at which these corrections and objections will be heard is ambiguous, stating that "[i]t is not clear whether the Section 3.1 objections apply to the HSR stage, the catalog stage, or both." The Court clarifies that the corrections and objections will be heard during the HSR stage.

c. No Separate Objection Forms

Section 3.1 of the proposed procedures included an instruction for ADWR to create a separate form for objections and corrections to draft abstracts. In order to reduce paperwork and prevent the filing of duplicate objections, the Court strikes this provision.

d. Filing of Objections to the Special Master's Final Report

Section 3.2 of the proposed procedures limits objections to *de minimis* rights within a watershed-wide final report issued under A.R.S. § 45-257(A)(2). Section 3.2 limits objections to "non-substantive corrections that could not have been suggested at the time of the initial objection period" and objections regarding "ownership of water rights on public lands."²⁹ As suggested by SRP, this provision could affect the efficiency and fairness of the appeal of a final decree.³⁰ Therefore, the Court amends the proposed procedures to eliminate limitations on objections to watershed-wide final reports.

3. Bases of Right Under the Stockpond Registration Act

a. "Stockpond Filings" as Bases of Right

ASLD objects to the exclusion of "filings pursuant to the Stockpond Registration Act" from section 2.3.4 of the proposed procedures, which lists the documents that may serve as a basis of right for a *de minimis* right. SRP defends this exclusion, asserting that an application under the Stockpond Registration Act ("SPRA") may not serve as a basis of right.³¹

²⁸ W1-106, SRP Objections at 9 (Apr. 14, 2025).

^{27 | 29} W1-106, Special Master Report at 38–39 (Feb. 13, 2025).

³⁰ W1-106, SRP Objections at 11.

³¹ W1-106, ASLD Objections at 5 (Apr. 14, 2025); W1-106, SRP Objections at 12 (Apr. 14, 2025).

In a basin-wide proceeding directly addressing this issue, the Special Master ruled that a stockpond application under the SPRA is not a sufficient basis of right.³² The Special Master specifically determined that, like a permit under the water code, an application under the SPRA "represents only the partial fulfillment of multiple mandatory steps toward the attainment of an appropriative right."³³ The Special Master based this conclusion on two grounds: first, that the SPRA imposes mandatory investigation and certification duties on ADWR and, second, the statutory equivalence between a SPRA certificate and a certificate under the water code.³⁴

The Court concurs with the reasoning and conclusion of the Special Master on this issue. Accordingly, the Special Master did not err in excluding "filings pursuant to the Stockpond Registration Act" from section 2.3.4 of the proposed procedures.

b. Hierarchy

Section 2.3.6 of the Special Master Report identifies a hierarchy that will be used to determine the priority dates for summarily adjudicated uses.³⁵ SRP has identified two ambiguities with respect to this list. First, the hierarchy lists "Certificate of Water Right" as evidence of priority date but does not distinguish between stockpond certificates obtained pursuant to A.R.S. § 45-275 and certificates obtained under A.R.S. § 45-162.³⁶ Moreover, the text of this provision does not strictly limit its application to summarily adjudicated claims.³⁷ The Court amends section 2.3.6 to clarify both ambiguities.

4. De Minimis Attributes

Section 2.3 of the SM Report identifies how the Special Master will assign water rights attributes to *de minimis* abstracts.³⁸ That section provides that "[i]f circumstances necessitate a deviation from the listed attributes, the potential water right is not eligible

³⁴ *Id*.

³² W1-11-1511, Notice of Decision Regarding Issue of Broad Legal Importance (Sept. 16, 2025).

³³ *Id.* at 6.

³⁵ See SM Report, at 36.

³⁶ W1-106, SRP Objections at 13.

³⁷ *Id*.

 $^{^{38}}$ W1-106, Special Master Report at 34.

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³⁹ Id.

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⁴² *Id.* at 36.

for summary adjudication procedures, and the water user must seek adjudication through the standard process."³⁹

SRP requests clarity as to the criteria and procedures that will govern decisions whether "circumstances necessitate a deviation from the listed attributes."⁴⁰ In the spirit of ensuring summary adjudication and limiting litigation, the Court strikes this openended provision.

5. Good Faith Requirements

a. Extrinsic Evidence

Section 2.3.6 of the proposed procedures states that a Water Rights Registration Act filing, i.e. a statement of claim, may supply a priority date for a summarily adjudicated right only if the filing is "made in good faith." The provision goes on to define a filing made in good faith as a "filing that includes some relevant evidence for the priority date claimed in the filing."42 Further, the proposed procedure permits parties to object to de minimis claims on the ground that the claimant has not provided "extrinsic evidence demonstrating the good faith basis of a statement of claim."⁴³ ASLD's objection contends that a complete statement of claim filing, alone, should be sufficient to establish a priority date through summary adjudication.44

The Court affirms the Special Master's recommendation that, to the extent a statement of claim serves as the basis of right for a de minimis claim, the claimant must be able to present credible extrinsic evidence showing that the statement of claim was filed in good faith. This requirement is necessary to prevent the acquisition of pre-1919 appropriative rights, often the most valuable rights on a stream, from becoming a mere formality.

⁴⁰ W1-106, SRP Objections at 12.

⁴¹ W1-106, Special Master Report at 36.

⁴³ W1-106, Special Master Report at 38

⁴⁴ W1-106, ASLD Objections at 7 (Apr. 14, 2025).

b. Procedures for Evaluating Good Faith

In its objection, SRP asserts that it is uncertain "what process will be followed to address objections that are based on the lack of a good faith basis for a WRRA Filing." SRP inquires "whether those objections will be decided solely on the relevant WRRA filings and objections, or, conversely, whether additional procedures will apply, such as motion practice, discovery, or evidentiary hearings."

To start, claimants subject to summary adjudication are "Group 1" litigants in adjudication proceedings, of whom "no formal discovery will be allowed." Moreover, the Court envisions that minimal motion practice and hearings will accompany the determination of the good faith basis of a statement of claim. The Special Master will provide the claimant an opportunity at the outset of the contested case to append extrinsic evidence of good faith to their Water Rights Registration Act filing. After an opportunity for review, objectors will specify their objections regarding good faith through the circulation of comments. After the filing of comments, the claimant will have an opportunity to respond. The Special Master will generally determine whether the claimant has made a sufficient showing of good faith based solely on the filings of the parties. But the Water Master may, in the rare case and in his/her discretion, permit oral argument or an evidentiary hearing if she finds that such a hearing would assist her in making the determination of good faith. See, e.g. Rule 7.1(d), Ariz.R.Civ.P.

Following submission of comments and the claimant's response, the Special Master will evaluate the evidence. The Special Master will determine that the statement of claim was filed in good faith if the evidence submitted is roughly contemporaneous with the priority date claimed and is consistent with the location, type, and quantity of the claimed water use. Contemporaneous evidence may include U.S. General Land Office records, homestead documents, and U.S. Geological Survey data.

6. Assigning De Minimis Claims to Cases

⁴⁵ W1-106, SRP Objections at 7-8 (Apr. 14, 2025).

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 $^{^{47}}$ Rules of Proceedings Before the Special Master § 9.02[1].

SRP seeks clarification as to "how . . . the adjudication of *de minimis* uses will fit into the contested case process." The procedure for assigning adjudication claims to contested cases in the Verde River Watershed will follow the guidelines outlined in section 7.00 of the Rules of Proceedings Before the Special Master. A contested case will be opened for every WFR to which an objection is filed. A *de minimis* claim will be adjudicated under the heading of the contested case associated with the WFR in which the claim is identified. The Court amends the proposed procedures to reflect this clarification.

IV. CONCLUSION

The goal of including draft abstracts for summary adjudication where possible is to limit intensive objection and resolution procedures such as motion practice and evidentiary hearings. To achieve this goal, the following steps are adopted for the summary adjudication objection process: ⁴⁹

- 1. The Final HSR will include *de minimis* abstracts for potential water rights ONLY for uses with a complete SOC and basis of right.
- 2. Objections to a WFR will be filed following the process in Rule 6.0 of the Rules Before the Special Master.
- 3. The Special Master will prioritize WFRs with published *de minimis* draft abstracts when initiating contested cases.

The foregoing discussion constitutes the Court's findings with respect to the Special Master's Final Report on Verde River Watershed summary adjudication procedures. Based upon these findings and conclusions:

⁴⁸ Id at 8

⁴⁹ This process will be repeated for each Verde subwatershed.

IT IS ORDERED approving the Summary Adjudication Procedures for the Verde River Watershed attached as Attachment I to this order.

The Honorable Scott A. Blaney
Judge, Arizona Superior Court
In Maricopa County

On December 9, 2025, 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 coatested case.

<u>ATTACHMENT I</u>

SUMMARY ADJUDICATION PROCEDURES FOR *DE MINIMIS* USES IN THE VERDE RIVER WATERSHED

The summary adjudication of state law claims for *de minimis* water uses in the Verde River Watershed will be accomplished according to the following steps:

- a. Identification of existing de minimis water uses.
- b. Notice that water users must have proper SOCs and bases of right 60 days before the issuance of the final HSR in order to be eligible for prioritized summary adjudication.¹
- c. Inclusion within the Final HSR of draft abstracts eligible for prioritized summary adjudication.
- d. A streamlined objection process.
- e. Adjudication of draft abstracts before the adjudication of other water uses in the Verde River Watershed.
- f. Inclusion of approved abstracts in the Catalog of Proposed Water Rights.

1.0 Eligibility for Prioritized Summary Adjudication

Immediately after the deadline has passed for filing objections to the HSR, the Special Master will prioritize the review of all potential water rights ripe for summary adjudication. This prioritized review will resolve as many *de minimis* uses as possible, as early as possible, and reduce the time and attention required of such *de minimis* users.

To be eligible for prioritized summary adjudication, the *de minimis* use must have a matching statement of claimant and basis of right sixty days prior to the issuance of the

¹ The 60-day deadline will permit ADWR sufficient time to include an additional information in the final published HSR. As a general rule, ADWR anticipates 12 months between the publication of the preliminary HSR and the issuance of the final HSR, specifically 6 months for the public to submit comments and then 6 months for ADWR to incorporate the comments and finalize the report. W1–W4, Future Report Recommendations at Appendix B (May 25, 2023). Therefore, upon receipt of the notice, a water user would have approximately 10 months to obtain all required filings.

Final HSR. Further, only uses supplied by wells within the subflow zone or surface water are eligible for prioritized summary adjudication. If a *de minimis* water use lacks the required documents, the Special Master will not prioritize the use.

1.1 Statement of Claimant

By the 60-day deadline stated above, the SOC must reflect the current landowner or lessee's name and contact information. If the SOC does not list current property owners or lessees, the use will not be eligible for prioritized summary adjudication.

1.2 Pre-Adjudication Documents

For the purpose of establishing eligibility for prioritized summary adjudication, the water use must have a matching basis of right, i.e. a prior decree, a statement of claim, ² a water right certificate under A.R.S. § 45-162, or a stockpond certificate under A.R.S. § 45-275. ³

1.3 De Minimis Uses

The following categories of water uses are eligible for summary adjudication in the Verde River Watershed. Eligible claimants may, but are not required to summarily adjudicate their claims.

- a. Domestic uses less than or equal to one acre-foot per year, where a domestic use is a single self-supplied use serving a residence, or multiple residences up to a maximum of three residential connections, for household purposes with associated irrigation of lawns, gardens or landscape in an amount of not more than one-half acre per residence.
- b. Stockponds with a maximum capacity less than or equal to four acre-feet, where a stockpond is an on-channel or off-channel impoundment of any size that stores water that is appropriable and that is for the sole purpose of watering livestock and wildlife.

² Note that a statement of claim may serve as a basis of right only for pre-1919 water right claims.

³Stockpond certificates are valid only for stockponds that were "constructed after June 12, 1919 and prior to August 27, 1977." *See* A.RS. § 45-272(A).

c. Stock and wildlife watering, defined as the consumption of water by livestock and wildlife directly from a naturally occurring body of water, such as an undeveloped spring, cienega, bog, lake, depression, sink, or stream or from a small facility, other than a stockpond, that is served by a diversion of water that is appropriable.

1.4 Groundwater Uses

Wells within the subflow zone are eligible for summary adjudication following publication of the final HSR. Wells outside the subflow zone are eligible for summary adjudication only after a determination that the well is pumping subflow.

2.0 Issuance of Abstracts

2.1 Screening and Curing *De Minimis* Uses

ADWR shall identify all known *de minimis* uses in a searchable index attached to the preliminary and final HSRs and note all uses lacking a matching statement of claimant or basis of right. Individual notices to potential water rights holders will not be distributed. The deadline to provide additional documentation so that a *de minimis* use may be eligible for prioritized review is 60 days prior to the publication of the Final HSR.

In the notice for the preliminary HSR and the 120-day notice issued pursuant to section 45-256(H), ADWR shall advise water users to check the attached index and remind them to file all documents necessary for prioritized summary adjudication eligibility.

2.2 Inclusion of Abstracts in the HSR.

ADWR shall include in the Final HSR a draft abstract, as described below, for each *de minimis* use with a matching statement of claimant and basis of right. Draft abstracts will be linked to their associated watershed file report ("WFR").

2.3 Abstract Attributes

Summary adjudication does not create a legal basis for an appropriable water right. A claimant seeking summary adjudication of their *de minimis* claim must provide a

⁴ Minute Entry at 6 (June 14, 2022)

legally sufficient basis for their water right. A draft abstract for a proposed water right for a *de minimis* use shall be defined by the specific attributes that follow.

2.3.1 Proposed Water Right Number

A proposed water right number ("PWR No.") will be created for each water right to be included in the Catalog of Proposed Water Rights. Generally, the PWR No. will be the same as the potential water right reported in the WFR. For each use recommended for inclusion in the final decree, the number will be assigned as follows:

2.3.2 Ownership of the Water Right

The draft abstract for the water use shall identify the name of the owner of the land on which the *de minimis* use occurs as the owner of the water right. In accordance with Arizona Revised Statutes section 37-321.01, the Court will presume that ASLD owns water rights on Arizona State Trust Land. Accordingly, draft abstracts associated with Arizona State Trust Land will name ASLD as the owner. Because water rights on federal lands are presumed to be owned by the United States, draft abstracts associated with federal lands will name the United States as the owner.

2.3.3 Statement of Claimant Associated with Potential Water Right

The statement(s) of claimant ("SOC") associated with the proposed water right must be listed. A potential water right must be matched to an SOC irrespective of whether a potential water right is adjudicated through the standard process or through summary procedures.

2.3.4 Basis of Water Right

A valid basis of right is necessary irrespective of whether a potential water right is adjudicated through the standard process or through summary procedures. The draft abstract must include the legal basis of right. A well registration number ("55-") is not a valid basis of right. The list of acceptable legal bases of right is as follows:

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- a. Prior judicial decrees.
- b. Water Rights Registration Act filings.⁵
- c. Certificates of Water Right.⁶
- d. Stockpond Registration Act Certificates.⁷

2.3.5 Beneficial Use

A "domestic," "stockpond," "wildlife," or "stock watering and wildlife" beneficial use will be assigned according to the definitions found in section 1.3 of these procedures.

2.3.6 Priority Date

Priority dates for *de minimis* claims must have supporting evidence and will be established through the following hierarchy:

- a. The earliest date set forth in an applicable judicial decree.
- b. The earliest date set forth in a Certificate of Water Right. If there is a conflict between a decree and a certificate of water right, the priority date in the decree will subordinate the priority date in the certificate.
- c. The earliest date set forth in a Stockpond Registration Act Certificate.
- d. The earliest date set forth in a Water Rights Registration Act filing made in good faith. A filing "made in good faith" means a filing that includes some relevant evidence for the priority date claimed in the filing.

2.3.7 Quantity

The following quantities will be assigned to summarily adjudicated uses.

a. Domestic Uses

The quantity assigned to a *de minimis* domestic right is the claimed quantity, not to exceed (\leq) 1 acre-foot per year.

b. Stockponds

⁵ Arizona Revised Statutes §§ 45-181 to 190. Note that these filings, Statements of Claim, may serve as a basis of right for only pre-1919 water right claims.

⁶ Arizona Revised Statutes §§ 45-162.

['] Ariz. Rev. Stat. § 45-275(C).

The quantity assigned to a *de minimis* stockpond is "a volume not to exceed (≤) 4 acre-feet with continuous fill."

c. Stock and Wildlife Watering

The quantity assigned to a *de minimis* stock and wildlife watering right is "reasonable use."

2.3.8 Place of Use and Point of Diversion

For domestic and stock and wildlife watering uses, the information set forth in the WFR under the "uses" section will be utilized for determining these characteristics. The place of use will be described to at least the quarter-quarter section in which the use occurs. In cases of two or more stock and wildlife watering uses within the same quarter-quarter section, the rights will be described to the nearest quarter-quarter-quarter section. For Arizona State Trust Land, the place of use and the point of diversion shall be the location where the stream channel enters the WFR on the State Trust Land parcel. A corresponding map should indicate the full reach of the stream channel within the WFR investigation area.

For stockponds, the information set forth in the "reservoir" section of the WFR will be utilized to provide the legal description for the place of use. At least the quarter-quarter section in which the surface area of the stockpond extends will be utilized for the legal description unless more precise location information, such as GPS coordinates, is readily available to ADWR. In the case of two or more stockponds in the same quarter-quarter section, each stockpond will be located to the nearest quarter-quarter-quarter section. ADWR shall prepare a map for each abstract that identifies the place of use and point of diversion.

Where GPS coordinates can be reasonably identified, the coordinates shall also be included in the draft abstract. Unless the WFR provides evidence otherwise, the place of use for a stockpond shall also be the point of diversion.

2.3.9 Source of the Water

The "drainage area/water source name" information listed in a WFR will be the

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description of the source in the abstract. The description must state whether the use is supplied from a surface diversion or from subflow. If possible, the abstract must state the stream from which the subflow is diverted.

2.3.10 Map

ADWR shall include with each draft abstract a map that identifies the place of use and point of diversion. For stock and wildlife watering draft abstracts, ADWR will indicate the full reach of the stream that intersects the WFR. Maps must be of sufficient scale to reasonably depict the shape of any stockponds and to allow viewers to identify other pertinent features.

3.0 Corrections and Objections

3.1 Assignment of *De Minimis* Uses to Contested Cases

A contested case will be opened for every WFR to which an objection is filed. *De minimis* claims will be adjudicated under the heading of the contested case for the WFR in which the claim is identified. Draft abstracts without objections may be combined by the Special Master into a single case.

De minimis uses not included as draft abstracts in the final HSR may undergo summary adjudication when the Special Master initiates the appropriate contested case.

3.2 Scope of Corrections and Objections

The Special Master will consider the following objections and corrections concerning a *de minimis* potential water right:

- Non-substantive corrections to a draft abstract, e.g. corrections to typographical or clerical errors.
- b. Objections regarding absence of extrinsic evidence demonstrating the good faith basis of a statement of claim.
- c. Objections regarding ownership of water rights on public lands.

Because the quantification values proposed in this report are the result of stipulated agreements among the parties, no objections concerning quantity will be considered for

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summarily adjudicated water rights. With respect to objections regarding ownership of water rights on public lands, non-governmental entities bear the burden of proving ownership. The procedures here do not limit objections that may be filed to a WFR.

3.3 Objections Regarding Good Faith of Statements of Claim

3.3.1 Filing of Evidence and Opportunity for Comment

A claimant relying on a statement of claim as a basis of right must present some extrinsic evidence showing that the filing was made in good faith.

At the outset of the contested case, the claimant will have an opportunity to append extrinsic evidence of their claimed right to their statement of claim. After an opportunity for review of the appended evidence, objectors will detail their objections regarding good faith through the circulation of comments. After the circulation of comments, the claimant will have an opportunity to respond.

3.3.2 Evaluation of Evidence

After the comment and response period has elapsed, the Special Master will determine that the statement of claim was filed in good faith if the evidence presented (1) is consistent with the location, type, and quantity of the claimed water use and (2) is roughly contemporaneous with the priority date claimed. Contemporaneous evidence may include U.S. General Land Office records, homestead documents, and U.S. Geological Survey data.

3.4 Objections to Final Report

Claimants may file corrections and objections to abstracts contained within a subwatershed final report in accordance with the Rules of Proceedings Before the Special Master section 16.00 and Arizona Revised Statutes section 45-257(A)(2).

4.0 Post-Decree Administration

Once a proposed water right is included in a final decree, the right may be subject to enforcement by the holders of senior water rights in the same manner as rights that are not summarily adjudicated. In the event that a *de minimis* right holder seeks to enforce their

right or another user seeks to enforce against a de minimis right holder, the right holder may be required to provide complete, detailed evidence of their right. However, holders of summarily adjudicated water rights will be permitted to assert the futile call doctrine in an enforcement action to the extent that such doctrine would be otherwise applicable.