1 2 3 4 5 ARIZONA GENERAL STREAM ADJUDICATION 6 7 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF MARICOPA 8 9 IN RE THE GENERAL W-1, W-2, W-3, W-4 (Consolidated) 10 ADJUDICATION OF ALL RIGHTS TO USE WATER IN THE GILA Contested Case No. W1-11-1902 11 RIVER SYSTEM AND SOURCE 12 ORDER INITIATING CONTESTED CASE AND SCHEDULING INITIAL 13 **CONFERENCE HEARING** 14 CONTESTED CASE NAME: In re Lester and W. Ruth Hagan et al. 15 HSR INVOLVED: San Pedro Hydrographic Survey. 16 DESCRIPTIVE SUMMARY: The Clerk of Maricopa County Superior Court is directed 17 to initiate W1-11-1902. Parties who wish to pursue this case are ordered to attend an initial conference hearing scheduled for Tuesday, January 7, 2025, at 10:30 am. 18 NUMBER OF PAGES: 13 19 This order opens a case to determine legal rights to use water. 20 This case is NOT being initiated because of any improper water use. 21 Failure to participate may result in dismissal of potential water rights. 22 23 The state of Arizona is currently undergoing a General Stream Adjudication to 24 determine water use and create an accurate, enforceable record of those rights. In Arizona, 2.5 surface water, and water pumped from some wells, belongs to the general public. An 26 27

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<sup>&</sup>lt;sup>1</sup> Arizona law includes wells that may be pumping surface water in the General Stream Adjudication and subject to all requirements for surface well use.

enforceable right to use this "appropriable" water may be acquired after review and approval by Arizona's General Stream Adjudication Court. This Court has been instructed to evaluate claims to water in much of the state of Arizona and to determine the date of first use, amount, and type of potential water use. This process, the "general stream adjudication," is currently evaluating COCHISE COUNTY PARCEL Nos. 123-24-010A, 123-24-010B, 123-27-027A, and 123-27-027B for potential water rights to be included in the catalog of water rights for the Gila River system.

This court order opens a case to determine rights to use water on the parcels listed above, that the Cochise County Assessor has identified as owned by MICHAEL R. GRAY. Current landowners who intend to pursue any potential water rights associated with this case must attend the initial status conference scheduled for Tuesday, January 7, 2025, at 10:30 am. Interested Parties MUST attend the scheduled initial conference if they plan to pursue potential water rights. Failure to appear at the initial conference could result in the dismissal of the case and the loss of water rights associated with the properties. The conference will be held virtually using the Court Connect program. Instructions for Court Connect are attached as Attachment A.

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#### **CURRENT LANDOWNERS**

MICHAEL R. GRAY is the current owner of COCHISE COUNTY PARCEL Nos. 123-24-010A, 123-24-010B, 123-27-027A, and 123-27-027B, all which were previously owned by Lester and W. Ruth Hagan, among others.

ADWR investigated potential water uses on these parcels and issued Watershed File Report No. 112-17-BAD-007. After the Watershed File Report was issued, the public was allowed an opportunity to object to the findings in the report if they believed there were errors or insufficient documentation. This case will determine the existence of water rights associated with the parcels listed above and resolve objections to the Watershed File Report.

The Court recognizes that there has been a long delay between ADWR's

investigation of the properties and the initiation of this case. Because of this delay, the properties have changed ownership. Nonetheless, current landowners may still obtain certain water rights. Below is a summary of the water use found on the property at the time of the Report:

Cochise Co. Tax Parcel	123-24-010A	123-24-010B	123-27-027A	123-27-027B
Water use found during ADWR investigation	Irrigation of multiple crops including pasture and pecans ("IR002")	Irrigation of pasture ("IR001") and IR002	IR001	IR001
Statement of	None	None	None	None
Claimant and Basis of Right	documented	documented	documented	documented

Arizona law requires that for parties to obtain a legal water right, they must provide proof of their right by presenting to the Court an updated and accurate Statement of Claimant claiming a water right paired with the appropriate basis of right, e.g. a statement of claim, judicial decree, stockpond registration, or water rights certificate. According to the Watershed File Report, the following information will be needed to acquire a water right on each property:

- A. The earliest available evidence of water use on the property.
- B. A Statement of Claimant in the name of the current landowner and accurately describing the water use being claimed.
- C. A basis of right in the name of the current landowner (unless the basis is a judicial decree) and accurately describing the water use being claimed. The current landowner may fulfill this requirement by either filing a new basis of right or obtaining an assignment or amendment of a preexisting basis of right.

If the property owner is able to provide this proof to the Court to show the existence of a water right on their property, the court can recognize an enforceable water right in a "Final Decree." Ariz. Rev. Stat. § 45-257(B). Alternatively, landowners may enter into Court approved settlement with the objecting parties.

#### **OBJECTING PARTIES**

Objectors to a potential water right must present the Court with a specific statement objecting to a specific potential water right attribute. Ariz. Rev. Stat. § 45-256(B). Where an objection does not meet this requirement, the objecting party shall provide a detailed explanation of their objection during the initial conference hearing.

The following parties have filed objections in this contested case:

Objector(s)	Summary of objections
City of Phoenix	The WFR does not identify a Statement of Claimant.
Michael R. Gray	<ul> <li>Applicable filings exist, even though they were not documented in the WFR.</li> <li>The relevant well does not extract appropriable water.</li> </ul>
Magma Copper Company (currently BHP Copper Inc.) and ASARCO Inc.	<ul> <li>Groundwater is not subject to the adjudication.</li> <li>To the extent that groundwater use is subject to the Adjudication, ASARCO and Magma objected to use of water without an appropriative right or use in conflict with their rights.</li> </ul>
Salt River Project	<ul> <li>The "maximum observed" and "regional" methods of quantification are inconsistent with the doctrine of prior appropriation. The results of the "maximum potential" method must be corrected.</li> <li>Absence of water use rate.</li> </ul>
Gila River Indian Community, San Carlos Apache Tribe, Tonto Apache Tribe, Yavapai- Apache Nation (collectively "the Tribes")	<ul> <li>The water used is subject to federal and Indian claims.</li> <li>Absence of well registration.</li> <li>Absence of water use rate.</li> </ul>
United States, joined by the Tribes	<ul> <li>Absence of statement of claimant.</li> <li>The water used is subject to federal and Indian claims.</li> <li>The "regional" acreage exceeds the "maximum observed" acreage. The maximum observed acreage should be used to calculate the regional volume of use.</li> <li>ADWR's methodology overestimates crop water requirements.</li> </ul>

Copies of objections in this case can be found under the respective case name and number on the following website:

http://www.superiorcourt.maricopa.gov/SuperiorCourt/GeneralStreamAdjudication/what sNew.asp

#### ATTACHMENTS TO THIS ORDER:

Attachment A: Instructions on how to appear virtually or telephonically at the Tuesday, January 7, 2025, at 10:30 am status conference

Attachment B: Additional information and resources on the process for determining water rights in Arizona

Attachment C: Copy of WFR #112-17-BAD-007

Attachment D: ADWR map showing land investigated in WFR # 112-17-BAD-007

Attachment E: Map showing the relevant tax parcels and current ownership

Attachment F: **Initial Court Approved Mailing List** 

IT IS ORDERED initiating contested case W1-11-1902, In re Lester and W. Ruth Hagan et al., and scheduling an initial conference hearing for Tuesday, January 7, 2025, at 10:30 am. The initial Court-approved mailing list for this case shall include all parties listed on Attachment F to this order. Any document filed in this case must be served on all parties listed on the Court-Approved Mailing List. The list may be modified only by Court order. Anyone who would like to receive courtesy copies of minute entries and orders may request inclusion on an email list by sending a request to:

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#### emily.natale@jbazmc.maricopa.gov.

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If parties have questions regarding this Order or any of the attachments, please contact the General Stream Adjudication, Office of the Special Water Master, at (602) 372-4115. Please note that staff can only answer administrative questions and cannot

1	provide legal advice.
2	nist Name
3	Signed this 2/2 day of November 2024.
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5	Jour /
6	Sherri L. Zendri
7	Special Water Master
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11	On November 21, 7074, the original of
12	the foregoing was delivered to the Clerk of the Maricopa County Superior Court for filing and
13	distributing a copy to all persons listed on the Court-approved mailing list for this contested
14	case, a copy of which is attached, and to all persons
15	listed on the Court-approved mailing list for W1, W2, W3, and W4.
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#### **ATTACHMENT A**



## Court Connect Hearing Notice for In re Lester and W. Ruth Hagan et al.

This hearing will be conducted through the new Court Connect program offered by the Superior Court of Arizona in Maricopa County. This new and innovative program allows Court participants to appear online, rather than in a physical courtroom. Hearings are preferably conducted by videoconference but can also be conducted by phone. Lawyers (and self-representing litigants) are responsible for distributing this notice to anyone who will be appearing on their behalf.

All participants must use the JOIN COURT CONNECT HEARING button or the dial in information below to participate.

**Participants:** Please follow the steps below to participate in the remote proceeding.

- 1. Click the JOIN COURT CONNECT HEARING button below.
- 2. Enter your full name and role in name field.
- 3. Wait for the facilitator to admit you to the proceeding.

Remember to keep this email handy so you can use it to participate in the following proceeding.

Case Name: In re Lester and W. Ruth Hagan et al.

19 | Contested Case No. W1-11-1902

Start Date/Time: Tuesday, January 7, 2025, at 10:30 am

#### JOIN COURT CONNECT HEARING

**Dial-in Information:** +1 917-781-4590

Private Dial-in Information: for privacy purposes, you can block your phone number by

dialing \*67 +1 917-781-4590

**Dial-in Access Code:** 688 970 203#

25 Tiny URL: https://tinyurl.com/specialwatermaster

26 | To ensure an optimal experience, please review the brief Court Connect training prior to the hearing: Here

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#### ATTACHMENT B

#### General Background on the Water Rights Determination Process in Arizona

A general stream adjudication is a judicial proceeding to determine the quantity and priority of all water rights in a river system. Arizona is undertaking general stream adjudications of both the Gila River and the Little Colorado River systems. A river system includes surface water flowing "in streams or other natural channels," groundwater sufficiently connected to that surface water, and water (both surface and groundwater) subject to claims by the federal government. Ariz. Rev. Stat. § 45-251(7). Recognizing and respecting water rights and the priority of such rights is important in Arizona where times of drought or water scarcity can occur.

All cases begin with the filing of a "Statement of Claimant," ("SOC") in which a property owner makes a claim for a right to use surface water on their property. Ariz. Rev. Stat. § 45-254(A). This person is the "claimant." The SOCs contain, among other characteristics, a description of the source and quantity of the water used, the location of use, the location from which the water was diverted, and the date when the water was first put to use. *Id.* § 45-254(C).

After the property owner files the SOCs, the Arizona Department of Water Resources ("ADWR") prepares a "Watershed File Report," ("WFR") in which ADWR investigates the claims in the SOCs and recommends water rights associated with the property. *Id.* § 45-256(B). ADWR compiles all WFRs for a watershed into a comprehensive Hydrographic Survey Report ("HSR") and publishes the report for public review and comment. In response, other claimants in the Adjudication may file "objections" disputing the information or recommendations in the WFR. The individuals who file objections are called "objectors."

This "contested case", one of thousands in the Gila River System, will evaluate claims asserted in specific Statements of Claimant while considering objections to the WFR that reported ADWR's initial inspection of those claims.

## ATTACHMENT C

Watershed File Report

WATERSHED FILE REPORT NUMBER

HAGAN, LESTER & W. RUTH

ET AL.

LAND OWNER

112-17-BAD-007

DIVERSIONS

LOCATION

DIV # SECTION TWNP RNGE DIVERSION NAME WATER SOURCE AND CLASSIFICATION

SWNWSW11 170S 200E UNNAMED WO1 GROUNDWATER : ZONE 1 OF THE SAN PEDRO RIVER

USES

SUPPLIED BY PHOTO SOURCE LOCATION

PWR # SECTION TWNP RNGE DIVERSIONS WATER SOURCES DATE CHANGE FACILITY NAME

IR001 NESE10 170S 200E W01 GROUNDWATER : ZONE 1 1955 NWSW11 170S 200E

IRO02 NESE10 170S 200E W01 GROUNDWATER : ZONE 1 1972 NO

PWR SUMMARY

IROO1 NONE

APPLICABLE APPLICABLE

APPLICABLE APPLICABLE \*APPARENT FIRST USE DATE\*
ADJ FILINGS PRE FILINGS DATE BASIS FOR DATE WATER SOURCES AND CLASSIFICATIONS

1955 1955 AERIAL PHOTO GROUNDWATER : ZONE 1 OF THE SAN PEDRO RIVER 1972 1972 AERIAL PHOTO GROUNDWATER : ZONE 1 OF THE IROO2 NONE NONE

SAN PEDRO RIVER

QUANTITIES OF USE

NONE

QUANTIFICATION ESTIMATED PWR # TYPE ACRES CROP TYPE EFF WATER DUTY VOLUME REMARKS 5.4 PERM. PSTR 45% 5.4 AVE. CROP 50% 5.4 ALFALFA 45% 7.0 AF/AC IRO01 MAX. OBSERVED 37.8 AFA REGIONAL 5.4 AF/AC 29.2 AFA MAX. POTENTIAL 45% 7.4 AF/AC 40.0 AFA 9.2 MULTI.CROPS 45% 7.1 AF/AC 11.0 AVE. CROP 50% 5.4 AF/AC 11.0 ALFALFA 45% 7.4 AF/AC MAX. OBSERVED I ROO2 65.3 AFA REGIONAL 59.4 AFA MAX. POTENTIAL 81.4 AFA

EXPLANATION

DIVERSIONS

W1 - WELL PROVIDES WATER FOR IRRIGATION USES.

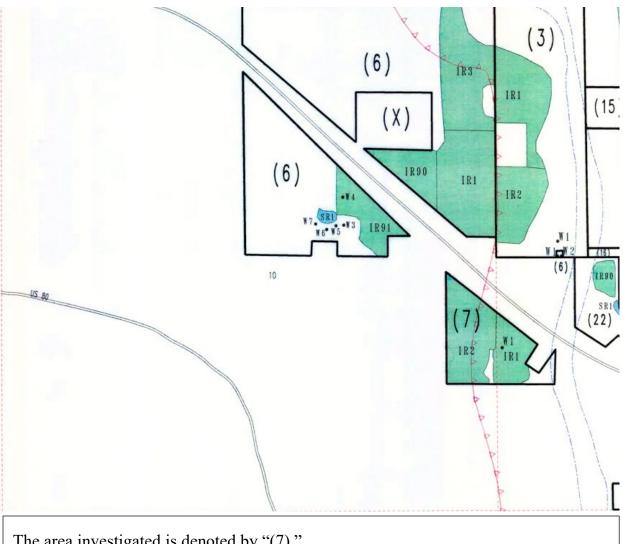
USES AND RESERVOIRS

IR1 - IRRIGATED PASTURE.

IR2 - IRRIGATED MULTIPLE CROPS (PASTURE AND PECANS).

DOMESTIC WATER USE IS SUPPLIED BY THE CITY OF BENSON.

### **ATTACHMENT D** ADWR Parcel Map



The area investigated is denoted by "(7)."

## ATTACHMENT E

## Assessor Map



1	123-24-010A
2	123-24-010B
3	123-27-027A
4	123-27-027B

## ATTACHMENT F

2	2 Initial Court-Approved Mailing List		
3	Arizona Department of Water Resources	Gila River Indian Community	
4	Kimberly R. Parks and Karen J. Nielsen	Javier Ramos and Michael Carter	
	1110 West Washington, Suite 310 Phoenix, AZ 85007	Office of the General Counsel P.O. Box 97	
5	Thochix, AZ 65007	Sacaton, AZ 85147	
6	Clerk of the Superior Court	16 19 0 0 10 15 15 15	
7	Maricopa County Attn: Water Case	Merrill C. Godfrey and Brette A. Pena Akin Gump Straus Hauer & Feld LLP	
/	601 West Jackson St.	2001 K Street, N.W.	
8	Phoenix, AZ 85003	Washington, DC 20006	
9	Special Master Sherri Zendri	J. B. Weldon, M. A. McGinnis, M. K. Foy	
	Superior Court of Arizona	Salmon, Lewis & Weldon	
10	201 W. Jefferson Street	2850 E. Camelback Rd. Suite 200 Phoenix,	
11	Courtroom 301 Phoenix, AZ 85003	AZ 85016	
	Thochia, 712 05005	John D. Burnside	
12	Alexander B. Ritchie	Snell & Wilmer, L. L. P.	
13	San Carlos Apache Tribe	One E. Washington Street, Suite 2700	
	Office of the Attorney General PO Box 40	Phoenix, AZ 85004-2556	
14	San Carlos, AZ 85550	Lauren Caster	
15	341 341 35,12 3500	Fennemore Craig, P.C.	
	Joe P. Sparks and Laurel A. Hermann	2394 East Camelback Road Ste 600 Phoenix,	
16	The Sparks Law Firm, P.C.	AZ 85016-3429	
17	7503 First Street Scottsdale, AZ 85251-4573	Michael R. Gray	
	Scottsdate, 712 63231-4373	789 E. McNeil	
18	Jeremiah Weiner, Brett J. Stavin, and Jay Lee	Benson, AZ 85602	
19	Rosette, LLP.	161 17 6	
	120 S. Ash Avenue, Suite 201 Tempe, AZ 85281	Michael R. Gray P.O. Box 2050	
20	10mpc, AZ 63261	Benson, AZ 85602-2050	
21	Laura Boyer & Maggie Woodward	,	
	United States Dept. of Justice – ENRD	Charles L. Cahoy, Asst. City Attorney Phoenix	
22	P.O. Box 7611, Ben Franklin Station Washington, DC 20044	City Attorney's Office 200 W. Washington 13th Flr.	
23	Washington, DC 20044	Phoenix, AZ 85003	
	Susan B. Montgomery, Robyn Interpreter,	,	
24	Montgomery & Interpreter PLC		
25	3301 E Thunderbird Road Phoenix, AZ 85032		
26			
27			