

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA

IN CHAMBERS (X) IN OPEN COURT ()

SPECIAL MASTER GEORGE A. SCHADE, JR.
Presiding

IN RE THE GENERAL ADJUDICATION
OF ALL RIGHTS TO USE WATER IN THE
GILA RIVER SYSTEM AND SOURCE

DATE: July 15, 2009

CIVIL NO. W1-11-3423

ORDER DIRECTING THE
UNITED STATES TO FILE A
PROPOSED SETTLEMENT
AGREEMENT OR A THIRD
SUPPLEMENTAL REPORT

CONTESTED CASE NAME: *In re Powers Garden Administrative Site.*

HSR INVOLVED: San Pedro River Watershed Hydrographic Survey Report.

DESCRIPTIVE SUMMARY: The Special Master directs the United States to file a proposed settlement agreement or a third supplemental report on the status of negotiations.

NUMBER OF PAGES: 2.

DATE OF FILING: July 15, 2009.

In its report dated April 29, 2009, the United States indicated it had drafted and distributed a proposed stipulation and abstracts of water rights to resolve the objections to the federal claims. Counsel for the litigants in this case were reviewing the documents. The Salt River Project declined to execute the settlement documents, but its counsel had offered to meet with the United States and discuss the Project's "concerns with the hope of reaching a satisfactory resolution." The United States "believes the informal settlement process is still viable."

The Special Master has offered to hold a telephonic conference if one would move negotiations forward. On May 21, 2009, the Special Master sent an electronic message to the litigants reiterating this offer. The Special Master is interested in knowing the status of discussions.

Accordingly, IT IS ORDERED that:

1. On or before **Friday, September 18, 2009**, the United States shall file the stipulated agreements among the parties involved in this case, including proposed abstracts of water rights, agreed upon as a final resolution of this contested case.
2. If a final agreement has not been reached by then, the United States shall file a third supplemental report outlining the status of negotiations and the prospects for a complete settlement. A copy of the report shall be distributed to the parties listed on the Court approved mailing list for this case.
3. Any litigant who wants to schedule a telephonic conference with the Special Master shall so advise and provide a date and time to hold the conference agreed upon by the involved parties. Please provide a date that will allow at least forty-five (45) days notice of the conference.

DATED: July 15, 2009.

/s/ George A. Schade, Jr.
GEORGE A. SCHADE, JR.
Special Master

On July 15, 2009, 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 Contested Case No. W1-11-3423 dated January 23, 2009.

/s/ Barbara K. Brown
Barbara K. Brown