IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF APACHE IN RE THE GENERAL ADJUDICATION OF ALL RIGHTS TO USE WATER IN THE Civil Case No. CV6417-300 LITTLE COLORADO RIVER SYSTEM AND SOURCE ORDER DENYING REQUEST FOR PARTIAL STAY CONTESTED CASE NAME: In re Navajo Nation HSR INVOLVED: Navajo Reservation Hydrographic Survey Report. DESCRIPTIVE SUMMARY: A partial stay will not be granted for the adjudication of federal reserved water rights for use on land to which the Navajo Nation and the San Juan Southern Paiute Tribe dispute beneficial ownership. The United States, the Navajo Nation, and the Paiute Tribe shall file a joint report on January 10, 2022. NUMBER OF PAGES: 7 DATE OF FILING: November 2, 2021

The San Juan Southern Paiute Tribe ("Paiute Tribe"), a federally recognized Indian Tribe ¹ proposed a multi-step procedure to determine federal reserved water rights for the Paiute Tribe and to resolve the Paiute Tribe's objections filed in June 2020 ("2020 Objections") to the hydrographic survey report prepared by Arizona Department of Water Resources ("ADWR") that analyzed the federal reserved water rights claimed by the Navajo Nation and the United States on behalf of the Navajo Nation. The proposed plan consists of five steps.

- 1. A stay would be entered in this contested case with respect to claims for federal reserved water rights for use on that land claimed by the Paiute Tribe that was formally made a part of the Navajo Reservation under an act passed by Congress on June 14, 1934, 48 Stat. 960 ("the 1934 Act").
- 2. The Paiute Tribe would be given time to prepare and file an amended statement of claimant for water rights based on its asserted property interests to the disputed land.
- 3. The Arizona Department of Water Resources would prepare and issue a hydrographic survey report (the "Proposed HSR") that analyzes the Paiute Tribe's claims.
- 4. A contested case would be initiated to adjudicate the federal reserved rights claimed by the Paiute Tribe and the objections to the Proposed HSR.
- 5. A second contested case would be initiated to consolidate in a single case the claims stayed in this case and the claims asserted in the proposed new case for the Paiute Tribe that concern water rights for the same land.

¹ Masayesva for & on Behalf of Hopi Indian Tribe v. Zah, 792 F. Supp. 1178, 1188 (D. Ariz. 1992)

The legal situation that necessitates consideration of the proposed procedure involves the United States, the Navajo Nation, and the Paiute Tribe and an unresolved land dispute. It, as first described in this case in the 2020 Objection, arises from the 1934 Act that "described the external boundaries of the Navajo Reservation, and conveyed an equitable interest in certain of these lands to the Navajo Nation and 'such other Indians as may already be located thereon." *Masayesva for & on Behalf of Hopi Indian Tribe v. Zah*, 816 F. Supp. 1387, 1393 (D. Ariz. 1992), *aff'd in part, rev'd in part sub nom. Masayesva v. Zah*, 65 F.3d 1445 (9th Cir. 1995), *as amended on denial of reh'g and reh'g en banc* (Dec. 5, 1995). (The land described in the 1934 Act is referred to as "the 1934 Act Reservation"). The Paiute Tribe are included in the "other Indians" referenced in the 1934 Act. The Navajo Nation agrees that the 1934 Act set aside lands in the 1934 Act Reservation explicitly for the Navajo Nation and impliedly for the Paiute Tribe. Navajo Response at 2. It does not agree as to the specific rights that the Navajo Nation and the Paiute Tribe hold in the 1934 Act Reservation.

Pursuant to the Navajo-Hopi Settlement Act of 1975, P.L. 93-531, 88 Stat. 1712, the Paiute Tribe and the Navajo Nation litigated their dispute before the federal district court. The district court made findings of facts regarding their respective interests to contested areas of the 1934 Act Reservation but held that it did not have jurisdiction to partition land to the Paiute Tribe or to create a reservation for the Paiute Tribe. *Masayesva For & On Behalf of Hopi Indian Tribe v. Zah For & On Behalf of Navajo Indian Tribe*, 794 F. Supp. 899, 902 (D. Ariz. 1992). The court held that "Congress has defined the Paiute Tribe's exclusive remedy as the allotment of parcels of land to Paiute individuals, which precludes the judicial creation of a different remedy." *Masayesva v. Zah*, 816 F. Supp. at 1429. The parties appealed the decision to the Ninth Circuit Court of Appeals. During the almost three decades since the district court entered its decision, the Ninth Circuit has not entered a decision regarding the claims of the Navajo Nation and the Paiute Tribe because, at the

joint request of the Paiute Tribe and the Navajo Nation, the case has been stayed and no final action to partition the beneficial interests in the 1934 Act Reservation has occurred.

As all parties recognize, the adjudication court does not have either the jurisdiction or the authority to resolve this longstanding problem of the United States, the Navajo Nation, and the Paiute Tribe concerning beneficial interests in federal land. Due to the unfinished litigation, appropriate procedures must now be considered to assure that the Paiute Tribe's claims are properly adjudicated and to continue the adjudication of this case, in which the parties have already invested significant time and resources during the past five years, on a reasonable schedule. No party seeks to stay this contested case in its entirety. Further, no dispute exists that federal reserved water rights for the benefit of the Navajo Nation may be adjudicated for the land to which the Paiute Tribe asserts no claim pursuant to Section 8(a) of the 1974 Act. In addition, all parties support the continued adjudication of the claims for federal reserved water rights by and for the Navajo Nation as currently scheduled.

The dispute that exists among the parties concerns the geographical scope of the continued adjudication. As outlined above, the Paiute Tribe proposes that the geographic scope of the case should be limited by staying the adjudication of the claims for federal reserved water rights for land in the 1934 Act Reservation in dispute. The amount of land in dispute, according to the representations made by the Paiute Tribe, is at least 26,000 acres but could extend to 56,000 acres. In *Masayesva v. Zah*, the district court made specific findings about the location of the land that the Paiute Tribe used for farming and grazing but did not provide a total amount of acreage that was either exclusively or jointly used by the Paiute Tribe. The Paiute Tribe represented that it appealed the amount of acreage on appeal as too little.

More fundamental than the identification of the land, however, is the absence of a reservation for the Paiute Tribe. Although the Paiute Tribe argues that is has an equitable property interest in

certain portions of the 1934 Act Reservation, the district court held that Congress did not authorize a reservation for the Paiute Tribe. Instead, Congress authorized the allotment of land to individual Paiute individuals. 25 U.S.C. 640d-8. The Navajo Nation explicitly and the Paiute Tribe, implicitly, advised that the partition of the 1934 Act Reservation to create a separate reservation for the Paiute Tribe requires an act of Congress. Thus, a serious question exists as to the authority of the Paiute Tribe to assert claims on behalf of the Paiute Tribe to a beneficial interest in a federal reserved water right to land in which individual Paiute allottees rather than the Paiute Tribe may have a beneficial interest.

Because the United States, the Navajo Nation, and the Paiute Tribe have not concluded their land dispute, the proposal laid out by the Paiute Tribe cannot be adopted. As counsel for the Paiute Tribe properly recognized in formulating the proposal, the first step in adjudicating federal reserved water right on behalf of the Paiute Tribe is the filing of a statement of claimant that clearly identifies its claims. At this time, an order to the Paiute Tribe to file an amended Statement of Claimant on behalf of the Paiute Tribe would be premature. Similarly, the second step in the proposal should not be taken given the uncertainty that exists. Currently ADWR's resources are dedicated to a number of pending projects, and it would not be reasonable to request that ADWR stretch its resources to generate the Proposed HSR where even minimum information such as a legal description is not available. This decision to not proceed forward with the Proposed HSR and a separate contested case for the Paiute Tribe is based on the current situation and will be re-examined based on the facts that exist when the United States, the Navajo Nation, and the Paiute Tribe finalize the litigation in the federal court, obtain the requisite Congressional action, and advise the adjudication court that the parties agree the dispute is resolved.

As acknowledged by the parties, the extended stay in the Ninth Circuit and the absence of action to obtain Congressional approval of a partition of the 1934 Act creates a strong probability

that procedural issues will arise again during this litigation of this case. The unresolved dispute also creates a complicated situation in which a decree will be entered. If the United States, the Navajo Nation, and the Paiute Tribe do not resolve the dispute prior to the completion of the case, any decree issued to the United States on behalf of the Navajo Nation will be clouded and may be fraught with uncertainty. In its response the United States contemplated that as many as three separate decrees may be necessary. United States Response at 5. Consequently, the language, terms, and conditions that may attach to the decree present yet another issue that will have to be resolved in this case. The continued absence of a definitive solution to a problem that has been pending for decades may also require, in addition to time and resources devoted to procedural hurdles, that the parties to engage in duplicative efforts if it becomes necessary to adjudicate water rights for the same land twice. Notwithstanding the possible consequences of moving forward as previously scheduled, the partial stay will not be granted because of greater harm and prejudice to all parties that would result from an extended stay of this adjudication tied to a final resolution of dispute over beneficial interests in federal land.

IT IS ORDERED denying a stay of this case in whole or in part to adjudicate federal reserved water rights for use on the federal land in the 1934 Act Reservation to which the Navajo Nation and the Paiute Tribe claim a beneficial right.

IT IS FURTHER ORDERED that the United States, the Navajo Nation, and the Paiute Tribe shall file a joint report on January 10, 2022 setting forth the status of the case pending in the Ninth Circuit and any action anticipated with respect to legislation to be introduced in Congress in 2022.

Susan Ward Harris Special Master T. Hami

On November 2, 2021, the original of the foregoing was delivered to the Clerk of the Apache County Superior Court for filing and distributing a copy to all persons listed on the Court-approved mailing list for this contested case.

Emily Natale