

SUPERIOR COURT OF ARIZONA  
MARICOPA COUNTY

June 15, 2026

CLERK OF THE COURT

SPECIAL WATER MASTER  
SHERRI ZENDRI

N. Johnson  
Deputy

**Case No. W1-00-000106**

In re Subflow Technical Report for  
the Verde River Watershed

FILED: June 25, 2026

In Re: The General Adjudication of all  
Rights to Use Water in the Gila River  
System and Source  
W1-00-001234 (Consolidated)

**MINUTE ENTRY**

Courtroom 301 – Central Court Building

1:31 p.m. This is the time set for a virtual Status Conference before Special Water Master Sherri Zendri.

The following parties/attorneys appear virtually through Court Connect:

- Karen Nielsen, Dustin Rector, and Kevin Hadder on behalf of the Arizona Department of Water Resources (ADWR)
- Brad Pew and David Brown on behalf of the Little Colorado River Coalition, et al.
- John Burnside on behalf of the Arizona Public Service (APS)
- Michael Foy and Mark McGinnis on behalf of the Salt River Project (SRP)
- Susan Montgomery and Robyn Interpreter on behalf of the Yavapai-Apache Nation and Pascua Yaqui Tribe
- Lee Storey on behalf of the City of Flagstaff and the town of Prescott Valley
- Charles Cahoy on behalf of the City of Phoenix
- Michael Rolland on behalf of the cities of Avondale, Glendale, Mesa, Scottsdale, and Tempe
- Kevin Crestin and Eric Wilkins on behalf of the Arizona State Land Development (ASLD)

- Emmi Blades on behalf of the United States Department of Justice, Environment and Natural Resources
- Mario Vasta on behalf of the Freeport Minerals Corporation
- Alexandra Arboleda on behalf of the Grand Canyon Council, Boy Scouts of America, and the City of Tombstone
- Elias Ancharski on behalf of the Arizona Water Company
- Steve Wene on behalf of the town of Camp Verde and the City of Safford
- Rhett Billingsley on behalf of ASARCO LLC
- Merrill Godfrey on behalf of the Gila River Indian Community
- Rachel Carroll-Farias on behalf of the Tonto Apache Tribe

A record of the proceedings is made digitally in lieu of a court reporter.

The Special Master addresses the parties regarding the five questions from ADWR.

1. Whether ADWR must complete a forfeiture analysis when reporting on claims and uses in future Hydrographic Survey Reports (“HSRs”).
2. Whether ADWR must report on uses from unclaimed wells located outside the subflow zone in future final HSRs.
3. Whether the current boundaries of the Lower Verde Valley HSR should be redrawn.
4. How ADWR should handle Statements of Claimant (“SOCs”) filed by the United States Forest Service on unique forms.
5. What the Court requires for an SOC and basis of right to be “complete” (as referenced on page 13 of the Court’s Dec. 9, 2025, Order Approving the Special Master’s Report Concerning Summary Adjudication Proceedings in the Verde River Watershed), and whether it is appropriate in the final HSR to include abstracts for PWRs that are not *de minimis*.

The Special Master addressed the questions out of order – addressing the issues with broad consensus first.

Discussion is held regarding question number one with respect to whether or not ADWR must complete a forfeiture analysis. Ms. Nielsen states that ADWR takes no position on that and will follow the Special Master’s direction, as well as the parties’ agreement. Ms. Nielsen addresses the Special Master regarding the use of Mosaic.<sup>1</sup> Procedural and logistical matters are discussed regarding the same. The parties discuss first-use date. Ms. Nielsen notes that ADWR should not be doing a first-use date, aerial imagery review.

**IT IS ORDERED** that ADWR should NOT complete a forfeiture analysis when reporting on claims and uses in future Hydrographic Survey Reports (“HSR”). Nor should ADWR establish

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<sup>1</sup> “Mosaic” is a data management feature available on ArcGIS Pro, visit Esri’s website at: <https://pro.arcgis.com/en/pro-app/latest/tool-reference/data-management/mosaic.htm%20>.

a first use date based upon aerial imagery.

Discussion is held regarding question number three with respect to whether the current boundaries of the Lower Verde Valley (“LVV”) HSR should be redrawn. The current boundary of the LVV HSR divides the Town of Camp Verde, splits up ditch uses, and geographically excludes the Lower Camp Verde District of the Yavapai-Apache Nation. The Special Master notes that all parties appear to agree that the LVV boundary should be redrawn. ADWR indicates that adding the additional areas to the LVV HSR will result in the agency needing some additional time to complete the report.

**IT IS ORDERED** that ADWR should redraw the boundaries of the LVV HSR by adding four 12-digit United States Geological Survey’s Hydrologic Units to expand the southern boundary of the LVV HSR, incorporating the entirety of the Town of Camp Verde and all major ditches.

Discussion is held regarding question number four with respect to how ADWR should handle statements of claimant filed by the United States Forest Service on unique forms. Discussion is further held regarding Court-approved forms and what needs to be included on the forms. Ms. Blades is unsure why the U.S. Forest Service chose to use different forms in the 1990s. The Special Master advises the parties that for the United States’ forms, it is fine to use the older forms, as long as they are complete. The Special Master further advises the parties that forms that are not complete and where additional information is needed, the current forms must be used.

**IT IS ORDERED** that where the U.S. forms include all necessary information, ADWR may use the old U.S. form. However, if the U.S. is required to provide additional information, a new form must be submitted. Furthermore, if a new form is submitted, all information should be supplied on the new form, so ADWR does not need to review multiple documents.

**IT IS FURTHER ORDERED** that if the U.S. is interested in using a specialized form in the future, prior approval from the Court will be necessary.

The Special Master and ADWR address the U.S. regarding clarification of ownership of the various potential rights claimed. Ms. Nielsen indicated that ADWR may be able to provide notice to the U.S. regarding missing information.

**IT IS ORDERED** that the U.S. confer with ADWR no later than **November 20, 2026**, regarding proper ownership nomenclature and a potential process for ADWR to inform the U.S. of missing information.

Discussion is held regarding question two and whether ADWR must report unclaimed uses from wells located outside the subflow zone in future HSRs. Mr. Foy states that SRP agrees with not doing a thorough analysis on these particular unclaimed uses outside the subflow zone at this point. Discussion is held regarding jurisdiction with respect to federal law. SRP proposes publishing a well registry. Ms. Nielsen indicates that the information proposed by SRP is actually a more extensive investigation than ADWR currently performs for HSRs because the agency’s registered well database is on the cadastral system and the place of the well is not exact. Discussion is held regarding a minimal table of owner, well number, and well location only as listed in the database.

**IT IS ORDERED** that ADWR will NOT report on unclaimed uses supplied by wells outside the subflow zone in the Lower Verde Valley, Big Chino, Little Chino, and Verde Canyon HSRs. However, ADWR will provide a minimal tabular listing in the applicable HSR that includes well number, well owner, and well location as listed in the database.

Discussion is held regarding the final question of what the Court requires for a “complete” potential water right. The Special Master states that if you can fill out all of the fields in an abstract, then it is complete. If there is a missing abstract field, then it is not complete. Discussion is further held regarding whether abstracts for complete non-*de minimis* claims should be included in the HSR. ADWR indicates that ADWR staff don't draft the abstracts manually, rather the abstract is a database script, so they're generated automatically (“we just press a button and then the abstract is generated.”) The Special Master states that for preliminary HSRs, we can “press the button,” for everything, but for final HSRs, we only publish a draft abstract for claims that are complete, regardless of size.

**IT IS ORDERED** for preliminary HSRs, ADWR shall provide a draft abstract for all claims, *de minimis* and non-*de minimis*, so that claimants can very easily see what information is missing.

**IT IS FURTHER ORDERED** that ADWR shall include a draft abstract in the final HSR if and only if it is for an administratively complete water use, *de minimis* or otherwise. A water use is administratively complete if:

- The use is associated with an SOC in the current landowner's name.
- The use is associated with a final basis of right.<sup>2</sup>
- ADWR can identify all other water right characteristics via summary adjudication procedures or the WFR itself.

**IT IS FURTHERED ORDERED** that for post-1919 water right claims, the abstract must note the certificate number.

Discussion is held regarding question number 5 with respect to whether the extrinsic evidence to a Water Rights Registration Act filing had to be attached at the time of the HSR, or if it was sufficient for that to be added later in a contested case. Mr. Pew asserts the statute doesn't require extrinsic information for the water rights registration filings. So long as the filing is complete, the abstract ought to be included. Any party can object if they feel there is insufficient evidence to support the claims.

Mr. Foy commented that the Court has issued language that appears to be contradictory on this issue. SRP and the Yavapai-Apache Nation both indicate they don't feel strongly about when the evidence is needed, so long as it is eventually required. Ms. Storey comments that it is important to allow for additional information to be presented during a contested case. ADWR asks the Court for a simple bright line rule for staff.

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<sup>2</sup> If the claim is for a pre-1919 right, the claim must be associated with a prior decree or a statement of claim. If the claim is for a post-1919 right, the claim must be associated with a water right certificate or stockpond certificate in the current landowner's name.

**IT IS ORDERED** that for the purposes of an HSR investigation, ADWR shall NOT review any extrinsic evidence that is submitted with any surface water filing or a statement of claimant.

Further discussion is held regarding question number 2 with respect to also delaying the investigation of claimed wells that are outside of the subflow zone to the second report that ADWR proposed for unclaimed wells. The Special Master addresses the parties regarding their concerns with respect to investigating something today that we cannot do anything about years from now because of the challenges that are in the San Pedro. The Special Master states that if there is no cone of depression test or a subflow depletion test, the claims for wells outside the subflow zone would get stayed, which would result in a delay similar to postponing the investigation.

Mr. Foy suggests that maybe now is the time to start discussions about the Verde River watershed modeling. The Special Master states that the San Pedro groundwater model must be completed before ADWR should start looking at any other watershed.

The parties offer their final comments.

2:53 p.m. Matter concludes.

#### **LATER:**

A remaining issue not decided during the hearing is ADWR's treatment of claimed uses supplied solely by wells outside the subflow zone in the Lower Verde Valley, Big Chino, Little Chino, and Verde Canyon HSRs ("remaining Verde HSRs"). While ADWR's question as written asked only about "unclaimed" wells, the agency more broadly proposes "to investigate **any** wells outside the subflow zone determined to be pumping appropriable subflow following the acceptance of a MODFLOW model in the Verde River Watershed in a second, limited report for that distinct purpose."<sup>3</sup>

Simply put, ADWR should not investigate uses supplied solely by wells outside the subflow zone ("non-SFZ wells"), claimed or unclaimed, in the remaining Verde HSRs. Experience in the San Pedro River Watershed has shown that contested cases concerning uses supplied by wells outside the subflow zone are invariably stayed pending development of cone of depression and subflow depletion tests. Furthermore, many claims may be withdrawn once the relevant tests are developed.

Arguments in favor of investigating uses supplied solely by non-SFZ wells focus primarily on ARS §§ 45-256(A) and (B), which direct ADWR to investigate "claims asserted by each claimant" and render technical assistance "on a claim-by-claim basis." SRP, joined by the Yavapai-Apache Nation and the cities of Avondale, Glendale, Mesa, Scottsdale, and Tempe, argue that, per these provisions, if the investigation is broken up, the result would not be a "complete" HSR. This argument is mistaken. Neither provision requires ADWR to investigate all claims filed in a subwatershed in a single report.

First, the statutes themselves contemplate "incomplete" HSRs. Claims can be filed in a subwatershed after ADWR has completed its initial "final HSR" for that subwatershed. *See* ARS

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<sup>3</sup> W1-00-001234, ADWR's Request For Clarification And Status Conference, April 20, 2026, at 8. (Emphasis added).

§ 45-254(E). Therefore, by necessity, ADWR must report on all claims filed in a subwatershed across multiple HSRs.

Second, the adjudication statutes and the rules of civil procedure appear to provide wide discretion as to the content and form of adjudication decrees and, in turn, the content of HSRs. Arizona Revised Statutes section 45-257(B)(2) allows the Court to “[e]stablish, **in whatever form determined to be most appropriate by the court, one or more** tabulations or lists of all water rights and their relative priorities on the river system and source.” (emphasis added). Rule 54(b) allows “the court [to] direct entry of a final judgment as to one or more, **but fewer than all**, claims or parties.” (emphasis added). Because an HSR is the foundation for an eventual decree, it follows that similar discretion exists as to the claims that it investigates in a particular HSR.

To be clear—there is no question that investigation of claimed wells outside the subflow zone must happen; it is merely a question of when. Investigation of claimed and unclaimed wells outside the subflow zone shall be deferred until an appropriate time. It should also be noted that some wells outside the delineated subflow zone may be impacting federal reserved water rights. Should a case arise where ADWR needs to provide a technical report on possible impacts to federal reserved water rights by wells outside the subflow zone, the Court can request ADWR to prepare a report.

**IT IS ORDERED** that in the remaining Verde River Watershed HSRs, ADWR shall defer investigation of uses supplied solely by wells outside the subflow zone. This ruling does not require a change in process regarding wells outside of the subflow zone pertinent to the Sycamore HSR.

**IT IS FURTHER ORDERED** that no later than **December 31, 2026**, ADWR shall file a report with a revised time frame for completion of the remaining Verde River Watershed HSRs (Lower Verde Valley, Big Chino, Little Chino, and Verde Canyon).

A copy of this order is mailed to all persons listed on the Court-approved mailing list.