1	GEORGE A. SCHADE, JR.		
2	Special Master Arizona General Stream Adjudication		
2	Arizona State Courts Building, Suite 228		
3	1501 W. Washington Street Phoenix, AZ 85007		
4	(602) 542-9600		
5	State Bar No. 003289		
6	IN THE SUPERIOR COURT OF THE STATE OF ARIZONA		
7	IN AND FOR THE COUNTY OF MARICOPA		
8	IN RE THE GENERAL ADJUDICATION	W-1 (Salt)	
	OF ALL RIGHTS TO USE WATER IN THE	W-2 (Verde)	
9	GILA RIVER SYSTEM AND SOURCE	W-3 (Upper Gila) W-4 (San Pedro)	
10		(Consolidated)	
11		Contested Case No. W1-11-1174	
11		(Consolidated)	
12			
13		ORDER ADOPTING AND MODIFYING THE SPECIAL MASTER'S REPORT ON	
13		ISSUES OF BROAD LEGAL IMPORTANCE	
14			
15	The Court has reviewed the Special Mas	ster's Report on Issues of Broad Legal Importance	
16	Regarding Supplemental Contested Case Hydrographic Survey Reports Filed in the San Pedro Rive		
17	Watershed ("Special Master's Report"). The Court has also considered the comments, objections, and		
18	requests for clarification of the report filed by the San Carlos Apache Tribe, Tonto Apache Tribe, and		
19	the Yavapai-Apache Nation (collectively, the "Apache Tribes"); the Arizona Water Compan		
20	("AWC"); the Arizona Department of Water Res	sources ("ADWR"); Mr. Wayne D. Klump; and the	
21	United States.		
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Comments, Objections, and Clarification Requests

The United States requests various clarifications to the Special Master's recommendations. One request is that the Court clarify that recommended notice and service procedures will apply to all claims in the San Pedro River Watershed and that all claimants will have renewed opportunity to object to all water claims for the subwatershed when ADWR issues new recommendations in supplemental contested case hydrographic survey reports ("HSRs").

Since the Final San Pedro River Watershed HSR was filed in 1991, there have been a number of new claim filings, water uses, and assignments. There have also been transfers of land and/or water rights. It is likely that many of the water uses reported in that HSR have been expanded, reduced, or terminated. All of these changes will have to be investigated and reported. A number of additional contested cases will undoubtedly be commenced. Any identified water use change and all new uses reported in a supplemental contested case HSR will be subject to objection pursuant to A.R.S. § 45-256(B).

With respect to another of the United States' requests, the Court agrees that subflow zone determinations are a requisite to issuance of supplemental contested case HSRs relating to the San Pedro River Watershed, but does not agree that the Court should, as part of its review of the Special Master's Report, specifically delineate each issue to be addressed by ADWR in supplemental contested case HSRs. The report did not treat with this issue, and the affected parties should have the opportunity to comment on the question before the Court provides direction to ADWR. In this regard, the Court agrees with ADWR that the department should be permitted to submit a draft of the first supplemental contested case HSR, which conforms to the requirements of A.R.S. § 45-256(B), for comment by the parties.

AWC's comments suggest that, with respect to the 120-day notice, the Court expand the provisions currently in effect under Pretrial Order No. 5 Re: Notice of Hydrographic Survey Reports (March 29, 2000). The Court believes that Pretrial Order No. 5, as clarified by this order, provides adequate notice to parties interested in, or potentially affected by, the supplemental reports described in the Special Master's Report.

As mentioned above, the Court will adopt ADWR's suggestion to file and disseminate a draft of the first supplemental contested case HSR to permit the parties to comment on content and formatting issues. The Court also approves of ADWR's recommendations that the Special Master's notice, described in Recommendation 5 of the report, contain information regarding a claimant's responsibility to notify ADWR of changes of address or ownership as required by Pretrial Order No. 4 Re: Notification and Correction of Address Changes (January 24, 2000) and that it be sent together with ADWR's notice of filing of the first supplemental contested case HSR.*

The Apache Tribes suggest that the protections of due process for all parties will be enhanced if recipients of the notice of the first supplemental contested case HSR are made aware that they may elect to receive notice of subsequent supplemental contested case HSRs by requesting to be placed on a mailing list maintained by ADWR. The Court agrees that this procedure will assist in assuring that due process requirements are fulfilled.

The notice of objection filed by Mr. Wayne D. Klump does not relate to any of the matters in the Special Master's Report, and will be dismissed.

^{*} ADWR has concerns regarding the accuracy of its databases. The Court encourages ADWR to continue its efforts to update its databases using all means available and to seek the necessary funding to permit it to fulfill its notification responsibilities.

Finding and Order

The Court finds that notice of the Special Master's Report was given as required by law, prior orders of this Court, and the Rules for Proceedings Before the Special Master.

IT IS ORDERED:

- The Court accepts the findings of fact and conclusions of law as set forth in the Special Master's Report.
- 2. The Court adopts all the recommendations and their supporting reasons as set forth in the Special Master's Report. The recommendations adopted are:
 - A. Recommendation 1: A preliminary supplemental contested case HSR is not required prior to the filing of any supplemental contested case HSR.
 - B. Recommendation 2: The procedures set forth in Pre-Trial Order No. 1 ¶ 12(D)(1 and 2) are not adopted for supplemental contested case HSRs.
 - C. Recommendation 3: All claimants in the Gila River Adjudication shall be notified of the filing of supplemental contested case HSRs in the San Pedro River Watershed.
 - D. Recommendation 4: Upon filing the first supplemental contested case HSR in the San Pedro River Watershed, ADWR is directed to send a copy of the objection notice by first-class mail to the persons included on the mailing list for the contested case, to persons appearing on the Court-approved mailing list, to each claimant and nonclaimant water user in the San Pedro River Watershed, to all persons who filed objections to the Final San Pedro River Watershed HSR (1991), and to every other claimant in the Gila River Adjudication.
 - E. Recommendation 5: Upon ADWR filing the first supplemental contested case HSR in the San Pedro River Watershed, the Special Master is directed to send a notice informing all claimants in the Gila River Adjudication that other supplemental contested case

HSRs will be filed in the San Pedro River Watershed, but notice of future supplemental contested case HSRs filed in the San Pedro River Watershed will be sent by first-class mail only to the persons included on the mailing list for the contested case, to persons appearing on the Court-approved mailing list, to each claimant and nonclaimant water user in the San Pedro River Watershed, and to all persons who filed objections to the Final San Pedro River Watershed HSR (1991). This notice should include, if available, a description and filing schedule for future supplemental contested case HSRs in the San Pedro River Watershed and other relevant information about the Gila River Adjudication.

- F. Recommendation 6: For subsequent supplemental contested case HSRs filed in the San Pedro River Watershed, ADWR is directed to send a copy of the objection notice by first-class mail to the persons included on the mailing list for the contested case, to persons appearing on the Court-approved mailing list, to each claimant and nonclaimant water user in the San Pedro River Watershed, and to all persons who filed objections to the Final San Pedro River Watershed HSR (1991).
- G. Recommendation 7: The procedures set forth in Pretrial Order No. 5 $\P\P$ 3 and 5(B)(C)(E) and (F) are adopted for all supplemental contested case HSRs.
- H. Recommendation 8: At least 120 days before a supplemental contested case HSR is filed in the San Pedro River Watershed, ADWR shall file a notice with the Clerk of the Superior Court. This 120-day notice shall state the date on which the supplemental contested case HSR is to be filed and the deadlines for filing a new statement of claimant or amendment to an existing statement of claimant as provided by A.R.S. § 45-254. ADWR shall send a copy of the 120-day notice by first-class mail to all persons listed on the mailing list for the contested case, to persons appearing on the Court-approved mailing list, and to all claimants and

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nonclaimant water users in the subwatershed or subwatersheds of the major watershed covered by the supplemental contested case HSR.

- I. Recommendation 9: All claimants in the Gila River Adjudication will be allowed to file objections to any supplemental contested case HSR filed in the San Pedro River Watershed.
- J. Recommendation 10: Any claimant may file written objections to a supplemental contested case HSR or any part of the report, filed in the San Pedro River Watershed, within one hundred eighty days of the date on which the report was filed.
- K. Recommendation 11: The requirements for objections to a final HSR contained in Pre-Trial Order No. 1 \P 12(D)(3)(a)(b) and (c) are adopted for objections to all supplemental contested case HSRs.
- L. Recommendation 12: The procedures set forth in Pretrial Order No. 5 \P 7(B) and (C) are adopted for all supplemental contested case HSRs.
- M. Recommendation 13: Objections to supplemental contested case HSRs filed in the San Pedro River Watershed shall not be limited in any manner to the supplemental information reported in the HSR.
- 3. When the first San Pedro River Watershed supplemental contested case HSR is filed, ADWR shall send the persons included on the mailing list for the contested case, persons appearing on the Gila River Adjudication Court-Approved Mailing List, each claimant and nonclaimant water user in the San Pedro River Watershed, all persons who filed objections to the Final San Pedro River Watershed HSR (1991), and every other claimant in the Gila River Adjudication a written notice providing a mechanism that permits a claimant or person to request to be placed on a mailing list, maintained by ADWR, to be notified whenever a supplemental contested case HSR is filed.

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The notice shall state that a claimant or person can elect, at any time, not to receive any further notice of the filing of a supplemental contested case HSR by advising ADWR in writing, and that a claimant or person requesting to be placed on this mailing list shall notify ADWR, within thirty (30) days of the change, of any of the following changes regarding that person or concerning that person's statement of claimant form: (1) a change in that person's address; (2) an assignment of the statement of claimant form to another person; (3) a transfer to another person of all or part of the land for which a water right has been claimed; and (4) a transfer to another person of all or part of the water right claimed, if the claimed water right has been severed and transferred to another parcel of land. ADWR may provide any other information that would benefit claimants or help ADWR in subsequent notifications.

- 4. ADWR is directed to provide a draft of the first supplemental contested case HSR for review by the parties listed on the Gila River Adjudication Court-Approved Mailing List, with an opportunity for comment, so that content and formatting issues may be addressed. This process should not delay the finalization of the first supplemental contested case HSR.
- 5. The Special Master is directed to incorporate the notice procedures described in Recommendation 5 of the Special Master's Report together with ADWR's notice of filing of the first supplemental contested case HSR. The Special Master's notice shall reflect claimants' responsibility to notify ADWR of changes of address or ownership changes as required under Pretrial Order No. 4 Re: Notification and Correction of Address Changes. The information regarding claimants' responsibilities under Pretrial Order No. 4 shall be publicized frequently.
 - 6. The objection filed by Mr. Wayne D. Klump is dismissed.
- 7. The motion of the Special Master to approve the recommendations contained in the report is GRANTED subject to the foregoing modifications.

1	8. ADWR is directed to notify claimants and others of the filing of a supplemental			
2	contested case HSR in accordance with the determinations made in this order.			
3	9. The procedures adopted by this order shall apply in the Gila River Adjudication. The			
4	Court and the Special Master may consider implementing these procedures in the Little Colorado River			
5	Adjudication.			
6	10. A copy of this order shall be served on all persons appearing on the Court-approved			
7	mailing lists for both the Gila River Adjudication and the Little Colorado River Adjudication.			
8	Dated this 10th day of February , 2004.			
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10	/s/ Eddward P. Ballinger, Jr. EDDWARD P. BALLINGER, JR. Judge of the Superior Court			
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13	A copy of this order is mailed to all parties			
14	appearing on the Court-approved mailing lists for Contested Case No. W1-11-1174 (Consolidated), dated October 30, 2003; the Gila River Adjudication Court-Approved Mailing List, Nos. W-1, W-2, W-3, and W-4 (Consolidated); and the Little Colorado River Adjudication Court-Approved Mailing List, No. 6417, both dated October 6, 2003.			
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