12/07/2006

CLERK OF THE COURT FORM V000

GEORGE A. SCHADE, JR. SPECIAL MASTER

M. L. Smith Deputy

Contested Case No. W1-104 and CV 6417-100

FILED: <u>12/08/2006</u>

In re State Trust Lands

In Re Oral Argument on Motions for Summary Judgment

MINUTE ENTRY

9:03 a.m. This is the time set for hearing oral argument on pending Motions for Summary Judgment. Present are: Patrick B. Sigl, on behalf of the State of Arizona; Mark E. McGinnis on behalf of the Joint Movants (eighteen parties); Alice E. Walker and Scott B. McElroy on behalf of the Navajo Nation; Lauren J. Caster on behalf of ASARCO LLC and Abitibi Consolidated Sales Corporation; R. Lee Leininger and Stephen G. Bartell on behalf of the United States Department of Justice; Robyn L. Interpreter and Joe P. Sparks on behalf of the San Carlos Apache Tribe, Yavapai-Apache Nation, Tonto Apache Tribe (collectively, the "Apache Tribes"), and Pascua-Yaqui Tribe; Charles T. Dumars on behalf of Patrick H. Lyons, Commissioner of Public Lands for the State of New Mexico; M. Byron Lewis on behalf of Salt River Project; Bill Staudenmaier on behalf of Arizona Public Service, Phelps Dodge Corporation, and Roosevelt Water Conservation District; Robert A. Stranahan IV, David Seely, and Stephen G. Hughes on behalf of the New Mexico State Land Office; Marilyn D. Cage on behalf of the City of Goodyear; Jan L. Ronald and Scott Deeny on behalf of the Arizona Department of Water Resources; Steve Wene on behalf of the Cities of Flagstaff and Safford, and Rio Rico Properties, Inc.; Patricia J. Boland on behalf of the Arizona State Land Department; Riney B. Salmon on behalf of the San Carlos Irrigation District; M. James Callahan on behalf of the City of

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Phoenix; Bill Anger on behalf of the Cities of Chandler, Glendale, Mesa, and Scottsdale; Stanley B. Lutz on behalf of BHP Copper Inc.; John T. Hestand on behalf of the Gila River Indian Community; David A. Brown on behalf of Maricopa-Stanfield Irrigation and Drainage District, Central Arizona Irrigation and Drainage District, Gila Valley Irrigation District, Franklin Irrigation District, and various cities and towns; and Charlotte Benson on behalf of the City of Tempe.

Court Reporter, Rochelle Dobbins, is present.

A recording of this proceeding is made by CD (FTR).

The Special Master states that his office will be moving to the Maricopa County Superior Court, Central Court Building, on December 15, 2006. He will inform counsel and claimants of his new address and telephone number when the move is complete.

Counsel Charles T. Dumars presents oral argument regarding the Motion of the New Mexico Commissioner of Public Lands for Leave to File Brief as Amicus Curiae.

Counsel Patrick B. Sigl argues on behalf of the State of Arizona regarding the federal reserved rights doctrine and Congress's intent concerning federal reserved rights. He argues the State's Motion for Partial Summary Judgment.

Counsel Mark A. McGinnis argues on behalf of the Joint Movants' Motion for Summary Judgment.

Counsel Alice E. Walker argues on behalf of the Navajo Nation's Motion for Summary Judgment.

Counsel Lauren J. Caster argues on behalf of ASARCO LLC's and Abitibi Consolidated Sales Corporation's Motion for Partial Summary Judgment.

The Court stands at recess.

Court reconvenes with respective counsel present.

Court Reporter, Rochelle Dobbins, is present.

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Counsel R. Lee Leininger argues on behalf of the United States Department of Justice's Motion for Summary Judgment.

Mr. Sigl responds to the arguments presented on behalf of the Joint Movants, Navajo Nation, ASARCO LLC, Abitibi Consolidated Sales Corporation, and the United States.

Counsel John T. Hestand argues on behalf of the Gila River Indian Community's Motion for Summary Judgment.

Counsel Robyn L. Interpreter waives the time for oral argument on behalf of the Apache Tribes and Pascua-Yaqui Tribe on their Motion for Partial Summary Judgment.

11:45 a.m. The Court stands at recess.

1:25 p.m. Court reconvenes with respective counsel present.

Court Reporter, Rochelle Dobbins, is present.

A recording of this proceeding is made by CD (FTR).

Counsel Steve Wene argues on behalf of the City of Flagstaff's response to the State's Motion for Partial Summary Judgment.

Mr. Sigl responds to the arguments presented on behalf of the Gila River Indian Community and the City of Flagstaff.

Rebuttal argument on behalf of the Joint Movants is presented by Mr. McGinnis.

Rebuttal argument on behalf of the Navajo Nation is presented by Ms. Walker.

Rebuttal argument on behalf of ASARCO LLC and Abitibi Consolidated Sales Corporation is presented by Mr. Caster.

Mr. Leininger waives rebuttal argument on behalf of the United States Department of Justice.

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Rebuttal argument on behalf of the Gila River Indian Community is presented by Mr. Hestand.

Rebuttal argument on behalf of the Apache Tribes and Pascua-Yaqui Tribe is presented by counsel Joe P. Sparks.

Rebuttal argument on behalf of the State of Arizona is presented by Mr. Sigl.

The Special Master thanks counsel for the excellent briefing, exhibits, and oral arguments.

The Special Master thanks Mr. Dumars, who traveled from New Mexico, for his attendance.

IT IS ORDERED denying the Motion of the New Mexico Commissioner of Public Lands for Leave to File Brief as Amicus Curiae for the reasons set forth in the objections that were filed to the motion.

The Special Master informs counsel that a report may not be filed within sixty days due to his office moving and other pending matters. The Arizona Supreme Court by certification dated November 14, 2002, still in effect, exempted the general stream adjudications from the application of A.R.S § 12-128.01.

Mr. Caster requests the Special Master to ask the Court to set aside time for briefing and hearing after the Special Master files his report. The Special Master states that he will do so.

Mr. Dumars offers to lodge a proposed form of order. The Special Master states that the ruling on the motion for leave to file an amicus curiae brief will be set forth in the minute entry.

2:30 p.m. The Court stands at recess.

IT IS FURTHER ORDERED signing this minute entry as the formal order of this court.

/s/ George A. Schade Jr.

George A. Schade Jr.

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Special Master

A copy of this minute entry is mailed to all parties on the Court-Approved Mailing List for W1-104 and 6417-100 dated July 7, 2006, and to: Charles T. Dumars, Law & Resource Planning Associates, P. C., 201 Third Street NW, Suite 1750, Albuquerque, New Mexico 87102.