1	GEORGE A. SCHADE, JR. Special Master Arizona General Stream Adjudication Arizona State Courts Building, Suite 228	
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3	1501 W. Washington Street	
4	Phoenix, AZ 85007 (602) 542-9600	
5	State Bar No. 003289	
6	IN THE SUPERIOR COURT OF THE STATE OF ARIZONA IN AND FOR THE COUNTY OF MARICOPA	
7	IN AND FOR THE CO	OUNT I OF MARICOPA
0	IN RE THE GENERAL ADJUDICATION	W-1 (Salt)
8	OF ALL RIGHTS TO USE WATER IN THE GILA RIVER SYSTEM AND SOURCE	W-2 (Verde) W-3 (Upper Gila)
9	GILLI III VER STSTEMTINE SOCIOLE	W-4 (San Pedro)
10		(Consolidated)
10		Contested Cases Nos. W1-11-556
11		and W1-11-1132
12		PARTIAL REPORT OF THE SPECIAL
13		MASTER ON CLAIMS ADJUDICATED IN THE SAN PEDRO RIVER WATERSHED
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15	CONTESTED CASE NAME: In re Coronado National Memorial. HSR INVOLVED: San Pedro River Watershed Hydrographic Survey Report.	
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	DESCRIPTIVE SUMMARY: The Special Mast	er files a partial report on water rights of the United
17		National Park Service) which have been settled by
18	stipulation and moves the Superior Court to approve the report and enter a partial decree in the San Pedro River Watershed adjudicating these rights. Objections to this report must be filed with the	
	Clerk of the Superior Court on or before November 12, 2003 . Responses to the objections shall be	
19	filed by December 8, 2003 . A hearing on any objections will be held at a time and place to be set by the Superior Court.	
20	NUMBER OF BACES: Or Amendia A 22	nosi Annandiy D. 24 nosi Annandiy C. 2 nosi
21	NUMBER OF PAGES: 9; Appendix A - 23 pgs; Appendix B - 34 pgs; Appendix C - 2 pgs; Appendix D - 4 pgs; Total 72 pgs.	
22	DATE OF FILING: Original delivered to the Clerk of the Court on May 15, 2003.	
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I. INTRODUCTION

These contested cases involve water right claims of the United States within the Coronado National Memorial, a federal reservation of land in the San Pedro River Watershed administered by the United States Department of the Interior, National Park Service. Each case was organized during the normal course of the adjudication of the San Pedro River Watershed. The cases address the objections filed to the water right claims within the Coronado National Memorial reported in the Final San Pedro River Watershed Hydrographic Survey Report (1991) ("San Pedro HSR").

All the parties in each case entered into stipulated agreements, which include abstracts of proposed water right for the claims of the United States. The United States and the objectors have mutually resolved these contested cases.

A.R.S. § 45-257(A)(2) states that. "[t]he master shall...[f]or all determinations, recommendations,...prepare and file with the court a report in accordance with rule 53(g) of the Arizona rules of civil procedure, which shall contain those determinations, recommendations,...." This report recommends that the Superior Court approve stipulated determinations of the water rights of the United States within the Coronado National Memorial and enter a partial decree in the San Pedro River Watershed adjudication. ³

II. STIPULATION ACCEPTED ON MARCH 26, 1996, BY SPECIAL MASTER THORSON

On March 26, 1996, Special Master Thorson accepted a stipulation filed by the parties on March 19, 1996, in Contested Case No. W1-11-556. A copy of the stipulation is in Appendix A. The

The original pleadings and orders are available at the office of the Clerk of the Maricopa County Superior Court, 601 West Jackson Street, Phoenix, Arizona 85003, under the docket of Contested Case No. W1-11-556.

² The water right claims in Contested Case No. W1-11-1132 are for a private land inholding that the United States acquired in 2001 which is now part of the Coronado National Memorial.

³ This procedure is similar to the one the Superior Court used in the partial decree entered in *In re Saguaro National Monument (Rincon Mountain Unit)* (July 11, 2001), which is available online at www.supreme.state.az.us/wm/ on the *Gila River Adjudication (Judge Eddward P. Ballinger, Jr.)* page.

stipulation contained abstracts of proposed water rights for three springs and ten wells ("underground water"). This was the first of two stipulations filed regarding the Coronado National Memorial.

Special Master Thorson found that the agreement was fair and just and had been entered into in good faith, and he ruled that the abstracts would be held for inclusion in the first appropriate catalog or report of water uses for the San Pedro River Watershed. But on June 3, 1996, upon the United States' unopposed motion, he stayed "all further proceedings in regard to the definition of the attributes of the wells" for which abstracts had been submitted with the stipulation accepted on March 26, 1996." The stay was to last until after the resolution of Interlocutory Review Issues Nos. 2, 4, and 5, which were then before the Arizona Supreme Court, or further order of the Court. Neither the motion to stay nor Special Master Thorson's order included the three springs.

This case remained in abeyance until September 19, 2001, when Special Master Schade requested a report from the parties regarding the progress of negotiations. The parties filed reports on December 21, 2001, June 28, 2002, and December 30, 2002. A status conference was set on May 5, 2003, but that conference was vacated when the parties filed a second stipulated agreement.

The second stipulation, filed on May 2, 2003, contained abstracts of proposed water rights or withdrawals for the same wells for which abstracts were filed on March 19, 1996. The new abstracts are discussed in the next section. A copy of the stipulation is in Appendix B. Special Master Schade accepted the second stipulation on May 6, 2003.

The second stipulation did not contain new or modified abstracts for the three springs that were included in the stipulation accepted on March 26, 1996.⁵ There have been no indications that the abstracts for the three springs that Special Master Thorson accepted on March 26, 1996, are no

⁴ Minute Entry 1 (June 3, 1996).

⁵ The springs are *Joe's Spring No. 3* (Appendix 1 of the May 19, 1996, stipulation), *Tunnel Mine Spring* (Appendix 2 *id.*), and *Brown Allotment Spring* (Appendix 3 *id.*). *See* San Pedro HSR Watershed File Report ("WFR") No. 111-23-016, vol. 3 at 2-238 and vol. 1 at 5-431-435 (National Park Service).

longer valid. In the status report filed on December 21, 2001, the United States stated that three of the parties "have acknowledged the continued validity of the abstracts for the three springs."

On May 13, 2003, the Special Master received a copy of a letter dated May 7, 2003, sent by the National Park Service to the Arizona Department of Water Resources ("ADWR"). The letter submitted various amendments and withdrawals of statements of claimant and well registrations in accord with the stipulated abstracts contained in the second stipulation.

One amendment related to Tunnel Mine Spring. The United States requested to amend the legal descriptions of Tunnel Mine Spring and of the place of use to the South East (SE) North West (NW) South East (SE), Section 11, Township 24 South, Range 20 East, G&SRB&M. The letter indicated that the statement of claimant for Tunnel Mine Spring is 39-11130(B), but according to the records in the case file, the statement of claimant for this spring is 39-11129(B). Statement of Claimant No. 39-11130(B) is described in the second stipulation as being for Brown Allotment Well.

In the order of May 6, 2003, accepting the stipulation, Special Master Schade stated that he would include the stipulation and abstracts for the three springs in the partial report he would file with the Superior Court. The Special Master finds that the abstracts for the three springs that Special Master Thorson accepted on March 26, 1996, including the amendments to Tunnel Mine Spring, are valid and should be included in this report for the Superior Court's consideration.

III. STIPULATION ACCEPTED ON MAY 6, 2003, BY SPECIAL MASTER SCHADE

The stipulation accepted on May 6, 2003, addressed twenty-five water right claims (24 claims involve wells and one a stockpond). It contained abstracts of proposed water rights for twenty-one claims and listed four statements of claimant that the United States will withdraw within sixty days after the Superior Court approves the stipulation.

⁶ Status Report 2 (December 21, 2001). The parties were ASARCO Incorporated, Gila River Indian Community, and Salt River Project.

(including the four claims to be withdrawn) and fourteen claims that are part of Contested Case No. W1-11-1132. The stipulation filed on May 2, 2003, contained abstracts of proposed water rights or withdrawals for the same wells or groundwater claims for which abstracts were submitted with the stipulation accepted on March 26, 1996. The Special Master finds that the abstracts of water rights for the wells or groundwater claims included in the stipulation accepted on March 26, 1996, were amended and superseded by new abstracts contained in the stipulation accepted on May 6, 2003.

The stipulation covered eleven claims that are part of Contested Case No. W1-11-556

In 2001, the United States acquired a private land inholding and the water right claims appurtenant to the land. The determinations of those claims and objections were docketed in Contested Case No. W1-11-1132. A case initiation order has not been filed in that case, but the United States and the objectors reached an agreement and submitted abstracts for the claims in that case. The abstracts of water rights for that contested case are for one stockpond and thirteen wells.⁷

The following are the abstracts that the Special Master recommends that the Court approve:

- 1. <u>Contested Case No. W1-11-556</u>. Stipulation accepted by Special Master Thorson on March 26, 1996: Statements of Claimant Nos. 39-11129(A), 39-11129(B) (as amended), and 39-11130(A) for three springs tributary to Montezuma Canyon Wash described in footnote 4.
- 2. <u>Contested Case No. W1-11-556</u>. Stipulation accepted by Special Master Schade on May 6, 2003: Statements of Claimant Nos. 39-11130(B) (the first two abstracts relate to the same registered well); 39-11130(C), 39-11130(E); 39-11130(F); 39-11130(G); and 39-13636 for six registered wells.
- 3. <u>Contested Case No. W1-11-1132</u>. Stipulation accepted by Special Master Schade on May 6, 2003: Statements of Claimant Nos. 39-4343(A) through 39-4343(M), inclusive, for thirteen registered wells, and 39-4344 for one stockpond.⁸

⁷ See San Pedro HSR WFR No. 111-23-DCC-001, vol. 3 at 2-272 (Richards, Richard B.).

⁸ Although not included in the abstract, Montezuma Pond was registered as Stockpond No. 38-64702. *Id*.

The United States agreed to withdraw Statements of Claimant Nos. 39-8265, 39-11130(D), 39-11130(H), and 39-13637 involving four wells no longer in use (Contested Case No. W1-11-556). In its May 7, 2003, letter to ADWR, the United States withdrew these four claims.

IV. SPECIAL PROCEDURAL ORDER PROVIDING FOR THE APPROVAL OF FEDERAL WATER RIGHTS SETTLEMENTS, INCLUDING THOSE OF INDIAN TRIBES

Special proceedings to consider both stipulations and the abstracts are not warranted under the Arizona Supreme Court's Special Procedural Order Providing for the Approval of Federal Water Rights Settlements, Including Those of Indian Tribes (1991)⁹ for the reasons that the settlement of these claims was reached in the normal course of the adjudication of the San Pedro River Watershed, and there are no special circumstances preventing the Superior Court from considering the settlement agreements in the normal course of the adjudication.

These claims were settled following the preparation of the San Pedro HSR, the filing of objections to the HSR, the organization of contested cases, and the completion of negotiations begun in 1995. Special proceedings are warranted when "[t]here are special circumstances preventing the consideration of the settlement agreement in the normal course of the adjudication." There has been no showing of special circumstances that would prevent the Court from considering these agreements in the normal course of the adjudication.

V. TIME TO FILE OBJECTIONS

A.R.S. § 45-257(A)(2) provides in pertinent part that when the Special Master submits a report to the Superior Court in accordance with Rule 53(g), Ariz. R. Civ. P., "[i]f the report covers an entire...federal reservation, each claimant may file with the court written objections to the report within one hundred eighty days of the date on which the report was filed with the court."

⁹ The Special Procedural Order (May 16, 1991) is available online at <www.supreme.state.az.us/wm/> on the *Arizona Supreme Court: Decisions and Orders* page.

 $^{^{10}}$ *Id.* at ¶ A(5).

The San Pedro HSR describes the United States' water right claims within the Coronado National Memorial in WFRs Nos. 111-23-016 and 111-23-DCC-001. WFR No. 111-23-DCC-001 reports the water right claims within the private land inholding acquired by the United States in 2001. All of the abstracts, whose approval is recommended in this report, are for claims reported in both WFRs. Because the abstracts pertain to an entire federal reservation, the 180-day period specified by A.R.S. § 45-257(A)(2) should be provided for filing objections to this report.

VI. RECOMMENDATIONS

The Special Master recommends that the Superior Court:

- 1. Find that notice of this report was given as required by law, and the time allowed for claimants to file objections to the report was as required by law.
- 2. Find that the stipulated agreements of the parties and the abstracts of proposed water rights for the United States within the Coronado National Memorial should be approved.
- 3. Adjudicate and decree the water rights of the United States within the Coronado National Memorial as set forth in the twenty-four abstracts of water rights stipulated by the parties, including amendments, as described in this report.
- 4. Order that the twenty-four stipulated abstracts shall be incorporated in the tabulations or lists of all water rights and their relative priorities on the Gila River system and source in the form that the Court shall determine, pursuant to A.R.S. § 45-257(B)(2), to be most appropriate.

VII. SUBMISSION AND AVAILABILITY OF REPORT

This report will be filed with the Clerk of the Maricopa Court Superior Court. A copy of the report will be mailed to all the parties in both contested cases and to all persons listed on the Gila River Adjudication Court-Approved Mailing List. An electronic copy will be posted on the Special

Master's Web site (http://www.supreme.state.az.us/wm/) on the *Gila River Adjudication (In re Coronado National Memorial)* page.

VIII. MOTION FOR APPROVAL OF THE SPECIAL MASTER'S PARTIAL REPORT

The Special Master recommends that the Superior Court approve the stipulation and the abstracts of water rights for the three springs accepted by Special Master Thorson on March 26, 1996, including amendments, and approve the stipulation and abstracts of water rights accepted by Special Master Schade on May 6, 2003. The Special Master moves the Superior Court, under A.R.S. § 45-257(B) and Rule 53(h), Ariz. R. Civ. P., to adopt the recommendations contained in this report and adjudicate the water rights proposed for the Coronado National Memorial in a partial decree in the San Pedro River Watershed adjudication. A proposed Order and Partial Decree of Stipulated Water Rights in the San Pedro River Watershed for the Coronado National Memorial is in Appendix C.

IX. NOTICE OF SUBSEQUENT PROCEEDINGS

Any claimant in the Gila River Adjudication may file a written objection to this report on or before **Wednesday**, **November 12**, **2003**. Responses to objections shall be filed by **Monday**, **December 8**, **2003**. Objections and responses must be filed with the Clerk of the Maricopa County Superior Court, 601 West Jackson Street, Phoenix, Arizona 85003, Attn: Water Case. Copies of objections and responses must be served personally or by mail on all persons listed on the Courtapproved mailing list for this matter that is contained in Appendix D.

The hearing on the Special Master's motion to approve the report and any objections to the report will be taken up as ordered by the Superior Court. Rule 53(h), Ariz. R. Civ. P., provides that "[t]he court after hearing may adopt the report or modify it or may reject it in whole or in part or may receive further evidence or may recommit it with instructions."

1	Submitted this 15th day of May, 2003.	
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3	/o/ Caguas A. Sahada In	
4	/s/ George A. Schade, Jr. GEORGE A. SCHADE, JR. Special Master	
5	Speciai masiei	
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7	The original report was filed with the Clerk of the Maricopa County Superior Court on May 15, 2003, and was delivered to the Distribution Center for copying and mailing to all the parties in both contested cases and to all persons who appear on the Court-approved mailing list for the Gila River Adjudication dated May 6, 2003 (Appendix D).	
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11	/s/ KDolge	
12	Kathy Dolge	
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