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10 SHEEP CREEK WATER COMPANY, INC.

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
12 **IN AND FOR THE COUNTY OF LOS ANGELES**

13 Coordination Proceeding  
14 Special Title (Rule 1550(b))

) Judicial Council Coordination  
) Proceeding No. 4408

15 ANTELOPE VALLEY GROUNDWATER  
16 CASES

) Santa Clara Case No. 1-05-CV-049053  
) Assigned to the Honorable Jack Komar  
) Department 17

17 Including Actions:

18 Los Angeles County Waterworks District No.  
19 40 v. Diamond Farming Co.  
20 Superior Court of California, County of Los  
21 Angeles, Case No. BC 325 201

) **ANSWER OF SHEEP CREEK WATER**  
) **COMPANY TO CROSS-COMPLAINT**  
) **OF MUNICIPAL PURVEYORS FOR**  
) **DECLARATORY AND INJUNCTIVE**  
) **RELIEF AND ADJUDICATION OF**  
) **WATER RIGHTS**

22 Los Angeles County Waterworks District No.  
23 40 v. Diamond Farming Co.  
24 Superior Court of California, County of Kern,  
25 Case No. S-1500-CV-254-348

26 Wm. Bolthouse Farms, Inc. v. City of  
27 Lancaster  
28 Diamond Farming Co. v. City of Lancaster  
Diamond Farming Co. v. Palmdale Water Dist.  
Superior Court of California, County of  
Riverside, consolidated actions, Case Nos. RIC  
353 840, RIC 344 436, RIC 344 668

29 ROSAMOND COMMUNITY SERVICES  
30 DISTRICT;  
31 LOS ANGELES COUNTY WATERWORKS  
32 DISTRICT NO. 40;  
33 PALMDALE WATER DISTRICT;  
34 CITY OF LANCASTER;  
35 CITY OF PALMDALE;  
36 LITTLE ROCK CREEK IRRIGATION

DISTRICT;  
PALM RANCH IRRIGATION DISTRICT;  
QUARTZ HILL DISTRICT; and  
CALIFORNIA WATER SERVICE  
COMPANY,

Cross-Complainants,

vs.

DIAMOND FARMING COMPANY;  
WM. BOLTHOUSE FARMS, INC.;  
BOLTHOUSE PROPERTIES LLC; ABC  
WILLIAMS ENTERPRISES LP;  
ACEH CAPITAL LLC;  
JACQUELINE ACKERMANN;  
CENON ADVINCULA;  
OLIVA M. ADVINCULA;  
MASHALLAH AFSHAR;  
ANTONIO U. AGUSTINES;  
AIRTRUST SINGAPORE PRIVATE  
LIMITED;  
MARWAN M. ALDAIS;  
ALLEN ALEVY;  
ALLEN ALEVY AND ALEVY FAMILY  
TRUST;  
GEORGINE J. ARCHER;  
GEORGINE J. ARCHER AS TRUSTEE FOR  
THE GEORGINE J. ARCHER TRUST;  
A V MATERIALS, INC.;  
GUSS A. BARKS, JR.;  
PETER G. BARKS;  
ILDEFONSO S. BAYANI;  
NILDA V. BAYANI;  
BIG WEST CORP.;  
RANDALL Y. BLAYNEY;  
MELODY S. BLOOM;  
BOLTHOUSE PROPERTIES, INC.;  
DAVID L. BOWERS;  
RONALD E. BOWERS;  
LEROY DANIEL BRONSTON;  
MARILYN BURGESS;  
LAVERNE C. BURROUGHS;  
LAVERNE C. BURROUGHS, TRUSTEE OF  
THE BURROUGHS FAMILY  
IRREVOCABLE TRUST DATED  
AUGUST 1, 1995; BRUCE BURROWS;  
JOHN & B. CALANDRI 2001 TRUST;  
CALIFORNIA PORTLAND CEMENT  
COMPANY;  
CALMAT LAND CO.;  
MELINDA E. CAMERON;  
CASTLE BUTTE DEV CORP.;  
CATELLUS DEVELOPMENT  
CORPORATION;

1 BONG S. CHANG;  
JEANNA Y. CHANG;  
2 MOON S. CHANG;  
JACOB CHETRIT;  
3 FRANK S. CHIODO;  
LEE S. CHIOU;  
4 M S CHUNG;  
CITY OF LOS ANGELES;  
5 CAROL K. CLAYPOOL;  
CLIFFORD N. CLAYPOOL;  
6 W. F. CLUNEN, JR.;  
W. F. CLUNEN, JR., AS TRUSTEE FOR  
7 THE P C REV INTER VIVOS TRUST;  
CONSOLIDATED ROCK PRODUCTS CO.;  
8 COUNTY SANITATION DISTRICT NO. 14  
OF LOS ANGELES COUNTY;  
9 COUNTY SANITATION DISTRICT NO. 20  
OF LOS ANGELES COUNTY;  
10 RUTH A. CUMMING;  
RUTH A. CUMMING, AS TRUSTEE OF  
11 THE CUMMING FAMILY TRUST;  
CATHARINE M. DAVIS;  
12 MILTON S. DAVIS;  
DEL SUR RANCH LLC;  
13 DIAMOND FARMING COMPANY;  
SARKIS DJANIBEKYAN;  
14 HONG DONG;  
YING X. DONG;  
15 DOROTHY DREIER;  
GEORGE E. DREIER;  
16 EDWARDS AIR FORCE BASE, CA;  
MORTEZA M. FOROUGH;  
17 MORTEZA M. FOROUGH, AS TRUSTEE  
OF THE FOROUGH FAMILY TRUST;  
18 LEWIS FREDRICHSEN;  
LEWIS FREDRICHSEN, AS TRUSTEE OF  
19 THE FREDRICHSEN FAMILY TRUST;  
JOAN A. FUNK;  
20 EUGENE GABRYCH;  
MARIAN GABRYCH;  
21 AURORA P. GABUYA;  
RODRIGO L. GABUYA;  
22 GGF LLC;  
GENUS LP;  
23 BETTY GLUCKSTEIN;  
JOSEPH H. GLUCKSTEIN;  
24 FORREST G. GODDE;  
FORREST G. GODDE, AS TRUSTEE OF  
25 THE FORREST G. GODDE TRUST;  
LAWRENCE A. GODDE;  
26 LAWRENCE A. GODDE AND GODDE  
TRUST;  
27 MARIA B. GORRINDO;  
MARIA B. GORRINDO, AS TRUSTEE FOR  
28 THE M. GORRINDO TRUST;

1 WENDELL G. HANKS;  
ANDREAS HAUKE;  
2 MARILYN HAUKE;  
HEALY ENTERPRISES, INC.;  
3 WALTER E. HELMICK;  
DONNA L. HIGELMIRE;  
4 MICHAEL N. HIGELMIRE;  
DAVIS L. AND DIANA D. HINES FAMILY  
5 TRUST;  
HOOSHPACK DEV INC.;  
6 CHI S. HUANG;  
SUCHU T. HUANG;  
7 JOHN HUI;  
HYPERICUM INTERESTS LLC;  
8 DARYUSH IRANINEZHAD;  
MINOO IRANINEZHAD;  
9 ESFANDIAR KADIVAR;  
ESFANDIAR KADIVAR, AS TRUSTEE OF  
10 THE KADIVAR FAMILY TRUST;  
A. DAVID KAGON;  
11 A. DAVID KAGON, AS TRUSTEE FOR THE  
KAGON TRUST;  
12 JACK D. KAHLO;  
CHENG LIN KANG;  
13 HERBERT KATZ;  
HERBERT KATZ, AS TRUSTEE FOR THE  
14 KATZ FAMILY TRUST;  
MARIANNE KATZ;  
15 LILIAN S. KAUFMAN;  
LILIAN S. KAUFMAN, AS TRUSTEE FOR  
16 THE KAUFMAN FAMILY TRUST;  
KAZUKO YOSHIMATSU;  
17 BARBARA L. KEYS;  
BARBARA L. KEYS, AS TRUSTEE OF THE  
18 BARBARA L. KEYS FAMILY TRUST;  
BILL H. KIM;  
19 ILLY KING;  
ILLY KING, AS TRUSTEE OF THE ILLY  
20 KING FAMILY TRUST;  
KOOTENAI PROPERTIES, INC.;  
21 KUTU INVESTMENT CO.;  
GAILEN KYLE;  
22 GAILEN KYLE, AS TRUSTEE OF THE  
KYLE TRUST;  
23 JAMES W. KYLE;  
JAMES W. KYLE, AS TRUSTEE OF THE  
24 KYLE FAMILY TRUST;  
JULIA KYLE;  
25 WANDA E. KYLE;  
FARES A. LAHOUD;  
26 EVA LAI;  
PAUL LAI;  
27 YING WAH;  
LAND BUSINESS CORPORATION;  
28 RICHARD E. LANDFIELD;

1 RICHARD E. LANDFIELD, AS TRUSTEE  
2 OF THE RICHARD E. LANDFIELD TRUST;  
3 LAWRENCE CHARLES TRUST;  
4 WILLIAM LEWIS;  
5 MARY LEWIS;  
6 PEI CHI LIN;  
7 MAN C. LO;  
8 SHIUNG RU LO;  
9 LYMAN C. MILES;  
10 LYMAN C. MILES, AS TRUSTEE FOR THE  
11 MILES FAMILY TRUST;  
12 MALLOY FAMILY PARTNERS LP;  
13 MISSION BELL RANCH DEVELOPMENT;  
14 BARRY S. MUNZ;  
15 KATHLEEN M. MUNZ;  
16 TERRY A. MUNZ;  
17 M. R. NASIR;  
18 SOUAD R. NASIR;  
19 EUGENE B. NEBEKER;  
20 SIMIN C. NEMAN;  
21 HENRY NGO;  
22 FRANK T. NGUYEN;  
23 JUANITA R. NICHOLS;  
24 OLIVER NICHOLS;  
25 OLIVER NICHOLS, AS TRUSTEE OF THE  
26 NICHOLS FAMILY TRUST;  
27 OWL PROPERTIES, INC.;  
28 PALMDALE HILLS PROPERTY LLC;  
NORMAN L. POULSEN;  
MARILYN J. PREWOZNIK;  
MARILYN J. PREWOZNIK, AS TRUSTEE  
OF THE MARILYN J. PREWOZNIK TRUST;  
ELIAS QARMOUT;  
VICTORIA RAHIMI;  
R AND M RANCH, INC.;  
PATRICIA A. RECHT;  
VERONIKA REINELT;  
REINELT ROSENLOECHER CORP. PSP;  
PATRICIA J. RIGGINS;  
PATRICIA J. RIGGINS, AS TRUSTEE OF  
THE RIGGINS FAMILY TRUST;  
EDGAR C. RITTER;  
PAULA E. RITTER;  
PAULA E. RITTER, AS TRUSTEE OF THE  
RITTER FAMILY TRUST;  
ROMAN CATHOLIC ARCHBISHOP OF  
LOS ANGELES;  
ROMO LAKE LOS ANGELES  
PARTNERSHIP;  
ROSEMOUNT EQUITIES LLC SERIES;  
ROYAL INVESTORS GROUP;  
ROYAL WESTERN PROPERTIES LLC;  
OSCAR RUDNICK;  
REBECCA RUDNICK;  
SANTA MONICA MOUNTAINS

1 CONSERVANCY;  
2 MARYGRACE H. SANTORO;  
3 MARYGRACE H. SANTORO, AS TRUSTEE  
4 FOR THE MARYGRACE H. SANTORO  
5 REV TRUST;  
6 SAN YU ENTERPRISES, INC.;  
7 DANIEL SAPARZEDEH;  
8 HELEN STATHATOS;  
9 SAVAS STATHATOS;  
10 SAVAS STATHATOS, AS TRUSTEE FOR  
11 THE STATHATOS FAMILY TRUST;  
12 SEVEN STAR UNITED LLC;  
13 MARK H. SHAFRON;  
14 ROBERT L. SHAFRON;  
15 KAMRAM S. SHAKIB;  
16 DONNA L. SIMPSON;  
17 GARETH L. SIMPSON;  
18 GARETH L. SIMPSON, AS TRUSTEE OF  
19 THE SIMPSON FAMILY TRUST;  
20 SOARING VISTA PROPERTIES, INC.;  
21 STATE OF CALIFORNIA;  
22 GEORGE C. STEVENS, JR.;  
23 GEORGE C. STEVENS, JR., AS TRUSTEE  
24 OF THE GEORGE C. STEVENS, JR. TRUST;  
25 GEORGE L. STIMSON, JR.;  
26 GEORGE L. STIMSON, JR., AS TRUSTEE  
27 OF THE GEORGE L. STIMSON, JR. TRUST;  
28 TEJON RANCHCORP;  
MARK E. THOMPSON A P C PROFIT  
SHARING PLAN;  
TIERRA BONITA RANCH COMPANY;  
TIONG D. TIU;  
BEVERLY J. TOBIAS;  
BEVERLY J. TOBIAS, AS TRUSTEE OF  
THE TOBIAS FAMILY TRUST;  
JUNG N. TOM;  
WILLIAM BOLTHOUSE FARMS, INC.;  
WILMA D. TRUEBLOOD;  
WILMA D. TRUEBLOOD, AS TRUSTEE OF  
THE TRUEBLOOD FAMILY TRUST;  
UNISON INVESTMENT CO., LLC;  
DELMAR D. VAN DAM;  
GERTRUDE J. VAN DAM;  
KEITH E. WALES;  
E C WHEELER LLC;  
ALEX WODCHIS;  
ELIZABETH WONG;  
MARY WONG;  
MIKE M. WU;  
MIKE M. WU, AS TRUSTEE OF THE WU  
FAMILY TRUST;  
STATE OF CALIFORNIA 50<sup>TH</sup> DISTRICT  
AND AGRICULTURAL ASSOCIATION;  
THE UNITED STATES OF AMERICA;  
U. S. BORAX, INC.;

1 and ROES 1 through 100,000, inclusive, }  
2 Cross-Defendants. }

3  
4 Comes now, **Sheep Creek Water Company, Inc.** ("Sheep Creek"), a mutual water  
5 company with its principal place of business at 4200 Sunnyslope Road, Phelan, CA 92329-1820  
6 and the owner of properties within the jurisdictional boundaries of this adjudication from which  
7 Sheep Creek claims the right to produce and is preparing to produce water for delivery to its  
8 customers and is therefore a necessary and proper party, and answers the Cross-Complaint  
9 ("*Cross Complaint*") filed by Cross-Complainants, **Rosamond Community Services District**  
10 ("**Rosamond CSD**"), **Los Angeles County Waterworks District No. 40** ("**LACWD No. 40**"),  
11 **Palmdale Water District** ("**Palmdale WD**"), **City Of Lancaster** ("**Lancaster**"), **City Of**  
12 **Palmdale** ("**Palmdale**"), **Littlerock Creek Irrigation District** ("**Littlerock CID**"), **Palm Ranch**  
13 **Irrigation District** ("**Palm Ranch ID**"), **Quartz Hill District** ("**Quartz Hill**"), and **California**  
14 **Water Service Company** (individually "**California WSD**" and all collectively "**Cross-**  
15 **Complainants**"), and for itself and for no others, admits, denies, and alleges as follows:  
16

17 **ANSWER**

18 **Preliminary Statements**

19 **A. LASC Case No. BC325201.** Sheep Creek is informed that LACWD No. 40 has  
20 previously served the parties to the instant action with a *Complaint for Declaratory and*  
21 *Injunctive Relief and Adjudication of Water Rights* (the "*Complaint*") that it filed in Los Angeles  
22 County Superior Court as Case No. BC325201. Though Sheep Creek was thereafter informed  
23 that it would be receiving service of an Order re Case Management Dates and Motions in which  
24 it would be directed not to answer the aforementioned *Complaint*, the Order that was eventually  
25 served on it was unclear in that regard. Sheep Creek has now been received the "Cross-  
26 Complaint" in the instant action, to which this Answer is made. To the extent necessary and  
27 appropriate, Sheep Creek intend this Answer to also constitute an answer to the Complaint.  
28

1           **B. Paragraph 20 Allegations regarding Interconnected Sub-Basins.** Though not  
2 alleged in the *Complaint*, Cross-Complainants now alleges, in Paragraph 20 of the *Cross-*  
3 *Complaint*, that the Antelope Valley Basin is divided into an unspecified number of sub-basins,  
4 which Cross-Complainants alleges are "sufficiently hydrologically connected to justify treating  
5 them as a single source of water for purposes of adjudicating the parties' water rights." As  
6 Sheep Creek's response to this specific allegation in Paragraph 20 is sufficiently central to its  
7 responses to a number of other allegations in the Cross-Complaint, Sheep Creek chooses to  
8 preliminarily state its responses to that specific allegation at this point. Sheep Creek is informed  
9 and believe and thereon alleges that some or all of said basins and sub-basins over which Sheep  
10 Creek's properties, and its water production facilities are situated may be, to some presently  
11 unknown extent, separate and independent from some or all of the remaining groundwater basins  
12 and sub-basins from which Cross-Complainants produce water and in which Cross-Complainants  
13 store water. While Sheep Creek admits the existence of sub-basins, it lacks sufficient  
14 information and belief to enable it to admits or denies the number, physical locations,  
15 compositions, dimensions and hydrologic interconnections between and amongst the various  
16 sub-basins, and must thereon denies the allegation that the sub-basins are sufficiently  
17 hydrologically connected to justify treating them as a single source of water for purposes of  
18 adjudicating the parties' water rights. Further, Cross-Complainants have not alleged any facts  
19 from which Sheep Creek can ascertain the number and location of Cross-Complainants'  
20 production facilities, or the production capacities and histories of Cross-Complainants wells and  
21 other production facilities, and must therefore denies that any present, historic or future  
22 production from Sheep Creek's facilities have, are, or will have, any adverse impacts on Cross-  
23 Complainants' abilities to meet their reasonable requirements from their unidentified production  
24 facilities. Finally, Cross-Complainants have not alleged any facts from which Sheep Creek can  
25 ascertain the number, location, characteristics and/or capacity of the sub-basins in which Cross-  
26 Complainants alleges they have stored imported and other water, as well as the amounts, quality  
27 and disposition of the water allegedly stored therein, and must therefore denies that any present,  
28 historic or future production from Sheep Creek's water production facilities have, are, or will



1 have, any adverse impacts on the waters allegedly stored by some or all of Cross-Complainants  
2 in said sub-basins. Sheep Creek further intend these responses to be applicable to its responses  
3 to the other paragraphs in the Cross-Complaint, which are dependent, either in whole or in part,  
4 upon this allegation in the Cross-Complaint.

### 5 6 Introduction

7 1. Answering Paragraph 1 of the "Introduction" portion of the preliminary  
8 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, Sheep  
9 Creek acknowledges that the action purports to seek a judicial determination of all rights to  
10 groundwater within an area described as the "Antelope Valley Groundwater Basin (the 'Basin')";  
11 and, except therefor, Sheep Creek lacks sufficient knowledge or information to form a belief as  
12 to the truth of the remaining allegations contained in said paragraph, and on that basis, denies,  
13 generally and specifically, jointly and severally, each and every other allegation contained  
14 therein.

### 15 16 Cross-Complainants

17 2. Answering Paragraph 2 of the "Cross-Complainants" portion of the preliminary  
18 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
19 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
20 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
21 that basis, denies, generally and specifically, jointly and severally, each and every allegation  
22 contained therein.

23 3. Answering Paragraph 3 of the "Cross-Complainants" portion of the preliminary  
24 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
25 reference to Preliminary Statement B, above, Sheep Creek admits the first sentence commencing  
26 with the name "Los Angeles" on line 8 of page 8, through the word "Valley" on line 11 of page  
27 8; and, except therefore, Sheep Creek lacks sufficient knowledge or information to form a belief  
28 as to the truth of the remaining allegations contained in said paragraph, and on that basis, denies,

1 generally and specifically, jointly and severally, each and every other allegation contained  
2 therein.

3 4. Answering Paragraph 4 of the "Cross-Complainants" portion of the preliminary  
4 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
5 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
6 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
7 that basis, denies, generally and specifically, jointly and severally, each and every other  
8 allegation contained therein.

9 5. Answering Paragraph 5 of the "Cross-Complainants" portion of the preliminary  
10 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
11 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
12 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
13 that basis, denies, generally and specifically, jointly and severally, each and every other  
14 allegation contained therein.

15 6. Answering Paragraph 6 of the "Cross-Complainants" portion of the preliminary  
16 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
17 reference to Preliminary Statement B, above, Sheep Creek admits the allegations contained  
18 therein.

19 7. Answering Paragraph 7 of the "Cross-Complainants" portion of the preliminary  
20 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
21 reference to Preliminary Statement B, above, Sheep Creek admits the first sentence commencing  
22 with the word "The" on line 25 of page 8, through the word "uses" on line 27 of page 8; and,  
23 except therefore, Sheep Creek lacks sufficient knowledge or information to form a belief as to  
24 the truth of the remaining allegations contained in said paragraph, and on that basis, denies,  
25 generally and specifically, jointly and severally, each and every other allegation contained  
26 therein.

27 8. Answering Paragraph 8 of the "Cross-Complainants" portion of the preliminary  
28 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with

1 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
2 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
3 that basis, denies, generally and specifically, jointly and severally, each and every other  
4 allegation contained therein.

5 9. Answering Paragraph 9 of the "Cross-Complainants" portion of the preliminary  
6 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
7 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
8 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
9 that basis, denies, generally and specifically, jointly and severally, each and every other  
10 allegation contained therein.

11 10. Answering Paragraph 10 of the "Cross-Complainants" portion of the preliminary  
12 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
13 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
14 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
15 that basis, denies, generally and specifically, jointly and severally, each and every other  
16 allegation contained therein.

### 17 18 Cross-Defendants

19 11. Answering Paragraph 11 of the "Cross-Defendants" portion of the preliminary  
20 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
21 reference to Preliminary Statement B, above, Sheep Creek admits that it is the fee owner of the  
22 following described real properties (collectively "Sheep Creek's Properties") that are situated in  
23 that portion of the State of California comprised of portions of the Counties of Los Angeles and  
24 Kern that is described in Paragraph 19 of the *Cross Complaint*; and which is described as  
25 Assessor's Parcel Numbers 3089-012-004 and 3089-012-008, in Township 5 North, Range 8  
26 West, San Bernardino Base and Meridian.

27 Further answering said Paragraph 11, Sheep Creek admits that it claims some right, title  
28 or interest to some of the water in the groundwater basins and/or sub-basins underlying Cross-

1 Defendants' Properties, and to the underflow of any of the washes to which Cross-Defendants'  
2 Properties are riparian, and that it produce water from said groundwater basins and/or sub-basins,  
3 and from the underflow of said washes. Further answering said Paragraph 11, Sheep Creek lacks  
4 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
5 said paragraph as to all named Cross-Defendants save and except Sheep Creek, and on that basis,  
6 denies, generally and specifically, jointly and severally, each and every other allegation  
7 contained therein as to the other named Cross-Defendants.

8 12. Answering Paragraph 12 of the "Cross-Defendants" portion of the preliminary  
9 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
10 reference to Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or  
11 information to form a belief as to the truth of the allegations contained in said paragraph, and on  
12 that basis, denies, generally and specifically, jointly and severally, each and every other  
13 allegation contained therein.

14  
15 **The United States is a Necessary Party to this Action**

16 13. Answering Paragraph 13 of the "The United States is a Necessary Party to this  
17 Action" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
18 file in the instant action, and with reference to Preliminary Statement B, above, Sheep Creek  
19 lacks sufficient knowledge or information to form a belief as to the truth of the allegations  
20 contained in said paragraph, and on that basis, denies, generally and specifically, jointly and  
21 severally, each and every other allegation contained therein as to the other named Cross-  
22 Defendants.

23 14. Answering Paragraph 14 of the "The United States is a Necessary Party to this  
24 Action" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
25 file in the instant action, and with reference to Preliminary Statement B, above, Sheep Creek  
26 lacks sufficient knowledge or information to form a belief as to the truth of the allegations  
27 contained in said paragraph, and on that basis, denies, generally and specifically, jointly and  
28

1 severally, each and every other allegation contained therein as to the other named Cross-  
2 Defendants.

3 15. Answering Paragraph 15 of the "The United States is a Necessary Party to this  
4 Action" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
5 file in the instant action, and with reference to Preliminary Statement B, above, Sheep Creek  
6 admits the application of 43 U.S.C. § 666 (the "McCarran Amendment"); and, save and except  
7 therefor, lacks sufficient knowledge or information to form a belief as to the truth of the  
8 allegations contained in said paragraph, and on that basis, denies, generally and specifically,  
9 jointly and severally, each and every other allegation contained therein.

10 16. Answering Paragraph 16 of the "The United States is a Necessary Party to this  
11 Action" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
12 file in the instant action, and with reference to Preliminary Statement B, above, Sheep Creek  
13 admits the application of the McCarran Amendment; and, save and except therefor, lacks  
14 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
15 said paragraph, and on that basis, denies, generally and specifically, jointly and severally, each  
16 and every other allegation contained therein as to the other named Cross-Defendants.

17 17. Answering Paragraph 17 of the "The United States is a Necessary Party to this  
18 Action" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
19 file in the instant action, and with reference to Preliminary Statement B, above, Sheep Creek  
20 admits the application of the McCarran Amendment; and, save and except therefor, lacks  
21 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
22 said paragraph, and on that basis, denies, generally and specifically, jointly and severally, each  
23 and every other allegation contained therein as to the other named Cross-Defendants.

24  
25 **The History of the Antelope Valley Groundwater Basin**

26 18. Answering Paragraph 18 of "The History of the Antelope Valley Groundwater  
27 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
28

1 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
2 B, above, Sheep Creek admits the allegations contained therein.

3 19. Answering Paragraph 19 of "The History of the Antelope Valley Groundwater  
4 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
5 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
6 B, above, admits that the Basin is located in an arid valley in the Mojave Desert, about fifty  
7 miles northeast of the City of Los Angeles; and, save and except therefor, lacks sufficient  
8 knowledge or information to form a belief as to the truth of the allegations contained in said  
9 paragraph, and on that basis, denies, generally and specifically, jointly and severally, each and  
10 every other allegation contained therein.

11 20. Answering Paragraph 20 of "The History of the Antelope Valley Groundwater  
12 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
13 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
14 B, above, Sheep Creek admits that the Antelope Valley Groundwater Basin is divided into a  
15 number of sub-basins, but lacks sufficient knowledge or information to form a belief as to the  
16 truth of the allegations that the sub-basins are "sufficiently hydrologically connected to justify  
17 treating them as a single source of water for purposes of adjudicating the parties' water rights,"  
18 and on that basis, denies, generally and specifically, jointly and severally, each and every other  
19 allegation contained therein with respect to that specific allegation. Further answering said  
20 Paragraph 20, Sheep Creek is informed and believe and thereon alleges that some or all of said  
21 basins and sub-basins over which the Cross-Defendants' Properties and water production  
22 facilities are situated may be, to some presently unknown extent, separate and independent from  
23 some or all of the remaining groundwater basins and sub-basins from which Cross-Complainants  
24 produce water and in which Cross-Complainants store water. Further answering said Paragraph  
25 20, Sheep Creek lacks sufficient knowledge or information to form a belief as to the physical  
26 locations, compositions, dimensions and hydrologic interconnections between and amongst the  
27 various sub-basins, and on that basis, denies, generally and specifically, jointly and severally,  
28 each and every allegation contained therein with respect to that specific allegation that the sub-

1 basins are sufficiently hydrologically connected to justify treating them as a single source of  
2 water for purposes of adjudicating the parties' water rights. Further answering said Paragraph  
3 20, Cross-Complainants have not alleged any facts from which Sheep Creek can ascertain the  
4 number and location of Cross-Complainants' production facilities, or the production capacities  
5 and histories of Cross-Complainants wells and other water production facilities, and must  
6 therefore deny that any present, historic or future production from Sheep Creek's facilities have,  
7 are, or will have, any adverse impacts on Cross-Complainants' abilities to meet their reasonable  
8 water requirements from their unidentified production facilities. Finally, Cross-Complainants  
9 have not alleged any facts from which Sheep Creek can ascertain the number, location,  
10 characteristics and/or capacity of the sub-basins in which Cross-Complainants allege they have  
11 stored imported and other water, as well as the amounts, quality and disposition of the water  
12 allegedly stored therein, and must therefore deny that any present, historic or future production  
13 from Sheep Creek's facilities have, are having, or will have, any adverse impacts on the waters  
14 allegedly stored by some or all of Cross-Complainants in said sub-basins.

15 21. Answering Paragraph 21 of "The History of the Antelope Valley Groundwater  
16 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
17 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
18 B, above, Sheep Creek states that it lacks sufficient knowledge or information to form a belief as  
19 to the truth of the allegations contained in said paragraph, and on that basis, denies, generally and  
20 specifically, jointly and severally, each and every other allegation contained therein. Further  
21 answering said Paragraph 21, Sheep Creek states that the groundwater basin and/or sub-basins  
22 under the Cross-Defendants' Properties do not appear to have suffered a destroyed groundwater  
23 level equilibrium or a systematic long-term decline in groundwater levels and storage, but rather  
24 appear to experience seasonal water level fluctuations.

25 22. Answering Paragraph 22 of "The History of the Antelope Valley Groundwater  
26 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
27 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
28 B, above, Sheep Creek admits that portion of the second sentence in said Paragraph commencing

1 with the word "urbanization" at line 24 through the word "water" at line 25, all on page 13; and,  
2 save and except therefor, lacks sufficient knowledge or information to form a belief as to the  
3 truth of the allegations contained in said paragraph, and on that basis, denies, generally and  
4 specifically, jointly and severally, each and every other allegation contained therein.

5 23. Answering Paragraph 23 of "The History of the Antelope Valley Groundwater  
6 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
7 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
8 B, above, Sheep Creek lacks sufficient knowledge or information to form a belief as to the truth  
9 of the allegations contained in said paragraph, and on that basis, denies, generally and  
10 specifically, jointly and severally, each and every other allegation contained therein.

11 24. Answering Paragraph 24 of "The History of the Antelope Valley Groundwater  
12 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
13 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
14 B, above, Sheep Creek admits that land subsidence is the general sinking of the Earth's surface  
15 and that some of the harmful effects of land subsidence can include a loss of groundwater storage  
16 space, cracks and fissures in the Earth's surface and damage to real property; and, save and  
17 except therefor, lacks sufficient knowledge or information to form a belief as to the truth of the  
18 allegations contained in said paragraph, and on that basis, denies, generally and specifically,  
19 jointly and severally, each and every other allegation contained therein. Further answering said  
20 Paragraph 24, Sheep Creek states that the groundwater basin and/or sub-basins under the Cross-  
21 Defendants' Properties appear to have suffered no chronic declines in groundwater levels, and  
22 said properties appear to have suffered no land subsidence.

23 25. Answering Paragraph 25 of "The History of the Antelope Valley Groundwater  
24 Basin" portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on  
25 file in the instant action, and with reference to and subject to its denials in Preliminary Statement  
26 B, above, Sheep Creek admits that declining groundwater levels, diminished groundwater  
27 storage and land subsidence can damage any groundwater basin; and, save and except therefor,  
28 lacks sufficient knowledge or information to form a belief as to the truth of the allegations



1 contained in said paragraph, and on that basis, denies, generally and specifically, jointly and  
2 severally, each and every other allegation contained therein. Further answering said Paragraph  
3 24, Sheep Creek states that the groundwater basin and/or sub-basins under the Cross-Defendants'  
4 Properties appear to have suffered no declines in groundwater levels and no diminished  
5 groundwater storage, and the Cross-Defendants' Properties appear to have suffered no land  
6 subsidence.

7  
8 **Public Water Suppliers Supplement and Commingle Their**  
9 **Supplemental Supply of Water With Basin Water**

10 26. Answering Paragraph 26 of the "Public Water Suppliers Supplement and  
11 Commingle Their Supplemental Supply of Water With Basin Water" portion of the preliminary  
12 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
13 reference to and subject to its denials in Preliminary Statement B, above, Sheep Creek admits  
14 that State Project water generally originates in Northern California; and save and except therefor,  
15 lacks sufficient knowledge or information to form a belief as to the truth of the allegations  
16 contained in said paragraph, and on that basis, denies, generally and specifically, jointly and  
17 severally, each and every other allegation contained therein.

18 27. Answering Paragraph 27 of the "Public Water Suppliers Supplement and  
19 Commingle Their Supplemental Supply of Water With Basin Water" portion of the preliminary  
20 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
21 reference to and subject to its denials in Preliminary Statement B, above, Sheep Creek lacks  
22 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
23 said paragraph, and on that basis, denies, generally and specifically, jointly and severally, each  
24 and every other allegation contained therein.

25 28. Answering Paragraph 28 of the "Public Water Suppliers Supplement and  
26 Commingle Their Supplemental Supply of Water With Basin Water" portion of the preliminary  
27 allegations to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with  
28 reference to and subject to its denials in Preliminary Statement B, above, Sheep Creek lacks

1 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
2 said paragraph, and on that basis, denies, generally and specifically, jointly and severally, each  
3 and every other allegation contained therein.  
4

5 **The Basin Has Been in a State of Over-Draft for Over Five Years**

6 29. Answering Paragraph 29 of "The Basin Has Been in a State of Over-Draft for  
7 Over Five Years" portion of the preliminary allegations to the *Cross-Complaint* of Cross-  
8 Complainants on file in the instant action, and with reference to and subject to its denials in  
9 Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to form  
10 a belief as to the truth of the allegations contained in said paragraph, and on that basis, denies,  
11 generally and specifically, jointly and severally, each and every other allegation contained  
12 therein.

13 30. Answering Paragraph 30 of "The Basin Has Been in a State of Over-Draft for  
14 Over Five Years" portion of the preliminary allegations to the *Cross-Complaint* of Cross-  
15 Complainants on file in the instant action, and with reference to and subject to its denials in  
16 Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph, as to  
17 Sheep Creek alone and no other, commencing with the word "cross-defendant" on line 21  
18 through the word "water" on line 23, all on page 15; and, save and except therefor, lacks  
19 sufficient knowledge or information to form a belief as to the truth of the allegations contained in  
20 said paragraph, and on that basis, denies, generally and specifically, jointly and severally, each  
21 and every other allegation contained therein.

22 31. Answering Paragraph 31 of "The Basin Has Been in a State of Over-Draft for  
23 Over Five Years" portion of the preliminary allegations to the *Cross-Complaint* of Cross-  
24 Complainants on file in the instant action, and with reference to and subject to its denials in  
25 Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph, as to  
26 Sheep Creek alone and no other, commencing with the word "claims" on line 26 through the  
27 word "water" on line 27, all on page 15; and, save and except therefor, lacks sufficient  
28 knowledge or information to form a belief as to the truth of the allegations contained in said

1 paragraph, and on that basis, denies, generally and specifically, jointly and severally, each and  
2 every other allegation contained therein.

3 32. Answering Paragraph 32 of "The Basin Has Been in a State of Over-Draft for  
4 Over Five Years" portion of the preliminary allegations to the *Cross-Complaint* of Cross-  
5 Complainants on file in the instant action, and with reference to and subject to its denials in  
6 Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to form  
7 a belief as to the truth of the allegations contained in said paragraph, and on that basis, denies,  
8 generally and specifically, jointly and severally, each and every other allegation contained  
9 therein.

10 33. Answering Paragraph 33 of "The Basin Has Been in a State of Over-Draft for  
11 Over Five Years" portion of the preliminary allegations to the *Cross-Complaint* of Cross-  
12 Complainants on file in the instant action, and with reference to and subject to its denials in  
13 Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to form  
14 a belief as to the truth of the allegations contained in said paragraph, and on that basis, denies,  
15 generally and specifically, jointly and severally, each and every other allegation contained  
16 therein.

17  
18 **There is a Dispute Among the Parties Regarding The Extent and**  
19 **Priority of Their Respective Water Rights**

20 34. Answering Paragraph 34 of the "There is a Dispute Among the Parties Regarding  
21 the Extent and Priority of Their Respective Water Rights" portion of the preliminary allegations  
22 to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with reference to  
23 and subject to its denials in Preliminary Statement B, above, Sheep Creek lacks sufficient  
24 knowledge or information to form a belief as to the truth of the allegations contained in said  
25 paragraph, and on that basis, denies, generally and specifically, jointly and severally, each and  
26 every other allegation contained therein.

27 35. Answering Paragraph 35 of the "There is a Dispute Among the Parties Regarding  
28 the Extent and Priority of Their Respective Water Rights" portion of the preliminary allegations

1 to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with reference to  
2 and subject to its denials in Preliminary Statement B, above, Sheep Creek admits those portions  
3 of said Paragraph, as to Sheep Creek alone and no other, commencing with the word "cross-  
4 defendants" on line 18 through the word "water" on line 19, all on page 16; and, save and except  
5 therefor, lacks sufficient knowledge or information to form a belief as to the truth of the  
6 allegations contained in said paragraph, and on that basis, denies, generally and specifically,  
7 jointly and severally, each and every other allegation contained therein.

8 36. Answering Paragraph 36 of the "There is a Dispute Among the Parties Regarding  
9 the Extent and Priority of Their Respective Water Rights" portion of the preliminary allegations  
10 to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with reference to  
11 and subject to its denials in Preliminary Statement B, above, Sheep Creek admits that public  
12 water suppliers generally have appropriative rights to produce water for the public they serve;  
13 and, save and except therefor, lacks sufficient knowledge or information to form a belief as to the  
14 truth of the allegations contained in said paragraph, and on that basis, denies, generally and  
15 specifically, jointly and severally, each and every other allegation contained therein.

16 37. Answering Paragraph 37 of the "There is a Dispute Among the Parties Regarding  
17 the Extent and Priority of Their Respective Water Rights" portion of the preliminary allegations  
18 to the *Cross-Complaint* of Cross-Complainants on file in the instant action, and with reference to  
19 and subject to its denials in Preliminary Statement B, above, Sheep Creek lacks sufficient  
20 knowledge or information to form a belief as to the truth of the allegations contained in said  
21 paragraph, and on that basis, denies, generally and specifically, jointly and severally, each and  
22 every other allegation contained therein.

23 38. Answering Paragraph 38, including subparagraphs A through E, of the "There is a  
24 Dispute Among the Parties Regarding the Extent and Priority of Their Respective Water Rights"  
25 portion of the preliminary allegations to the *Cross-Complaint* of Cross-Complainants on file in  
26 the instant action, and with reference to and subject to its denials in Preliminary Statement B,  
27 above, Sheep Creek lacks sufficient knowledge or information to form a belief as to the truth of  
28

1 the allegations contained in said paragraph, and on that basis, denies, generally and specifically,  
2 jointly and severally, each and every other allegation contained therein.

3  
4 **First Cause of Action**

5 **(Declaratory Relief – Prescriptive Rights – Against All Cross-Defendants**  
6 **Except the United States and Other Public Entity Cross-Defendants)**

7 39. Answering Paragraph 39 of the First Cause of Action of the *Cross-Complaint* of  
8 Cross-Complainants on file in the instant action, Sheep Creek realleges and reincorporates its  
9 Preliminary Statements and its answers and allegations to Paragraphs 1 through 38, inclusive.

10 40. Answering Paragraph 40 of the First Cause of Action of the *Cross-Complaint* of  
11 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
12 in Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph  
13 commencing with the word “For” on line 7½ through the word “rights” on line 8½, all on page  
14 18; and, save and except therefor, lacks sufficient knowledge or information to form a belief as  
15 to the truth of the remaining allegations contained in said paragraph, and on that basis, denies,  
16 generally and specifically, jointly and severally, each and every other allegation contained  
17 therein.

18 41. Answering Paragraph 41 of the First Cause of Action of the *Cross-Complaint* of  
19 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
20 in Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to  
21 form a belief as to the truth of the allegations contained therein, and on that basis, denies,  
22 generally and specifically, jointly and severally, each and every allegation contained therein.

23 42. Answering Paragraph 42 of the First Cause of Action of the *Cross-Complaint* of  
24 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
25 in Preliminary Statement B, above, Sheep Creek admits the allegations contained therein.

26 43. Answering Paragraph 43 of the First Cause of Action of the *Cross-Complaint* of  
27 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
28 in Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to

1 form a belief as to the truth of the allegations contained therein, and on that basis, denies,  
2 generally and specifically, jointly and severally, each and every allegation contained therein.  
3

4 **Second Cause of Action**

5 **(Declaratory Relief – Appropriative Rights – Against All Cross-Defendants)**

6 44. Answering Paragraph 44 of the Second Cause of Action of the *Cross-Complaint*  
7 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
8 denials in Preliminary Statement B, above, Sheep Creek realleges and reincorporates its answers  
9 and allegations to Paragraphs 1 through 43, inclusive.

10 45. Answering Paragraph 45 of the Second Cause of Action of the *Cross-Complaint*  
11 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
12 denials in Preliminary Statement B, above, Sheep Creek admits that public water suppliers  
13 generally have appropriative rights to produce water for the public they serve; and, save and  
14 except therefor, lacks sufficient knowledge or information to form a belief as to the truth of the  
15 allegations contained therein, and on that basis, denies, generally and specifically, jointly and  
16 severally, each and every other allegation contained therein.

17 46. Answering Paragraph 46 of the Second Cause of Action of the *Cross-Complaint*  
18 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
19 denials in Preliminary Statement B, above, Sheep Creek denies, generally and specifically,  
20 jointly and severally, each and every allegation contained therein as an oversimplification of the  
21 law in California concerning appropriative rights.

22 47. Answering Paragraph 47 of the Second Cause of Action of the *Cross-Complaint*  
23 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
24 denials in Preliminary Statement B, above, Sheep Creek generally admits those portions of said  
25 paragraph commencing with the word “safe” on line 11½ through the word “subsidence” on line  
26 15½, all on page 19; and, save and except therefor, lacks sufficient knowledge or information to  
27 form a belief as to the truth of the remaining allegations contained in said paragraph, and on that  
28

1 basis, denies, generally and specifically, jointly and severally, each and every other allegation  
2 contained therein.

3 48. Answering Paragraph 48 of the Second Cause of Action of the *Cross-Complaint*  
4 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
5 denials in Preliminary Statement B, above, Sheep Creek admits that all uses of water in  
6 California are subject to the "reasonable and beneficial" requirements of Article X, Section 2 of  
7 the *California Constitution* and the Reasonable Use Doctrine; and, save and except therefor,  
8 lacks sufficient knowledge or information to form a belief as to the truth of the allegations  
9 contained therein, and on that basis, denies, generally and specifically, jointly and severally, each  
10 and every allegation contained therein.

11 49. Answering Paragraph 48 of the Second Cause of Action of the *Cross-Complaint*  
12 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
13 denials in Preliminary Statement B, above, Sheep Creek admits the allegations contained in the  
14 first sentence thereof; and save and except therefor, lacks sufficient knowledge or information to  
15 form a belief as to the truth of the remaining allegations contained in said paragraph, and on that  
16 basis, denies, generally and specifically, jointly and severally, each and every other allegation  
17 contained therein.

18 50. Answering Paragraph 48 of the Second Cause of Action of the *Cross-Complaint*  
19 of Cross-Complainants on file in the instant action, and with reference to and subject to its  
20 denials in Preliminary Statement B, above, Sheep Creek admits the allegations contained therein.  
21

### 22 **Third Cause of Action**

#### 23 **(Declaratory Relief – Physical Solution – Against All Cross-Defendants)**

24 51. Answering Paragraph 51 of the Third Cause of Action of the *Cross-Complaint* of  
25 Cross-Complainants on file in the instant action, Sheep Creek realleges and reincorporates its  
26 answers and allegations to Paragraphs 1 through 50, inclusive.

27 52. Answering Paragraph 52 of the Third Cause of Action of the *Cross-Complaint* of  
28 Cross-Complainants on file in the instant action, and with reference to and subject to its denials

1 in Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph  
2 commencing with the word "cross-defendants" on line 8½ through the word "pumping" on line  
3 10½, all on page 20, as the allegations relates to Sheep Creek alone and to no others; and, save  
4 and except therefor, lacks sufficient knowledge or information to form a belief as to the truth of  
5 the allegations contained therein, and on that basis, denies, generally and specifically, jointly and  
6 severally, each and every allegation contained therein.

7 53. Answering Paragraph 53 of the Third Cause of Action of the *Cross-Complaint* of  
8 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
9 in Preliminary Statement B, above, Sheep Creek denies, generally and specifically, jointly and  
10 severally, each and every allegation contained therein, as the allegations relates to Sheep Creek  
11 alone and to no others. Further answering said Paragraph 53, Sheep Creek lacks sufficient  
12 knowledge or information to form a belief as to the truth of the allegations contained therein, and  
13 on that basis, denies, generally and specifically, jointly and severally, each and every allegation  
14 contained therein.

15 54. Answering Paragraph 54 of the Third Cause of Action of the *Cross-Complaint* of  
16 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
17 in Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph  
18 commencing with the word "California" on line 22½ through the word "capable" on line 27½, all  
19 on page 20, as the allegation relates to Sheep Creek alone and to no others, and to the extent that  
20 the mechanism of a physical solution has the potential for providing a practical solution if it is  
21 properly developed and implemented; and excepting therefore, Sheep Creek lacks sufficient  
22 knowledge or information to form a belief as to the truth of the allegations contained therein, and  
23 on that basis, denies, generally and specifically, jointly and severally, each and every allegation  
24 contained therein.

25 55. Answering Paragraph 55 of the Third Cause of Action of the *Cross-Complaint* of  
26 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
27 in Preliminary Statement B, above, Sheep Creek lacks sufficient knowledge or information to  
28 form a belief as to the truth of the allegations contained therein, and on that basis, denies,



1 generally and specifically, jointly and severally, each and every allegation contained therein.  
2 Further answering said Paragraph 55, Sheep Creek admits that a physical solution may, but need  
3 not, contain the factors identified in said Paragraph 55.  
4

5 **Fourth Cause of Action**

6 **(Declaratory Relief – Municipal Priority – Against All Cross-Defendants)**

7 56. Answering Paragraph 56 of the Fourth Cause of Action of the *Cross-Complaint* of  
8 Cross-Complainants on file in the instant action, Sheep Creek realleges and reincorporates its  
9 answers and allegations to Paragraphs 1 through 55, inclusive.

10 57. Answering Paragraph 57 of the Fourth Cause of Action of the *Cross-Complaint* of  
11 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
12 in Preliminary Statement B, above, Sheep Creek admits those portions of said Paragraph  
13 commencing with the word “It” on line 17½ through the citation to “*Water Code* § 106” on line  
14 19½, all on page 21; and, save and except therefor, lacks sufficient knowledge or information to  
15 form a belief as to the truth of the allegations contained therein, and on that basis, denies,  
16 generally and specifically, jointly and severally, each and every allegation contained therein.

17 58. Answering Paragraph 58 of the Fourth Cause of Action of the *Cross-Complaint* of  
18 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
19 in Preliminary Statement B, above, Sheep Creek admits that the quote is a portion of “*Water*  
20 *Code* § 106.5”; denies that it is the entirety of said Section 106.5; and further denies that it is an  
21 accurate reflection of the will and actions of the California Legislature relative to the water rights  
22 of a public water supplier.

23 59. Answering Paragraph 59 of the Fourth Cause of Action of the *Cross-Complaint* of  
24 Cross-Complainants on file in the instant action, and with reference to and subject to its denials  
25 in Preliminary Statement B, above, Sheep Creek denies, generally and specifically, jointly and  
26 severally, each and every allegation contained therein.

27 60. Answering Paragraph 60 of the Fourth Cause of Action of the *Cross-Complaint* of  
28 Cross-Complainants on file in the instant action, and with reference to and subject to its denials