

1 ALLEN MATKINS LECK GAMBLE & MALLORY LLP  
DAVID L. OSIAS (BAR NO. 91287)  
2 MARK J. HATTAM (BAR NO. 173667)  
501 West Broadway, 15th Floor  
3 San Diego, California 92101-3541  
Telephone: (619) 233-1155  
4 Facsimile: (619) 233-1158  
E-Mail: dosias@allenmatkins.com  
5 mhattam@allenmatkins.com

6 Attorneys for Defendant  
SPC DEL SUR RANCH LLC  
7 (erroneously sued herein as DEL SUR RANCH LLC)

8  
9 **SUPERIOR COURT OF CALIFORNIA**

10 **COUNTY OF LOS ANGELES**

11 Coordination Proceeding  
Special Title (Rule 1550(b))

Judicial Council Coordination  
Proceeding No. 4408

12 **ANTELOPE VALLEY GROUNDWATER**  
13 **CASES**

Santa Clara Case No. 1-05-CV-049053

14 **Included Actions:**

**ANSWER TO COMPLAINT BY  
DEFENDANT SPC DEL SUR RANCH  
LLC**

15 Los Angeles County Waterworks District  
No. 40 v. Diamond Farming Co.  
16 Superior Court of California, County of  
Los Angeles, Case No. BC 325 201  
17  
18 Los Angeles County Waterworks District  
No. 40 v. Diamond Farming Co.  
Superior Court of California, County of Kern,  
19 Case No. S-1500-CV-254-348  
20 Wm. Bolthouse Farms, Inc. v. City of Lancaster  
Diamond Farming Co. v. City of Lancaster  
21 Diamond Farming Co. v. Palmdale Water Dist.  
Superior Court of California, County of Riverside,  
22 Consolidated Actions, Case Nos. RIC 353 840,  
RIC 344 436, RIC 344 668  
23

24  
25 Defendant SPC Del Sur Ranch LLC ("SPC Del Sur") (erroneously sued herein as Del Sur  
26 Ranch LLC) answers Los Angeles County Waterworks District No. 40's ("District") Complaint on  
27 file in Case No. BC325201, as amended to add SPC Del Sur, as follows:  
28

## ADMISSIONS AND DENIALS

Pursuant to California Code of Civil Procedure Section 431.30 and any other applicable law, SPC Del Sur admits and denies every material allegation of the Complaint as follows, with each numbered paragraph below corresponding to the same number in the Complaint.

1. SPC Del Sur admits that a judicial determination is sought by Plaintiff, and that water is vital to the health, safety, and welfare of the persons and entities in the service area of the District. SPC Del Sur lacks sufficient knowledge to admit or deny the remaining allegations of this paragraph, and denies them on that basis.

2. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

3. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

4. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

5. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

6. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

7. SPC Del Sur admits that the District is making the asserted claim, but lacks sufficient knowledge to admit or deny the remaining allegations of this paragraph, and denies them on that basis.

8. SPC Del Sur admits the allegations of this paragraph.

9. SPC Del Sur admits the allegations of this paragraph.

10. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

11. SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

1           12.     SPC Del Sur admits that land subsidence can be caused by groundwater pumping,  
2 but lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies them  
3 on that basis.

4           13.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
5 paragraph, and denies them on that basis.

6           14.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
7 paragraph, and denies them on that basis.

8           15.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
9 paragraph, and denies them on that basis.

10          16.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
11 paragraph, and denies them on that basis.

12          17.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
13 paragraph, and denies them on that basis.

14          18.     As to the first sentence, SPC Del Sur admits it claims an overlying right to pump  
15 water, and may have other water rights as well. As to other parties, and as to the remaining  
16 allegations, SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
17 paragraph, and denies them on that basis.

18          19.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
19 paragraph, and denies them on that basis.

20          20.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
21 paragraph, and denies them on that basis.

22          21.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
23 paragraph, and denies them on that basis.

24          22.     SPC Del Sur admits the allegations in this paragraph.

25          23.     SPC Del Sur admits the allegations in this paragraph.

26          24.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
27 paragraph, and denies them on that basis.

28

1           25.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
2 paragraph, and denies them on that basis.

3           26.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
4 paragraph, and denies them on that basis.

5           27.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
6 paragraph, and denies them on that basis.

7           28.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
8 paragraph, and denies them on that basis.

9           29.     SPC Del Sur incorporates all its admissions and denials from all preceding  
10 paragraphs for this incorporation paragraph.

11          30.     As to the argument that the California Supreme Court has upheld the existence of  
12 certain prescriptive water rights, SPC Del Sur contends this is simply a conclusion of law. SPC  
13 Del Sur lacks sufficient knowledge to admit or deny the factual allegations of this paragraph, and  
14 denies them on that basis.

15          31.     As to SPC Del Sur, it denies the allegations of this paragraph. As to all other  
16 parties, SPC Del Sur lacks sufficient knowledge to admit or deny the remaining allegations of this  
17 paragraph, and denies them on that basis.

18          32.     As to SPC Del Sur, it admits the allegations of this paragraph. As to all other  
19 parties, SPC Del Sur lacks sufficient knowledge to admit or deny the remaining allegations of this  
20 paragraph, and denies them on that basis.

21          33.     SPC Del Sur admits the District seeks the stated judicial determination.

22          34.     SPC Del Sur incorporates all its admissions and denials from all preceding  
23 paragraphs for this incorporation paragraph.

24          35.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
25 paragraph, and denies them on that basis.

26          36.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
27 paragraph, and denies them on that basis.

28

1           37.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
2 paragraph, and denies them on that basis.

3           38.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
4 paragraph, and denies them on that basis.

5           39.     SPC Del Sur admits the District seeks the stated judicial determination.

6           40.     SPC Del Sur incorporates all its admissions and denials from all preceding  
7 paragraphs for this incorporation paragraph.

8           41.     SPC Del Sur admits it claims a right to water in the Basin. SPC Del Sur lacks  
9 sufficient knowledge to admit or deny the remaining allegations of this paragraph, and denies  
10 them on that basis.

11          42.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
12 paragraph, and denies them on that basis.

13          43.     SPC Del Sur contends this paragraph contains no factual assertions, but simply  
14 alleges conclusions of law. SPC Del Sur lacks sufficient knowledge to admit or deny the factual  
15 allegations of this paragraph (if any), and denies them on that basis.

16          44.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
17 paragraph, and denies them on that basis.

18          45.     SPC Del Sur incorporates all its admissions and denials from all preceding  
19 paragraphs for this incorporation paragraph.

20          46.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
21 paragraph, and denies them on that basis.

22          47.     SPC Del Sur admits that Water Code Section 106.5 is quoted correctly as of the  
23 date of this action.

24          48.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
25 paragraph, and denies them on that basis.

26          49.     SPC Del Sur denies the allegation that it contests paragraph 47 as to the existence  
27 of the cited Water Code text. SPC Del Sur lacks sufficient knowledge to admit or deny the  
28 remaining allegations of this paragraph, and denies them on that basis.

1           50.     SPC Del Sur admits the District seeks the stated judicial determination.

2           51.     SPC Del Sur incorporates all its admissions and denials from all preceding  
3 paragraphs for this incorporation paragraph.

4           52.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
5 paragraph, and denies them on that basis.

6           53.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
7 paragraph, and denies them on that basis.

8           54.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
9 paragraph, and denies them on that basis.

10          55.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
11 paragraph, and denies them on that basis.

12          56.     SPC Del Sur admits the District seeks the stated judicial determination.

13          57.     SPC Del Sur incorporates all its admissions and denials from all preceding  
14 paragraphs for this incorporation paragraph.

15          58.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
16 paragraph, and denies them on that basis.

17          59.     SPC Del Sur admits the District alleges what it claims to allege.

18          60.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
19 paragraph, and denies them on that basis.

20          61.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
21 paragraph, and denies them on that basis.

22          62.     SPC Del Sur admits the District seeks the stated judicial determination.

23          63.     SPC Del Sur incorporates all its admissions and denials from all preceding  
24 paragraphs for this incorporation paragraph.

25          64.     SPC Del Sur contends this paragraph contains no factual assertions, but simply  
26 alleges conclusions of law. SPC Del Sur lacks sufficient knowledge to admit or deny the factual  
27 allegations of this paragraph (if any), and denies them on that basis.

28

1           65.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
2 paragraph, and denies them on that basis.

3           66.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
4 paragraph, and denies them on that basis.

5           67.     SPC Del Sur admits the District seeks the stated judicial determination.

6           68.     SPC Del Sur incorporates all its admissions and denials from all preceding  
7 paragraphs for this incorporation paragraph.

8           69.     SPC Del Sur contends this paragraph contains no factual assertions, but simply  
9 alleges conclusions of law. SPC Del Sur lacks sufficient knowledge to admit or deny the factual  
10 allegations of this paragraph (if any), and denies them on that basis.

11          70.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
12 paragraph, and denies them on that basis.

13          71.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
14 paragraph, and denies them on that basis.

15          72.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
16 paragraph, and denies them on that basis.

17          73.     SPC Del Sur lacks sufficient knowledge to admit or deny the allegations of this  
18 paragraph, and denies them on that basis.

19          74.     SPC Del Sur admits the District seeks the stated judicial determination.  
20

21                   **AND AS FOR ITS AFFIRMATIVE DEFENSES TO THE COMPLAINT,**  
22                   **DEL SUR ALLEGES AS FOLLOWS TO ALL CAUSES OF ACTION:**  
23

24                                   **FIRST AFFIRMATIVE DEFENSE**

25                                   **(Failure To State A Cause Of Action)**

26           The Complaint and each of the alleged causes of action therein fail to state facts sufficient  
27 to constitute a cause of action.  
28

1                                   **SECOND AFFIRMATIVE DEFENSE**

2                                   **(Failure To Reasonably Use Water)**

3                   The District has not reasonably used water as required the California Constitution and the  
4 Water Code.

5                                   **THIRD AFFIRMATIVE DEFENSE**

6                                   **(CEQA Non-Compliance)**

7                   The District did not comply with CEQA prior to engaging in the activities at issue in the  
8 Complaint.

9                                   **FOURTH AFFIRMATIVE DEFENSE**

10                                  **(Groundwater Management Plan)**

11                  The District did not comply with California requirements as to groundwater management  
12 plans prior to filing this action.

13                                  **FIFTH AFFIRMATIVE DEFENSE**

14                                  **(Indispensable Parties)**

15                  The District has not named all parties to this action who are necessary and indispensable to  
16 the action.

17                                  **SIXTH AFFIRMATIVE DEFENSE**

18                                  **(Actions Within Rights)**

19                  The Complaint and each of the alleged causes of action therein fail due to SPC Del Sur  
20 having duly acted within its rights as to the matters stated in the Complaint.

21                                  **SEVENTH AFFIRMATIVE DEFENSE**

22                                  **(Superior/Senior Water Right)**

23                  SPC Del Sur's water rights are superior and senior to, and take precedence over, any rights  
24 asserted in the Complaint.

25                                  **EIGHTH AFFIRMATIVE DEFENSE**

26                                  **(Estoppel)**

27                  The District engaged in conduct and activities by reason of which it is estopped from  
28 asserting any claims, damages, or seeking other relief stated in the Complaint.



1 **NINTH AFFIRMATIVE DEFENSE**

2 (Waiver)

3 By its acts and omissions, the District has waived any and all causes of action asserted in  
4 its Complaint.

5 **TENTH AFFIRMATIVE DEFENSE**

6 (Mitigation)

7 The District has failed to take adequate steps to mitigate, alter, reduce, or otherwise  
8 diminish the damages, if any, with respect to the matters alleged in its Complaint.

9 **ELEVENTH AFFIRMATIVE DEFENSE**

10 (Conduct Justified)

11 Any conduct of SPC Del Sur in regard to the matters alleged in the Complaint, if it  
12 occurred, was justified; and, as a result, District is barred from any recovery thereon.

13 **TWELFTH AFFIRMATIVE DEFENSE**

14 (Unclean Hands)

15 District is barred by the equitable doctrine of unclean hands from obtaining the relief  
16 requested in its Complaint.

17 **THIRTEENTH AFFIRMATIVE DEFENSE**

18 (Statute of Limitations)

19 The Complaint and each cause of action alleged therein are barred by the applicable  
20 statutes of limitation.

21 **FOURTEENTH AFFIRMATIVE DEFENSE**

22 (Additional Affirmative Defenses)

23 SPC Del Sur reserves the right to assert additional defenses in the event that such would be  
24 appropriate.

25 WHEREFORE, SPC Del Sur prays for judgment as follows:

- 26 1. That the District take nothing by virtue of its Complaint;  
27 2. That SPC Del Sur's water rights be determined as superior and senior to all those  
28 claimed by other parties;

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

3. For attorneys' fees and costs of suit incurred herein, as allowed by law; and,
4. For such other and further relief as the Court may deem just and proper.

Dated: January 17, 2006

ALLEN MATKINS LECK GAMBLE &  
MALLORY LLP

By: \_\_\_\_\_

MARK J. HATTAM  
Attorneys for Defendant  
SPC DEL SUR RANCH LLC

1 **VERIFICATION**

2

3 I have read the foregoing **ANSWER TO COMPLAINT BY DEFENDANT SPC DEL**

4 **SUR RANCH LLC** and know its contents.

5 I am an authorized representative of Standard Pacific Corp., a Delaware Corporation, the

6 managing member of SPC DEL SUR RANCH LLC, a Delaware Limited Liability Company,

7 which purchased Del Sur Ranch 12/29/04 from DEL SUR RANCH LLC, and am authorized to

8 make this verification for and on its behalf, and I make this verification for that reason. The

9 matters stated in the foregoing document are true of my own knowledge, except as to those

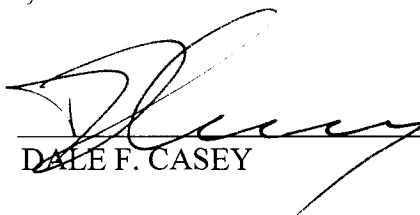
10 matters which are stated on information and belief; and, as to those matters, I am informed and

11 believe that they are true.

12 I declare under penalty of perjury under the laws of the state of California that the

13 foregoing is true and correct.

14 Executed on January 18, 2006, at Bakersfield, California.

15 

16 DALE F. CASEY

17

18

19

20

21

22

23

24

25

26

27

28