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SPC DEL SUR RANCH LLC
7 (Named in error 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 CROSS-COMPLAINT
BY CROSS-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 Los Angeles County Waterworks District
No. 40 v. Diamond Farming Co.
18 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 **ROSAMOND COMMUNITY SERVICES**
24 **DISTRICT; et al.,**

25 **Cross-Complainants,**

26 **v.**

27 **DIAMOND FARMING COMPANY; et al.,**

28 **Cross-Defendants.**

1 Cross-Defendant SPC Del Sur Ranch LLC ("Del Sur"; misnamed as Del Sur Ranch, LLC),
2 answers Cross-Complainants Rosamond Community Services District, Los Angeles County
3 Waterworks District No. 40, Palmdale Water District, City of Palmdale, City of Lancaster, Quartz
4 Hill Water District, Little Rock Creek Irrigation District and California Water Service Company's
5 ("Cross-Complainants") Cross-Complaint on file in JCCP No. 4408 as follows:

6 **ADMISSIONS AND DENIALS**

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

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

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

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

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

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

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

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

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

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

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

5 11. Del Sur admits it owns land in the area roughly described as the "Basin," and that it
6 has rights to use groundwater. As to the rest of the named entities, Del Sur lacks sufficient
7 knowledge to admit or deny the allegations of this paragraph, and denies them on that basis.

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

10 13. Del Sur admits that the Cross-Complainants are making the asserted claim, but
11 lacks sufficient knowledge to admit or deny the remaining allegations of this paragraph, and
12 denies them on that basis.

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

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

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

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

21 18. Del Sur admits the allegations of this paragraph.

22 19. Del Sur admits the allegations of this paragraph.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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1 35. As to the first sentence, Del Sur admits it claims an overlying right to pump water,
2 and may have other water rights as well. As to other parties, and as to the remaining allegations,
3 Del Sur lacks sufficient knowledge to admit or deny the allegations of this paragraph, and denies
4 them on that basis.

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

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

9 38. Del Sur admits that the Cross-Complainants are making the asserted claim, but
10 lacks sufficient knowledge to admit or deny the remaining allegations of this paragraph, and
11 denies them on that basis.

12 39. Del Sur incorporates all its admissions and denials from all preceding paragraphs
13 for this incorporation paragraph.

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

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

21 42. As to Del Sur, it admits the allegations of this paragraph. As to all other parties,
22 Del Sur lacks sufficient knowledge to admit or deny the remaining allegations of this paragraph,
23 and denies them on that basis.

24 43. Del Sur admits the District seeks the stated judicial determination.

25 44. Del Sur incorporates all its admissions and denials from all preceding paragraphs
26 for this incorporation paragraph.

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

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

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

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

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

9 50. Del Sur admits the Cross-Complainants seek the stated judicial determination.

10 51. Del Sur incorporates all its admissions and denials from all preceding paragraphs
11 for this incorporation paragraph.

12 52. Del Sur admits it claims a right to water in the Basin. Del Sur lacks sufficient
13 knowledge to admit or deny the remaining allegations of this paragraph, and denies them on that
14 basis.

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

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

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

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

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

26 58. Del Sur admits that Water Code Section 106.5 is quoted correctly as of the date of
27 this action.

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

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

5 61. Del Sur admits the Cross-Complainants seek the stated judicial determination.

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

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

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

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

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

16 67. Del Sur admits the Cross-Complainants seek the stated judicial determination.

17 68. Del Sur incorporates all its admissions and denials from all preceding paragraphs
18 for this incorporation paragraph.

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

21 70. Del Sur admits the Cross-Complainants allege what they claim to allege.

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

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

26 73. Del Sur admits the Cross-Complainants seek the stated judicial determination.

27 74. Del Sur incorporates all its admissions and denials from all preceding paragraphs
28 for this incorporation paragraph.

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

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

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

8 78. Del Sur admits the Cross-Complainants seek the stated judicial determination, but
9 lacks sufficient knowledge to admit or deny the remaining allegations, and denies them on that
10 basis.

11 79. [Due to an apparent misnumbering, paragraphs 79-90 do not exist.]

12 91. Del Sur incorporates all its admissions and denials from all preceding paragraphs
13 for this incorporation paragraph.

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

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

18
19 **AND AS FOR ITS AFFIRMATIVE DEFENSES TO THE CROSS-COMPLAINT,**
20 **DEL SUR ALLEGES AS FOLLOWS TO ALL CAUSES OF ACTION:**

21
22 **FIRST AFFIRMATIVE DEFENSE**
23 **(Failure To State A Cause Of Action)**

24 The Cross-Complaint and each of the alleged causes of action therein fail to state facts
25 sufficient to constitute a cause of action.
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SECOND AFFIRMATIVE DEFENSE

(Failure To Reasonably Use Water)

The Cross-Complainants have not reasonably used water as required the California Constitution and the Water Code.

THIRD AFFIRMATIVE DEFENSE

(CEQA Non-Compliance)

The Cross-Complainants did not comply with CEQA prior to engaging in the activities at issue in the Cross-Complaint.

FOURTH AFFIRMATIVE DEFENSE

(Groundwater Management Plan)

The Cross-Complainants did not comply with California requirements as to groundwater management plans prior to filing this action.

FIFTH AFFIRMATIVE DEFENSE

(Indispensable Parties)

The Cross-Complainants have not named all parties to this action who are necessary and indispensable to the action.

SIXTH AFFIRMATIVE DEFENSE

(Actions Within Rights)

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

SEVENTH AFFIRMATIVE DEFENSE

(Superior/Senior Water Right)

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

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EIGHTH AFFIRMATIVE DEFENSE

(Estoppel)

The Cross-Complainants engaged in conduct and activities by reason of which they are estopped from asserting any claims, damages, or seeking other relief stated in the Cross-Complaint.

NINTH AFFIRMATIVE DEFENSE

(Waiver)

By its acts and omissions, the Cross-Complainants have waived any and all causes of action asserted in their Cross-Complaint.

TENTH AFFIRMATIVE DEFENSE

(Mitigation)

The Cross-Complainants have failed to take adequate steps to mitigate, alter, reduce, or otherwise diminish the damages, if any, with respect to the matters alleged in their Cross-Complaint.

ELEVENTH AFFIRMATIVE DEFENSE

(Conduct Justified)

Any conduct of Del Sur in regard to the matters alleged in the Cross-Complaint, if it occurred, was justified; and, as a result, Cross-Complainants are barred from any recovery thereon.

TWELFTH AFFIRMATIVE DEFENSE

(Unclean Hands)

Cross-Complainants are barred by the equitable doctrine of unclean hands from obtaining the relief requested in their Cross-Complaint.

THIRTEENTH AFFIRMATIVE DEFENSE

(Statute of Limitations)

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

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FOURTEENTH AFFIRMATIVE DEFENSE

(Takings)

The Cross-Complaint and each cause of action alleged therein are barred by virtue of the fact that the claims made therein would constitute an uncompensated takings in violation of the State and Federal Constitutions.

FIFTEENTH AFFIRMATIVE DEFENSE

(Additional Affirmative Defenses)

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

WHEREFORE, Del Sur prays for judgment as follows:

- 1. That the Cross-Complainants take nothing by virtue of their Cross-Complaint;
- 2. That Del Sur's water rights be determined as superior and senior to all those claimed by other parties;
- 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: February 22, 2006

ALLEN MATKINS LECK GAMBLE & MALLORY LLP

By: _____

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

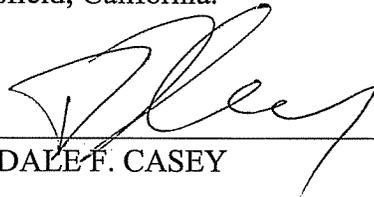
1 **VERIFICATION**

2
3 I have read the foregoing **ANSWER TO CROSS-COMPLAINT BY CROSS-**
4 **DEFENDANT SPC DEL 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 February 22, 2006, at Bakersfield, California.

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17 _____
18 DALE F. CASEY
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