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11	COUNTY OF LOS ANGELES	
12	Coordination Proceeding Special Title (Rule 1550(b))) Judicial Council Coordination) Proceeding No. 4408
13	ANTELOPE VALLEY GROUNDWATER)
14	CASES) FEDERAL DEFENDANTS' CASE) MANAGEMENT STATEMENT
15	Included actions:	
16	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co., et al.	
17	Los Angeles County Superior Court, Case No. BC 325 201	
18	Los Angeles County Waterworks District No. 40 v.)
19 20	Diamond Farming Co., et al. Kern County Superior Court, Case No. S-1500-CV- 254-348	
21	Wm. Bolthouse Farms, Inc. v. City of Lancaster))
22	Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water District	
23	Riverside County Superior Court, Consolidated Action, Case nos. RIC 353 840, RIC 344 436, RIC	
24	344 668	
25	AND RELATED CROSS ACTIONS)
26		
27	Cross-Defendant United States of America res	spectfully submits this narrative case
28	management conference statement in advance of the Case Management Conference on October	

1 12, 2012.

Following the settlement conference held in Sacramento on October 3-4, the parties appear to be much closer to a stipulated resolution of this case than at any time in the last year of formal negotiations. During the conference, various new proposals were introduced that may break the impasse on fundamental issues and lead to a final settlement. The parties, including the United States, require time to analyze the proposals and continue talks necessary to fully understand the proposals.

The United States has previously advocated for setting and prosecuting without delay a Phase IV trial to determine the parties' correlative water rights to the Basin safe yield, including claims of prescription, defenses of self-help, and determination of the rights to return flows from imported water. Because of the recent proposals, the United States believes that the interests of all parties may be advanced by a limited stay of pre-trial procedures, including discovery, so that parties may focus on settlement efforts without concurrently satisfying trial deadlines. In light of the movement of the parties at the October settlement conference, the United States recommends that all pre-trial procedures including discovery be stayed for a period of 60 days.

Justice Robie has set a further settlement conference for November 29-30. Significant progress toward a final resolution is likely between now and the next settlement conference. However, this progress will be inhibited if parties are engaged in burdensome discovery efforts. The parties resources are best spent in the effort to resolve this case through a negotiated resolution that now may be achievable.

Respectfully submitted this <u>5th</u> day of October, 2012.

LEE LEININGER JAMES J//DUBOIS United States Department of Justice

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PROOF OF SERVICE

I, Amber Petrie, declare:

I am a resident of the State of Colorado and over the age of 18 years, and not a party to the within action. My business address is U.S. Department of Justice, Environment and Natural Resources Section, 999 18th Street, South Terrace - Suite 370, Denver, Colorado 80202.

On October 5, 2012, I caused the foregoing document(s) described as: **FEDERAL DEFENDANTS' CASE MANAGEMENT STATEMENT** to be served on the parties via the following service:

BY ELECTRONIC SERVICE AS FOLLOWS by posting the document(s) listed above to the Santa Clara website in regard to the Antelope Valley Groundwater matter.



BY MAIL AS FOLLOWS (to parties so indicated on attached service list): By placing true copies thereof enclosed in sealed envelopes addressed as indicated on the attached service list.



BY OVERNIGHT COURIER: I caused the above-referenced document(s) be delivered to FEDERAL EXPRESS for delivery to the above address(es).

Executed on October 5, 2012 at Denver, Colorado.

<u>/s/ Amber Petrie</u> Amber Petrie Legal Assistant