IGNACIA S. MORENO 1 Assistant Attorney General Environment and Natural Resources Division 2 3 R. LEE LEININGER EXEMPT FROM FILING FEES JAMES J. DUBOIS 4 United States Department of Justice **GOVERNMENT CODE SECTION 6103** Environment and Natural Resources Division Natural Resources Section 1961 Stout Street, Suite 800 Denver, Colorado 80294 lee.leininger@usdoj.gov james.dubois@usdoj.gov Phone: 303/844-1364 Fax: 303/844-1350 8 Attorneys for the United States 9 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA **COUNTY OF LOS ANGELES** 11 12 Coordination Proceeding Judicial Council Coordination Special Title (Rule 1550(b)) 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. Diamond Farming Co., et al. 19 Kern County Superior Court, Case No. S-1500-CV-20 254-348 Wm. Bolthouse Farms, Inc. v. City of Lancaster 21 Diamond Farming Co. v. City of Lancaster 22 Diamond Farming Co. v. Palmdale Water District Riverside County Superior Court, Consolidated Action, Case nos. RIC 353 840, RIC 344 436, RIC 23 344 668 24 AND RELATED CROSS ACTIONS 25 26 27 Cross-Defendant United States of America respectfully submits this narrative case 28 management conference statement in advance of the Case Management Conference on

November 9, 2012. In preparation for the Phase IV trial scheduled to commence on February 11, 2013, the United States first notes that, despite all parties' best efforts, this case has not settled and is unlikely to settle in the near future. The parties, therefore, must focus on trial preparations. In order to prepare for trial, a definitive list of triable issues is necessary. In the Court's *Minute Order Re: Continuance of Trial Setting Conference*, dated March 2, 2012, the parties were advised to submit statements "with suggestions as to what should be involved in the next phase of trial, in terms of prescription issues, allocation issues, storage issues, return flows, and the like, as well as time estimates for the next phase of trial."

As the United States stated in its response to the Court's request last Spring, any eventual settlement must satisfy the McCarran Amendment, 43 U.S.C. § 666, and result in a comprehensive determination of all rights to water. To ensure that all rights to water are determined, the next phase of trial should commence with claims of prescription and defenses of self-help. Certain claims to water are likely to be significantly curtailed or potentially even eliminated if allegations of prescription made by the Cross-Complainants are proven. Once these correlative rights based on state law are determined, the Court should then proceed with a determination of the United States' claims to water for Edwards Air Force Base and Air Force Plant 42 based on the federal reserved water rights doctrine. The federal reserved water right issue logically follows the prescriptive phase of trial because without determination of all parties correlative rights, this Court will lose jurisdiction over the United States. Accordingly, the United States suggests a Phase IV trial to determine the parties' correlative water rights to the Basin safe yield, including claims of prescription and defenses of self-help, followed by a phase to determine the United States' federal reserved rights claims.

The United States proposes the following schedule for litigation in Phase IV of the parties' correlative water rights to the Basin safe yield, including claims of prescription and defenses of self-help:

1. Immediate: Require parties to comply with information requested in the Minute Entry

| 1 | dated October 12, 2012, no later than November 26, 2012: |
|----|---|
| 2 | statements of current pumping (up to 2012), and average annual pumping (since 2000). The statements may include, but shall not |
| 3 | be limited to, such information as type of pumping, sources of pumping, water uses, how long the pumping has occurred, claims |
| 5 | of prescription, return flow, location of property where the pumping occurs/occurred. The statements shall be under penalty of perjury. |
| 6 | 2. Commence written discovery for the purpose of disclosing facts related to the Phase IV |
| 7 | trial issues. |
| 8 | 3. January 21, 2013: Exchange of exhibits to be used at trial. |
| 9 | 4. January 28, 2013: Ope |
| 10 | ning trial briefs due. |
| 11 | 5. February 11, 2013: Trial commences. |
| 12 | Estimated trial time is four to six weeks. |
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| 14 | Respectfully submitted this 5th day of November, 2012. |
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| 17 | R. LEE LEIVINGER |
| 18 | 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 November 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:

| X | 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 November 5, 2012 at Denver, Colorado. |

/s/ Amber Petrie
Amber Petrie
Legal Assistant