LAW OFFICES OF 1 SHELDON R. BLUM 2242 CAMDEN AVENUE, SUITE 201 2 San Jose, California 95124 TEL: (408) 377-7320 3 Fax: (408) 377-2199 STATE BAR No. 83304 4 Attorney for BLUM TRUST 5 6 SUPERIOR COURT OF CALIFORNIA 7 COUNTY OF SANTA CLARA 8 Coordinated Proceedings) Judicial Council Coordination Proceeding No. 4408 Special Title {Rule 1550 (b)} ANTELOPE VALLEY GROUNDWATER Santa Clara Case No. 1-05-CV-049053 CASES **BLUM TRUST'S TRIAL SETTING** 11 **CONFERENCE STATEMENT** Included Actions: 12 Date: December 11, 2012 Los Angeles County Waterworks District 13 Time: 9:00 a.m. No. 40 v. Diamond Farming Co. Los Angeles County Superior Court Dept. No.: 1 Judge: Hon. Jack Komar/Hon. James Kleinberg Case No. BC 325 201 15 os Angeles County Waterworks District Phase IV Trial: February 11, 2013 16 No. 40 v. Diamond Farming Co. Kern County Superior Court 17 Case No. S-1500-CV-254-348 18 Wm. Bolthouse Farms, Inc., v. City of 19 Lancaster; Diamond Farming Co. v. City of Lacncaster; Diamond Farming Co. v. City of 20 Palmdate Water District. Riverside County Superior Court 21 Consolidated Action Nos. RIC 344 840, RIC 344 436, RIC 344 668 22 23 AND RELATED CROSS-ACTIONS 24 25 TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD: 26 1 27 Blum Trust's Trial Setting Conference Statement

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The BLUM TRUST submits the following Trial Setting Conference Statement in preparation for the scheduled February 11, 2013, Phase IV Trial, and addresses the evidentiary issues to be tried before this court.

I. THE SETTLEMENT AGREEMENT REACHED BETWEEN CERTAIN OVERLYING LANDLOWNERS ON THEIR CORRELATIVE SHARE OF THE NATIVE SUPPLY FOSTERS UNJUST ENRICHMENT AND IS WITHOUT DUE PROCESS

On November 30, 2012, before Hon. Justice Ronald B. Robie in Sacramento, many of the overlying parties entered into a settlement agreement under terms which divided up the native safe yield based on that settling party's stated unverified pumping volume without any standard of proof. As such, this agreed assigned allocated groundwater share of the correlative supply among these settling parties must be viewed as unreliable, without merit and fostering unjust enrichment.

The "I will not contest your groundwater basin pumping claim if you do not contest my pumping claim" methodology has been long standing and widespread among these settling Overlying Parties, including those parties who identify themselves as the "Big 5", who have yet to produce corroborating supportive evidence on their individual historic groundwater pumping claims.

Accordingly, the rights, entitlement and correlative share of the native safe yield of the non-settling parties have been prejudiced by this Accord. Evidentiary support under this court's Prove-Up Evidentiary Hearing mechanism must be consistently implemented across the board without exception. Each party must present competent evidence of their respective groundwater allocation rights to the Antelope Valley basin based on historic, well established pumping records.

It is also significant to point out that at the October 3, 2012, Mediation session, I, as counsel for the BLUM TRUST, was expressly requested by certain Czar leaders of the overlying pack to immediately leave the Overlying Landowners' conference meeting, as BOLTHOUSES'

counsel, Mr. Richard Zimmer orchestrated a rumor that the BLUM TRUST settled its groundwater allocation claim with the Purveyor Parties. The enforcer, Mr. Bill Brunick went even a step further and requested to walk me out the door and not return until the overlying meeting concluded.

As a matter of law, due process and to prevent a miscarriage of justice, there is an impending need for a Phase IV Trial on each parties entitlement of the correlative supply from the groundwater basin based on a consistent standard burden of proof, subject to discovery.

Additional triable issues before this court would be claims for Prescription, Return Flow and the Federal Reserve right, subject to discovery. A stipulated Physical Solution on all remaining issues appear to have been reached by the parties, subject to court approval.

II. CONCLUSION

Based on the foregoing, it is respectfully requested that this court deny to approve the Overlying Landowners' settlement agreement and proceed with its declared meaningful Evidentiary Prove-Up Hearing on each parties correlative share of the native safe yield supply, subject to the need for prior discovery of the parties. Furthermore, claims for Prescription, Return Flow and the Federal Reserve right all remain triable issues, however based on time constraints, a Phase V Trial appears necessary to incorporate many of these matters as this Court deems appropriate.

Respectively submitted,

Dated: December 8, 2012

LAW OFFICES OF SHEDDON R. BLUM

By:_

SHELDON R. BLUM, Esq. Attorney For SHELDON R. BLUM, Trustee For The SHELDON R. BLUM TRUST

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