

HORSESHOE RANCH PROPERTY - ACQUISITION PLAN

(This is an abbreviated, static document capturing all the information at the time of acquisition. Information in this document does not change and it remains a part of the permanent record for the subject property)



Arizona Game and Fish Department
5000 West Carefree Highway
Phoenix, Arizona 85086

May 23, 2011

Table of Contents

I. Introduction – Executive Summary

- A. Describe purpose of acquisition/mgmt plan;
- B. Summarize Dept interest in, and the reasons for the Department considering acquisition of subject property;
- C. Briefly describe/summarize general property attributes - with emphasis on wildlife and habitat features that serve to lead into next section

II. Property Purpose and Management Goals and Objectives

- A. PURPOSE: Briefly summarize AGFD’s purpose (reasons) for acquiring/owning this property – what primary benefits or mission-oriented attributes does the property provide by AGFD owning it rather than someone else?
- B. FUNDING SOURCES: Identify funding source(s) supporting the purchase/operation of the property, and any associated mgmt requirements/sideboards that are tied to these funding sources. Including a complete itemization of all acquisition costs (e.g. due diligence activities) and how they were funded.
- C. MANAGEMENT GOALS: Listing of broad (big picture) AGFD management focus and goals for the property. These must tie to the purpose of having the property and can be itemized by major category/reasons (i.e. wildlife, habitat, public recreation, water rights, etc.).

III. Property History

- A. HISTORICAL OWNERSHIP and MANAGEMENT PRACTICES: Summary of previous ownership and associated management over relevant timeframe.
- B. MANAGEMENT OBJECTIVES: Listing of broad-generic objectives that are tied/linked to the goals noted in I.C. above - address biofeasibility

IV. MANAGEMENT OPPORTUNITIES:

Summary of any significant property features or needs that are relevant to the Dept and its future/ongoing management of the property (infrastructure, cultural resources, facilities, habitat trends/conditions, environmental issues, water/water rights, etc.). Consider use of subheadings in this section to guide planning narrative that is tied to these significant elements/features, such as:

- A. Limiting Factors
- B. Needs
- C. Revenue Opportunities
- D. Community Collaboration
- E. TES Management/Recovery
- F. Sensitive Habitat Enhancement
- G. Non-TES Opportunities
- H. Game Species Opportunities
- I. Public Recreation/Education Opportunities

V. Property Description

A. Physical

1. **Property Location** (make reference to Boundary Survey, included as exhibit)
2. **Facilities & Infrastructure** (provide list of subheadings to prompt applicable plan narrative – if not applicable, then use n/a for corresponding subheading) – Include information on current condition, recommended use and proposed future management.
 - a. Buildings
 - b. Utilities/infrastructure
 - c. Roads
 - d. Trails (public use)
 - e. Fences and cattleguards (by type)
 - f. Etc.
3. **Water Rights and Water Resources** (provide list of subheadings to prompt applicable plan narrative – if not applicable, then use n/a for corresponding subheading) – Include anticipated use for potential acquisitions and historic use for AGFD properties. This would include any prior modifications in water right status. It should include recommended longer-term modifications to water rights and water management – any more specific info/details, such as water rights documentation, should be presented in Appendix
 - a. Listing and description of each registered water right (in table format, include CWR, Claims, Groundwater, Wells, SOC's)
 - b. Description of water Infrastructure and how water is currently used on the property
 - c. Any other pertinent information
4. **Cultural Resources** (provide list of subheadings to prompt applicable plan narrative – if not applicable, then use “n/a” for corresponding subheading) – Summarize information and recommended management direction – any more specific info/details (i.e. archaeological surveys, historical property registrations, etc) should be presented in Plan Appendix.
 - a. Prehistoric
 - b. Historic
 - c. Other

- 5. Property Risk Assessment** Description of property features, improvements, topography and/or conditions that have the potential of presenting any risk or hazard to people that frequent/visit the property (i.e. abandoned buildings, mine shafts, hazardous materials, etc). GIS mapping where appropriate (AGFD database), specific details in Appendix. Include pertinent information – any other details/third party reports should be presented in Appendix
- a. Physical Hazards
 - b. Environmental Hazards
 - c. Infrastructure/Facilities
 - d. Other

B. Biological

1. **Habitat** This section should provide a narrative describing the major habitat types existing on the property. A paragraph on each habitat type should be sufficient
2. **Species** (provide/select list of subheadings to prompt applicable plan narrative – if not applicable, then use n/a for corresponding subheading) – A short narrative for focal species is recommended with a current and potential status included in narrative. Include Appendix “Summary of Biological Resources Values Worksheet”.
 - a. Mammals
 - b. Birds
 - c. Fish
 - d. Amphibians/Reptiles
 - e. T&E and Candidate
 - f. Etc.

OR

 - a. TES and Candidate Species
 - b. Higher profile Nongame species
 - c. Game Species
3. **Environmental** (Macro view of ecological conditions, attributes, trends, etc. that may be noteworthy as it relates to management actions to restore desired habitats, impacts from surrounding properties or general area (and management/trend of same) that may influence subject property and our management of the previous two biological elements)
 - a. Habitat Quality
 - b. Habitat Potential
 - c. Surrounding Property Issues
 - d. Other

C. Legal/Administrative

1. **Legal Access and Easements** (listing and description of each, providing summarized information only. Specifics reflected in title report in Appendix.)
2. **Zoning and Deed Restrictions** (listing and description of each element including deed - providing summary info only. Provide more specific details in Appendix)

3. **Fees** (listing and description of each, by subcategory title if appropriate, i.e. payment in lieu of taxes, water rights, etc. Summary info only – include more specific details in Appendix)
4. **Taxes** (at time of purchase).

Appendix 1. XXX Property Management Plan Summary and Budget Matrix

- a) Must list by management action and show corresponding tie to objectives and goals.
- b) How can we promote prioritization of the various management actions and accompanying budget planning?
- c) Sort by “Operation and Maintenance”, “Development”, “Enhancement” if deemed necessary)

Appendix 3. Special Status Species List

Appendix 4. Exhibits

Exhibit A – General Location Map

Exhibit B – GIS Map Showing Habitat Types

Exhibit C – Summary of Biological Resources Worksheet

Exhibit C – Legal Description of Property and Boundary Survey

Exhibit D – Documentation of Water Rights

Exhibit E – Documentation of Land Ownership/Deed

Exhibit F – Title Report

Exhibit G – Phase I Report

Exhibit H – Cultural Resources Review

VI. Introduction – Executive Summary

A. Describe purpose of acquisition/mgmt plan

This Acquisition Plan has been prepared to assist the Arizona Game and Fish Department in their documentation of the acquisition the Horseshoe Ranch (Ranch) property located in Yavapai County, Arizona. The Horseshoe Ranch is located in the Agua Fria National Monument along the Bloody Basin Road about 5 miles east of I-17 and approximately nine miles southeast of Cordes Junction in Yavapai County, Arizona. The Ranch was first brought to the Land and Water Program in April 2007, but was not formally offered for sale by Dale Longbrake of Red Mountain Properties, LLC until August 2008. At the time, there were financial issues which complicated the acquisition and the Ranch went into foreclosure in 2009 with TPL assuming the mortgages. The Ranch was purchased on March 11, 2011, by TPL with a concurrent closing between TPL and the Commission ([purchase agreement](#)).

The Horseshoe Ranch was purchased using Heritage Fund and Section 6 Recovery Land Acquisition Grant monies. The land and resource values associated with this acquisition provide opportunities to meet objectives of Arizona's Heritage Fund Program for Threatened, Endangered and Sensitive (TES) species and habitats, as well as provide benefits for other wildlife species and the public and was awarded a Section 6 Recovery Land Acquisition Grant from the US Fish and Wildlife Service. The deeded property had 2 federal grazing leases, Copper Creek allotment (Tonto National Forest) ~35,899 acres and Horseshoe allotment (Bureau of Land Management) ~32,388 acres, for total allotment acres of ~68,290 acres. The permit value will be paid from a combination of Habitat Partnership Committee funds from the Arizona Antelope Foundation, Arizona Deer Association, Mule Deer Foundation, National Wild Turkey Federation, as well as funds from The Nature Conservancy, Arizona Wildlife Federation, and Sonoran Audubon Society. With the Copper Creek allotment, Red Mountain [waived the permit](#) back to the Forest Service (USFS) and it will remain in vacant status. There is no document naming AGFD as holder of the permit. The USFS will issue an annual permit to the lessee as holder of the Horseshoe permit. For the Horseshoe allotment, the Department filed the [allotment assignment paperwork](#), but the Department will not be issued the permit due to the “unqualified” standing. BLM does continue to recognize the ranch as the base property, but will only issue a grazing permit once a lessee is identified and agreement executed. The permit will be issued to this party, not the Department. The arrangement and management of the allotments is document through a three-party [Agreement](#) with the USFS and BLM.

This management plan describes the biological and physical assets of the property, relates historical management actions and current management emphasis and needs, identifies issues and concerns, and makes management recommendations.

B. Summarize Dept interest in, and the reasons for the Department considering acquisition of subject property

The goals for the Ranch are multifaceted. They can be segregated into about four (4) subsets:

1. Special Status Species population and habitat management on the deeded ranch property and on the associated allotments that meet the objectives of the Heritage Fund (Title 17, Chapter 2, Article 6) program for the Identification, Inventory, Acquisition, Protection, and Management (IIPAM) of sensitive species and their habitats and Section 6 Recovery Land Acquisition Grant.
 2. Game Species and general wildlife population and habitat management, primarily on the allotments associated with the Horseshoe Ranch property.
 3. Wildlife and outdoor recreational instruction and outreach activities, including both organized instructional activities and passive informational outreach such as through a visitor's center. Some cultural outreach activities will also fit into this category incorporating both pre-settlement cultural interpretation and outreach regarding the history of the Horseshoe Ranch and the livestock industry associated with it. This goal is largely accomplished on the Ranch deeded property, but some activities extend onto adjacent public lands.
 4. Development of the Ranch as a "Destination" location for agency and non-governmental organizations to use for meetings, events, banquets, retreats and the like. The Ranch may also serve as a base of operations for researchers and administrators from other agencies or organizations.
- C. Briefly describe/summarize general property attributes - with emphasis on wildlife and habitat features that serve to lead into next section

VII. Property Purpose and Management Goals and Objectives

- A. **PURPOSE:** Briefly summarize AGFD's purpose (reasons) for acquiring/owning this property – what primary benefits or mission-oriented attributes does the property provide by AGFD owning it rather than someone else?

B. FUNDING SOURCES:

Appraised Amounts

Deeded \$2,000,000

Buildings \$595,000

Copper Creek Allotment \$290,000

Horseshoe Allotment \$420,000

Personal Property \$40,000

Deeded Funds

Heritage - \$1,590,000

Section 6 Recovery Land Acquisition Grant - \$1,000,000

The land and resource values associated with this acquisition provide opportunities to meet objectives of Arizona's Heritage Fund Program and Section 6 Funds for Threatened, Endangered and Sensitive (TES) species and their habitats, as well as provide benefits for other wildlife species and the public.

Acquisition funding with Heritage and USFWS Section 6 grants require meeting wildlife conservation goals on both deeded and allotment lands for the eligible special status species.

The Section 6 proposal specifies that we address these species: Gila chub (*Gila intermedia*), Gila topminnow (*Poeciliopsis occidentalis occidentalis*), Desert pupfish (*Cyprinodon macularius*), and Western yellow-billed cuckoo (*Coccyzus americanus occidentalis*). The specific management actions include:

- i. Successful acquisition, development of a management plan for conservation of eligible species listed under the ESA and commitment to insure that the property is managed in perpetuity for conservation of listed species.
- ii. These additional primary actions contributed to grant eligibility scoring and failure to undertake may jeopardize our contractual commitments to Section 6.
 - Improve riparian and stream habitat quality by reducing or eliminating livestock grazing impacts to Indian and Silver Creeks and the Agua Fria River.
 - Renovate a 2 acre pond for propagation of eligible fish species
 - Remove nonnative species and reintroduce eligible species where deemed appropriate and/or augment extant populations when deemed appropriate
 - Protect deeded property from urban/rural subdivision or development

Allotment Funds

Habitat Partnership Committee

Arizona Antelope Foundation - \$214,150

Arizona Deer Association and Mule Deer Foundation - \$5,000

National Wild Turkey Federation - \$1,000

Arizona Wildlife Federation - \$2,500

Sonoran Audubon Society - \$3,355

Bring Back the Natives - \$200,000

The Nature Conservancy - \$50,000

WCF - \$233,995

Acquisition Costs

TPL

Appraisal - \$3,000

Appraisal Update - \$1,430

ALTA Survey - \$16,124

Phase I Environmental Site Assessment - \$5,355

Title Insurance - \$905

Department

Additional Environmental Surveys - \$18,162.87

Appraisal Review - \$900

Appraisal Review Update - \$375

Title Search for Bloody Basin Road - \$98

Sub Escrow Service to First American Title Insurance Company National Commercial Service - \$1,000

Recording - \$100

Cultural Survey - \$14,789

Water Right Assignments on Deeded - \$2,240

The Department expended \$1,627,664.87 of Heritage on the deeded property, buildings, and due diligence with \$1,590,000 on the purchase price of the deeded and buildings, and \$38,164.87 on the due diligence.

- C. **MANAGEMENT GOALS:** Listing of broad (big picture) AGFD management focus and goals for the property. These must tie to the purpose of having the property and can be itemized by major category/reasons (i.e. wildlife, habitat, public recreation, water rights, etc.).

VIII. Property History

A. HISTORICAL OWNERSHIP and MANAGEMENT PRACTICES:

The Ranch has been used in the past as a cattle ranch dating to the early 1880s when its cattle roamed all the way from the Bradshaw Mountains to the Verde River. The scenic landscape along with an abundance of significant prehistoric sites caused the President of the United States, in January 2000, to set 71,000 acres of it aside as the [Agua Fria National Monument](#), a unit of the Bureau of Land Management's National Landscape Conservation System. ([Attach History by Reba Wells Grandrud, Ph.D.](#))

- B. **MANAGEMENT OBJECTIVES:** Listing of broad-generic objectives that are tied/linked to the goals noted in I.C. above - address biofeasibility.

IX. MANAGEMENT OPPORTUNITIES:

Summary of any significant property features or needs that are relevant to the Dept and its future/ongoing management of the property (infrastructure, cultural resources, facilities, habitat trends/conditions, environmental issues, water/water rights, etc.). Consider use of subheadings in this section to guide planning narrative that is tied to these significant elements/features, such as:

- J. Limiting Factors
- K. Needs
- L. Revenue Opportunities
- M. Community Collaboration
- N. TES Management/Recovery
- O. Sensitive Habitat Enhancement
- P. Non-TES Opportunities
- Q. Game Species Opportunities
- R. Public Recreation/Education Opportunities

X. Property Description

A. Physical

1. Property Location [Maps](#)

The property is located in Township 10 North, Range 3 East, Sections 8 and 9 within the Aqua Fria National Monument. The elevation at the Ranch is 3,266 feet. The address is 22600 E Bloody Basin East Rd, Mayer, AZ. The property can be accessed via Interstate 17 North exiting at Bloody Basin Road traveling approximately 4 miles east. The Department's fixed asset number for the Ranch is L60150010.

2. Facilities & Infrastructure – [Attach Building History](#)

a. Buildings

5 livable structures, 1 other structure
(the information below is from the Yavapai GIS site)

Type: Single Family Dwelling

Floor area: 3599

Effective/constructed: 1968

Type: Single Family Dwelling

Floor area: 804

Effective/constructed: 1968

Type: Single Family Dwelling

Floor area: 868

Effective/constructed: 1968

Type: Labor Dormitory / Bunk House

Floor area: 2062

Effective/constructed: 1968

Type: Barn

Floor area: 2820

Effective/constructed: 1956

Type: Hay Shed/Livestock Shelter

Floor area: 2246

Effective/constructed: 1968

20 and 5 acre Irrigated Fields

2 acre pond

Private airstrip

b. Utilities/infrastructure

Water, power, sewage self contained

- c. Roads**
- d. Trails (public use)**
- e. Fences and cattleguards (by type)**
- f. Etc.**

3. Water Rights and Water Resources (provide list of subheadings to prompt applicable plan narrative – if not applicable, then use n/a for corresponding subheading) – Include anticipated use for potential acquisitions and historic use for AGFD properties. This would include any prior modifications in water right status. It should include recommended longer-term modifications to water rights and water management – any more specific info/details, such as water rights documentation, should be presented in Appendix

- a. Listing and description of each registered water right (in table format, include CWR, Claims, Groundwater, Wells, SOC's)**

[See attached spreadsheets with the water right information](#)

a.1 Introduction: Types of water filings to appropriate or claim water rights

Surface Water Rights

Definition of Surface Water

Arizona Revised Statutes § 45-101 defines surface water as “waters of all sources, flowing in streams, canyons, ravines or other natural channels, or in definite underground channels, whether perennial or intermittent, floodwaters, wastewaters, or surplus water, and of lakes, ponds and springs on the surface.”

Public Water Code

Early in its history, Arizona adopted the doctrine of prior appropriation to govern the use of surface water. This doctrine is based on the tenet of “first in time, first in right” which means that the person who first puts the water to a beneficial use acquires a right that is better than later appropriators of the water. Prior to June 12, 1919, a person could acquire a surface water right simply by applying the water to a beneficial use and posting a notice of the appropriation at the point of diversion. On June 12, 1919, the Arizona surface water code was enacted. Now known as the Public Water Code, this law provides that a person must apply for and obtain a permit in order to appropriate surface water.

Beneficial Use

The Public Water Code provides that beneficial use shall be the basis, measure and limit to the use of water within the state, A.R.S. § 45-141(B). Per A.R.S. § 45-151(A) beneficial uses are: domestic (which includes the watering of gardens and lawns not exceeding one-half acre), municipal, irrigation, stockwatering, water power, recreation, wildlife including fish, nonrecoverable water storage, and mining uses.

Reasonable Beneficial Use

The quantity of water that is reasonable for a particular beneficial use depends on a number of factors, including the location of the use. For that reason, the Arizona Department of Water Resources will determine the quantity of water that may be appropriated for the beneficial uses on a case by case basis.

Applications for Permit to Appropriate Public Water of the State of Arizona or to Construct a Reservoir (33's, 4A's, 3R's).

A permit from the state is necessary to use or divert surface water in this state unless one of the following applies: 1) the water is from the mainstream of the Colorado river, in which case a contract with the Secretary of the Interior is required; 2) the person or the person's predecessor-in-interest, lawfully appropriated the water prior to June 12, 1919 and the person or the person's predecessor-in-interest has filed a statement of claim for the appropriation with the state; or 3) the water is stored in a stockpond constructed after June 12, 1919 and before August 27, 1977.

Prior to 1972, an application to appropriate surface water was assigned a number with the prefix "4A" and an application to construct a reservoir was assigned a number with the prefix "3R". After 1972, the two applications were consolidated. A person now applies for a permit to appropriate public water by completing an application form, "Application for Permit to Appropriate Public Water or to Construct a Reservoir", and submitting it to the Arizona Department of Water Resources (Department) with proper filing fee. These applications are now assigned a number with the prefix "33".

Claim of Water Right for a Stockpond and Application for Certification (38's)

Stockponds are artificially constructed ponds used for watering livestock and wildlife. Many Stockponds were constructed after June 12, 1919 without compliance with the permit requirements of the Public Water Code. Recognizing the large number of "unpermitted stockponds, the Legislature enacted legislation in 1977 granting water rights to the owners of those unpermitted stockpond that were in existence at that time. This legislation, known as the Stockpond Registration Act of 1977, provides that an owner of a stockpond has a valid water right in the stockpond and is eligible upon evidence of the following:

1. The stockpond was constructed after June 12, 1919 and prior to August 27, 1977.
2. The stockpond is used exclusively for watering of livestock and/or wildlife.
3. The stockpond has a maximum capacity of 15 acre-feet.
4. The stockpond was not the subject of water rights litigation or protest prior to August 27, 1977.

An owner of a stockpond that meets the criteria described above may file with the Department a "Claim of Water Right for a Stockpond and Application for Certification". Upon receipt of a claim of water right for a stockpond, the Department assigns the claim a number with the prefix "38".

The Department is required to issue notice of the claim to water users who might be affected by the use of water. Affected persons may file a written protest to the claim. The Department may conduct an investigation of the claim, including an inspection of the stockpond, and may hold a hearing to determine any material fact in dispute. The Department issues a certification of the water right if it

finds that the facts stated in the claim are true and entitle the claimant to a water right for the stockpond.

The priority date of a water right granted by the Stockpond Registration Act of 1977 depends on the date the owner of the stockpond files a claim of water right for the stockpond. If the owner files a claim of water right prior to March 17, 1996, the priority date is the date of construction. Otherwise, the priority date is the date of filing of the claim.

A water right granted by the Stockpond Registration Act of 1977 is junior to the following water right: 1) any water right issued pursuant to an application to appropriate filed with the State Land Department or its predecessors prior to August 27, 1977; 2) rights to the use of the mainstream waters of the Colorado River; 3) rights previously acquired or validated by contract with the United States, court decree, or other adjudication; and 4) rights acquired prior to June 12, 1919 and registered under the statement of claim procedure (“36” filings) described below.

Statement of Claim (SOC) of Rights to Use Public Waters of the State of Arizona (36’s).

When the Public Water Code was adopted on June 12, 1919, it did not address surface water rights existing prior to its enactment. Under the Water Rights Registration Act (A.R.S. § 45-180, et seq.) a person who before March 17, 1995 was using and claimed the right to use public waters of the state based on state law may file a “Statement of Claim” for both pre and post June 12, 1919 claims. Statements of Claim may be filed up to 90 days before the Director files the final hydrographic survey report for the watershed or federal reservation in which the claimed right is located (A hydrographic survey report is a report prepared by the director pursuant to A.R.S. § 45-256 for those subwatersheds and federal reservation that are part of a general stream adjudication).

The act of filing a Statement of Claim does not create a water right nor does it constitute an adjudication of the claim. While the Statement of Claim itself is admissible in evidence as a rebuttal presumption of the truth and accuracy of the information contained in the claim, no judicial determination regarding the right and priorities of the claimant has been made. A claim made under the Water Rights Registration Act is subject to challenge. A Statement of Claim filed under the Water Rights Registration Act is assigned a number with the prefix “36”.

Change in Place of Use

A change in the place of use of a surface water right is referred to as a “severance and transfer” of the right. In most cases, a person must obtain the approval of the Director in order to sever and transfer a surface water right. In addition, the person must also obtain the approval of irrigation district, agricultural improvement district, or water users’ association if water is used on land within their boundaries or is in the same watershed or drainage area.

Approval by the Director is not required for the severance and transfer of an irrigation water right appurtenant to lands within the boundaries of an irrigation district to other lands within the boundaries of the same irrigation district for agricultural use. Such a severance and transfer may be accomplished by excluding from the boundaries of the irrigation district the lands to which the right is appurtenant and including within the boundaries of the district the land to which the right is to be transferred. Only the consent of the irrigation district and the owners of the lands affected by the severance and transfer are required.

When the approval by the Director is required, a person wishing to sever and transfer a water right must file an "Application for Severance and Transfer" with the Director. The Director is required to give notice of the application by publication once a week for three consecutive weeks in a newspaper of general circulation within the county in which the watershed or drainage area is located. Interested persons are given the opportunity to file written objections to the proposed severance and transfer within 30 days after the last publication of the notice. In appropriate cases, including cases in which an objection has been filed, the Director may hold a hearing.

The Director may not approve an application for severance and transfer of a water right if the transfer would interfere with vested or existing rights to the use of water; if the water right sought to be transferred was not lawfully perfected under the laws of the territory or the state of Arizona; or if the water right sought to be transferred has been forfeited or abandoned.

Change in Beneficial Use

A person may add a new use only by applying for and obtaining a permit to appropriate the water for the new use. The application will be processed in the same manner as any other permit to appropriate surface water and the priority date of the new water right will be the date the application was filed.

A person may change an existing use to a different use by filing a "Change of Use" application with the Department. If the existing use is for irrigation, domestic or municipal use, the use may not be changed without the approval of the Director. When a change in use has been effected, the new use retains the same priority date as the old use.

Amendments to an application, permit, Certificate of Water Right or claim

Amendments to documents filed with the Arizona Department of Water Resources (Department) will be limited and will be reviewed on a case by case basis. Requests for an amendment must be made on official amendment forms. The Department will not accept requests for amendments that are not made on the proper form. There is no fee for amending an application, permit, Certificate of Water Right or Claim.

Groundwater

Historically, Arizonans have pumped groundwater faster than it was replaced naturally - a condition known as "overdraft". Groundwater overdraft creates significant problems, including increased costs for drilling and pumping and the eventual loss of supply. Water quality also suffers because groundwater pumped from greater depths typically contains more salts and minerals. In areas of severe groundwater depletion, the earth's surface may sink, or "subside", causing cracks or fissures that can damage roads, building foundations, and other underground structures. Recognizing continued depletion of finite groundwater supplies as a threat to prosperity and quality of life, the Arizona Legislature created the 1980 Groundwater Management Code to manage the state's water supply for the future.

The 1980 Groundwater Management Code (Code) has three primary goals, to:

1. Control severe overdraft occurring in many parts of the state.
2. Provide a means to allocate the state's limited groundwater resources to most effectively meet

- the changing needs of the state; and
3. Augment Arizona's groundwater through water supply development.

To accomplish these goals, the Code set up a comprehensive management framework and established the Arizona Department of Water Resources (ADWR) to administer the Code's provisions. The Code established three levels of water management to respond to different groundwater conditions:

- The lowest level of management includes general provisions that apply statewide.
- The next level of management applies to Irrigation Non-Expansion Areas (INAs).
- The highest level of management, with the most extensive provisions, is applied to Active Management Areas (AMAs) where groundwater overdraft is most severe.

The boundaries of AMAs and INAs generally are defined by groundwater basins and sub-basins rather than by the political lines of cities, towns, or counties. Horseshoe Ranch is not in an AMA or an INA, but is located downstream from the Prescott AMA.

Well Drilling

Drilling a well anywhere in the state requires approval from ADWR. Drilling and operation of wells within AMAs are generally subject to more restrictions than outside of AMAs. In general, exempt wells (those wells with a maximum pump capacity of 35 gpm, often for domestic use) are less regulated than non-exempt wells (generally having a pump capacity greater than 35 gpm). For withdrawals of groundwater from non-exempt wells within AMAs, state law assesses withdrawal fees and requires annual groundwater withdrawal and use reports to be filed.

Well drillers and wells owners are advised that wells that are drilled without official authorization are "illegal" wells, and compliance actions may be taken against well drillers and well owners who drill such wells.

Water Rights Adjudication

A general stream adjudication is a judicial proceeding in which the nature, extent, and relative priority of water rights is determined. There are two general stream adjudications in the state, the Gila River System and Source (Gila Adjudication) and the Little Colorado River System and Source (LCR Adjudication). The exterior boundaries of these two adjudications include more than half the state, where most of the Indian reservations and federal land are located. There are nearly 30,000 parties in the Gila Adjudication and nearly 5,000 parties in the LCR Adjudication. Through the end of calendar year 2004, over 85,000 SOC's have been filed in the Gila Adjudication. A party is a person or entity that has filed one or more claims to water rights in the adjudication (Statement of Claimant or SOC with the prefix "39").

Insert

a.2 History of Horseshoe Ranch ownership and water right transfers

a.3 Water rights on Deeded– See map which depicts the water rights

The following water rights, adjudication claims, and wells are on the deeded:

- Certificate of Water Right (CWR)
- Two wells
- Three Statements of Claim (Claim) and two Claims for surface diversions directly out of the respective river which apply to both the deeded and allotments. The Claim for the Agua Fria is all sections the River transverses on the Ranch and Horseshoe Allotment. The Claim for the Indian Creek is all sections where the river transverses on the Ranch and Horseshoe Allotment.
- Three Statements of Claimant (SOC) for the CWR, Claims, and wells

a.4 Allotments – See map which depicts the water rights w/o claims

Public lands policy with regard to private ownership of livestock improvement infrastructure and water rights varies between Forest Service, Bureau of Land Management and State trust lands. Most of the Horseshoe allotment was State trust land at the time that most livestock improvements (stock tanks, wells, windmills, fences) were constructed. The State trust lands were taken by the BLM in the Santa Rita Land Exchange Project- Trust Land Condemnation (June 11, 1990). The transfer of the state lands to BLM included transfer of State Land Department water rights and ownership interests on improvements. However, any privately-held water rights or interests in improvements held by the lessee, Wingfield at the time, remained a private interest transferred to future ranch owners.

State Land Department grazing leases (Articles 1-25; Rev. 4/2007) state that all improvements placed (constructed) on state land in conformance of application/approval (10.2) shall be the property of the lessee or any successor and subject to taxes (10.6). The lessee is also entitled to reimbursement for improvements placed in conformance with 10.2, by any subsequent lessee or purchaser of the subject land upon expiration of the grazing lease (10.7). With respect to water rights, the lessee is entitled to the use of groundwater (Article 18; 18.1 Rev. 4/2007), but shall not acquire any rights. Surface water rights are governed by State of Arizona laws. Any surface water rights that the lessee may have prior to establishing a grazing lease are not affected by the lease; however, rights applied for and established after the grazing lease is signed become the State of Arizona's and attached to the state land (18.5). With regard to stock tanks/ponds a lessee is entitled to any CWR issued pursuant to the Stockpond Registration Act 1977 (A.R.S. §45-271 – 45-276 as amended) and shall pass to any successor lessee or if the State trust lands are sold to the purchaser (18.6). There are eight CWR for stock tanks on the Horseshoe allotment (see further discussion below).

The BLM policy and guidance for water and infrastructure differ somewhat. New range improvements are permitted with cooperative agreements and title to the structural or removable

improvements must be shared by the BLM and cooperator in proportion to contributions (H-4120-1; section .32 Grazing Management Handbook (release 4-73, 6-20-84). A permittee /lessee interest in range improvements must be assigned to the new permittee/lessee when there is a transfer of grazing preference (grazing permit); and the new lessee must pay the previous lessee fair market value for said improvements (4120-1; section .35). Cooperators with BLM in range improvements are entitled to reasonable compensation for their interest if grazing permits or leases are cancelled (4120-1; section .36). Maintenance responsibilities can be negotiated on a proportionate basis when substantial benefits (>50%) are attributed to more than one user (H-2120-1; section .37; release 4-85, 8-24-87). With regard to water rights, a federal reserve water right subject to valid existing rights was established through Presidential proclamation designating the Agua Fria monument (Jan. 11, 2000). The federal procedures to acquire and perfect water rights are through state law and administrative claim procedures (As Outlined in: United States Department of the Interior, Bureau of Land Management Manual Transmittal Sheet 7250 - Water Rights 3/19/1984). Any legal entity can file and hold water rights in Arizona; individual, group, group of individuals, corporations, government agencies, etc. (Western States Water Laws; National Science and Technology Center, Bureau of Land Management 2001).

Forest Service policy and guidance (FSH 2209.13 Grazing Permit Administration Handbook; Chap.70 effective 9/9/2005) are similar to BLM with respect to ownership of improvements but differ with respect to water rights and compensation for range improvements. Permittees are entitled to compensation for their interest in range improvements if the permit is cancelled in whole or part (provision 71.1). Compensation can only be made to the permittee who contributed to the cost of placing or constructing a permanent improvement, not future permittees (provision 73) and title to the improvement is held by the United States (provision 71.1). This differs from BLM policy which allows for transfer of privately-held ownership and compensation can be made to current owners. With respect to water use and rights on Forest lands, consumptive federal water uses (wildlife, recreation, permittees and concessionaires) are not covered by the reservation doctrine of National Forest system lands (FSM 2500-Chap. 2541.21 / WO amendment 2500-2007-1) and subject to compliance with state law and pursuant to a state-based water right or permit (FSM 2500 - Chap. 2541.03 / R3 Supplement 2500-2001-1; effective 9/5/01). Entities other than the FS cannot build water developments on NFS lands without FS authorization. In cases where a State based water right or State approval is needed for a water development, an applicant must go through State approval and the FS process for authorization (two levels of screening and NEPA compliance) of the development (2541.35); and ultimately perfected water rights are recognized as a property right by the FS. However, water developments (wells/pipelines) proposed on NF lands classified as range improvements are managed through the administration of Term Grazing Permits and not subject to this policy (the R3 Supplement 2500-2001-1; effective 9/5/01). The FS does have a policy to claim possessory interest in water rights in the name of the United States for water uses on NFS lands to carry out activities related to multiple use objectives ((FSM 2500-Chap. 2541.32 / WO amendment 2500-2007-1).

In the case of Horseshoe allotment (BLM), when the State trust lands were condemned and transferred to the federal government during the [Santa Rita Land Exchange Project](#) (Exchange; 1990) there were several water rights (CWR) and adjudication claims (SOCs) privately held by Wingfield and in the name of Horseshoe Ranch. The [Santa Rita Exchange](#) was designed in a joint cooperative effort between the BLM and ASLD with the purpose of transferring environmentally

sensitive trust lands to federal ownership to be managed for public use values; where as in return the trust would receive federal lands to then be used as state purposes, to be sold to produce revenues for the trust beneficiaries. The land transfers were authorized by SB1249 and the federal Arizona-Idaho Conservation Act of 1988. The 1988 Deer Valley decision halted the initial land exchange and the federal government employed the condemnation provisions of Title V of the Arizona-Idaho Conservation Act, enabling BLM to acquire the ASLD lands and to compensate the trust with federal lands of equal value. This first phase of the Santa Rita condemnation process took place in 1990. The Black Canyon archeological area (surrounded Horseshoe Ranch), was exchanged to BLM in return for a 343 acre Red Mountain parcel in Mesa. The second phase of the condemnations included the filing takings on ASLD lands in six areas, including the Black Canyon Archeological Area (this combined with the first phase equaling 22.5 million). ASLD had not filed on these rights and thus these rights were incorrectly assigned to BLM by ADWR as stated in a letter from BLM to ADWR dated September 2005 and remain privately-held water rights. **The five (5) wells, five Statements of Claim, and 16 SOC's have been assigned to the Commission.**

In the case of Copper Creek allotment (FS), there are no privately-held water rights or adjudication claims or financial interests for improvements. All water rights are held by the United States and FS will require the same if future water developments are proposed.

The following privately-held water rights, adjudication claims and wells are on public lands:

- Eight CWR for the eight stock tanks
- One stock pond
- Five wells
- Five Claims (Surface Water?)
- 16 SOC's

In order to have a complete set of surface water right filings for claims on public lands in preparation for the Gila River adjudication, there should be a statement of claimant (39 filing) and surface water filing (33 or 36 for statement of claim or 38 filing for stockponds). Claims that have been certificated should have a CWR and 39 statement of claimant filing; and may or may not have other filings.

Table 1- Stock tanks and ponds

Name	CWR	Statement of Claimant (39)	Statement of Claim (36 or 38)	Filings complete	Construct Date	Claim AF	Priority Date
Boone Tank	3947(R-2296)	39-21118		yes	1964,July15	1.5	1963, Dec 11
Tubby Tank	3948 (R2299)	39-21116		yes	Est.1940	1.5	1963, Dec 19
Bull Pasture Tank	3949 (R2300)	39-21117		yes	Est.1948	1.0	1963, Dec 19
Pipe Tank	3946 (R2283)	39-21121		yes	1964,Apr.1	1.9	1963, Oct 3
South Baby Tank	3981(R-2298)	39-21114		yes	1964,June1	0.25	1963, Dec 19
Joe's Tank	3982(R-2301)	39-21115		yes	Est.1940	1.0	1963, Dec 19
Batt Tank	3980(R-2302)	39-21112		yes	Est.1956	1.0	1963, Dec 19
Double Tank	3983(R-2297)	39-24221		no	Est.1940 (ASLD)	2.0	1963, Dec 19
Perry Mesa Stockpond		Missing	38-24409	no	Est.1925, June	2.0	

Lousy Tank		39-21085	38-90965? – Per Image Records, in the name of BLM	?	1925	2.5	Claimed 1925
Hennessy Tank		39-21084	38-90972 – Per Image Records, in the name of BLM	?	Prior 1935	~2.5	Claimed 1935
TY Tank		39-21173	38-90971? – Per Image Records, in the name of BLM	?	Prior 1960	~0.5	

All of the stock tanks on the Horseshoe allotment were constructed prior to the Santa Rita Land Exchange in 1990. The priority date of a water right granted by the Stockpond Registration Act of 1977 depends on the date the owner of the stockpond files a claim of water right for the stockpond. *If the owner files a claim of water right prior to March 17, 1996, the priority date is the date of construction (“38” filings). Otherwise, the priority date is the date of filing of the claim (“39” filings).* A water right granted by the Stockpond Registration Act of 1977 is junior to the following water right: 1) any water right issued pursuant to an application to appropriate filed with the State Land Department or its predecessors prior to August 27, 1977; 2) rights to the use of the mainstream waters of the Colorado River; 3) rights previously acquired or validated by contract with the United States, court decree, or other adjudication; and 4) rights acquired prior to June 12, 1919 and registered under the statement of claim procedure (“36” filings).

Recommended Actions for stock tanks and ponds:

There are eight certificated water rights for stock tanks on public land. All tanks have a SOC except for Double Tank (CWR 3983, R-2298). The Department has filed a SOC (39-24221).

There is one stockpond, Perry Mesa Tank. There is no Statement of Claimant for this stockpond.

There are three stock tanks with SOC’s (39’s) but no CWR or underlying basis (36 or 38 filing)– Lousy Tank, Hennessy Tank, TY Tank in the name of the Commission. The underlying 38 is in the name of the BLM. At the time of 39 filing, July 23, 1985, Wingfield claimed use for 50 years and stated that all 3 tanks been previously filed on, but there are no records from ADWR to indicate previous filings. All 3 SOCs were filed prior to the Santa Rita Land Exchange and were located on State trust land grazing lease 05-02074-02 (See TY tank SOC). If no filing is found, the Department will need to file on stockpond registration forms for these three tanks.

Table 2- Surface Water Claims

Name	CWR	Statement of Claimant (39)	Statement of Claim (33, 36, 38)	Filings complete	Federal filings?	Claim AF	Priority Date
Agua Fria*		39-21105 (partial)	36-24416.0004	yes	Yes/partial to BLM	2.25 million gal/yr	100 yrs use;1875
Long Gulch*			36-24417.0004		Yes/partial to BLM	2.25 million gal/yr	100 yrs use;1875
Bishop Creek		39-21109	36-24418	yes	No	2.25 million	100 yrs use;1875

Silver Creek	3981 (R-2298)?	39-21114?	36-24419.0004	Yes?	Yes/partial to BLM	gal/yr 2.25 million gal/yr	100 yrs use;1875
Indian Creek*		39-21106	36-24420.004	yes	Yes/partial to BLM	2.25 million gal/yr	100 yrs use;1875

*Same claims on deeded; places of use and points of diversion traverse private land

There are five Claims for stock watering directly out of the respective river. The Claim for the Agua Fria is all sections the River transverses on the Ranch and Horseshoe Allotment. The Claim for the Long Gulch is all sections the river transverse on the Ranch and Horseshoe Allotment. The Claim for the Bishop Creek is all sections the river transverses on the Horseshoe Allotment. The Claim for the Silver Creek is all sections the river transverses on the Horseshoe Allotment. The Claim for the Indian Creek is all sections the river transverses on the Ranch and Horseshoe Allotment.

Insert Map

Recommended Actions for surface water claims:

Long Gulch and Silver Creek are missing SOC's (39 filings).

Include short description of waters on Copper Creek allotment that are on our inventory for range assignments but FS has all water rights and interests in improvements.

Table 3- Wells

Name	Well Registration (55)	Statement of Claimant (39)	Filings complete	Federal filings?
New Mill Well	Acquired by BLM in the Exchange (55-614126, 39-22169)	39-21087		
Bishop Well	Acquired by BLM in the Exchange (55-614125, 39-22148)	39-21089		
Horizontal Well	55-623449	39-21122		
Perry Windmill	55-516655			
Rugged Mill	55-623443			
Silver Creek Spring Well	55-623442			

Recommended Actions for wells:

New Mill Well (55-614126) and Bishop Well (55-614125) are wells that have a SOC in the name of the Commission, but registrations were acquired by Bureau of Land Management in the Exchange. Without an underlying basis for the SOC's it is unlikely that any water would be allocated to the Department in an adjudication.

There are five wells. One of the five, Horizontal Well (55-623449) has a SOC. If the other four wells or two unassigned wells could be potentially pumping subflow, then communication with the AGO is necessary to determine if filing for new certificates of water right would be a prudent

approach is securing these water rights.

b. Description of water infrastructure and how water is currently used on the property

b.1 Deeded

Surface water is collected from Silver Springs and Long Gulch Springs and transported via pipeline by gravity flow to the property. It is used to feed the approximately 2 acre pond, the domestic use on the property and the irrigation of the 25 acres. Horizontal Well (55-623449, 39-21122) lists domestic and the stockpond on the deeded as the uses in addition to irrigation and stockwater/wildlife yet is on the public lands.

The Claims are where the river flows through the sections. Water is not diverted for these Claims.

b.2 Allotments

Surface water is collected at each place of use for the eight certificates of water right for stockwater. In two locations, surface water is piped from a drainage into stock tanks (Bishop or Agua Fria to Pipe Tanks and Indian Creek to Horseshoe Stock Tanks in Boone Pasture.

The Claims are where the river flows through the sections. Water is not diverted for these Claims.

Surface water is collected at the place of use for the Perry Mesa Tank.

c. Any other pertinent information

Action Items to be completed by the Land and Water Program:

- File server and transfer application to change the point of diversion for the Horseshoe Irrigation Well (55-623446)
- File SOC's on Long Gulch, Silver Creek, and Perry Mesa Tank

Questions regarding Water Use

- Is the Department is going to be excluding cattle from the rivers? If so, all the Claims may need a type of use or place of use change.
- Are the wells on the allotments close enough to the river that they may be pumping subflow? Do we need a hydrological study?
- Evaluate use of water rights into the future to determine the following that would necessitate the application to ADWR:
 - Change in place of use or point of diversion
 - Amend to include wildlife and wildlife habitat enhancement.

d. Management Implications

Utilize the water rights fully at least once every five years on the irrigated acreage documenting us. This is necessary to preserve the water right.

- Do this/don't do that...full explanation of existing operational requirements and allocations
- Future actions - Grazing management and deeded

4. Appraisal

Scott Halver with the Ganado Group completed [an appraisal](#) with a date of value of November 24, 2009. This [appraisal was updated](#) by Scott Halver to have a date of valuation of October 12, 2010. The value of the deeded, improvements and allotments was \$3,300,000 with the deeded valued at \$2,000,000, improvements at \$585,000 and allotments at \$710,000 total with the USFS Copper Creek Allotment at \$290,000 and the BLM Horseshoe Allotment at \$420,000. The Trust for Public Land commissioned the appraisal and appraisal update. The [appraisal](#) and [updated appraisal](#) were reviewed by John Loper and Associates and was paid by the Department.

5. **Cultural Resources** (provide list of subheadings to prompt applicable plan narrative – if not applicable, then use “n/a” for corresponding subheading) – Summarize information and recommended management direction – any more specific info/details (i.e. archaeological surveys, historical property registrations, etc) should be presented in Plan Appendix.
- a. Prehistoric
 - b. Historic
 - c. Other

The Program did contact [SHPO](#) prior to acquisition to inquire regarding any past surveys and cultural information on the property. A [Class I and III Cultural](#) Resources Study was performed by Logan Simpson Design. The Department consulted with SHPO on the Cultural resources study. Here is the documented [SHPO response](#). Here is the Department's [archaeologist's guidance](#).

6. **Property Risk Assessment** Description of property features, improvements, topography and/or conditions that have the potential of presenting any risk or hazard to people that frequent/visit the property (i.e. abandoned buildings, mine shafts, hazardous materials, etc). GIS mapping where appropriate (AGFD database), specific details in Appendix. Include pertinent information – any other details/third party reports should be presented in Appendix
- a. Physical Hazards
 - b. Environmental Hazards

Aplomado Environmental LLC completed a [Phase I Environmental Site Assessment](#) on October 26, 2009. The Department submitted the Phase I ESA to the Arizona Department of Administration for their review. ADOA reviewed the Phase I ESA and had a subsequent on-site visit.

In order to address Department and ADOA concerns, follow-up environmental studies were conducted by Western Technologies and included [asbestos](#) and [lead](#) sampling in the six structures, [soil samples in the corral and pasture areas and the disposal area known as the Boneyard, and water samples in the main house](#).

The five on-site above ground fuel tanks will be retained and maintained by the Department. After acquisition, the Department will ensure the tanks and retention structures will comply with the State Fire Marshal's office, the International Fire Code (IFC 2003) requirements, and the EPA Oil Spill Prevention Program (40 CFR 112). In addition, the Department will implement a Spill Prevention, Control and Countermeasure Plan.

Underground Storage Tank

During the subsequent environmental survey performed by Western Technologies Inc. (Job No. 2180JQ375 dated 1-5-11), a locator could not locate the UST. During hand excavation to a shallow depth at this location, a small concrete pad with a potential fill pipe and a section of metal piping approximately 12 inches below ground surface were found. Soil samples were taken at 10, 13, and 15 feet below ground surface. The 10 and 15 foot soil samples were analyzed for petroleum hydrocarbons in the C₁₀ to C₃₂ carbon range using ADHS Method 8015AZR.1 and polynuclear aromatic hydrocarbons using EPA Method 8270 in accordance with the Arizona Department of Environmental Quality closure guidance for diesel UST's. Results showed no presence of HC or PAH in either sample at concentrations exceeding the laboratory reporting limits. There are no indications of a fuel release in the vicinity of the purported UST location. Based on this information, additional testing of the UST location is not warranted. The Department will take no further action on this situation.

Asbestos and Lead

Asbestos was found in five of the six structures. The asbestos was identified as non-friable and does not pose a significant of fiber release in the current condition. The results of these tests will be incorporated into the management of the property after acquisition. Prior to any abatement, renovation or demolition activities the Department will follow the necessary procedures to handle the asbestos materials.

Lead was found only in the tin house. This structure will not be utilized in the operation of the property. Prior to any renovation or demolition activities, the Department will follow the necessary procedures to handle lead-containing paint.

Soil Samples

Two soil samples were taken from the corral areas and two from the pasture areas. All soil samples were analyzed for chlorinated pesticides using EPA Method 8081. The two soil samples from the pasture area were also analyzed for chlorinated herbicides using EPA Method 8081. Results did not indicate the presence of chlorinated pesticides and concentrations exceeding the laboratory reporting limits in either area. In addition, chlorinated herbicides were not detected at concentrations exceeding the laboratory reporting limits in the soil samples collected from the pasture areas.

Soil samples in the corral and pasture areas did not indicate the presence of chlorinated pesticides in either area or chlorinated herbicides in the pasture area. The soil samples in the disposal area did not warrant further sampling.

Disposal Area

The disposal area known as the Boneyard was sampled by Western Technologies Inc. (Job No. 2180JQ375 dated 1-5-11). The soil samples collected were biased towards the burned or discolored soil areas and analyzed for VOC's using EPA Method 8260B, PAH's using EPA Method 8270 and the 8 RCRA metals using EPA Method 6010/7470. Five soil samples were taken from this area. Based on the results of the sampling, additional assessment does not appear to be warranted. The Department has not determined the future use of the landing strip. Once a determination of use is made, the Department will follow the appropriate procedures.

Water Samples

The Department contracted Western Technologies Inc. (Job No. 2180JQ375 dated 1-5-11) to have the water in the main house analyzed for potential contaminants exceeding the U.S. Environmental Protection Agency Primary and Secondary Drinking Water Standards, in accordance with the State of Arizona New Source guidance. Water samples from the other structures were analyzed for E. Coli using EPA SM 9223B.

Water sampling in the main house showed the water was suitable for public consumption without treatment. Periodic testing should be incorporated into the management especially after monsoon events.

All site septic systems will be evaluated after acquisition.

- c. Infrastructure/Facilities
- d. Other

B. Biological

1. **Habitat** This section should provide a narrative describing the major habitat types existing on the property. A paragraph on each habitat type should be sufficient

Habitat types on the subject property and across the associated allotments transition from Arizona Uplands Sonoran Desertscrub to Great Basin Conifer Woodlands (Brown 1994). The habitat is characterized primarily as semi-desert grassland across broad expanses of mesas and rolling hills. These grasslands are bisected by steep canyons that have Sonoran Desertscrub, Great Basin Conifer Woodland and Interior Chaparral species. Canyons with intermittent or perennial water have native Interior Riparian Deciduous Forests and Woodlands. More xeric canyons in the lower elevations are characterized by Sonoran Riparian Scrubland. Tree species associated with the native riparian woodlands include: cottonwood (*Populus Fremontii*), willow spp., Arizona Sycamore, Desert and Nettle Hackberry, Velvet Ash, Arizona Walnut, Desert-willow and mesquite species. Tobosa grass dominates the mesas in heavy clay soils with many other grasses such as grama (*Bouteloua* spp.) and three-awn (*Aristida* spp.) occurring on gravelly upland sites.

Natural habitat values

- ~ ½ mile reach of riparian habitat along Agua Fria River (~15 acres floodway & floodplain)

- Mesquite bosque habitat
- ~ ½ mile of more xeric-riparian habitat along Indian Creek
- Sonoran desert scrub and semi-desert grassland habitats

Canyons with intermittent or perennial water have native Interior Riparian Deciduous Forests and Woodlands. More xeric canyons in the lower elevations are characterized by Sonoran Riparian Scrubland. Tree species associated with the native riparian woodlands include: cottonwoods, willows, Arizona Sycamore, Desert and Netleaf Hackberry, Velvet Ash, Arizona Walnut, Desert-willow and mesquite species.

2. **Species** (provide/select list of subheadings to prompt applicable plan narrative – if not applicable, then use n/a for corresponding subheading) – A short narrative for focal species is recommended with a current and potential status included in narrative. Include Appendix “Summary of Biological Resources Values Worksheet”.
 - a. Mammals
 - b. Birds

Deeded

Western yellow-billed cuckoo (*Coccyzus americanus occidentalis*)

Cuckoos are riparian obligates and found primarily in cottonwood-willow associations. Cuckoos have been documented on the ranch and along riparian reaches downstream along the Agua Fria River and several tributaries upstream of the ranch including Ash Creek, Dry Creek, and Sycamore Creek (Wise-Gervais and Magill 2004). Cuckoo surveys were undertaken in 2003 to answer two main questions: what is the distribution of the cuckoo on the AFNM and when is the species present. The highest concentrations of cuckoos were found on the lower Agua Fria survey route which begins on the Horseshoe Ranch property. Surveyors reported 22 individual Cuckoos and 38 detections June-August 2003, indicating that the species nests in the Agua Fria area. In addition to the 2003 study, more recent survey by BLM biologist documented one bird on Silver Creek just west of TNF boundary summer of July 2007 (pers com. Tim Hughes, BLM). HDMS records document occurrence upstream of the ranch on the Agua Fria River and along Indian Creek on the Horseshoe and Box Bar allotments in 1999, 2000, and 2003. No habitat evaluations or surveys have been conducted within riparian habitats along Copper Creek or Bishop Creek on the TNF (Copper Creek allotment) for this species.

Important Bird Area - National Audubon Designation:

28 species of special conservation status (13 breeding)

130 species documented since 2006 during annual IBA monitoring

c. Fish

Currently there are extant populations of Gila Chub in Indian Creek, Silver Creek, Larry and Lousy Canyons. Both creeks are tributaries to Agua Fria River. The Gila chub that occur in Indian Creek are in reaches located on the Box Bar allotment. Although Indian Creek does traverse the Horseshoe allotment boundary and the subject deeded property, chub have not been documented in these reaches since 1995 according to HDMS records. However, chub are extant in the upper portions of the Indian Creek drainage.

There are Gila chub in Silver Creek just west of the Tonto National Forest (TNF) boundary with BLM, on the Horseshoe allotment and upstream on the Copper Creek allotment (TNF). During the summer of 2007 the BLM conducted ocular surveys to find chub due to their concern that the stream was drying up from extended drought. They found chub in 3 small and 2 large pools near the Forest boundary. Silver Creek remains perennial in the upper drainage, beginning near the Forest boundary in the driest conditions to date. Intermittent reaches extend downstream across BLM Horseshoe allotment in wetter years. Chub have persisted in residual pools left in these reaches to date. In the past there have been green sunfish documented in the creek, although in 2007 BLM did not see them. There were high flows after the Cave Creek fire that significantly scoured reaches of the stream. These flows may have been detrimental to green sunfish and their numbers or presence reduced or eliminated. Survey needs to be conducted for verification. There is a natural barrier (waterfall) approximately 2 miles upstream from the confluence with the Agua Fria River on Silver Creek. This barrier would be effective in preventing upstream movement of non-native fish if a renovation was conducted upstream from the barrier.

Gila chub are also found in a tributary to Larry Canyon and Lousy Canyon. The Larry Canyon tributary is located on the Horseshoe allotment. The upper watershed for Lousy Canyon is on the Horseshoe, but the occupied reach is on the adjacent allotment, Cross Y. Both of these sites are reintroduction sites for Gila chub, Gila topminnow and Desert pupfish.

- d. Amphibians/Reptiles
- e. T&E and Candidate

Allotments

Threatened/Endangered/Candidate species

Gila Chub (LE – Designated critical habitat: Silver Creek, Indian Creek, Larry & Lousy Canyons: historically occurred in Agua Fria River)

Gila Topminnow (LE – Agua Fria tributaries Larry and Lousy Canyon)

Desert Pupfish(LE – Agua Fria tributaries Larry and Lousy Canyon)

Spikedace (LE – currently not present in watershed)

Western Yellow-billed cuckoo (C- currently present along Agua Fria and tributaries)

- f. Etc.

OR

- a. TES and Candidate Species
- b. Higher profile Nongame species
- c. Game Species

Allotments

GMU 21 pronghorn population core habitat

3. **Environmental** (Macro view of ecological conditions, attributes, trends, etc. that may be noteworthy as it relates to management actions to restore desired habitats, impacts from surrounding properties or general area (and management/trend of same) that may influence subject property and our management of the previous two biological elements)
 - a. Habitat Quality
Vegetation – Deeded
(see information from web soil survey on vegetation in Appendix X.) In summary,

this information indicated:

The historic climax plant community (HCPC) for a site in North America is the plant community that existed at the time of European immigration and settlement. It is the plant community that was best adapted to the unique combination of environmental factors associated with the site. The historic climax plant community was in dynamic equilibrium with its environment. It is the plant community that was able to avoid displacement by the suite of disturbances and disturbance patterns (magnitude and frequency) that naturally occurred within the area occupied by the site. Natural disturbances, such as drought, fire, grazing by native fauna, and insects, were inherent in the development and maintenance of these plant communities. The effects of these disturbances are part of the range of characteristics of the site that contribute to that dynamic equilibrium. Fluctuations in plant community structure and function caused by the effects of these natural disturbances establish the boundaries of dynamic equilibrium. They are accounted for as part of the range of characteristics for an ecological site. Some sites may have a small range of variation, while others have a large range.

The Plant Community Plant Species Composition table (see Appendix X.) provides a list of species and each species or group of species' annual production in pounds per acre (air-dry weight) expected in a normal rainfall year. Low and high production yields represent the modal range of variability for that species or group of species across the extent of the ecological site. The Annual Production by Plant Type table provides the median air-dry production and the fluctuations to be expected during favorable, normal, and unfavorable years.

This site has a plant community made up primarily of rhizomatous cool season grasses, warm season sod and bunch grasses, cool season bunch grasses, annual and perennial forbs and a small percentage of shrubs and trees. In addition, mid- and short-grasses with a moderate percentage of forbs and shrubs. tobosa and other perennial warm season grasses with a mixture of desert shrubs, half shrubs, succulents and forbs. Scattered pinyon and juniper trees break up the continuity of the grassland landscape. The interactions of drought, fire and continuous livestock grazing can, over time, result in the loss of palatable grasses, half shrubs and suffrutescent forbs on this site. The lack of fire for very long periods can lead to increases in large shrubs/succulents like prickly pear, and whitethorn acacia. Trees like juniper, mesquite and canotia can increase as well. In some situations non-native annuals can dominate the site. Periodic wildfires occurred at moderate intervals (15 to 30 years) and helped to maintain a balance between grasses and shrubs. These species can, over time, diminish the soil seed-bank of native annual species. Non-native annuals can act to increase the fire frequency of areas of the site near roads and urban areas, where the incidence of man-made fires is high.

- b. Habitat Potential**
- c. Surrounding Property Issues**
- d. Other**

Soils – Deeded

In order to identify soils within the area, the web soil survey was accessed and followed up with a call to the NRCS State soil scientist. A custom soil resource report was produced through the survey (see Appendix X.). The information obtained from web soil survey was broadly mapped and is somewhat dated since the surveys were done in the late 1970's. The general area is made up of Gila (majority), Lonti gravelly sandy loam and Springerville-Cabezon complex soils. The Gila soils are classified as mixed alluvium, 0-5% slope, well drained with occasional flooding, non-saline to very slightly and with a high available water capacity. The typical profile for Gila soils are silty loam. The Lonti gravelly sandy loam soils are classified as mixed alluvium, 15-30% slopes, well drained, non saline with a moderate available water capacity. The typical profile for the Lonti soils are gravelly sandy loam, gravelly clay to very gravelly sandy clay loam. The Springerville soils are classified as alluvium and/or colluviums derived from basalt and/or cinders, 3-30% slopes, well drained with a low available water capacity. The typical profile for the Springerville soils are cobbly clay, silty clay, stony silty clay and unweathered bedrock. The Cabezon soils are alluvium derived from basalt and/or colluviums derived from basalt, 15-30% slopes, well drained with a very low water capacity. The typical profile for the Cabezon soils are very stony clay loam, cobbly clay and unweathered bedrock. The State and Transition Models are not developed for this Ecological Site; however, NRCS would like to target this area for its development.

In addition, for each of the different soil complexes, we queried the irrigation interpretations/ratings (see Appendix X.) to assist in land management planning, evaluation of land use alternatives, site evaluation needs and planning for design/construction; realizing on-site evaluations would be necessary to validate the information. This provides the degree and kind of soil limitations that would affect irrigation systems on mineral soils, the surface could be graded or level. This query does not consider present land uses. A graded surface system includes graded borders and furrows, allowing for irrigation water to flow across the soils surface confined by borders or furrow valleys. The surface irrigation systems use flood irrigation techniques to spread the water at a specified depth across an area.

In summary, the ratings for Gila soils with graded surface are somewhat limited with occasional flooding and access sodium. These soils indicate that features are moderately favorable for surface irrigation use. The Lonti gravelly sandy loam and Springerville-Cabezon were very limited with graded surface with high water erosion, some seepage and slow water movement. Specifically, the Springerville and Cabezon soils have a low water holding capacity. These soils indicated one or more features that are unfavorable for surface irrigation use and these limitations may not be overcome without major soil reclamation, special designs or expensive installation procedures.

The irrigation surface ratings level would be the same or similar to the above information for the graded ratings.

Watershed summary:

The Agua Fria River Watershed Arizona Rapid Watershed Assessment was completed in 2007 and contains information on the natural resource conditions, as well as concerns within the watershed. The assessment also looks at physical and socioeconomic characteristics and trends, along with current and future conservation work (see Appendix X.). The summary of concerns concludes that this watershed is a priority for both the upland and riparian areas within the watershed due to their integral part of the hydrologic function of the system. The climatic regime fluctuations, along with human uses on the regime in combination with the increasing of development and accelerated recreation uses contribute to the impacts effecting the hydrologic function. Primary concerns since 2002 that have been focused on include: organic matter depletion in soil, inefficient water use for irrigated lands, excessive nutrients and organics in the ground water and particulate matter less than 10 Micrometers. Conservation treatments have been applied to address these concerns (see table 3-3 in the RWA, Appendix X). The Nature Conservancy Center and Public Policy provides information on the water demand through 2050 (TNC 2010). The study evaluates the potential impact of future population growth and water demand on streamflow depletion across multiple watersheds. They developed a scenario based assessment approach for exploring how water management strategies could sustain water for both people and the environment. The base flow to municipal water demand within each watersheds was used to determine the degree of streamflow depletion under equilibrium conditions. Species were also analyzed within the study area. The study demonstrates that actions need to be taken to reserve base flows or river systems will continue to be dewatered over time and/or experience substantial degradation. The Bureau of Reclamation produced a draft upper Agua Fria demand analysis (BOR 2011). This analysis provides current and future demand projections through estimating demand changes in a 50 period for specific planning areas. The conclusions indicate that the estimated supply for the entire basin may exceed projected demands. Further growth is anticipated to continue to use those same areas of pumping and there have been incidences occurring of localized water shortages due to pumping draw-downs in the past. Climatic conditions are thought to further exacerbate these draw-downs. In addition, a study by the University of Arizona (Uof A XXXX). This study provided a reconnaissance watershed and hydrologic analysis of the upper Agua Fria watershed. The analysis presented some issues including: water budget, watershed health, water quality, and water rights.

C. Legal/Administrative

1. Legal Access and Easements ([Maps](#))

Physical and legal access exists along Bloody Basin Road. This is a County maintained road that provides access from Interstate 17.

A portion of the easement for Bloody Basin Road was conveyed in 1985 to Yavapai County. This easement appears to merge with an older easement to provide for a continuous road segment, but through an additional title search the older easement was never found. Per the State Land Dept. Clerk most of the files for these sections were destroyed and we were unable to get

copies of posted entries. The 1985 easement is for a realignment of Bloody Basin Road. Some portion of the original alignment remained and the new easement merges with the old alignment.

2. **Zoning and Deed Restriction**

No deed restrictions were placed on the deed other than the identification of Heritage and Section 6 funding. The property is zoned RCU-2A (Residential; Single Family; Rural). According to the County website, the RCU is intended to provide a zoning classification for all areas of the County not presently characterized by urban uses. RCU-2A has a minimum lot size of 87,120 sq. ft. per dwelling. Additional and more detailed information can be found on the County's website.

3. **Fees** (listing and description of each, by subcategory title if appropriate, i.e. payment in lieu of taxes, water rights, etc. Summary info only – include more specific details in Appendix)

The property is eligible for payment in lieu of taxes.

4. **Taxes** (at time of purchase).

The parcel number for the property is 501-26-001F. The property falls in tax area code 4300 and taxes for 2010 totaled \$3,060.

Action Items:

Water Rights

- File server and transfer application to change the point of diversion for the Horseshoe Irrigation Well (55-623446).
- File a SOC on the Double Tanks CWR
- File SOC's on Long Gulch and Silver Creek
- Should the portions of the Claims for Agua Fria and Indian Creek that transverse the deeded be transferred to the Ranch?
- If the Department is going to be excluding cattle from the rivers, should all the Claims be changed to ISF?
- Determine if the wells are pumping subflow. If so file SOC's or file SOC's without investigating the subflow.
- Utilize the water rights fully at least five years documenting use
- Evaluate use of water rights into the future to determine the following that would necessitate the application to ADWR:
 - Change in place of use or point of diversion
 - Change in beneficial uses to fish and wildlife/recreation including uses in the irrigated field as the Department will not be growing crops for human or livestock consumption

Environmental

- Water sampling in the main house showed the water was suitable for public consumption without treatment. Periodic testing should be incorporated into the management especially after monsoon events.
- Ensure the tanks and retention structures will comply with the State Fire Marshal’s office, the International Fire Code (IFC 2003) requirements, and the EPA Oil Spill Prevention Program (40 CFR 112). In addition, the Department will implement a Spill Prevention, Control and Countermeasure Plan.
- All site septic systems will be evaluated after acquisition
- The Department will complete an assessment of the wells after acquisition and take appropriate action as needed.

Appendix 1. XXX Property Management Plan Summary and Budget Matrix

- a) Must list by management action and show corresponding tie to objectives and goals.
- b) How can we promote prioritization of the various management actions and accompanying budget planning?
- c) Sort by “Operation and Maintenance”, “Development”, “Enhancement” if deemed necessary)

Appendix 3. Special Status Species List

Appendix 4. Exhibits

Exhibit A – [General Location Map](#)

Exhibit B – GIS Map Showing Habitat Types

Exhibit D – Summary of Biological Resources Worksheet

Exhibit E – [Legal Description of Property and Boundary Survey](#)

Exhibit F – Documentation of Water Rights

Exhibit G – [Documentation of Land Ownership/Deed](#)

Exhibit H – [Title Insurance](#)

Exhibit I – [Phase I Report](#)

Exhibit J – [Cultural Resources Review](#)

Exhibit E

A Team Professional Associates Inc. completed an ALTA survey for the property. The survey was completed by Harold N. Epperson dated 2/1/10.

Legal Description

A PORTION OF SECTIONS 8 AND 9, TOWNSHIP 10 NORTH, RANGE 3 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 8, ALSO BEING THE NORTHWEST CORNER OF SAID SECTION 9, SAID CORNER BEING A 1933 U.S.G.S. BRASS CAP MONUMENT FROM WHICH A 1933 G.L.O. BRASS CAP MONUMENT AT THE NORTH QUARTER CORNER OF SAID SECTION 9 BEARS NORTH 90 DEGREES 52 MINUTES 00 SECONDS EAST, (BASIS OF BEARINGS FROM 1933 G.L.O. PLAT) 2631.35 (RECORD 2632.74 FEET);

THENCE SOUTH 22 DEGREES 32 MINUTES 25 SECONDS WEST 1417.27 FEET TO THE TRUE POINT OF BEGINNING;

THENCE ALONG THE FOLLOWING COURSES:

THENCE SOUTH 22 DEGREES 32 MINUTES 25 SECONDS WEST 50.90 FEET;

THENCE SOUTH 07 DEGREES 55 MINUTES 57 SECONDS WEST 439.86 FEET;

THENCE NORTH 85 DEGREES 38 MINUTES 29 SECONDS WEST 1176.44 FEET;

THENCE NORTH 87 DEGREES 42 MINUTES 08 SECONDS WEST 926.56 FEET;

THENCE SOUTH 11 DEGREES 49 MINUTES 58 SECONDS EAST 686.58 FEET;

THENCE NORTH 50 DEGREES 18 MINUTES 42 SECONDS EAST 337.61 FEET;

THENCE SOUTH 35 DEGREES 45 MINUTES 18 SECONDS EAST 382.92 FEET;

THENCE SOUTH 13 DEGREES 26 MINUTES 04 SECONDS WEST 971.53 FEET;

THENCE SOUTH 53 DEGREES 11 MINUTES 59 SECONDS WEST 385.22 FEET;

THENCE SOUTH 03 DEGREES 47 MINUTES 15 SECONDS EAST 533.33 FEET;

THENCE NORTH 64 DEGREES 22 MINUTES 25 SECONDS EAST 572.42 FEET;

THENCE SOUTH 71 DEGREES 52 MINUTES 22 SECONDS EAST 1369.63 FEET;

THENCE SOUTH 08 DEGREES 24 MINUTES 40 SECONDS EAST 263.75 FEET;

THENCE SOUTH 66 DEGREES 11 MINUTES 27 SECONDS EAST 1016.70 FEET;

THENCE NORTH 25 DEGREES 22 MINUTES 57 SECONDS EAST 1067.82 FEET;

THENCE NORTH 31 DEGREES 46 MINUTES 02 SECONDS WEST 877.66 FEET;

THENCE NORTH 14 DEGREES 14 MINUTES 44 SECONDS EAST 510.86 FEET;

THENCE NORTH 39 DEGREES 22 MINUTES 56 SECONDS EAST 1057.02 FEET;

THENCE NORTH 12 DEGREES 35 MINUTES 04 SECONDS EAST 887.64 FEET;

THENCE SOUTH 83 DEGREES 05 MINUTES 10 SECONDS WEST 1730.87 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING AN UNDIVIDED 1/16TH OF ALL OIL, GASES AND OTHER HYDROCARBON SUBSTANCES, COAL OR STONE, METALS, FOSSILS AND FERTILIZERS OF EVERY NAME AND DESCRIPTION, TOGETHER WITH ALL URANIUM, THORIUM OR ANY OTHER MATERIALS WHICH IS OR MAY BE DETERMINED BY THE LAWS OF THE UNITED STATES, THE STATE OF ARIZONA OR DECISIONS OF COURTS TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AS PROVIDED IN CHAPTER 108, LAWS OF 1954, AS DISCLOSED BY GENERAL WARRANTY DEED RECORDED IN BOOK 2106 OF OFFICIAL RECORDS, PAGE 138.

PARCEL NO. 2:

AN APPURTENANT NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS TO AND FROM AN AIRSTRIP, DUMP SITE, HOME SITE, ABOVE GROUND WATER DELIVERY FACILITY SYSTEM, TWO-INCH WATER LINE, THREE-INCH WATER LINE AND DELIVERY SYSTEMS AS MORE PARTICULARLY DESCRIBED IN GENERAL WARRANTY DEED RECORDED DECEMBER 16, 1988 IN BOOK 2106 OF OFFICIAL RECORDS, PAGE 138.

Exhibit F

The [Title Report](#) was reviewed by the Attorney General's Office. An additional search was completed for [Bloody Basin Road](#).

A portion of the easement for Bloody Basin Road was conveyed in 1985 to Yavapai County. This easement appears to merge with an older easement to provide for a continuous road segment, but through an additional title search the older easement was never found. Per the State Land Dept. Clerk most of the files for these sections were destroyed and we were unable to get copies of posted entries. The 1985 easement is for a realignment of Bloody Basin Road. Some portion of the original alignment remained and the new easement merges with the old alignment.

An easement for ditches, canals and incidental purposes in the document recorded as [Book 250 of Official Records, Pages 493 and 495](#).

An easement for highway - horseshoe ranch road and incidental purposes in the document recorded as [Book 1776 of Official Records, Page 441](#).

A plat recorded in [Book 28, Pages 67 and 68](#) of Road Maps, purporting to show a county roadway.

Easement for ingress and egress to and from an air strip, dump site, home site, above ground water delivery facility system, two inch water line, three inch water line and delivery systems recorded as [Book 2106 of Official Records, Page 138](#).

It appears Wingfield conveyed land in 1988 to M & B Investments, and they reserved easements to access the airstrip, an above-ground waterline, a two-inch waterline, a three-inch waterline and the Headquarters parcel. The purchaser eventually conveyed the real property to Tibbetts in 2000 with the reservation of rights in favor of the Wingfields. Therefore, the easements encumber a separate property that Red Mountain Mining did not own. AGO determined it was not necessary to have it removed from the title report.

XXX Property Acquisition Checklist

Category	Description
Property Location - (Region, County, etc)	
Funding Eligibility – (Heritage, Federal Aid, Section 6, Waterfowl, SWG, other)	
Primary Property Purpose(s)– (Shooting Range, Watchable Wildlife, Hunting, TES Management, Outdoor Education, Other)	
Threatened/Endangered/Candidate Species	
Focus Nongame Species	
Focus Game Species	
Infrastructure – (buildings, etc)	
Historic Cultural Resources	
Prehistoric Cultural Resources	
Number Deeded Acres	
Water Rights	
Leased Lands - (Agency)	
Partnerships	
Liabilities - (Hazardous materials, buildings, mines, etc)	