

KRIS MAYES Attorney General Office of the Attorney General EXECUTIVE OFFICE

Phone: 602-542-7000 www.azag.gov

September 12, 2024

VIA EMAIL tbuschatzke@azwater.gov

Tom Buschatzke Director Arizona Department of Water Resources 1802 W Jackson St. Box #79 Phoenix, Arizona 85007 (602) 771-8426

Re: Request for Revocation of Drilling Authority

Dear Director Buschatzke:

I am deeply concerned by the Arizona Department of Water Resources' ("ADWR") recent issuance of a drilling permit for a new, 1000 to 1500 foot deep, 3000 GPM well issued to Fondomonte and located on Fondomonte's alfalfa farm located in Vicksburg, La Paz County on the Ranegras Plain Basin. Though I realize the proposed well is located on Fondomonte's private land, which abuts Fondomonte's Arizona State Land Department leased farmland, this does not diminish the concerns I brought to you back in April 2023 and have continued to raise in the year since then. <sup>1</sup>

In late March of this year, I held a listening session in La Paz County, where residents expressed the same issues and frustrations I informed you of in 2023. La Paz County Supervisor Holly Irwin and others have also been raising these issues for many years now, along with numerous news stories. These issues include: dewatered wells or having to drill deeper which most residents can't afford, dangerous fissures and cracks in buildings from the subsidence over-pumping causes, and people's concerns about their property values. I am also deeply concerned about the future value of our State Land in La Paz County if this basin is sucked dry.

The Ranegras Plain Basin is a non-transport basin and La Paz County leaders believe that it must be protected for future generations of La Paz County residents. Therefore, it is crucial for La Paz County and our State to have current data on how much water is currently in Ranegras Plain, so that

<sup>1</sup> https://www.azag.gov/sites/default/files/2023-04/waterletter20231 1.pdf

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La Paz County is equipped to plan for its current and future needs. It is impossible for us to manage what has not been measured.

I want you to be aware that my office is currently investigating the impacts of extreme groundwater pumping in La Paz County, as well as Cochise County, where I also held a listening session with residents earlier this year.

I am also aware Governor Hobbs was recently in Cochise County to meet with local leaders and residents about groundwater concerns. According to reporting of this visit, "Willcox officials, including the mayor and city manager, told Hobbs that large corporate farms use more water in a day than all of the residents of the town. They also said they have set up water fill stations for residents whose wells have run dry but cannot afford to pay for deeper wells."<sup>2</sup>

Though the Governor expressed that she is willing to take administrative action if there is no legislative path forward, I am of the opinion that these rural Arizona residents cannot wait a day longer for meaningful action on this issue. Corporate mega farms and Wall Street hedge funds have been allowed to exploit Arizona's lax rural groundwater laws and are draining these unprotected aquifers with little to no regard for the smaller family farms and rural residents of Arizona.

As I also noted in a second April 2023 letter to you,<sup>3</sup> ADWR has had a statutory duty since 1980 to "periodically review all areas which are not included within an active management area to determine whether such areas meet any of the criteria for active management areas as prescribed in this section." A.R.S. 45-412 also states:

- A. The director may designate an area which is not included within an initial active management area, pursuant to section 45-411, as a subsequent active management area if the director determines that any of the following exists:
- 1. Active management practices are necessary to preserve the existing supply of groundwater for future needs.
- 2. Land subsidence or fissuring is endangering property or potential groundwater storage capacity.
- 3. Use of groundwater is resulting in actual or threatened water quality degradation.

To the best of my knowledge, ADWR has still not completed a comprehensive hydrogeologic study of the Ranegras Plain Basin, even though high water intensity crops and extreme groundwater pumping has occurred in this basin, subsidence has increased, and local resident's wells have gone dry. This is a dereliction of duty and responsibility to the people of Arizona; at minimum more

<sup>2</sup> https://azpm.org/p/headlines/2024/9/6/221672-hobbs-willing-to-use-administrative-action-over-water/

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scrutiny should be utilized in these unprotected basins with regard to issuing new, deep well drill permits – especially to large mega farms, and in this specific case, to Saudi-owned Fondomonte.

I am also concerned that this new La Paz County well will be drilled within a Formerly Used Defense Sites ("FUDS") area, specifically the Laguna Maneuver Area FUDS site. This well could also pose a potential threat to the health, safety, and economic well-being of Arizonans.

A 2011 inspection of the Laguna Maneuver Area FUDS site by the United States Army Corps of Engineers (the "Army Corps") identified munitions debris and a potential crater within the site. The Army Corps recommended further evaluation of the site for Munitions of Explosive Concern ("MEC"). The Army Corps' recommendation underscores the urgent need for a comprehensive investigation into MEC hazards in the area. ADWR's permit issuance without proper evaluation jeopardizes the integrity of our state's water resources and unnecessarily exposes the public to potential risk.

ADWR is required to thoroughly evaluate whether proposed drilling activity would likely lead to "the migration of contaminated groundwater from a remedial action site to another well, resulting in unreasonably increasing damage to the owner of the well or persons using water from the well." A.R.S. § 45-596(I). ADWR apparently did not require the applicant to submit any additional information about the well's potential interaction with MEC—despite the fact that MEC poses a potential significant environmental hazard.

Your Department is entrusted with safeguarding Arizona's most precious natural resource: its water. It is deeply concerning to me that ADWR so cavalierly issued a drilling permit in the FUDs site.

ADWR must immediately revoke the drilling permit<sup>4</sup> and initiate a comprehensive investigation into the circumstances surrounding its issuance. The public relies on your Department to be the first line of defense against potential environmental hazards in addition to safeguarding our water resources for future generations.

I trust you will take decisive action to address this matter and request that you respond to my concerns within the next 10 business days.

<sup>3</sup> https://www.azag.gov/sites/default/files/2023-04/waterletter20232 1.pdf

<sup>4</sup> Well Registration No. 55-241215; License No. 562.

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Sincerely,

Kris Mayes

Attorney General

State of Arizona