

Arizona State Land Department (ASLD)
Water Sales and Reporting Guidelines
For further information please contact:
ASLD Water Rights & Agriculture Section at 602-542-2670

ASLD Water Sales Guidelines

1. Water use \geq 10 AF or use > 12 months.
 - A. Water Auction
 1. Term not longer than 10 years.
 2. Two categories: 10 AF (slightly flexible) or > 10AF.
 - a. The 10 AF (minimum) category is an administrative appraisal.
 - b. Greater than 10 AF requires a formal appraisal.
 3. Pre-application meeting required, application w/fee (\$500.00), review, comment and approval period (30-90 days), appraisal w/fee (90 days) (\$3000-5000) , advertising fees (10-12 weeks, auction (\$3500-\$5500) – approximately 1 year
 4. Well must be metered and water use reported monthly.
 5. Commercial lease required – may take approximately 1 year to obtain
 - 10 ac well site typical
 - process is similar to #3 above.
2. Water use < 10 AF and use for < 12 months.
 - A. Must obtain legal access to well site. (ROW, ROE or SLUP)
 - B. Well must be metered and water use reported per ASLD
 - C. Compensation paid to ASLD on demand at \$90.00 per AF or current appraised per acre foot value.
 - if current existing functional well, compensation paid to Lessee for equipment use and electrical energy supplied.
 - if well not pump equipped or power equipped, ADOT to supply power, pump and other necessary equipment for well operation.
3. Permittee will be responsible for damage to the well or well site resulting from their negligence.
4. Permittee is responsible for compliance with all ADEQ and ADWR rules and regulations and must obtain any permits necessary prior to pumping water.
 - If well is located within an AMA or INA, Permittee shall obtain a General Industrial Use Permit or obtain Type II Water Rights prior to pumping
 - If well is outside an AMA, Permittee shall acquire any water entitlements or approvals where required (ie: Colorado River entitlements, Indian water right approvals, etc.)
5. Permittee must agree to hold ASLD harmless for any failure to comply or damages.

The sale of water from State Trust Lands is subject to A.R.S. Title 12. chapter 5. Article 20;
R12-5-2008

ASLD Water Sales Process Outline

1. Applicant meets with Water Rights & Agriculture Section of the State Land Department. Applicant applies for minimum amount of water required. Maximum term is ten years unless approved by the State Land Commissioner for 20 years. Both terms are non-renewable. If continued use is desired applicant must apply for a new water sale.
2. Applicant must obtain necessary associated commercial leases, permits, or right-of-way agreements.
3. Applicant is responsible for leasing or purchasing improvements associated with the well(s) to be utilized.
4. Applicant submits water sales application with application fee.
5. State Land Department, Water Rights & Agriculture Section requests evaluation and comments from various Divisions/Sections within the Department and requests comments from other agencies, such as Arizona Game and Fish, Arizona Department of Water Resources, Arizona State Historical Preservation Office and other potential interested parties. The Water Rights & Agriculture Section compiles comments, evaluates information and reports submitted and requests additional studies necessary to assure that any concerns raised are adequately addressed.
6. An appraisal is requested if comments are favorable, neutral or the water sale is viewed to be in the best interest of the trust. A letter is sent to the applicant requesting prepayment of the cost of the appraisal. The appraisal is conducted. The completed appraisal and application are approved by the Commissioner.
7. Applicant is notified of appraisal. An Order is sent to the applicant and the advertising fee is requested. The applicant has 30 days to accept or appeal the appraisal.
8. Upon concurrence of the appraisal, there is a 10 week public notice period.
9. After public notice is completed, a public auction water sale is conducted for the minimum 10 year period (or longer period if granted).

The process may exceed 1 year. Applicants are encouraged to apply early.

ASLD Guidelines for Hydrogeologic Report

The purpose of this document is an attempt to standardize items that should be included in Hydrogeologic reports submitted to the ASLD, when requested.

The report should contain the following information:

1. A description of the project area including a location map.
2. A description of the existing geohydrology of the area and should include bedrock and groundwater elevations. Historical groundwater levels, if available, should also be reported. Descriptions of underlying aquifers should be provided.
3. A map showing locations of all existing or proposed water wells within the projects anticipated area of impact. All available data related to the wells should be included in an Excel spreadsheet format.
4. The report should outline water availability for the proposed project and the potential impacts to surrounding ground water and surface water users and/or flows.

When requested by ASLD, the applicant shall perform aquifer pump test(s) sufficient to determine the impacts of pumping on nearby groundwater and surface water. The report should use accepted analytical methods to analyze impacts to the surrounding ground and surface waters. A five-year and ten year, ten foot water level drawdown contour map at each well location should be provided based on the pumping rate for the minimum and maximum acre feet of water use requested.

When requested, pump tests should be of both a short term (4 hour) and long term (24-36) hour duration and must include currently accepted analytical methods (i.e.; Theis or Cooper-Jacob methodology).

5. Provide a description of how the water will be used on site, including the amounts and the location for all points of use.
6. Provide a description of on-site and adjacent surface water topography and hydrology including all drainage areas, including ditches and washes, etc., which may affect surface water flow.
7. A description of all water quality and water quantity data available to include potential surface water right holders that could be impacted by the proposed project. All surface water data should be included in an Excel spreadsheet format.