

KRIS MAYES Attorney General

## OFFICE OF THE ATTORNEY GENERAL STATE OF ARIZONA

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Via Email: tbuschatzke@azwater.gov

Thomas Buschatzke
Director, Arizona Department of Water Resources
1110 West Washington Street, Suite 310
Phoenix, Arizona 85007
c/o Nicole Klobas, General Counsel

Dear Director Buschatzke,

I appreciated the opportunity to meet with you earlier this month to express, among other matters, my concerns regarding the applications for two new Fondomonte high capacity water wells in La Paz County (which were listed as new wells on the ADWR application). As I stated during our meeting, I discovered that there were discrepancies in the information provided by Fondomonte for these well permits. Additionally, we are aware of reports of residential and commercial wells being dewatered in the area around the Fondomonte alfalfa farms, as well as land subsidence in La Paz County that should concern all of us, especially as it pertains to the approval of any new deep water wells in La Paz County.

I appreciate the update that ASLD has, in the wake of my meeting with ADWR, formally requested to withdraw its approval for the two Fondomonte replacement wells. I wanted to reiterate the discrepancies I found and brought to your attention so there is clarity on this matter moving forward. *At a minimum*, I believe that ADWR should closely scrutinize any new applications for wells by Fondomonte in light of this information. My office will be monitoring the ADWR well permit portal going forward.

As we discussed, and per the public records that were available for my review on the new.azwater.gov website, my findings included:

- David Kelly on behalf of Fondomonte Arizona, LLC applied for two new 1200 foot, 3000 GPM wells to be drilled on Parcel No. 307-50-001 on August 23, 2022.
- Payment of \$300 (\$150 per well) was made by KP Ventures Well Drilling and Pump, LLC on behalf of Fondomonte and received by ADWR on August 24, 2022.

- The two new wells were approved by ADWR on August 29, 2022 and a drilling authorization card was issued which included an expiration date of August 24, 2023.
- The Notice of Intention to Drill, Deepen, Replace or Modify a Well application lists the State of Arizona Land Department as the land owner on the first page of the application. On the third page of the application however, David Kelly for Fondomonte, lists himself as both the land and well owner and signs and dates the application.
- Also received by ADWR on August 23, 2022 was an Arizona State Land Department
  application for improvement. This application was originally submitted to the State Land
  Department by Fondomonte on February 9, 2022 and the improvement description lists
  two separate "replacement" wells, versus new wells as is stated on the ADWR
  application from Fondomonte.
- The Application for Improvements clearly states that the improvements must be completed by February 9, 2023.

Thank you, and I look forward to continued conversations regarding water protection and conservation for Arizonans.

Sincerely,

Attorney General Kris Mayes