## <u>WATER PRIORITIES</u> <u>WITHIN THE STATE OF ARIZONA</u>

Within the State of Arizona, the following priorities shall apply in the administration of Mainstream Water. The second and third priorities are coequal. <u>*Click on links to see tables listing the entitlement holders by priority of water.*</u>

First Priority:	Satisfaction of Present Perfected Rights as defined and provided for in the Decree.
Second Priority:	Satisfaction of Secretarial Reservations and Perfected Rights established or effective prior to September 30, 1968.
Third Priority:	Satisfaction of Entitlements pursuant to contracts between the United States and water users in the State of Arizona executed on or before September 30, 1968.
<u>Fourth Priority</u> :	Satisfaction of Entitlements pursuant to: (i) contracts, Secretarial Reservations, Perfected Rights, and other arrangements between the United States and water users in the State of Arizona entered into or established subsequent to September 30, 1968, for use on Federal, State, or privately owned lands in the State of Arizona (for a total quantity of not to exceed 164,652 acre-feet of diversions annually); and (ii) Contract No. 14-06-W-245 dated December 15, 1972, as amended, between the United States and the Central Arizona Water Conservation District for the delivery of Mainstream Water for the Central Arizona Project, including use of Mainstream Water on Indian lands.
	Entitlements having a fourth-priority as defined in (i) and (ii) herein are coequal. Reductions in Entitlements having a fourth priority shall be borne by each Entitlement holder in the same proportion as its Entitlement, or as required by law, regulation, or Secretarial determination. If, however, a reduction-sharing agreement is entered into between two or more such authorized users, then the reduction shall be shared among the parties as provided in the agreement, subject to approval by the Contracting Officer after consultation with Arizona Department of Water Resources (ADWR).

## <u>Fifth Priority</u>: Satisfaction of Entitlements to any Unused Arizona Entitlement or Unused Apportionment Water.

Any entity with a contract for fifth-priority water shall utilize its fifthpriority Entitlement only after the Contracting Officer has determined that Mainstream Water is available under applicable law or regulation, and the Contracting Officer provides written notification that such Mainstream Water is available in a specific year, subject to the scheduling and the reduction provisions of the contract. Reduction or elimination of the fifth-priority water use shall be determined by the Contracting Officer after consultation with ADWR, or on the basis of the contract dates, or as required by law or regulation.

Sixth Priority: Satisfaction of Entitlements to Surplus Water.

Any contractor for sixth-priority water shall utilize its sixth-priority Entitlement only after the Contracting Officer has determined that Mainstream Water is available under applicable law or regulation, and the Contracting Officer provides written notification that such Mainstream Water is available in a specific year, subject to the scheduling and reduction provisions of the contract. Reduction or elimination of the sixth-priority water use shall be as determined by the Contracting Officer or on the basis of the contract dates, or as required by law or regulation.