ARIZONA DEPARTMENT OF WATER RESOURCES
Water Management Division
3550 North Central Ave, 2nd Floor
Phoenix, Arizona 85012-2105
Phone (602) 771-8585 Fax (602) 771-8689

RECEIVED
MAR 29 2016
ADWR
RECHARGE

APPLICATION FOR UNDERGROUND STORAGE FACILITY PERMIT (A.R.S. § 45-811.01)

FOR OFFICE USE ONLY
Application No.: 71-546845.0003
Date Received: 3-29-2016

The initial fee for an Underground Storage Facility Permit Application is $2,000. Total fees for this application are based upon an hourly billable rate, which can be found on the ADWR web site @www.azwater.gov. If the costs of reviewing your application exceed $2,000, you will be invoiced for the difference, up to a maximum total fee of $25,000. Payment may be made by cash, check, or credit card, (if you wish to pay by credit card, please contact the Recharge Program at 602-771-8599). Checks should be made payable to the Arizona Department of Water Resources. In addition to the hourly application fee, the applicant must pay any review-related costs associated with the application and the actual cost of mailing or publishing any legal notice of the application or any notice of a pre-decision administrative hearing on the application. Review related costs are: (1) costs associated with a pre-decision hearing on the application, such as court reporter services and facility rentals for the hearing, and (2) mileage expenses for a site visit conducted before issuing a decision on the application. **Failure to enclose the initial application fee will cause the application to be returned. Fees for an Underground Storage Facility Permit Application are authorized by A.R.S. § 45-871.01 and A.A.C. R12-15-103.**

FACILITY DESIGN: (check one)

☒ **Constructed**

☐ **Managed**

APPLICATION FOR: (check one)

☐ **Underground Storage Facility (USF)**

☒ **Modification of USF permit no.:**
71- 546845.0002

☒ **Renewal of USF permit no.:**
71- 546845.0002

GENERAL INFORMATION

1. Name of Applicant: Ocotillo Management Group, L.L.C.
   3751 South Clubhouse Drive — Chandler — AZ — 85248
   Mailing Address — City — State — Zip
   Contact Person: Michael Palermo Telephone: 602-377-9908 Fax: 480-786-0401

2. Is this a State Demonstration Project? _____ Yes __X__ No
   (**NOTE:** Pursuant to A.R.S. § 45-893.01, **only** Conservation Districts qualify to participate in State Demonstration Project program.)

3. Name of Active Management Area or Irrigation Non-Expansion Area where the facility will be located:
   Phoenix AMA
   (If the facility is NOT located within an AMA or INA, please indicate "NONE.")

4. Name of groundwater basin and subbasin where the facility will be located:
   East Salt River Valley Sub-basin

5. Legal description of the location of the facility: _____

W1/2 Sec. 17 and E1/2 Sec. 18, T2S, R5E, GSRB&M

(quarter/quarter/quarter/section, township and range – see Appendix C of USF Application Guide)

6. Does the applicant own the land where the facility is to be located? X Yes _____ No

7. The total design capacity of the facility: 20,000

(acre-feet to be stored over the duration of the USF permit)

8. The maximum annual amount of water proposed for storage at this facility: 1,000

(acre-feet per year)

9. Proposed duration of permit: 20

(years)

10. Type of source water to be stored:

☐ CAP Water ☒ Effluent ☐ Decreed and Appropriative Surface Water

If Decreed and Appropriative Surface Water, list river(s): _____

11. I agree under penalty of law to obtain any required floodplain use permit from the county flood control district before beginning any construction activities, as required by A.R.S. § 45-811.01(C)(4). ☒ Agree ☐ Disagree

12. **For managed USFs where effluent will be stored only:** Are you requesting that this facility be designated as a facility that could add value to a national park, national monument or state park, as described in A.R.S. § 45-811.01(D)?

☐ Yes ☒ No

If yes, please submit a completed USF Permit Application Supplement to designate a Managed Underground Storage Facility as one that could add value to a national park, national monument, or state park and all additional information as described on the USF Permit Application Supplement.

13. **For permit modifications only**, give a brief description of the modification(s) requested by this application: _____

Increase facility capacity from 500 afa to 1,000 afa and renew permit for an additional 20-years

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SUPPORTING EVIDENCE

Check the following items that have been included with this submittal. For a new USF application, all items **must** be submitted prior to receiving a complete and correct determination by the Department. For a modification to an existing USF permit, submit only those items that apply to the modification. For a full description of these requirements refer to the USF Application Report in the USF Application Guide.

14. USF Site and Facility Characteristics:

☒ Site Characteristics ☒ Geology

☒ Facility Characteristics ☒ Hydrogeology

15. Unreasonable Harm and Hydrologic Feasibility Analysis:

☒ Procedures and Results for Calculating Maximum Area of Impact and Mounding Analysis

☒ Land and Water Use Inventory ☒ Unreasonable Harm Analysis ☐ Monitoring Plan

☒ Water Quality ☒ Hydrologic Feasibility Conclusions ☐ Operation and Maintenance

16. Legal Requirements:

☒ Technical Capability ☒ Financial Capability ☒ Legal Access

NOTARIZED SIGNATURE

I (We), Ocotillo Management Group, L.L.C., the applicant(s) named in this application, do hereby certify under the penalty of perjury, that the information contained and statements made herein are to the best of my (our) knowledge and belief true, correct and complete.

602-377-9908
Telephone

Signature of owner or authorized agent

GM
Title

3751 South Clubhouse Drive	Chandler	AZ	85248
Mailing Address	City	State	Zip

STATE OF ARIZONA)
) ss.
County of Maricopa)

Subscribed and sworn to before me this 9th day of March, 2016

Notary Public

11.04.2016
My commission expires

JOSHUA A. TRUMAN
Notary Public - Arizona
Maricopa County
My Comm. Expires Nov 4, 2018