

**ARIZONA CORPORATION COMMISSION
NEW APPLICATION**



0000085941



ORIGINAL

**RATE APPLICATION
FOR WATER COMPANIES
WITH ANNUAL GROSS OPERATING REVENUES
(INCLUDING REQUESTED RATE RELIEF)
OF LESS THAN \$250,000**

PER ARIZONA ADMINISTRATIVE CODE R14-2-103

Details at website: www.azcc.gov

Arizona Corporation Commission

DOCKETED

JUN 20 2008

APPALWOSA WATER COMPANY

UTILITY NAME

DOCKETED BY nr

12 / 31 / 2007

TEST YEAR ENDED

W-03443A-08-0313

Required invoices to be submitted are listed in the checklist on page 1.

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application please call (602) 542-4251 for Staff assistance or see our website at:

www.azcc.gov

IN ORDER TO PROCESS YOUR APPLICATION
PLEASE FORWARD THE ORIGINAL
AND THIRTEEN COPIES OF THE
APPLICATION PLUS
THREE PACKETS WITH COPIES OF
CHECKLIST ITEMS 5-11 (PAGE 1)

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL CENTER
1200 WEST WASHINGTON STREET
PHOENIX, ARIZONA 85007

AZ CORP COMMISSION
DOCKET CONTROL

2008 JUN 20 A 9:52

RECEIVED

NARRATIVE DESCRIPTION OF APPLICATION FOR RATE ADJUSTMENT

Instructions:

Please provide the reasons for your requested rate adjustment by checking the appropriate box(es) below. If desired, the Company may also attach a written narrative regarding its reasons for the requested rate adjustment. Your narrative may also include efforts made by the utility to control costs/expenses and/or mitigate the amount of rate adjustment.

Changes in current, compared to past operations, that necessitate the rate adjustment

Please explain:

PLEASE REFER TO ITEM #1 ON ATTACHMENT WHICH FOLLOWS THIS SHEET.

Descriptions and/or calculations of adjustments made to amounts that are included in this application that are different than amounts recorded in your books/ledgers (pro forma adjustments)

Please explain:

Significant factors influencing your revenues, expenses and/or rate base

Please explain:

PLEASE REFER TO ITEM #2 ON ATTACHMENT WHICH FOLLOWS THIS SHEET.

Anticipated growth/decline in customers expected in the next two years, the amount of anticipated construction to serve those customers, and how financed; the type of customers served by the utility, e.g. residential, irrigation, small retail businesses, large commercial, etc.

Please explain:

PLEASE REFER TO ITEM #3 ON ATTACHMENT WHICH FOLLOWS THIS SHEET.

Anticipated construction

Please explain:

PLEASE REFER TO ITEM #4 ON ATTACHMENT WHICH FOLLOWS THIS SHEET.



Efforts made to encourage conservation of water through the proposed rate design or through other means

Please explain:

PLEASE REFER TO ITEM #5 ON ATTACHMENT WHICH FOLLOWS THIS SHEET.



Other factors

Please explain:

PLEASE REFER TO SUMMARY ON ATTACHMENT WHICH FOLLOWS THIS SHEET.

Attach additional pages as necessary.

Narrative Description of Application for Rate Adjustment

1. Changes in current, compared to past operations, that necessitate the rate adjustment:

Increase in postal rates to mail out billings each month, purchase and implementation of new billing software and computer hardware to provide more accurate and more efficient documentation for all day to day inquiry, need to comply with new 2006 Arsenic Regulation and provide for adjustments of increased property taxes.

2. Significant factors influencing your revenues, expenses and/or rate base:

Significant expenses due to anticipated costs of construction of arsenic removal system.

3. Anticipated growth/decline in customers expected in the next two years, the amount of anticipated construction to serve those customers, and how financed: type of customers served by the utility, e.g. residential, irrigation, small retail, large commercial, etc:

Currently Phase 1 of the service area has approx. an additional 8 residential future hook-ups that have not been installed. Phase 2 of the service area is complete and Phase 3 of the service area will have an anticipated 76 residential hook-ups. Current negotiations with a 160 acre property owner to the North will suggest a main line extension across Road 4 North to service a future development.

4. Anticipated Construction:

New arsenic removal system with new building and service contract. New storage tank to accommodate all future potential hook-ups, main line extension across Road 4 North.

5. Efforts made to encourage conservation of water through the proposed rate design or through other means:

The completion of the arsenic removal system will bring with it a more efficient distribution of water to our customers. This along with a new service contract for Maintenance will allow for better monitoring of the entire system for loss and/or waste of water.

Continuation on next page:

Summary Description of Application for Rate Adjustment

Appaloosa Water Company, since inception, has never had a rate increase. In ongoing efforts to provide excellent water service combined with new rules and regulations set forth for the removal of arsenic in the water system, an increase in postal rates, an increase in minimum staff wages, an increase in property taxes; we respectfully request an appropriate rate increase to accommodate these modifications to our company.

The company has grown over time with its service area. This, as well as the new proposal of approx. \$190,000 to construct a new arsenic treatment facility, the continued service, financial strength and overall health of the company relies on this rate increase approval.

In summary, Appaloosa Water Company is requesting an appropriate rate increase to pay for the required arsenic treatment facility as well as a rate increase to bring our rates in line with current market rates and continue to guarantee its financial security, guaranteeing a continued service of water to all current and future customers. The income of Appaloosa Water Company has not been able to meet the demands and costs of operation and management. It is therefore imperative that Appaloosa Water Company obtain sufficient rates to properly manage and operate the company to all new standards.

COMPANY NAME: APPALDOOSA WATER COMPANY	Test Year Ended: 12-31-2007
Name of System: APPALDOOSA WATER CO	ADEQ Public Water System Number: 13208

AFFILIATE RELATIONSHIP

Please indicate a **yes** or **no** answer to the questions below and provide an explanation where necessary.

A parent-subsidary relationship, or affiliation, with another entity includes Corporations, Partnerships, Sole Proprietorship, Limited Liability Companies (LLCs), as well as common ownership of a water company and another entity, such as a development company or wastewater company.

Are any assets owned jointly with any affiliated or subsidiary entities?

YES NO

If **Yes**, please provide a description of each jointly owned asset, it's cost, and the percentage of the asset owned by the utility. (Please note the amounts reported on pages 12 and 15 should only include the percentage of plant owned by the utility.)

Were any of the assets constructed or acquired from an affiliated or subsidiary entity?

YES NO

If **Yes**, please identify the affiliated entity, the relationship with the utility, and a detailed listing of all transactions reflected in the Plant accounts. Also include detail for other balance sheet accounts, such as Advances, Contributions in Aid of Construction, inter-company payables and receivables, as well as affiliated revenues and expenses from the Company's Income Statement.

STATEMENTS IN SUPPORT OF RATE REQUEST

Complete the following statements in support of your rate request.

APPALOOSA WATER COMPANY (the "Company") requests an adjustment in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending 12-31-2007 (mm/dd/yy). The Company had total operating revenues of \$ 162,489, served 284.5 metered and 0 un-metered customers, and sold 27,544,949 gallons of water during the Test Year.

The Company is requesting a(n) increase/decrease in revenues in the amount of \$ 162,489. Total annual operating revenues, if the Company is granted the rate adjustment, will be \$ 324,978.

- The Company is current on all property taxes. [X] YES [] NO
The Company is current on all sales taxes. [X] YES [] NO
The Company currently has a Curtailment Plan Tariff on file with the Commission [X] YES [] NO
The Company currently has a Backflow Prevention Tariff on file with the Commission. [] YES [X] NO

The Company notified its customers o

f its application for a rate adjustment on 6-18-08 (mm/dd/yy). A COPY OF THE NOTICE WITH A NOTARIZED COVER LETTER STATING THE METHOD OF CUSTOMER NOTIFICATION, AS WELL AS THE DATE OF THE NOTIFICATION, MUST BE ATTACHED. (See page 32)

By completing this application in support of the Company's request for a rate adjustment, the Company realizes that Original Cost Less Depreciation ("OCLD") plant information will be used to determine the fair value rate base, i.e., the Company waives the right to Reconstruction Cost New.

The utility company ownership is one of the following:

- Sole Proprietorship
- Partnership
- "C" Corporation
- "S" Corporation
- Limited Liability Company ("LLC")
- Association--Cooperative
- Other, please specify: _____

Note: If a corporation, please list stockholders and the respective number of shares owned below.

Stockholders	Number of Shares Owned
ARTESIAN HOLDINGS, LLC	100%

I have read and completed this application, and to the best of my knowledge all of the information contained herein, and attached to this application, is true and correct.

Name of Authorized Representative (print): JOE CORDOVANA	Company Name: APPALOOSA WATER COMPANY
Title: OWNER	Address: 7012 N. 18 th ST
Signature: <i>Joe Cordovana</i>	City/ST/Zip: PHOENIX, AZ 85020
Date: 6/16/08	Phone Number: 928-237-6128 JOE
E-mail Address: TONY@CORDOCO.COM	Fax Number: 602-277-5632
Website Address: N/A	

COMPANY NAME: APPALCOOSA WATER COMPANY Test Year Ended: 2007
 Name of System: APPALCOOSA WATER CO. ADEQ Public Water System Number: 13208

CURRENT AND PROPOSED RATES AND CHARGES

CUSTOMER CLASS: Residential Commercial Industrial
 Irrigation All Other, specify _____

CURRENT RATES

PROPOSED RATES

MINIMUM OR SERVICE CHARGES
5/8" x 3/4" Meter
3/4" Meter
1" Meter
1-1/2" Meter
2" Meter
3" Meter
4" Meter
6" Meter

\$	GALLONS
25 ⁰⁰	for 1000
25 ⁰⁰	for 1000
41.67	for 1000
83.33	for 1000
133.33	for 1000
266.67	for 1000
416.67	for 1000
833.33	for 1000

\$	GALLONS
50	for 1000
50	for 1000
83.34	for 1000
166.66	for 1000
266.66	for 1000
533.34	for 1000
833.34	for 1000
1666.66	for 1000

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
First Tier
Second Tier
Third Tier
FLAT RATE

Current Rates

Proposed Rates

Rate	Gallons	Rate	Gallons
\$ 2.50	Up to 1000	\$ 5.00	PER 1000
\$	_____ to _____	\$	_____ to _____
\$	Over _____	\$	Over _____
\$ N/A	Per Month	\$ N/A	Per Month

Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.

COMPANY NAME: APPALWOSA WATER COMPANY Test Year Ended: 2007
 Name of System: APPALWOSA WATER CO. ADEQ Public Water System Number: 13208

CURRENT AND PROPOSED SERVICE CHARGES

CUSTOMER CLASS: Residential Commercial Industrial
 Irrigation All Other, specify _____

SERVICE LINE AND METER INSTALLATION CHARGES	CURRENT CHARGES	PROPOSED CHARGES
5/8" X 3/4" Meter	\$ 25 ⁰⁰	\$ 50 ⁰⁰
3/4" Meter	\$ 25 ⁰⁰	\$ 50 ⁰⁰
1" Meter	\$ 41.67	\$ 83.34
1-1/2" Meter	\$ 83.33	\$ 166.66
2" Meter	\$ 133.33	\$ 266.66
3" Meter	\$ 266.67	\$ 533.34
4" Meter	\$ 416.67	\$ 833.34
6" Meter	\$ 833.33	\$ 1666.66

Establishment	\$ 25 ⁰⁰	\$ 50 ⁰⁰
Establishment (after hours)	\$ 50 ⁰⁰	\$ 100 ⁰⁰
Reconnection (delinquent)	\$ 30 ⁰⁰	\$ 60 ⁰⁰
Reconnection (delinquent) after hours	\$ 50 ⁰⁰	\$ 100 ⁰⁰
Meter Test	\$ 15 ⁰⁰	\$ 30 ⁰⁰
Deposit	\$ PER RULE	\$ PER RULE
Deposit Interest	PER RULE %	PER RULE %
Re-establishment (within 12 months)	\$ MONTHS OFF SYSTEM	\$ MONTHS OFF SYSTEM
NSF Check	\$ 10 ⁰⁰	\$ 20 ⁰⁰
Deferred Payment	PER RULE %	PER RULE %
Meter Re-read	\$ 15 ⁰⁰	\$ 30 ⁰⁰
Late Fee	\$ 1.5% OF OUTSTANDING	\$ 3%

Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.

COMPANY NAME: Appaloosa Water Company **Test Year Ended:** 12/31/2007
Name of System: APPALOOSA WATER Co. ADEQ Public Water System Number: 13208

Plant Additions and Retirements by Year

Acct. No.	Description	See Next Column Incorporated in 1997		Year - 1997	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights			3,161	
304	Structures & Improvements				
307	Wells & Springs			223,682	
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains			455,360	
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant			15,198	
	TOTAL WATER PLANT			697,401	

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Appaloosa Water Company

Test Year Ended: 12/31/2007

Name of System: APPALOOSA WATER CO.

ADEQ Public Water System Number: 13208

Plant Additions and Retirements by Year

Acct. No.	Description	Year - 1998		Year - 1999	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT				

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Appaloosa Water Company Test Year Ended: 12/31/2007
 Name of System: APPALOOSA WATER CO. ADEQ Public Water System Number: 13208

Plant Additions and Retirements by Year

Acct. No.	Description	Year - 2000		Year - 2001	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT				

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Appaloosa Water Company **Test Year Ended:** 12/31/2007
Name of System: APPALOOSA WATER CO **ADEQ Public Water System Number:** 13208

Plant Additions and Retirements by Year

Acct. No.	Description	Year - 2002 - NONE		Year - 2003 - NONE	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	NONE	NONE	NONE	NONE

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

Plant Additions and Retirements by Year

Acct. No.	Description	Year - 2004		Year - 2005	
		Additions	Retirements	Additions	Retirements
301	Organization			264	
302	Franchises			2,309	
303	Land & Land Rights				
304	Structures & Improvements			67,051	
307	Wells & Springs	61,522			73,293
311	Pumping Equipment			94,131	
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes			100,438	
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains	392,827			94,919
333	Services				
334	Meters & Meter Installations			15,055	
335	Hydrants			48,876	
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				2,309
	TOTAL WATER PLANT	454,349		328,124	170,521

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

COMPANY NAME: Appaloosa Water Company **Test Year Ended:** 12/31/2007
Name of System: APPALOOSA WATER CO **ADEQ Public Water System Number:** 13208

Plant Additions and Retirements by Year

Acct. No.	Description	Year - 2006		Year - 2007	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs			26,608	
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				8,166
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment	1,850			
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	1,850		26,608	8,166

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

Plant Summary

Acct. No.	Description	Plant in Service Per Prior Decision	Total Additions	Total Retirements	Test Year End Total
		<i>Column A</i>	<i>Column B</i>	<i>Column C</i>	<i>Column D</i>
301	Organization	0	264		264
302	Franchises	0	2,309		2,309
303	Land & Land Rights	0	3,161		3,161
304	Structures & Improvements	0	67,051		67,051
307	Wells & Springs	0	311,812	73,293	238,519
311	Pumping Equipment	0	94,131		94,131
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes	0	100,438		100,438
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains	0	848,187	103,085	745,102
333	Services				
334	Meters & Meter Installations	0	15,055		15,055
335	Hydrants	0	48,876		48,876
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment	0	1,850		1,850
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant	0	15,198	2,309	12,889
	TOTAL WATER PLANT	0	1,508,332	178,687	1,329,645

*Note: Please refer to the checklist on page 1 for the required attachments related to this schedule
 - Column D = Column A + Column B - Column C*

UTILITY PLANT IN SERVICE

Acct No.	Description	Original Cost	Accumulated Depreciation	OCLD
		<i>Column A</i>	<i>Column B</i>	<i>Column C**</i>
301	Organization	264	0	264
302	Franchises	2,309	0	2,309
303	Land & Land Rights	3,161	0	3,161
304	Structures& Improvements	67,051	11,670	55,381
307	Wells & Springs	238,519	35,452	203,067
311	Pumping Equipment	94,131	27,820	66,311
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs & Standpipes	100,438	18,551	81,887
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission & Distrib. Mains	745,102	71,576	673,526
333	Services			
334	Meters & Meter Installations	15,055	1,891	13,164
335	Hydrants	48,876	8,289	40,587
336	Backflow Prevention Devices			
339	Other Plant & Misc. Equipment			
340	Office Furniture & Equipment	1,850	493	1,357
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop & Garage Equip.			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	12,889	1,527	11,362
	TOTAL WATER PLANT	1,329,645	177,269	1,152,376

•Must be the same as the amount reported on page 20
***Column C = Column A - Column B*

COMPANY NAME: <u>APPALCOSA WATER COMPANY</u>	Test Year Ended: <u>2007</u>
Name of System: <u>APPALCOSA WATER Co.</u>	ADEQ Public Water System Number: <u>13208</u>

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-607274 ^{#1}	7.5	125	666	16	6	1999
55-607273 ^{#2}	10	175	260	12	6	2004

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	26	
7.5	1		
10	1		
100 (FIRE PUMP)	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65,000	1	5,500	1

COMPANY NAME: APPALDOSA WATER COMPANY Test Year Ended: 2007
 Name of System: APPALDOSA WATER Co. ADEQ Public Water System Number: 13208

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	3589
3		
4	PVC	1657
5		
6	PVC	221933
8	PVC	51395
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	191
3/4	
1	45
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

CURRENTLY UNDER CONTRACT FOR CONSTRUCTION BY ADEGE TECHNOLOGY FOR ARSENIC TREATMENT SYSTEM. VALUE IS PART OF FINANCING APPLICATION.

STRUCTURES:

60'x140' SLUMP BLOCK WALL W/ IRON ENTRY GATE
38'x8' 65,000 GAL STORAGE TANK
28'x24' PUMP HOUSE FOR BOOSTER PUMPS AND HYDRO-TANK
5,500 GAL HYDRO TANK

OTHER:

3- 50' FIRE HOSES
2- 90° DEGREE BLOW OFF EXTENSIONS
MISC WRENCHES + TOOLS
1- LADDER

COMPANY NAME: APPALCOOSA WATER COMPANY Test Year Ended: 2007
 Name of System: APPALCOOSA WATER CO. ADEQ Public Water System Number: 13208

WATER USE DATA SHEET BY MONTH FOR TEST YEAR

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	236	1,501,310	1,501,310	0
FEBRUARY	236	1,140,540	1,140,540	0
MARCH	236	1,792,330	1,792,330	0
APRIL	236	2,252,940	2,252,940	0
MAY	237	3,139,640	3,139,640	0
JUNE	237	3,271,150	3,271,150	0
JULY	238	3,134,490	3,134,490	0
AUGUST	238	3,077,150	3,077,150	0
SEPTEMBER	238	2,647,989	2,647,989	0
OCTOBER	238	2,378,550	2,378,550	0
NOVEMBER	238	2,113,950	2,113,950	0
DECEMBER	237	1,094,910	1,094,910	0
TOTALS →		* 27,544,949	** 27,544,949	0

What is the level of arsenic for each well on your system? .16, .16 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: N/A

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact Engineering at 602-542-7277.

* This number must be equal to the number entered on Page 6, "sold gallons."
 ** Gallons pumped cannot equal or be less than the gallons sold

COMPANY NAME: Appaloosa Water Company **Test Year Ended:** 12/31/2007
Name of System: APPALOOSA WATER CO. **ADEQ Public Water System Number:** 13208

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
461	Metered Water Revenue	132,459	161,635
460	Unmetered Water Revenue		
474	Other Water Revenues	1,650	854
	TOTAL OPERATING REVENUES	134,109	162,489
	OPERATING EXPENSES		
601	Salaries and Wages (See page 1, item 4)	12,533	45,730
610	Purchased Water (See page 1, item 5)		
615	Purchased Power (See page 1, item 6)	8,266	8,320
618	Chemicals		
620	Repairs and Maintenance (See page 1, item 7)	1,815	8,226
621	Office Supplies and Expense	7,292	4,751
630	Outside Services (See page 1, item 8)	36,094	30,589
635	Water Testing (See page 1, item 9)	5,611	3,012
641	Rents		8,000
650	Transportation Expenses		
657	Insurance - General Liability	7,244	6,673
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		1,625
403	Depreciation Expense (From page 20)	33,692	39,792
408	Taxes Other Than Income	2,329	2,173
408.11	Property Taxes (See page 1, item 10)	1,293	4,992
409	Income Tax		
	TOTAL OPERATING EXPENSES	116,169	163,883
	OPERATING INCOME/(LOSS)	17,940	(1,394)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income	3,985	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(91)	(1,340)
	TOTAL OTHER INCOME/(EXPENSE)	3,894	(1,340)
	NET INCOME/(LOSS)	21,834	(2,734)

Note: Do not include sales tax in revenue or expense. Please refer to the checklist on page 1 for the required attachments related to this schedule.

- This number must be identical to the number entered on page 5 "total operating revenues."

COMPANY NAME: Appaloosa Water Company

Test Year Ended: 12/31/2007

Name of System: APPALOOSA WATER CO

ADEQ Public Water System Number: 17208

CALCULATION OF DEPRECIATION EXPENSE

Acct. No..	Description	Original Cost	Depreciation Percentage	Depreciation Expense
		<i>Column A</i>	<i>Column B</i>	<i>Column C*</i>
301	Organization	264	N/A	0
302	Franchises	2,309	N/A	0
303	Land & Land Rights	3,161	N/A	0
304	Structures & Improvements	67,051	3.33	2,233
307	Wells & Springs	238,519	3.33	7,943
311	Pumping Equipment	94,131	8.00	7,530
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs & Standpipes	100,438	2.22	2,230
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission & Distrib. Mains	745,102	2.00	14,903
333	Services			
334	Meters & Meter Installations	15,055	3.33	501
335	Hydrants	48,876	8.33	4,071
336	Backflow Prevention Devices			
339	Other Plant & Misc. Equipment			
340	Office Furniture & Equipment	1,850	6.67	123
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop & Garage Equip.			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	12,889	2.00	258
	TOTAL WATER PLANT	1,329,645		39,792

in column 2.

*Column C = Column A x Column B

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	10,753	5,203
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	650	(974)
146	Notes/Receivables from Associated Companies	186,838	141,537
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		67,200
	TOTAL CURRENT AND ACCRUED ASSETS	198,241	212,966
	FIXED ASSETS		
101	Utility Plant in Service	1,311,203	1,329,645
103	Property Held for Future Use		60,000
105	Construction Work in Progress		
108	Accumulated Depreciation — Utility Plant ("AD-UP")	(137,477)	(177,269)
121	Non-Utility Property	86,608	
122	Accumulated Depreciation — Non Utility ("AD-NU")		
	TOTAL FIXED ASSETS	1,260,334	1,212,376
	TOTAL ASSETS	1,458,575	1,425,342

Note: Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.

** Must equal page 15, original cost*

***Must equal page 15, accumulated depreciation*

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	4,223	4,999
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	21,263	37,337
235	Customer Deposits		
236	Accrued Taxes	44	6,002
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	271	
	TOTAL CURRENT LIABILITIES	25,801	48,338
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	89,628	570,318
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	536,490	
272	Less: Amortization of Contributions	(10,930)	
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	615,188	570,318
	TOTAL LIABILITIES	640,989	618,656
	CAPITAL ACCOUNTS		
201	Common Stock Issued	2,000	2000
211	Paid in Capital in Excess of Par Value	804,471	804,471
215	Retained Earnings	11,115	215
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	817,586	806,686
	TOTAL LIABILITIES AND CAPITAL	1,458,575	1,425,342

Note: Account 272 should be subtracted from Total Deferred Credits.
 *Must equal page 24, Total Advances in Aid of Constructions
 **Must equal page 25, Total Advances

ADVANCES IN AID OF CONSTRUCTION (Acct. 252)2

	Additions During Year	Refund During Year	
Balance Per Prior Decision	N/A	N/A	\$0.00
Year - 1997			
Year - 1998			
Year - 1999			
Year - 2000			
Year - 2001	12,517.92		
Year - 2002	14,520.00		
Year - 2003	5,840.00		
Year - 2004	426,706.33	1,384.62	
Year - 2005	160,804	22,607.39	
Year - 2006	8,680	4,651.38	
Year - 2007	0.00	30,107.02	
Year			
Total of Additions	629,068.25	N/A	
Total of Refunds	N/A	58,750.41	
Total Advances in Aid of Construction	N/A	N/A	570,317.84

Note: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.

• Total Advances in Aid of Construction = Balance Per Prior Decision + Total Additions - Total Refunds (cross reference this to the Balance Sheet on page 22)

2
Advances in Aid of Construction refers to the following:

- (1) *Refundable amounts received from a new customer to cover the cost of a meter and piping from the building to the meter and the associated installation.*
- (2) *Refundable amounts received from a customer or a developer for mains, valves, fittings, and additional facilities required to provide pressure, storage, or water supply pursuant to a main extension agreement.*

COMPANY NAME: APPALCOSA WATER COMPANY	Test Year Ended: 2007
Name of System: APPALCOSA WATER Co.	ADEQ Public Water System Number: 13208

GROSS CONTRIBUTIONS IN AID OF CONSTRUCTION (Acct. 271)³

Balance Per Prior Decision	N/A	\$
Additions Year	\$	
Total Additions	N/A	\$
Balance at Test Year End	N/A	\$ *

Note: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.

** Balance at Test Year End = Balance Per Prior Decision + Total Additions (cross reference this to the Balance Sheet on page 22)*

³ Contributions in Aid of Construction refers to the following:

- (1) Non-refundable money, services, or property received for use in the provision of utility service from any source that is provided at no cost and interest free.
- (2) Unrefunded balances of expired advance contracts reclassified from Advances in Aid of Construction.

Company Name: APPALDOOSA WATER CO	Test Year Ended: 2007
Meter Size: 1"	1 st Quarter Ended: MARCH 31

BILL COUNT WORKSHEET 1ST QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 1 ST QUARTER
- 0 -	/// //	7
1 to 1,000	/// /// /// //	16
1,001 to 2,000	/// /// ///	13
2,001 to 3,000	/// /// /// ///	18
3,001 to 4,000	/// /// ///	15
4,001 to 5,000	/// /// /// //	16
5,001 to 6,000	/// /// //	12
6,001 to 7,000	/// ///	10
7,001 to 8,000	/// ///	9
8,001 to 9,000	///	5
9,001 to 10,000	/// //	6
10,001 to 12,000	///	5
12,001 to 14,000	//	2
14,001 to 16,000	//	2
16,001 to 18,000	/	1
18,001 to 20,000	/	1
20,001 to 25,000	/	1
25,001 to 30,000	//	2
30,001 to 35,000		0
35,001 to 40,000		0
40,001 to 50,000		0
50,001 to 60,000		0
60,001 to 70,000		0
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
Total Bills		141

Company Name: <u>APPALOOSA WATER CO</u>	Test Year Ended: <u>2007</u>
Meter Size: <u>1"</u>	2 nd Quarter Ended: <u>JUNE 30</u>

BILL COUNT WORKSHEET 2ND QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 2 nd QUARTER
- 0 -	 	5
1 to 1,000	 	5
1,001 to 2,000	 	6
2,001 to 3,000	 	12
3,001 to 4,000	 	12
4,001 to 5,000	 	12
5,001 to 6,000	 	11
6,001 to 7,000	 	21
7,001 to 8,000	 	10
8,001 to 9,000	 	7
9,001 to 10,000	 	6
10,001 to 12,000	 	6
12,001 to 14,000	 	8
14,001 to 16,000		0
16,001 to 18,000		2
18,001 to 20,000	 	6
20,001 to 25,000		2
25,001 to 30,000		1
30,001 to 35,000		2
35,001 to 40,000		0
40,001 to 50,000		2
50,001 to 60,000		1
60,001 to 70,000		3
70,001 to 80,000		0
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)	1 (125,190)	1
Total Bills		141

Company Name: <u>APPALOSA WATER CO.</u>	Test Year Ended: <u>2007</u>
Meter Size: <u>1"</u>	3 rd Quarter Ended: <u>SEPT 30</u>

BILL COUNT WORKSHEET 3RD QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 3 RD QUARTER
- 0 -	### 1	6
1 to 1,000		4
1,001 to 2,000	### 7	8
2,001 to 3,000	### ###	12
3,001 to 4,000	### ### ###	15
4,001 to 5,000	###	5
5,001 to 6,000	### ###	11
6,001 to 7,000	### ###	14
7,001 to 8,000	### ### ###	15
8,001 to 9,000	### ###	10
9,001 to 10,000	###	5
10,001 to 12,000	###	5
12,001 to 14,000	###	7
14,001 to 16,000		2
16,001 to 18,000		4
18,001 to 20,000		3
20,001 to 25,000		1
25,001 to 30,000		3
30,001 to 35,000		2
35,001 to 40,000		1
40,001 to 50,000	###	5
50,001 to 60,000		2
60,001 to 70,000		0
70,001 to 80,000		0
80,001 to 90,000		1
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
Total Bills		141

Company Name: APPALDOOSA WATER COMPANY	Test Year Ended: 2007
Meter Size: 1 1/2	4 th Quarter Ended: DECEMBER 31

BILL COUNT WORKSHEET 4TH QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 4 th QUARTER
- 0 -	1	6
1 to 1,000		2
1,001 to 2,000		10
2,001 to 3,000		14
3,001 to 4,000		17
4,001 to 5,000		13
5,001 to 6,000		15
6,001 to 7,000		15
7,001 to 8,000		10
8,001 to 9,000		9
9,001 to 10,000		2
10,001 to 12,000		7
12,001 to 14,000		2
14,001 to 16,000		3
16,001 to 18,000		2
18,001 to 20,000		4
20,001 to 25,000		1
25,001 to 30,000		1
30,001 to 35,000		3
35,001 to 40,000		1
40,001 to 50,000		0
50,001 to 60,000		0
60,001 to 70,000		0
70,001 to 80,000		1
80,001 to 90,000		0
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
Total Bills		138

Company Name: APPALACHIA WATER CO. Test Year Ended: 2007
 Meter Size: 1" Unit II, Phase II

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -	7	5	6	6	24
1 to 1,000	16	5	4	2	27
1,001 to 2,000	13	6	8	10	37
2,001 to 3,000	18	12	12	14	56
3,001 to 4,000	15	12	15	17	59
4,001 to 5,000	14	12	5	13	46
5,001 to 6,000	12	11	11	15	49
6,001 to 7,000	10	21	14	15	60
7,001 to 8,000	9	10	15	10	44
8,001 to 9,000	5	7	10	9	31
9,001 to 10,000	6	6	5	2	19
10,001 to 12,000	5	6	5	7	23
12,001 to 14,000	2	8	7	2	19
14,001 to 16,000	2	0	2	3	7
16,001 to 18,000	1	2	4	2	9
18,001 to 20,000	1	6	3	4	14
20,001 to 25,000	1	2	1	1	5
25,001 to 30,000	2	1	3	1	7
30,001 to 35,000	0	2	2	3	7
35,001 to 40,000	0	0	1	1	2
40,001 to 50,000	0	2	5	0	7
50,001 to 60,000	0	1	2	0	3
60,001 to 70,000	0	3	0	0	3
70,001 to 80,000	0	0	0	1	1
80,001 to 90,000	0	0	1	0	1
90,001 to 100,000	0	0	0	0	0
Over 100,000 (List actual gallons, e.g., 120,000)	0	1	0	0	1
Total Bills	141	141	141	138	561

Company Name: <u>APPALOOSA WATER CO</u>	Test Year Ended: <u>2007</u>
Meter Size: <u>3/4"</u>	2 nd Quarter Ended: <u>JUNE 30</u>

BILL COUNT WORKSHEET 2ND QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 2 ND QUARTER
- 0 -		7
1 to 1,000		13
1,001 to 2,000		31
2,001 to 3,000		37
3,001 to 4,000		39
4,001 to 5,000		30
5,001 to 6,000		46
6,001 to 7,000		34
7,001 to 8,000		34
8,001 to 9,000		30
9,001 to 10,000		24
10,001 to 12,000		39
12,001 to 14,000		28
14,001 to 16,000		26
16,001 to 18,000		21
18,001 to 20,000		20
20,001 to 25,000		31
25,001 to 30,000		22
30,001 to 35,000		23
35,001 to 40,000		15
40,001 to 50,000		12
50,001 to 60,000		5
60,001 to 70,000		2
70,001 to 80,000		1
80,001 to 90,000		1
90,001 to 100,000		0
Over 100,000 (List actual gallons, e.g., 120,000)		0
Total Bills		591

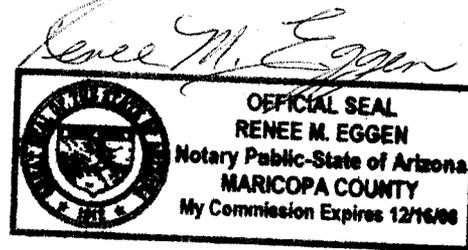
Company Name: <u>APPALACHIAN WATER CO.</u>	Test Year Ended: <u>2007</u>
Meter Size: <u>3/4" Unit 1, Phases I+II</u>	

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -	10	7	17	18	52
1 to 1,000	27	13	17	21	78
1,001 to 2,000	55	31	39	49	174
2,001 to 3,000	82	37	36	64	219
3,001 to 4,000	83	39	29	65	216
4,001 to 5,000	69	30	36	46	181
5,001 to 6,000	58	46	34	54	192
6,001 to 7,000	41	34	44	29	148
7,001 to 8,000	29	34	27	19	109
8,001 to 9,000	25	30	20	21	96
9,001 to 10,000	12	24	16	30	82
10,001 to 12,000	21	39	34	40	134
12,001 to 14,000	15	28	34	23	100
14,001 to 16,000	10	26	27	24	87
16,001 to 18,000	5	21	33	15	74
18,001 to 20,000	1	20	18	14	53
20,001 to 25,000	12	31	35	16	94
25,001 to 30,000	4	22	24	11	61
30,001 to 35,000	4	23	18	8	53
35,001 to 40,000	3	15	7	2	27
40,001 to 50,000	0	12	8	3	23
50,001 to 60,000	0	5	7	1	13
60,001 to 70,000	0	2	7	0	9
70,001 to 80,000	1	1	2	0	4
80,001 to 90,000	0	1	2	0	3
90,001 to 100,000	0	0	1	0	1
Over 100,000 (List actual gallons, e.g., 120,000)	1	0	0	0	1
Total Bills	568	571	572	573	2284

WITNESSED THIS 18th DAY OF JUNE 2008

6/18/08



CUSTOMER NOTIFICATION

Appaloosa Water Company has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since April 1998. An increase in rates is necessary at this time to meet new requirements to construct an arsenic water treatment facility, an increase in postal rates, an increase in staff wages, an increase in property taxes and to allow Appaloosa Water Company an opportunity to recover negative financial growth. Based on the company's un-audited 2007 Test Year results, Appaloosa Water Company realized an operating loss of \$2,734. The company is requesting a revenue increase of 100% of total revenues. Please refer to pages 8 and 10 of the application for current and proposed rates.

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix, AZ at 1200 West Washington Street or online at <http://edocket.azcc.gov/edocket/> and at Appaloosa Water Company 1460 West Road 4 North Chino Valley AZ 86323. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application including service, billing procedures, or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 602-542-4251.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

THIS NOTICE WAS PRINTED IN THE
JUNE 18th, 2008 LEGAL SECTION OF THE
CHINO VALLEY REVIEW. THIS PAPER IS NEWSPAPER
FOR ALL OUR CUSTOMERS.

A large, stylized handwritten signature in black ink, appearing to be the name of the person who printed the notice.

WATER TARIFF SCHEDULE

UTILITY: Appaloosa Water Company
DOCKET NO. W-03443A-98-0548

DECISION NO. 60733
EFFECTIVE: 04/01/98

Page 1

ORIGINAL**RATES AND CHARGES****CUSTOMER/MINIMUM CHARGES
PER MONTH**

<u>METER</u>	<u>CHARGES</u>	<u>GALLONS</u>
5/8 x 3/4"	\$ 25.00	1,000
3/4"	25.00	1,000
1"	41.67	1,000
1 1/2"	83.33	1,000
2"	133.33	1,000
3"	266.67	1,000
4"	416.67	1,000
6"	833.33	1,000

**SERVICE LINE & METER
INSTALLATION CHARGES**

<u>METERS</u>	<u>CHARGES</u>
5/8 x 3/4"	\$ 400.00
3/4"	440.00
1"	500.00
1 1/2"	715.00

PLEASE SEE PAGE 2 FOR INSTALLATION
CHARGES FOR 2, 3, 4, AND 6 INCH TURBO
AND COMPOUND METERS.

COMMODITY CHARGE:

PER 1,000 GALLONS	\$2.50
STANDPIPE/BULK WATER, PER 1,000 GALLONS	\$3.50

SERVICE CHARGES:

1. ESTABLISHMENT (R14-2-403.D.1)	\$25.00
2. ESTABLISHMENT/AFTER HOURS (R14-2-403.D.2)	\$50.00
3. RECONNECTION/DELINQUENT (R14-2-403.D.1)	\$30.00
4. RECONNECTION/DELINQUENT AFTER HOURS)	\$50.00
5. NSF CHECK (R14-2-409)	\$10.00
6. METER REREAD/IF CORRECT (R14-2-403.C.2)	\$15.00 *
7. METER TEST/IF CORRECT (R14-2-408.F.1)	\$15.00 *
8. DEFERRED PAYMENT (PER MONTH)	PER RULE
9. LATE CHARGE (PER MONTH)	1.5% OF OUTSTANDING BALANCE
10. DEPOSIT INTEREST	PER RULE
11. DEPOSIT (R14-2-403.B.7)	PER RULE
12. RE-ESTABLISHMENT W/N 12 MONTHS	MONTHS OFF SYSTEM
	TIMES THE MINIMUM
13. AFTER HOURS SERVICE CHARGE, PER HOUR	\$50.00
14. CHARGE FOR MOVING METER	ACTUAL COST
15. MAIN EXTENSION	ACTUAL COST

* PER R14-2-408.F.1, NO CHARGE WILL BE IMPOSED IF METER IS FOUND TO BE IN
ERROR BY MORE THAN PLUS OR MINUS 3%.

APPROVED FOR FILING
DECISION # <u>60733</u>

WATER TARIFF SCHEDULE

UTILITY: Appaloosa Water Company
DOCKET NO. W-03443A-97-0548

DECISION NO. 60733
EFFECTIVE: 04/01/98

Page 2

ORIGINAL

SERVICE LINE & METER
INSTALLATION CHARGES (CONT'D)

<u>METER</u>	<u>CHARGES</u>
2" COMPOUND	\$1,170.00
2" TURBO	1,700.00
3" COMPOUND	1,585.00
3" TURBO	2,190.00
4" COMPOUND	2,540.00
4" TURBO	3,215.00
6" COMPOUND	4,815.00
6" TURBO	6,270.00

OTHER RATES AND CHARGES APPROVED BY ORDER:

IN ADDITION TO THE COLLECTION OF ITS REGULAR RATES AND CHARGES, THE COMPANY SHALL COLLECT FROM ITS CUSTOMERS THEIR PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES OR USE TAX IN ACCORDANCE WITH R14-2-409.D.5.

APPROVED FOR FILING DECISION # <u>60733</u>
--

The Arizona Department of Environmental Quality (ADEQ) compliance status report follows this page.

As stated in this report, they have found the “Utility” to be in “non-compliance”. It should be noted that the “Utility” has received approval to construct is has a Finance Application with the ACC for approval.

No. 1882 P. 2

9. - 2008 2: 38PM eectucson

Arizona Department of Environmental Quality
 Drinking Water Monitoring and Protection Unit
 Mail Code 5415B-2
 1110 West Washington Street
 Phoenix, AZ 85007

Drinking Water Compliance Status Report

System Name	System Type	Is system consecutive?	
APPALOOSA MEADOWS	X Community		Yes,
System ID #	Non-transient Non-community		to PWS #
13208	Transient Non-community	X	No

Overall compliance status	No major deficiencies	X	Major deficiencies
Monitoring and Reporting status	No major deficiencies	X	Major deficiencies

Comments: The system's running annual average has exceeded the Maximum Contaminant Level (MCL) for arsenic. The system will not be in compliance until they apply for an arsenic exemption, and receive approval for the exemption to install arsenic treatment.

Operation and Maintenance status	X	No major deficiencies	Major deficiencies
Date of last Sanitary Survey	2/20/03	Inspector	Kent Haugerud, NRO
Major unresolved/ongoing operation and maintenance deficiencies:			
<input type="checkbox"/> unable to maintain 20psi	<input type="checkbox"/> inadequate storage	<input type="checkbox"/> surface water treatment rule	<input type="checkbox"/> approval to construct/of construction
<input type="checkbox"/> cross connection/backflow problems	<input type="checkbox"/> treatment deficiencies	<input type="checkbox"/> certified operator	<input type="checkbox"/> other
Comments: None.			

Is an ADEQ administrative order in effect?		Yes	X	No
Comments: None.				

System Information				
Population Served	400			
Service Connections	193			
Number of Entry Points to the Distribution System	1			
Number of Sources	2			
Initial Monitoring Year	1999			
Monitoring Assistance Program (MAP) System	X	Yes		No

Evaluation completed by	Donna Calderon, Manager Drinking Water Monitoring and Protection Unit		
Phone	602-771-4641	Date	May 9, 2008
	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.		
X	Based upon the <u>monitoring and reporting</u> deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.		
	Based upon the <u>operation and maintenance</u> deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.		

This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.

The Arizona Department of Revenue (ADOR) certificate of compliance letter of good standing report follows this page.

Certificate of Compliance Letter of Good Standing

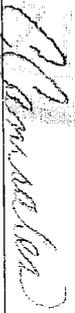
Appaloosa Water Company

This Certificate of Compliance is issued pursuant to Arizona Revised Statutes Section 42-1110 and/or Section 43-1151. It certifies that, according to department records, the above named taxpayer has filed and paid all taxes due under Title 42 and Title 43, specifically and only as to the following described tax types and identification/license numbers:

TAX TYPE	IDENTIFICATION
Federal Employer Identification Number	86-0878477
Transaction Privilege Tax License	13-038956-D
Withholding License	86-087847-7

This certification is made conditionally and is subject to the findings of any subsequent audit.

Issued To:
Appaloosa Water Company
Attn: Mr. Joe Cordovana
7012 North 18th Street
Phoenix, AZ 85020


Christina Canisales
Revenue Officer 602-716-6234
March 20, 2008
www.AZDOR.gov

Following this page are invoices from Water Treatment Operators.

On these invoices is the ADEQ Annual Sampling fee for the Monitoring Assistance Program which was paid by them through an invoice to Appaloosa Water.



WATER TREATMENT OPERATORS
 14615 Mountain Hills Blvd.
 Fountain Hills, AZ 85268

INVOICE

DATE 5/31/2007 **INVOICE#** 11194

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
5/6/2007	Certified Operator Services	185.00
5/6/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
5/6/2007	Travel Surcharge	50.00
5/6/2007	IOC Sample analysis as required by ADEQ/EPA/MCESD. (Lab/Handling Charges)	265.00
5/6/2007	Order, Purchase, Pick Up, Store and Deliver __1__ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00

PLEASE NOTE: Your sample results are attached to this invoice. Please make sure you keep these results in a separate file for regulatory compliance.

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$600.00



WATER TREATMENT OPERATORS
 14615 N. Fountain Hills Blvd.
 Fountain Hills, AZ 85268

6-15-07
 Revised

INVOICE

DATE 3/31/2007
INVOICE# 10865

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
3/9/2007	Certified Operator Services	185.00
3/9/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
3/9/2007	Travel Surcharge	50.00
3/9/2007	Arsenic Sample Analysis (Special well source WQ screening. Both wells-2 samples). (Lab/Handling Charges)	130.00
3/9/2007	Collect, Process and Deliver "Arsenic" Sample(s) to Lab.	20.00
3/9/2007	Review, Interpret, Evaluate and Process "Arsenic" Sample Lab Results. Take Appropriate Follow-up Action. Enter all Results into WTO Database. Provide Copies to all Parties.	25.00
3/9/2007	Order, Purchase, Pick Up, Store and Deliver _1_ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00
3/9/2007	IOC Sample analysis as required by ADEQ/EPA/MCESD. (Secondary primary) (Lab/Handling Charges)	445.00
3/9/2007	Collect, Process and Deliver IOC Sample(s) to Lab.	20.00
3/9/2007	Review, Interpret, Evaluate and Process IOC Sample Lab Results. Take Appropriate Follow-up Action. Enter all Results into WTO Database. Provide Copies to all Parties.	25.00

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$1000.00

Regarding Item # 4 of the Application.

No plant assets in excess of \$150 were purchased for the Test year, 2007

**Copies of information to support entries on the Income
Statemnet on Page 19 of the Water Rate Appliaction.**

Appaloosa Water Company

Account 601 (Prior Year)

Name	Position	Salary	Duties
Valenzuela, Fernando	Maintenance	\$4,038.00	General maintenance of company assets. Clerical support to include but not limited to Accts
Dunbar, Mary Ann	Bookkeeping	312.00	Receivable and Accts Payable. Clerical support to include but not limited to Accts
Tangeman, Tara	Bookkeeping	<u>8,183.25</u>	Receivable and Accts Payable.
		<u>\$12,533.25</u>	

Account 601 (Test Year)

Name	Position	Salary	Duties
Tangeman, Tara	Bookkeeping	\$13,239.31	Clerical support to include but not limited to Accts Receivable and Accts Payable.
Cordovana, Joseph	Owner	<u>32,491.00</u>	Oversee company operations.
		<u>\$45,730.31</u>	

Invoices for Purchased Power
Account 615 (Test Year)



THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: January 17, 2007

Summary of what you owe

Amount owing on your previous bill	\$548.96
<i>Less</i> Payment made on Jan 8, thank you	-\$548.96
<i>Equals</i> Your balance forward	\$0.00
<i>Plus</i> Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$441.29
<i>Equals</i> Total amount due	\$441.29

Due date: January 30, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,
 Mon - Fri, 7:30am - 5:00pm
 Website: aps.com
 Para servicio en español llame al:
 602-371-6861 (Phoenix) o
 1-800-252-9410 (Otras areas)

Page 1 of 5

See page 2 for more information.

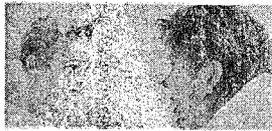
When paying in person, please bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,
Mon - Fri, 7:30am - 5:00pm
Website: aps.com
Para servicio en español llame al:
602-371-6861 (Phoenix) o
1-800-252-9410 (Otras areas)

Bill date: February 14, 2007

Summary of what you owe

	Amount owing on your previous bill	\$441.29
<i>Less</i>	Payment made on Feb 8, thank you	-\$441.29
<i>Equals</i>	Your balance forward	\$0.00
<i>Plus</i>	Your new charges (details on following pages)	
	Cost of electricity (with taxes and fees)	\$517.08
<i>Equals</i>	Total amount due	\$517.08

Due date: February 27, 2007

Page 1 of 5

See page 2 for more information.

When paying in person, please
bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,
Mon - Fri, 7:30am - 5:00pm
Website: aps.com
Para servicio en español llame al:
602-371-6861 (Phoenix) o
1-800-252-9410 (Otras areas)

Bill date: March 15, 2007

Summary of what you owe

	Amount owing on your previous bill	\$517.08
<i>Less</i>	Payment made on Mar 7, thank you	-\$517.08
<i>Equals</i>	Your balance forward	\$0.00
<i>Plus</i>	Your new charges (details on following pages)	
	Cost of electricity (with taxes and fees)	\$526.88
<i>Equals</i>	Total amount due	\$526.88

Due date: March 28, 2007

IMPORTANT PALO VERDE INFORMATION

At APS, we want our customers to know that we're dedicated to returning the Palo Verde Nuclear Generating Station to its place as one of the top performing power plants in the United States. To view a letter to customers regarding Palo Verde, as well as an informational Q&A, please visit us online at aps.com.

Page 1 of 5

See page 2 for more information.

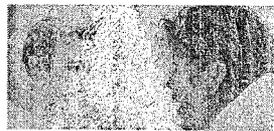
When paying in person, please bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: April 16, 2007

Summary of what you owe

Amount owing on your previous bill	\$526.88
Less Payment made on Apr 2, thank you	-\$526.88
Equals Your balance forward	\$0.00
Plus Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$660.92
Equals Total amount due	\$660.92

Due date: April 27, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Page 1 of 5

See page 2 for more information.

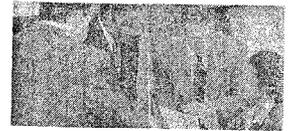
When paying in person, please
bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: May 15, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Summary of what you owe

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Amount owing on your previous bill	\$660.92
<i>Less</i> Payment made on Apr 30, thank you	-\$660.92
<i>Equals</i> Your balance forward	\$0.00
<i>Plus</i> Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$673.90
<i>Equals</i> Total amount due	\$673.90

Due date: May 29, 2007

Register at aps.com

Enjoy the convenience of managing your APS account online. It's easy, secure and free. At aps.com you can view and pay your bill, review your usage history, explore ways to save energy, start and stop your electric service and more. All you need is your account number and zip code. Go to aps.com, register and start enjoying the benefits today!

Page 1 of 5

See page 2 for more information.

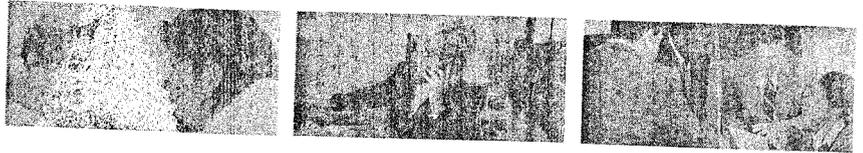
When paying in person, please bring the bottom portion of your bill.



Page 3 of 5



THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: June 14, 2007

Summary of what you owe

	Amount owing on your previous bill	\$673.90
<i>Less</i>	Payment made on Jun 12, thank you	-\$673.90
<i>Equals</i>	Your balance forward	\$0.00
<i>Plus</i>	Your new charges (details on following pages)	
	Cost of electricity (with taxes and fees)	\$909.55
<i>Equals</i>	Total amount due	\$909.55

Due date: June 27, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Page 1 of 5

See page 2 for more information.

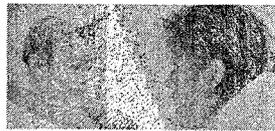
When paying in person, please
bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: August 14, 2007

Summary of what you owe

Amount owing on your previous bill	\$909.55
Less Payment made on Jul 5, thank you	-\$909.55
Equals Your balance forward	\$0.00
Plus Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$1,699.79
Equals Total amount due	\$1,699.79

Due date: August 27, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,
Mon - Fri, 7:30am - 5:00pm
Website: aps.com

Para servicio en español llame al:
602-371-6861 (Phoenix) o
1-800-252-9410 (Otras areas)

Beware of Credit Card Scams

Never give your credit card information over the telephone unless you are sure you know who you are dealing with or you have placed the call yourself. Identity thieves are skilled at posing as representatives of banks, Internet service providers, or even your utility. Although APS customers can pay their bill with a credit card through a third-party vendor, APS does not call customers requesting credit card information. If you receive a phone call asking for credit or debit card information from someone claiming to be an APS representative, hang up and call APS or file a complaint with the Federal Trade Commission by calling their hotline at 1-877-IDTHEFT (1-877-438-4338).

When paying in person, please
bring the bottom portion of your bill.

Page 1 of 7

See page 2 for more information.

Comparing your monthly use

	This month	Last month	This month last year
Billing days	29	29	28
Average outdoor temperature	75°	76°	76°
Your total use in kWh	4800	6000	4560
Your billed demand in kW	23.0	27.0	24.0
Your average daily cost	\$16.24	\$20.19	\$24.98

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THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: September 13, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Summary of what you owe

	Amount owing on your previous bill	\$1,699.79
<i>Less</i>	Payment made on Sep 5, thank you	-\$1,699.79
<i>Equals</i>	Your balance forward	\$0.00
<i>Plus</i>	Your new charges (details on following pages)	
	Cost of electricity (with taxes and fees)	\$938.70
<i>Equals</i>	Total amount due	\$938.70

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Due date: September 26, 2007

Page 1 of 5

See page 2 for more information.

When paying in person, please bring the bottom portion of your bill.

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Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: October 12, 2007

Summary of what you owe

Amount owing on your previous bill	\$938.70
<i>Less</i> Payment made on Oct 4, thank you	-\$938.70
<i>Equals</i> Your balance forward	\$0.00
<i>Plus</i> Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$762.69
<i>Equals</i> Total amount due	\$762.69

Due date: October 25, 2007

Thank you for your consistent and timely payments. We value your business.

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,
Mon - Fri, 7:30am - 5:00pm
Website: aps.com
Para servicio en español llame al:
602-371-6861 (Phoenix) o
1-800-252-9410 (Otras areas)

Page 1 of 5

See page 2 for more information.

When paying in person, please
bring the bottom portion of your bill.

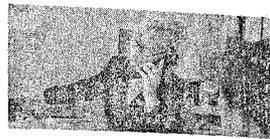
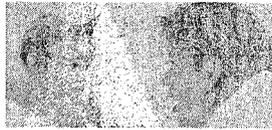
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Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

Bill date: November 13, 2007

Summary of what you owe

	Amount owing on your previous bill	\$762.69
<i>Less</i>	Payment made on Oct 23, thank you	-\$762.69
<i>Equals</i>	Your balance forward	\$0.00
<i>Plus</i>	Your new charges (details on following pages)	
	Cost of electricity (with taxes and fees)	\$653.16
<i>Equals</i>	Total amount due	\$653.16

Due date: November 28, 2007

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Page 1 of 5

See page 2 for more information.

When paying in person, please
bring the bottom portion of your bill.

Page 3 of 5





THE POWER TO MAKE IT HAPPEN®



Your electricity bill

APPALOOSA WATER CO

Your account number: 257954288

For service at: 2 locations

Questions?

Call 602-371-6767 or 1-800-253-9407,

Mon - Fri, 7:30am - 5:00pm

Website: aps.com

Para servicio en español llame al:

602-371-6861 (Phoenix) o

1-800-252-9410 (Otras areas)

Bill date: December 14, 2007

Summary of what you owe

Amount owing on your previous bill	\$653.16
<i>Less</i> Payments made through Dec 14	\$0.00
<i>Equals</i> Your balance forward	\$653.16
<i>Plus</i> Late charge (taxes included)	\$10.78
<i>Plus</i> Your new charges (details on following pages)	
Cost of electricity (with taxes and fees)	\$524.87
<i>Equals</i> Total amount due	\$1,188.81

Due date: December 28, 2007

Just a reminder, your usual timely payment has not been received. If you've already made your payment, thank you!

Page 1 of 5

See page 2 for more information.

When paying in person, please bring the bottom portion of your bill.

☒

Page 3 of 5



Invoices for Repairs & Maintenance
Account 620 (Test Year)

PRESCOTT LOCK & SAFE
 611 MILLER VALLEY ROAD
 PRESCOTT, AZ 86301
 928-445-8349

Invoice

DATE	INVOICE #
5/4/2007	8136

BILL TO
 COMMERCIAL - MISC ACCT

PAID

SHIP TO

P.O. NUMBER	TERMS	REP	SHIP	VIA	F.O.B.	PROJECT
			5/4/2007			

QUANTITY	ITEM CODE	DESCRIPTION	PRICE EACH	AMOUNT
1	LABOR	WINDMILL FARMS 1460 W RD 4 NORTH CV AZ INSTALL DB ON INNER BAR DOOR,KEY TO EXISTING KEY	75.00	75.00
1	LABOR	PUMP STAT DOOR	18.75	18.75
1	SVC CALL	SERVICE CALL	60.00	60.00
1	FUEL SURCHAR..	FUEL SURCHARGE	6.00	6.00
1	LABOR	DROP-OFF	20.00	20.00
1	VARIOUS	SCH SS DB 05 FINISH	48.00	48.00
		Sales Tax	8.35%	4.01

Total \$231.76

3rd. Generation Well Drilling Inc.
P.O. Box 3893 Chino Valley
Arizona 86323
928-636-0378 /636-2648 Fax
Cell 928-713-7553

SERVING ARIZONA SINCE 1946

TO APPALOOSA WATER CO
602-277-5632

DATE: SEP 17-07

DWR 55- N/A

PARCEL #

ITEM	DESCRIPTION	QTY	PER FT/HR	TOTAL
DRILLING	8 BORE HOLE	CLEAN OUT	OF HOLE	\$ 1,000.00
SURFACE CASING	7" STEEL			N/A
PVC CASING	4.5" SOLID			N/A
PVC CASING	4.5" SCREEN			N/A
PERMIT'S				N/A
WELL CAPING				\$ N/A
MOBILIZATION/ DEMOB				N/A
CEMENT IF NEEDED				N/A
TAX				N/A

TOTAL \$ 1,000.00

DOWN PAYMENT

\$

BALANCE DUE

\$ 1,000.00

FULL INVOICE DUE AND PAYABLE BY

Custom Blending International DBA CBI

1023 North 21st Ave Unit D
 Phoenix AZ 85009
 Tel: 602-271-0301
 Fax: 602-271-0304

Invoice/ BOL

Date	Invoice #
8/15/2007	11028

Bill To
Appaloosa Water Company 7012 North 18th Street Phoenix AZ 85020

Ship To

P.O. No.	Terms	Due Date	Rep	Ship Date
	COD	8/15/2007	BMM	8/15/2007

Qty	H/M	Description	Rate	Amount
6		Sodium Hypochlorite NSF 5.25% 6 X 1 Case	16.10	96.60T
		For chemical emergency, spill, leak, fire, or explosion call Chemtrek at 800-424-9300 24 hours a day	0.00	0.00T

Subtotal		\$96.60
Sales Tax (7.5%)		\$7.25
Total		\$103.85
Payments/Credits		\$0.00
Balance Due		\$103.85
Customer Total Balance		\$103.85

Phone #	Fax #
602-271-0301	602-271-0304

pd
597

Pro-Water Irrigation Supply, Inc.

629 Miller Valley Rd.
Prescott, Arizona 86301

Invoice

DATE	11/13/2007	INVOICE #	128277
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
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Fax #	928-778-5006/PV 759-3654 /CV 636-3334
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BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020

P.O. NUMBER	PROJECT
Joe	

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
429-030	3 PVC COUPLER	5	1.97	9.85
16RH	1 PINT CHRISTYS RED HOT RH-RHBG-PT	1	8.51	8.51
16P68	1 PINT P68 PRIMER	1	6.64	6.64

** materials were purchased on Windmill Farms account Appaloosa Water.*

Subtotal	\$25.00
Sales Tax (9.35%)	\$0.00
Total	\$25.00
Balance Due	\$25.00

Fast due balances subject to a 2% charge.
Returns subject to a 20% restocking fee.
No open or used item returns. No returns on cut pipe, wire, etc..

Pro-Water Irrigation Supply, Inc.

629 Miller Valley Rd.
Prescott, Arizona 86301

Invoice

DATE	11/13/2007	INVOICE #	128291
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
Fax #	928-778-5006/PV 759-3654/ CV 636-3334

BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020 <i>AW</i>

P.O. NUMBER	PROJECT

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
401-020	2 PVC TEE SSS	1	1.45	1.45
429-020	2 PVC COUPLER	1	0.71	0.71
437-339	3 X 2 1/2 PVC BUSHING	1	1.90	1.90
435-025	2 1/2 PVC FEMALE ADAPTER	1	1.80	1.80
429-030	3 PVC COUPLER	1	1.97	1.97
437-292	2 1/2 X 2 PVC BUSHING	1	1.32	1.32
CH-TA-SW520DR	3/4" X520" TEFLON TAPE	1	0.99	0.99
			Subtotal	\$10.14
			Sales Tax (9.35%)	\$0.00
			Total	\$10.14

Past due balances subject to a 2% charge.
Returns subject to a 20% restocking fee.
No open or used item returns. No returns on cut pipe, wire, etc..

Balance Due	\$10.14
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Pro-Water Irrigation Supply, Inc.

629 Miller Valley Rd.
Prescott, Arizona 86301

Invoice

DATE	11/13/2007	INVOICE #	128297
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
---------	---------------------------------------

Fax #	928-778-5006/PV 759-3654 /CV 636-3334
-------	---------------------------------------

BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020 <i>A.W.</i>

P.O. NUMBER	PROJECT

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
406-020	2 PVC 90	2	1.13	2.26

Subtotal	\$2.26
Sales Tax (9.35%)	\$0.00
Total	\$2.26
Balance Due	\$2.26

Past due balances subject to a 2% charge.
Returns subject to a 20% restocking fee.
No open or used item returns. No returns on cut pipe, wire, etc..

Pro-Water Irrigation Supply, Inc.

Invoice

629 Miller Valley Rd.
Prescott, Arizona 86301

DATE	11/21/2007	INVOICE #	128511
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
Fax #	928-778-5006/PV 759-3654 /CV 636-3334

BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020

*updated
skel
SA*

P.O. NUMBER	PROJECT
Joe	

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
6ADSSOLI	6" ADS SOLID PIPE PER FOOT	-10	1.605	-16.05
6SOLI	6 SW SOLID PIPE	8	2.31	18.48
6ADSC	6 ADS SNAP COUPLER	1	2.87	2.87
6SWC-040606	6 SW COUPLER	1	6.27	6.27
6ADSSOLI	6" ADS SOLID PIPE PER FOOT Exchanged 6ADS x 10 for 20'	20	1.605	32.10

Subtotal	\$43.67
-----------------	---------

Sales Tax (9.35%)	\$0.00
--------------------------	--------

Total	\$43.67
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Past due balances subject to a 2% charge.
Returns subject to a 20% restocking fee.
No open or used item returns. No returns on cut pipe, wire, etc..

Balance Due	\$43.67
--------------------	---------

AW

Pro-Water Irrigation Supply, Inc.

629 Miller Valley Rd.
 Prescott, Arizona 86301

Invoice

DATE	11/28/2007	INVOICE #	128633
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
Fax #	928-778-5006/PV 759-3654 /CV 636-3334

BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020 <i>A.W.</i>

P.O. NUMBER	PROJECT
Bill	

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
32P711	1 QUART P711 GRAY CEMENT CH-RH-BGLV-QT	1	14.61	14.61
16P68	1 PINT P68 PRIMER	1	6.64	6.64

Subtotal	\$21.25
Sales Tax (9.35%)	\$0.00
Total	\$21.25

Past due balances subject to a 2% charge.
 Returns subject to a 20% restocking fee.
 No open or used item returns. No returns on cut pipe, wire, etc..

Balance Due	\$21.25
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Pro-Water Irrigation Supply, Inc.

629 Miller Valley Rd.
Prescott, Arizona 86301

Invoice

DATE	12/11/2007	INVOICE #	128888
------	------------	-----------	--------

Phone #	928-778-7771/PV 759-3650/ CV 636-3332
---------	---------------------------------------

Fax #	928-778-5006/PV 759-3654 /CV 636-3334
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BILL TO
Windmill Farms Nursery 7012 N. 18th Phoenix Az. 85020 <i>A.W.</i>

P.O. NUMBER	PROJECT
Joe	

ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	AMOUNT
18VAN	18' VARIABLE ADJ. NOZZLE	21	1.45	30.45

Subtotal			\$30.45
Sales Tax (9.35%)			\$0.00
Total			\$30.45

Past due balances subject to a 2% charge.
Returns subject to a 20% restocking fee.
No open or used item returns. No returns on cut pipe, wire, etc..

Balance Due	\$30.45
--------------------	---------

A.W.

Invoice

Genix Paver Manufacturing LLC

5 West Elwood
Phoenix AZ 85041-1227

Phone: 602-268-5908
Fax: 602-268-5912

Date	Invoice #
10/30/2007	17186

Bill To
Windmill Farms 7012 N 18th St Phoenix, AZ 85020

Ship To
Chino Valley

P.O. Number	Terms	Ship Date	Pre-Lien	Ship Via	F.O.B.
	Net 30	10/30/2007	JV	Muller Trucking	

Qty	Item Code	Description	Unit	Amount
4	2-Territorial	6x6 Paver 100 Sq Ft Territorial Blend	120.00	480.00
6	1-TUM-Territorial	6x9 Paver 100 Sq Ft Territorial Blend-TUMBLED	200.00	1,200.00
4	2-TUM-Territorial	6x6 Paver 100 Sq Ft Territorial Blend-TUMBLED	200.00	800.00
4	4-TUM-Territorial	9x9 Paver 100 Sq Ft Territorial Blend-TUMBLED	200.00	400.00
16	Pallet Out	Pallet Out Charge	12.00	192.00
1	Delivery-6	Delivery Charge Out of Normal Area	400.00	400.00

* materials were purchased on Windmill Farms account for Appaloosa Water

ON ACCT _____ CC _____ CASH _____ CHECK _____

AMOUNT OF CASH/CHECK RECEIVED _____

Refunds only allowed on full block cube lots - subject to prior approval.
 Returns subject to a 30% restocking fee.
 Partial refund requests must be supported by original invoice.
 No pallet refunds 180 days after original purchase.

Total	\$3,472.00
Payments/Credits	\$0.00
Balance Due	\$3,472.00

Past due accounts subject to service charge of 1.5% per month or maximum permitted by law.
 Checks returned by your bank are subject to a \$25.00 Service Charge.

White Copy/Office - Pink Copy/Customer - Yellow Copy/Yard - Blue Copy/Driver - Green Copy/Pallet Return



P.O. Box 1463
Chino Valley, AZ 86323
(928) 636-2838 (928) 713-1120

Date: 11/30/2007

<i>Date</i>	<i>Invoice #</i>	<i>Description</i>	<i>Hrs/Tons</i>	<i>Rate</i>	<i>Total</i>
<i>Road 4 North</i>					
11/12/2007	17339	Deliver 3/8 minus Screened Sand	9.92	\$5.25	\$52.08
		Trucking	1	\$70.00	<u>\$70.00</u>
11/13/2007	17340	Deliver 3/8 minus Screened Sand	19.52	\$9.25	\$180.56
11/20/2007	17359	Deliver 3/8 minus Screened Sand	23.66	\$9.25	\$218.86
				Total	\$521.50

AW

Appaloosa Water Company

Account 620 (Test Year)

In addition to the invoices provided, Appaloosa Water Company paid an additional **\$2618.68** for repairs and maintenance. No one invoice was over \$150.00.

Invoices for Outside Services

Account 630 (Test Year)

Nelson Law Office - Douglas C. Nelson, P.C.
7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

Invoice submitted to:
Appaloosa Water Company

Mr. Joseph Cordovana

February 14, 2007

Invoice # 10264

Professional Services

	<u>Hours</u>
12/2/06 Dictated letter to Joe Cordovana re: Answer to HP Investment Complaint with Arizona Corporation Commission.	0.51
12/4/06 File Answer to Complaint and Motion to Dismiss.	0.57
12/5/06 Telephone call from Joe Cordovana.	0.09
12/12/06 Analyzed Response to Motion to Dismiss filed by HP Investment Corporation. Dictated letter to Joe Cordovana.	0.54
12/18/06 Researched and Drafted Reply to HP Investment Response to Motion to Dismiss.	1.32
Proof Reply. Dictated letter to client re: Reply to Complaint.	0.55
12/22/06 Telephone conference with Mike Cordovana re: Strategy in resolving HP Investment Complaint.	0.18
12/26/06 Telephone call from Mike Cordovana. Telephone call to Arizona Department of Water Resources.	0.13
12/27/06 Telephone call from Joe Cordovana. Telephone call from Joe Cordovana.	0.17
1/3/07 Telephone call from Joe Cordovana re: Arsenic Treatment Strategy.	0.17
1/9/07 Telephone call from Joe Cordovana. Reviewed fax of Procedural Order. Telephone call from Mike Cordovana.	0.27

Appaloosa Water Company

Page 2

	<u>Hours</u>	
1/23/07 Examine file and documents in preparation for procedural conference. Prepared and sent electronic message to Mike Cordovana.	0.75	
1/24/07 Appearance at Scheduling Conference before Administrative Law Judge.	1.50	
Telephone call from Joe Cordovana re: Response to HP Investments.	0.17	
Reviewed file and Dictated letter to Michael Pearce, Esq. Dictated fax to Michael Pearce.	1.18	
1/25/07 Telephone conference with Joe Cordovana.	0.25	
		<u>Amount</u>
For professional services rendered	8.35	\$1,791.95
Additional Charges :		
12/18/06 Legal Assistant		40.95
12/4/06 Reproduction Costs Reproduction Costs at Arizona Corporation Commission.		5.04
12/26/06 Postage Postage		4.07
Photocopies Photocopies		14.30
Total costs		<u>\$64.36</u>
Total amount of this bill		<u><u>\$1,856.31</u></u>

Please contact me if you have any questions regarding this invoice.
Thank you for your prompt payment.

Douglas C. Nelson, Esq.
Law Office of Douglas C. Nelson, P.C.
Telephone: 602-395-1612
Facsimile: 602-395-1943
Email: DougCNelson@cox.net

THE ALARM CONNECTION, INC.
537 6th STREET SUITE D
PRESCOTT, AZ. 86301
(928) 445-1609

ACCT'S PAYABLE - TONY CORDOVNA
APALOSSA WATER COMPANY
P.O. BOX 3150
CHINO VALLEY AZ 86323

INVOICE # 30504
DUE IN 15 DAYS
ARS#: APAMEA DUE: 03/02/2007
INVOICE DATE: 02/15/2007
TELEPHONE () -

I N V O I C E
Page 1

APALDOOSA MEADOWS WATER DIST. ARS # APAMEA:0042
AT RD 3 NORTH & RD 1 WEST; 100 YARDS WEST OF INTERSECTION
CHINO VALLEY AZ 86323
TONY CORDOVANA CSID: 30042
CENTRAL STATION MONITORING SERVICE
(3 Months @ 22.50/Month)

67.50

NEW SALES THIS INVOICE

67.50

FOR SERVICE STARTING MARCH 2007
PLEASE INCLUDE THE INVOICE NUMBER ON YOUR PAYMENT.
THANK YOU FOR CHOOSING THE ALARM CONNECTION.

1.50%/Month Late Charge on Past Due Balances. Minimum Late Charge \$5.00

Please write any questions or comments you have here. Thank You!

Nelson Law Office - Douglas C. Nelson, P.C.
7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

Invoice submitted to:
Appaloosa Water Company

Mr. Joseph Cordovana

March 06, 2007

Invoice # 10268

Professional Services

	<u>Hours</u>	
2/12/07 Telephone call from Joe Cordovana. Reviewed fax from client. Dictated fax to client. Telephone call from Joe Cordovana.	0.58	
Telephone call to Joe Cordovana. Dictated letter to Patrick Black.	0.65	
2/13/07 Telephone conference with Patrick Black, Esq. Telephone call to Joseph Cordovana re: Addendum to Notice of Intent. Drafted Addendum.	0.95	
2/15/07 Telephone call from Tony Cordovana. Telephone conference with Connie at Arizona Corporation Commission.	0.58	
2/18/07 Analyzed Procedural Order and prepared draft schedule.	0.62	
2/20/07 Telephone call from Joe Cordovana.	0.08	
2/23/07 Telephone call to Patrick Black of Fennemore Craig. Reviewed file documents. Examined draft Proposed Scheduling Order. Prepared and sent electronic message to Patrick Black.	0.42	
2/26/07 Review ADWR regulations and forms. Dictated fax to client re: ADWR Notice of Intent to Serve. Dictated letter to Patrick Black. Dictated fax to Patrick Black.	1.60	
2/28/07 Telephone call from Mike Cordovana re: Aslanian Notice of Intent.	0.17	
Researched and drafted Addendum to Notice of Intent to Serve.	0.83	
		<u>Amount</u>
For professional services rendered	6.48	\$1,395.01

Additional Charges :

	<u>Amount</u>
2/14/07 Transcript Cost Arizona Reporting Services, Inc. - Transcript of Prehearing Conference before ACC Hearing Officer 1/24/07.	58.28
Total costs	<u>\$58.28</u>
Total amount of this bill	<u><u>\$1,453.29</u></u>

Please contact me if you have any questions regarding this invoice.
Thank you for your prompt payment.

Douglas C. Nelson, Esq.
Law Office of Douglas C. Nelson, P.C.
Telephone: 602-395-1612
Facsimile: 602-395-1943
Email: DougCNelson@cox.net

Law Office of Douglas C. Nelson, P.C.

7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

Invoice submitted to:
Appaloosa Water Company
P.O, Box 3150
1228 West Road 4 North
Chino Valley AZ 86323
Attention: Mr. Joseph Cordovana

April 15, 2007

Invoice # 10284

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/28/2007 -Prepared and sent electronic message to Mike Cordovana. Analyzed draft Line Extension Agreement.	2.00	
3/29/2007 Meeting with Joe and Michael Cordovana re: Line Extension Terms and Conditions.	1.33	
4/3/2007 Meeting with Mike and Joe Cordovana.	0.75	
4/8/2007 Reviewed typed draft of line extension agreement and prepared red-line changes.	0.34	
4/10/2007 Telephone call from Joe Cordovana.	0.17	NO CHARGE
For professional services rendered	<u>4.59</u>	<u>\$951.02</u>
Additional Charges :		
4/12/2007 Draft - Line Extension Agreement		132.80
Total additional charges		<u>\$132.80</u>
Total amount of this bill		<u><u>\$1,083.82</u></u>

Law Office of Douglas C. Nelson, P.C.

7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

**Invoice submitted
to:**

Appaloosa Water Company
P.O. Box 3150
1228 West Road 4 North
Chino Valley AZ 86323
Mr. Joseph Cordovana

May 04, 2007

Invoice #10288

Professional Services

	<u>Hours</u>	<u>Amount</u>
4/1/2007 Prepared and sent electronic message to Mike Cordovana re: ACC Prehearing Conference.	0.17	
4/2/2007 Reviewed file documents and regulations. Dictated form letter for Notice of Interest by Appaloosa Water Co. to serve nearby developments.	0.50	
4/3/2007 Conference with Patrick Black. Appearance at Prehearing Conference before Administrative Law Judge of Corporation Commission, re: HP Investment Complaint.	1.00	
4/5/2007 Reviewed Procedural Order and Dictated memorandum to Mike and Tony Cordovana.	0.17	
4/24/2007 Researched ADWR statutes and regulations. Drafted Well Lease Agreement.	2.75	
Prepared and sent electronic message to Joe, Mike and Tony Cordovana re; Draft Well Lease Agreement.	0.17	
For professional services rendered	<u>4.76</u>	<u>\$1,022.08</u>

Please contact me if you have any questions regarding this invoice.
Thank you for your prompt payment.

Douglas C. Nelson, Esq.
Law Office of Douglas C. Nelson, P.C.
Telephone: 602-395-1612
Facsimile: 602-395-1943
Email: DougCNelson@cox.net

THE ALARM CONNECTION, INC.
 543 W. GURLEY ST.
 PRESCOTT, AZ. 86303
 (928) 445-1809

ACCT'S PAYABLE - TONY CORDOVNA
 APALOSSA WATER COMPANY
 P.O. BOX 3150
 CHINO VALLEY AZ 86323

INVOICE NUMBER: 31513
 Terms NET:15 Days **
 ARS#: APAMEA DUE: 05/30/2007
 INVOICE DATE: 05/15/2007
 TELEPHONE: () -

I N V O I C E

Page: 1

FOR SERVICE STARTING JUNE 2007

 D E S C R I P T I O N Per Unit . . . Quantity . . Tax . . Extension

{0042}APALOOSA MEADOWS WATER DIST. Telephone: ()771-1730 #AC30042
 100 YARDS WEST OF INTERSECTION TONY CORDOVANA
 AT RD 3 NORTH & RD 1 WEST
 CHINO VALLEY AZ 86323

Description of Service(s)	Term & Pricing Information	Total
{0042}CENTRAL STATION MONITORING SE (3 Months @ 22.50/Month)		67.50

FOR SERVICE STARTING JUNE 2007

PLEASE INCLUDE THE INVOICE NUMBER ON YOUR PAYMENT.
 THANK YOU FOR CHOOSING THE ALARM CONNECTION.

 SALE AMOUNT \$ 67.50
 PREVIOUS PAYMENT/CREDIT \$ 67.50
 =====
 TOTAL NET DUE \$ 0.00

Page 1

*** 1.50%/Month Charge added to Past Due Balances. Minimum Charge \$5.00

Law Office of Douglas C. Nelson, P.C.

7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

Invoice submitted to:

Appaloosa Water Company

P.O. Box 3150
1228 West Road 4 North
Chino Valley AZ 86323
Attention: Mr. Joseph Cordovana

June 01, 2007

Invoice # 10293

Professional Services

	<u>Hours</u>	<u>Amount</u>
4/23/2007 Prepared and sent electronic message to Patrick Black re: Draft Line Extension Agreement.	0.23	
4/27/2007 Telephone call from Joe Cordovana. Prepared and sent electronic message to Patrick Black.	0.18	
5/3/2007 Telephone call to Patrick Black re: Line Extension Agreement.	0.17	
Prepared and sent electronic message to Mike Cordovana.	0.17	
5/4/2007 Telephone call from Patrick Black. Prepared and sent electronic message to client, re: Status of Drafting the Line Extension Agreement.	0.25	
5/7/2007 Telephone call from Joe Cordovana. Reviewed file documents. Dictated letter to Patrick Black.	1.19	
5/9/2007 Telephone call from Joe Cordovana.	0.17	
5/10/2007 Telephone call from Joe Cordovana. Dictated letter to Joe Cordovana re: Well Lease Agreement.	0.17	
5/24/2007 Examined Letter and Attachment from Patrick Black.	0.33	
5/26/2007 Dictated letter to Joe Cordovana re: HP Line Extension Agreement.	0.25	

	<u>Hours</u>	<u>Amount</u>
5/29/2007 Telephone call from Joe Cordovana.	0.17	
5/30/2007 Conference with Joe Cordovana and Mike Cordovana re: Line Extension Agreement.	1.00	
5/31/2007 Telephone call from Joe Cordovana re: Advance Issue.	0.17	
Examined electronic message from Patrick Black and drafted response.	0.45	
For professional services rendered	4.90	\$1,049.18
Additional Charges :		
5/8/2007		5.42
Total additional charges		<u>10.40</u> \$15.82
Total amount of this bill		<u><u>\$1,065.00</u></u>

Thank you for your prompt payment.

Doug C. Nelson
Law Office of Douglas C. Nelson, P.C.

Law Office of Douglas C. Nelson,
P.C.

WELKER LAND SURVEYING INC.
1109 E. RD. 1 SOUTH
CHINO VALLEY, AZ 86323
PHONE (928) 636-4080

STATEMENT

June 14, 2007

APPALOOSA MEADOWS WATER CO.
CHINO VALLEY, AZ.

RE: PARCELS IN SEC. 4 T16N-R2W
Amend parcels and survey water line plat map, legal descriptions elevations
On water line.

TOTAL TIME AND MATERIALS:	\$625.00
TOTAL AMOUNT DUE:	\$625.00

PAID CK# 698

STEGALL, KATZ & WHITAKER, P.C.
531 East Thomas Road, Suite 102
Phoenix, Arizona 85012-3239
Telephone: 602-241-9221

MIKE CORDOVANA
7012 NORTH 18th STREET
PHOENIX, AZ 85020

FILE #: 14528.0041
JULY 31, 2007
STATEMENT #: 44783

PAGE 1

MATTER: ARTESIAN HOLDINGS, LLC

BALANCE FORWARD	PAYMENTS	CREDITS	RETAINER
\$0.00	\$0.00	\$0.00	\$0.00

LEGAL SERVICES RENDERED:

07/11/07 C.M.GO TO ARIZONA CORPORATION COMMISSION TO
FILE AMENDMENT;

07/27/07 LIT LEAGAL RESEARCH; MEMO;

TOTAL AMOUNT LEGAL SERVICES RENDERED: 212.50

COSTS:

MONTHLY CHARGES THROUGH JULY 31, 2007 \$212.50

TOTAL AMOUNT DUE: \$212.50

WE ACCEPT VISA/MASTERCARD. CALL MARK AT 602-241-9221 TO PAY BY PHONE.
PLEASE INCLUDE FILE # WITH PAYMENT.

No LR

Law Office of Douglas C. Nelson, P.C.

7000 North 16th Street
Suite 120-307
Phoenix, AZ 85020

**Invoice submitted
to:**

Appaloosa Water Company
P.O. Box 3150
1228 West Road 4 North
Chino Valley AZ 86323
Mr. Joseph Cordovana

August 04, 2007

Invoice #10303

Professional Services

	<u>Hours</u>	<u>Amount</u>
5/3/2007 Prepared and sent electronic message to Mike Cordovana re: Well Lease.	0.17	
7/9/2007 Telephone conference with Greg Giles of AdEdge. Telephone call to Joe Cordovana.	0.60	
7/10/2007 Telephone call from Greg Gilles.	0.25	
7/13/2007 Examined electronic message from Greg Gilles. Telephone call to Joe Cordovana.	0.25	
7/15/2007 Analyzed proposal from AdEdge and warranties.	1.02	
7/18/2007 Meeting with Joe Cordovana. Telephone conference with Greg Giles of AdEdge (with Joe Cordovana) re: Arsenic Treatment Proposal.	1.25	
7/19/2007 Telephone call to Joe Cordovana. Telephone call to Greg Giles.	0.25	
8/2/2007 Reviewed proposal from AdEdge in preparation for meeting. Meeting with Joe and Mike Cordovana.	1.65	
Reviewed documents from Greg Giles of AdEdge and drafted Agreement. Telephone call to Joe Cordovana. Prepared and sent electronic message to Greg Giles.	2.91	
Prepared and sent electronic message to Greg Giles. Dictated fax to Greg Giles.	1.03	
For professional services rendered	<u>9.38</u>	<u>\$2,018.68</u>



Additional Charges :

	<u>Amount</u>
6/29/2007 Postage	2.23
Photocopies	5.20
Total additional charges	<u>\$7.43</u>
Total amount of this bill	<u><u>\$2,026.11</u></u>

Please contact me if you have any questions regarding this invoice.
Thank you for your prompt payment.

Douglas C. Nelson, Esq.
Law Office of Douglas C. Nelson, P.C.
Telephone: 602-395-1612
Facsimile: 602-395-1943
Email: DougCNelson@cox.net

THE ALARM CONNECTION, INC.
 543 W. GURLEY ST.
 PRESCOTT, AZ. 86303
 (928) 445-1609

ACCT'S PAYABLE - TONY CORDOVNA
 APALOSSA WATER COMPANY
 P.O. BOX 3150
 CHINO VALLEY AZ 86323

INVOICE NUMBER: 32565
 Terms NET:15 Days **
 ARS#: APAMEA DUE: 08/30/2007
 INVOICE DATE: 08/15/2007
 TELEPHONE: () -

I N V O I C E

Page: 1

FOR SERVICE STARTING SEPTEMBER 2007

 D E S C R I P T I O N Per Unit . . . Quantity . . Tax . . Extension

{0042}APALOOSA MEADOWS WATER DIST. Telephone: ()771-1730 #AC30042
 100 YARDS WEST OF INTERSECTION TONY CORDOVANA
 AT RD 3 NORTH & RD 1 WEST
 CHINO VALLEY AZ 86323

Description of Service(s)	Term & Pricing Information	Total
{0042}CENTRAL STATION MONITORING SE	(3 Months @ 22.50/Month)	67.50

FOR SERVICE STARTING SEPTEMBER 2007

PLEASE INCLUDE THE INVOICE NUMBER ON YOUR PAYMENT.
 THANK YOU FOR CHOOSING THE ALARM CONNECTION.

 SALE AMOUNT \$ 67.50
 PREVIOUS PAYMENT/CREDIT \$ 67.50
 =====
 TOTAL NET DUE \$ 0.00

Page 1

*** 1.50%/Month Charge added to Past Due Balances. Minimum Charge \$5.00



October 25, 2008

Appaloosa Water Company
7012 N. 18th St
Phoenix, AZ 85020

Re: Invoice for Catering

Dear Mr. Cordovana:

Thank you for allowing us the opportunity to cater your Arsenic Meeting with customers of Appaloosa Water. Please utilize this letter as your Invoice for services rendered on October 25, 2007.

Appetizers, Vegetable and Fruit Tray	\$ 565.00
Soft Drinks, Water and Coffee	\$ 225.00
Staff for Set-up and Clean-up	\$ 125.00
Chino Valley Tax	\$ 85.00
<i>Total Amount Due on Receipt</i>	<i>\$1000.00</i>

***Bobby Bing's Catering Brain Ingram, Owner
1460 West Road 4 North
Chino Valley, Arizona 86323
928-899-3561***

Invoice

M.E. Evans & Associates, Inc.
 1596 Susan A. Williams Way
 Suite A
 Chino Valley, AZ 86323

Date	Invoice #
10/31/2007	709

Bill To
Joe Cordovanna

Terms

Item	Description	Qty	Rate	Amount
Principal	Principal	0.25	100.00	25.00
Computer Technician	Computer Technician	14	75.00	1,050.00
Principal	Principal	9	100.00	900.00
	Field measurements to augment provided survey shots. Coordination with Ron Gritman, Robin Allen, Jeff Meek (Yavapai County). Spoke to Jim Wise (KWE) to determine location of air release valve in Harrison and existing water main features. Generate plan & profile sheets of proposed water main extension as well as a cover sheet which delineates the contractors responsibility and required testing. Submittals to Yavapai County Environmental Services and Chino Valley Public Works. Obtained approval by Town of Chino Valley, Yavapai County Approval to Construct pending. Research water service boundary for the private water system [controversy].			
07-009 Joe Cordovanna Water Main Extension			Total	\$1,975.00

... COMPANY
... Connection, Inc.
Reference
33595

THE ALARM CONNECTION, INC.
537 6th STREET SUITE D
PRESCOTT, AZ. 86301
(928) 445-1609

Balance Due 11/15/2007
Payment 67.50
67.50

ACCT'S PAYABLE - TONY CORDOVNA
APALOOSA WATER COMPANY
P.O. BOX 3150
CHINO VALLEY AZ 86323

INVOICE # 33595
DUE IN 15 DAYS
ARSW: APAMEA DUE: 11/30/2007
INVOICE DATE: 11/15/2007
TELEPHONE () -

I N V O I C E
Page 1

APALOOSA MEADOWS WATER DIST. ARS # APAMEA:0042
AT RD 3 NORTH & RD 1 WEST; 100 YARDS WEST OF INTERSECTION
CHINO VALLEY AZ 86323
TONY CORDOVANA CSID: 30042
CENTRAL STATION MONITORING SERVICE
(3 Months @ 22.50/Month)

67.50

NEW SALES THIS INVOICE 67.50

FOR SERVICE STARTING DECEMBER 2007
PLEASE INCLUDE THE INVOICE NUMBER OR ARS CODE ON YOUR PAYMENT.
THANK YOU FOR CHOOSING THE ALARM CONNECTION.

1.50%/Month Late Charge on Past Due Balances. Minimum Late Charge \$5.00

Please write any questions or comments you have here. Thank You!

DATE	INVOICE #
12/31/2007	11998

BILL TO
Appaloosa Water Company 1460 W Road 4 North Chino Valley, AZ 86323

DUE DATE	PROJECT
12/31/2007	

DESCRIPTION	AMOUNT
Management services (July thru Dec, 2006 - \$1000/mo)	6,000.00
Management services (Jan thru Dec, 2007 - \$1000/mo)	12,000.00
Sales Tax - Phx/AZ	0.00

Total	\$18,000.00
Payments/Credits	\$0.00
Balance Due	\$18,000.00

Invoices for Water Testing

Account 635 (Test Year)

**WATER TREATMENT OPERATORS
14615 N. FOUNTAIN HILLS BLVD.
FOUNTAIN HILLS, AZ 85268**

I N V O I C E

DATE 1/31/2007 **INVOICE#** 10442

APPALOOSA WATER COMPANY
P.O.Box 3150
Chino Valley, AZ 86323

(480) 837-6438 - Office
(480) 837-3923 - Fax
(602) 501-0713 - Cell
wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
1/17/2007	Certified Operator Services	185.00
1/17/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
1/17/2007	Travel Surcharge	50.00
1/17/2007	Bacterial Sample Analysis "S" (Quarterly) (WELL). (Lab/Handling Charges)	35.00
1/17/2007	Nitrate (Annual) Sample analysis as required by ADEQ/EPA/MCESD. (Lab/Handling Charges)	65.00
1/17/2007	Collect, process and deliver Nitrate sample to lab.	20.00
1/17/2007	Review, Interpret, Evaluate and Process Nitrate sample lab results. Take appropriate follow-up action, enter results into WTO database. Provide copies to all parties.	25.00
1/17/2007	Hand/Batch Chlorinate System/Well-Including Chlorine. (Extra On Site Time/Labor)	20.00
1/17/2007	Order, Purchase, Pick Up, Store and Deliver __1__ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00

PLEASE NOTE: Your sample results are attached to this invoice. Please make sure you keep these results in a separate file for regulatory compliance.

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$500.00



WATER TREATMENT OPERATORS
14615 N. FOUNTAIN HILLS BLVD.
FOUNTAIN HILLS, AZ 85268

INVOICE

DATE 2/28/2007 **INVOICE#** 10687

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
2/11/2007	Certified Operator Services	185.00
2/11/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
2/11/2007	Travel Surcharge	50.00
2/11/2007	Arsenic Sample Analysis (Quarter#1). (Lab/Handling Fees)	65.00
2/11/2007	Collect, process and deliver Arsenic sample(s) to lab.	15.00
2/11/2007	Review, interpret, evaluate and process Arsenic sample lab results. Take appropriate follow-up action. Enter all results into WTO database. Provide copies to all parties.	20.00

PLEASE NOTE: Your sample results are attached to this invoice. Please make sure you keep these results in a separate file for regulatory compliance.

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$395.00



WATER TREATMENT OPERATORS
 14615 N. Fountain Hills Blvd.
 Fountain Hills, AZ 85268

6-15-07
 Revised

INVOICE

DATE 3/31/2007 **INVOICE#** 10865

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
3/9/2007	Certified Operator Services	185.00
3/9/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
3/9/2007	Travel Surcharge	50.00
3/9/2007	Arsenic Sample Analysis (Special well source WQ screening. Both wells-2 samples). (Lab/Handling Charges)	130.00
3/9/2007	Collect, Process and Deliver "Arsenic" Sample(s) to Lab.	20.00
3/9/2007	Review, Interpret, Evaluate and Process "Arsenic" Sample Lab Results. Take Appropriate Follow-up Action. Enter all Results into WTO Database. Provide Copies to all Parties.	25.00
3/9/2007	Order, Purchase, Pick Up, Store and Deliver _1_ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00
3/9/2007	IOC Sample analysis as required by ADEQ/EPA/MCESD. (Secondary primary) (Lab/Handling Charges)	445.00
3/9/2007	Collect, Process and Deliver IOC Sample(s) to Lab.	20.00
3/9/2007	Review, Interpret, Evaluate and Process IOC Sample Lab Results. Take Appropriate Follow-up Action. Enter all Results into WTO Database. Provide Copies to all Parties.	25.00

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$1000.00



WATER TREATMENT OPERATORS
14615 N. FOUNTAIN HILLS BLVD.
FOUNTAIN HILLS, AZ 85268

I N V O I C E

DATE
 4/30/2007

INVOICE#
 10986

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
4/10/2007	Certified Operator Services	185.00
4/10/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
4/10/2007	Travel Surcharge	50.00
4/10/2007	Bacterial Sample Analysis "S" (Quarter#2) (WELL). (Lab/Handling Charges)	35.00
4/10/2007	Hand/Batch Chlorinate System/Well-Including Chlorine. (Extra On Site Time/Labor)	20.00
4/10/2007	Order, Purchase, Pick Up, Store and Deliver __1__ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00
	Late Charge on Past Due Invoice(s)#10865 & 10986. Should you have any questions or concerns regarding this charge, please call our office at (480) 837-6438.	10.00

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$400.00



WATER TREATMENT OPERATORS
 14615 Fountain Hills Blvd.
 Fountain Hills, AZ 85268

INVOICE

DATE 5/31/2007 **INVOICE#** 11194

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wto1@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
Net 30	04-13208	55-607274	2100 Rd. 1 West	Chino Valley, AZ

DATE	DESCRIPTION	AMOUNT
5/6/2007	Certified Operator Services	185.00
5/6/2007	Bacterial Sample Analysis "D" (2 samples)	60.00
5/6/2007	Travel Surcharge	50.00
5/6/2007	IOC Sample analysis as required by ADEQ/EPA/MCESD. (Lab/Handling Charges)	265.00
5/6/2007	Order, Purchase, Pick Up, Store and Deliver __1__ Case of NSF Approved Liquid Chlorine as Required by EPA/ADEQ and/or MCESD Regulations.	40.00

PLEASE NOTE: Your sample results are attached to this invoice. Please make sure you keep these results in a separate file for regulatory compliance.

Less Payments/Credits \$0.00
INVOICE AMOUNT DUE \$600.00



WATER TREATMENT OPERATORS
 14615 N. Fountain Hills Blvd.
 Fountain Hills, AZ 85268

INVOICE

DATE

7/17/07

INVOICE#

11510

APPALOOSA WATER COMPANY
 P.O.Box 3150
 Chino Valley, AZ 86323

(480) 837-6438 - Office
 (480) 837-3923 - Fax
 (602) 501-0713 - Cell
 wt01@cox.net

TERMS	PWS ID#	WELL REG. #	WELL ADDRESS	WELL CITY & STATE
on receipt	04-13208	55-607273	2100 Rd 1 West	Chino Valley, AZ 86323

DATE	DESCRIPTION	AMOUNT
6/15/07	Research, Prepare & Submit 2006 Consumer Confidence Report (CCR) as required by EPA / ADEQ &/or MCESD. Provide Copies To All Parties.	225.00
7/16/07	Process Discontinuation Notice to inform ADEQ that Joe Fiano of WTO is no longer the Certified Operator of Record for this water system and provide copies to all parties.	25.00
Less Payments/Credits		\$-250.00
INVOICE AMOUNT DUE		\$0.00

PAID

INVOICE

Remit To:
 Accounts Receivable
 Legend Technical Services of Arizona, Inc.
 17631 North 25th Avenue
 Phoenix, AZ 85023

Invoice To: Joe
 Appaloosa Water Company
 PO Box 3150
 Chino Valley, AZ 86323

Invoice 0712828
Client Number: 00-0088888
Invoiced On: 08/30/07
Terms: NET 30

Client Contact: Joe	PO Number: \$40 minimum
Project Name: Appaloosa Water Company Drinking Water	Received: 07/13/07
Legend Contact: Lisa Sutherland	Project Number: 7/12/07
Work Order(s) Invoiced: 7070856	

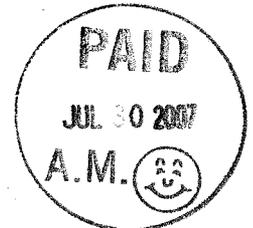
Quantity	Analysis/Description	Matrix	Unit Cost	Extended Cost
1	Turbidity-Metals	Drinking Water	\$0.00	\$0.00
1	Total Coliform	Drinking Water	\$16.00	\$16.00
1	Nitrogen 1: Nitrate & Nitrite	Drinking Water	\$40.00	\$40.00
1	Nitrate (manually calculated)	Drinking Water	\$0.00	\$0.00
1	Arsenic, GFAA	Drinking Water	\$21.00	\$21.00

Invoice Total: \$77.00

Pre-Paid Amount: _____

Thank you for your Business!

Payment Type: (Circle One)
 VISA Mastercard Cash/Check



Yavapai Water Production L.L.C.

Invoice

Kimble McClymonds
2132 Stringfield Dr
Prescott AZ 86305
(928)771-9461

DATE	INVOICE #
11/11/2007	565

BILL TO
Appaloosa Water P.O. Box 3150 Chino Valley Az 86323

					JOB
					Oct.
ITEM	QUANTITY	DESCRIPTION	RATE	SERVICED	AMOUNT
Operator	1	Water operator AZ sales tax	200.00 6.35%		200.00 0.00
Total					\$200.00

roc 178489

paid in full

Yavapai Water Production L.L.C.

Kimble McClymonds
2132 Stringfield Dr
Prescott AZ 86305
(928)771-9461

Invoice

<u>DATE</u>	<u>INVOICE #</u>
11/11/2007	566

<u>BILL TO</u>
Appaloosa Water P.O. Box 3150 Chino Valley Az 86323

<u>JOB</u>
Nov

<u>ITEM</u>	<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>RATE</u>	<u>SERVICED</u>	<u>AMOUNT</u>
Operator		Water operator AZ sales tax	200.00 6.35%		200.00 0.00
				Total	\$200.00

Yavapai Water Production L.L.C.

Invoice

Kimble McClymonds
2132 Stringfield Dr
Prescott AZ 86305
(928)771-9461

<u>DATE</u>	<u>INVOICE #</u>
12/25/2007	569

<u>BILL TO</u>
Appaloosa Water P.O. Box 3150 Chino Valley Az 86323

<u>JOB</u>
Dec.07

<u>ITEM</u>	<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>RATE</u>	<u>SERVICED</u>	<u>AMOUNT</u>
Water Operato		Water System operation - Samples AZ sales tax	200.00 6.35%		200.00 0.00
				Total	\$200.00

Appaloosa Water Company

Account 635

Appaloosa Water Company received a rebate check from State of AZ on 8/29/07 for annual monitoring assistance program fees. State of AZ is obligated to refund any overages. Check was for **\$309.85**. Appaloosa Water Company applied this check to the Water Testing line item therefore reducing the total expense for this line item.

Appaloosa Water Company

Account 635

Appaloosa Water Company received a credit of \$500.00 from Water Treatment Operators on 7/15/08. This credit was applied to the Water Testing line item therefore reducing the total expense for this line item.

Property Tax Statements

Account 408.11 (Test Year)

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2007 TAX SUMMARY	
932-05-131 9	5131	6.6118	3.9274		PRIMARY PROPERTY TAX	2,665.90
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
LIMITED LAND, BLDGS, ETC	11,579	24.0	2,779	0	NET PRIMARY PROPERTY TAX	2,665.90
LIMITED PERSONAL PROPERTY	156,421	24.0	37,541	0	SECONDARY PROPERTY TAX	1,518.84
TOTALS	168,000		40,320	0	SPECIAL DISTRICT TAX	0.00
CASH LAND	3,115	24.0	748	0	TOTAL TAX DUE FOR 2007	4,184.74
FULL CASH BUILDINGS, ETC	8,464	24.0	2,031	0		
FULL CASH PERSONAL PROPERTY	156,421	24.0	37,541	0		
FULL CASH TOTALS	168,000		40,320	0		

ACREAGE:	JURISDICTION	2006 TAXES	2007 TAXES
0156066	02000 YAVAPAI COUNTY	547.47	616.59
SITUS ADDRESS:	07051 CHINO VALLEY SD #51	1,361.12	1,796.75
NULL	08150 COMMUNITY COLLEGE	548.16	613.87
LEGAL DESCRIPTION:	11204 CHINO VALLEY FD	840.10	1,078.36
TOTAL VALUE OF OPERATING PROPERTY	11900 FIRE DISTRICT ASSIST	29.60	33.42
306-13-001-D 2,450 306-13-004-F 665	14900 YAVAPAI COUNTY LIBRA	33.74	40.96
	15001 YAVAPAI FLOOD CONTRO	1.51	4.79
	TOTALS	3,361.70	4,184.74

This is the only notice you will receive.

Ross D. Jacobs
 Yavapai County Treasurer
 1015 Fair Street
 Prescott AZ 86305-1807

**THIS IS A
 CALENDAR YEAR
 TAX NOTICE**

pd # 2092.37 on 10/15/07 for 1st half of year

932-05-131 9



0009146 01 AV 0.312 **AUTO T7 0 0796 86323-270850

PAGE 01 OF 01

APPALOOSA WATER COMPANY
 TONY M CORDOVANA
 P. O. BOX 3150
 CHINO VALLEY AZ 86323-2708

PAYMENT INSTRUCTIONS

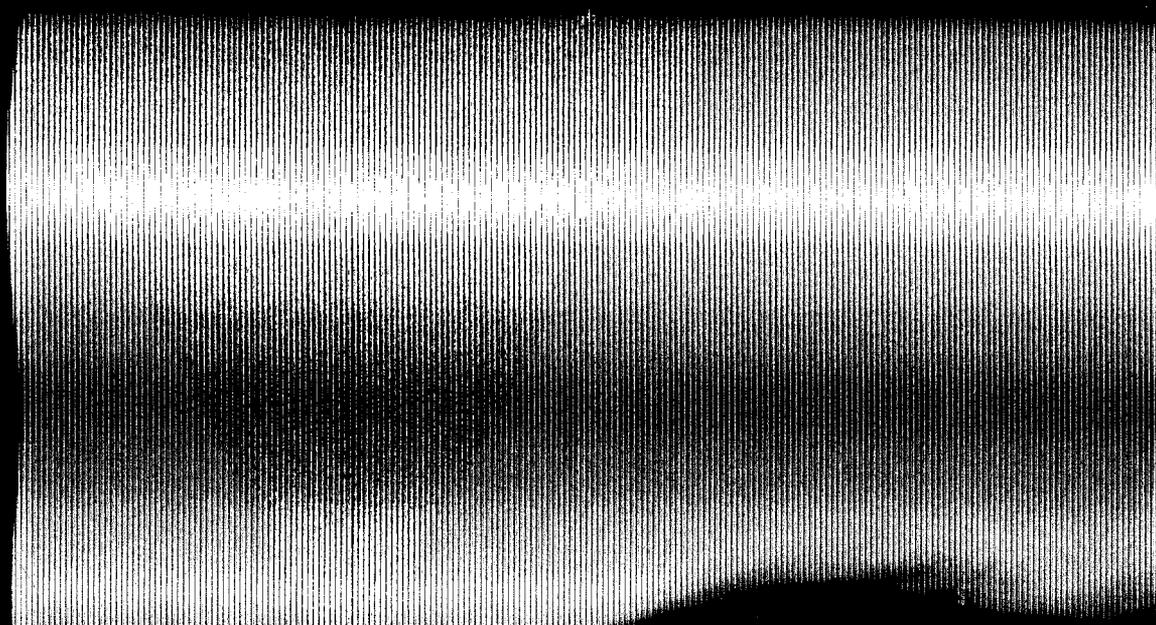
To pay the 1st half installment and tax notices under \$100, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2008. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.

Make your check payable to and mail to:

Ross D. Jacobs
 Yavapai County Treasurer
 1015 Fair Street
 Prescott AZ 86305-1807

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
 AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR
 PARCEL NUMBER
 ON YOUR CHECK.



092654000000021200000000 2 207 30613117 7 2007

Ross D. Jacobs
Yavapai County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

Penalty for late payment is 16% per year
prorated monthly as of the 1st day of the
month for payments postmarked after 5:00
P.M. May 1, 2008 (ARS 42-18052 and ARS
42-18053).

Due March 1, 2008
APPALOOSA WATER COMPANY
306-13-117 7 Roll Number: 0084664
Delinquency Date Second Half Payment

2007 SECOND HALF PAYMENT COUPON

3061311707



If your mortgage company makes your property
tax payments/consider this notice as a courtesy
copy for your records only.

455.60

TO PAY 2ND HALF

Ross D. Jacobs
Yavapai County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

Payment in U.S. FUNDS ONLY

DETACH AND RETURN WITH PAYMENT

2007 PROPERTY TAX NOTICE

Yavapai County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2007 TAX SUMMARY	
306-13-117 7	5131	6.6118	3.9274		PRIMARY PROPERTY TAX	292.24
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
	VALUE IN DOLLARS	ASSTMT %	ASSESSED VALUE	EXEMPTIONS	TAX RATE	TAX
LIMITED LAND, BLDGS, ETC	27,625	16.0	4,420	0	6.6118	292.24
LIMITED PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
LIMITED TOTALS	27,625		4,420	0		292.24
FULL CASH LAND	98,500	16.0	15,760	0	3.9274	618.96
FULL CASH BUILDINGS, ETC	0	0.0	0	0	0.0000	0.00
FULL CASH PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
FULL CASH TOTALS	98,500		15,760	0		618.96
					TOTAL TAX DUE FOR 2007	911.20

008664

SITE ADDRESS:
2011 GILSON ST

LEGAL DESCRIPTION:

APPALOOSA MEADOWS PH 2 TRACT A SEC 9-16-2W
CONT 1.25AC M&P 42/63-65 DEVELOPERS USE

ACREAGE: 1.25

JURISDICTION

02000 YAVAPAI COUNTY	10.59	67.59
07051 CHINO VALLEY SD #51	26.33	277.86
08150 COMMUNITY COLLEGE	10.61	88.02
11204 CHINO VALLEY FD	16.26	421.50
11900 FIRE DISTRICT ASSIST	0.57	13.07
14900 YAVAPAI COUNTY LIBRA	0.65	16.01
15001 YAVAPAI FLOOD CONTRO	1.27	27.15

2006 TAXES

2007 TAXES

This is the only notice you will receive.

Ross D. Jacobs
Yavapai County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

THIS IS A
CALENDAR YEAR
TAX NOTICE

TOTALS

66.28

911.20

306-13-117 7
0078019 NM



T 0796 85020

PAGE 01 OF 02

APPALOOSA WATER COMPANY
C/O MIKE CORDOVANA
7012 N 18TH ST
PHOENIX AZ 85020

PAYMENT INSTRUCTIONS

To pay the 1st half installment and tax notices under \$100, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2008. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2007. Delinquent interest will be waived.

Make your check payable to and mail to:

Ross D. Jacobs
Yavapai County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK.

2006 PROPERTY TAX NOTICE

Yavapai County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE	2006 TAX SUMMARY	
932-05-131 9	5131	6.2602	4.0973		PRIMARY PROPERTY TAX	2,070.58
ASSESSMENT					LESS STATE AID TO EDUCATION	0.00
PRIMARY LAND, BLDGS, ETC	3,115	24.5	763	0	6.2602	47.78
SEC. PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
PRIMARY TOTALS	3,115		763	0		47.78
SECONDARY LAND	3,115	24.5	763	0	4.0973	31.26
SECONDARY BLDGS, ETC	131,885	24.5	32,312	0	3.8990	1,259.86
SEC. PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
SECONDARY TOTALS	135,000		33,075	0		1,291.12
					TOTAL TAX DUE FOR 2006	3,361.70

ACREAGE:	JURISDICTION	2006 TAXES	2005 TAXES
0150875	02000 YAVAPAI COUNTY	547.47	450.72
SITUS ADDRESS: NULL	07051 CHINO VALLEY SD #51	1,361.12	1,288.30
LEGAL DESCRIPTION:	08150 COMMUNITY COLLEGE	548.16	464.12
TOTAL VALUE OF OPERATING PROPERTY	11204 CHINO VALLEY FD	840.10	540.60
306-13-001-D 2,450 306-13-004-F 665	11900 FIRE DISTRICT ASSIST	29.60	25.55
	14900 YAVAPAI COUNTY LIBRA	33.74	28.78
	15001 YAVAPAI FLOOD CONTRO	1.51	1.55
	02001 STATE SCHOOL TAX EQU	0.00	115.48
			2,915.10

is is the only notice you will receive.

Ross D. Jacobs
Yavapai County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

**THIS IS A
CALENDAR YEAR
TAX NOTICE**

*pd # 1680.85
on 4/16/07 for
2nd half of year*



932-05-131 9
0029636 01 AV 0.293 **AUTO T4 0 0796 86

APPALOOSA WATER COMPANY
TONY M CORDOVANA
PO BOX 3150
CHINO VALLEY AZ 86323

THERE WILL BE A CHARGE F
AND YOUR TAXES WILL REV

PAYMENT INSTRUCTIONS

1st half installment, send the 1st half coupon with your payment no later than Nov. 1, 2006. To pay the 2nd half installment, send the 2nd half coupon with your payment no later than May 1, 2007. To pay taxes for the full calendar year, send the 1st half coupon with your payment no later than Dec. 31, 2006. If your payment postmarked no later than Dec. 31, 2006, interest will be waived.

check payable to an
Ross D. Jacobs
County Treasurer
1015 Fair Street
Prescott AZ 86305-1807

CALL
UMI
CHECK.

2006 PROPERTY TAX NOTICE

Yavapai County

ARIZONA

PARCEL #	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
306-20-110 6	5131	6.2602	4.0973	

PRIMARY PROPERTY TAX	110.26
LESS STATE AID TO EDUCATION	0.00
NET PRIMARY PROPERTY TAX	110.26
SECONDARY PROPERTY TAX	85.22
SPECIAL DISTRICT TAX	0.00
TOTAL TAX DUE FOR 2006	195.48

	VALUE IN DOLLARS	ASSTMT %	ASSESSED VALUE	EXEMPTIONS	TAX RATE	NET ASSESSED
PRIMARY LAND, BLDGS, ETC	11,005	16.0	1,761	0	6.2602	110.26
PRIMARY PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
PRIMARY TOTALS	11,005		1,761	0		110.26
SECONDARY LAND	13,000	16.0	2,080	0	4.0973	110.26
SECONDARY BLDGS, ETC	0	0.0	0	0	0.0000	85.22
SEC. PERSONAL PROPERTY	0	0.0	0	0	0.0000	0.00
SECONDARY TOTALS	13,000		2,080	0		85.22

0083432
SITUS ADDRESS:
LEGAL DESCRIPTION:
 AN IRREG PCL THE NW COR LYNG APPRX 1750' FROM THE NW SEC COR SEC 15-16-2W CONT .26AC 36/1-3

JURISDICTION	2006 TAXES	2005 TAXES
02000 YAVAPAI COUNTY	29.16	27.24
07051 CHINO VALLEY SD #51	75.48	82.96
08150 COMMUNITY COLLEGE	29.91	29.29
11204 CHINO VALLEY FD	52.83	42.43
11900 FIRE DISTRICT ASSIST	1.86	2.01
14900 YAVAPAI COUNTY LIBRA	2.12	2.26
15001 YAVAPAI FLOOD CONTRO	4.12	4.13
02001 STATE SCHOOL TAX EQU	0.00	6.98
TOTALS	195.48	197.30

the only notice you will receive.

Ross D. Jacobs
 Yavapai County Treasurer
 1015 Fair Street
 Prescott AZ 86305-1807

**THIS IS A
 CALENDAR YEAR
 TAX NOTICE**

pd \$97.74 on 4/16/07 for 2nd half of year

306-20-110 6
 0076897 NM T 0796 85020



**APPALOOSA WATER COMPANY
 C/O MIKE CORDOVANA
 7012 N 18TH ST
 PHOENIX AZ 85020**

PAYMENT INSTRUCTIONS

To pay the 1st half installment, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2006. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2007. To pay taxes for the full year if the entire amount billed exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2006. Delinquent interest will be waived.

Make your check payable to and mail to:

Ross D. Jacobs
 Yavapai County Treasurer
 1015 Fair Street
 Prescott AZ 86305-1807

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

PLEASE INCLUDE YOUR PARCEL NUMBER ON YOUR CHECK.