State Water Resources Control Board

October 28, 2026

CERTIFIED MAIL

Cesar Palacios

VIA CERTIFIED MAIL NO: 9589 0710 5270 1738 1289 33

NOTICE OF VIOLATION

Investigation ID: 70742

DIVISION OF WATER RIGHTS INVESTIGATION OF STANISLAUS COUNTY ASSESSOR PARCEL NUMBER (APN) 025-020-001-000 and 025-020-005-000

Cesar Palacios,

On June 19, 2026, staff from the State Water Resources Control Board (State Water Board), Division of Water Rights (Division), in coordination with California Department of Fish and Wildlife (CDFW) conducted a search warrant investigation of the property referenced above (Property). The purpose of the investigation was to observe the diversion and use of water occurring on the Property and to evaluate potential impacts to the watershed.

You are being contacted because you were identified as the property owner of the Stanislaus County APN identified above where you are allegedly diverting and using water for cannabis cultivation.

During the investigation, Division staff observed California Water Code (WC) and State Water Board, Cannabis Cultivation Policy (Policy) violations. Enclosed is the Division's Inspection Report (Report) of your Property that includes Division staff observations, alleged violations and the corrective actions necessary for compliance with the WC and the State Water Board's Policy. The enclosed Report constitutes your second notice of the alleged violations and this matter requires your immediate attention. The first notice of violation was left with a copy of the search warrant on June 19, 2026 and detailed WC and Policy violations and corresponding corrective actions.

The State Water Board retains the authority and discretion to take enforcement action based on the facts and allegations contained herein and you may be subject to further enforcement action before the State Water Board. Therefore, this matter requires your immediate attention. You should follow all staff recommended corrective actions

described in the enclosed Report or submit a response indicating any course of action you intend to take or have taken, including an implementation schedule, and/or photo documentation that demonstrates your compliance. You can submit supporting documentation directly to Division staff as described at the end of this Report in the **Compliance Assistance References section**.

If you have questions concerning the Report, please contact me by phone at (916) 341-5410, or by email at Ryan.Babb@waterboards.ca.gov. Written correspondence can be provided and addressed to the following address: State Water Resources Control Board, Division of Water Rights, P.O. Box 2000, Sacramento, CA 95812-2000, Attention: Ryan Babb.

Sincerely,

ORIGINAL SIGNED BY:

Ryan Babb
Water Resource Control Engineer
Cannabis Enforcement Unit
Division of Water Rights

Enclosures:
Division of Water Rights Inspection Report dated Jun 19, 2026

ec: Division of Water Rights - Cannabis Enforcement
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