



**For immediate release:**

June 2, 2006

**For more information, contact:**

Craig Roepke, Water Projects Bureau Chief  
Interstate Stream Commission  
(505) 827-6117

Maureen Haney, Public Relations Coordinator  
Planning and Communication Division  
(505) 764-3864

## **Eagle Nest Water Rights Settlement Signed**

**(ANGEL FIRE, New Mexico)** -- Governor Richardson and the local parties signed the Eagle Nest Water Rights Settlement today, settling decades of litigation and uncertainty over rights to water out of Eagle Nest Reservoir.

The mayors for Eagle Nest, Raton, Springer, Angel Fire, and representatives from Philmont Scout Ranch, UU Ranch, CS Ranch, Vermejo Park, Vermejo Coal, and others gathered with the Governor at Angel Fire Community Center today to sign the agreement.

After two years of litigation water users now have an agreement on water deliveries that can be met by Eagle Nest Reservoir, which has been owned by the State of New Mexico since 2002. Except in the most severe, extended droughts, modeling estimates there will be enough water in the lake to sustain the fisheries and recreational values for which the state purchased the Reservoir.

Charles Springer, a rancher and entrepreneur in the Cimarron Valley in northern New Mexico, and Neal Solvanger, an engineer, built a dam in 1916 on the Cimarron River to capture surplus flows in the then privately owned reservoir. Eagle Nest Dam and Reservoir can hold up to almost 70,000 acre-feet of water. To help finance the dam, Springer sold some water rights to water from Eagle Nest to farmers. Those original deeded rights became known as the "vested rights."

In 1951 the State District Court adjudicated the entire Cimarron Basin, confirming Springer's right to store surplus and flood flows in Eagle Nest for later use under State Engineer Permit No. 71. Court cases continued, even moving up to the New Mexico State Supreme Court by 1990.

Over the years, Eagle Nest water rights have been transferred from farming and ranching to meet the needs of growing populations as far away as the cities of Raton and Springer. The Villages of Angel Fire and Eagle Nest have sprung up around the lake and bought rights to Eagle Nest water. Contract, or 'Tier-Two' rights, for additional bulk water deliveries were sold.

The City of Raton paid to acquire over 3,000 acre-feet of Eagle Nest water rights and to store and protect any unused allocations. Other municipalities and users have taken the same route.

Shortly before the state acquired the reservoir in 2002, Raton filed a court action to confirm their right to private storage in Eagle Nest. Court-ordered mediation failed. Water users in the area were potentially facing years of litigation.

**(MORE)**

The New Mexico Interstate Stream Commission was tasked with operating and maintaining Eagle Nest Dam and reservoir. At the same time Eagle Nest water users approached Governor Richardson and asked his help to solve their never-ending water litigation.

The Interstate Stream Commission, the New Mexico Department of Game and Fish, and Bill Hume, the Governor's Director of Policy, presented initial modeling to the users that confirmed there wasn't even enough water to meet original vested rights, much less additional rights sold over the years.

Nine months of intense, difficult negotiations, by the users resulted in the basics of a settlement. All users share shortages, in amounts determined by how much water is in the lake on June 1<sup>st</sup> of each year. All users are treated equally, including the Tier-Two users. Adjustment of allocations and reductions in private storage protect the original vested users.

"I want to congratulate all the users who took it upon themselves to craft this settlement," said Governor Richardson. "They and the state agencies involved did an amazing job to get this done in such a short time. As part of the settlement, the state has committed to provide some funding to repair two diversions. I will see the state keeps that commitment."

"This is a really exciting day for the water users," said Craig Roepke, Chief of the Interstate Stream Commission Water Projects Bureau. "They are the ones who should get the credit for crafting this settlement. We just gave them the tools they needed to make good decisions."

"It's not only great that we've settled these water issues and provided certainty and real values to Eagle Nest," said Interstate Stream Commission Director Estevan Lopez, "but this settlement will end years of divisive and contentious relations between users on the system. Until the negotiations, some people weren't even talking, except through their attorneys. Now they're back to being good neighbors."

The Office of the State Engineer is charged with administering the state's water resources. The State Engineer has power over the supervision, measurement, appropriation, and distribution of all surface and groundwater in New Mexico, including streams and rivers that cross state boundaries. The State Engineer is also Secretary of the Interstate Stream Commission and oversees its staff.

The Interstate Stream Commission is charged with separate duties including protecting New Mexico's right to water under eight interstate stream compacts, ensuring the state complies with each of those compacts, as well as water planning.

# # #