



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF RECLAMATION
Upper Colorado Regional Office
125 South State Street, Room 6107
Salt Lake City, Utah 84138-1147



WCD-PPage
WTR-4.13

NOV - 9 2009

Mr. John D'Antonio Jr., PE
Office of the State Engineer
State of New Mexico
P.O. Box 25102
Santa Fe, NM 87504

Subject: Proposed Operating Plan for Navajo Reservoir, Navajo Unit, Colorado River Storage Project, Colorado and New Mexico

Dear Mr D'Antonio:

Public Law 87-483, Section 11, directs the Bureau of Reclamation to apportion shortages to entitled users of Navajo Reservoir storage water, on a pro-rata basis, in the event shortages are anticipated. While current conditions (inflow forecast and reservoir content) indicate that a shortage is not likely in the near future, notwithstanding the direction provided in Section 11, a group of ten water users have developed an agreement among themselves as to how they will allocate the water supply in a drought situation (*Recommendations for San Juan River Operations and Administration for 2009-2012, January 29, 2009*).

Because Reclamation has no ability to control or influence agreements among water users, and because this agreement among the users will not cause Reclamation to undertake any change in its operations from how we would operate under Section 11, the recommendations fall within our anticipated operating plan for 2009 through 2012. We also anticipate that operations under Section 11 will not cause releases to fall below the minimum allowable release rate from Navajo Dam.

We have received endorsement letters from the following Navajo Unit contractors and subcontractors, all endorsing this same plan:

Arizona Public Service Company (APS)
BHP-Billiton
Hammond Conservancy District
Jicarilla Apache Nation
Navajo Nation
Public Service Company of New Mexico (PNM)

In addition, we have received similar letters of endorsement from the following entities:

Bloomfield Irrigation District
 City of Farmington
 Farmers Mutual Ditch
 Jewett Valley Ditch

While Reclamation recognizes these recommendations as a temporary solution to providing some means of water rights administration, we encourage the State Engineer to continue proceeding towards promulgation of rules and regulations for administering water rights within the San Juan River Basin in New Mexico. Also, please be advised that Reclamation's acknowledgement of these recommendations does not constitute endorsement of any disclaimers included in any parties' endorsement letter.

I offer my thanks to you and the staff members of the Office of the State Engineer and the New Mexico Interstate Stream Commission who helped facilitate the development of these recommendations.

If you have any questions, please contact Mr. Pat Page at 970-385-6560.

Sincerely,



Larry Walkoviak
 Regional Director

cc: Honorable Joe Shirley, Jr.
 President, Navajo Nation
 P.O. Box 9000
 Window Rock, AZ 86515

Carroll Crawford
 Bloomfield Irrigation District
 P.O. Box 606
 Bloomfield, NM 87413

Honorable Levi Pesata
 President, Jicarilla Apache Nation
 P.O. Box 709
 Dulce, NM 87528

Cindy Murray
 Public Service Company of New Mexico
 2401 Aztec N.E.
 Albuquerque, NM 87107

Russell Smith, President
 Hammond Conservancy District
 790 Road 4990
 Bloomfield, NM 87413

Ken Nordlander
 Arizona Public Service Company
 P.O. Box 53999
 Phoenix, AZ 85072-3999

Continued on next page.

cc: Continued from previous page.

Wayne Isaacs, President
BHP Billiton
300 West Arrington, Suite 200
Farmington, NM 87401

James Rogers
Jewett Valley Water Users Association
P.O. Box 39
Waterflow, NM 87421

David Campbell
New Mexico Ecological Services Field Office
Fish & Wildlife Service
2105 Osuna Road NE
Albuquerque, NM 87113-1001

John Whipple
New Mexico Interstate Stream Commission
P.O. Box 25102
Santa Fe, NM 87504-5102

Robert Genualdi
New Mexico Office of the State Engineer
100 South Oliver Drive
Aztec, NM 87410

Lawrence Stock
Farmers Mutual Ditch
P.O. Box 467
Kirtland, NM 87417

Honorable William E. Standley
Mayor of Farmington
800 Municipal Drive
Farmington, NM 87401

John Leeper
Navajo Nation
Water Management Branch
P.O. Drawer 678
Fort Defiance, AZ 86504

Andrea Lefevre
Jicarilla Apache Nation
P.O. Box 407
Dulce, NM 87528

Steve Lynch
Bureau of Indian Affairs
Navajo Indian Irrigation Project
304 N. Auburn, Suite B
Farmington, NM 87401

55-22
San Juan Admin

NEW MEXICO INTERSTATE STREAM COMMISSION

COMMISSION MEMBERS

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J. PHELPS WHITE, III, Vice-Chairman, Roswell
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JULIA DAVIS STAFFORD, Cimarron
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JAMES WILCOX, Carlsbad



BATAAN MEMORIAL BUILDING, ROOM 101
POST OFFICE BOX 25102
SANTA FE, NEW MEXICO 87504-5102

(505)827-6160
FAX:(505)827-6188

October 26, 2009

Mr. Larry Walkoviak
Regional Director
Bureau of Reclamation
Upper Colorado Regional Office
125 South State Street, Room 6107
Salt Lake City, Utah 84138-1102

Dear Mr. Walkoviak:

I accept the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009. The Recommendations have been endorsed by the ten major water users who are party to them, and provide a cooperative framework for operating Navajo Dam and administering the San Juan River during the period 2009-2012. My acceptance of the Recommendations, however, should not be construed as agreement to any disclaimers included in the endorsements of the parties.

The Office of the State Engineer during the period 2009-2012 will continue to work towards promulgation of rules and regulations for administering water rights within the San Juan River Basin in New Mexico. It is anticipated that any such rules and regulations would not necessarily prohibit the development and implementation of alternative cooperative agreements for administration of diversions from the San Juan River stream system.

I wish to express my thanks to the Western Colorado Area Office staff, and to Mr. Pat Page in particular, for Reclamation's continued cooperation in facilitating cooperative agreements for the administration and distribution of water in the San Juan River Basin in New Mexico. Please call me or John Whipple if you have any questions regarding these matters.

Sincerely,

John R. D'Antonio, Jr., PE
State Engineer

Copy: Pat Page

**Recommendations for San Juan River Operations
and Administration for 2009 through 2012
January 29, 2009**

The endorsing parties make the following Recommendations for Navajo Dam operations and San Juan River administration from 2009 through 2012 with certain limitations on the time period as described herein to the US Bureau of Reclamation and the New Mexico State Engineer for the purpose of establishing a cooperative distribution of water supplies during the time these Recommendations are in effect among users of water from the San Juan River in New Mexico. The agreement of the endorsing parties to make the Recommendations, their commitment to abide by the Recommendations if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of the Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water; (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow Recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in section 1 of the Recommendations below and water uses not included in section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; or (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by parties to said agreements. The endorsing parties further understand that Reclamation's acceptance of the Recommendations is contingent upon Reclamation's opinion that the operating criteria presented herein are not inconsistent with Section 11 of Public Law 87-483 and the Navajo Reservoir Operations Environmental Impact Statement Record of Decision, dated July 31, 2006, and that the New Mexico State Engineer's acceptance of the Recommendations is subject to the Upper Colorado River Commission making no determination, pursuant to Article IV of the Upper Colorado River Basin Compact, that uses in the Upper Basin need to be curtailed during the time these Recommendations are in effect in order that the flow at Lee Ferry shall not be depleted below that required by Article III of the Colorado River Compact. In the event there is a determination under Article IV, the parties to these Recommendations agree to meet to within thirty days of the determination to make any necessary adjustments to the Recommendations.

1. Water Use Demands

The water diversion demands for specified projects or uses shown in Table 1 shall be recognized for 2009 through 2012, subject to certain limitations on the time period. The diversion demand amounts listed for the Hammond Irrigation Project, the San Juan Generating Station, the Four Corners Power Plant and the City of Farmington may

provisions, the San Juan Generating Station and Four Corners Power Plant diversions will be voluntarily reduced by 5% from the amounts shown in Table 1 prior to computing the shortage amount.

The Navajo Nation agrees for the purposes of this recommendation to limit the NIIP diversion in any year in which a shortage is declared pursuant to the provisions of Section 3 to the level shown in Table 1 for the respective year of shortage, less any computed amount of shortage allocated to the NIIP under this recommendation. In the event that there is no shortage in a given year, either forecasted or actual for any particular forecast period, the Navajo Nation agrees to limit the NIIP diversion to the level shown in Table 1 for the respective year; except, that the Navajo Nation, at its discretion, may increase the NIIP diversion during the given year by up to an additional 5,000 acre-feet as long as such increase does not induce a shortage. This allowed increase is in recognition of the continuing development of NIIP whereby acreage is increased each year as construction progresses.

In recognition of the difficulties some irrigation ditches have had in providing water to all users within their respective ditch systems, the endorsing parties agree to allow those ditches to increase their diversion rates from those shown in Table 1 by up to 12.5% for the months of July and August only. It is understood that this provision to increase diversions is further subject to the following conditions: 1) The entity has implemented reasonable good faith efforts to enhance the efficiency of their system and improve the overall water management of their system, and difficulties in getting water down the entire reach of the ditch still exist during July and August; and 2) When applying the provisions of Section 3, no shortage is determined to exist. If a shortage is determined to exist, the ditch shall adhere to the diversion rates in Table 1 and shortages shall be applied as described in Section 3.

The endorsing parties agree during 2009 through 2012 only to exempt from any use reduction requirement projects or uses in the San Juan River Basin that are not included in the tabulation above and that are not otherwise contrary to adjudicated, permitted or licensed diversion rights; except, that the parties recommend that the Bureau of Reclamation's San Juan-Chama Project diversions be limited in accordance with the provisions of section 3 below.

Amounts diverted by Farmington that shall not be charged against the diversion demand amount listed for the City of Farmington include amounts: (1) diverted for delivery to local water users associations or to the Navajo Tribal Utility Authority-Shiprock or (2) diverted for non-consumptive use at the Farmington hydro-electric power plant. Also, the amount of diversion by the Hammond Irrigation Project that is chargeable or accountable against its diversion demand amount shall be computed for 2009 through 2012 as the measured diversion amount by the project less the measured returns to the San Juan River on the Armenta wasteway. Diversions by ditches for delivery to municipalities, industrial users, domestic water user associations and stock uses may continue outside the specified irrigation season.

- (b) Calculate the daily differences between the approximated daily flows through the reach of critical habitat and the target minimum base flow for the San Juan River below its confluence with the Animas River downstream to Lake Powell. Adjust the daily Navajo Dam release rates made in 2002 for the calculated differences to indicate the daily releases that might be made in 2009 through 2012 under minimum probable runoff conditions, based on a seven-day running average. Also, adjust the daily dam release rates for any significant differences in the monthly diversion demand amounts for the Hammond Irrigation Project, the San Juan Generating Station, the Four Corners Power Plant and the minor Jicarilla Apache Nation subcontracts in 2009 through 2012 as compared to 2002.
- (c) Adjust the computed daily Navajo Dam release rates for maximum dam releases during seven-day periods in consideration of real-time dam operation practices. Also, adjust dam release rates as necessary or possible to maintain a minimum release of 250 cfs during 2009 through 2012.

The determination of Navajo Dam release demands shall be updated if a change in the forecasted runoff or actual runoff for the Animas River suggests that tributary inflow to the San Juan River will be significantly different than the tributary inflow that occurred during 2002.

3. Shortage Determination and Sharing

The Bureau of Reclamation shall make calculations of any water supply shortage on the San Juan River for 2009 through 2012 using operations studies for Navajo Reservoir that evaluate monthly dam and reservoir operations for calendar years 2009 through 2012. The operations studies shall consider: (1) the amount of water physically stored in Navajo Reservoir above elevation 5990 feet; (2) monthly evaporation from Navajo Reservoir to be estimated based on actual and projected storage levels and Navajo Dam evaporation rates; (3) anticipated monthly reservoir inflows estimated by Reclamation; (4) anticipated monthly Navajo Dam releases to meet all demands on the San Juan River below the dam as determined pursuant to section 2 above; and (5) anticipated monthly diversions to the Navajo Indian Irrigation Project. The anticipated monthly reservoir inflows shall be estimated using the National Weather Service's forecasts for minimum probable unregulated inflows to Navajo Reservoir, then adjusted by Reclamation for anticipated operations of Vallecito Dam and the San Juan-Chama Project under minimum probable runoff conditions. For periods for which reservoir inflow forecasts are not available, the anticipated monthly inflows shall be estimated as the 90-percent exceedence inflow to the reservoir as determined from the hydrologic record.

If the operational studies indicate that the reservoir water surface level would fall below elevation 5990 feet at any time during 2009 through 2012 should the diversion demands at and below Navajo Dam and Reservoir be fully satisfied, then Reclamation shall calculate the amount of shortage to the diversion demands that must occur to prevent the projected water surface level in the reservoir from falling below elevation 5990 feet.

revised end date shall be adjusted further to provide credit for any irrigation depletion demand forgone as a result of delaying the start date of the irrigation season past April 1 or as a result of ceasing diversions during the irrigation season. In order for a ditch to receive credit for irrigation depletion demand forgone as a result of ceasing diversions for a period of time after starting irrigation deliveries but prior to ending irrigation deliveries, the ditch must: (1) provide Reclamation and the State Engineer with one-week advance notice of the number of days and the dates during which diversions will cease; and (2) cease all diversions for agricultural purposes during the dates specified, for a period of not less than seven consecutive days. Irrigation depletion reductions for partial months shall be estimated assuming a constant daily irrigation depletion rate within each month. Diversions by ditches for delivery to municipalities, industrial users, domestic water user associations and stock uses may continue whether the irrigation season is shorted or not.

The endorsing parties recommend that the Bureau of Reclamation not make any spring peak flow release from Navajo Dam for endangered fish habitat purposes during 2009 through 2012 unless the SJRIP's San Juan Model Operating Rule Decision Tree indicates that such a release could be made without causing a shortage to water users.²

Reclamation, in consultation with the U.S. Fish & Wildlife Service, shall operate the dam during 2009 through 2012 to maintain a target minimum base flow rate of 500 cfs in the San Juan River from its confluence with the Animas River downstream to Lake Powell unless in 2009 through 2012 the Minimum Probable Inflow Forecast projects the July 31, Navajo Reservoir content to be below 1,000,000 acre-feet. In that event, the target base flow rate through October of that year shall be 400 cfs; provided that Reclamation's operations studies for Navajo Reservoir do not result in the calculation of a water supply shortage. If Reclamation calculates a shortage in 2009 through 2012 in accordance with the preceding provisions, then the target minimum base flow demand amount for the period April 1 through October 31, shall be reduced by the same percentage as the percentage shortage calculated by Reclamation; provided, that the target minimum base flow rate shall not be less than 350 cfs for more than 50 days of which no more than 40 days may be below 300 cfs, with a minimum flow of 250 cfs. The base flow in the San Juan River during 2009 through 2012 shall be measured as the minimum of: (1) the average of the flows in the river at the Shiprock, Four Corners and Bluff gages; and (2) the average of the flows in the river at the Farmington, Shiprock and Four Corners gages. It is recognized that the actual base flow at times may not meet the target minimum base flow for short periods of time (for example, one or more days) due to hydrologic uncertainty and operational limitations; but, Reclamation shall operate Navajo Dam to maintain the target minimum base flow on a weekly-average basis.

The endorsing parties also agree that during November and December in 2009 through 2012, the San Juan Generating Station, the Four Corners Power Plant, the City of Farmington and the minor Jicarilla Apache Nation subcontractors may divert water from the direct flow of the San Juan River system in excess of any shorted diversion amount

² The Decision Tree utilizes the Most Probable Inflow Forecast, the available water in storage, and the anticipated demands to determine if sufficient water will be available to allow for a spring peak release while not creating a shortage to users.

and the Hogback Irrigation Project will be further reduced by the added increment of shortage.

The Public Service Company of New Mexico, the Arizona Public Service Company and BHP Billiton agree to provide funds to mitigate the effects to the water supply of any added increment of shortage that is caused by actual diversion of water under the subcontracts, with the proviso that actual shortages and deliveries of water may vary from projected shortages and deliveries. To this end, the Public Service Company of New Mexico, the Arizona Public Service Company and BHP Billiton shall provide mitigation funds of \$147,800 in 2009, 2010, 2011, and 2012 plus up to an additional \$541,400 in 2009, 2010, 2011, and 2012 based on the proportionate amounts of the supplemental water over an initial ten percent (10%) actually used by the power plants under the subcontracts, and will distribute said funds directly to representative bodies for the specified irrigation uses or projects in the following percentages: 4.4 percent to the Hammond Conservancy District, 3.6 percent to the Bloomfield Irrigation District, 3.5 percent to the Farmers Mutual Ditch, 1.3 percent to the Jewett Valley Ditch, and 87.2 percent to the Navajo Nation³. The Navajo Nation may distribute its share of mitigation funds to the Navajo Agricultural Products Industry and the San Juan River Dineh Water Users, Inc. as it deems appropriate. Any required mitigation funds shall be provided to the representative bodies no later than January 30th of the following year for any year in which these Recommendations are in effect and the representative bodies for the specified irrigation uses or projects may utilize or dispose of said funds in a manner or manners of their choosing to the benefit of the water users under the projects. In no event shall the provisions of this section be construed to establish any requirement on behalf of the Public Service Company of New Mexico, the Arizona Public Service Company, BHP Billiton, the Jicarilla Apache Nation, the Bureau of Reclamation or any other party to mitigate any impacts to water supply on the San Juan River caused by the power plants taking delivery of water under the subcontracts, or to establish any precedent for water use arrangements between them or San Juan River operations and administration in 2013 or succeeding years.

Additional agreements to transfer or broker water between endorsing parties within the water allocations made pursuant to the Recommendations provided herein may be negotiated.

5. Dispute Resolution

The endorsing parties agree to cooperate fully in the implementation of the above Recommendations and to abide by the diversion limitations for 2009 through 2012 provided herein to the extent of their authority and ability. In the event that a dispute should arise regarding the implementation of the Recommendations or the performance of an endorsing party under the Recommendations, the endorsing parties commit to resolve such dispute in a cooperative, timely and effective manner. If a dispute involves only endorsing parties and cannot be resolved among themselves, the Bureau of Reclamation and the New Mexico State Engineer may be requested to hear and facilitate

the right to submit the Recommendations to the Bureau of Reclamation and the State Engineer for acceptance and adoption pursuant to this section with less endorsing parties than listed in paragraph 9. The Recommendations shall be effective upon written notice to the endorsing parties that the Bureau of Reclamation and the State Engineer accept and adopt the Recommendations for implementation; provided that all parties choosing to endorse the Recommendations have provided original signed copies of such endorsement to Reclamation and the State Engineer. The Recommendations are valid for calendar years 2009 through 2012, unless a shortage is declared in any of those years, in which case, the term of these Recommendations shall end on January 1st of the year following the shortage year. If no shortage is declared during the term, these Recommendations shall terminate on January 1, 2013, unless terminated earlier or extended by agreement of the endorsing parties.

8. Waiver of Liability

No party endorsing the Recommendations shall hold another endorsing party responsible or liable for any damages or claims that may occur or arise as a result of implementing the Recommendations presented herein, including as a result of analyses, decisions or operations made under the Recommendations; provided that the other endorsing party fulfills its commitments and obligations as expressed herein. In the event that an endorsing party does not fulfill its commitments and obligations as expressed herein to the detriment of other endorsing parties and the matter cannot be resolved through dispute resolution as provided in section 5 above, the endorsing parties reserve the right to seek appropriate remedies, if any, under applicable law in state or federal court. An endorsing party's remedies shall not be limited to the enforcement of any commitment or obligation as expressed in the Recommendations provided herein and may include remedies that would be available to any party that has not endorsed the Recommendations. This provision shall not be construed to: (1) waive the sovereign immunity of any Indian tribe; or (2) constitute a consent to tribal jurisdiction by any party. The endorsing parties waive no rights with regard to non-endorsing water users in 2009 or thereafter.

9. Endorsing Parties

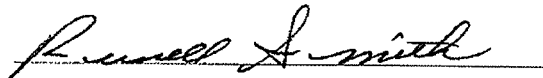
The following entities are endorsing parties to the Recommendations herein:

- The Navajo Nation
- The Jicarilla Apache Nation
- The City of Farmington
- Public Service Company of New Mexico
- Arizona Public Service Company
- BHP Billiton
- Hammond Conservancy District
- Bloomfield Irrigation District
- Farmers Mutual Ditch
- Jewett Valley Ditch

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 26th day of February, 2009.



Name: Russell Smith
Title: President
On Behalf of: Hammond Conservancy District

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 27th day of February, 2009.



Name: Levi Pesata

Title: President

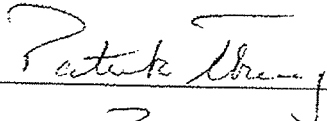
On Behalf of: Jicarilla Apache Nation

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 13th day of MAZCH, 2009.



Name: PATRICK THEMIG
Title: VP GENERATION
On Behalf of: PWM

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

BLOOMFIELD IRRIGATION DISTRICT

Office 632-2800 Fax 632-0846

P.O. Box 606 Bloomfield, NM 87413

ENDORSEMENT AND AGREEMENT

THE undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from implementation of these Recommendations shall not be construed to; (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and stream flow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific in stream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party; (10) not be an impediment to the Bloomfield Irrigation District (B.I.D.) requesting the flexibility in reservoir releases as related on page two of Ms. Carol De Angelis, BOR Area Manager letter to the B.I.D. Dated July 6, 2005, where release of future development water is not being currently fully used will be incorporated into operations to augment the 250 CFS minimum release during the irrigation season with a goal of releases at or above 350 CFS which will be necessary for the B.I.D. to receive its agreed rate of diversion in Table 1- Diversion demand of 160 CFS where the San Juan River 50/50 stream channel split will only provide the measured 78 percent (78%) of the B.I.D. diversion demand with our reasonable western channel river bed maintenance and modifications, and thereby cause impairment to our water users without such augmenting releases; (11) be an endorsement of the flawed 2001 Low Flow Test and predetermined conclusion of a 250/5000 preferred flow recommendations; (12) prevent the B.I.D. to reserve the right to withdraw, in writing, from this agreement if our users water rights become impaired without necessary additional releases.

Chairman Carroll Crawford directed to execute this endorsement and agreement by the District Board of Directors in Open Meeting on April 7th, 2009 as consent Agenda item number two.

Signed this 7th day of April, 2009

Carroll Crawford
Signature

Name: Carroll Crawford

Title: Chairman / Manager

On Behalf of: Bloomfield Irrigation District

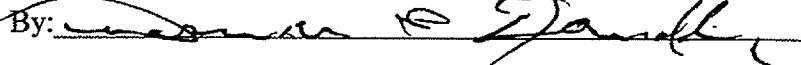
If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached.

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

This Endorsement and Agreement is conditioned upon and will not be effective unless and until the Recommendations for the San Juan River Operations for 2006 dated December 19, 2005, have been endorsed and agreed to by the Navajo Indian Irrigation Project, Hogback Irrigation Project, Citizens Ditch, Farmers Mutual Ditch, Fruitland Irrigation Project, Hammond Conservancy District, Bloomfield Irrigation District, BHP Billiton and Public Service Company of New Mexico (San Juan Generating Station).

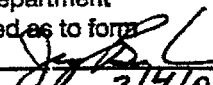
Signed this 19th day of May, 2009.

By: 

Name: William E. Standley

Title: Mayor

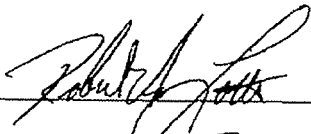
On Behalf of: City of Farmington
800 Municipal Drive
Farmington, NM 87401

Legal Department
Approved as to form
By: 
Date: 3/4/09

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 14 day of JULY, 2009.



Name: ROBERT A. LOTTS

Title: WATER RESOURCES MANAGER

On Behalf of: ARIZONA PUBLIC SERVICE CO.

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 29 day of Aug, 2009.

Name: Lawrence Stock

Title: CHAIRMAN

On Behalf of: FARVENS MUTUAL DISTRICT


If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 1st day of September, 2009.

Name:


Evan Y. Jones

Title:

Vice President

On Behalf of: BHP Navajo Coal Company

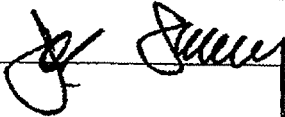
If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

EXHIBIT A

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this _____ day of _____, 2009.

Name:		SEP 03 2009
Title:		
On Behalf of:		

JOE SHIRLEY
PRESIDENT
NAVAJO NATION

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached

RECEIVED


SEP 23 2009

WCAO - DURANGO
PROPERTY AND PROCUREMENT

ENDORSEMENT AND AGREEMENT

The undersigned party endorses the Recommendations for San Juan River Operations and Administration for 2009 through 2012, dated January 29, 2009, and agrees to comply with its terms; provided that this Endorsement and Agreement, if accepted and implemented by Reclamation and the State Engineer, and any results from the implementation of these Recommendations shall not be construed to: (1) be a determination or evidence of, or to establish, any party's water rights or consumptive use of water, (2) be a precedent for Navajo Dam operations or water administration in the San Juan River Basin in New Mexico in succeeding years; (3) be an agreement as to the validity or applicability of, or to imply an accepted modification to, the San Juan River Basin Recovery Implementation Program's flow recommendations for endangered fish habitat in the San Juan River or any interpretation thereof; (4) establish any cause and effect relationships between any water uses, including water uses described in Section 1 of the Recommendations and water uses not included in Section 1, and streamflow impacts, water supplies or shortages; (5) establish any priorities between a given use of water from the San Juan River and other uses of water from either the San Juan River or its tributaries; (6) establish any entitlements to water, including any entitlements of fish to specific instream flows; (7) alter or amend any pre-existing agreements between parties unless otherwise expressly agreed to by the parties to said agreements; (8) waive the sovereign immunity of any Indian tribe; or (9) constitute a consent to tribal jurisdiction by any party.

Signed this 16th day of September, 2009.


Name: James T. Rogers

Title: Chairman

On Behalf of: Jewett Valley Water Users Assoc.

If appropriate, a resolution evidencing authority to enter into this Endorsement and Agreement to be Bound is attached