ANIMAS-LA PLATA PROJECT
COLORADO AND NEW MEXICO

Status Report
November 1954
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Post Office Box 640
Durango, Colorado

November 4, 1954

To: Regional Director, Region 4, Salt Lake City, Utah

From: Area Engineer, Durango, Colorado

Subject: Transmittal of Status Report--Animas-La Plata Project, Colorado and New Mexico

The accompanying report summarizes results of preliminary investigations made of means of utilizing presently unused water of the Animas and La Plata Rivers in their associated areas of the San Juan Basin in Colorado and New Mexico. It outlines a potential project that would regulate and distribute these unused flows to provide full irrigation for 65,980 acres of new and presently dry farmed land and supplemental irrigation for 25,640 acres of land with decreed water rights from the La Plata River. Approximately 21 percent of the land that would be served is Indian owned.

Applicable data from previous investigations were utilized in the studies and only a minimum of field work was performed to obtain additional data. The investigations were carried out only in sufficient detail to determine whether more thorough studies are warranted and, on finding in the affirmative, to give direction to those studies.

The project plan described in the report evolved from consideration of various means of bringing water to the land and of different scales of development. It represents about the maximum development possible under present conditions. Maximum utilization of Animas River water is not provided under this plan. Possibilities for enlarging the Project to increase the irrigable area, however, would involve the consideration of potential competitive uses of New Mexico's allotment of Upper Colorado River water as well as the economic justification of the possible larger scales of development.

Two land areas that would not be irrigated under the plan described should be further considered before the final project plan is formulated. These areas, further discussed in the report, are identified as follows:

(1) Some 7,000 acres of arable land lying in narrow strips along arroyos extending southeasterly from the McDermott area that could be served by a canal extending from that area.

(2) About 10,000 acres of arable land lying east of Animas River in New Mexico that could be served by a diversion dam and a canal from Animas River.

OSE-2426
A number of possible plans to develop hydroelectric power in connection with the Animas-La Plata project were studied. None of these possibilities was found to be economically justified under present costs and criteria. Some of the studies, however, particularly one involving a reservoir that would inundate the town of Silverton, were made from rough projections and warrant further consideration.

The rough analyses made for this report show that the Animas-La Plata project is economically justified. Further studies directed toward completion of a feasibility report for submission to Congress are warranted. Detailed investigations of all phases of the project should be preceded, however, by the assembly of more reliable data on the more critical aspects. Periodic analyses of the information should be made. If at any time it is conclusively shown that the project would be unjustified or would not be supported by the local people, the investigations could be terminated.

I recommend that copies of this report be made available to State and local interests concerned whose desires should be considered in any further investigation work done on the potential project.

/s/ W. F. Crabtree
SUMMARY—ANIMAS-LA PLATA PROJECT

LOCATION: Southwestern Colorado and northwestern New Mexico, San Juan River Basin.

PLAN OF DEVELOPMENT

Teft Reservoir with an active capacity of 30,000 acre-feet would be created on the Animas River by a dam 22 miles upstream from Durango, Colo. Project irrigation water would be conveyed from Teft Reservoir to the project area, in the La Plata River Basin, by the Animas-La Plata Diverion Canal, 49.2 miles in length and with a capacity of 600 second-feet. Two storage reservoirs would be created in the project area. Hay Gulch Reservoir with an active capacity of 50,000 acre-feet would be served by the Animas-La Plata Diverion Canal and by excess flood flows of La Plata River diverted into the same canal. Meadows Reservoir with an active capacity of 12,000 acre-feet would be served by the Meadows Diverion Canal which would divert return flows, flood flows, and releases from Hay Gulch Reservoir from La Plata River. The various project areas would be served by the Animas-La Plata Diverion Canal; the McDermott and Ring Cone Canals, supplied by the Animas-La Plata Diverion Canal; the Red Mesa and Dry Side Canals, supplied by Hay Gulch Reservoir; Meadows Diverion Canal and canals supplied by Meadows Reservoir. Existing laterals, enlarged as necessary, would serve the presently irrigated lands. Lateral would be constructed to serve all project lands not presently irrigated. Project drainage would be provided for both full and supplemental service lands.

IRRIGABLE ACREAGE (Unit—acres)

<table>
<thead>
<tr>
<th></th>
<th>Colorado</th>
<th>New Mexico</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full irrigation service land</td>
<td>45,920</td>
<td>15,060</td>
<td>60,980</td>
</tr>
<tr>
<td>Supplemental irrigation service land</td>
<td>20,100</td>
<td>5,540</td>
<td>25,640</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>66,020</strong></td>
<td><strong>20,600</strong></td>
<td><strong>86,620</strong></td>
</tr>
</tbody>
</table>

WATER SUPPLY (Unit—acre-feet)

<table>
<thead>
<tr>
<th></th>
<th>Colorado</th>
<th>New Mexico</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average annual project supply delivered to farm headgates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For full irrigation service land</td>
<td>105,300</td>
<td>42,530</td>
<td>147,830</td>
</tr>
<tr>
<td>For supplemental irrigation service land</td>
<td>30,880</td>
<td>5,980</td>
<td>37,060</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>135,180</strong></td>
<td><strong>48,510</strong></td>
<td><strong>183,690</strong></td>
</tr>
<tr>
<td>Average annual stream depletion</td>
<td>82,680</td>
<td>33,420</td>
<td>116,100</td>
</tr>
</tbody>
</table>

PRINCIPAL AGRICULTURAL PRODUCTION

Crops—alfalfa, small grain, pasture, beans.
Livestock—dairy cows and beef cattle.

COSTS AND REPAYMENT

Estimated construction cost (all allocable to irrigation) 1/ $80,005,000
Repayable by water users in 50 years 14,875,000
Required payment from some other source 65,130,000
Estimated annual operation, maintenance, and replacement costs (All payable by water users) 210,000

1/ Exclusive of $200,000 expended from nonreimbursable Colorado Development Fund.

BENEFITS AND COSTS

Benefit-cost ratio—1.3 to 1.

OSE-2429
SAN JUAN RIVER BASIN IN NEW MEXICO

NAVAJO NATION WATER RIGHTS SETTLEMENT

SUPPORTING DOCUMENTS

December 10, 2004, Revised Draft

Tab 1: EXECUTIVE SUMMARY

Tab 2: NEW MEXICO SCHEDULE OF ANTICIPATED UPPER BASIN DEPLETIONS

Tab 3: RESPONSES TO PUBLIC COMMENTS RECEIVED ON DRAFTS OF THE SETTLEMENT

Disclaimer: It is expressly understood that the governing bodies or authorities of the proposed signatories have not approved the revised draft settlement agreement, including its Appendices.
December 10, 2004, Revised Draft – Navajo Nation Water Rights Settlement

Disclaimer. This document is a product of New Mexico Interstate Stream Commission staff only and is not a settlement document. It is expressly understood that the governing bodies or authorities of the proposed signatories have not approved the revised draft settlement agreement, including the revised draft partial final decree, draft supplemental partial final decree, revised draft settlement act and revised draft settlement contract. New Mexico Interstate Stream Commission staff also prepared the revised draft executive summary of the proposed settlement and the revised draft responses to public comments received on drafts of the settlement.

MEMORANDUM
December 10, 2004

To: Philip Mutz, Upper Colorado River Commissioner for New Mexico
From: John Whipple, ISC staff and Engineering Committee member for New Mexico

Subject: Revised Upper Colorado River Basin Depletion Schedule for New Mexico

For Congress to approve the Settlement Contract between the United States and the Navajo Nation that is described in subparagraph 6.2 of the San Juan River Basin in New Mexico Navajo Nation Water Rights Settlement Agreement, the Secretary of the Interior pursuant to Public Law 87-483 will need to make a determination that sufficient water is reasonably likely to be available under the apportionments made by the Upper Colorado River Basin Compact for the Navajo Nation’s uses in New Mexico under the Navajo-Gallup Water Supply Project. New Mexico State Engineer Thomas Turney via letter to Rick Gold dated February 19, 2002, transmitted to the Bureau of Reclamation a schedule of anticipated depletions in the San Juan River Basin in New Mexico, dated February 2002, that indicated that sufficient water would be available through the year 2060 to service the existing and authorized uses in New Mexico and the Navajo-Gallup Water Supply Project. The New Mexico Interstate Stream Commission staff prepared the revised depletion schedule attached hereto to incorporate minor adjustments to the February 2002 schedule to reflect the Settlement Agreement and data updates. The revised depletion schedule indicates that under the Settlement Agreement, sufficient water would be available to service the Settlement Contract. The revised depletion schedule is to be provided to the
Bureau of Reclamation for the Secretary’s consideration pursuant to subparagraph 6.1 of the Settlement Agreement, and would be subject to further minor adjustments as may be appropriate.

The depletion schedule shows anticipated average annual depletions over time for use for planning purposes only. The schedule is not a tabulation or determination of water rights and is not binding on any party with respect to how a party may use its water rights. The anticipated depletions are based on reasonable assumptions of use within the water rights for Navajo Nation and non-Navajo uses in the Basin. For example, it is anticipated that, on average, about 5 percent of the acreage within large irrigation projects such as the Navajo Indian Irrigation Project and the Hogback-Cudei Irrigation Project will be fallow. Similarly, it is anticipated that the non-Indian irrigators will not irrigate every water right acre each year and will not deplete water in excess of the historic irrigation use. To use the full water right acreage to determine average annual depletions would guarantee that some of New Mexico’s Upper Basin apportionment would remain unused by New Mexico. In some instances, most notably in the Animas River valley, current irrigation use is significantly less than the historic irrigation use. With the exception of the Bureau of Reclamation’s Hammond Irrigation Project, the non-Indian irrigation depletions shown in the depletion schedule are based on the historic peak of the amount of acreage irrigated in a year within the specified areas or projects, which peak generally occurred about 1965. No attempt is made in the depletion schedule to reflect transfers of water rights from irrigation to municipal and industrial uses from 1965 to the present or into the future because to do so would not change the total anticipated depletion in the Upper Basin in New Mexico, and no attempt is made to speculate as to how much water rights may be determined in the San Juan River Adjudication to be forfeited or abandoned for non-use. Also, while over 70 years of hydrologic data indicate that the San Juan-Chama Project over the long-term physically will be able to divert an average of about 105,200 acre-feet per year, the Project during any given ten-year period may divert up to 135,000 acre-feet per year under the
Project authorization in Public Law 87-483 depending upon availability of water. For these reasons, the total amount of water rights in the San Juan River Basin in New Mexico exceeds the total amount of anticipated average annual depletions shown in the depletion schedule, and the actual depletions in the Basin in 1990 and 2000 were less than the nominal current depletions shown in the schedule.

Under the Settlement Agreement, the reserved rights for Navajo Nation uses on the Navajo Indian Irrigation Project would be supplied under New Mexico State Engineer File No. 2849 and the rights for Navajo Nation uses on the Navajo-Gallup Water Supply Project would be supplied under State Engineer File Nos. 2849 and 3215. The Navajo Nation would share in shortages in the Navajo Reservoir water supply with the San Juan-Chama Project, the Jicarilla Apache Nation, the Hammond Irrigation Project and other contractors. The reserved rights for Navajo Nation uses on the Animas-La Plata Project would be supplied under New Mexico State Engineer File No. 2883, and the Navajo Nation would share in shortages in the Project water supply with the San Juan Water Commission and other Project contractors. Senior direct flow water rights in the San Juan River Basin, including irrigation rights for Navajo and non-Naavage ditches on the San Juan River and its tributaries, would retain their rights in a priority administration of the river system and not share shortages. However, pursuant to subparagraph 9.2 of the Settlement Agreement, the Navajo Nation would not call for a priority administration of the river system to supply the Hogback-Cudei and Fruitland-Cambridge irrigation projects; rather, when the available direct flow is insufficient to satisfy senior direct flow water rights in the Basin, the Nation would provide an alternate water supply for the two projects from the water delivery rights for the Navajo Indian Irrigation Project under the Settlement Contract. The anticipated depletion amounts for the Hogback-Cudei and Fruitland-Cambridge irrigation projects include depletions that would be accounted against the Navajo Indian Irrigation Project rights as a result of the alternate water source provisions of subparagraph 9.2 of the Settlement Agreement. Although
there are limits to the amount of water to be supplied under subparagraph 9.2 of the Settlement Agreement, the anticipated depletions for both Navajo and non-Navajo irrigation uses, and for other uses, on the San Juan River and on the Animas River do not include reductions for shortages that may still occur during times of administration of direct flow priorities.

The depletion schedules for the Upper Basin States have been developed only to project future uses to facilitate planning for future development of the water resources available to the Upper Basin States. The depletion schedules do not provide a definitive accounting of use under the Upper Colorado River Basin Compact apportionments. In the Hydrologic Determination approved by the Secretary of the Interior on February 2, 1989, the Bureau of Reclamation determined that the yield available to the Upper Basin States under the apportionment of water to the Upper Basin by Article III of the Colorado River Compact is at least 6.0 million acre-feet of water annually based on a minimum objective release of 8.23 million acre-feet per year from Glen Canyon Dam. The Upper Colorado River Commission disagrees with the assumption of a minimum release of 8.23 million acre-feet per year from Glen Canyon Dam, but the Commission does not object to the determination. The depletion schedule shows the State of New Mexico’s share of 6.0 million acre-feet minimum yield available to the Upper Basin to be about 669,400 acre-feet of consumptive use annually. If in the future it is determined that the yield available to the Upper Basin States exceeds 6.0 million acre-feet of water annually and an additional allocation of water can be made available for use within the State of New Mexico’s Upper Colorado River Basin Compact apportionment, then additional Navajo and non-Navajo uses can be projected or scheduled consistent with subparagraph 8.2 of the Settlement Agreement. On the other hand, if in the future it is determined that actual uses in New Mexico exceed its Upper Basin apportionment, the New Mexico State Engineer is vested with the authority to determine curtailments of junior water uses in
New Mexico as necessary to comply with the Colorado River and Upper Colorado River Basin compacts.

The depletion schedule does not reflect salvage by use. The apportionments made by the Upper Colorado River Basin Compact to the Upper Basin States are of the flow available to the Upper Basin at Lee Ferry under Article III of the Colorado River Compact. When a use of water is made in the Upper Basin, the depletion of the flow at Lee Ferry is less than the depletion of the flow at the place of use because a portion of the streamflow used would have been lost to evaporation or evapotranspiration had the water remained in the stream channels. The savings in river channel loss above Lee Ferry resulting from putting the water to use in the Upper Basin constitutes salvage by use. In particular, uses of water in intermittent tributary drainages, such as in the Chaco River drainage in New Mexico, do not result in an equivalent reduction in flow of the San Juan River. Further, uses of ground water from non-tributary aquifers, and uses of tributary ground water at locations that are far removed from perennial streams in the San Juan River Basin, do not deplete stream flow of the San Juan River by the amount of use. The Upper Colorado River Commission has not made determinations of salvage by use, and has not made determinations as to methodologies for accounting certain consumptive uses such as irrigation depletions or ground water uses. No such determinations have been considered because the Upper Basin States have not approached full development of the Upper Basin apportionment. Nevertheless, the effects of salvaged channel losses on man-made depletions of the flow at Lee Ferry by Upper Basin States were presented in the November 29, 1948, Final Report of the Engineering Advisory Committee to the Upper Colorado River Compact Commission, and Tipton and Kalmbach in 1965 prepared a report for the Upper Colorado River Commission on water supplies available for use by the Upper Division States that included the Department of the Interior's July 1965 projections of depletions at Lee Ferry that were reduced for salvage estimated to be 4 percent of at-site depletions by projects in the Upper Basin.
The Bureau of Reclamation in the preparation of long-range operating criteria for the Colorado River pursuant to Section 602 of Public Law 90-537 in July 1969 also considered salvage by use estimated to be about 4 percent of at-site depletions in its projections of depletions of the flow at Lee Ferry by uses in the Upper Basin. Only depletion of the flow at Lee Ferry is chargeable against a state's apportionment of the yield available to the Upper Basin under Article III of the Colorado River Compact.

Considering uncertainties in future uses and determinations, the revised depletion schedule is a reasonable projection of future development and use of the State of New Mexico's Upper Basin apportionment, and it indicates that sufficient water is reasonably likely to be available under the apportionment for the Navajo Nation's uses in New Mexico under the Settlement Contract.
### STATE OF NEW MEXICO SCHEDULE OF ANTICIPATED UPPER BASIN DEPLETIONS

(Units: 1000 acre-feet per year)

<table>
<thead>
<tr>
<th>Year</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
<th>2060</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT DEPLETIONS (1)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural - Irrigation &amp; Stock Use:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo Irrigation:</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
<td>149.4</td>
</tr>
<tr>
<td>Fruita-Cambridge Irrig. Project</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
</tr>
<tr>
<td>Hogback-Cudei Irrigation Project</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
</tr>
<tr>
<td>Chaco River drainage irrigation</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
<td>3.1</td>
</tr>
<tr>
<td>Crystal area irrigation</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Navajo Irrigation Subtotal</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
<td>173.4</td>
</tr>
<tr>
<td>Non-Indian Irrigation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Navajo Dam (inc. Jicarilla)</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Upper San Juan (exc. Hammond)</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
<td>8.2</td>
</tr>
<tr>
<td>Animas River ditches</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
<td>31.7</td>
</tr>
<tr>
<td>La Plata River ditches</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
<td>5.1</td>
</tr>
<tr>
<td>Farmers Mutual Ditch</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
<td>8.8</td>
</tr>
<tr>
<td>Jemez Valley Ditch</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
<td>2.8</td>
</tr>
<tr>
<td>Chaco River drainage irrigation</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Non-Indian Irrigation Subtotal</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
<td>67.8</td>
</tr>
<tr>
<td>Stockpond Evaporation and Stock Use</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Agricultural - Irrigation &amp; Stock Total</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
<td>245.5</td>
</tr>
<tr>
<td>Municipal and Domestic Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal and Industrial (2)</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
<td>9.7</td>
</tr>
<tr>
<td>Socorro Rural Domestic (inc. Jicarilla)</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Municipal and Domestic Total</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
<td>10.7</td>
</tr>
<tr>
<td>Power and Industrial Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNM - Navajo Reservoir contract (3)</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
<td>16.2</td>
</tr>
<tr>
<td>BHP Billiton (4)</td>
<td>37.0</td>
<td>37.0</td>
<td>37.0</td>
<td>38.0</td>
<td>39.0</td>
<td>39.0</td>
<td>39.0</td>
<td>39.0</td>
</tr>
<tr>
<td>Bloomfield Industrial</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Power and Industrial Total</td>
<td>55.7</td>
<td>55.7</td>
<td>55.7</td>
<td>56.7</td>
<td>57.7</td>
<td>57.7</td>
<td>57.7</td>
<td>57.7</td>
</tr>
<tr>
<td>Export - San Juan-Chama Project (5)</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
<td>105.2</td>
</tr>
<tr>
<td>Reservoir Evaporation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo Reservoir Evaporation (6)</td>
<td>28.3</td>
<td>28.3</td>
<td>28.0</td>
<td>27.7</td>
<td>27.7</td>
<td>27.7</td>
<td>27.7</td>
<td>27.7</td>
</tr>
<tr>
<td>Small Reservoir Evaporation</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Reservoir Evaporation Total</td>
<td>29.5</td>
<td>29.5</td>
<td>29.2</td>
<td>28.9</td>
<td>28.9</td>
<td>28.9</td>
<td>28.9</td>
<td>28.9</td>
</tr>
<tr>
<td>TOTAL CURRENT DEPLETIONS</td>
<td>446.6</td>
<td>446.6</td>
<td>446.3</td>
<td>447.0</td>
<td>448.5</td>
<td>448.5</td>
<td>448.6</td>
<td>448.6</td>
</tr>
</tbody>
</table>

### ANTICIPATED DEPLETIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
<th>2060</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Anticipated Depletions:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agricultural - Irrigation &amp; Stock Use:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NIP Completion (7)</td>
<td>0.0</td>
<td>0.0</td>
<td>65.0</td>
<td>100.0</td>
<td>107.1</td>
<td>107.1</td>
<td>107.1</td>
<td>107.1</td>
</tr>
<tr>
<td>Fruitland/Hogback Rehabilitation</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>7.2</td>
<td>7.2</td>
<td>7.2</td>
<td>7.2</td>
</tr>
<tr>
<td>Agricultural - Irrigation &amp; Stock Total</td>
<td>0.0</td>
<td>0.0</td>
<td>65.0</td>
<td>107.2</td>
<td>114.3</td>
<td>114.3</td>
<td>114.3</td>
<td>114.3</td>
</tr>
<tr>
<td>Municipal and Domestic Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animas-La Plata Project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Juan Water Commission (8)</td>
<td>0.0</td>
<td>1.0</td>
<td>10.4</td>
<td>10.4</td>
<td>10.4</td>
<td>10.4</td>
<td>10.4</td>
<td>10.4</td>
</tr>
<tr>
<td>Navajo Nation</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
<td>2.0</td>
<td>2.3</td>
<td>2.3</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>La Plata Conservancy District</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Edges Basin Res. Evap. - NM share</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Animas-La Plata Project Subtotal</td>
<td>0.0</td>
<td>1.0</td>
<td>11.4</td>
<td>13.3</td>
<td>13.6</td>
<td>13.6</td>
<td>13.6</td>
<td>13.6</td>
</tr>
<tr>
<td>Jicarilla Apache Nation</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.4</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Municipal and Domestic Total</td>
<td>0.0</td>
<td>1.0</td>
<td>11.4</td>
<td>13.3</td>
<td>14.0</td>
<td>14.2</td>
<td>14.2</td>
<td>14.2</td>
</tr>
<tr>
<td>Power/Industrial Uses - Navajo Nation (9)</td>
<td>0.0</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>TOTAL ANTICIPATED DEPLETIONS</td>
<td>0.0</td>
<td>1.3</td>
<td>76.7</td>
<td>120.8</td>
<td>128.6</td>
<td>128.8</td>
<td>128.8</td>
<td>128.8</td>
</tr>
<tr>
<td>Year</td>
<td>1990</td>
<td>2000</td>
<td>2010</td>
<td>2020</td>
<td>2030</td>
<td>2040</td>
<td>2050</td>
<td>2060</td>
</tr>
<tr>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>POTENTIAL DEPLETIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal and Domestic Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo-Gallup Water Supply Project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo Nation</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>7.9</td>
<td>10.2</td>
<td>12.5</td>
<td>12.5</td>
<td>12.5</td>
</tr>
<tr>
<td>Jicarilla Apache Nation</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.8</td>
<td>1.0</td>
<td>1.2</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Navajo-Gallup Project Subtotal</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>8.7</td>
<td>11.2</td>
<td>13.7</td>
<td>13.7</td>
<td>13.7</td>
</tr>
<tr>
<td>Navajo Nation</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
<td>1.0</td>
<td>2.0</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>Municipal and Domestic Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>9.7</td>
<td>12.2</td>
<td>15.7</td>
<td>15.7</td>
<td>15.7</td>
</tr>
<tr>
<td>Power and Industrial Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo-Gallup Project - NAPI (10)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Small Navajo Res. Contracts</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Power and Industrial Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Export - Navajo-Gallup Project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Navajo Nation in New Mexico (11)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>4.0</td>
<td>5.8</td>
<td>7.6</td>
<td>7.6</td>
<td>7.6</td>
</tr>
<tr>
<td>City of Gallup (12)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>4.7</td>
<td>6.1</td>
<td>7.5</td>
<td>7.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Export Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>8.7</td>
<td>11.9</td>
<td>15.1</td>
<td>15.1</td>
<td>15.1</td>
</tr>
<tr>
<td>TOTAL POTENTIAL DEPLETIONS</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>19.2</td>
<td>24.9</td>
<td>31.6</td>
<td>31.6</td>
<td>31.6</td>
</tr>
<tr>
<td>TOTAL NEW MEXICO DEPLETIONS (13)</td>
<td>446.6</td>
<td>447.9</td>
<td>523.1</td>
<td>587.0</td>
<td>602.0</td>
<td>608.9</td>
<td>609.0</td>
<td>609.0</td>
</tr>
<tr>
<td>Evaporation - CRSP Storage Units (14)</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
<td>58.0</td>
</tr>
<tr>
<td>TOTAL DEPLETIONS</td>
<td>504.6</td>
<td>505.9</td>
<td>581.1</td>
<td>645.0</td>
<td>660.0</td>
<td>666.9</td>
<td>667.0</td>
<td>667.0</td>
</tr>
<tr>
<td>State Share of 6.0 MAF (15)</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
<td>669.4</td>
</tr>
<tr>
<td>Remaining Available (15,16)</td>
<td>164.8</td>
<td>163.3</td>
<td>88.3</td>
<td>24.4</td>
<td>9.4</td>
<td>2.5</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Percent of State Share Remaining</td>
<td>24.4%</td>
<td>24.4%</td>
<td>13.2%</td>
<td>3.6%</td>
<td>1.4%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

NOTES:

(1) Does not reflect post-1965 transfers from irrigation to municipal and industrial uses. 800 acre-feet of current non-Indian depletions are supplied through short-term leases from the Jicarilla Apache Nation as of 2003.
(2) Based on 1990 uses and 30% return flow from full diversion of Farmington's municipal water supply rights under the Echo Ditch Decree and License 2995. Otherwise excludes transfers of irrigation rights to municipal uses, and excludes the Animas-La Plata and Navajo-Gallup projects.
(3) Public Service Company of New Mexico (PNM) contract with the Secretary expires 2005; PNM subcontract with Jicarilla Apache Nation effective 2006-2027, with commitment to negotiate in 2022 for a subcontract extension.
(4) Includes uses under New Mexico State Engineer File No. 2838 at the Four Corners Power Plant, the San Juan Generating Station, and related mines.
(5) Based on hydrologic record updated through 2000.
(6) Based on September 2004 Biological Assessment for the Navajo-Gallup Water Supply Project. A small amount of Navajo Reservoir evaporation may be charged to Arizona's Upper Basin apportionment to the extent that reservoir storage is used to supply Navajo-Gallup Project uses in Arizona.
(7) Total Navajo Indian Irrigation Project (NIIP) depletion by 2030 is 256,500 acre-feet, assuming 5% average fallow acreage. This amount does not include the depletions on the Hopi-Page and Fruitland-Cambridge irrigation projects that would be accounted against the NIIP depletion right pursuant to the alternate water source provisions of subparagraph 9.2 of the Settlement Agreement.
(8) San Juan Water Commission member entities in 2000 used 1,000 acre-feet from the Animas River under Animas La Plata Project permits.
(9) Industrial uses near Shiprock (disruption of about 300 acre-feet per year assumed fully depleted).
(10) 700 acre-feet of water from the Navajo-Gallup Water Supply Project would be used by the Navajo Agricultural Products Industry for food processing. This is an agricultural/industrial use.
(11) This depletion schedule includes uses in New Mexico only and excludes exports by the Navajo-Gallup Project for Navajo Nation uses in Arizona.
(12) The exports by the Navajo-Gallup Project to the City of Gallup are anticipated to be supplied through a subcontract with the Jicarilla Apache Nation.
(13) To the extent that Gallup's actual demand is less than 7,500 acre-feet, the Jicarilla Apache Nation could use its water for irrigation or other uses.
(14) "Evaporation - CRSP Storage Units" refers to the total and individual States' portions of evaporation from the major reservoirs constructed under the Colorado River Storage Project Act that are used principally to regulate compact deliveries at Lee Ferry. These include Flaming Gorge, Canebrake and Glen Canyon, but exclude Navajo which is used principally for storing water for use in New Mexico. 58,000 acre-feet is New Mexico's portion.
(15) This depletion schedule does not attempt to interpret the Colorado River Compact, the Upper Colorado River Basin Compact, or any other element of the "Law of the River." This schedule should not be construed as an acceptance of any assumption that limits the Upper Colorado River Basin's depletion. In this schedule, for planning purposes only, the total Upper Colorado River Basin Allocation is 6.0 million acre-feet, of which 50,000 acre-feet is the Upper Basin allocation to Arizona. This estimate does not constitute an endorsement of the Bureau of Reclamation's 1985 Hydrologic Determination that was approved by the Secretary of the Interior on February 2, 1989. This estimate also does not include salvage by use.
(16) Reserved.
Minutes of the Meeting of the
Interstate Stream Commission
May 12, 1955

The meeting was called to order by the Chairman in Mabry
Hall, State Capitol, Santa Fe, New Mexico at 9:30 A.M., May 12,
1955.

Present were:

J. D. Atwood                Chairman
W. H. Gary                 Member
Arch Hurley                Member
I. J. Coury                Member
John H. Bliss             Secretary
Fred E. Wilson             Legal Adviser
Irwin S. Moise             Legal Adviser
Claud S. Mann             Legal Adviser

Prior to the regular order of business representatives of
several communities appeared before the Commission. Appearing
in the interests of the Tularosa Community Ditch Corporation were:
J. C. Johnson, Jack Hobson, A. D. Walker, H. B. Shaw, E. W.
Bookout, and W. H. "Jack" Danley. Mr. Hobson, spokesman for the
group explained that the direct flow water rights under the present
ditch system are inadequate for the needs of the water users and
stated their desire to construct a storage reservoir on Tularosa
Creek to impound about 10,000 acre feet. Due to lack of funds they
were requesting engineering assistance from the State Engineer
Office in planning the project. Mr. Hobson further indicated the
community would probably have to borrow money under the Small
Projects Act to the full extent of project costs. The Commission
extended their thanks to the Tularosa representatives and advised
them that the Secretary would notify them of the action of the
Commission in the matter.

Ira W. Smith, Mayor of Santa Rosa and George McBride,
Manager of the Santa Rosa Chamber of Commerce, next appeared
before the Commission representing the Town of Santa Rosa. They
stated that the town is now negotiating with the present owners of
the municipal water works for the purchase of the water system but
that their chief concern was in finding a dependable water supply,
the present supply from the Pecos River being entirely inadequate.
They requested financial assistance from the Commission in exploring
for underground water supplies and stated that if adequate supplies
were found the town would be in a position to purchase the system and repay the State for the monies advanced. The Chairman suggested that the Town of Santa Rosa, through their Board of Trustees and Mayor, make formal application to the Commission which would then give the matter consideration and inform the town of its decision.

Lawrence Hanlon, Water Commissioner from Mountainair, New Mexico, appeared before the Commission and requested engineering assistance from the State Engineer and also financial help in the town's efforts to locate new sources of water supply. The Secretary advised Mr. Hanlon that his office would send an engineer to Mountainair to make an investigation. After a study of the engineer's report the Commission would then be in a better position to aid in definite plans for alleviating the situation.

After the representatives of the several communities had left, the Commission reverted to the regular order of business. The minutes of the meeting of January 25-26, 1955, were read and approved.

Mr. Wilson reported briefly on the hearing before the Special Master, George J. Haight in connection with the Arizona-California-Colorado River suit, advising that he argued against the inclusion of New Mexico either as an Upper Basin State or Lower Basin State and that he had filed his brief to show why Colorado, Wyoming, New Mexico and Utah should not be joined as parties.

The meeting recessed at 12:30 p.m. and reconvened at 2:00 p.m.

Mr. Coury called the attention of the Commission to the Animas-LaPlata preliminary project report prepared by the Bureau of Reclamation. He moved that the Commission approve the Animas-LaPlata project as a provisional participating project in the Colorado River Storage project plan and that Mr. Bliss, as New Mexico Commissioner, be authorized to advise the Upper Colorado River Commission that New Mexico has no objection to the inclusion in authorizing legislation concurrently before the Congress of the Animas-LaPlata as a provisional participating project of the Colorado River Storage project plan, providing that both New Mexico and Colorado portions be included. The motion was seconded by Mr. Hurley and duly carried.

The Secretary presented to the Commission the budgets for the 44th fiscal year. After a full discussion, Mr. Coury moved that the State Engineer Administrative budget as presented, ($580,000) be approved. The motion was seconded by Mr. Hurley and duly carried.

OSE-2440
Mr. Coury moved that the Hydrographic Survey budget ($60,000) as presented be approved. Mr. Gary seconded the motion and it was unanimously carried.

Mr. Coury moved that the Rio Grande Income Fund budget ($50,000) as presented be approved. The motion was seconded by Mr. Hurley and duly carried.

Mr. Hurley moved that the Interstate Stream Commission budget ($175,000) as presented be approved. The motion was seconded by Mr. Gary and duly carried.

The Secretary explained to the Commission the difficulties experienced by the office in handling air travel costs, readjusting flights, changing schedules, etc., and stated that a travel credit card would greatly facilitate the situation. Mr. Coury moved that the Interstate Stream Commission authorize the Secretary to make arrangements with a suitable airline to deposit, from Interstate Stream funds, an amount not to exceed $450, necessary for issuing a general air credit card to the Commission for necessary air travel on official business. The motion was seconded by Mr. Hurley and duly carried.

Governor Simms met with the Commission for a short time. It was agreed that the Governor and Mr. Bliss would meet with the Board of Regents of the Institute of Mining and Technology and endeavor to reach an understanding regarding groundwater investigations and research now being carried on somewhat independently by the Office of the State Engineer and the State Bureau of Mines.

Payment of two travel vouchers for Commissioner Coury was briefly discussed.

It was agreed that the Secretary would address a letter to the Secretary of State regarding the need for additional office space for the Office of State Engineer and the Interstate Stream Commission.

It was agreed that a Commission meeting be called for sometime during the week of June 26, 1955.

The meeting adjourned at 4:30 p.m.

Chairman

Secretary

Approved: June 28, 1955

The meeting was called to order by the Chairman in the Corporation Commission Hearing Room at the State Capitol, Santa Fe, New Mexico, 10:00 A.M., November 28, 1955.

Present were:

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>J. D. Atwood</td>
<td>Chairman</td>
</tr>
<tr>
<td>L. J. Coury</td>
<td>Member</td>
</tr>
<tr>
<td>Oscar Love</td>
<td>Member</td>
</tr>
<tr>
<td>R. H. Westaway</td>
<td>Member</td>
</tr>
<tr>
<td>W. H. Gary</td>
<td>Member</td>
</tr>
<tr>
<td>S. E. Reynolds</td>
<td>Secretary</td>
</tr>
<tr>
<td>John H. Bliss</td>
<td>Consultant</td>
</tr>
<tr>
<td>Fred E. Wilson</td>
<td>Legal Adviser</td>
</tr>
<tr>
<td>Irwin S. Moise</td>
<td>Legal Adviser</td>
</tr>
<tr>
<td>Claud S. Mann</td>
<td>Legal Adviser</td>
</tr>
<tr>
<td>David Hale</td>
<td>Assistant Interstate</td>
</tr>
<tr>
<td></td>
<td>Stream Engineer</td>
</tr>
</tbody>
</table>

The minutes of the meeting of September 16, 1955 were read and approved.

Governor Simms met with the Commission for a short while and joined the Commissioners in a telegram to Mr. Arch Hurley wishing him a speedy recovery.

Governor Simms advised the Commission that the strategy conference held in Denver, Colorado November 1, 1955 and attended by Congressional representatives and Governors from the four Upper Basin States and members of the Upper Colorado River Commission and their advisers had been a successful one. He commented on New Mexico's united stand on the San Juan-Chama problem and expressed satisfaction that the east slope-west slope differences had been largely resolved. This, he said, will strengthen the position of the New Mexico Congressional delegation next January when the Colorado River Storage Project bill is again considered. Due to other commitments the Governor had to leave but stated that he would endeavor to return later in the day if possible.
The secretary reviewed certain meetings and correspondence he had had with Bureau of Reclamation officials and with representatives of the Elephant Butte Irrigation District relative to the proposed use of 72,000 acre-feet of San Juan transmountain water in that district. He stated that these negotiations indicated a likelihood that the District would not be interested in contracting for San Juan River water. He suggested, therefore, the advisability of making alternate transmountain diversion studies based on a diversion of 163,000 acre-feet (235,000 acre-feet reduced by the 72,000 acre-feet provisionally allocated to the Elephant Butte Irrigation District). He stated that Mr. Robert W. Jennings, Regional Director of the Bureau of Reclamation, has indicated that such preliminary alternative studies could be completed within a short while.

Mr. Reynolds moved that the action of the Interstate Stream Commission of September 16, 1955 approving an alternate study of the San Juan-Chama Project be held in abeyance until the Bureau of Reclamation had completed alternative reconnaissance studies of its project plan and that the Commission then decide what further studies of the diversion project should be made. The motion was seconded by Mr. Love and duly carried. The Commission also decided that inasmuch as there remains a possibility that the Elephant Butte Irrigation District will want to contract for San Juan water, the Bureau should be requested to complete expeditiously the report based on a diversion of 235,000 acre-feet and no change should be made at the present time in the San Juan-Chama diversion project as provisionally authorized in the pending legislation.

The need for a two-way radio communication system between Costilla and Costilla Reservoir was explained by the secretary. He stated that he and Mr. Frank Irby, Chief of the Water Rights Division of the State Engineer Office had discussed this matter with officials of the Rio Costilla Livestock Association and had been advised that the Association was in a position to pay for such a system either on a cost or rental basis. He stated that the necessary equipment would cost approximately $3,000. Mr. Gary moved that subject to the availability of Interstate Stream Commission funds the secretary be authorized to purchase such a two-way radio communication system and to work out with the Association a contract on either a cost or rental basis. The motion was seconded by Mr. Love and duly carried.

Mr. Hale read a resolution from the Board of Directors of the Arch Hurley Conservancy District dated November 8, 1955 regarding the installation of crest gates on Conchas Dam. He stated that a survey made a year ago by the Corps of Engineers indicated that the gates would have
A minor adverse effect on flood control. Mr. Reynolds moved that the secretary be authorized to make arrangements for a representative of the Interstate Stream Commission and the Corps of Engineers to attend the next meeting of the Arch Hurley Conservancy District and discuss the matter with them. The motion was seconded by Mr. Coury and duly carried.

Mr. C. B. Thompson, Chief of the Technical Division of the State Engineer office presented a request for financial assistance to extend the present wasteway of the Garcia Ditch below Espanola across a swampy area to the Rio Grande. The present undesirable condition has been caused by work done by the State Engineer's office in diverting the channel of the Rio Grande to the west of its old location. As much as 2 s.f. of water might be salvaged by the work. The cost of the work is estimated at approximately $2,000. Mr. Love moved that up to $2,000 be authorized to be spent from the Rio Grande Improvement Fund for this purpose. Mr. Love further moved that the State's memorandum on this subject be made a part of the record of this meeting. The motion was seconded by Mr. Gary and duly carried.

Mr. Thompson reviewed the application of the Tularosa Community Ditch Corporation for assistance from the Interstate Stream Commission under its Small Projects legislation to assist the community to construct a storage reservoir on Tularosa Creek to impound about 10,000 acre-feet of water for use in the Tularosa area. He recommended that an investigation be made and feasibility report on the project prepared. Mr. Gary moved that, pursuant to the provisions of Sections 75-34-9 to 75-34-27 of the New Mexico Statutes Annotated, an expenditure of not to exceed $10,000 be authorized for the purpose of studying the feasibility of construction of a dam and reservoir on or adjacent to Tularosa Creek for use on a project in the Tularosa area. The motion was seconded by Mr. Coury and duly carried.

The secretary stated that Mr. W. A. Williams, State Chairman of the Soil Conservation Committee, was unable to appear before the Commission as suggested at the last Commission meeting. Mr. Williams was seeking a contribution of $5000 to $7000 from the Commission to aid in the administrative work of that agency. The secretary suggested that possibly Rio Grande Improvement monies might properly be used for this purpose but legal advisers of the Commission stated that such action would be inconsistent with the law. The Commission thereupon authorized the secretary to advise Mr. Williams that the Commission
sympathetic with his problems but that it has neither a solution to his problem nor funds to provide for his request.

The secretary advised that he had asked the Attorney General for an opinion on the legality of providing financial assistance for repairing various irrigation works with the Commission taking title to the works prior to the expenditure of any monies thereon. This action was taken as a result of the request of certain community ditches in Guadalupe County for aid in rehabilitating their ditch systems. Following a discussion of the Attorney General's opinion, Mr. Reynolds moved that the ditch owners be requested to indicate their willingness to convey necessary security to the Commission with the understanding that such security will be returned when they have repaid the monies spent for repairs with interest, and that they be advised that the Commission will then consider whether or not it can properly undertake the requested repair and rehabilitation work. The motion was seconded by Mr. Love and duly carried.

The secretary gave a short report on the Santa Rosa municipal water supply situation and advised that Mayor Ira W. Smith had indicated he would sign the contract with the Commission with the understanding that the repayment period could be extended annually for a period of about four years should the town not be able to pay the entire costs sooner. No objection was expressed by the Commission to this understanding.

The secretary discussed the desirability of transferring monies in the Water Reservoirs Income Fund as of July 1, 1955 to the New Mexico Irrigation Works Construction Fund provided for by Section 75-34-23 of the New Mexico Statutes. This transfer is necessary to pay for expenses in connection with studies now being conducted in the Clovis area and on the Canadian River. Mr. Reynolds moved that the secretary be authorized to take necessary action to effectuate the transfer of funds. The motion was seconded by Mr. Gary and duly carried.

Mr. Sherman Galloway, geologist of the State Engineer's office reported his findings regarding the feasibility of obtaining irrigation water from the Triassic red beds in the Clovis area. He stated that in his opinion the red beds were not a good potential source of irrigation water. Mr. Purdy moved that the secretary advise interested parties in the Clovis area that the possibility of obtaining irrigation water of regional significance by the drilling of a deep exploratory well through the Triassic formation in the vicinity of Clovis is so remote that the expenditure of $1,000 to $15,000 is not justified. The motion was seconded by Mr. Stetaway and duly carried. It was agreed that Mr. Galloway's memorandum be made a part of the record. The Commission also agreed that the expense of the feasibility study be charged to the Irrigation Works Construction Fund.
The chairman announced that he had to leave the meeting at 3:00 P.M., to return to Roswell by plane. Mr. Coury was unanimously selected to serve as Acting Chairman for the remainder of the meeting.

Mr. Fred Wilson's request for additional payments for legal services in connection with the Texas-New Mexico and Arizona-California suits was presented. The two invoices in the amounts of $4,998.98 for services in connection with the Texas v. New Mexico suit and $742.84 for services in connection with the Arizona-California suit, covered the period from July 1 to December 1, 1955. Mr. Love moved that, subject to availability of funds, Mr. Wilson be paid for his services in accordance with the invoices submitted. Mr. Reynolds seconded the motion and it was duly carried.

Mr. Wilson gave a report on the status of the Arizona-California and Texas-New Mexico litigation.

Mr. Hale read a memo on the engineering conference held in Phoenix, Arizona, September 28, 1955 at which the engineers of Arizona and New Mexico agreed upon past and potential uses by New Mexico of the waters of the lower Colorado River Basin. He advised that the data contained in the memo would become important in connection with the Arizona-California suit.

Mr. Bliss reported on the meeting between representatives of the State of New Mexico and the Navajo Tribal Council at Window Rock, Arizona, October 19, 1955. He explained that the purpose of the meeting was to work with the Tribal Council and the Indian Service to obtain the best possible Navajo-Indian Reclamation Project. He stated that similar action was being taken in regard to the proposed transmountain diversion project. He reviewed the Upper Colorado River problem and in particular the status of the legislation to authorize the Colorado River Storage Project and Participating Projects. Details of the results of the meeting are incorporated in Mr. Bliss' memo to Governor Simms dated October 27, 1955.

Mr. Bliss reported on the strategy meeting held in Denver, Colorado November 1, 1955 at which Senators, Congressmen, Governors, Upper Colorado River Commissioners and their advisers from the four Upper Division States of the Colorado River Basin were present. Mr. Bliss read the six resolutions adopted by that group. He stated that a committee of five had been appointed to continue work on a construction formula for the development of projects in the four states. The important point of the meeting he stated was that the four states seemed to have come to substantial agreement among themselves so that there could now be united action in seeking passage of the Upper Colorado River legislation.
The secretary reported on the progress of the McMillan delta water salvage program and advised the Commission that on Sunday, November 20, he, Messrs. Bliss, Hale, and Lingle met in Midland, Texas with the Texas Pecos River Commission and on November 22 with Senator Anderson, Bureau of Reclamation representatives, Judge Moise and Mr. Claud Mann in Albuquerque. Senator Anderson called Mr. James Stagner, Attorney for the Carlsbad Irrigation District regarding the situation. A meeting has been arranged with the Carlsbad people and Senator Anderson at the latter's office for 10:00 A.M., December 3, 1955 and it is hoped that the issues can be resolved thereby putting the state in a position to take constructive action before the Congress.

The Secretary stated that the Canadian River investigation report is being held in abeyance until such time as Mr. Hurley, now ill, is able to attend and discuss the status of the investigation.

The meeting adjourned at 5:10 P.M.

Chairman

Secretary

Minutes of the Meeting of the
Interstate Stream Commission
April 25, 1956

The meeting was called to order by the Chairman in the Council Room of the State Highway Department, State Capitol, Santa Fe, New Mexico at 10:00 A.M., April 25, 1956.

Present were:

J. D. Atwood Chairman
R. H. Westaway Member
W. H. Gary Member
I. J. Coury Member
S. E. Reynolds Secretary
John H. Bliss Consultant
Fred E. Wilson Legal Advisor
Irwin S. Moise Legal Advisor
David Hale Assistant Interstate Stream Engineer

Also present were: Ralph Charles of the Bureau of Reclamation, Wm. S. Slease of the State Engineer Office, Phil Maestas, Mgr., Santa Cruz Irrigation District, Ben Lopez and Lester R. Whitney, Espanola, and Abedon Lopez, Santa Cruz, New Mexico.

The minutes of the meeting of February 13, 1956 were read and approved.

Mr. Maestas discussed various difficulties experienced in the distribution of water in the Santa Cruz Irrigation District and asked the Commission to give the problem study to find ways to decrease the large losses now suffered from sedimentation, evaporation and seepage. Mr. Coury moved that the Secretary be authorized to spend approximately $500 from the New Mexico Irrigation Works Construction Fund in a reconnaissance grade survey to determine whether a feasibility survey is warranted for the Santa Cruz District. The motion was seconded by Mr. Gary and unanimously carried.

State Senator T. C. Jaramillo of LaJoya, New Mexico had asked the Secretary to present the problem existing at LaJoya to the Commissioners inasmuch as the Senator was unable to attend the meeting.

OSE-2448
The Secretary advised the Commission that there are approximately 600 acres in the LaJoya district which is not a part of the Middle Rio Grande Conservancy District. The Office of the State Engineer has estimated that the cost of rehabilitating the irrigation works would be approximately $97,000. A possible solution to the district's problems might be the installation of pumping equipment instead of rehabilitation of the gravity diversion works. Judge Moise suggested that the Secretary advise Senator Jaramillo that he would meet with him and LaJoya representatives in his office May 3rd at 2:00 P.M., to discuss the formation of an appropriate water users organization. Mr. Coury moved that following the conference between Senator Jaramillo and Judge Moise, the Secretary be authorized to make a reconnaissance report on the LaJoya situation at a cost of approximately $500 to be paid from the New Mexico Irrigation Works Construction Fund. The motion was seconded by Mr. Westaway and unanimously carried.

The Secretary advised the Commission that the $2000 authorized at the November 28, 1955 meeting to be spent from the Rio Grande Improvement Fund to extend the present wasteway of the Garcia Ditch below Española across a swampy area to the Rio Grande was not sufficient to pay the entire cost of the completed project, and asked for approval of about $600 in additional funds to pay for the work. Mr. Coury moved that the original amount of $2000 authorized for the improvement of the Garcia Ditch be increased to approximately $2600 to be paid from the Rio Grande Improvement Fund. The motion was seconded by Mr. Gary and duly carried.

The Secretary presented to the Commission the annual report to the Governor with recommended budgets for the New Mexico Irrigation Works Construction Fund ($63,000) and Improvement of the Rio Grande Income Fund ($69,300) for the 45th fiscal year. After a full discussion, Mr. Coury moved that the report and budgets as presented be accepted and forwarded to the Governor for his approval. The motion was seconded by Mr. Westaway and duly carried.

Mr. Gary moved that the Interstate Stream Commission budget ($175,000) be approved as presented. The motion was seconded by Mr. Westaway and duly carried.

The Chairman advised the Commission that he had been deeply concerned for sometime over the increasing uses of ground water and the steady losses from ground-water storage especially in municipal areas and asked the Commissioners to give considerable thought to this problem.

The meeting recessed at 12:00 noon and reconvened at 1:30 P.M.
Mr. Peters, Assistant Director of the Economic Development Commission attended the afternoon session to acquaint himself with the various water problems coming before the Commission for discussion.

The Secretary advised the Commission that an amendment to the agreement with the Town of Santa Rosa, as prepared and submitted by Judge Moise had verbally been agreed to by officials of Santa Rosa. The amended agreement adapts the contract to necessary changes in the work plan. Mr. Coury moved that the amendment to the Santa Rosa contract be submitted to the Commission be approved. The motion was seconded by Mr. Westaway and duly carried.

Mr. Wilson gave a brief report on the Texas v New Mexico litigation, and the Arizona v California suit. He advised that California had directed interrogatories to each state and to the United States, and that he had answered those directed to New Mexico. He stated that the "Business Committee" of which he had been appointed a member had discussed the question of each state's contribution to help defray the Special Master's expenses. The committee agreed that 2 1/2% or $500 would be New Mexico's share of an initial deposit to this account, which agreement was incorporated in an Order by the Special Master, Simon H. Rifkind, which Mr. Wilson presented to the Commission. He further explained that the administrator for the estate of the former Special Master, George Haight, had advised the "Business Committee" that a bill of approximately $30,000 for Mr. Haight's services would be presented and he advised that New Mexico might be billed for 2 1/2% of this fee also.

A request for additional payment to Mr. Wilson for legal services in connection with the Texas v New Mexico and Arizona v California suits was discussed. Invoices were presented in the amount of $150 for the Rio Grande Compact Commission meeting at Santa Fe, February 16-17, 1956 for legal work in reference to the Arizona v California suit, and $300 for professional services in connection with the Texas v New Mexico suit covering the months of February and March, 1956. Mr. Westaway moved that the invoices as presented be approved and paid. The motion was seconded by Mr. Reynolds and duly carried.

Mr. Reynolds moved that the Secretary be authorized to pay for a copy of the transcript of the Pretrial Conference in San Francisco, California at a cost of $172.20, and to pay 2 1/2% of the initial payment to the Special Master's Expense Fund. The motion was seconded by Mr. Coury and duly carried.

OSE-2450
The Secretary reported progress on various projects. He advised the Commission that the Costilla Livestock Association had agreed to rental charges of $184.50 per year for the radio communication system to be installed at Costilla and Costilla reservoir. He stated that the reconnaissance phase of the Canadian River investigation has been completed at a cost of $2,592.25. He also reported that the Tularosa investigation is underway, and that the Town of Mountainair has voted a general obligation bond to purchase the Cooper well and other water works equipment.

Mr. Charles advised that the alternate reconnaissance studies of the San Juan-Chama Project would be completed by June 30, 1956.

Mr. Coury discussed the progress of legislation on the Colorado River Storage Project and Participating Projects and advised that initial appropriations to start construction are now being sought. He stated that it was important for New Mexico to make sure that the appropriations include monies to commence the construction of the initial New Mexico projects, including Navajo Dam. Mr. Coury then moved the following resolution:

WHEREAS, the bill authorizing the construction of the Colorado River Storage Project and participating projects has recently passed the Congress and has been signed by the President, and

WHEREAS, appropriations to start the construction of the initial units of this vast program are now being sought in the Congress, and

WHEREAS, the Glen Canyon, Flaming Gorge and Navajo storage dams and reservoirs were authorized by this legislation, Public Law 485, 2nd Session, 84th Congress; and

WHEREAS, Curecanti dam and reservoir was conditionally authorized and Juniper was given specific priority for study by the Bureau of Reclamation by the same legislation;

NOW, THEREFORE, BE IT RESOLVED, that the Interstate Stream Commission of New Mexico hereby goes on record as favoring simultaneous construction of the three dams and reservoirs at Glen Canyon, Flaming Gorge and
Navajo, and the prompt construction of Curecanti or its alternate, the Juniper Unit, as soon as its authorization can be completed.

The motion was seconded by Mr. Reynolds and duly carried.

The meeting adjourned at 3:30 P.M.

Chairman

Secretary

APPROVED: 9/13/56
Pending election of a Chairman, the meeting was called to order by the Secretary in the Coronado Room, LaFonda Hotel, Santa Fe, New Mexico at 10:00 A.M. Present were:

S. E. Reynolds  Secretary
I. J. Coury  Member
W. H. Gary  Member
Oscar M. Love  Member
Thomas G. Morris  Member
T. T. Sanders, Jr.  Member
Draper Brantley  Member
John H. Bliss  U. C. R. Comm.
Irwin S. Moise  Legal Advisor
Claud S. Mann  Legal Advisor
David P. Hale  I. S. Engineer

Also present were: Ralph Charles, Bureau of Reclamation, Albuquerque, Paul L. Billhymer, Special Assistant Attorney General, C. B. Thompson, Chief, Technical Division, State Engineer Office, and Philip B. Mutz, Engineer.

The minutes of the meeting of June 6, 1957 were read and approved. The Secretary stated that the next order of business was the election of a Chairman of the Commission. Mr. Gary nominated Mr. Coury explaining Mr. Coury's seniority on the Commission and other considerations. Mr. Coury declined the nomination. Mr. Love then nominated Mr. Morris. The nomination was seconded by Mr. Gary. Mr. Sanders moved that the nominations cease and Mr. Morris be elected by acclamation. The motion was seconded by Mr. Brantley and unanimously carried.

The Secretary stated that Senator Anderson had suggested that the Commission prepare the initial draft of legislation to authorize the San Juan-Chama and Navajo Irrigation Projects. The Secretary explained that it has been the State's position since Governor Mecham's letter of March 4, 1953 that these projects should be studied and planned concurrently and be submitted to the Congress for authorization simultaneously. Further, that the legislation should have as its basis the Interstate Stream Commission's Resolution on this subject adopted November 26, 1956. He explained that the legislation would ask approval of the San Juan-Chama Project at a 235,000 acre-feet average annual diversion capacity with authorization for
construction of an initial stage of 110,000 acre feet average annual diversion, and that the legislation would authorize construction of a 115,000 acre Navajo Irrigation Project with an average annual diversion requirement of 508,000 acre feet. In discussing the proposed legislation it was agreed that pertinent information would be made available to the new Commission members and that a draft of the proposed legislation would be mailed to all Commission members at the earliest possible date for their information and comments.

The Secretary pointed out that if this legislation is to be submitted for consideration in the next session of Congress time is very short. He further explained that the supplemental reports have not been released by the Secretary of the Interior for review in accordance with the Flood Control Act, that this review will take 90 days and that if the reports were released immediately it would be almost the first of next year before the reports are returned with the comments of interested states and agencies.

Also discussed was the recent action by the Department of the Interior whereby they assigned construction of the Navajo Irrigation Project to the Bureau of Reclamation.

Mr. Coury stated that the San Juan Basin interests still were concerned that a closed conduit diversion from the San Juan Basin to the Rio Grande Basin had not been made the subject of a more intensive study. The Secretary explained that the Interstate Stream Commission had worked quite closely with the Bureau of Reclamation and had thoroughly reviewed studies on both the closed conduit diversion and the gravity diversion. It was the opinion of the engineering staff of the Commission that the closed conduit system was so much more costly, on the basis of the reconnaissance report, than was the cost of the gravity diversion, that spending $40,000 to $50,000 for a feasibility study of the closed conduit system was not warranted. The Secretary also explained that the cost of diverting water via closed conduit to the City of Albuquerque would considerably increase the costs which have to be repaid with interest and would make the price of water to the city so high that feasibility was doubtful.

The Secretary reported that a meeting had been held on September 4, 1957 between Regions 4 and 5 of the Bureau of Reclamation, the Navajo Indian Tribe, representatives of the Bureau of Indian Affairs and the State of New Mexico relative to assigning the State's filings on the San Juan-Chama, Navajo and Hammond projects to the Department of the Interior.
The Secretary stated that assignment of the State filings to the Secretary of the Interior would give the Government the advantage of the State's priority date without prejudicing the ultimate development of either the San Juan-Chama or the Navajo Project. He explained that these filings would put the Department of the Interior in a stronger position relative to the control of the waters of the San Juan in New Mexico, but he felt that, in view of the past excellent cooperation between the Department and the State, the Department would consider the desires of the State in developing and administering these waters. For these reasons he asked the Commission's approval to assign the State of New Mexico's Notices of Intention on the Hammond, San Juan-Chama and Navajo Projects and Navajo Dam and Reservoir to the Department of the Interior. Mr. Sanders moved that the Commission authorize the Secretary to assign the State's Notices of Intention on the Hammond, San Juan-Chama and Navajo Projects and Navajo Dam and Reservoir to the Department of the Interior under the condition that they file plans reserving the water prior to the expiration date of these notices. The motion was seconded by Mr. Love and unanimously carried.

Mr. Coury suggested that the Commission meet in Farmington in the near future to consider the authorizing legislation, invite the San Juan Basin interests to attend and have the projects explained at that time. He also suggested that if several copies of the latest supplemental reports could be furnished he would circulate them to interests in the Basin in order that they would be familiar with the plans. The Secretary agreed to furnish Mr. Coury copies of the reports and it was tentatively agreed that a meeting of the Commission would be held in Farmington on October 17, 1957. The Chairman suggested that the State's Congressional representatives be invited to this meeting.

Mr. Billhymer reported that he and Mr. Hale had attended the July and August sessions of the Arizona and California hearing and that California had completed presentation of its case-in-chief and the United States Government had started presenting its case. Mr. Moise and Mr. Mann attended the last week of the August hearings in San Francisco and also participated in a conference with the Special Master regarding the Government's case.

The Secretary reported that as a part of the preparation for the presentation of New Mexico's case he had met with water users in Silver City to determine the status of water rights in the Gila River Basin in New Mexico and had found that a number of water uses in the Basin had not been filed on. He reported that a series of interviews relative to water right acreages and priorities were being held in the area, by representatives of the State Engineer office.
The Secretary brought up the question of participation by the Interstate Stream Commission in the National Reclamation Association. He discussed activities of the NRA and stated that he felt participation by the State in the NRA was worthwhile. The Secretary further explained that the State had in the past paid the expenses of the NRA Director to the various meetings. He then posed two questions to the Commission: 1) does the Commission want to recommend a man for the position of NRA Director for the State, and 2) do they want to pay the Director's expenses? The Commission's legal advisors gave their opinion that the Commission could not pay the Director's expenses unless he was a Commission member or employee.

Mr. Love moved that Mr. I. J. Coury be recommended as the State's NRA Director. The motion was seconded by Mr. Brantley and unanimously carried.

Mr. Reynolds moved that the Secretary be authorized to expend the unobligated balance of the "dues" line item in the Interstate Stream Commission budget to pay NRA dues in an amount not to exceed $400. The motion was seconded by Mr. Gary and duly carried. It was agreed that travel expense and per diem in connection with attendance of Commission members or employees at the National meeting could be paid from Interstate Stream Commission funds.

Mr. Thompson, (Chief, Technical Division, State Engineer Office) gave a comprehensive progress report on the investigations assigned to the Technical Division of the State Engineer Office by the Interstate Stream Commission. These include investigations and construction authorized and budgeted by the Commission from the Irrigation Works Construction and Improvement of the Rio Grande funds.

Mr. Moise reported that a hearing had been held in the Costilla suit, that Judge Federici had disposed of all legal issues in favor of the State, and that the Judge would try to dispose of the remaining issues by November. Mr. Moise also reported that the defendants in this suit, the WS Ranch Company, had filed an amended answer.

Mr. Bliss, Upper Colorado River Commissioner for New Mexico, reported briefly on the Secretary of the Interior's proposal that a meeting of the Seven Colorado River Basin States be held relative to procedures for the operation and construction of Glen Canyon Dam and Reservoir. The Secretary would give basic data relative to the operation of the subject reservoir to all states.
Mr. Bliss reported that a meeting of the Four Upper Basin States' Governors and Upper Colorado River Commissioners prior to the meeting of the Seven States is contemplated. Governor Mechem has invited the Governors of the other Upper Basin States to a conference in Santa Fe on September 24, 1957. Mr. Bliss also reported that if the Governors' conference is held in Santa Fe, the Upper Colorado River Commission's annual meeting will be held in Santa Fe on the day following the Governors' conference.

Mr. Reynolds reported that the Carlsbad Irrigation District had requested an investigation of the possibility of constructing storage facilities on Black River, and that, if there were no objections, he would have the Technical Division of the State Engineer Office prepare a reconnaissance report on the project. There was no objection.

There being no further business to come before the Commission the meeting was adjourned at 4:30 P.M.

Approved: Oct. 17, 1957
Minutes of the Meeting of the Interstate Stream Commission, Farmington, New Mexico, October 17, 1957

The meeting was called to order by the Chairman in City Hall, Farmington, New Mexico at 10:00 A.M., October 17, 1957. Present were:

Thomas G. Morris
I. J. Coury
W. H. Gary
Oscar Love
T. T. Sanders, Jr.
Draper Brantley
S. E. Reynolds
John H. Bliss
Claud S. Mann
David P. Hale
Chairman
Member
Member
Member
Member
Secretary
Upper Colorado River Commissioner
Legal Advisor
Interstate Stream Engineer

In addition, the attendance at this meeting included the following:

The Chairman recognized the Honorable Bill McClellan, Mayor, who welcomed the group to Farmington. The Chairman responded to the welcome and mentioned that this was the first meeting of the Interstate Stream Commission to be held in the San Juan Basin, and as nearly as could be ascertained it was the first meeting held outside of Santa Fe.
Mr. Coury moved that the minutes of the meeting of September 5, 1957 which had been sent to the members prior to the meeting, be approved as written. The motion was seconded by Mr. Love and unanimously carried.

The Chairman explained that the principal purpose of this meeting was to consider a draft of proposed legislation to authorize the Navajo Irrigation and San Juan-Chama Projects, and that the Commission had decided to meet in Farmington because of the importance of the projects to the San Juan Basin.

The Secretary briefly discussed the history of development of project plans for the Navajo Irrigation and San Juan-Chama Projects and read the resolution adopted by the Interstate Stream Commission on November 26, 1956 relative to these two projects. The Secretary then read a draft of the proposed legislation in joint resolution form which had been prepared after consultation with Navajo Tribal Council attorneys. The Secretary stated he hoped this legislation could be put in a form that could be recommended to New Mexico Congressional delegates and Department of the Interior representatives at a conference to be held during the course of the National Reclamation Association meeting at Phoenix in November.

The Secretary pointed out that our Congressional delegates would doubtless find it necessary to make some changes in the form of any proposed legislation which the Commission might approve, but that the Commission's approval of a draft would serve to apprise the Congressional delegates of the principles upon which the Commission had reached agreement.

To get the proposed legislation before the Commission for discussion, the Secretary moved that the Commission approve the legislation as presented. The motion was seconded by Mr. Love.

An extended discussion of the projects for development of the San Juan River and the proposed legislation followed. The audience participated actively in the discussion.

The Secretary explained the assignment of the State's filings on San Juan water to the Bureau of Reclamation. With respect to water available after requirements of the Navajo, San Juan-Chama and Hammond Projects had been satisfied, the Secretary stated that such water could be obtained under contracts with the Department of the Interior for irrigation, municipal, industrial and other uses.

In the course of the discussion the Secretary pointed out that New Mexico is allowed, under the Upper Colorado River Basin Compact, about 838,000 acre feet per year depletion and listed present and presently proposed average annual depletions of Upper Colorado River water by New Mexico as follows:
San Juan-Chama Project * 110,000 ac.ft.
Navajo Irrigation Project 254,000 " "
Reservoir Losses ** 127,000 " "
Present and Authorized Uses 126,500 " "
Animas-LaPlata Project * 33,400 " "
Uses of the waters of the San Juan and its tributaries above Navajo Dam 112,000 " "

Total 762,900 " "

762,900
838,000
91%

*Not supported by Navajo Dam
**New Mexico's share of reservoir losses of the Colorado River Storage Project, including 35,000 acre feet per year losses from Navajo Reservoir

Section 4 of the draft presented, which provides for facilities to furnish water for municipal, industrial, and miscellaneous purposes, was discussed and revised.

After a brief recess a vote was called on the motion to approve the proposed legislation as revised.

Mr. Gary stated that he opposed the proposed legislation because of the plan for use of imported water in the Rio Grande Basin. The resolution passed with Mr. Gary voting "no" - all other Commissioners voting "yes."
Mr. Coury stated that he was voting only for a San Juan-Chama diversion of 110,000 acre feet.

The Secretary stated that as he understood Mr. Coury's vote it was for approval of the legislation as presented, including Section 1. Mr. Coury agreed to that interpretation of his vote. The Chairman pointed out that the proposed legislation would authorize a diversion of only 110,000 acre feet at this time. The form of the proposed legislation as approved is attached hereto as a part of these minutes.

Mr. Coury moved that the proposed legislation, when prepared in final form, be submitted to the Upper Colorado River Commission for their approval. The motion was seconded by Mr. Reynolds and unanimously carried.
The Secretary stated that the Commission had previously authorized expenditure of $11,000 for a feasibility study for rehabilitation of the Santa Cruz Irrigation District but that the present holder of the outstanding bonds of the District would not allow the District to enter into additional contracts. It now appears that the District will be able to obtain a loan from the State Treasurer to retire the outstanding bonds, thus making it possible for the District to contract with the Bureau of Reclamation for construction and rehabilitation work under the Federal Small Projects Act. The Technical Division of the State Engineer Office, in light of the feasibility study requirements recently established by the Bureau of Reclamation, recommends that the authorization for the study be increased to $17,000.

Mr. Reynolds moved that the Secretary be authorized to expend up to $17,000 for a feasibility study of the rehabilitation of the Santa Cruz Irrigation District. The motion was seconded by Mr. Sanders and unanimously carried.

The Secretary reported that the Commissioner of Public Lands had asked the State Engineer for permission to sell 1200 acres of Water Reservoir Fund land located near Tularosa. Mr. Hale stated that the present rental on this land is 3¢ an acre for grazing fees and amounts to a total of $36 per year. On investigation it was found that there are several wells in the area producing from 300 to 1100 gallons per minute, that this area could possibly be irrigated, and should be appraised for not less than $50 per acre. He further stated that more investigation should be conducted to ascertain if there was a possibility of developing ground-water supplies for the defense installations in this area as an alternative, and he recommended deferring sale of the land until the details had been fully explored. There being no objection the Commission agreed to defer action on the sale of this land.

Mr. Sanders moved that the Commission give its thanks to Mr. Coury and the people in Farmington for their hospitality and cooperation, and that Mr. Bolack be extended thanks for his reception of the previous evening. The motion was seconded by Mr. Love and unanimously carried.

There being no further business the Commission adjourned the meeting at 4:15 P.M.

Approved: Feb. 6, 1958

Chairman

Secretary

OSE-2461
Minutes of the Meeting of the Interstate Stream Commission, February 6, 1958

The meeting was called to order by the Chairman in the New Mexico Room, LaFonda Hotel, Santa Fe, New Mexico at 10:00 A.M., February 6, 1958. Present were:

Thomas G. Morris          Chairman
I. J. Coury               Member
W. H. Gary               Member
Oscar Love               Member
Draper Brantley          Member
S. E. Reynolds           Secretary
John H. Bliss            Upper Colorado River Commissioner
Claud S. Mann            Legal Advisor
Irwin S. Moise           Legal Advisor
David P. Hale            Interstate Stream Engineer

Also present were: W. L. Miller, Bureau of Indian Affairs, Washington, D. C., Murray L. Crosse, Solicitor, Department of the Interior, Gallup, New Mexico, and Laurence Davis, Assistant General Counsel for Navajo Tribe, Phoenix, Arizona. From the Bureau of Reclamation, Albuquerque, John Thompson, Rowland Fife, and Ralph Charles. Also from Albuquerque, John Patrick Murphy, representing the Middle Rio Grande Flood Control Association, and Hubert Ball from the Middle Rio Grande Conservancy District. From the U. S. Forest Service, C. J. Sauser and Don B. Ford, Taos, New Mexico. Claud R. Leeson, Truth or Consequences, representing the Soil Conservation Service. From Cuchillo, New Mexico, were Ed A. Carabajal, John C. Calhoun and J. W. Sullivan. From Monticello, New Mexico were Gaveno R. Sedillo, Charlie M. Sedillo, and W. O. Wilhite. Also, W. P. Cater, Cerro, Marcelino Martinez, and Libby L. Herrera, Questa, New Mexico. From Santa Fe, A. F. Brown, C. B. Thompson, State Engineer Office, Philip B. Mutz, Interstate Stream Commission and Paul L. Billhymer from the Attorney General's office.

Mr. Coury moved that the minutes of the meeting of October 17, 1957, copies of which had been sent to the members prior to the meeting, be approved as written. The motion was seconded by Mr. Gary and unanimously carried.
Mr. Thompson of the State Engineer Office, summarized the irrigation problems of the Cuchilla Valley Water Users Association on Rio Cuchilla Negro and of the Monticello Community Ditch on the Alamosa River. Representatives from each of the communities requested that a study be made to determine the possibilities of rehabilitating their irrigation systems. The proposed study would include investigation of both surface and ground-water resources.

Mr. Love moved that the Commission authorize the State Engineer Office to make reconnaissance studies of the Cuchilla and Monticello Valleys, the cost of the two investigations not to exceed $4000. The motion was seconded by Mr. Brantley and unanimously carried.

Mr. Cater of the Cabresto Irrigation District, and Mr. Martinez of the Llano Irrigation Company, reported that the spillway and dam embankment of the Cabresto Dam had been damaged last spring and requested a loan from the Interstate Stream Commission to rehabilitate the dam.

Mr. Reynolds recommended that a feasibility study be authorized in the amount of $2000 and that a contract be negotiated which would require repayment of study costs if the project were ultimately constructed. Mr. Brantley moved that the engineering work proceed and that a contract be negotiated with both the Cabresto Irrigation District and Llano Irrigation Company. Mr. Love seconded the motion and it was unanimously carried.

The proposed sale of Water Reservoir Fund land in Sections 34 and 35, T. 13 S., R. 9 E., near Tularosa was discussed. It was agreed that Commissioner Brantley would inspect the land and recommend to the Commission whether to agree to the sale of the land and, if so, at what price. The recommendation would be forwarded to the Secretary for action.

Mr. Reynolds reported that the Secretary of the Interior had transmitted to the affected states copies of the proposed coordinated report of the Department of the Interior on the San Juan-Chama Project, Colorado-New Mexico and the Navajo Project, New Mexico. Both projects are proposed as Participating Projects of the authorized Colorado River Storage Project. This transmittal was made on October 17, 1957 in accordance with the provisions of the Flood Control Act of 1944 and requested reviews and recommendations within 90 days of receipt of the transmittal letter.
Mr. Reynolds reported that the official action of the Colorado Water Conservation Board on January 3, 1958 had deferred comment on the proposed San Juan-Chama Project Report and has asked the Secretary of the Interior for six months delay in submitting her comments. The Secretary of the Interior has advised Colorado that he believes six months would contribute an undue delay in processing the report, but that he would delay the transmittal of the report to the Congress for a reasonable period and would forward Colorado’s comments if received after such transmittal.

Mr. Reynolds reported that he had met with Colorado’s water officials, attorneys, and local interests on January 30 to discuss the problems which have led to delay in Colorado submitting her official comments on the San Juan-Chama and Navajo Projects Report. It was established in this meeting that there was no real concern in Colorado over the affect of these projects on present uses in Colorado and that the issues were ultimately narrowed down to concern of Colorado's western slope interests that uses which New Mexico contemplates will not leave sufficient water within New Mexico's allowable depletion for the New Mexico portion of the Animas-LaPlata Project and concern that we have committed all of our power revenue credits for 60 years to the San Juan-Chama and Hammond Projects, reserving little, if any, for the Animas-LaPlata Projects. The local interests from the west slope want the New Mexico portion of the Animas-LaPlata Project to have the same water priority date as the San Juan-Chama and Navajo Projects.

Mr. Reynolds stated that he had assured them that there was adequate water for the project under its present priority date which is about one year later than the Navajo and San Juan-Chama Projects and supported that view with hydrologic data. The Secretary also reported that he had pointed out to Colorado officials that proportioning the estimated power revenue credits among all of New Mexico’s projects, as proposed by the west slope interests, would not advance the date on which construction of the Animas-LaPlata Project could be initiated but would merely delay initiation of construction on all of the projects. Nevertheless, the west slope interests stated that their position is that they will accept no assurance less than a ratified compact between the States before they agree to the authorization of our projects.

The Secretary reported that he had received a telegram from the Bureau of Reclamation asking whether the State proposed to assign the Animas-LaPlata filing to the Department of the Interior in a manner similar to the one on the Navajo and San Juan-Chama filing.
After some discussion of this proposal Mr. Coury moved that the Secretary be authorized to transfer at his discretion, the State's filing on the Animas-LaPlata to the Secretary of the Interior. The motion was seconded by Mr. Love and unanimously carried.

The proposed San Juan-Chama Navajo Irrigation Project legislation was then discussed. The Secretary reported on the meeting in Phoenix and the meeting at Window Rock with the Navajo Tribal Council.

The Secretary then moved that the draft forwarded to the Commissioners with his letter of January 29 including the additional proviso suggested on page 6 of the letter be submitted to our Congressional delegates for their study and consideration. The motion was seconded by Mr. Love.

Discussion of the various provisions of the proposed bill then proceeded. Sections 4 and 7 of the bill were discussed at great length. Mr. Laurence Davis, Assistant General Counsel for the Navajo Tribe, suggested that in Section 7 "other uses" from Navajo Reservoir be restricted to municipal and industrial water and possible additional stages of the San Juan-Chama Project. Mr. Davis also suggested that the draft would be improved if the proviso of Section 7 appear in Section 4 rather than in Section 7.

The Commission considered the suggested change in Section 7 regarding "other uses" and concluded that since they could not fully foresee the developments that will take place in the San Juan Basin, it would be unwise to thus restrict the usage of water from Navajo Reservoir.

The Secretary then read a proposed draft of a letter of transmittal of the bill to the Congressional delegates including the suggestions by Mr. Davis.

The Secretary's motion carried. The draft of the legislation to be transmitted in accordance with the motion is included in Attachment A to the minutes of this meeting.

Mr. Bliss reported that the Pecos River bill for Water Salvage and Salinity Alleviation as amended had passed the House and Senate and is now on the President's desk for signature. If the bill is signed our Congressional delegation will request an appropriation for the project in this fiscal year.

Mr. Phil Maestas, Manager of the Santa Cruz Irrigation District, reported to the Commission that the State Board of Finance had empowered the State Treasurer to buy the $72,000 of outstanding bonds of the Santa Cruz Irrigation District provided that the District could get the approval of the State

OSE-2465
Certification Board and the State Auditor's Office. The approval of
these two boards has been obtained and the State Treasurer has advised
Mr. Maestas that the State would purchase the bonds at 2.75% interest.
Mr. Maestas told the Commission that he was very much interested in
rehabilitating the irrigation system of the Santa Cruz District.

Mr. Billhymer advised the Commission that the State Finance Board
had approved the emergency request for $39,000 to carry on the Arizona-
California litigation. He also stated that representatives from New Mexico,
Arizona, California and the United States were going to Silver City starting
February 17 to take depositions of New Mexico witnesses in connection with
the suit.

The Secretary reported that Senator Chavez had introduced Senate Bill
2976 on January 13, 1958 which would provide for a Federal contribution
toward the cost of the dam and reservoir which is proposed to be constructed
on the Canadian River by the State of New Mexico.

Mr. Coury moved that the Secretary write to Senator Chavez telling him
the passage of this bill would be very helpful in the construction of the dam
and that the State Engineer Office and the Commission stand ready and
willing to furnish any data that might be needed by the appropriate com-
mittees. The motion was seconded by Mr. Reynolds and unanimously carried.

Commissioner Brantley stated that he had been requested by the Carlsbad
Irrigation District to ask the Commission to make an engineering and
economic study of the use of a hydraulic dredge on the Pecos River. He asked
that the other sources of revenue than those that might be provided by the
Carlsbad Irrigation District be considered in that it would provide salvage
water which would be shared by other irrigators. The Secretary stated that
there appears to be no source of funds for a study of this type. It was
suggested that the State Legislature might provide funds for study of the use
of a hydraulic dredge and for operation and maintenance or purchase of this
dredge if it appeared feasible.

Commissioner Brantley read a letter that had been transmitted to the Area
Development Engineer, Mr. Ralph Charles of the Bureau of Reclamation
in Albuquerque from the Carlsbad Irrigation District relative to naming of
a reservoir site in honor of George Brantley.
The Secretary moved that the Commission concur in the Carlsbad Irrigation District's suggestion that the dam and reservoir site below Major Johnson Springs be designated the George Brantley Dam and Reservoir. The motion was seconded by Mr. Coury and unanimously carried.

The Secretary suggested that a resolution expressing the appreciation of the State of New Mexico for the stand taken by the State of Utah regarding funds for Navajo Dam and Flaming Gorge Dam be drafted. The motion was seconded by Mr. Coury and unanimously carried.

There being no further business the Commission adjourned at 3:00 P.M.

Approved: June 5, 1956
Minutes of the Meeting of the
Interstate Stream Commission
February 1, 1960

The recessed meeting of November 4, 1959 was called to order
by the Chairman at 1:30 P.M., February 1, 1960, in the Coro-
nado Room, La Fonda Hotel, Santa Fe, New Mexico. Present
were:

I. J. Coury  Chairman
S. E. Reynolds  Secretary
W. H. Gary  Member
T. T. Sanders, Jr.  Member
L. C. Strawn  Member
Jack T. Cargill  Member
Peter Gallagher  Member
Claud S. Mann  Legal Adviser
Dudley Cornell  Legal Adviser
Tom O. Olson  First Assistant
John H. Bliss  Attorney General
David P. Hale  Upper Colorado River
Interstate Stream
Commissioner
Engineer

Also present were Messrs. H. T. Person, Engineer Consultant
for the Navajo Tribe, Laramie, Wyoming; Laurence Davis,
Assistant General Counsel for Navajo Tribe, Phoenix, Arizona;
Ival V. Goslin, Engineer-Secretary, Upper Colorado River
Commission, Salt Lake City, Utah; John Patrick Murphy, Secretary,
Middle Rio Grande Flood Control Association, Albuquerque; Hubert
Ball, Chief Engineer, Middle Rio Grande Conservancy District,
Albuquerque; Ralph Charles, State Coordinator, Bureau of
Reclamation, Albuquerque; Lloyd Nicholson, Area Engineer, Bureau
of Indian Affairs, Gallup, New Mexico; R. N. Hull, Assistant
Area Engineer, Bureau of Indian Affairs, Albuquerque; J. C.
Yates and Jack G. Koogler, State Engineer Office; Philip B.
Mutz and Carl Slingerland, Engineers, Interstate Stream Com-
mission; John Curtis, Associated Press, and Hoyt Gimlin, United
Press.

Mr. Coury advised that Mr. Ival Goslin, the Engineer-Secretary
of the Upper Colorado River Commission was attending the meeting
at the request of the Chairman for the purpose of hearing the
discussion on Colorado's proposed amendments to S.72, the bill which was approved by the U. S. Senate, 86th Session, to authorize the Navajo Indian Irrigation project and San Juan-Chama project.

Mr. Hale read a letter from the State Land Commissioner regarding Mr. John R. Stark's application to purchase 2360.80 acres of State Water Reservoirs Land in Township 20 South, Ranges 11 and 12 West, Grant County. These lands being located approximately 2 miles southwest of Faywood, New Mexico. An inspection report of the land by the Technical Division of the State Engineer Office was presented to the Commission for their consideration.

Mr. Sanders stated that he was interested in purchasing some State Water Reservoirs land in the immediate vicinity and, therefore, did not want to take part in the discussion of the proposal.

After a discussion of the inspection report, the possibilities for developing irrigation, and the revenues which might be expected from the land, by rental or sale, Mr. Gary moved that the Commission approve the sale of the land at the appraisal price of $11 per acre. The motion was seconded by Mr. Gallagher and carried, Mr. Sanders not voting.

The Secretary read telegrams from the La Plata Conservancy District and from the San Juan County Farm and Livestock Bureau relative to the proposed Animas-La Plata Project in relation to S.72, the proposed Navajo Irrigation - San Juan-Chama Projects bill. After the Commission discussed the question Mr. Olson suggested the following proposed reply to the telegrams:

"New Mexico, acting through this Commission has been ever conscious of its obligation to protect existing water uses and has in fact already reserved, under filings assigned to the Secretary of the Interior, sufficient waters from the waters allocated to New Mexico by the Upper Colorado River Compacts for the New Mexico portion of the Animas-La Plata Project."

Mr. Straw moved that telegrams incorporating the above language be sent to the Conservancy District and the Farm and Livestock Bureau. The motion was seconded by Mr. Gary and unanimously carried.
The Secretary read a statement prepared by Mr. Mann relative to Colorado's proposed amendment to S.72. Mr. Gallagher moved that the Commission adopt this statement as the official position of the Commission on the Colorado proposals. The motion was seconded by Mr. Sanders and unanimously carried. The statement follows:

"The State of New Mexico takes the firm position that it does not seek or desire the use of any waters of the San Juan River and its tributaries except those apportioned to the State by the Upper Colorado River Basin Compact of 1948. Nor will the State relinquish any part of that apportionment. Further, New Mexico will not enter into any agreements whatsoever that could be considered as an attempt to amend or limit the 1948 compact. New Mexico is pleased to have an opportunity to work out with Colorado representatives provisions in the proposed legislation which will give positive assurance that Colorado's rights under the Compact are also fully protected."

The forthcoming meeting with Colorado officials on February 2, 1960, for the purpose of discussing their proposed amendments to S.72 was discussed and Mr. Gallagher moved that the meeting be open to the public. The motion was seconded by Mr. Cargill and unanimously carried.

Mr. Reynolds moved that the Commission authorize the Secretary to employ a reporter for the purpose of making a verbatim transcript of the meeting of February 2. The motion was seconded by Mr. Strawn and unanimously carried.

Mr. Sanders moved that the entire Commission represent the State in the negotiations and that the Chairman and Secretary act as principal spokesmen. The motion was seconded by Mr. Strawn and unanimously carried.

Mr. Yates reported on the progress of work and outlined additional possibilities for salvage of water in the reach of the river between Elephant Butte and Caballo Dam. He asked for authority to expend up to $1200 to obtain easement for the purpose of clearing of salt cedar between Elephant Butte Dam and the headwaters of Caballo Reservoir.
Mr. Gary moved that the Commission approve the expenditure of $1200 from the Improvement of the Rio Grande Income Fund to retain a person to secure rights-of-way. The motion was seconded by Mr. Gallagher and unanimously carried.

Mr. Yates continued his report and recommended a study of the possibility of water salvage by channelization above Caballo Reservoir. After discussion of the proposal the Secretary moved that the Commission authorize the expenditure of $7500 from the Improvement of the Rio Grande Income Fund for the purpose of investigating the feasibility of channel work from Elephant Butte Dam to Caballo for the salvage of water. The motion was seconded by Mr. Gary and unanimously carried.

The Secretary read a letter from the Tularosa Community Ditch Corporation relative to appearing before the Commissioners at the next meeting. The Secretary advised he would confer with the Corporation's officials prior to the next meeting as requested and if there appeared to be a problem the Commission could consider it at its next meeting.

Mr. Yates reported on the proposed Upland Watershed program, a pilot program for investigation of development potentials of a selected depressed area of the State being coordinated by the State Planning Commission. Participation by the State Engineer Office would include investigation of three small irrigation projects in the selected area. Cost of the engineering reconnaissance investigation in an amount not to exceed $3000 would be from the Irrigation Works Construction Fund.

The Secretary stated that in order to hold the original priority date of File No. 2900 on the Canadian River the Commission must make a formal application prior to February 4, 1960. Mr. Strawn moved that the Commission preserve the original filing date by making formal application prior to February 4, 1960. The motion was seconded by Mr. Reynolds and unanimously carried.

The question of procedure on right-of-way problems at the Canadian Dam project was discussed and referred to the State Engineer Office and to Mr. Olson as legal adviser to the Commission.
Mr. Olson reported that the questions referred to the Attorney General relative to bonding on the Canadian Dam project were under consideration, and that the Attorney General's opinion would depend partially on the decision reached on a matter now pending before the Supreme Court. He also reported briefly on the W S Ranch Company litigation.

There being no further business the Commission adjourned at 3:30 P.M.

Chairman

Secretary

Approved:___________________
A B I L L

To authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian Irrigation Project and the initial stage of the San Juan-Chama Project as participating projects of the Colorado River Storage Project, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby approves as participating projects of the Colorado River Storage Project the Navajo Indian Irrigation Project as described in the Bureau of Indian Affairs report entitled "Navajo Project, New Mexico Feasibility Report, January 1955," and as modified by the Bureau of Indian Affairs Supplemental Report entitled "Navajo Project, New Mexico Supplemental Report, March 1957 to Feasibility Report, January 1955," and the San Juan-Chama Project as described in the Bureau of Reclamation report entitled "San Juan-Chama Project, Colorado-New Mexico, November, 1955," such project plans and reports having been prepared and submitted as required under the provisions of the Act of April 11, 1956, 70 Stat. 105.

Sec. 2. Pursuant to the provisions of the Act of April 11, 1956, 70 Stat. 105, the Secretary of the Interior is authorized to construct the Navajo Indian Irrigation Project to include a net area of 110,630 acres of land with an average annual diversion requirement of 508,000 acre feet of water, the repayment of the costs of construction thereof to be in accordance with the provisions of said Act of April 11, 1956, 70 Stat. 105, including, but not limited to Section 4 (d) thereof.
Sec. 3 (a) In order to provide for the most economical
development of the Navajo Indian Irrigation Project, the Secretary of the
Interior is hereby authorized and directed to declare by publication in the
Federal Register that the United States of America holds in trust for the
Navajo Tribe of Indians any legal subdivisions or unsurveyed tracts of
federally-owned land outside the present boundary of the Navajo Indian
Reservation in New Mexico in T.s. 28 and 29 N., Rs. 10 and 11 W., and T.s.
17 and 28 N., Rs. 12 and 13 W., N. M. P. M., susceptible to irrigation as
part of the Navajo Indian Irrigation Project or necessary for location of any
of the works or canals of such project; Provided, however, That no such
legal subdivision or unsurveyed tract shall be so declared to be held in trust
by the United States for the Navajo Tribe until the Navajo Tribe shall have
paid the United States the full appraised value thereof; and Provided further,
that in making appraisals of such lands the Secretary of the Interior shall
consider their values as of the date of approval of this Act, excluding therefrom
the value of all minerals subject to leasing under the Act of February 25, 1920,
as amended (30 U.S.C. 181-286), and such leasable minerals shall not be held
in trust for the Navajo Tribe and shall continue to be subject to leasing under
the Act of February 25, 1920, as amended, after the lands containing them
have been declared to be held in trust by the United States for the Navajo Tribe.

(b) The Navajo Tribe is hereby authorized to convey to the
United States, and the Secretary of the Interior is hereby directed to accept on
behalf of the United States, title to any land or interest in land within the above-described townships acquired in fee simple by the Navajo Tribe, and after such conveyance said land or interest in land shall be held in trust by the United States for the Navajo Tribe as a part of the Navajo Indian Irrigation Project.

(c) The Secretary of the Interior is hereby authorized and directed to acquire by purchase, exchange, or condemnation any other land or interest in land within the townships above described susceptible to irrigation as part of the Navajo Indian Irrigation Project or necessary for location of any of the works or canals of such project. After such acquisition said lands or interest in lands shall be held by the United States in trust for the Navajo Tribe of Indians and the price of such lands or interest in lands or of the land given in exchange therefor by the United States shall be charged to funds of the Navajo Tribe of Indians on deposit in the Treasury of the United States.

Sec. 4. In developing the Navajo Indian Irrigation Project, the Secretary of the Interior is hereby authorized to provide capacity for municipal and industrial water supplies or miscellaneous purposes over and above the diversion requirements for irrigation purposes stated in Section 2 of this Act. Such additional capacity shall not be constructed unless, prior to such construction, contracts shall have been executed which the Secretary of the interior will provide satisfactory assurance of repayment of all costs assignable to such additional capacity.

OSE-2475
Sec. 5. The Navajo Indian Irrigation Project shall be constructed, operated, and maintained subject to the provisions of Section 4 of the Act of April 11, 1956 (43 U.S.C. §620 c) to the same extent as if such project were authorized by section 1 of said act (43 U.S.C. §620). Payment of operation and maintenance charges of the irrigation features of the Navajo Indian Irrigation Project shall be in accordance with the provisions of the Act of August 7, 1946, 60 Stat. 867; Provided, That the Secretary of the Interior in his discretion may transfer to the Navajo Tribe of Indians the care, operation, and maintenance of all or any part of the Navajo Indian Irrigation Project works, subject to such rules and regulations as he may prescribe, and in such event, the Secretary may transfer to the Navajo Tribe title to movable property necessary to the operation and maintenance of project works.

Sec. 6. Pursuant to the provisions of the Act of April 11, 1956, 70 Stat. 105, the Secretary of the Interior is authorized to construct, operate and maintain an initial stage of the San Juan-Chama Project, in accordance with the Bureau of Reclamation report entitled, "Supplemental Report, San Juan-Chama Project, Colorado-New Mexico, May 1957," said initial stage to have an average annual diversion of 110,000 acre feet of water.

Sec. 7. Notwithstanding any provision of existing law, the annual water supply available from the San Juan River and its tributaries above Navajo Dam for the projects authorized herein and all other uses hereafter

OSE-2476
lawfully initiated in New Mexico shall be shared in proportion to the respective diversion requirements for said projects and uses in any year in which the Secretary of the Interior finds that the annual water supply in addition to water in storage will be inadequate for said projects and uses; Provided that in entering contracts for the use of the waters of the San Juan River and its tributaries above Navajo Dam, the Secretary shall reserve sufficient water to meet the diversion requirements set forth in Sec. 2 and Sec. 6 of this Act with reasonable shortages.

Sec. 8. Section 12 of the Act of April 11, 1956, 70 Stat. 105, shall not apply to the works authorized by this Act. There are hereby authorized to be appropriated out of any moneys in the treasury not otherwise appropriated, such funds as may be required to carry out the purposes of this Act, but not to exceed $208,000,000.