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

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

Dear Mr D’Antonio:

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

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

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

Arizona Public Service Company (APS)
BHP-Billiton
Hammond Conservancy District
Jicarilla Apache Nation
Navajo Nation
Public Service Company of New Mexico (PNM)
In addition, we have received similar letters of endorsement from the following entities:

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

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

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

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

Sincerely,

Larry Walkoviak
Regional Director

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

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

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

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

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

       Ken Nordlander
       Arizona Public Service Company
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       Phoenix, AZ  85072-3999

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David Campbell
New Mexico Ecological Services Field Office
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Honorable William E. Standley
Mayor of Farmington
800 Municipal Drive
Farmington, NM  87401

John Leeper
Navajo Nation
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Steve Lynch
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