

United States Department of the Interior

BUREAU OF RECLAMATION

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



WCD-PPage WTR-4.13

NOV - 9 2009

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

NOV 1 2 2009

USFWS-NMESFO

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

Zanz Walhonide

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 P.O. Box 53999 Phoenix, AZ 85072-3999

Continued on next page.

cc: Continued from previous page.

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

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

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

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

Robert Genualdi New Mexico Office of the State Engineer 100 South Oliver Drive Aztec, NM 87410 Lawrence Stock Farmers Mutual Ditch P.O. Box 467 Kirtland, NM 87417

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

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

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

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