



STATE OF NEW MEXICO  
OFFICE OF THE STATE ENGINEER

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SAN JUAN WATER COM

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February 6, 2013

The Honorable Ken Salazar  
Secretary, Department of the Interior  
1849 C St., NW  
Washington, D.C. 20240

Re: Assignment and Retention of Interest under New Mexico State Engineer File No. 2883

Dear Secretary Salazar:

By this letter, we request that the United States take the actions described below with respect to the Department of the Interior's interest in New Mexico State Engineer (OSE) File No. 2883, dated May 1, 1956 to: (a) make assignments to the New Mexico non-Navajo Animas-La Plata Project (ALP) beneficiaries, the San Juan Water Commission and the La Plata Conservancy District, pursuant to Section 303 of the Colorado Ute Settlement Act Amendments of 2000; (b) hold in trust for the benefit of the Navajo Nation a portion of the Department of the Interior's interest; and (c) retain the remainder of the interest for the purposes of ALP.

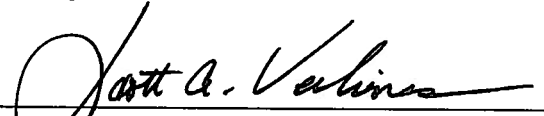
- a. Requested Assignments. The State Engineer requests the Secretary to assign a portion of its interest under OSE File No. 2883 to the San Juan Water Commission in the total amounts of 30,800 acre-feet per annum of diversion and 16,700 acre-feet per annum of depletion. The State Engineer requests the Secretary to assign a portion of its interest under OSE File No. 2883 to the La Plata Conservancy District in the total amounts of 2,000 acre-feet per annum of diversion and 1,057 acre-feet per annum of depletion.
- b. Additional water for Navajo Nation. As you know, the United States will be holding in trust 4,680 acre-feet per annum of diversion and 2,340 acre-feet per annum of depletion under OSE File No. 2883 for the Navajo Nation's uses under ALP as described in paragraph 3(c) of the proposed Partial Final Judgment and Decree of the Water Rights of the Navajo Nation filed with the Court in the San Juan River Adjudication in New Mexico on January 3, 2011, as provided in Section 302 of the Colorado Ute Settlement Act Amendments of 2000. In addition, in conjunction with the assignments requested

above, the State Engineer requests that the United States hold in trust on behalf of the Navajo Nation an additional water allocation of 2,920 acre-feet per annum of diversion and 1,840 acre-feet per annum of depletion under OSE File No. 2883 for Navajo Nation uses.

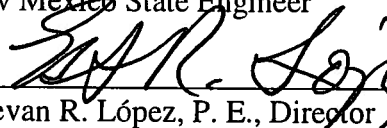
- c. Retained water for ALP purposes. After the portions of the United States' interest are assigned or placed into trust as described above, the State Engineer recognizes that the U.S. Department of the Interior will retain the remaining interest in OSE File No. 2883 for the purposes of ALP, which may include (1) reconciling diversions to Lake Nighthorse to replace storage water and reservoir losses associated with project uses in New Mexico; and (2) offsetting operational inefficiencies to promote delivery of water for uses in New Mexico.

Thank you for your attention to this matter. Please do not hesitate to contact us if you have questions or need additional information.

Best Regards,



Scott A. Verhines, P.E.  
New Mexico State Engineer



Estevan R. López, P. E., Director  
New Mexico Interstate Stream Commission

Copy: Larry Walkoviak, Regional Director, Bureau of Reclamation  
San Juan Water Commission  
La Plata Conservancy District  
Navajo Nation Water Resources Department