OFFICIAL FILE COPY

DATE BURNAME CODE

1/18/13 RKC INCD-RChr STIGNA

-/8 GUD ELIGANET

1/3

2/19 / Januar 100

Classification

Project

Control No J 0030 113-13

Folder ID

WCD-RChristianson WTR-4.13

Mr. Scott Verhines, PE
State Engineer
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

FFR 1 9 2013

Dear Mr. Verhines:

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. Current conditions (inflow forecast and reservoir content) indicate that a shortage is a possibility this year. Notwithstanding the direction provided in §11, a group of ten water users has developed an agreement among themselves as to how they will allocate the water supply in a shortage situation ("Recommendations for San Juan River Operations and Administration for 2013-2016, July 2, 2012").

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 §11, the recommendations fall within our anticipated operating plans for 2013 through 2016. We also anticipate that operations under §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
BHP Navajo Coal Company
Hammond Conservancy District
Jicarilla Apache Nation
Navajo Nation
Public Service Company of New Mexico

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

Bloomfield Irrigation District

Contonnel

Bloomfield Irrigation District City of Farmington Farmers Mutual Ditch Jewett Valley Ditch Coded by Coded by Conformac

Conformed by ______
Updated by _____
Coded by _____
Filed by _____

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 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. Ryan Christianson of our Western Colorado Area Office at 970-385-6590, or by email at rchristianson@usbr.gov.

Sincerely,
ACTING FOR

BRENT RHEES

Larry Walkoviak Regional Director

cc:

Mr. Michael Howe Bureau of Indian Affairs Navajo Indian Irrigation Project 304 North Auburn, Suite B Farmington, NM 87401

Honorable Ben Shelly
President
Navajo Nation
c/o Department of Natural Resources
P.O. Box 9000
Window Rock, AZ 86515

Honorable Alan Vaughri President Hammond Conservancy District 790 Road 4990 Bloomfield, NM 87413

Mr. Robert Lotts
Arizona Public Service Company
P.O. Box 53999 MS-9424
Phoenix, AZ 85072-3999

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

Honorable Ty Vicenti President Jicarilla Apache Nation P.O. Box 709 Dulce, NM 87528

Mr. Mike Greene
Public Service Company of New Mexico
2401 Aztec N.E.
Albuquerque, NM 87107

Mr. Pat Risner Vice President
BHP Navajo Coal Company
300 West Arrington, Suite 200
Farmington, NM 87401

Mr. James Rogers
Jewett Valley Water Users Association
P.O. Box 91
Waterflow, NM 87421

Honorable Tommy Roberts
Mayor
City of Farmington
800 Municipal Drive
Farmington, NM 87401

Mr. Kevin Flanigan
New Mexico Interstate Stream
Commission
P.O. Box 25102
Santa Fe, NM 87504-5102

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

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

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

Mr. Blaine Watson V New Mexico Office of the State Engineer 100 Gossett Drive, Suite A Aztec, NM 87410

Mr. Tsosie Lewis, CEO
Navajo Agricultural Products Industry
P.O. Drawer 1318
Farmington, NM 87499

Mr. Martin Duncan
San Juan River Dineh Water Users Inc.
P. O. Box 3688
Shiprock, NM 87420

WCG-EWarner, WCD-RChristianson, WCD-SBonery

WBR:RChristianson:lhutchinson: 01172013:970-385-6590
T:\RD\Correspondence\Corresp13\2013USBRNavajoShortageLetterToNMOSE.docx

Mr. Robert Lotts Arizona Public Service Company P.O. Box 53999 MS 9424 Phoenix, AZ 85072-3999

Mr. James Rogers
Jewett Valley Water District
P.O. Box 91
Waterflow, NM 87421

Honorable Tammy Roberts Mayor City of Farmington 800 Municipal Drive Farmington, NM 87401

Mr. Kevin Flanigan New Mexico Interstate Stream Commission P.O. Box 25102 Santa Fe, NM 87504-5102

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

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

Mr. Pat Risner Vice President BHP Navajo Coal Company 300 West Arrington, Suite 200 Farmington, NM 87401

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

Mr. Blain Watson New Mexico Office of the State Engineer 100 Gossett Drive, Suite A Aztec, NM 87410

Mr. Tsosie Lewis CEO Navajo Agricultural Products Industry P.O. Drawer 1318 Farmington, NM 87499

Mr. Martin Duncan San Juan River Dineh Water Users Inc. P.O. Box 3688 Shiprock, NM 87420

bc: WCG-EWamer, WCD-RChristianson, WCD-SBehery

WBR:RChristianson:kcronecrunk\lhutchinson: 01172013\02152013:970-385-6590 T:\RD\Correspondence\Corresp 13\20 I 3USBRNavajoShortageLetterToNMOSE.docx