



IN REPLY REFER TO:

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

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

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

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

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

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

Ken Nordlander
 Arizona Public Service Company
 P.O. Box 53999
 Phoenix, AZ 85072-3999

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James Rogers
Jewett Valley Water Users Association
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David Campbell
New Mexico Ecological Services Field Office
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New Mexico Office of the State Engineer
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Lawrence Stock
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Honorable William E. Standley
Mayor of Farmington
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John Leeper
Navajo Nation
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