



PROPOSED WATER RIGHTS SETTLEMENT AGREEMENT FOR THE SAN JUAN BASIN

Public Meeting Schedule

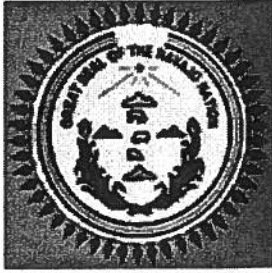
Monday, December 15, 2003

Civic Center
200 West Arrington Street
Farmington, New Mexico
6:00 to 8:00 p.m.

Monday, January 5, 2003

Navajo Nation Chapter House
Highway 64, North of Junction US 491
Shiprock, New Mexico
6:00 to 8:00 p.m.

33-11
12/5/23



BENEFITS OF THE PROPOSED SETTLEMENT AGREEMENT

For the Navajo Nation

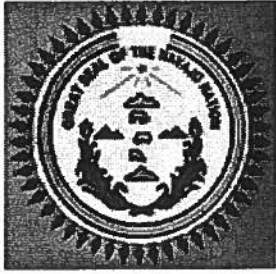
- 1) The proposed settlement agreement is intended to provide water rights and associated water development projects for the benefit of the Navajo Nation in exchange for releasing claims to water that could otherwise potentially displace existing non-Navajo uses in the San Juan Basin.
- 2) The Nation will receive the benefit of several complete water projects including the Navajo-Gallup Pipeline and the Farmington-Shiprock Municipal Pipeline.
- 3) The Nation will receive irrigation water for NIIP as well as for Hogback and Fruitland Irrigation Districts.
- 4) Drinking water will be made available for some areas where water currently has to be hauled by the barrel, sometimes as far as 50 miles, to remote areas of the state.
- 5) The Navajo Nation will have a secure water supply well into the 21th Century.



BENEFITS OF THE PROPOSED SETTLEMENT AGREEMENT

For the State of New Mexico

- 1) Water rights claims are settled without resorting to expensive lawsuits.
- 2) The proposed settlement agreement can be implemented within New Mexico's compact apportionment.
- 3) The proposed agreement will help supply water to Gallup, New Mexico.
- 4) The proposed settlement recognizes existing and authorized uses of water in the San Juan River Basin.
- 5) It also recognizes existing and authorized uses for the San Juan Chama Project, which supplies water to the Rio Grande Basin and includes the cities of Santa Fe and Albuquerque.



BENEFITS OF THE PROPOSED SETTLEMENT AGREEMENT

For Non-Navajo Water Users in the San Juan Basin

- 1) Years of uncertainty with respect to Navajo water rights will now be settled. The Navajo Nation's water rights and in what amount will be determined, meaning Non-Navajo water users will not be subject to potential displacement, and they can better plan their future.
- 2) The Navajo Nation has agreed to include the Navajo-Gallup Water Supply Project in sharing the water available during times of shortage.
- 3) Economic development among non-Navajo water users can proceed with more certainty.