

John Whipple
208 ST-17



THE JICARILLA APACHE NATION

P.O. BOX 507 • DULCE, NEW MEXICO • 87528-0507

January 15, 2004

Via Facsimile and U.S. Mail

Dr. John Leeper
Navajo Nation Department of Water Resources
P.O. Drawer 678
Fort Defiance, AZ 86504
Fax: (520) 729-4126

Mr. John Whipple
New Mexico Interstate Stream Commission
Bataan Memorial Bldg., Room 101
Santa Fe, New Mexico 87504-5102
Fax: (505) 827-6188

Re: Proposed Settlement Agreement between the State of New Mexico and the Navajo Nation for the San Juan River Basin Adjudication

Dear Mr. Leeper and Mr. Whipple:

The Jicarilla Apache Nation is pleased for its sister tribe, the Navajo Nation, to have reached the milestone of a draft settlement of its water rights claims in the San Juan River Basin in New Mexico. The Jicarilla Apache Nation knows well the long struggle necessary to achieve an Indian water rights settlement. The Jicarilla Apache Nation executed a water rights settlement agreement with the United States in 1992, after decades of litigation and negotiation. As the implementation of the Jicarilla Apache Nation's water rights settlement progresses, all stakeholders in the San Juan River Basin are increasingly recognizing the widespread benefits the settlement brings to the Basin. We believe the impending settlement of the Navajo Nation's water rights claims holds similar promise for everyone in the Basin.

In addition to participating in the broader benefits and implications of the Navajo Nation's settlement, the Jicarilla Apache Nation is anticipated to play a specific role. Certain features of the draft Navajo Nation settlement directly involve the Jicarilla Apache Nation and the use of our water rights. One such feature is the Navajo-Gallup Water Supply Project ("NGWSP"). The

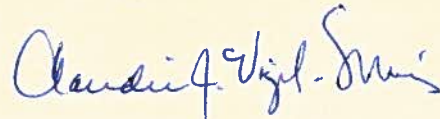


NGWSP would include water delivery to the Jicarilla Apache Nation. The Jicarilla Apache Nation may also lease water to the City of Gallup for delivery through the project. The draft settlement legislation includes provisions specifically directed at the Jicarilla Apache Nation.

Because of the anticipated role of the Jicarilla Apache Nation, and our status as a sovereign, federally recognized Indian tribe, it is appropriate for an exchange of views to occur through government-to-government consultation and negotiation. Therefore, we are not providing specific comments through the current public comment process. Instead, we ask that the Navajo Nation, the State of New Mexico, and the United States engage in government-to-government consultation and negotiation with the Jicarilla Apache Nation. Discussions have begun between the staff, technical advisors and attorneys for the two tribes. These discussions should be elevated and expanded as the Navajo Nation, the State of New Mexico and the United States continue to consider the draft settlement.

The Jicarilla Apache Nation has enjoyed developing a close working relationship with the Navajo Nation, staff of the Bureau of Reclamation, and others as a co-sponsor in the NGWSP investigation. We anticipate productive discussions regarding the NGWSP, and other aspects of the draft Navajo Nation settlement of mutual interest, with the Navajo Nation, our federal trustees, the State of New Mexico, and others as may be appropriate.

Sincerely,



Claudia J. Vigil-Muniz
President

cc: Legislative Council, Jicarilla Apache Nation
Joe Muniz, Executive Director, Dept. of Natural Resources, Jicarilla Apache Nation
Mike Hamman, Jicarilla Apache Nation
Hon. Gale A. Norton, Secretary of the Interior
Stanley Pollock, Esq.
Perry C. Abernethy, Esq.
Michael Schoessler, Esq.
Lester K. Taylor, Esq.
Susan G. Jordan, Esq.