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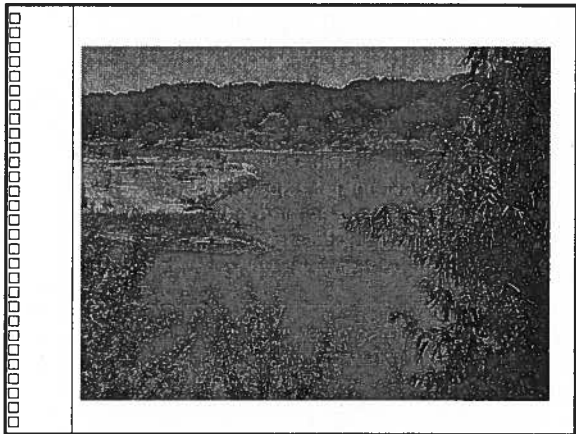
Proposed Water Rights Settlement Agreement

presented by



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Interstate Stream Commission



Area Map of San Juan Basin

Proposed Settlement Agreement

- settlement agreement
- partial final decree
- settlement act
- contract

Public Comments

- Execution of the settlement agreement and the settlement contract will occur upon passage of the settlement act into law
- Public comments will be received until January 15, 2004

To Obtain Copies of Documents:

- Public libraries (Aztec, Bloomfield, Farmington)
- Aztec District Court Clerk
- Office of the State Engineer website at: www.ose.state.nm.us

Settlement Structure

Recognizes Navajo claims in the San Juan Basin including:

- NIIP
- Fruitland-Cambridge
- Hogback-Cudei
- Tributary Irrigation Projects
- Navajo-Gallup Water Supply Project
- Animas-La Plata Project
- Miscellaneous

Benefits to the Navajo Nation

- The proposed agreement provides 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.

Benefits to the Navajo Nation

- The Nation will receive the benefit of several complete water projects including the Navajo-Gallup Project and the Farmington-Shiprock Municipal Pipeline.

Benefits to the Navajo Nation

- The Nation will receive irrigation water for NIIP as well as for Hogback and Fruitland Irrigation Projects.

Benefits to the Navajo Nation

- Drinking water will be made available for some areas where water currently has to be hauled by the barrel many miles to remote areas of the state.

Benefits to the Navajo Nation

- The Nation will have a secure water supply well into the 21st Century.

Benefits to New Mexico

- Water rights claims are settled without resorting to expensive lawsuits.

Benefits to New Mexico

- It can be implemented within New Mexico's compact apportionment.

Benefits to New Mexico

- It will help supply water to Gallup, New Mexico.

Benefits to New Mexico

- It recognizes existing and authorized uses of water in the San Juan River Basin.

Benefits to New Mexico

- It 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 to Non-Navajo Water Users

- Years of uncertainty with respect to Navajo water rights will now be settled. The Nation's water rights will be quantified and non-Navajo water users can better plan their future.

Benefits to Non-Navajo Water Users

- Economic development among non-Navajo water users can proceed with more certainty.

Timeline

- December 5, 2003 -- Announcement
- December 15, 2003 -- Farmington Public Meeting
- January 5, 2004 -- Shiprock Public Meeting
- January 15, 2004 -- Deadline for Public Comments

Timeline

- February 2004 -- Approval Date
- March 1, 2004 -- Settlement Bill to Congress
- October 31, 2006 -- Settlement Bill Would Become Law
- September 30, 2008 -- Deadline for Joint Hydrographic Survey Report

Timeline

- December 31, 2010 -- Partial final decree to be entered by the court in the San Juan River Adjudication

Proposed Settlement

- The Navajo Nation would retain rights it has acquired under state law, as well as rights to further diversions of groundwater that is non-tributary to the San Juan River, and additional rights to indoor residential domestic uses that are not served by public water supply systems.
- The Navajo Nation would have 869 acre-feet of storage capacity space in Ridges Basin Reservoir reserved for its exclusive use under the Animas-La Plata Project.

Proposed Settlement

- Individual members of the Navajo Nation, who have been allotted land by the United States are not bound by the settlement agreement and may have claims to historic and existing agriculture, stock, and domestic uses in the San Juan River Basin.
- Any reserved rights that may be adjudicated to such members for additional future uses would be serviced by, or offset by corresponding reductions in use under, the rights of the Navajo Nation.

Proposed Settlement

- Under the settlement agreement, the Navajo Nation would administer its rights on Navajo lands subject to non-impairment of non-Navajo water rights.
- Transfers of water rights off Navajo lands would require approval of the State Engineer.

Proposed Settlement

- Navajo Nation uses of water under rights acquired pursuant to state law or the Secretary of the Interior's rights for the Navajo Reservoir Supply and the Animas-La Plata Project must comply with the rights adjudicated in the partial final decree or be approved by the State Engineer.
- The Navajo Nation would be responsible for measuring and reporting water uses.

Proposed Settlement

- The settlement act would authorize appropriations for the construction and rehabilitation of water development projects and purposes to benefit the Navajo Nation and would require that associated project construction and funding milestones be achieved by specified completion dates.

Water for the Navajo Nation

	DIVERSION			
	Amount (afy)	Rate (cfs)	Depletion (afy)	priority
Irrigation Projects:				
- Navajo Indian Irrigation Project (NIP)	908,000	1,200	267,000	subordinated
- Fruitland-Cambridge Irrigation Project	16,840	100	7,970	1988
- Hogback-Cuddeh Irrigation Project	42,200	225	21,100	1988
- San Juan River Supplemental Irrigation	14,200	65	0	2004
- Tributary Irrigation projects, including storage	(determined by hydro survey)			1988
Municipal, Industrial, Commercial, Domestic Uses:				
- Navajo/Chinle Water Supply Project	22,650	48	20,780	subordinated
- Animas-La Plata Project	4,880	13	2,340	subordinated
- San Juan Municipal Diversions	2,000	3	1,000	1988
- San Juan Supplemental BSI Diversions	14,000	40	0	2004
- Tributary Groundwater Diversions	2,000	N/A	2,000	1988
- Tributary recreation and livestock uses	(determined by hydro survey)			1988

Construction/Funding Milestones

	Service Acres	Federal Funds	Completion Date
Irrigation Projects:			
- Navajo Indian Irrigation Project (NIP)	110,630	\$277.4 million	Dec. 2015
- Fruitland-Cambridge Irrigation Project	3,205	\$ 5.7 million	Dec. 2010
- Hogback-Cuddeh Irrigation Project	6,630	\$ 12.0 million	Dec. 2015
Municipal, Industrial, Commercial, Domestic Uses:			
- Navajo/Chinle Water Supply Project	N/A	\$463.4 million	Dec. 2016
- Navajo Nation Municipal Pipeline	N/A	\$ 5.0 million	Dec. 2009
- Constructive Use Groundwater Wells	N/A	\$ 77.6 million	Dec. 2016
Other Purposes:			
- Joint Hydrographic Survey	N/A	\$ 5.0 million	Sept. 2008
- Navajo Nation Water Development Trust Fund	N/A	\$ 25 million	Dec. 2016

Send comments to:

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Next Public Meeting

- **Monday, January 5, 2004**

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

