

**STATE OF NEW MEXICO
COUNTY OF HIDALGO
SIXTH JUDICIAL DISTRICT**

**STATE OF NEW MEXICO ex rel.
OFFICE OF THE STATE ENGINEER**

6TH JUDICIAL DISTRICT COURT
HIDALGO COUNTY NM
FILED IN MY OFFICE
Jun 30 2025, 3:45 pm
KERRI L. CLARK
DISTRICT COURT CLERK
Angela Rodriguez

Plaintiff,

v.

**No. D-623-CV-2005-00054
Honorable Jarod K. Hofacket**

ROSETTE, INC., et al.

**ANIMAS UNDERGROUND WATER
BASIN ADJUDICATION**

Defendants.

**STATE OF NEW MEXICO'S RULE 71.3 REPORT-FY 2026
LOWER RIO GRANDE ADJUDICATION BUREAU
June 30, 2025**

Pursuant to Rule 1-071.3 NMRA, the State of New Mexico, by and through its counsel hereby submits its report setting out its priorities and allocation of resources for adjudications pending in both state and federal courts. The report is submitted in the form of a summary sheet and the attached exhibits, setting out the priorities and resources of the Lower Rio Grande Adjudication Bureau in Exhibit A (which includes the Animas Underground Water Basin Adjudication), those of the Northern New Mexico/Pecos Adjudication Bureau in Exhibit B, and those of the Bureau for Tribes, Pueblos and Nations in Exhibit C.


Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the above (without attachments) was sent via email to the following parties on June 30, 2025.



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STATE OF NEW MEXICO’S RULE 71.3 REPORT for FY 2026
(July 1, 2025 to June 30, 2026)
June 30, 2025

Pursuant to the requirements of Rule 1-071.3 NMRA, the State of New Mexico submits its report setting out the State’s proposed priorities and available resources for the state and federal stream system adjudications for fiscal year 2026 (July 1, 2025 to June 30, 2026). This report is submitted in the form of the attached exhibits, setting out priorities and resources for the Lower Rio Grande Adjudication Bureau in Exhibit A, those of the Northern New Mexico and Pecos Adjudication Bureau in Exhibit B, and those of the Bureau for Pueblos, Tribes and Nations in Exhibit C. The available resources are based upon full time employee (“FTE”) time as of the date of this filing, including contractors. This report will be filed in each adjudication.

TABLE 1: Summary of Available Resources for the State of New Mexico Adjudications for Fiscal Year 2026

	FY2023 FTEs	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs
Total Bureau Staff and Contractor Resources	29.5	32.1	39.5	34
Lower Rio Grande Bureau	4.5	10.6	14	14
Northern New Mexico & Pecos Bureau	12	12.5	17.5	15
Bureau for Pueblos, Tribes & Nations	8	9	8	5

STATE OF NEW MEXICO'S RULE 71.3 REPORT-FY 2026
(July 1, 2025 to June 30, 2026)

EXHIBIT A: LOWER RIO GRANDE ADJUDICATION BUREAU

June 30, 2025

Pursuant to the requirements of NMRA Rule 1-071.3, the State of New Mexico presents its report setting out the State's priorities and available resources for the state stream system adjudications in the Lower Rio Grande Adjudication Bureau for fiscal year 2026 (July 1, 2025 to June 30, 2026), which will be filed in each adjudication. The available resources are based upon full time employee ("FTE") time, including staff and contractors, and are listed in Tables 1 and 2.

Table 1: Summary of Available Resources for the Lower Rio Grande Adjudication Bureau

	FY2023 FTEs	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs
Total Bureau Staff and Contractor Resources	9.5	10.6	14.0	14.0
A. Lower Rio Grande Adjudication	9.0	10.0	13.5	13.4
B. Animas Underground Water Basin Adjudication	0.5	0.6	0.5	0.6

LOWER RIO GRANDE ADJUDICATION PRIORITIES FOR FY 2026

A. General

1. Significant Litigation

- a. Stream System Issue No. 104 (United States' interest in the Rio Grande Project). The Court lifted the stay in this stream system issue proceeding and entered, Subfile Order and Final Judgment in SSI 104. The State of New Mexico, City of Las Cruces, the United States, and a group of claimants calling themselves "Pre-1906 Claimants," have filed notices of appeal. On the unopposed motion of the State, the Court of Appeals has stayed the appeal for six months pending further settlement discussions in Texas v. New Mexico.
- b. Stream System Issue No. 107 (status of pre-Rio Grande Project surface water rights now served by the Project). The Court also lifted the stay in this stream system issue proceeding, and the case is proceeding ahead pursuant to a scheduling order. Currently, participating parties have under June 27, 2025, to file or amend their statement of position.
- c. Apodaca Cervantes LLC subfile. The case is on appeal to the New Mexico Court of Appeals. Briefing has been completed.

- d. Texas v. New Mexico. Though this is not subfile litigation, LRG Adjudication Bureau legal, support, and technical staff may continue to be involved, as in prior years, and may be called upon to support compliance measures and programs depending on how the case is resolved, even though those will primarily be the responsibility of the Interstate Stream Commission and the Las Cruces District IV office of the State Engineer's Water Resource Allocation Program.
- e. Jaralosa Cattle Company LLC subfile. The case is in the discovery phase.

2. Negotiations with major parties.

Other than stock ponds and Texas v. New Mexico, there are no negotiations currently occurring with major parties.

3. Mediation of other substantive issues.

There are no substantive issues currently requiring mediation. However, there is one case with a significant issue that is being reviewed internally that may require mediation.

4. Other special procedures and procedural motions in the LRG

- a. There is continuing authentication of claims to historical groundwater use for claimants seeking to add a groundwater component to their adjudicated and unadjudicated surface water rights, in conjunction with permitting applications to the District IV office.
- b. Stream System Issue 108 (Global Proceeding to Add Assessed Acreage). The State continues to add the assessed acreage to subfiles adjudicated prior to settlement of the issue. The State quadrupled the number of subfiles it plans to complete under this stream system issue proceeding per year to 400, with the goal of completing this stream system issue proceeding in 5 years.

B. Additional accomplishments over the past year

1. Staffing

- a. We will be losing several experienced employees to retirement in the next few months. One of those employees is one of our two laws clerk, Lorraine Urioste. Two of the employees are on the hydrographic survey, John Verploegh and Dave Hohstadt. We will try to avoid any disruptions caused by their departures, but they are some big shoes to fill.
- b. We hired our other law clerk in April, and a hydrographic survey tech to replace the experienced tech we lost to retirement at the end of last year.

c. We are currently trying to fill a vacant hydrographic survey tech position, and we will be moving to immediately fill the positions being vacated by retirements as soon as we can.

d. We added a staff attorney.

2. Several subfiles with difficult longstanding objections were successfully resolved (Binns, Gunn, Haylett, Rio Vista, and two of the Jaralosa subfiles).

C. Lower Rio Grande Adjudication, Routine Subfile Processing

1. The preparatory work for the creation of new subfile offers continues to be focused on the Northern Mesilla section, though work actively continues in all sections but Nutt-Hockett.

2. The continuing receipt of Hydrographic Survey Change Requests (HSCR) for all sub-basins prevents the hydrographic survey staff from working in one sub-basin exclusively. Of the three active sub-basins outside of Northern Mesilla, Southern Mesilla receives the most attention because there the need to analyze a subfile following the receipt of a HSCR will typically require that the close-fitting block of subfiles adjacent to the newly-analyzed one must also be analyzed and, when appropriate, forwarded for new offers.

3. The status of all sections as of June 9, 2025, is:

a. Nutt Hockett: 4 subfiles, 100% served, 100% adjudicated

b. Rincon: 1239 subfiles, 97%-served, 86% adjudicated

c. Northern Mesilla: 5928 subfiles, 65% served, 47% adjudicated

d. Southern Mesilla: 5518 subfiles, 63% served, 49% adjudicated

e. Outlying Areas: 1370 subfiles, 84% served, 75% adjudicated

4. Routine subfile processing encompasses most of the bureau's everyday work and includes the following: updating the Hydrographic Survey, creating new maps to conform to necessary additions and revisions of point of diversion locations and irrigation and assessment polygons, analyzing claims for a larger Farm Deliver Requirement (NOIs), completing legal review of proposed offers, providing service of offers, revising offers or duplicates, reviewing objections, having discussions with objecting claimants by survey or legal staff, processing default and implied consent requests, correcting entered orders with typographical errors, and re-opening entered orders needing significant correction.

5. The COP building in Santa Fe is still slated for demolition at some future date, and Building Services is at last actively looking into alternative office space for employees currently officed there. Progress toward that event has been slower than expected, but, if it occurs in the coming fiscal year, there will plainly be some disruption when it occurs.

6. District-specific regulations under the active water resource management program continue to be prepared for publication. In conjunction with such publication, the State anticipates publishing a list of administrable water rights pursuant to Section 19.25.13.27 of the New Mexico Administrative Code sometime in FY 26. This may lead to an increase in the submission of Hydrographic Survey Change Requests and a corresponding increase in the workload in the Las Cruces office.

ANIMAS UNDERGROUND WATER BASIN ADJUDICATION PRIORITIES FOR FY 2026

1. As of June 13, 2025, there are 232 Animas subfiles, of which 78% have been served, and 66% have been adjudicated.
2. Work continues to focus on serving and entering adjudication orders for the remaining domestic/livestock wells, to the extent the hydrographic survey work has been completed.

Table 2: Lower Rio Grande Bureau Resources Allocated

PRIORITY ADJUDICATION SECTION	Staff Atty	Contact Atty	Staff Para-legal	Survey Staff	Section Totals
<i>A. General</i>	0.3	-	0.1	0.4	0.8
<i>B. Rincon</i>	0.1	-	0.1	0.3	0.5
<i>C. N. Mesilla</i>	2.5	-	1.4	6.2	10.1
<i>D. S. Mesilla</i>	0.4	-	0.2	1.0	1.6
<i>E. Outlying</i>	0.1	-	0.1	0.2	0.4
CATEGORY TOTALS - LRG	3.4	-	1.9	8.1	13.4
Animas Underground Adjudication					
<i>Animas</i>	-	0.1	-	0.5	0.6
CATEGORY TOTALS - ALL SECTIONS	3.4	0.1	1.9	8.6	14.0

**STATE OF NEW MEXICO’S RULE 71.3 REPORT for FY 2026
(July 1, 2025 to June 30, 2026)**

**EXHIBIT B: NORTHERN NEW MEXICO & PECOS ADJUDICATION BUREAU
June 30, 2025**

Pursuant to the requirements of Rule 1-071.3 NMRA, the State of New Mexico presents its report setting out the State’s proposed priorities and available resources for the state and federal stream system adjudications in the Northern New Mexico and Pecos Adjudication Bureau (“NNM/Pecos Bureau”) for fiscal year 2026 (July 1, 2025 to June 30, 2026). This report will be filed in each of the Bureau’s adjudications. The available resources are based upon full time employee (“FTE”) time as of the date of this filing, including contractors, and are listed in Tables 1 and 2.

At the end of FY 2025, the State hired three new staff members in the Litigation and Adjudication Bureau of the Office of the State Engineer who work with the NNM/Pecos Bureau: (1) a deputy general counsel to oversee the NNM/Pecos Bureau, the Lower Rio Grande Adjudication Bureau and the NNM/Pecos Hydrographic Survey Bureau; (2) an attorney for the NNM/Pecos to replace an attorney who moved out of state and, (3) a division director to oversee the Hydrographic Survey Bureau. The vacant managing attorney position for the NNM/Pecos Bureau has been advertised and the State anticipates hiring a manager early in FY 2026. The time of the deputy general counsel and vacant managing attorney position is not included in the tables below. In addition, the NNM/Pecos Bureau has a law clerk who is primarily working on archiving our records and converting paper files to electronic format whose time is not accounted for in the tables. Moreover, the OSE has several summer interns who are assisting staff on various tasks that are not reflected below.

In addition to those active adjudication lawsuit activities described below, significant additional attorney, paralegal, contractor, and technical resources have been or will be committed this fiscal year to implementing completed decrees.

TABLE 1: Summary of Available Resources For Northern New Mexico & Pecos Adjudication Bureau for Fiscal Year 2026

	FY2023 FTEs	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs
Total Bureau Staff and Contractor Resources	12.0	12.5	17.5	15
State Court Stream System Adjudications:	8.0	8.5	12.5	
I. San Juan River	3.0	2.5	3.0	2.7
II. Rio San Jose (<i>Kerr-McGee</i>)	-	-	2.5	1.4
III. Santa Fe River (<i>Anaya</i>)	-	0.5	1.0	1.1
IV. Pecos River (<i>Lewis</i>)	5.0	5.5	6.0	4.7
Federal Court Stream System Adjudications:	4.0	4.0	5.0	
V. Chama River (<i>Aragon</i>)	2.0	1.5	1.5	1.2
VI. Taos River (<i>Abeyta</i>)	1.5	1.0	-	.5
VII. Zuni River (<i>A&R</i>)	0.5	-	0.5	.5
VIII. Santa Cruz/Truchas Rivers	-	0.5	1.0	.7
IX. Santa Clara Creek (to be filed)	-	1.0	2.0	2.2
X. Jemez River (<i>Abousleman</i>)	-	-	-	-
XI. Nambé, Pojoaque, Tesuque Rivers (<i>Aamodt</i>)	-	-	-	-

TABLE 2: Northern New Mexico & Pecos Adjudication Bureau Priority Sections & Resources For Fiscal Year 2026

PRIORITY ADJUDICATION SECTION	Staff Atty	Contract Atty	Staff Para- legal	Survey Staff	Technical Contractor	Section Totals
San Juan River	1.0		.2	1.5		2.7
Rio San Jose	.2			.2	1.0	1.4
Santa Fe River	.1			1.0		1.1
Pecos River	1.6	.5	.8	1.3	.5	4.7
Chama River (<i>Aragon</i>)	.2			1.0		1.2
Taos River (<i>Abeyta</i>)	.3			.2		.5
Zuni River (<i>A&R Productions</i>)	.4			.1		.5
Santa Cruz/Truchas Rivers (<i>Abbott</i>)	.5			.2		.7
Santa Clara Creek	.2			2.0		2.2
CATEGORY TOTALS – ALL SECTIONS	4.5	.5	1.0	7.5	1.5	15

STATE COURT ADJUDICATIONS - PRIORITIES FOR FY 2026

I. **SAN JUAN STREAM SYSTEM ADJUDICATION**, *New Mexico v. U.S., Jicarilla Apache Tribe and Navajo Nation*, Case No. D-1116-CV-75-184 (11th Judicial District, San Juan County)

A. **Accomplishments Over the Past Few Years:**

1. **Section 1: La Plata**

- a. **Surface water domestic and stock claims in the La Plata section:** In March 2019, the Court issued its *Order to Show Cause* regarding surface water domestic and stock claims. Eight requests for consultation were timely served on the State. All requests for consultation were resolved.
- b. **Errors and Omissions:** In February 2023, the Court entered two *Orders* for expedited procedures for globally correcting mistakes shared by multiple consent orders. Clerical errors that can be corrected under Rule 1-060(A) NMRA, and substantive errors that can be corrected under Rule 1-060(B) NMRA, have since been the subject of global motions under this procedure. To date, the Court has entered Orders for six global motions for clerical 60(A) errors and entered Orders for five global motions for substantive 60(B) errors.

B. **FY 2026:**

1. **Section 1: La Plata**

- a. **Claims of unknown claimants in the La Plata section:** The State will file its motion requesting the Court enter an order granting judgment by default against all unknown claimants finding they have no surface water rights in the La Plata section.
 - b. **Errors and Omissions:** The State will be filing the remaining motions for 60(B) errors.
 - c. **Commence *inter se* proceedings on surface water uses:** Following the conclusion of the above described tasks, the State will file a motion for a procedural and scheduling order for *inter se* and commence to resolve *inter se* objections through litigation or mediation. The State anticipates beginning this proceeding in late 2025 or early 2026. This process includes the preparation of the appendix for the Partial Final Decree that will summarize the approximately six hundred subfile orders entered in the course of these La Plata proceedings. It will be compiled after the errors and omissions orders have been entered by the Court.
- 2. **City of Aztec, Farmington and Bloomfield:** The State will continue discussions with the municipalities to reduce the terms of their respective settlement agreements to the form of consent orders and to agree on procedures to submit those proposed consent orders to the Court for entry.
 - 3. **Other Sections:** The State is evaluating what the next efforts in the San Juan River Stream System adjudication will be in light of available resources and the alignment of the parties.

II. RIO SAN JOSE STREAM SYSTEM ADJUDICATION, *New Mexico v. Kerr-McGee Corp.*, Case No. CB-83-190-CV & CB-83-220-CV (consolidated) (13th Judicial District, Cibola County)

- A. Accomplishments Over the Past Few Years:** The State entered into a contract with INTERA during FY 2025 to conduct the hydrographic survey of non-Pueblo water rights.
- B. FY 2026:** The State will conduct a hydrographic survey of non-Indian water right claims through its contractor, INTERA, and plans to have the hydrographic survey mapping completed by December 2026 or early 2027.

III. SANTA FE RIVER STREAM SYSTEM ADJUDICATION, *Anaya v. Public Service Co. of New Mexico*, Case No. 43, 347 (1st Judicial District, Santa Fe County)

- A. Accomplishments Over the Past Few Years:** Hydrographic survey staff conducted preliminary technical work on additional Cerro Gordo claims. Work included conducting field visits with corresponding written reports and entering information related to the elements of a water right into the State's database tracking system in anticipation of creating consent order offers and for analysis by staff attorneys.
- B. FY 2026:** Legal staff will begin an analysis of hydrographic survey findings on individual subfiles and will send out offers to water right claimants. Hydrographic survey will create Volume 2 of the existing hydrographic survey in the Santa Fe adjudication.

IV. PECOS RIVER STREAM SYSTEM ADJUDICATION, *State of N.M. & PVACD v. Lewis*, Case Nos. 20294 & 22600 (Consolidated)

A. Roswell Underground Water Basin ("RAB")

1. Accomplishments Over the Past Few Years:

- a. Scheduling and Procedural Order:** In 2023, the Court entered its *Revised Notice and Order to Show Cause in the Roswell Section of the Pecos River Stream System Adjudication* for the adjudication of relation back claims in the RAB.
- b. Serving Order to Show Cause Packets:** The State commenced serving Order to Show Cause packets on relation back claimants.

2. FY 2026:

- a. Serving Order to Show Cause Packets:** The State will continue serving Order to Show Cause packets on relation back claimants.
- b. Serving Answer Packets:** The State will commence serving packets on claimants who responded to discovery in the earlier relation back proceedings.
- c. Adjudication of Relation Back Claims:** With the service of packets and notification of relation back proceeding to claimants, the State expects to be undertaking subfile consultations and entering into consent orders for resolved relation back claims throughout fiscal year 2026.
- d. Litigate Contested Relation Back Claims:** While the State expects to settle most

relation back claims, the State will be consolidating contested relation back claims and preparing for litigation throughout fiscal year 2026.

B. Carlsbad—Intrepid Potash

1. Accomplishments Over the Past Few Years:

- a. On April 15, 2022, Defendants Intrepid Potash, Inc. and Intrepid Potash—New Mexico, LLC (collectively “Intrepid”) filed their Notice of Appeal of, *inter alia*, the Subfile Order and Partial Final Judgment and Decree adjudicating their water rights. Briefing of the appeal was completed in February 2023.
- b. The New Mexico Court of Appeals issued its ruling on October 18, 2023.
- c. On November 20, 2023, Intrepid filed its Petition for Writ of Certiorari to the New Mexico Supreme Court, which was granted on February 6, 2024. The parties filed their briefs in 2024, including an amicus brief by the Navajo Nation. The Supreme Court heard oral argument on October 2, 2024 and formally submitted the case for decision.

2. FY 2026: The State is awaiting the Supreme Court decision.

C. Upper Pecos River —Cow Creek

1. Accomplishments Over the Past Few Years:

- a. **Motion for Amended Procedural Order:** On January 9, 2023, the Court entered the State’s proposed *Second Amended Procedural Order Governing the Adjudication of Water Rights in the Cow Creek Section*.
- b. **Service of Packets to Claimants:** The State has since joined approximately 99% of known claimants (or their successors) identified in the 2015 Hydrographic Survey by serving them with adjudication packets pursuant to the Court’s *Second Amended Procedural Order*.
- c. In 2025, the State published notice of the opportunity for unknown water right owners to claim any water rights not depicted or described in the 2015 Hydrographic Survey.
- d. **Adjudication of Cow Creek Claims:** The State undertook subfile consultations and entered into consent orders for resolved water right claims throughout the remainder of the last fiscal year.

2. FY 2026:

- a. **Service of Packets to Claimants:** The State will continue to join and serve the remaining subfile claimants as they are identified. The State is preparing to request permission from the Court to effect service by publication on the unknown heirs of certain deceased claimants whose successors cannot be identified through available public records. The State continues to seek to perfect personal service on the remaining known claimants and in early FY 2026, will also request the Court’s permission to effect service by publication on known claimants for whom personal service has failed.
- b. **Omitted Claims Notice:** The State expects to evaluate claims submitted pursuant to the omitted claims notice and serve adjudication packets on those claimants in FY 2026.
- c. **Adjudication of Cow Creek Claims:** With the service of packets and notification of

the proceeding to claimants, the State expects to continue undertaking subfile consultations and entering into consent orders for resolved water right claims throughout the fiscal year. By the end of the calendar year 2025 irrigation season, the State may begin to terminate consultation with defendants with whom negotiations have failed. The State has filed a significant number of motions in FY2025 for default judgment against subfile defendants who have not responded to service of their adjudication packet or to the State's letters, emails and calls urging them to do so.

D. Gallinas River

1. **Accomplishments Over the Past Few Years:** The Court entered its *Final Partial Judgment and Decree on Water Rights for the Gallinas River Section* on June 7, 2023.
2. **FY 2026:** n/a

E. Rio Hondo

1. **Accomplishments Over the Past Few Years:** This section of the Pecos adjudication has been dormant.
2. **FY 2026:** The State will review and analyze remaining objections to priority dates, establish strategies for completing *inter se* priority date proceedings and entry of Partial Final Judgment and Decree.

F. Fort Sumner Irrigation District

1. **Accomplishments Over the Past Few Years:**
 - a. **Undertook technical work:** In preparation for negotiating FSID's claimed diversion right, the State's Water Use and Conservation Bureau completed technical work regarding the Irrigation Water Requirements for FSID. The Hydrology Bureau commenced work on an analysis of the hydrology of the irrigation district.
 - b. **Mediation with FSID.** Following extensive negotiations with FSID, its counsel, and expert on FSID's claims, the parties engaged a mediator to help them reach agreement. Mediation resulted in the parties reaching agreement in principle. The State continues to pursue a final written agreement with FSID.
2. **FY 2026:**
 - a. Continue negotiations with FSID to achieve a settlement, or
 - b. Prepare a scheduling and procedural order to commence litigation of FSID's claims.

FEDERAL COURT ADJUDICATIONS - PRIORITIES FOR FY 2026

V. CHAMA RIVER ADJUDICATION, N.M. v. Aragon, Case No. 69cv07941-KWR/KK (U.S.D.Ct., N.M.)

A. Accomplishments Over the Past Few Years:

- 1. Section 1: Mainstem:** On July 5, 2023, the Court, on motion by the State, finalized the priority dates for the three most senior acéquias on the Rio Chama—Acéquias de Chamita, Hernandez, and los Salazares.
- 2. Section 3: Rio Cebolla:** The State prepared addendum summarizing surface water irrigation rights and hydrographic survey maps in anticipation of *inter se*.
- 3. Section 3: Canjilon Creek:**
 - a. The final objection to irrigation water requirements was withdrawn.
 - b. The Court granted summary judgment for the State on the final remaining objection to priorities.
 - c. Prepared addendum summarizing surface water irrigation rights and hydrographic survey maps in anticipation of *inter se*. Proposed partial final judgment and decree maps were filed with the Court and distributed to governmental entities.
- 4. Section 7: Cañones Creek**
 - a. Negotiated with two remaining objectors to acequia and private ditch priority dates.
 - b. Negotiated with two remaining objectors to irrigation water requirements.
 - c. Worked on preparation of addendum summarizing surface water irrigation rights and hydrographic survey maps in anticipation of *inter se*.

B. FY 2026:

- 1. Section 1: Rio del Oso:** Complete adjudication of individual subfiles, including potential litigation with the Merced del Pueblo Abiquiu.
- 2. Section 3: Rio Cebolla**
 - a. Move for entry of final order adjudicating irrigation water requirements and priorities.
 - b. Finalize addendum summarizing surface water irrigation rights and hydrographic survey maps.
 - c. Commence *inter se* and move for entry of partial final judgment and decree for surface water irrigation rights.
- 3. Section 3: Canjilon Creek:** Complete the *inter se* proceedings and move for entry of partial final judgment and decree for surface water irrigation rights in the Canjilon Creek subsection.
- 4. Section 7: Cañones Creek**
 - a. Determine acéquia and private ditch priority dates. Two objections remain (in negotiations with the objectors).
 - b. Determine irrigation water requirements. Two objections remain (in negotiations

with the objectors).

- c. Prepare addendum summarizing surface water irrigation rights and hydrographic survey maps.
- d. Commence *inter se* and move for entry of partial final judgment and decree for surface water irrigation rights.

VI. TAOS ADJUDICATION, *New Mexico v. Abeyta*, Case No. CV-69-7896-MV/WPL & No. CV-7939-MV/WPL (consolidated) (U.S.D.Ct., N.M.)

A. Accomplishments Over the Past Few Years: Reconcile subfile orders with WRATS and hydrographic survey maps.

B. FY 2026: Conclude preparation of addendum for *inter se* of surface water rights.

VII. ZUNI ADJUDICATION, *U.S. v. N.M. v. A & R Productions*, Case No. 01-cv-00072-DHU-JHR (U.S.D.Ct., N.M.)

A. Accomplishments Over the Past Few Years:

- 1. Approximately 950 non-Indian, non-federal subfiles have been adjudicated.
- 2. The State, counsel for C&E Concrete, Inc., and the United States held a successful mediation in 2024 resolving the last outstanding subfile.
- 3. The State has begun working with the Tribes, Pueblos and Nations Bureau of the Office of the State Engineer to review federal allotment claims and is finalizing offers for the Federal allottees.

B. FY 2026:

- 1. Consult with the United States attorneys on scheduling *inter se* proceedings for FY 2025 and development of proposed procedural motion, proposed partial final judgment and decree, and addendum.
- 2. Analyze and prepare consent orders for the Federal allottees for entry by the Court.

VIII. SANTA CRUZ/TRUCHAS ADJUDICATION, *New Mexico v. Abbott*, Case No. 68-7488 KWR/JHR (Santa Cruz) and Case No. 70-8650 KWR/JHR (Truchas) (N.M. D.Ct., N.M.)

A. Accomplishments Over the Past Few Years:

- 1. Commenced work on litigating duty of water and priority dates.
- 2. Moved for final determination of Truchas priorities and engaged in motion practice with opposing counsel over Truchas priorities.

B. FY 2026:

- 1. Conclude litigation of Truchas priorities.
- 2. Move for scheduling and procedural order and order to show cause regarding Santa Cruz priorities. Serve order to show cause and commence litigation of Santa Cruz priorities.

IX. SANTA CLARA CREEK (new case to be filed in FY 2026).

- A. Accomplishments Over the Past Few Years:** Commence technical studies in anticipation of a hydrographic survey of all water rights in the Santa Clara Creek tributary of the Rio Grande. Commenced non-Pueblo field checks in Spring of 2025.
- B. FY 2026:**
 - 1. Complete hydrographic survey of all water rights in the Santa Clara Creek tributary of the Rio Grande.
 - 2. File complaint for the statutory stream system adjudication of the Santa Clara Creek stream system.
 - 3. Commence sending offers to water right claimants in Santa Clara Creek.

X. JEMEZ ADJUDICATION, *U.S. v. Abousleman*, Case No. 6:83-cv-01041-MV-JHR (U.S.D.Ct., N.M.)

- A. Accomplishments Over the Past Few Years:** Partial Final Judgment and Decree entered in 2000.
- C. FY 2026:** n/a

XI. NAMBÉ-POJOAQUE-TESUQUE ADJUDICATION, *New Mexico v. Aamodt*, Case No. 66-cv6639- MV/WPL (U.S.D.Ct, N.M.).

- A. Accomplishments Over the Past Few Years:** Final Judgment and Decree entered in 2017 and case is closed.
 - B. FY 2026:** Staff will address implementation issues as they arise.
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**STATE OF NEW MEXICO'S RULE 71.3 REPORT
FY 2026 (July 1, 2025 to June 30, 2026)**

EXHIBIT C: BUREAU FOR PUEBLOS, TRIBES, AND NATIONS

June 30, 2025

The Bureau for Pueblos, Tribes, and Nations ("PTN Bureau") is charged with addressing the water rights claims of the New Mexico Pueblos, Tribes, and Nations in pending adjudications through settlement negotiations or litigation, if necessary. The PTN Bureau also assists with implementation issues for executed Settlement Agreements.

The OSE's Tribal Liaison plays a key role in all aspects of communications with the Pueblos, Tribes, and Nations and is directly involved in the activities of the PTN Bureau. The Tribal Liaison's time is not reflected in this report. The PTN Bureau consults with the Hydrology Bureau (OSE Water Resources Allocation Program), and with staff of the Interstate Stream Commission. The Interstate Stream Commission has recently added a technical lead for tribal water rights settlements, and is also devoting attorney time to that effort. Their assistance is an integral part of negotiations, however, the time of these staff members is not reflected here.

This report breaks down the level of effort for each adjudication task at the level of 0.5 FTE. The amounts of effort allotted to each adjudication task may not, in the aggregate, add up to the full amount of resources available, or may exceed the available resources. This allows for flexibility as needed during the year.

Currently, the PTN Bureau is staffed with three full time employees:

- Attorney
- Technical Lead (Water Resource Professional)
- Law Clerk

The Bureau is expected to hire a new supervisor early in the next fiscal year, but that person's time is not included in this report. In addition, this report includes the time of staff members within the Northern New Mexico Adjudication Bureau but does not include Hydrology Bureau staff.

**SUMMARY OF AVAILABLE RESOURCES FOR THE BUREAU FOR PUEBLOS,
TRIBES, AND NATIONS RELATED TO ADJUDICATIONS**

STAFF RESOURCES AVAILABLE TO BUREAU FOR TRIBES, PUEBLOS, AND NATIONS	Staff Atty	Contract Atty	Staff Law Clerk	Technical Lead	Survey Staff	Technical Contractor	Section Totals
FULL TIME EMPLOYEE ALLOCATION	1.5	1	1	1	.5	0	5

	FY2026 FTEs
Total Bureau Staff and Contractor Resources	5
State Adjudications:	
I. San Juan Adjudication	.25
• Navajo Nation Settlement Agreement – Implementation	
• Ute Mountain Ute Tribe – In Negotiation	
II. San Jose Adjudication (<i>Kerr-McGee</i>)	.25
• Pueblos of Acoma, Laguna – Seeking Federal Legislation	
• Navajo Nation – In Negotiation; Seeking Federal Legislation	
III. Santa Fe Adjudication (<i>Anaya</i>) – N/A	-
IV. Pecos Adjudication (<i>Lewis</i>) – N/A	-
Federal Adjudications:	
V. Chama Adjudication (<i>Aragon</i>)	.25
• Ohkay Owingeh – Seeking Federal Legislation	
VI. Taos Adjudication (<i>Abeyta</i>)	.5
• Taos Pueblo Settlement Agreement – Implementation & Seeking Federal Legislation	
VII. Zuni Adjudication (<i>A&R</i>)	.25
• Zuni Pueblo – Seeking Federal Legislation	
• Navajo Nation (Ramah Navajo) – In Negotiation	
VIII. Santa Cruz/Truchas Adjudication (<i>Abbott</i>)	1.5
• Santa Clara Pueblo and Ohkay Owingeh – In Negotiation	
IX. Jemez Adjudication (<i>Abousleman</i>)	.5
• Pueblos of Zia and Jemez – Seeking Federal Legislation	
• Pueblo of Santa Ana – In Litigation	
X. Nambé, Pojoaque, Tesuque Adjudication (<i>Aamodt</i>)	.5
• Pueblos of Nambé, Pojoaque, Tesuque, San Ildefonso - Implementation	
Other Tribes, Pueblos & Nations:	
XI. Six Middle Rio Grande Pueblos	1
• Pueblos of Sandia, Isleta, Cochiti, Santa Domingo, San Felipe, and Santa Ana – Federal Negotiation Team has been appointed, parties are preparing for negotiations/mediation	

STATE COURT ADJUDICATIONS - PRIORITIES FOR FY 2026

I. **SAN JUAN ADJUDICATION**, *New Mexico v. U.S., Jicarilla Apache Tribe and Navajo Nation*, Case No. D-1116-CV-75-184 (11th Judicial District, San Juan County)

- A. **Navajo Nation Settlement Agreement:** Consult and assist with settlement agreement implementation issues.
- B. **Ute Mountain Ute Tribe:** Federal Assessment Team was converted to Federal Negotiation Team at the end of FY 2024. State will continue negotiations to reach settlement of the Tribe's pending claims.

II. **RIO SAN JOSE ADJUDICATION**, *New Mexico v. Kerr-McGee Corp.*, Case No. CB-83-190-CV & CB-83-220-CV (consolidated) (13th Judicial District, Cibola County)

A. **Pueblos of Acoma and Laguna:**

Accomplishments During FY 2024: The parties (other than the United States) signed a settlement agreement in June 2022. Congress introduced legislation in both the House and the Senate (*Rio San Jose and Rio Jemez Water Settlements Act of 2023*, Senate Bill 595; House Bill 1304) on March 1, 2023, seeking approval and funding. The Senate Indian Affairs Committee approved the Senate bill at its business meeting on March 29, 2023 and issued a favorable report No. 118-131. The House bill was referred to the Committee on Natural Resources and the Subcommittee on Water, Wildlife, and Fisheries in March of 2023, but a hearing has not been scheduled.

FY 2025: The State of New Mexico has retained a contractor to begin a hydrographic survey of non-Pueblo claims in the Rio San Jose stream system. The federal legislation for the settlement did not pass in the previous Congress, but it has been reintroduced in the current Congress.

FY 2026: The parties are preparing for necessary legislative and legal approvals that will need to occur once Congress approves the settlement. The State plans to complete fieldwork for the hydrographic survey in FY 2026.

- B. **Navajo Nation:** The parties completed a local settlement agreement with the Navajo Nation in FY 2025.

III. **SANTA FE ADJUDICATION**, *Anaya v. Public Service Co. of New Mexico*, Case No. 43,347 (1st Judicial District, Santa Fe County) – There are no Pueblos, Tribes, or Nations with active claims in this adjudication.

IV. **PECOS ADJUDICATION**, *State of N.M. & PVACD v. Lewis*, Case Nos. 20294 & 22600 (Consolidated) – There are no pending claims of a Pueblo, Tribe, or Nation in this adjudication.

FEDERAL COURT ADJUDICATIONS - PRIORITIES FOR FY 2026

V. CHAMA ADJUDICATION, *N.M. v. Aragon*, Case No. 69cv07941-KWR/KK (U.S.D.Ct., N.M.)

A. Ohkay Owingeh:

Accomplishments During FY 2024: The parties (other than the United States) signed a Local Settlement Agreement for the Chama Stream System claims, dated July 5, 2023. The State received \$20,000,000 during the state legislative session to be used to “support and fund Indian water rights settlements, for expenditure in fiscal years 2025 through 2027.”

FY 2025: The parties introduced federal legislation in FY 2025. The legislation was reintroduced in the most recent Congress.

FY 2026: Once legislation is passed, the parties will continue discussions to conform the Settlement Agreement to the federal legislation and seek State legislative approval. Once the conformed Settlement Agreement is signed by all parties, including the United States, the State will move the Court for entry of a partial final judgment and decree adjudicating the Ohkay Owingeh’s water rights and to commence *inter se*. Timing for commencement of the *inter se* process is dependent upon actions by Congress.

The State also anticipates funding a portion of its obligations under the Local Settlement Agreement during FY 2026.

VI. TAOS ADJUDICATION, *New Mexico v. Abeyta*, Case No. CV-69-7896-MV/WPL & No. CV-7939-MV/WPL (consolidated) (U.S.D.Ct., N.M.)

A. Taos Pueblo Settlement Agreement:

Accomplishments During FY 2024: The local parties drafted legislation seeking additional federal funding for the projects identified in the Settlement Agreement. The State received \$20,000,000 during the state legislative session to be used to “support and fund Indian water rights settlements, for expenditure in fiscal years 2025 through 2027.”

FY 2025: The State continued to consult and assist with settlement agreement implementation issues and support the federal legislation effort seeking additional federal funding.

FY 2026: The State has completed and signed funding agreements to fund a portion of its obligations under the Local Settlement Agreement during FY 2026.

VII. ZUNI ADJUDICATION, *U.S. v. N.M.*, Case No. 07-cv-00681-MV-JHR (U.S.D.Ct., N.M.)

A. Zuni Tribe:

Accomplishments During FY 2024: Zuni Pueblo and the State signed the Local

Settlement Agreement in the Spring of 2023. The State received \$20,000,000 during the state legislative session to be used to “support and fund Indian water rights settlements, for expenditure in fiscal years 2025 through 2027.”

FY 2025: The parties introduced federal legislation in FY2025. That legislation has been reintroduced in the current Congress.

FY 2026: The State intends to fund a portion of its obligations under the Local Settlement Agreement during FY 2025. The State also intends to work with the federal team to resolve outstanding Zuni allotment issues.

- B. Navajo Nation (Ramah Chapter):** The State commenced negotiations to reach settlement of the Tribe’s claims in FY 2024. Those negotiations have not yet yielded a settlement.

VIII. SANTA CRUZ/TRUCHAS ADJUDICATION, *New Mexico v. Abbott*, Case No. 68-7488 KWR/JHR (Santa Cruz) and Case No. 70-8650 KWR/JHR (Truchas) (N.M. D.Ct.,N.M.)

A. Ohkay Owingeh and Pueblo of Santa Clara:

Accomplishments in FY 2024: The parties had put negotiations regarding Pueblo claims in this adjudication on hold while it completed the negotiations of Ohkay Owingeh in the Chama adjudication. The parties re-commenced negotiations in early Spring of FY 2024 to reach settlement of the Pueblos claims and have reached out to other Pueblos who may still have claims pending in this adjudication.

FY 2025: The State continued to negotiate with Ohkay Owingeh and Santa Clara Pueblo on their claims in these adjudications in FY 2025.

FY 2026: The State will continue negotiations with Ohkay Owingeh and Santa Clara in the hopes of resolving those claims in FY2026.

IX. JEMEZ ADJUDICATION, *U.S. v. Abousleman*, Case No. 6:83-cv-01041-MV-JHR (U.S.D.Ct., N.M.)

A. Pueblos of Zia and Jemez:

Accomplishments in FY 2024: The parties (other than the United States) signed a settlement agreement in June 2022 and introduced legislation in Congress.

FY 2025: The federal legislation was re-introduced in Congress.

B. Pueblo of Santa Ana:

Accomplishments in FY 2024: The parties filed supplemental briefs in the Fall of 2022 pursuant to the Court’s scheduling order, addressing the scope of the issues on remand related to aboriginal rights and Winan’s rights. The Court issued its Order in September 2023. The United States, Pueblos of Jemez, Santa Ana and Zia filed a motion for clarification, which was denied in April 2024.

FY 2025: Other Pueblos filed an amicus brief on the appropriate standard for the quantification of aboriginal rights, and the State and other parties responded. The parties are awaiting decision on the remaining issues in the case.

- X. **NAMBÉ-POJOAQUE-TESUQUE ADJUDICATION**, *New Mexico v. Aamodt*, Case No. 66-cv6639- MV/WPL (U.S.D.Ct, N.M.) - FJD entered 2017 and case closed.

- A. **Pueblos of Nambe, Pojoaque, Tesuque and San Ildefonso Settlement Agreement:** Consult and assist with settlement agreement implementation issues, including continued assessment of lands under Section 4 of the Settlement Agreement. The State is assisting the settlement parties with working through issues related to the construction of the regional water system and educating well owners on their option to elect to hook into the water system.

OTHER TRIBES, PUEBLOS, AND NATIONS - PRIORITIES FOR FY 2026

XI. SIX MIDDLE RIO GRANDE PUEBLOS

- A. **Pueblos of Sandia, Isleta, Cochiti, Santa Domingo, San Felipe, and Santa Ana:**

FY 2025: The United States appointed a federal negotiation team. The federal negotiation team, the Pueblos, and the State began meeting to set up a negotiation/mediation process.

FY 2026: The Pueblos, the State, and the federal negotiation team anticipate setting up a negotiation process, selecting a mediator, and identifying other parties to invite into the negotiations.