

**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 2026, 4:49 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.

NOTICE OF FILING OF STATE'S FY 2027 RULE 1-071.3(B) REPORT

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 analysis of resources for fiscal year 2027 for each adjudication pending in state and federal court. The report is submitted in the form of a summary statement and exhibits setting out the priorities and analysis of resources of the Lower Rio Grande Adjudication Bureau in Exhibit A (which includes the Animas underground Water Basin Adjudication), the Northern New Mexico/Pecos Adjudication Bureau in Exhibit B, and the Bureau for Tribes, Pueblos and Nations in Exhibit C.

Hon. James J. Wechsler, the Statewide Adjudication Judge, will preside over a working session regarding this report in August 2026.


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, 2026.



Sonny Swazo

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STATE OF NEW MEXICO’S RULE 71.3 REPORT for FY 2027
(July 1, 2026 to June 30, 2027)
June 30, 2026

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 2027 (July 1, 2026 to June 30, 2027). 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 2027

	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs	FY2027 FTEs
Total Bureau Staff and Contractor Resources	32.1	39.5	34	36
Lower Rio Grande Bureau	10.6	14	14	14
Northern New Mexico & Pecos Bureau	12.5	17.5	15	17.5
Bureau for Pueblos, Tribes & Nations	9	8	5	4.5

**STATE OF NEW MEXICO'S RULE 71.3 REPORT for FY 2027
(July 1, 2026 to June 30, 2027)**

**EXHIBIT A: LOWER RIO GRANDE ADJUDICATION BUREAU
June 30, 2026**

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 2027 (July 1, 2026 to June 30, 2027), 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

	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs	FY2027 FTEs
Total Bureau Staff and Contractor Resources	10.6	14.0	14.0	14.0
A. Lower Rio Grande Adjudication	10.0	13.5	13.5	13.4
B. Animas Underground Water Basin Adjudication	0.6	0.5	0.6	0.6

LOWER RIO GRANDE ADJUDICATION PRIORITIES FOR FY 2027

A. General

1. Significant Litigation

- a. Stream System Issue No. 104 (United States' interest in the Rio Grande Project). The State of New Mexico, City of Las Cruces, the United States, and a few claimants calling themselves the "Pre-1906 Claimants," filed notices of appeal to the Final Judgment in SSI 104. The State recently filed a status report and unopposed motion to stay the appeal pending further settlement discussions in Texas v. New Mexico. The Court granted the State's motion and extended the stay until December 2026.
- 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. The case is currently in the dispositive motion phase, where only one party, the few claimants calling themselves the "Pre-1906 Claimants," filed a motion for summary judgment. On June 22, 2026, the Court denied the motion for summary judgment and requested a proposed amended scheduling order by July 15, 2026.

- c. James Scott Boyd v. United States et al., Case No. 2:25-cv-00964-JB-DLM. James Scott Boyd filed suit in federal district court against several parties, including the State of New Mexico and Office of the State Engineer, for civil rights violation and inverse condemnation. The United States filed a motion to dismiss the complaint and was joined by the State of New Mexico and Elephant Butte Irrigation District (“EBID”). Mr. Boyd filed a response, and the United States filed a reply in which the State of New Mexico and EBID joined. The parties are awaiting further action by the Court.
- d. State of New Mexico v. Apodaca Cervantes LLC. On June 4, 2026, the New Mexico Court of Appeals affirmed the district court’s subfile order and final judgment. The period for the claimant to petition the Supreme Court for a writ of certiorari has not yet passed.
- e. Texas v. New Mexico. The United States Supreme Court approved the Settlement Agreement reached in this case in May, 2026. Though this is not subfile litigation, LRG Adjudication Bureau legal, support, and technical staff continue to be involved, and may be called upon to support compliance measures and programs, although 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.
- f. Jaralosa Cattle Company LLC subfile. The Court denied summary judgment motions and set the case for trial in October, 2026.

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 completed the 9th group and will be preparing the 10th group for publication.

B. Additional accomplishments over the past year

1. Staffing

- a. We experienced several staffing changes. We lost several senior team members with 55 years of combined knowledge to retirement and had turnover in several other positions on the hydrographic survey team as well. We hired three new employees and have employee scheduled to start in July. Senior staff members have added training new employees to their usual duties.

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. LAP is currently investigating the possibility of implementing changes that will expedite this process.
3. The status of all sections as of May 19, 2026, is:
 - a. Nutt Hockett: 43 subfiles, 100% served, 100% adjudicated
 - b. Rincon: 1,241 subfiles, 97%-served, 86% adjudicated
 - c. Northern Mesilla: 5,916 subfiles, 63% served, 43% adjudicated
 - d. Southern Mesilla: 5,523 subfiles, 63% served, 49% adjudicated
 - e. Outlying Areas: 1,371 subfiles, 83% 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 Delivery Requirement (NOIs), completing legal review of proposed offers, providing service of offers, revising offers or duplicates, reviewing objections, 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. Staff had to quickly pack up and vacate our offices in the COP building after it was finally approved for demolition at the end of 2025 before the legislative session. The move has involved a lot of work, and interrupted subfile work.
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 27. 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 ADJUDCIATION PRIORITIES FOR FY 2027

1. As of June 16, 2026, there are 230 servable Animas subfiles, of which 76% have been served (174 subfiles), and 74% have been adjudicated (171 subfiles). There are 57 more subfiles that still need to be served.

2. We expect to have the Animas adjudication completed early next year. We are working on completing the last of the subfiles which involves locating PODs and conducting field inspections in remote areas. The subfiles, which involve domestic/livestock wells, were added to the adjudication by the Court after the original hydrographic survey had been completed and over the State’s challenge. The State has hired a contractor, INTERA, to help with this task and their time is not represented here. Offers will be served once the necessary information is compiled. There are a few remaining subfiles with complexities that are being worked on toward adjudication.

Table 2: Lower Rio Grande Bureau Resources Allocated for Fiscal Year 2027

PRIORITY ADJUDICATION SECTION	Staff Atty	Contract Atty	Staff Para-legal	Survey Staff	Technical Contractors	Section Totals
Lower Rio Grande Adjudication						
<i>A. General</i>	1.0	-	0.1	0.4	-	1.5
<i>B. Rincon</i>	0.1	-	0.1	0.3	-	.5
<i>C. N. Mesilla</i>	1.8	-	1.4	6.2	-	9.4
<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>	-	0.2	-	0.4	-	0.6
CATEGORY TOTALS - ALL SECTIONS	3.4	0.2	1.9	8.5		14.0

**STATE OF NEW MEXICO’S RULE 71.3 REPORT for FY 2027
(July 1, 2026 to June 30, 2027)**

**EXHIBIT B: NORTHERN NEW MEXICO & PECOS ADJUDICATION BUREAU
June 30, 2026**

Pursuant to 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 2027 (July 1, 2026 to June 30, 2027). 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 2026, the Litigation and Adjudication Bureau for the Office of the State Engineer hired two new staff members: (1) the managing attorney for the NNM/Pecos Bureau and (2) a hydrographic survey technician. In addition, the State is in the process of hiring an attorney for the NNM/Pecos Bureau to replace an attorney who recently retired. The time for this new position is not included in the tables below.

The NNM/Pecos Bureau has a lead paralegal 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 and settlements with Pueblos, Tribes, and Nations.

TABLE 1: Summary of Available Resources For Northern New Mexico & Pecos Adjudication Bureau for Fiscal Year 2027

	FY2024 FTEs	FY2025 FTEs	FY2026 FTEs	FY2027 FTEs
Total Bureau Staff and Contractor Resources	12.5	17.5	15	17.5
State Court Stream System Adjudications:				
I. San Juan River	2.5	3.0	2.7	2.6
II. Rio San Jose (<i>Kerr-McGee</i>)	-	2.5	1.4	2.2
III. Santa Fe River (<i>Anaya</i>)	0.5	1.0	1.1	0.5
IV. Pecos River (<i>Lewis</i>)	5.5	6.0	4.7	4.1
Federal Court Stream System Adjudications:				
V. Chama River (<i>Aragon</i>)	1.5	1.5	1.2	0.7
VI. Taos River (<i>Abeyta</i>)	1.0	-	.5	2.6
VII. Zuni River (<i>A&R</i>)	-	0.5	.5	0.5
VIII. Santa Cruz/Truchas Rivers	0.5	1.0	.7	1.0
IX. Santa Clara Creek (to be filed)	1.0	2.0	2.2	3.0
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 2027

PRIORITY ADJUDICATION SECTION	Staff Atty	Contract Atty	Staff Para-legal	Survey Staff	Technical Contractor	Section Totals
San Juan River	1.0	-	0.3	1.3	-	2.6
Rio San Jose	-	-	-	0.2	2.0	2.2
Santa Fe River	0.5	-	-	-	-	0.5
Pecos River	0.9	0.8	0.3	2.1	-	4.1
Chama River (<i>Aragon</i>)	0.6	-	-	0.1	-	0.7
Taos River (<i>Abeyta</i>)	0.9	-	0.3	1.4	-	2.6
Zuni River (<i>A&R Productions</i>)	0.5	-	-	-	-	0.5
Santa Cruz/Truchas Rivers (<i>Abbott</i>)	0.5	-	0.1	0.7	-	1.3
Santa Clara Creek	-	-	-	3.0	-	3.0
CATEGORY TOTALS – ALL SECTIONS	4.7	.8	1.0	8.8	2.0	17.5

STATE COURT ADJUDICATIONS - PRIORITIES FOR FY 2027

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. **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 nine global motions for clerical 60(A) errors and entered *Orders* for six global motions for substantive 60(B) errors. The State filed a substantive 60(B) global motion for both priority dates and rates of flow in June of 2026.

B. FY 2027:

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 2026 or early 2027. 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 considering 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:** Following the settlement of the water rights of the Pueblo of Acoma, the Pueblo of Laguna, and the Navajo Nation, the State entered into a contract with INTERA during FY 2025 to conduct the hydrographic survey of non-Tribal water rights.
- B. FY 2027:** The State is in the process of conducting a hydrographic survey of non-Indian water right claims through its contractor, INTERA, and plans to have a majority of the hydrographic survey mapping completed by December 2026 or early 2027. Field visits are planned to begin this summer in the Bluewater Toltec area.

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 2027:** 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 revise 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.
- c. Adjudication of Relation Back Claims:** After service of packets and notice of relation back proceeding to claimants, the State consulted with subfile claimants and entered into consent orders for resolved relation back claims throughout fiscal year 2026.

2. FY 2027:

- a. Serving Order to Show Cause Packets:** The State anticipates completion of the service of Order to Show Cause packets on relation back claimants in early FY 2027.
- b. Serving Answer Packets:** The State began serving packets on claimants who

responded to discovery in the earlier relation back proceedings in FY 2026 and will continue in FY 2027.

- c. **Adjudication of Relation Back Claims:** After service of packets and notice of relation back proceeding to claimants, the State consulted with subfile claimants and entered 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 consolidate any contested relation back claims and continue to prepare for any litigation throughout fiscal year 2027.

B. Carlsbad—Intrepid Potash

1. Accomplishments Over the Past Few Years:

In 2022, Intrepid Potash appealed its Subfile Order and Partial Final Judgment and Decree. In 2023, the New Mexico Court of Appeals affirmed the District Court’s decision. On July 2, 2025, the Supreme Court affirmed the Court of Appeals’ 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 all 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. In FY 2026, the State began evaluating the 38 claims submitted. At the State’s request, the Court convened two hearings requiring claimants to communicate with the State regarding essential details of their claims. Through this process, several claimants agreed to dismissal of their claims.
- d. **Adjudication of Cow Creek Claims:** The State continued with subfile consultations and related field checks throughout the remainder of the last fiscal year.

2. FY 2027:

- a. **Service of Packets to Claimants:** The State will join and serve approximately 15 additional claimants who filed claims to water rights omitted from the 2015 Hydrographic Survey. Although the State located some unknown heirs of deceased claimants, the State still expects 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 and on a very few known claimants for whom personal service has failed.
- b. **Omitted Claims Notice:** The Hydrographic Survey Bureau will evaluate the valid claims submitted pursuant to the omitted claims notice before the State can serve adjudication packets on those claimants in FY 2027.
- c. **Adjudication of Cow Creek Claims:** The State will continue with subfile

consultations, field checks, entering into consent orders for resolved water right claims, and termination of consultations that have not reached resolution throughout the fiscal year. Termination of unsuccessful consultations will likely lead to another surge of motions of default judgment against those subfile defendants. The Cow Creek Basin Acequia Association has been very helpful in identifying unknown owners and communicating with claimants on the six acequias that comprise the CBAA.

- d. **Stream System Issue:** The Cow Creek Basin Acequia Association has informed the State that they have retained an expert to evaluate the duty of water that the State has been adjudicating to all irrigation water rights.

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 2027:** n/a

E. Rio Hondo

1. **Accomplishments Over the Past Few Years:** This section of the Pecos adjudication has been dormant.
2. **FY 2027:** 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 (FSID)

1. **Accomplishments Over the Past Few Years:**
 - a. Following mediation and extensive negotiations with FSID, its counsel, and experts on FSID's claims, the parties submitted to the Court their negotiated agreement adjudicating FSID's rights to divert and distribute water to its constituent irrigators. On May 15, 2026, the Court issued a Consent Order and Project Decree.
2. **FY 2027:**
 - a. Any follow up with the Court necessary to secure entry of the proposed Consent Order and Project Decree.
 - b. Drafting and submission of a Partial Final Decree closing FSID section.

FEDERAL COURT ADJUDICATIONS - PRIORITIES FOR FY 2027

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: Rio Del Oso:** Met with the two remaining claimants to discuss resolution of their outstanding claims.

2. **Section 3: Rio Cebolla:** The State moved the Court to finalize irrigation water requirements in the Rio Cebolla subsection in May 2026.
3. **Section 3: Canjilon Creek:**
 - a. The Court issued the partial final judgment and decree on surface water irrigation for the Canjilon Creek subsection on August 20, 2025.
4. **Section 7: Cañones Creek**
 - a. Negotiated with two remaining objectors to acéquia 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 2027:

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. 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:** Reconciling of subfile orders with WRATS and hydrographic survey maps.
- B. **FY 2027:** 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. There are no outstanding subfiles to be entered.
2. The State has begun working with the Pueblos, Tribes, 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 2027:

1. Consult with the United States attorneys on scheduling *inter se* proceedings for FY 2027 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.

B. FY 2027:

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 2027).

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. Sixty-one out of ninety-five tracts have been surveyed as of Spring of 2026.

B. FY 2027:

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 2027: 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 2027**: Staff will address implementation issues as they arise.
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STATE OF NEW MEXICO'S RULE 71.3 REPORT for FY 2027
(July 1, 2026 to June 30, 2027)
EXHIBIT C: BUREAU FOR PUEBLOS, TRIBES, AND NATIONS
June 30, 2026

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

The OSE 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 and the District Offices, which are part of the OSE Water Resources Allocation Program, and with staff from the Interstate Stream Commission. The Interstate Stream Commission has recently added an attorney and a technical lead for Tribal water rights issues. 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. Currently, the PTN Bureau is staffed with three full-time employees: an attorney, a technical lead (water resources professional), and a law clerk.

In addition, this report includes the time of staff members within the Northern New Mexico Adjudication Bureau but does not include staff from other bureaus or programs within the agency.

TABLE 1: Summary of Available Resources for the Bureau For Pueblos, Tribes, and Nations Related To Adjudications for Fiscal Year 2027

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
<i>FULL TIME EMPLOYEE ALLOCATION</i>	1	1	1	1	.5	0	4.5

TABLE 2: Bureau for Pueblos, Tribes, and Nations Priority Sections and Resources for Fiscal Year 2027

	FY2026 FTEs	FY2027 FTEs
Total Bureau Staff and Contractor Resources	5	4.5
State Adjudications:		
I. San Juan Adjudication	.25	.25
• Navajo Nation Settlement Agreement – Implementation		
• Ute Mountain Ute Tribe – In Negotiation		
II. San Jose Adjudication (<i>Kerr-McGee</i>)	.25	.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	.5
• Ohkay Owingeh – Implementation & Seeking Federal Legislation		
VI. Taos Adjudication (<i>Abeyta</i>)	.5	.5
• Taos Pueblo Settlement Agreement – Implementation & Seeking Federal Legislation		
VII. Zuni Adjudication (<i>A&R</i>)	.25	-
• Zuni Pueblo – Implementation & Seeking Federal Legislation		
• Navajo Nation (Ramah Navajo) – In Negotiation		
VIII. Santa Cruz/Truchas Adjudication (<i>Abbott</i>)	1.5	1.5
• Santa Clara Pueblo and Ohkay Owingeh – In Negotiation		
IX. Jemez Adjudication (<i>Abousleman</i>)	.5	.25
• Pueblos of Zia and Jemez – Seeking Federal Legislation		
• Pueblo of Santa Ana – In Litigation		
X. Nambé, Pojoaque, Tesuque Adjudication (<i>Aamodt</i>)	.5	.25
• Pueblos of Nambé, Pojoaque, Tesuque, San Ildefonso - Implementation		
Other Tribes, Pueblos & Nations:		
XI. Six Middle Rio Grande Pueblos	1	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 2027

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: The State continues to consult and assist with settlement agreement implementation issues.
- B. Ute Mountain Ute Tribe: The State is negotiating with the Ute Mountain Ute Tribe and the Federal Negotiation Team.

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. Accomplishments Over Past Few Years:

- a. The parties (other than the United States) signed a settlement agreement in June of 2022 for the claims of the Pueblos of Acoma and Laguna, and in 2024 for the claims of the Navajo Nation.
- b. The federal legislation for these settlement agreements is pending approval in Congress.
- c. The Rio San Jose Acequias were awarded \$250,000 through the ISC Acequia Bureau in FY 2024, as part of the State's obligation under the settlement agreement.¹
- d. The State of New Mexico, working in conjunction with a private contractor, INTERA, has begun a hydrographic survey of non-Tribal claims in the Rio San Jose stream system, beginning with the Bluewater Toltec area.

B. FY 2027:

- a. Once legislation is passed, the parties will continue discussions to conform the settlement agreements to the federal legislation and seek State legislative approval.
- b. Once the conformed settlement agreements are 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 tribal water rights claims and to commence *inter se*. Timing for commencement of the *inter se* process is dependent upon actions by Congress.
- c. The State plans to complete a majority of the mapping for the Bluewater Toltec area hydrographic survey in FY 2027 and will begin field visits this summer.

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

¹ This funding reverted over fiscal agent issues, but the State is working to get funding through another source.

(Consolidated) – There are no pending claims of a Pueblo, Tribe, or Nation in this adjudication.

FEDERAL COURT ADJUDICATIONS - PRIORITIES FOR FY 2027

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

A. Ohkay Owingeh:

1. Accomplishments Over the Past Few Years:

- a. The parties (other than the United States) signed a Local Settlement Agreement for the Chama Stream System claims, dated July 5, 2023.
- b. The federal legislation for this Settlement Agreement is currently pending in Congress.
- c. The parties entered into an interim agreement to begin implementation of settlement terms regarding shortage sharing and early funding.
- d. 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” and committed to fund \$7 million to the signatory acequias, pursuant to the Settlement Agreement.

2. FY 2027:

- a. Once legislation is passed, the parties will continue discussions to conform the Settlement Agreement to the federal legislation and seek State legislative approval.
- b. 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 Ohkay Owingeh’s water rights and to commence *inter se*. Timing for commencement of the *inter se* process is dependent upon actions by Congress.
- c. The State will continue implementation of the interim agreement and anticipates funding a portion of its obligations under the settlement agreement during FY 2027.

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:

1. Accomplishments Over the Past Few Years:

- a. The State continued to regularly consult and assist with settlement agreement implementation issues and support the federal legislation effort seeking additional federal funding.
- b. The local parties drafted an amendment to the 2010 legislation seeking additional federal funding for the projects identified in the settlement agreement. The State committed to fund twenty-five percent of the amount needed to complete the mutual-benefit projects.
- c. The Office of the State Engineer received \$20,000,000 during the state legislative

session as a special appropriation to be used to “support and fund Indian water rights settlements, for expenditure in fiscal years 2025 through 2027.”

- d. The Office of the State Engineer received \$25,000,000 during the state legislative session as a special appropriation to be used to fund Tribal water rights settlements during fiscal years 2026 through 2028.
- e. The Office of the State Engineer committed to fund part of the amount needed to complete the settlement projects from these special appropriations.
- f. To date, the Office of the State Engineer has committed over \$13 million from these special appropriations for settlement projects.

2. FY 2027:

- a. The parties will continue to seek introduction of the amendment to the 2010 federal legislation for the supplement funding needed to complete the projects pursuant to the settlement agreement.
- b. The Office of the State Engineer has entered into agreements to fund a portion of its commitment to supplement the funding obligation under the Settlement Agreement and will continue its efforts in the implementation process.

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. Subproceeding 1: Zuni Indian Claims, *U.S. and Zuni Indian Tribe v. N.M.*, Case No. 07-cv-00681-MV/JHR (U.S.D.Ct., N.M.)

1. Accomplishments Over the Past Few Years:

- a. Zuni Pueblo and the State signed the Local Settlement Agreement in the Spring of 2023.
- b. The federal legislation for this Settlement Agreement is currently pending in Congress.
- c. The State and Zuni finalized a monitoring plan, pursuant to the settlement agreement.
- d. The State entered into an agreement to fund the implementation of the monitoring plan up to \$750,000 of the State’s cost-share of the settlement.

2. FY 2027:

- a. Once legislation is passed, the parties will continue discussions to conform the Settlement Agreement to the federal legislation and seek State legislative approval.
- b. 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 Zuni Tribe’s water rights and to commence *inter se*. Timing for commencement of the *inter se* process is dependent upon actions by Congress.
- c. The State will continue to collaborate with the Zuni Tribe to fund and implement the monitoring plan, as intended under the settlement agreement.
- d. The State also intends to work with the federal team to adjudicate any federal allottees within the Zuni Tribe boundary.

B. Subproceeding 2: Navajo Indian Claims, *U.S. and Navajo Nation v. N.M.*, Case No. 12-cv-1298 MV/JHR (U.S.D.Ct., N.M.)

1. **FY 2026:** The State commenced negotiations to reach settlement of Navajo Nation’s claims in FY 2024 and continued through FY 2025.
2. **FY 2027:**
 - a. The parties intend to continue working towards settlement of Navajo Nation’s water rights claims in the Zuni River Basin.
 - b. The State also intends to continue working with the federal team towards resolving allotment issues.

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. Pueblos of Santa Clara and Ohkay Owingeh:

1. Accomplishments Over the Past Few Years:

- a. 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.
- b. The State continued to negotiate with the Pueblo of Santa Clara and Ohkay Owingeh, the City of Española, and the Santa Cruz Irrigation District to resolve the Pueblos’ water rights claims in the Santa Cruz/Truchas Adjudication in FY 2026.

2. **FY 2027:** The State will continue negotiations with the Pueblo of Santa Clara and Ohkay Owingeh and anticipates significant progress towards resolving both Pueblos’ claims in FY 2027.

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

A. Pueblos of Zia and Jemez:

1. Accomplishments Over the Past Few Years:

- a. The parties (other than the United States) signed a settlement agreement in June 2022.
- b. The federal legislation for the Settlement Agreement is currently pending in Congress.

2. FY 2027:

- a. Once legislation is passed, the parties will continue discussions to conform the Settlement Agreement to the federal legislation and seek State legislative approval.
- b. 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 Pueblos of Jemez and Zia’s water rights and to commence *inter se*. Timing for commencement of the *inter se* process is

dependent upon actions by Congress.

B. Pueblo of Santa Ana:

1. Accomplishments Over the Past Few Years:

- a. The parties have been litigating the five “threshold issues” necessary for the quantification of Santa Ana Pueblo’s water rights.
- b. Much of the briefing on the threshold issues was completed over a decade ago, but the parties are submitting supplemental briefs on certain aspects of certain issues in light of interlocutory and appellate rulings.
- c. The Court has ruled on supplemental briefing on Issues 1-3, and Issue 4 is fully briefed.

2. **FY 2027:** The parties anticipate that decisions on the remaining issues in the case will be issued in FY 2027.

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

A. Accomplishments Over the Years:

1. The Pueblos of Nambé, Pojoaque, Tesuque and San Ildefonso Settlement Agreement was ratified by Congress in 2010.
2. The Final Judgment and Decree was entered in 2017 and the case is closed.

B. FY2027:

1. The State continues to consult and assist with implementation Pueblos of Nambé, Pojoaque, Tesuque and San Ildefonso Settlement Agreement, including continued assessment of lands under Section 4 of the Settlement Agreement.
2. The State is assisting the settlement parties with issues related to the construction of the regional water system and educating well owners on their option to elect to connect to the water system.

OTHER TRIBES, PUEBLOS, AND NATIONS - PRIORITIES FOR FY 2027

XI. SIX MIDDLE RIO GRANDE PUEBLOS (Pueblos of Sandia, Isleta, Cochiti, Santa Domingo, San Felipe, and Santa Ana)

- A. FY 2025 & FY 2026:** 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 and hydrologic assessment of the Middle Rio Grande.

- B. FY 2027:** The Pueblos, the State, and the federal negotiation team anticipate setting up a negotiation process, selecting a mediator, and commencing mediation in FY 2027.