



STATE OF NEW MEXICO

OFFICE OF THE STATE ENGINEER

Santa Fe

John R. D'Antonio Jr., P.E.  
State Engineer

BATAAN MEMORIAL BUILDING, ROOM 102  
SANTA FE, NEW MEXICO 87504-5102  
(505) 827-6120  
FAX: (505) 827-6682

October 26, 2004

Suerte del Sur, L.L.C.  
The Peters Corporation  
c/o George F. Bingham, General Counsel  
P.O. Box 908  
Santa Fe, NM 87507

*Re: Application(s) No. 06468 and RG-2 into RG-82308-Expl.-2*

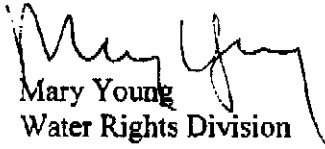
Dear Mr. Bingham:

The above referenced applications are returned at this time without acceptance for filing by this office. The applications seek to change the point of diversion and place and purpose of use for 132 acre-feet of water per annum of consumptive use, diverted from the Rio Grande and a supplemental well, located within the Middle Rio Grande Conservancy District, to a well located approximately 3.0 miles west of the City of Santa Fe. Initial hydrologic modeling indicates that depletion at La Cienega Springs resulting from the requested diversion will reach approximately 26 acre-feet within 100 years. Depletion to the Rio Pojoaque and the Rio Tesuque is predicted to be 1.15 acre-feet and 3.52 acre-feet respectively. These are depletions not offset through retirement of Middle Rio Grande water rights. Consequently, prior to acceptance of your applications, this office requires simultaneous submission of application(s) to transfer sufficient water rights to fully offset the described depletions. Failure to include the La Cienega and northern tributary offset applications would constitute a new appropriation in the Santa Fe River basin. Such an application would be denied without benefit of publication.

In addition, be aware that acceptance for filing does not obligate favorable action by this office on the applications. Through the administrative review process, additional issues may come to light which preclude or limit approval, and transfer of surface water rights does not address local groundwater depletions experienced by nearby wells of other ownership.

Please contact me if you have any questions on this matter.

Sincerely,

  
Mary Young  
Water Rights Division

Enclosures  
c: P. Saavedra