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## **N.M., Texas Bidding For Share of Aquifer**

By Tania Soussan  
Journal Staff Writer

New Mexico ranchers, two state agencies and big money Texans are engaged in a high-stakes bid for a share of a large and mostly untapped underground water reserve south of Alamogordo.

The Salt Basin under Otero and Chaves counties holds an estimated 15 million acre-feet of drinkable water— enough water to supply Albuquerque for almost 150 years— along with another 15 million acre-feet of brackish water.

But part of the basin stretches south into Texas, where Dell City farmers are pumping water to irrigate thousands of acres of alfalfa, chile and other crops. The Texas farmers also are looking for opportunities to sell the water from the underground basin to thirsty cities.

That has New Mexicans worried.

"New Mexico needs to do something to protect its water," said Jerry King, an assistant commissioner for the state Land Office. "In my opinion, Texas is stealing our water."

Most of the Salt Basin's water originates in the Sacramento Mountains in New Mexico and flows underground south into the Dell City area.

Heavy pumping in Texas pulls out water that is stored in the aquifer in New Mexico, causing water level declines.

"If Texas were to continually develop that area, it could affect supplies within New Mexico, and that's why we want to develop that water," said New Mexico State Engineer John D'Antonio.

The bids for Salt Basin water:

Otero Mesa ranchers in New Mexico— working together as Last Chance Water Co. LLC— have applied for 100,000 acre-feet of water rights that they would then sell to other users.

An acre-foot is about 326,000 gallons or enough to supply 2 1/2 Albuquerque households for a year.

The Interstate Stream Commission has applied for 30,000 acre-feet of water for possible use in New Mexico communities like Ruidoso, Cloudcroft and Alamogordo or to help meet state obligations to deliver Rio Grande and Pecos River water to Texas.

Cimarron Agricultural Ltd., a subsidiary of El Paso-based Hunt Building Co., has applied to transfer more than 17,000 acre-feet of agricultural water rights to municipal and commercial use in West Texas, southern New Mexico and Ciudad Juárez, Mexico.

All three applications to the New Mexico State Engineer Office have been protested and are awaiting hearings.

"There's a big squabble for water in that part of the state," said geochemist and

hydrogeologist Steve Finch of John Shomaker & Associates Inc. in Albuquerque.

Finch, who has studied the basin extensively, predicted a potential showdown between New Mexico and Texas or between water-rich rural areas and thirsty urban areas like El Paso.

Farmers on the Texas side of the basin— including El Paso developer Woody Hunt and Qwest billionaire Philip Anschutz— joined together to try to market their water to El Paso.

The deal fell through last year, but interest in exporting the water remains, said Bill Miller, who runs Anschutz's CL Machinery Co., a Dell City farming operation.

"I think there's a big fight developing down there no matter what happens," said Rick Warnock, a resident of La Luz in New Mexico and president of the Sacramento Mountain Watershed Restoration Corp. "There's a great deal of interest in it. It means money for somebody."

### **Sides are talking**

Although the Interstate Stream Commission and the Last Chance ranchers from New Mexico have competing water rights applications, both sides are talking.

"We want to make sure we don't sit by idly and see this water taken and we don't get the benefit in New Mexico," said Interstate Stream Engineer Estevan Lopez. "There's a possibility that we could effectively get what we're trying to get out of the deal— that it be used for New Mexico purposes— within the context of their application."

The Last Chance group could not be reached for comment last week.

One big hurdle facing the Last Chance, ISC and Cimarron proposals is the cost of delivering water from the sparsely populated Salt Basin to the urban areas where it's needed. Some estimates put the price at \$120 million to as much as \$400 million.

A way around the problem might be to trade some water to Texas in exchange for compact credits on the Rio Grande or Pecos, D'Antonio said.

One of the protests to the ISC application was filed by state Land Commissioner Pat Lyons, who also wants to get into the water game.

"We want to try to get those water rights in the state Land Office name," Lyons said, adding the water could be piped to the Rio Grande and leased to the ISC.

Finding a way to give the Land Office revenue from the Salt Basin water is part of high-level discussions going on among state officials, said Bill Hume, Gov. Bill Richardson's senior policy adviser.

"We all think that's just dandy," he said.

The bottom line with any deal, Hume and D'Antonio said, is that it be good for New Mexico.

"There would have to be genuine and widespread benefits for communities in New Mexico," Hume said.

Warnock said he believes New Mexico should get its share first "since we're upstream."

One advantage for New Mexico is that, because the Salt Basin water originates in New Mexico and then flows into Texas, wells in Otero County could capture it before it gets across the state line.

"That's the opportunity here," Lopez said.

### **Wait-and-see approach**

Meanwhile, Cimarron, the Texas-based group, is waiting to see what happens with its application to move its water from agricultural use in New Mexico to city use elsewhere.

The company had hoped to sell to El Paso, but the city has since determined it has enough water for several decades, said Cimarron Vice President Ronald Glover in El Paso.

"I'm sure there's a market for it, but it's a long distance from anywhere and I don't know of anyone who can afford the transportation costs," he said.

Cimarron's application argues it would be to New Mexico's advantage to allow the transfer because the aquifer has limited storage capacity, so water that is not withdrawn in New Mexico "will only add to increased flow to Texas."

That's partly right, said hydrogeologist Finch.

"These things are complicated," he said. "You can't capture recharge by pumping."

That means Cimarron's pumping would draw water from storage, which would eventually be replaced by the roughly 34,500 acre-feet of annual recharge, Finch said.

The nature of the aquifer also makes it vulnerable to contamination from oil and gas development— something that is planned for the Otero Mesa area. The aquifer is fractured and porous, and existing water supply wells are near areas in which the U.S. Bureau of Land Management plans to allow new drilling, according to Finch.

To better understand that issue and the amount of water that is available in the Salt Basin, Sen. Jeff Bingaman, D-N.M., has asked the U.S. Geological

### **Survey to study the issue**

"The aquifer ... represents an important resource which could address a number of water supply needs in the region," Bingaman wrote in a letter to the USGS. "Relative to most over-appropriated water supplies, the Salt aquifer is an untapped resource."

That relatively untapped resource has land commissioner Lyons thinking about new ways to make money for the state's public schools, the mandate of his office.

The State Land Office holds much of the land in the area.

"There's three resources down there. There's water, there could be oil and gas and there's grasslands," said Assistant Commissioner King. "All three could produce money for the trust."

Water could be piped to Las Cruces, Alamogordo, El Paso or even Mexico, he said.

Lyons said he is also considering a change in policy to require the Land Office to get a cut if a lease holder puts the water to beneficial use and then sells the water off the land.

Another policy change could require that applications for water rights on state trust land be made in both the name of the lease holder and the commissioner, King said.

"Water may be one of our next big resources for the trust," King said. "Any water right that is down at the Salt Basin, we've looked at acquiring it. We've looked at trying to develop it."