April 13, 2012

Dear San Luis Valley Advisory Committee Members,

I hope this letter finds you and your families well. With the dry conditions in the San Luis Valley and across the State of Colorado, I am aware there is heightened interest in quickly completing the rulemaking process for administration of ground water resources. Therefore, I want to update you on the progress we are making in the rulemaking and modeling process. As always, my goal continues to be to advance the many earlier efforts in Water Division No. 3 water administration with the promulgation of the Rules Governing the Withdrawal of Ground Water in Water Division Three (“Rules”).

**Dry Conditions**
Based on the most recent Natural Resources Conservation Service runoff forecasts, Division Engineer Craig Cotten is expecting 71% of average streamflow on the Rio Grande, 65% on the Conejos River, and 61% on Saguache Creek systems this year. With these dry conditions, it is imperative that ground water users understand that water supplies are very limited and that continued pumping will exacerbate the declining condition of the aquifers. Based on judicial direction, the continuing injurious stream impact of pumping this year will be assessed against the ground water users in future years once the Rules are finalized.

**Model Update**
My staff continues to work diligently on updates to the RGDSS ground water model (“Model”). We have conducted a significant amount of work and effort in the past year working on the inputs that are integral to calculating depletions from ground water pumping in the San Luis Valley. The RGDSS Peer Review Team (PRT) has met 20 times since January 2011. At these meetings, the PRT has updated the Model input data files, published 2009 and 2010 irrigated lands coverage (CDSS website), included the incorporation of information gathered through interviews with farmers, and hired an outside consultant to do a programmatic review of Water Division No. 3’s well metering program. Additional enhancements to the Model inputs, based on field data collection efforts, are ongoing. Subdistrict #1 is required to begin replacing injurious stream depletions in May; therefore, the PRT has developed revised response functions for Subdistrict #1 based on the updated Model data.

**Rules Update**
While the Model continues to be refined, our team has been working on a framework to achieve and maintain a “sustainable” water supply that meets the direction of SB 04-222. This framework would allow water level fluctuations similar to those observed between 1978 and 2000. Engineers on our staff have reviewed historic water level data, well logs, and Model results to establish this...
baseline condition and identify sustainability monitoring wells. We are continuing to look at the best methods to establish sustainable water supply baselines from the existing data. Presently, we are incorporating these engineering methods into the written text of the rules to help us create “trigger points” and actions needed to get to the point that the aquifers are deemed sustainable.

Public Hearing
On April 15, 2012, the Special Improvement District No. 1 of the Rio Grande Water Conservation District ("Subdistrict No. 1") is expected to submit to the State Engineer’s Office its Annual Replacement Plan (“ARP”) application for the period May 1, 2012 through April 30, 2013. This ARP is required under the provisions of the Plan of Water Management for Subdistrict No. 1, decreed by the Water Division No. 3 Water Court in cases 2007CW52 and 2006CV64 on May 27, 2010, and upheld by the Colorado Supreme Court on December 19, 2011.

Upon submission of the ARP for Subdistrict No. 1, a copy will be made available for inspection at the Water Division No. 3 Main Office, 301 Murphy Drive, Alamosa, Colorado and the State Engineer’s Office (address provided below). The State Engineer’s Office will also post the ARP for Subdistrict No. 1 on the following website: http://water.state.co.us/Home/Pages/default.aspx

With a projected start date of May 1, there is a short window to evaluate the ARP. Public comment is an important part the process. To facilitate public input, on April 19, 2012 I will host a hearing with the staff of the Colorado Division of Water Resources and staff of the Attorney General’s Office to receive comments on the ARP for Subdistrict No. 1. The meeting will be held at the Ramada (formerly Inn of the Rio Grande), in Alamosa, Colorado, beginning at 10:00 AM. The purpose of the hearing is to receive any public comments, letters, or objections submitted by water users regarding the adequacy of the ARP for Subdistrict No. 1. Additionally, I will accept written comments from the public on the ARP for Subdistrict No. 1 through April 23, 2012. Written comments can be delivered either at the public hearing or e-mailed and/or mailed to the address below.

ARP Notification List
With the coming Rules and potential for additional Groundwater Management Subdistricts, there is a need to establish a notification list for those interested in Subdistrict ARP’s. In February 2012 I published an invitation in the water court resume for Water Division No. 3 for persons to be included on the ARP Notification List. The purpose of the ARP Notification List is to ensure that water users receive adequate opportunity to provide comment on ARPs in Water Division No. 3. We will accept additions to the notification list at any time; however I will also publish an invitation to be included on the ARP notification list each January in the water court resume for Water Division No. 3.

All comments and/or requests to be included on the ARP Notification List should be sent to:

Katie Radke, Program Manager  
Colorado Division of Water Resources 
1313 Sherman Street, Room 818  
Denver, CO 80203  
Kathryn.radke@state.co.us
We are working very diligently to finalize the Model and to present the Response Functions to the Committee. As always your input on these issues is essential, so any thoughts you have are welcome.

Thank you for your patience.

Best Regards,

Dick Wolfe, P.E.
State Engineer
Colorado Division of Water Resources