

Middle of map
At the curve - 200

①
10/3/86

LA UNION IRRIGATION COMPANY
LA UNION LATERAL

0023-0063-0001-00

780.

THIS INDENTURE, made this 31st day of December, A.D. 1919, by and between the La Union Irrigation Company, a corporation organized, existing and doing business under and by virtue of the laws of the State of New Mexico, party of the first part, and The City National Bank of El Paso, Texas, a banking corporation, organized, existing and doing business under and by virtue of the laws of the State of Texas, with its principal place of business located at El Paso, Texas, party of the second part,

WITNESSETH:

That the La Union Irrigation Company, acting by authority of a resolution passed at a duly constituted meeting of its Board of Directors and by authority of a resolution unanimously passed at a meeting of its Board of Directors, said resolution being as follows, to-wit:

"Forasmuch as the water furnished the company during the year 1919 has not been paid for, and the company has no money with which to pay for same, and the money due the U.S.R.S., as shown by its bills numbered 7414 and 7637, dated respectively July 30, and December 13, 1919, in the aggregate sum of \$36,008.84, is due and unpaid, and there is no money in the treasury with which to pay said bill, it becomes necessary to borrow said sum of money in order to pay it; and,

"WHEREAS, it is possible to obtain said sum of money by mortgage on the ditch of this company;

"Therefore, BE IT RESOLVED: That the Board of Directors seek said sum of money and execute, should it become necessary, a mortgage or deed of trust on the ditch system of the Company securing the payment of said sum of money.

"Upon motion by H. Casad and seconded by P.H. Bailey, and a vote thereon being had, said Resolution was declared to have been duly carried and the President and Secretary are instructed to execute all instruments which may be required to secure the payment of said sum of money, and to execute renewals and agree to renewals or extensions of the principal note should same be necessary".

NOW, THEREFORE, for and in consideration of the sum of ~~Twenty Thousand and Five Hundred~~ *Twenty five Thousand* Dollars to it in hand paid by the said party of the second part, the receipt of which is hereby confessed and acknowledged, and for the further consideration of the debt and trust hereinafter mentioned and created, has Granted, Bargained, Sold and Conveyed, and by these presents does grant, bargain, sell and convey unto the said party

of the second part, and to its successors and assigns forever, all the following described lands, real estate, tenements, hereditaments and property situate in the County of Dona Ana, State of New Mexico, and bounded and described as follows, to-wit:

Situated on the West side of the Rio Grande, in the County of Dona Ana and State of New Mexico, and more particularly described as follows:

Beginning at the head of the ditch system herein described a point on the west side of the Rio Grande 2 miles west of Berino, New Mexico; thence following the center of the La Union ditch, Right of Way 60 feet wide; including 30 feet on each side of center of canal, as follows: S. 32 deg. 36' E. 1800 feet to Sta. No. 1; thence S. 2 deg. 30' E. 897 feet to a point where $\frac{1}{4}$ Sec. Cor. between Sections 5 and 6 T 26 S. R. 3 E. N. M. P. bears west 1508 feet; 1575 feet to Station No. 2; thence S. 8 deg. 46' W. 3208 feet to Station No. 3; thence S. 22 deg. 05' W. 4060 feet to Station No. 4; thence S. 10 deg. 33' W. 279.5 feet to Station No. 5; thence S. 10 deg. 40' E. 3300 feet to Station No. 6; thence S. 20 deg. 18' E. 400 feet to Station No. 7; thence S. 12 deg. 47' E. 463 feet to Station No. 8; thence S. 2 deg. 36' W. 371 feet to Station No. 9; thence S. 9 deg. 48' E. 797 ft. to Station No. 10; thence S. 25 deg. 30' E. 642 feet to Station No. 11; thence S. 62 deg. 46' E. 650 feet to Station No. 12; thence S. 47 deg. 33' E. 842 feet to Station No. 13; thence S. 11 deg. 00' E. 692 feet to Station No. 14; thence S. 9 deg. 35' E. 2553 feet to Station No. 15; thence S. 30 deg. 30' E. 292 feet to Station No. 16; thence S. 10 deg. 56' E. 372 feet to Station No. 17; thence S. 15 deg. 30' E. 828 feet to Station No. 18 at head of Desague bearing Southeast; thence S. 8 deg. 40' E. 4738 feet to Station No. 19; thence S. 14 deg. 25' E. 1931 feet to Station No. 20, at Repartidor, junction of the East and West branches of the ditch system; thence S. 51 deg. 47' E. Following center line of East branch of ditch system Right of Way 50 feet wide; including 25 feet of land on each side of center of canal as follows: 609 feet to Station No. 21; thence S. 47 deg. 20' E. 1203 feet to Station No. 22; thence S. 47 deg. 17' E. 3940 feet to Station No. 23; thence S. 19 deg. 14' East 902 feet to Station No. 24; thence S. 10 deg. 34' E. 5535 feet to Station No. 25; thence S. 19 deg. 53' E. 1091 feet to Station No. 26; thence S. 19 deg. 36' E. 1488 feet to Station No. 27; thence S. 16 deg. 41' E. 2203 feet to Station No. 28; thence S. 16 deg. 12' E. 4096 feet to Station No. 29; thence S. 10 deg. 26' E. 6281 feet to Station No. 30; thence S. 8 deg. 40' E. 723 feet to Station No. 31; thence S. 20 deg. 23' E. 1848 feet to Station No. 32; thence S. 01 deg. 30' W. 4896 feet, intersect center line of public road from Canutillo to upper Valley. 5935 feet Intersect ~~center line of public road~~ from south line of a road bearing N. E. 7 S. W. whence from Pt. 10' West, North end of Anthony's Nose bears N. 67 deg. 13' E. Franklin Mountain bears S. 83 deg. 37' E. Mount Flores bears S. 14 deg. 04' E. 6135 feet center line of Canutillo lateral, bears East 18893 feet Station No. 33 a point on the North bank of an old river bed and the end of the East branch of the La Union ditch system.

WEST BRANCH OF LA UNION DITCH SYSTEM.

Beginning at the Junction of the East and West branches of the La Union Ditch System, at Repartidor, identical with station No. 20, Thence following the center line of the west branch of the ditch system, Right of Way 50 feet wide; including 25 feet of land on each side of center of canal, as follows:

S.15 deg.02' W.2140 feet to Station No. 1; thence S. 21 deg.00' E.770 feet to Station No. 2; thence S. 25 deg. 15' E. 2505 feet to Station No. 3; thence S. 17 deg.15' E. 1780 feet to Station No.4; thence S. 6 deg.25' E.94 feet to Station No.5; thence S. 24 deg.05' W.364 feet to Station No. 6; thence S. 28 deg.06' W.230 feet to Station No. 7; thence S. 24 deg. 00' W. 346 feet to Station No.8; thence S. 29 deg.04' W. 567 feet to Station No. 9; thence S. 30 deg. 05' W. 355 feet to Station No. 10; thence S. 33 deg. 38' W. 1275 feet to Station No. 11; thence S. 32 deg. 42' W. 169 feet to Station No. 12; thence S. 23 deg.55' W.554 feet to Station No. 13; thence S. 23 deg. 47' W. 1134 feet to station No. 14; thence S. 23 deg. 12' W. 606 feet to Station No. 15; thence S. 22 deg.23' W. 591 feet to Station No.16; thence S. 25 deg. 48' W.402 feet to Station No. 17; thence S. 46 deg.24' W.359 feet to Station No. 18; thence S. 33 deg. 37' W. 112 feet to Station No. 19; thence S. 00 deg. 15' W. 184 feet to Station No. 20; thence S. 11 deg. 05' E. 313 ft. to Station No. 21 a point in North line of the Enriquez Tract; thence S. 9 deg. 12' E. 1493 feet to Station No. 22; thence S. 8 deg. 42' E. 910 feet to Station No.23; thence S. 18 deg. 54' E. 343 feet to Station No. 24; thence S. 16 deg. 04' E. 414 feet Intersect South line of Enriquez tract at a point, whence a corner of said tract bears S.61 deg. 35' E. 468 feet to Station No.25; thence S. 40 deg.26' E. 368 feet to Station No.26; thence S. 47 deg.50' E. 958 feet to Station No.27; thence S. 44 deg.41' E. 979 feet to Station No.28 N. E. corner of Dionicio Alvarez; thence S. 18 deg. 34' E. 1599 feet to Station No. 29 142 feet to Station No.30; thence S. 36 deg.12' E. 1200 feet to Station No.31; thence S. 36 deg. 12' E. 267 feet to Station No.32; thence S. 31 deg.20' E. 344 feet to Station No. 33; thence S. 22 deg. 08' E. 195 feet to Station No. 34; thence S. 9 deg. 53' E. 32 feet Intersect North line of Bailey tract at a point whence a corner of Bailey tract bears S. 57 deg.32' W.268 feet to Station No.35; thence S. 9 deg.14' E. 1493 feet to station No.36; thence S. 9 deg. 27' E. 486 feet to Station No.37; thence S. 33 deg. 44' E. 572 feet to Station No.38; thence S. 34 deg. 31' E. 800 feet to Station No. 39; thence S. 32 deg. 56' E. 1800 feet to Station No. 40; thence S. 23 deg. 58' W. 226 feet to Station No. 41; thence S. 38 deg. 27' W. 264 feet to Station No. 42; thence S. 43 deg.26' W. 501 feet to Station No. 43; thence S. 38 deg.33' W. 182 feet to Station No. 44; thence S. 43 deg. 08' W. 266 feet to Station No. 45; thence S. 32 deg. 12' W. 205 feet to Station No. 46; thence S. 12 deg.32' W. 283 feet to Station No. 47; thence S. 5 deg. 13' W.313 feet to Station No.48; thence S. 6 deg.53' E. 280 feet to Station No. 49; thence S. 16 deg. 22' E. 255 feet to Station No.50; thence S. 28 deg. 13' E. 286 feet to Station No. 51; thence S. 15 deg. 55' E. 1224 feet to Station No.52; thence S. 17 deg.36' E. 395 feet to Station No.53; thence S. 7 deg. 00' E. 121 feet to Station No. 54; thence S. 13 deg. 56' W. 738 feet to Station No.55; thence S. 5 deg. 16' W. 295 feet to Station No. 56; thence S. 14 deg. 28' E. 326 feet to Station No. 57; thence S. 9 deg. 08' E. 116 feet to Station No.58; thence S. 13 deg. 53' W. 200 feet to Station No.59; thence S. 28 deg. 52' W. 106 feet to Station No. 60; thence S. 36 deg. 58' W. 215 feet to Station No. 61; thence S. 22 deg. 59' W. 176 feet to Station No.62; thence S. 33 deg. 23' W. 225 feet to Station No. 63; thence S. 52 deg. 43' W. 116 feet to Station No. 64; thence S. 64 deg.28' W.191 feet to Station No. 65; thence S. 45 deg. 45' W. 62 feet to Station No.66; thence S. 00 deg. 04' W. 385 feet to Station No.67 a point in North line of the Gate Ranch; thence S. 00 10' E.180 feet to Station No. 68; thence S. 11 deg. 17' W.180 feet to Station No. 69; thence S. 18 deg. 20' W.1175 feet to Station No. 70; thence S. 44 deg.15' W.1660 feet to Station No. 71; thence S. 5 deg. 18' W. 1370 feet to Station

No. 72; thence S. 26 deg. 05' W. 380 feet to Station No. 73; thence S. 8 deg. 50' W. 995 feet to Station No. 74; thence S. 27 deg. 45' E. 3501 feet to Station No. 75; thence S. 2 deg. 15' E. 120 feet to Station No. 76; thence S. 20 deg. 35' W. 698 feet to Station No. 77; thence S. 28 deg. 20' W. 1115 feet to Station No. 78; thence S. 45 deg. 20' E. 2280 feet to Station No. 79; thence S. 24 deg. 30' E. 590 feet to Station No. 80; thence S. 20 deg. 00' E. 645 feet a point in the North line of Crawford lower ranch, 2920 feet to Station No. 81; thence S. 26 deg. 55' E. 4554 feet to Station No. 82; thence S. 40 deg. 00' E. 3946 feet to Station No. 83; and end of West branch of La Union Ditch System, and also all the property of the said party of the first part by whatsoever description, and wherever situate in the said States of New Mexico and Texas; also all the buildings, works and constructions of the party of the first part and all other real, mixed and tangible personal property and chattels of any and every kind, name and nature, which the party of the first part may have in its possession or which may hereafter be acquired by it as fully and completely as though specifically mentioned herein; also all the right, title, interest, claim and demand of any and every kind, name and nature, legal or equitable of the company, in and to all the rights, privileges, concessions, franchises, rights of way of every kind, and any interest therein which are now held or may hereafter be acquired by the party of the first part; also all books of accounts of any and every kind, name and nature now owned or which may hereafter be acquired by the party of the first part; also all bills and accounts receiveable or outstanding and all other contracts, promissory notes, checks, drafts, claims and demands and choses in action and all other property of any kind, name and nature, tangible or intangible, legal or equitable, which the party of the first part may be possessed of, or to which it may become entitled; also all the rights, privileges, franchises and immunities of the party of the first part, including the right to be a corporation, insofar as same may be lawfully transferred and conveyed, together with all and singular the lands, tenements hereditaments and appurtenances thereto belonging or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of the said party of the first part either in law or in equity, of, in and to the above granted, bargained, sold and described premises, with the appurtenances;

TO HAVE AND TO HOLD, the said premises above granted, bargained, sold and described with the appurtenances unto the said party of the second part, and its successors and assigns forever.

PROVIDED, HOWEVER, and these presents are upon the condition: That, Whereas, the said party of the first part is justly indebted unto the party of the second part in the sum of ~~Twenty~~ ^{Five Thousand} ~~Thousand Five Hundred~~ Dollars, as evidenced by its three promissory notes, Numbers 1, 2, and 3, and being in words and figures as follows, to-wit:

"El Paso, Texas, Dec. 31, 1919. \$10,000.00
"May 15, 1920 after date, waiving grace, protest and suit, I, we, or either of us promise to pay to the order of The City National Bank of El Paso, Texas, Ten Thousand Dollars, with in-

terest at the rate of 8 per cent per annum from date until paid, with ten per cent on amount unpaid, if placed for collection in the hands of an attorney. We agree that after maturity, the time of payment may be extended from time to time by any one or more of us without the knowledge or consent of any of the others of us, and after such extension the liability of all parties shall remain as if no such extension had been made. Payable at The City National Bank of El Paso, Texas. Value Received.

LA UNION IRRIGATION COMPANY,

By W. H. Aldridge, President,
F.G. Belk,
H. Casad
P.H. Bailey,
Jose Viramontes,
Sam B. Gillett.

No. 1. Due _____ "

"El Paso, Texas, Dec. 31, 1919. \$10,000.00

"Forty-five days after date, waiving grace, protest and suit, I, we, or either of us promise to pay to the order of The City National Bank of El Paso, Texas, Ten Thousand Dollars, with interest at the rate of 8 per cent per annum from date until paid; with ten per cent on amount unpaid, if placed for collection in the hands of an Attorney. We agree that after maturity the time of payment may be extended from time to time by any one or more of us, without the knowledge or consent of any of the others of us, and after such extension the liability of all parties shall remain as if no such extension had been made. Payable at The City National Bank of El Paso, Texas. Value Received.

LA UNION IRRIGATION COMPANY

By W.H. Aldridge, President,
F.G. Belk,
H. Casad
P.H. Bailey,
Jose Viramontes,
Sam B. Gillett.

No. 2. Due _____ .

"El Paso, Texas, Dec. 31, 1919. \$15,000.00

July 15, 1920, after date, waiving grace, protest and suit, I, we, or either of us promise to pay to the order of The City National Bank of El Paso, Texas, Fifteen Thousand Dollars, with interest at the rate of 8 per cent per annum from date until paid, with ten per cent on amount unpaid, if placed for collection in the hands of an Attorney. We agree that after maturity the time of payment may be extended from time to time by any one or more of us without the knowledge or consent of any of the others of us, and after such extension the liability of all parties shall remain as if no such extension had been made. Payable at The City National Bank of El Paso, Texas. Value Received.

LA UNION IRRIGATION COMPANY,
By W.H. Aldridge, President,
F.G. Belk,
H. Casad,
P.H. Bailey,
Jose Viramontes,
Sam B. Gillett.

No.3. Due _____."

And Whereas, the said party of the first part is anxious to secure the payment of said sums of money in said promissory notes mentioned when the same shall become due and payable, with all interest and charges that may accrue thereon;

NOW, THEREFORE, if the said party of the first part, its successors and assigns, shall pay all taxes and assessments due and to become due, or that may accrue on said property during the continuance of this mortgage, when the same are legally due and payable, and shall well and truly pay or cause to be paid to the party of the second part, or to its order, the said sums of money in said promissory notes specified when the same shall become due and payable, according to the tenor and effect of said promissory notes, together with all interest that may have accrued thereon according to the tenor and effect of said promissory notes and otherwise comply with the covenants, agreements and conditions herein set forth upon the part of the party of the first part to be done, kept and performed, then in that case, this indenture shall be and become null and void and of no effect, but in case of default by the said party of the first part, its successors or assigns, in the payment of any tax or assessment as aforesaid, when the same shall be due and payable, or in the payment of the said sums of money, or any part thereof in said promissory notes specified, when the same shall become due and payable, or in the payment of any interest that may have accrued thereon, when the same shall become due and payable, or in the performance of any of the other covenants, agreements or conditions herein set forth upon the part of the first party to be done, kept and performed, then and in each of said cases all of said indebtedness, principal and interest, whether the same be due and payable according to the tenor and effect of said promissory notes or not, shall at the option of said party of the second part immediately become due and payable, and then and in that case, the said party

of the second part, or its assigns, shall be and hereby is authorized and empowered to enter upon and take possession of said granted, bargained, sold and described premises, and after having given notice of the time, place and terms of sale thereof, by notice of said sale published in some newspaper in the County of Dona Ana for twenty days, or for the time and in the manner then prescribed by law, if any, expose and sell at public auction to the highest bidder for cash, the said granted, bargained, sold and described premises, provided that the said party of the second part may be a purchaser at any such sale and execute and deliver to the purchaser or purchasers thereof good and sufficient deed or deeds therefor, and out of the proceeds of such sale to pay the costs and expenses of said sale and the proceedings relative thereto, including ten per cent on amount unpaid for attorney's fees, and the said indebtedness and promissory notes and interest accrued thereon and unpaid, and including all sums paid out by the said party of the second part for insurance or taxes and the residue and remainder of said proceeds, if any there are, to pay over to the said party of the first part, its successors and assigns.

For the better securing of said notes, and indebtedness, the party of the first part hereby expressly covenants to and with the party of the second part as follows, to-wit:

1. That it is the owner in fee simple title of all the real estate hereinabove described in fee simple title, and has good right and lawful authority to convey and mortgage the same.

2. That during the continuance of this mortgage it will deposit with the party of the second part herein all sums of money which may be received or collected by it for water rents, or otherwise, and pay the same out only by and with the consent of the party of the second part, and that all sums so deposited by the party of the first part with the party of the second

part, except such as are actually needed in the business of the party of the first part, shall be applied on the above described indebtedness due by the party of the first part to the party of the second part.

3. That in the event of default by the party of the first part it will deliver immediate possession, pending foreclosure, of all of the above described property to the party of the second part, its agent or assign, but that until default herein the party of the first part shall be entitled to the possession of all of said property.

IN TESTIMONY WHEREOF, the party of the first part has caused these presents to be executed, acting by its President, attested by its Secretary, with its corporate seal hereunto affixed.

LA UNION IRRIGATION COMPANY,

By W.H. Aldridge
President.

Attest:

J. G. Beck
Secretary.

THE STATE OF TEXAS ::
 :: SS
COUNTY OF EL PASO ::

On this the 31st day of December, A.D. 1919, before me the undersigned Notary Public, in and for said County and State, personally appeared W.H. Aldridge, to me personally known, who being by me duly sworn, did say: that he is the President of the La Union Irrigation Company, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said W.H. Aldridge acknowledged said instrument to be the free act and deed of said corporation.

In witness Whereof, I have hereto set my hand and affixed my official seal the day and year in this certificate first

BOARD OF DIRECTORS

P. W. BAILEY
F. G. BELK
H. CASAD
SAM B. GILLETT
J. M. VIRAMONTES

SAM B. GILLETT
PRESIDENT

F. G. BELK
SEC. AND TREAS.

VALLEY PHONE 15 R2

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS - - 30

LA UNION, N. M., (VINTON, TEXAS, P. O.)

February 18, 1920.

Mr. L. M. Lawson,
Project Manager, U. S. R. S.,
El Paso, Texas.

Dear Sir:

We beg to acknowledge receipt of your favor of Febry. 16; also copy of your letter of February 12, addressed to the President of the Elephant Butte Irrigation District. We are returning herewith one of the blueprints, which is approximately correct, except that the ditch shown as the little La Union lateral should be extended in a southerly direction to connect up with the main west branch of our canal system.

We are also handing you herewith the deed properly executed, the certificate of election and a certified copy of that portion of the resolution of the Board of Directors authorizing the execution of the deed. The vote of our stockholders was cast in favor of the transfer, subject to the condition that the owners of the shares of stock shall receive a credit of \$8.50 for each acre of irrigable land to which a share of stock in the company is appurtenant, or the value of the ditch in cash if such settlement may be had in future; such credit to be allowed on the construction charge for the Rio Grande Project, etc.; but we are purposely omitting this part of the resolution from the copy accompanying the deed, as we are informed by you that the adjustment of credits or the collection of cash payments is for arrangement by the Irrigation District.

It seems to us that your requirements for right of way for individual laterals are almost prohibitive. In many instances a ditch runs along a fence line where the owner of the adjoining land is in no manner interested. To obtain a 10 ft. right of way on either side of the toe of the embankment would be impossible. In other cases, the present ditches pass through land which has been patented by the Government with the right of way for irrigation canals expressly reserved. The people through whose lands they pass will not execute deed for any more land than is at present taken out by the ditch, but the U. S. R. S. has it within its power to take over such right of way as may be necessary without a deed. There are also many instances where the present ditch is entirely adequate and it is impossible for the people at the end of the ditch to obtain a right of way of an additional 20 feet from the people through whose lands the ditch first passes. It would seem much more reasonable to us to demand a right of way sufficiently large to supply the area irrigated than to require an additional fixed right of way for every ditch, whether it irrigates 200 or 2000 acres, and we hope that you will devise some plan which will make it possible to also transfer our lateral system for operation. There certainly ought to be some way out

THE STATE OF NEW MEXICO }
COUNTY OF DONA ANA

This is a copy of the deed approved by [Signature]
61 167
D. [Signature]

THIS INDENTURE, made the 18th day of February in the year of our Lord, one thousand nine hundred and twenty between La Union Irrigation Company a corporation, organized under the laws of the State of New Mexico of the first part and The United States of America, pursuant to the Act of June 17, 1902 (32 Stat 388) and acts amendatory thereof and supplemental thereto party of the second part.

Witnesseth: That the said party of the first part, for and in consideration of the sum of One and no/100 (\$1.00) Dollars, lawful money of the United States of America, and other valuable considerations in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, do es by these premises demise, release and forever quit claim unto the said party of the second part, and to its successors ~~heirs~~ and assigns ~~all the~~ ~~certain lot~~ ~~piece~~ ~~or parcel~~ ~~of land~~ situated in the County of ~~-----~~ and State of New Mexico, and bounded and particularly described as follows, to-wit:

that certain irrigation system situate in the County of Dona Ana, State of New Mexico, and County of El Paso, State of Texas, known as La Union System, as the same is now constructed and in existence, as shown on map hereto attached, marked Exhibit "A", and made a part hereof;

RECORDED

DONA ANA Book 61 PAGE 168
Verified Jg 10-2-84
EL PASO Co. Book 360 PAGE 32

together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof,

To Have and to Hold, all and singular the said premises, together with all the appurtenances, unto the said party of the second part, and unto its successors ~~heirs~~ and assigns, forever. Provided, That nothing herein contained shall be construed as a conveyance, interference with, or in any wise affecting the vested right of any holder of rights in the said La Union system in and to the waters of the Rio Grande:

This deed shall become effective to transfer the above described property and rights upon the approval of the Director of the United States Reclamation Service. Witness Whereof, the said party of the first part has hereunto set its hand and seal the day and year first above written.

Signed, Sealed and Delivered in the Presence of
ATTEST: F G BELK
Secretary.

LA UNION IRRIGATION COMPANY, (L. S.)
A Corporation, (L. S.)
Rvn (L. S.)

Attest:
F. G. Belk (Corp.Seal)
Secretary.

LA UNION IRRIGATION COMPANY, (L.S.)
a Corporation,
By Sam B. Gillett (L.S.)
President.

State of Texas }
County of El Paso } ss

Book 61 PAGE 167

On this 18th day of February 1920, before me appeared Sam B. Gillett, to me personally known, who, being by me duly sworn did say that he is the president of La Union Irrigation Company, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of directors, and said Sam B. Gillett acknowledged said instrument to be the free act and deed of said corporation.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Seal of Notary)

My commission expires June 1, 1921.

J. L. Hill
Notary Public.

Approved:.....192...
Morris Dien
A.G.R. Acting Director

Filed for record in my office this 18th day of June A. D. 1920, at 9:00 o'clock A. M.

J. J. Newares
County Clerk.
By M. J. Newares
Deputy.

J.D.Newton, et al. |
to | No. 34447. QUITCLAIM DEED.
A.F.Schults |

The State of New Mexico }
County of Dona Ana. }

This Indenture, made the 18th day of June in the year of our Lord one thousand nine hundred and twenty between J.D.Newton for himself and on behalf of J.M.Deaver, Mrs. J. M. Deaver, Seth B.Orndorff, Mattie Dee Orndorff, H.L.Herring, Aylmer Flenniken, Mrs. Mary Flenniken, Joe E. Largent, Mrs. Pearl Largent, P.E. Kern, and V.N.Hopper parties of the first part and A.F.Schults party of the second part.

Witnesseth: That the said parties of the first part, for and in consideration of the sum of One Dollars, lawful money of the United States of America, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged do by these premises demise, release and forever quitclaim unto the said party of the second part, and to his heirs and assigns all those certain lots, pieces or parcels of land situated in the County of Dona Ana and State of New Mexico, and bounded and particularly described as follows, to-wit:

All of Section 1.(One) All of Section 12 (Twelve) in Township 15 South Range 5 East, N.M.P.M. containing 1280 acres. And being Placer Mining Claims, known as Soda Lake, numbers 300,301,302,303,304,305,306 and 307. And being recorded in Book No. 17, of Loc. Notices, Pages 165,166,167, and 168, of the records of Dona Ana County, New Mexico. together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof,

To have and to hold, all and singular the said premises, together with all the appur-

State of Pennsylvania,)
County of Cambria)ss

Book 61 PAGE 168

On this 23rd day of March, A.D. 1920, before me appeared Benton E. Longwell, to me personally known, who being by me duly sworn did say that he is President of The Rachel Realty Company (No Stockholders' Liability) and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and said Benton E. Longwell acknowledged said instrument to be the free act and deed of said Corporation.

Witness my hand and official seal the day and year last above written.

(Seal of Notary)
My commission expires Feb. 8, 1923.

J. Earl Ogle
Notary Public, Cambria Co. Pa.

Filed for record in my office this 18th day of June A.D. 1920, at 9:00 o'clock A. M.

J. J. Nevarez
County Clerk.
By *M. J. Nevarez*
Deputy.

La Union Irrigation Company
to
United States of America
The State of New Mexico,)
County of Dona Ana.)
No. 34432. QUITCLAIM DEED.

This Indenture, made the 18th day of February in the year of our Lord, one thousand nine hundred and twenty between La Union Irrigation Company, a corporation, organized under the laws of the State of New Mexico, party of the first part, and The United States of America, pursuant to the Act of June 17, 1902 (32 Stat. 388) and acts amendatory thereof and supplemental thereto, party of the second part.

Witnesseth: That the said party of the first part, for and in consideration of the sum of One and no/100 (\$1.00) Dollars, lawful money of the United States of America and other valuable considerations to it in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, does by these premises demise, release and forever quitclaim unto the said party of the second part, and to its successors and assigns that certain irrigation system situate in the County of Dona Ana, State of New Mexico, and County of El Paso, State of Texas, known as La Union System, as the same is now constructed and in existence, as shown on map hereto attached, marked Exhibit "A", and made a part hereof; together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof,

To have and to hold, all and singular the said premises, together with all the appurtenances, unto the said party of the second part, and unto its successors and assigns forever. Provided, That nothing herein contained shall be construed as a conveyance, interference with or in any wise affecting the vested right of any holder of rights in the said La Union system in and to the waters of the Rio Grande.

This deed shall become effective to transfer the above described property and rights upon the approval of the Director of the United States Reclamation Service.

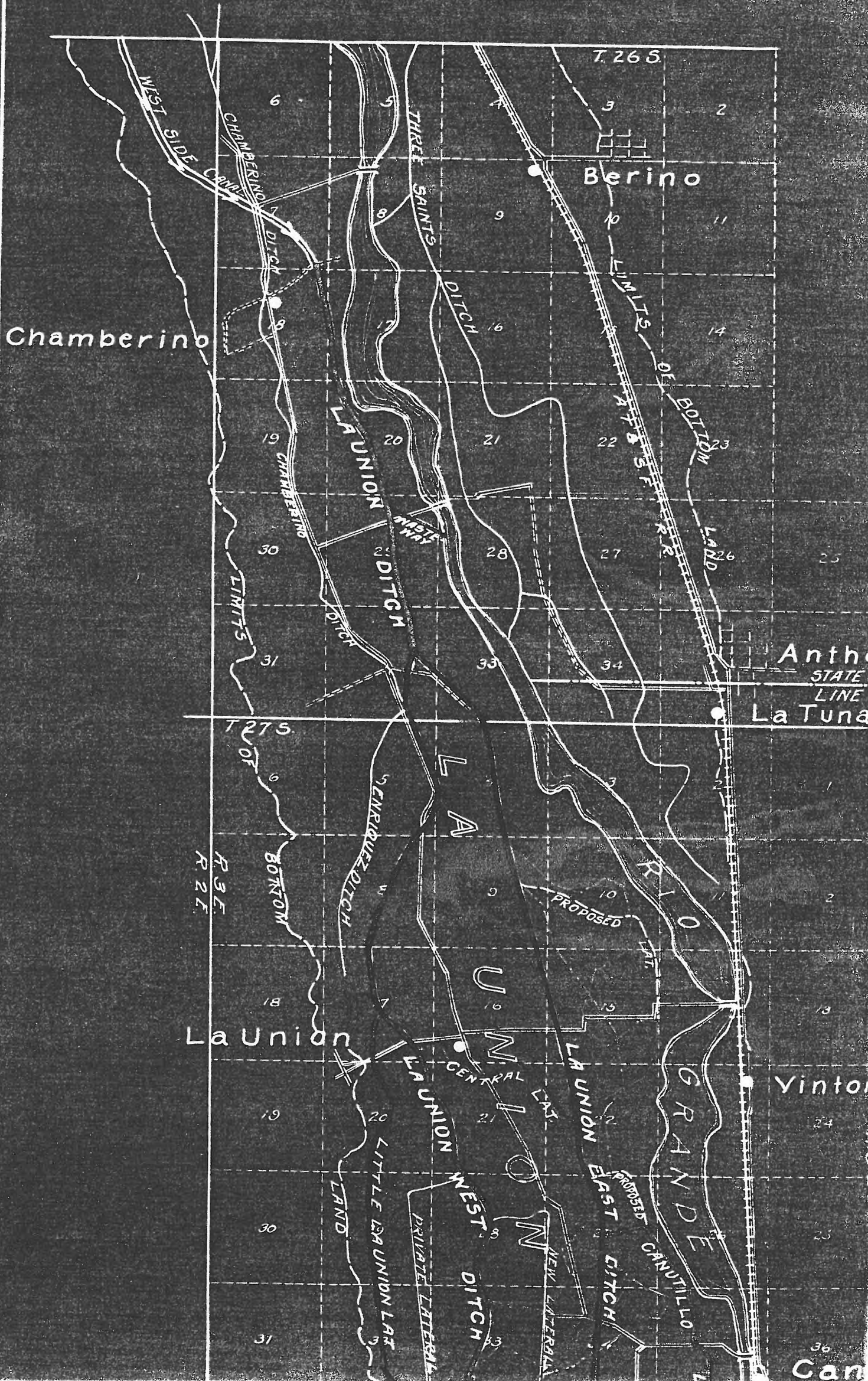
In Witness Whereof, the said party of the first part has hereunto set its hand and seal the day and year first above written.



DITCHES, LATERALS AND DESAGUAS
CONVEYED BY DEED DATED FEB. 18, 1920

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE
RIO GRANDE PROJECT, N.M. TEX.
MESILLA VALLEY
LA UNION LATERAL SYSTEM

Drawn AOD Recommended
Checked E.M.F. Approved
1917 L40 E1 P. 30 TEX. 2/19/20



El Paso, Texas, September 24, 1920.

From Project Manager

To Director, Washington.

Subject: Quitclaim deed dated February 16, 1920, running from La Union Irrigation Company, transferring irrigation system to the United States - Rio Grande project.

1. The above described deed was transmitted for approval, through office of the Chief Engineer, Denver, with form letter dated April 1, 1920, and received approval of Acting Director under date of June 4, 1920. Original deed was returned to the project office for recordation. The instrument has been duly recorded in county clerks' offices for both Dona Ana (New Mexico) and El Paso (Texas) counties, and is returned herewith for filing in the Washington office.

incl.

L M LARSON

Copy to C. E. Denver.
D. C. El Paso.

El Paso, Texas, June 14, 1920.

County Clerk for Dona Ana County,

Las Cruces, N. Mex.

Dear Sir:

Transmitted herewith for official record is quit-claim deed dated February 18, 1920, running from La Union Irrigation Company to the United States. Extra copy of blueprint map is also inclosed for use of your office in completing this record. No United States documentary revenue stamp accompanies this instrument, as the "other valuable considerations" named therein will amount to reciprocal arrangements between the Reclamation Service and the grantor, and no cash is actually being paid to grantor.

Very truly yours,

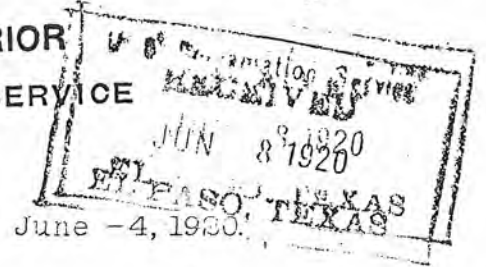
P W DENT

District Counsel.

incis.

C-21-5

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE
WASHINGTON, D. C.



From Assistant Director,
To Project Manager, El Paso, Tex.

Subject: Quit claim deed dated Feb. 18, 1920, from La Union Irrigation Company, transferring irrigation system to the United States - Rio Grande Project.

1. The above mentioned quit claim deed and accompanying papers transmitted with your form letter of April 1, 1920, by reference from the Chief Engineer dated April 8, 1920, received.
2. The deed has been approved by ^{me as Acting} Director in the form transmitted. However, it is the opinion of this office that we should have had in advance, a binding agreement limiting the amount of credit to be allowed to the stockholders.

Morris Linn

CC- C.E.
D.C., El Paso, Tex.

C-21-5

El Paso, Tex. MApril 1, 1920.

From District Counsel P. W. Dent
To Director, Washington. (Through office of Chief of Construction.)
Subject: Transfer of La Union Irrigation System to the United States - Rio Grande project.

1. I herewith inclose papers listed in attached form letter of transmittal.

2. The transfer of this system is made the subject of a letter to you from the Chief of Construction dated March 21, 1920, written from El Paso, to which attention is invited. The transfer, under the conditions named, was authorized by your telegram of March 24.

3. It has been found impracticable to describe the various ditches, laterals and desaguas by metes and bounds. The system is described by means of a plat attached to and made a part of the deed. It is impossible to give the width of the right of way for each ditch, lateral and desagua for the reason that the title for the most part rests upon adverse possession and we acquire under the transfer the ground actually occupied by the works, which is irregular and of varying widths. This is the manner in which other similar systems have been transferred heretofore.

4. The greater part of this system is located in Dona Ana County, New Mexico, with a small portion in El Paso County, Texas, according to the lines now recognized on the ground, and the basis upon which taxes are paid and jurisdiction is generally recognized. The State boundary is denoted on the plat in yellow, shown as "Texas patented survey". The other line shown in yellow as "Salazar line", marks the territory in the disputed area now being litigated in suit between Texas and New Mexico, pending in the United States Supreme Court. It does not appear that the decision in this case, however, it may be, will affect the transfer in any material manner so far as the rights of the United States are concerned.

5. Unlike most of the other private systems within the boundaries of the Rio Grande project, this one has been

formally incorporated under the laws of New Mexico and therefore is not classified at the present time as a community ditch, although it was formerly operated as a community system but was reorganized and incorporated some years ago, since which time the system has been enlarged and extended. I herewith inclose one copy of a pamphlet containing the articles of incorporation and by-laws of the company. This is the only copy which I have been able to obtain. I also inclose two copies of the form of stock certificate issued by the company. There have been issued a total of 12,700 shares of stock under the provisions of Article 4, et seq. of the articles of incorporation. Each share of stock represents a water right for one acre of land. It will be noted that none of the terms upon which water rights are issued are set forth in the certificate, nor is this matter very fully prescribed in the articles of incorporation or by-laws.

6. In my judgment, the conditions under which this system is taken over is not radically different from those under which the various community systems in New Mexico and Texas have been heretofore transferred, and I do not think the United States is assuming any greater obligation by this transfer than in the other cases mentioned.

7. In the deed, reservation is made of the rights of the individual shareholders to the normal flow of the Rio Grande in the same manner as other similar transfers.

8. The conveyance of the physical property of the system is absolute on the face of the deed, though the transfer is made with the understanding that each shareholder in good standing at the date of transfer shall receive appropriate credit, to be allowed by the directors of the Elephant Butte Irrigation District and of the El Paso County Water Improvement District No. 1 on the assessments to be hereafter made by those districts on account of construction charges. These are matters to be worked out entirely by the district officials. Both of the districts mentioned have approved the formal transfer of this system under the conditions stated.

9. The transfer is made by the President and Secretary, pursuant to an election held as provided in Article 14 of the articles of incorporation and resolution of the board of directors. See attached certificates of the secretary

10. As will be seen from an examination of my certificate inclosed, there are no outstanding taxes, mortgages, liens or other incumbrances against the property, now of record. There is, however, an indebtedness of \$15,000, due one-half to the First National Bank of El Paso and the remaining one-half to the City National Bank of El Paso. This indebtedness is evidenced by notes, signed by La Union Irrigation Company and endorsed by the Elephant Butte Irrigation District which assumes joint liability for payment. On December 31, 1919, in order to provide funds with which to pay back charges due for water service, this company borrowed from the City National Bank the sum of \$35,000 and gave as security therefor, a mortgage on the property of the company. Of this amount, \$20,000 have been paid and the mortgage has been surrendered and released, the remaining indebtedness of \$15,000 being provided for in the manner stated. Therefore, at the present time, there is no outstanding lien or encumbrance against the property. The only indebtedness being the \$15,000 for the payment of which the Elephant Butte Irrigation District has become responsible and which indebtedness is not secured by mortgage, deed of trust, or other instrument which is made a lien of record against the property.

P. W. Dent

CC - C. of S.
P. W. El Paso.

written.

Wm B Smith
Notary Public, El Paso County, Texas.

My Commission Expires June 1, 1921.

El Paso, Texas,
June 24, 1920.

County Clerk for El Paso County,
El Paso, Texas.

Dear Sir:

Transmitted herewith for official record
is quitclaim deed dated February 18, 1920, running from
La Union Irrigation Company to the United States. There
is also enclosed an extra blueprint for use in making this
record.

Very truly yours,

F. W. DEWE

District Counsel.

Encl.

El Paso, Texas, February 16, 1920

La Union Irrigation Company,
Vinton, Texas.

Gentlemen, -

Referring to the matter of details of transfer of the La Union Irrigation property to the Reclamation Service for operation and maintenance, relative to which a letter from this office was addressed to the President of the Elephant Mute Irrigation District, under date of February 12th with copy to the Secretary of the La Union Irrigation Company, there has been prepared in this office blue print showing the general location of the canals of the La Union Irrigation Company as indicated to the writer by Secretary Balk. Two copies of this blue print are transmitted herewith for your consideration and correction, if necessary. Similar copies are proposed to be attached to the deed transferring this property. It is of particular importance that this blue print shall show the general location of canals now owned and controlled by the La Union Irrigation Company. Such private laterals or ditches as not now are considered accompany property are to be transferred, if desirable, by separate means.

The Legal Department of this project requests that in deeding this property a straight deed be executed, signed by the President, and attested by the Secretary, and that accompanying this deed there be transmitted a showing of Location in form of a certificate by the Secretary of the company. There should also be transmitted a certified copy of the resolutions of the Board of Directors of the company authorizing the execution of the deed.

It is understood that certain laterals, now considered as private or community and not belonging to the La Union Irrigation Company, should be transferred to the Reclamation Service for operation and maintenance and reconstruction. Transfer of these laterals should be made on separate form which can be used as a form for each such private or community ditch. In accepting the transfer of such properties the Reclamation Service has always reserved the right to distinguish those laterals which may become a part of the final lateral system and not to accept transfer of laterals which are later to be abandoned as unnecessary.

In the matter of width of right of way, the same requirement as was made with other project community canals should be observed. This considers the use of ten feet of additional land from the outside toe of the slope of canals, for maintenance purposes. This additional right of way is obtained for the Service by the signing of individual waivers. Form

BOARD OF DIRECTORS

P. H. BAILEY
F. G. BELK
H. CASAD
SAM B. GILLETT
J. M. VIRAMONTES

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS 30

SAM B. GILLETT,
PRESIDENT

F. G. BELK,
SEC. AND TREAS.

VALLEY PHONE 15 R2

LA UNION, N. M.. (VINTON, TEXAS, P. O.)

L. M. Lawson, p. 2

where the enforcement of a rule just because it is a rule defeats the very purpose for which it was created.

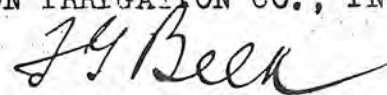
It is satisfactory to adjust the credit for cleaning our ditch as outlined in your letter of November 5, 1919, and we will furnish you with a certified statement of our expenditure in this work, together with time books, etc. Our Board of Trustees assume full responsibility for the work done and can assure you that it is satisfactory in character and quantity to place the canal in condition to deliver water to the stockholders of our company. It is a fact that we have delayed installation of some four or five structures, which we deem necessary for satisfactory operation, but we did not wish to go to the expense of installing them as our check gates and materials do not conform to the specifications of the Reclamation Service, and we thought it better to put them in to the satisfaction of your operating force. It is our understanding that you will supply us with the necessary material and specifications for these structures and we will put them in at some convenient time in the near future. This can easily be accomplished by diverting the water from one of our main canals to the other for a period of a week or ten days at a time.

We expect to continue our organization for the present at least, and will be glad to co-operate with your representatives in any way we can.

Yours truly,

LA UNION IRRIGATION CO., INC.

By



Secretary.

CC to
Elephant Butte Irrigation District;
El Paso Valley Water Improvement
District.

F. G. B.
J. E. M. H.

215
E-21-5

El Paso, Texas, February 12, 1920.

*Letter of NHB 2/10/20
in file C-1-3*

President,
Elephant Butte Irrigation District,
Las Cruces, New Mexico.

Dear Sir, -

The transfer of the La Union Irrigation System to the United States Reclamation Service for operation and maintenance, and later for reconstruction, has been under discussion recently by both irrigation districts. The Elephant Butte Irrigation District, at a special meeting held Monday, February 8th, resolved that in the acceptance by the United States of this property it would agree to withhold approval of water contracts for the lands to be served by the La Union Irrigation system, which are in arrears or have not a water right in said system, until such arrears are paid or until such lands which have not water right therefor paid \$5.00 per acre in cash. It was further resolved that the credit for the La Union Ditch, when merged into the Elephant Butte District, should be \$5.00 per acre instead of \$8.00 as formerly agreed upon.

This matter received considerable discussion at a meeting of the El Paso County Water Improvement District, held on February 10th, at which meeting similar resolutions were not passed, but a motion prevailed which requested the appointment of a representative from each irrigation district and one from the Reclamation Service to consider and report to both districts on credit allowances and other adjustments between the two districts.

Notwithstanding the condition of the La Union Company's property, which condition makes it questionable whether the Reclamation Service can fulfill applications in the delivery of water, it seems desirable for this office to accept the transfer of this property when tendered, but in the acceptance of this to regard the transfer as one without restrictions in so far as the United States is concerned. Such allotments, distribution and adjustments of credits or the collection of cash payments must be a matter for arrangement by the district or both the districts.

This office is informed that the La Union Irrigation Company, having polled a majority vote for the transfer of the ditch company's property to the Reclamation Service expected its acceptance and operation by the Service, and it is assumed that both irrigation districts are favorable to this action. It must be understood, however, that the Reclamation

- 2 -

Service accepts the La Union Ditch without the discussed conditions, since these conditions can govern only the actions of the irrigation districts, and not the Reclamation Service in its operations.

Yours very truly,

L. M. Lawson
Project Manager.

CC to Secretary *La Union Ditch Co*

**CERTIFIED EXTRACT FROM MINUTES
LA UNION IRRIGATION COMPANY.**

"NOW, THEREFORE, be it resolved by the Board of Directors of said La Union Irrigation Company, that the President and Secretary of said Company are hereby, pursuant to the vote of the shareholders, authorized and directed to execute proper deed conveying said property to the United States of America, said deed to be signed by the President and attested by the signature of the Secretary and the affixing of corporate seal and thereafter delivered to the proper officers of the United States Reclamation Service."

I HEREBY CERTIFY that the above is a true copy of resolution passed by the Board of Directors of La Union Irrigation Company authorizing execution of contract with the United States pursuant to an election by the shareholders of said company, the result of which was canvassed February 10, 1920.

February 10, 1920
F. G. Bell
Secretary.

(Seal)

CERTIFICATE.

I HEREBY CERTIFY that an election was held by the shareholders of La Union Irrigation Company to determine whether or not the system of said company should be transferred to the United States for operation and maintenance and to become a part of the Rio Grande Project. Said election was held by means of ballots, mailed to the shareholders, a majority of whom ^(in value of stock) ratified the transfer of said system to the Government in accordance with the Articles of Incorporation and Bylaws of said company. The ballots cast as aforesaid were canvassed by the Board of Directors of said company and the result declared on February 10, 1920.

F. G. Bell
Secretary.

(Seal)

Copy.

CERTIFICATE.

I HEREBY CERTIFY that an election was held by the shareholders of La Union Irrigation Company to determine whether or not the system of said company should be transferred to the United States for operation and maintenance and to become a part of the Rio Grande Project. Said election was held by means of ballots, mailed to the shareholders, a majority of whom (in value of stock) ratified the transfer of said system to the Government in accordance with the Articles of Incorporation and Bylaws of said company.

The ballots cast as aforesaid were canvassed by the Board of Directors of said company and the result declared on February 10, 1920.

F. G. Belk

Secretary.

(Seal)

CERTIFIED EXTRACT FROM MINUTES
LA UNION IRRIGATION COMPANY.

"NOW, THEREFORE, be it resolved by the Board of Directors of said La Union Irrigation Company, that the President and Secretary of said Company are hereby, pursuant to the vote of the shareholders, authorized and directed to execute proper deed conveying said property to the United States of America, said deed to be signed by the President and attested by the signature of the Secretary and the affixing of corporate seal and thereafter delivered to the proper officers of the United States Reclamation Service. "

- - -

I HEREBY CERTIFY that the above is a true copy of resolution passed February 10, 1920, by the Board of Directors of La Union Irrigation Company authorizing execution of contract with the United States pursuant to an election by the shareholders of said company, the result of which was canvassed February 10, 1920.

F. G. Belk

Secretary.

(Seal)

C-21-5

El Paso, Texas, December 31, 1919.

Mr. F. G. Belk, Sec'y & Treas.,
La Union Irrigation Company,
Vinton, Texas.

Dear Sir, -

In reply to your letter of December 24th, on the subject of the operation and maintenance charges in the Mesilla Valley, and particularly in the case of the contract with the La Union Irrigation Company for water service during 1919, it is noted that you desire further details as to operation and maintenance costs in order to compare operations of your canal during the seasons of 1918 and 1919.

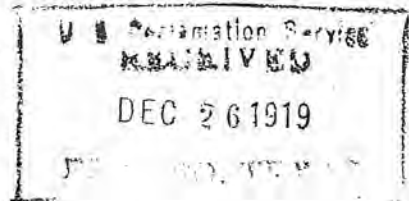
Your letter contains one or two statements that are susceptible of being misunderstood. This is particularly the case in your statement that the Service is requiring in advance an indefinite sum of more than \$12,000 before the Government will take over and operate the ditch. This represents our estimate of the amount required for the cleaning of the canal. If a satisfactory job can be done at less cost, it is obvious that the sum of \$12,000 should not be expended. No such demand for an advance of funds was made. The requirement of the Reclamation Service was that the canal should be cleaned to such an extent as would guarantee adequate and satisfactory water service during the coming year. Our proposition was that should the Service take the ditch over by transfer that a credit be allowed of the amount of adequate and satisfactory cleaning on the July 1st water bills.

With reference to the difference in cost to the La Union Irrigation Company of water service for 1918 and 1919, it can be stated that the cost for the operation and maintenance for the Mesilla Valley in 1919 was approximately \$104,000. This includes the Leasburg System as well as the Mesilla System. The Mesilla System, which is comprised of those lands actually irrigated from the Mesilla Dam, cost approximately \$65,000 for operation and maintenance. There are in this system approximately 38,000 acres. These costs do not include the 50¢ charge per acre. If this is deducted from the \$36,000 bill rendered the La Union Irrigation Company, they are paying for the cost of operation and maintenance \$30,000. This is not quite half the cost for the Mesilla System, and the acreage is not quite half of the acreage involved. Since all the charges are on the acre foot basis, and since the amount diverted for use in the La Union Canal is in excess of the average used

by individuals, it is quite reasonable to expect that the per acre charge will be in excess of the per acre charge to individuals.

Yours very truly,

L. M. Lawson
Project Manager.



Winton

El Paso, Texas.
December 24, 1919

Mr. L. M. Lawson,
Project Mgr. U. S. R. S.,
El Paso, Texas.

Dear Sir:

Your misunderstanding of the manner in which the Irrigation District pro-rated the cost of water in 1918 probably accounts for our having to bother you again with our questions of December 16. Except for the last quarter of 1918 when it was pro-rated by acres because the number of acre feet of water used by ditches and individuals was not furnished by the U. S. R. S. as had been customary, the charges were pro-rated on the basis of the amount of water actually furnished to the various ditches.

At that time practically all of the ditches were using the old wasteful system of paying for the water in a lump sum (not on an acreage basis) and delivering it to the individual water users without restriction. We believe, that the large sums which the U. S. R. S. spent in reconstruction work on the other ditches enabled them to measure water to individuals, thereby cutting down the amount of water they used and automatically raising the prorata charges to us. Is it not a fact that it did not actually cost the U. S. R. S. any more to deliver to the La Union the 50,134 feet of water in 1919 than it did to deliver approximately 60,000 feet in 1918 and that the \$14,000 which we are required to pay this year accrues to the benefit of the irrigators under the government controlled ditches.

As stated in your letter of November 5th we believe that the expense of the West Side Canal was incurred with the understanding that the La Union Irrigation Company desired water from that source, but you could say further that it was our understanding that the same facilities would be open to us as the other ditches, all of which were reconstructed with U. S. R. S. funds and were given the greatest latitude in settling up their old water debt. In demanding that we advance an indefinite sum of more than \$22,000 before the U. S. R. S. will take over our ditch and at the same time require us to pay a \$35,000 dollar bill in its entirety before anymore water is furnished to us, you effectively

bar

bar us from receiving the benefirs^{of} the Government control~~ed~~.

This community can not stand the expense of operating its own ditch, pay a penalty of 65% on its water account and continue to exist in competition with neighbors who have unlimited funds of the U. S. R. S. with which to construct and operate their ditches. Believing as we do that it has produced a system of unequal taxation from which we are entitled to relief may we not ask that you be specific in advising us if it actually cost anymore to deliver the water to the La Union in 1919^{than} it did in 1918, and if so, how much?

Yours truly,

LA UNION IRRIGATION CO.,

By

J. Y. Bell

Secretary & Treasurer.

understanding Between the La Union Irrigation Company and the Elephant Butte Irrigation District could be obtained with dependable accuracy only from the corporate records of the La Union Irrigation Company and from the minutes of the meetings of the Board of Directors of the Elephant Butte Irrigation District, respectively.

4. The only arrangement for credits in which the Bureau of Reclamation was involved was in connection with a credit to landowners under the La Union Irrigation Company of one dollar an acre on operation and maintenance charges on account of maintenance expense incurred and paid by the La Union Irrigation Company just before the system was taken over by the Bureau of Reclamation. This credit was apparently extended in full and entirely disposed of by a reduction as to those lands on account of operation and maintenance charges from \$1.50 to 50 cents.

5. A letter of February 12, 1920, from Mr. Lawson, the then project manager, to the President of the Elephant Butte Irrigation District, contains the following further expression: "It must be understood, however, that the Reclamation Service accepts the La Union ditch without the discussed conditions, since these conditions can govern only the actions of the irrigation districts and not the Reclamation Service in its operation", the "discussed conditions" apparently referring to the arrangement contemplated between the district and the La Union Irrigation Company with respect to credits.

6. From the above recited facts, it is concluded that the Elephant Butte Irrigation District should be advised that under no possible interpretation could a construction be placed upon the transaction which would obligate, authorize, or permit the Bureau of Reclamation to participate in any extension of credits to landowners formerly under the La Union Irrigation Company on account of the transfer of the system to the Bureau of Reclamation and that any plan evolved for extension of such credits will of necessity have to be solely a matter between the districts and such landowners.

7. For your further information, I will add that in my opinion the United States could not now be disturbed in its possession and occupancy of the La Union ditch right of way for the reason that it appears that the United States has been in adverse possession and had the operation, maintenance and control of the ditch system under color of title (deed of February 18, 1920) for more than the ten-year period of the statute of limitations, laws of New Mexico, insofar as the New Mexico portion of the system is concerned.

8. I return herewith Mr. Fleming's letter of December 31, 1930, together with its inclosures and such papers as you have loaned us from your project file.

H. J. S. Devries.

STATE OF TEXAS : ss.
COUNTY OF EL PASO:

On this 18th day of February 1920, before me appeared Sam B. Gillett, to me personally known, who being by me duly sworn did say that he is the president of La Union Irrigation Company, and that the seal affixed to said instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said Sam B. Gillett acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and a
affixed my official seal the day and year in this certificate
first above written.

Approved (his date) 1920

Morris Bien

Acting Director.

J. L. HILL

Notary Public

My commission expires June 1, 1921.

C-21-5

El Paso, Texas, November 8, 1919.

La Union Irrigation Company,
Mr. F. G. Holt, Secretary,
Vinton, Texas.

Gentlemen:

Replying to yours of November 5th, relative to the terms of the proposed transfer of the La Union Irrigation Company's ditch to the Reclamation Service, it is noted that you request a statement from this office concerning the credit of \$8.50 per acre, as voted at a meeting of the directors of the Elephant Butte Irrigation District, and also wish me to advise you whether the expenditures by the La Union Company for cleaning should be deducted from the amount now due for water used in 1919 or from the charge which will be due on July 1, 1920, assuming that this has the approval of the Elephant Butte Irrigation District.

With regard to the first proposition, as indicated in my previous letter, the matter of credit allowed is not one over which the Service has any control, and, therefore, the policy of the district officials is to be taken as final in the matter.

Concerning the date and method of crediting expenditures for necessary ditch cleaning, since the contract for water service was made directly with the Reclamation Service by the La Union Irrigation Company during 1919, and the minimum charge due on last July 1st, it would seem a better business arrangement to allow the credit for cleaning on water charges due July 1, 1920.

One difficulty in the method you suggest is the existence of the present contract, which calls for payment of these water charges and does not contain any provision for crediting. Another important reason is the scarcity of funds for construction as well as operation and maintenance work. The funds advanced at the beginning of the year for operation and maintenance work are expected to be paid on the contracted dates. Any reduction in this amount will affect future expenditures.

A further argument lies in the fact that the Irrigation district has advanced funds for drainage work, and is paying interest on these funds, which would be unnecessary if the La Union Irrigation Company made its payment of water charges according to the terms of the contract.

In view of the resolution of the Elephant Butte Irrigation District relative to its declining to approve any water contracts for 1920 until the 1919 charges are paid, the project office assumes that this will apply to the La Union Irrigation Company's contract as well as individual irrigators on the project.

If you intend to discuss the matter at a meeting of the directors of the irrigation district, as indicated by your recent letter, I shall be very glad to be present if you desire.

Very truly yours,

L. E. LARSON

Project Manager.

JUDGE A. S. J. EYLAR,
President.
H. H. BROOKS,
Secretary.
P. W. BARKER,
Treasurer.
J. F. WILKINSON,
Bookkeeper.
H. H. BROOK,
County Agent.

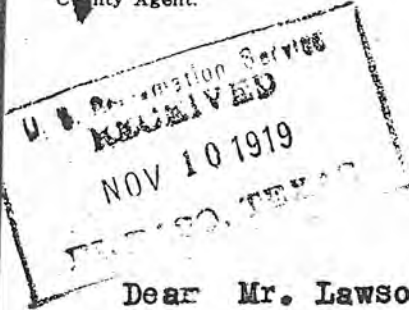
Elephant Butte Irrigation District of New Mexico

Telephone No. 1.

Capital Stock \$4,400,000
FULLY SUBSCRIBED

DIRECTORS

Dist. No. 1.—FELIPE LOPEZ, SALEM.
Dist. No. 2.—B. B. ROMIG, Hatch.
Dist. No. 3.—J. W. HOLLINGSWORTH, Dona Ana
Dist. No. 4.—F. E. MONAGHAN, Mesilla Park.
Dist. No. 5.—P. W. BARKER, Mesilla Park.
Dist. No. 6.—S. G. KILGORE, Las Cruces.
Dist. No. 7.—D. E. RODRIGUEZ, San Miguel.
Dist. No. 8.—A. S. J. EYLAR, La Mesa.
Dist. No. 9.—PEARL BAILEY, Canutillo, Texas.



Las Cruces, New Mexico.

Nov. 7, 1919

Dear Mr. Lawson:

Enclosed is copy of letter to Mr. Belk.

AS I was leaving your office Thursday, I met Mr. Burkhalter and discussed briefly dredge No. 5. He was of the opinion that about a mile of work would relieve the farmers who believe they have been injured from the San Miguel water through the temporary out-let. Later I saw Mr. Donaldson and he agreed with him about the matter.

Truly,

Alfred J. Eglar

OV 10-1919

Nov. 7, 1919.

Dear Mr. Belk:

I have read Mr. Lawson's letter to you, of date Nov. 5. Referring to the propositions you submitted to him in reply, that you mentioned while I was on the La Mesa truck Thursday, will say that I realized the truck would leave any moment and therefore did not attempt to discuss the situation in detail. As I understood your propositions, it embraced two questions you would like to have answered:

1. Does the Irrigation District object to La Union receiving a credit of \$8.50 an acre for water rights in the ditch while on other ditches a credit of \$5 an acre has been given?
2. Would the Irrigation District approve a contract that would permit La Union stockholders to clean the ditch this winter and have value of the work credited on present indebtedness?

No formal action has ever been taken to reconsider the resolution granting La Union a credit of \$8.50 an acre on its water rights, if it would turn over to the government. The nearest to that was a resolution that passed at the last meeting of the board, granting a credit of \$8.50 an acre to water rights on the ditches that have turned over to the government. I am not certain whether or not it was intended that this resolution should be taken serious. These ditches have been turned over for more than a year and it is a transaction that has been closed. Now if I wanted to make any water user a present out of my own pocket of \$3.50 an acre for having been a good fellow to turn over his ditch to the government, that would be ~~legal~~ legal, that would be my business. But to take \$3.50 an acre of some other fellow's money without his consent and present to some water for past good behavior, does not appear to me a proposition that should be considered seriously by any one. I mention this because if the directors have enough feeling over this matter to want to set it aside, the only way, in my opinion, would be by direct action, based upon a reconsideration of the previous resolution.

As to objection crediting any work you may do on the ditch on this year's indebtedness, I presume that would depend upon whether or not this would make a deficit that the other ditches would have to meet. I could not answer this question without knowing the effect of such an agreement.

The way to determine these issues, is to have a special meeting called for this one purpose. I can do this and consider it advisable, if convenient, to state in advance the exact propositions that you desire to have considered, so that we can dispose of the questions definitely at the special meeting.

BOARD OF DIRECTORS

W. H. ALDRIDGE
 P. H. BAILEY
 F. G. BELK
 G. H. BOUNDS
 H. CASAD

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
 NOW UNDER IRRIGATION 11,600 ACRES
 MILES OF MAIN CANALS 20

W. H. ALDRIDGE,
PRESIDENTF. G. BELK,
SEC. AND TREAS.

VALLEY PHONE 15 R2

VINTON, TEXAS

Nov 6 - 1919

Mr L M Lawson, Project Mgrs.
 El Paso, Tex

Dear Sir:

We have your favor of Nov 5 and from it we understood that the details for the transfer of our canal as outlined in your letter will first require the approval of E. B. Irrigation District - as soon as we can reach Judge Eylar we shall discuss with him the question of calling a meeting to pass upon the proposition. In the meantime will you please advise us upon the following:

1st - Will you accept the canal upon the terms as outlined in your letter except that we shall receive the credit of \$8.50 per acre as voted at a meeting of the directors of the E. B. W. U. Assn (or Dist) on Jan 6 - 1919 -

2nd - That the expenditures by us for cleaning should be deducted from the amount now due by us for water used in 1919 instead of from the charge which will be due by us on the 1st of July 1920 - assuming that the foregoing has the approval of the Elephant Butte Irrigation District -

yours truly

La Union Irrigation Co.

F. G. Belk

Secretary-Treasurer.

C-21-5

MAIL, URK

El Paso, Texas, November 5, 1919.

La Union Irrigation Company,
Mr. F. G. Belk, Secretary,
Vinton, Texas.

Gentlemen:

This is to acknowledge receipt of a communication dated November 24 from the La Union Irrigation Company, by F. G. Belk, Secretary, on the subject of the desire of this company to obtain water service directly from the river rather than from the means now provided. The statement is made that this seems to be a desirable procedure in view of the fact that the Reclamation Service is unable to take over the canal system on the same basis as the other canals in the valley; also for the reason that the charge for water furnished to them is so great as to threaten confiscation.

The question of determining the policy of the delivery of water in the river for use for the La Union Irrigation system, rather than its diversion at the Mesilla Dam and carriage through the West Side Canal, is one which can not be decided by the Reclamation Service. As you are aware, the Service is under contract with the Irrigation District to perform certain construction work. Previous to the construction of the Mesilla Dam and West Side Canal there was considerable agitation for this construction work and the expense was incurred with the understanding that the La Union Irrigation Co. desired water from that source.

It is impossible for this office, therefore, to act on the matter of giving permission for the use of stored water directly from the river, since the charges for the construction work performed will be a charge against the district, and the district in turn will collect this from lands served. If the district and association agree to such a procedure the project office will impose no objection.

Concerning your statement relative to the transfer of the La Union ditch on the same basis as the other canals in the valley, your attention is called to the fact that the basis of transfer can not be the same on account of the insistence of the La Union Irrigation Company for a credit of \$8.50 per acre, when the community canals of the district were taken over on a credit of \$5.00 per acre. The matter of credits for canal property is one which is entirely distinct from Reclamation Service operations.

If the majority of the stockholders of the La Union Irrigation Company believe it desirable to transfer their property to the Reclamation Service, the matter can be arranged with the approval of the Elephant Butte Irrigation District on the following basis, which is believed to be reasonable and just.

At recent meetings of both irrigation districts in New Mexico and Texas a resolution was adopted which called for the payment of past irrigation water charges before the approval and execution of contracts for 1920 water service. Acting on this resolution, the payment of 1919 water charges are necessary before delivery of water in 1920.

The necessary cleaning of the La Union Canal could be accomplished by the stockholders, and the 1920 water contract with this company contain a provision for water charges which takes into account the cost of necessary cleaning. In other words, under the established project charges for water at 75¢ an acre feet, with a minimum charge for two acre feet, or \$1.50 due on July 1, the water charges could be made on such a basis as would make due on July 1, 1920, an amount which had been reduced by the cost of cleaning.

If it was found necessary to expend \$12,000, or \$10,000 an acre for cleaning purposes, the \$1.50 charge due on July 1, 1920, would be reduced to 50¢.

The terms of the 1920 water contract for the La Union Irrigation Company are a matter for the approval of the directors of the Elephant Butte Irrigation district, and this office is only assuming that the cost of cleaning the La Union ditch could be handled in this manner. It is possible that the directors would first desire a change in the credit basis from \$8.50 per acre to \$5.00 per acre, which change might be acceptable to the stock holders of the La Union Irrigation Co.

A copy of this letter is being sent to the Secretary and President of the Elephant Butte Irrigation district.

Very truly yours,

U. S. RECLAMATION SERVICE

By L. M. Lawson

Project Manager

CC-Judge Eylar
Gov. Evans.

for this purpose is attached. The object of this is to acquire sufficient land in order that in the cleaning or reasonable reconstruction of canals the Reclamation Service is not obliged to acquire additional land from individual property owners. As stated before, this requirement was observed in connection with other community ditches turned over for operation and maintenance during the past year.

In the matter of credits for ditch cleaning performed during the present winter season, this office is ready to recommend, as stated to you and has been the subject of correspondence, that a credit for the amount of actual and beneficial cleaning should apply on water bills of 1920. In order that we may transmit this recommendation to our other office it will be necessary that the project office be furnished with a certified statement of the expenditure in this work, and this statement should include memorandum from the Board of Directors of the La Union Irrigation Company that in their judgement the work done was satisfactory in character and quantity to place the canal in condition to deliver sufficient water to the acreage covered by water stock with the La Union Irrigation Company.

The writer sees no opportunity for the Reclamation Service, at this late date, to attempt the construction of necessary structures or other work to place this ditch in suitable condition. I am informed that no structure work has been performed this winter by the La Union Irrigation Company, in spite of the fact that the necessity for this work has been long apparent. It is most likely impossible for the canal to be operated satisfactorily without some replacements or possibly some new additional structures. The construction of these will most undoubtedly delay water service. The Reclamation Service is not willing to accept the responsibility for this delay, and suggests that the La Union Irrigation Company perform this work with such arrangement with the water users as may mutually satisfy. The construction crews of the Service are now engaged on work which cannot be postponed, on other ditches of the valley previously transferred, and there is no opportunity to obtain additional men at this time.

As explained to your Secretary, the transfer of the property is only accomplished by the acceptance of our Washington officials, and in this connection our letter of February 12th, copy to your Secretary, considered. This relates to the matter of placing such allotments and adjustments of credit, or collection of cash payments, for arrangement by the Irrigation Districts or District without binding the Reclamation Service in its operations.

Yours very truly,

CC to Sec'y, La Union
" Elephant Butte
" El Paso
District Counsel

L. H. Lawson
Project Manager

File -

BOARD OF DIRECTORS

- W. H. ALDRIDGE
- P. H. BAILEY
- F. G. BELK
- G. H. BOUNDS
- H. CASAD

W. H. ALDRIDGE,
PRESIDENT
F. G. BELK,
SEC. AND TREAS.
VALLEY PHONE 15 R2

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,800 ACRES
MILES OF MAIN CANALS 30

VINTON, TEXAS
November 3, 1919.

C-21-5-

Mr. E. M. Lawson,
Project Manager,
El Paso, Texas.

Dear Sir:

Owing to the fact that the U. S. R. S. is unable to take over our Canal System on the same basis as it took over the other canals in the valley, and as the charge for water furnished to us under the present arrangement is so great as to threaten virtual confiscation of much of our land, we desire to open up our old head from the river, if we can do so.

Will you please advise us if the U.S. R. S. will permit us to take our stored water from the river and to flume the drainage canal, at our expense. Also, if we do this, whether or not there will be any O. and M. charge to us. It is also our understanding that this unit of the project will soon be declared open, but in view of the fact that nothing has been spent on our section, we anticipate that there will be nothing charged against us for construction of the distributing system. Will you please advise us if this is your understanding of the matter, and greatly onlige.

Yours truly,

LA UNION IRRIGATION CO., INC.,

By *F. G. Belk*
Secretary.

F. G. B.
J.E.M.H.

SUBJECT: Transfer of ditch property.

C-21-5-

L.M.L. :MMK

El Paso, Texas, September 26, 1919.

**La Union Irrigation Company,
Vinton, Texas.**

Gentlemen:

This office, with the understanding that the majority of the stockholders of the La Union Irrigation Company desire to turn the property over to the Reclamation Service for reconstruction and operation, had endeavored to find sufficient funds available for this work.

Our inspection reports show an estimate of approximately \$30,000 required to clean this canal and reconstruct the necessary structures. The funds available, however, will not permit us to make this expenditure, and under the circumstances it is therefore necessary for you to be advised that it will be impossible for us to take this canal over during the coming winter season on account of lack of funds.

Of course, if relief measures now pending in Congress make available an appropriation for this project in sufficient amount to take care of the situation we will be very glad to do so.

If your company is sufficiently interested to make the transfer of this property for operation by the Reclamation Service beginning the irrigation season of 1920, and to perform the necessary cleaning work, turning over to the Reclamation Service a canal that will have sufficient capacity for supplying the land in irrigation under your system, this office can most likely secure sufficient funds from other project sources to do the necessary structure work, utilizing material that is now on hand and will not need to be purchased.

If this proposition is satisfactory to you, please advise at an early date in order that the question of the transfer of property may be disposed of as soon as possible in order that your plans and care may be formulated and announced.

Very truly yours,

U. S. RECLAMATION SERVICE

CC-Mr. Belk, Secy.
El Paso Valley Irrigation Dist.
Elephant Butte Irrigation Dist.
Mr. Burns
Mr. Ainsworth

By L. F. LAUSON

Project Manager.

@-21-5

JML:UHK

El Paso, Texas, July 19, 1919.

Mr. F. G. Bolk, Secretary,
La Union Irrigation Co.,
Vinton, Texas.

My dear Mr. Bolk:

Referring to the matter of handling of the deed of the La Union Irrigation Company, which was prepared for use last winter, I am transmitting herewith this deed and will follow later with a description of the property in order that these steps at least will be taken toward accepting the property during the coming winter. If the directors of the Association and others concerned are still desirous of having the Reclamation Service accept this transfer for the operation and maintenance of the property.

I would suggest, if it meets with your approval, that the deed be executed and held at your office for delivery to us at the proper time. In the meantime, our office engineer has been notified to prepare a map which will show the property to be conveyed, including such portions of the lateral system as is a part of the La Union Irrigation Company.

Very truly yours,

U. S. RECLAMATION SERVICE

By L. N. LAWSON

Project Manager.

CC-Mr. Hill

BOARD OF DIRECTORS

W. H. ALDRIDGE

H. BAILEY

F. G. BELK

I. BOUNDS

JASAD

Handwritten signature
W. H. ALDRIDGE,
PRESIDENT

F. G. BELK,
SEC. AND TREAS.

VALLEY PHONE 15 R2

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS 30

VINTON, TEXAS

June 30, 1919.

C-21-5-

Mr. L. M. Lawson, Project Manager,
United States Reclamation Service,
El Paso, Texas.

Dear Sir:

Some time ago I left at your office a deed of the La Union Irrigation Company, which Mr. Dent had prepared for us last winter, and which we did not use at that time.

It was my understanding that you would consult with Mr. Dent about this deed, and would return it to us for signature if it now meets with his approval.

As yet I have heard nothing from you in regard to the matter, and will thank you very much to return the deed to me by the end of the week if possible, as we have a directors meeting next Monday, and I wish to bring this matter up at that time.

Yours truly,

F. G. Belk

B/D

Dent-

If I remember correctly the deed had a string in it making it unacceptable to us. It should be a clear transfer as other community deeds include land

L. M. L.

Can't use it until end of present water season.

21-5

El Paso, Texas, June 3, 1919.

MEMORANDUM FOR PROJECT MANAGER:

With reference to your memorandum of June 2nd in regard to the proposed taking over of the La Union Ditch property, this office will hold the papers until we hear from your office that you are ready to complete the transfer. This we take it is what you desire us to do.

We note that the quitclaim deed has the seal of the company, but that it is not signed, attested, acknowledged or dated. Once the deed is executed and accepted by this office, we presume the La Union people would regard the transfer as completed. Therefore, we are leaving it in its present shape with the understanding that the ditch company does not regard their deed as executed merely by reason of the ensealing.

In regard to the description of the property, the following is quoted from letter of April 19, 1919, from Assistant to the Director to Project Manager, El Paso, in regard to the Garfield Ditch:

"Even then the filing of such a larger print might have been avoided by describing the location of the ditch by sections which presumably would be sufficient, the ditch being now located on the ground", etc.

This office is hardly ready to recommend dispensing with blueprints entirely and would recommend that a blueprint be made following other suggestions specified in regard thereto which are made in the letter from Washington above cited.

Harvey

El Paso, Texas, June 2, 1919.

MEMO. FOR LEGAL DEPARTMENT:

Attached please find unexecuted form of deed of the La Union Irrigation Co. to the United States together with copy of resolution prepared by Mr. Dent, authorizing execution of the deed by the President and Secretary.

It is not the intention to take over this property until the end of the present irrigation season, and not at that time if funds are not made available for that purpose. It would seem advisable, however, at this time to take steps to perfect the transaction of turning this property over.

The question which now arises concerns the proper description of this system. The writer doubts if there is in existence a traverse of the existing ditches. These can possibly be shown, however, to the satisfaction of all concerned by attaching a small map showing the general location of the main canal and those laterals which belong to the company.

If this is believed satisfactory please take up with the office engineer in order that all papers will be ready for acceptance.

Lm Lawson

8

El Paso, Texas, March 26, 1919.

LA Union Irrigation Company,
Vinton, Texas.

Gentlemen:

There was mailed you under date of March 10th draft of contract for irrigation water as between the Reclamation Service and the LA Union Irrigation Company.

To date we have received no reply concerning this, and since irrigation water has been furnished assuming the execution of this contract within a short time, I will ask you to act in the matter as promptly as possible.

This contract was gotten up along the lines that were suggested at a recent meeting between the officials of the LA Union Ditch Company and the Project Manager. Our regulations do not permit us to deliver water unless such action is covered by an agreement, and continuance of the delay in receiving the executed contract cannot but result in the discontinuance of water service.

Please advise promptly in order that no interruptions to your irrigation flow will be caused by the necessity for our discontinuing the service, pending the execution of the contract. No water is furnished to individuals in either district until application and water rental contracts are executed, and the same requirement exists in the case of your irrigation company.

Very truly yours,

U. S. RECLAMATION SERVICE

By L. M. LAYSON

Project Manager.

CC-Judge Kylar
Secy. E. 3. Irrigation Dist
Mr. Dent.

for this purpose is attached. The object of this is to acquire sufficient land in order that in the cleaning or reasonable reconstruction of canals the Reclamation Service is not obliged to acquire additional land from individual property owners. As stated before, this requirement was observed in connection with other community ditches turned over for operation and maintenance during the past year.

In the matter of credits for ditch cleaning performed during the present winter season, this office is ready to recommend, as stated to you and has been the subject of correspondence, that a credit for the amount of actual and beneficial cleaning should apply on water bills of 1920. In order that we may transmit this recommendation to our other office it will be necessary that the project office be furnished with a certified statement of the expenditure in this work, and this statement should include memoranda from the Board of Directors of the La Union Irrigation Company that in their judgement the work done was satisfactory in character and quantity to place the canal in condition to deliver sufficient water to the acreage covered by water stock with the La Union Irrigation Company.

The writer sees no opportunity for the Reclamation Service, at this late date, to attempt the construction of necessary structures or other work to place this ditch in suitable condition. I am informed that no structure work has been performed this winter by the La Union Irrigation Company, in spite of the fact that the necessity for this work has been long apparent. It is most likely impossible for the canal to be operated satisfactorily without some replacements or possibly some new additional structures. The construction of these will most undoubtedly delay water service. The Reclamation Service is not willing to accept the responsibility for this delay, and suggests that the La Union Irrigation Company perform this work with such arrangement with the water users as may mutually satisfy. The construction crews of the Service are now engaged on work which cannot be postponed, on other ditches of the valley previously transferred, and there is no opportunity to obtain additional men at this time.

As explained to your Secretary, the transfer of the property is only accomplished by the acceptance of our Washington officials, and in this connection our letter of February 12th, copy to your Secretary, considered. This relates to the matter of placing such allotments and adjustments of credit, or collection of cash payments, for arrangement by the Irrigation Districts or District without binding the Reclamation Service in its operations.

Yours very truly,

CC to Sec'y, La Union
" Elephant Butte
" El Paso
District Counsel

L. H. Lawson
Project Manager

SUBJECT: Transfer of La Union irrigation canal.

0-21-5-

LML:UHK

El Paso, Texas, Feb. 19, 1919.

President Elephant Butte Irrigation District,
Las Cruces, N. M.

Dear Sir:

Referring to the matter of the transfer of the La Union irrigation canal property to the Reclamation Service for operation and maintenance, this is to advise that we are in receipt of a report from our Irrigation Superintendent, at Las Cruces, concerning the feasibility of operation by the Service of this canal for the coming irrigation season.

He reports that the amount of cleaning performed and the condition of the ditch banks make it undesirable for us to attempt to guarantee water deliveries in the condition that this ditch is now in.

Community canals in the Mesilla Valley, which were transferred to the Service previous to the end of the 1918 irrigation season have received considerable attention on our part in cleaning accumulations of silt and sand and strengthening ditch banks and replacing structures in order that we could operate these ditches satisfactorily.

The La Union Canal Co. did not indicate their intentions at the time the other ditches were taken over, nor were we in a position to take any steps in assurance of the necessary maintenance work during the winter shut down of irrigation water.

Acting on the advice of our operation and maintenance department, this office believes it undesirable for us to attempt to guarantee satisfactory water service through this canal in its present condition, and we believe it unwise, both from our standpoint and from that of your district and farm bureau, to attempt to give satisfactory service through this ditch in its present condition.

This office might suggest that the acquisition of the property, which is yet only in its preliminary stage, may proceed with the understanding that the operation and maintenance of this canal will be assumed by the Reclamation Service at the close of the present irrigation season.

Very truly yours,

CC-Secy. E.B. Irrigation Dist.
Secy. La Union Irrigation Co.
Mr. Parry.

U. S. RECLAMATION SERVICE

BY L. H. LAWSON

Project Manager.

*Garry
see me
hmh.*

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE

EL PASO, TEXAS Las Cruces, N.M. Feb. 15, 1919.

From C.A. Burns, Asst. Engineer.

To L.M. Lawson, Project Manager.

Subject: Transfer of La Union Irrigation Canal.

1. As per your instructions of February 12, I have inspected the property of the La Union Irrigation Co. and beg to report the following conditions.

2. In talking to the Ditchrider in charge of their property and inspecting his time book I find they have spent 25¢ per acre removing sand, 15¢ per acre on superintendence or a total of 40¢ per acre or about \$4400.00. The amount of work performed is of little or no value from an operation standpoint, due to the fact that the ditch carried prior to being cleaned nearly 2½ feet of sand and that in cleaning about a foot of sand was removed from the east branch. The sand was placed on each bank and from appearances the greater portion was placed on the west bank.

After removing the one foot of sand from the ~~East bank~~ ^{Branch} it leaves the bottom of the canal about the elevation of land to be irrigated. With both banks very narrow the East bank is from 1 to 3 feet wide while the West bank is about 4 feet wide, with frequent low places in either bank. The sand placed on the west bank has all blown into the ditch and covers a great amount of Russian thistle and gives an inside slope of the canal of about 1 to 4 feet, or about 1/4 of the area of the east branch is filled with drifted sand and Russian thistle.

I talked with a number of farmers along this canal and they were all of the opinion that it would be impossible to deliver water through the canal without frequent breaks. The west branch of the canal is in a little better shape. The only cleaning of the west branch was done by 42 laborers working 4 days. The banks on the West branch would need to be strengthened and to allow any free board one foot of sand would have to be removed.

The only field notes of any kind that I could find was a profile made by a Mr. Whittier, who laid out the present system as it was constructed about two years ago. The only information given on this profile was a grade of .00045.

Mr. Whittier also made a written report on the reconstruction of the La Union canal in which he made the following remark: "Mr. Lewis disregarded the grade established and placed the checks from one to four inches high and built them out of much lighter material than he recom-

mended, using one inch material instead of two inch and two by four where he recommended three inch.

I also noted that there were fences about four feet from the inside slope and there might arise the question of Right of Way.

3. In conversation with Mr. Belk, he told me that his company owes the Elephant Butte Irrigation District in round number \$24,000.00, which they are unable to pay at this time and he would ask that they be allowed to make the payments in three installments. This assessment would be for \$2.40, the Reclamation Service to be asked to protect the La Union Co. in shutting off the water from time to time as the payments come due. In view of the fact that a payment of at least \$1.50 per acre to the government would be due July the first, and for the entire season the minimum payment of at least \$2.75 per acre including storage plus the \$2.40 due the La Union Irrigation Co., or a total of \$5.15 per acre to be collected during the irrigation season of 1919, for which the Reclamation Service would be responsible and as far as the farmers were concerned it is my opinion that they would feel that the total charge was made by the Reclamation Service.

4. In conclusion it would seem from an operation and maintenance point of view that it would be impossible to give satisfactory service to the patrons of the La Union ditch this season without at least sixty days in which to clean the ditch, reinforce the banks, repair a number of check gates and replace a large number of turnouts which would represent an expenditure of at least \$10,000. In view of the fact that we are unable to find ditchriders to operate the new ditches we have acquired and the amount of work yet to be done on them, I recommend that the Reclamation Service not take over the La Union ditch until the end of the present irrigation season.



0-21-5

L.M.L.:UHK

El Paso, Texas, Feb. 12, 1919.

Project Manager, Rio Grande Project,

Assistant Engineer G. A. Burns, Las Cruces, N. M.

Transfer of La Union Irrigation Canal.

1. The matter of the transfer of the La Union Irrigation Co. property to the Reclamation Service for operation and maintenance seems to be reaching a conclusion which makes necessary at this time an inspection of the property to ascertain whether we can, if it is taken over now, give the necessary service.

2. In the discussion with the President and Secretary of the ditch company this office stated that since it was impossible for the Government to prepare this canal for operation during the present year it would be impossible to accept the transfer unless the ditch company placed the ditch in suitable condition for operation.

3. You will then make an inspection of this ditch with a view to determining and reporting to the Project Manager on the feasibility of accepting the property and operating during the coming irrigation season. Please ascertain at this time the amount of work accomplished in cleaning and its cost, both total and the per acre charge.

- - - -

L. M. LAWSON

CC-Mr. Parry

Sec'y E. B. Irrigation Dist.

PWD:T

El Paso, Texas,

February 11, 1919.

Mr. F. G. Belk, Secretary,
La Union Irrigation Co.,
Vinton, Texas.

Dear Sir:

Pursuant to your request I enclose herewith the following papers:

- (a) Quitclaim deed to be executed by the Officers of said Company.
- (b) Three copies of Resolution heretofore adopted by your Company authorizing the transfer of said property to the U.S.
- (c) Proposed resolution to be passed by the Elephant Butte Irrigation District in connection with this matter.

Yours very truly,

P.W.DENE

Encs

District Counsel.

21-5

LML,UHK

El Paso, Texas, February 6, 1919.

Mr. F. G. Belk, Secretary,
La Union Irrigation Company,
Vinton, Texas.

Dear Sir:

Referring to meeting of recent date, at which the President of the La Union Irrigation Company and others were present, concerning the turning over to the Reclamation Service for operation and maintenance, the blank deed has been referred to District Counsel Dent for his comments.

Our attention has also been called to the fact that you have furnished our office with a large wall map for use in the acceptance of the property. Our inspection of this map shows that it is not a tracing and blue print copies can not be made. It will be necessary to have a short description of the property, as well as a blue print map.

These are necessary before the final papers of transfer are in acceptable condition. It is essential to know exactly what property is being turned over with the right of way so decided. It is very probable that your company has not acquired title to all right of way and holds the property by easement. This fact will be taken under consideration by District Counsel Dent in the preparation of deed for acceptance by the Reclamation Service.

Very truly yours,

U. S. RECLAMATION SERVICE

BY L. M. LAWSON

Project Manager.

CC-Judge Kyler
Mr. Dent
Mr. Hill

*See Legal Files
for Transmittal of Blank deed
to La Union Co.*

SUBJECT: Proposed transfer of ditch property.

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE

Mr. J. A. Smith,
El Paso, Texas.

El Paso, Texas, January 29, 1919.

Judge Albert Eylar,
Las Cruces, N. M.

Dear Sir:

The matter of transferring the property of the La Union Irrigation Co. to the Reclamation Service for ownership and control has frequently been under discussion at meetings of the Water Users' Associations and Irrigation Districts. The transfer of this property, which is mainly located in New Mexico, has been delayed for various reasons; the principal one seems to have been the disposition of the directors to obtain a credit from the Irrigation District of more than the \$5.00 per acre allowed for the community ditches which had been taken over in the fall.

At a meeting of the Association held January 4th, a resolution was passed, offering a credit of \$8.50 per acre for this property in a transfer to the Government.

At a meeting held in the project office of the Reclamation Service yesterday, the President and other members of the board of directors stated that a ballot had been taken among the stockholders, which showed a large majority in favor of turning over the property of the company on the basis of the above terms.

The attention of the La Union directors present was called to the fact that in this transfer no condition could be present that would require payment for the ditch property by the Government, and that the acceptance of the property would be on the basis of the credit of \$8.50 per acre extended by resolution of the irrigation district.

In the absence of the District Counsel, no formal action was taken on the acceptance of the deed, since its form may require some modification by the legal department of the Service.

As you are aware, a large number of canals have been taken over for operation and maintenance, and their reconstruction has been in progress during the winter season, when irrigation water is not being supplied. The amount of funds available for this work has been limited. An inspection of the canal property shows that considerable cleaning and sediment is still necessary before it can be operated properly. The Secretary of the Company, Mr. Balk, advises that it is his intention to push this cleaning in order that should the transfer be effected at the opening of the irrigation season next month the canal will be in proper shape for operation.

The Project Manager stated to the La Union directors that it would

be impossible to accept the ditch property for operation unless this cleaning was performed by the beginning of the season, and a sufficient amount of maintenance work done to guarantee the delivery of enough water to meet the demands. The community ditches which have been taken over required regular maintenance work to be performed by the Government during this winter season, and our estimate of water charges is based upon a return of \$1.00 per acre for such maintenance work.

If the La Union property is accepted by the Service for operation, action of your board is desired on the adjustment of water charges which might be made to take into account the amount of ditch cleaning that has been performed. Considering that all water charges will be uniform throughout the project, it is unlikely that the La Union Ditch Company will desire to turn over its property unless a credit can be obtained on water charges, based on their expenditures during this winter for ditch cleaning. Such an argument has its foundation in the fact that community ditches taken over by the Government in the fall have been cleaned by the Government under contract, and that the water charges for the year are based upon the return of \$1.00 for this maintenance work.

In addition to this, it would seem advisable to have a resolution of the Irrigation District Directors, requesting the Service to accept the transfer of the La Union Ditch property and its operation and maintenance by the Service.

Very truly yours,

U. S. RECLAMATION SERVICE

BY *L. M. Lawson*
Project Manager.

CC-Secy. Elephant Butte Irrigation Dist.
Secy. El Paso Valley Water Improvement Dist.
Mr. Belk,
District Counsel. ✓

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICEOffice of
District CounselEl Paso, Texas,
Jan. 16, 1919.Mr. F. G. Belk, Sec'y.,
La Union Irrigation Co.,
Vinton, Texas.

Dear Mr. Belk:

Complying with your request of yesterday, I herewith enclose draft of the proposed resolution to be passed by your board of directors, after the conveyance of the property shall have been authorized by the shareholders in accordance with Article 14 of your Articles of incorporation.

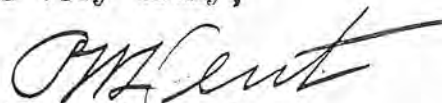
I also enclose form of deed which has been heretofore used in conveying similar property, except that in former cases the conveyance has been made by the Commissioners of the various ditches and in addition individual releases have been secured from the owners of rights in said ditches. Of course, such releases are not necessary in this case.

This is the usual statutory form of quitclaim deed which, taken with the resolutions of the irrigation districts and of your board of directors, should be sufficient to meet the situation.

After the ballots have been received and the result ascertained, it will be necessary for you to furnish a certificate stating that the transfer has been ratified by a majority of the shareholders, and also to furnish a certified copy of the resolution passed by the board. These papers will be necessary to accompany the deed when executed.

The deed is drawn upon the assumption that all of your property is located in New Mexico, although I have an impression that a portion of your system may be in Texas. If so, a separate deed will be required covering the property in Texas, or appropriate amendment will have to be made to the enclosed deed, which could then be recorded both in El Paso and Dona Ana County.

Yours very truly,



District Counsel.

Enc 2.

RESOLUTION

WHEREAS, the owners of a majority in value of the shares of stock of La Union Irrigation Company have by appropriate ballot authorized the sale and conveyance to the United States of the La Union System, subject to the condition that the owners of the shares of stock shall receive a credit of \$8.50 for each acre of irrigable land to which a share of stock in said Company is appurtenant, or the value of the ditch in cash if such settlement may be had in future, such credit to be allowed on the construction charge for the Rio Grande Project, to be subsequently fixed by the Secretary of the Interior and collected by the Elephant Butte Irrigation District and the El Paso County Water Improvement District No. 1; and, whereas, in the opinion of this Board such transfer to the United States for the purpose and on the condition named is to the interest of said Company and its shareholders.

NOW, THEREFORE, be it resolved by the Board of Directors of said La Union Irrigation Company, that the President and Secretary of said Company are hereby, and pursuant to the vote of the shareholders, authorized and directed to execute proper deed conveying said property to the United States of America, said deed to be signed by the President and attested by the signature of the Secretary and the affixing of corporate seal and thereafter delivered to the proper officers of the United States Reclamation Service.

- - - - -

I HEREBY CERTIFY that the above and foregoing is a

full and correct copy of a Resolution passed by the Board
of Directors of La Union Irrigation Company at its meeting
held _____, at which there was a
quorum present, as provided by the Articles of incorporation
and by-laws of said Company.

(SEAL)

Secretary

LA UNION IRRIGATION CO.

Vinton, Texas

January 15th, 1919.

At a meeting of the directors of the Elephant Butte Irrigation district on Saturday, Jan'y 4th, it was voted to allow our present stockholders a credit on construction charges of \$8.50 per acre, provided our canal was turned over to the government. As all of the canals except ours are now under government control, a majority of our board of directors believes that it is to our best interest to also transfer to the government the La Union system under the terms offered; we are therefore, asking a vote on this question.

At a meeting of the board, and upon a decision of a majority of the stockholders we will base our action in this matter.

Whether you are for or against the canal being turned over to the government, please vote yes or no on the attached ballot, and return promptly to the Secretary.

Signed) W. H. Aldridge, Pres.

F. G. Belk, Sec'y

LA UNION IRRIGATION CO.

Vinton, Texas

January 15th, 1919.

At a meeting of the directors of the Elephant Butte Irrigation district on Saturday, Jan'y 4th, it was voted to allow our present stockholders a credit on construction charges of \$8.50 per acre, provided our canal was turned over to the government. As all of the canals except ours are now under government control, a majority of our board of directors believes that it is to our best interest to also transfer to the government the La Union system under the terms offered, we are therefore, asking a vote on this question.

At a meeting of the board, and upon a decision of a majority of the stockholders we will base our action in this matter.

Whether you are for or against the canal being turned over to the government, please vote yes or no on the attached ballot, and return promptly to the Secretary.

Signed) W. H. Aldridge, Pres.

F. G. Belk, Sec'y

Large majority of our stockholders voted "yes" on this!

Vinton, Texas, January 15, 1919

BALLOT

Shall we turn the La Union Canal System to the Government?

I vote YES.

I vote NO.

I hold _____ shares for stock.

Signature _____

RESOLUTION

WHEREAS, under date of January 4, 1919, the Board of Directors of the Elephant Butte Irrigation District passed a Resolution authorizing the conveyance to the United States of the La Union Irrigation System, the owners to receive a credit of \$8.50 for each acre of land to which a share of stock in said company is appurtenant; and,

WHEREAS, it seems desirable that said System be taken over and operated by the United States during the irrigation season of 1919:

NOW, THEREFORE, be it resolved by the Board of Directors of the Elephant Butte Irrigation District that such proposed transfer to the United States and operation of said System during 1919 and thereafter, is approved and requested; and,

WHEREAS, the cleaning of said System for 1919 has been done at the expense of the said La Union Company:

NOW, THEREFORE, be it further resolved that said Company, or the owners of shares therein, shall be allowed appropriate credit for the cost of said cleaning for 1919 not in any event to exceed the sum of fifty (50) cents per acre.

RESOLUTION

WHEREAS, the owners of a majority in value of the shares of stock of La Union Irrigation Company have by appropriate ballot authorized the sale and conveyance to the United States of the La Union System, subject to the condition that the owners of the shares of stock shall receive a credit of \$8.50 for each acre of irrigable land to which a share of stock in said Company is appurtenant, or the value of the ditch in cash if such settlement may be had in future, such credit to be allowed on the construction charge for the Rio Grande Project, to be subsequently fixed by the Secretary of the Interior and collected by the Elephant Butte Irrigation District and the El Paso County Water Improvement District No. 1; and, whereas, in the opinion of this Board such transfer to the United States for the purpose and on the condition named is to the interest of said Company and its shareholders.

NOW, THEREFORE, be it resolved by the Board of Directors of said La Union Irrigation Company, that the President and Secretary of said Company are hereby, and pursuant to the vote of the shareholders, authorized and directed to execute proper deed conveying said property to the United States of America, said deed to be signed by the President and attested by the signature of the Secretary and the affixing of corporate seal and thereafter delivered to the proper officers of the United States Reclamation Service.

- - - - -

I HEREBY CERTIFY that the above and foregoing is a

full and correct copy of a Resolution passed by the Board of Directors of La Union Irrigation Company at its meeting held _____, at which there was a quorum present, as provided by the Articles of incorporation and by-laws of said Company.

(SEAL)

Secretary

BOARD OF DIRECTORS
H. H. BOUNDS
L. H. BRANDT
H. L. HOSKINSON
F. M. MONTES
W. C. WILKINS

Perry
La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS

H. L. HOSKINSON,
PRESIDENT
L. H. BRANDT,
SEC. AND TREAS.
VALLEY PHONE 15 R2

VINTON, TEXAS

U. S. Reclamation Service
REGISTERED
AUG 27 1918

Mr. L. M. Lawson, Project Mgr.,
El Paso, Tex

Dear Sir: It is our understanding that all ditches wishing to turn their system over to the Reclamation Service should indicate their willingness to do so before Sept 1st. The title to our property is vested in the board of directors, a majority of whom have registered their intention of making the transfer as soon as the approval of a majority of the stockholders can be obtained as is now being done on the other ditches planning to transfer to the Reclamation Service.

We will therefore thank you to make your plans accordingly and will call upon you in a few days to discuss the necessary details -

Yours Truly

La Union Irrigation Co.

L. H. Brandt
Secretary-Treasurer

0-21-5

El Paso, Texas, July 24, 1918.

Mr. F. C. Belk, Secretary,
 La Union Irrigation Company,
 Vinton, Texas.

My dear Mr. Belk:

This is to acknowledge receipt of yours of July 23, on the subject of turning over the La Union Irrigation Company to the Reclamation Service.

I note the plan which you have made for a system of credits based on a credit of \$10 per acre for the stock holders of your company.

I take this opportunity to make my position clear to you that in so far as my personal views are concerned it has never been desirable to expend for outright purchase Government funds to take over this canal or other canal properties. The reason for this is the pressing demand for more important work, such as the building of drainage canals. Actual payments for such properties would reduce our working fund considerably, and we would not be able to do the large amount of actual construction which is vitally necessary, particularly in the line of drainage.

The formation of an Irrigation district has changed the status to some extent of the relationship between the Reclamation Service and the individual. The Government is now under contract with the District to provide certain works, for which it is to be repaid. We are in the position, then, of a contractor operating under an agreement with the irrigation district to provide drainage and lateral systems. The matter of credits, then, is one as between the communities' individuals and the irrigation district.

Under its official organization the district should be quite as responsible an organization as the Reclamation Service, and any resolutions that they may properly make should be, and can be, considered binding.

Answering your questions, then, this office, in the matter of extending credits, would have no jurisdiction. Such credits would be placed by the irrigation district board, or special committees appointed, and we would have no voice in the matter.

The answer to question 2 is one which questions the legality of the board of directors of the irrigation district to allow such credits. Since in both irrigation districts it is provided by the

irrigation district act that the costs will be apportioned by the district according to the benefits received, the writer can see no reason for questioning the resolutions as adopted.

Your third question is along similar lines, and I am unable to state just what action the district directors of the irrigation district would take on this distribution of the costs in the particular case.

My views in this matter are at present unassisted by legal counsel, and the answers are not written, as they might appear, in an evasive way. It is impossible for me, officially or personally, to give you satisfactory, definite replies, for the reason that the matter is entirely without the jurisdiction of the Reclamation Service, but, as stated above, is one between your company and the irrigation district itself.

Our offices, in replying to a recent report of mine on the credit system as inaugurated by the Elephant Butte Irrigation District, in connection with the resolution recommending a credit of \$5 per acre for community ditches, has advised that it is not a matter to either approve or disapprove.

The apportionment of costs under the irrigation district plan is not handled by the Reclamation Service, but the irrigation district is billed for the amount expended, for which they expect payment, and all collections, apportionment of benefits received, and other matters, are handled by the irrigation district.

The matter which you write about is strictly within their province, as has been evidenced by other similar action on their part, and if your company can obtain properly executed resolutions along the line as you suggest, I see no objection to such procedure, nor reason for questioning the provisions being later carried out.

Very truly yours,

L.M. Lawson

Project Manager.

El Paso, Mar 25 1918

WHEREAS, it is desirable and to the best interest of the water users of the Rio Grande project as a whole, that the United States take over, operate and maintain the irrigating system of the La Union Irrigation Company as a preliminary step to the final merger of said irrigation system with the said Rio Grande project:

THEREFORE, BE IT RESOLVED by the Board of Directors of the El Paso County Water Improvement District No. 1 as follows:

1. That said Board of Directors hereby approves the transfer of said irrigation system to the United States for the purposes indicated, on the condition that the shareholders of said La Union Irrigation Company shall be allowed credits on the charges for the construction of the said Rio Grande project, hereafter to be fixed by the district pursuant to contract with the United States, at the rate of Ten Dollars (\$10.00) per acre for each acre of irrigable land (which is now or may hereafter be found to be located within the State of Texas and within the jurisdiction and boundaries of the said water improvement district) to which a share of stock in said La Union Irrigation Company is appurtenant, according to the records of said company, properly verified, at the time of said transfer. The said credit of Ten Dollars per acre is understood to represent the fair valuation of the property so to be taken over by the United States and which inures by said transfer to the benefit of the said water improvement district, which is thereby relieved of the necessary expenditure of funds to that extent.

J. D. Porello
Secretary Water Improvement District No. 1.

President

100

WHEREAS, it is desirable and to the best interest of the water users of the Rio Grande project as a whole, that the United States take over, operate and maintain the irrigating system of La Union Irrigation Company as a step preliminary to the final merger of said irrigation system with the said Rio Grande project, and

WHEREAS it is the desire of the water users under said system that the United States operate said system, delivering and measuring water to each individual user and that collections for said water service be made by means of individual contracts with the said water users, and that all details regarding the ordering of water, etc. be arranged directly between the water users and the United States:


THEREFORE, BE IT RESOLVED by the Directors of the Elephant Butte Water Users' Association of New Mexico, that the transfer of said irrigation system to the United States for the purpose and under the conditions above stated is hereby approved, and it is agreed that such modification, if any, as may be necessary in the water service contract of February 12, 1918, between the association and the United States to carry out this arrangement will be approved and ratified when formally presented for that purpose.

The above is a true and correct copy of a resolution adopted by the Elephant Butte Water Users' Association New Mexico 20, 1918. Allert J. Eyles. E. B. W. U. W. See

Bill:

I thought it best to
return this to you pending
further developments.

Ranis Scott



FROM
THE LAW OFFICES OF
BURGES, SCOTT, RASBERRY & HULSE
1100 FIRST NATIONAL BUILDING
EL PASO, TEXAS

FOR

MR. W. F. RESCH
Bureau of Reclamation
U. S. COURT HOUSE
Room 211
EL PASO, TEXAS

Whereas the Elephant Butte Irrigation District, has the power, on the completion of the drainage system to be installed in said district by the United States Government, to have a hearing upon the benefits conferred and damages inflicted by the construction of said drainage system: and

Whereas because of the dire need for quick action in draining this project, it is the desire of the directors of said Irrigation District, that as far as practicable, all the appropriation available for work in this district, shall be expended by the United States Government in draining the lands of said district: ~~and~~

Therefore, Be it Resolved, that the land owners of the district through whose land said drains pass be requested in those cases in which the damage inflicted by said drain is not excessive, to ~~grant~~ give without cost to the government a quit claim deed to the land for a right of way for said drain, with the understanding and agreement with said Irrigation District, that when said drainage system is installed, that said district shall have a hearing on the damages inflicted and benefits conferred upon the lands of said district by the construction of said drainage system and the granting of said right of way for said drains, and in such cases as said board may award damages for the construction of said drainage system and the taking of right of way for said drains, the damages so awarded, shall be deducted from the ~~payments~~ assessments payable by each owner of the lands damaged until said ~~award~~ award has been fully paid.

Be it Further Resolved that a certified copy of this resolution be given all persons giving quit claim deeds without cost to the United States Government upon the agreement and understanding herein set forth.

Whereas the La Union Irrigation Company, desires that the government take over its canal system; and

Whereas there belongs to said La Union Company approximately 12,000 acres of land, each acre having a share therein, and

Whereas there are approximately 6000 acres of land that can and should be irrigated by the said La Union Company's canal system and that properly belong to said system: and

Whereas said 12,000 acres holding shares in said company have constructed irrigation works valued at \$120,000, or \$10 an acre, and said 6000 acres of raw land have contributed nothing towards the construction of said irrigation works; and

Whereas it is the opinion of the directors of the Elephant Butte Irrigation District that if the government takes over the said canal system and includes all of said lands therein, that some adjustment should be made whereby said 6000 acres of raw land should contribute equally with said 12,000 acres of land now in said company; *in payment for the construction of said irrigation works*

Therefore be it resolved that the Elephant Butte Irrigation District hereby approves the transfer of said La Union Irrigation System to the United States government for the purposes above indicated on the condition that all lands not having a water right or share in said La Union Irrigation Company but which shall hereafter be included in said system, shall be charged \$10 an acre in payment for its share in the irrigation work constructed by said La Union Irrigation Company, and said sum so paid shall be credited to each acre of lands to which a share of stock in said La Union Irrigation Company is appurtenant according to the records of such corporation duly verified at the time of ~~such~~ ^{said} transfer.

Said payment and said credit shall be made under ~~that~~ Section of what is known as the Drainage Contract between the said Elephant Butte Irrigation District and the U. S. Government, which provides

that for reimbursing the United States for any work done on a lateral system, the District may collect at its discretion, either from the district as a whole or from the unit of the project or tract of land or lands ~~from~~ within the district for the benefit of which said lateral works are constructed, and said payment and credit shall be made as follows:

The said La Union Irrigation Company shall be allowed \$120,000 for its canals as a lateral system, said sum to be charged against said La Union System as a whole:

cost of
That such work as the government may do on said system in extending and modifying ~~the same~~ so that ~~said system~~ ~~so that said system~~ ~~be~~ all lands of said system shall have substantially the same service, shall be added to the said sum of \$120,000, and said aggregate sum, not to exceed \$12 an acre for the land belonging to said system, shall be apportioned against each acre belonging thereto; *shall be the total cost of said lateral work, and*

Said Elephant Butte Irrigation District shall collect the cost of said lateral work from the La Union Unit, and in making such collection, it shall ~~not~~ give to each acre of land belonging to said La Union Irrigation Company as shown by the books of said company at the time of said transfer, a credit of \$10 an acre: *and* from that land that does not have a water right or share in said company at the time of said transfer, but which shall hereafter be included in said La Union unit, it shall collect all of said cost of said lateral work, and *of this* the sum of \$10 an acre so collected, shall be applied to the credit of said land owning a water right or share in said La Union Irrigation District at the time of said transfer.

(That is to say, by way of illustration, assume that when the project is completed, there will be assessed against this entire unit, *comprised* then of 18,000 acres,

BOARD OF DIRECTORS

G. H. BRANDT
 L. H. BRANDT
 H. L. HOSKINSON
 F. M. MONTES
 W. C. WILKINS

La Union Irrigation Co., Inc.

H. L. HOSKINSON,
 PRESIDENT

L. H. BRANDT,
 SEC. AND TREAS.

VALLEY PHONE 15 R2

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
 NOW UNDER IRRIGATION 11,600 ACRES
 MILES OF MAIN CANALS - - - 30

VINTON, TEXAS

Then for the sake of illustration let us assume that another \$96,000.00 shall be spent on this unit for new construction, distributing system, etc. The charge against this 18000 acre unit would then amount to 120,000 for Original canal system plus 96000 for new work, a total of \$216,000. or \$12.00 per acre. Assuming the charge for general construction on the project to be \$44.00, the drainage to be \$15.00 and the unit covered by our distributing system to be \$12.00 per acre as outlined above the total charge on our unit would then be \$71.00 per acre, from which the stockholders of original water rights would have a credit of \$10.00 per acre leaving an amount to be paid by them of \$61.00 per acre and the full \$71.00 by those not having such credit due them.

Our lands now having water rights also have their distributing system of private laterals etc. and we assume that the hypothetical sum of \$96,000. mentioned above would mostly be spent for laterals and distributing system in the new territory lying in the southern part of the proposed district and not yet developed.

I should like definite statements from you on the following points if possible.

1st.-Would the foregoing plan meet with the approval of your office?
 2nd.-Would the resolutions as adopted by the El Paso valley Irrigation district in March (copy in Mr. Dent's office) provide certainly for us (the original stockholders) to get this credit of \$10.00 per acre as outlined in the foregoing-I mean to ask if this resolution would be

RESOLUTION

WHEREAS, the owners of a majority in value of the shares of stock of La Union Irrigation Company have by appropriate ballot authorized the sale and conveyance to the United States of the La Union System, subject to the condition that the owners of the shares of stock shall receive a credit of \$8.50 for each acre of irrigable land to which a share of stock in said Company is appurtenant, such credit to be allowed on the construction charge for the Rio Grande project, to be subsequently fixed by the Secretary of the Interior and collected by the Elephant Butte Irrigation District and the El Paso County Water Improvement District No. 1; and, whereas, in the opinion of this Board such transfer to the United States for the purpose and on the condition named is to the interest of said Company and its shareholders.

NOW, THEREFORE, be it resolved by the Board of Directors of said La Union Irrigation Company, that the President and Secretary of said Company are hereby, and pursuant to the vote of the shareholders, authorized and directed to execute proper deed conveying said property to the United States of America, said deed to be signed by the President and attested by the signature of the Secretary and the affixing of corporate seal and thereafter delivered to the proper officers of the United States Reclamation Service.

JUDGE A. S. J. EYLAR,
President
J. S. QUESENBERRY'
Vice Pres.
S. G. KILGORE,
Secretary
P. W. BARKER,
Treasurer
J. F. FINDLAY,
Sales Agent
H. H. BROOK,
County Agent

Elephant Butte Water Users' Association of New Mexico

CAPITAL STOCK \$4,400,000
FULLY SUBSCRIBED

DIRECTORS
H. T. WILLIAMS, 1st Dist.
L. F. ELLIOTT, 1st Dist.
T. E. BOURBONIA, 1st Dist.
J. W. HOLLINGSWORTH, 2nd Dist.
J. S. QUESENBERRY, 2nd Dist.
T. ROUAULT, SR., 2nd Dist.
P. W. BARKER, 2nd Dist.
J. E. BULLOCK, 3rd Dist.
S. G. KILGORE, 3rd Dist.
F. J. RIGNEY, 4th Dist.
LYTTON R. TAYLOR, 4th Dist.
P. H. BAILEY, 4th Dist.
A. S. J. EYLAR, 4th Dist.

LAS CRUCES, NEW MEXICO.

April 10, 1918

Judge P. W. Dent,

El Paso, Texas.

Dear Mr. Dent:

In regard to the right of way for the Leasburg Drain, it seems to me at present, that a practical way to get it up for the government, will be for the Irrigation District to pass a resolution assuring those who quit claim to the government, that when the drainage system is installed that they will be given a hearing and awarded damages then which will be allowed as credit on their construction costs, and I am enclosing a resolution to this effect. At the same time, let the party working the right of way, take the acknowledgment to a quit claim deed and close it up all at once.

On this same subject, I enclose a letter that I wish you would hand Mr. Hoadley, as I don't know what are his initials, and am not so sure whether it is Hoadley or Hoagland.

As to the La Union resolution, consider the resolution I handed you as ^{merely} conveying the idea of the La Union committee as to what they want. I am inclined to the belief that a sale to the Irrigation District and then from the district to the government, might be drawn up so as to fully cover what the La Union committee has in view, and at the same time, simplify the matter with the government. The Irrigation District meets Saturday and if you have prepared a resolution along the lines suggested, if we have it by then, it will probably pass, if the La Union committee desires

JUDGE A. S. J. EYLAR,
President

J. S. QUESENBERRY
Vice Pres.

S. G. KILGORE,
Secretary

P. W. BARKER,
Treasurer

J. F. FINDLAY,
Sales Agent

H. H. BROOK,
County Agent

Elephant Butte Water Users' Association of New Mexico

CAPITAL STOCK \$4,400,000
FULLY SUBSCRIBED

DIRECTORS

H. T. WILLIAMS, 1st Dist.
L. F. ELLIOTT, 1st Dist.
T. E. BOURBONIA, 1st Dist.
J. W. HOLLINGSWORTH, 2nd Dist.
J. S. QUESENBERRY, 2nd Dist.
T. ROUAULT, SR., 2nd Dist.
P. W. BARKER, 2nd Dist.
J. E. BULLOCK, 3rd Dist.
S. G. KILGORE, 3rd Dist.
F. J. RIGNEY, 4th Dist.
LYTTON R. TAYLOR, 4th Dist.
P. H. BAILEY, 4th Dist.
A. S. J. EYLAR, 4th Dist.

LAS CRUCES, NEW MEXICO.

the district to take further action on the matter.

Res ectfully,


A. S. J. Eylar

BOARD OF DIRECTORS

J. H. B. IDS
L. H. BRANDT
H. L. HOSKINSON
F. M. MONTES
W. C. WILKINS

La Union Irrigation Co., Inc.

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS - - - 30

VINTON, TEXAS

July 23, 1918.

H. L. HOSKINSON,
PRESIDENT

L. H. BRANDT,
SEC. AND TREAS.

VALLEY PHONE 15 R2

Project
Mr. L.M. Lawson, ~~Prospect~~ Manager,
El Paso, Texas.

Dear Sir:

In the earlier stages of our discussion about turning the La Union Irrigation system over to the government a great many of our stockholders thought that we should be paid outright at least \$10.00 per acre, believing that we were just as much entitled to pay for our canal as were the Franklin people, or anyone else who owned a part of the main system,

Since that meeting at Cruces, however, a number have indicated a willingness to turn the canal over to the government provided this \$10.00 per acre can be assessed equally against all lands coming under the present La Union system and which will be benefitted therefrom. I plan to submit this to a vote of the stockholders at an early date and that there may be no misunderstanding I should like a written opinion from your office on the plan I propose to outline which will be as follows:

In the territory on the west side of the river to be served from our canal are approximately 18000 acres of land of which about 12000 have a water right in the La Union and some 6000 have not. It is my idea that the first charge to be made against this unit of 18000 acres shall be \$120,000.00 or \$10.00 per acre which shall be credited back to the owners of the 12000 acres originally having water rights.

BOARD OF DIRECTORS
G. H. BRANDT
L. H. BRANDT
H. L. HOSKINSON
F. M. MONTES
W. C. WILKINS

La Union Irrigation Co., Inc.

H. L. HOSKINSON,
PRESIDENT
L. H. BRANDT,
SEC. AND TREAS.
VALLEY PHONE 15 R2

CAPITAL STOCK \$104,000

WATER RIGHTS ISSUED 12,700 ACRES
NOW UNDER IRRIGATION 11,600 ACRES
MILES OF MAIN CANALS 30

VINTON, TEXAS

as certain to assure us this credit as a deed from our directors would be as certain to convey the Ditch Co. to the government?

3rd- Could some plan be worked out by which the aforementioned amount of \$96,000. could be charged to the area in the district in which it was spent and which directly benefitted thereby. I understand that the directors of the irrigation district have authority to make such distribution but can we be as certain it will be done as we are certain that our deed will convey the canal property?

If the foregoing three questions can be answered affirmatively and the Elephant Butte Irrigation district will approve (as they have already indicated a willingness to do) the same resolution which was approved by the El Paso valley Irrigation district, I have no doubt but that we can soon have a vote of our stockholders authorizing the directors to make the transfer.

If you think that the proposition as outlined would not insure this credit of \$10.00 per acre to our present stockholders will you not suggest some means by which it can be done, and also a plan by which the money spent in the new construction would be assuredly charged back to the area benefitted thereby.

Yours truly,

J. G. Beck Secy

Incorporated under the laws of the STATE OF NEW MEXICO.



La Union Irrigation Company,

CAPITAL STOCK, \$104,000

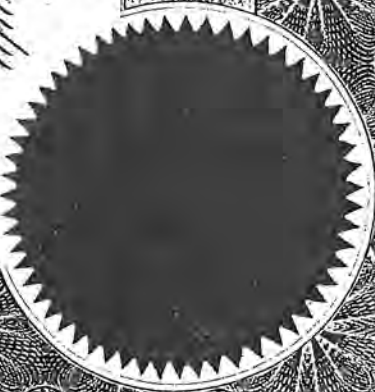
This Certificate is the owner of

*Shares of the Capital Stock of
La Union Irrigation Company, Full Paid,
transferable only on the books of this Corporation in person or by Attorney
upon surrender of this Certificate properly endorsed.*

IN WITNESS WHEREOF, the said Corporation has caused this Certificate to be signed
by its duly authorized officers, and its Corporate Seal to be hereunto affixed
at La Union, N. M., this _____ day of _____, 19__

President

SHARES \$6.50 EACH



Bill
Latham
C-21-5

- 1- Agreement from directors of both irrigation districts to accept our canal on a credit basis of 10^{00} per acre
- 2- Release from Elephant Butte Water Users Assn to permit handling our business direct with USRS
- 3- Understanding with Reclamation Service to maintain loan manager to look after affairs in our community
- 4- Agreement with Reclamation Service to assume collections of accounts now due to Union & Government water
- 5- Adjustment of accounts found to be due and unpaid by various water users at time of final settlement.

10888

Inclusures:

- Original and 4 copies of form letter of transmittal.
- Original and 2 copies of ~~contract~~ deed
- 1 cert. copy extract from minutes authorizing execution *and 2 copies*
- 1 certificate by Secy. in re election for transfer.
- 1 certificate by Dist. Counsel in re taxes, etc.
- 1 Pamphlet*
- 2 copies form of stock cert*

Remarks:

THE FOLLOWING, INSERTED IN DENVER OFFICE:

For previous correspondence in regard to this subject see letter of March 11, 1920, from Chief of Construction to Director; telegram of March 24, 1920, from Director to Project Manager, El Paso, Texas.

IT IS REQUESTED THAT THE ABOVE DESCRIBED CORRESPONDENCE BE FORWARDED TO THE CHIEF OF CONSTRUCTION TO DIRECTOR:

DENVER OFFICE

CHIEF OF CONSTRUCTION

PA

THE ABOVE DESCRIBED CORRESPONDENCE SHOULD BE FORWARDED TO THE CHIEF OF CONSTRUCTION TO DIRECTOR:

DENVER OFFICE

CHIEF OF CONSTRUCTION

PA

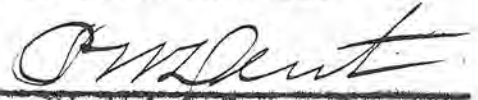
THE ABOVE DESCRIBED CORRESPONDENCE SHOULD BE FORWARDED TO THE CHIEF OF CONSTRUCTION TO DIRECTOR:

INSTRUCTIONS.

1. This form is devised to render unnecessary the writing of various routine letters in reference to contracts. If the agreement submitted is not of the class for approval in Denver (see par. 3a-h, pp. 201-2, Vol. 1 of manual), the chief of construction will forward with his recommendation to Washington for appropriate action.
2. The office in which the contract originates will transmit *two (2) copies* of this form in excess of the number of offices to be advised of approval or execution. For example, in the usual case where the project manager and district counsel are to be advised, four (4) copies and one (1) original (5 in all) should be sent to the Denver office.
3. With every contract submitted, involving an expenditure, the authority number (Form 7-681) or clearing account to which charges under the contract will be made, must be given in the space provided on this form letter. (See par. 41, p. 213, Vol. 1 of manual.) The amount of probable expenditure or collection must also be shown (see par. 11, p. 204, Vol. 1 of manual). Any other special matter or information relative to the contract too long to write on this form should be set out in a statement or certificate *and submitted with contract.*
4. Reference should be made to previous correspondence of importance, especially if form of contract was approved in advance, *giving dates*, stating whether a telegram or letter, *and from and to whom.*
5. The office in which this contract originates should list all inclosures in the space above.
6. With this form appropriately modified quit claim or donation deeds (see par. 47, p. 265, Vol. I of Manual) shall be transmitted through the Denver Office to Washington for acceptance and filing, a copy of such deed with related papers being furnished for the files of the Denver office.
7. This form appropriately modified should be used to transmit informal earthworth contracts (Specifications Form 7-201) executed in project offices to the Denver office for acceptance with copy of contract and related papers to be forwarded to Washington office by the Chief of Construction.

CERTIFICATE REGARDING LIENS, TAXES, ETC.

I hereby certify, that according to the records of Dona Ana County, New Mexico and El Paso County, Texas, there are no mortgages, deeds of trust, taxes, liens or other encumbrances outstanding against the property of La Union Irrigation Company conveyed to the United States by attached deed of February 18, 1920; that the greater portion of the right of way for the ditches, laterals and desaguas rests upon adverse possession for the period of time prescribed by the statutes of the States of New Mexico and Texas, ^{conferring title by limitation and} that title to said right of way has vested by prescription; and that said company was, on the date of transfer, in actual, sole and exclusive possession of said right of way and other property, claiming to be the owner thereof, and no person claiming a right in such property, adverse to La Union Irrigation Company was in possession of any part thereof.



District Counsel.

El Paso, Texas.

April 1, 1920.

Form 528, 3-10-19
Revised June 1919

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE

Project Manager to Chief of Construction, then District Counsel

Project Manager to Chief of Construction, then District Counsel

Subject: Forwarding for approval contract dated February 18, 1920

With from La Union Irrigation Company

Estimated amount involved, \$ Authority No.
Accompanied by bond and 2 copies or Clearing Account

(Insert "Yes" or "No" bond) Purpose: ~~approval of irrigation system~~

INSTRUCTIONS

Advise Project Manager at El Paso, Texas (Post office and State)
District Counsel at El Paso, Texas (Post office and State)
and Chief Engineer, Denver, Colorado.
of the approval of the above, using extra copy hereof.
Inclosures listed on the reverse

NOTE: Before submitting contract see that the instructions on reverse hereof have been FULLY complied with. See also par. 16, Page 205, Vol. 1 of Manual.

L. H. Jensen (Signature)

Denver, Colo.
The above described contract and bond, if any, approved
by _____ on _____
Chief of Construction.

Chief Engineer, Denver, Colo. April 8, 1920.
to Director:
It is recommended that the above described ~~contract~~ deed be accepted
~~and bond if any approved.~~ and deed returned to Project Manager for recordation.
Inclosures:
1 Original & 3 copies of form letter; (SEE STATEMENT ON REVERSE
1 " deed; HEREOF.)
1 Blueprints, 1917T
1 Original letter, April 1, 1920, from D.C. to Director,
1 " certified extract from minutes La Union Irrigation Co.,
1 " certificate by Secretary, La Union Irrigation Co.,
1 " dated April 1, 1920, by District Counsel, re-
garding liens, etc., F. WALTER
1 pamphlet,
1 copy of form of stock certificate. (Signature)

executed Washington, D. C. JUN 4 1920
Contract approved and bond, if any, approved by MORRIS BLISS
on JUN 4 1920 Assistant Acting Director

Original enclosed to PM for record,
and return to Washington office.

APR 12 20 10666

Contract to CH 4/8/20
CWB

DEPARTMENT OF THE INTERIOR

UNITED STATES RECLAMATION SERVICE

Rio Grande Project **New Mexico-Texas**

(Place)

(Date)

Project Manager to Chief of Construction, thru District Counsel. **April 1, 1920**

Subject: Forwarding for approval contract dated **February 16, 1920**

Water from La Union Irrigation Company

Estimated amount involved, \$ **Nothing** Authority No. _____
Accompanied by bond and **2** copies or Clearing Acct.

(Insert "Yes" or "No" bond) **No bond**

Purpose: **transfer of irrigation by can**

INSTRUCTIONS

Advise Project Manager at **El Paso, Texas** (Post office and State)

District Counsel at **El Paso, Texas** (Post office and State)

and

~~execution~~

of the approval of the above, using extra copy hereof.
Inclosures listed on the reverse

NOTE: Before submitting contract see that the instructions on reverse hereof have been FULLY complied with. See also par. 16, Page 205, Vol. 1 of Manual.

L. M. Lawson
(Signature)

Denver, Colo.

The above described contract and bond, if any, approved
by _____ on
Chief of Construction.

Denver, Colo.

Chief of Construction to Director:
It is recommended that the above described contract be
executed
approved and bond if any approved.
Inclosures:

(Signature)

executed _____ Washington, D. C.
Contract approved and bond, if any, approved by
on _____

MACKAY TELEGRAPH-CABLE COMPANY

CONNECTING WITH
POSTAL TELEGRAPH-COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT.

RECEIVED AT MAIN OFFICE
104 WEST SAN ANTONIO STREET
EL PASO, TEXAS
TELEPHONES 4620-4621

TELEGRAM

DELIVERY NO.

167

The Mackay Telegraph - Cable Company transmits and delivers this message subject to the terms and conditions printed on the back of this blank

This is a fast Day Telegram unless otherwise indicated by signal after the number of words:—"N.L." (Night Lettergram or "Nite" (Night Telegram)). || 16DB-

121 D XF 23opm. 20 Gvt.

WB Washington DC March 24-20

Reclamation El Paso Tex.--

Approval given recommendations Denver letter March eleventh

re proposed transfer La Union Irrigation System Rio Grande project.

Davis.

USE THE POSTAL AND CABLE
ON YOUR DAY TELEGRAM

files
E-21-5

U. S. RECLAMATION SERVICE
RECEIVED
MAR 29 1920
EL PASO, TEXAS
Director

POSTAL TELEGRAPH

OH-AMS

A. P. Davis

Day

Washington, D. C., March 24, 1920.

Reclamation El Paso Texas

Approval given recommendations Denver letter March eleventh re proposed transfer La Union Irrigation System, Rio Grande project.

DAVIS.



Confirmation by mail.

Copy to C. of C.

El Paso, Tex. March 11, 1920.

Chief of Construction

Director, Washington, D. C.

Proposed transfer of La Union Irrigation System and operation and maintenance charges for lands thereunder for 1920 - Rio Grande Project, New Mexico - Texas.

1. Enclosed please find letter of Project Manager of the Rio Grande Project dated Feb. 28th relative to the above subject.
2. All canal systems on the Rio Grande Project have been transferred to the Reclamation Service to become a part of the distribution system of the project except La Union System, covering between 11,000 or 12,000 acres of irrigable land on the west side of the Mesilla Valley, part of which is included in the limits of the Elephant Butte Irrigation District and the balance within the limits of the El Paso County Water Improvement District No. 1. Upon the approval of the directors of each of the above districts, arrangements for transfer of this canal system are being completed and it is understood that deed has been signed and as soon as evidence of title is complete, the same will be forwarded to your office for approval.
3. This irrigation system was constructed by La Union Canal Company and water right sold therefrom to the farmers for the irrigation of lands under this system, this system being the only one in the valley which is not considered a community system but was constructed and operated by a corporation. This system when acquired will later be enlarged and improved to irrigate additional lands, in particular those in the Montoya District for which it has not been possible to maintain a satisfactory diversion direct from the river without a diversion dam. La Union System is located at the lower end of the West Canal and water for the irrigation of land under same is diverted at the Mesilla Dam and carried through the West Canal of the Rio Grande Project and diverted into La Union System in such a manner that it forms the lower part of the distribution system under the West Canal.

4. In order that this system would be in proper shape for carrying water during the coming season, the company made an assessment of 50-cents an acre on all lands thereunder and have expended the same for maintenance work necessary for the irrigation season of 1920, and in as much as 50-cents an acre will have been paid by the water users for the accomplishing of work which would otherwise have devolved upon the United States, the transfer if approved by your office will be contingent upon a proper adjustment on this account, which plan of adjustment has been approved by both districts.

5. It is believed that anticipating favorable action upon transfer of the system by your office that the project manager should be authorized to accept water right applications on forms similar to those approved by your office, for the balance of the land on the project with the exception, however, that a credit of 50-cents per acre be allowed on account of maintenance already performed upon this system, thus establishing the rate to be paid for the year 1920 at \$1.25 per acre for two acre feet of water in place of \$1.75 per acre charged to the balance of the project land. The rate for excess water, namely \$1.00 per acre foot for the third acre foot and \$1.25 per acre foot for additional water and 50-cents per acre on account of storage charge will be the same as that approved for the balance of the lands on the project.

6. The water users under this system have made all back payments and applications can, therefore, be accepted from them.

7. The above mentioned credit of 50-cents per acre is to apply to the calendar year 1920 only, after which the water users under this system will be required to pay the same rate as for other lands on the project.

8. All arrangements as to credits on account of the system transferred to the Government are to be arranged by the irrigation districts.

9. None of the lands watered by this system are included within the limits of the area for which the issue of public notice has been recommended.

10. It is recommended that upon receipt of deed covering proposed transfer, providing the same is in proper

legal form, that the same be accepted and that anticipating favorable action thereon, the project manager be authorized to accept water right applications upon the form heretofore approved with the endorsement on the bottom of the application by method of rubber stamp, to the effect that a credit of 50-cents per acre will be allowed on the flat rate charged on account of expenditure having been made by the water users for maintenance during 1920. By this method it will not be necessary to have additional applications printed for this purpose.

11. It is requested that you wire the project manager if you approve of this arrangement, in order that the same may be carried out without delay.

- - -

F. E. Dwyer
R. F. Walter

CC - P. M. El Paso ✓
D. C. " "

Encl.

File with

U. S. RECLAMATION SERVICE
RECEIVED
MAR 8 1920
EL PASO, TEXAS

LA UNION IRRIGATION CO.

VINTON, TEXAS

March 5, 1920.

To all Stockholders:

On February 18th your officers executed a deed conveying the ditch to the U. S. R. S. and pending the authorization of the acceptance of the property by the higher officials the Project Manager has had a representative measuring the water deliveries to our individual water users.

Some question has arisen concerning our right-of-way and the release of our mortgage at the bank, but it is probable that all details will be finally arranged upon the arrival of the Chief of Construction, who is expected in El Paso about the 10th inst.

In the meantime it is necessary to advise you that the general cleaning cost about \$6,000.00, or approximately 50c per acre and at a meeting of our directors in the office of the Project Manager on March 2nd, it was decided to levy an assessment (No. 19) to cover this expenditure.

This amount will be collected from ALL lands using water in 1920 whether or not they have a water right in this ditch company and will be allowed by the U. S. R. S. as a credit against the amount due them for the first water payment as provided in their contracts.

As soon as it is possible to pay the last note due the City National Bank and wind up the affairs of the ditch company, the \$4700.00 on hand, Nov. 1st, less administration expenses up to the time of liquidation, will be returned to our stockholders.

It is our understanding that when the property is accepted the Reclamation Service will send to this office a representative authorized to receive and execute contracts for 1920 water and these contracts must be signed by the land-owner or representative with power of attorney. Please bear in mind that it will not be necessary to pay this assessment No. 19 for 50c per acre until you are offered a contract by the U. S. R. S., which will provide for the credit of the amount against your 1920 water charge.

La Union Irrigation Co.

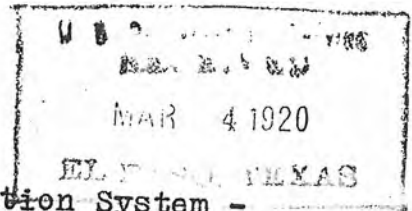
By F. G. BELK, Secretary-Treasurer.

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE
TRAMWAY BUILDING
DENVER, COLO.

March 2, 1920.

E-21-5

From Acting Chief of Construction
To Project Manager, El Paso, Texas.
Subject: Proposed transfer of La Union Irrigation System -
Rio Grande Project.



1. Receipt is acknowledged of your letter of February 28, 1920 in regard to the above subject.
2. The Chief of Construction and Mr. Walter are now in the field and expect to reach El Paso March 10th, remaining on the project March 10 to 12 inclusive. It is suggested that you take up the above matter with them personally during their visit.

Charles Williams

CC-Chief of Construction
c/o St. Anthony Hotel,
San Antonio, Texas
with Messrs. Ellis & Sons.

C-21-5

El Paso, Texas, February 28, 1920

Project Manager

Chief of Construction, Denver, Colorado.

Proposed Transfer of La Union Irrigation System - Rio Grande Project.

1. There has been under consideration for some time the acquisition by the United States of the La Union System. This, as you know, represents the principal remaining irrigation system which has not been absorbed into the Rio Grande Project works. It is an incorporated company and the physical property consists of approximately thirty miles of two main laterals, irrigating between 11,000 and 12,000 acres of land in the west side of the Mesilla Valley.

2. Attached please find copies of letters dated February 13th and 16th which concern the taking over of this property, and particular attention is called to the letter of February 16th which outlines the requirements of the Service in form of deed and certificates. I should like to have from your office approval of this transfer if the proposition is an acceptable one. The deed has been delivered to this office, and there remain some details of transfer, particularly the matter of allowance of credit for the ditch cleaning, amounting to \$5,000 which was performed by the company. In the cases of the community ditches turned over to the Reclamation Service in the past this maintenance work was performed by the Reclamation Service, and it seems that in this matter we are justified in making the allowance for the ditch cleaning which is for the present year.

3. This office suggests that water charges to individuals who are stockholders in the company be reduced by the cost of this cleaning. Both irrigation districts have agreed that it is desirable that the Reclamation Service should take this property over for reconstruction and operation. Besides the area which now receives water from this source several thousand acres in Texas, below the limits of the present ditch, are susceptible of being irrigated by an extension of the property. The irrigation of the area in the Montoya District on the other side of the Rio Grande is affected by this, in that the plans have always contemplated a river structure which would permit a delivery of water to the Montoya District from the West Side Canal.

4. Previous to forwarding the final papers of transfer of this property, this office requests a decision as to the acceptability of

- 2 -

the transfer. In the opinion of the Project office the property should be acquired as the other community ditches of the Valley have been taken over, and since this canal system can be utilized as part of the final project main lateral system.

L. H. LAWSON

Encl.

Draft - not used 72,000
30,000
42,000

THIS AGREEMENT, made this.....day of.....
1918, between La Union Irrigation Company, a corporation
duly organized and existing under the laws of the State
of New Mexico, its successors and assigns, hereinafter
styled the Vendor, and the United States of America and
its assigns, by L. M. Lawson, Project Manager, United
States Reclamation Service, thereunto duly authorized by
the Secretary of the Interior, pursuant to the act of June
17, 1902 (32 Stat., 388),

WITNESSETH:

WHEREAS, the Secretary of the Interior has approved
and is now constructing what is known as the Rio Grande
project, New Mexico-Texas, which project includes all of
the lands lying under and tributary to the irrigation works
now owned by the Vendor; and,

WHEREAS, the irrigation works of said Vendor can be
advantageously and economically used and made a part of the
project now being constructed by the United States; and,

WHEREAS, it is to the interest of all parties to
this agreement, including individual shareholders of said
Vendor, to unify as far as possible, all the irrigation
works within the limits of the Rio Grande project; and,

WHEREAS, the amount of the total authorized capital
stock of the Vendor is One Hundred and Four Thousand (\$104,000)
dollars, divided into shares of..... each,

of which..... shares have been issued and are now outstanding; and,

WHEREAS, said Vendor owns certain water rights and other property, and by reason of such ownership, each shareholder of said Vendor has certain vested rights to the use of water from and by means of said Vendor's irrigation works in proportion to the number of shares held by him.

NOW, THEREFORE, in consideration of the premises, and the further considerations hereinafter expressed, the parties covenant and agree as follows:

1. The Vendor, upon the terms and conditions hereinafter stated, will sell and by good and sufficient instrument in writing convey to the United States of America, for the uses and purposes contemplated by the Act of Congress, hereinbefore mentioned, known as the Reclamation Act, the following described real estate, property and rights situate in the County of Dona Ana, State of New Mexico, and the County of El Paso, State of Texas, to-wit:

comprising all that certain irrigation system owned and operated by the Vendor, and known as the La Union Canal, together with all its extensions, laterals, feeders, flumes, headgates, sluiceways and desaguas; and all profiles, plans, maps, field notes, stock books and all other records relative to said irrigation system, and all lands, buildings and other structures and rights of way, and all property and rights, both

real and personal, in any way pertaining to or used in connection with said irrigation system, or any part thereof.

2. The Vendor will procure and have recorded wherever proper for record, all further assurances of title and affidavits, as may be necessary and proper to show clear title unencumbered in said Vendor to said premises and property, in time for abstracting and for due examination by the proper officials in Washington, D. C. or elsewhere, and upon demand of the United States, will execute and deliver at any time within the continuance of this agreement, a good and sufficient deed which shall convey good title to said premises and property free of lien or encumbrance to the United States for the uses and purposes contemplated by said act of Congress.

3. Liens or encumbrances existing against said premises or property may, at the option of the United States, be removed at the time of conveyance, by and at the expense of the United States; but this provision shall not be construed to authorize incurrence of any liens or encumbrances as against this agreement, nor as an assumption of the same by the United States.

4. The ~~PROPERTY~~ transfer to the United States of the property and rights hereinbefore described shall be made subject to the conditions prescribed in -

- (a) Resolution of the Board of Directors of the Elephant Butte Irrigation District, dated.....
- (b) Resolution of the Board of Directors of the El Paso County Water Improvement District No. 1 *dated*
- (c) Resolution of the Board of Directors of the Elephant

Butte Water Users' Association of New Mexico, *dated* _____
a certified copies of *each resolution being* ~~which are~~ hereto attached and made a
part of this agreement.

5. When the transfer of all the property and rights of the Vendor to the United States shall have been completed as provided herein, the Vendor may, at its option, dissolve the corporation as provided by law, but such dissolution shall in nowise affect the right of the shareholders to receive the credits hereinbefore ~~provided for~~ prescribed.

6. The United States will furnish water service on a temporary rental basis to the shareholders of the Vendor on the same terms and conditions as furnished other consumers for similar service *under the Rio Grande project* ~~under units for which public notice~~ ~~has not been issued~~, until such time as public notice covering the lands for which water is so furnished, shall have been issued.

7. The owners of not less than eighty (80) per cent of the capital stock of said Vendor shall in writing authorize the execution of this agreement by the Vendor.

8. Should the United States require an abstract of title to the property and rights to be conveyed hereunder, the same shall be procured at the expense of the United States. The cost of recording such further assurances of title as may be found necessary to perfect title shall likewise be borne by the United States.

Formal clauses, as required.

Nothing in file shows intent to give anyone right of ingress & egress, or no order for USRS to give same.

File mainly contains correspondence regarding transfer of La Union system from La Union Irrigation Co. to USRS.

Cleaning of system is discussed, with USRS offerings to take over system for current year if Company will clean ditch.

If Company does not clean ditch, then USRS would have to wait another year.

Canal (ditch) is unsuitable for water delivery in its present condition (1918-1920).

There is quitclaim deed in file deeding "La Union System" to USA - Consideration of \$1⁰⁰, on 2-18-20.

Loan ~~received~~ received by La Union Irrig. Co. on 12-31-19 in amount of \$35,000.00 to pay bill for water furnished in 1919. Loan granted from City Nat'l. Bank of El Paso.

El Paso, Texas, March 12, 1931.

MEMORANDUM to Superintendent, El Paso, Texas.
(District Counsel)

Subject: Inquiry of Elephant Butte Irrigation District concerning the La Union canal - Rio Grande project.

1. Reference is made to the inquiry of Mr. B. P. Fleming, Manager of the Elephant Butte Irrigation District, as set out in his letter to you of December 31, 1930, as to the history of the transfer of La Union irrigation system to the United States as bearing upon the insistence upon the part of some of the landowners in the Elephant Butte District that they are entitled to credits upon their construction charges by virtue of the transaction.

2. A thorough review of such data bearing upon the matter as appears in the files leads beyond all reasonable doubt to the conclusion that it was never intended by the Bureau of Reclamation that the United States should participate in any extension of credits on construction charge to landowners under the La Union ditch or to shareholders of the La Union Irrigation Company. The United States took title to the La Union Irrigation system by deed dated February 18, 1920, executed on behalf of La Union Irrigation Company, a corporation, in the corporation's name by Sam B. Gillett, President, attested by F. G. Belk, Secretary. The deed is an outright conveyance with no special conditions whatsoever recited in the deed and it was subsequently accepted and approved on behalf of the Bureau of Reclamation by the Assistant Director.

3. The files shed some light upon what probably was the understanding as between the Elephant Butte Irrigation District and the landowners in the form of a letter of April 1, 1920, from District Counsel P. W. Dent to the Director, subject: "Transfer of La Union irrigation system to the United States - Rio Grande project", a copy of which is attached hereto for more convenient reference, from which it clearly appears that the United States took conveyance of the system entirely without any moral or legal obligations or understanding as to allowance of credits in the future to landowners then interested in the La Union Irrigation Company. It also clearly appears that whatever arrangements might have been made at that time were, as stated in paragraph 8 of that letter, "matters to be worked out entirely by the district officials". It would seem from a

perusal of the files that there were some resolutions entered by the Board of Directors of the La Union Irrigation Company, a corporation, and some resolutions entered by the Board of Directors of the irrigation district bearing on the matter. While the files contain what appear to be a number of drafts of resolutions, it is believed that just what were the final resolutions representing the final understanding between the La Union Irrigation Company and the Elephant Butte Irrigation District could be obtained with dependable accuracy only from the corporate records of the La Union Irrigation Company and from the minutes of the meetings of the Board of Directors of the Elephant Butte Irrigation District, respectively.

4. The only arrangement for credits in which the Bureau of Reclamation was involved was in connection with a credit to landowners under the La Union Irrigation Company of one dollar an acre on operation and maintenance charges on account of maintenance expense incurred and paid by the La Union Irrigation Company just before the system was taken over by the Bureau of Reclamation. This credit was apparently extended in full and entirely disposed of by a reduction as to those lands on account of operation and maintenance charges from \$1.50 to 50 cents.

5. A letter of February 12, 1920, from Mr. Lawson, the then project manager, to the President of the Elephant Butte Irrigation District, contains the following further expression: "It must be understood, however, that the Reclamation Service accepts the La Union ditch without the discussed conditions, since these conditions can govern only the actions of the irrigation districts and not the Reclamation Service in its operation", the "discussed conditions" apparently referring to the arrangement contemplated between the district and the La Union Irrigation Company with respect to credits.

6. From the above recited facts, it is concluded that the Elephant Butte Irrigation District should be advised that under no possible interpretation could a construction be placed upon the transaction which would obligate, authorize, or permit the Bureau of Reclamation to participate in any extension of credits to landowners formerly under the La Union Irrigation Company on account of the transfer of the system to the Bureau of Reclamation and that any plan evolved for extension of such credits will of necessity have to be solely a matter between the district and such landowners.

7. For your further information, I will add that in my opinion the United States could not now be disturbed in its possession and occupancy of the La Union ditch right-of-way for the reason that

it appears that the United States has been in adverse possession and had the operation, maintenance, and control of the ditch system under color of title (deed of February 18, 1920) for more than the ten-year period of the statute of limitations, laws of New Mexico, insofar as the New Mexico portion of the system is concerned.

8. I return herewith Mr. Fleming's letter of December 31, 1930, together with its inclosures and such papers as you have loaned us from your project file.

- - - -

H. J. S. Devries

El Paso, Texas

March 12, 1931.

MEMORANDUM to Superintendent, El Paso, Texas.

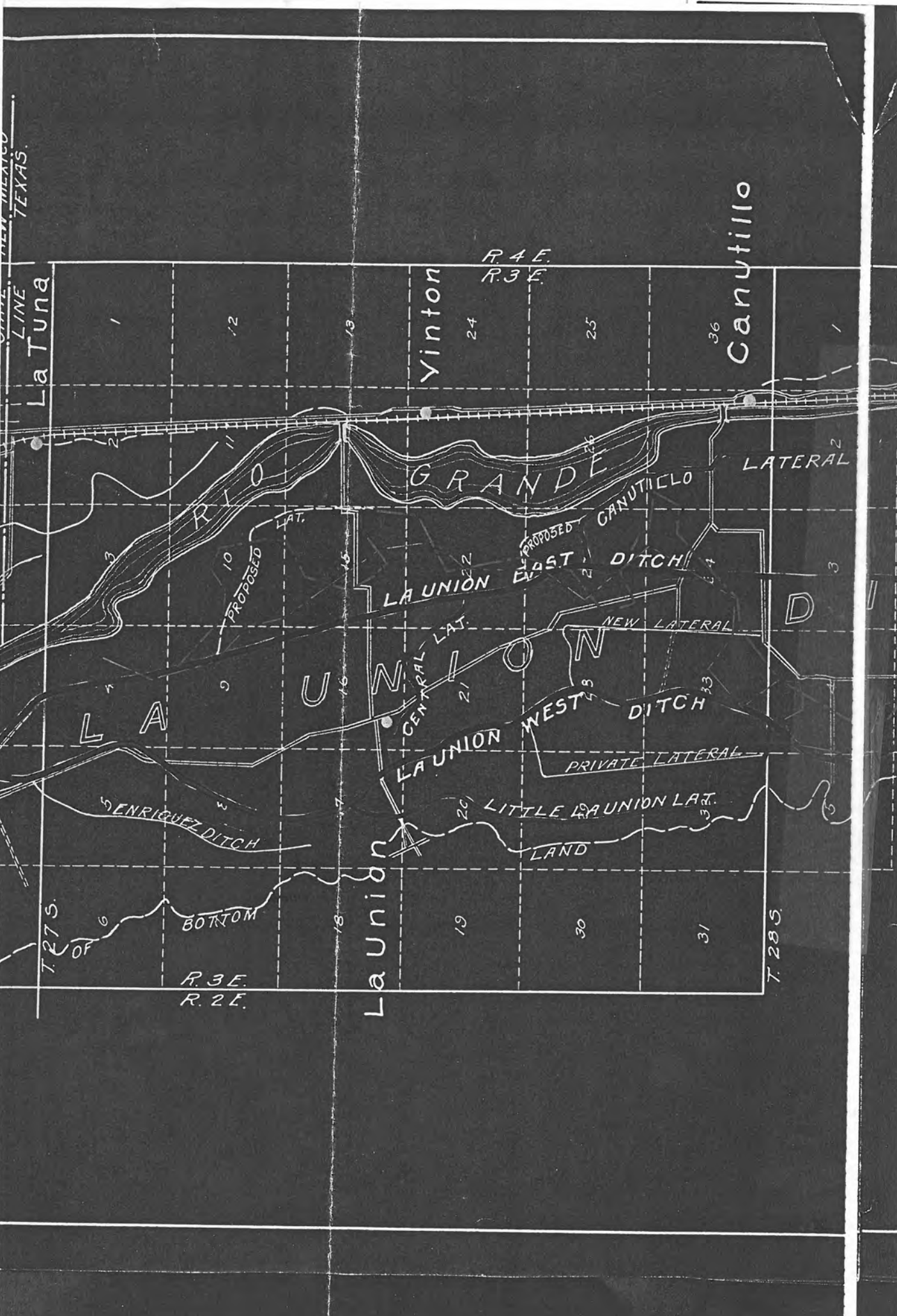
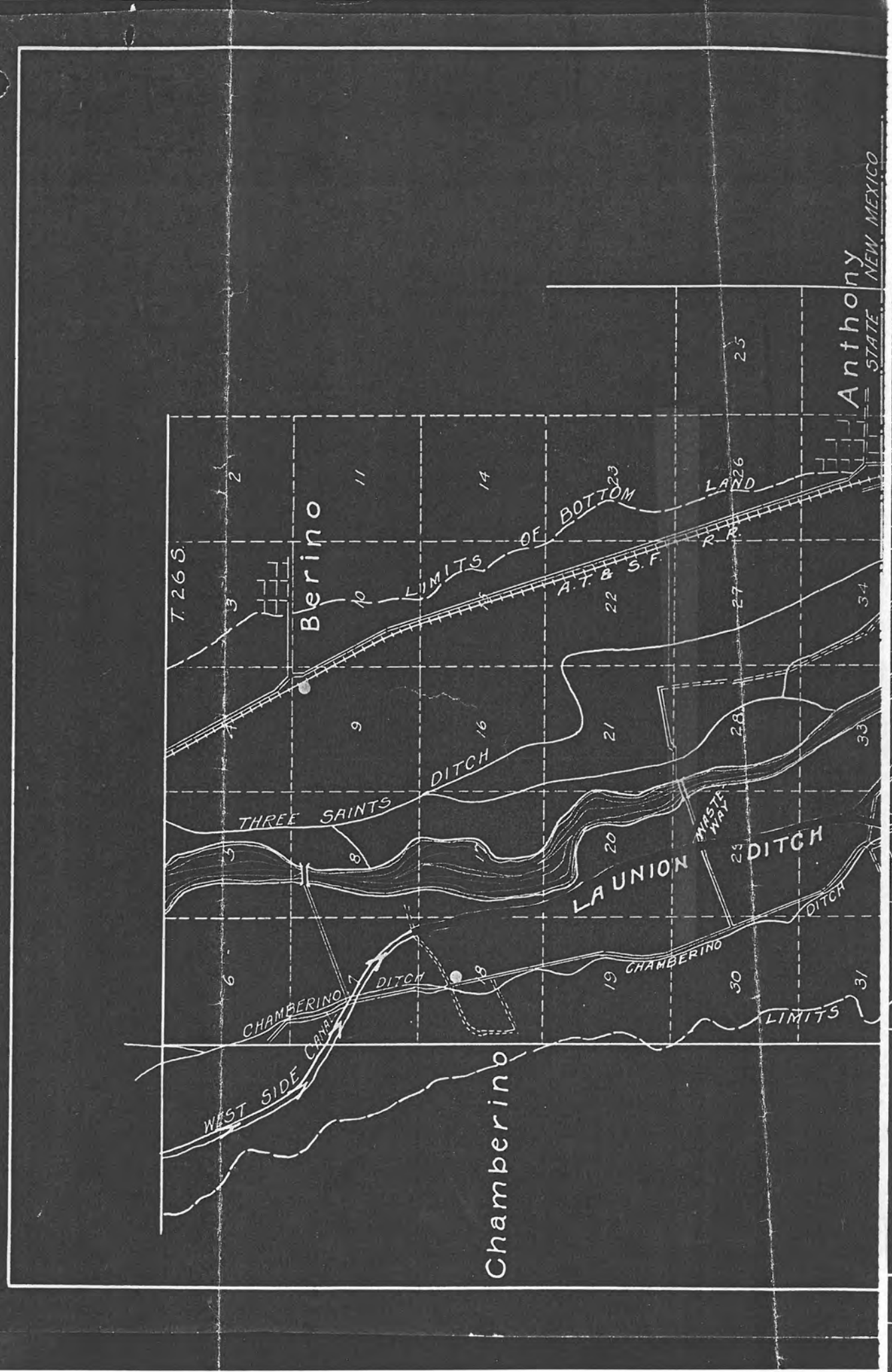
(District Counsel)

Subject: Inquiry of Elephant Butte Irrigation District concerning the La Union Canal - Rio Grande Project.

1. Reference is made to the inquiry of Mr. B. P. Fleming, Manager of the Elephant Butte Irrigation District, as set out in his letter to you of December 31, 1930, as to the history of the transfer of La Union Irrigation system to the United States as bearing upon the insistence upon the part of some of the landowners in the Elephant Butte District that they are entitled to credits upon their construction charges by virtue of the transaction.

2. A thorough review of such data bearing upon the matter as appears in the files leads beyond all reasonable doubt to the conclusion that it was never intended by the Bureau of Reclamation that the United States should participate in any extension of credits to shareholders of the La Union Irrigation Company. The United States took title to the La Union Irrigation system by deed dated February 18, 1920, executed on behalf of La Union Irrigation Company, a corporation, in the corporation's name by Sam B. Gillett, President, attested by F. G. Belk, Secretary. The deed is an outright conveyance with no special conditions whatsoever recited in the deed and it was subsequently accepted and approved on behalf of the Bureau of Reclamation by the Assistant Director.

3. The files shed some light upon what probably was the understanding as between the Elephant Butte Irrigation District and the landowners in the form of a letter of April 1, 1920, from District Counsel P.W.Dent to the Director, subject: "Transfer of La Union Irrigation System to the United States - Rio Grande project", a copy of which is attached hereto for more convenient reference, from which it clearly appears that the United States took conveyance of the system entirely without any moral or legal obligations or understanding as to allowance of credits in the future to landowners then interested in the La Union Irrigation Company. It also clearly appears that whatever arrangements might have been made at that time were, as stated in paragraph 8 of that letter, "matters to be worked out entirely by the district officials". It would seem from a perusal of the files that there were some resolutions entered by the Board of Directors of the La Union Irrigation Company, a corporation, and some resolutions entered by the Board of Directors of the irrigation district bearing on the matter. While the files contain what appear to be a number of drafts of resolutions, it is believed that just what were the final resolutions representing the final

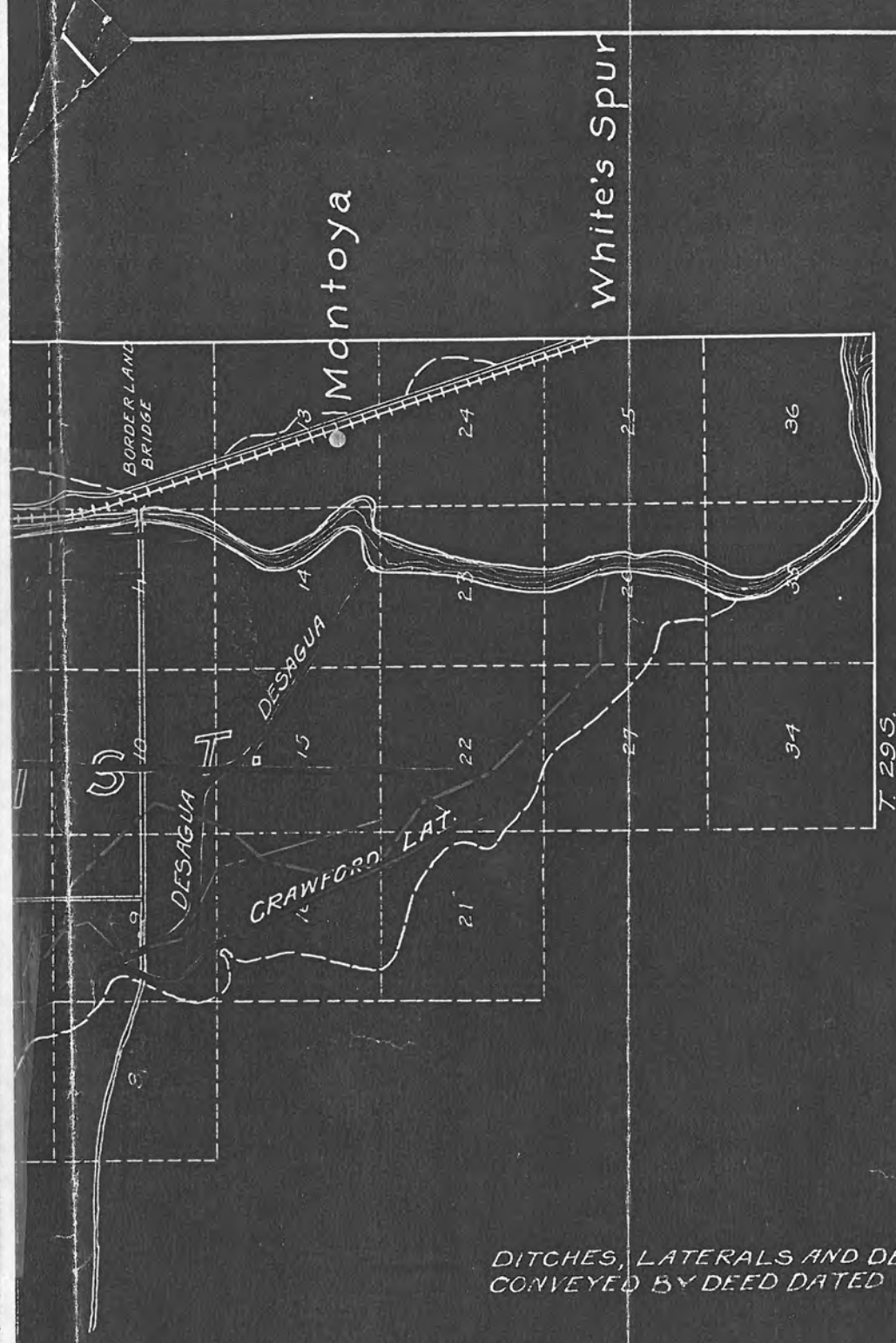
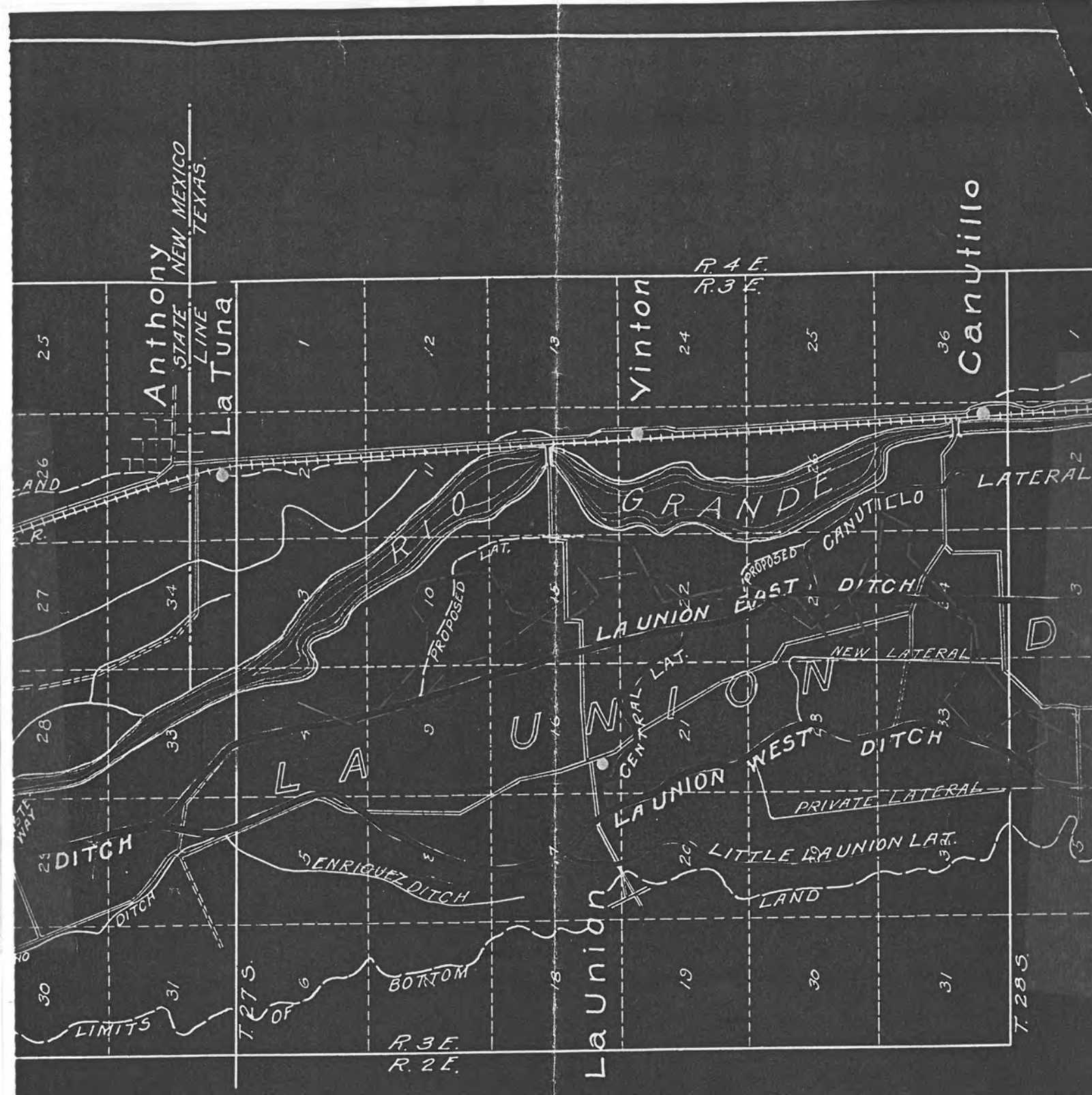


Anthony
 STATE NEW MEXICO
 STATE NEW MEXICO
 STATE NEW MEXICO

LINE
 La Tuna

Canutillo

Yinton
 La Union
 Chamberino



DITCHES, LATERALS AND DESAGUAS
CONVEYED BY DEED DATED FEB. 18, 1920

DEPARTMENT OF THE INTERIOR
UNITED STATES RECLAMATION SERVICE
RIO GRANDE PROJECT, N.M.-TEX.
MESILLA VALLEY
LA UNION LATERAL SYSTEM
Drawn A.O.D. Recommended
Checked S.O.F. Approved
1917 T EL PASO, TEX. 2/13/20