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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 Thousand Five Hundred~~ <sup>Five Thousand</sup> 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 \_\_\_\_\_ "

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"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 \_\_\_\_\_ .

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"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  
D. J. Williams  
61 167*

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 that 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.

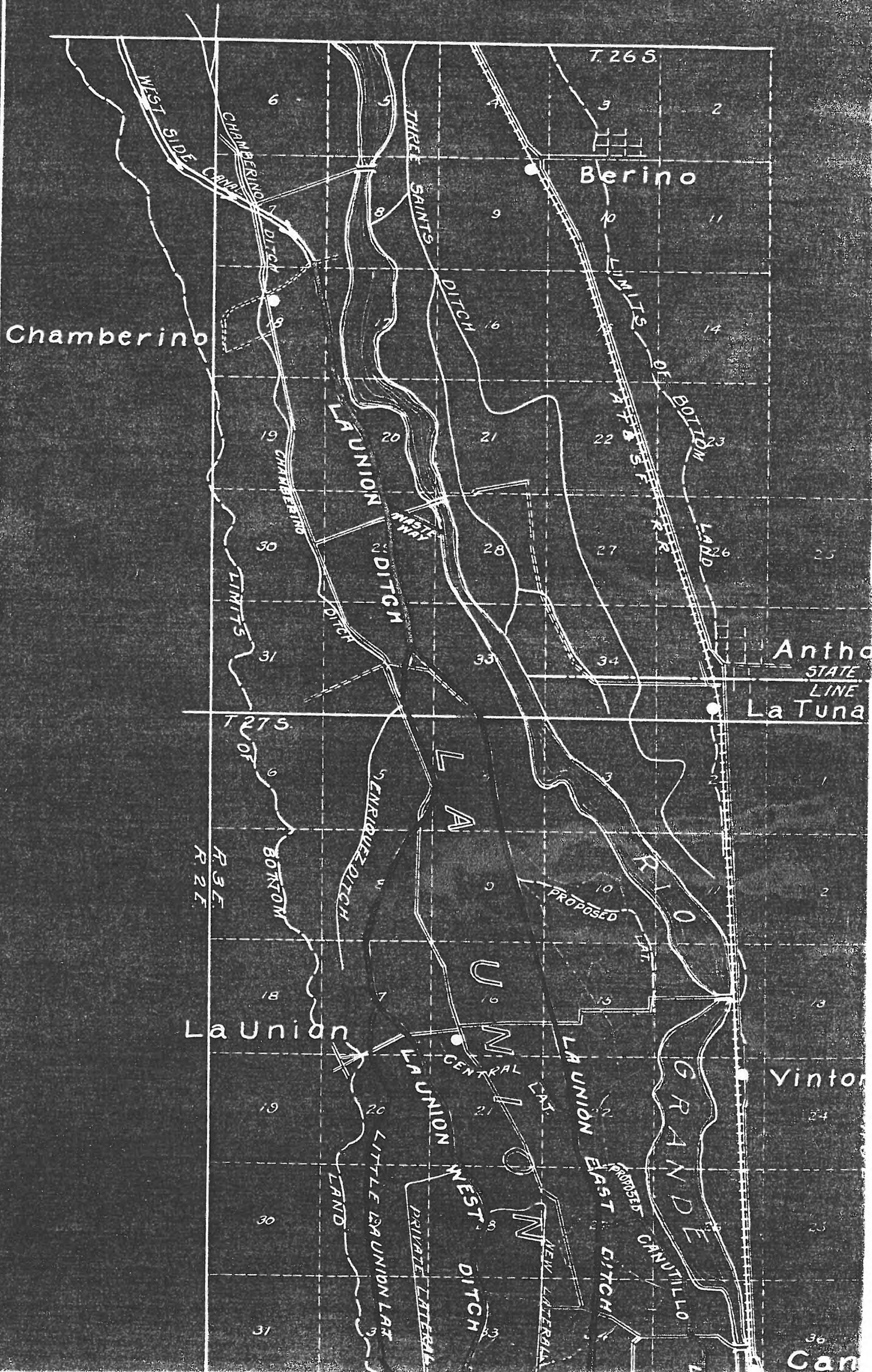
This deed shall become effective to transfer the above described property and rights upon the approval of the Director of the United States Reclamation Service.

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 S.M.F. Approved  
1917 L40 EL P. 30 TEX. 2/18/20



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,

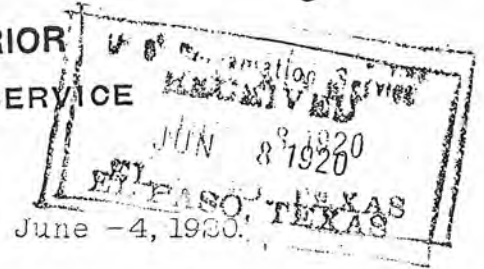
P W DENT

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 <sup>me as Acting</sup> 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. M April 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 Butte 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 Bell. 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.

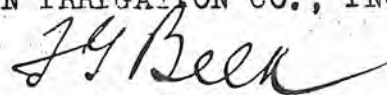
It is satisfactory to adjust the credit for cleaning our ditch as outlined in your letter of November 5, 1919, and we will furnish you with a certified statement of our expenditure in this work, together with time books, etc. Our Board of Trustees assume full responsibility for the work done and can 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 <sup>(in value of stock)</sup> 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.

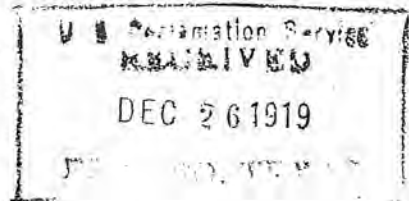
With reference to the difference in cost to the La Union Irrigation Company of water service for 1918 and 1919, it can be stated that the cost for the operation and maintenance for the Mesilla Valley in 1919 was approximately \$104,000. This includes the Leasburg System as well as the Mesilla System. 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<sup>of</sup> 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<sup>than</sup> it did in 1918, and if so, how much?

Yours truly,

LA UNION IRRIGATION CO.,

By



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.