

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~~ <sup>said</sup> 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 ~~the same~~ ~~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 <sup>merely</sup> 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

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County Agent

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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  
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## La Union Irrigation Co., Inc.

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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,

*F. G. Beck Secy*



HUMBERT  
996  
SHARES  
REGISTERED

Incorporated under the laws of the STATE OF NEW MEXICO.



# La Union Irrigation Company,

CAPITAL STOCK, \$104,000

This Certificate that  
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 recommended that the above described contract be approved by the Chief of Construction to Director:

DENVER OFFICE  
CHIEF OF CONSTRUCTION  
ON  
THE ABOVE DESCRIBED CONTRACT AND RECOMMENDATION

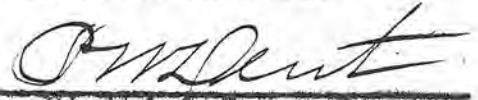
DENVER OFFICE  
CHIEF OF CONSTRUCTION  
ON  
THE ABOVE DESCRIBED CONTRACT AND RECOMMENDATION

**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, <sup>conferring title by limitation and</sup> 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

Purpose: ~~...~~

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 deed returned to Project Manager for recordation.

- Inclosures:
- 1 Original & 3 copies of form letter; (SEE STATEMENT ON REVERSE 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.

executed Washington, D. C. JUN 4 1920  
Contract approved and bond, if any, approved by MORRIS B. L...  
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.

U S DEPARTMENT OF THE INTERIOR  
RECLAMATION SERVICE  
MAR 4 1920  
EL PASO, TEXAS

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 & Jones.*

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 ~~which are~~ *each resolution being* 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 \$1<sup>00</sup>, 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)

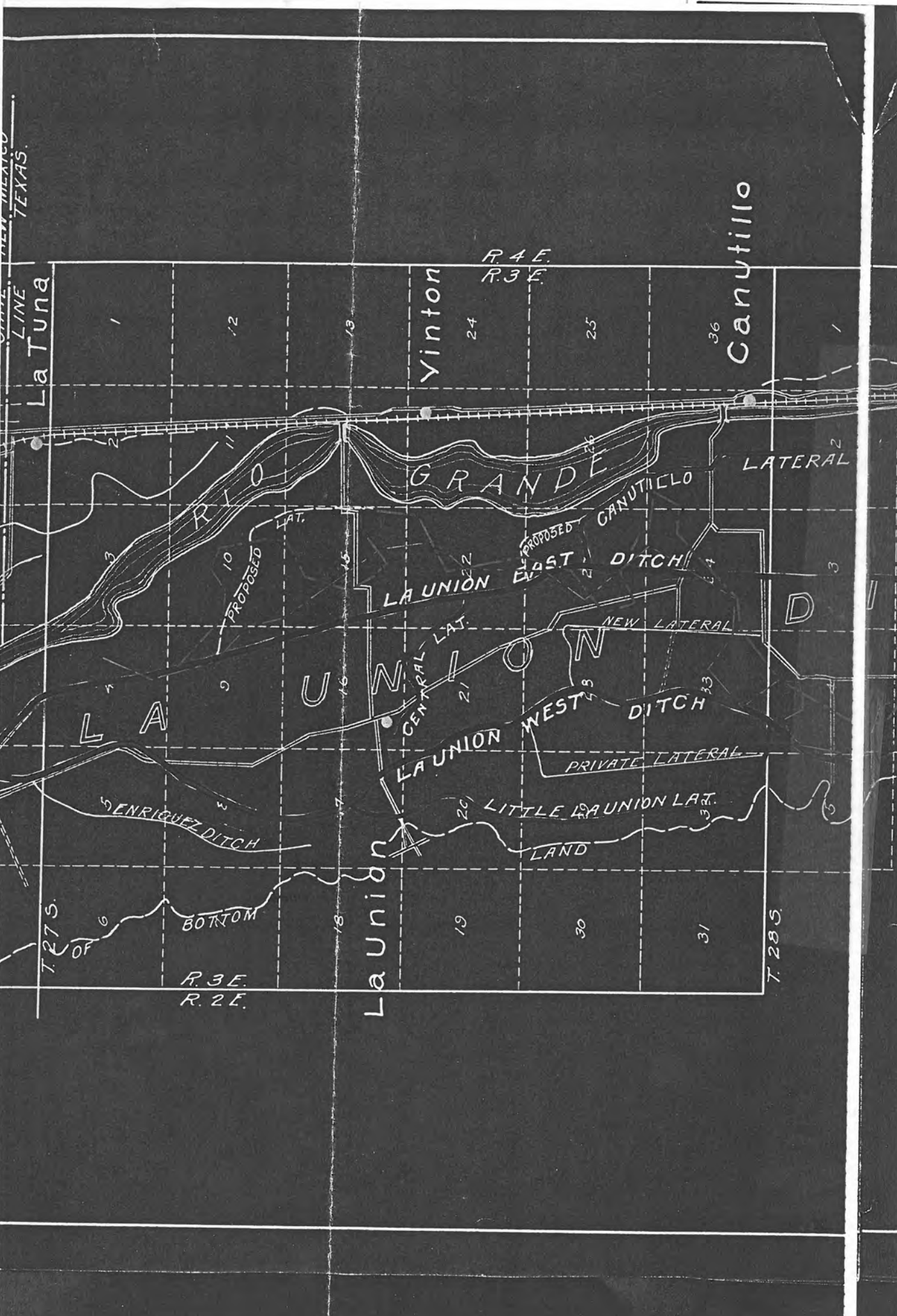
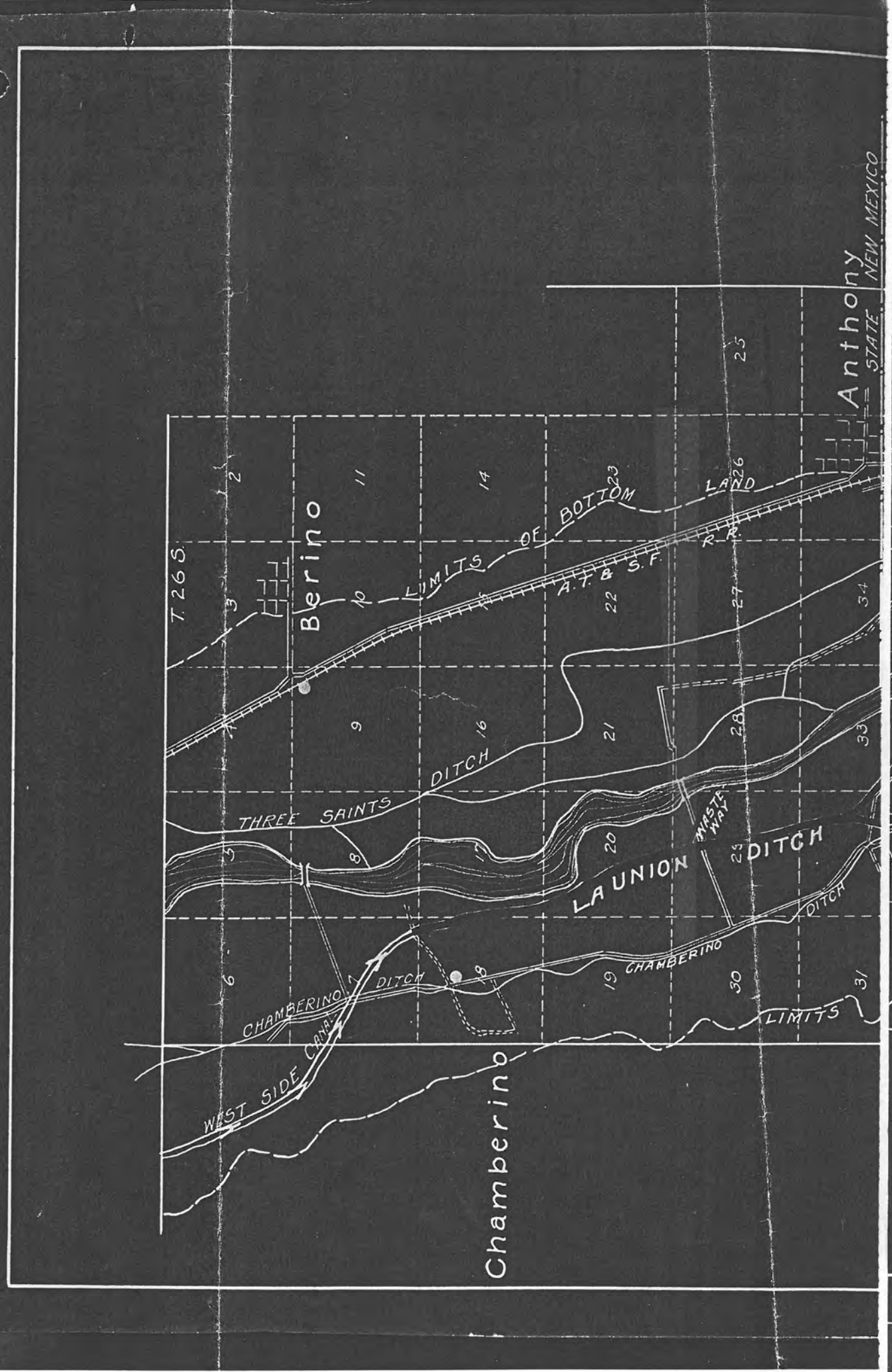
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Anthony  
STATE NEW MEXICO

LINE  
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STATE NEW MEXICO  
TEXAS

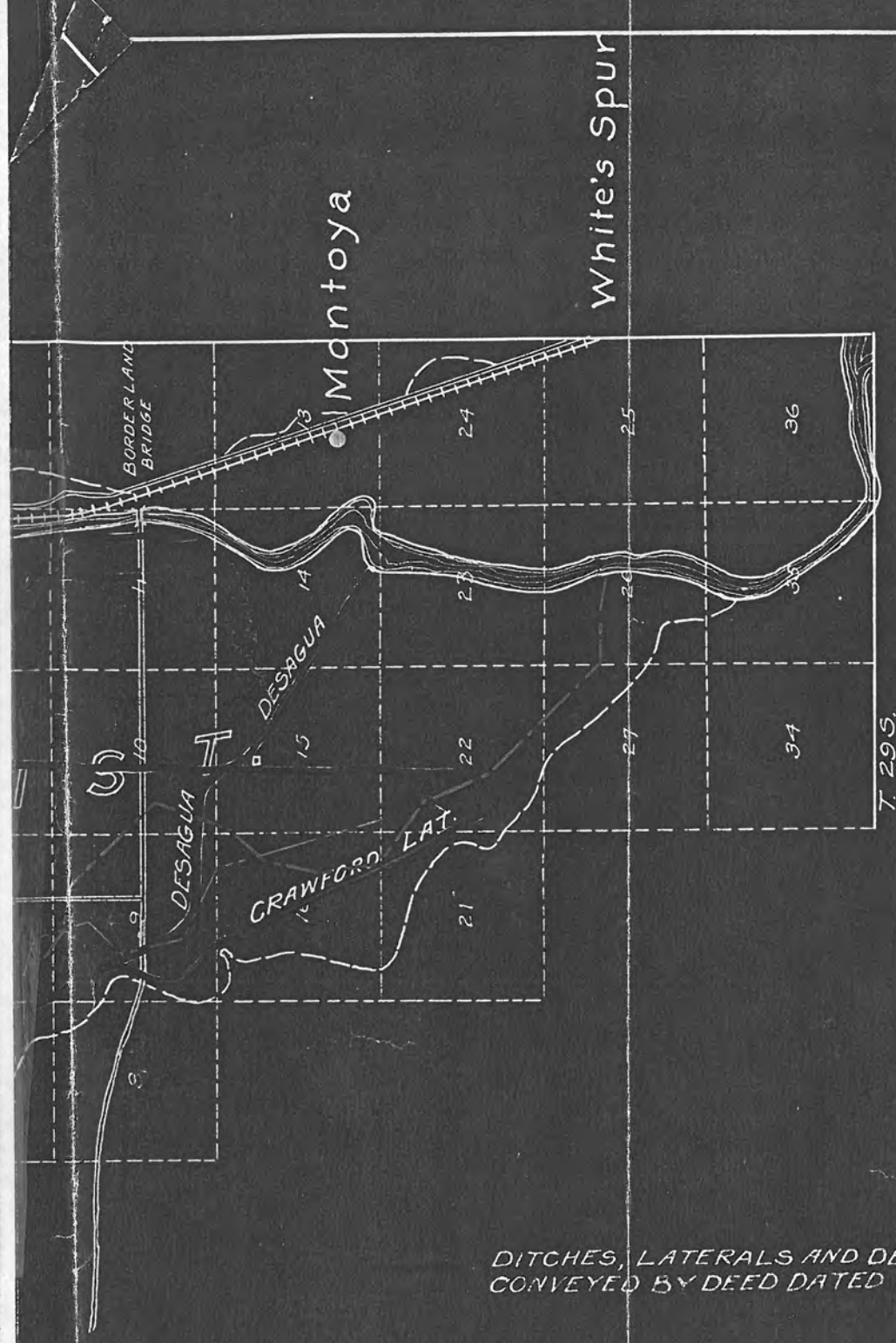
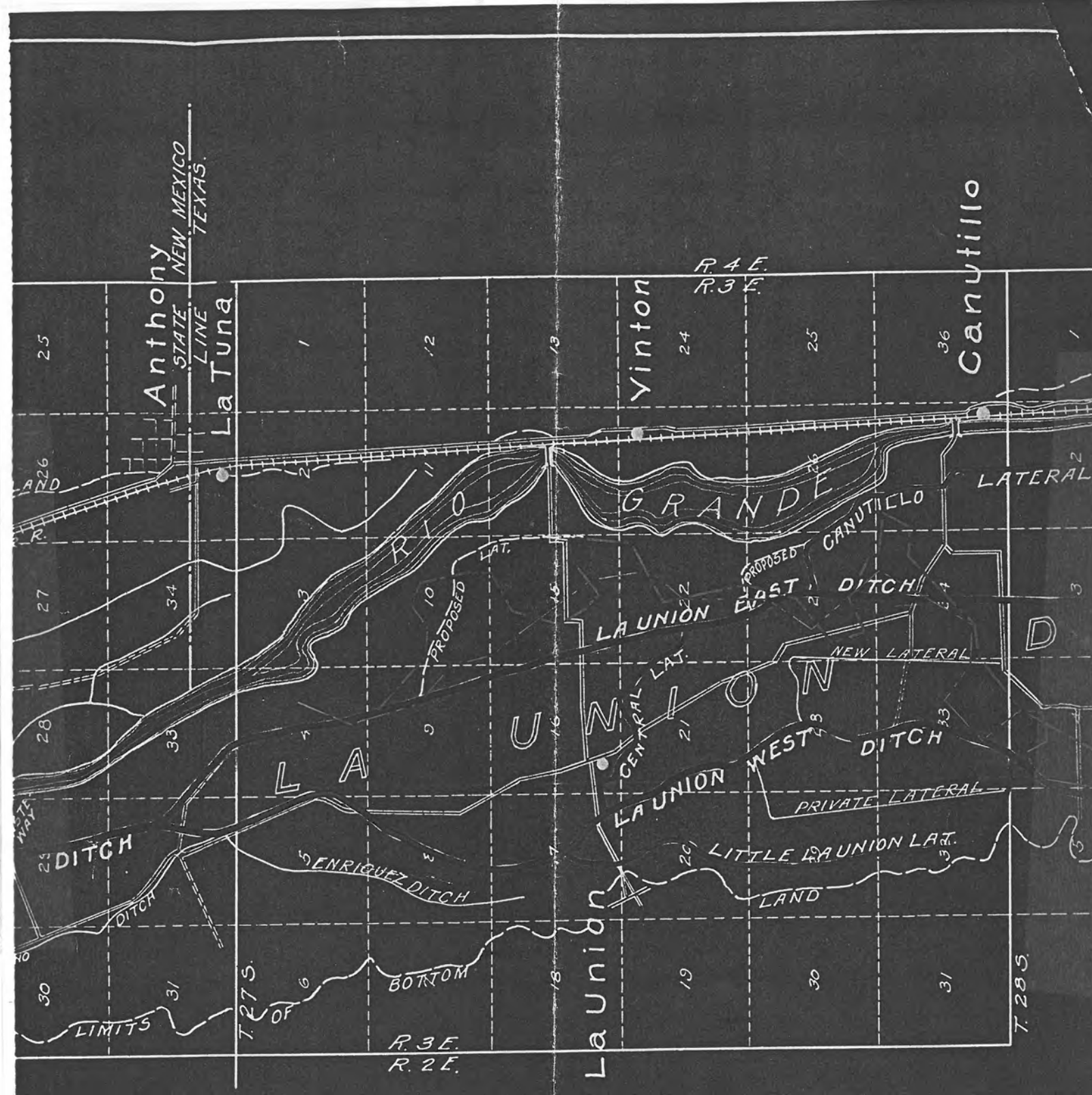
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R. 4 E.  
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DITCHES, LATERALS AND DESAGUAS  
CONVEYED BY DEED DATED FEB. 18, 1920

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