OFFICE OF THE STATE ENGINEER
STATE OF NEW MEXICO

IN THE MATTER OF THE CREATION OF THE MIDDLE RIO GRANDE WATER MASTER DISTRICT FOR THE ADMINISTRATION OF RIGHTS TO THE USE OF SURFACE AND GROUNDWATER IN THE MIDDLE RIO GRANDE OF THE STATE OF NEW MEXICO	)	Order No. 200

ORDER

The State Engineer for the State of New Mexico ("State Engineer") is authorized by statute to divide the State into water districts in conformity with its drainage areas for the purpose of performing the essential governmental function of distributing water among water right owners under the laws of the State of New Mexico. The State Engineer may appoint a water master who will have immediate charge of such apportionment of waters.

STATUTORY AUTHORITIES

1. New Mexico law declares that all natural water flowing in streams and watercourses, whether such be perennial, or torrential, within the limits of the State of New Mexico, belong to the public and are subject to appropriation for beneficial use. NMSA 1978, § 72-1-1.
2. The State Engineer has a statutory responsibility to supervise, measure, appropriate, and distribute the waters of the State pursuant to NMSA 1978, § 72-2-1, including surface waters, NMSA 1978, §§ 72-5-1 through 39, and groundwaters, NMSA 1978, §§ 72-12-1 through 28, in accordance with the prior appropriation doctrine, as established by New Mexico law, NM Const. art. XVI; NMSA 1978, § 72-1-2. Such authority includes administering water allocations in accordance with water right priorities recorded, declared or otherwise available to the State Engineer under Active Water Resource Management ("AWRM") statutes and rules. NMSA 1978, § 72-2-9.1; 19-25.13 NMAC.
3. The State Engineer is authorized, if it is in the best interest of the State and the owners of water rights, to establish water districts upon any stream system within the State of New Mexico as necessary for the economical and satisfactory apportionment of said waters. NMSA 1978, § 72-3-1.
4. The State Engineer is authorized, if it is in the interest of public safety and the best interest of water users, to appoint a water master who shall appropriate, regulate, and control the waters of such water districts so as to prevent waste. NMSA 1978, § 72-3-2.
5. The State Engineer is authorized to pay the compensation, and actual and necessary expenses of the water master in the performance of his or her duties as water master, in addition to preparing a budget required to pay the compensation and expenses of the water master. NMSA 1978, § 72-3-4.

6. The Middle Rio Grande Conservancy District ("MRCGD") was created pursuant to NMSA 1978 § 73-14-1 through -92 ("Conservancy Act").
7. The Rio Grande Compact imposes an obligation on New Mexico to deliver water to Elephant Butte Reservoir on an annual basis.

FINDINGS OF FACT

1. The amount of water in the Middle Rio Grande stream system is finite and varies from year to year based on annual spring run-off. The water levels are dependent on annual precipitation, and on the amount of groundwater being pumped in the Middle Rio Grande Underground Water Basin. It is known that the groundwater and surface water are hydrologically connected and are conjunctively managed per the Middle Rio Grande Administrative Area Guidelines, attached hereto as Attachment 1, adopted by the State Engineer on September 13, 2000.
2. Concerns about drought in the State of New Mexico have led to strategic initiatives to protect and sustain New Mexico's water supply through conservation, innovation, and stakeholder collaboration, with an aim to ensuring resilient water resources for future generations. Creating this Water Master District is such an initiative, which is consistent with the 50-Year Water Action Plan[1], the Leap Ahead Analysis[2], and regional planning efforts across the State.
3. The 2026 legislature amended the State Engineer enforcement statutes to increase civil penalties, ensuring that illegal water use can be effectively deterred and punished. *See* NMSA 1978, §§ 72-2-18, 72-5A-12, 72-12-14 (2026).
4. Implementing tools available under Active Water Resource Management, such as metering of wells, is necessary to support successful administration of water in the Middle Rio Grande. For over a decade, new and modified permits have required metering, with the exception of most single-household domestic wells and livestock wells.
5. Many municipalities have been implementing water conservation practices for decades with significant success. All municipal wells in the Middle Rio Grande are already metered.
6. The shortage of surface water in the Middle Rio Grande stream system is a problem affecting the citizens of Sandoval, Bernalillo, Valencia, Socorro, and Sierra Counties, New Mexico.
7. The shortage of surface water in the Middle Rio Grande stream system may affect the State of New Mexico's compliance with the Rio Grande Compact.

[1] Available at www.mainstreamnm.org/data-and-reports.
[2] New Mexico Bureau of Geology and Mineral Resources, "Climate Change in New Mexico Over the Next 50 Years: Impacts on Water Resources" available at www.mainstreamnm.org/data-and-reports.

8. In order to properly apportion the waters of the Middle Rio Grande stream system in Sandoval, Bernalillo, Valencia, Socorro and Sierra Counties, New Mexico, the establishment of the Middle Rio Grande Water Master District ("District") and the appointment of a Water Master in and for the District are necessary.
9. Every water user has some impact on water resources in the Middle Rio Grande stream system, and subsequently a role in conservation. Irrigators, including MRGCD and the majority of its constituents, commercial/industrial users, and many cities, villages, towns and other municipal entities, and domestic well users are all water users in the District.
10. MRGCD distributes and allocates surface water within MRGCD pursuant to the Conservancy Act.
11. Creation of the District is necessary to ensure the economical and satisfactory apportionment of water in the District.
12. Appointment of a Water Master is necessary to ensure the public safety of water users in the District and to ensure protection of existing water rights in the District from impairment.

CONCLUSIONS OF LAW

Creation of Water Master District and Appointment of Water Master

1. The State Engineer concludes that, for the economical and satisfactory apportionment of water in the District, it is in the interest of public safety and in the interest of the water users that the MIDDLE RIO GRANDE WATER MASTER DISTRICT should be formed and a Water Master be appointed on a permanent basis, so as to administer the waters of the District in accordance with New Mexico law.
2. The District Water Master shall have immediate charge of the apportionment of waters in the District under the general supervision of the State Engineer, and shall appropriate, regulate, and control the waters of the District so as to prevent impairment to senior water right owners and to prevent waste.
3. This Order applies to all surface water and groundwater rights in the District, located in Sandoval, Bernalillo, Valencia, Socorro, and Sierra Counties, New Mexico.
4. This Order does not apply to the Indigenous Pueblos, Tribes, and Nations or their water rights or claims within the geographical extent of the District. *See, e.g.*, Rio Grande Compact Art. XVI.
5. Nothing in this Order is intended to alter or affect MRGCD's authority or duties under the Conservancy Act, including distributing and allocating water within MRGCD.

Administration of Water Rights

6. The State Engineer concludes that the immediate administration of surface water and groundwater rights in the District is necessary for the protection of the public, the protection of prior surface water and groundwater rights, and the prevention of waste.

7. The State Engineer concludes that the Water Master of the District created by this Order shall perform the following specific duties:
    a. Curtail illegal diversions (i.e. any diversion without a water right, or in excess of the elements or conditions of a water right);
    b. Measure and report water usage in the District;
    c. Curtail out-of-priority diversions determined by the State Engineer to be causing injury to senior priority water rights;
    d. Administer and enforce Orders of the State Engineer, including the forthcoming Middle Rio Grande Metering Order;
    e. Administer water usage according to any agreements entered into by the water right owners of the District; and
    f. Coordinate, where indicated, with the United States Bureau of Reclamation and with the MRGCD Irrigation System Operators (ISOs) so as to ensure appropriate regulation and control of diversions and groundwater withdrawals as they fulfill their responsibilities.
8. Additional instructions to the Water Master for the administration of surface water and groundwater rights in the District will be based upon available water rights data, hydrologic models, including the Middle Rio Grande Administrative Area Model, and the State Engineer's best professional judgment.
9. The State Engineer concludes that the District created by this Order shall include the following organizational features:
    a. The appointment of a single Water Master for the District.
    b. The State Engineer may declare sub-districts and appoint sub-district water masters if he or she deems it necessary.
    c. The Water Master will be a direct employee of the Office of the State Engineer and shall receive compensation in an amount to be determined by the State Engineer. Any expenses incurred in performing the duties of Water Master shall be paid by the State Engineer.
    d. The boundaries of the District may be changed from time to time, as may be necessary in the opinion of the State Engineer, for the economical and satisfactory apportionment of water in the District.

ORDER

IT IS ORDERED that:

1. The MIDDLE RIO GRANDE WATER MASTER DISTRICT is hereby created to include all surface water and groundwater rights within the area depicted on the map attached hereto (Attachment 2) and incorporated herein by reference, and further described as being located within the area described in State Engineer Order 65, dated November 29, 1956, declaring the Rio Grande Underground Water Basin, lying within the OSE District 1

administrative area, including all lands within the MRGCD, and excluding lands of Indigenous Pueblos, Tribes, and Nations.

2. The State Engineer shall appoint a Water Master for the District for the purpose of administration and apportionment of the surface and groundwaters thereof.
3. The State Engineer hereby recognizes the Middle Rio Grande as a priority steam system for Active Water Resource Management (AWRM) to actively manage the state's limited water resources during continued drought conditions.
4. The State Engineer concludes that the Water Master of the District created by this Order shall apportion the waters of the District in accordance with the AWRM regulations (NMAC 19.25.13.1 *et. seq.*); any administration regulations for the Middle Rio Grande Water Master District to be promulgated; the Middle Rio Grande Administrative Area Guidelines (Attachment 1); other existing or future applicable regulations; any applicable Water Master Manual; and any applicable guidelines, directions and supervision provided by the State Engineer.

MODIFICATION OF THIS ORDER: The State Engineer may, at their sole discretion, supplement or modify this Order.

EFFECTIVE DATE: This Order shall become effective on the date of signature by the State Engineer.

WITNESS my hand and seal of my office this 13th day of November 2026.

ELIZABETH K. ANDERSON NEW MEXICO 18540 PROFESSIONAL ENGINEER

11/13/2026
Date

Elizabeth K. Anderson, P.E.
State Engineer

REVIEWED and APPROVED as to legal content the 13th day of November 2026.

11/13/26
Date

Nathaniel Chakeres
General Counsel

MIDDLE RIO GRANDE ADMINISTRATIVE AREA GUIDELINES FOR REVIEW OF WATER RIGHT APPLICATIONS

PREPARED BY

THE OFFICE OF THE NEW MEXICO STATE ENGINEER

FOR INTERNAL USE

THOMAS C. TURNEY

STATE ENGINEER

September 13, 2000

Attachment 1

OFFICE OF THE STATE ENGINEER

MIDDLE RIO GRANDE ADMINISTRATIVE AREA GUIDELINES FOR REVIEW OF WATER RIGHTS APPLICATIONS

INTRODUCTION

In New Mexico, the surface waters of the Rio Grande have been considered fully appropriated since the Rio Grande Compact was consummated. Accordingly, the State Engineer does not allow new Rio Grande surface water appropriations. The aquifer consisting of Santa Fe Group and younger alluvial deposits is known to be hydrologically connected to the Rio Grande surface water system. Since groundwater diversions from aquifers hydrologically connected to the Rio Grande affect the fully appropriated surface flow, the state engineer conjunctively manages the water resources within the Rio Grande Basin to protect existing water rights and to ensure New Mexico's compliance with the Rio Grande Compact. The State Engineer hereby defines the Middle Rio Grande Administrative Area (MRGAA), as the area shown in Figure 1, which includes the areal extent of the alluvial aquifer known to be in hydrologic connection with the Rio Grande in the Middle Rio Grande basin.

These guidelines embody the Water Rights Division's current practice for evaluating pending and future applications for permits for groundwater use in the MRGAA, so as to ensure compliance with the Rio Grande Compact, to prevent impairment to existing rights, to limit the rate of decline of groundwater levels so that the life of the aquifer is extended, and to minimize land subsidence. The stream system

within the MRGAA is that stretch of the Rio Grande stream system between Cochiti Dam and San Acacia Dam, which includes the Rio Grande main stem, all tributaries to and aquifers underlying, irrigation canals and laterals within, and drains and wasteways within, that stretch of the Rio Grande.

Since the declaration of the Rio Grande Underground Water Basin, which includes the area now designated as the MRGAA, groundwater permittees have been required to obtain valid water rights in an amount sufficient to offset the effects of their diversions on the surface flows of the Rio Grande stream system. This requirement protects the surface flows of the Rio Grande stream system from being depleted or reduced by groundwater diversions.

Offsetting the effects of groundwater diversions is critical to the conjunctive management of the water resources within the Rio Grande stream system. Any existing permittee requiring surface water rights for offset purposes is confronted with finding a seller of valid surface water rights and obtaining a permit from the State Engineer to transfer the surface water rights. The transfer of surface water rights within the Rio Grande stream system is a complicated and often lengthy process due to the complex interrelationship between the surface and ground waters, the numerous existing appropriations to be protected, and the diversity of the numerous interests having standing to participate in the administrative process for an application for permit. Because a transfer application can be denied or approved and the decision appealed to the district court, the court of appeals and the state supreme court, the final decision may be far removed from the time the application was filed.

The public welfare of the state is promoted only if there is certainty that a permittee will be able to obtain and transfer all necessary valid surface water rights to prevent adverse effects upon the flow of the Rio Grande. Accordingly, the public welfare is best served by limiting actual groundwater diversions within the MRGAA to the amount of valid surface water rights transferred or otherwise held by the permittee, plus the amount of water the permittee returns directly to the river.

ADMINISTRATIVE GUIDELINES

1. WATER RIGHTS APPLICATIONS.

   a. Applications filed after the adoption date of these guidelines to appropriate water within the MRGAA, other than those permitted under NMSA 1978, Section 72-12-1 (1998), will be rejected.

   b. Pending water rights applications within the MRGAA, which have been filed prior to the adoption of these guidelines but not acted upon, will be evaluated using the applicable guidelines described in Paragraphs 2-15 below.

   c. Applications filed after the adoption date of these guidelines to change the place and purpose of use of surface water rights will be evaluated using the guidelines described in Paragraphs 2-15 below.

   d. The transfer of groundwater rights, and other adjustments to groundwater permits, will be processed on a case-by-case basis with due consideration of other applicable guidelines, including Paragraphs 7-15 below, and the policies, rules and regulations of the State Engineer.

   e. Groundwater diversion associated with permits approved before adoption of the MRGAA guidelines shall continue to be limited by the conditions set forth in the existing permit. If a permittee requests State Engineer action concerning a specific permit, then the MRGAA guidelines will be used, as deemed appropriate by the State Engineer, in acting on the request.

2. ABILITY TO ACQUIRE AND HOLD WATER RIGHTS.

Municipalities, counties, state universities, member owned community water systems, and public utilities supplying water to municipalities or counties shall be allowed a water use planning period not to exceed forty years. Water rights for municipalities, counties, state universities and public utilities supplying water to such municipalities or counties shall be based upon a water development plan the implementation of which shall not exceed a forty-year period from the date of the application for a change of place or purpose of use. A water development plan or for preservation of a municipal, county member owned community or state university water supply must be based upon reasonably projected additional needs within forty years.

3. PERMIT LIMIT ON ACTUAL DIVERSION.

A permit to divert ground water shall be conditioned to limit the actual groundwater diversion to the valid consumptive use surface water rights held and designated for offset purposes by the permittee plus any State Engineer approved flow returned directly to the Rio Grande (examples calculations shown in Figures 2 through 5). Consideration shall be given to established pre-basin groundwater rights previously incorporated into a permit. Approval of return flow can only be obtained by application and subsequent notice and publication. Permits may be conditioned to require a return flow plan showing the method of determination or measuring of the return flow as it is transported directly to the Rio Grande. Indirect return flow, or return flow to the aquifer, shall be considered in accordance with the policies, rules and regulations of the State Engineer, as appropriate.

4. VALID SURFACE RIGHTS.

Valid surface rights shall include:

a. surface water rights transferred to ground water under an existing State Engineer permit;

b. other valid water rights, including contracts for San Juan Project water, deemed acceptable to the State Engineer.

5. OFFSET REQUIREMENTS .

Valid consumptive use surface water rights as described in 4. above shall be obtained and designated by the permittee to offset the greater of either:

a. total well diversions less any flow returned directly to the Rio Grande on a yearly basis; or

b. the net surface water depletion associated with past and present use including consideration of residual effects of past diversions, on a time schedule approved by the State Engineer.

6. LEASE OF WATER RIGHTS.

Valid consumptive use water rights held by the permittee for the purpose of offsetting future depletions may be leased for other purposes as provided by Section 72-6-3 (NMSA), until necessary to offset the surface water depletions caused by the permitted groundwater diversion. The determination of the quantities of water available for lease shall be obtained using the 1999 interim state engineer MRGAA model and will include consideration of approved offset return flow directly returned to the Rio Grande (example shown in Figures 2 through 5).

7. MRGAA RESTRICTIONS.

Applications for well permits, other than those under Section 72-12-1 (NMSA), shall be evaluated using the interim MRGAA model to ensure resulting groundwater level decline rates do not exceed an average rate of 2.75 feet per year in non-critical areas (as defined below). Such applications may be approved unless:

- The state engineer finds that the granting of the application will impair existing water rights, be contrary to water conservation within the state, or be detrimental to the public welfare of the state; or

- The proposed appropriation combined with the exercise of existing water rights will cause total water level declines in any Critical Management Area model cell to exceed 250 feet from predevelopment conditions to the year 2040.

8. CRITICAL MANAGEMENT AREAS.

An area with excessive water level decline rates shall be closed to additional appropriations and shall be defined as a Critical Management Area (CMA). A CMA shall generally include areas in which the model-predicted water level declines, due to exercise of existing permits, exceed an average rate of 2.50 feet per year through the year 2040; and those areas in which the current observed rate of water level declines exceeds an average of 2.50 feet per year. The current CMA boundary is shown in Figure 6a and 6b. The state engineer will modify the boundaries of the CMA as deemed necessary to account for the effects of newly permitted groundwater diversions.

9. CRITICAL MANAGEMENT AREA RESTRICTIONS.

No applications will be accepted in a CMA except for applications to replace, repair, deepen, or supplement an original well or for wells under Section 72-12-1 (NMSA). The amount of water previously placed to beneficial use under an existing given permit will be the limit for any new permits to replace, repair, or deepen wells within the CMA. Supplemental well applications may be considered if the combined diversion from the supplemental well and primary well does not exceed the maximum amount of water previously placed to beneficial use from the primary well. No alternate points of diversion (i.e. additional or new wells) necessary to appropriate the maximum permitted amount of water will be permitted in the CMA. Owners of declared water rights within a CMA will not be granted any permits to increase their diversion beyond the amount of ground water already placed to beneficial use.

10. CALCULATION OF WATER LEVEL DECLINE RATES.

Decline rate calculations shall be made by simulating full production of proposed wells beginning in the year the application was filed, through the beginning of year 2040, unless the application includes a pumping schedule. If a schedule has been provided, simulations will be performed in accordance with the schedule. The proposed stresses and full exercise of existing permits will be assumed, including reasonable use of 72-12-1 wells, through the year 2040. Computed decline rates through the year 2040, from existing and proposed uses, shall be divided by the number of years used in the predictive scenario to obtain the average decline rate. If a pumping schedule has been provided then

the permit shall be conditioned to limit pumpages in accordance with the schedule. The interim model will be updated to include the new permits so that the cumulative effects are considered in the evaluation of subsequent applications. Any model cell which reaches a predicted average decline of 2.50 feet per year or more due to existing permits and subsequently approved applications, and all cells directly above and below that cell, will be designated as a CMA.

11. NON-CRITICAL AREAS.

'Non-critical' areas are defined as those areas that do not fall within any CMA.

12. SECTION 72-12-1 WELL RESTRICTIONS.

New wells within a CMA permitted under Section 72-12-1 (NMSA) shall be conditioned to require metering.

13. WATER LEVEL MONITORING.

Permits may be conditioned to require monitoring as deemed necessary by the state engineer.

14. OTHER CONSIDERATIONS.

The state engineer will deny any application if it is found that the granting of the application would be contrary to statute.

15. PERMIT CANCELLATION.

A permit approved to divert water will be conditioned to allow the State Engineer to cancel the permit if the conditions of approval are not met or if the actions of the permittee are not in accordance with the permit.

Adopted this _____ day of _____, 2000.

_____
Thomas C. Turney
State Engineer

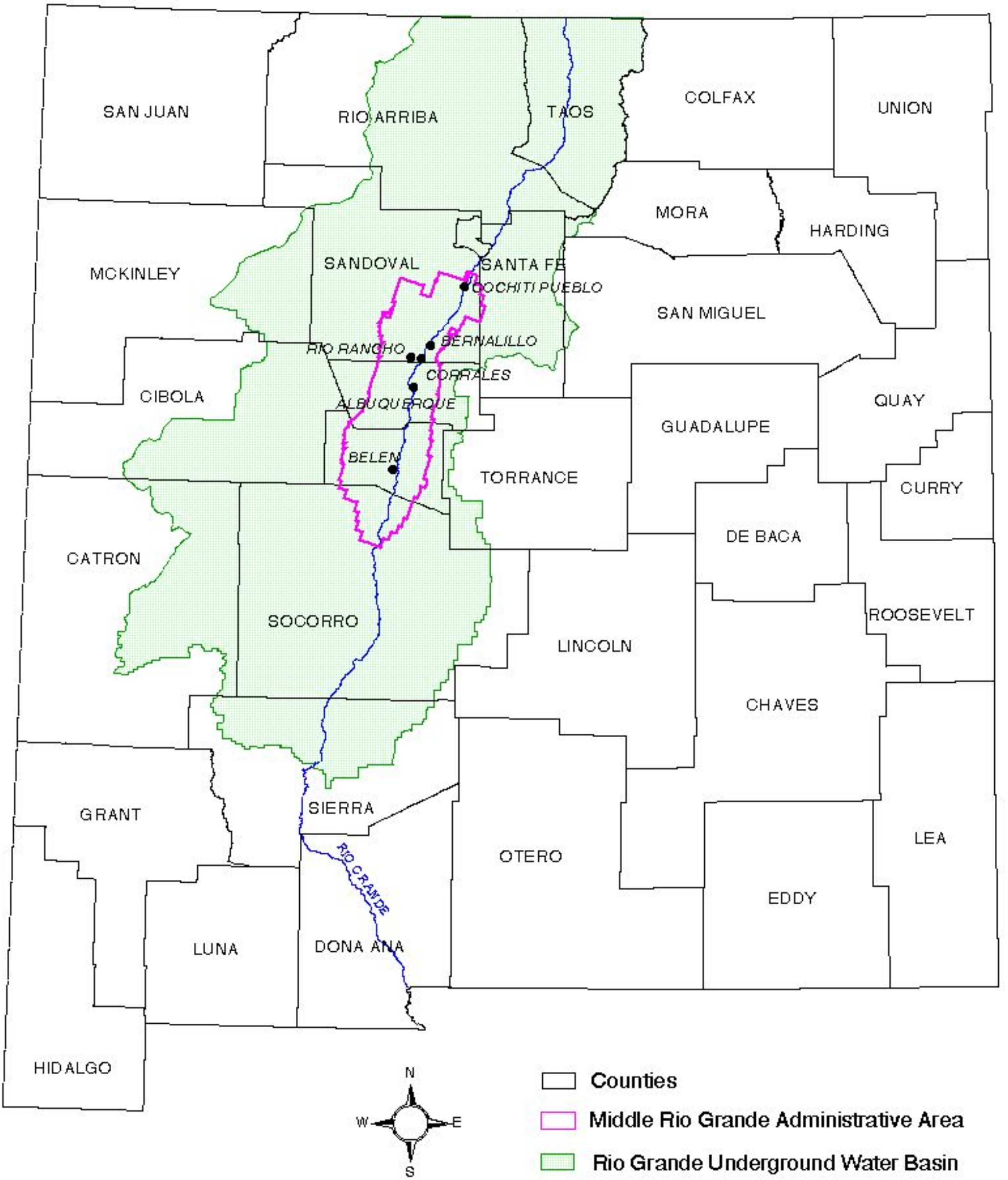


Figure 1. Rio Grande Basin and Middle Rio Grande Administrative Area.

Figure 2

Transfer of Surface Water Rights into Groundwater MRGAA
Depletion and Lease-back Sample Calculation
100 AF/yr CU Transfer, No Return Flow Associated with New Groundwater Use

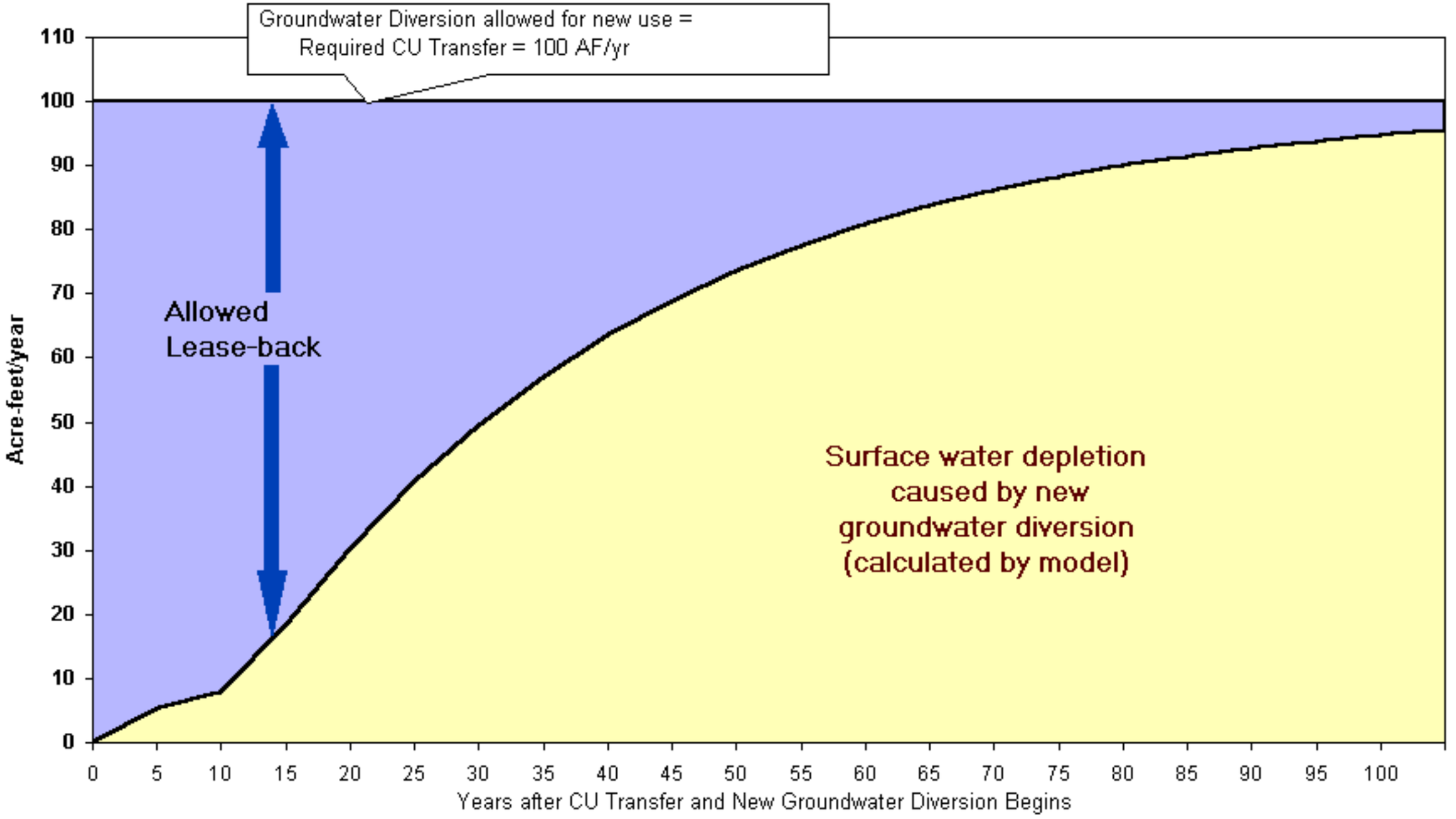
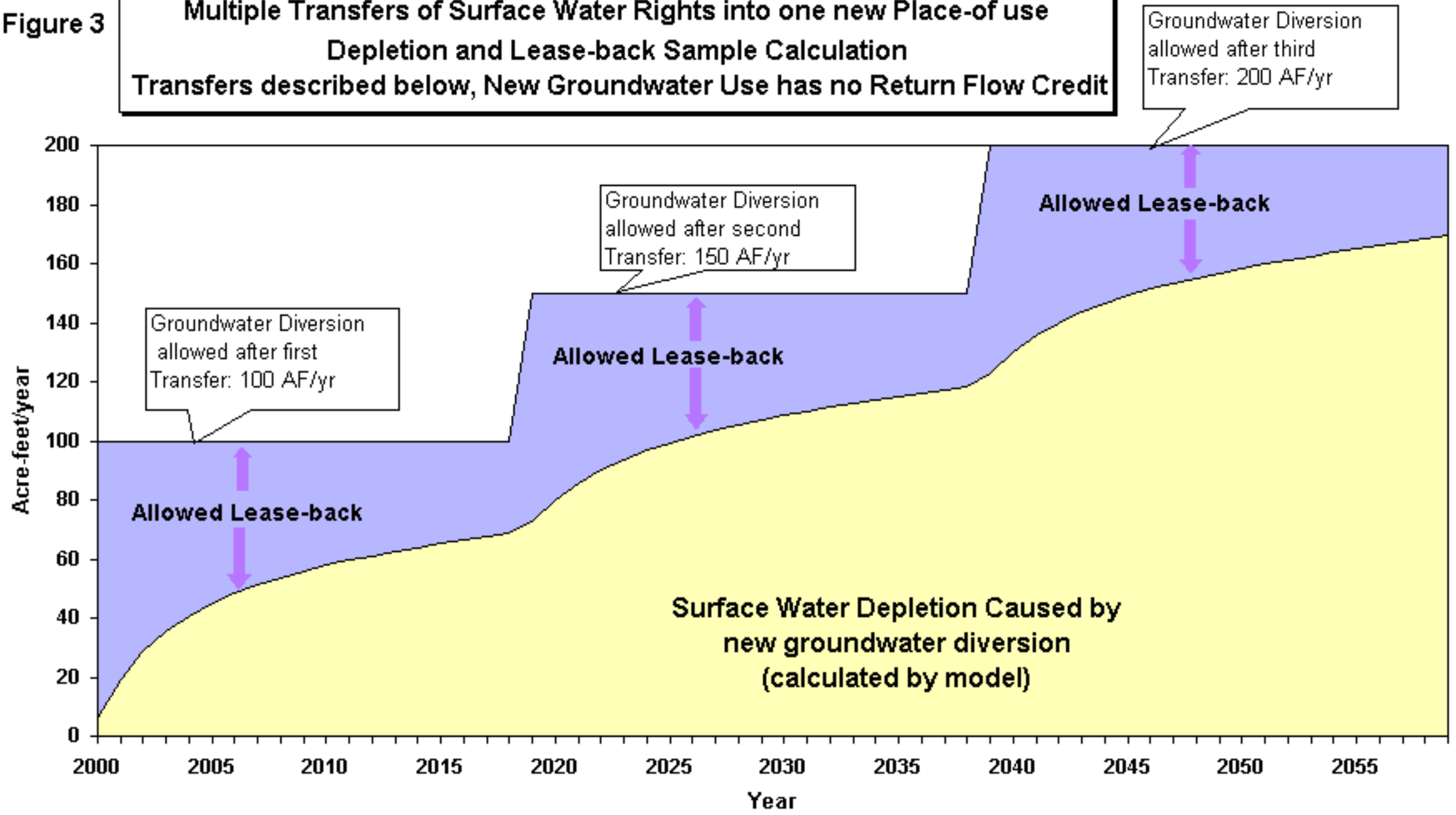


Figure 3

Multiple Transfers of Surface Water Rights into one new Place-of use
Depletion and Lease-back Sample Calculation
Transfers described below, New Groundwater Use has no Return Flow Credit



This figure illustrates surface water depletion and lease-back calculations for multiple transfers into one place-of-use.
In this case, the new use does not have any credited return flow to the Rio Grande.

Transfer #1: year 2000; 100 AF/yr consumptive use
Transfer #2: year 2020; 50 AF/lyr consumptive use
Transfer #3: year 2040; 50 AF/yr consumptive use

Figure 4

Transfer of Surface Water Rights into Groundwater use MRGAA
Depletion and Lease-back Sample Calculation
100 AF/yr CU Transfer; 33.33% Return Flow Credit Associated with New Use

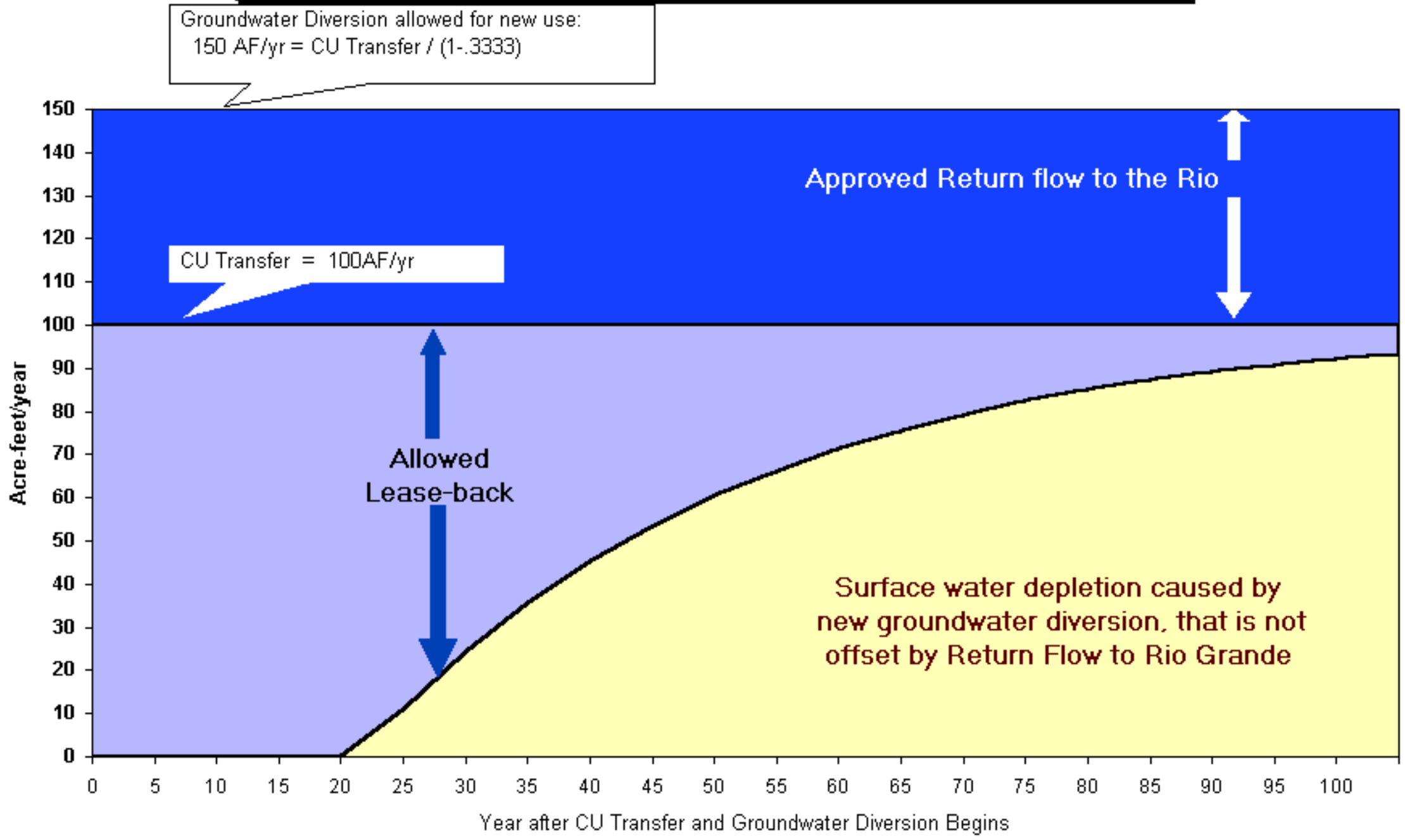
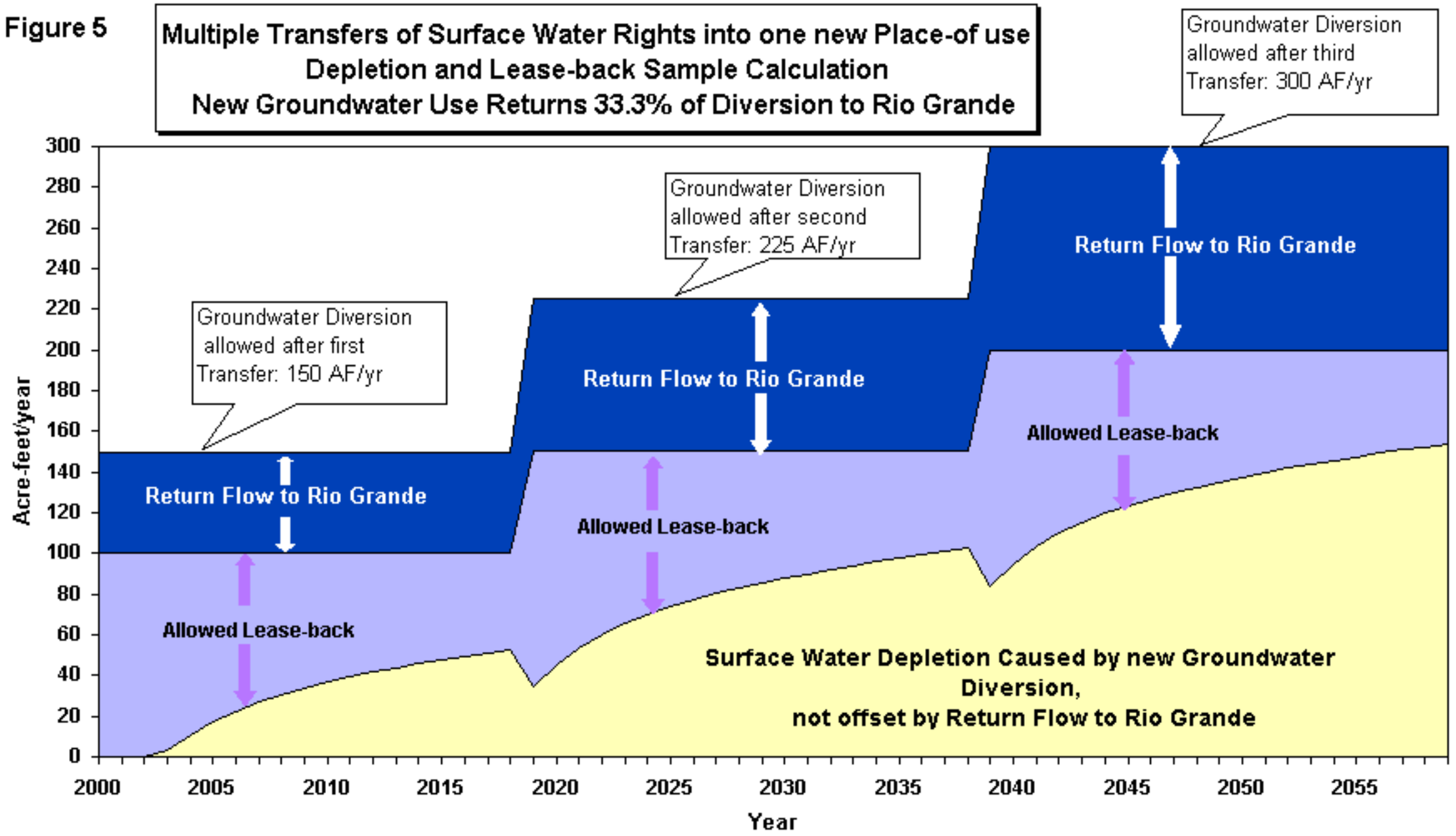


Figure 5



This figure illustrates surface water depletion and lease-back calculations for multiple transfers into one place-of-use.
In this case, the new use returns 33.33% of its diversion directly to the Rio Grande.

Transfer #1: year 2000; 100 AF/yr consumptive use
Transfer #2: year 2020; 50 AF/lyr consumptive use
Transfer #3: year 2040; 50 AF/yr consumptive use

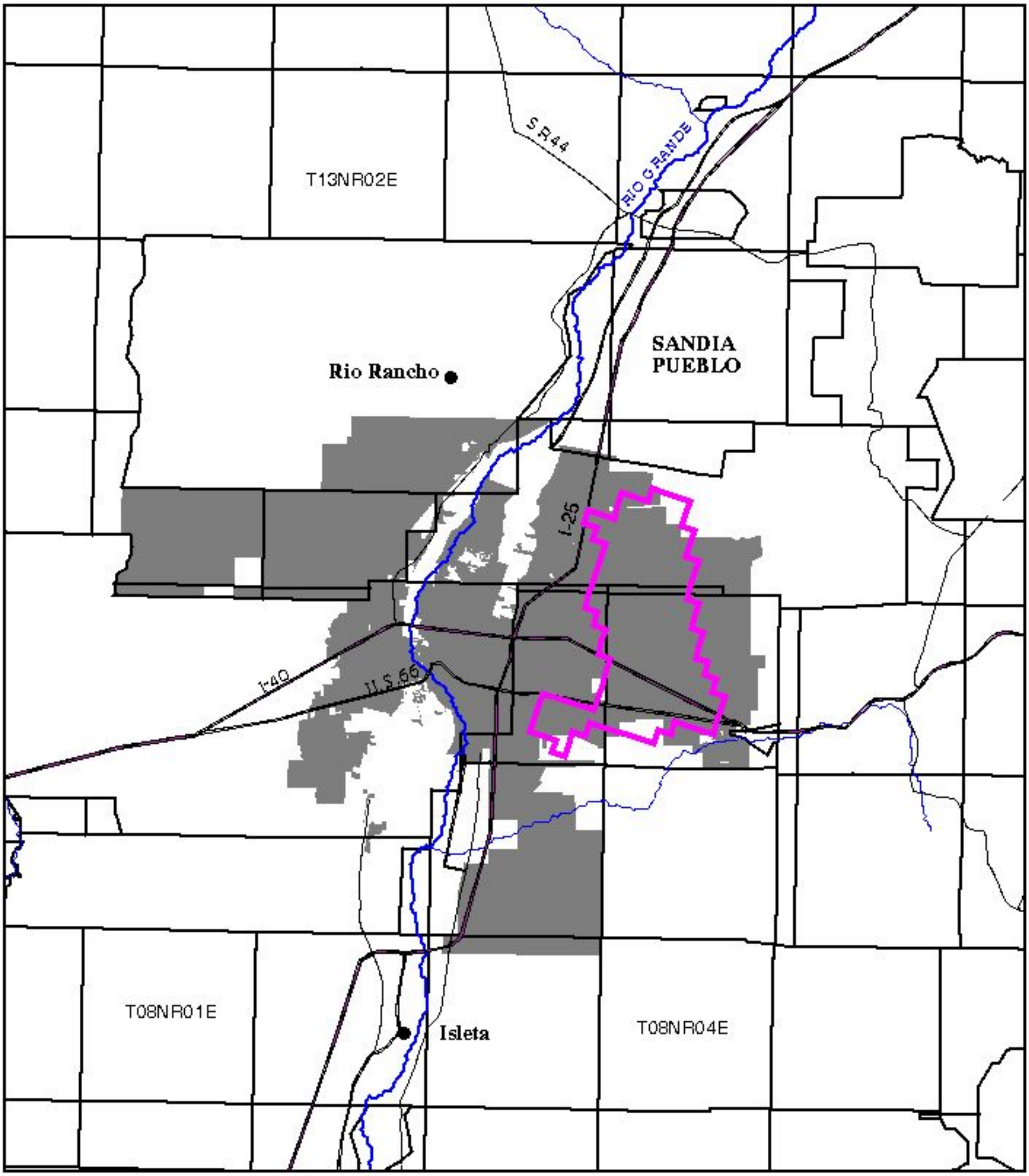


Figure 6a

Location of the Critical Management Area (CMA)

Legend

Critical Management Area

Albuquerque City boundary

N

0 1 2 3 Miles

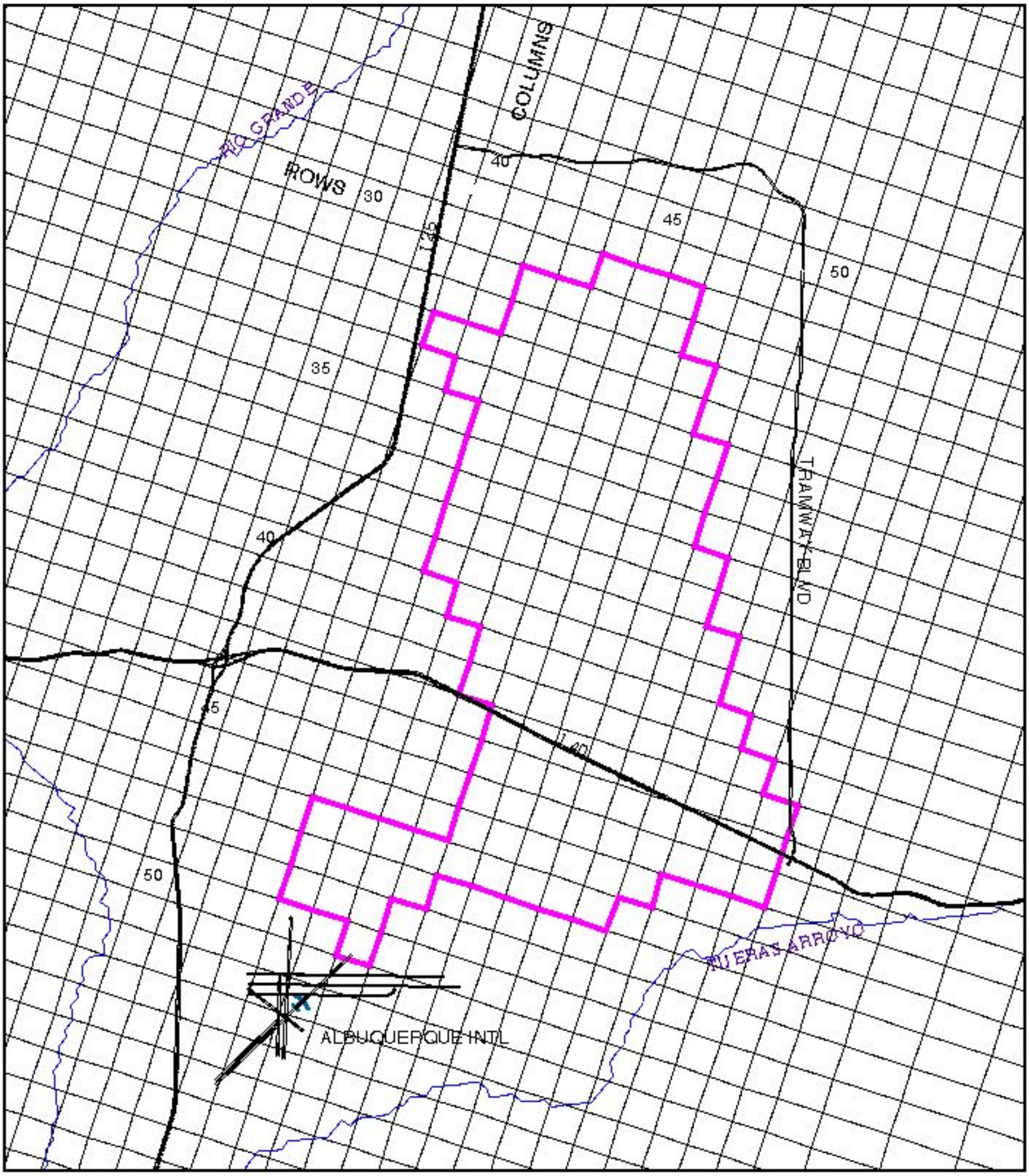


Figure 6b

Middle Rio Grande Administration Area
Location of the Critical Management Area (CMA)
and Model Grid

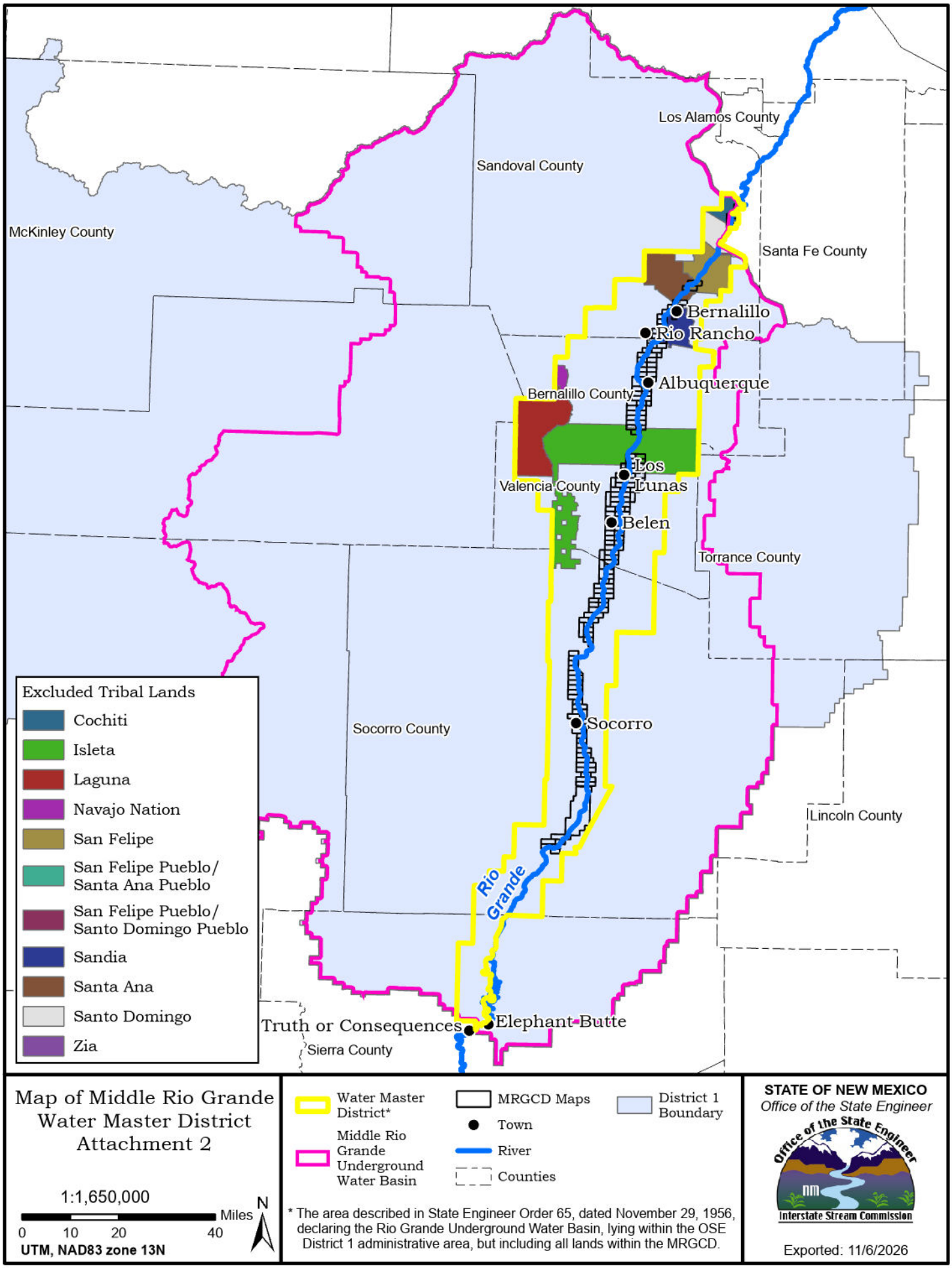
Legend

Critical Management Area

MRGAA Model Grid

N

1 0 1 2 Miles



Map of Middle Rio Grande Water Master District Attachment 2

1:1,650,000

0 10 20 40 Miles

N

UTM, NAD83 zone 13N

Water Master District*

Middle Rio Grande Underground Water Basin

MRGCD Maps

Town

River

Counties

District 1 Boundary

* The area described in State Engineer Order 65, dated November 29, 1956, declaring the Rio Grande Underground Water Basin, lying within the OSE District 1 administrative area, but including all lands within the MRGCD.

STATE OF NEW MEXICO

Office of the State Engineer

Office of the State Engineer
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Interstate Stream Commission

Exported: 11/6/2026