

STATE OF NEW MEXICO  
COUNTY OF HIDALGO  
SIXTH JUDICIAL DISTRICT COURT

STATE OF NEW MEXICO <i>ex rel.</i>	)	CV 2005-0054
NEW MEXICO STATE ENGINEER,	)	Hon. Jarod K. Hofacket
	)	
Plaintiff,	)	ANIMAS UNDERGROUND WATER
	)	BASIN ADJUDICATION
v.	)	
	)	
ROSETTE, INC., <i>et al.</i> ,	)	Subfile No. AUB-002-0006
	)	
Respondents.	)	Claimant(s):
	)	Pyramid Peak Mining, LLC
	)	

**SUBFILE FINAL JUDGMENT: UNLICENSED WATER RIGHTS**

THIS MATTER COMES BEFORE the Court upon the stipulation, set forth below, between the State of New Mexico (the “State”) and the water rights claimant(s) named in the case caption above (collectively, the “Claimant”). The Court, based on the stipulation between the State and the Claimant and its examination of the Court’s file, FINDS AND CONCLUDES THAT:

1. The Court has personal jurisdiction over the State and the Claimant and has *in rem* jurisdiction over all water rights in the Animas Underground Water Basin (the “Basin”). Notice of this Court’s *in rem* jurisdiction was served on all water rights claimants in the Basin in accordance with Rule 1-071.2(C) NMRA and the Case Management Order Mandating Basin-Wide Issue Proceeding and Expedited *Inter Se* Proceedings and Prescribing Procedure for Giving Notice of All Such Proceedings, filed August 9, 2012 (the “Case Management Order”).

2. The State and the Claimant have agreed that the Court should enter this Judgment adjudicating all elements of the Claimant's right to divert and place to beneficial use the public waters of the Basin, as set forth below.
3. Notice of the parties' request that the Court enter this Judgment and an opportunity to object to that request have been provided to water rights claimants in the Basin pursuant to this Court's Monthly Adjudication Report. Notice of the purpose and availability of the Monthly Adjudication Report was provided to all water rights claimants in the Basin pursuant to Rule 1-071.2(C) and the Case Management Order.
4. Any objections to the State's and Claimant's request that the Court enter Judgment have been resolved in court proceedings pursuant to the Procedural Order Governing Expedited *Inter Se* Adjudication of State Law Water Rights.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

1. The water rights of the Claimant are as follows:

A. UNDERGROUND WATER

Office of the State Engineer File No(s). A-00663

- (1) Priority: A-00663: December 31, 1906
- (2) Source of Water: Animas Underground Water Basin.
- (3) Purpose of Use: Mining, milling, leaching, dust control, sanitary and related uses.
- (4) Point(s) of Diversion:

Well No.: A-00663

Location: X=2,436,076 Y= 473,231 Map: AUB-02

- (5) Place of Use: Lands of the Pyramid Peak Mining, LLC associated with the Bonney (aka Banner) and Eighty-five mining and milling operations.



(6) Amount of Water: 125.91 acre-feet per annum.

B. SURFACE WATER

Office of the State Engineer File No(s). SP-05014

(1) Priority: SP-05014-POD1: October 14, 2008

(2) Source of Water: Surface waters of the Animas Valley through the SP-05014-POD1.

(3) Purpose of Use: Mining, milling, leaching, dust control, sanitary and related uses.

(4) Point(s) of Diversion:

Ditch Name: SP-05014-POD1

Location: X= 2,434,914 Y= 474,094

Map: AUB-02

on the New Mexico State Plane Coordinate System, Central Zone, 1983 N.A.D.

(5) Place of Use: The approximately 259 acres associated with the Lordsburg Patented Mining Claims, Virginia Mining District, Hidalgo County, New Mexico.

(6) Amount of Water: 4.80 acre-feet per annum.

2. All conditions imposed by the Office of the State Engineer in granting any permit relating to these water rights are incorporated into this Subfile Final Judgment.
3. The Claimant has no right to divert and use the public waters of the Basin except in strict accordance with the water rights described herein. This restriction in no way affects any additional water rights the Claimant may have, as adjudicated in other subfiles in this proceeding.

4. If ownership of all or any part of the water rights described herein is transferred for any reason whatsoever, including by operation of law, the successor in interest shall file a notice of change of ownership with the Office of the State Engineer as required by NMSA 1978, Section 72-1-2.1 (1996). No successor in interest to the Claimant may participate in any aspect of this adjudication unless it first files a motion for substitution of parties in accordance with Rule 1-025 NMRA and attaches to the motion proof that it has filed the required change of ownership form with the Office of the State Engineer.
5. This Judgment adjudicates the water rights described herein as between both the State and the Claimant and the Claimant and all other claimants in the Basin. This Judgment binds the State, the Claimant and all other water rights claimants in the Basin regardless of whether all water rights claimants were served and joined as defendants, participated in or received actual notice of this subfile proceeding, or filed *inter se* objections to the water rights adjudicated by this Subfile Final Judgment.
6. The Claimant and all successors, representatives, heirs and assigns of the Claimant are enjoined from any diversion or use of the public waters of the Basin except in strict accordance with the water rights set forth in this Judgment.
7. Pursuant to Rule 1-054(B) NMRA, the Court determines there is no just reason for delay of the entry of a final Judgment as to the water rights adjudicated hereby. The Court enters this Judgment as a final judgment as to all issues related to the nature, extent, elements and validity of the water rights adjudicated hereby. This Judgment may be modified or amended only to the extent permitted by Rule 1-060 NMRA.

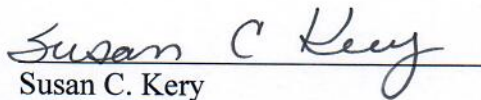
**IT IS SO ORDERED.**

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JAROD K. HOFACKET  
DISTRICT COURT JUDGE

**AGREED:**

Plaintiff State of New Mexico




Susan C. Kery  
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500 Tijeras Ave. NW  
Albuquerque, New Mexico 87102  
(505) 379-4203  
Attorney for the State of New Mexico

04/16/2021  
Date



**AGREED:**

PYRAMID PEAK MINING, LLC

  
Signature

Jack McMahon, President  
9650 Gateway Dr. Ste. 202  
Reno NV 89521

Mailing address

(775) 299-4352

Phone number

jack.mcmahon@elkominingsgroup.com

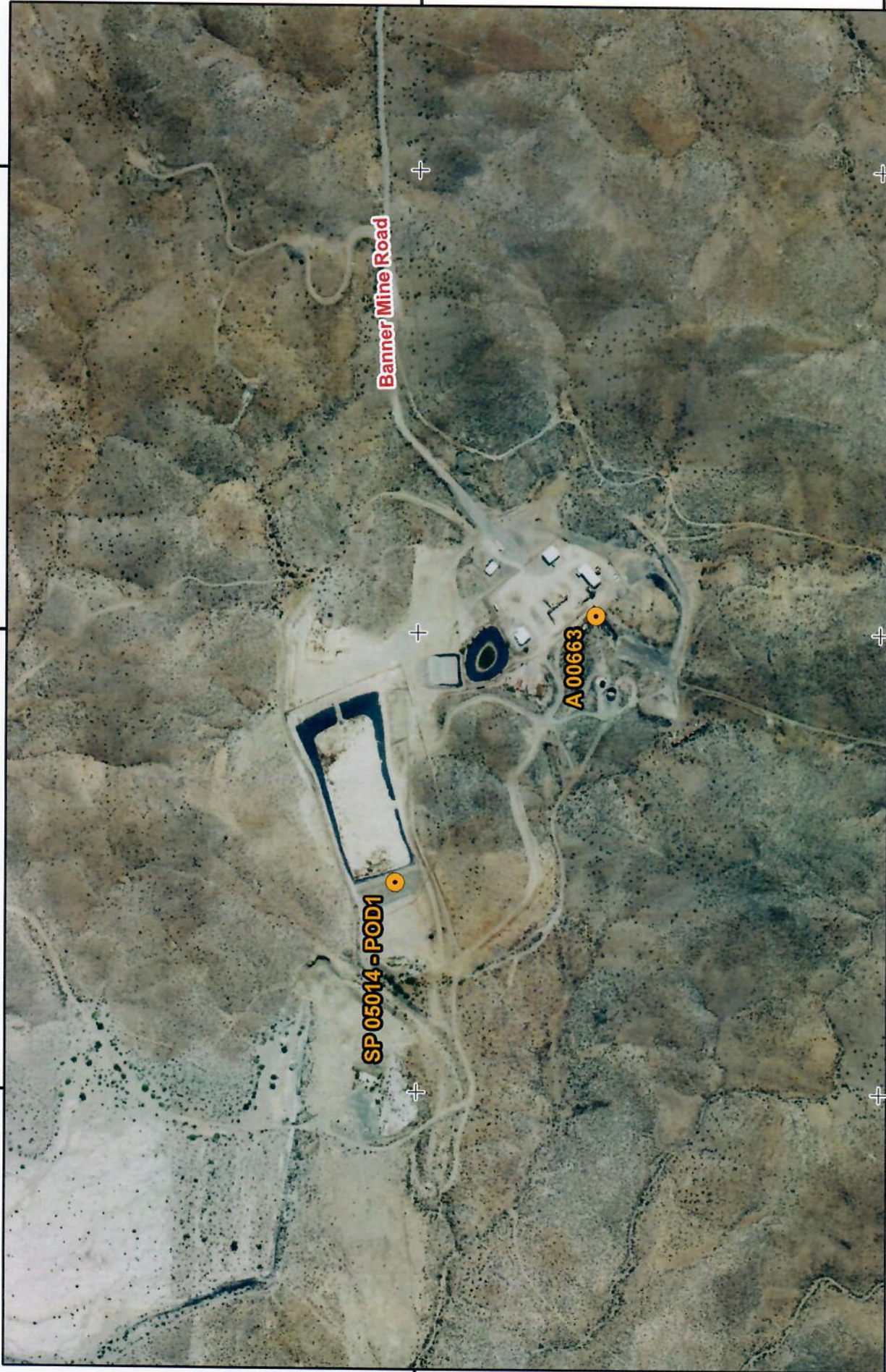
E-mail address

4/15/21  
Date



2434000 2436000 2438000

472000 474000



**Legend**

● Point of Diversion

New Mexico State Plane West NAD 83  
2009 Aerial Imagery  
1:7,200

1 inch equals 600 feet



State of New Mexico  
Office of the State Engineer  
John R. D'Antonio JR., P.E., State Engineer  
Animas Underground Water Basin  
Hydrographic Survey  
Steins Section



Subfile Number  
**AUB-002-0006**

April 13, 2021