



STATE OF NEW MEXICO  
OFFICE OF THE STATE ENGINEER  
District I

SCOTT A. VERHINES, P.E.  
STATE ENGINEER

5550 San Antonio Drive NE  
Albuquerque, NM 87109-4127  
(505) 383-4000

January 7, 2013

ATTN: Mr. Brice Gordon  
Cypress, Inc.  
49 Zorro Rancho Road  
Stanley, NM 87056

OSE Permit No. E-7871

Dear Mr. Gordon:

Please find the enclosed Permit to Change Location of Well, which has been approved subject to the attached Conditions of Approval.

Sincerely,

A handwritten signature in cursive script that reads "David B. Anderson".

David B. Anderson  
Water Resource Specialist Senior

Enclosure

HC-50293  
\$2500

File No. E-7871

**NEW MEXICO OFFICE OF THE STATE ENGINEER**



**APPLICATION FOR PERMIT TO CHANGE AN EXISTING WATER RIGHT  
(Non 72-12-1)**



(check applicable boxes):

For fees, see State Engineer website: <http://www.ose.state.nm.us/>

<input type="checkbox"/> Change Purpose of Use	<input checked="" type="checkbox"/> Change Point of Diversion (POD): From: <input checked="" type="checkbox"/> Groundwater <input type="checkbox"/> Surface Water To: <input checked="" type="checkbox"/> Groundwater <input type="checkbox"/> Surface Water	<input type="checkbox"/> Additional Groundwater Point of Diversion (POD)
<input type="checkbox"/> Change Place of Use		<input type="checkbox"/> Additional Surface Water Point of Diversion (POD)
<input type="checkbox"/> Temporary Change, NMSA 1978, § 72-12-7	Requested Start Date:	Requested End Date:
<input type="checkbox"/> Water Use Lease, NMSA 1978, §§ 72-6-1 to-7	Requested Start Date:	Requested End Date:

**1. APPLICANT(S) (Required) Note: water-right owner must be listed as an applicant.**

Name: <b>Cypress, Inc.</b>	Name:
Contact or Agent: <b>Brice Gordon</b> check here if Agent <input type="checkbox"/>	Contact or Agent: check here if Agent <input type="checkbox"/>
Mailing Address: <b>49 Zorro Ranch Road</b>	Mailing Address:
City: <b>Stanley</b>	City:
State: <b>NM</b> Zip Code: <b>87056</b>	State: Zip Code:
Phone: <b>505-934-2809</b> <input type="checkbox"/> Home <input checked="" type="checkbox"/> Cell Phone (Work): <b>505-938-2920</b>	Phone: <input type="checkbox"/> Home <input type="checkbox"/> Cell Phone (Work):
E-mail (optional): <b>[REDACTED]</b>	E-mail (optional):

**2. CURRENT OSE FILE INFORMATION (Required)**

OSE File No(s): <b>E-7871-S-2 under E-7871 et al.</b>	Priority Date (if known): <b>Nov. 20, 2000</b>
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**3. CURRENT PURPOSE OF USE AND AMOUNT OF WATER (Required)**

<input checked="" type="checkbox"/> Domestic <input checked="" type="checkbox"/> Livestock <input checked="" type="checkbox"/> Irrigation <input type="checkbox"/> Municipal <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Other Use (specify): <u>Ranch Related</u>	Amount of Water (acre-feet per annum): If more details are needed, type "See Comments" in "Other" field below, and explain in Additional Statements Section.  Diversion: <u>68</u> Consumptive Use: <u>68</u> Other (include units): _____
Describe a specific use if applicable (i.e. sand & gravel washing, dairy etc): _____	

2012 OCT -2 PM 1:28

STATE ENGINEER OFFICE  
ALBUQUERQUE, NEW MEXICO

FOR OSE INTERNAL USE		Application for Permit, Form wr-06, Rev 4/11/12	
File Number:	Trn Number:		
Trans Description (optional):			
Sub-Basin:			
PCW/LOG Due Date:	PBU Due Date:		

4. COUNTY WHERE WATER RIGHT IS CURRENTLY USED (Required)

Santa Fe

5. ADDITIONAL STATEMENTS CONCERNING THE CURRENT WATER RIGHT

[Empty box for additional statements]

6. CURRENT or MOVE-FROM POINT(S) OF DIVERSION (POD) (Required)

Surface POD OR  Ground Water POD (Well)

Name of ditch, acequia, or spring:

Stream or water course:

Tributary of:

If application proposes a new point of diversion involving a diversion dam, storage dam, main canal, and/or pipeline, complete Attachment 2.  Check here if Attachment 2 is included in this application packet.

POD Location Required: Coordinate location must be reported in NM State Plane (NAD 83), UTM (NAD 83), or Latitude/Longitude (Lat/Long - WGS84).

District II (Roswell) & District VII (Cimarron) customers, provide a PLSS location in addition to above.

NM State Plane (NAD83) (Feet)  
 NM West Zone  
 NM East Zone  
 NM Central Zone

UTM (NAD83) (Meters)  
 Zone 12N  
 Zone 13N

Lat/Long (WGS84) (to the nearest 1/10<sup>th</sup> of second)

POD Number (if known):	X or Easting or Longitude:	Y or Northing or Latitude:	Provide if known: -Public Land Survey System (PLSS) (Quarters or Halves, Section, Township, Range) OR - Hydrographic Survey Map & Tract; OR - Lot, Block & Subdivision; OR - Land Grant Name
E-7871-S-2	1,718,278*	1,540,740*	SE 1/4 NE 1/4 SW 1/4 of Sec. 28, Twp. 12 N, R 9E, NMPM Santa Fe County
			*Well is undrilled; coordinates represent center of ten-acre PLSS location.

NOTE: If more PODS need to be described, complete form WR-08 (Attachment 1 – POD Descriptions)

Additional point of diversion descriptions are attached:  Yes  No If yes, how many \_\_\_\_\_

Point of Diversion is on Land Owned by: Cypress, Inc.

Other description relating point of diversion to common landmarks, streets, or other:

2012 OCT -2 PM 1:26

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 ALBUQUERQUE, NEW MEXICO

FOR USE INTERNAL USE

Application for Permit, Form wr-06

File Number: \_\_\_\_\_ Trn Number: \_\_\_\_\_

7. CURRENT or MOVE-FROM PLACE(S) USE (Required)

The land is legally described by (check all that apply):

- Public Land Survey System (PLSS) (quarters, section, township, range)
- Irrigation or Conservation District Map

- Hydrographic Survey Report or Map
- Subdivision
- Grant

Complete the blocks below for all tracts of land (more than one description can be provided for a tract if available):

PLSS Quarters or Halves, <u>and/or</u> Name of Hydrographic Survey, <u>and/or</u> Name of Irrigation or Conservation District, <u>and/or</u> Name and County of Subdivision <u>and/or</u> Grant	PLSS Section <u>and/or</u> Map No. <u>and/or</u> Lot No.	PLSS Township <u>and/or</u> Tract No. (Please list each tract individually) <u>and/or</u> Block No.	PLSS Range	Acres	Priority
SW 1/4 SW 1/4 NE 1/4	15	12N	9E	4	
SE 1/4	22	12N	9E	20	
<b>Total Acres:</b>				<b>24</b>	

Other description relating place of use to common landmarks, streets, or other:

Place of use is on land owned by (required): Cypress, Inc.

Are there other sources of water for these lands? No  Yes  describe by OSE file number: E-6478

Note: If on Federal or State Land, please provide copy of lease.

2012 OCT -2 PM 1:29

STATE ENGINEER OFFICE  
ALBUQUERQUE, NEW MEXICO

FOR OSE INTERNAL USE

Application for Permit, Form wr-06

File Number:	Trn Number:
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8. MOVE-TO PURPOSE OF USE AND AMOUNT OF WATER (Complete this section ONLY if the purpose of use is changing)

<input type="checkbox"/> Domestic <input type="checkbox"/> Livestock <input type="checkbox"/> Irrigation <input type="checkbox"/> Municipal <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Other Use (specify): _____  Describe a specific use if applicable (i.e. sand & gravel washing, dairy etc): _____	Amount of Water (acre-feet per annum): If more details are needed, type "See Comments" in "Other" field below, and explain in Additional Statements Section.  Diversion: _____ Consumptive Use: _____ Other (include units): _____
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9. MOVE-TO POINT(S) OF DIVERSION (POD) (Complete this section ONLY if adding or replacing a POD)

<input type="checkbox"/> Surface POD    OR <input checked="" type="checkbox"/> Ground Water POD (Well)			
Name of ditch, acequia, or spring: _____			
Stream or water course: _____		Tributary of: _____	
If application proposes a new point of diversion involving a diversion dam, storage dam, main canal, and/or pipeline, complete Attachment 2. <input type="checkbox"/> Check here if Attachment 2 is included in this application packet.			
POD Location Required: Coordinate location must be reported in NM State Plane (NAD 83), UTM (NAD 83), or Latitude/Longitude (Lat/Long - WGS84). District II (Roswell) & District VII (Cimarron) customers, provide a PLSS location in addition to above.			
<input checked="" type="checkbox"/> NM State Plane (NAD83) (Feet) <input type="checkbox"/> NM West Zone <input type="checkbox"/> NM East Zone <input checked="" type="checkbox"/> NM Central Zone		<input type="checkbox"/> UTM (NAD83) (Meters) <input type="checkbox"/> Zone 12N <input type="checkbox"/> Zone 13N	
<input type="checkbox"/> Lat/Long (WGS84) (to the nearest 1/10 <sup>th</sup> of second)			
POD Number (if known):	X or Easting or Longitude:	Y or Northing or Latitude:	Provide if known: -Public Land Survey System (PLSS) (Quarters or Halves, Section, Township, Range) OR - Hydrographic Survey Map & Tract; OR - Lot, Block & Subdivision; OR - Land Grant Name
E-7871-POD 4	1726330	1540520	
NOTE: If more PODS need to be described, complete form WR-08 (Attachment 1 – POD Descriptions)			
Additional POD descriptions are attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No      If yes, how many _____			
Other description relating point(s) of diversion to common landmarks, streets, or other: _____			
Point of Diversion is on Land Owned by: <b>Cypress, Inc.</b>			
Note: The following information is for wells only. If more than one (1) well needs to be described, provide attachment.			
Approximate depth of well (feet): <b>760.00</b>		Outside diameter of well casing (inches): <b>6.63</b>	
Driller Name: <b>Hydrogeologic Services, Inc.</b>		Driller License Number: <b>WD 1472</b>	
If replacing the current well, is the current well to be plugged? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable If No, state for what use it is retained: _____			

STATE ENGINEER OF ARIZONA

FOR USE INTERNAL USE	Application for Permit, Form wr-06
File Number: _____	Trn Number: _____



11. ADDITIONAL STATEMENTS OR EXPLANATIONS

See supplemental page attached hereto.

ACKNOWLEDGEMENT

I, We (name of applicant(s)), Frank M. Bond, Attorney at Law

Print Name(s)

affirm that the foregoing statements are true to the best of (my, our) knowledge and belief.

Frank M. Bond  
Applicant Signature

\_\_\_\_\_  
Applicant Signature

ACTION OF THE STATE ENGINEER

This application is:

approved     partially approved     denied

provided it is not exercised to the detriment of any others having existing rights, and is not contrary to the conservation of water in New Mexico nor detrimental to the public welfare and further subject to the attached conditions of approval.

Witness my hand and seal this 7<sup>th</sup> day of January 20 13, for the State Engineer,

Scott A. Verhines, P.E.  
State Engineer

\_\_\_\_\_  
State Engineer

By: [Signature]  
Signature

Elizabeth Cervantes  
Print

Title: Water Resource Supervisor  
Print

STATE ENGINEER OFFICE  
ALBUQUERQUE, NEW MEXICO

FOR USE INTERNAL USE

Application for Permit, Form wr-06

File Number: E-7871

Trn Number: \_\_\_\_\_

**Cypress, Inc.'s Application for Permit to Change an Existing Water Right**

**OSE File: E-7871-S-2 under E-7871 et al.**

**11. Additional Statements or Explanations.**

1. This application is being filed to effect the Settlement Agreement between Applicant and Water Rights Division of the New Mexico State Engineer executed on November 1, 2010 ("Settlement Agreement").
2. The applicant under exploratory well permit number E-7871-POD4 has encountered a groundwater supply sufficient to address the requirements of the Settlement Agreement.
3. Accordingly, this application seeks to move the presently permitted, but yet to be drilled well E-7871-S-2 to the site of exploratory well, E-7871-POD4.
4. The exploratory well, E-7871-POD4, is drilled to a depth of 760 feet in the Mancos shale formation. The well screens are placed at a depth of 390 to 750 feet, and the well is expected to produce approximately 25 gpm.
5. The underlying OSE permit, E-7871 approved on March 21, 2003, authorized a diversion and consumptive use totaling 68 acre-feet per annum with up to 60 acre-feet per annum for irrigation. The permitted purposes of use are domestic, stock, and ranch-related purposes, which include wash down of facilities and equipment, dust suppression, and other ranch property maintenance activities, and irrigation. The 68 acre-feet of water per annum is authorized to be diverted from any or all of the following wells: well no. E-7871, well no. E-7871-S, and well no. E-7871-S-2.

2012 OCT -2 PM 1:29

STATE ENGINEER OFFICE  
ALBUQUERQUE, NEW MEXICO

## CONDITIONS OF APPROVAL

This application to change location of well is hereby approved.

1. This application is approved as follows:

**Permittee:** Cypress, Inc.

**Permit Number:** E-7871

**Application File Date:** October 2, 2012

**Notice for Publication:** October 3, 2012

**Affidavit of Publication:** October 26, 2012 (*Mountain View Telegraph*)  
December 3, 2012 (*Santa Fe New Mexican*)

**Priority:** November 20, 2000

**Source:** Groundwater from the aquifer within the Mancos shale administered as part of the Mesozoic Era layer in the OSE groundwater flow model

**Point of Diversion:** Move from: E-7871-S-2 to have been located in the SE $\frac{1}{4}$  NE $\frac{1}{4}$  SW $\frac{1}{4}$  Section 28, Township 12 North, Range 9 East, NMPM, Santa Fe County.

Move to: E-7871-POD4 constructed at a point described as X=1,726,330 feet; Y=1,540,520 feet, NMSPCS, Central Zone, NAD83, Santa Fe County, and supplemental to

E-7871 constructed in the NW $\frac{1}{4}$  SE $\frac{1}{4}$  NE $\frac{1}{4}$  of Section 20, Township 12 North, Range 9 East, NMPM, Santa Fe County;

E-7871-S constructed at a point described as 35° 14' 5.9" North Latitude, 105° 57' 45.8" West Longitude, within the NE $\frac{1}{4}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$  Section 27, Township 12 North, Range 9 East, NMPM, Santa Fe County.

**Purpose of Use:** Domestic, livestock, irrigation, and ranch-related purposes, which include wash down of facilities and equipment, dust suppression, and other ranch property maintenance activities.

**Place of Use:** 24 acres of land described as follows: 4 acres in the SW1/4 SW1/4 NE1/4 of Section 15, Township 12 North, Range 9 East, NMPM, and 20 acres in the SE1/4 of Section 22, Township 12 North, Range 9 East, NMPM.

**Amount of Water:** 68 acre-feet per annum from all sources under file no. E-7871 combined. Of that, up to 60 acre-feet per annum may be used for irrigation.

2. Wells E-7871, E-7871-S, and E-7871-S-2 shall be equipped with totalizing meters of types and at locations approved by, and installed in a manner acceptable, to the State Engineer.
3. Records of the actual meter readings from Wells E-7871, E-7871-S, and E-7871-POD4 shall be submitted to the State Engineer in writing on or before the 10th day of January, April, July, and October, for the preceding three calendar months. Please submit to the District I Office of the State Engineer a one-time photograph of each meter that clearly shows the face of the meter and is labeled with the well's file number.

Meter report forms are located at the following URL:  
<<http://www.ose.state.nm.us/doing-business/forms-inst/wr-26.pdf>>.

4. The permittee shall utilize the highest and best technology to ensure conservation of water to the maximum extent practical.
5. *Proof of Completion of Well* shall be filed with the Office of the State Engineer on or before January 2, 2015.

Witness my hand and seal this 7<sup>th</sup> day of January, A.D. 2013.

SCOTT A. VERHINES, P.E.  
NEW MEXICO STATE ENGINEER

By: \_\_\_\_\_

Elizabeth A. Cervantes  
Water Resource Supervisor

