My dear Mr. President:

The states of the Upper Division of the Colorado River Basin have now revised as of their present official positions in regard to development of the Upper Colorado River Basin. I am submitting herewith as a supplement to my letter of December 10, 1935, these positions and my comments thereon.

The State of Colorado requests that, in addition to its previous consent, there be included in the initial authorization, the Gross Mountain Reservoir on the Yampa and approximately 1,000,000 acre-feet of total new storage on the Colorado River and its tributaries above Grand Junction, Colorado, or on the Gunnison River, or a combination of the two. They also approve constructing Denver's Blue River Transmountain Diversion by Federal financing.

The known reservoir sites which might accomplish this objective are Carcassoni and Whitewater on the Gunnison and DeBeque on the Colorado River. Additional investigations may disclose other sites. There is little doubt that the amount of storage requested will be needed. Gross Mountain is a feasible development as shown by the Supplement Report. Detail investigations may well show the others to be feasible also. We would have no objection to a conditional authorization and would undertake the investigations necessary to determine feasibility as rapidly as the fund situation would permit. It would be our intention, of course, to recommend construction of these units if they are found feasible.

Denver's Blue River Transmountain Diversion proposal, so far as we are aware, is basically a matter of seeking Federal financing of a plan to be carried forward by the City. Litigation affecting the use of Blue River water is now pending. The feasibility of such a diversion depends, among other things, on the outcome of this litigation, or on some alternative scheme which satisfactorily protects the Colorado Big-Thompson Project. When a firm and detail proposal is received, we will be glad to review it and if satisfactory from all aspects make suitable recommendations. It may well be that arrangements would result such that the proposal could be recommended as a participating project.

Sincerely yours,

Secretary of the Interior

The President
The White House

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