

a family, such acquisitions would be made at the lands fair market value prior to its having been rendered unsuitable for irrigation production.

In view of the fact that land values on the Riverton project can be materially depressed because of the stigma created in recent years, the natural resource board recommends that such means be provided that fair market values be determined by such criteria that would not reflect or include these depressed prices. Such criteria should include considerations of similar land values under project development outside of the Riverton area.

The board has been apprised of claims of some of the third division settlers, who have advocated complete abandonment of the project, which would involve settlers who are successfully farming at the present time. Claims have been further made that compensation should be made for the loss of earnings for the years of efforts to develop a farm. This matter of said compensation presents a very complex situation insofar as determining an equitable basis by which compensation might be made. The value attached to the degree of ability of a settler, and the know-how required for project development, presents an almost interdependent condition.

Since a suit against the U.S. Government has been filed recently in district court by a group of the third division settlers claiming such damages, the board is cognizant that a determination of this matter is extremely complex. Any comment on this at this time by the board would be insufficient and not in the interest of the project as a whole in giving an evaluation to the merits of such claims.

In summary, the natural resource board considers H.R. 8171 essential to the Riverton project, and to the economy of the State of Wyoming in utilizing these water and land resources. The board further invites the Interior and Insular Affairs Committees of the Congress their sincerest considerations of the basic problems involved and the potential development afforded in this proposed legislation.

Many who have opposed the essential and constructive features of this legislation, and who have advocated complete abandonment of the project, have in addition, alleged that inclusion of the Riverton project as a unit of the Missouri River Basin project would subject the water users to a loss of control over their water rights.

Through communications and consultation with the Wyoming State engineer, who is charged with the administration, control, and use of the State's waters, and further confirmed through the office of the Wyoming attorney general, it must be positively and definitely made clear that such allegations are absolutely without foundation.

State constitutional provisions are clear in this regard as to State ownership of water and the administration of use and control of State waters. Application for permit to use the waters on the Riverton project have been properly filed and are in good standing. Procedures to prove on beneficial use for final adjudication are again clearly set forth in the State water law.

Not only is the Reclamation Act of 1902 specific on compliance with State water law, but the proposed reauthorization of this legislation of the Riverton project under the Missouri River Basin project, Public Law 78-534, again is specific in this instance.

This act states that it is hereby declared to be the policy of the Congress to recognize the interests and rights of the States in determining the development of the watersheds within their borders and likewise their interests and rights in water utilization and control.

The same act again declares that navigation uses of the waters shall be used as does not conflict with any consumptive use present or future, of such waters for domestic municipal, stock water, irrigation, mining, or industrial purposes.

There is no room in this matter of water rights for any doubt as to the ownership, use, and control of water as regards this project and its reauthorizations under the Missouri River Basin Project Act.

Senator HANSEN. Appreciating that we may be interrupted, let us next turn to you, Mr. Barnes, and I want to thank you gentlemen from Midvale.

We will now hear from Oscar Barnes, who is the special project leader, Agricultural Extension Service, University of Wyoming at Laramie.