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BROADWAY AND SEVENTEENTH STREETS

~~SHIRLEY-SAVOY~~

DENVER

Colorado, September 28, 1927

To the Governors of the  
States of the Upper Basin  
of the Colorado River

Gentlemen: ~~As you are ~~not~~ no doubt you are aware,~~  
~~that ~~the~~ the principal dispute between the States of Arizona~~  
and Nevada are agreed upon the principle that ~~they~~ the  
States are entitled to receive compensation for the use  
of their lands and water when hydro-electric energy is  
generated by means of dams, reservoirs, power plants or  
other works or structures ~~upon their boundary waters.~~  
The ~~two states are~~ wholly or partly within their boundaries,  
H. They <sup>two places</sup> are not in accord as to how such compensation  
should be divided between them. ~~the~~ Arizona contends  
that ~~that~~ the proceeds should be divided according to  
the fall in the river within each state above the  
point where the hydro-electric energy is generated,



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Nevada insists that the division should be equal.

In order to bring about an agreement which will end the present controversy Arizona is <sup>now</sup> willing to adopt either the theory of "fact of the river" or "equal division" so long as this rule is <sup>to be</sup> ~~made~~ uniform throughout the Colorado River Basin. <sup>of opening up the issue</sup> Under the circumstances I am sure that an expression from you gentlemen, as the Chief Executives of your States, will be <sup>'exceedingly valuable</sup> ~~most persuasive~~ in securing the establishment of a precedent which will be most persuasive when other compacts are negotiated for ~~the~~ a division of the compensation received for the use of lands and waters which are located in two states.

Yours very respectfully  
Carl Hayden  
U. S. S.