CHAPTER XI

THE VALUE OF A WATER-RIGHT AND OF RESERVOIR AND WATERSHED LANDS

Value of Irrigation Water. — When water is used for irrigation, it makes the intense cultivation of the soil possible. It aids in producing crops which can be marketed at prices not subject to regulation except by the law of supply and demand. The availability and use of the irrigation water modify the character and increase the amount and consequently the value of the crop. These elements may thus add an increment of value to the irrigated land. Under such use the value of the water at the field and, by comparison with the cost of development, its value at its source can be determined. Water and water-rights in districts where water is used for irrigation acquire, in consequence, a recognized market value depending upon the appreciation of the land that results from irrigation, upon the value of the crops harvested and upon the cost of developing and making available the irrigation water.

Payment for Water-Rights. — Ordinarily when water is to be taken from a stream for uses which decrease or otherwise modify the natural flow of the stream below the point of diversion, the riparian rights of lower land owners are thereby affected. The diversion cannot be made in such cases without making compensation to the riparian owners for the damage to their property which results from the taking, except, of course, when such owners sleep upon their rights, virtually admitting too small a damage to make it worth while to attempt to recover compensation.

To the extent of the cost of extinguishing the riparian rights and possibly of securing other water-rights whose use is secondary or which for any reason should be merged in one holding, there

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