

MAY 26, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON MAY 26, 2009, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECAME EFFECTIVE AT 6:00 P.M. ON MAY 26, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 5; SURFACE ACTIONS AS LISTED ON PAGES 5 TO 10; DEVELOPMENT ACTIONS AS LISTED ON PAGES 10 TO 12; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 12; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 12 TO 13.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON TUESDAY, JUNE 9, 2009. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

METALLIFEROUS MINERALS LEASE APPROVALS

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease applications listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The applications have been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease applications as existing contracts on the lands described below:

<u>ML 51617</u> Rocky Terry & Russell Limb P.O. Box 552 St. George, UT 84771 Annual Rental: \$640 FUND: SCH	<u>T26S, R4.5W, SLB&M.</u> SEC. 36: PART OF NE ¹ / ₄ NE ¹ / ₄ (4.75), PART OF NW ¹ / ₄ NE ¹ / ₄ (4.75), PART OF NE ¹ / ₄ NW ¹ / ₄ (4.75), PART OF NW ¹ / ₄ NW ¹ / ₄ (4.75), S ¹ / ₂ N ¹ / ₂ , S ¹ / ₂ SEC. 36: PART OF NE ¹ / ₄ NE ¹ / ₄ (35.25), PART OF NW ¹ / ₄ NE ¹ / ₄ (35.25), PART OF NE ¹ / ₄ NW ¹ / ₄ (35.25), PART OF NW ¹ / ₄ NW ¹ / ₄ (35.25)	Piute 499.00 Acres Sevier 141.00 Acres 640.00 Total Acres
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<u>ML 51618</u> Dewayne Smith 5526 West 13400 South #318 Herriman, UT 84096 Annual Rental: \$500 FUND: SCH	<u>T6S, R21E, SLB&M.</u> SEC. 13: LOT 10 (22.20) SEC. 14: LOTS 5(33.70), 6(16.50), 9(42.80) SEC. 25: LOT 5(36.70) SEC. 36: LOTS 1(31.70), 2(16.62), 3(39.88), 4(31.50), 7(49.00), 8(26.00), NW ¹ / ₄ SW ¹ / ₄ <u>T7S, R21E, SLB&M.</u> SEC. 2: LOTS 4(20.50), 5(4.90), 7(35.00), 8(30.50)	Uintah 477.50 Acres
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APPROVAL OF GEOTHERMAL ENERGY LEASE ML 51581 – OBA

On May 14, 2009, pursuant to Utah Code Ann. 53C-2-401(1)(d)(ii), authorizing the Trust Lands Administration to enter into agreements and other business arrangements for disposal of Trust mineral resources, the Board for the Trust Lands Administration approved the issuance of Geothermal Energy Lease ML 51581 – OBA, to Cove Fort Geothermal, LLC. Lease terms are as follows:

- The lease will be issued on Trust Lands Administration’s most current Geothermal Energy Lease Form, adopted for use on June 6, 2008, and most recently revised August 2008.
- The primary term of the lease will be ten (10) years, commencing with the effective date of the lease.
- Cove Fort Geothermal, LLC, will pay a one-time bonus bid of \$55/acre, totaling \$32,780 for issuance of the lease. This bonus bid is equal to the average bonus bids received by the Bureau of Land Management in its December 19, 2008, Lease Sale of Geothermal Resources in the Cove Fort area.
- Prior to January 31, 2013, Cove Fort Geothermal, LLC, will commit to a program of exploration, including mandatory expenditures for exploration of \$500,000, a seismic survey to include the leased premises, and submittal of a detailed report of exploration and development activities on the leased premises. The report shall include all geologic studies, a detailed geologic map, fluid geochemistry, soil chemistry, temperature surveys, an interpretation of the seismic survey, interpretation of potential reservoir models, and an outline for continued development of the leased premises. The lease may be canceled by the Trust Lands Administration in the event the development milestones are not met.
- Annual Rental: Part 5 of the current Geothermal Energy Lease Form provides for an annual rental of \$2 per acre for each acre, and fractional part thereof, within the leased premises for the first year of the lease and an annual rental of \$3 for the remainder of the ten (10) year primary term.
- Royalties: Under Part 6 of the Geothermal Energy Lease - If the lessee utilizes geothermal resources to generate and sell electrical power, the royalty shall be equal to 2.25% of the gross proceeds for the first five years of the lease term and 3.5% thereafter. If the lessee sells or uses geothermal resources directly, the royalty shall be equal to 10% of the gross proceeds or the value of the sale of use. Royalty on sale or use of byproducts shall be equal to 5% of the gross proceeds.
- The lease may not be extended beyond the ten (10) year primary term in the absence of actual production, except as provided in Paragraph 3.5 of the lease. The lease will be subject to future readjustment at the end of the ten (10) year primary term and every five (5) years thereafter.

ML 51581- OBA

Cove Fort Geothermal, LLC
730 Sandhill Road, Suite 250
Reno, NV 89521

T25S, R7W, SLB&M.

SEC. 24: LOTS 2(35.33), 3(39.75), W½SE¼
SEC. 25: S½NW¼, N½SW¼, SW¼SW¼
SEC. 36: NW¼, W½SW¼

Millard
595.08 Acres

FUND: SCH

Upon recommendation of Mr. Stokes, and as approved by the Board of the School and Institutional Trust Lands Administration, the Director approved the issuance of Geothermal Energy Lease ML 51581 – OBA under the terms as presented above.

PUBLIC SALE OF WEST-DESERT BUILDING STONE

The Utah School and Institutional Trust Lands Administration offered a cache of 52 (m/l) loaded pallets of West-Desert Building Stone for sale by competitive sealed bid. The stone was retrieved through a trespass investigation of trust lands, described as Section 23, T7S, R1W, SLB&M, Utah County, SITLA Legal Case #7B02A.1. West-Desert Building Stone is a trade name for flag and irregular shaped surface sandstone or mudstone boulders having attractive natural coloration. The stone is desirable for use in constructing veneer sidings, patios, landscapes, etc.

Sealed bids were received by the Trust Lands Administration through Thursday May 14, 2009, at 6:00 p.m. A public opening of the bids was held on May 18, 2009, at 9:00 a.m. at the offices of the Trust Lands Administration in Salt Lake City, Utah. Present at the opening of bids were SITLA staff members Tom Faddies, John Blake, Randy Harden, Ron Barton and Dave Hebertson.

The only bid submitted was a Cashier's Check in the amount of \$4,010, received from Fox Tail Limestone, 521 East 1910 South, Orem, UT 84057. The Minerals Group believes that the high bid represents a fair market wholesale value of the stone. The successful bidder must remove the stone, which is presently stored at the Utah Department of Transportation property located at 5823 South Commerce Street, Murray, UT 84107, within thirty (30) days from the date of the sale. Failure to timely remove the purchased stone from said property may result in cancellation of the sale and in the purchaser's forfeiture of 50% of the total sale price at the discretion of the Utah School and Institutional Trust Lands Administration as an administrative fee. Upon approval of the sale by the Director, a bill of sale should immediately be prepared and issued to the successful bidder.

Upon recommendation of Mr. Blake, the Director approved the above-listed sale.

TOTAL ASSIGNMENT – METALLIFEROUS MINERALS LEASE

Upon recommendation of Mr. Stokes, the Director approved the assignment of the lease listed below to Quatterra Alaska Inc., ATTN: Jerald M. Reichlin, Fortier & Mikko, 304-101 West Benson Blvd., Anchorage, AK 99503, by Kennecott Exploration Co. No override.

OWNERSHIP BEFORE ASSIGNMENT:
RECORD TITLE:

KENNECOTT EXPLORATION CO. – 100%

OWNERSHIP AFTER ASSIGNMENT:
RECORD TITLE:

QUATERRA ALASKA INC. – 100%

....ML 51577 (SCH)....

CORRECTION OF DIRECTOR'S MINUTES OF MAY 4, 2009 - ESMT 1284, SULA 1359, ML 48592, ML 48801, ML 48802, ML 48803, ML 48805, ML 48806, ML 48809, ML 48810, ML 48811, ML 49230, ML 49231, ML 49232, ML 49233, ML 49234, ML 49235, ML 49236, AND ML 49237-OIL SHALE (ALL SCH)

The Director, on May 4, 2009, accepted an amendment of name change for record-keeping purposes only from Millenium Synfuels, LLC, to Ambre Energy North American, Inc. covering the above-numbered leases. It has come to our attention that the surviving company was incorrectly listed. It should have been: Ambre Energy North America, Inc.

This item was submitted by Mr. Stokes for record-keeping purposes only.

CORRECTION OF DIRECTOR'S MINUTES OF MAY 11, 2009 – ML 51599 (SCH) – OIL, GAS, AND HYDROCARBON

The Director, on May 11, 2009, approved the above-numbered lease to Vern Jones with an acreage of 88.56 acres. It has been discovered that the acreage was listed in error. The correct acreage is 388.56 acres.

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction.

WELLBORE INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director noted the assignment of 65% of assignor's working interest in and to the wellbore of the Kings Canyon 2-32E, located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32, T10S, R19E, SLB&M., only as to those depths from directly below the stratigraphic equivalent of 9668' as found in the Kings Canyon 1-32E Well down to the total depth drilled in the Kings Canyon 2-32E Well (10,020') in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Questar Exploration and Production Company.

....ML 47059 (SCH)....

This item was submitted by Ms. Garrison for record-keeping purposes only.

Upon recommendation of Ms. Garrison, the Director noted the assignment of 65% of assignor's working interest in and to the wellbore of the Kings Canyon 8-32E, located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32, T10S, R19E, SLB&M., only as to those depths from directly below the stratigraphic equivalent of 9668' as found in the Kings Canyon 1-32E Well down to the total depth drilled in the Kings Canyon 8-32E Well (9,996') in and to the lease listed below to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102-6298, by Questar Exploration and Production Company.

....ML 47059 (SCH)....

This item was submitted by Ms. Garrison for record-keeping purposes only.

DIRECTOR'S FINDING – ML 48008 (SCH) – OIL, GAS, AND HYDROCARBON

Pursuant to Utah Administrative Code R850-21-500(4)(a)(ii), School and Institutional Trust Lands Administration may continue a lease after expiration of the primary term so long as the Agency determines that the lessee or designated operator is engaged in diligent operations determined by the Director to be reasonably calculated to advance or restore production of the leased substances from the leased premises.

Based on Fidelity Exploration & Production Company's operations to date, the Director has found that they have met their diligent operations requirement under the lease. The continuance of the lease will be for a period of one year until midnight, May 31, 2010, and is contingent upon Fidelity Exploration & Production Company tendering the 2009-2010 lease rental and minimum royalty on or before May 31, 2009. Fidelity Exploration & Production Company must also comply with the rules and regulations of the Division of Oil, Gas and Mining regarding shutting in unplugged oil and gas wells.

This item was submitted by Ms. Garrison for record-keeping purposes only.

DIRECTOR'S FINDING – ML 48048 (SCH) – OIL, GAS, AND HYDROCARBON

Pursuant to Utah Administrative Code R850-21-500(4)(a)(ii), School and Institutional Trust Lands Administration may continue a lease after expiration of the primary term so long as the Agency determines that the lessee or designated operator is engaged in diligent operations determined by the Director to be reasonably calculated to advance or restore production of the leased substances from the leased premises.

Based on Fidelity Exploration & Production Company's operations to date, the Director has found that they have met their diligent operations requirement under the lease. The continuance of the lease will be for a period of one year until midnight, June 30, 2010, and is contingent upon Fidelity Exploration & Production Company tendering the 2009-2010 lease rental and minimum royalty on or before June 30, 2009. The Company must also comply with the rules and regulations of the Division of Oil, Gas and Mining regarding shutting in unplugged oil and gas wells.

This item was submitted by Ms. Garrison for record-keeping purposes only.

SURFACE ACTIONS

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5333

On May 13, 2009, Mr. Gary Bagley, Resource Specialist, pursuant to R850-41-200 and in accordance with direction and delegation of authority, approved the request of the Sugarloafers Motorcycle Club, Attn. Rob Davies, P.O. Box 45, Fillmore, Utah 84631, to occupy the following described trust lands in Juab County for the purpose of conducting an organized motorcycle race:

Township 11 South, Range 5 West, SLB&M
Section 26: W $\frac{1}{2}$ SE $\frac{1}{4}$ (within)
Section 32: NE $\frac{1}{4}$ (within)

Township 11 South, Range 6 West, SLB&M
Section 32: NW $\frac{1}{4}$ (within)
Section 36: NW $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ (within)

Township 12 South, Range 6 West, SLB&M
Section 16: S $\frac{1}{2}$ S $\frac{1}{2}$ S $\frac{1}{2}$ (within)

Township 12 South, Range 7 West, SLB&M
Section 2: S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ N $\frac{1}{2}$ S $\frac{1}{2}$ (within)

Containing 4.40 acres, more or less

RIGHT OF ENTRY NO. 5333 (CONTINUED)

The race will be held on a pre-determined course of existing roads and trails. The majority of the route is on federal lands, with only a small portion on trust lands. The Bureau of Land Management ("BLM") is the lead agency for this event. The camping, parking, and staging areas are all on adjoining federal lands. In addition to the terms of the right-of-entry permit, the permittee is required to abide by the same rules and procedures established by the BLM for the entire race course event.

The permit was issued for a two-day period, May 16 and May 17, 2009. The permittee has named the State of Utah on the insurance and bonds required by the BLM.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing charge, totaling \$300.00. Juab County. School Fund.

This item was submitted by Mr. Gary Bagley for record-keeping purposes.

RIGHT OF ENTRY NO. 5334 (APPROVAL)

On May 14, 2009, the School and Institutional Trust Lands Administration received an application from Trek N Trails, P.O. Box 254, Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Beginning date: May 1, 2009. Expiration date: April 30, 2010. Funding: School = 96.66%, USU = 0.83%, Deaf = 0.16%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = < 0.01%, SYDC = < 0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5334 for a one-year term.

RIGHT OF ENTRY NO. 5335

On May 14, 2009, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Gone Moab, 16650 Greenlee Way, Truckee, CA 96161, to occupy the following described trust land located within Grand and San Juan Counties to conduct a recreational event:

T21S, R16E, SLB&M

Sec. 36: Within

T22S, R16E, SLB&M

Sec. 2: Within

T22S, R17E, SLB&M

Sec. 32: Within

T22S, R19E, SLB&M

Sec's 15, 22, 23, 24: Within

T22S, R20E, SLB&M

Sec. 36: Within

RIGHT OF ENTRY NO. 5335 (CONTINUED)

T22S, R21E, SLB&M
Sec. 32: Within

T22S, R22E, SLB&M
Sec. 2: Within

T23S, R17E, SLB&M
Sec. 2: Within

T23S, R20E, SLB&M
Sec's 33, 34: Within

T23S, R22E, SLB&M
Sec. 36: Within

T23S, R23E, SLB&M
Sec's 16, 32: Within

T23S, R24E, SLB&M
Sec. 36: Within

T24S, R18E, SLB&M
Sec's 32, 36: Within

T24S, R19E, SLB&M
Sec's 16, 32: Within

T24S, R20E, SLB&M
Sec's 2, 13, 14, 27: Within

T24S, R24E, SLB&M
Sec. 2: Within

T24S, R25E, SLB&M
Sec. 16: Within

T25S, R18E, SLB&M
Sec's 16, 36: Within

T25S, R19E, SLB&M
Sec's 32, 36: Within

T25S, R20E, SLB&M
Sec's 2, 16, 32, 36: Within

T25S, R22E, SLB&M
Sec's 32, 36: Within

RIGHT OF ENTRY NO. 5335 (CONTINUED)T25S, R23E, SLB&M

Sec. 32: Within

T26S, R18E, SLB&M

Sec. 2: Within

T26S, R19E, SLB&M

Sec. 2: Within

T26S, R21E, SLB&M

Sec's 16, 33: Within

T26S, R23E, SLB&M

Sec. 32: Within

T27S, R23E, SLB&M

Sec's 7, 8: Within

T27S, R22E, SLB&M

Sec's 1, 2, 16, 35: Within

T39S, R11E, SLB&M

Sec. 36: Within

T40S, R11E, SLB&M

Sec. 2: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust land, or \$4.00/participant, whichever is greater, within 30 days of permit expiration date. Beginning date: May 13, 2009. Expiration date: May 16, 2009.

This item was submitted by Ms. Jeanine Kleinke for record-keeping purposes.

RIGHT OF ENTRY NO. 5336 (APPROVAL)

On May 18, 2009, the School and Institutional Trust Lands Administration received an application from Dreamride, LLC, P.O. Box 1137, Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Grand & San Juan Counties. Funding: School = 96.66%, USU = 0.83%, Deaf = 0.16%, Blind = 0.01%, MH = 0.18%, PB = < 0.01%, SYDC = < 0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%. Beginning date: April 1, 2009. Expiration date: March 31, 2010.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5336 for a one-year term.

RIGHT OF ENTRY NO. 5310 (NAME CHANGE)

Right of Entry No. 5310, in the name of Evergreen Wind Power Partners, LLC, enXco Development Corporation, 517 SW 4th, Ste 300, Portland, OR 97204, was approved on the Director's Minutes dated April 6, 2009. The Agency has since been notified that the permittee wishes to use a different name and address on the permit. The permit should be issued in the name of enXco Development Corporation, 700 La Terraza Blvd., Ste 200, Escondido, CA 92025. The permittee has paid the \$15.00 name change fee.

Upon recommendation of Ms. Linda Bianchi, the Director approved the name change on ROE 5310.

SALES**PRE SALE NO. 8442 (MILLS FLATS PARCEL)**

Non-competitive Pre Sale No. 8442

Certificate of Sale No. 26497

Date of Sale: May 14, 2009

Total Price: \$20,000.00

Terms: Cash sale

TO WHOM SOLD AND ADDRESS:

Huntington Cleveland Irrigation Company
P.O. Box 327
Huntington, UT 84528

Down payment:	\$20,000.00
Advertising cost:	160.92
Appraisal cost:	3,000.00
Sale processing charge:	500.00
Application fee:	250.00
Cult. resource survey:	<u>0.00</u>
TOTAL:	\$23,960.92

LEGAL DESCRIPTION:

Township 17 South, Range 8 East, SLB&M
Section 11: SW $\frac{1}{4}$ NE $\frac{1}{4}$

NUMBER OF ACRES BY COUNTY: 40.00 - Emery

NUMBER OF ACRES BY FUND: 40.00 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portions of GP 11-A, GP 11-A02, GP 11-B, GP 11-B05, GP 11-C, GP 11-C02, GP 11-D, GP 11-D02, GP 11-E, GP 11-E02, GP 11-F, GP 11-F08, GP 11-G, GP 11-G08, GP 11-H, GP 11-H07, GP 11-I, GP 11-J, GP 11-J02, GP 11-K, GP 11-K02, GP 23118, GP 23118-02, GP 23118-A, GP 23118-B, GP 23118-C

LIST MINERAL RESERVATIONS:

The mineral estate was previously conveyed by the federal government to a private entity under Federal Patent No. SL 067366. The Trust Lands Administration asserts no rights to the mineral estate and does not intend to convey to the purchaser any portion of or right to the mineral estate underlying the subject property.

PRE SALE NO. 8442 (MILLS FLATS PARCEL) (CONTINUED)

LIST SURFACE RESERVATIONS:

Reserving to the Trust Lands Administration and its successors in interest, lessees and permittees, an access and utility easement across the parcel to remaining state-owned lands.

Reserving to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted 42EM2445 archaeological site on the parcel and a deed covenant shall run with the land in perpetuity to protect said archaeological site.

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to Easement No. 1443 issued to Huntington Cleveland Irrigation Company for a buried irrigation pipeline.

RESPONSIBLE STAFF MEMBER: Bryan Torgerson

This item was submitted by Ms. Durrant for record-keeping purposes.

DEVELOPMENT ACTIONS

EASEMENT 659 – SPANISH VALLEY WATER AND SEWER IMPROVEMENT DISTRICT

THE FOLLOWING TRANSACTION WAS REPORTED IN THE DIRECTOR'S MINUTES OF MARCH 5, 2003, PAGES L-1 THROUGH L-5, AND MARCH 26, 2003, PAGES S-7 THROUGH S-10. AT THAT TIME, NO EASEMENT NUMBER WAS ASSIGNED TO THE EASEMENT INCLUDED IN THE CERTIFICATE OF SALE AND PATENT, AS IS SHOWN BELOW:

CERTIFICATE OF SALE NO.:	25669
EASEMENT NO.:	659
DATE OF CERTIFICATE / EASEMENT AGREEMENT:	February 26, 2003
PATENT NO.:	19584
DATE OF PATENT:	March 11, 2003
DATE OF AMENDED AND RESTATED PATENT:	January 31, 2008
PROJECT:	Johnson's Up On Top
PROJECT MANAGER:	Rodger Mitchell
PROJECT CODE:	MBTOP 000 00
FUND:	School
COUNTY:	Grand

The following easements are granted under ESMT 659:

EASEMENT 659 – SPANISH VALLEY WATER AND SEWER IMPROVEMENT DISTRICT (CONTINUED)**Spanish Valley Well Site Access Road**

A 20 foot wide roadway easement, 10 feet on each side of centerline, for ingress and egress to a well site and situate in the Northeast Quarter of Section 36, Township 26S, Range 22E, SLB&M, Grand County & San Juan County, Utah more particularly described as follows:

Commencing at the Northwest Corner of Section 36, Township 26 South, Range 22 East, SLB&M, (Basis of bearing being between said Northwest Corner and the West ¼ Corner of said section, bearing South 01°22'10" East); Thence S 46°26'49" E a distance of 3700.46 feet to the end of Mt. Peale Road and to the Point of Beginning; Thence approximately along an existing dirt roadway the following courses and distances: Approximate Centerline described as follows: S 88°46'11" E a distance of 293.13 feet; N 77°41'03" E a distance of 350.79 feet; S 66°21'21" E a distance of 109.74 feet; N 86°07'20" E a distance of 248.17 feet; N 58°52'56" E a distance of 86.60 feet; N 84°36'35" E a distance of 313.71 feet; N 54°26'30" E distance of 361.96 feet; N 34°25'14" W a distance of 147.18 feet; N 52°03'04" W a distance of 242.81 feet; N 55°07'23" E a distance of 272.29 feet; N 58°56'23" E a distance of 123.68 feet; N 02°42'54" E a distance of 296.42 feet; N 32°52'30" W a distance of 387.50 feet to a well site and to the end of said easement.

Spanish Valley Well Waterline Easement

Commencing at the Northwest Corner of Section 36, Township 26 South, Range 22 East, SLB&M, (Basis of bearing being between said Northwest Corner and the West ¼ Corner of said section, bearing South 1°22'10" East); Thence S 46°08'56" E a distance of 1,499.08 feet to the POINT OF BEGINNING OF A WATERLINE EASEMENT in an existing dirt roadway, and connecting with an existing waterline along said roadway; Thence S 13°01'23" W a distance of 16.14 feet; Thence S 44°26'38" E a distance of 265.63 feet on the north side of a dirt roadway; Thence S 58°51'10" E a distance of 363.88 feet on the north side of said roadway; Thence S 67°40'57" E a distance of 278.27 feet along the southerly side of a wash to a point 10 feet northeasterly of a power pole; Thence S 51°21'28" E a distance of 325.32 feet offset 10 feet northeasterly from a power line; Thence S 51°34'45" E a distance of 323.66 feet offset 10 feet northeasterly from a power line and to the BEGINNING OF A POWERLINE EASEMENT AND CONTINUING WITH SAID WATER LINE EASEMENT; Thence S 63°19'30" E a distance of 246.96 feet; Thence N 56°03'23" E a distance of 318.42 feet crossing said wash; Thence N 57°55'31" E a distance of 162.61 feet; Thence N 48°29'51" E a distance of 126.64 feet; Thence N 46°27'37" E a distance of 115.84 feet; Thence N 43°04'32" E a distance of 99.57 feet; Thence N 39°27'51" E a distance of 203.23 feet crossing a dirt road, then along another dirt road; Thence N 26°47'06" E a distance of 137.17 feet along said road; Thence N 44°55'42" E a distance of 150.01 feet along said road; Thence N 89°50'28" E a distance of 278.82 feet; Thence N 72°29'08" E a distance of 131.98 feet; Thence N 66°54'21" E a distance of 100.73 feet to a well site and to the POINT OF ENDING OF THE POWERLINE AND WATERLINE EASEMENT.

Said easement side lines being prolonged or shortened to conform with property lines and existing easement lines.

Waterline Easement to Tank Site

A perpetual 20 foot-wide easement, and a temporary 50 foot-wide construction easement situate in the South half of Section 25, and the North half of Section 36, Township 26 South, Range 22 East, SLB&M, Grand County, Utah centered on the following described centerline:

Commencing at the Northwest corner of said Section 36 (basis of bearing is the Section line from the Northwest corner to the West ¼ corner of said Section bearing S 01°22' 10"E); Thence N 85°33' 37" E a distance of 2,241.12 feet to the Point of Beginning of said easement centerline;

EASEMENT 659 – SPANISH VALLEY WATER AND SEWER IMPROVEMENT DISTRICT (CONTINUED)

Thence bearing distance (3) N 47°27'58" W; 70.78 ft; Thence along a curve to the left, concave to the Southeast; having a radius of 90.09 ft a distance of 78.36 ft; Thence along a curve to the left, concave to the Southeast; having a radius of 45.67 ft a distance of 75.46 ft; Thence N 39°15'02" W 45.62 ft; Thence N 20°27'30" W 37.08 ft; Thence S 06°23'45" E 105.69 ft; Thence S 25°33'44" E 61.53 ft; Thence S 48°30'55" E 10.18 ft; Thence S 31 °42 '59" E 67.28 ft; Thence S 18°38'29" E 108.74 ft; Thence S 40°41'41" E 39.78 ft; Thence S 58°28'22" E 89.93 ft; Thence S 41°50'22" E 73.92 ft; Thence S 23°49'31" E 59.96 ft; Thence S 02°42'21" E 62.88 ft; Thence S 36°02'24" W 56.07 ft; Thence S 46°22'39" W 14.52 ft; to point "A"; Thence along a lateral N 46°13'04" W 75.01 ft to the end of said lateral centerline; Thence beginning again on the main line at point "A"; Thence S 46°22'39" W 20.47 ft; Thence S 50°28'37" W 48.11 ft; Thence S 54°28'30 W 106.39 ft; Thence S 61°21'47" W 39.67 ft; Thence S 67°14'34"W 102.88 ft; Thence S 68°05'42" W 117.75 ft; Thence S 86°23'16" W 28.79 ft; Thence N 48°50'10" W 51.51 ft; Thence along a curve to the left; concave to the Southeast; having a radius of 131.92 ft a distance of 146.45 ft; Thence S 42°06'27" W 165.36 ft; Thence S 52°41 '58" W 76.35 ft; Thence S 62°03 '37" W 223.49 ft; Thence along a curve to the right, concave to the North; having a radius of 443.52 ft, a distance of 275.63 ft; Thence N 77°28'33" W 132.33 ft; Thence N 90°00'00" W 78.94 ft; Thence S 75°58'08" W 88.77 ft; Thence S 59°56'27" W 157.55 ft; Thence S 70°00'01" 291.20 ft; Thence S 65°36'45" W 142.12 ft; Thence S 64°02'09" W 50.22 ft; across a dedicated road, said road being Spanish Valley Drive; Thence S 88°27'35" W 296.43 ft. more or less to the end of said easement centerline. Said point bearing S 02°25'53" E 1329.63 ft. from the Northwest corner of Section 36, T26S, R22E, SLB&M.

This item was submitted by Alexa Wilson for record-keeping purposes.

ACTIONS CONTAINING FEE WAIVERS

NONE

TRUST ACCOUNTING ACTIONS

CANCELED CERTIFICATES OF SALE

The following certificates of sale were not paid on or before the cancellation date of 5/9/2009. Certified notices were mailed. All money paid will be forfeited.

<u>CERT #</u>	<u>NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
C 25683	Kyra Haycock	SCH	KANE	DEVL
C 25701	Kyra Haycock	SCH	KANE	DEVL

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed certificates of sale for non-payment.

CANCELED MINERAL LEASES

The following mineral leases were not paid on or before the cancellation date of 5/9/2009. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 48228	XTO Energy Inc.	MULTI	EMRY	OGH (SP)
ML 49717	Thomas Basile	SCH	WAYN	MM
ML 49718	Thomas Basile	SCH	WAYN	MM
ML 50309	Garfield Resources I LLC	SCH	PIUT	MM
ML 50737	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50738	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50739	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50740	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50741	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50742	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50743	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50744	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50745	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50746	E John McDonald and Assoc.	SCH	EMRY	MM
ML 50752	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50753	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50754	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50755	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50756	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50757	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50758	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50759	American Nuclear Fuels II LLC	SCH	WAYN	MM
ML 50760	American Nuclear Fuels II LLC	SCH	WAYN	MM

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed mineral leases for non-payment.

REFUND – ML 46911

Forest Oil Corporation submitted payment for the above-mentioned lease on April 2, 2009. The amount which was paid was \$1,280.00 more than the amount which was due. Forest Oil is requesting a refund of the overpayment. The refund should be sent to ATTN: Judy Thomas – 707 Seventeenth Street, Suite 3600 – Denver, CO 80202.

Upon recommendation of Mr. Gritzmacher, Deputy Assistant Director of Finance, the Director approved the refund to Forest Oil Corporation in the amount of \$1,280.00.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	5.00%