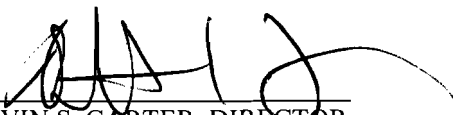


MAY 24, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON MAY 24, 2010, 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 24, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 5; SURFACE ACTIONS AS LISTED ON PAGES 6 TO 16; DEVELOPMENT ACTIONS AS LISTED ON PAGES 17 TO 22; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 22; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 23 TO 24.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND MAY BE 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 MONDAY, JUNE 7, 2010. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT NO. 460 – (REJECTED)
MATERIALS PERMIT NO. 464 – (APPROVED)
MATERIALS PERMIT NO. 466 – (REJECTED)

APPLICANTS:

MATERIALS PERMIT NO. 460
NELCO CONTRACTORS
P.O. BOX 282
PRICE, UT 84501

MATERIALS PERMIT NO. 464
NIELSON CONSTRUCTION
825 NORTH LOOP ROAD
P.O. BOX 620
HUNTINGTON, UT 84528

MATERIALS PERMIT NO. 466
LONESOME DOVE EXCAVATION INC.
4362 SOUTH 225 EAST, #3
PRICE, UT 84501

AFFECTED LANDS:

Township 13 South, Range 11 East, SLB&M.
SEC. 36: E½NE¼, W½SE¼

COUNTY: CARBON

ACRES: 160.0±

FUND: SCH

The lease administrator has had this legal description reviewed by the GIS Group.

PROPOSED ACTION:

Applicant proposes to mine common sand and gravel on the affected lands.

RELEVANT FACTUAL BACKGROUND:

The subject lands have not been previously impacted by historic sand and gravel operations. Applicant must contract for, and pay the costs of, a cultural resource survey before any surface disturbing mining activities are undertaken on the permit premises. The survey report must be received and accepted by the Agency’s Archeologist. Any restriction or action necessary as a result of the survey must be accepted by the applicant as a condition to their permit requirements. This action is subject to the State of Utah Resource Development Coordinating Committee (“RDCC”) process. MP 460 was submitted as RDCC Project #11252 and PLPCO completed the review and comment period by letter, dated April 28, 2010. One comment was received from the Division of Air Quality as: “The mining [of] common sand and gravel in support of construction activities in the local area will require filing Utah Division of Air Quality Form 15A, Notice of Temporary Relocation of Portable Equipment.” No other RDCC comments were provided. Two comments resulting from the Public Notice were received. The adjacent landowner requested that measures be taken to protect and

MATERIALS PERMIT NO. 460 – (REJECTED)**MATERIALS PERMIT NO. 464 – (APPROVED)****MATERIALS PERMIT NO. 466 – (REJECTED) (CONTINUED)**

maintain the access road to Anderson's Reservoir and to the reservoir canal, both of which pass through a portion of the permitted area. The leaseholder for oil, gas & hydrocarbons on the affected lands also requested that the applicant coordinate their sand and gravel operations in a manner that will not be detrimental to oil and gas drilling on the affected lands. These concerns will be considered as plans for mining ordinary sand and gravel for the affected lands as developed.

The public notice process was completed and three competing applications were received. Sealed bids were received by the applicants on or before May 10, 2010, and opened on May 11, 2010. A summary of the bid information is as follows:

MP 460 – NELCO CONTRACTORS,
Bonus Bid - \$5,000.00,
Royalty Rate - \$.85 per cubic yard,
Advance Royalties - \$1,270 per year,
Permit Term – 5 years;

MP 464 – NIELSON CONSTRUCTION,
Bonus Bid - \$5,000.00,
Royalty Rate - \$1.55 per cubic yard,
Advance Royalties - \$15,500.00 per year,
Permit Term – 5 years; and,

MP 466 – LONESOME DOVE EXCAVATING, INC.,
Bonus Bid - \$2,000.00,
Royalty Rate - \$1.00 per cubic yard,
Advance Royalties - \$2,000.00 per year,
Permit Term – 3 years.

Based on these results and other considerations found within the bid applications, the Administration has selected MP 464 – NIELSON CONSTRUCTION as the successful applicant and thus rejected the two other competing applications.

NIELSON CONSTRUCTION has agreed to pay a bonus bid in the amount of \$5,000. Annual rental is \$10 per acre per year (\$1,600 per year). A royalty rate of \$1.55 per cubic yard for ordinary sand and gravel material and Advance Minimum Royalties of \$15,500 per year have been set. The permit will have a term of five (5) years.

EVALUATION OF FACTS:

R850-23-200 states that the Trust Lands Administration may issue materials permits or convey profits a prendre or similar interests on trust lands where the Trust Lands Administration deems it consistent with land use plans and Trust responsibilities. Mining of sand and gravel is an appropriate use of the lands pursuant to R850-23-200. The royalty rates set for commodities from this site are consistent with royalty rates for other material permit sites on trust lands in Carbon County, Utah. These rates reflect fair market value for the materials and meet the requirements of R850-23-300. The five (5) year permit term is consistent with the requirements of R850-23-600.

Upon recommendation of Mr. Harden, the Director approved the issuance of Materials Permit No. 464 for a term of five (5) years.

MATERIALS PERMIT NO. 437 (EXPIRED)

The following Materials Permit, No. 437, expired on April 14, 2010. The Permittee no longer has any rights relevant to this permit.

PERMITTEE:

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

AFFECTED LANDS:

Township 13 South, Range 16 East, SLB&M.
SEC. 2: LOTS 1(39.68), 2(39.73), 3(39.77), 4(39.82), S2S2 [ALL]

COUNTY: CARBON

ACRES: 319.0 ±

FUND: SCH

The lease administrator has had this legal description reviewed by the GIS Group.

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

MATERIALS PERMIT NO. 438 (EXPIRED)

The following Materials Permit, No. 438, expired on April 14, 2010. The Permittee no longer has any rights relevant to this permit.

PERMITTEE:

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

AFFECTED LANDS:

Township 13 South, Range 15 East, SLB&M.
SEC. 2: LOTS 1(38.63), 2(38.47), 3(38.29), 4(38.13), S½S½ [ALL]

COUNTY: CARBON

ACRES: 313.52 ±

FUND: SCH

The lease administrator has had this legal description reviewed by the GIS Group.

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

APPROVAL OF CLAY MINERAL LEASE APPLICATION (SCH)

Interpace Holdings, LLC recently held a Clay Lease on the lands described below which was canceled on the Director's Minutes of May 17, 2010, for non-payment. Failure of the lessee to timely make the annual lease payment apparently occurred inadvertently due to a personnel change within the company. The site is permitted by Interpace Holdings, LLC for a DOGM Small Mine Permit. Upon discovering the lease cancellation, the lessee submitted the following-described application for a new Clay Lease on the same property. Clay is withdrawn from over-the-counter mineral leasing, but leases may be issued competitively or by the Director if determined to be in the best interest of the Trust. It is in the best interest of the Trust to continue leasing this property to Interpace Holdings, LLC since the applicant controls clay mineral rights in the surrounding lands and has a regulatory mining permit in place to commence production. The new lease should require the same annual rentals and annual minimum royalties as contained in the canceled lease; i.e., \$1 per acre or minimum \$500 annual rental, and \$25 per acre annual minimum royalty. The production royalty rate should be increased to 10% gross value or a minimum of \$1 per ton to reflect current value for the leased commodity. The primary term of the lease should be five (5) years, with a five (5) year readjustment in lease terms and conditions reserved to the Director. The applicant submitted payment of the \$30 application fee plus the first year annual rentals and annual minimum royalties along with the application. The lease administrator has had the lands in the application checked by the GIS Group.

<u>ML 51810</u> Interpace Holdings, LLC 736 W. Harrisville Rd. Ogden, UT 84404	<u>T6S, R3W, SLB&M.</u> SEC. 32: S½SE¼	Tooele 80.00 acres
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Upon recommendation of Mr. Blake, the Director approved the application.

METALLIFEROUS MINERALS LEASE APPROVAL – ML 51809

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals Lease application as 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 percent for fissionable minerals and 4 percent 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 application has been checked for completeness and found to be in proper order. The lease administrator has had this legal description reviewed by the GIS Group. The business system and plat books have been updated to show the lease application as an existing contract on the lands described below:

<u>ML 51809</u> BZU Holdings Inc. 290 Gentry Way, Suite # 6 Reno, NV 89502	<u>T30S, R25E, SLB&M.</u> SEC. 2: LOTS 1(19.36), 2(19.28), 3(19.20), 4(19.12), 5(40.00), 6(40.00), 7(40.00), 8(40.00), 9(40.00), 10(40.00), 11(40.00), 12(40.00), 13(40.00), 14(40.00), 15(40.00), 16(40.00), 17(40.00), 18(40.00), 19(40.00), 20(40.00), 21(40.00), 22(40.00), 23(40.00), 24(40.00), 25(40.00), 26(40.00), 27(40.00), 28(40.00), S½ [ALL]	San Juan 1,756.96 Acres
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METALLIFEROUS MINERALS LEASE APPROVAL – ML 51809 (CONTINUED)

T29S, R24E, SLB&M
SEC. 32: W $\frac{1}{2}$

T30S, R24E, SLB&M
SEC. 2: W $\frac{1}{2}$ SW $\frac{1}{4}$

Annual Rental: \$ 1,757

FUND: SCH

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in part of lands: W $\frac{1}{2}$ Sec. 29, T9S, R24E, SLB&M., 320.00 acres, in and to the lease listed below to Thurston Energy, LLC, 3100 Monticello, Suite 335, Dallas, TX 75205, by Madison GP, Inc., who reserves 1.5% of 4/8ths of 8/8ths overriding royalty, in addition to overriding royalties as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

T9S, R24E, SLB&M. 320.00 ACRES

SEC. 29: W $\frac{1}{2}$

MADISON GP, INC. – 50%,

THURSTON ENERGY LLC – 50%

T9S, R24E, SLBM. 320.00 ACRES

SEC. 29: E $\frac{1}{2}$

WHITE RIVER ENTERPRISES, LLC – 75%,

THERMO COGENERATION PARTNERSHIP L.P. -

12.5%,

SEAHAWK ENERGY INC. – 12.5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T9S, R24E, SLB&M. 320.00 ACRES

SEC. 29: W $\frac{1}{2}$

THURSTON ENERGY LLC – 100%

T9S, R24E, SLB&M. 320.00 ACRES

SEC. 29: E $\frac{1}{2}$

WHITE RIVER ENTERPRISES, LLC – 75%,

THERMO COGENERATION PARTNERSHIP L.P. –

12.5%,

SEAHAWK ENERGY INC. – 12.5%

....ML 22161 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest and to the lease listed below to Thurston Energy, LLC, 3100 Monticello, Suite 335, Dallas, TX 75205, by Madison GP, Inc., who reserves 1.5% of 4/8ths of 8/8ths overriding royalty, in addition to overriding royalties as previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

MADISON GP, INC. – 50%,

THURSTON ENERGY LLC – 50%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

THURSTON ENERGY LLC – 100%

....ML 28042 (SCH)....

SURFACE ACTIONS

GRAZING PERMITS

RENEWAL OF GRAZING PERMITS

The following grazing permits have been renewed for a period of 15 years, beginning July 1, 2010, and expiring June 30, 2025. The permit administrator has had the legal descriptions of these permits reviewed by the GIS Group.

<u>Permit #</u>	<u># Acres</u>	<u># AUMs</u>	<u>County(s)</u>	<u>Fund</u>
GP 20423-10	280.00	20.00	Juab	School
GP 20433-10	876.36	38.00	Garfield	School
GP 20434-10	85.60	11.00	Washington	School
GP 20460-10	6,224.83	415.00	Juab	School
GP 20465-10	1,280.88	200.00	San Juan	School
GP 20467-10	2,576.20	124.00	San Juan	School
GP 20469-10	438.54	22.00	Garfield	School
GP 20448-10	8,797.96	411.00	Garfield, Wayne	School
GP 20495-10	3,963.44	198.00	Beaver	School
GP 20501-10	800.00	32.00	Kane	School
GP 20513-10	3,783.00	95.00	Emery	School
GP 20552-10	5,880.99	214.00	Grand	School
GP 20616-10	641.07	28.00	Juab	School
GP 20619-10	2,276.48	65.00	Sanpete, Millard	School
GP 20631-10	674.05	29.00	Garfield	School
GP 20634-A10	425.76	10.00	Juab, Utah	School
GP 20634-B10	425.76	5.00	Juab, Utah	School
GP 22559-10	969.76	26.00	Iron	School
GP 22569-10	5,991.97	202.00	Grand	School
GP 22969-10	120.00	8.00	Sevier	School
GP 22974-10	320.00	10.00	Sanpete	School
GP 22976-10	3,506.36	330.00	Tooele	School
GP 23139-A10	7,745.10	426.00	Millard	School
GP 23240-B10	5,101.06	47.00	Millard	School

Upon recommendation of Ms. Paula Lane, the Director approved the renewal of these permits.

GRAZING PERMIT NO. 22954 (ASSIGNMENT)

Garth L. Stanger and Valerie Grimmer as Personal Representative of the Estate of Dean Wintch, deceased, P.O. Box 3672, Palm Desert, CA 92261, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Cottonwood Ledges Land Co. LLC, 30582 Hunt Club Drive, San Juan Capistrano, CA 92675. The assignment fee in the amount of \$96.50 has been submitted. Garfield County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 22954.

GRAZING PERMIT NO. 23139-B10 (CORRECTION OF MINUTES DATED MAY 10, 2010)

The Director's Minutes of May 10, 2010, incorrectly listed the above grazing permit's new acreage as 7,745.10. The correct acreage should be **3,872.55**. This should be noted on all records. Millard County. School Fund. The permit administrator has had this legal description reviewed by the GIS Group.

Upon recommendation of Ms. Paula Lane, the Director approved the above correction.

GRAZING PERMIT NO. 23327-C10 (CORRECTION OF MINUTES DATED MAY 10, 2010)

The Director's Minutes of May 10, 2010, incorrectly listed the above grazing permit's new acreage as 4,577.28. The correct acreage should be **4,677.28**. This should be noted on all records. Tooele County. School Fund. The permit administrator has had this legal description reviewed by the GIS Group.

Upon recommendation of Ms. Paula Lane, the Director approved the above correction.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5359 – EXTENSION OF TERM (APPROVAL)**

Industrial Field Communications, LLC, P.O. Box 957, Vernal, UT, 84078, has requested a four-month extension of Right of Entry No. 5359, for temporary authorization to continue the operation of an existing radio communication site on the Blue Mountain communication site in Uintah County on the following trust lands:

Township 5 South, Range 25 East, SLB&M

Section 30: Within the NE4SW4, more specifically described as the following:

Beginning at a point North 47°04'39" East 2,494.636 feet from the Southwest corner of Section 30, Township 5 South, Range 25 East, SLB&M, said point also being located at UTM NAD 1983, Zone 12 datum coordinates of 657,302.097 East and 4,468,693.328 North, thence running North 74°10'08" West 92.728 feet; thence South 05°21'51" West 62.119 feet; thence South 29°57'49" East 72.523 feet; thence North 37°30'52" East 78.180 feet; thence North 16°40'01" East 39.008 feet, more or less to the point of beginning; containing approximately 0.161 acres, more or less.

This legal description was prepared by the SITLA GIS staff October 21, 2009, using GPS coordinates (UTM NAD 1983, Zone 12) collected in the field by SITLA GIS staff October 8, 2009, and November 2006 PLSS Lines as reference data with a combined accuracy of +/- 80 feet. The coordinate and distance calls recorded within this legal description are for REFERENCE USE ONLY and are NOT to be used in place of a legal land survey. The Utah School and Institutional Trust Lands Administration ("SITLA") IT/GIS Department assume no responsibility for errors or omissions in these materials. SITLA hereby disclaims any and all liability due to the use or misuse of this parcel description. The user assumes total responsibility for verification and use.

County: Uintah

Acres: 0.16

Fund: School

ROE 5359 was approved on November 23, 2009, with an expiration date of April 30, 2010. This extension is for a four-month period, from May 1, 2010, through August 31, 2010. This is allowable because the total term, including the extension, is less than one year.

RIGHT OF ENTRY NO. 5359 – EXTENSION OF TERM (APPROVAL) (CONTINUED)

During this extension of the interim permit period, the applicant intends to apply for a longer term telecommunications special use lease.

The assessment for this extension is \$1,150.00 (telecomm rental) plus a \$100.00 extension fee, totaling \$1,250.00. The permittee has submitted the requested payment.

Upon recommendation of Mr. Gary Bagley, the Director approved the above-described extension of Right of Entry Permit No. 5359.

RIGHT OF ENTRY NO. 5485

On May 17, 2010, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Furlined, 2803 Colorado Avenue, Santa Monica, CA 90404, to occupy the following described trust land located within Grand and San Juan Counties for commercial photography:

T27S, R20E, SLB&M
Sec. 16: Within

T27S, R22E, SLB&M
Sec. 1: Within

T21S, R23E, SLB&M
Sec. 27: Within

The assessment for this right of entry is \$4,150.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$4,250.00. Beginning date: May 19, 2010. Expiration date: May 22, 2010. Grand and San Juan Counties. School Fund.

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

EASEMENTS

EASEMENT NO. 1538 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Grand County
125 East Center Street
Moab, Utah 84532

LEGAL DESCRIPTION:

Township 26 South, Range 22 East, SLB&M
Section 17: Lot 35 (within)
Section 18: Lots 5, 6, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

Trail Segment "A"

A two (2) foot wide easement for a single-track trail, being one (1) foot on either side of its centerline. The following description closely approximates the location of the centerline of the physical monument based on mapping grade Global Positioning System ("GPS") data:

EASEMENT NO. 1538 (APPROVAL) (CONTINUED)

Beginning at a point on the south line of Section 17, T26S, R22E, SLB&M, said point being located East 683.76 feet more or less along said south line from the southwest corner of said Section 17, thence running N 59°59'16" W 59.45 feet; thence N 75°02'16" W 117.67 feet; thence N 65°11'31" W 59.82 feet; thence S 73°05'58" W 75.16 feet; thence S 61°45'17" W 62.05 feet; thence S 76°56'12" W 53.42 feet; thence N 82°18'58" W 87.60 feet; thence N 50°23'06" W 35.35 feet; thence N 69°50'48" W 66.09 feet; thence N 71°15'46" W 31.46 feet; thence N 50°56'05" W 31.86 feet; thence N 10°57'40" W 50.73 feet; thence N 00°20'56" E 32.32 feet; thence N 14°22'51" E 82.03 feet; thence N 00°20'08" E 22.41 feet; thence N 36°22'12" W 122.51 feet; thence N 38°39'01" W 49.62 feet; thence N 69°24'17" W 50.36 feet; thence N 59°12'50" W 49.04 feet; thence N 47°59'47" W 59.91 feet; thence N 57°23'32" W 55.89 feet; thence N 46°23'46" W 58.08 feet; thence N 48°28'22" W 52.85 feet; thence N 29°00'53" W 45.66 feet; thence N 42°21'20" W 87.99 feet; thence N 48°38'55" W 75.83 feet; thence N 50°43'07" W 83.12 feet; thence N 39°41'24" W 81.22 feet; thence N 44°39'35" W 70.34 feet; thence N 77°33'05" W 35.61 feet; thence N 47°37'27" W 33.44 feet; thence N 29°39'04" W 74.67 feet; thence N 54°02'19" W 226.38 feet; thence N 46°30'41" W 109.07 feet; thence N 52°05'19" W 40.79 feet; thence N 64°37'09" W 41.18 feet; thence N 89°39'51" W 67.16 feet; thence N 64°37'09" W 41.18 feet; thence N 46°03'02" W 144.23 feet; thence N 43°06'04" W 65.11 feet; thence N 17°31'57" W 81.03 feet; thence N 23°36'42" W 73.47 feet; thence N 20°13'29" W 42.52 feet; thence N 29°00'53" W 45.66 feet; thence N 46°07'27" W 68.59 feet; thence N 57°21'50" W 55.91 feet; thence N 48°44'46" W 49.36 feet; thence N 60°17'09" W 45.67 feet; thence N 72°33'59" W 33.84 feet; thence N 80°11'44" W 60.50 feet; thence N 48°28'11" W 52.90 feet; thence N 18°44'20" W 68.42 feet; thence N 11°54'07" W 58.54 feet; thence N 25°08'26" W 57.84 feet; thence N 38°18'35" W 47.79 feet; thence N 27°17'32" W 58.96 feet; thence N 37°19'01" W 179.08 feet; thence N 29°39'04" W 74.67 feet; thence N 13°40'32" W 92.28 feet; thence N 43°23'18" W 79.19 feet; thence N 64°39'37" W 41.17 feet; thence N 50°36'24" W 118.49 feet; thence N 59°10'51" W 49.05 feet; thence N 89°40'34" W 34.81 feet; thence N 32°24'18" W 41.39 feet; thence N 55°07'22" W 48.31 feet; thence N 44°39'35" W 70.34 feet; thence N 52°21'04" W 65.64 feet; thence N 63°04'20" W 55.64 feet; thence N 89°38'50" W 37.30 feet; thence S 73°55'33" W 44.08 feet; thence N 89°38'39" W 84.55 feet; thence N 77°33'05" W 35.51 feet; thence N 46°57'52" W 43.99 feet; thence N 64°37'09" W 41.18 feet; thence N 54°26'28" W 103.52 feet; thence N 35°14'59" W 130.72 feet; thence N 24°49'59" W 66.67 feet; thence N 46°17'42" W 61.59 feet; thence N 31°15'09" W 75.95 feet; thence N 05°21'04" W 24.98 feet; thence N 54°33'27" W 112.48 feet; thence N 45°30'27" W 117.83 feet; thence N 63°04'57" W 50.08 feet; thence N 48°00'18" W 89.83 feet; thence N 44°40'34" W 49.23 feet; thence N 61°59'42" W 58.97 feet; thence N 44°39'51" W 126.62 feet; thence N 33°18'59" W 62.78 feet to a point of intersection with Trail Segment "B" (the "Trail Segment "B" Point of Beginning"); thence continuing N 59°17'33" W 90.59 feet; thence N 76°30'41" W 91.57 feet; thence S 88°41'59" W 104.10 feet; thence N 61°14'57" W 125.03 feet; thence N 73°42'45" W 129.85 feet; thence N 43°08'05" W 24.23 feet to a point on the west line of the SE¼NW¼ of Section 18, Township 26 South, Range 22 East, SLB&M. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Total length of centerline is 6,522.95 feet. Contains 0.30 acres, more or less.

Trail Segment "B"

A two (2) foot wide easement for a single-track trail, being one (1) foot on either side of its centerline. The following description closely approximates the location of the centerline of the physical monument based on mapping grade Global Positioning System ("GPS") data:

Beginning at a point designated as Trail Segment "B" Point of Beginning, as more particularly described in the above referenced centerline for Trail Segment "A", thence running N 03°46'10" E 27.95 feet; thence N 21°01'49" W 76.06 feet; thence N 22°46'27" W 45.94 feet; thence N 10°59'36" W 50.07 feet; thence N 22°34'29" W 64.10 feet to a point on the north line of the SE¼NW¼ of Section 18, Township 26 South, Range 22 East, SLB&M. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Total length of centerline is 264.12 feet. Contains 0.01 acre, more or less.

EASEMENT NO. 1538 (APPROVAL) (CONTINUED)

Total easement length is 6,787.07 feet. Contains 0.31 acre, more or less.

The easement administrator has had this legal description reviewed by the GIS Group.

COUNTY: Grand

ACRES: 0.31

FUND: School

PROPOSED ACTION:

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain a non-motorized single-track trail. The proposed trail will be known as the "Pipe Dream Trail" and will be designated for non-motorized use, primarily mountain bikers and hikers. The trail will be located within T26S, R22E, Sections 17 & 18, along the base of the cliffs located southwest of Moab. The proposed easement corridor is 6,787.07 feet long and 2 feet wide, containing 0.31 acre. The requested term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The subject "Application to Purchase an Easement" was received on March 4, 2010. It was submitted for the Agency's review on March 8, 2010, and was accepted by the Director on March 22, 2010.

The proposed easement was sent to the Resource Development Coordinating Committee ("RDCC"), the Southeastern Utah Association of Governments, and the Grand County Council for review on March 8, 2010. No comments were submitted by the RDCC or the Grand County Council. The Southeastern Utah Association of Governments commented as follows:

"Favorable comment recommended."

The project area has been previously surveyed for cultural resources by Montgomery Archaeological Consultants (U-99-MQ-0035s).

The project area has been reviewed for paleontological compliance by Martha Hayden, Paleontological Assistant for the Utah Geological Survey, response letter dated September 29, 2009.

EVALUATION OF FACTS:

The applicant has been notified of the comment submitted by the Southeastern Utah Association of Governments.

The Agency's Archaeology staff has reviewed the cultural resource documents submitted in support of the proposed easement and has granted cultural resource clearance for the project with a finding of "Historic Properties Not Affected."

The Agency's staff paleontologist has reviewed the paleontological clearance letter that was submitted in support of the proposed easement and concurs with the finding that, unless fossils are discovered as a result of ground disturbing activities during construction, this project should have no impact on paleontological resources. Should any fossils be discovered during construction, they should be evaluated immediately by a qualified paleontologist.

In order to provide flexibility for potential future development of the lands surrounding the proposed easement, a relocation clause will be included in the easement agreement.

RECOMMENDATION:

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for a non-exclusive easement. The term of the easement will be for 30 years beginning May 1, 2010, and expiring April 30, 2040. The application fee of \$750.00 and the easement rental assessment of \$3,875.00 have been submitted. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00.

EASEMENT NO. 653 (ASSIGNMENT)

J. M. Huber Corporation, 11451 Katy Freeway, Suite 400, Houston, Texas, 77079, has requested permission to assign 100% of its interest in Easement No. 653 to Pioneer Natural Resources USA, Inc., 1401 17th Street, Suite 1200, Denver, Colorado, 80202. Easement No. 653 was issued beginning January 1, 2000, for a 30 year term, with an expiration date of December 31, 2029. The easement was issued to allow for the construction, operation, repair, and maintenance of an access road, multiple gas pipelines, multiple water pipelines, an electrical transmission line, and a communications line.

When this easement was issued in 2000, an easement rental assessment of \$7,884.54 was paid. The easement rental assessment at today's rates would be \$8,322.54. Rule R850-40-1600(1)(c) directs that in order for an assignment to be approved, the difference between what was originally paid for the easement and what would have been charged for the same easement at today's rates be paid. The difference in the amount of \$438.00 has been paid. The required \$250.00 assignment fee has been paid. The expiration date of the easement remains December 31, 2029. Carbon County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of Easement No. 653.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 1164 (THREE-YEAR REVIEW)**

SULA 1164 is a telecommunications lease, currently operated by Tower Asset Sub, LLC, c/o American Tower Corporation, Attn. Land Management, 10 Presidential Way, Woburn, MA 01801. The lease site is located in Iron County. School Fund.

1. ANNUAL BASE RENTAL:

The three-year review date for this telecommunication lease is June 1, 2010. The subject property is used for a cellular-wireless radio communication tower and facility on the Cedar City (Leigh Hill) site. The lease agreement provides for periodic increases in the annual base rental amount. To determine an updated fair market value, an evaluation of comparable leases for the same purpose and type of area was conducted. Pursuant to the provision of the lease agreement, it is recommended that the annual base rental be increased from \$6,600.00 per year to \$7,200.00 per year, effective June 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received.

Subleasing: Any subleasing revenue assessed is in addition to the annual base rental amounts discussed above. There are three tenants on this facility. The first tenant is Nextel-Sprint, and no sublease rental is charged because it is covered as part of the base rental amount. Sublessee #2 (Ubiquitel) and Sublessee #3 (AT&T) are both assessed subleasing revenue. The sublease rental for each is being increased from \$3,300.00 per year to \$3,600.00 per year, effective June 1, 2010, as part of this three-year review and rental increase.

Preliminary Estimate of Land Value: \$3,000.00 (Based on \$35,000.00 per acre)

New Annual Base Rental Amount: \$7,200.00

Acres in Lease: 0.08

Rental Amount / Acre: \$90,000.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

SPECIAL USE LEASE AGREEMENT NO. 1164 (THREE-YEAR REVIEW) (CONTINUED)

2. **DUE DILIGENCE AND PROPER USE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.
3. **ADEQUATE INSURANCE AND BOND COVERAGE:**
Insurance coverage is current and adequate for the lease agreement. The lease has a bond as provided for in the lease.
4. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights associated with this lease.
5. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
6. **LEASE SITE DESCRIPTION:**
The lease administrator has completed a review of the legal description for this communication site with the GIS Group. Initial GIS review indicated that it may overlap a small portion of an adjoining lease, but further review is uncertain at this time. The site is so small and the overlap would be small as well, if at all. It is still currently under review.
7. **NEXT REVIEW DATE:**
The next review date will be June 1, 2013.

Upon recommendation of Mr. Gary Bagley, the Director approved the three-year review for SULA 1164.

SPECIAL USE LEASE AGREEMENT NO. 1176 (FIVE-YEAR REVIEW)

Special Use Lease Agreement No. 1176 is an industrial lease in the name of Moab Salt Inc., P.O. Box 1208, Moab, UT 84532-1208. San Juan County. School Fund.

1. **ANNUAL BASE RENTAL:**
The five-year review date for this lease is June 1, 2010. The subject property is located in San Juan County and used for a buffer zone between holding ponds and the Colorado River. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. Therefore, it is recommended that the CPI be used to adjust the annual rental from \$9,020.00 to \$10,000.00 per year, effective June 1, 2010. A certified notice of the rental increase was sent to the lessee on May 13, 2010. No response was received.

New annual base rental amount: \$10,000.00
Acres in lease: 669.35
Rental per acre: \$14.93
2. **DUE DILIGENCE AND PROPER USE:**
The development allowed by this lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

SPECIAL USE LEASE AGREEMENT NO. 1176 (FIVE-YEAR REVIEW) (CONTINUED)

3. **ADEQUATE BOND COVERAGE:**
There is no provision in the lease requiring a bond.
4. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights owned by the Trust Lands Administration associated with this lease.
5. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the leased premises.
6. **GIS REVIEW:**
The lease administrator has had the legal description reviewed by the GIS Group. A typographical error was found in the legal description listed on the business system and also on the lease document. The error has been corrected on the business system and an amendment to correct the lease document is currently in process.
7. **NEXT REVIEW DATE:**
The next assessment will be on June 1, 2015.

Upon recommendation of Mr. Chris Fausett, the Director approved the five-year review for Special Use Lease Agreement No. 1176.

SPECIAL USE LEASE AGREEMENT NO. 1435 (FIVE-YEAR REVIEW)

Special Use Lease Agreement No. 1435 is an industrial lease in the name of Bill Barrett Corporation, 1099 18th Street, Ste. 2300, Denver, CO 80202. Carbon County. School Fund.

1. **ANNUAL BASE RENTAL:**
The five-year review date for this lease is June 1, 2010. The subject property is located in Carbon County and used for a natural gas well pad site. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. Therefore, it is recommended that the CPI be used to adjust the annual rental from \$1,000.00 to \$1,200.00 per year, effective June 1, 2010. A certified notice of the rental increase was sent to the lessee on May 13, 2010. No response was received.

New annual base rental amount: \$1,200.00
Acres in lease: 2.75
Rental per acre: \$436.36
2. **DUE DILIGENCE AND PROPER USE:**
The development allowed by this lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.
3. **ADEQUATE BOND COVERAGE:**
A surety bond in the amount of \$5,000.00 has been provided by the lessee for this lease and is on file with the Trust Lands Administration.
4. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights owned by the Trust Lands Administration associated with this lease.

SPECIAL USE LEASE AGREEMENT NO. 1435 (FIVE-YEAR REVIEW) (CONTINUED)

5. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the leased premises.
6. **GIS REVIEW:**
The lease administrator has had the legal description reviewed by the GIS Group. A typographical error was found in the legal description listed on the business system and also on the lease document. The error has been corrected on the business system and an amendment to correct the lease document is currently in process.
7. **NEXT REVIEW DATE:**
The next assessment will be on June 1, 2015.

Upon recommendation of Mr. Chris Fausett, the Director approved the five-year review for Special Use Lease Agreement No. 1435.

SPECIAL USE LEASE AGREEMENT NO. 1436 (FIVE-YEAR REVIEW)

SULA 1436 is a telecommunications lease issued to WindRiver Wireless, LLC, P.O. Box 1768, Roosevelt, UT 84066. The lease site is located in Duchesne County. School Fund.

1. **ANNUAL BASE RENTAL:**
The five-year lease rental review date for this telecommunication lease is June 1, 2010. The subject property is used for a communication site with a small tower for mobile radio, including SMR (trunked radio), and standard two-way radio. The lease agreement provides for periodic increases in the annual base rental amount. To determine an updated fair market value, an evaluation of comparable leases for the same purpose and type of area was conducted. Pursuant to the results of that review, it is recommended that the annual base rental be increased from \$3,600.00 per year to \$4,000.00 per year, effective June 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received.

Subleasing: Any subleasing revenue assessed is in addition to the annual base rental amounts discussed above. There are no known sub-lessees co-located on this facility.

Preliminary Estimate of Land Value: \$125.00 (Based on \$500.00 per acre)

New Annual Base Rental Amount: \$4,000.00

Acres in Lease: 0.23

Rental Amount / Acre: \$17,391.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

2. **DUE DILIGENCE AND PROPER USE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.
3. **ADEQUATE INSURANCE AND BOND COVERAGE:**
Insurance coverage is current and adequate for the lease agreement. A \$5,000 cash bond is in place for the lease.

SPECIAL USE LEASE AGREEMENT NO. 1436 (FIVE-YEAR REVIEW) (CONTINUED)

4. ESTABLISHMENT OF WATER RIGHTS:

There are no water rights associated with this lease.

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

6. LEASE SITE DESCRIPTION:

The lease administrator has completed a successful review of the legal description for this communication site with the GIS Group.

7. NEXT REVIEW DATE:

The next review date will be the expiration date of May 31, 2015. A notice will be sent one year prior to expiration to discuss the various options with the lessee.

Upon recommendation of Mr. Gary Bagley, the Director approved the five-year review for SULA 1436.

SPECIAL USE LEASE AGREEMENT NO. 1468 (ASSIGNMENT)

Pursuant to R850-30-900, Gasco Production Company, 8 Inverness Drive East, Ste. 100, Englewood, CO 80112, requests permission to assign 100% of its interest in the above-referenced lease to Monarch Natural Gas, LLC, 5445 DTC Parkway, Suite P-4, Greenwood Village, CO 80111. Continuation of the existing lease form is clearly in the best interest of the Beneficiary pursuant to R850-30-900(5)(a). No additional fees are assessed. The \$250.00 assignment fee has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of SULA 1468.

SPECIAL USE LEASE AGREEMENT NO. 1422 (ASSIGNMENT)

Pursuant to R850-30-900, Gasco Energy, Inc., 8 Inverness Drive East, Ste. 100, Englewood, CO 80112, requests permission to assign 100% of its interest in the above-referenced lease to Monarch Natural Gas, LLC, 5445 DTC Parkway, Suite P-4, Greenwood Village, CO 80111. Continuation of the existing lease form is clearly in the best interest of the Beneficiary pursuant to R850-30-900(5)(a). No additional fees are assessed. The \$250.00 assignment fee has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of SULA 1422.

SPECIAL USE LEASE AGREEMENT NO. 1472 (ASSIGNMENT)

Pursuant to R850-30-900, Gasco Production Company, 8 Inverness Drive East, Ste. 100, Englewood, CO 80112, requests permission to assign 100% of its interest in the above-referenced lease to Monarch Natural Gas, LLC, 5445 DTC Parkway, Suite P-4, Greenwood Village, CO 80111. Continuation of the existing lease form is clearly in the best interest of the Beneficiary pursuant to R850-30-900(5)(a). No additional fees are assessed. The \$250.00 assignment fee has been submitted. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the assignment of SULA 1472.

AMENDED SPECIAL USE LEASE AGREEMENTS NOS. 1599A AND 1599B (REPLACEMENT LETTER OF CREDIT)

Milford Wind Corridor, Phase I, LLC, a Delaware limited liability company, c/o First Wind Energy, LLC, 85 Wells Avenue, Suite 305, Newton, Massachusetts 02459, the lessee under Amended and Restated Special Use Lease Agreement No. 1599A (SULA 1599A), and Milford Wind Corridor, Phase II, LLC, c/o First Wind Energy, LLC, 85 Wells Avenue, Suite 305, Newton, Massachusetts 02459, lessee under Special Use Lease Agreement No. (SULA 1599B), request that the Director accept as a replacement letter of credit Irrevocable Letter of Credit No. LCA218NY, in the amount of \$50,000.00, issued by The Royal Bank of Scotland plc, 600 Washington Boulevard, Stamford, CT 06901. Irrevocable Letter of Credit LCA218NY is effective from January 28, 2010, through January 28, 2011. SULA 1599A affects lands in Beaver County. SULA 1599B affects lands in Beaver and Millard Counties. School Fund.

Irrevocable Letter of Credit LCA218NY is necessary because Letter of Credit No. SB 000136, dated January 15, 2009, issued by HSH Nordbank AG, New York Branch, 230 Park Avenue, 31st Floor, New York, New York 10169, in connection with Special Use Lease Agreement No. 1599, expired January 28, 2010.

Upon recommendation of Mr. Lou Brown, the Director accepted the replacement Irrevocable Letter Credit submitted for SULA 1599A and SULA 1599B.

TIMBER SALES**TIMBER APPLICATION NO. 838 (CANCELLATION)**

Maple Leaf Company, 450 South 50 East, Ephraim, UT 84627. Jason Stevens from the Maple Leaf Company sent a letter requesting that TA 838 be canceled as they cannot harvest enough native seed from trust lands under this contract to make it economically viable. Emery and Kane Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of TA 838.

WATER RIGHTS**WATER RIGHT NO. 16-889 (APPROVED APPLICATION)**

This application was filed on December 10, 2009, to appropriate 13.79 acre-feet of water from an unnamed spring located North 1615 feet and East 3000 feet from the SW Corner of Section 16, T10S, R8W, SLB&M. The water is to be used for the stock watering requirements of 492.5 equivalent livestock units from January 1 to December 31. This water right was approved by the State Engineer in a Memorandum Decision dated May 17, 2010.

This item was submitted by Mr. Richard Wilcox for record-keeping purposes.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 6.0 Kachina Cliffs Phase 2 – Entrada at Snow Canyon.

This transaction has been executed pursuant to Development Lease DEVL 682.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 3, Township 42.0 S, Range 16.0 W, SLBM

PURCHASER:

THE ENTRADA COMPANY
C/O BRIAN CHADAZ AT HERITAGE BANK
95 EAST TABERNACLE
ST. GEORGE, UT 84770

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 38	26342-6-38	05/06/10	19859-6-38	03/20/06	\$105,021.00	\$50.00	0.70	MH	3

This legal description has been reviewed by the GIS Group.

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also 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; also,

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the Subdivision.

This item was submitted for record-keeping purposes by Andrea James.

RIGHT OF ENTRY 5469 - ST. GEORGE CITY - ACCESS AND STAGING AREA FOR CONSTRUCTION OF 25" WATERLINE (ESMT 1472)

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

RIGHT OF ENTRY NO.: 5469
PROJECT: South Block - Mile Post 2
PROJECT CODE: SOBLK 001 00
PROJECT MANAGER: Brent Bluth
COUNTY: Washington
FUND: Multi - School
DURATION: Eighteen (18) Months From Date of Commencement
ASSESSMENT: \$350.00

PERMITTEE:

ST. GEORGE CITY
a municipality of the State of Utah
175 E. 200 N.
St. George, UT 84770

DESCRIPTION OF TRANSACTION:

St. George City (the "Permittee") was granted a 25" waterline easement (ESMT 1472) in March of 2010, by the State of Utah Trust Lands Administration (the "Trust"). The Permittee now desires to construct the waterline, but wants access from the end of the pavement on Astragalus Drive to the aforementioned easement. Further, the Permittee requests a staging area to facilitate the construction of said Waterline. Therefore, in the interest of aiding the necessary completion of the approved waterline, the Trust has issued a right of entry for use as an access road and staging area for construction equipment and supplies to construct the 25" waterline, which is more particularly described in Easement 1472.

LEGAL DESCRIPTION:

ACCESS ROAD

Township 43 South, Range 16 West, SLB&M
Section 24: SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ and the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ (Within)

Contains 1.20 acres, more or less.

AND

STAGING AREA

Township 43 South, Range 16 West, SLB&M
Section 24: SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ (Within and more particularly described below)

Commencing at North Quarter Corner of Section 24, Township 43 South, Range 16 West, Salt Lake Base and Meridian; Thence North 88°50'30" West, along the Section line, a distance of 357.24 feet; Thence South, a distance of 1,621.18 feet to the Point of Beginning;

Thence South 50°58'18" East, a distance of 20.27 feet; Thence South 33°30'00" West, a distance of 48.35 feet; Thence South 17°27'14" West, a distance of 40.48 feet; Thence South 33°13'41" West, a distance of 316.07 feet; Thence South 44°11'38" West, a distance of 32.62 feet; Thence South 69°56'29" West, a distance of 28.47 feet; Thence North 89°34'57" West, a distance of 49.30 feet; Thence North 85°25'18" West, a distance of 52.22 feet; Thence North 34°35'25" West, a distance of 251.15 feet; Thence North 59°27'40" East, a distance of 54.02 feet to the beginning of a non-tangent curve to the right, of which the radius point lies South 28°55'41" East, a radial

RIGHT OF ENTRY 5469 - ST. GEORGE CITY - ACCESS AND STAGING AREA FOR CONSTRUCTION OF 25" WATERLINE (ESMT 1472) (CONTINUED)

distance of 67.04 feet; Thence easterly along the arc of said curve, through a central angle of 40°39'52", a distance of 47.58 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North 09°48'45" East, a radial distance of 115.07 feet; Thence easterly along the arc of said curve, through a central angle of 41°32'12", a distance of 83.42 feet; Thence North 61°50'36" East, a distance of 55.74 feet to the beginning of a non-tangent curve to the right, of which the radius point lies South 24°20'44" East, a radial distance of 119.97 feet; Thence easterly along the arc of said curve, through a central angle of 36°54'53", a distance of 77.29 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North 10°32'05" East, a radial distance of 124.87 feet; Thence easterly along the arc of said curve, through a central angle of 22°52'12", a distance of 49.84 feet; Thence North 73°20'07" East, a distance of 38.97 feet to the beginning of a non-tangent curve to the left, of which the radius point lies North 21°11'35" West, a radial distance of 232.69 feet; Thence northeasterly along the arc of said curve, through a central angle of 33°21'18", a distance of 135.46 feet to the Point of Beginning.

Containing: 2.00 acres, more or less.

The legal descriptions above have been reviewed by the GIS Group.

NUMBER OF ACRES BY COUNTY: 3.20 acres - Washington County

NUMBER OF ACRES BY FUND: 3.20 acres - School

Upon recommendation of Ms. Andrea James, the Director approved this right of entry.

EASEMENT - CITY OF ST. GEORGE – SOUTH BLOCK, MILE POST 2 RE-USE WATER LINE PHASE III (ESMT 1543)

THE FOLLOWING EASEMENT HAS BEEN EXECUTED:

EASEMENT NO.:	1543
PROJECT:	South Block - Mile Post 2
PROJECT CODE:	SOBLK 001 00
PROJECT MANAGER:	Brent Bluth
COUNTY:	Washington
FUND:	School
DURATION:	Perpetual
ASSESSMENT:	\$750.00

PERMITTEE:

ST. GEORGE CITY
175 East 200 North
St. George, UT 84770

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration (the "Trust") has issued a perpetual easement to the City of St. George (the "City") for the installation, operation, maintenance, repair, and replacement of an underground re-use water line. The water provided by the water line will serve the immediately developable land within the South Block. Additionally, the construction of major infrastructure in the South Block will substantially increase the value of the Trust's land and contributes to the grounding of the South Block as prime development property.

EASEMENT - CITY OF ST. GEORGE – SOUTH BLOCK, MILE POST 2 RE-USE WATER LINE PHASE III (ESMT 1543) (CONTINUED)

The total cost of the infrastructure borne by St. George City far outweighs the cost of the land the Trust is contributing; furthermore, the improvement will be available for the Trust's use when it is ready to develop its surrounding land in the South Block. Therefore, providing this easement free of charge, other than the applicable \$750.00 application fee, will become a sizable portion of the Trust's participation in the infrastructure costs of the South Block as it develops in the future. Additional supporting information is available in the Planning and Development file.

LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M

Section 32: (Within)

Part 1 of 3

SITLA LAND STA 213+18 TO 221+20

A strip of land 20.00 feet in width, being 10 foot left and right of the described centerline, to be used as a re-use waterline easement between Southern Parkway Stations 213+18 to 221+20, located within the Northwest Quarter of the South Half of Section 32, Township 43 South, Range 15 West, Salt Lake Base & Meridian, Washington County, State of Utah, centerline being more particularly described as follows:

Beginning at the point which is South 88°44'29" East 2066.41 feet along the Center Section line and North 00°00'00" East 1.10 feet from the West Quarter Corner of Section 32, Township 43 South, Range 15 West, Salt Lake Base & Meridian, said point being on the Easterly Right-of-Way of River Road Extension Recorded on October 18, 2007, as Document No. 20070050838 in the office of the Washington County Recorder, in said County, State of Utah, said point also being on the centerline of a 20 foot wide re-use waterline easement; thence along the said centerline South 88°44'02" East 9.24 feet; thence South 83°25'04" East 562.15 feet; thence South 78°18'17" East 223.36 feet; thence South 37°54'43" East 15.43 feet to the Northerly Right-of-Way of the Southern Parkway, Recorded on June 11, 2009, as Document No. 20090022865 in the office of the Washington County Recorder, in said County, State of Utah; said point being the point of terminus.

The total length of the re-use waterline easement between Southern Parkway Stations 213+18 to 221+20 for SITLA (School and Institutional Trust Lands Administration), as described above is 810.18 feet or 0.15 miles, more or less in length.

The total area of the re-use waterline easement between Southern Parkway Stations 213+18 to 221+20 for SITLA (School and Institutional Trust Lands Administration), as described above, is 16,204 sq. ft. or 0.37 acre, more or less.

Township 43 South, Range 15 West, SLB&M

Sections 32 (E2 within) & 33 (N2 within), more specifically described below.

Part 2 of 3

SITLA STA 226+45 TO 284+32

A strip of land 20.00 feet in width, being 10 foot left and right of the described centerline, to be used as a re-use waterline easement between Southern Parkway Stations 226+45 to 284+32, located within the East Half of Section 32, and the North Half of Section 33, Township 43 South, Range 15 West, Salt Lake Base & Meridian, Washington County, State of Utah, centerline being more particularly described as follows:

Beginning at the point which is North 88°44'29" West 1904.24 feet along the Center Section line and South 00°00'00" East 143.02 feet from the East Quarter Corner of Section 32, Township 43 South, Range 15 West, Salt

EASEMENT - CITY OF ST. GEORGE – SOUTH BLOCK, MILE POST 2 RE-USE WATER LINE PHASE III (ESMT 1543) (CONTINUED)

Lake Base & Meridian, said point being on the Northerly Right-of-Way of Southern Parkway, Recorded on June 11, 2009 as Document No. 20090022865 in the office of the Washington County Recorder, in said County, State of Utah; said point also being on the centerline of a 20 foot wide re-use waterline easement; thence along the said centerline North 71°02'39" East 33.25 feet to the point curvature of a 6040.00 foot radius curve concave to the left, the radius point of which bears North 01°36'18" West; thence Northeasterly 1919.14 feet along the arc of said curve through a central angle of 18°12'18"; the chord of said curve bears North 79°17'33" East for a distance of 1911.08 feet to the East Section line of said Section 32, said point also being the point of a compound curvature of a 6040.00 foot radius curve to the left, the radius point of which bears North 19°48'36" West; thence Northeasterly 602.92 feet along the arc of said curve through a central angle of 5°43'10"; the chord of said curve bears North 67°19'49" East for a distance of 602.67 feet to the point of tangency; thence North 64° 28'14" East 1302.97 feet to the point of curvature of a 4160.00 foot radius curve concave to the right; thence Northeasterly 833.68 feet along the arc of said curve through a central angle of 11°28'56"; the chord of said curve bears North 70°12'42" East for a distance of 832.28 feet to the point of tangency; thence North 76°08'43" East 209.04 feet to the point of curvature of a 2000.00 foot radius curve concave to the right; thence Northeasterly 192.60 feet along the arc of said curve through a central angle of 5°31'03"; the chord of said curve bears North 78°54'40" East for a distance of 192.52 feet to the point of tangency; thence North 81°40'11" East 245.33 feet to the point of curvature of a 1010.00 foot radius curve concave to the right, thence Northeasterly 137.08 feet along the arc of said curve through a central angle of 7°46'35"; the chord of said curve bears North 85°33'29" East for a distance of 136.98 feet to the point of tangency; thence North 89°26'47" East 297.46 feet; thence South 42°25'10" East 30.44 feet to the said Northerly Right-of-Way of the Southern Parkway; said point being the point of terminus.

The total length of the re-use waterline easement between Southern Parkway Stations 226+45 to 284+32 for SITLA (School and Institutional Trust Lands Administration), as described above is 5,803.91 feet or 1.10 miles, more or less in length.

The total area of the re-use waterline easement between Southern Parkway Stations 226+45 to 284+32 for SITLA (School and Institutional Trust Lands Administration), as described above, is 116,073 sq. ft. or 2.66 acres, more or less.

Township 43 South, Range 15 West, SLB&M
Section 33: (NW4 within)

Part 3 of 3

SITLA STA 290+63 TO 301+35

A strip of land 20.00 feet in width, being 10 foot left and right of the described centerline, to be used as a re-use waterline easement between Southern Parkway Stations 290+63 to 301+35, located within the Northeast Quarter of Section 33, Township 43 South, Range 15 West, Salt Lake Base & Meridian, Washington County, State of Utah, centerline being more particularly described as follows:

Beginning at the point which is North 88°42'45" West 1062.78 feet along the North Section line and South 00°00'00" East 1087.03 feet from the Northeast Corner of Section 33, Township 43 South, Range 15 West, Salt Lake Base & Meridian, said point being on the Northerly Right-of-Way of Southern Parkway, Recorded on June 11, 2009, as Document No. 20090022865 in the office of the Washington County Recorder, in said County, State of Utah; said point also being on the centerline of a 20 foot wide re-use waterline easement; thence along the said centerline North 50°04'51" East 14.51 feet; thence South 86°21'41" East 985.99 feet; thence South 88°49'46" East 44.44 feet to the Easterly Section line of said Section 33, said point being the point of terminus.

EASEMENT - CITY OF ST. GEORGE – SOUTH BLOCK, MILE POST 2 RE-USE WATER LINE PHASE III (ESMT 1543) (CONTINUED)

The total length of the re-use waterline easement between Southern Parkway Stations 290+63 to 301+35 for SITLA (School and Institutional Trust Lands Administration), as described above is 1044.94 feet or 0.20 miles, more or less in length.

The total area of the re-use waterline easement between Southern Parkway Stations 290+63 to 301+35 for SITLA (School and Institutional Trust Lands Administration), as described above, is 20,899 sq. ft. or 0.50 acre, more or less.

Contains 3.53 total acres, more or less.

The legal descriptions above have been reviewed by the GIS Group.

NUMBER OF ACRES BY COUNTY: 3.53 acres - Washington County

NUMBER OF ACRES BY FUND: 3.53 acres -School

Upon recommendation of Ms. Andrea James, the Director approved and granted this easement.

ACTIONS CONTAINING FEE WAIVERS

RIGHT OF ENTRY NO. 5486 (LICENSE AGREEMENT) (APPROVAL)

On May 17, 2010, the School and Institutional Trust Lands Administration received an application from Grand County Council, 125 East Center Street, Moab, UT 84532, to occupy the following described trust land located within Grand County to conduct the 4th of July fireworks display:

T26S, R22E, SLB&M
Sec. 6: N½NE¼SE¼ (Within)

As the subject property is already leased, this right of entry is a license agreement between the Trust Lands Administration, LB Moab Land, LLC (the lessee under SULA 702), and the Grand County Council. This right of entry will allow the licensee to enter the lease area from 8:00 a.m. on July 3, 2010, until 5:00 p.m. on July 5, 2010, when the permit will automatically terminate. Due to the license agreement between the respective parties, the assessment for this right of entry, in the amount of \$300.00 (representing \$200.00 assessment, \$50.00 application fee, and \$50.00 processing charge), has been waived. Grand County. School Fund. Expiration date: July 5, 2010.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5486 and the fee waiver in the amount of \$300.00.

TRUST ACCOUNTING ACTIONS

CANCELED MINERAL LEASES

The following mineral leases were not paid on or before the cancellation date of 5/10/2010. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 49288	Western Utah Copper Company	SCH	BEAV	MM
ML 49289	Western Utah Copper Company	SCH	BEAV	MM
ML 49290	Western Utah Copper Company	SCH	BEAV	MM
ML 49291	Western Utah Copper Company	SCH	BEAV	MM
ML 49292	Western Utah Copper Company	SCH	BEAV	MM
ML 49293	Western Utah Copper Company	SCH	BEAV	MM
ML 49294	Western Utah Copper Company	SCH	BEAV	MM
ML 49295	Western Utah Copper Company	SCH	BEAV	MM
ML 49296	Western Utah Copper Company	SCH	BEAV	MM
ML 49297	Western Utah Copper Company	SCH	BEAV	MM
ML 49298	Western Utah Copper Company	SCH	BEAV	MM
ML 49299	Western Utah Copper Company	SCH	BEAV	MM
ML 50303	B&C Mining LLC	SCH	GRND	MM
ML 50750	Armstrong, Dale E.	SCH	SANJ	MM

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

CANCELED SPECIAL USE LEASE AGREEMENT

The following special use lease agreement was not paid on or before the cancellation date of 5/10/2010. A certified notice was mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
SULA 867	Scott Gibson	SCH	KANE	COM

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed special use lease agreement for non-payment.

REFUND REQUESTED – ML 46911

The above-mentioned lease was overpaid in 2005, 2006, and 2007. The total amount of the overpayment is \$5,120.00. Forest Oil has requested that this overpayment be refunded to them. The refund should be sent to Forest Oil – ATTN: Lauren Cook – 707 Seventeenth Street – Suite 3600 – Denver, CO 80202.

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the refund to Forest Oil in the amount of \$5,120.00.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	3.25%