


JULY 19, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JULY 19, 2010, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON JULY 19, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 11; SURFACE ACTIONS AS LISTED ON PAGES 12 TO 28; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 29.

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, AUGUST 2, 2010. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



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LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

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**MINERAL ACTIONS**

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**MATERIALS PERMIT NO. 316 – EXPIRATION**

The following Materials Permit, No. 316, expired on March 31, 2010. The Permittee no longer has any rights relevant to this permit.

**PERMITTEE:**

UTAH DEPARTMENT OF TRANSPORTATION  
REGION 4 MATERIALS LAB  
690 SOUTH 100 WEST  
RICHFIELD, UT 84701

**AFFECTED LANDS:**

TOWNSHIP 15 SOUTH, RANGE 10 EAST, SLB&M.  
SEC. 4: SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>  
SEC. 9: N<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>

COUNTY: CARBON

ACRES: 80.0±

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. 467 – APPROVED**

**APPLICANT:**

LONESOME DOVE EXCAVATION, INC.  
1359 WEST 720 NORTH  
PRICE, UT 84501

**AFFECTED LANDS:**

TOWNSHIP 11 SOUTH, RANGE 15 EAST, SLB&M.  
SEC. 32: E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, W<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>

COUNTY: DUCHESNE

ACRES: 90.0±

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.

**MATERIALS PERMIT NO. 467 – APPROVED (CONTINUED)****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 467 was submitted as RDCC Project #20720 and the review was completed by letter, dated June 10, 2010. The Division of Air Quality commented that, "The proposed project will be subject to R307-205-5: Fugitive Dust, of the Utah Air Quality Rules, due to the fugitive dust that may be generated during soil disturbance for the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules can be found at [www.rules.utah.gov/publicat/code/r307/r307.htm](http://www.rules.utah.gov/publicat/code/r307/r307.htm)." The Duchesne County Commission commented in a letter dated May 24, 2010, that they had no objections to the proposal, but requested that conditions included in their letter be included as part of SITLA's authorization to proceed. Those conditions included: Operating under a valid DEQ air quality permit; bonding at a minimum of \$5,000 for the first acre and \$3,000 for each additional acre disturbed, an approved dust control plan from the TriCounty Health Department, and coordination with the Duchesne County Road Department to determine if site access requires a road approach permit.

The public notice process was completed and no competing applications were received. Lonesome Dove Excavation, Inc. has agreed to pay annual rental in the amount of \$10 per acre per year (\$900 per year) and a royalty rate of \$1 per cubic yard for ordinary sand and gravel material. Advance minimum royalties are \$1,000 per year. A minimum bond in the amount of \$17,000 is required for up to five (5) acres of disturbed area. 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 materials permit sites on Trust lands in Duchesne 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. 467 for a term of five (5) years.

**MATERIALS PERMIT NO. 468 – APPROVED**

APPLICANT:

BROWN BROTHERS CONSTRUCTION  
90 NORTH 200 EAST  
P.O. BOX 249  
LOA, UT 84747

AFFECTED LANDS:

TOWNSHIP 36 SOUTH, RANGE 11 EAST, SLB&M.  
SEC. 32: N½NW¼ - that portion west of Highway 276

COUNTY: GARFIELD

ACRES: 70.0±

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 been impacted by historic sand and gravel operations. This action is exempt from the State of Utah Resource Development Coordinating Committee (“RDCC”) process because it is an ongoing historic use of the lands. The public notice process was completed. No competing applications were received. Brown Brothers Construction has agreed to pay annual rental of \$10 per acre per year (\$700 per year) and a royalty rate of \$0.62 per cubic yard of ordinary sand and gravel material. Annual minimum royalties are 3,000 cubic yards (\$1,860 per year). A minimum bond in the amount of \$10,000 is required for this permit. Permit term is 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 materials permit sites on trust lands in Garfield 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. 468 for a term of five (5) years.

**MATERIALS PERMIT NO. 470 – APPROVAL**

APPLICANT:

MESA UTAH ROCK, LLC  
710 SOUTH 15<sup>TH</sup> STREET  
GRAND JUNCTION, CO 81501

AFFECTED LANDS:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, SLB&M.  
SEC. 32: NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>

COUNTY: GRAND

ACRES: 40.0±

FUND: SCH

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

Pursuant to R850-23-1400, the subject lands have been designated (PRED 602) for sand and gravel sales. Royalty rate for this pit is set at \$0.50 per cubic yard. Advance minimum royalties in the amount of \$1,500 are required. The term of the permit is one (1) year.

Upon recommendation of Mr. Randy Harden, the Director approved the issuance of Materials Permit No. 470 for a term of one (1) year.

**MATERIALS PERMIT NO. 471 – APPROVAL**

APPLICANT:

PLATT LIVESTOCK, LLC  
2278 NORTH 400 EAST  
P.O. BOX 164  
NEWCASTLE, UT 84756

AFFECTED LANDS:

TOWNSHIP 35 SOUTH, RANGE 15 West, SLB&M.  
SEC. 22: N<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub>NW<sup>1</sup>/<sub>4</sub>

COUNTY: IRON

ACRES: 40.0±

FUND: SCH

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

Pursuant to R850-23-1400, the subject lands have been designated (PRED 275) for sand and gravel sales. Royalty rate for this pit is set at \$0.50 per cubic yard. The term of the permit is one (1) year.

Upon recommendation of Mr. Randy Harden, the Director approved the issuance of Materials Permit No. 471 for a term of one (1) year.

**APPROVAL OF MINERAL MATERIALS PERMIT FOR COMMON CLAY (MULTI)**

The following-described application was received to extract common clays for use in the construction of a reservoir site upon adjacent private lands. The lands have been checked by the Minerals Group and are determined to be open and available for issuance of the permit. The applicant submitted the required \$100 filing fee and annual rentals of \$10 per acre along with the application. The applicant is agreeable to paying a royalty rate of \$1 per short ton on clay materials removed from the permitted lands. The permittee will be required to obtain a mining permit from the Division of Oil, Gas & Mining to govern mining and reclamation operations under the permit. The contract administrator has had this legal description reviewed by the GIS Group.

ML 51817-MP

Huntington Cleveland Irrigation Co.  
71 North Main  
P.O. Box 327  
Huntington, UT 84528

T17S, R8E, SLB&M

SEC. 11: SE¼NW¼

Emery  
40.00 acres

Mineral Material: Common Clay  
Permit Term: One Year  
Royalty Rate: \$1/short ton  
Rental: \$10/acre

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

**METALLIFEROUS MINERALS LEASE APPROVAL**

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 digital 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 digital plat books have been updated to show the lease application as an existing contract on the lands described below:

ML 51818

Ronald Sweat  
P.O. Box 270010  
Fruitland, UT 84027

T11S, R15E, SLB&M.

SEC. 2: LOTS 2(40.46), 3(40.50), 4(40.54),  
SW¼NE¼, S½NW¼, SW¼, W½SE¼

Duchesne  
481.50 Acres

Annual Rental: \$500

FUND: SCH

**EXPIRATION OF METALLIFEROUS MINERALS LEASE**

The following Metalliferous Minerals Lease has reached the end of its ten (10) year primary term without achieving production and without satisfaction of the diligent development requirement as provided for under Part Four of Article VI of the lease agreement. Therefore, the lease has expired on its own terms at the end of the ten (10) year primary term on June 30, 2010.

<u>ML 48571</u>	<u>T3S, R3W, SLB&amp;M.</u>	Tooele/Salt Lake
Grand Central Silver Mines, Inc.	SEC. 21: LOTS 29(0.16), 30(0.20)	26.73 Acres
2340 East Trinity Mills Road	SEC. 28: LOTS 19(25.82), 20(0.55)	
Suite 300		
Carrollton, TX 75006-1947		

FUND: RES

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

**OVER-THE-COUNTER OIL, GAS, AND ASSOCIATED HYDROCARBONS LEASE APPLICATIONS – APPROVED**

Upon recommendation of Mr. Bonner, the Director approved the Over-the-Counter Oil, Gas, and Associated Hydrocarbons lease applications listed below at a rental of \$2 per acre per annum; royalty as provided in the lease form approved by the Director. These applications have been checked by the Minerals Section and found to be in order. The lease administrator has had these legal descriptions reviewed by the GIS Group. The land status has been examined and the lands found to be open and available.

<u>Mineral Lease Appl. No. 51819</u>	<u>T1N, R4E, SLB&amp;M.</u>	Morgan/Summit
Quantum Energy, L.L.C.	SEC. 8: LOTS 1(27.51), 2(27.61), 3(27.71),	1102.31 acres
22801 Ventura Blvd., #200	4(27.81), NW <sup>1</sup> / <sub>4</sub> SW <sup>1</sup> / <sub>4</sub> , S <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub> , NW <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub> ,	
Woodland Hills, CA 91364	SE <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub>	
Application Date: July 8, 2010	SEC. 12: LOTS 1(26.29), 2(26.24), W <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub> , W <sup>1</sup> / <sub>2</sub> SW <sup>1</sup> / <sub>4</sub>	
FUND: SCH	SEC. 18: LOTS 1(40.00), 2(40.00), 4(29.92),	
	5(40.00), 6(40.00), 7(40.00), 8(40.00),	
	10(29.22), 11(40.00), 12(40.00), N <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub> ,	
	SE <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub> , NE <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub> , SW <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub>	

<u>Mineral Lease Appl. No. 51820</u>	<u>T1N, R4E, SLB&amp;M.</u>	Morgan/Summit
Quantum Energy, L.L.C.	SEC. 20: N <sup>1</sup> / <sub>2</sub> NE <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub> , NW <sup>1</sup> / <sub>4</sub> NW <sup>1</sup> / <sub>4</sub> ,	1040.70 acres
22801 Ventura Blvd., #200	SE <sup>1</sup> / <sub>4</sub> NW <sup>1</sup> / <sub>4</sub> , N <sup>1</sup> / <sub>2</sub> S <sup>1</sup> / <sub>2</sub> , SE <sup>1</sup> / <sub>4</sub> SW <sup>1</sup> / <sub>4</sub> , SW <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub>	
Woodland Hills, CA 91364	SEC. 28: NE <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub> , SW <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub> , NW <sup>1</sup> / <sub>4</sub> , N <sup>1</sup> / <sub>2</sub> S <sup>1</sup> / <sub>2</sub>	
Application Date: July 8, 2010	SEC. 34: LOT 3(40.70), E <sup>1</sup> / <sub>2</sub> NW <sup>1</sup> / <sub>4</sub> NE <sup>1</sup> / <sub>4</sub> SW <sup>1</sup> / <sub>4</sub> , NW <sup>1</sup> / <sub>4</sub> SE <sup>1</sup> / <sub>4</sub>	

FUND: SCH



**OVER-THE-COUNTER OIL, GAS, AND ASSOCIATED HYDROCARBONS LEASE APPLICATIONS – APPROVED (CONTINUED)**

<u>Mineral Lease Appl. No. 51826</u>	<u>T3N, R5E, SLB&amp;M.</u>	Summit
Quantum Energy, L.L.C.	SEC. 4: LOTS 2(33.80), 4(33.96), SW $\frac{1}{4}$ NE $\frac{1}{4}$ ,	467.76 acres
22801 Ventura Blvd., #200	S $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$	
Woodland Hills, CA 91364		

Application Date: July 8, 2010

FUND: SCH

<u>Mineral Lease Appl. No. 51827</u>	<u>T3N, R5E, SLB&amp;M.</u>	Summit
Quantum Energy, L.L.C.	SEC. 6: LOTS 1(34.12), 3(33.99), 5(31.30),	491.11 acres
22801 Ventura Blvd., #200	7(31.70), S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ ,	
Woodland Hills, CA 91364	SE $\frac{1}{4}$	

Application Date: July 8, 2010

FUND: SCH

<u>Mineral Lease Appl. No. 51828</u>	<u>T3N, R5E, SLB&amp;M.</u>	Summit
Quantum Energy, L.L.C.	SEC. 8: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$	408.55 acres
22801 Ventura Blvd., #200	SEC. 24: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$	
Woodland Hills, CA 91364	SEC. 30: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , excepting therefrom the following: Beg at the SW cor of SE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Sec. 30, running th N 0°32' E 1178.4 ft along W line of said SE $\frac{1}{4}$ NW $\frac{1}{4}$ , th S 58°46' E 1193.8 ft, S 75°23' E 591.6 ft, th S 66°32' E 935.6 ft, th S 39°19' E 54.8 ft to the S line of the NE $\frac{1}{4}$ of said Sec. 30, th N 89°54' W 2497.0 ft to the pob, 31.45 acres m/less.	

Application Date: July 8, 2010

FUND: SCH: 360.00  
RES: 48.55

<u>Mineral Lease Appl. No. 51829</u>	<u>T3N, R6E, SLB&amp;M.</u>	Summit
Quantum Energy, L.L.C.	SEC. 4: Lot 3(39.09) SE $\frac{1}{4}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$	599.09 acres
22801 Ventura Blvd., #200	SEC. 10: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$	
Woodland Hills, CA 91364	SEC. 14: NW $\frac{1}{4}$ NE $\frac{1}{4}$	
	SEC. 30: W $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$	

Application Date: July 8, 2010

FUND: SCH

**TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES**

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to D. J. Simmons Company Limited Partnership, 1009 Ridgeway Place, Suite 200, Farmington, NM 87401, by SonJa V. McCormick. No override.

OWNERSHIP BEFORE ASSIGNMENT:

**RECORD TITLE:**

***SONJA V. MCCORMICK – 100%***

OWNERSHIP AFTER ASSIGNMENT:

**RECORD TITLE:**

***D. J. SIMMONS COMPANY LIMITED  
PARTNERSHIP – 100%***

...ML 51774 (SCH)...ML 51775 (SCH)...ML 51778 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to Samson Resources Company, Samson Plaza, Two West Second Street, Tulsa, OK 74103, by John B. Wolcott. No override.

OWNERSHIP BEFORE ASSIGNMENT:

**RECORD TITLE:**

***JOHN B. WOLCOTT – 100%***

OWNERSHIP AFTER ASSIGNMENT:

**RECORD TITLE:**

***SAMSON RESOURCES COMPANY – 100%***

...ML 50436 (USU)...ML 50437 (USU: 1916.16; SCH: 640.00)...ML 50438 (USU)....

**INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES**

Upon recommendation of Ms. Garrison, the Director approved the assignment of 10.50% 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 Shiny One, USA, LLC, c/o Shiny One Limited, Suite 1908, 9 Queen's Road Central, Hong Kong, by Thurston Energy, LLC. No override, previous overrides as 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 $\frac{1}{2}$**

***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.-12.50%,  
SEAHAWK ENERGY INC. – 12.50%**

OWNERSHIP AFTER ASSIGNMENT:

**RECORD TITLE:**

**T9S, R24E, SLB&M. 320.00 ACRES**

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

***THURSTON ENERGY LLC – 89.50%,***

***SHINY ONE, USA, LLC – 10.50%***

**T9S, R24E, SLB&M. 320.00 ACRES**

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

**WHITE RIVER ENTERPRISES, LLC – 75%,  
THERMO COGENERATION PARTNERSHIP L.P.-12.50%,  
SEAHAWK ENERGY INC. – 12.50%**

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

**INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**

Upon recommendation of Ms. Garrison, the Director approved the assignment of 10.50% interest in and to the lease listed below to Shiny One, USA, LLC, c/o Shiny One Limited, Suite 1908, 9 Queen's Road Central, Hong Kong, by Thurston Energy, LLC. No override, previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

**RECORD TITLE:*****THURSTON ENERGY LLC – 100%***

OWNERSHIP AFTER ASSIGNMENT:

**RECORD TITLE:*****THURSTON ENERGY LLC – 89.50%,  
SHINY ONE, USA, LLC – 10.50%***

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

**AMENDMENT OF NAME FROM QUESTAR EXPLORATION AND PRODUCTION COMPANY TO QEP ENERGY COMPANY – UO-559-ST, UO-561-ST, UO-562-ST, UO-566-ST, UO-570-ST, UO-823-ST, UO-828-ST, UO-829-ST, UO-2025-ST, ML 670, ML 807, ML 2237, ML 2237-A, ML 2785, ML 2785-A, ML 3037, ML 3042, ML 3044, ML 3044-A, ML 3053, ML 3055, ML 3058, ML 3068 (RES), ML 3084 (USH), ML 3084-A (USH), ML 3085, ML 3318 (SOV), ML 3319 (SOV), ML 11004, ML 13215-A, ML 16532, ML 21836, ML 22049, ML 22051, ML 22052, ML 22186, ML 22265, ML 22606, ML 24044 (SOV), ML 25712, ML 27026, ML 29538, ML 30041, ML 30571, ML 42195, ML 45175, ML 46292, ML 47000, ML 47040, ML 47046, ML 47049, ML 47051, ML 47052, ML 47053, ML 47054, ML 47056, ML 47057, ML 47058, ML 47059, ML 47068, ML 47779, ML 47973, ML 47974, ML 48503, ML 49272, ML 49273, ML 49279, ML 49395, ML 49397, ML 49398, ML 49402, ML 49403, ML 49404, ML 49405, ML 49538 (SCH: 440.56; NS: 360.00; DEAF: 160.00; USH: 2.25), ML 49543, ML 49748, ML 49750, ML 49751, ML 49758, ML 49774, ML 49787, ML 49788, ML 49823, ML 49826, ML 49839, ML 49967, ML 49970, ML 50079, ML 50086, ML 50193, ML 50417, ML 50420, ML 50423, ML 50518, ML 50660, ML 50662, ML 50663, ML 50665, ML 50666, ML 50670, ML 50734, ML 50802, ML 50804, ML 50971, ML 50973, ML 50976, ML 51206, ML 51212, ML 51217, ML 51220, ML 51221, ML 51385, ML 51387, ML 51388, ML 51389, ML 51394, ML 51509, ML 51510, ML 51588, AND ML 51768 (ALL SCH EXCEPT AS NOTED) – OIL, GAS, AND HYDROCARBON**

This office has received evidence that effective June 8, 2010, Questar Exploration and Production Company amended their name to QEP Energy Company, Independence Place, 1050-17<sup>th</sup> Street, Suite 500, Denver, CO 80265, covering the above-numbered leases. (**REFUND: \$45.00** – Overpayment of filing fees, they had listed 3 leases that were Forestry, Fire and State Lands leases).

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

**APPROVAL OF THE KRAKEN (GREEN RIVER) UNIT (SCH)**

QEP Energy Company, Operator of the Kraken (Green River) Unit, has furnished the State of Utah School and Institutional Trust Lands Administration (“SITLA”) Office with evidence that the unit was approved by the Bureau of Land Management on June 28, 2010, with the same effective date. Total unit acreage is 31,242.07 acres with 3,880.88 being SITLA acres.

The following leases should be noted as being committed to the Kraken (Green River) Unit with all formations of the unitized land committed, from the surface of the earth to the base of the Green River Formation described as the stratigraphic equivalent of 40 feet below the base of the “C” Shoal marker found at a subsurface depth of 5,340 feet as shown on the electric log of Chandler West River Bend 3-12-10-15 Well located NW¼ of Section 12, Township 10 South, Range 15 East, SLB&M:

<b><u>LEASE #</u></b>	<b><u>LESSEE</u></b>
ML 47000	EOG Resources Inc.
ML 47049	EOG Resources Inc.
ML 47051	EOG Resources Inc.
ML 47052	EOG Resources Inc.
ML 47053	EOG Resources Inc.
ML 47054	EOG Resources Inc.

The Kraken (Green River) Unit shares a portion of the unitized lands with the Bad Land Cliffs (Deep) Unit, each having different unitized formations. The Kraken (Green River) Unit is from surface to the base of the Green River Formation, and the Bad Land Cliffs (Deep) Unit is below the base of the Green River Formation.

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

**APPROVAL OF THE NAUTILUS (GREEN RIVER) UNIT (SCH)**

QEP Energy Company, Operator of the Nautilus (Green River) Unit, has furnished the State of Utah School and Institutional Trust Lands Administration (“SITLA”) office with evidence that the unit was approved by the Bureau of Land Management on July 1, 2010, with the same effective date. Total unit acreage is 7,160.00 acres with 1,280.00 being SITLA acres.

The following leases should be noted as being committed to the Nautilus (Green River) Unit with all formations of the unitized land, from the surface of the earth to the base of the Green River Formation described as the stratigraphic equivalent of 4,876 feet in the open hold logs of the Wilkin Ridge State 44-32 Wellbore, located in SE¼SE¼, Section 32, Township 10 South, Range 17 East, SLB&M:

<b><u>LEASE #</u></b>	<b><u>LESSEE</u></b>
ML 47056	Questar Exploration and Production Company
ML 47057	Questar Exploration and Production Company

The Nautilus (Green River) Unit shares a portion of the unitized lands with the Wilkin Ridge (Deep) Unit, each having different unitized formations. The Nautilus (Green River) Unit is from surface to the base of the Green River Formation, and the Wilkin Ridge (Deep) Unit is below the base of the Green River Formation.

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

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**SURFACE ACTIONS**

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**GRAZING PERMITS**

**GRAZING PERMIT NO. 23279-09 (APPROVAL)**

Kris Payne  
P.O. Box 653  
Emery, UT 84522

1,201.13          40 AUMs          School & Reservoir Funds          Sevier & Emery Counties

First year's grazing assessment: \$154.40  
Weed fee: \$4.00  
Application fee: \$50.00

**Township 23 South, Range 5 East, SLB&M**

Sec 2: Lots 2, 3, SW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$           521.02 Acres  
Sec 16: S $\frac{1}{2}$           320.00 Acres

**Township 23 South, Range 6 East, SLB&M**

Sec 6: Lot 5          40.11 Acres  
Sec 16: NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$           320.00 Acres

The permit administrator has had these legal descriptions reviewed by the GIS Group.

The term of this permit begins July 1, 2009, and expires June 30, 2024. The season of use is November 1 through March 31. The type of livestock is cattle. These sections are part of the Saleratus Allotment.

Upon recommendation of Mr. Ron Torgerson, the Director approved Grazing Permit No. 23279-09.

**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 administrators have had these legal descriptions reviewed by the GIS Group.

<u>Permit #</u>	<u># Acres</u>	<u># AUMs</u>	<u>County(s)</u>	<u>Fund(s)</u>
GP 20439-10	8,990.09	576.00	Grand	School
GP 20461-10	3,716.97	180.00	San Juan	School
GP 20507-10	600.00	30.00	Emery	School
GP 20525-10	640.00	104.00	San Juan	School
GP 20549-10	24,650.80	945.00	Grand, San Juan	School
GP 20551-10	360.00	18.00	Sevier	School
GP 20595-10	12,762.16	1,046.00	Uintah	School
GP 20611-10	1,440.00	100.00	Tooele	School

**RENEWAL OF GRAZING PERMITS (CONTINUED)**

<u>Permit #</u>	<u># Acres</u>	<u># AUMs</u>	<u>County(s)</u>	<u>Fund(s)</u>
GP 20611-A10	640.00	15.00	Tooele	School
GP 20617-10	4,850.40	132.00	Millard, Sanpete	School
GP 20623-10	11,365.73	487.00	Beaver	School
GP 22515-10	7,979.48	317.00	Iron	School
GP 22565-10	3,617.76	292.00	Emery	School
GP 22580-10	620.00	11.00	Emery	School
GP 22892-H10	18,473.88	13.00	Millard	School, Reservoirs
GP 22929-10	1,077.64	75.00	Carbon	School
GP 23326-10	3,813.02	100.00	Tooele	School
GP 23327-D10	4,677.28	167.00	Tooele	School
GP 23329-10	743.76	15.00	Iron	School
GP 23330-10	880.00	67.00	Juab	School
GP 23331-A10	1,155.62	129.00	Juab	School
GP 23332-C10	320.00	22.00	Tooele	School

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

**GRAZING PERMIT NO. 23047 (AMENDMENT – REDUCTION OF ACREAGE AND AUMS)**

The following acreage was sold on April 29, 2010, and should be deleted from GP 23047. A certified letter was mailed to the grazing permittee on May 27, 2010, informing him of this action.

<u>T36S, R22E, SLB&amp;M</u>	San Juan County	School Fund
Sec. 2: Lots 1-5	210.66 Acres	19.00 AUMs

GP 23047 will now contain 5,470 acres and 481 AUMs.

Upon recommendation of Mr. Ron Torgerson, the Director approved the amendment of GP 23047.

**GRAZING PERMIT NO. 22510-09 (CANCELLATION)**

The following acreage was sold on April 29, 2010, and should be deleted from GP 22510-09. A certified letter was mailed to the grazing permittee on May 27, 2010, informing him of this action.

<u>T36S, R22E, SLB&amp;M</u>	San Juan County	School Fund
Sec. 2: Lots 1-5	210.66 Acres	15.00 AUMs

As this is all of the land in grazing permit GP 22510-09, it should be canceled.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 22510-09.

**GRAZING PERMIT NO. 20241-09 (RELINQUISHMENT)**

Kirk & Kris Shiner and Mark & Polly Hill as joint tenants with rights of survivorship, 561 South Road, Mack, CO 81525, have requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into GP 20439-10 which became effective July 1, 2010. School Fund. Grand County.

Upon recommendation of Mr. Ron Torgerson, the Director approved the relinquishment of GP 20241-09.

**GRAZING PERMIT NO. 20550 (RELINQUISHMENT)**

Canyonlands Cattle Co., LTD, 338 Washington St., Montpelier, ID 83254, has requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into GP 20549-10 which became effective July 1, 2010. School Fund. Grand County.

Upon recommendation of Mr. Ron Torgerson, the Director approved the relinquishment of GP 20550.

**GRAZING PERMIT NO. 21285-99 (RELINQUISHMENT)**

Beaver Valley Grazing Assoc., c/o Dale N. Harris, P.O. Box 663, Beaver, UT 84713, has requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into 22515-10 which became effective July 1, 2010. School Fund. Iron County.

Upon recommendation of Mr. Ron Torgerson, the Director approved this relinquishment.

**GRAZING PERMIT NO. 21385-99 (RELINQUISHED)**

Brian E. Allred, P.O. Box 116, Fountain Green, UT 84632, has requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into 23331-A10 which became effective July 1, 2010. School Fund. Juab County.

Upon recommendation of Mr. Scott Chamberlain, the Director approved this relinquishment.

**GRAZING PERMIT NO. 21414-99 (RELINQUISHMENT)**

Canyonlands Cattle Co., LTD, 338 Washington St., Montpelier, ID 83254, has requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into GP 20549-10 which became effective July 1, 2010. School Fund. Grand County.

Upon recommendation of Mr. Ron Torgerson, the Director approved the relinquishment of GP 21414-99.

**GRAZING PERMIT NO. 22758-99 (RELINQUISHMENT)**

Kirk & Kris Shiner and Mark & Polly Hill as joint tenants with rights of survivorship, 561 South Road, Mack, CO 81525, have requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into GP 20439-10 which became effective July 1, 2010. School Fund. Grand County.

Upon recommendation of Mr. Ron Torgerson, the Director approved the relinquishment of GP 22758-99.

**GRAZING PERMIT NO. 23188-08 (RELINQUISHMENT)**

O. Darrell Johnson, dba Clover Creek Land & Livestock, 166 South Johnson Lane, Rush Valley, UT 84069, has requested to have the above grazing permit relinquished as of June 30, 2010. The above permit has been combined into GP 20611-10 which became effective July 1, 2010. School Fund. Tooele County.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the relinquishment of GP 23188-08.

**RIGHTS OF ENTRY****RIGHT OF ENTRY NO. 5387 (ADDITIONAL ASSESSMENT)**

Barsoom Pictures, Inc., 800 South Main, 3<sup>rd</sup> Floor, Burbank, CA 91506, has submitted an additional assessment of \$24,800.00 for ROE 5387. This assessment is for additional days of set up, filming, and take down which were not covered under the original assessment. Kane County. School Fund.

*This item is submitted by Mr. Lou Brown for record-keeping purposes.*

**RIGHT OF ENTRY NO. 5409 (ADDITIONAL ASSESSMENT)**

Barsoom Pictures, Inc., 800 South Main, 3<sup>rd</sup> Floor, Burbank, CA 91506, has submitted an additional assessment of \$5,500.00 for ROE 5409. This assessment is for additional days of set up, filming, and take down which were not covered under the original assessment. Kane, Millard, and Wayne Counties. School Fund.

*This item is submitted by Mr. Lou Brown for record-keeping purposes.*

**RIGHT OF ENTRY NO. 5439 (ADDITIONAL ASSESSMENT)**

Barsoom Pictures, Inc., 800 South Main, 3<sup>rd</sup> Floor, Burbank, CA 91506, has submitted an additional assessment of \$13,400.00 for ROE 5439. This assessment is for additional days of set up, filming, and take down which were not covered under the original assessment. Kane County. School Fund.

*This item is submitted by Mr. Lou Brown for record-keeping purposes.*

**EASEMENTS****EASEMENT NO. 1564 (APPROVAL)**

## APPLICANT'S NAME AND ADDRESS:

Moon Lake Electric Association, Inc.  
800 West U.S. Hwy 40  
Roosevelt, Utah 84066

## LEGAL DESCRIPTION:

Township 6 South, Range 24 East, SLB&M

Section 16: N $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$  (within)

Section 32: E $\frac{1}{2}$ E $\frac{1}{2}$  (within)

A 50 foot wide easement, being 25 feet on each side of its centerline, along with an additional 50 foot wide temporary construction easement, said centerline being more particularly described as follows:

Beginning at a point bearing N 35°54'39" E 6624.0 feet from the southwest corner of Section 16, T6S, R24E, SLB&M; thence S 11°44'16" W 2080.3 feet; thence S 16°55'58" W 1541.9 feet; thence S 37°50'34" W 1153.9 feet; thence S 26°20'34" W 831.5 feet; thence S 21°13'38" W 170.7 feet to a point bearing S 88°58'06" W 1891.3 feet to the southwest corner of said Section 16. Total length of said described centerline is 5778.3 feet. Containing 6.63 acres, more or less.

Also, beginning at a point bearing N 54°49'10" W 1119.82 feet from the southeast corner of Section 32, T6S, R24E, SLB&M, thence N 01°53'04" E 4652.49 feet to a point bearing S 08°11'31" E 5349.75 feet to the southeast corner of said Section 32. Total length of said described centerline is 4652.49 feet. Containing 5.34 acres, more or less.

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

COUNTY: Uintah

ACRES: 11.97

FUND: School

## PROPOSED ACTION:

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain a 14.4 kV overhead power line. The power line will run alongside an existing natural gas pipeline operated by Northwest Pipeline and will be used to service a cathodic protection station located adjacent to the pipeline. The proposed easement corridor is 10,430.79 feet long and 50 feet wide, containing 11.97 acres. The applicant has also requested an additional 50 foot wide temporary easement for use during the construction phase of the project. The requested term of the easement is 30 years.

## RELEVANT FACTUAL BACKGROUND:

The subject "Application to Purchase an Easement" was received on April 29, 2010. It was submitted for the Agency's review on March 5, 2010, and was accepted by the Director on March 20, 2010.

The proposed easement was sent to the Resource Development Coordinating Committee ("RDCC"), the Uintah Basin Association of Governments, and the Uintah County Commission for review on March 20, 2010. No comments were received from the RDCC. The Uintah County Commission submitted the following comments:

*"Uintah County supports this action, keeping traffic, dust, and noise emissions during construction at a minimum.*

**EASEMENT NO. 1564 (APPROVAL) (CONTINUED)**

*"We ask that Moon Lake Electric Association contact Uintah County's Planning & Zoning Department for the necessary County permits.*

*"We have no further comments at this time but reserve the right to comment at a later date, if warranted"*

The project area has been surveyed for paleontological resources by Intermountain Paleo-Consulting (Report No. IPC 10-03).

The project area has been surveyed for cultural resources by Montgomery Archaeological Consultants (U-10-MQ-0131b,s & U-10-MQ-0199s).

**EVALUATION OF FACTS:**

The applicant has been notified of the comments submitted by the Uintah County Commission.

The Agency's staff paleontologist has reviewed the paleontological survey that was conducted for this project. No paleontological restrictions are being placed upon the development of the project. However, if any vertebrate fossils are encountered during construction, a qualified paleontologist should be notified to evaluate the discovery.

The Agency's Archaeology staff has reviewed the cultural resource documents submitted in support of the proposed easement. There is one NHRP-eligible site (42Un1473) that was identified within the project area. The power line has been routed such that it will avoid impacting this site. Given the avoidance of this site, cultural resource clearance has been granted for the project with a finding of "Historic Properties Not Affected."

**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 August 1, 2010, and expiring July 31, 2040. The application fee of \$750.00 and the easement rental assessment of \$11,379.04 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. 1567 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Questar Gas Company  
Attn: Daryn Christensen  
1140 West 200 South  
P.O. Box 45360  
Salt Lake City, Utah 84145-0360

**LEGAL DESCRIPTION OF THE EASEMENT LANDS:**

Township 6 North, Range 2 West, SLB&M  
Section 36: SE $\frac{1}{4}$ SW $\frac{1}{4}$  (within)

Beginning at a point South 89°17'09" West 1,002.27 feet and North 0°42'51" West 841.23 feet from the South Quarter Corner of said Section 36, said point being on Grantor's south property line (basis of bearing being South 89°17'09" West 2,693.02 feet from said South Quarter Corner to the Southwest Corner of said Section 36 as shown on that record of survey dated February 15, 2001, by Reeve & Associates, Inc.); thence North 0°25'46" East 6.72 feet; North 46°33'58" West 134.08 feet; thence North 43°26'02" East 191.23 feet; thence North

**EASEMENT NO. 1567 (APPROVAL) (CONTINUED)**

46°33'58" West 20.00 feet to Grantor's westerly property line; thence South 43°26'02" West 221.23 feet along said line; thence South 46°33'58" East 131.64 feet to Grantor's south property line; thence South 89°26'28" East 36.87 feet along said line, to the point of beginning.

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

COUNTY: Weber

ACRES: 0.19

FUND: School

**LEGAL DESCRIPTION OF THE EXISTING PIPELINE RIGHT-OF-WAY:**

Township 6 North, Range 2 West, SLB&M

Section 36: SE $\frac{1}{4}$ SW $\frac{1}{4}$  (within)

Beginning at a point on fence line on the north side of County Road, which is 1280 feet east and 23 feet north of the southwest corner of Section 36, Township 6 North, Range 2 West, Salt Lake Meridian, U.S. Survey; running thence North 27°10' East 730 feet, North 16°00' East 124 feet, North 7°00' East 125 feet to a point on south fence line of Oregon Short Line Railroad right of way, approximately 1645 feet east and 915 feet north of the southwest corner of said Section 36, in said Township and Range. Total linear distance of 979 feet or 59.4 rods.

Beginning at a point in the Southeasterly right of way boundary 200.0 feet perpendicularly distant from the center line of the present operated main track of the Evona Branch of the Oregon Short Line Railroad at Engineer's Station 142+62.0; thence 535.8 feet Northerly to a point 8.2 feet perpendicularly distant Northwesterly from center line of said main track at Engineer's Station 137+68.4, thence at an angle of 4°44' left, a distance of 414.0 feet Northerly to a point in the Northwesterly right of way boundary 200.0 feet perpendicularly distant from center line of said main track at Engineer's Station 134+01.5. Said pipeline will cross said center line at an angle thereto of 22°52' to the left at Engineer's Station 137+87.8 which is 1462.2 feet Northeasterly measured along said center line from its intersection with the South line of Section 36, Township 6 North, Range 2 West, Salt Lake Meridian.

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

COUNTY: Weber

ACRES: 0.12

FUND: School

**PROPOSED ACTION:**

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain a 20" diameter buried natural gas pipeline located within T6N, R2W, Sec. 36, in Weber County. This property is also known as the "Midland Drive Parcel." There is currently a 14" diameter buried natural gas pipeline (the "Existing Pipeline Right-of-Way") operated by the applicant which crosses through the middle of the property, creating significant challenges for any future development of the parcel. The Existing Pipeline Right-of-Way was previously authorized through a condemnation order and a license agreement, both of which were in place prior to the Agency acquiring this property. The Existing Pipeline Right-of-Way has a perpetual term. The applicant now desires to upgrade this 14" pipeline to a 20" pipeline in order to better serve its customer base with increased pipeline capacity.

It is proposed that, as fair compensation for the new 20" pipeline easement, the pipeline corridor be moved to a more suitable location on the property, the Existing Pipeline Right-of-Way be transferred to the Agency via quit claim deed, and the existing 14" pipeline be removed from the property, all at the applicant's expense. The easement agreement will also be updated to the Agency's most current form. The configuration and location of the new 20" pipeline easement on the property will significantly increase the development utility of the property as a whole. There will be no new ground disturbance associated with the new easement corridor. The term of the new easement will be perpetual.

**EASEMENT NO. 1567 (APPROVAL) (CONTINUED)****RELEVANT FACTUAL BACKGROUND:**

The proposed easement was submitted for the Agency review on June 29, 2010, and was accepted by the Director on July 6, 2010.

The proposed easement was exempt from review by the Resource Development Coordinating Committee (the "RDCC") since it will not involve any new ground disturbance.

**EVALUATION OF FACTS:**

The Agency's Archaeology staff has reviewed the proposed easement and has determined that, since the project area has been previously disturbed, a cultural resources survey will not be required.

As consideration for the grant of this easement, the applicant has agreed to remove the existing 14" pipeline from the property, move the pipeline easement corridor to a more suitable location on the property, and transfer the Existing Pipeline Right-of-Way to the Agency via quit claim deed. These actions will all be completed at the applicant's sole expense. It has been determined that the receipt of the property contained in the quit claim deed along with the increased development utility that will be realized on the subject property due to the relocation of the pipeline corridor meets or exceeds the value of charging an application fee, administrative fee, and easement rental.

**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 perpetual, beginning July 1, 2010.

**EASEMENT NO. 1508, AMENDMENT NO. 1 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Carbon/Emery Telcom, Inc.  
455 East Hwy 29  
P.O. Box 629  
Orangeville, Utah 84537

**LEGAL DESCRIPTION:**

Township 15 South, Range 9 East, SLB&M  
Section 1: Lot 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$  (within)  
Section 12: N $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$  (within)

Township 15 South, Range 10 East, SLB&M  
Section 7: Lot 1, E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$  (within)  
Section 8: NW $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$  (within)  
Section 9: NW $\frac{1}{4}$ NW $\frac{1}{4}$  (within)

A strip of land 10.00 feet in width, situated in Sections 1 and 12, Township 15 South, Range 9 East, and Sections 7, 8, and 9, Township 15 South, Range 10 East, Salt Lake Base and Meridian, Carbon County, Utah. The centerline, thereof, being more particularly described as follows:

COMMENCING at the Northwest corner of Section 1, Township 15 South, Range 9 East, Salt Lake Meridian, Carbon County, Utah. Thence S 0°04'07" E 1210.00 feet along the West line of said Section 1 to the POINT OF BEGINNING, thence N 56°18' E 1064.30 feet; thence N 90°00' E 120.33 feet; thence S 03°30' E 97.30 feet; thence S 05°48'33" E 1647.26 feet along said access road to the beginning of a circular curve having a deflection

**EASEMENT NO. 1508, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**

angle of 08°00'44" right, a radius of 3500.00 feet and an arc length of 489.43 feet; thence Southerly 489.43 feet along said curve (chord bears S 01°48'11" E 489.03 feet); thence S 02°12'10" W 1564.44 feet along said access road to the beginning of a circular curve having a deflection angle of 07°41'15" left, a radius of 2000.00 feet and an arc length of 268.34 feet; thence Southerly 268.34 feet along said curve (chord bears S 01°38'27" E 268.14 feet); thence S 05°29'04" E 1315.48 feet along said access road to the beginning of a circular curve having a deflection angle of 78°16'30" left, a radius of 250.00 feet and an arc length of 341.54 feet; thence Southeasterly 341.54 feet along said curve (chord bears S 44°37'19" E 315.59 feet); thence S 83°45'34" E 1600.95 feet along said access road to the beginning of a circular curve having a deflection angle of 14°15'37" right, a radius of 1000.00 feet and an arc length of 248.89 feet; thence Easterly 248.89 feet along said curve (chord bears S 76°37'46" E 248.25 feet); thence S 69°29'57" E 415.01 feet along said access road to the beginning of a circular curve having a deflection angle of 23°48'50" left, a radius of 1150.00 feet and an arc length of 477.97 feet; thence Easterly 477.97 feet along said curve (chord bears S 81°24'22" E 474.54 feet); thence N 86°41'14" E 352.26 feet along said access road to the beginning of a circular curve having a deflection angle of 01°16'29" left, a radius of 10,000.00 feet and an arc length of 222.46 feet; thence Easterly 222.46 feet along said curve (chord bears N 86°02'59" E 222.45 feet); thence N 85°24'45" E 1336.53 feet along said access road to the beginning of a circular curve having a deflection angle of 07°34'52" right, a radius of 5500.00 feet and an arc length of 727.74 feet; thence Easterly 727.74 feet along said curve (chord bears N 89°12'11" E 727.21 feet); thence S 87°00'23" E 1850.87 feet along said access road to the beginning of a circular curve having a deflection angle of 07°27'58" left, a radius of 3834.80 feet and an arc length of 499.70 feet; thence Easterly 499.70 feet along said curve (chord bears N 89°15'38" E 499.35 feet); thence N 85°31'40" E 2596.66 feet along said access road to the beginning of a circular curve having a deflection angle of 16°18'06" right, a radius of 1150.00 feet and an arc length of 327.20 feet; thence Easterly 327.20 feet along said curve (chord bears S 86°19'17" E 326.10 feet); thence S 78°10'14" E 383.12 feet along said access road to the beginning of a circular curve having a deflection angle of 22°44'11" left, a radius of 654.66 feet and an arc length of 259.78 feet; thence Easterly 259.78 feet along said curve (chord bears S 89°32'19" E 258.08 feet); thence N 79°05'36" E 344.06 feet along said access road to the beginning of a circular curve having a deflection angle of 07°35'42" right, a radius of 3694.02 feet and an arc length of 489.68 feet; thence Easterly 489.68 feet along said curve (chord bears N 82°53'27" E 489.32 feet) to the beginning of a circular curve (back tangent bears N 86°41'07" E) having a deflection angle of 24°09'19" right, a radius of 505.00 feet and an arc length of 212.90 feet; thence Easterly 212.90 feet along said curve (chord bears S 81°14'03" E 211.33 feet); thence S 69°09'23" E 149.58 feet along said access road to the beginning of a circular curve having a deflection angle of 26°31'09" left, a radius of 508.25 feet and an arc length of 235.24 feet; thence Easterly 235.24 feet along said curve (chord bears S 82°24'58" E 233.15 feet) to the beginning of a circular curve (back tangent bears N 84°28'58" E) having a deflection angle of 08°26'34" right, a radius of 2371.91 feet and an arc length of 349.52 feet; thence Easterly 349.52 feet along said curve (chord bears N 08°32'45" E 349.20 feet); thence S 87°13'58" E 421.42 feet along said access road to the beginning of a circular curve having a deflection angle of 02°43'18" left, a radius of 2000.00 feet and an arc length of 95.01 feet; thence Easterly 95.01 feet along said curve (chord bears S 88°35'37" E 95.00 feet); thence S 89°57'16" E 303.62 feet along said access road to the beginning of a circular curve having a deflection angle of 48°33'06" left, a radius of 478.84 feet and an arc length of 405.76 feet; thence Northeasterly 405.76 feet along said curve (chord bears N 65°46'11" E 393.73 feet); thence N 41°29'38" E 132.79 feet along said access road to the beginning of a circular curve having a deflection angle of 14°23'46" left, a radius of 1176.47 feet and an arc length of 295.60 feet; thence Northeasterly 295.60 feet along said curve (chord bears N 34°17'45" E 294.82 feet) to the beginning of a circular curve (back tangent bears N 27°04'15" E) having a deflection angle of 69°26'53" right, a radius of 125.00 feet and an arc length of 151.51 feet; thence Northeasterly 151.51 feet along said curve (chord bears N 61°49'18" E 142.41 feet) to the beginning of a circular curve (back tangent bears S 83°26'51" E) having a deflection angle of 06°21'04" left, a radius of 1085.08 feet and an arc length of 120.28 feet; thence Easterly 120.28 feet along said curve (chord bears S 86°37'47" E 120.22 feet); thence S 89°48'19" E 28.47 feet along said access road to the West shoulder of Utah Highway SR-10 at Station 264+48.92 on an existing access road.

**EASEMENT NO. 1508, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**

The total length of easement, as described above, is 22,144.03 feet or 1,342.1 rods or 4.19 miles, more or less.

BASIS OF BEARING: S 0°04'07" E, between the Northwest corner and the West quarter corner of Section 1, T15S, R9E, SLM. Both corners being monument with 1940 GLO brass caps.

Containing 5.08 acres, more or less.

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

COUNTY: Carbon

ACRES: 5.08

FUND: School

**PROPOSED ACTION:**

The applicant has requested to amend Easement No. 1508 in order to allow for a reroute of the proposed fiber optics line. Easement No. 1508 was issued effective August 1, 2009, to allow for the construction, operation, maintenance, and repair of a buried fiber optics communication line. This line has not yet been constructed. The applicant now desires to reroute approximately 1,700 feet of the originally approved easement corridor in order to avoid crossing a number of existing natural gas lines in the area. The reroute will affect the westernmost portion of the line in Sec. 1, T15S, R9E, and Sec. 36, T14S, R9E. The amendment will also amend the purpose of the easement to allow for a portion of the line to be constructed as an overhead line. This reroute will involve the placement of one pole within the existing approved corridor from which the line will now be strung along a series of existing power poles owned by Rocky Mountain Power. The applicant has entered into an agreement with Rocky Mountain Power to use these poles. The reroute will involve no additional ground disturbance. The amended easement corridor is 22,144.03 feet long, containing 5.08 acres, which is 330.44 feet shorter and contains 0.08 less acres than the originally approved easement corridor. The term of the easement will remain 30 years, with an expiration date of July 31, 2039.

**RELEVANT FACTUAL BACKGROUND:**

The application to amend Easement No. 1508 was submitted for the Agency's review on June 1, 2010, and was accepted by the Director on June 16, 2010.

Easement No. 1508 was originally issued effective August 1, 2009, to construct, operate, repair, and maintain a buried fiber optics communications line. The communications line will service the XTO Energy and BOC gas plant located within Section 2, T15S, R9E. The term of the easement is 30 years, with an expiration date of July 31, 2039.

The Agency's Minerals Group has reviewed the proposed amendment and has stated that the lands underlying the proposed easement contain coal resources. They have requested that the easement be made subject to any future coal mining activity such that the Agency and its lessees be held harmless if any damage occurs to the line from mining activity or ground subsidence.

**EVALUATION OF FACTS:**

The proposed easement amendment is exempt from review by the Resource Development Coordinating Committee ("RDCC") since it will be located entirely within existing disturbed areas.

The proposed easement amendment has been reviewed by the Agency's Archaeology staff, who has determined that a cultural resources survey will not be required since the project involves no new ground disturbance.

**EASEMENT NO. 1508, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**

The concerns expressed by the Agency's Minerals Group will be addressed with language in the easement amendment holding the Agency and its lessees harmless if any damage occurs to the line as a result of any mining activity. Furthermore, the original easement agreement already contains a relocation clause whereby the line could be relocated to a more suitable location at the Grantee's sole expense.

**RECOMMENDATION:**

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for Amendment No. 1 to Easement No. 1508. The term of the easement remains 30 years beginning August 1, 2009, and expiring July 31, 2039. The amendment fee of \$400.00 has been paid.

**EASEMENT NO. 653 (ASSIGNMENT)**

Pioneer Natural Resources USA, Inc., 1401 17<sup>th</sup> Street, Suite 1200, Denver, Colorado, 80202, has requested permission to assign 100% of its interest in Easement No. 653 to Blue Tip Castlegate, Inc., 15810 Park Ten Place, Suite 160, Houston, Texas, 77084. Easement No. 653 was issued on August 18, 2000, for a corridor containing an access road, multiple gas pipelines, multiple water pipelines, an electric transmission line, and communication line. The easement was issued for a 30 year term.

The conditions set forth for assignment in Rule R850-40-1600 have been met. The required \$250.00 assignment fee has been paid. 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. 1270 (CANCELLATION)**

The University of Utah, Seismograph Stations, 135 South 1460 East, Room 705 WBB, Salt Lake City, UT 84112-0111 (lessee) has requested the above numbered special use lease be canceled. A re-survey of the location of the University's seismograph equipment indicated that the site was on private land, not trust land. Therefore, this lease is no longer needed by the University. Wasatch County. School Fund.

Upon recommendation of Mr. Lou Brown, the Director approved the cancellation of SULA 1270.

**SPECIAL USE LEASE APPLICATION NO. 1656 (CANCELLATION OF APPLICATION)**

ENEL Geothermal LLC (applicant) has requested the above numbered special use lease application be canceled (letter dated June 24, 2010). They have been notified that their application on adjoining Federal (BLM) land cannot be approved because of adverse effect on military activities which cannot be mitigated. The Department of Defense recommended no wind energy development on the right-of-way area associated with the adjoining federal land, thereby making the trust land application uneconomical. The \$250.00 application fee and \$100.00 in advertising fees is forfeited to Trust Lands. **The \$1,000.00 in rental assessments should be refunded to the applicant.** School Fund. Beaver County

Upon recommendation of Mr. Lou Brown, the Director approved the cancellation of SULA 1656, the forfeiture of the \$250.00 application fee and \$100.00 in advertising fees, and **the refund of \$1,000.00 in rental assessments to be paid to Enel North America, OneTech Drive, Suite 220, Andover, MA 01810.**

**SPECIAL USE LEASE AGREEMENT NO. 1303 (THREE YEAR REVIEW)**

SULA 1303 is a governmental lease in the name of the Town of Manila. The lease site is located in Daggett County School Fund.

**1. ANNUAL BASE RENTAL:**

The three-year lease rental review date for this governmental lease is November 1, 2010. The authorized use of the subject parcel is for a water tank site. After a preliminary analysis pursuant to Board policy, the value of the subject property has been estimated to be approximately \$800.00/acre with a total value of \$2,544.00. Based on this analysis, it has been determined that an appraisal is not warranted and, therefore, it is recommended that the CPI index be used to adjust the annual rental which will be increased from \$560.00 per year to \$600.00 per year, effective November 1, 2010. A certified notice was sent to inform the lessee of this action. No response was received.

Annual Base Rental: \$600.00

Acres in lease: 3.18

Rental per acre: \$188.68

**2. DUE DILIGENCE AND PROPER USE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

**3. PROPER USE:**

The leased premises are being used in accordance with the lease agreement.

**4. ADEQUATE INSURANCE AND BOND COVERAGE:**

Lessee has provided proof of adequate insurance coverage. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. An inspection of the subject property revealed nothing which indicated a need for a bond.

**5. WATER RIGHTS AND WELLS:**

There are no Agency-owned water rights associated with this lease. The water rights associated with the water tank are municipal rights owned by the Town of Manila.

**6. ENVIRONMENTAL COMPLIANCE:**

This lease was inspected and reviewed for environment compliance on April 14, 2010, and has been rated as low risk. There is no evidence of underground or above ground petroleum storage tanks, stained soil, 55 gallon drums/containers of any size, unauthorized uses, or solid waste on the premises. The site appears clean and orderly and hazardous materials, if any, are kept in an enclosed area with secondary containment. The Environmental Site Inspection Form is in the file.

**7. GIS REVIEW:**

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

**8. NEXT ASSESSMENT DATE:**

The next assessment date will be November 1, 2013.

Upon recommendation of Mr. Lou Brown, the Director approved the three-year review for SULA 1303.

**SPECIAL USE LEASE AGREEMENT NO. 1409 (FIVE-YEAR REVIEW)**

SULA 1409 is a telecommunication special use lease, in the name of WindRiver Wireless, LLC, P.O. Box 1768, Roosevelt, UT 84066.

The lease site is located in Duchesne County on Tabby Mountain. NS Fund.

**1. ANNUAL BASE RENTAL:**

The five-year lease rental review date for this telecommunication lease is August 1, 2010. The authorized use of the subject parcel is for a communication site lease, with the primary use as a communication tower and an associated radio equipment building for mobile radio. The specific lease purpose and related information is set forth in the lease agreement.

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 of the same purpose and type was conducted. Pursuant to the provision of the lease agreement, it is recommended that the annual base rental be increased from \$3,600.00 to \$4,000.00, effective August 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received.

Subleasing and co-located tenants: 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.

After a preliminary analysis pursuant to Board policy, the raw land value of the subject property was estimated to be approximately \$1,000.00 per acre with a total value of \$500.00.

Annual Base Rental: \$4,000.00

Acres in lease: 0.50

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.

**3. PROPER USE:**

The leased premises are being used in accordance with the lease agreement.

**4. ADEQUATE INSURANCE AND BOND COVERAGE:**

Lessee has provided proof of adequate insurance coverage. The lessee has also provided a cash bond which is deemed to be adequate.

**5. WATER RIGHTS AND WELLS:**

There are no State-owned water rights associated with this lease.

**6. ENVIRONMENTAL COMPLIANCE:**

This lease was inspected and reviewed for environment compliance on July 7, 2010, and has been rated as low risk. There is no evidence of underground or above ground petroleum storage tanks, stained soil, 55 gallon drums/containers of any size, unauthorized uses, or solid waste on the premises. The site appears clean and orderly and hazardous materials, if any, are kept in an enclosed area with secondary containment. The Environmental Site Inspection Form is in the file.

**SPECIAL USE LEASE AGREEMENT NO. 1409 (FIVE-YEAR REVIEW) (CONTINUED)**

7. GIS REVIEW:

The lease administrator has had this legal description reviewed by the GIS Group. The legal description is good and an updated map has been created.

8. NEXT ASSESSMENT DATE:

The next assessment date will be July 31, 2015, which is the expiration date of the ten-year lease. The lessee will be notified prior to that date to discuss the issuance of the new lease.

Upon recommendation of Mr. Gary Bagley, the Director approved the five-year review for SULA 1409.

**SULA 1436 (CORRECTION OF MINUTES DATED JULY 12, 2010)**

The Director's Minutes dated July 12, 2010, included a Director's Minute item for SULA 1436, a five-year review. This minute entry should be deleted in its entirety. It was previously submitted and approved for SULA 1436 on May 24, 2010.

Upon recommendation of Mr. Gary Bagley, the Director approved the correction to Minutes dated July 12, 2010.

**PREDESIGNATIONS**

**PREDESIGNATION NO. 769 (CORRECTION OF MINUTES DATED JULY 12, 2010)**

The Director's Minutes dated July 12, 2010, incorrectly listed Predesignation No. 767 for a two-year temporary road and trail closure in North Skull Valley, Tooele County, School Fund. The correct reference is Predesignation No. 769. Other information listed within the minute entry is correct.

Upon recommendation of Ms. Diane Durrant, the Director approved the correction to Minutes dated July 12, 2010.

**TIMBER SALES**

**TIMBER SALE NUMBER 848 (BIG LAKE SALVAGE SALE) (APPROVAL)**

LEGAL DESCRIPTION:

Township 1 South, Range 8 West, USM  
Sections 19, 20, 28, 29, 30, 32, and 33: portions of

COUNTY: Duchesne ACRES: 625.00

FUND: SM – 10.00 acres; RES- 40.00 acres; USU – 475.00 acres; SCH – 60.00 acres; MH – 20 acres; NS – 20 acres

RELEVANT FACTUAL BACKGROUND:

1. REASONS FOR AND METHOD OF PROPOSED SALE:

The primary tree species within the sale area are lodge pole pine, Engelmann spruce, Douglas fir, sub-alpine fir, and aspen. Most of the mature trees (10 inch + dbh) within the proposed sale areas are dead or dying. Harvesting of the dead, dying, and at-risk trees now will allow for value recovery while the wood

**TIMBER SALE NUMBER 848 (BIG LAKE SALVAGE SALE) (APPROVAL) (CONTINUED)**

is still sound and help reduce the fuel loading. Live spruce and lodge pole pine will be left for a seed source. Clear-cut patches will be used to promote aspen regeneration in stands dominated by aspen. A shelter wood cut will be used to promote natural regeneration of the Engelmann spruce dominated stands.

This is being proposed as a “non-competitive” timber sale even though notices will be sent to all known potential purchasers. Sealed bids will be accepted but an auction will not be held. The reason for this procedure is because of the desire to get reasonable value from the timber resource in as timely a manner as possible and because bidders will be allowed to bid on the entire sale or on one or more of the eight units contained in the sale.

**2. ESTIMATED TOTAL VOLUME:**

A timber cruise was not performed. The timber volume is estimated to be about 3.5 MMBF or 16,800 tons. A conversion of 700 truckloads at 24 tons or 5,000 board feet per logging truck was used to estimate available tonnage.

**3. RDCC/LOCAL GOVERNMENT COMMENTS AND RESPONSE:**

Notice of this project was submitted to the Resource Development Coordinating Committee (“RDCC”) for review. No comments were received from RDCC. Duchesne County has expressed support for this sale and has requested that the successful bidder(s) contact the Duchesne County Road Department to ensure that an acceptable haul route is selected and that provisions are made for repair of any road damage.

**4. PUBLIC COMMENTS AND RESPONSE:**

No public comments were received.

**5. CULTURAL RESOURCE CONSULTATION RESULTS:**

The Agency Archeologist has determined that “No historic properties will be affected.”

**6. ACCESS:**

Access to this timber sale will be from existing roads and approximately 0.4 miles of new road construction. All of the new road construction will be on trust land.

**EVALUATION OF FACTS:****1. PRELIMINARY APPRAISAL OF VALUE PER MBF AND TOTAL:**

Past Trust Lands Administration sales indicate a preliminary minimum value of \$14.50/ton for a minimum total sale price of \$189,000.00 plus advertising and administrative fees. The minimum value for this timber sale is subject to change based on market conditions at the time of the sale. Any change will be noted in the Director’s Minutes.

**2. PERFORMANCE BOND RECOMMENDATION:**

A performance bond of \$15,000.00 is recommended for this sale. This amount will be sufficient to remedy any contract violations that might occur.

A payment bond equal to the successful bid price times the estimated tonnage in the largest unit will be required in addition to the performance bond. Payment will be due for timber removed every two weeks from sale commencement.

**TIMBER SALE NUMBER 848 (BIG LAKE SALVAGE SALE) (APPROVAL) (CONTINUED)**

## 3. RECOMMENDED ADMINISTRATIVE REQUIREMENTS:

## A. ACCESS, NEW/UPGRADED ROADS:

New road construction, existing road reconstruction, and road maintenance will be required. The successful bidder will be required to build approximately .4 miles of new road to Agency specifications. Under standard timber sale contract language, any required maintenance of roads administered by any other entity is the responsibility of the purchaser.

## B. SPECIAL PRECAUTIONS/STIPULATIONS:

Standard contract language will be used and will cover all aspects of this activity and no special language/precautions are required.

## 4. IDENTIFICATION OF POTENTIAL MARKETS:

The Timber Sale Mailing List will be used to advertise this sale. This list covers all known timber purchasers in Utah, Idaho, and Colorado who might be interested in this offering.

Upon recommendation of Mr. Cary Zielinsky, Contract Forester, the Director approved the above-described timber sale subject to the terms and conditions indicated. Based on this evaluation, this summary will constitute the Record of Decision.

**TIMBER SALE NO. 851 (HORSE PASTURE ASPEN SALE) (APPROVAL)**

## LEGAL DESCRIPTION:

Township 26 South, Range 25 East, SLB&M  
Sections 23 and 26: within

COUNTY: Grand      ACRES: 123.93      FUND: USU

## RELEVANT FACTUAL BACKGROUND:

## 1. REASONS FOR PROPOSED SALE:

The existing aspen stands within the sale area are 38% dead. This is attributed to maturity, a Poplar Beetle infestation, and drought conditions. The aspen stands will continue to decline without proper disturbance to promote regeneration. An estimated 8,928 tons of sawtimber/excelsior in four separate units will be removed. A one-cut shelter wood method and a scarification method will be used to promote natural regeneration in each stand.

This sale will be offered as partial fulfillment of the 1 million board feet the Agency is obligated to provide annually to Western Excelsior Corporation, P.O. Box 659, Mancos, Colorado 81328, under the terms of the Long Term Agreement (PRED 634).

## 2. ESTIMATED TOTAL VOLUME:

A line fixed-plot cruise of the aspen stands has been performed and an estimated 8,928 tons of sawtimber/excelsior will be removed. Scribner Form-Class 78 Tables and Conversions of an average of 27 tons per logging truck load and 5,900 net board feet per load were used to prepare the weight estimates.

**TIMBER SALE NO. 851 (HORSE PASTURE ASPEN SALE) (APPROVAL) (CONTINUED)**

## 3. RDCC COMMENTS AND RESPONSE:

Notice of this project was submitted to the Resource Development Coordinating Committee ("RDCC") for review. Comments were received from the Division of Air Quality regarding fugitive dust. The operator will be notified.

## 4. PUBLIC COMMENTS AND RESPONSE:

No comments from the public were received.

## 5. CULTURAL RESOURCE CONSULTATION RESULTS:

A staff archaeologist has reviewed the project and cleared it for cultural resource purposes.

## 6. ACCESS:

In conjunction with this sale, a spur road will be constructed to provide temporary access. The roads will total 4,804.80 feet in length. Following the completion of the timber sale, all temporary roads will be deconstructed and rehabilitated.

## EVALUATION OF FACTS:

## 1. PRELIMINARY APPRAISAL OF VALUE PER TON AND TOTAL:

Under the terms of the LTA (Long Term Agreement), the sale price will be \$10.50/ton for a maximum total sale price of \$93,744.00 plus administrative fees.

## 2. PERFORMANCE BOND RECOMMENDATION:

A payment bond in the amount of \$145,603.50 and a performance bond of \$75,000.00 have been submitted for the LTA and will be used for this sale.

## 3. RECOMMENDED ADMINISTRATIVE REQUIREMENTS:

## A. ACCESS, NEW/UPGRADED ROADS:

All roads will be constructed in accordance with Forest Water Quality Guidelines which will be attached to the timber sale contract. Under standard timber sale contract language, any required maintenance of roads administered by any other entity is the responsibility of the purchaser.

## B. SPECIAL PRECAUTIONS/STIPULATIONS:

Standard contract language will be used and will cover all aspects of this activity and no special language/precautions are required.

## 4. IDENTIFICATION OF POTENTIAL MARKETS:

As this sale is being offered under the La Sal Mountain LTA, there will be no advertising.

Upon recommendation of Mr. Adam Robison, Forester, the Director approved the above described timber sale subject to the terms and conditions indicated. Based on this evaluation, this summary will constitute the Record of Decision.

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**ACTIONS CONTAINING FEE WAIVERS**

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**GRAZING PERMIT NO. 22377 (PARTIAL NON-USE AND WAIVER OF NON-USE FEE)**

Mark Brinkerhoff, P.O. Box 25, Glendale, UT 84729. The Trust Lands Administration is requiring the permittee to take 67% (20.57 AUMs) non-use on GP 22377 due to re-seeding and grazing rest. The permittee re-seeded during the fall of 2009 because the original seeding in 2007 failed. The original seeding project was approved under Range Improvement Application RIP No. 277. The 2010/2011 grazing bill should be reduced appropriately. The permittee has submitted the \$3.06 weed fee and \$39.20 grazing assessment for the remaining AUMs in the permit. The \$20.00 non-use fee will be waived as this is an administrative request. Kane County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the partial non-use and waiver of the non-use fee for GP 22377.