


JULY 26, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JULY 26, 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 JULY 26, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGE 1; SURFACE ACTIONS AS LISTED ON PAGES 1 TO 7; DEVELOPMENT ACTIONS AS LISTED ON PAGES 7 TO 13; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 13; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 14 TO 16.

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 9, 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

  
\_\_\_\_\_  
LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

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**MINERAL ACTIONS**

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**SEEP RIDGE OIL SHALE LEASING SALE (SCH)**

The School and Institutional Trust Lands Administration offered 944.28 acres in the Seep Ridge area of Uintah County for Oil Shale lease by competitive filing. The filing period ended at 6:00 P.M., July 15, 2010. The minimum acceptable bonus bid was \$944,280.00. The lease was to be awarded on the basis of the highest dollar amount bonus bid accepted from a qualified applicant. Qualified applicants must be U.S. citizens, or a business entity registered in good standing with the Utah Division of Corporations. Bids were to be opened at 10:00 A.M., Monday, July 19, 2010, at the Trust Lands Administration's office at 675 East 500 South, Suite 500, Salt Lake City, Utah 84102-2818. No bids were received and the sale is closed. Trust lands are withdrawn from oil shale leasing except through competitive sale or other business arrangements.

*This item is submitted by Mr. Blake for record-keeping purposes only.*

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**SURFACE ACTIONS**

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**GRAZING PERMITS**

**GRAZING PERMIT NO. 23334 (APPROVAL)**

Franklin O'Driscoll  
P.O. Box 964  
Gunnison, UT 84634

640 Acres                      20 AUMs                      School Fund                      Sanpete County

First Year's Assessment: \$80.40  
Application Fee: \$50.00

T19S, R1.5W, SLB&M  
Section 36: ALL                      20 AUMs

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

The term of this permit begins July 1, 2010, and expires June 30, 2025. The season of use is April 15 to June 30, the type of livestock is cattle, and this is within the Lone Cedar allotment.

Upon recommendation of Mr. Scott Chamberlain, the Director approved Grazing Permit No 23334.

**RENEWAL OF GRAZING PERMITS**

The following grazing permits, acquired pursuant to the State/Federal Land Exchange authorized under the Utah Schools and Lands Exchange Act of 1998, Public Law 105-335 (1998), have been renewed for a period of 10 years, beginning July 1, 2010, and expiring June 30, 2020. The permit administrator has had the 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 13-A10	1,120.00	41.00	Carbon	School
GP 15-10	4,106.78	226.00	Carbon	School

Upon recommendation of Ms. Paula Lane, the Director approved the renewal of these 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 reviewed by the GIS Group.

<u>Permit #</u>	<u># Acres</u>	<u># AUMs</u>	<u>County(s)</u>	<u>Fund(s)</u>
GP 20426-10	12,994.39	213.00	Beaver	School
GP 20608-10	3,519.28	38.00	Wayne	School

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

**GRAZING PERMIT NOS. 20400-09 AND 23335 (PARTIAL ASSIGNMENT OF GP 20400-09 AND CREATION OF GP 23335)**

Wintch Family LLC's, 226 North 440 West, Orem, UT 84057, has requested the Trust Lands Administration's permission to assign a portion of GP 20400-09 to Slate Stewart or Pennie M. Stewart, P.O. Box 64, Tropic, UT 84776. In order to facilitate the assignment, a new grazing permit, GP 23335, will be created. The following lands are being assigned:

<u>T36S, R4W, SLB&amp;M</u>		
Sec. 3: SE $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 Acres	2 AUMs
Sec. 10: N $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NW $\frac{1}{4}$	200.00 Acres	8 AUMs

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

GP 20400-09 will now contain 360.00 acres and 14 AUMs. GP 23335 will contain 240.00 acres and 10 AUMs.

The expiration date of June 30, 2024, will apply to both permits.

The assignment fee in the amount of \$30.00 has been submitted and receipted under GP 20400-09. The rental and weed assessments have been paid for the 2010-2011 season on the lands involved in the assignment. Garfield County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the partial assignment of GP 20400-09 and the creation of GP 23335.

**GRAZING PERMIT NO. 20426 (PARTIAL NON-USE)**

Reed Carter, P.O. Box 250, Beaver, UT 84713, has requested 60% non-use (127 AUMs), due to drought, on GP 20426 during the 2009/2010 grazing season. Chad Hunter of the BLM in Cedar City sent a letter to verify the reduced grazing required by the BLM. The unused grazing assessment from 2009/2010, less the \$20.00 non-use fee (127 AUMs X \$3.86 = \$490.22 - \$20.00 non-use fee = \$470.22 credit) should be credited toward the 2010-2011 grazing assessment for the renewed GP 20426-10. There is a shortage of \$1.00 on the weed fee that will be billed in the 2011-2012 season. Beaver County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the partial non-use for GP 20426 and the credit of grazing assessment for GP 20426-10.

**RIGHTS OF ENTRY****RIGHT OF ENTRY NO. 5503 (APPROVAL)**

On July 20, 2010, the School and Institutional Trust Lands Administration received an application from Double C Guides and Outfitters, 418 East 1420 North, Tooele, UT 84074, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial guide services for a one-year term.

The assessment for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50 processing fee, totaling \$300.00. Beginning date: August 1, 2010. Expiration date: July 31, 2011. Funding: School = 96.66%, USU = 0.83%, Deaf = 0.16%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = <0.01%, SYDC = <0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%.

Upon recommendation of Mr. Bryan Torgerson, the Director approved Right of Entry No. 5503 for a one-year term.

**SPECIAL USE LEASE AGREEMENTS****SPECIAL USE LEASE AGREEMENT NO. 1048 (FIVE-YEAR REVIEW)**

SULA 1048 is a residential special use lease in the name of N. George Jackson, HC 70 Box 100, Caineville, Utah 84775. The subject property is used for a residential home site and agriculture (irrigated pasture). The lease site is located in Wayne County. School Fund.

1. **ANNUAL BASE RENTAL:**

The five-year lease rental review date for this residential lease is August 1, 2010. The authorized use of the subject parcel is for a residential home site and irrigated pasture.

After a preliminary analysis pursuant to Board policy, the value of the subject property has been estimated to be approximately \$1000.00 per acre with a total value of \$18,300.00.

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 \$1,120.00 per year to \$1,150.00 per year, effective August 1, 2010. A certified notice was sent to inform the lessee of this action. No response was received.

**SPECIAL USE LEASE AGREEMENT NO. 1048 (FIVE-YEAR REVIEW) (CONTINUED)**

Annual Base Rental: \$ 1,150.00

Acres in lease: 18.3

Rental per acre: \$62.84

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:**

The 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 on June 29, 2010, revealed something which indicated a need for a bond. However, the Agency staff will first try working with the lessee to clean up the subject property before a bond will be required.

5. **WATER RIGHTS AND WELLS:**

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

6. **ENVIRONMENTAL COMPLIANCE:**

This lease was inspected and reviewed for environment compliance on June 29, 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. There are some non-working cars and solid waste being stored on the subject property and these items will need to be properly disposed of. The site appears free of hazardous materials. 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. An error was found and will be corrected by a lease amendment.

8. **NEXT ASSESSMENT DATE:**

The next assessment date will be August 1, 2015.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the five-year review for SULA 1048.

**SPECIAL USE LEASE AGREEMENT NO. 1284 (FIVE-YEAR REVIEW)**

SULA 1284 is an industrial special use lease in the name of Anadarko Petroleum Corporation, P.O. Box 4995, The Woodlands, Texas, 77387-4995. The lease site is located in Carbon County. School Fund.

1. **ANNUAL BASE RENTAL:**

The five-year lease rental review date for this industrial lease is August 1, 2010. The authorized use of the subject parcel is the construction, operation, and maintenance of a water loading facility.

**CPI Based Review**

After a preliminary analysis pursuant to Board policy, the value of the subject property has been estimated to be approximately \$8,000/acre with a total value of \$14,560.00.

**SPECIAL USE LEASE AGREEMENT NO. 1284 (FIVE-YEAR REVIEW) (CONTINUED)**

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 \$2,470.00 per year to \$2,740.00 per year, effective August 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received.

Annual Base Rental: \$2,740.00

Acres in lease: 1.82

Rental per acre: \$1,505.49

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:**

The lessee has provided proof of adequate insurance coverage. The lease allows for a bond to be required or increased at any time during the term of the lease at the discretion of the Agency. A performance and reclamation bond in the amount of \$5,000.00 is currently in place.

5. **WATER RIGHTS AND WELLS:**

There are no Agency-owned water rights associated with this lease. The water used in this water loading facility is culinary water which is purchased from Price City and piped to the lease site.

6. **ENVIRONMENTAL COMPLIANCE:**

This lease was inspected and reviewed for environment compliance on June 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.

7. **GIS REVIEW:**

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

8. **NEXT ASSESSMENT DATE:**

The next assessment date will be August 1, 2015.

Upon recommendation of Mr. Chris Fausett, the Director approved the five-year review for SULA 1284.

**SPECIAL USE LEASE AGREEMENT NO. 1325 (THREE-YEAR REVIEW)**

SULA 1325 is an industrial special use lease in the name of Geneva Rock Products, Inc., P.O. Box 538, Orem, Utah, 84059. The lease site is located in Carbon County. School Fund.

**1. ANNUAL BASE RENTAL:**

The three-year lease rental review date for this industrial lease is August 1, 2010. The authorized use of the subject parcel is an access road, sand and gravel storage area, and a concrete washout site.

**CPI Based Review**

After a preliminary analysis pursuant to Board policy, the value of the subject property has been estimated to be approximately \$1,000/acre with a total value of \$40,000.00.

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 \$1,720.00 per year to \$1,800.00 per year, effective August 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received.

Annual Base Rental: \$1,800.00

Acres in lease: 40.00

Rental per acre: \$45.00

**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 or increased at any time during the term of the lease at the discretion of the Agency. A performance and reclamation bond in the amount of \$5,000.00 is currently in place.

**5. WATER RIGHTS AND WELLS:**

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

**6. ENVIRONMENTAL COMPLIANCE:**

This lease was inspected and reviewed for environment compliance on June 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.

**7. GIS REVIEW:**

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

**8. NEXT ASSESSMENT DATE:**

This lease expires on July 31, 2011. An assessment will be completed prior to the expiration date to determine whether to potentially issue a new lease to continue the use or close out the lease.

Upon recommendation of Mr. Chris Fausett, the Director approved the three-year review for SULA 1325.

**SPECIAL USE LEASE AGREEMENT NO. 1664 (RECLAMATION BOND)**

Pursuant to Paragraph 10.4 of the lease agreement, Ruby Pipeline, LLC, 2 North Nevada Avenue, Colorado Springs, CO 80903, has submitted Corporate Surety Bond No. BRLB0013307. The bonding company is RLI Insurance Company, 8 Greenway Plaza, Suite 400, Houston, TX 77046. The reclamation bond is for \$5,000 and will remain in full force and effect until released by the Trust Lands Administration. Box Elder County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director accepted the bond submitted for SULA 1664.

**SPECIAL USE LEASE AGREEMENT NO. 1680 (RECLAMATION BOND)**

Pursuant to Paragraph 10.4 of the lease agreement, Wolverine Operating Company of Utah, LLC, 1140 N. Centennial Park Drive, Richfield, UT 84702, has submitted Corporate Surety Bond No. B005752. The bonding company is U.S. Specialty Insurance Company, 13403 Northwest Freeway, Houston, TX 77040. The reclamation bond is for \$5,000 and will remain in full force and effect until released by the Trust Lands Administration. Sanpete County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director accepted the bond submitted for SULA 1680.

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**DEVELOPMENT ACTIONS**

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**DEVELOPMENT SUBDIVISION SALE**

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

SUBD 15.0 Estates at Hidden Valley Phase 2

This transaction has been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC  
3143 SOUTH 840 EAST  
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 66	26441-15-66	07/06/10	20034-15-66	01/11/08	\$22,548.48	\$0.00	0.23	SCH	18

The 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.

**DEVELOPMENT SUBDIVISION SALE - ESTATES AT HIDDEN VALLEY PHASE 2 (CONTINUED)**

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.

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.*

**HIGHWAY 91 REALIGNMENT ROADWAY DEDICATION (DEVL 939)**

PROJECT: Gateway  
BENEFICIARY: Miners Hospital  
RECORDING DATE: October 14, 1997  
PLAT DEDICATION NO.: 196

CONVEYANCE TO:

Washington City  
111 North 100 East  
Washington UT 84780

And

Hurricane City  
58 North 200 East  
Hurricane UT 84737

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M  
Sections 3, 4, 5, and 8

Township 41 South, Range 14 West, SLB&M  
Section 34

This road dedication is partially on trust lands in the following sections:

In T42S, R14W: Section 5 (0.56 acres), Section 8 (0.11 acres), NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 4 (3.72 acres), E $\frac{1}{2}$  of Section 4 (8.28 acres), Section 3 (0.34 acres).

In T41S, R14W: SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 34 (2.53 acres), NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 34 (0.58 acres) and E $\frac{1}{2}$ NE $\frac{1}{4}$  (0.71 acres)

Total acres of trust lands: 16.83

**HIGHWAY 91 REALIGNMENT ROADWAY DEDICATION (DEVL 939) (CONTINUED)**North of SR-9

All that portion of Sections 3 and 4, Township 42 South, Range 14 West, and Sections 27, 33 and 34, Township 41 South, Range 14 West, Salt Lake Base and Meridian, Washington County, Utah, described as follows:

Beginning at a point on the Northerly right-of-way line of SR-9 Highway, located S 0°23'37" E along the ¼ section line 395.19 feet and West 869.38 feet from the Center ¼ Corner of said Section 4: Thence S 77°48'03" W, 103.53 feet; Thence N 02°48'22" E 125.98 feet to a curve to the right having a 650.00 foot radius; Thence 760.33 feet along the arc of said curve through a central angle of 67°01'15"; Thence N 69°49'38" E 1688.46 feet to a curve to the left having a 950.00 foot radius; Thence 499.76 feet along the arc of said curve through a central angle of 30°08'28"; Thence N 39°41'10" E 1787.73 feet to a curve to the right having a 650.00 foot radius; Thence 291.70 feet along the arc of said curve through a central angle of 25°42'44"; Thence N 65°23'53" E 1479.62 feet to a curve to the left having a 550.00 foot radius; Thence 269.49 feet along the arc of said curve through a central angle of 28°04'27"; Thence N 37°19'27" E 1407.83 feet to a curve to the left having a 550.00 foot radius; Thence 408.55 feet along the arc of said curve through a central angle of 42°33'38"; Thence N 05°14'12" W 39.89 feet to a curve to the right having a 650.00 foot radius; Thence 283.18 feet along the arc of said curve through a central angle of 24°57'40"; Thence N 19°743'29" E 204.41 feet to a curve to the right having a 650.00 foot radius; Thence 85.41 feet along the arc of said curve through a central angle of 07°31'44"; Thence N 27°15'13" E 1214.30 feet to a curve to the right having a 1250.00 foot radius; Thence 551.77 feet along the arc of said curve through a central angle of 25°17'29"; to a reverse curve having a 700.00 foot radius; Thence 655.19 feet along the arc of said reverse curve through a central angle of 53°37'42"; Thence N 01°05'00" W 296.88 feet to a curve to the right having a 966.19 foot radius; Thence 581.10 feet along the arc of said curve through a central angle of 34°27'34" to a point on the westerly right-of-way line of Old Highway 91; Thence S 56°37'26" E 100.00 feet to a curve to the left having a 866.19 foot radius; Thence 520.95 feet along the arc of said curve from a radial line which bears S 56°37'26"E through a central angle of 34°27'34"; Thence S 01°05'00" E 296.88 feet to a curve to the right having a 800.00 foot radius; Thence 748.79 feet along the arc of said curve through a central angle of 53°37'42" to a reverse curve having a 1150.00 foot radius; Thence 507.63 feet along the arc of said reverse curve through a central angle of 25°17'29"; Thence S 27°15'13" W 1214.30 feet to a curve to the left having a 550.00 foot radius; Thence 72.27 feet along the arc of said curve through a central angle of 07°31'44"; Thence S 19°43'29" W 204.41 feet to a curve to the left having a 550.00 foot radius; Thence 239.61 feet along the arc of said curve through a central angle of 24°57'40"; Thence S 05°14'12" E 39.89 feet to a curve to the right having a 850.00 radius; Thence 482.83 feet along the arc of said curve through a central angle of 42°33'38"; Thence S 37°19'27" W 1407.83 feet to a curve to the right having a 650.00 foot radius; Thence 318.49 feet along the arc of said curve through a central angle of 28°04'27"; Thence S 65°23'53" W 1479.62 feet to a curve to the left having a 550.00 foot radius; Thence 246.82 feet along the arc of said curve through a central angle of 25°42'44"; Thence S 39°41'10" W 1787.73 feet to a curve to the right having a 1050.00 foot radius; Thence 552.37 feet along the arc of said curve through a central angle of 30°08'28"; Thence 69°49'38" W 1688.46 feet to a curve to the left having a 550.00 foot radius; Thence 643.35 feet along the arch of said curve through a central angle of 67°01'15"; Thence S 02°48'22" W 99.18 feet to the point of beginning. Containing 28.904 acres.

Less and excepting those portions previously dedicated in Gateway Industrial Park Phase 1- Amended Plat, Knollwood Townhomes Phase 1 - Amended Plat, Knollwood Townhomes Phase 2 plat on file in the office of the Washington County Recorder.

South of SR-9

All that portion of sections 4, 5, and 8, Township 42 South, Range 14 West, Salt lake base and Meridian, Washington County, Utah, described as follows:

**HIGHWAY 91 REALIGNMENT ROADWAY DEDICATION (DEVL 939) (CONTINUED)**

Beginning at a point on the Southerly Right-of-way line of SR-9 Highway, located S 0°23'37" E along the ¼ section line 808.82 feet and west 892.47 feet from the Center ¼ Corner of said Section 4: Thence S 02°48'22" W 126.49 feet to a curve to the right and having a 1250.00 foot radius; Thence 1679.07 feet along the arc of said curve through a central angle of 76°57'47"; Thence S 79°46'09" W 207.84 feet to a curve to the left and having a 1150.00 foot radius; Thence 825.96 feet along the arc of said curve through a central angle of 41°18'02"; Thence N 51°31'53" W 100.00 feet to a curve to the left and having a 1250.00 radius; said curve also being on the Northwesterly right-of-way line of Highway 91 realignment; Thence 901.04 feet along the arc of said curve from a radial line which bears S 51°31'53" E through a central angle of 41°18'02"; Thence N 79°46'09" E 207.84 feet to a curve to the left and having a 1150.00 foot radius; Thence 1544.75 feet along the arc of said curve through a central angle of 76°57'47"; Thence N 02°48'22" E 99.69 feet to the southerly right-of-way line of SR-9 Highway; Thence N 77°48'03" E 103.53 feet along said right-of-way to the point of beginning. Containing 6.42 acres.

NUMBER OF ACRES BY COUNTY: 16.83 acres - Washington County

NUMBER OF ACRES BY FUND: 16.83 acres - School

**MINERAL RESERVATIONS:**

Excepting and reserving to the State all coal, oil and gas, and other mineral deposits.

**SURFACE RESERVATIONS:**

None

Upon recommendation of Ms. Alexa Wilson, the Director approved the above item.

**OPERATING AGREEMENT FORT PIERCE LEASING, L.C. (DEVL 696 LLC)**

EXCHANGE PATENT NO.:	20168
MEMBERS:	Trust Lands Administration - 70 % LGJ, L.C. 50 North 600 East, St. George, UT 84771 30 %
PROJECT:	Fort Pierce Industrial
PROJECT MANAGER:	Douglas O. Buchi
PROJECT CODE:	PFIND 002 00
FUND:	School
DATE OF TRANSACTION:	June 28, 2010
BOARD APPROVED:	January 7, 2010

**DESCRIPTION OF THE TRANSACTION:**

The members have formed Fort Pierce Leasing, L.C., with the purpose of acquiring land within the Ft. Pierce Business Park, constructing buildings and other improvements on the property, and leasing space in the building(s) to third parties. The Trust and LGJ are also the sole members of Ft. Pierce Business Park, L.C., which controls approximately 1230 acres of surrounding industrial land, including the subject property. Pursuant to the operating agreement for Ft. Pierce Business Park, L.C., the members are entitled to share in the proceeds from the sale of the lots within the Business Park on the basis of 70 % to the Trust and 30 % to LGJ, L.C. As part of this transaction, the subject property was transferred from Ft. Pierce Business Park, L.C. to Ft. Pierce Leasing, L.C. The fair market value of the subject property was determined by mutual agreement to be \$90,000.00 based upon sales of similar parcels in the business park. The conveyance of their proportionate interest in the subject property constitutes an additional capital contribution by the members as follows:

**OPERATING AGREEMENT FORT PIERCE LEASING, L.C. (DEVL 696 LLC) (CONTINUED)**

Trust Lands Administration	\$63,000.00	70%
LGJ, L.C.	\$27,000.00	30%

Ft. Pierce Leasing, L.C. has preleased the subject property to Insite Towers, LLC, for the operations of a telecommunication tower. Members are entitled to distributions of net income of the company, pro rata in accordance with their capital contributions.

**ACCOUNTING:**

The Trust Lands Administration is exchanging an interest in land valued at \$63,000.00 for an ownership interest in the newly formed company of equal value. Revenue in the amount of the land value should be realized as of the date of the transaction. The Agency's ownership interest should be carried on the balance sheet with a value of \$63,000.00. Distributions will be taken as revenue as they occur.

**LEGAL DESCRIPTION:**

Township 43 South, Range 15 West, SLB&M

Section 20: Within the NW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ , more particularly described as follows:

Beginning at a point South 1°10'51" West 245.57 feet along the Section Line and North 90° 00'00" East 34.38 feet from the Northwest Corner of Section 20, Township 43 South, Range 15 West, Salt Lake Base and Meridian, and running thence North 61°03'35" East 81.57 feet; thence South 43°31'38" East 40.54 feet; thence South 47°15'29" West 79.77 feet; thence North 42°44'31" West 60.00 feet to the of beginning. Containing 0.09 acres.

NUMBER OF ACRES BY COUNTY: 0.09 acres - Washington County

NUMBER OF ACRES BY FUND: 0.09 acres - School

**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.

**SURFACE RESERVATIONS:**

Subject to an easement across the property as may be necessary and reasonable to access other lands administered by the Trust Lands Administration; also,

Subject to any valid, existing easement or right 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 authority of the United States as provided by Statute.

Upon recommendation of Mr. Douglas O. Buchi, the Director approved the above item.

**CORRECTION - DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 7905)**

IN THE DIRECTOR'S MINUTES OF JULY 12, 2010, PAGES 10-11, THE **CHARACTERIZATION OF THE LOCATION** OF THE SALE PARCEL DESCRIBED UNDER *TRANSACTIONAL CONTEXT* AND THE **RANGE** NOTED UNDER *LEGAL DESCRIPTION OF SALE PARCEL*, WERE REPORTED INCORRECTLY AND HAVE BEEN CORRECTED AS SHOWN BELOW IN BOLD:

CERTIFICATE OF SALE NO.: 26496  
 CERTIFICATE/DATE OF SALE: July 23, 2009  
 PATENT NO.: 20149  
 PATENT DATE: November 24, 2009  
 PROJECT: South Block Plant Preserves  
 PROJECT MANAGER: Douglas O. Buchi  
 PROJECT CODE: SOBLK 005 00  
 FUND: School  
 SALE PRICE: \$206,000.00  
 BOARD APPROVAL: August 13, 2009

## BUYER:

THE NATURE CONSERVANCY  
 559 East South Temple  
 Salt Lake City, UT 84102

*TRANSACTIONAL CONTEXT:*

The Trust Lands Administration (the "Trust") sold the below-described, unimproved land parcel in the **South Block area of St. George, Utah, abutting the Arizona border**, on which is located a federally listed endangered plant, known as Holmgren Milk-vetch, with the understanding that the property will serve as a preserve for endangered flora. The Nature Conservancy ("TNC") purchased the parcel with the intention to preserve the endangered flora, Holmgren Milk-vetch, in the pursuit of its mission to preserve the plants, animals, and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive.

*LEGAL DESCRIPTION OF SALE PARCEL:*

Township 43 South, Range 16 West, SLB&M  
 Section 35: (within)

BEGINNING AT A POINT ON THE UTAH/ARIZONA STATE LINE AND ITS INTERSECTION WITH THE EASTERLY RIGHT OF WAY LINE AND NON-ACCESS LINE OF INTERSTATE 15, SAID POINT BEING S88°43'01"E, 2703.05 FEET ALONG THE STATE LINE BETWEEN MILE MARKER 23.087 (A 1971 BLM BRASS CAP) AND MILE MARKER 24.00 (A 1971 BLM BRASS CAP), SAID POINT ALSO BEING S88°46'13"E, 64.67 FEET ALONG THE SECTION LINE AND SOUTH 3147.89 FEET FROM THE NORTHWEST CORNER OF SECTION 35, T43S, R16W, SLB&M, RUNNING THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE AND NON-ACCESS LINE THE FOLLOWING TWO COURSES: N22°06'28"E, 330.99 FEET; THENCE N26°13'39"E, 178.42 FEET; THENCE LEAVING SAID RIGHT OF WAY LINE AND NON-ACCESS LINE AND RUNNING THENCE S88°43'01"E, 493.63 FEET; THENCE S1°04'47"W, 471.15 FEET TO A POINT ON THE UTAH/ARIZONA STATE LINE; THENCE N88°43'01"W, 688.22 FEET ALONG THE STATE LINE BETWEEN MILE MARKER 24.00 (A 1971 BLM BRASS CAP) AND MILE MARKER 23.087 (A 1971 BLM BRASS CAP) TO THE POINT OF BEGINNING.

Containing 6.44 acres, more or less.

The project manager has had this legal description reviewed by the GIS Group.

**CORRECTION - DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 7905) (CONTINUED)**

NUMBER OF ACRES BY COUNTY: 6.44 acres - Washington County

NUMBER OF ACRES BY FUND: 6.44 acres - School

**MINERAL RESERVATIONS:**

Excepting and reserving to the State for the benefit of the State and its successors in interest, assigns, permittees, licensees, and lessees from time to time, all coal, oil and gas, and other mineral deposits, along with the right for the State or such other authorized persons or entities to prospect for, mine, and remove such deposits; also

Subject to a reversionary interest held by the State of Utah as follows: In the event that the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency, pursuant to above described mineral reservation, shall exercise the right to permit its successors in interest, assigns, permittees, licensees, or lessees to prospect for, mine or remove any mineral deposits in such a manner as to defeat the ecological purposes for which the Purchaser is acquiring the property herein; or if for any other reason the ecological purposes put forth in that certain Certificate of Sale No. 26496 for which The Nature Conservancy is acquiring the property cease to exist; then, at written election of The Nature Conservancy, or its successors or assigns, title to and ownership and possession of the property shall revert to the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency.

**SURFACE RESERVATIONS:**

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.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

Upon recommendation of Ms. Andrea James, the Director approved the above correction.

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**ACTIONS CONTAINING FEE WAIVERS**

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**NONE**

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**TRUST ACCOUNTING ACTIONS**

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**CANCELED MINERAL LEASES**

The following mineral leases were not paid on or before the cancellation date of 7/8/2010. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 48744.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48935.0	GEOCHEM EXPLORATION LLC	SCH	TOOL	OGH
ML 49117.0	PAN OKLAHOMA CORPORATION	SCH	EMRY	OGH
ML 49321.0	SEAHORSE OIL LTD.	SYDC	SANP	OGH
ML 49330.0	CRAIG S. SETTLE	SCH	SANP	OGH
ML 49373.0	WOLVERINE GAS AND OIL CORP.	SCH	SEVR	OGH
		MH	SEVR	OGH
ML 49375.0	WOLVERINE GAS AND OIL CORP.	RES	SEVR	OGH
		SCH	SEVR	OGH
		NS	SEVR	OGH
ML 49763.0	PETRO-HUNT LLC	SCH	SANP	OGA
		MH	SANP	OGA
ML 50330.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50331.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50332.0	SETTLE, CRAIG	SCH	GRND	OGA
ML 50333.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50335.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50336.0	SETTLE, CRAIG	SCH	WAYN	OGA
		SCH	EMRY	OGA
ML 50339.0	MUNN VENTURES LLC	SCH	GARF	OGA
ML 50360.0	SETTLE, CRAIG	SCH	BEAV	OGA
ML 50371.0	ARMSTRONG RESOURCES LLC	SCH	IRON	OGA
ML 50372.0	ARMSTRONG RESOURCES LLC	SCH	IRON	OGA
		NS	WASH	OGA
		SCH	WASH	OGA
		NS	IRON	OGA
ML 50387.0	INTERNATIONAL PETROLEUM LLC	SCH	IRON	OGA
ML 50388.0	INTERNATIONAL PETROLEUM LLC	SCH	IRON	OGH
ML 50389.0	INTERNATIONAL PETROLEUM LLC	SCH	IRON	OGA
ML 50390.0	INTERNATIONAL PETROLEUM LLC	SCH	IRON	OGA
ML 50393.0	ENERGY FUELS RESOURCES CORP.	SCH	GRND	MM
ML 50809.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50810.0	SETTLE, CRAIG	SM	EMRY	OGA
		UNIV	EMRY	OGA
		SCH	EMRY	OGA
ML 50811.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50813.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50814.0	SETTLE, CRAIG	SCH	EMRY	OGA

**CANCELED MINERAL LEASES (CONTINUED)**

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 50816.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50830.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50831.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50832.0	SETTLE, CRAIG	SCH	GRND	OGA
ML 50833.0	SETTLE, CRAIG	SCH	EMRY	OGA
ML 50835.0	SETTLE, CRAIG	SCH	SANJ	OGA
		SCH	GRND	OGA
ML 50854.0	AMERICAN NUCLEAR FUELS LLC	SCH	EMRY	MM
ML 50859.0	INTERNATIONAL PETROLEUM, LLC	SCH	SUMT	OGA
ML 50862.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 50863.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 50865.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 50871.0	INTERNATIONAL PETROLEUM, LLC	PB	GARF	OGA
ML 50872.0	INTERNATIONAL PETROLEUM, LLC	SCH	GARF	OGA
		PB	GARF	OGA
ML 50873.0	INTERNATIONAL PETROLEUM, LLC	MH	IRON	OGA
ML 50874.0	INTERNATIONAL PETROLEUM, LLC	USH	IRON	OGA
		MH	IRON	OGA
ML 50875.0	INTERNATIONAL PETROLEUM, LLC	SCH	GARF	OGA
ML 50876.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50877.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50878.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50879.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50880.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50881.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50882.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50883.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50884.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50885.0	INTERNATIONAL PETROLEUM, LLC	SCH	GARF	OGA
		RES	GARF	OGA
ML 50886.0	INTERNATIONAL PETROLEUM, LLC	SCH	GARF	OGA
		MULTI	GARF	OGA
ML 50887.0	INTERNATIONAL PETROLEUM, LLC	SCH	GARF	OGA
ML 50888.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50889.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50890.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
ML 50891.0	INTERNATIONAL PETROLEUM, LLC	SCH	IRON	OGA
		DEAF	IRON	OGA
ML 50892.0	INTERNATIONAL PETROLEUM, LLC	RES	IRON	OGA
ML 50893.0	INTERNATIONAL PETROLEUM, LLC	RES	IRON	OGA
ML 50894.0	KIMMERLE, KYLE	SCH	SANJ	MM
ML 50908.0	THAMES RIVER LLC	SCH	EMRY	MM
ML 50910.0	BAUGHMAN, GERALD W.	SCH	WASH	MM
		SCH	IRON	MM
ML 50912.0	SMITH, CHAD M.	SCH	JUAB	MM

**CANCELED MINERAL LEASES (CONTINUED)**

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 51608.0	CAMPBELL, BEN	SCH	SANJ	MM
ML 51613.0	SABINE INTERNATIONAL, INC.	SCH	GRND	POTASH
ML 51617.0	TERRY, ROCKY	SCH	SEVR	MM
		SCH	PIUT	MM

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

**INTEREST RATES**

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	3.25%