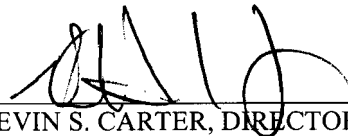


AUGUST 2, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON AUGUST 2, 2010, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON AUGUST 2, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 4 TO 9; DEVELOPMENT ACTIONS AS LISTED ON PAGES 9 TO 10; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 10.

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 16, 2010. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

\*\*\*\*\*

**MINERAL ACTIONS**

\*\*\*\*\*

**MATERIALS PERMIT NO. 443 –EXPIRATION**

Materials Permit No. 443 expired on June 30, 2010. The Permittee no longer has any rights relevant to this permit.

**PERMITTEE:**

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.  
Section 32: SW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>

COUNTY: GRAND

ACRES: 10.00±

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. 445 –EXPIRATION**

Materials Permit No. 445 expired on June 30, 2010. The Permittee no longer has any rights relevant to this permit.

**PERMITTEE:**

Bill Barrett Corporation  
1099 18<sup>th</sup> Street  
Denver, CO 80202

**AFFECTED LANDS:**

Township 12 South, Range 15 East, SLB&M.  
Section 36: ALL

COUNTY: CARBON

ACRES: 640.00±

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. 446 –EXPIRATION**

Materials Permit No. 446 expired on June 30, 2010. The Permittee no longer has any rights relevant to this permit.

PERMITTEE:

Bill Barrett Corporation  
1099 18<sup>th</sup> Street  
Denver, CO 80202

AFFECTED LANDS:

Township 12 South, Range 16 East, SLB&M.  
Section 32: ALL

COUNTY: CARBON

ACRES: 640.00±

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. 472 - APPROVAL**

APPLICANT:

Bill Barrett Corporation  
1099 18<sup>th</sup> Street  
Denver, CO 80202

AFFECTED LANDS:

Township 12 South, Range 15 East, SLB&M.  
Section 36: ALL

COUNTY: CARBON

ACRES: 640.00±

FUND: SCH

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

Applicant will utilize excess materials from well pad construction and mud pit excavations to maintain well pads and access roads in an operating natural gas field. Royalty rate is \$0.50 per banked cubic yard of ordinary sand and gravel. The permit term is one (1) year.

Upon recommendation of Mr. Harden, the Director approved the issuance of Materials Permit No. 472 for a term of one year.

**MATERIALS PERMIT NO. 473 – APPROVAL**

APPLICANT:

Bill Barrett Corporation  
1099 18<sup>th</sup> Street  
Denver, CO 80202

AFFECTED LANDS:

Township 12 South, Range 16 East, SLB&M.  
Section 32: ALL

COUNTY: CARBON

ACRES: 640.00±

FUND: SCH

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

Applicant will utilize excess materials from well pad construction and mud pit excavations to maintain well pads and access roads in an operating natural gas field. Royalty rate is \$0.50 per banked cubic yard of ordinary sand and gravel. The permit term is one (1) year.

Upon recommendation of Mr. Harden, the Director approved the issuance of Materials Permit No. 473 for a term of one year.

**APPROVAL OF MINERAL MATERIALS PERMIT (SCH)**

The following application was received to quarry decorative building limestone from the trust lands described. The permittee will obtain a mining permit from the Division of Oil, Gas and Mining and submit a reclamation bond prior to commencing operations. The permittee will also obtain any other state permits required and will comply with all local permitting requirements. The applicant submitted the required \$100 filing fee and the first year annual rentals of \$10 per acre. The applicant agrees to pay the royalty rate shown below on all materials removed from the lands under the permit. The Minerals Group has checked the land status and determined that the lands are open and available for issuance of the permit. The applicant is duly registered and in good standing with the Utah Division of Corporations. The only other current usage of the lands is for grazing. The permit administrator has had the legal description checked by the GIS Group.

ML 51832-MP

Brad Murray and LGL Companies, Inc.  
P.O. Box 919  
10979 So. Loafer Canton Rd.  
Salem, UT 84653

T2N R20E SLB&M

Section 6: Lot 2, SW¼NE¼

Daggett

78.77 acres

Mineral Commodity: Decorative Building Limestone  
Royalty Rate: Greater amount of \$25.00 per short ton or 10 % gross value, f.o.b. quarry  
Term of Permit: Two years

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

**METALLIFEROUS MINERALS LEASE APPROVALS**

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

<u>ML 51830</u>	<u>T11S, R4W, SLB&amp;M.</u>	Juab
Gregory Schifrin	SEC. 32: LOTS 1(34.37), 2(34.80), 3(35.22),	544.39 Acres
1336 W. Elmira Road	N½, N½SW¼, NW¼SE¼	
Sandpoint, ID 83864		

Annual Rental: \$545

FUND: SCH

<u>ML 51831</u>	<u>T29.5S, R22E, SLB&amp;M.</u>	San Juan
Darell R. Davis	SEC. 32: LOTS 1(40.39), 2(40.28), 3(40.16), 4(40.20),	641.03 Acres
801 Hacienda Lane #1	S½N½, S½ [ALL]	
Bloomfield, NM 87413		

Annual Rental: \$642

FUND: SCH

\*\*\*\*\*

**SURFACE ACTIONS**

\*\*\*\*\*

**GRAZING PERMITS**

**GRAZING PERMIT NO. 21505 (ANNUAL SUBLEASE APPROVAL)**

Taylor Livestock Corporation, c/o D. L. Taylor, 24 Apache Circle, Moab, UT 84532, has requested permission to sublease a portion of GP 21505 to the following individuals:

Mark Hill -	880 AUMs
Jared Randall -	50 AUMs
Ivor Bradshaw -	15 AUMs
<u>P. Singleton -</u>	<u>15 AUMs</u>
TOTAL -	960 AUMs

The sublease fee in the amount of \$1,204.50 has been paid. Grand and San Juan Counties. USU and School Funds.

Upon recommendation of Mr. Torgerson, the Director approved the annual sublease for GP 21505.

**GRAZING PERMIT NOS. 22345-08, 21432-00, 21170 (ASSIGNMENT INTO GP 20234-09 AND CANCELLATION OF GP 22345-08, GP 21432-00, GP 21170)**

Himonas Brothers, c/o Gust Himonas, 222 N. 1280 W., Price, UT 84501, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permits to Hunt Oil Company, c/o Blair Eastman, P.O. Box 202, Elmo, UT 84521. The assignment fees in the amount of \$30.00 for GP 21170, \$39.00 for GP 21432-00, and \$65.00 for GP 22345-08 have been paid. The above permits will be combined into GP 20234-09; and GP 22345-08, GP 21432-00, and GP 21170 will be canceled. GP 20234-09 will now have 215 AUMs and 3,760.23 acres. School Fund. Juab, Carbon, and Emery Counties. The GIS Group has reviewed the new legal description of GP 20234-09.

Upon recommendation of Mr. Scott Chamberlain, the Director approved these assignments into GP 20234-09 and the cancellation of GP 22345-08, GP 21432-00, and GP 21170.

**GRAZING PERMIT NO. 23279-09 (CORRECTION OF MINUTES DATED JULY 19, 2010)**

Grazing Permit No. 23279-09 was approved on the Director's Minutes of July 19, 2010. The minute entry incorrectly listed one of the legal descriptions for the permit.

The following description needs to be corrected:

Township 23 South, Range 6 East, SLB&M  
Sec. 16: NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$

Should be:

Township 23 South, Range 6 East, SLB&M  
Sec. 16: NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$

The total acreage is correct. This correction should be noted on all records. The permit administrator has had this legal description reviewed by the GIS Group. Emery County. School Fund.

Upon recommendation of Ms. Paula Lane, the Director approved the above correction for GP 23279-09.

**RIGHTS OF ENTRY**

**RIGHT OF ENTRY NO. 5432 (APPROVAL)**

The School and Institutional Trust Lands Administration has received a right of entry application from Rocky Mountain Power, Attn: Terry Ray, 1407 W. North Temple, Suite 250, Salt Lake City, UT 84123, to occupy the following described trust land located within Sevier, Millard, Beaver, and Iron Counties for geotechnical survey investigations in conjunction with the Sigurd to Red Butte transmission line project. This project has been reviewed through the Resource Development Coordinating Committee ("RDCC") as part of the federal government review process.

Township 23 South, Range 2 West, SLB&M  
Sec. 4: SE $\frac{1}{4}$ NW $\frac{1}{4}$ , Lot 3 (Within)  
Sec. 7: E $\frac{1}{2}$ SE $\frac{1}{4}$  - Less acreage in I-70 and land conveyed (Within)

Township 25 South, Range 8 West, SLB&M  
Sec. 16: SE $\frac{1}{4}$ SW $\frac{1}{4}$  (Within)

**RIGHT OF ENTRY NO. 5432 (APPROVAL) (CONTINUED)****Township 27 South, Range 9 West, SLB&M**Sec. 16: SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$  (Within)**Township 30 South, Range 7 West, SLB&M**Sec. 2: SW $\frac{1}{4}$ NW $\frac{1}{4}$  (Within)**Township 30 South, Range 9 West, SLB&M**Sec. 16: NE $\frac{1}{4}$ NW $\frac{1}{4}$  (Within)**Township 36 South, Range 14 West, SLB&M**Sec. 16: Lot 2 (NW $\frac{1}{4}$ NE $\frac{1}{4}$ ) (Within)**Township 36 South, Range 16 West, SLB&M**Sec. 25: NE $\frac{1}{4}$ NE $\frac{1}{4}$  (Within)

A cultural resource survey has been completed on this project and all identified sites will be avoided. The Agency's Archaeological staff has reviewed this survey and concurs with the findings.

The assessment for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. School, Reservoirs, University, and School of Mines Funds. Sevier, Millard, Beaver, and Iron Counties. Beginning Date: August 1, 2010. Expiration Date: July 31, 2011.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5432 for a term of one year.

**SPECIAL USE LEASE AGREEMENTS****SPECIAL USE LEASE AGREEMENT NO. 1184 (THREE-YEAR REVIEW)**

SULA 1184 is a telecommunications lease in the name of South Central Utah Telephone Assn., P.O. Box 555, Escalante, UT 84726-0226. The lease site is located in Iron County on the Cedar City site (Leigh Hill). School Fund.

**1. ANNUAL BASE RENTAL:**

The three-year lease rental review date for this telecommunications lease is September 1, 2010. The authorized use of the subject parcel is for a communication site lease, with the primary use being a cell tower.

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 provisions of the lease agreement, it is recommended that the annual base rental be increased from \$6,480.00 to \$7,180.00, effective September 1, 2010. A certified notice was sent to inform the lessee of this action. No response has been received to date.

Subleasing and co-located tenants: Any subleasing revenue assessed is in addition to the annual base rental amounts discussed above. The lessee has a sublease to T-Mobile that requires an annual sublease rental payment to the Trust Lands Administration, which is also being increased from \$3,240.00 to \$3,590.00.

**SPECIAL USE LEASE AGREEMENT NO. 1184 (THREE-YEAR REVIEW) (CONTINUED)**

After a preliminary analysis pursuant to Board policy, the raw land value of the subject property was estimated to currently be approximately \$45,000.00 per acre with a total value of \$3,600.00. The existing communication lease site is considered the highest and best use of a small parcel of this type of land, especially with the other communication towers in close proximity.

Annual Base Rental: \$7,180.00 + \$3,590.00 (sublease) = \$10,770.00

Acres in lease: 0.08

2. **DUE DILIGENCE:**

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 insurance coverage and bond are active and in place and adequate for the purpose of the lease.

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 25, 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 is having this legal description reviewed by the GIS Group. The parcel is small and the GIS Group is in the process of verifying the legal description for a potential slight alignment.

8. **NEXT ASSESSMENT DATE:**

The next assessment date will be September 1, 2013.

Upon recommendation of Mr. Bagley, the Director approved the three-year review for SULA 1184.

**WATER RIGHTS****WATER RIGHT 43-10808 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10808 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

**WATER RIGHT 43-10833 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10833 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

**WATER RIGHT 43-10879 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10879 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

**WATER RIGHT 43-10880 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10880 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

**WATER RIGHT 43-10889 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10889 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

**WATER RIGHT 43-10890 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 43-10890 is for 1.708 acre feet and is located on Tabby Mountain on the following described trust land:

Township 1 South, Range 8 West, USM  
Section 19

The State Engineer has issued a Certificate of Beneficial Use for this water right, which is the final step in completing its appropriation. The original Certificate is filed in the Title Document Drawer.

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

\*\*\*\*\*

**DEVELOPMENT ACTIONS**

\*\*\*\*\*

**DEVELOPMENT SUBDIVISION SALE**

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

SUBD 18.0 Estates at Hidden Valley Phase 4

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 159	26470-18-159	07/16/10	20119-18-159	11/09/09	\$28,766.70	\$0.00	0.21	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.

LIST SURFACE RESERVATIONS:

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

**DEVELOPMENT SUBDIVISION SALE - ESTATES AT HIDDEN VALLEY PHASE 4 (CONTINUED)**

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.*

\*\*\*\*\*

**ACTIONS CONTAINING FEE WAIVERS**

\*\*\*\*\*

**RIGHT OF ENTRY NO. 5438 (CHANGE OF LEGAL DESCRIPTION)**

Right of Entry No. 5438, in the name of USGS, Utah State Energy Office, c/o Elise Brown & Jason Berry, 1594 W. North Temple, Suite 3110, Salt Lake City, UT 84114, was approved on the Director's Minutes of April 12, 2010, for solar energy testing. The permittee has requested that the legal description be changed from:

T28S, R10W, SLB&M  
Sec. 6: Lot 3 (NE $\frac{1}{4}$ NW $\frac{1}{4}$ ) (Within) – UTM: 0323323, 4253357

To:

T27S, R11W, SLB&M  
Sec. 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$  (Within) [LAT & LONG – 38.41332, 113.02919]

The new description is located within the same area, only in a more suitable location for the solar testing equipment. The area has already been disturbed with sand and gravel operations and the Archaeology staff has determined that there will be no impact on cultural sites. As this project is sponsored in part by the Trust Lands Administration (the Agency contributed to the purchase of the testing equipment and requested the site be located on trust land), the \$50.00 amendment fee is being waived.

Upon recommendation of Mr. Lou Brown, the Director approved the above change of legal description for ROE 5438 and waiver of the \$50.00 amendment fee.