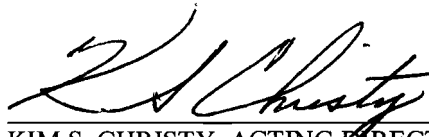


JANUARY 19, 2010

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

THESE MINUTES INCLUDE SURFACE ACTIONS AS LISTED ON PAGES 1 TO 21; DEVELOPMENT ACTIONS AS LISTED ON PAGES 22 TO 25; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 25 TO 26.

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



KIM S. CHRISTY, ACTING DIRECTOR FOR
KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 22541-07 (CORRECTION OF MINUTES DATED JANUARY 4, 2010)

The Director's Minutes of January 4, 2010, incorrectly showed the new expiration date of this permit as *June 30, 2025*. The correct expiration is **June 30, 2026**, and should be noted on all records. Grand and Uintah County. School Fund.

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

MODIFIED GRAZING PERMIT NO. 19 (CORRECTION OF MINUTES DATED DECEMBER 28, 2009)

The Director's Minutes of December 28, 2009, incorrectly listed the next assessment date as *March 1, 2013*. The correct assessment date is **February 1, 2015**, and should be noted on all records. Iron County. School Fund.

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

EASEMENTS

EASEMENT APPLICATION NO. 1220 (REJECTION OF APPLICATION)

On November 6, 2006, The Houston Exploration Company, 1100 Louisiana, Suite 2000, Houston, Texas, 77002, submitted an easement application for four 3-inch diameter buried natural gas gathering pipelines. The pipelines were intended to service the proposed Border 10-9-8-25, Squaw Ridge 13-28-7-25, Squaw Ridge 16-30-7-25, and Snake John Wash 14-11-7-25 wells. The last formal communication from the applicant was received on January 22, 2007, and no action has been taken on the application since that date. The records of the Utah Division of Oil, Gas, and Mining show that all of the above-referenced well locations have been abandoned. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. A \$600.00 non-refundable application fee has been paid and will be forfeited to the Agency. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1220.

EASEMENT APPLICATION NO. 1221 (REJECTION OF APPLICATION)

On November 6, 2006, The Houston Exploration Company, 1100 Louisiana, Suite 2000, Houston, Texas, 77002, submitted an easement application for a 3-inch diameter surface natural gas gathering pipeline. The pipeline was intended to service the proposed Gusher 6-15-6-19 Well. The last formal communication from the applicant was received on January 22, 2007, and no action has been taken on the application since that date. The records of the Utah Division of Oil, Gas, and Mining show that the above-referenced well location has been abandoned. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. A \$600.00 non-refundable application fee has been paid and will be forfeited to the Agency. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1221.

EASEMENT APPLICATION NO. 1222 (REJECTION OF APPLICATION)

On November 6, 2006, The Houston Exploration Company, 1100 Louisiana, Suite 2000, Houston, Texas, 77002, submitted an easement application for a 3-inch diameter buried natural gas gathering pipeline. The pipeline was intended to service the proposed Pelican Lake 11-3-8-20 Well. The last formal communication from the applicant was received on January 22, 2007, and no action has been taken on the application since that date. The records of the Utah Division of Oil, Gas, and Mining show that the above-referenced well location has been abandoned. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. A \$600.00 non-refundable application fee has been paid and will be forfeited to the Agency. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1222.

EASEMENT APPLICATION NO. 1224 (REJECTION OF APPLICATION)

On November 6, 2006, The Houston Exploration Company, 1100 Louisiana, Suite 2000, Houston, Texas, 77002, submitted an easement application for a 3-inch diameter buried natural gas pipeline, a 3-inch diameter surface natural gas pipeline, and an access road. The 3-inch buried pipeline was intended to service the proposed Gusher 13-11-5-19 Well. The 3-inch surface pipeline and access road were intended to service the proposed Twelvemile Wash 1-15-5-20 Well. The last formal communication from the applicant was received on January 22, 2007, and no action has been taken on the application since that date. The records of the Utah Division of Oil, Gas, and Mining show that the above referenced well locations have been abandoned. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. A \$600.00 non-refundable application fee has been paid and will be forfeited to the Agency. Uintah County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1224.

EASEMENT APPLICATION NO. 1348 (REJECTION OF APPLICATION)

On January 3, 2008, the Western Utah Copper Company, P.O. Box 492, Milford, Utah, 84751, submitted an easement application for a railroad spur. No action has been taken on the application since the original application was received. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. A partial \$250.00 non-refundable application fee has been paid and will be forfeited to the Agency. Beaver County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1348.

EASEMENT APPLICATION NO. 1354 (REJECTION OF APPLICATION)

On January 16, 2008, Evergreen Wind Power Partners, LLC, c/o enXco Development Corporation, 907 Dartmoor Way, Salt Lake City, Utah, 84103, submitted an easement application for an access road. The proposed access road was to be used for site investigation and wind monitoring activities on adjacent federal lands. The last formal communication with the applicant regarding this project was on May 5, 2008. No action has been taken on the application since that date. On November 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day period; therefore, it is recommended that the Director reject this application. No fees or rentals have been submitted for this application. Beaver County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1354.

EASEMENT APPLICATION NO. 1414 (REJECTION OF APPLICATION)

On June 30, 2008, BlueRock Energy Corp., 36 West Main Street, Cortez, Colorado, 81321, submitted an easement application for an existing access road to service the J-Bird mine development located approximately 5 miles to the east of the proposed easement in Colorado. The last formal communication from the applicant was received on October 9, 2008, and no action has been taken on the application since that date. On August 19, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30 day time period; therefore, it is recommended that the Director reject this application. A \$750.00 non-refundable application fee has been paid and will be forfeited to the Agency. San Juan County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1414.

EASEMENT NO. 1545 (RESERVED FEDERAL RIGHT-OF-WAY GRANT NO. U-0148338)**GRANTEE'S NAME AND ADDRESS:**

Utah Department of Transportation
4501 South 2700 West
P.O. Box 148420
Salt Lake City, Utah 84114

LEGAL DESCRIPTION:

Township 37 South, Range 11 East, SLB&M
Section 8: W½E½, E½NW¼ (within)
Section 17: W½E½ (within)

COUNTY: Garfield

ACRES: 48.78 m/l

FUND: School

On April 13, 1967, the Bureau of Land Management ("BLM") issued Right-of-Way Grant No. U-0148338 (the BLM Right-of-Way) to the Utah Department of Transportation ("UDOT") for a federal aid highway project, Highway No. 276, in Garfield County. The BLM Right-of-Way was issued for a 200 foot wide corridor for a perpetual term.

On April 10, 1989, the Agency acquired the lands underlying the above-referenced portion of the BLM Right-of-Way from the federal government through an in-lieu selection. The acquisition of these lands is documented in Utah School Indemnity List No. 330. As part of the stipulations of the in-lieu selection, the BLM Right-of-Way was excepted and reserved to the United States.

Although the BLM Right-of-Way continues to be administered by the BLM, the Agency has assigned the reference number Easement No. 1545 to this portion of the BLM Right-of-Way for Agency record-keeping purposes.

This item was submitted by Mr. Chris Fausett for record-keeping purposes.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5409 (APPROVAL)**

The School and Institutional Trust Lands Administration has received a right of entry application from Barsoom Pictures Inc., for "John Carter of Mars," 500 South Buena Vista Street, Bldg. 217A, Burbank, CA 91521, to occupy the following described trust lands located within Millard, Wayne, and Kane Counties for commercial filming for a one-year period:

Township 21 South, Range 14 West
Section 36: All (within)

Township 22 South, Range 14 West
Section 2: All (within)

Township 41 South, Range 8 West
Section 16: All (within)

Township 27 South, Range 9 East
Section 2: All (within)

RIGHT OF ENTRY NO. 5409 (APPROVAL) (CONTINUED)

Township 27 South, Range 10 East

Section 36: All (within)

Township 28 South, Range 10 East

Section 2: All (within)

This project has been reviewed by the Resource Development Coordinating Committee ("RDCC") and no comments were received. A cultural resource survey has been completed on the project area where ground disturbance is proposed and two significant sites were found. The survey has been reviewed by the State Historic Preservation Office ("SHPO") and the Agency's staff archaeologists, who concurred with the findings and recommended that the two sites be avoided. The applicant will follow this recommendation and avoid the sites.

The fee for this right of entry is \$14,058.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$14,158.00. Beginning Date: January 25, 2010. Expiration Date: January 24, 2011. School Fund. Millard, Wayne, and Kane Counties.

A \$5,000.00 cash security deposit/bond has also been received for this permit.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5409.

RIGHT OF ENTRY NO. 5409 (SECURITY DEPOSIT/RECLAMATION BOND)

Pursuant to the Right of Entry permit agreement, Barsoom Pictures, for "John Carter of Mars", 500 South Buena Vista Street, Bldg. 217A, Burbank, CA 91521, has submitted a cash bond in the amount of \$5,000.00. This reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Kane, Wayne, and Millard County. School Fund.

Upon recommendation of Mr. Lou Brown, the Director accepted the cash bond submitted for ROE 5409.

RIGHT OF ENTRY 5393 (CORRECTION OF MINUTES DATED DECEMBER 28, 2009)

The Director's Minutes of December 28, 2009, incorrectly listed the beginning date of the permit as January 1, 2009. The correct beginning date is January 1, 2010, and should be noted on all records. Beaver County. School Fund.

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

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 1645 (APPROVAL AND REFUND OF OVERPAYMENT)**

APPLICANT'S NAME AND ADDRESS

Robert W. and Becky G. Pinkham
421 North 2500 West
Vernal, UT 84078

APPLICATION TYPE: Residential	FIRST YEAR RENTAL:	\$1,000.00
TERM: 51 Years	APPLICATION FEE:	\$ 250.00
BEGINNING DATE: January 1, 2010	PROCESSING FEE:	\$ 700.00
ENDING DATE: December 31, 2060	ADVERTISING FEE:	<u>\$ 112.50</u>
NEXT REVIEW DATE: January 1, 2015	TOTAL SUBMITTED:	\$2,062.50

LEGAL DESCRIPTION:

Township 3 North, Range 23 East, SLB&M
Sec. 16: SW $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

COUNTY: Daggett

ACRES: 45

FUND: School

PROPOSED ACTION:

The applicant desires to lease this land for a residential home site. The applicant is proposing to place a manufactured home on the site for year-round residential uses.

RELEVANT FACTUAL BACKGROUND:

On May 6, 2009, the School and Institutional Trust Lands Administration received a special use lease application from Robert and Becky Pinkham for a residential home site. The application and advertising fees were paid and receipted appropriately. A copy of the public notice was sent to all existing permittees, lessees, and adjoining landowners. No comments were received from this notification. The application was submitted for review through the Resource Development Coordinating Committee ("RDCC") and the Uintah Basin Association of Governments. The local association of governments recommended the application be approved. There was a RDCC comment from the Utah Geologic Survey ("UGS") recommending that all potential lessees be informed of potential geologic hazards and to contact the UGS for more information. A letter was sent to the applicant informing them of potential hazards and to contact UGS for more information.

This section of land is located in a remote part of Daggett County and is bordered on the north by the Wyoming State Line.

Initial consultation with the Trust Lands Archaeologist resulted in a recommendation that a cultural resource survey be completed.

EVALUATION OF FACTS:

A cultural resource survey of the area was completed by contract archaeologists with a finding of "no effect." Therefore, all requirements pursuant to R850-60 have been met.

This action is exempt from the narrative Record of Decision process because the action is not substantive nor does it warrant the time and expense necessary to complete a full narrative Record of Decision, and the action will not restrict an interested party access to an appeal process. The application was advertised through the standard process and no competing applications or comments were received.

SPECIAL USE LEASE NO. 1645 (APPROVAL AND REFUND OF OVERPAYMENT) (CONTINUED)

The initial application from Robert and Becky Pinkham was selected for review pursuant to R850-30-500(2)(g), because no other competing applications were received. The applicant was notified of the need to submit a sealed bid proposal pursuant to R850-30-500(2)(f). A bid was received which proposes to pay annual base rentals in the amount of \$1,000.00 per year.

The minimum rental set for residential leases is \$1,000.00 per year. The applicant has been informed of this and has accepted this amount.

Rule 850-30-400 requires that the Trust Lands Administration receive at least fair market value for surface leases. Land values in this area, based on recent appraisals, tax assessment records, and discussions with local realtors, are estimated to be \$300.00 to \$400.00 per acre. Based on this land value, the annual lease payment agreed to be paid by the applicant of \$1,000.00 per year meets the fair market value requirements established by rule.

The applicant requested the maximum term of 51 years because they intend to use the property for their primary residence. Based on this land being used as their primary residence, a term of 51 years is appropriate. This term does not exceed the standard term for residential leases as defined by R850-30-200.

The applicant paid \$2,400.00; therefore, **a refund in the amount of \$337.50 should be sent to Robert and Becky Pinkham, 421 North 2500 West, Vernal, UT 84078.**

Upon recommendation of Mr. Bryan Torgerson, the Director approved SULA 1645 for a term of 51 years, with a five-year rental review pursuant to R850-30-400(4). Based on the above evaluation, this summary will constitute the Record of Decision. The Director also ordered **a refund in the amount of \$337.50 be sent to Robert and Becky Pinkham.**

SPECIAL USE LEASE AGREEMENT NO. 1652 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Kane County Water Conservancy District
190 W. Center Street, Suite 200
P. O. Box 301
Kanab, UT 84741

APPLICATION TYPE: GOV	FIRST YEAR RENTAL:	\$8,020.00
TERM: 51 YEARS	APPLICATION FEE:	\$ 250.00
BEGINNING DATE: February 1, 2010	PROCESSING FEE:	\$ 700.00
ENDING DATE: January 31, 2061	ADVERTISING FEE:	\$ 200.00
NEXT REVIEW DATE: February 1, 2013	TOTAL SUBMITTED:	\$9,170.00

LEGAL DESCRIPTION:

TOWNSHIP 44 SOUTH, RANGE 6 W, SLB&M
SECTION 10:

Beginning at the North Quarter Corner of Sec 10; thence S 00°05'12" W, along the Center Section line, a distance of 1598.07 feet to a point on a non-tangent curve to the right, of which the radius point lies N 44°08'32" E, a radial distance of 1450.00 feet; thence NW along the arc of said curve, through a central angle of 04°11'28", a distance of 106.07 feet; thence N 41°40'00" W, a distance of 840.42 feet to the beginning of a curve to the left

SPECIAL USE LEASE AGREEMENT NO. 1652 (APPROVAL) (CONTINUED)

having a radius of 650.00 feet, thence W along the arc of said curve, a distance of 512.86 feet through a central angle of 45°12'26"; thence N 86°52'26" W, a distance of 1501.24 feet, to the beginning of a curve to the right, having a radius of 471.00 feet; thence NW along the arc of said curve, a distance of 26.65 feet, through a central angle of 03°14'31", said point being on the W line of said Section 10; thence N 0°24'26" E, along said line, a distance of 634.39 feet to the NW Corner of said Section 10; thence S 89°04'59" E along the N line of said Section 10, a distance of 2605.98 feet, to the POB.

COUNTY: Kane

ACRES: 49.35

FUND: Miner's Hospital

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

PROPOSED ACTION:

The applicant desires to lease this land for a high water buffer zone and emergency spillway as part of the Jackson Flat Reservoir Project. An access road is also proposed as part of the project.

RELEVANT FACTUAL BACKGROUND:

On June 15, 2009, the Trust Lands Administration received an application from the Kane County Water Conservancy District to lease trust lands adjacent to the proposed Jackson Flat Reservoir for a high water buffer zone and emergency spillway. The application and advertising fees were paid and receipted appropriately. Other than road easements to Kane County, there are no other permits or leases on the subject property. A copy of the public notice was sent to all lessee, permittees, and adjoining landowners as required by rule. No competing applications or comments were received from this notification. The application was submitted to the Resource Development Coordinating Committee ("RDCC") for review. Comments were received from the Utah Division of Air Quality indicating that this project may be subject to R307-205-5 (Fugitive Dust). The applicant has been made aware of these comments.

Initial consultation with the Agency Archeologist resulted in a recommendation that a cultural resource survey be required.

EVALUATION OF FACTS:

A cultural resource survey of the area has been completed which found that there are eligible sites on the project area. Staff archeologists are working with the applicant and the State Historic Preservation Office ("SHPO") to mitigate the impact of the project on these sites. Therefore, all requirements pursuant to R850-60 have been met.

The application was advertised through the standard process and no competing applications or comments were received.

As no other competing applications were received, the initial application was selected for review pursuant to R850-30-500(2)(g). The applicant was notified of the need to submit a sealed bid pursuant to rule. A bid was received which proposes to pay fair market rental in the amount of \$8,020.00 per year.

R850-30-400 requires that the Trust Lands receive at least fair market value for surface leases. A preliminary market analysis indicated a value range of \$5,000.00 to \$7,800.00 per acre. Based on this land value, the annual lease payment offered by the applicant of \$8,020.00 per year meets the fair market value requirements established by rule.

The applicant has requested a term of 51 years. This term is within the standard term for government leases described in R850-30-200.

Upon recommendation of Mr. Lou Brown, the Director approved SULA 1652 for a term of 51 years, with a three-year rental review pursuant to R850-30-400(4). Based on the above evaluation, this summary will constitute the Record of Decision.

SPECIAL USE LEASE AGREEMENT NO. 1639 AMENDMENT NO. 1 (APPROVAL)

Special Use Lease Agreement No. 1639 was approved on the Director's Agenda of May 1, 2009, for Summit Operating, LLC, 1441 Ute Blvd., Suite 280, Park City, UT 84098. Amendment No. 1 to this lease is being issued to reduce the amount of environmental impairment and general liability insurance the lessee is required to maintain and to add a provision requiring the lessee to pay an annual rental payment.

The original lease erroneously omitted the provision requiring the lessee to pay an annual rental payment. Amendment No. 1 adds a provision requiring the lessee to pay a base rental amount of \$600.00 due annually on May 1st, and allowing for rental adjustments every 3 years, with the first beginning May 1, 2012. Lessee has paid the first year's rental.

Trust Lands Administration staff has evaluated the risks associated with this lease and determined that the general liability coverage and the environmental impairment coverage can appropriately be reduced to \$1 million.

No other provisions of the lease have been amended. The lessee has been assessed the \$400.00 amendment fee. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved Amendment No. 1 to SULA 1639.

SPECIAL USE LEASE AGREEMENT 941 (FIVE-YEAR REVIEW)

SULA 941 is a special use lease agreement issued to Pacific Power and Light, c/o Rocky Mountain Power, Attn. Right of Way Services, 1407 North West Temple, Suite 110, Salt Lake City, UT 84116. The lease site is located in Daggett County. School Fund.

1. ANNUAL BASE RENTAL:

The five-year review date for this telecommunication special use lease agreement is February 1, 2010. The subject property is used for an internal microwave and mobile radio communication site on trust lands west of Manila, Utah. The agreement provides for periodic increases in the rental amount. Based on Paragraph 4b of the lease agreement, the use of the comparable market lease rentals may be used to help determine rental increases; therefore, it is recommended that the annual base rental be increased from \$2,250.00.00 per year to \$3,690.00 per year, effective February 1, 2010. A certified notice was sent to inform the lessee of this action. No response has yet been received.

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

Preliminary Estimate of Land Value: \$150.00 (Based on \$600.00 per acre)

New Annual Base Rental Amount: \$3,690.00

Acres in Lease: 0.23

Rental Amount/Acre: \$16,043.00

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

2. DUE DILIGENCE AND PROPER USE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the agreement.

SPECIAL USE LEASE AGREEMENT 941 (FIVE-YEAR REVIEW) (CONTINUED)

3. **ADEQUATE INSURANCE AND BOND COVERAGE:**
The lessee has current and adequate insurance coverage on the lease site. The lessee has also provided a \$10,000.00 bond on the site as provided for in the lease.
4. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights associated with this agreement.
5. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
6. **LEASE SITE DESCRIPTION:**
The lease administrator has reviewed the legal description for this communication site with the GIS Group. The legal description from the existing special use lease is fairly close, but appears to be slightly off on a portion of the site. It is currently being reviewed by Trust Lands and by the lessee. The lessee is working on a correction of the legal, if needed. It may require inspecting the site again. Staff anticipates the problem can be resolved by March or April 2010, and if needed, an amendment shall be completed. This lease will be expiring in the near future and the lessee will apply for a new lease.
7. **NEXT REVIEW DATE:**
The next review date will be the expiration date of January 31, 2012. A new replacement lease will be negotiated. Prior notice of the expiration is to be provided to allow adequate time to apply for a new lease.

Upon recommendation of Mr. Gary Bagley, the Director approved the five-year review for SULA 941.

SPECIAL USE LEASE AGREEMENT 1076 (ANNUAL REVIEW)

SULA No. 1076 is a governmental lease issued to the Grand County Council, 125 East Center St., Moab, UT 84532. Grand County. School Fund.

1. **ANNUAL RENTAL:**
The annual review date for this lease is April 1, 2010. The subject property is used for a recreational bike trail and camping facilities in conjunction with the Sand Flats Recreation Area and Slick Rock Bike Trail. Based on an analysis of lease rental pursuant to Board policy and the fact that this land is included within the Recreational Land Exchange bill, which was recently passed by Congress and signed by the President, it has been determined that an appraisal is not warranted. Therefore, it is recommended that the CPI index be used to adjust the annual rental which will be increased from \$8,220.00 per year to \$8,340.00 per year, effective April 1, 2010. A certified notice was sent to the lessee informing them of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$8,340.00
Acres in lease: 1,384.40 acres
\$6.02 per acre.
2. **DUE DILIGENCE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

SPECIAL USE LEASE AGREEMENT 1076 (ANNUAL REVIEW) (CONTINUED)

3. **PROPER USE:**
The leased premises are being used in accordance with the lease agreement. The exchange of the property is currently proceeding through the implementation process with the Bureau of Land Management and is expected to be completed within the next two years.
4. **ADEQUATE INSURANCE AND BOND COVERAGE:**
The lessee has provided proof of insurance as required by the lease. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights associated with this lease.
6. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
7. **LEGAL DESCRIPTION:**
The legal description on the lease has been reviewed and found to be correct by the GIS Group.
8. **NEXT ASSESSMENT DATE:**
The next assessment date will be on April 1, 2011.

Upon recommendation of Mr. Lou Brown, the Director approved the annual review for SULA 1076.

SPECIAL USE LEASE AGREEMENT 1126 (THREE-YEAR REVIEW)

SULA No. 1126 is leased to the Bureau of Land Management, 125 South 600 West, Field Office Manager, Price, UT 84501-7004. This is a government lease for a trail head development to include a parking lot, a Class C vault toilet, vehicle barriers, an information bulletin board, and a pathway approximately 100 feet long in Emery County School Fund.

1. **ANNUAL RENTAL:**
The three-year review date for this lease is March 1, 2010. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$520.00 per year to \$560.00 per year, effective March 1, 2010. A certified notice was sent to the lessee informing them of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$560.00
Acres in lease: 44.16 acres
\$12.68 per acre
2. **DUE DILIGENCE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

SPECIAL USE LEASE AGREEMENT 1126 (THREE-YEAR REVIEW) (CONTINUED)

3. **PROPER USE:**
The leased premises are being used in accordance with the lease agreement.
4. **ADEQUATE INSURANCE AND BOND COVERAGE:**
Neither insurance coverage nor a bond is presently required by the lease agreement.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights associated with this lease.
6. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
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 on March 1, 2013.

Upon recommendation of Mr. Lou Brown, the Director approved the three-year review for SULA 1126.

SPECIAL USE LEASE AGREEMENT 1147 (FIVE-YEAR REVIEW)

SULA No. 1147 is leased to Brad or Chery Hulet, P. O. Box 47, New Castle, UT 84756. This is an agricultural lease for growing alfalfa hay crops. Iron County. School Fund.

1. **ANNUAL RENTAL:**
The five-year review date for this lease is April 1, 2010. The subject property is used for an agricultural lease to grow alfalfa crops using a pivot sprinkler anchored on adjoining private land. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$450.00 per year to \$510.00 per year, effective April 1, 2010. A certified notice was sent to the lessee informing them of the date of this action and the right to oppose and/or appeal the action. No written response was received.

New lease fee: \$510.00
Acres in lease: 40.00 acres
\$12.75 per acre
Farmable acres: 27
\$18.89 per farmable acre
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.

SPECIAL USE LEASE AGREEMENT 1147 (FIVE-YEAR REVIEW) (CONTINUED)

4. **ADEQUATE INSURANCE AND BOND COVERAGE:**
An updated insurance policy has been requested by letter. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no Agency-owned water rights associated with this lease.
6. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
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 on April 1, 2015.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 1147.

SPECIAL USE LEASE AGREEMENT 1444 (FIVE-YEAR REVIEW)

SULA No. 1444 is leased to Mitch K. Kelling, P. O. Box 1266, Moab, UT 84532. This is an agricultural lease for an alfalfa field. San Juan County. School Fund.

1. **ANNUAL RENTAL:**
The five-year review date for this lease is May 1, 2010. The subject property is used for the purpose of planting, cultivating, and harvesting alfalfa or other field crops. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$450.00 per year to \$500.00 per year, effective May 1, 2010. A certified notice was sent to the lessee informing him of the date of this action and the right to oppose and/or appeal the action. No response was received. Note: This lease contains a provision that the lease may be terminated at the end of any lease year if lessor determines such termination is in its best interest.

New lease fee: \$500.00
Acres in lease: 3.73 acres
\$134.05 per acre
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:**
An updated insurance policy has been requested by letter. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.

SPECIAL USE LEASE AGREEMENT 1444 (FIVE-YEAR REVIEW) (CONTINUED)

5. ESTABLISHMENT OF WATER RIGHTS:
There are no Agency-owned water rights associated with this lease.
6. POLLUTION AND SANITATION REGULATIONS:
The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
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 on May 1, 2015.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 1444.

SPECIAL USE LEASE AGREEMENT 1461 (FIVE-YEAR REVIEW)

SULA No. 1461 is leased to Daystar Adventist Academy, HC 64 Box 2201, Moab, UT 84532. This is an agricultural lease for an irrigation settling pond. Grand County. School Fund.

1. ANNUAL RENTAL:
The five-year review date for this lease is June 1, 2010. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$500.00 per year to \$560.00 per year effective June 1, 2010. A certified notice was sent to the lessee informing him of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$560.00
Acres in lease: 1.50 acres
\$373.33 per acre
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:
An updated insurance policy has been requested by letter. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.
5. ESTABLISHMENT OF WATER RIGHTS:
There are no Agency-owned water rights associated with this lease.

SPECIAL USE LEASE AGREEMENT 1461 (FIVE-YEAR REVIEW) (CONTINUED)

6. POLLUTION AND SANITATION REGULATIONS:

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

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 on June 1, 2015.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 1461.

SPECIAL USE LEASE AGREEMENT NO. 1500 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME)

Special Use Lease Agreement No. 1500 is an industrial special use lease agreement in the name of Enduring Resources, LLC, 475-17th Street, Suite 1500, Denver, Colorado 80202. School Fund. Uintah County.

ANNUAL BASE RENTAL:

The three-year review date for this lease is April 1, 2010. The subject property is located in Uintah County and is used for the purpose of operating a non-commercial water disposal facility, known as the East Bench Evaporation Pits.

Annual Base Rental Amount: \$600.00

Water Disposal Fee: \$0.05 per barrel for non-compliant water

Acres in Lease: 26.266

DUE DILIGENCE AND PROPER USE:

The development allowed by this lease has not occurred. The lessee was notified in early December 2009 that pursuant to the lease agreement, the Agency intended to complete review of the lease by April 1, 2010. On December 21, 2009, the lessee requested a two-year extension of the review date and due diligence for this lease. The lessee is currently reviewing and making an in-depth comparison of injection wells and water evaporation ponds as a means for waste water disposal.

ADEQUATE BOND AND INSURANCE COVERAGE:

Pursuant to the lease, a bond is required for the subject property, when the evaporation ponds are completed, in the amount of \$40,000.00. The lease agreement also requires the lessee to maintain a policy of environmental impairment insurance in the amount of \$2,000,000.00. The Agency has requested information from lessee's insurance company verifying that the lessee's existing policy will comply with this requirement of the lease when construction is completed. A response is pending.

ESTABLISHMENT OF WATER RIGHTS:

There are no water rights owned by the Trust Lands Administration associated with this lease.

POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the subject property.

SPECIAL USE LEASE AGREEMENT NO. 1500 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME) (CONTINUED)

1. GIS REVIEW:

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

NEXT REVIEW DATE:

The next assessment will be on April 1, 2012.

Upon recommendation of Mr. Kurt M. Higgins, the Director approved the extension of the review date and due diligence until April 1, 2012, with no fee increase for Special Use Lease No. 1500 at this time.

SPECIAL USE LEASE AGREEMENT NO. 1501 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME)

Special Use Lease Agreement No. 1501 is an industrial special use lease agreement in the name of Enduring Resources, LLC, 475-17th Street, Suite 1500, Denver, Colorado 80202. School Fund. Uintah County.

1. ANNUAL BASE RENTAL:

The three-year review date for this lease is January 1, 2010. The subject property is located in Uintah County and is used for the purpose of operating a non-commercial water disposal facility, known as the Seep Ridge Evaporation Pits.

Annual Base Rental Amount: \$600.00

Water Disposal Fee: \$0.05 per barrel for non-compliant water

Acres in Lease: 26.266

2. DUE DILIGENCE AND PROPER USE:

The development allowed by this lease has not occurred. The lessee was notified in early December 2009 that pursuant to the lease agreement, the Agency intended to complete review of the lease by January 1, 2010. On December 21, 2009, the lessee requested a two-year extension of the review date and due diligence for this lease. The lessee is currently reviewing and making an in-depth comparison of injection wells and water evaporation ponds as a means for waste water disposal.

3. ADEQUATE BOND AND INSURANCE COVERAGE:

Pursuant to the lease, a bond is required for the subject property, when the evaporation ponds are completed, in the amount of \$40,000.00. The lease agreement also requires the lessee to maintain a policy of environmental impairment insurance in the amount of \$2,000,000.00. The Agency has requested information from lessee's insurance company verifying that the lessee's existing policy will comply with this requirement of the lease when construction is completed. A response is pending.

4. ESTABLISHMENT OF WATER RIGHTS:

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the subject property.

6. GIS REVIEW:

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

SPECIAL USE LEASE AGREEMENT NO. 1501 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME) (CONTINUED)

7. NEXT REVIEW DATE:

The next assessment will be on January 1, 2012.

Upon recommendation of Mr. Kurt M. Higgins, the Director approved the extension of the review date and due diligence until January 1, 2012, with no fee increase for Special Use Lease No. 1501 at this time.

SPECIAL USE LEASE AGREEMENT NO. 1511 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME)

Special Use Lease Agreement No. 1511 is an industrial special use lease agreement in the name of Enduring Resources, LLC, 475-17th Street, Suite 1500, Denver, Colorado 80202. School Fund. Uintah County.

1. ANNUAL BASE RENTAL:

The three-year review date for this lease is February 1, 2010. The subject property is located in Uintah County and is used for the purpose of operating a non-commercial water disposal facility, known as the Bitter Creek Evaporation Pits.

Annual Base Rental Amount: \$600.00

Water Disposal Fee: \$0.05 per barrel for non-compliant water

Acres in Lease: 26.266

2. DUE DILIGENCE AND PROPER USE:

The development allowed by this lease has not occurred. The lessee was notified in early December 2009 that pursuant to the lease agreement, the Agency intended to complete review of the lease by February 1, 2010. On December 21, 2009, the lessee requested a two-year extension of the review date and due diligence for this lease. The lessee is currently reviewing and making an in-depth comparison of injection wells and water evaporation ponds as a means for waste water disposal.

3. ADEQUATE BOND AND INSURANCE COVERAGE:

Pursuant to the lease, a bond is required for the subject property, when the evaporation ponds are completed, in the amount of \$40,000.00. The lease agreement also requires the lessee to maintain a policy of environmental impairment insurance in the amount of \$2,000,000.00. The Agency has requested information from lessee's insurance company verifying that the lessee's existing policy will comply with this requirement of the lease when construction is completed. A response is pending.

4. ESTABLISHMENT OF WATER RIGHTS:

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the subject property.

6. GIS REVIEW:

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

SPECIAL USE LEASE AGREEMENT NO. 1511 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME) (CONTINUED)

7. NEXT REVIEW DATE:

The next assessment will be on February 1, 2012.

Upon recommendation of Mr. Kurt M. Higgins, the Director approved the extension of the review date and due diligence until February 1, 2012, with no fee increase for Special Use Lease No. 1511 at this time.

SPECIAL USE LEASE AGREEMENT NO. 1512 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME)

Special Use Lease Agreement No. 1512 is an industrial special use lease agreement in the name of Enduring Resources, LLC, 475-17th Street, Suite 1500, Denver, Colorado 80202. School Fund. Uintah County.

1. ANNUAL BASE RENTAL:

The three-year review date for this lease is May 1, 2010. The subject property is located in Uintah County and is used for the purpose of operating a non-commercial water disposal facility, known as the Rock House Evaporation Pits.

Annual Base Rental Amount: \$600.00

Water Disposal Fee: \$0.05 per barrel for non-compliant water

Acres in Lease: 26.266

2. DUE DILIGENCE AND PROPER USE:

The development allowed by this lease has not occurred. The lessee was notified in early December 2009 that pursuant to the lease agreement, the Agency intended to complete review of the lease by May 1, 2010. On December 21, 2009, the lessee requested a two-year extension of the review date and due diligence for this lease. The lessee is currently reviewing and making an in-depth comparison of injection wells and water evaporation ponds as a means for waste water disposal.

3. ADEQUATE BOND AND INSURANCE COVERAGE:

Pursuant to the lease, a bond is required for the subject property, when the evaporation ponds are completed, in the amount of \$40,000.00. The lease agreement also requires the lessee to maintain a policy of environmental impairment insurance in the amount of \$2,000,000.00. The Agency has requested information from lessee's insurance company verifying that the lessee's existing policy will comply with this requirement of the lease when construction is completed. A response is pending.

4. ESTABLISHMENT OF WATER RIGHTS:

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the subject property.

6. GIS REVIEW:

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

SPECIAL USE LEASE AGREEMENT NO. 1512 (THREE-YEAR REVIEW AND DUE DILIGENCE EXTENSION OF TIME) (CONTINUED)

7. NEXT REVIEW DATE:

The next assessment will be on May 1, 2012.

Upon recommendation of Mr. Kurt M. Higgins, the Director approved the extension of the review date and due diligence until May 1, 2012, with no fee increase for Special Use Lease No. 1512 at this time.

SPECIAL USE LEASE NO. 1437 (CORRECTION OF AMENDMENT NO. 1)

Amendment No. 1 to SULA 1437, which is issued to Green River Companies, LLC, 124 South 400 East, Suite 360, Salt Lake City, Utah 84111, was approved on the Director's Minutes dated April 4, 2008. This amendment was necessitated by the sale of some of the lands in the lease. However, the amendment inadvertently omitted some lands that were previously in the lease but were not sold.

T21S, R16E, SLBM

Emery County

Section 11: N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$

Containing **30 acres**, m/l.

Miner's Hospital Fund

The total acreage in the lease should be increased from 2,461.42 acres to **2,491.42** acres.

Upon recommendation of Mr. Richard Wilcox, the Director approved the above-described corrections.

SPECIAL USE LEASE NO. 1136 (ACCEPTANCE OF RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Frandsen Media Company, LLC, P. O. Box 570, Logan, UT 84321, has submitted an Irrevocable Letter of Credit, No. 2009-19, in the amount of \$5,000.00. The Letter of Credit is issued by Cache Valley Bank, Main Office, 101 North Main, P. O. Box 3227, Logan, UT 84321. The letter of credit expires on 9/14/10, but shall automatically be extended for periods of one year or such longer periods unless Trust Lands Administration is notified 90 days prior to such date. Box Elder County. USH Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the reclamation bond for SULA 1136.

SALES

CERTIFICATE OF SALE NO. 26433 (ASSIGNMENT - RECORD KEEPING ITEM)

On January 11, 2010, the Acting Director approved the assignment of Certificate of Sale No. 26433 from James O. Carter, an Individual, 2255 S. 1950 E., St. George, UT 84790, to ROBBERSROOST INVESTMENTS LLC, a limited liability company registered in the State of Utah, 302 S. Main, Suite A, Logan, UT 84321. The assignee is purchasing the property and paying the certificate of sale in full.

Certificate of Sale No. 26433 was issued for the following parcel of trust land:

Township 13 North, Range 7 West, SLB&M
Section 32: Lots 1-4, E2W2, E2 (All)

Box Elder County
639.74 acres m/l

CERTIFICATE OF SALE NO. 26433 (ASSIGNMENT - RECORD KEEPING ITEM) (CONTINUED)

The \$250.00 assignment fee has been submitted. All requirements of R850-80-700 have been reviewed and satisfied. School Fund.

The Acting Director, Kim S. Christy approved the assignment of Certificate of Sale 26433 on January 11, 2010. *This item was submitted by Mr. Gary Bagley for record-keeping purposes.*

TIMBER SALES

TIMBER SALE NUMBER 850 (TIMBERLANE II) (APPROVAL)

LEGAL DESCRIPTION:

Township 11 South, Range 11 East, SLB&M
Section: 16

COUNTY: Duchesne

ACRES: 64

FUND: School

RELEVANT FACTUAL BACKGROUND:

1. REASONS FOR PROPOSED SALE:

This property has been operated under TA 800 for the last several years. For various reasons, TA 800 has been closed-out although a significant amount of timber remains.

The sale of the remaining timber is being proposed as a non-competitive timber sale. However, three potential buyers will be given the opportunity to submit bids for the purchase of the sale. Those being offered the opportunity to bid will be: Jeff Fabrizio, Jack Sargent, and Ed Tibke. Two of the bidders are currently logging on private land adjacent to Timberlane and the third has expressed interest in picking up this sale. Each bidder will be given 10 days to submit a bid on the remaining timber on the sale.

The reason for this procedure is the Agency's desire to get reasonable value from the remaining timber resource in as timely a manner as possible. Today's timber market is struggling, making it difficult to sell timber. If this timber isn't sold soon, its value will decrease, perhaps significantly. We are offering the remaining timber in Units 1, 3, and 4.

The primary tree species within the sale area is Douglas Fir. 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 is still sound and help reduce fuel loading.

2. ESTIMATED TOTAL VOLUME:

A timber cruise was not performed. The timber volume is estimated to be about .31 MMBF or 1,488 tons. A conversion of 62 truckloads at 24 tons or 5,000 board feet per logging truck was used to estimate available tonnage.

3. RDCC COMMENTS AND RESPONSE:

Since this is a continuation of an existing use, RDCC comments will not be sought.

4. PUBLIC COMMENTS AND RESPONSE:

No public comments were sought.

TIMBER SALE NUMBER 850 (TIMBERLANE II) (APPROVAL) (CONTINUED)

5. **CULTURAL RESOURCE CONSULTATION RESULTS:**
The Agency Archeologist has previously determined that “No historic properties will be affected.”
6. **ACCESS:**
Access to this timber sale will be from existing roads and approximately .4 miles of new road construction. Some reconstruction and maintenance will be required on existing SITLA roads. 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 \$11.25/ton for a minimum total sale price of \$16,740.00 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 on the Director’s Agenda.
2. **PERFORMANCE BOND RECOMMENDATION:**
A performance bond of \$13,240.00 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.
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:**
As this is a non-competitive timber sale, the identification of potential markets, other than the potential buyers, listed above, is unnecessary.

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

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALES HAVE BEEN EXECUTED AND PATENTS ISSUED FOR:

SUBD 10.0 Highland Park Phase 1 Subdivision

These transactions have been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 42.0 S, Range 14.0 W, SLBM
Section 7, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.
2303 N. CORAL CANYON BLVD., SUITE 200
ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 230	26377-10-230	12/28/09	19928-10-230	07/07/06	\$12,701.23	\$20.00	0.17	SCH	7
Lot 237	26377-10-237	12/28/09	19928-10-237	07/07/06	\$12,411.46	\$20.00	0.23	SCH	7

This legal description has been reviewed by the GIS Group.

LIST MINERAL RESERVATIONS:

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

LIST SURFACE RESERVATIONS:

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

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute; also,

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

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

RIGHT OF WAY AGREEMENT: PRED 761 (R/W 16-111134-00-000)

THE FOLLOWING RIGHT OF WAY AGREEMENT WAS GRANTED TO THE STATE OF UTAH TRUST LANDS ADMINISTRATION BY THE STATE LAND DEPARTMENT, STATE OF ARIZONA R/W NO. L 16-111134-00-000:

PROJECT: South Block
 PROJECT MANAGER: Brent Bluth
 PROJECT CODE: SOBLK 000 00
 FUND: N/A
 COUNTY: Mohave, Arizona
 DATE OF PRED: September 2, 2009
 TERM: Perpetual

DESCRIPTION:

The right of way was granted for the purpose of locating, constructing, maintaining, repairing, along with the operation of, a public road known as River Road.

GRANTOR:

ARIZONA STATE LAND DEPARTMENT
 1616 West Adams Street
 Phoenix, AZ 85007

LEGAL DESCRIPTION:

Township 42 North, Range 12 West, G&SRB&M, Mohave County, Arizona
 Section 35: Lot 1, N2SE4, SW4 (13.10 of the below described acres)
 &
Township 41 North, Range 12 West, G&SRB&M, Mohave County, Arizona
 Section 2: Lot 4 (within) (0.21 of the below described acres)

The following legal description is for a 100 foot wide right-of-way for River road that starts on the Arizona/Utah State Line. The basis of bearing is the Arizona/Utah State Line as defined by the North East Closing Corner and the North West Closing Corner of Section 35, Township 42 North, Range 12 West, of the Gila and Salt River Base and Meridian. The Basis of Bearing being North 88°43'58" West and measures 5281.74 feet from closing corner to closing corner.

Beginning at a point on the Arizona/Utah State Line, said point being South 88°43'58" East 4113.10 feet along the Arizona/Utah State Line from the Northwest Closing Corner of Section 35, Township 42 North, Range 12 West, of the Gila and Salt River Base and Meridian; thence South 00°00'00" West 212.59 feet to the beginning of a 1700.00-foot radius curve concave to the northwest; thence 2708.02 feet along the arc of said curve through a central angle of 91°16'10"; thence North 88°43'50" West 757.56 feet to the beginning of a 800.00 foot radius curve concave to the southeast; thence 938.58 feet along the arc of said curve through a central angle of 67°13'14"; thence South 24°02'56" West 160.64 feet to the beginning of a 800.00 foot radius curve concave to the southeast; thence 575.27 feet along the arc of said curve through a central angle of 41°12'03"; thence South 17°09'07" East 462.07 feet, thence North 72°50'53" East 100 feet, thence North 17°09'07" West 462.07 to the beginning of a 700 foot radius curve concave to the southeast; thence 503.36 feet along the arc of said curve through a central angle of 41°12'03"; thence North 24°02'56" East 160.64 feet to the beginning of a 700 foot radius curve concave to the southeast; thence 821.25 feet along the arc of said curve through a central angle of 67°13'14"; thence South 88°43'50" East 757.56 feet to the beginning of an 1800.00 foot radius curve concave to the northwest; thence 2867.31 feet along the arc of said curve through a central angle of 91°16'10"; thence North 00°00'00" East 210.38 feet to the Arizona/Utah State Line; thence along said Arizona/Utah State Line North 88°43'52" West 100.02 feet to the point of beginning.

Containing 13.31 acres, more or less.

RIGHT OF WAY AGREEMENT: PRED 761 (R/W 16-111134-00-000) (CONTINUED)

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

NUMBER OF ACRES BY COUNTY (Arizona): 13.31 acres, more or less - Mohave County, Arizona

NUMBER OF ACRES BY FUND (Arizona): Permanent Common Schools
Permanent Common Schools (Indemnity Selections)

Upon recommendation of Andrea L. James, the Director accepted this right of way.

DEVELOPMENT EXCHANGE 343 - TICABOO

A PATENT HAS BEEN ISSUED PURSUANT TO THE DEVELOPMENT AGREEMENT NO. 2 WITH URANIUM ONE UTAH, INC.

EXCHANGE NO.: 343
PATENT NO.: 20162
PATENT DATE: December 23, 2009
PROJECT: Ticaboo
PROJECT MANAGER: Alexa Wilson
PROJECT CODE: TCABO 000 00
FUND: School

PATENT ISSUED TO:
TICABOO ELECTRIC IMPROVEMENT DISTRICT
P.O. Box 2111
Ticaboo, Utah 84533

DESCRIPTION OF TRANSACTION:

This patent conveys a parcel of land to the Ticaboo Electric Improvement District for the operation of power generation facilities and ancillary infrastructure to serve the currently existing and future development of Ticaboo. The patent has been issued at the request of Uranium One Utah, Inc. and granted by the Trust Lands Administration without additional consideration pursuant to Paragraph 4.3 (b) of Development Lease No. 2 between Trust Lands Administration and Uranium One Utah, as amended and restated on September 1, 2008.

LEGAL DESCRIPTION:

Township 36 South, Range 11 East, SLB&M
Section 16: Within

Power Parcel

Commencing at the North Quarter Corner of Section 16, Township 36 South, Range 11 East, Salt Lake Base and Meridian, thence North 89°29'54" East, along the North Section Line, 1626.89 feet, to the POINT OF BEGINNING; thence North 89°29'54" East, 419.67 feet; thence South 00°30'34" East, 150.75 feet; thence South 89°30'52" West, 342.48 feet; thence North 42°47'08" West, 123.08 feet; thence North 04°51'43" East, 59.87 feet to the POINT OF BEGINNING.

Containing 1.38 acres, more or less.

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

DEVELOPMENT EXCHANGE 343 - TICABOO (CONTINUED)

NUMBER OF ACRES BY COUNTY: 1.38 acres - Garfield County

NUMBER OF ACRES BY FUND: 1.38 acres - School

LIST MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal, oil and gas 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:

Excepting and reserving to the State of Utah all interest in Water Right No. 97-1062, with a point of diversion and place of use in Garfield County, State of Utah; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception in existence of this date, subject to exceptions and reservations contained in federal patents and clear lists, 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 Alexa Wilson, the Director approved the above item.

ACTIONS CONTAINING FEE WAIVERS

SPECIAL USE LEASE AGREEMENT NO. 1444 (AMENDMENT – CORRECT LEGAL DESCRIPTION)

The above numbered SULA is issued to Mitch K. Kelling, P. O. Box 1266, Moab, UT 84532, for the purpose of planting, cultivating, and harvesting alfalfa and any crop typically planted in rotation with alfalfa. Although the legal description was correct on the Director's Agenda item dated June 17, 2005, the legal description was in error on the lease document. The incorrect legal description is as follows:

Township 27 South, Range 22 West SLB&M

Section 1: Beginning at the NE corner NW¹/₄NE¹/₄ proceeding thence N 89 degrees 57' W 841.65' thence S 30 degrees 15' E 446.83' thence N 58 degrees E 727' to point of beginning and containing 3.73 acres more or less.

The following legal description is correct:

Township 27 South, Range 22 East SLB&M

Section 1: Beginning at the NE corner NW¹/₄NE¹/₄ proceeding thence N 89 degrees 57' W 841.65' thence S 30 degrees 15' E 446.83' thence N 58 degrees E 727' to point of beginning and containing 3.73 acres more or less.

SPECIAL USE LEASE AGREEMENT NO. 1444 (AMENDMENT – CORRECT LEGAL DESCRIPTION)
(CONTINUED)

Although lease amendments are not specifically exempt from the narrative Record of Decision process, it has been determined that this action is not substantive, nor does it warrant the time and expense necessary to complete a full narrative record. As this was an Agency-initiated error, the \$400.00 amendment fee will be waived.

The legal description on this lease has been reviewed and corrected by the GIS Group.

Upon recommendation of Mr. Ron Torgerson, the Director approved the amendment to correct the legal description on the lease document.