

OCTOBER 26, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON OCTOBER 26, 2009, 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 BECAME EFFECTIVE AT 6:00 P.M. ON OCTOBER 26, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 5 TO 21; DEVELOPMENT ACTIONS AS LISTED ON PAGES 21 TO 25; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 25.

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, NOVEMBER 9, 2009. 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

METALLIFEROUS MINERALS LEASE APPROVAL

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals Lease Application as listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty as provided in the lease form, approved by the Director of the Trust Lands Administration, is eight percent (8%) for fissionable minerals and four percent (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 application has been checked for completeness, and found to be in proper order. The lease administrator has had this legal description reviewed by the GIS Group. The business system and plat books have been updated to show this lease application as an existing contract on the lands described below:

<u>ML 51634</u>	<u>T9S, R19E, SLB&M.</u>	Uintah
Golden Dragon, USA, Inc.	SEC. 32: LOTS 1(24.17), 2(30.36), 3(41.11), 4(40.00),	476.29 Acres
6400 South 2300 East	5(20.65), N¼ [ALL]	
Salt Lake City, UT 84121		

Annual Rental: \$500

Fund: SCH

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 15% interest in and to the lease listed below to Stewart Petroleum Corporation, 475 Seventeenth Street, Suite 790, Denver, CO 80202, by Chandler Energy, LLC. No override, but subject to 1% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**CHANDLER ENERGY, LLC – 85%,
STEWART PETROLEUM CORPORATION - 15%**

....ML 49824 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 5% interest in and to the lease listed below to Arrowhead Associates, 5340 S. Jasmine Street, Greenwood Village, CO 80111, by Chandler Energy, LLC. No override, but subject to 1% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**CHANDLER ENERGY, LLC – 85%,
STEWART PETROLEUM CORPORATION - 15%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**CHANDLER ENERGY, LLC – 80%,
STEWART PETROLEUM CORPORATION - 15%,
ARROWHEAD ASSOCIATES – 5%**

....ML 49824 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 10% interest in and to the lease listed below to Oil Properties Holding II, LLC, 475 Seventeenth Street, Suite 1210, Denver, CO 80202, by Chandler Energy, LLC. No override, but subject to 1% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 80%,
STEWART PETROLEUM CORPORATION - 15%,
ARROWHEAD ASSOCIATES – 5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 70%,
STEWART PETROLEUM CORPORATION - 15%,
OIL PROPERTIES HOLDING II, LLC – 10%,
ARROWHEAD ASSOCIATES – 5%

....ML 49824 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 5% interest in and to the lease listed below to Terry Cox, 3892 Bay Hill Loop SE, Rio Rancho, NM 87124, by Chandler Energy, LLC. No override, but subject to 1% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 70%,
STEWART PETROLEUM CORPORATION - 15%,
OIL PROPERTIES HOLDING II, LLC – 10%,
ARROWHEAD ASSOCIATES – 5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 65%,
STEWART PETROLEUM CORPORATION - 15%,
OIL PROPERTIES HOLDING II, LLC – 10%,
ARROWHEAD ASSOCIATES – 5%,
TERRY COX – 5%

....ML 49824 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 65% interest in and to the lease listed below to G3 Energy, LLC, 475 Seventeenth Street, Suite 1210, Denver, CO 80202, by Chandler Energy, LLC. No override, but subject to 1% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

CHANDLER ENERGY, LLC – 65%,
STEWART PETROLEUM CORPORATION - 15%,
OIL PROPERTIES HOLDING II, LLC – 10%,
ARROWHEAD ASSOCIATES – 5%
TERRY COX – 5%,

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

G3 ENERGY, LLC – 65%,
STEWART PETROLEUM CORPORATION - 15%,
OIL PROPERTIES HOLDING II, LLC – 10%,
ARROWHEAD ASSOCIATES – 5%,
TERRY COX – 5%

....ML 49824 (SCH)....

APPROVAL OF THE JOHNSON BOTTOM UNIT (SCH)

Questar Exploration & Production Company, Operator of the Johnson Bottom Unit, has furnished the State of Utah School and Institutional Trust Lands Administration office with evidence that the unit was approved by the Bureau of Land Management on August 31, 2009, with the same effective date.

The following leases should be noted as being committed to the Johnson Bottom Unit, with all formations of the unitized land from the surface of the earth to the base of the H4 interval of the Green River Formation (equal to 6,609 feet MD in the BBS 15G22-7-21 wellbore located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 22, T7S, R21E, Uintah County, Utah), unitized under the terms of the unit agreement and are herein called "unitized substances":

LEASE #**LESSEE**

ML 46292

Questar Exploration & Production Company

ML 47040

Questar Exploration & Production Company

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

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 23314 (APPROVAL WITH COMPETITIVE BID)

Bruce Brown and Russell Gale
P.O. Box 431
Beaver, UT 84713

\$6,500.00 competitive bid
\$50.00 application fee
\$6.00 weed fee
\$231.60 grazing fee

200.00 Acres 60 AUMs Beaver County School Fund

T28S, R7W, SLB&M

Sec. 32: S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$

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

The term of this permit begins July 1, 2009, and expires June 30, 2014. The season of use is spring and fall. The type of livestock is cattle.

GP 23314 is a competitive application to GP 23313 (Clark Smith & Sons LLC). Clark Smith & Sons LLC submitted a timely one-time bonus bid of \$1,620.00 and a \$50.00 application fee under GP 23313. Bruce Brown and Russell Gale submitted a timely one-time bonus bid of \$6,500.00 and a \$50.00 application fee under GP 23314. Both applicants qualify for these grazing permits as adjacent land owners to trust lands contained in the grazing permit. However, Bruce Brown and Russell Gale, under GP 23314, will be required to install a four-strand barbed wire fence at their own expense along the east boundary of trust lands to prevent unmanageable trespass onto BLM lands which are permitted to Clark Smith & Sons LLC (R850-50-400(5)). Therefore, due to Mr. Bruce Brown and Mr. Russell Gale submitting the highest competitive bid and being willing to construct a one-half mile fence to prevent trespass onto adjacent BLM land, GP 23314 will be accepted.

Upon recommendation of Mr. Ron Torgerson, the Director approved Grazing Permit No. GP 23314 with competitive bid.

GRAZING PERMIT NO. 23313 (REJECTION OF APPLICATION AND REFUND OF COMPETITIVE BID)

The above referenced grazing permit application, in the name of Clark Smith & Sons LLC, P.O. Box 1940, Beaver, UT 84713, is a competitive application to GP 23314. Clark Smith & Sons LLC submitted a timely one-time bonus bid of \$1,620.00 and a \$50.00 application fee under GP 23313. Bruce Brown and Russell Gale submitted a timely one-time bonus bid of \$6,500.00 and a \$50.00 application fee under GP 23314. Both applicants qualify for these grazing permits as adjacent land owners to trust lands contained in the grazing permit. However, Bruce Brown and Russell Gale, under GP 23314, will be required to install a four-strand barbed wire fence at their own expense along the east boundary of trust lands to prevent unmanageable trespass onto BLM lands which are permitted to Clark Smith & Sons LLC (R850-50-400(5)).

Therefore, due to Mr. Bruce Brown and Mr. Russell Gale submitting the highest competitive bid and being willing to construct a one-half mile fence to prevent trespass onto adjacent BLM land, GP 23314 will be accepted and GP 23313 will be rejected as the lowest bidder. Beaver County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director rejected GP 23313 and ordered **the \$1,620.00 competitive bid amount refunded to Clark Smith & Sons LLC**. The \$50.00 application fee will be forfeited to the Trust Lands Administration.

GRAZING PERMIT NO. 23046 (ASSIGNMENT)

Van Warr, 4185 W. Nike Drive, West Jordan, UT 84088, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Cottonwood Ledges Land Co. LLC, Attn: Derrel Spencer, P.O. Box 640016, Bryce, UT 84764. The assignment fee in the amount of \$413.50 has been submitted. Emery and Wayne Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 23046.

RANGE IMPROVEMENT PROJECTS**RANGE IMPROVEMENT PROJECT NO. 363 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Utah Division of Wildlife Resources ("UDWR")
1470 North Airport Road
Cedar City, UT 84720

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:**T36S, R13W, SLB&M**

Section 36: N½NW¼ W½E½, Lots 1-4 (Within) 80.00 Acres

T37S, R13W, SLB&M

Section 1: S½N½, NW¼SE¼, Lots 1-8 (Within) 50.00 Acres

Section 2: Lots 1,2,7,8 S½NE¼ (Within) 30.00 Acres

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

COUNTY: Iron

FUND: School

RANGE IMPROVEMENT PROJECT NO. 363 (APPROVAL) (CONTINUED)**REQUESTED/PROPOSED ACTION:**

The UDWR, in cooperation with the Utah Division of Forestry Fire & State Lands ("FF&SL"), proposes to mechanically treat and seed approximately 160 acres of vegetation in the Quichipa Canyon area west of Cedar City, Utah. The mechanical treatment will consist of using a "bullhog" to remove invading pinyon and juniper trees to improve deer winter range and decrease the fuel loads for neighboring communities. The treated area will then be seeded with appropriate grasses and forbs.

RELEVANT FACTUAL BACKGROUND:

On June 17, 2009, the applicant submitted a proposal for this range improvement project. A search of the Agency's records was made to determine the status of the area involved. The grazing permits of record on the affected area are GP 60 and GP 22093-02, both issued to Harmony Land & Livestock (Eldon and Brad Schmutz). Messrs. Schmutz have been contacted and are favorable toward the project being completed. There are four easements (ESMT 461 - fiber optics cable, ESMT 911 - road, ESMT 912 - power line, and ESMT 914 - irrigation canal) within the project area, but none will be affected by the project. The Agency's Development staff was informed of this project to determine any conflicts that it may have with future development of these properties. There were no concerns expressed.

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on June 25, 2009. The Utah Division of Air Quality commented that "*[t]he project is subject to R307-205-5: Fugitive Dust, since the project could have a short-term impact on air quality due to fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks.*" This comment will be forwarded to the project applicant for consideration and mitigation. The Five County Association of Governments recommended approval of this project.

A cultural resource survey was completed by UDWR's Archaeology staff. No cultural resources will be impacted.

Funding of this project will be provided by the UDWR watershed initiative (\$20,000) and FF&SL (\$24,000). None of these project costs will be amortized as neither fund provider is the grazing permittee of record.

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed range improvement fills a critical need to protect the local communities from future wildfire threats and will enhance the value of the range.

Based on the above information and upon recommendation by Mr. Ron Torgerson, the Director approved the construction of Range Improvement Project No. 363. This summary will constitute the Record of Decision.

RANGE IMPROVEMENT PROJECT NO. 369 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Utah Division of Wildlife Resources ("UDWR")
1470 North Airport Road
Cedar City, UT 84720

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T30S, R16W, SLB&M

Section 36: S½, NW¼

T30S, R15W, SLB&M

Section 32: All

T31S, R16W, SLB&M

Section 2: All

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

COUNTIES: Iron and Beaver

FUND: School

REQUESTED/PROPOSED ACTION:

The UDWR proposes to mechanically treat and seed approximately 1,000 acres of vegetation in the Keel Spring area west of Cedar City, Utah. The mechanical treatment will consist of using an Ely chain connected to two dozers to remove invading pinyon and juniper trees. Once chained, the area will be aerially seeded with appropriate grasses and forbs and then back-chained to plant the seed. This project includes land that was burned as part of the 2009 Broken Ridge Wildfire but also includes other adjacent land that was not burned.

RELEVANT FACTUAL BACKGROUND:

On September 2, 2009, the applicant submitted a proposal for this range improvement project. A search of the Agency's records was made to determine the status of the area involved. The grazing permits of record on the affected area are GP 20677 (Leigh Livestock Co.) and GP 21304-99 (Matthew Wood). Both permittees were mailed letters on September 9, 2009, explaining this project and were invited to submit any concerns or comments. No comments or concerns have been received.

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on September 9, 2009. No comments have been received. Iron County submitted a favorable comment supporting this project and the cooperation with UDWR.

A cultural resource survey was completed by the UDWR. All cultural resources will be avoided by the treatment.

Funding of this project will be provided by the UDWR watershed initiative (\$161,500). This project cost will not be amortized as UDWR is not the grazing permittee of record.

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed range improvement fills a critical need to improve watershed conditions, wildlife habitat, and will enhance the value of the range.

Based on the above information and upon recommendation by Mr. Ron Torgerson, the Director approved the construction of Range Improvement Project No. 369. This summary will constitute the Record of Decision.

RANGE IMPROVEMENT PROJECT NO. 370 AND TWO-YEAR EXTENSION OF TERM FOR GP 20587 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

S&W Hall Co. Inc.
Box 197
Newcastle, UT 84756

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T32S, R19W, SL B&M
Section 2: E $\frac{1}{2}$ E $\frac{1}{2}$

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

COUNTY: Iron FUND: School

REQUESTED/PROPOSED ACTION:

The proposed action will be to construct one mile of fence, one mile of pipeline, and one water trough on a trust land section in Hamblin Valley, Utah. The four-strand barbed wire fence will be built to facilitate an additional pasture so the applicant's cattle can be rotated in a pasture rotation system. The water development will allow better forage utilization by systematically creating water developments across the allotment. The well and water right located on private land is owned by the grazing permittee, S&W Hall Co. Inc.

RELEVANT FACTUAL BACKGROUND:

On September 1, 2009, the applicant submitted a proposal for this range improvement project. A search of the Agency's records was made to determine the status of the area involved. The grazing permit of record on the affected area is GP 20587, issued to the applicant. There are no other records for this parcel.

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on September 9, 2009. No comments have been received to date. The Five County Association of Governments recommended approval.

A cultural resource survey was completed by the NRCS. No cultural resources were found.

Funding of this project will be cost-shared 50:50 by the applicant (\$4,984.50) and the NRCS (\$4,984.50). The applicant's \$4,984.50 will be amortized as shown below. Following is a flat rate amortization schedule (NRCS Schedule) for these projects if the Trust Lands Administration cancels the grazing permit before these projects are fully amortized. If the permittee sells or allows the permit to expire or to be canceled due to his failure, then the amortization schedule will be canceled.

Project	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Fence	\$2,310.00	30	2009	\$77.00/year	2039
Pipeline/Trough	\$2674.50	20	2009	\$133.73/year	2029

RANGE IMPROVEMENT PROJECT NO. 370 AND TWO-YEAR EXTENSION OF TERM FOR GP 20587 (APPROVAL) (CONTINUED)

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed water development and fence fill a critical need for livestock management and will enhance the value of the range. Pursuant to Rule R850-50-600, the expiration term for GP 20587 will be extended two years to June 30, 2012.

Based on the above information and upon recommendation by Mr. Ron Torgerson, the Director approved the construction of Range Improvement Project No. 370. This summary will constitute the Record of Decision.

RANGE IMPROVEMENT PROJECT NO. 372 AND THREE YEAR EXTENSION OF TERM FOR GP 21264-99 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

State of Utah School & Institutional Trust Lands Administration
130 N. Main
Richfield, UT 84701

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T19S, R2W, SLB&M

Section 16: E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ (Less 15 Acres in NW $\frac{1}{4}$ NE $\frac{1}{4}$ – Patent 18011) 385 Acres

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

COUNTY: Millard FUND: School

REQUESTED/PROPOSED ACTION:

Agency staff is proposing to seed approximately 365 acres of trust lands that were burned during the 2009 Sawmill Canyon Wildfire south of the town of Scipio, Utah. The seeding method will be to aerially seed a mixture of grasses and forbs on the site followed by a mechanical chaining treatment to cover the seed during November, 2009. All fences destroyed in the fire (two miles) will also need to be reconstructed during the summer of 2010.

RELEVANT FACTUAL BACKGROUND:

In the fall of 2009, the Agency coordinated with other stakeholders and submitted a proposal for this range improvement project. A search of the Agency's records was made to determine the status of the area involved. The grazing permit of record on the affected area is GP 21264-99, issued to Ivan L. Robins. Mr. Robins is cooperating with SITLA to accomplish this project and plans to roll up old fences and get federal funding to rebuild the fences during the summer of 2010. There is one mineral lease of record, ML 49359 for oil and gas, which will not be impacted by this project. There is a highway right of way, ROW 326 issued to the Utah Department of Transportation, that bisects this parcel. Millard County also has a Class B Road, PRED 744, within this parcel.

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on September 9, 2009. No comments have been received to date.

A cultural resource survey was completed by the Agency's Archaeology staff. All cultural resources will be avoided.

RANGE IMPROVEMENT PROJECT NO. 372 AND THREE YEAR EXTENSION OF TERM FOR GP 21264-99 (APPROVAL) (CONTINUED)

Funding of this project will be provided by SITLA (\$15,000.00), the USDA Farm Service Agency (\$9,000.00), and the grazing permittee (\$6,000.00). The \$6,000.00 for fence construction by the permittee will be amortized as shown below. Following is a flat rate amortization schedule (NRCS Schedule) for the project if the Trust Lands Administration cancels the grazing permit before the project is fully amortized. If the permittee sells or allows the permit to expire or to be canceled due to his failure, then the amortization schedule will be canceled.

Project	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Fence Construction	\$6,000	30	2010	\$200.00/year	2040

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed range improvement fills a critical need to protect the watershed following wildfire and will enhance the value of the range. Pursuant to Rule R850-50-600, the expiration term for GP 21264-99 will be extended three years to June 30, 2017.

Based on the above information and upon recommendation by Mr. Ron Torgerson, the Director approved the construction of Range Improvement Project No. 372. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5392

On October 19, 2009, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Doug Goetz Photography, P.O. Box 1994, Port Townsend, WA 98368, to occupy the following described trust land located within Grand County for commercial photography:

T24S, R20E, SLB&M
Sec's 4, 5, 8: Within

T23S, R19E, SLB&M
Sec. 2: Within

T21S, R23E, SLB&M
Sec. 29: Within

The fee for this right of entry is \$900.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$1,000.00. Grand County. School Fund. Expiration date: January 31, 2010.

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

EASEMENTS**EASEMENT NO. 1030, AMENDMENT NO. 1 (APPROVAL)**

APPLICANT'S NAME AND ADDRESS:

ETC Canyon Pipeline, LLC
1600 Broadway, Suite 1900
Denver, Colorado 80202

LEGAL DESCRIPTION:

Township 18 South, Range 25 East SLB&M
Section 36: SW $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

An easement, 30 feet wide for a pipeline, lying within the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 36, Township 18 South, Range 25 East, of the Salt Lake Base and Meridian, Grand County, Utah, lying 15 feet on each side of the following described centerline:

Commencing at the south quarter corner of said Section 36, thence S 88°21'20" W 1624.98 feet to the true point of beginning and a point on the south line of the southwest quarter of said Section 36; thence N 46°09'20" W 1442.32 feet to a point on the west line of the southwest quarter of said Section 36, said point being S 01°35'40" E 1611.49 feet from the west quarter corner of said Section 36.

The total length of a pipeline easement across trust lands as described above is 1,442.32 feet or 87.41 rods, containing 0.99 acres, more or less.

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

COUNTY: Grand

ACRES: 0.99

FUND: School

PROPOSED ACTION:

The applicant has requested an amendment to Easement No. 1030 in order to allow for the construction of an 8-inch diameter buried natural gas liquids pipeline within the previously approved easement corridor. The applicant also desires to amend the legal description of the easement to adjust the corridor width from 50 feet to 30 feet. The original Easement No. 1030 authorized the construction of a 12-inch diameter natural gas pipeline, which has never been constructed. The applicant has stated that it no longer has plans to construct the 12-inch pipeline and would instead like to construct the proposed 8-inch natural gas liquids pipeline within the previously approved easement corridor. The 8-inch pipeline will be used to transport liquids from the Harley Dome Compressor plant to an existing pipeline operated by Enterprise MAPCO. The easement corridor will remain 1,442.32 feet long; however, the acreage will decrease from 1.66 acres to 0.99 acre. The easement will be non-exclusive. The term of the easement will remain 30 years with an expiration date of October 31, 2035.

RELEVANT FACTUAL BACKGROUND:

The application to amend Easement No. 1030 was received on August 4, 2009. It was submitted for the Agency review on August 13, 2009, and was accepted by the Director on September 15, 2009.

Easement No. 1030 was originally issued effective November 1, 2005, for a 12-inch diameter natural gas pipeline. The easement was issued for a 30 year term with an expiration date of October 31, 2035.

EASEMENT NO. 1030, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

The proposed easement amendment was exempt from review by the Resource Development Coordinating Committee ("RDCC") because this is an amendment of an existing easement with no expansion in acreage or change in primary use.

The project area has been previously surveyed for cultural resources by Montgomery Archaeological Consultants (U-05-MQ-0513b,s).

EVALUATION OF FACTS:

The Agency's Archaeology staff has reviewed the cultural resource documents submitted in support of the proposed easement amendment. No cultural resources were found within the project area; therefore, cultural resource clearance has been granted for the project.

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for Amendment No. 1 to Easement No. 1030. The term of the easement remains 30 years beginning November 1, 2005, and expiring October 31, 2035. The amendment fee of \$400.00 and the easement rental assessment of \$611.93 have been submitted.

EASEMENT NO. 1484, AMENDMENT NO. 1 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Ute Energy, LLC
7074 East 900 South
P.O. Box 789
Fort Duchesne, Utah 84026

ORIGINAL LEGAL DESCRIPTION:

Township 9 South, Range 18 East, SLB&M
Section 16: NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

A 30 foot wide pipeline easement, being 15 feet on either side of its centerline, along with an additional 30 foot wide temporary construction easement, being 15 feet on either side of the 30 foot wide pipeline easement, the centerline of said pipeline easement being more particularly described as follows:

Beginning at a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, T9S, R18E, SLB&M, which bears N 29°00'50" E 1007.27 feet from the west $\frac{1}{4}$ corner of said Section 16; thence S 89°51'34" E 474.89 feet; thence N 48°13'42" E 1851.56 feet; thence N 70°11'30" E 1233.45 feet to a point in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 16, which bears S 83°03'06" E 850.23 feet from the north $\frac{1}{4}$ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a GPS observation. Contains 2.45 acres more or less.

Also, beginning at a point on the west line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 16, T9S, R18E, SLB&M, which bears S 00°03'25" W 289.40 feet from the west $\frac{1}{4}$ corner of said Section 16; thence N 34°26'44" E 77.08 feet; thence N 00°26'43" E 856.55 feet to a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 16, which bears N 04°31'47" E 632.66 feet from the west $\frac{1}{4}$ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a GPS observation. Contains 0.64 acre more or less.

EASEMENT NO. 1484, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)Township 10 South, Range 18 East, SLB&MSection 2: Lot 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ (within)

A 30 foot wide pipeline easement, being 15 feet on either side of its centerline, along with an additional 30 foot wide temporary construction easement, being 15 feet on either side of the 30 foot wide pipeline easement, the centerline of said pipeline easement being more particularly described as follows:

Beginning at a point on the south line of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, T10S, R18E, SLB&M, which bears N 89°41'40" W 25.26 feet from the south $\frac{1}{4}$ corner of said Section 2; thence N 35°34'33" E 264.67 feet; thence N 20°29'13" E 110.97 feet; thence N 47°38'26" E 154.75 feet; thence N 26°16'43" E 218.64 feet; thence N 35°08'47" E 412.29 feet; thence N 10°14'59" E 168.34 feet; thence N 13°45'15" W 140.53 feet; thence N 48°47'46" W 507.02 feet; thence N 47°36'13" W 441.84 feet; thence N 33°36'30" W 193.55 feet; thence N 53°29'37" W 910.53 feet; thence N 06°35'02" W 141.76 feet; thence N 52°17'36" W 221.15 feet; thence N 08°20'19" W 137.50 feet; thence N 23°55'15" E 287.97 feet; thence N 30°43'07" W 183.22 feet; thence N 30°28'44" W 1595.65 feet; thence N 08°16'29" W 418.04 feet; thence N 89°20'15" W 566.39 feet; thence S 88°40'41" W 54.82 feet to a point on the west line of Lot 4 of said Section 2, which bears S 00°17'21" W 75.45 feet from the northwest corner of said Section 2. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a GPS observation. Contains 4.91 acres more or less.

COUNTY: Uintah

ACRES: 8.00

FUND: School

AMENDED LEGAL DESCRIPTION:Township 9 South, Range 18 East, SLB&MSection 16: NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

A 30 foot wide pipeline easement, being 15 feet on either side of its centerline, along with an additional 30 foot wide temporary construction easement, being 15 feet on either side of the 30 foot wide pipeline easement, the centerline of said pipeline easement being more particularly described as follows:

Beginning at a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, T9S, R18E, SLB&M, which bears N 29°00'50" E 1007.27 feet from the west $\frac{1}{4}$ corner of said Section 16; thence S 89°51'34" E 474.89 feet; thence N 48°13'42" E 1851.56 feet; thence N 70°11'30" E 1233.45 feet to a point in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 16, which bears S 83°03'06" E 850.23 feet from the north $\frac{1}{4}$ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a GPS observation. Contains 2.45 acres more or less.

Also, beginning at a point on the west line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 16, T9S, R18E, SLB&M, which bears S 00°03'25" W 289.40 feet from the west $\frac{1}{4}$ corner of said Section 16; thence N 34°26'44" E 77.08 feet; thence N 00°26'43" E 856.55 feet to a point in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 16, which bears N 04°31'47" E 632.66 feet from the west $\frac{1}{4}$ corner of said Section 16. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a GPS observation. Contains 0.64 acre more or less.

EASEMENT NO. 1484, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)Township 10 South, Range 18 East, SLB&MSection 2: Lot 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ (within)

A 30 foot wide pipeline easement, being 15 feet on either side of its centerline, along with an additional 30 foot wide temporary construction easement, being 15 feet on either side of the 30 foot wide pipeline easement, the centerline of said pipeline easement being more particularly described as follows:

Beginning at a point on the south line of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 2, T10S, R18E, SLB&M, which bears N 89°41'40" W 25.26 feet from the south $\frac{1}{4}$ corner of said Section 2; thence N 35°29'29" E 264.67 feet; thence N 20°24'09" E 110.97 feet; thence N 47°33'22" E 154.75 feet; thence N 26°11'39" E 218.64 feet; thence N 35°03'43" E 412.29 feet; thence N 10°09'55" E 168.34 feet; thence N 13°50'20" W 140.53 feet; thence N 48°52'50" W 507.02 feet; thence N 47°41'17" W 441.84 feet; thence N 33°41'34" W 193.55 feet; thence N 53°34'41" W 910.53 feet; thence N 82°33'44" W 444.77 feet; thence N 53°57'12" W 107.25 feet; thence N 26°15'03" W 118.64 feet; thence N 00°55'12" W 139.87 feet; thence N 35°21'29" E 524.95 feet; thence N 02°19'39" E 176.68 feet; thence N 30°33'48" W 1436.40 feet; thence N 08°21'33" W 418.04 feet; thence N 89°25'19" W 566.39 feet; thence S 88°35'37" W 54.82 feet to a point on the west line of Lot 4 of said Section 2, which bears S 00°17'21" W 75.45 feet from the northwest corner of said Section 2. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.17 acres, more or less.

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

COUNTY: Uintah

ACRES: 8.26

FUND: School

PROPOSED ACTION:

The applicant has requested Easement No. 1484 be amended in order to allow for a re-route of the originally authorized easement corridor on trust lands within T10S, R18E, Sec. 2, in Uintah County. The original corridor was approved for the construction, operation, repair, and maintenance of a buried 12-inch diameter natural gas pipeline known as the Three Rivers Phase III Pipeline. The applicant now desires to re-route a small section of the pipeline corridor in order to avoid crossing an ephemeral draining in two locations. The re-route will be confined entirely to trust lands and will result in a net increase of 381.31 feet to the easement corridor. The pipeline has not yet been constructed, so the originally approved corridor has yet to be disturbed. The entire amended easement corridor will be 12,004.47 feet long and 30 feet wide, containing 8.26 acres. The applicant has also requested an additional 30 foot wide temporary easement for use during the construction phase of the project. The easement will be non-exclusive. The term of the easement will remain 20 years with an expiration date of May 31, 2029.

RELEVANT FACTUAL BACKGROUND:

The application to amend Easement No. 1484 was received on July 23, 2009. It was submitted for the Agency review on July 27, 2009, and was accepted by the Director on August 10, 2009.

Easement No. 1484 was originally issued effective June 1, 2009, for a 12-inch diameter buried natural gas pipeline. The easement was issued for a 20 year term with an expiration date of May 31, 2029.

The proposed easement amendment was sent to the Resource Development Coordinating Committee ("RDCC"), the Uintah Basin Association of Governments, and the Uintah County Commission for review on July 27, 2009. The following comments were received from the RDCC:

EASEMENT NO. 1484, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)

Department of Environmental Quality/Division of Air Quality:

"The proposed construction and operation of a 12-inch natural gas pipeline in Uintah County may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116, for review according to R307-401: Permit: Notice of Intent and Approval Order, of the Utah Air Quality Rules. The guidelines for preparing a NOI are available online at: <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>.

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/publicat/code/r307/r307.htm."

The following comment was received from the Uintah County Commission:

"Thank you for the opportunity to comment on the re-routing of a small section of an existing natural gas pipeline easement by Ute Energy, LLC located in T10S, R18E, Sec. 2: Lot 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ (within) in Uintah County. The original corridor was approved for the construction, operation, repair, and maintenance of a buried 12-inch diameter natural gas pipeline known as the Three Rivers Phase III Pipeline. The request for the re-route is to avoid crossing an ephemeral drainage in two locations and will be confined entirely on trust lands, resulting in a net increase of 381.31 feet of pipeline.

"As in the previous Easement No. 1484 application, it is our understanding that the proposed buried pipeline will be placed outside of Uintah County's road right-of-way.

"Uintah County supports this action, keeping ground disturbance caused by excavation, increase in traffic, equipment, dust, and noise emissions during construction at a minimum.

"We ask that Ute Energy, LLC contact Uintah County's Planning & Zoning Department for the necessary County permits and the Uintah County Road Department for permits and regulations when crossing County roads.

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

The project area has been surveyed for cultural resources by Montgomery Archaeological Consultants (U-09-MQ-0260s).

The project area was surveyed for paleontological resources by Intermountain Paleo-Consulting (Report No. 09-72).

EASEMENT NO. 1484, AMENDMENT NO. 1 (APPROVAL) (CONTINUED)**EVALUATION OF FACTS:**

The comments submitted through the RDCC have been evaluated and the Agency's response was as follows:

Utah Department of Environmental Quality/Division of Air Quality:

"The applicant has been informed of the comments submitted by the Utah Division of Air Quality. Furthermore, our easement agreement requires that the Grantee comply with the provisions of all Federal, State, County, and Municipal laws, ordinances, and regulations which are applicable to the subject tract and operations covered by the easement."

The applicant has been notified of the comments received from the RDCC and Uintah County, as well as the Agency's response.

The Agency's Archaeology staff has reviewed the cultural resource documents submitted in support of the proposed easement amendment. No cultural resources were found within the project area, therefore cultural resource clearance has been granted for the project with a finding of "No Historic Properties Affected."

The Agency's staff paleontologist has reviewed the paleontological survey that was conducted for this project. Due to the number of vertebrate fossils found and the amount of exposed fossiliferous formational units within the proposed project area, it was recommended that a permitted paleontologist be present on site to monitor the construction of the proposed pipeline within Section 2, T10S, R18E. The Agency's staff paleontologist concurs with this recommendation. The applicant has been informed of this requirement.

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for Amendment No. 1 to Easement No. 1484. The term of the easement remains 20 years beginning June 1, 2009, and expiring May 31, 2029. The amendment fee of \$400.00 and the easement rental assessment of \$439.08 have been submitted.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 1628 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Utah State Parks and Recreation
1594 West North Temple, Suite 116
Salt Lake City, UT 84114

APPLICATION TYPE: GOV

TERMS: 51 years

BEGINNING DATE: October 1, 2009

ENDING DATE: September 30, 2060

NEXT REVIEW DATE: October 1, 2012

FIRST YEAR RENTAL: \$3,120.00

APPLICATION FEE: \$ 250.00

PROCESSING FEE: \$ 700.00

ADVERTISING FEE: \$ 200.00

TOTAL SUBMITTED: \$4,270.00

LEGAL DESCRIPTION:

Township 16 South, Range 2 West, SLB&M
Section 36: NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$

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

COUNTY: Juab ACRES: 80.00 FUND: School

SPECIAL USE LEASE AGREEMENT NO. 1628 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

The applicant desires to lease this land to expand and improve the recreation facilities on the west side of Yuba Reservoir adjacent to the existing state park. Proposed improvements will include two 40-site full-hookup campground loops and cabin areas (camper cabin style), several large group campsites and OHV group camping areas, and one OHV staging area.

RELEVANT FACTUAL BACKGROUND:

On December 15, 2008, the Agency received Special Use Lease Application No. 1628 from the Division of State Parks and Recreation ("Parks"), the purpose of which was to expand and improve the recreational facilities on the west side of Yuba Reservoir. The application and advertising fees were paid and receipted appropriately. There are two existing grazing permits within this section, GP 22259 & MGP 25, both in the name of Monroe Brothers.

The application was advertised through the standard process and copies of the public notice were sent to all lessees, permittees, and adjoining landowners. No competing applications were received. Comments were received from the grazing permittee who had concerns regarding livestock use and access to water for livestock. Their comments and concerns were sent to the applicant who is working with the permittee to mitigate their concerns.

The application was submitted to the Resource Development Coordinating Committee ("RDCC") and the Juab County Commission for review. No comments were received from the RDCC review. The Juab County Commission supports the proposal.

Initial consultation with the Agency's Archaeologist resulted in a recommendation that a cultural resource survey be completed. A survey was completed on the project and submitted for review.

EVALUATION OF FACTS:

A cultural resource survey of the area has been completed which indicated that there would be "no effect" on any historic or cultural sites. This survey has been reviewed by State History and the Agency's staff archaeologist, who concur with the findings. Therefore, all requirements pursuant to R850-60 have been met.

As no other competing applications were received, the initial application by Parks 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 value rental for the property. Based on a market analysis of land values in the area, fair market value rental has been set at \$3,120.00 per year (\$1,200.00/acre for 80 acres X 3.25% interest rate). R850-30-400 requires that the Agency receive at least fair market value for surface leases. The applicant has agreed to pay the fair market value lease rental as discussed above. Therefore all requirements pursuant to R850-30-400 have been met.

The applicant has also requested that the Agency's OHV funding be used to pay the annual lease rental, and processing fee. This is because the proposed improvements are specifically designed to increase and enhance the recreational opportunities for OHV users.

The applicant 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 1628 for a term of 51 years, with a three-year rental review pursuant to R850-30-400(4). The Director further approves the use of OHV funding to pay the one-time \$700.00 processing fee as well as the annual lease rental for the first three-year period of this lease. At the first three-year review cycle, this funding will be re-evaluated to determine if OHV funding is still available and appropriate. Based on the above evaluation, this summary will constitute the Record of Decision.

SPECIAL USE LEASE AGREEMENT NO. 819 (ASSIGNMENT AND AMENDMENT NO. 2 - APPROVAL)

Special Use Lease Agreement No. 819 is a telecommunications lease currently issued to CommNet Cellular Inc., dba Verizon Wireless, a Colorado Corporation, Attn. Network Real Estate, 180 Washington Valley Road, Bedminster, NJ 07921. The lease was issued for a 20-year term, commencing September 1, 1989, and is for one communication tower facility on the Leigh Hill communication site in Cedar City, Utah.

REQUESTED ACTION:

The lessee proposes to amend the existing lease. The amendment will achieve three primary purposes:

1. Assign the lease to Cellular Inc. Network Corporation, d/b/a Verizon Wireless ("Verizon"), 180 Washington Valley Road, Bedminster, New Jersey 07921.
2. Extend the lease term 20 years from the original expiration date of August 31, 2009. The new expiration date of the lease will be August 31, 2029.
3. Amend the lease as part of the assignment to bring the form to current standards.

RELEVANT FACTUAL BACKGROUND:

Although the lessee of record for SULA 819 is CommNet Cellular, Inc., dba Verizon Wireless, Verizon has acquired the interests of CommNet in this lease. As CommNet no longer exists as a business entity, a typical assignment from CommNet to Verizon was impossible. After consultation with the Legal Group, it was determined that the amendment of this lease as to the purposes listed above, was the best remedy for this situation.

R850-30-900 provides for assignments of special use leases. R850-30-900(5)(a) requires the assignee to accept the most current applicable lease form unless continuation of the existing form is clearly in the best interests of the Trust Beneficiaries.

Although the lease contains a provision for an option to renew the lease for another 20-year term, the lease needs to be assigned and the requirements for assigning the lease require the lessee to adopt the most current lease form. A combined amendment and assignment is being proposed to accomplish both purposes. The proposed assignee has reviewed the proposed amendment agreement and has agreed to its terms and conditions, subject to approval by the Director.

R850-30-1000 provides for amendments of special use leases based on a written finding that the amendment is consistent with R850-2, and upon payment of an amendment fee. The proposed amendment is in the best interest of the Trust Beneficiaries. The rental is the current estimated market value, and the existing facility continues to be the highest and best use of the site now and in the foreseeable future.

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

The Trust Lands Administration has received a \$250.00 assignment fee, a \$400.00 amendment fee, and an \$8,250.00 annual base rental payment, for the lease year commencing September 1, 2009. School Fund. Iron County.

Upon recommendation of Mr. Gary Bagley, the Director approved Amendment No. 2 to Special Use Lease Agreement No. 819, as described above. The next five-year review date of the lease shall be September 1, 2014.

SPECIAL USE LEASE AGREEMENT NO. 1549 (ACCEPTANCE OF RECLAMATION BOND)

Pursuant to Paragraph 21.b. of the lease agreement, EOG Resources, Inc., 1060 E. Highway 40, Vernal, UT 84078, has submitted Corporate Surety Bond No. 6592243. The bonding company is Safeco Insurance Company of America, 1001 4th Avenue, Ste. 1700, Seattle, WA 98154. The reclamation bond is for \$40,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1549.

SPECIAL USE LEASE AGREEMENT NO. 1167 (ACCEPTANCE OF RECLAMATION BOND)

Pursuant to Paragraph 16 of the lease agreement, Offshore Marina, Inc., HCR 60 Box 330330, Lake Powell, UT 84533, has submitted Bond Number B0332598 in the amount of \$30,000.00. The bonding company is the Cincinnati Insurance Company, P.O. Box 58139, Salt Lake City, UT 84158. The reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Garfield County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director accepted the reclamation bond for SULA 1167.

SPECIAL USE LEASE AGREEMENT NO. 780 (RELEASE OF RECLAMATION BOND)

Irrevocable Standby Letter of Credit #S309478, issued by Keybank National Association, Standby Letter of Credit Services, Mail Code: OH-01-5100435, 4910 Tiedeman Road, Cleveland, OH 44144, in the amount of \$5,000.00, at the request of Olive and Odell, Inc., P.O. Box 3571, Green River, UT 84525, was received as a reclamation bond. On April 20, 2009, SULA 780 was terminated because of the lack of due diligence. The Letter of Credit will be returned to Keybank National Association. Emery County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the return of the Letter of Credit to Keybank National Association.

SALES**CERTIFICATE OF SALE NO. 26433 (EXTENSION OF 2009 DUE DATE)**

Certificate of Sale No. 26433 is issued to Mr. James O. Carter, 2255 South 1950 East, St. George, Utah 84790 (the "Purchaser").

The Purchaser came to the office prior to the due date of June 1, 2009, and inquired about a re-negotiation of terms or possibly turning the property back to the Agency. Staff instructed him to make a written request with details of the reason for the request.

The 2009 annual payment was due on June 1, 2009, but was not made. Staff didn't receive the requested letter, but after several attempts to contact the Purchaser, staff was able to discuss the situation with him, the urgent need to make the payment due, and the possibility of a one-time 2009 due date extension.

An on-site inspection of the property was made in August. A new fence has been constructed along the eastern boundary. The purchaser recently had water rights approved by the State Engineer, but wells have not been drilled. A considerable amount of the property was burned by a wildfire the previous year. The purchaser tried to reseed the property, but because of a very dry spring season, the seeding was unsuccessful.

CERTIFICATE OF SALE NO. 26433 (EXTENSION OF 2009 DUE DATE) (CONTINUED)

After discussion with staff familiar with the property, it is believed to be in the best interest of the Trust Beneficiaries to recommend a one-time due date extension. Staff is of the opinion that it would not be in the best interest of the Trust Beneficiaries to take the property back right now if Mr. Carter is able to make a delayed payment by December 30, 2009. In this depressed economy and real estate market, staff believes it is prudent to give the purchaser an opportunity to make the payment and keep the property.

In a certified letter to the purchaser, the Agency offered the Purchaser a one-time due date extension from June 1, 2009, to Wednesday, December 30, 2009, provided that an extension fee of \$2,000.00 was paid. It was noted that this due date extension would be granted for the 2009 payment only. The letter also stated that the extension fee is a separate charge from any amounts that may be due under the certificate of sale and shall not be credited toward accrued interest, nor shall it be applied to reduce the principle owing under the certificate of sale. The \$2,000.00 due date extension fee has been received.

Agency staff has reviewed this request thoroughly and is of the opinion that the extension at this time is in the best interest of the Beneficiary and is not just for the convenience of the purchaser.

Upon recommendation of Mr. Kim S. Christy, the Director approved this one-time extension of the June 1, 2009, due date to December 30, 2009. The December 30, 2009, amount shall include the normal payment amount that was originally due June 1, 2009, plus late fees and accrued interest. The \$2,000.00 due date extension fee shall not be credited to the payment, late fees, accrued interest, or principle.

DEVELOPMENT ACTIONS

RIGHT OF ENTRY 5367 - CITY OF ST. GEORGE

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

RIGHT OF ENTRY NO.:	5367
PROJECT:	South Block - Land Adjacent to St. George Airport
PROJECT CODE:	SOBLK 002 02
PROJECT MANAGER:	Brent Bluth
DATE OF TRANSACTION:	October 19, 2009
COUNTY:	Washington
FUND:	School
COMMENCEMENT:	October 19, 2009
EXPIRATION:	October 19, 2010
FEE:	\$350.00

PERMITTEE:

City of St. George
175 East 200 North
St. George, UT 84770

RIGHT OF ENTRY 5367 - CITY OF ST. GEORGE (CONTINUED)

DESCRIPTION OF TRANSACTION:

The City of St. George (the "Permittee") is in the process of constructing a new airport adjacent to certain lands (the "Subject Property") owned by the Trust Lands Administration (the "Trust"). As the construction project has progressed, observers have attempted to access the project site to view the progress. Due to possible dangers by heavy equipment, the site is closed to the public; however, the city desired to use an existing dirt road on the Trust's land for public viewing and as a temporary turn area. Therefore, for the consideration of Three Hundred Fifty Dollars and No Cents (\$350.00) the Trust granted a twelve (12) month right of entry to the Permittee, which allows the public access over the Subject Property for the public to observe the construction of the airport and to turn around. Furthermore, the Permittee shall pay for all costs associated with constructing and maintaining the Permitted Property, including all costs to restore the Permitted Property to its condition prior to the issuance of the right of entry.

SUBJECT PROPERTY LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M
Section 15: NE4SE4, SE4SE4

Contains approximately 1.02 acres, more or less.

NUMBER OF ACRES BY COUNTY: 1.02 acres - Washington County

NUMBER OF ACRES BY FUND: 1.02 acres - School

Upon recommendation of Brent Bluth, the Director approved Right of Entry No. 5367.

DEVELOPMENT SALE – TICABOO SUBDIVISION (SINGLE FAMILY HOME LOTS)

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

FUND: School

LEGAL DESCRIPTION:

Township 36 South, Range 11 East, SLB&M

Section 16: All of Lot 62 of the Ticaboo Subdivision Plat III (3rd Amended), according to the plat of record on January 27, 1997, as Entry 215633, records of Garfield County, Utah.

LOT SALE DESCRIPTION:

<u>Section</u>	<u>PS #</u>	<u>Cert No.</u>	<u>Cert/Sale Date</u>	<u>Patent No.</u>	<u>Patent Date</u>	<u>Lot No.</u>	<u>Acreage</u>	<u>Price</u>	<u>Proc Fee</u>
16	7533	24909	09/01/09	20152	08/17/09	62	0.28	\$3,298.00	\$50.00

CONTRACT PARTNER:

URANIUM ONE TICABOO, INC.
390 Bay Street, Suite 1610
Toronto ON M5H 2Y2
Canada

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

DEVELOPMENT SALE – TICABOO SUBDIVISION (SINGLE FAMILY HOME LOTS) (CONTINUED)**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 for public utilities and incidental purposes over the front and rear five feet of said property as set forth on the recorded plat; also,

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

Subject to the Declaration of Covenants, Conditions and Restrictions as recorded on August 27, 1979, as Entry 175940, Book 255, Page 78, and as amended, recorded June 18, 1997, as Entry 216363, Book 334, Page 442, Official Garfield County Records.

This item was submitted by Alexa Wilson for record-keeping purposes.

CORRECTION OF ASTRAGALUS ROAD - ROAD DEDICATION (DEVL 889)

IN THE DIRECTOR'S MINUTES OF OCTOBER 12, 2009, PAGES 17-18, THE NUMBER OF ACRES CONVEYED WERE REPORTED INCORRECTLY. THIS IS NOW CORRECTED AS SHOWN IN BOLD BELOW.

PROJECT: South Block
 PROJECT MANAGER: Brent Bluth
 PROJECT CODE: SOBLK 000 00
 BENEFICIARY: School
 DATE OF RECORDING: July 10, 2009
 PLAT DEDICATION NO.: 188

CONVEYANCE TO:

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

DESCRIPTION OF TRANSACTION:

On September 12, 2007, the following agreements obligating the respective parties to specific performance responsibilities in connection with the construction of the Atkinville Interchange and Southern Parkway ("Transportation Project"), and the extension of River Road, including utility infrastructure ("South Block Development Project"), were fully executed:

- 1) Agreement 1, Southern Parkway Agreement; Three-party agreement between Trust Lands Administration ("SITLA"), Utah Department of Transportation ("UDOT"), and the City of St. George ("City");
- 2) Agreement 2, Southern Parkway Agreement between SITLA and the City;
- 3) Agreement 3, Southern Parkway Agreement between SITLA and UDOT.

CORRECTION OF ASTRAGALUS ROAD - ROAD DEDICATION (DEVL 889) (CONTINUED)

In Agreement 2, SITLA and the City negotiated and reached an agreement on certain obligations of each party connected thereto, recognizing that the importance of completion of the Transportation Project and the implementation of the South Block Development Project to both parties are of greater benefit in value than the value SITLA would otherwise receive as compensation from the City for the land. Accordingly, the following action, pursuant to Agreement 2, Section 2 (a) (ii), has been taken to dedicate by dedication plat, parcels of land to the City for the construction of the Astragalus Road (East Frontage Road). Additional supporting information is available in the Planning and Development file. **Some portions of the land dedicated on this plat were previously conveyed to UDOT. The number of acres of trust lands conveyed is 4.94. UDOT has joined in the dedication by executing a "Consent to Plat" on May 14, 2009.**

LEGAL DESCRIPTION:**Township 43 South, Range 16 West, SLB&M**

Sections 24 and 25: within as more particularly described below:

Beginning at a point which is North 89°02'56" West 2198.12 feet along the South Section line and South 00°00'00" West 302.47 feet from the South Quarter Corner of Section 24, Township 43 South, Range 16 West, Salt Lake Base and Meridian; running thence North 87°50'44" West 90.00 feet to a point on the arc of a 2045.00 foot radius curve concave to the right, the radius point of which bears South 87°50'44" East; thence Northwesterly 16.88 feet along the arc of said curve through a central angle of 00°28'23" to the point of reverse curvature of a 25.00 foot radius curve concave to the left, the radius point of which bears North 87°22'21" West; thence Northwesterly 38.57 feet along the arc of said curve through a central angle of 88°23'40" to the point of non-tangency; thence North 04°13'59" East 66.00 feet to a point on the arc of a 25.00 foot radius curve concave to the left, the radius point of which bears North 04°13'59" East; thence Northeasterly 38.57 feet along the arc of said curve through a central angle of 88°23'40" to the point of reverse curvature of a 2045.00 foot radius curve concave to the right, the radius point of which bears South 84°09'41" East; thence Northeasterly 863.87 feet along the arc of said curve through a central angle of 24°12'12" to the point of tangency; thence North 30°02'31" East 547.04 feet to the point of curvature of a 1955.00 foot radius curve concave to the left; thence Northwesterly 730.63 feet along the arc of said curve through a central angle of 21°24'46" to the point of reverse curvature of a 2045.00 foot radius curve concave to the right, the radius point of which bears South 81°22'15" East; thence Northeasterly 511.92 feet along the arc of said curve through a central angle of 14°20'33" to the point of reverse curvature of a 1970.00 foot radius curve concave to the left, the radius point of which bears North 67°01'41" West; thence Northwesterly 109.53 feet along the arc of said curve through a central angle of 3°11'08" to the Southeasterly Right-of-Way line of Interstate 15 Freeway; thence along said Southeasterly Right-of-Way South 89°25'38" East 95.06 feet to a point on the arc of a 2060.00 foot radius curve concave to the right, the radius point of which bears North 71°05'01" West; thence Southwesterly 145.81 feet along the arc of said curve through a central angle of 4°03'20" to the point of reverse curvature of a 1955.00 foot radius curve concave to the left, the radius point of which bears South 67°01'41" East; thence Southeasterly 489.39 feet along the arc of said curve through a central angle of 14°20'33" to the point of reverse curvature of a 2045.00 foot radius curve concave to the right, the radius point of which bears North 81°22'15" West; thence 764.26 feet along the arc of said curve through a central angle of 21°24'46" to the point of tangency; thence South 30°02'31" West 547.04 feet to the point of curvature of a 1955.00 foot radius curve concave to the left; thence Southwesterly 951.56 feet along the arc of said curve through a central angle of 27°53'15" to the point of non-tangency, said point also being the point of beginning. Containing: 6.02 Acres.

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

NUMBER OF ACRES BY COUNTY: **4.94 acres** - Washington County

NUMBER OF ACRES BY FUND: **4.94 acres** - School

CORRECTION OF ASTRAGALUS ROAD - ROAD DEDICATION (DEVL 889) (CONTINUED)

MINERAL RESERVATIONS:

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

SURFACE RESERVATIONS:

None

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ACTIONS CONTAINING FEE WAIVERS

NONE