

DECEMBER 7, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON DECEMBER 7, 2009, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON DECEMBER 7, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 2; SURFACE ACTIONS AS LISTED ON PAGES 3 TO 21; DEVELOPMENT ACTIONS AS LISTED ON PAGES 21 TO 31; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 31; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 31 TO 32.

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, DECEMBER 14, 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

\*\*\*\*\*

**MINERAL ACTIONS**

\*\*\*\*\*

**MATERIALS PERMIT NO. 276 – EXTENSION**

**PERMITTEE:**

Alta View Concrete, Inc.  
9547 South 500 West  
Sandy, UT 84070

**AFFECTED LANDS:**

Township 6 South, Range 1 East, SLB&M.  
Section 31: Lots 1(40.08), 2(40.07)

COUNTY: UTAH

ACRES: 80.15±

FUND: SCH

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

Permittee has provided a written request for a five (5) year extension to their Materials Permit No. 276 as provided for under the terms of the permit. The primary term for the permit ended on November 30, 2009. The extension is consistent with the terms of the permit. There are provisions within the permit for periodic review and adjustment of the royalty rate. The Permittee also holds an adjoining permit as part of their ongoing operations.

Upon recommendation of Mr. Harden, the Director approved the extension of the term of Materials Permit No. 276 for an additional five (5) years and the term of the permit will end on November 30, 2014.

**EXPIRATION OF METALLIFEROUS MINERALS LEASE**

The following Metalliferous Minerals Lease has reached the end of the ten (10) year primary term without achieving production and without satisfaction of the diligent development requirement as provided for under part four of Article VI of the lease agreement. Therefore, the lease has expired on its own terms at the end of the ten (10) year primary term on November 30, 2009. The land included under the referenced lease will be offered for lease through the sealed bid, competitive lease offering.

ML 48359

Lawrence Fahn  
204 Elkin Court  
Delmar, NY 12054

T11S, R6W, SLB&M.

SEC. 32: E½

Juab

320.00 Acres

FUND: SCH

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

**NAME CHANGE – ENERGY METALS CORPORATION (US), dba EMC UTAH, INC. TO URANIUM ONE AMERICAS, INC. – ML 48871(SCH), ML 48872(SCH), ML 49310(SCH: 640.00; UNIV: 120.00), ML 49313(SCH), ML 49314(SCH), ML 49315(SCH), ML 49377(SCH), ML 49596(SCH), ML 49597(SCH), ML 49603(SCH), ML 49604(SCH), ML 49605(SCH), ML 49606(SCH), ML 49607(SCH), ML 49610(SCH), AND ML 49706(SCH) – OIL, GAS, AND HYDROCARBON LEASES**

This office has received evidence that effective October 9, 2009, Energy Metals Corporation (US), dba EMC Utah, Inc. changed their name to Uranium One Americas, Inc., 8055 E. Tufts Avenue, Suite 500, Denver, CO 80237, covering the above-numbered leases.

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

**PARTIAL RELINQUISHMENT OF OIL, GAS, AND HYDROCARBON LEASE (SCH)**

The lessee of the lease listed below has requested that this lease be partially relinquished as listed below:

<u>ML 51119</u>	Relinquished Lands:	
Vern Jones	<u>T27S, R3E, SLB&amp;M.</u>	Wayne
P.O. Box 753	SEC. 16: SE $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$	280.00 acres
Salt Lake City, UT 84110		
	Retained Lands:	
	<u>T27S, R3E, SLB&amp;M.</u>	Wayne
	SEC. 2: ALL	640.00 acres

Upon recommendation of Mr. Bonner, the Director approved the above-listed partial relinquishment.

**CORRECTION OF DIRECTOR'S MINUTES OF DECEMBER 19, 2003, – ML 47978-OBA – OIL, GAS, AND HYDROCARBON (SCH)**

The Director, on December 19, 2003, approved the assignment of 25% interest in and to the above-numbered lease to Henry A. Alker by Marathon Oil Company. It has been discovered that this assignment should have been approved as an assignment of *operating rights only* and not record title.

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction.



**GRAZING PERMIT NO. 22682 (COLLATERAL ASSIGNMENT)**

Moriah Ranches Inc., Box 46, Baker, NV 89311, has requested the Agency's permission to collaterally assign the above referenced grazing permit to Western AgCredit, FLCA, P.O. Box 95850, South Jordan, UT 84095-0850. The collateral assignment fee in the amount of \$50.00 has been submitted. Millard County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the collateral assignment of GP 22682.

**GRAZING PERMIT NO. 20285-09 (RELEASE OF COLLATERAL ASSIGNMENT)**

Western AgCredit, P.O. Box 95850, South Jordan, UT 84095, sent a letter on November 6, 2009, releasing the collateral assignment on GP 20285-09 in the name of Lary and Dean Carter Family Partnership L.P., P.O. Box 39, Milford, UT 84751. Beaver and Iron Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the release of the collateral assignment on GP 20285-09.

**GRAZING PERMIT NO. 22447-09 (SUBLEASE CANCELLATION)**

Okelberry Tintic LLC, c/o Patricia O. Hunter, 36 E. 1500 S., Bountiful, UT 84010, has requested the cancellation of the sublease of 25 AUMs of the above referenced grazing permit for a period of 2 years to Cory Fitzgerald. Juab County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the cancellation of the sublease for GP 22447-09.

**RANGE IMPROVEMENT PROJECTS**

**RANGE IMPROVEMENT PROJECT NO. RIP 368**

**APPLICANT'S NAME AND ADDRESS:**

David L. Murray  
P.O. Box 146  
LaPoint, UT 84039

**LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:**

Township 4 South, Range 20 East, SLB&M  
Section 34: All (Within)

Township 5 South, Range 19 East, SLB&M  
Section 2: Lots 1-5, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$  (All) (Within)

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

COUNTY: Uintah                      FUND: School

**REQUESTED/PROPOSED ACTION:**

The applicant proposes to construct a new fence along the south side of Hwy 121. Total distance of fence to be rebuilt on trust lands is 1.4 miles. This a part of a larger fencing project on adjacent BLM lands.

**RANGE IMPROVEMENT PROJECT NO. RIP 368 (CONTINUED)****RELEVANT FACTUAL BACKGROUND:**

The applicant submitted a proposal for this range improvement project on August 24, 2009. The project is exempt from the RDCC process as it is part of a larger fencing project on adjacent BLM lands.

The BLM surveyed the property for cultural resources. Agency staff has approved the cultural clearance for this project.

A search of the Agency's records was made to determine the status of the area involved. The applicant is the grazing Permittee of record (GP 23290). There are two mineral leases (ML 49013 and 49007) within the project area; however, due to the nature of the project, the leases will not be affected.

Following is a flat rate amortization schedule (NRCS Schedule) for this project if the Agency cancels the grazing permit before the project is fully amortized. If Permittee sells or allows the permit to expire or to be canceled due to his own failure, then the amortization schedule will be canceled. Project cost on trust lands is valued at \$11,400.00. Note: The life of the project (the benefit) is 20 years.

<b>Project</b>	<b>Project Cost</b>	<b>Project Life</b>	<b>Year Completed</b>	<b>Yearly Amortized Deduction</b>	<b>Year Fully Amortized</b>
Fence construction	\$11,400	20 years	2010	\$570/year	2030

**EVALUATION OF THE FACTS:**

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the resources pursuant to R850-50-1100(5)(c).

Upon recommendation of Mr. Scott Chamberlain, the Director approved Range Improvement Project No. 368. This summary will constitute the Record of Decision.

**RIGHTS OF ENTRY****RIGHT OF ENTRY NO. 5104 (RELEASE OF RECLAMATION BOND)**

The property permitted under ROE 5104, in the name of Brown Brothers Construction, P.O. Box 249, Loa, UT 84747, has been inspected and the Permittee has been determined to have satisfactorily completed all contract requirements, including cleanup and reclamation of the site. The reclamation bond should, therefore, be released. Garfield County School Fund.

Upon recommendation of Mr. Lou Brown, the Director approved the release of the reclamation bond for this permit.

**RIGHT OF ENTRY NO. 5397 (APPROVAL)**

The Trust Lands Administration has received a right of entry permit application from Beaver Creek Lodge, Inc., Attn. Bryan Lundahl, P.O. Box 545, Providence, Utah 84332, to conduct guided snowmobile tours and guided horseback riding tours on the following trust lands:

<u>Township 14 North, Range 4 East, SLB&amp;M</u>	<u>Acres</u>
Section 5: SW $\frac{1}{4}$	160.00
Section 6: Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$	315.32
Section 7: NE $\frac{1}{4}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ E $\frac{1}{2}$	240.00
Section 8: All	640.00

County: Cache

Acres: 1,355.32

Fund: School

The purpose of the permit is to occupy the above-described trust land for the non-exclusive and temporary use of guided horseback riding tours during the summer period and guided snowmobiling tours during the winter period. The trust lands lie between the Permittee's private land and U.S. Forest lands.

The permit shall have a one-year term, with an effective commencement date of December 1, 2009, and an expiration date of November 30, 2010. The charge for this use is \$200.00 (initial minimum rental) plus a \$50.00 application fee and a \$50.00 processing charge, totaling \$300.00. The Permittee shall also be assessed three percent (3%) of the gross revenue receipts of horseback riding tours and snow-mobile tours. The remainder of the rental shall be calculated based on gross revenues and paid in arrears on or before December 1, 2010.

The Permittee is a Utah Corporation, in good standing with the State of Utah, and has provided proof of insurance coverage. The Permittee has a previous record of satisfactory performance with the Forest Service and the Agency. The current permit (ROE 5258) expires November 30, 2009, and the remainder of payments associated with the permit are anticipated to be made as required by the agreement.

Upon recommendation of Mr. Gary Bagley, the Director approved Right of Entry Permit No. 5397.

**RIGHT OF ENTRY NO. 5402 (APPROVAL)**

The Trust Lands Administration has received a right of entry permit application from Nordic United, Attn. Chris Monz, President, 784 Juniper Drive, Logan, UT 84321, for Nordic skiing purposes, such as trail grooming, and a Nordic ski training site, on the following trust lands:

<u>Township 14 North, Range 4 East, SLB&amp;M</u>	<u>Acres</u>
Section 6: Within the SE $\frac{1}{4}$	5.0
Section 7: Within the NE $\frac{1}{4}$ and N $\frac{1}{2}$ SE $\frac{1}{4}$	10.0

Note: The description of the groomed trail area is depicted on a map labeled Exhibit "C" of the permit.

County: Cache

Acres: 15.0

Fund: School

The purpose of the proposed permit is to occupy the above-described trust land for the non-exclusive and temporary use of the grooming and associated use of a Nordic (cross-country-type) ski trail on and adjoining the existing Sink Hollow Trail.

**RIGHT OF ENTRY NO. 5402 (APPROVAL) (CONTINUED)**

The permit shall have a beginning effective date of December 1, 2009, and an expiration date of April 30, 2010. The basic initial charge for this temporary use is \$400.00 (beginning minimum rental) plus a \$50.00 application fee and a \$50.00 processing charge, totaling \$500.00. Other special requirements are set forth in Exhibit "B" of the proposed right of entry permit.

The Permittee is a non-profit corporation in good standing with the State of Utah. The Permittee is providing proof of insurance and including Trust Lands as a loss payee on the insurance policy. The Permittee is also submitting a \$250.00 cash bond for performance of the permit and cleanup of the site.

Upon recommendation of Mr. Gary Bagley, the Director approved Right of Entry Permit No. 5402.

**EASEMENTS****EASEMENT NO. 1506 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

American Fork City  
51 E. Main Street  
American Fork, Utah 84003

**LEGAL DESCRIPTION:**

Township 4 South, Range 2 East, SLB&M  
Section 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$  (within)

A 20 foot wide easement, being 10 feet on each side of its centerline, along with an additional 10 foot wide temporary construction easement to be located 5 feet on either side of the 20 foot wide easement corridor. Said centerline of easement being more particularly described as follows:

Beginning at a point 665.17 feet N 89°32'26" E along the section line and 2,298.15 feet South from the North Quarter corner of Section 31, Township 4 South, Range 2 East, SLB&M; thence S 30°26'28" E 120.23 feet; thence South 124.35 feet; thence S 61°24'25" W 101.13 feet to the point of ending. Containing 0.16 acres.

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

COUNTY: Utah

ACRES: 0.16

FUND: School

**PROPOSED ACTION:**

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain a buried telemetry cable on a small parcel of trust land located within the city of Highland in Utah County. The applicant is in the process of developing a pressurized irrigation system that will serve American Fork City. As part of the development of this system, they need to install a pressure transducer and corresponding telemetry cable. This easement corridor will allow the applicant to install a new buried telemetry cable which will connect the new pressure transducer to the City's existing telemetry equipment. The cable will be buried within a conduit so that it may be changed in the future without further ground disturbance. The cable will be located just to the east of the applicant's existing water tanks and will be confined to the boundaries of their water tank leases (SULA 906 and SULA 1309). The proposed easement corridor is 345.71 feet long and 20 feet wide, containing 0.16 acres. The applicant has also requested an additional 10 foot wide temporary easement for use during the construction phase of the project. The requested term of the easement is 30 years.

**EASEMENT NO. 1506 (APPROVAL) (CONTINUED)****RELEVANT FACTUAL BACKGROUND:**

The subject "Application to Purchase an Easement" was received on July 6, 2009. It was submitted for the Agency's review on July 16, 2009, and was accepted by the Director on July 30, 2009.

During the Agency review period, the Agency's Environmental Compliance Manager noted that, if the project will disturb one or more total acres, the applicant will need to develop and submit a storm water pollution plan to the Division of Water Quality prior to beginning work.

The proposed easement was sent to the Resource Development Coordinating Committee ("RDCC"), the Mountainland Association of Governments, and the Utah County Commission for review on July 15, 2009. The following comment was received from RDCC:

Department of Environmental Quality/Division of Air Quality:

*"The proposed project is in Utah County, which is a PM-10 non-attainment area. A non-attainment area is an area that has not met the National Ambient Air Quality Standards (NAAQS). Because it is a non-attainment area, the proposed project is subject to R307-309: Fugitive Emissions and Fugitive Dust, of the Utah Air Quality Rules. R307-309 requires that owners or operators of a project involving the clearing or leveling of land or access haul roads that are one-quarter acre or greater in size submit a fugitive dust control plan to the Executive Secretary of the Air Quality Board for review. The fugitive dust control plan must 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 prior to commencement of the project. A copy of the rules may be found at [www.rules.utah.gov/publicat/code/r307/r307.htm](http://www.rules.utah.gov/publicat/code/r307/r307.htm)."*

**EVALUATION OF FACTS:**

The applicant has been notified of the comment submitted by the Agency's Environmental Compliance Manager. The applicant has submitted a Notice of Intent ("NOI") regarding storm water pollution control to the Division of Water Quality. A copy of the NOI and a copy of the applicant's storm water pollution control plan have been provided to the Agency.

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

Utah Division of Air Quality:

*"The applicant has been informed of the comments submitted by the Utah Division of Air Quality. It appears that this project will disturb trust lands which are less than ¼ acre in size. 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 as well as the Agency's response. The applicant has provided the following response to the comments submitted by the Utah Division of Air Quality through the RDCC:

*"To control the dust caused by excavation..., [the contractor] will have a water truck wet the ground as often as necessary to keep the dust down. As we dig deeper, we see this as less of a problem because the material is moist below the surface."*

**EASEMENT NO. 1506 (APPROVAL) (CONTINUED)**

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

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for a non-exclusive easement. The term of the easement will be for 30 years beginning December 1, 2009, and expiring November 30, 2039. The application fee of \$750.00 and the easement rental assessment of \$1,280.00 have been submitted. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement, with the first payment being due January 1, 2012.

**EASEMENT NO. 1522 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Kane County  
Kane County Courthouse  
76 North Main Street  
Kanab, Utah 84741

**LEGAL DESCRIPTION:**

*The following description is based upon the geographic coordinate system using the NAD83 Datum. The source is GPS mapping grade data as indicated in the metadata and/or the transportation data model of the State of Utah Geographic Information Database ("SGID").*

*The road-segment itself is the monument that is identified by its physical presence on the land. The location of said physical presence is closely approximated by mapping grade Global Positioning System ("GPS") data. Said data are checked against the corresponding gray-scale 1-meter Digital Orthophoto Quadrangles published by the United States Geological Survey ("USGS") to verify a reasonable degree of accuracy. In circumstances where accurate satellite signal acquisition is not possible, such as deep, narrow canyons or under a canopy of dense foliage, or where very sharp curves in the road make accuracy questionable, such portions of the road were digitized from the corresponding gray-scale 1-meter Digital Orthophoto Quadrangles published by the United States Geological Survey ("USGS").*

*The following description closely approximates the location of the centerline of the physical monument based on mapping grade Global Positioning System ("GPS") data as defined above:*

**Township 43 South, Range 2 East, SLB&M**

Section 3: NE $\frac{1}{4}$ SW $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Section 10: NE $\frac{1}{4}$ NE $\frac{1}{4}$  (within)

Section 11: N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$  (within)

Popular Name: Nipple Canyon Tibbet Canyon Road

County Road Number: K7100

State Geographic Information Database ("SGID") Road Identification Number: RD131938.

A 66 foot wide corridor being 33 feet on each side of the following described centerline:

**EASEMENT NO. 1522 (APPROVAL) (CONTINUED)**

Beginning at a point on the road center line located at 37°04'55.04" North Latitude and -111°39'36.66" West Longitude, which can be converted to mapping accuracy State Plane Utah South Zone NAD 83 feet coordinates of X = 1,593,687.3 feet and Y = 9,993,755.4 feet; thence the following courses along the said road center line: N 03°52'34" W 13.2 feet; thence N 05°53'03" W 7.4 feet; thence N 03°55'25" W 9.9 feet; thence N 04°25'05" W 12.3 feet; thence N 03°48'02" W 14 feet; thence N 02°57'06" W 15.6 feet; thence N 02°06'31" W 15.6 feet; thence N 01°51'51" W 15.6 feet; thence N 03°16'12" W 13.9 feet; thence N 03°34'13" W 11.5 feet; thence N 03°49'16" W 10.7 feet; thence N 06°32'22" W 12.4 feet; thence N 03°48'02" W 14 feet; thence N 02°01'05" W 16.4 feet; thence N 02°41'58" W 17.2 feet; thence N 02°10'27" W 18.1 feet; thence N 02°41'58" W 17.2 feet; thence N 02°06'49" W 19.7 feet; thence N 03°38'18" W 19.7 feet; thence N 03°41'28" W 22.2 feet; thence N 04°03'34" W 23 feet; thence N 05°26'33" W 23.1 feet; thence N 04°38'45" W 24.7 feet; thence N 04°28'51" W 23.9 feet; thence N 04°06'50" W 24.7 feet; thence N 03°41'39" W 23.8 feet; thence N 03°21'10" W 24.7 feet; thence N 04°11'24" W 24.7 feet; thence N 05°35'13" W 23.9 feet; thence N 04°37'56" W 23.9 feet; thence N 03°53'08" W 24.7 feet; thence N 04°28'51" W 23.9 feet; thence N 03°53'47" W 23 feet; thence N 03°27'12" W 23.9 feet; thence N 03°04'03" W 23.8 feet; thence N 02°45'14" W 23 feet; thence N 01°59'49" W 22.2 feet; thence N 02°10'00" W 22.2 feet; thence N 02°25'15" W 22.2 feet; thence N 02°45'59" W 21.4 feet; thence N 02°24'26" W 20.5 feet; thence N 01°47'53" W 21.3 feet; thence N 01°45'59" W 20.5 feet; thence N 01°45'50" W 20.6 feet; thence N 02°18'28" W 19.7 feet; thence N 02°47'22" W 18.9 feet; thence N 02°16'29" W 18.1 feet; thence N 01°23'28" W 17.2 feet; thence N 01°23'07" W 15.6 feet; thence N 02°43'03" W 14.8 feet; thence N 04°28'18" W 14 feet; thence N 05°50'54" W 11.5 feet; thence N 05°55'46" W 23.1 feet; thence N 06°43'53" W 9.1 feet; thence N 06°29'46" W 11.6 feet; thence N 06°23'18" W 12.4 feet; thence N 05°00'28" W 14 feet; thence N 04°14'26" W 14.8 feet; thence N 05°07'36" W 14.8 feet; thence N 04°31'55" W 16.5 feet; thence N 04°59'15" W 16.5 feet; thence N 04°19'52" W 17.3 feet; thence N 04°15'08" W 18.1 feet; thence N 04°27'34" W 18.1 feet; thence N 04°15'08" W 18.1 feet; thence N 06°03'52" W 17.3 feet; thence N 06°25'22" W 18.2 feet; thence N 07°09'20" W 17.3 feet; thence N 09°28'45" W 17.5 feet; thence N 11°17'41" W 17.6 feet; thence N 13°41'14" W 16.9 feet; thence N 16°49'59" W 16.3 feet; thence N 19°53'05" W 16.5 feet; thence N 22°43'21" W 16.9 feet; thence N 26°19'54" W 17.4 feet; thence N 28°37'20" W 17.7 feet; thence N 32°00'24" W 17.4 feet; thence N 33°59'24" W 17.8 feet; thence N 35°22'38" W 18 feet; thence N 36°23'16" W 18.3 feet; thence N 37°56'10" W 18.7 feet; thence N 40°15'03" W 18.2 feet; thence N 41°29'43" W 18.5 feet; thence N 42°10'30" W 18.7 feet; thence N 42°54'50" W 19 feet; thence N 45°05'03" W 18.5 feet; thence N 45°56'14" W 18.8 feet; thence N 45°17'59" W 18.6 feet; thence N 45°08'46" W 17.3 feet; thence N 45°13'25" W 17.4 feet; thence N 45°31'41" W 17.5 feet; thence N 45°32'40" W 16.3 feet; thence N 48°22'10" W 14.7 feet; thence N 47°03'29" W 14.4 feet; thence N 47°41'39" W 13.3 feet; thence N 52°23'51" W 12 feet; thence N 46°18'46" W 11.8 feet; thence N 54°14'22" W 8.4 feet; thence N 49°06'50" W 17.4 feet; thence N 53°02'54" W 10.8 feet; thence N 48°01'34" W 14.6 feet; thence N 49°47'43" W 18.9 feet; thence N 49°42'29" W 21.4 feet; thence N 48°22'10" W 22.1 feet; thence N 48°39'08" W 22.2 feet; thence N 50°36'16" W 21.8 feet; thence N 49°02'34" W 22.4 feet; thence N 49°41'55" W 22.7 feet; thence N 49°32'10" W 22.6 feet; thence N 49°51'35" W 22.8 feet; thence N 49°09'12" W 22.4 feet; thence N 48°52'34" W 22.3 feet; thence N 49°35'37" W 21.4 feet; thence N 49°00'49" W 21.1 feet; thence N 50°43'40" W 20.6 feet; thence N 53°05'50" W 20.4 feet; thence N 51°38'24" W 21 feet; thence N 50°26'20" W 21.8 feet; thence N 49°32'10" W 22.6 feet; thence N 51°24'55" W 22.2 feet; thence N 51°24'55" W 23.5 feet; thence N 49°47'31" W 24 feet; thence N 49°56'39" W 24.1 feet; thence N 50°35'34" W 24.4 feet; thence N 49°17'27" W 25 feet; thence N 49°38'01" W 25.2 feet; thence N 49°35'06" W 25.2 feet; thence N 49°35'06" W 25.2 feet; thence N 49°29'14" W 25.1 feet; thence N 49°35'06" W 25.2 feet; thence N 51°01'55" W 24.6 feet; thence N 49°52'33" W 25.3 feet; thence N 49°38'01" W 25.2 feet; thence N 49°43'51" W 25.2 feet; thence N 51°10'35" W 24.7 feet; thence N 49°46'45" W 25.3 feet; thence N 50°56'44" W 24.5 feet; thence N 49°53'05" W 24.1 feet; thence N 50°08'44" W 24.2 feet; thence N 49°47'31" W 24 feet; thence N 50°48'19" W 23.2 feet; thence N 49°54'48" W 22.8 feet; thence N 48°39'08" W 22.2 feet; thence N 48°01'34" W 22 feet; thence N 48°05'01" W 22 feet; thence N 47°37'11" W 21.8 feet; thence N 47°33'40" W 21.8 feet; thence N 48°01'34" W 22 feet; thence N 48°29'23" W 22.1 feet; thence N 49°18'36" W 22.6 feet; thence N 49°28'55" W 22.6 feet; thence N 50°04'23" W 22.9 feet; thence N 48°19'29"

**EASEMENT NO. 1522 (APPROVAL) (CONTINUED)**

W 23.3 feet; thence N 50°06'59" W 22.9 feet; thence N 49°01'00" W 23.6 feet; thence N 48°38'47" W 23.5 feet; thence N 50°23'23" W 23 feet; thence N 50°10'45" W 22.9 feet; thence N 49°51'35" W 22.8 feet; thence N 49°41'55" W 22.7 feet; thence N 50°39'34" W 21.9 feet; thence N 48°49'13" W 22.3 feet; thence N 48°50'12" W 21.1 feet; thence N 48°07'03" W 20.8 feet; thence N 48°51'19" W 19.8 feet; thence N 49°43'51" W 18.9 feet; thence N 49°16'27" W 18.8 feet; thence N 50°49'38" W 18.1 feet; thence N 51°24'55" W 18.3 feet; thence N 49°08'32" W 18.7 feet; thence N 49°51'35" W 19 feet; thence N 50°02'25" W 19.1 feet; thence N 52°01'20" W 18.4 feet; thence N 49°11'55" W 18.8 feet; thence N 49°04'34" W 18.7 feet; thence N 50°37'41" W 18 feet; thence N 49°57'05" W 17.7 feet; thence N 49°36'21" W 17.6 feet; thence N 51°07'11" W 16.9 feet; thence N 49°41'55" W 16.3 feet; thence N 49°56'24" W 15.2 feet; thence N 50°19'22" W 14 feet; thence N 48°04'24" W 13.4 feet; thence N 58°23'10" W 10.9 feet; thence N 44°59'08" W 25.4 feet; thence N 49°02'34" W 12.4 feet; thence N 52°18'04" W 16 feet; thence N 51°09'33" W 19.6 feet; thence N 50°00'07" W 21.5 feet; thence N 49°45'54" W 21.5 feet; thence N 48°08'28" W 22 feet; thence N 49°45'54" W 21.5 feet; thence N 50°43'40" W 20.6 feet; thence N 50°01'12" W 20.3 feet; thence N 52°03'05" W 18.6 feet; thence N 49°44'41" W 17.7 feet; thence N 51°24'55" W 15.7 feet; thence N 51°00'04" W 14.3 feet; thence N 47°06'54" W 13.2 feet; thence N 50°50'38" W 10.3 feet; thence N 49°52'42" W 11.3 feet; thence N 49°50'29" W 11.4 feet; thence N 48°28'33" W 19.7 feet; thence N 50°17'44" W 24.3 feet; thence N 49°15'20" W 26.2 feet; thence N 47°30'09" W 26.6 feet; thence N 49°23'46" W 26.3 feet; thence N 49°32'10" W 26.4 feet; thence N 49°23'46" W 26.3 feet; thence N 48°15'39" W 27 feet; thence N 48°32'22" W 27.1 feet; thence N 49°48'50" W 26.5 feet; thence N 48°32'22" W 27.1 feet; thence N 48°48'55" W 27.3 feet; thence N 49°05'17" W 27.4 feet; thence N 49°21'28" W 27.5 feet; thence N 49°43'14" W 27.7 feet; thence N 49°37'03" W 27.7 feet; thence N 51°14'33" W 27.3 feet; thence N 49°37'29" W 27.7 feet; thence N 49°24'09" W 27.6 feet; thence N 49°13'24" W 27.5 feet; thence N 50°02'34" W 26.7 feet; thence N 48°04'41" W 26.8 feet; thence N 50°43'05" W 25.8 feet; thence N 48°46'49" W 26 feet; thence N 49°20'24" W 25 feet; thence N 48°20'07" W 24.5 feet; thence N 48°01'34" W 24.4 feet; thence N 49°01'00" W 23.6 feet; thence N 50°39'01" W 23.1 feet; thence N 48°22'43" W 23.3 feet; thence N 49°51'35" W 22.8 feet; thence N 48°59'14" W 22.4 feet; thence N 50°29'39" W 21.8 feet; thence N 50°26'20" W 21.8 feet; thence N 49°35'37" W 21.4 feet; thence N 49°00'48" W 21.1 feet; thence N 50°01'12" W 20.3 feet; thence N 50°11'56" W 20.4 feet; thence N 49°25'15" W 21.3 feet; thence N 49°32'10" W 21.4 feet; thence N 48°52'34" W 7.4 feet; thence N 48°52'34" W 14.9 feet; thence N 48°59'14" W 22.4 feet; thence N 48°19'28" W 23.3 feet; thence N 48°57'50" W 23.6 feet; thence N 49°13'33" W 23.7 feet; thence N 47°53'28" W 21.6 feet; thence N 47°42'21" W 2.8 feet; thence N 49°38'20" W 23.9 feet; thence N 48°29'19" W 24.6 feet; thence N 50°17'44" W 24.3 feet; thence N 50°05'44" W 24.2 feet; thence N 48°53'58" W 24.8 feet; thence N 50°32'01" W 24.4 feet; thence N 50°05'44" W 24.2 feet; thence N 50°08'44" W 24.2 feet; thence N 50°11'45" W 24.2 feet; thence N 48°26'15" W 24.6 feet; thence N 49°25'59" W 23.8 feet; thence N 49°13'33" W 23.7 feet; thence N 48°29'09" W 23.4 feet; thence N 49°32'10" W 22.6 feet; thence N 48°28'59" W 22.2 feet; thence N 49°56'07" W 21.5 feet; thence N 46°25'23" W 22.5 feet; thence N 48°39'08" W 22.2 feet; thence N 50°46'08" W 21.9 feet; thence N 49°22'22" W 22.5 feet; thence N 50°55'13" W 22 feet; thence N 49°22'22" W 22.5 feet; thence N 51°28'06" W 22.2 feet; thence N 49°09'12" W 22.4 feet; thence N 49°56'07" W 21.5 feet; thence N 50°26'08" W 20.5 feet; thence N 50°25'09" W 19.2 feet; thence N 48°28'47" W 18.4 feet; thence N 50°07'49" W 16.5 feet; thence N 49°41'55" W 15.1 feet; thence N 49°10'42" W 13.7 feet; thence N 48°01'34" W 12.2 feet; thence N 51°17'09" W 9.1 feet; thence N 51°12'21" W 16.9 feet; thence N 50°03'48" W 14 feet; thence N 50°40'53" W 19.3 feet; thence N 50°16'20" W 21.7 feet; thence N 49°22'22" W 22.5 feet; thence N 47°50'04" W 23.1 feet; thence N 49°32'10" W 22.6 feet; thence N 49°51'35" W 22.8 feet; thence N 48°12'59" W 23.3 feet; thence N 49°09'12" W 22.4 feet; thence N 50°26'20" W 21.8 feet; thence N 49°12'30" W 22.5 feet; thence N 49°28'55" W 22.6 feet; thence N 49°41'55" W 22.7 feet; thence N 48°41'58" W 23.5 feet; thence N 50°10'45" W 22.9 feet; thence N 48°41'58" W 23.5 feet; thence N 49°41'55" W 22.7 feet; thence N 48°19'28" W 23.3 feet; thence N 49°51'35" W 22.8 feet; thence N 50°10'45" W 22.9 feet; thence N 49°45'41" W 22.7 feet; thence N 50°35'36" W 21.9 feet; thence N 50°26'20" W 21.8 feet; thence N 51°28'18" W 20.9 feet; thence N 49°56'07" W 21.5 feet; thence N 51°07'53" W 20.8 feet; thence N 51°18'56" W 20.8 feet; thence N 50°53'21" W 20.7 feet; thence N 48°17'57" W 20.8 feet; thence N 48°28'47" W 20.9 feet; thence N

**EASEMENT NO. 1522 (APPROVAL) (CONTINUED)**

47°12'25" W 21.6 feet; thence N 48°28'47" W 20.9 feet; thence N 48°39'32" W 21 feet; thence N 46°40'00" W 21.4 feet; thence N 47°56'04" W 20.7 feet; thence N 49°35'50" W 20.1 feet; thence N 49°28'30" W 20.1 feet; thence N 48°28'33" W 19.7 feet; thence N 49°39'58" W 18.9 feet; thence N 48°52'34" W 18.6 feet; thence N 49°32'10" W 17.6 feet; thence N 48°28'00" W 17.2 feet; thence N 48°55'39" W 16.1 feet; thence N 48°22'57" W 16 feet; thence N 48°55'39" W 16.1 feet; thence N 50°33'59" W 16.7 feet; thence N 49°44'41" W 17.7 feet; thence N 49°28'15" W 18.8 feet; thence N 50°29'39" W 19.2 feet; thence N 50°01'12" W 20.3 feet; thence N 49°04'19" W 21.2 feet; thence N 51°48'25" W 21.1 feet; thence N 50°26'20" W 21.8 feet; thence N 51°18'08" W 20.9 feet; thence N 51°07'53" W 20.8 feet; thence N 49°02'34" W 19.9 feet; thence N 51°51'45" W 18.5 feet; thence N 49°32'10" W 17.6 feet; thence N 47°02'42" W 16.8 feet; thence N 46°04'56" W 15.3 feet; thence N 47°30'09" W 13.3 feet; thence N 47°15'58" W 10.8 feet; thence N 49°32'10" W 17.6 feet; thence N 49°19'05" W 11.3 feet; thence N 48°59'51" W 13.7 feet; thence N 51°38'24" W 15.8 feet; thence N 51°13'15" W 18.2 feet; thence N 49°13'44" W 20 feet; thence N 51°06'44" W 19.5 feet; thence N 48°39'58" W 19.8 feet; thence N 50°22'51" W 19.1 feet; thence N 46°25'14" W 20.2 feet; thence N 50°06'56" W 19.1 feet; thence N 50°29'39" W 19.2 feet; thence N 48°17'03" W 19.6 feet; thence N 49°51'35" W 19 feet; thence N 47°49'51" W 19.4 feet; thence N 48°20'53" W 19.6 feet; thence N 50°18'20" W 19.1 feet; thence N 48°13'11" W 19.6 feet; thence N 48°05'27" W 19.5 feet; thence N 48°05'27" W 19.5 feet; thence N 49°39'58" W 18.9 feet; thence N 48°05'27" W 19.5 feet; thence N 49°21'00" W 18.7 feet; thence N 48°23'45" W 18.5 feet; thence N 49°19'33" W 17.5 feet; thence N 50°59'41" W 16.8 feet; thence N 51°12'21" W 16.9 feet; thence N 49°32'10" W 17.6 feet; thence N 49°06'50" W 17.4 feet; thence N 50°59'41" W 16.8 feet; thence N 49°19'33" W 17.5 feet; thence N 50°01'12" W 17.8 feet; thence N 49°04'33" W 18.7 feet; thence N 51°36'29" W 18.4 feet; thence N 50°18'20" W 19.1 feet; thence N 52°03'05" W 18.6 feet; thence N 51°24'55" W 18.3 feet; thence N 53°16'53" W 17.7 feet; thence N 51°05'26" W 18.2 feet; thence N 51°24'55" W 18.3 feet; thence N 52°53'40" W 19 feet; thence N 54°38'22" W 19.6 feet; thence N 56°13'45" W 20.6 feet; thence N 56°54'34" W 20.9 feet; thence N 58°58'28" W 20.5 feet; thence N 58°49'51" W 20.4 feet; thence N 56°48'36" W 20.8 feet; thence N 58°49'51" W 20.4 feet; thence N 60°58'21" W 20.1 feet; thence N 61°41'22" W 20.6 feet; thence N 61°33'27" W 20.5 feet; thence N 63°36'33" W 20.1 feet; thence N 65°12'45" W 19.4 feet; thence N 63°36'33" W 20.1 feet; thence N 66°26'28" W 20.2 feet; thence N 64°46'30" W 21 feet; thence N 66°41'29" W 20.5 feet; thence N 67°07'29" W 20.8 feet; thence N 67°46'52" W 21.4 feet; thence N 67°40'48" W 21.3 feet; thence N 69°20'51" W 20.6 feet; thence N 71°12'59" W 20.2 feet; thence N 69°19'40" W 20.6 feet; thence N 69°44'37" W 21 feet; thence N 72°44'22" W 21.8 feet; thence N 73°11'49" W 22.3 feet; thence N 73°33'12" W 22.9 feet; thence N 77°50'33" W 22.8 feet; thence N 75°45'55" W 22.9 feet; thence N 75°40'57" W 22.8 feet; thence N 75°34'39" W 22.6 feet; thence N 74°53'59" W 64.9 feet; thence N 75°45'06" W 19.6 feet; thence N 74°33'13" W 18.1 feet; thence N 75°20'44" W 15.9 feet; thence N 72°49'21" W 13.7 feet; thence N 76°15'49" W 10.1 feet; thence N 75°28'54" W 12.8 feet; thence N 78°48'39" W 12.4 feet; thence N 75°12'06" W 18.9 feet; thence N 75°58'07" W 23.2 feet; thence N 73°47'43" W 23.1 feet; thence N 73°07'21" W 22.2 feet; thence N 72°31'42" W 21.5 feet; thence N 69°46'30" W 21.1 feet; thence N 69°07'49" W 20.4 feet; thence N 66°05'21" W 20 feet; thence N 65°15'13" W 19.4 feet; thence N 59°20'10" W 19.1 feet; thence N 55°05'31" W 18.6 feet; thence N 52°01'20" W 18.4 feet; thence N 47°54'56" W 18.3 feet; thence N 44°12'18" W 18.2 feet; thence N 41°43'41" W 17.5 feet; thence N 36°45'27" W 17.3 feet; thence N 33°18'00" W 16.6 feet; thence N 25°20'59" W 17.2 feet; thence N 22°19'13" W 15.9 feet; thence N 16°43'19" W 16.3 feet; thence N 10°16'25" E 10 feet; thence N 08°55'08" W 15.8 feet; thence N 03°47'05" W 10.3 feet more or less to the ending point at: 37°05'54.96" North Latitude and -111°40'50.84" West Longitude, which can be converted to mapping accuracy State Plane Utah South Zone NAD 83 feet coordinates of X = 1,587,687.4 feet and Y = 9,999,826.0 feet. Said described centerline being shortened or elongated to match the Grantor's property lines. Total length is 8985.60 feet. Containing 13.62 acres more or less.

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

COUNTY: Kane

ACRES: 13.62

FUND: School

**EASEMENT NO. 1522 (APPROVAL) (CONTINUED)****PROPOSED ACTION:**

The applicant has requested a non-exclusive easement to operate, repair, and maintain an existing access road located within Kane County. This access road is known as the Nipple Canyon/Tibbet Canyon Road (County Road No. K7100) and is located on the Big Water Block near the town of Big Water. This access road is part of Kane County's public road system and is classified as a Class B road by the County. The proposed easement corridor is 8,985.60 feet long and 66 feet wide, containing 13.62 acres. The applicant has requested a perpetual term for the easement.

**RELEVANT FACTUAL BACKGROUND:**

The subject "Application to Purchase an Easement" was received on May 27, 2009. It was submitted for the Agency's review on October 14, 2009, and was accepted by the Director on October 29, 2009.

During the Agency review period, the Planning & Development Group expressed a concern about the potential of perpetual off-highway vehicle ("OHV") use occurring on the access road, which could negatively impact potential future development activity on the Big Water Block. Therefore, they have requested that the Agency's OHV funding program not be used to pay for the costs associated with this easement.

The proposed easement was exempt from review by the Resource Development Coordinating Committee ("RDCC") since it is for an existing access road and will involve no new ground disturbance outside of the existing disturbed corridor.

**EVALUATION OF FACTS:**

As part of the Agency's ongoing evaluation of county road claims on trust lands, it has been determined that the subject road existed on trust lands prior to January 1, 1992, and, therefore, a temporary easement has existed on the subject road pursuant to Utah Code 72-5-203(1). The applicant now desires to establish a permanent easement for the subject road. Pursuant to R850-40-250(3), the Agency has evaluated the applicant's request to convert this temporary easement to a permanent easement and has determined that granting this request is consistent with the fiduciary responsibilities of the Agency.

The concern regarding the potential of perpetual OHV use occurring on the road which was expressed by the Planning & Development Group will be addressed as follows:

Rather than using the Agency's OHV funding program to fund the fees and rental associated with this easement, which would have required the County to allow OHV use on the subject roads in perpetuity, the Agency will use the 2006 Right-of-Way Acquisition Fund to pay the fees and rental associated with the easement. The 2006 Right-of-Way Acquisition Fund is a one-time appropriation approved in the 2006 session of the Utah State Legislature for use by the Agency to assist local governments in the acquisition of easements for county roads.

Furthermore, a relocation clause will be included in the easement agreement to facilitate potential future development activities on the Big Water Block.

The Agency's Archaeology staff has reviewed the proposed easement and has determined that, as long as there is no further ground disturbance outside of the existing footprint of the subject road, no cultural resource survey will be required. A stipulation will be included in the easement agreement which will require the County to comply with any cultural resource survey requirements if they desire to widen the subject road beyond its current footprint at some point in the future.

**EASEMENT NO. 1522 (APPROVAL) (CONTINUED)**

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for a non-exclusive easement. The easement will be issued for a perpetual term beginning December 1, 2009. The application fee of \$750.00 and the easement rental assessment of \$5,445.82 have been submitted. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00. The application fee, administrative fee, and easement rental assessment have been funded through the 2006 Right-of-Way Acquisition Fund.

**EASEMENT NO. 1529 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Graymont Western US Inc.  
3950 South 700 East, Suite 301  
Salt Lake City, Utah 84107

**LEGAL DESCRIPTION:**

Township 21 South, Range 9 West, SLB&M  
Section 32: N½NE¼ (within)

A 110 foot wide access and utility corridor, being 50 feet on the north side of the following described survey line and 60 feet on the south side of the survey line. Said survey line being more particularly described as follows:

Beginning at the northeast corner of Section 32, T21S, R9W, SLB&M, thence South 689.76 feet along the east section line to the center of a dirt road, thence N 53°37'06" W 194.48 feet; thence N 51°48'49" W 298.53 feet; thence N 52°10'56" W 171.94 feet; thence N 53°48'16" W 26.66 feet; thence N 63°35'23" W 48.74 feet; thence N 73°56'16" W 79.91 feet; thence N 75°11'01" W 228.46 feet; thence N 74°41'03" W 259.52 feet; thence N 74°55'40" W 372.17 feet to a point on the north section line. Total length is 1,680.41 feet. Contains 4.24 acres more or less.

Township 21 South, Range 10 West, SLB&M  
Section 36: N½NE¼ (within)

A 110 foot wide access and utility corridor, being 50 feet on the north side of the following described survey line and 60 feet on the south side of the survey line. Said survey line being more particularly described as follows:

Beginning at the northeast corner of Section 36, T21S, R10W, SLB&M, thence South 24.22 feet along the east section line to the center of a dirt road, thence S 73°06'52" W 208.41 feet; thence S 73°09'46" W 264.57 feet; thence S 72°14'13" W 118.47 feet; thence S 68°14'09" W 218.73 feet; thence S 64°17'13" W 100.86 feet; thence S 74°49'13" W 94.08 feet; thence S 86°02'43" W 88.48 feet; thence N 82°27'34" W 89.42 feet; thence N 75°33'17" W 175.88 feet; thence N 79°50'37" W 154.08 feet; thence N 51°56'31" W 55.04 feet; thence N 19°55'54" W 183.14 feet; thence N 23°14'12" W 100.09 feet to a point on the north section line. Total length is 1,851.25 feet. Contains 4.67 acres more or less.

Township 22 South, Range 9 West, SLB&M  
Section 2: Lots 1, 2 & 3 (within)

A 110 foot wide access and utility corridor, being 50 feet on the north side of the following described survey line and 60 feet on the south side of the survey line. Said survey line being more particularly described as follows:

**EASEMENT NO. 1529 (APPROVAL) (CONTINUED)**

Beginning at the northeast corner of Section 2, T22S, R9W, SLB&M, thence South 498.52 feet along the east section line to the center of a dirt road, thence S 61°44'41" W 337.09 feet; thence S 78°29'32" W 153.09 feet; thence N 82°03'37" W 152.12 feet; thence N 74°57'38" W 1,526.43 feet; thence N 75°22'06" W 1,235.26 feet to a point on the north section line. Total length is 3,403.99 feet. Contains 8.60 acres more or less.

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

COUNTY: Millard

ACRES: 17.51

FUND: School

**PROPOSED ACTION:**

The applicant has requested a non-exclusive easement to operate, repair, and maintain an existing access and utility corridor. The access and utility corridor is used to service the applicant's Cricket Mountain mining facilities. The proposed easement corridor is 6,935.65 feet long and 110 feet wide, containing 17.51 acres. The requested term of the easement is 30 years.

**RELEVANT FACTUAL BACKGROUND:**

The subject "Application to Purchase an Easement" was received on September 23, 2009. It was submitted for the Agency's review on September 29, 2009, and was accepted by the Director on October 26, 2009.

A right of way for this access and utility corridor was previously authorized as part of Special Use Lease No. 458 ("SULA 458"). In 2008, the applicant exercised an option within SULA 458 to purchase the leased lands. Pursuant to Certificate of Sale No. 26480 (the "Certificate"), SULA 458 was terminated upon the issuance of Patent No. 20123 for the purchase of the leased lands. However, the Certificate also stipulated that the access and utility right-of-way that was previously authorized by SULA 458 was to be preserved until such time that a new easement agreement could be negotiated. Easement No. 1529 will serve as the continued authorization of the access & utility corridor.

**EVALUATION OF FACTS:**

The proposed easement was exempt from review by the Resource Development Coordinating Committee ("RDCC") because it is a reauthorization of an existing use and will involve no new ground disturbance.

The Agency's Archaeology staff has reviewed the proposed easement and has determined that, since it is a reauthorization of an existing use with no new ground disturbance, a cultural resources survey will not be required.

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for a non-exclusive easement. The term of the easement will be for 30 years beginning December 1, 2009, and expiring November 30, 2039. The application fee of \$750.00 and the easement rental assessment of \$11,349.25 have been submitted. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement with the first payment being due on January 1, 2012.

**SPECIAL USE LEASE AGREEMENTS****SPECIAL USE LEASE AGREEMENT NO. 1522 ( CANCELLATION)**

Special Use Lease Agreement No. 1522 was submitted on March 23, 2007, by High Desert Refining Co., LLC, 518 17<sup>th</sup> Street, Ste. 230, Denver, CO 80202, for the purpose of constructing an oil refinery facility. The applicant has not pursued this request; therefore, Agency staff requests cancellation of the application. No fees were paid in conjunction with this lease application. Emery County. Reservoirs Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the cancellation of SULA 1522.

**SPECIAL USE LEASE AGREEMENT NO. 1529 ( CANCELLATION)**

Special Use Lease Agreement No. 1529 was submitted on May 30, 2007, by Trachyte Oil Company, P.O. Box 11206, Salt Lake City, UT 84147-0206, for an oil and gas well drillsite and production equipment. The applicant submitted a competing application on this site according to Trust Lands Administration rules. However, a proposal was not submitted as per rule; therefore, Agency staff requests cancellation of the application. The \$250.00 application fee will be forfeited to Trust Lands Administration. Emery County. Reservoirs Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the cancellation of SULA 1529.

**SPECIAL USE LEASE AGREEMENT NO. 1610 ( CANCELLATION)**

Special Use Lease Agreement No. 1610 was submitted on September 16, 2008, by Tommy Crowson, P.O. Box 955, Roosevelt, Utah 84066, for the purpose of constructing, operating, and maintaining a commercial water disposal facility. Agency staff has made requests of the applicant for additional information in order to continue to pursue this application. No response has been received. The \$250.00 application fee will be forfeited to the Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the cancellation of SULA 1610.

**SPECIAL USE LEASE AGREEMENT NOS. SULA 1019-A, 1019-B, 1019-C (NAME CHANGE – RESCISSION OF MINUTE ENTRY ON APRIL 22, 2005)**

The Director's Minutes of April 22, 2005, approved a name change from Horizon Capital Corporation to McIntyre Building Partnership for the above-referenced leases; however, there is no supporting documentation in the file for this action. A recent assignment from Horizon Capital Corporation (75% interest) and Robert P. Natapow (25% interest) to McIntyre Building Partnership, LTD, for these same leases, was approved on the Minutes dated August 24, 2009. Because there now is a conflict in tracking record title on these leases, and since there is no documentation for the name change, it is recommended that the minute entry on April 22, 2005, be rescinded. As the name change fee was waived at that time, no refunds are due. Washington County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director rescinded the Minute Entry of April 22, 2005, for the name change to SULA 1019-A, SULA 1019-B, and SULA 1019-C.

**SPECIAL USE LEASE AGREEMENT NO. 882 (ACCEPTANCE OF CASH RECLAMATION BOND)**

Pursuant to R850-30-800, Helper Gun Club, c/o Bill Curtice, 178 West 2000 North, Helper, UT 84526, has submitted a \$5,000.00 cash bond for reclamation purposes. This bond will be held in a non-interest bearing suspense account for the remainder of the lease term. If the Helper Gun Club performs all covenants and obligations of the lease, then within 60 days of the expiration or termination of the lease, the Trust Lands Administration shall refund the deposit to lessee. Carbon County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director accepted the reclamation bond for SULA 882.

**SPECIAL USE LEASE AGREEMENT NO. 959 (RECLAMATION BOND)**

Pursuant to Paragraph 14 of the lease agreement, Line One, Inc., 57 West 1740 North, Orem, UT 84057, has submitted Corporate Surety Bond No. 66069204. The bonding company is Auto-Owners Insurance Company, P.O. Box 30660, Lansing, Michigan 48909. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Utah County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 959.

**SPECIAL USE LEASE AGREEMENT NO. 1616 (RECLAMATION BOND)**

Pursuant to Paragraph 21 of the lease agreement, Kerr-McGee Oil & Gas Onshore LP, P.O. Box 173779, Denver, CO 80217-3779, has submitted Corporate Surety Bond No. 22026831. The bonding company is Liberty Mutual Insurance Company, 12750 Merit Drive, Suite 710, Dallas, TX 75251. The reclamation bond is for \$5,000.00 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 1616.

**SPECIAL USE LEASE AGREEMENT NO. 1617 (RECLAMATION BOND)**

Pursuant to Paragraph 21 of the lease agreement, Kerr-McGee Oil & Gas Onshore LP, P.O. Box 173779, Denver, CO 80217-3779, has submitted Corporate Surety Bond No. 22026832. The bonding company is Liberty Mutual Insurance Company, 12750 Merit Drive, Suite 710, Dallas, TX 75251. The reclamation bond is for \$5,000.00 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 1617.

**SPECIAL USE LEASE AGREEMENT NO. 1619 (RECLAMATION BOND)**

Pursuant to Paragraph 21 of the lease agreement, Kerr-McGee Oil & Gas Onshore LP, P.O. Box 173779, Denver, CO 80217-3779, has submitted Corporate Surety Bond No. 22026833. The bonding company is Liberty Mutual Insurance Company, 12750 Merit Drive, Suite 710, Dallas, TX 75251. The reclamation bond is for \$5,000.00 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 1619.

**SPECIAL USE LEASE AGREEMENT NO. 1625 (RECLAMATION BOND)**

Pursuant to Paragraph 12.4 of the lease agreement, Anadarko Uintah Midstream, LLC, 1368 South 1200 East, Vernal, UT 84078, has submitted Corporate Surety Bond No. 22026834. The bonding company is Liberty Mutual Insurance Company, 12750 Merit Drive, Suite 710, Dallas, TX 75251. The reclamation bond is for \$5,000.00 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 1625.

**SPECIAL USE LEASE AGREEMENT NO. 806 (THREE-YEAR LEASE REVIEW)**

SULA 806 is issued to Kelly Dearth, 802 Samoan Drive, Grand Junction, Colorado, 81506. The lease is located in San Juan County. School Fund.

1. **ANNUAL RENTAL AND LEASE ACRES:**

The three-year review date for this lease is December 1, 2009. The lease is authorized for a recreational cabin site. The GIS department has reviewed the legal description for this lease and found that the Agency had conveyed a portion of the leased lands to the Utah Department of Transportation (“UDOT”) with Rights-Of-Way (ROW) 526D and 571D, Quitclaim Deed Nos. 1446 and 1449. This finding was documented in the Director’s Minutes dated July 27, 2009, on Pages 6 through 22. The Agency has decided to work with UDOT to re-acquire the UDOT lands covered by the lease. In the meantime, the Agency will reduce the annual rental payment commensurate with the lease acreage affected by the UDOT conveyance, from \$1,310.00 to \$500.00. The \$500.00 rental payment will apply until the transaction with UDOT is finalized. Once the UDOT land is re-acquired, the lessee must immediately submit an additional \$500.00 rental payment and the lease rental due annually on December 1 will be \$1,310.00 until the next review period. A certified notice was sent to the lessee addressing these terms. However, no response was received.

2. **DUE DILIGENCE:**

The property is primarily undeveloped with some minor fencing and some storage sheds. It is recommended that the lease be kept in full force.

3. **PROPER USE:**

The lessee desires to use the lease in accordance with the lease agreement once the land transaction is finalized with UDOT.

4. **ADEQUATE BOND COVERAGE:**

The property was inspected on October 27, 2009, and it appears that there are no deficiencies that require a bond at this time.

5. **ESTABLISHMENT OF WATER RIGHTS:**

Water Right No. 05-2280 is associated with this lease and it is in the name of the Trust Lands Administration. The right is for 4.306 acre feet and has been certified.

6. **POLLUTION AND SANITATION REGULATIONS:**

There are no apparent pollution or sanitation problems associated with this lease.

7. **NEXT REVIEW:**

The next review date is December 1, 2012.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the three-year lease review for SULA 806.

**SPECIAL USE LEASE AGREEMENT NO. 1398 (THREE-YEAR LEASE REVIEW)**

SULA 1398 is issued to Kerry and Molli Mystrom, P.O. Box 4174, Bullfrog, UT 84533. The lease is located in Garfield County. School Fund.

1. **ANNUAL RENTAL AND LEASE ACRES:**

The three-year review date for this lease is December 1, 2009. The lease is authorized for residential uses including a manufactured home, a workshop/garage, horse barn, corrals, and a garden area. Based on the approved index, the Agency has decided to exercise its option to increase the annual base rent. It is recommended that the annual base rent be increased from \$1,070.00 per year to \$2,700.00 per year. The lease was recently amended and the amendment was approved on the September 14, 2009, Director Minutes (Page 27). The amendment added 58.75 acres to their lease now totaling 98.75 acres m/l, which is another factor in the rent increase. A certified notice was sent to the lessee. However, no response was received.

On September 3, 2009, the GIS department reviewed the legal description for this lease and found no errors.

New lease fee: \$2,700.00

Acres in lease: 98.75

Rental per Acre: \$27.34

2. **DUE DILIGENCE:**

All due diligence has been completed in accordance with the lease.

3. **PROPER USE:**

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

4. **ADEQUATE BOND COVERAGE:**

The property was inspected on October 15, 2009, and it appears that there are no deficiencies that require a bond at this time.

5. **ESTABLISHMENT OF WATER RIGHTS:**

There is 1.73 acre feet of water rights associated with this lease. The Water Right Number is 97-2278 and it is in the name of the Trust Lands Administration. However, the lessee has been unable to find an underground water source and they haul their water in from an outside source and store it on the subject property.

6. **POLLUTION AND SANITATION REGULATIONS:**

On October 15, 2009, a site inspection was performed and it was discovered that the lessee had been burning some paper products in a small pit on the subject property. A letter was sent to inform the lessee that disposing of any waste on the property is strictly prohibited as per the terms of the lease. They were asked to remove and properly dispose of any remains in a permitted landfill. A follow up visit will take place later this year to check on the closure of the burn pit.

7. **NEXT REVIEW:**

The next review date is December 1, 2012.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the three-year lease review for SULA 1398.

**SALES**

**CERTIFICATE OF SALE NO. 26438 (EXTENSION OF 2009 DUE DATE TO APRIL 1, 2010)**

Frank S. Warner of Lesharo, Inc., 3564 Lincoln Ave., Ste. 6, Ogden, UT 84401, has requested a four month extension of the 2009 due date for Certificate of Sale No. 26438. The annual due date for this certificate of sale is June 1. The purchaser was previously granted a six-month extension to December 1, 2009. The current extension request will extend the due date to April 1, 2010. The fee for this extension is 10% of the payment amount (\$21,649.92 x 10% = 2,164.99) plus the 6% late fee, totaling \$3,464.00. Pursuant to authorization received from the Director on November 24, 2009, to proceed with the extension request, a certified letter was mailed giving the purchaser until November 30, 2009, to submit the extension fee. This fee was received. No further extensions will be granted for the 2009 payment. San Juan County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the extension of the 2009 due date to April 1, 2010, for Certificate of Sale No. 26438.

**CERTIFICATE OF SALE NO. 25882 (EXTENSION OF 2009 DUE DATE TO MARCH 1, 2010)**

Fred W. Kennedy, 528 S. Casino Center Blvd. Ste. 310, Las Vegas, NV 89101-6504, has requested a four month extension of the 2009 due date for Certificate of Sale No. 25882. The annual due date for this certificate of sale is November 1. The current extension will extend the due date to March 1, 2010. The fee for this extension is \$1,000.00. On December 1, 2009, the Director authorized proceeding with the extension request. The \$1,000.00 extension fee has been received. The 6% late fee (\$1,046.00) will also be assessed. Beaver County. School Fund.

Upon recommendation of Mr. Christy, the Director approved the extension of the 2009 due date to March 1, 2010, for Certificate of Sale No. 25882.

**WATER RIGHTS**

**WATER RIGHT 91-4980 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 91-4980 is located on the West Price Block at the following described locations:

Township 15 South, Range 9 East, SLB&M  
Section 11: SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>  
Section 14: SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>  
Section 15: NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>  
Section 16: SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>

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

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

**WATER RIGHT 91-4981 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 91-4981 is located on the West Price Block at the following described locations:

Township 15 South, Range 9 East, SLB&M  
Section 10: SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>  
Section 12: SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>

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

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

**WATER RIGHT 91-4985 (CERTIFICATE OF BENEFICIAL USE)**

Water Right 91-4985 is located on the West Price Block at the following described location:

Township 14 South, Range 9 East, SLB&M  
Section 23: NW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>

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

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

\*\*\*\*\*

**DEVELOPMENT ACTIONS**

\*\*\*\*\*

**DEVELOPMENT SUBDIVISION SALE**

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

SUBD 10.0 Highland Park Phase 1 Subdivision

This transaction has 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 257	26377-10-257	11/16/09	19928-10-257	07/07/06	\$11,820.53	\$20.00	0.19	SCH	7

**DEVELOPMENT SUBDIVISION SALE- HIGHLAND PARK PHASE 1 SUBDIVISION (CONTINUED)**

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.*

**DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8459)**

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED:

CERTIFICATE OF SALE NO.:	26499
CERTIFICATE/DATE OF SALE:	October 29, 2009
PATENT NO.:	20155
PATENT DATE:	November 12, 2009
PROJECT:	South Block Plant Preserves
PROJECT MANAGER:	Doug Buchi
PROJECT CODE:	SOBLK 005 00
FUND:	School
SALE PRICE:	\$535,000.00
BOARD APPROVAL:	August 13, 2009

**BUYER:**

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

**TRANSACTIONAL CONTEXT:**

The Trust Lands Administration (the "Trust") sold the below-described, unimproved land parcel in the White Dome area of St. George, Utah, with the understanding that the property will serve as a neighborhood nature preserve with pedestrian-only recreation possibilities for the surrounding community and trust lands that the Trust eventually intends to develop. The Nature Conservancy ("TNC") purchased the parcel with the intention to use the land to preserve, in part, endangered flora, including the Dwarf Bear Poppy, and TNC will manage the property as a unit in conjunction with other like lands it has acquired, or may acquire, in the vicinity and adjacent to the purchased parcel. Both the Trust and TNC will work together to develop and maintain the property to achieve their respective goals for the responsible growth and management of the land.

**LEGAL DESCRIPTION OF SALE PARCEL:**

Township 43 South, Range 15 West, SLB&M  
Sections 28 & 29: (within)

**DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8459) (CONTINUED)****PARCEL 3 - 161.000 ACRES, MORE OR LESS**

BEGINNING AT A POINT S1°11'28"W, 646.76 FEET ALONG THE SECTION LINE AND EAST 354.32 FEET FROM THE NORTHWEST CORNER OF SECTION 28, T43S, R15W, SLB&M, RUNNING THENCE S1°12'29"W, 2627.53 FEET; THENCE N88°49'33"W, 1568.14 FEET TO A POINT ON THE NORTHERLY BOUNDARY OF LAND OWNED BY "THE NATURE CONSERVANCY" AS DESCRIBED IN DOCUMENT NO. 20090007814 OF THE RECORDS OF THE WASHINGTON COUNTY RECORDER; THENCE ALONG SAID NORTHERLY BOUNDARY THE FOLLOWING FOUR (4) COURSES: N36°56'49"W, 271.93 FEET; THENCE N70°26'44"W, 621.41 FEET; THENCE N80°31'41"W, 2091.11 FEET; THENCE N88°44'53"W, 282.10 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF RIVER ROAD AS SHOWN AND DESCRIBED ON DOCUMENT NO. 20070050838 OF THE RECORDS OF THE WASHINGTON COUNTY RECORDER; THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE THE FOLLOWING FIVE (5) COURSES: N0°16'15"E, 383.25 FEET TO THE POINT OF CURVE OF AN 862.00 FOOT RADIUS CURVE TO THE RIGHT, THE RADIUS POINT OF WHICH BEARS S89°43'45"E; THENCE NORTHEASTERLY 227.73 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15°08'12"; THENCE N15°24'27"E, 4.36 FEET; THENCE N74°35'33"W, 88.00 FEET; THENCE N15°24'27"E, 333.61 FEET; THENCE S74°35'33"E, 1422.15 FEET; THENCE N69°27'26"E, 3532.74 FEET TO THE POINT OF BEGINNING.

CONTAINING 161.000 ACRES, MORE OR LESS.

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

NUMBER OF ACRES BY COUNTY: 161.00 acres - Washington County

NUMBER OF ACRES BY FUND: 161.00 acres - School

**MINERAL RESERVATIONS:**

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

**SURFACE RESERVATIONS:**

Excepting and reserving to the State of Utah, by and through the School and Institutional Trust Lands Administration, and its successors in interest, assigns, permittees, licensees, and lessees in perpetuity, for the benefit of the general public, a trail easement generally depicted as "Trails" in Exhibit "B" attached hereto and incorporated by reference (the "Trail Easement"), which Trail Easement shall be ten (10) feet in width, shall encompass a single track, natural surface trail, and shall be for pedestrian use only, and subject to the conditions in that certain Certificate of Sale No. 26499 regarding said trail; also,

Subject to a reversionary interest held by the State of Utah as follows: In the event the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency, pursuant to the above described mineral reservation, shall exercise the right to permit its successors in interest, assigns, permittees, licensees, or lessees to prospect for, mine or remove any mineral deposits in such a manner as to defeat the ecological purposes for which The Nature Conservancy is acquiring the property described herein; or if for any other reason the ecological purposes put forth in that certain Certificate of Sale No. 26499 for which the Nature Conservancy is acquiring the property cease to exist; then, at written election of The Nature Conservancy, or its successor assign, title to and ownership and possession of the property described herein shall revert to the State of Utah, by and through the School and Institutional Trust Lands Administration or its successor agency; also

**DEVELOPMENT SALE - THE NATURE CONSERVANCY (PS 8459) (CONTINUED)**

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

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

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

**DEVELOPMENT SALE (PS 8458) AND AMENDMENT OF DEVELOPMENT LEASE NO. 744**

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED PURSUANT TO DEVELOPMENT LEASE AGREEMENT DEVL 744, 2<sup>ND</sup> AMENDED:

CERTIFICATE OF SALE NO.:	26500
PATENT NO.:	20151
PROJECT:	Tonaquint Height
PROJECT MANAGER:	Kyle Pasley
PROJECT CODE:	TNQTS 004 00
FUND:	School
CERTIFICATE/SALE DATE:	November 5, 2009
PATENT DATE:	August 26, 2009
SALE PRICE:	\$250,000.00
DEVELOPMENT LEASE:	744
DATE OF AMENDMENT:	August 6, 2009

**BUYER:**

QUALITY DEVELOPMENT LLC  
113 East 200 North #2  
St. George, Utah 84771

**DESCRIPTION OF TRANSACTION:**

Development Lease No. 744 is amended to allow the sale of unimproved land for public purposes, such as parks, churches, and schools. Trust Lands shall receive 100% of the proceeds of the sale of unimproved land. The sale under Certificate of Sale No. 26500 is for unimproved land and is conveyed for immediate reconveyance to the Corporation of the presiding Bishop of the Church of Jesus Christ of Latter-Day Saints.

**LEGAL DESCRIPTION OF SALE PARCEL:**

Township 43 South, Range 16 West, SLB&M  
Section 11: NE4NE4 (within)

BEGINNING AT A POINT N 88°26'10" W ALONG THE SECTION LINE OF SECTION 2, TOWNSHIP 43 SOUTH, RANGE 16 WEST, SALT LAKE BASE AND MERIDIAN, 259.63 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION, SAID POINT ALSO BEING ON THE WESTERLY RIGHT-OF-WAY LINE OF "TONAQUINT DRIVE", ACCORDING TO THE OFFICIAL ROADWAY DEDICATION PLAT, DOC. #20070025280, FILED AND ON RECORD AT THE WASHINGTON COUNTY RECORDERS OFFICE, STATE OF UTAH, AND RUNNING THENCE S 5°02'35" W ALONG SAID RIGHT-OF-WAY

**DEVELOPMENT SALE (PS 8458) AND AMENDMENT OF DEVELOPMENT LEASE NO. 744 (CONTINUED)**

234.18 FEET TO A POINT ON THE CENTERLINE OF A PROPOSED 60.00 FOOT WIDE STREET, POINT ALSO BEING ON A 500.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT WITH A RADIUS WHICH BEARS S 03°43'57" W; THENCE ALONG THE ARC OF SAID CURVE 321.21 FEET THROUGH A CENTRAL ANGLE OF 36°48'28"; THENCE N 31°12'54" W 247.69 FEET; THENCE N 5°02'35" E 113.97 FEET TO A POINT ON THE SAID SECTION LINE; THENCE S 88°26'10" E ALONG SAID SECTION LINE 444.52 FEET TO THE POINT OF BEGINNING.

Contains 2.509 acres, more or less.

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

NUMBER OF ACRES BY COUNTY: 2.51 acres -Washington County

NUMBER OF ACRES BY FUND: 2.51 acres -School

**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 such deposits.

**SURFACE RESERVATIONS:**

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 all existing rights of way, easements or any other encumbrance in existence as of this date.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

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

**KWAVASA PHASE 1, ROAD DEDICATION (DEVL 921)**

PROJECT: Kayenta  
PROJECT MANAGER: Kyle Pasley  
PROJECT CODE: KYNTA 001 00  
FUND: School  
DATE OF RECORDING: July 2, 2001  
PLAT DEDICATION NO.: 193

CONVEYANCE TO:

IVINS CITY (Public Roads)  
55 North Main  
Ivins UT 84738

And

KWAVASA AND POSOVI HOMEOWNERS ASSOCIATION (Private Roads and Open Space)  
800 North Kayenta Parkway  
Ivins UT 84738

TRANSACTIONAL CONTEXT:

Conveyance pursuant to recorded Subdivision Plat.

LEGAL DESCRIPTION:

Township 41 South, Range 17 West, SLB&M  
Section 25:

All Private and Public Roads and Open Space according to the plat of record on July 2, 2001, in the records of Washington County, Utah.

Contains 6.77 acres, more or less.

NUMBER OF ACRES BY COUNTY: 6.77 acres -Washington County

NUMBER OF ACRES BY FUND: 6.77 - School

MINERAL RESERVATIONS:

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

SURFACE RESERVATIONS:

None

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

**FORFEITURE OF CERTIFICATE OF SALE NO. 25937; PRE SALE NO. 8120**

PROPERTY SOLD UNDER CERTIFICATE OF SALE NO. 25937 HAS BEEN FORFEITED AS FOLLOWS:

PRE SALE NO.: 8120  
 CERTIFICATE OF SALE NO.: 25937  
 CERTIFICATE DATE: September 1, 2006  
 PROJECT MANAGER: Rodger Mitchell  
 PROJECT: Lower Deer Valley Parcel  
 PROJECT CODE: DEERV 002 00  
 FUND: School  
 COUNTY: Summit  
 SALE PRICE: \$1,145,000.00  
 QUIT CLAIM DEED NO.: 001461

## BUYER(S):

PFC I, LLC  
 6409 N. Business Park Loop Rd.  
 Park City, Utah 84098-6206

## DESCRIPTION OF TRANSACTION:

The purchaser, PFC I, LLC ("PFC"), failed to make the semiannual payment due the School and Institutional Trust Lands Administration (the "Trust") on March 1, 2009, and was notified by certified mail that the certificate was in default. The certified mailing provided opportunity for the default to be cured within the timeframe allowed by statute, which timeframe expired on April 30, 2009. PFC did not cure the default. Thereafter, the Trust and PFC agreed to meet to discuss the terms of the certificate and PFC's intent to fulfill its obligations under the certificate. The certificate and agreement between the Trust and PFC remained unaltered, and PFC was required to submit its final payment to the Trust on September 1, 2009. PFC did not submit the final payment of all outstanding principal and interest by or on September 1, 2009. The Trust notified PFC of its second default by certified letter dated September 3, 2009, which stated that PFC was required to cure its default within 30 days of the Second Default Notice. Payment was not received within 30 days; therefore, the certificate of sale was canceled for non-payment effective October 3, 2009, and the Trust declared the property forfeited including total payments made to the Trust while under contract.

The total sales price for the parcel was \$1,145,000.00, which was financed as a three year installment loan (see Director's Minutes of November 13, 2006, Pages 30 through 32 for details). Total payments made to the Trust included an initial down payment of \$100,000.00, and upon execution of the sale, a payment of \$243,500.00 was made leaving a remaining balance of \$801,500 to be paid by semi-annual payments of principal and interest commencing on March 1, 2007, and was to be amortized over a twenty (20) year period commencing as of September 1, 2006. Additional certificate payments were received from March 1, 2007, to September 1, 2009, of which a total of \$39,955.84 was paid toward the principal loan amount. The remaining principal balance at the time of forfeiture was \$761,544.16.

Notice of Forfeiture, dated November 4, 2009, was filed with Summit County on November 10, 2009, as Entry No. 00886103.

## LEGAL DESCRIPTION:

Township 2 South, Range 4 East, SLB&M  
 Section 15: within, more particularly described as follows:

**FORFEITURE OF CERTIFICATE OF SALE NO. 25937; PRE SALE NO. 8120 (CONTINUED)**

## McKinley Parcel 1A

Beginning at a point on the North line of the McKinley Mining Claim (MS 6645); said point being N 85°42'00" W 1210.6 feet from the northeast corner of said mining claim. Said point also being N 36°13'02" W 2248.75 feet more or less from the southeast corner of Section 15, Township 2 South, Range 4 East, SLB&M; and running thence along the North line of the McKinley Mining Claim S 85°42'00" E 290.37 feet; thence S 30°25'32" W 568.34 feet; thence N 0°11'40" W 511.85 feet to the point of beginning.

Containing 1.70 acres, more or less.

Township 2 South, Range 4 East, SLB&M

Section 15: within, more particularly described as follows:

## McKinley Parcel 1B

Beginning at a point on the North line of the McKinley Mining Claim (MS 6645); said point being N 85°42'00" W 920.24 feet from the northeast corner of said claim and N 30°06'04" W 2071.89 feet more or less from the southeast corner of Section 15, Township 2 South, Range 4 East, SLB&M; and running thence along the North line of the McKinley Mining Claim S 85°42'00" E 520.00 feet; thence along the Wasatch-Summit County line S 17°33'57" W 75.94 feet; thence along the Summit-Wasatch County line S 08°43'41" W 527.66 feet; thence along the South line of the McKinley Mining Claim N 85°42'00" W 705.05 feet; thence N 00°11'40" W 90.00 feet; thence N 30°25'32" E 568.34 feet to the point of beginning.

Contains a total acreage of 10.37 acres, more or less.

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

NUMBER OF ACRES BY COUNTY: 10.37 acres - Summit County.

NUMBER OF ACRES BY FUND: 10.37 acres - School.

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

**TERMINATION OF SULA 1062 FOR NON-PAYMENT OF RENT**

SPECIAL USE LEASE AGREEMENT NO.: 1062  
PROJECT: Sand Hollow  
PROJECT MANAGER: Aaron Langston  
PROJECT CODE: SANDH 000 00  
FUND: Miners Hospital

LESSEE:

LEGRANDE FAWCETT  
81 North 100 West  
P.O. Box 445  
Washington, Utah 84780

DESCRIPTION:

1. Subject to meeting certain terms and conditions on or before January 31, 2009, a December 31, 2008, Final Agency Notice of Default letter on SULA Lease #1062 for non-payment of rent was sent to Lessee.
2. Lessee sent January 7, 2009, response outlining certain terms and conditions for the Trust to consider, including exchanging land for water rights based on value for value.
3. January 26, 2009, letter with response to Lessee's January 7<sup>th</sup> letter in addition to restating the terms and conditions to be met on or before January 31, 2009, to avoid default and that the Lessee was still subject to the Final Agency Action notification outlined in the Trust's December 31, 2008, letter. Additionally, failure to meet these terms and conditions would trigger cancellation of the rent rebate extended by the Trust and that the Lessee would be required to begin paying the adjusted annual rent for the lease at \$143,594.75 per year, effective May 1, 2009.
4. January 27, 2009, letter sent to Lessee to modify and clarify the terms and conditions under which the Trust would consider a value for value exchange of land for water owned by the Lessee. An appraisal was ordered to appraise the value of the water rights owned by Lessee.
5. June 11, 2009, Notice of Defaults with 30-day cure provision to bring past due rent current and Offer to Modify SULA #1062 letter hand-delivered to the Lessee. Offer to modify the Lease included reducing the acreage leased by the Lessee and reducing the rent for the balance of the lease term, April 30, 2016. Because the appraised value for Lessee's water came in under what was expected by the Lessee, the land for water exchange was removed from further negotiations by the Trust. Lessee's failure to comply with the 30-day cure provision and/or written acceptance of the Offer to Modify the Lease would result in the termination of the lease by its own terms.
6. Lessee tendered a rent payment on July 20, 2009, for \$5,200 (\$3,900 for past due rent from 11/01/08 to 07/31/09 and \$1,300 for current rent due for the period 08/01/09 to 10/31/09 plus related late fees.
7. August 6, 2009, Notice of Default and Status of Past Defaults and Offer to Modify Lease letter delivered to Lessee. Trust acknowledged partial compliance to its June 11, 2009, letter. Lessee failed to provide Trust with written notice of its acceptance of the Offer to Modify, thereby nullifying the terms under which the Trust was prepared to move forward. Lessee also failed to cure the additional adjusted rent payment due within 30 days of the August 6, 2009, letter.

**TERMINATION OF SULA 1062 FOR NON-PAYMENT OF RENT (CONTINUED)**

8. A final "good faith" effort was made to negotiate and reach an acceptable agreement between the Lessor and Lessee whereby the Trust agreed to sell the Lessee a five-acre parcel at appraised value with closing to occur on or before December 31, 2009. Upon closing, the lease would simultaneously be extinguished. The terms and conditions for moving forward on this transaction were memorialized in a Negotiated Land Sale and Termination of SULA 1062 letter dated October 1, 2009. The terms and conditions included the following date certain obligations on the part of the Lessee: 1) Deposit \$4,000 into escrow account on or before October 29, 2009, to pay for the cost to complete a current appraisal on the five-acre parcel of land to be conveyed; 2) Rental payment of \$866.66 for November and December rent to be paid on or before October 29, 2009; and, 3) Sign and return a copy of the October 1 letter acknowledging acceptance of the terms and conditions outlined in the letter which terms superseded all previous proposals and counter-proposals between the parties.
9. Lessee failed to comply with any of the date certain requirements listed in the previous paragraph preventing the Trust from proceeding with the offer to sell in a timely manner. The offer has thus expired by its own terms and the lease is hereby terminated for failure to cure.

**LEGAL DESCRIPTION OF LEASE PARCEL:**

Township 42 South, Range 14 West, SLB&M  
Section 11: SW $\frac{1}{4}$ SE $\frac{1}{4}$

Contains 38.42 acres, more or less.

*This item was submitted by Aaron Langston for record-keeping purposes.*

**CORRECTION OF CORAL CANYON ROAD DEDICATION (DEVL 858)**

IN THE DIRECTOR'S MINUTES OF APRIL 25, 2008, PAGE 44, THE NUMBER OF ACRES WAS REPORTED INCORRECTLY AND IS CORRECTED AS SHOWN IN BOLD:

PROJECT:	Coral Canyon
PROJECT MANAGER:	Alexa Wilson
PROJECT CODE:	SUNCR 001 03
FUND:	Miners Hospital
DATE OF RECORDING:	February 3, 2004
PLAT DEDICATION NO.:	144

**CONVEYANCE TO:**

Washington City  
111 North 100 East Street  
Washington, UT 84780

**TRANSACTIONAL CONTEXT:**

The development is executed pursuant to development Lease DEVL 610. This conveyance is made pursuant to recorded Subdivision Plat.

**LEGAL DESCRIPTION:**

Township 42 South, Range 14 West, SLB&M  
Sections 5 and 7:

**CORRECTION OF CORAL CANYON ROAD DEDICATION (DEVL 858) (CONTINUED)**

All of the public roads and easements of Coral Canyon Subdivision Area 2 - Phase 1, according to the plat of record on February 3, 2004, as Book 1612, Page 2649, Entry 863077, records of Washington County, Utah.

Containing **5.71 acres**, more or less.

NUMBER OF ACRES BY COUNTY: **5.71 acres** -Washington County

NUMBER OF ACRES BY FUND: **5.71 acres** - Miners Hospital

**MINERAL RESERVATIONS:**

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

**SURFACE RESERVATIONS:**

None

Upon recommendation of Alexa Wilson, the Director approved the above correction.

\*\*\*\*\*

**ACTIONS CONTAINING FEE WAIVERS**

\*\*\*\*\*

**NONE**

\*\*\*\*\*

**TRUST ACCOUNTING ACTIONS**

\*\*\*\*\*

**DISTRIBUTION OF EXCHANGE MANAGEMENT FEES**

With the approval of Public Law 105-335 on October 31, 1998, the Agency exchanged lands with the federal government and, in so doing, became able to collect a management fee on relevant lands in order to administer the leases that were in force and those that would be issued on the acquired parcels. The initial rate collected by the Agency was 8% of rents, royalties, and bonus payments with expenses being credited from these collections and the balance returned to the appropriate parties at the end of each fiscal year. In the 2002 General Session of the Utah State Legislature, S.B. 66 was enacted which reduced the management fee from 8% to 3% and made any unused balance non-lapsing.

Since the time S.B. 66 was enacted, the funds held in the Agency Suspense Account have grown substantially and have reached a balance of \$3,741,028.49 as of June 30, 2009. The Mining Group has determined it will not need this entire balance to administer the programs in place under the exchange or the future actions it needs to take relevant to this program; therefore, it is proposed \$1,741,028.49 be distributed as income.

**DISTRIBUTION OF EXCHANGE MANAGEMENT FEES (CONTINUED)**

Of the amount received since the management fees became lapsing, 87.79% came from rental and royalty revenue with the balance of 12.21% from bonus revenue. Because the proceeds are distributed differently depending on the type of revenue, the following distributions are proposed:

Rent/Royalty: \$1,528,448.91  
\$764,224.45 to Utah Mineral Lease Accounts/Counties  
\$764,224.45 to Schools

Bonus: \$212,579.58  
\$106,289.79 to Utah Mineral Lease Accounts/Counties  
\$106,289.79 to Minerals Management Service

Beneficiaries: Schools

Upon recommendation of Ms. Schneider, the Director approved this distribution of funds from the Agency Suspense Account.