

FEBRUARY 1, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON FEBRUARY 1, 2010, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON FEBRUARY 1, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 6; SURFACE ACTIONS AS LISTED ON PAGES 6 TO 17; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 18; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 18 TO 20.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND MAY BE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON TUESDAY, FEBRUARY 16, 2010. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

APPROVAL OF APPLICATION FOR MINERAL MATERIALS PERMIT FOR CLAY MINERALS (SCH)

The following-described application was received for the issuance of a Mineral Materials Permit to mine Clay Minerals from trust lands near Gold Hill, in Tooele County. The materials will be used in the construction of a test heap-leach pad for a metalliferous minerals mill site. The construction project will take no longer than one year to complete and will be performed in conjunction with DOGM Mining Permit #M/045/0049, also associated with the applicant. The applicant is registered with the Division of Corporations and is qualified to do business in the State of Utah. The lands in the application have been checked by the Minerals Group and are found to be open and available for the issuance of the permit. Current land use includes Mineral Lease ML 49282-MM, which is also associated with the applicant. The applicant submitted the required \$100 filing fee, in addition to annual rental of \$10 per acre, along with the application. The permit administrator has had this legal description reviewed by the GIS Group.

<u>ML 51712-MP</u> Desert Hawk Gold Corp. 8921 N. Indian Trail Rd., Suite No. 288 Spokane, WA 99208	<u>T7S, R18W, SLB&M</u> SEC. 36: LOT 1 (aka NE $\frac{1}{4}$ NE $\frac{1}{4}$)	Tooele 39.78 acres
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Mineral Materials Commodity:	Clay Minerals
Term of Permit:	1 Year from Effective Date of Permit
Production Royalty Required:	10% G.V. f.o.b. mine, but not less than \$1/ton

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

EXPIRATION OF MINERAL MATERIALS PERMITS

The following Mineral Materials Permits for harvesting of building stone reached the end of their term on January 31, 2010, and are expired. The Permittees no longer have any rights to mine or remove the permitted substances from the permitted lands. In the case of ML 49590-MP, however, the Permittee should be allowed continued access, at Permittee's sole risk, for purposes of performing reclamation only as required under DOGM Small Mine Permit #S/015/083. The lease administrator has had the following legal descriptions reviewed by the GIS Group.

<u>ML 49590-MP (Sandstone) (SCH)</u> Quality Building Stone, Inc. 993 W. 14730 So. Bluffdale, UT 84065	<u>T19S, R10E, SLB&M.</u> SEC. 16: NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$	Emery 80.00 acres
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<u>ML 50581-MP (Quartzite Rubble) (SCH)</u> Cheyenne Stone Supply 4932 W. Morning Laurel Lane West Jordan, UT 84088	<u>T7S, R1W, SLB&M.</u> SEC. 12: LOTS 10, 11	Utah 80.00 acres
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This item was submitted by Mr. Blake for record-keeping purposes only.

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners, Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

PENDRAGON ENERGY PARTNERS INC. – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%***

...ML 45175 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to NAE, LLC (60%), 110-16th Street, Suite 1220, Denver, CO 80202, and Tidewater Oil and Gas Company LLC (40%), 110-16th Street, Suite 405, Denver, CO 80202, by Parowan Valley Venture LLC. No override, but subject to 7.5% 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:

PAROWAN VALLEY VENTURE LLC – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***NAE, LLC – 60%,
TIDEWATER OIL AND GAS COMPANY LLC – 40%***

...ML 50026 (SCH)...ML 50027 (SCH)...ML 50029 (SCH)...ML 50038 (SCH)...ML 50043 (SCH)....
...ML 50044 (SCH)...ML 50126 (SCH)...ML 50127 (SCH)...ML 50131 (SCH)...ML 51035 (SCH)....
...ML 50137 (SCH)...ML 50138 (SCH)...ML 50269 (SCH)...ML 50271 (SCH: 113.00; SM: 56.30; UNIV: 36.46)....
...ML 50275 (SCH)...ML 50277 (SCH)...

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 45% interest in and to the leases listed below to NAE, LLC, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% 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:

TIDEWATER OIL AND GAS COMPANY LLC – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***TIDEWATER OIL AND GAS COMPANY LLC – 55%,
NAE, LLC – 45%***

...ML 49492 (SCH)...ML 49493 (SCH)...ML 49494 (SCH)...ML 49696 (SCH: 484.80; MH: 40.00)....
...ML 49697 (SCH)...ML 49698 (SCH: 360.00; SM: 80.00)...ML 50200 (SCH)...ML 50201 (SCH)....
...ML 50202 (SCH)...ML 50203 (SCH)...ML 50434 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 35% interest in and to the leases listed below to Tidewater Oil and Gas Company LLC, 110-16th Street, Suite 405, Denver, CO 80202, by North American Exploration, LLC. No override, but subject to 7.5% 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:**

*NORTH AMERICAN EXPLORATION, LLC – 80%,
TIDEWATER OIL AND GAS COMPANY LLC – 20%*

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

*TIDEWATER OIL AND GAS COMPANY LLC – 55%,
NORTH AMERICAN EXPLORATION, LLC – 45%*

....ML 49482 (SCH)....ML 49483 (SCH)....ML 49485 (SCH)....ML 49488 (SCH)....ML 49490 (SCH)....
....ML 49495 (SCH)....ML 49496 (SCH)....ML 49497 (SCH)....ML 49498 (SCH)....ML 49499 (SCH)....
....ML 49500 (SCH)....ML 49502 (SCH)....ML 49503 (SCH)....ML 49504 (SCH)....ML 49506 (SCH)....
....ML 49507 (SCH)....ML 49508 (SCH)....ML 49509 (SCH)....ML 49510 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

*EOG RESOURCES INC. – 50%,
PENDRAGON ENERGY PARTNERS, INC. – 50%*

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

*EOG RESOURCES, INC. – 50%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 50%*

....ML 47049 (SCH)....ML 47051 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

*PENDRAGON ENERGY PARTNERS, INC. – 50%,
III EXPLORATION COMPANY – 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 21.875%*

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

*QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,
III EXPLORATION COMPANY – 28.125%*

....ML 47056 (SCH)....ML 47057 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights from Surface to Base of Green River Formation in part of lands: SE¼ Sec. 16, T10S, R18E, SLB&M., 160.00 acres, *ALSO*, assignment of 32.375% interest in operating rights from Surface to Base of Green River Formation in part of lands: W½, NE¼ Sec. 16, T10S, R18E, SLB&M., 480.00 acres, in and to the lease listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

***OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION***

T10S, R18E, SLB&M. 160.00 ACRES

SEC. 16: SE¼

***PENDRAGON ENERGY PARTNERS INC. – 50%,
III EXPLORATION COMPANY – 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 21.875%***

T10S, R18E, SLB&M. 480.00 ACRES

SEC. 16: W½, NE¼

***PENDRAGON ENERGY PARTNERS INC. – 32.375%,
III EXPLORATION COMPANY – 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 39.50%***

...ML 45175 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights from Surface to Base of Green River Formation in and to the leases listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 50%,
EOG RESOURCES INC. – 50%

***OPERATING RIGHTS: SURFACE TO BASE
OF GREEN RIVER FORMATION***

***PENDRAGON ENERGY PARTNERS, INC. – 50%,
EOG RESOURCES INC. – 50%***

...ML 47049 (SCH)...ML 47051 (SCH)....

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 100%

***OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION***

T10S, R18E, SLB&M. 160.00 ACRES

SEC. 16: SE¼

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,
III EXPLORATION COMPANY – 28.125%***

T10S, R18E, SLB&M. 480.00 ACRES

SEC. 16: W½, NE¼

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,
III EXPLORATION COMPANY – 28.125%***

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in operating rights from Surface to Base of Green River Formation in and to the leases listed below to Questar Exploration and Production Company, 1050-17th Street, Suite 500, Denver, CO 80265, by Pendragon Energy Partners Inc. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,
III EXPLORATION COMPANY – 28.125%

***OPERATING RIGHTS: SURFACE TO BASE
OF GREEN RIVER FORMATION***

PENDRAGON ENERGY PARTNERS, INC. – 50%,
III EXPLORATION COMPANY – 28.125%,
QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 21.875%

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,
III EXPLORATION COMPANY – 28.125%

***OPERATING RIGHTS: SURFACE TO BASE
OF GREEN RIVER FORMATION***

***QUESTAR EXPLORATION AND PRODUCTION
COMPANY – 71.875%,***
III EXPLORATION COMPANY – 28.125%

...ML 47056 (SCH)...ML 47057 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 35% interest in operating rights from Surface down to 10,000 feet in and to the leases listed below to Tidewater Oil and Gas Company LLC, 110-16th Street, Suite 405, Denver, CO 80202, by North American Exploration, LLC. No override, but subject to 7.5% 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:**

TIDEWATER OIL AND GAS COMPANY LLC – 55%
NORTH AMERICAN EXPLORATION, LLC – 45%,

OPERATING RIGHTS: SURFACE TO 10,000 FEET

NORTH AMERICAN EXPLORATION, LLC – 80%,
TIDEWATER OIL AND GAS COMPANY LLC – 20%

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

TIDEWATER OIL AND GAS COMPANY LLC – 55%,
NORTH AMERICAN EXPLORATION, LLC – 45%,

OPERATING RIGHTS: SURFACE TO 10,000 FEET

TIDEWATER OIL AND GAS COMPANY LLC – 55%,
NORTH AMERICAN EXPLORATION, LLC – 45%

...ML 49482 (SCH)...ML 49483 (SCH)...ML 49485 (SCH)...ML 49488 (SCH)...ML 49490 (SCH)....
...ML 49495 (SCH)...ML 49496 (SCH)...ML 49497 (SCH)...ML 49498 (SCH)...ML 49499 (SCH)....
...ML 49500 (SCH)...ML 49502 (SCH)...ML 49503 (SCH)...ML 49504 (SCH)...ML 49506 (SCH)....
...ML 49507 (SCH)...ML 49508 (SCH)...ML 49509 (SCH)...ML 49510 (SCH)....

GRAZING PERMIT NO. 23035 (ASSIGNMENT)

Arthur F. Lyman, P.O. Box 291, Loa, UT 84747, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Danny H. Albrecht, 853 South 975 West, Richfield, UT 84701. The assignment fee in the amount of \$268.00 has been submitted. Wayne County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 23035.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5413**

On December 28, 2009, Mr. Lou Brown, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Wizard's Motorcycle Club, 385 E. Bulloch St., Washington, UT 84780, to occupy the following described trust land located within Washington County for a motorcycle race:

T42S, R14W, SLB&M

Section 32: Within

T43S, R14W, SLB&M

Section 5, 8, 16, 17, 21, 22, 36: Within

T43S, R13W, SLB&M

Section 32: Within

The race will be on existing roads and trails, with the majority of the routes being on federal land. The permit term will be one day, February 27, 2010.

This item was submitted for review by the Resource Development Coordinating Committee ("RDCC") and no comments were received. Local government recommended approval.

An archeological review indicated that no cultural resource survey would be required because the permit is to use existing roads and trails and there will be no new ground disturbance.

The fee for this right of entry is \$200.00, plus a \$50.00 application fee and \$50.00 processing fee. School Fund. Washington County.

In accordance with direction and delegation of authority from the Director, Mr. Lou Brown approved Right of Entry No. 5413 with a beginning date of February 27, 2010, and an expiration date of February 27, 2010.

This item was submitted by Mr. Lou Brown for record-keeping purposes.

RIGHT OF ENTRY NO. 5414 (APPROVAL)

On December 30, 2009, the Agency received an application from Questar Gas Company, 1140 W. 200 S., P.O. Box 45360, Salt Lake City, Utah, 84145, to occupy the following described tract of trust land for the purpose of a temporary workspace and staging area:

Township 1 South, Range 7 West, SLB&M
Section 9: 1.65 acres within the E $\frac{1}{2}$ SE $\frac{1}{4}$

COUNTY: Tooele ACRES: 1.65 FUND: School

The applicant currently operates a natural gas transmission line which crosses under I-80 and the railroad in this area and which is located near the Timpie Exit on I-80 within Section 9 of T1S, R7W, SLB&M, in Tooele County. Inspection of the existing pipeline casing has detected corrosion problems which warrant the replacement of the pipeline for safety reasons. The applicant plans to replace this existing pipeline by boring a parallel line under I-80 and the railroad. In order to bore this new pipeline, the applicant has requested to utilize a 1.57 acre staging area on the north side of the freeway and railroad tracks. This area will be used for staging equipment and stringing the new section of pipeline.

Although the majority of this new pipeline will be located within the existing right of way corridor, one short segment of the pipeline on the south side of the freeway will need to be constructed outside of the corridor. This new pipeline corridor is approximately 100 feet long and 30 feet wide, containing 0.08 acre, more or less. The applicant is in the process of preparing an easement application for this small segment of new pipeline. In order to allow the applicant to begin work on the pipeline while the easement is being finalized, temporary authorization of this short segment of pipeline will also be included in this right of entry permit.

The permitted usage area contains a total of 1.65 acres. The requested term of the permit is 1 year.

The proposed workspace and new pipeline areas have been previously disturbed by several previous construction activities including the construction of the existing pipeline. Since there is no new ground disturbance associated with this right of entry permit, neither review by the Resource Development Coordinating Committee (the "RDCC") or a cultural resource survey were required.

The right of entry will be issued for a term of 1 year, commencing on February 1, 2010, and expiring on January 31, 2011. The applicant has paid a right of entry rental assessment of \$600.00, plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$700.00.

Upon recommendation of Mr. Chris Fausett, the Director approved Right of Entry No. 5414.

RIGHT OF ENTRY NO. 5418 (APPROVAL)

On January 20, 2010, the School and Institutional Trust Lands Administration received an application from International Adventure Tours, 420 Kane Creek Blvd., Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits which grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application and a \$50.00 processing fee, totaling \$300.00. Beginning date: January 1, 2010. Expiration date: December 31, 2010. Funding: School = 96.68%, USU = 0.83%, Deaf = 0.16%, USH = < 0.01%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = < 0.01%, SYDC = < 0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5418 for a one-year term.

RIGHT OF ENTRY NO. 5419

On January 25, 2010, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of International Adventure Tours, 420 Kane Creek Blvd., Moab, UT 84532, to occupy the following described trust land located within Grand County for commercial photography for one day, commencing February 26, 2010, and expiring February 26, 2010:

T25S, R21E, SLB&M

Sec. 32: Within

T26S, R20E, SLB&M

Sec. 16: Within

The fee for this right of entry is \$300.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$400.00. Grand County. School Fund. Expiration date: February 26, 2010.

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

EASEMENTS**EASEMENT NO. 1461 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202

LEGAL DESCRIPTION:**Township 11 South, Range 22 East, SLB&M**Section 32: W $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

A 30 foot wide easement located in the W $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 32, T11S, R22E, SLB&M, the easement limits being 15 feet on each side of the following described centerline:

Beginning at a point on the north line of the NW $\frac{1}{4}$ of Section 32, T11S, R22E, SLB&M, which bears S 89°57'07" E 2.34 feet from the northwest corner of said section; thence S 08°43'02" E 128.67 feet; thence S 30°57'10" E 175.91 feet; thence S 37°53'10" E 406.94 feet; thence S 31°35'38" E 161.16 feet; thence S 13°01'58" E 98.50 feet; thence S 03°43'02" E 213.59 feet; thence S 01°21'42" W 185.35 feet; thence S 04°29'38" W 207.11 feet; thence S 07°54'27" W 194.22 feet; thence S 00°32'57" W 205.58 feet; thence S 27°44'08" E 117.11 feet; thence S 42°34'25" E 189.06 feet; thence S 33°19'17" E 130.36 feet; thence S 06°12'06" E 132.28 feet; thence S 33°23'55" W 114.64 feet; thence S 00°56'00" W 159.61 feet; thence S 46°26'59" E 84.27 feet; thence N 84°10'01" E 132.95 feet; thence S 73°49'10" E 63.73 feet; thence S 22°41'37" E 80.59 feet; thence S 31°00'28" W 51.19 feet; thence S 12°41'39" E 281.41 feet; thence S 28°06'56" E 144.79 feet; thence S 49°02'49" E 161.34 feet; thence S 46°51'41" E 158.44 feet; thence S 74°41'33" E 98.04 feet; thence N 68°20'27" E 160.63 feet; thence N 73°04'09" E 198.62 feet; thence N 76°31'27" E 116.24 feet; thence S 53°22'02" E 133.04 feet; thence S 17°40'08" E 83.69 feet; thence S 15°55'23" W 321.12 feet; thence S 09°15'07" W 318.35 feet; thence S 11°02'20" E 154.17 feet; thence S 32°19'04" E 228.72 feet; thence S 48°28'03" E 135.40 feet; thence S 63°22'26" E 142.43 feet; thence S 59°04'16" E 129.10 feet; thence S 41°54'19" E 140.61 feet; thence S 61°04'13" E 138.30 feet; thence S 79°57'16" E 256.12 feet; thence S 64°04'01" E 142.66 feet; thence S 45°03'05" E 156.82 feet; thence S 51°24'55" E 204.16 feet;

EASEMENT NO. 1461 (APPROVAL) (CONTINUED)

thence S 57°28'20" E 152.90 feet; thence S 60°43'52" E 163.91 feet; thence S 46°13'08" E 15.19 feet to a point on the south line of the SE¼ of said section which bears S 89°55'19" E 780.93 feet from the south ¼ corner of said section. Basis of bearings is the north line of the NW¼ of said section which is taken from global positioning satellite observations to bear N 89°57'07" W a measured distance of 2649.56 feet. Contains 5.21 acres, more or less.

COUNTY: Uintah

ACRES: 5.21

FUND: School

PROPOSED ACTION:

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain a 4-inch diameter surface natural gas pipeline located within T11S, R22E, Section 32, in Uintah County. The proposed pipeline will service the Buck Camp 11-22-44-30 Well located on adjacent federal lands and will run alongside an existing access road. The proposed easement corridor is 7,569.02 feet long and 30 feet wide, containing 5.21 acres. The requested term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The subject "Application to Purchase an Easement" was received on November 19, 2008. It was submitted for the Agency's review on November 24, 2008, and was accepted by the Director on December 8, 2008.

The proposed easement was sent to the Resource Development Coordinating Committee ("RDCC"), the Uintah Basin Association of Governments, and the Uintah County Commission for review on November 24, 2008. The following comments were received from the RDCC:

Department of Environmental Quality/Division of Air Quality:

"This proposal 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 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an 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/public/code/r307/r307.htm."

Utah Geological Survey:

"Although there are no paleontological localities recorded in our files for this project area, the Eocene Uinta Formation exposed here has the potential for yielding significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project by a paleontologist with a valid permit."

EASEMENT NO. 1461 (APPROVAL) (CONTINUED)

The following comment was received from the Uintah County Commission:

"Thank you for the opportunity to comment on the construction, operation, repair, and maintenance by Enduring Resources, LLC of a 4-inch diameter surface natural gas pipeline located in T11S, R22E, Sec. 32: W¹/₂NW¹/₄, N¹/₂SW¹/₄, SE¹/₄SW¹/₄, SW¹/₄SE¹/₄ (within) in Uintah County. The proposed pipeline would service the Buck Camp Unit 11-22-44 Well located on adjacent federal lands and would run alongside an existing access road. The proposed easement corridor is 7569.02 feet long and 30 feet wide, containing 5.21 acres.

"It is the County's understanding that the proposed pipeline would be placed outside the County's road rights-of-way. The proposed pipeline would tie into an existing pipeline on adjacent federal lands.

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

"We ask that Enduring Resources, LLC contact Uintah County's Planning & Zoning Department for the necessary County permits and the [Uintah] County Road Department, if crossing County roads, for permits and regulations.

"We have no further comment 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-08-MQ-1214b,s).

The project area has been surveyed for paleontological resources by Intermountain Paleo-Consulting (Report No. IPC 08-327).

The proposed easement traverses lands with valuable oil shale potential and could impact the ability to extract the oil shale resource. In order to mitigate this potential impact, the Minerals Group has requested that the easement contain a provision allowing for the relocation of the pipeline.

EVALUATION OF FACTS:

The comments submitted through the RDCC have 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. 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."

Utah Geological Survey:

"A paleontological survey of the proposed easement corridor has been conducted by Intermountain Paleo-Consulting (Report #08-327). No significant paleontological resources were discovered along the course of the proposed easement. Therefore, no paleontological restrictions will be placed upon the development of the project."

EASEMENT NO. 1461 (APPROVAL) (CONTINUED)

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 and has granted cultural resource clearance for the project with a finding of "No Historic Properties Affected."

The Agency's staff paleontologist has reviewed the paleontological survey that was submitted in support of the proposed easement. The survey did not find any significant paleontological resources located within the project area; therefore, no paleontological restrictions will be placed on the development of the project.

In order to mitigate the impact of the pipeline on potential future oil shale extraction from the lands underlying the easement, the easement document will contain a relocation clause.

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 February 1, 2010, and expiring January 31, 2040. The application fee of \$750.00 and the easement rental assessment of \$8,715.84 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, 2013.

SPECIAL USE LEASE AGREEMENTS

SPECIAL USE LEASE NO. 1661 (APPROVAL)

APPLICANT'S NAME AND ADDRESS

Sand Mountain Investments, LLC
10 East South Temple, Suite 900
Salt Lake City, UT 84133

Mailing address:

P.O. Box 40246
Lynndyl, UT 84640

LEGAL DESCRIPTION:

Township 14 South, Range 5 West, SLB&M

Section 36: S $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ N $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$,
All lands in the W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ that are west of the railroad right-of-way,
All lands in the S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ that are west of the railroad right-of-way,
All lands in the S $\frac{1}{2}$ S $\frac{1}{2}$ N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ that are west of the railroad right-of-way

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

COUNTY: Juab

ACRES: 39.11

FUND: School

LEASE TYPE: AGR

PROPOSED ACTION:

Issue an agricultural special use lease for the purpose of storing above-ground silage in plastic or in open piles and to feed livestock on the premises.

SPECIAL USE LEASE NO. 1661 (APPROVAL) (CONTINUED)**RELEVANT FACTUAL BACKGROUND:**

Sand Mountain Investments, LLC submitted the lease application on August 3, 2009. The Director accepted the application on August 18, 2009. The applicant requested an amendment to the application on December 3, 2009, to increase the number of acres in his application from 22.6 to 39.11 acres. The Director accepted the change to the application on December 17, 2009.

A public notice was published according to rule and sent to all existing permittees, lessees, and adjoining landowners. No competing applications or comments were received.

The application was submitted for review by the Resource Development Coordinating Committee ("RDCC") on August 25, 2009. It was resubmitted December 9, 2009, for the increased acreage. Notice was also sent to the Six County Association of Governments and Juab County. No comments were received.

The Agency's staff archaeologist made the determination that a cultural resource survey is not required due to the area previously having been disturbed.

EVALUATION OF FACTS:

The application is for 39.11 acres. The applicant submitted a sealed bid proposal for SULA 1661 in the amount of \$600.00. The bid amount equals \$15.34 per acre. The value of the subject property is estimated to be \$300.00 per acre for a total value of \$11,733.00. This amount, multiplied by the accepted rate of 3.25%, is less than the amount bid by the applicant; therefore, the applicant's bid of \$600.00 per year satisfies R850-30-400(2)(a).

The fees which are due prior to the issuance of a lease are as follows:

Application fee:	\$ 250.00
Advertising	\$ 100.00
Lease processing	\$ 700.00
<u>First Year's Rental</u>	<u>\$ 600.00</u>
Total	\$1,650.00

As there were no competing applications, this action does not warrant the time and expense necessary to complete a full narrative Record of Decision.

Public access to the subject property may be restricted through fencing, if needed. The applicant must inspect for noxious weeds and provide adequate eradication of noxious weeds if they are found on the lease site. No storage of vehicles or equipment not directly related to storage of feed is allowed on the lease site.

The requested term of the lease is 20 years. The lease will contain an early termination clause allowing the Administration to terminate the lease after five years, upon three months advance notice to the lessee, if the Agency deems such action is in the Beneficiary's best interest. The lease will contain language allowing for a rental review every three years. The beginning date of this lease will be October 1, 2009. The expiration date of this lease will be September 30, 2029. The first rental review will be due October 1, 2012. Based on this evaluation, this summary will constitute the Record of Decision.

Upon recommendation of Mr. Scott Chamberlain, the Director approved SULA 1661.

SPECIAL USE LEASE AGREEMENT NO. 1668 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Kerr-McGee Oil & Gas Onshore LP
P. O. Box 173779
Denver, Colorado 80217-3779

APPLICATION TYPE: INDUSTRIAL

TERMS: 30 years

BEGINNING DATE: January 1, 2010

ENDING DATE: December 31, 2039

NEXT REVIEW DATE: January 1, 2013

FIRST YEAR RENTAL:	\$ 600.00
APPLICATION FEE:	250.00
PROCESSING FEE:	<u>700.00</u>
TOTAL SUBMITTED:	\$1,550.00

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M
Section 34: NE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

Beginning at a point in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 34, T9S, R21E, SLB&M, which bears S 27°03'49" W 1080.37 ft from the East Quarter Corner of said Section 34; thence S 66°08'46" W 35.38 ft; thence N 35°05'58" W 66.94 ft; thence N 40°16'19" W 80.57 ft; thence N 38°10'03" W 140.15 ft; thence N 16°57'17" W 27.22 ft; thence N 25°04'38" E 36.64 ft; thence N 27°45'28" W 12.44 ft; thence N 03°13'05" E 27.51 ft; thence N 55°26'39" E 26.96 ft; thence N 77°01'00" E 34.16 ft; thence S 65°28'16" E 25.84 ft; thence N 60°45'33" E 70.94 ft; thence S 59°25'46" E 52.26 ft; thence S 37°11'00" E 122.97 ft; thence S 18°20'55" W 33.56 ft; thence S 28°15'30" E 138.00 ft; thence S 45°20'32" W 84.74 ft; thence S 68°24'56" W 52.17 ft to the point of beginning. Basis of bearings is a GPS observation.

Containing 1.605 acres, more or less.

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

COUNTY: Uintah

ACRES: 1.605

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down-hole salt water injection well ("SWD"). This well, CIGE 114D SWD, will be located on an existing well pad. The applicant has operating approval on UO 1194. The SWD well was constructed under the applicant's existing mineral lease. The applicant will now dispose of off-lease and off-unit water. Since off-lease and off-unit water is being injected, a surface lease is required for this site. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The application for a lease was received on November 24, 2009. The Director accepted the application on December 24, 2009.

As the site was previously developed under the existing mineral lease, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

No competing applications were solicited pursuant to R850-30-500(2), as the applicant requested an exemption due to the facility being constructed under Mineral Lease UO 1194.

SPECIAL USE LEASE AGREEMENT NO. 1668 (APPROVAL) (CONTINUED)

A cultural resource inventory was previously completed by MOAC #U-07-MQ-1437bps. The survey reports have been reviewed by the Agency's Archaeology staff. There were no sites recorded; therefore, no further work is necessary (not an undertaking).

Concerns initially expressed by the Agency's Minerals Group have been discussed with a uniform decision to proceed with the issuance of this lease for water injection in this area.

EVALUATION OF FACTS:

The applicant was given approval to construct this SWD well under UO 1194. It will now dispose of both off-lease and off-unit water ("Produced Water"). The applicant shall not dispose of any product other than Produced Water, as defined in Utah Administrative Code R649-1-1 (2006). The applicant shall not dispose of any Produced Water from wells operated by parties other than the applicant and its affiliates, it being the intention of the parties that the subject property be utilized solely for non-commercial disposal of Produced Water from the applicant's oil and gas operations. In addition, the applicant shall not dispose of any Produced Water from wells operated by the applicant and its affiliates that are located outside the boundaries of the State of Utah.

The applicant proposes to pay annual rental ("Base Rent") in the amount of \$600.00. The lease will contain a clause providing for escalation of the annual rental fee at the end of each three-year period, utilizing the approved index. In addition to the Base Rent, the applicant shall pay a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of in the water disposal facility. This amount shall apply for the first three-year period of the lease. Thereafter, the water disposal fee may be adjusted pursuant to the lease terms. For purposes of the lease, non-compliant water is defined as all water disposed of from operations in connection with any development activities other than those under UO 1194, including operations on federal lands, fee lands, and on trust lands, other than those included in UO 1194. The water disposal fee payment shall be paid quarterly during the term of the lease; such quarterly periods defined as follows: Quarter One: January to March; Quarter Two: April to June; Quarter Three: July to September; Quarter Four: October to December. The quarterly payment shall be made on or before the 15th of the month following the end of the quarter during the term of the lease, based on water disposal reported on quarterly Utah Division of Oil, Gas & Mining ("UDOGM") well reports, accompanied by a "Surface Revenue Report" provided by the Agency.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1668, with a beginning base rental of \$600.00 and a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of at the water disposal facility. The term of the lease will be 30 years, with a three-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1495 (CANCELLATION)

On July 28, 2006, an application was received from Western International Energy Co. USA, P.O. Box 952, American Fork, Utah 84003, for a petroleum oil refinery. Several attempts have been made by the Trust Lands Administration to obtain further information before proceeding with this application. A letter was sent to the applicant on January 12, 2010, asking if it wished to pursue this application further. The applicant responded by telephone that due to the depressed economy, it does not wish to pursue this activity at this time. No fees have been submitted. Beaver County School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director has approved the cancellation of the application for SULA 1495.

SPECIAL USE LEASE AGREEMENT NO. 1502 (RELINQUISHMENT OF LEASE AND RELEASE OF RECLAMATION BOND)

Anadarko Uintah Midstream, LLC, 1099 18th Street, Ste. 1800, Denver, CO 80202, has requested that Special Use Lease Agreement No. 1502 be relinquished. This site was never built and is no longer needed for future development.

The lessee submitted Corporate Surety Bond No. 22024233, effective February 1, 2007, in the amount of \$5,000.00 as a reclamation bond for this site. This bond is now being released. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the cancellation of SULA 1502 and release of the \$5,000.00 bond being held for this lease.

SPECIAL USE LEASE NO. 1167 (FIVE-YEAR REVIEW)

SULA 1167 is issued to Offshore Marina, HCR 60 Box 330330, Lake Powell, Utah 84533. The lease parcel is located in San Juan County. School Fund.

1. ANNUAL RENTAL:

The five-year review date for this lease is February 1, 2010. The subject property is used for a convenience store, gas station, and boat storage and repair facility. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$13,800.00 per year to \$14,170.00 per year. A certified notice was sent to the lessee. No response was received.

New lease fee: \$14,170.00

Acres in lease: 307.30

Rental per acre: \$46.11

2. DUE DILIGENCE:

The development allowed by this lease has occurred. It is recommended that the lease be kept in full force.

3. PROPER USE:

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

4. ADEQUATE BOND COVERAGE:

A \$30,000.00 reclamation/surety bond issued by the Cincinnati Insurance Company was provided by the lessee.

5. ESTABLISHMENT OF WATER RIGHTS:

The following water rights are associated with this lease:

97-1954 is for 2.79 acre feet and has been certificated.

97-2132 is for 12 acre feet and proof has been submitted.

97-2312 is for 10 acre feet and proof has been submitted.

All of these water rights were filed in the Agency's name.

6. POLLUTION AND SANITATION REGULATIONS:

The lease is in compliance with the pollution, sanitation, and waste provisions of the lease.

SPECIAL USE LEASE NO. 1167 (FIVE-YEAR REVIEW) (CONTINUED)

7. GIS REVIEW:
The GIS Department has reviewed the legal description associated with this lease and found no errors.
8. NEXT REVIEW:
The next five-year review date is February 1, 2015.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the five-year review for SULA 1167.

SPECIAL USE LEASE AGREEMENT NO. 1500 (CORRECTION OF MINUTES DATED JANUARY 19, 2010)

The Director's Minutes of January 19, 2010, for SULA 1500, in the name of Enduring Resources, LLC, 475-17th Street, Ste. 1500, Denver, CO 80202, contained an error. The acreage listed was 26.266. **The correct acreage should be 30.10.** School Fund. Uintah County.

Upon recommendation of Ms. Linda Bianchi, the Director approved the correction to SULA 1500 on the January 19, 2010, Minutes.

SPECIAL USE LEASE AGREEMENT NO. 1511 (CORRECTION OF MINUTES DATED JANUARY 19, 2010)

The Director's Minutes of January 19, 2010, for SULA 1511, in the name of Enduring Resources, LLC, 475-17th Street, Ste. 1500, Denver, CO 80202, contained an error. The acreage listed was 26.266. **The correct acreage should be 30.22.** School Fund. Uintah County.

Upon recommendation of Ms. Linda Bianchi, the Director approved the correction to SULA 1511 on the January 19, 2010, Minutes.

SPECIAL USE LEASE AGREEMENT NO. 1512 (CORRECTION OF MINUTES DATED JANUARY 19, 2010)

The Director's Minutes of January 19, 2010, for SULA 1512, in the name of Enduring Resources, LLC, 475-17th Street, Ste. 1500, Denver, CO 80202, contained an error. The acreage listed was 26.266. **The correct acreage should be 11.40.** School Fund. Uintah County.

Upon recommendation of Ms. Linda Bianchi, the Director approved the correction to SULA 1512 on the January 19, 2010, Minutes.

TIMBER SALES**TIMBER SALE NO. 845 (CORRECTION OF EXPIRATION DATE)**

A request for an extension of time for Timber Sale No. 845, issued to Sargent Timber Company, L.L.C., P.O. Box 125, Oakley, Utah 84055, was approved on the Director's Minutes on January 26, 2009. The expiration date in the minute entry was shown as *March 31, 2010*. The correct expiration date should be **August 31, 2010**. Wasatch County. School Fund.

Upon recommendation of Mr. Richard Wilcox, the Director approved the correction of the expiration date for TA 845.

ACTIONS CONTAINING FEE WAIVERS

NONE

TRUST ACCOUNTING ACTIONS

CANCELED MINERAL LEASES

The following mineral leases were not paid on or before the cancellation date of 1/11/2010. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 47389.0	CABOT OIL & GAS CORPORATION	SCH	UINT	OGH
ML 47785.0	ANSBRO PETROLEUM COMPANY	SCH	UTAH	OGH
ML 48594.0	QUANECO LLC	SCH	SUMT	OGH
ML 48602.0	GULF EXPLORATION LLC	SCH	SANJ	OGH
ML 48608.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48614.0	PIONEER OIL & GAS	UNIV	SANJ	OGH
		SCH	SANJ	OGH
ML 48615.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48616.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48619.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48620.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48621.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48623.0	PIONEER OIL & GAS	SCH	SANJ	OGH
ML 48631.0	JAS O. BREENE JR.	SCH	UINT	OGH
ML 48632.0	JAS O. BREENE JR.	SCH	UINT	OGH
ML 48818.0	ENCANA OIL & GAS (USA) INC.	SCH	DUCH	OGH
ML 48819.0	ENCANA OIL & GAS (USA) INC.	SCH	DUCH	OGH
ML 49224.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49225.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49226.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49227.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49228.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49229.0	WESTERN UTAH COPPER COMPANY	SCH	BEAV	MM
ML 49455.0	PAN OKLAHOMA CORPORATION	USU	SUMT	OGH
ML 49456.0	BILL BARRETT CORPORATION	SCH	SUMT	OGH
ML 50154.0	PETROTECH HOLDINGS LLC	SCH	WAYN	BSAS
ML 50155.0	PETROTECH HOLDINGS LLC	SCH	WAYN	BSAS

CANCELED MINERAL LEASES (CONTINUED)

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 50156.0	PETROTECH HOLDINGS LLC	SCH	WAYN	BSAS
ML 50157.0	PETROTECH HOLDINGS LLC	SCH	WAYN	BSAS
ML 50560.0	TWIXACO LLC	SCH	IRON	OGA
ML 51117.0	K.L.A.D. LLC	SCH	WAYN	OGA
		SCH	PIUT	OGA
ML 51121.0	INTERNATIONAL PETROLEUM, LLC	SCH	WAYN	OGA
ML 51122.0	K.L.A.D. LLC	SCH	WAYN	OGA
ML 51127.0	INTERNATIONAL PETROLEUM, LLC	SCH	WAYN	OGA
ML 51134.0	K.L.A.D. LLC	SCH	WAYN	OGA
ML 51139.0	LASRICH, LANE	SCH	SUMT	OGA
		NS	SUMT	OGA
ML 51143.0	INTERNATIONAL PETROLEUM, LLC	SCH	DAGT	OGA
		UNIV	DAGT	OGA
		USH	DAGT	OGA
		MH	DAGT	OGA
ML 51155.0	MORGAN GAS & OIL COMPANY	SCH	SANJ	MM
ML 51156.0	MORGAN GAS & OIL COMPANY	SCH	SANJ	MM
ML 51157.0	MORGAN GAS & OIL COMPANY	SCH	SANJ	MM
ML 51158.0	MORGAN GAS & OIL COMPANY	SCH	WAYN	MM
ML 51159.0	MORGAN GAS & OIL COMPANY	SCH	SANJ	MM
ML 51160.0	MORGAN GAS & OIL COMPANY	SCH	WAYN	MM
ML 51161.0	MILLER, GEORGE H.	MH	EMRY	GS
ML 51512.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51513.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51515.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51516.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51518.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51526.0	INTERNATIONAL PETROLEUM, LLC	SCH	EMRY	OGA
ML 51561.0	DOBSON EXPLORATION LLC	SCH	BOX	OGA
ML 51562.0	DOBSON EXPLORATION LLC	SCH	BOX	OGA

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

REFUND REQUESTED – ML 47140

The rental for the above-mentioned mineral lease was overpaid in 2007 by \$131.40. Forest Oil is requesting a refund of the amount overpaid. The refund should be sent to Forest Oil Corporation – ATTN: Judy Thomas – 707 Seventeenth Street, Suite 3600 – Denver, CO 80202. FUND: SCH

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the above-mentioned refund.

PAID CERTIFICATES OF SALE

<u>CERT #</u>	<u>NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>DATE PAID</u>
C 24289	Jerry O. Day Sr.	SCH	SANJ	1/11/2010
C 26433	Robbersroost Investments LLC	SCH	BOX	1/11/2010

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	3.25%