


AUGUST 31, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON AUGUST 31, 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 BECAME EFFECTIVE AT 6:00 P.M. ON AUGUST 31, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 2; SURFACE ACTIONS AS LISTED ON PAGES 2 TO 11; DEVELOPMENT ACTIONS AS LISTED ON PAGES 12 TO 14; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 15; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 15 TO 17.

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, SEPTEMBER 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. 449 (APPROVAL)

APPLICANT:

Shawn Reber Farms, LLC
132 East 100 North
P.O. Box 13
New Castle, UT 84756

AFFECTED LANDS:

Township 35 South, Range 15 West, SLB&M.
Section 22: N½N½NW¼

COUNTY: Iron

ACRES: 40.0±

FUND: SCH

GIS has reviewed the legal description attached to this application.

Pursuant to R850-23-1400, the subject lands have been predesignated (PRED 275) for sand and gravel sales. Royalty rate for this pit is set at \$0.50 per cubic yard. Term of the permit is one year. Applicant plans to utilize the material in support of his farming operation.

Upon recommendation of Mr. Randy Harden, the Director approved the issuance of Materials Permit No. 449 for a term of one year.

MATERIALS PERMIT NO. 450 (APPROVAL)

APPLICANT:

James S. Tullis
P.O. Box 105
New Castle, UT 84756

AFFECTED LANDS:

Township 35 South, Range 15 West, SLB&M.
Section 22: N½N½NW¼

COUNTY: Iron

ACRES: 40.0±

FUND: SCH

GIS has reviewed the legal description attached to this application.

Pursuant to R850-23-1400, the subject lands have been predesignated (PRED 275) for sand and gravel sales. Royalty rate for this pit is set at \$0.50 per cubic yard. Term of the permit is one year. Applicant plans to utilize the material in support of his farming operation.

Upon recommendation of Mr. Randy Harden, the Director approved the issuance of Materials Permit No. 450 for a term of one year.

ASSIGNMENT OF MATERIALS PERMIT NO. 399 (SCH)

Upon recommendation of Mr. Harden, the Director approved the assignment of 100% interest in Materials Permit No. MP 399 to BHI, P.O. Box 1848, Vernal, UT 84078, by A & D Hacking Inc. The assignment fee of \$250 has been submitted. Uintah County.

ASSIGNMENT OF MATERIALS PERMIT NO. 432 (SCH)

Upon recommendation of Mr. Harden, the Director approved the assignment of 100% interest in Materials Permit No. MP 432 to BHI, P.O. Box 1848, Vernal, UT 84078, by A & D Hacking Inc. The assignment fee of \$250 has been submitted. Uintah County.

EXPIRATION OF MINERAL LEASES FOR HUMIC SHALE (SCH)

On August 25, 2008, the following described mineral leases for Humic Shale were issued for a primary term of one-year, ending August 31, 2009. The terms and conditions of the leases required the lessee to place the leased substances into commercial production or demonstrate diligent operations in order to extend the leases beyond the primary term. The lessee conducted no operations relevant to the leased lands during the primary term of the leases and the leases are expired August 31, 2009.

<u>ML 51488</u>	<u>T23S, R6E, SLB&M.</u>	Emery
Wayne Hunt	Section 31: SE¼	160.00 acres
300 West 200 North		
Price, UT 84501		

<u>ML 51489</u>	<u>T23S, R6E, SLB&M.</u>	Emery
Wayne Hunt	Section 32: SW¼	160.00 acres
300 West 200 North		
Price, UT 84501		

This item was submitted by Mr. Blake for record-keeping purposes only.

S U R F A C E A C T I O N S

GRAZING PERMITS

GRAZING PERMIT NO. 22875-08 (SUBLEASE APPROVAL)

Cross S Cattle Company, 3126 S. 2750 E., Salt Lake City, UT 84109, has requested permission to sublease 100% of the above referenced grazing permit for one year to Lee Vacher, 745 E. 50 S., American Fork, UT 84003. The sublease fee in the amount of \$522.00 has been submitted. Wayne County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the sublease for GP 22875-08.

RANGE IMPROVEMENT PROJECTS**RANGE IMPROVEMENT PROJECT NO. 350 - WITHIN GP 22521 (APPROVAL)**

APPLICANT'S NAME AND ADDRESS:

Trust Lands Administration
130 N. Main
Richfield, UT 84701

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T24S, R1W, SLB&M

Section 22: Within
Section 23: Within
Section 24: Within
Section 25: Within
Section 26: Within

COUNTY: Sevier

FUND: School

REQUESTED/PROPOSED ACTION:

Agency staff is proposing to conduct a vegetation treatment on the Sand Ledges Block that will improve wildlife habitat, increase forage for livestock, and remove invading pinyon and juniper trees. The vegetation treatment will consist of using a Dixie harrow to treat 106 acres, two-way chain of 640 acres, and one-way chain of 115 acres, totaling 861 acres. Each treatment will be seeded with a mixture of grasses and forbs. A fence of approximately 3 miles in length will be constructed to rest the vegetation treatment for two years from grazing by livestock. The fence will then serve as a pasture fence in the future. A water trough will also be located along the pipeline on the east side of the fence to facilitate the continued grazing of cattle on the un-treated portion of the allotment.

RELEVANT FACTUAL BACKGROUND:

Staff circulated this proposal to Management on January 29, 2009. A search of Agency records was made to determine the status of the area involved. The grazing permit of record on the affected area is GP 22521, which is in the name of R. J. Rickenbach. The grazing permittee is in favor of the project because it will enhance forage for livestock and improve range conditions. Two mineral leases for oil and gas (ML 49363, ML 49364) are on record, but neither will be affected by this proposed project. One easement (ESMT 1408) and one pre-designation (PRED 731) to Sevier County for Class B Roads are on record, but will not be affected by this project. Another pre-designation (PRED 22), for sand and gravel, is also on record.

The project proposal was submitted to the Resource Development Coordinating Committee ("RDCC"), the Sevier County Commission, and the Six County Association of Governments on April 16, 2009. No comments have been received.

A cultural resource survey was not required by the Agency's archaeology staff as this area has been previously chained and seeded, causing previous ground disturbance.

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

Funding of this project will be provided by the Agency (\$12,500) and the UDWR Watershed Restoration Initiative (\$158,000). This project will not require an amortization schedule as the grazing permittee is not financially participating in the project.

RANGE IMPROVEMENT PROJECT NO. 350 - WITHIN GP 22521 (APPROVAL) (CONTINUED)**EVALUATION OF THE FACTS:**

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed rangeland vegetation treatment fills a critical need for improving wildlife habitat, increasing forage for livestock, and will enhance the value of the range.

Based on the above information and upon recommendation of Mr. Ron Torgerson, the Director approved the construction of Range Improvement Project No. 350. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5358**

On July 16, 2009, Mr. Kurt Higgins, Resource Specialist, pursuant to R850-41-200 and in accordance with direction and delegation of authority, approved the request of Utah Sportsman Riders Association, 1666 E. Sagewood Rd., Price, UT 84501, to occupy the following described trust lands in Carbon County for the purpose of conducting an organized motorcycle race:

Township 14 South, Range 9 East, SLB&M

- Section 23: All (within)
- Section 24: All (within)
- Section 25: All (within)
- Section 26: All (within)
- Section 35: All (within)
- Section 36: W½ (within)

Township 14 South, Range 10 East, SLB&M

- Section 19: W½ (within)
- Section 30: NW¼ (within)

Containing 4,541.16 acres, more or less.

The race will take place August 15-16, 2009, on a pre-determined course on existing roads and trails.

Since this is a non-commercial fund-raising event for a non-profit organization, the fee for this permit is \$200.00 plus a \$50.00 application fee and a \$50.00 processing charge, totaling \$300.00. The term of this permit is five days, August 13 through 17, 2009, to include the time for setup and cleanup. Carbon County. School Fund.

This item was submitted by Mr. Kurt Higgins for record-keeping purposes.

RIGHT OF ENTRY NO. 5269 (EXTENSION)

Citadel Broadcasting Company, 434 Bearcat Dr., Salt Lake City, UT 84115, has requested a two-month extension of Right of Entry Permit No. 5269, to continue the operation of an existing communication site for one FM Radio transmission tower and related facility. The extension is necessary to accommodate the issuance of a long-term lease, to be approved with a beginning date of September 1, 2009. Review of the new lease agreement by the applicant's legal staff and management required considerably more time than anticipated, but the lease is now in the final form and ready for signature.

ROE 5269 was approved on March 2, 2009, with a commencing date of August 1, 2008, and an expiration date of March 31, 2009. An extension of three months was granted on May 18, 2009, with a new expiration date of June 30, 2009.

The extension shall specify the following:

1. The term of this right of entry shall be extended for two (2) months, commencing July 1, 2009, and expiring August 31, 2009.
2. All other terms of Right of Entry Permit No. 5269 shall remain unchanged.

The amount of rental is \$5,950.00, to be applied as telecomm rental, plus a \$100.00 right of entry extension fee, totaling \$6,050.00. The permittee has submitted the requested fees. Utah County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director approved the two month extension for Right of Entry Permit No. 5269.

EASEMENTS**EASEMENT NO. 1505 (FEDERAL RESERVED RIGHT-OF-WAY) (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

United States Department of the Interior
Bureau of Land Management
Fillmore Field Office
35 E. 500 N.
Fillmore, Utah 84631

LEGAL DESCRIPTION:

Township 12 South, Range 2 West, SLB&M
Section 18: SW $\frac{1}{4}$ SE $\frac{1}{4}$ (within)
Section 19: NW $\frac{1}{4}$ NE $\frac{1}{4}$ (within)

A 20 foot wide easement, being 10 feet on either side of the following described centerline:

Beginning at a point located 12.83 feet west and 60.44 feet south from the north $\frac{1}{4}$ corner of Section 19, T12S, R2W, SLB&M; thence running N 10°47'07" E 117.79 feet; thence N 12°52'52" W 116.24 feet to a point located 11.74 feet west and 168.64 feet north from said north $\frac{1}{4}$ corner of said Section 19. Containing 0.11 acres more or less.

EASEMENT NO. 1505 (FEDERAL RESERVED RIGHT-OF-WAY) (APPROVAL) (CONTINUED)

Also, beginning at a point located 459.02 feet east and 1365.93 feet south from the north ¼ corner of Section 19, T12S, R2W, SLB&M; thence running N 05°30'31" E 72.98 feet; thence N 06°39'43" E 90.80 feet; thence N 01°08'23" W 160.67 feet; thence N 48°03'10" W 90.70 feet; thence N 73°19'15" W 14.13 feet; thence N 74°18'02" W 61.39 feet; thence N 46°40'38" W 88.04 feet; thence N 37°36'35" W 268.18 feet; thence N 40°57'52" W 86.76 feet; thence N 24°48'23" W 85.82 feet; thence N 07°00'00" W 142.95 feet to a point located 13.46 feet west and 403.11 feet south of said north ¼ corner of said Section 19. Contains 0.52 feet more or less.

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

COUNTY: Juab

ACRES: 0.63

FUND: School

PROPOSED ACTION:

The Bureau of Land Management ("BLM") has submitted a Right of Way Notice and Acknowledgment of its right to construct a water pipeline within the Ferner Dog Valley Grazing Allotment, pursuant to its federal land title reservation for ditches and canals. The pipeline is known as the Rock Springs Pipeline. The right of way corridor is 1,396.45 feet long and 20 feet wide, containing 0.63 acres. As the BLM is exercising a reserved right of way, there is no application fee, easement rental assessment, or future administrative fee required. The BLM has assigned the reference number UTU-87423 to this right of way.

Staff has reviewed the right of way notification/acknowledgment and the proposed pipeline alignment and sees no conflict with Agency management objectives. The BLM has reviewed this project under federal guidelines, including cultural resource protection. No further review by the Trust Lands Administration is required. The right of way shall be recorded and documented on the land records of the Trust Lands Administration for future reference.

Upon recommendation of Mr. Chris Fausett, the Director approved the above item.

EASEMENT APPLICATION NO. 1313 (REJECTION OF APPLICATION)

On September 11, 2007, Elk Resources, Inc., 1401 17th Street, Suite 700, Denver, Colorado, 80202, submitted an easement application for a 4-inch diameter surface natural gas pipeline to service the proposed Huber Federal 26-24 Well. The applicant has not paid the required easement rental assessment. The last formal communication from the applicant was received on November 16, 2007, and no action has been taken on the application since that date. On June 18, 2009, a certified notice was sent to the applicant, giving the applicant 30 days to respond as to whether they would like to continue to pursue the easement application. No response was received within the 30-day period; therefore, it is recommended that the Director reject this application. The \$750.00 non-refundable application fee has been paid and will be forfeited to the Agency.

Upon recommendation of Mr. Chris Fausett, the Director rejected the application for Easement No. 1313.

EASEMENT APPLICATION NO. 1391 (NAME CHANGE)

On August 10, 2009, the Agency received written notice from Green River Companies, LLC requesting that the name of the applicant for Easement Application No. 1391 be changed to Grand County, 125 East Center Street, Moab, Utah, 84532. Grand County has submitted documentation confirming that they will be the applicant for this easement. A \$15.00 name change fee has been paid. Emery County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the name change for the above referenced application.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 1633 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Huntington-Cleveland Irrigation Company
71 North Main
P. O. Box 327
Huntington, UT 84528

LEGAL DESCRIPTION:

Township 17 South, Range 8 East
Section 10: SW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 11: S $\frac{1}{2}$ S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$

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

COUNTY: Emery

ACRES: 30.00

FUND: School

LEASE TYPE: AGR

PROPOSED ACTION:

The applicant is in the process of updating its irrigation systems and eliminating the use of ditches and canals in favor of using pipelines, irrigation ponds, and pressurized sprinkling systems for irrigation purposes. In conjunction with this process, the applicant requests that the Agency issue an agricultural special use lease to use trust lands for a settling pond, sediment basin, repository for fill materials, and a spillway structure. The applicant proposes to use the Section 10 lands described above for the settling pond and an associated pipeline, which will transport water from the nearby canal. The applicant proposes to use the Section 11 lands described above for the sediment basin and the spillway structure for emergency runoff to serve a larger pond that the applicant will construct on its private adjacent lands. In addition, the applicant proposes to store the fill material it removes in the construction of the pond on the Section 11 lands. Public access to the subject property may be restricted through fencing, if needed. No storage of vehicles or equipment is allowed on the lease site.

RELEVANT FACTUAL BACKGROUND:

The initial application for a lease was received on February 11, 2009. It included only the Section 10 lands described above. The applicant submitted an amended application adding the Section 11 lands on May 13, 2009. The Director accepted the amended application on May 27, 2009, with a directive to the lease administrator to address the issue of the potential loss of coal revenue if the applicant's use of the land was incompatible with future coal mining operations on the lease lands. After the Agency's staff discussed this issue with the applicant, the applicant agreed to lease terms that will allow the Agency to develop its coal resource in the future with no objection to such development by the applicant. The applicant acknowledged that any coal operations on the lease lands and/or surrounding lands may cause damage to applicant's structures, and that such damage may in turn damage the property of the surrounding landowners. The applicant agreed to bear the full risk and responsibility for the cost of repairing any damage to the applicant's structures as well as any damage to the surrounding landowners' property.

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 to the Resource Development Coordinating Committee ("RDCC") on June 8, 2009. No comments were received from RDCC. Notice was also sent to the Southeastern Association of Governments and Emery County. They gave a favorable comment.

An archaeological survey was completed on the subject property. No cultural resources will be affected.

SPECIAL USE LEASE NO. 1633 (APPROVAL) (CONTINUED)**EVALUATION OF FACTS:**

The applicant submitted a sealed bid proposal for SULA 1633 in the amount of \$800.00. The application is for 30.00 acres. The bid amount equals \$26.67 per acre. The value of the subject property is estimated to be \$500.00 per acre for a total value of \$15,000.00. This amount, multiplied by the accepted rate of 3.25%, is less than the amount bid by the applicant. Pursuant to Board Policy, the applicant's bid of \$800.00 per year is, therefore, deemed to satisfy 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	\$ 360.00
Lease processing	\$ 700.00
<u>First year's rental</u>	<u>\$ 800.00</u>
Total	\$2,110.00

The applicant requests that the Agency issue the lease for a term of 30 years, rather than the usual 20-year term for agricultural leases, due to applicant's long term needs and the large investment it will make on the leased property. Agency staff believes it is unlikely that the coal resource underlying the lease lands will be developed within the next 30 years. Furthermore, it is unlikely that any other use to which the Agency may put the lease land will be adversely affected by the increased lease term.

The lease will contain language allowing for a rental review every three years. The beginning date of this lease will be September 1, 2009. The expiration date of this lease will be August 31, 2039. The first review will be due September 1, 2012.

As there were no competing applications, this action does not warrant the time and expense necessary to complete a full narrative record of decision. Based on this evaluation, this summary will constitute the record of decision.

Upon recommendation of Mr. Ron Torgerson, the Director approved SULA 1633.

SPECIAL USE LEASE AGREEMENT NO. 770 (THREE-YEAR REVIEW)

SULA 770 is issued to Buescher Family Limited Partnership, P.O. Box 4353, Grand Junction, Colorado, 81502. This is a commercial lease on trust lands located in Grand County. School Fund.

1. ANNUAL RENTAL:

The three-year review date for this lease is September 1, 2009. The subject property is used for overflow parking and a commercial sign. Based on a recent appraisal, the Agency has decided to exercise its option to increase the annual base rent to an amount equal to the fair market value. It is recommended that the annual base rent be increased from \$710.00 per year to \$1,100.00 per year. This new rental amount will be due on September 1, 2009. A certified notice was sent to the lessee. However, no response was received.

New lease fee: \$1,100.00

Acres in lease: 1.13

Rental per acre: \$973.45

2. DUE DILIGENCE:

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

3. PROPER USE:

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

SPECIAL USE LEASE AGREEMENT NO. 770 (THREE-YEAR REVIEW) (CONTINUED)

4. **ADEQUATE BOND COVERAGE:**
The lessee has general liability insurance in the amount of \$1,000,000.00 naming SITLA as co-insured. However, no bond has been required to date because no substantial disturbance has occurred and the property is still effectively unimproved and undeveloped.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no water rights associated with this lease.
6. **POLLUTION AND SANITATION REGULATIONS:**
The lessee is in compliance with the pollution, sanitation, and waste provisions of the lease.
7. **GIS REVIEW:**
The GIS Group has reviewed the legal descriptions associated with this lease and has identified some discrepancies. The lease administrator plans to fix the legal description within the next month by working with the lessee to amend the lease.
8. **NEXT REVIEW:**
The next review date is September 1, 2012.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the three-year lease review for SULA 770.

SPECIAL USE LEASE AGREEMENT NO. 1429 (FIVE-YEAR REVIEW)

SULA 1429 is leased to East Zion Properties, LLC, 9065 West Highway 9, Mt. Carmel, UT 94755. This is an agricultural lease for a water protection zone in Kane County. School Fund.

1. **ANNUAL RENTAL:**
The five-year review date for this lease is November 1, 2009. The subject property is used for a water protection zone and has been fenced to keep cattle out of the public drinking water supply zone. 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. There is also a termination clause in the lease that allows the lease to be canceled at the end of any lease year. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$900.00 per year to \$1,000.00 per year, effective November 1, 2009. A certified notice was sent to inform the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$1,000.00
Acres in lease: 45.00
Rental per acre: \$22.22
2. **DUE DILIGENCE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force.
3. **PROPER USE:**
The leased premises are being used in accordance with the lease agreement.

SPECIAL USE LEASE AGREEMENT NO. 1429 (FIVE-YEAR REVIEW) (CONTINUED)

4. **ADEQUATE INSURANCE AND BOND COVERAGE:**
Insurance coverage is required by the lease agreement and has been requested from the applicant. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. However, it has been determined that a bond is not required at this time.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no Agency-owned water rights associated with this lease. However, the Agency does hold a water right (Water Right No. 81-3515) for stock water in Big Spring (within the water protection zone) and it is currently put to beneficial use by the grazing permittee.
6. **POLLUTION AND SANITATION REGULATIONS:**
The Agency is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
7. **LEGAL DESCRIPTION REVIEW:**
The lease administrator has had this legal description reviewed by the GIS Group.
8. **NEXT ASSESSMENT DATE:**
The next assessment date will be November 1, 2014.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 1429.

PREDESIGNATIONS**PREDESIGNATION NO. 757 (MEMORANDUM OF AGREEMENT - WATER RIGHT NO. 01-1098)**

The Trust Lands Administration is the owner of certain property in Grand County described as follows:

Township 25 South, Range 20 East, SLB&M
Section 32 (aka "Crips Hole")

The Trust Lands Administration is also the owner of Water Right No. 01-1098. The Trust Lands Administration has three (3) contracts associated with the above property and they are as follows: (1) Boy Scouts of America, Utah National Parks Council (SULA 1360), (2) Donald W. Holyoak (GP 20552), and (3) Marlin Red Stewart (SULA 1326). Each lessee/permittee uses a portion of the before-mentioned water right and some conflicts have occasionally arisen. The above parties now desire to use the water located on the subject property free from interference and harassment. To avoid any future conflict between the parties' use and enjoyment of the water, the parties entered into an agreement to govern the use of the water which has been approved by the Agency.

Upon recommendation of Mr. Bryan Torgerson, the Director approved the Memorandum of Agreement - Water Right 01-1098 Memorandum Agreement, referenced on Agency records as PRED 757.

TIMBER SALES**TIMBER APPLICATION NO. 846 (APPROVAL – SEED COLLECTING CONTRACT)**

Maple Leaf Company, 450 South 50 East, Ephraim, UT 84627, has submitted an application for a Director's sale to collect needle-n-thread grass, Indian ricegrass, and scarlet globemallow seed on the following sections:

Township 23 South, Range 8 West, SLBM

Section 16: All (640.00 acres)

Section 32: All (640.00 acres)

Township 24 South, Range 8 West, SLBM

Section 16: All (640.00 acres)

Township 24 South, Range 9 West, SLBM

Section 2: All (646.64 acres)

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on June 15, 2009. The State Planning Coordinator's office responded, stating that they *"have not received any comments from any state agencies to date."* The Six County Association of Governments responded with a favorable comment.

The contract will begin on May 1, 2010, and expire on April 30, 2012. The applicant has paid a \$100.00 application fee. The purchaser shall pay the Trust Lands Administration a minimum payment of \$2,000.00 each year of the contract prior to harvesting activities each year. A 10% post-harvest payment will be paid within one month after harvest activities have ceased. This payment will be based on the total pounds of field harvested seed multiplied by ten percent of the un-cleaned seed value ("USV"). The USV will be based on statewide market values as determined on May 1 of each contract year for seed species; however, in no case will the USV be less than \$3.00/lb. for needle-n-thread grass, \$1.00/lb. for Indian ricegrass, and \$0.60/lb. for scarlet globemallow. A bond will not be required. Millard County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Application No. 846.

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 267	26377-10-267	08/20/09	19928-10-267	07/07/06	\$14,462.16	\$20.00	0.22	SCH	7

This legal description has been reviewed by the GIS Group.

LIST MINERAL RESERVATIONS:

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

LIST SURFACE RESERVATIONS:

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

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

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

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

CORRECTION TO DEVELOPMENT SUBDIVISION SALE

IN THE AUGUST 3, 2009, DIRECTOR'S MINUTES, PAGE 21, THE **CERTIFICATE/SALE DATE** WAS REPORTED INCORRECTLY, AND HAS BEEN CORRECTED AS SHOWN IN BOLD BELOW.

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	Sec
Lot 163	26377-10-163	07/17/09	19928-10-163	07/07/06	\$7,920.91	\$20.00	0.16	SCH	7

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.

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.

CORRECTION TO DEVELOPMENT SUBDIVISION SALE

IN THE AUGUST 3, 2009, DIRECTOR'S MINUTES, PAGE 21, THE **LOT PRICE** AND THE **FUND** WERE REPORTED INCORRECTLY, AND HAVE BEEN CORRECTED AS SHOWN IN BOLD BELOW.

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	Sec
Lot 205	26377-10-205	07/21/09	19928-10-205	07/07/06	\$18,238.03	\$20.00	0.28	MH	7

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.

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

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

ACTIONS CONTAINING FEE WAIVERS

GRAZING PERMIT NO. 23086 (NON-USE)

Grazing Permit No. 23086 is permitted to Rowland Yardley, P.O. Box 1294, Beaver, UT 84713. The Trust Lands Administration, in conjunction with the Bureau of Land Management, is requiring the grazing permittee to take 100% non-use, due to the Greenville Bench Wildfire and subsequent re-seeding, on GP 23086. SITLA, BLM, and UDWR cost-shared to re-seed the trust land sections within the Bald Hills BLM Allotment. The 2009/2010 grazing fees paid should be credited to the 2010/2011 bill. The \$9.62 weed fee has been paid. The \$20.00 non-use fee will be waived as this is an administrative request. Beaver and Iron Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the non-use for GP 23086.

TRUST ACCOUNTING ACTIONS

CANCELED GRAZING PERMITS

The following grazing permits were not paid on or before the cancellation date of 8/13/2009. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
GP 20568	KENNETH GOULDING SR.	SCH	GARF	GRAZ
GP 20634	STEELE, RODNEY	SCH	JUAB	GRAZ
GP 20937	LONI HAMMOND	SCH	SANP	GRAZ
GP 21179	LARON AND/OR LINDA HALL	SCH	WASH	GRAZ
GP 21681-01	JOHN S. HENDRICKS	SCH	GRND	GRAZ
GP 21919-02	DAREN WOODARD	SCH	MLRD	GRAZ
GP 21979-02	CLYDE BEHLING	SCH	EMRY	GRAZ
GP 22054-02	COTTAM, BRENT	SCH	WASH	GRAZ
GP 22069-02	EUGENE QUILTER	SCH	GARF	GRAZ
GP 22392-08	JAMES K. DAY	SCH	DUCH	GRAZ
GP 22483-L	J.A. ELLETT	SCH	WAYN	GRAZ
GP 22723	CRAIG JONES	SCH	IRON	GRAZ
GP 22748-99	ROBINSON, LARRY H.	SCH	UINT	GRAZ
GP 22784-00	DAVID E. SORENSEN, TRUSTEE	SCH	GARF	BLOCK
GP 22869-07	PAUL HOLYOAK	USU	GRND	GRAZ
		SCH	GRND	GRAZ
GP 22967	EYRE CATTLE COMPANY	SCH	BEAV	GRAZ
GP 23137	FRANK L. DAVIES	SCH	MLRD	GRAZ
GP 23159	PERRY BUNDERSON	SCH	EMRY	GRAZ

CANCELED GRAZING PERMITS (CONTINUED)

GP 23197	CANNON LIVESTOCK CO.	SCH	GARF	GRAZ
GP 23206	BRENT COTTAM	SCH	WASH	GRAZ
GP 23215	RICK GATHERUM	SCH	CARB	GRAZ
GP 23226-08	MORRILL, LA MIYA	SCH	GARF	GRAZ
GP 23272	ROBERT C. LEWIS & VIVIAN LEWIS	SCH	MLRD	GRAZ

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

CANCELED MODIFIED GRAZING PERMIT

The following modified grazing permit was not paid on or before the cancellation date of 8/13/2009. A certified notice was mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
MGP 26	ANDRUS, GEORGE	SCH	WASH	MGP

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed modified grazing permit for non-payment.

CANCELED MINERAL LEASES

The following minerals leases were not paid on or before the cancellation date of 8/13/2009. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 48506	JAS O. BREENE JR.	SCH	DUCH	OGH
ML 48507	JAS O. BREENE JR.	SCH	DUCH	OGH
ML 48508	JAS O. BREENE JR.	UNIV	DUCH	OGH
ML 48519	DENNIS D. RANDLEMAN	SCH	EMRY	OGH
ML 48520	EOG RESOURCES INC.	UNIV	EMRY	OGH
ML 48521	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48522	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48523	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48524	EOG RESOURCES INC.	SCH	GRND	OGH
ML 48525	EOG RESOURCES INC.	SCH	GRND	OGH
ML 48526	EOG RESOURCES INC.	SCH	GRND	OGH
ML 48527	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48528	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48529	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48530	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48531	EOG RESOURCES INC.	SCH	EMRY	OGH
ML 48532	EOG RESOURCES INC.	SCH	EMRY	OGH

CANCELED MINERAL LEASES (CONTINUED)

ML 48533	EMERY INDUSTRIAL RESOURCES, INC.	SCH	EMRY	OGH
		DEAF	EMRY	OGH
ML 48534	JAS O. BREENE JR.	SCH	EMRY	OGH
ML 48535	JAS O. BREENE JR.	SCH	EMRY	OGH
ML 48536	JAS O. BREENE JR.	SCH	EMRY	OGH
ML 48538	JAS O. BREENE JR.	SCH	EMRY	OGH
ML 48539	JAS O. BREENE JR.	SCH	EMRY	OGH
ML 48540	JAS O. BREENE JR.	MH	EMRY	OGH
ML 48547	GULF EXPLORATION LLC	SCH	SANJ	OGH
ML 48548	GULF EXPLORATION LLC	SCH	SANJ	OGH
ML 49937	NEUTRON ENERGY INC.	SCH	GRND	MM
ML 50400	GARFIELD RESOURCES I LLC	SCH	GARF	MM
ML 50401	FUTURE ENERGY LLC	SCH	GARF	MM
ML 50402	FUTURE ENERGY LLC	SCH	WAYN	MM
ML 50404	TRACHYTE OIL COMPANY	SCH	EMRY	OGA
ML 50405	TRACHYTE OIL COMPANY	SCH	EMRY	OGA
ML 50923	MURER, CHRISTIAN	SCH	WAYN	MM
		SCH	EMRY	MM
ML 50924	RED BUTTE URANIUM, INC.	SCH	BEAV	MM
ML 50925	LINDSAY, BRAD	SCH	EMRY	MM
ML 50935	GARFIELD RESOURCES I LLC	SCH	SANJ	MM
		SCH	GRND	MM
ML 51335	WW AND SONS LLC	SCH	GRND	MM
ML 51336	MOAB MINING	SCH	GRND	MM

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

CANCELED MATERIAL PERMIT

The following material permit was not paid on or before the cancellation date of 8/13/2009. A certified notice was mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
MP 390	TRACY MONKS CONSTRUCTION	SCH	UNIT	S&G

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

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	5.00%