

SEPTEMBER 8, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON SEPTEMBER 8, 2009, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECAME EFFECTIVE AT 6:00 P.M. ON SEPTEMBER 8, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 2; SURFACE ACTIONS AS LISTED ON PAGES 3 TO 18; DEVELOPMENT ACTIONS AS LISTED ON PAGES 18 TO 22; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 23 TO 25.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND MAY BE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON TUESDAY, SEPTEMBER 22, 2009. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

METALLIFEROUS MINERAL LEASE APPROVAL

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals Lease application listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The application has been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease application as an existing contract on the lands described below:

<u>ML 51631</u>	<u>T30S, R7W, SLB&M.</u>	Beaver
Rowland Yardley/Danny Yardley	SEC. 16: ALL	640.00Acres
235 So. 200 W.		
Beaver, UT 84713		

Annual Rental: \$640

FUND: SCH

TOTAL ASSIGNMENT – OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to Pingo Oil & Gas, L.P., 200 W. Douglas, Suite #525, Wichita, KS 67202, by Alfred James III Revocable Trust. No override.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

ALFRED JAMES III REVOCABLE TRUST-100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

PINGO OIL & GAS, L.P.-100%

....ML 51604 (NS)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 35% interest in and to the leases listed below to Armstrong Resources, LLC (20%), 1421 Blake Street, Denver, CO 80202; and Whiting Oil and Gas Corporation (15%), 1700 Broadway, Suite 2300, Denver, CO 80290, by Delta Petroleum Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DELTA PETROLEUM CORPORATION – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**DELTA PETROLEUM CORPORATION – 65%,
ARMSTRONG RESOURCES, LLC – 20%,
WHITING OIL AND GAS CORPORATION – 15%**

....ML 51259 (SCH)....ML 51260 (SCH)....ML 51261 (SCH)....ML 51262 (SCH)....ML 51263 (SCH)....

....ML 51264 (SCH)....ML 51265 (SCH)....ML 51266 (SCH)....ML 51267 (SCH)....

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 23310 (APPROVAL)

T & D RANCH ENTERPRISES, INC.
c/o Dean Eyre
P. O. Box 234
Minersville, UT 84752

3,809.51 Acres 295 AUMs School Fund Beaver County

Township 26 South, Range 16 West
Sec. 16: E½

Township 27 South, Range 17 West
Sec. 36: All

Township 28 South, Range 16 West
Sec. 32: All
Sec. 36: Lots 1-11, E½NE¼, SW¼SW¼, E½SW¼, SE¼

Township 28 South, Range 17 West
Sec. 1: SE¼SE¼
Sec. 36: NE¼

Township 30 South, Range 17 West
Sec. 2: All
Sec. 16: All
Sec. 32: Part NW¼, Part N½NE¼, Part SW¼NE¼, Part N½SW¼ and Part SW¼SW¼ (220 acres within BLM Allotment)

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

First year's rental: \$1,138.70
Weed fee: \$29.50
Application fee: \$50.00

The term of this permit begins July 1, 2009, and expires June 30, 2024. The season of use is year round. The type of livestock is cattle. These sections are part of the North and South Pine Valley Allotments.

Upon recommendation of Mr. Ron Torgerson, the Director approved Grazing Permit No. 23310.

GRAZING PERMIT NO. 21505 (SUBLEASE APPROVAL)

Taylor Livestock Corporation, c/o D. L. Taylor, 24 Apache Circle, Moab, UT 84532, has requested permission to sublease a portion of GP 21505 to the following individuals for a one-year term:

Jared Randall:	217 AUMs (\$15.00/AUM)
Wilcox Ranches:	958 AUMs (\$12.50/AUM)
Ivor Bradshaw:	75 AUMs (\$12.50/AUM)
2-Bar Sheep Co.:	693 AUMs (\$12.50/AUM)
TOTAL:	1,943 AUMs

The sublease fee in the amount of \$6,100.25 has been paid. This represents a 50:50 profit cost-share for subleasing 1,943 AUMs at the rates shown above. Grand and San Juan Counties. USU and School Funds.

Upon recommendation of Mr. Ron Torgerson, the Director approved the sublease for GP 21505.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5372**

On August 17, 2009, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of the Red Rock 4-Wheelers, P.O. Box 1471, Moab, UT 84532, to occupy the following described trust land located within Grand and San Juan Counties to conduct the annual Labor Day campout:

T21S, R16E, SLB&M
Sec. 36: Within

T22S, R16E, SLB&M
Sec. 2: Within

T24S, R18E, SLB&M
Sec's 32, 36: Within

T25S, R18E, SLB&M
Sec. 16: Within

T25S, R20E, SLB&M
Sec's 32, 36: Within

T26S, R20E, SLB&M
Sec. 2: Within

T26S, R21E, SLB&M
Sec's 16, 32: Within

T26S, R23E, SLB&M
Sec. 32: Within

RIGHT OF ENTRY NO. 5372 (CONTINUED)

T27S, R21E, SLB&M

Sec's 3, 4, 5, 7, 8, 9: Within

T27S, R22E, SLB&M

Sec's 1, 2, 16, 25, 26, 35: Within

T27S, R23E, SLB&M

Sec. 7: Within

T28S, R22E, SLB&M

Sec. 36: Within

T29S, R20E, SLB&M

Sec. 36: Within

T29.5S, R20E, SLB&M

Sec. 36: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust land, or \$4.00/vehicle, whichever is greater, within 30 days of the permit expiration date. Expiration date: September 7, 2009. Grand and San Juan Counties. School and USU Funds.

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

RIGHT OF ENTRY NO. 5373 (APPROVAL)

On August 24, 2009, the School and Institutional Trust Lands Administration received an application from Red Rock Canyoneering, LLC, P.O. Box 947, Parowan, UT 84761, to occupy the following described trust land located within Grand County for commercial canyoneering tours for a one-year term:

T26S, R22E, SLB&M

Sec 5: Within E½SW¼

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. Grand County. School Fund. Beginning date: September 1, 2009. Expiration date: August 31, 2010.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5373 for a one-year term.

EASEMENTS**EASEMENT NO. 1490 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Energy of the Rockies, LLC
97 North Main
P.O. Box 87
Manti, Utah 84642

LEGAL DESCRIPTION:

Township 15 South, Range 13 East, SLB&M
Section 32: N $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$ (within)

A 30 foot wide easement, 15 feet on each side of the following described centerline:

Beginning at a point on the south line of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 32, T15S, R13E, SLB&M, which bears N 89°29'34" W 8366.39 feet from the southeast corner of Section 33, T15S, R13E, SLB&M, thence N 24°22'44" W 122.70 feet; thence N 13°56'08" W 494.89 feet; thence N 33°05'47" W 294.59 feet; thence N 10°11'44" W 536.45 feet; thence N 31°46'58" W 426.48 feet; thence N 02°51'04" W 294.32 feet; thence N 37°13'28" E 325.21 feet; thence N 51°26'46" E 316.69 feet; thence N 61°06'19" E 194.63 feet; thence N 12°50'13" E 272.43 feet; thence N 05°52'46" E 537.19 feet; thence N 18°19'37" E 265.29 feet; thence N 02°25'47" W 460.11 feet; thence N 01°49'23" E 629.14 feet; thence N 07°35'29" E 266.03 feet; thence N 34°42'53" E 254.22 feet; thence N 60°19'28" E 180.13 feet to a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 32 which bears N 55°49'38" W 9524.77 feet from the southeast corner of said Section 33. Also, beginning at a point on the north line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32, T15S, R13E, SLB&M, which bears N 55°33'23" W 9457.81 feet from the southeast corner of Section 33, T15S, R13E, SLB&M, thence S 62°55'49" E 212.94 feet; thence S 56°27'44" E 323.13 feet; thence S 77°03'03" E 253.20 feet; thence N 78°06'43" E 761.36 feet; thence N 45°46'35" E 211.73 feet; thence S 84°53'24" E 131.08 feet; thence S 63°51'54" E 113.85 feet; thence N 41°23'19" E 96.85 feet to a point in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32 which bears N 47°53'41" W 7953.00 feet from the southeast corner of said Section 33. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.492 acres more or less.

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

COUNTY: Carbon

ACRES: 5.492

FUND: School

PROPOSED ACTION:

The applicant has requested a non-exclusive easement to construct, operate, repair, and maintain an access road located within T15S, R13E, Section 32 in Carbon County. The access road was historically constructed to drill the Arco Chambers #1-A Well on federal lands in Section 28 to the northeast. The well was plugged & abandoned in 1984 and the access road was reclaimed. The applicant now desires to re-enter the well and proposes to construct an access road to the well site using the previously disturbed and reclaimed route. The access road will be used to service this well and is anticipated to support other future development activity in the area. The proposed easement corridor is 8,066.18 feet long and 30 feet wide, containing 5.49 acres. The requested term of the easement is 20 years.

RELEVANT FACTUAL BACKGROUND:

The subject "Application to Purchase an Easement" was received on March 19, 2009. It was submitted for the Agency review on March 23, 2009, and was accepted by the Director on April 6, 2009.

EASEMENT NO. 1490 (APPROVAL) (CONTINUED)

The proposed easement was exempt from review by the Resource Development Coordinating Committee ("RDCC") since it follows a previously disturbed corridor and will not result in any new ground disturbance.

EVALUATION OF FACTS:

The Agency's archaeology staff has reviewed the proposed easement and has determined that a cultural resource survey will not be required since the easement will not involve any new ground disturbance.

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 20 years beginning September 1, 2009, and expiring August 31, 2029. The application fee of \$750.00 and the easement rental assessment of \$3,666.45 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.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 1641 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Morgan Ranches L.L.C.
P. O. Box 188
Circleville, UT 84723

LEGAL DESCRIPTION:

Township 30 South, Range 3 West, SLB&M
Section 32: W $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

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

COUNTY: Piute

ACRES: 20.00

FUND: School

LEASE TYPE: AGR

PROPOSED ACTION:

Issue an agricultural special use lease for the purpose of growing crops, storing hay, and installing a pivot sprinkler for irrigation using the applicant's own water rights. Approximately 5 acres of the 20 acres contained in the lease will be irrigated. 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 application for a lease was received on March 31, 2009. The Director accepted the application on April 16, 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 June 29, 2009. No comments were received from RDCC. Notice was also sent to the Six County Association of Governments and Piute County. No comments were received.

An archaeological survey was not required on the subject property because of previous ground disturbance.

SPECIAL USE LEASE NO. 1641 (APPROVAL) (CONTINUED)**EVALUATION OF FACTS:**

The applicant submitted a sealed bid proposal for SULA 1641 in the amount of \$600.00. The application is for 20.00 acres. The bid amount equals \$30.00 per acre. The value of the subject property is estimated to be \$400.00 per acre for a total value of \$8,000.00. 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 \$600.00 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:	\$ 250.00
Lease processing fee:	\$ 700.00
<u>First year's rental:</u>	<u>\$ 600.00</u>
Total	\$1,800.00

The requested term of the lease is 20 years. 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.

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 1641.

SPECIAL USE LEASE AGREEMENT NO. 1647 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

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

APPLICATION TYPE: INDUSTRIAL

TERM: 30 years

BEGINNING DATE: July 1, 2009

ENDING DATE: June 30, 2039

NEXT REVIEW DATE: July 1, 2012

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M
Section 35: NE $\frac{1}{4}$ SW $\frac{1}{4}$ (within)

Beginning at a point in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35, T9S, R21E, SLB&M, which bears N 13°53'03" W 1925.87 ft from the South Quarter Corner of said Section 35; thence S 65°37'36" W 98.64 ft; thence S 87°47'36" W 253.41 ft; thence N 25°07'57" W 160.05 ft; thence N 36°55'39" E 78.61 ft; thence N 58°52'11" E 141.08 ft; thence S 85°33'18" E 193.62 ft; thence S 36°30'06" E 166.00 ft; thence S 02°19'31" W 69.18 ft; thence S 74°36'24" W 47.62 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 2.260 acres, more or less.

SPECIAL USE LEASE AGREEMENT NO. 1647 (APPROVAL) (CONTINUED)

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

COUNTY: Uintah

ACRES: 2.260

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down hole salt water injection well ("SWD"). This well, NBU #159 SWD, will be located on an existing well pad. The applicant has operating approval on ML 22582. 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 June 1, 2009. The Director accepted the application on June 22, 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 ML 22582.

A cultural resource inventory has been completed by Metcalf, U-91-MM0075s, and Montgomery, U-07-MQ-1437s. 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).

EVALUATION OF FACTS:

The applicant was given approval to construct this SWD well under ML 22582. They 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 ML 22582, including operations on federal lands, fee lands, and on trust lands other than those included in ML 22582. 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.

SPECIAL USE LEASE AGREEMENT NO. 1648 (APPROVAL) (CONTINUED)**RELEVANT FACTUAL BACKGROUND:**

The application for a lease was received on June 1, 2009, and accepted by the Director for processing on June 22, 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 UO 1197 AST.

A cultural resource inventory has been completed by Montgomery, MOAC #U-98-MQ-0631s, and reviewed by the Agency's archaeology staff. There were no sites recorded; therefore, no further work is necessary (not an undertaking).

EVALUATION OF FACTS:

The applicant was given approval to construct this SWD well under UO 1197 AST. They 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 1197 AST, including operations on federal lands, fee lands, and on trust lands other than those included in UO 1197 AST. 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 1648, 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. 1649 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

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

APPLICATION TYPE: INDUSTRIAL

TERM: 30 years

BEGINNING DATE: July 1, 2009

ENDING DATE: June 30, 2039

NEXT REVIEW DATE: July 1, 2012

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

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

Beginning at a point in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 34, T9S, R21E, SLB&M, which bears N 03°28'43" W 2526.14 ft from the South Quarter Corner of said Section 34, thence S 25°58'38" W 37.53 ft; thence S 64°42'26" W 324.87 ft; thence N 45°15'47" W 211.40 ft; thence N 06°06'34" E 169.74 ft; thence N 54°36'18" E 216.98 ft; thence S 57°56'51" E 159.41 ft; thence S 85°24'14" E 91.28 ft; thence S 32°32'09" E 133.27 ft; thence S 25°58'38" W 73.92 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 3.176 acres more or less.

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

COUNTY: Uintah

ACRES: 3.176

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down hole salt water injection well ("SWD"). This well, NBU #921-34K SWD, will be located on an existing well pad. The applicant has operating rights in this mineral lease, UO 1194 AST. 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 June 1, 2009. The Director accepted the application on June 22, 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 UO 1194 AST.

SPECIAL USE LEASE AGREEMENT NO. 1649 (APPROVAL) (CONTINUED)

A cultural resource inventory has been completed by Montgomery, U-05-MQ-0040s, and reviewed by the Agency's archaeology staff. There were no sites recorded; therefore, no further work is necessary (not an undertaking).

EVALUATION OF FACTS:

The applicant was given approval to construct this SWD well under UO 1194 AST. They 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 AST, including operations on federal lands, fee lands, and on trust lands other than those included in UO 1194 AST. 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 1649, 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. 1662 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

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

APPLICATION TYPE: INDUSTRIAL

TERM: 30 years

BEGINNING DATE: September 1, 2009

ENDING DATE: August 31, 2039

NEXT REVIEW DATE: September 1, 2014

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

Township 16 South, Range 24 East, SLB&M
 Section 7: Lot 2, SW¼NW¼ (within)

GPS reading for the Horse Point 13-1: N 39 25.871, W 109 18.985, elevation 8030.

Contains 0.01 acres, more or less.

The lease administrator has had this legal description reviewed by the GIS Group. (Note: The GIS review discovered that the actual acreage of this meter site is 0.000642 acres, or 7 feet by 4 feet. The meter site sits on a skid that is 7 feet by 4 feet and is completely within an existing easement. The Business System will not accommodate acreages smaller than 0.01 acres, so acreage was adjusted to 0.01 acres.)

COUNTY: Grand

ACRES: 0.01

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a natural gas metering station. The metering station will be located within an existing easement corridor (ESMT 917). National Fuels has installed a pipeline (ESMT 1424) from the Horse Point #13-1 State Well to tie into the existing ETC's 8-inch pipeline (ESMT 917). Thus, a metering station is required at that location. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

This application was received on August 6, 2009, and accepted by the Director for processing on August 31, 2009.

As the site was previously disturbed during the construction of Easement 917, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500(2)(c).

This site has been previously surveyed for cultural resources under ESMT 917 and ESMT 1424 (#U-08-GB-0897s and #U-03-MQ-0753s) and reviewed by the Agency's archaeology staff. There were no sites recorded; therefore, no further work is necessary (not an undertaking).

EVALUATION OF FACTS:

The lessee proposes to pay a beginning annual rental 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 five-year period, utilizing the approved index.

SPECIAL USE LEASE AGREEMENT NO. 1662 (APPROVAL) (CONTINUED)

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 1662, with a beginning base rental of \$600.00. The term of the lease will be 30 years, with a five-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 818 (RELEASE OF RECLAMATION BOND)

On November 30, 2007, the Director approved Corporate Surety Bond No. 1023358 in the amount of \$5,000.00 for Special Use Lease No. 818, in the name of Canyon Fuel Company, LLC, c/o Ark Land Company, 1 City Place Drive, Suite 300, St. Louis, MO 63141. This lease expired on June 30, 2009, and was replaced by Special Use Lease No. 1638. The lessee has provided a bond for the replacement lease, and Bond No. 1023358 is being released. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved release of Bond No. 1023358 for SULA 818.

SPECIAL USE LEASE AGREEMENT NO. 1350 (RECLAMATION BOND)

Pursuant to Paragraph 23 of the lease agreement, Skull Valley Water Group LLC, 238 N. 2200 W., Salt Lake City, UT 84116, has submitted a cash bond in the amount of \$5,000.00. This cash bond will be held in suspense. The cash bond form will be held in the lease file. The reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Tooele County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1350.

SPECIAL USE LEASE AGREEMENT NO. 1376 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, MK Communications, Inc., 1516 S. 2950 W., Vernal, UT 84078, has submitted an Irrevocable Letter of Credit, No. 2009001, in the amount of \$5,000.00 as a performance and reclamation bond for SULA No. 1376. The bonding company is Mountain America Federal Credit Union, 7181 South Campus View Drive, West Jordan, Utah 84084. This letter of credit is for one year, expiring July 21, 2010, but may be extended for one or more additional one-year periods upon agreement of Mountain America Federal Credit Union and Trust Lands Administration. Duchesne County. NS Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 1376.

SPECIAL USE LEASE AGREEMENT NO. 1413 (RECLAMATION BOND)

Pursuant to Paragraph 14 of the lease agreement, Nextel West Corp., c/o Sprint Nextel Real Estate, Mailstop KSOPHT0101-Z2650 6381 Sprint Parkway, Overland Park, KS 66251-2650, has submitted Bond No. CMS 249218 in the amount of \$5,000.00. The bonding company is RLI Insurance Company, P.O. Box 3967, Peoria, IL 61612-3967. The reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Sevier County. School Fund.

Upon recommendation of Mr. Gary Bagley, the Director accepted the bond submitted for SULA 1413.

SPECIAL USE LEASE AGREEMENT NO. 1638 (RECLAMATION BOND)

Pursuant to Paragraph 10.4 of the lease agreement, Canyon Fuel Company, LLC, c/o Ark Land Company, 1 City Place Dr., Ste 300, St. Louis, MO 63141, has submitted Bond No. 6637361 in the amount of \$10,000.00. The bonding company is Safeco Insurance Company of America, c/o Marsh USA Inc., P.O. Box 36012, Knoxville, TN 37930-6012. The reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Carbon County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1638.

SALES**PRE-SALE APPLICATION NO. 8422****APPLICANT'S NAME AND ADDRESS:**

School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818

LEGAL DESCRIPTION:

Township 36 South, Range 22 East, SLB&M
Section: 2 (Lots 1, 2, 3, 4, 5 & 6)

COUNTY: San Juan County

Fund: School

Acres: 210.66

PROPOSED ACTION:

The Agency proposes the sale of trust land located in a rural part of San Juan County through a negotiated sale.

RELEVANT FACTUAL BACKGROUND:

The parcel is currently producing minimal revenue from grazing fees. The return to the Trust Beneficiaries from invested sales revenue from the parcel is projected to significantly exceed the current return on the parcel from livestock grazing.

A preliminary analysis of the parcel was completed on the parcel as described below and the Trust Lands Administration proceeded with the processing and evaluation of the application. Requirements for notification and advertising were also completed.

The Board of Trustees and affected Beneficiaries were notified of this proposed negotiated sale, and the sale proposal was advertised to solicit competing proposals.

EVALUATION OF FACTS:

Compliance with planning and cultural resource obligations has been completed. Pursuant to R850-80-150, the proposal to dispose of this parcel was submitted to the Resource Development Coordinating Committee ("RDCC"), the Southeastern Utah Association of Governments, and the San Juan County Commission. RDCC responded that no comments had been received. No comments were received from other parties.

A preliminary analysis based on R850-80-500(1) was conducted. The parcel is eligible to be offered for sale pursuant to that rule. A market analysis was completed pursuant to R850-80-500(2), resulting in the conclusion that it is reasonable to offer the parcel for sale based on the current fair market value which was established by an appraisal.

PRE-SALE APPLICATION NO. 8422 (CONTINUED)

Notice of the proposed sale was also advertised in the required newspaper and sent to applicable permittees, lessees, grantees, and adjoining landowners, as required by R850-80-620(1) and R850-80-615. The Agency received two sealed bids that met and/or exceeded the minimal acceptable price (appraised value):

1) Tim Chamberlain, 712 East Ridgeway Dr., Blanding, Utah 84511, submitted a bid for \$189,859.43 (10% down; balanced financed by the Agency, 20 years, variable annual interest rate of 2.5% above prime).

2) Guymon Ranch Inc. and Bluff River Ranch (The Guymon Family), 190 East 300 South, Blanding, UT 84511, submitted the other qualifying bid. The Guymon Family's bid was for \$174,000.00 (10% down; balanced financed by Agency, 20 years, variable annual interest rate of 2.5% above prime), plus additional consideration for a perpetual easement across their adjoining private property. The easement would provide better Agency access for potential future development of the Agency's retained mineral estate once the property is sold (210.66 acres). It would also provide access to an additional 140 acres m/l of nearby trust land mineral estate where the surface estate is currently owned by the Guymon Family.

Pursuant to R850-60-600, a cultural resource survey of the subject parcel is required before any property is sold by the Agency. The Guymons were contacted to front the cultural resource survey costs under the premise that they would be reimbursed if they didn't prevail as the winning bidder. This action was done to limit the Agency's exposure to the cultural survey costs. The survey was done by a permitted archaeologist and it identified several sites that will need to be protected by strict deed covenants. Therefore, cultural resource compliance by the Trust Lands Administration has been completed.

Pursuant to R850-80-250, the Trust Lands Administration undertook the notification process set forth in rule to evaluate whether any temporary easement or right-of-way exists on the property. Certified notice was mailed to the Attorney General and the executive body of San Juan County. Publication of the notice was also completed as required by rule. There was no response received, neither was any application submitted by responsible authorities as described in the rule.

Pursuant to R850-80-620(3)(c), Board approval is necessary in occasions when additional interest beyond one party is expressed in purchasing property through a negotiated sale. The Board of Trustees met and voted unanimously to accept the Guymon's sealed bid offer on August 13, 2009.

RECOMMENDATION:

The parcel is to be sold subject to any applicable existing valid rights and encumbrances such as rights of way, easements, sand and gravel, and mineral estate reservations, and a limited-scope ingress and egress reservation across the subject parcel.

The parcel will be sold for a price of \$174,000.00 plus a consideration for an easement across the Guymon property. The following fees will be collected at closing:

Sale Parcel Price:	\$174,000.00
Sale Application Fee:	\$ 250.00
Sale Processing Charge:	\$ 500.00
Sale Appraisal Cost:	\$ 2,750.00
Cultural Resources Costs:	\$ 13,218.00
Legal Advertising Costs:	\$ 28.80
TOTAL:	\$190,746.80

Upon recommendation of Mr. Bryan Torgerson, the Director approved the sale of the above-described parcel through a negotiated sale.

**MEMORANDUM OF UNDERSTANDING WITH UTAH STATE PARKS, SOUTHEAST REGION OFFICE,
FOR THE PROTECTION OF TRUST LAND IN GRAND AND SAN JUAN COUNTIES**

Effective September 1, 2009, the School and Institutional Trust Lands Administration entered into a Memorandum of Understanding with the Department of Natural Resources, Utah State Parks, Southeast Region Office (“SERO”) memorializing the parties’ agreement to work together for two years to protect all trust lands located in Grand and San Juan Counties, Utah. SERO agreed to conduct public safety and law enforcement patrols on the trust lands to enforce the Utah Off-Highway Vehicle Act and other applicable laws. SERO further agreed to provide the Agency with an annual report documenting its efforts. In return, the Agency agreed to provide SERO with \$1200.00 per year to fund wireless services for mobile-computing by SERO.

The Memorandum of Understanding will be in effect until August 31, 2011. The Agency will provide SERO with its first \$1200 payment within 30 days of the parties’ execution of the Memorandum of Understanding. The payment is to be made from the Agency’s OHV funding. The second payment will be made on or before September 11, 2010.

Funding: School (95.69%), USU (2.65%), Reservoirs (0.08%), University (1.58%).

Upon recommendation of Mr. Bryan Torgerson, the Director executed the Memorandum of Understanding on September 2, 2009.

DEVELOPMENT ACTIONS

DEVELOPMENT SALE - CANYON RIDGE P.U.D. (PS 8168)

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR THE CANYON RIDGE P.U.D. SUBDIVISION PURSUANT TO THE DEVELOPMENT LEASE AGREEMENT NO. 710 WITH NS CANYON RIDGE L.L.C., A UTAH LIMITED LIABILITY COMPANY.

FUND: School
PROJECT: Cedar City Golf Course Canyon Ridge PUD - Phase 1
PROJECT CODE: CDCGC 001 00

LEGAL DESCRIPTION:

Township 36 South, Range 11 West, SLB&M
Section (*see below): All of Lot (*see below) of the Canyon Ridge P.U.D., according to the plat of record filed on July 27, 2004, as Entry No. 487259, Book 937, Page 1576 et. seq., in the official records of Iron County, Utah.

<u>Section</u>	<u>PS #</u>	<u>Cert No.</u>	<u>Cert/Sale Date</u>	<u>Patent No.</u>	<u>Patent Date</u>	<u>Lot No.</u>	<u>Acreage</u>	<u>Price</u>
2*	8168	26155	08/24/09	19723-1-36*	12/10/04	36*	0.30	\$13,125.00

The above legal description has been reviewed by the GIS Group.

CONTRACT PARTNER:
NS CANYON RIDGE L.L.C.
6336 Pershing Drive
Omaha, NE 68110

DEVELOPMENT SALE - CANYON RIDGE P.U.D. (PS 8168) (CONTINUED)

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Excepting and reserving 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.

COMMENTS:

Subject to the Declaration of Covenants, Conditions and Restrictions for the Canyon Ridge Planned Unit Development as recorded on June 11, 2004, as Entry 487260, Book 937, Page 1577.

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

DEVELOPMENT SALE - MEADOW VALLEY PUMP STATION (PS 7139)

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED:

CERTIFICATE OF SALE NO.: 25716
CERTIFICATE/DATE OF SALE: July 16, 2009
PATENT NO.: 20145
PATENT DATE: August 4, 2009
PROJECT: South Block/Little Valley
PROJECT MANAGER: Brent Bluth
PROJECT CODE: SOBLK 002 02 001 000
FUND: Multi - School 79.47%
University 20.53 %
SALE PRICE: \$5,948.70

BUYER:

QUALITY DEVELOPMENT, LLC
113 East 200 North, #2
St. George, Utah 84770

TRANSACTIONAL CONTEXT:

The Trust Lands Administration (the "Trust") sold to Quality Development LLC ("Quality") a parcel of land, one tenth (0.10) acre, for the purpose of building an airport roadway waterline pump station, which Quality will convey to the City of St. George in the future. The sale serves as an early takedown on Quality's development lease, DEVL 874, with the Trust.

LEGAL DESCRIPTION OF SALE PARCEL:

Township 43 South, Range 15 West, SLB&M
Section 15: (SE4SW4NE4SW4 within)

DEVELOPMENT SALE - MEADOW VALLEY PUMP STATION (PS 7139) (CONTINUED)

Commencing at the West ¼ Corner of Section 15, Township 43 South, Range 15 West, Salt Lake Base and Meridian;

Thence South 88°44'13" East, along the Section line, a distance of 2152.53; Thence South, a distance of 1146.21 feet, to the Point of Beginning; Thence South 46°00'09" West, a distance of 73.49 feet; Thence North 43°58'42" West, a distance of 58.51 feet, to a point on a non-tangent curve to the left, the radius point of which lies North 37°15'07" West, with a radius of 175.00 feet; thence Northeasterly along the arc of said curve a distance of 74.38 feet, through a central angle of 24°21'12"; Thence South 43°58'44" East, a distance of 65.49 feet, to the Point of Beginning.

Containing 0.100 acre, more or less.

The above legal description has been reviewed by the GIS Group.

NUMBER OF ACRES BY COUNTY: 0.10 acre - Washington County.

NUMBER OF ACRES BY FUND: 0.08 acre - School, 0.02 acre University.

MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal and other mineral deposits (and subject to any prior reservation of minerals, including oil and gas, to the United States), along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits, provided that any such prospecting for, mining, or removal of its portion of mineral deposits shall occur laterally and not from the surface of the granted property and that subsurface support of the granted property shall be retained.

SURFACE RESERVATIONS:

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, including, but not limited to, reservations and exceptions in prior conveyances from the United States and Right of Way No. 3249, 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 EASEMENT NO. 1475 - EAGLE MOUNTAIN WATER LINE

THE FOLLOWING EASEMENT WAS REPORTED IN THE DIRECTOR'S MINUTES OF MARCH 30, 2009, PAGES 18 - 19. THE LEGAL DESCRIPTION AND ACREAGE OF THE PARCELS HAVE SINCE BEEN ADJUSTED AS REFLECTED IN BOLD BELOW:

EASEMENT NO.: 1475
 PROJECT: Hidden Valley - Eagle Mountain
 PROJECT CODE: LKMTN 002 00
 PROJECT MANAGER: Elise Erler
 COUNTY: Utah
 FUND: School
 TERM: Perpetual

GRANTEE:

EAGLE MOUNTAIN CITY
 1650 E. Stagecoach Run
 Eagle Mountain, UT 84005

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration (the "Trust") granted a perpetual easement (the "Easement") to Eagle Mountain City (the "City") for the construction, operation, repair, and maintenance of a sixteen-inch water line (the "Water Line") and a dirt service trail. The Water Line will connect with the two-million-gallon water tank (the "Water Tank"), which the City shall construct on the property described in Certificate of Sale No. 24684. The Easement was granted to the City pursuant to that certain Certificate of Sale and Water System Agreement No. 24684, under which the Trust agreed to grant an easement for the Water Line and to convey a 1.193-acre parcel of property to the City for the Water Tank in return for certain actions by the City. Those actions include the City's upsizing of the Water Tank to a two-million gallon capacity from one million gallons, the burial of the Water Tank when it was originally planned as above-ground, the placement of the Water Tank at an orientation and higher elevation than originally planned, and the relocation and extension of the Water Line to better service trust lands in the area. These actions are taken at the Trust's request and will better accommodate the development and increase the value of the Trust's Hidden Valley property to a value that meets or exceeds any fees the Trust would charge for the issuance of this easement. Additional supporting documentation may be found in the Planning and Development file.

LEGAL DESCRIPTION:

Township 5 South, Range 1 West, SLB&M
 Section 29 & 32: Within

A twenty-foot (20') easement being ten (10) feet on each side of the following two (2) described centerlines:

Commencing at a point which lies South 89°58'09" West 40.77 feet along the North line of Section 32, Township 5 South, Range 1 West, Salt Lake Base and Meridian, and South 00°01'51" East 885.18 feet from the North Quarter Corner of said Section 32, to the Point of Beginning; and traversing thence South 01°50'36" West 83.70 feet; thence South 41°10'45" West 72.90 feet; thence South 34°27'29" West 130.45 feet; thence South 35°52'11" West 105.89 feet; thence South 49°47'46" West 58.02 feet; thence South 79°51'01" West 106.42 feet; thence South 74°08'09" West 61.11 feet; thence South 77°52'24" West 91.72 feet; thence South 64°52'20" West 48.23 feet; thence South 57°23'31" West 77.61 feet; thence South 48°36'22" West 182.67 feet; thence South 41°25'42" West 79.42 feet; thence South 56°20'30" West 66.84 feet; thence North 80°54'53" West 43.02 feet to a point on a non-tangent curve to the right, having a radius of 445.50 feet and a central angle of 20°40'32"; thence along the arc of said curve a distance of 160.76 feet, said arc subtended by a chord bearing North 00°13'17" East, a distance of 159.89 feet; thence North

DEVELOPMENT EASEMENT NO. 1475 - EAGLE MOUNTAIN WATER LINE (CONTINUED)

10°33'33" East 331.93 feet to a point on a curve to the left, having a radius of 554.50 feet and a central angle of 83°55'58"; thence along the arc of said curve a distance of 812.29 feet, said arc subtended by a chord bearing North 31°24'27" West, a distance of 741.58 feet; thence North 73°22'26" West 96.27 feet to the Westerly boundary line of the State of Utah School and Institutional Trust Lands Administration property and the point of terminus for this description. The side lines of said easement terminate at the boundary of the State of Utah School and Institutional Trust Lands Administration property. Containing .197 acres (52,184 square feet), more or less.

Also:

Commencing at a point which lies South 89°58'09" West 2,038.09 feet along the South line of Section 29, Township 5 South, Range 1 West, Salt Lake Base and Meridian, from the South Quarter Corner of said Section 29, said point also lies on the Northerly boundary line of the Kirkland Family Investments Property and the Southerly boundary line of the Utah Trust Lands Administration Property, said point also lies on a curve to the left, having a radius of 1054.50 feet and a central angle of 11°11'49"; thence along the arc of said curve a distance of 206.07 feet, said arc subtended by a chord bearing North 56°29'30" West, a distance of 205.74 feet; thence North 62°05'24" West 344.67 feet to the Westerly boundary line of said State of Utah School and Institutional Trust Lands Administration property and the point of terminus for this description. The side lines of said easement terminate at the boundary of the State of Utah School and Institutional Trust Lands Administration property. Containing or 0.250 acres (10,931 square feet), more or less.

The above legal descriptions have been reviewed by the GIS Group.

CONTAINING A TOTAL OF 0.45 ACRES, MORE OR LESS.

NUMBER OF ACRES BY COUNTY: 0.45 acres - Utah County

NUMBER OF ACRES BY FUND: 0.45 acres - School

Upon recommendation of Elise Erler, the Director approved the adjustment of the legal description and acreage for this easement.

ACTIONS CONTAINING FEE WAIVERS

SURFACE

SPECIAL USE LEASE AGREEMENT NO. 1288 (CORRECTION OF MINUTES DATED APRIL 25, 2001, AND LEASE AMENDMENT)

SULA 1288, issued to the City of St. George, 175 E. 200 N., St. George, UT 84771, was approved on the April 25, 2001, Director's Minutes with the following legal description, which is incorrect:

Township 43 South, Range 15 West SLB&M
Section 17:

Commencing at the North 1/4 corner of Section 17, T43S, R15W, SLB&M; thence S 89°59'53" W 1046.91 ft along the section line; thence S 2735.42 feet to the point of beginning; thence N 81°35'58" E 80.0 ft, thence S 08°24'02" E 80.00 ft; thence S 81°35'58" W 80.0 ft, thence N 08°24'02" E 80.00 ft to the point of beginning.

The correct legal description is as follows:

Township 43 South, Range 15 West SLB&M
Section 17:

Commencing at the North 1/4 corner of Section 17, T43S, R15W, SLB&M; thence S 89°59'53" W 1046.91 ft along the section line; thence S 2735.42 feet to the point of beginning; thence N 81°35'58" E 80.0 ft, thence S 08°24'02" E 80.00 ft; thence S 81°35'58" W 80.0 ft, thence N 08°24'02" W 80.00 ft to the point of beginning.

The acreage will remain 0.15. Washington County. School Fund.

The original legal description submitted by the applicant was correct. The Minutes should be corrected to show the correct legal description.

The incorrect legal description was also transferred to the lease document, and an amendment to the lease to correct the description has become necessary. As this error originated with the Trust Lands Administration, the \$400.00 amendment fee will not be assessed.

Upon recommendation of Mr. Lou Brown, the Director approved the correction of the Minutes dated April 25, 2001, the amendment to SULA 1288 to correct the legal description, and the waiver of the amendment fee.

DEVELOPMENT

DEVELOPMENT RIGHT OF ENTRY NO. 5325 - EPA ENVIRONMENTAL CLEANUP ACCESS OF COOK SLURRY SITE

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

PROJECT: Saratoga Springs
PROJECT CODE: SARAT 000 00
PROJECT MANAGER: Elise Erler
COUNTY: Utah
FUND: School
COMMENCEMENT DATE: April 22, 2009
TERM: One (1) year, expires April 22, 2010

GRANTEES:

ENVIRONMENTAL PROTECTION AGENCY - REGION 8 ("EPA")
1595 Wynkoop St.
Denver, CO 80202-1129

AND

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY ("DEQ")
168 North 1950 West, First Floor
Salt Lake City, UT 84116

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration (the "Trust") granted a one (1) year right of entry (the "Right of Entry") to the Region 8, Environmental Protection Agency (the "EPA") and the Utah Department of Environmental Quality (the "DEQ") to enter and have continued access to the property for the following purposes:

1. The taking of such soil, water, and air samples as may be determined to be necessary;
2. The sampling of any solids or liquids stored or disposed of onsite;
3. The drilling of holes and installation of monitoring wells for subsurface investigation;
4. Other actions related to the investigation of surface or subsurface contamination; and,
5. The taking of response actions, which may include site stabilization, construction of a fence, the removal of hazardous materials and substances, material containment, and other actions deemed necessary to protect human health and the environment.

The Trust acknowledges that these actions by the EPA and the DEQ are undertaken pursuant to their response and enforcement responsibilities under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. § 9601, *et seq.*; therefore, the Trust has granted this Right of Entry at no charge. Respectively, the EPA and the DEQ will provide the Trust, upon request, with copies of all non-privileged reports, correspondence, sampling results, and other documents related to the investigation and response they perform with respect to the property. It is acknowledged by all involved parties that this Right of Entry may need to be extended in order to accomplish the above-mentioned response activities. Additionally, the EPA and the DEQ will consult with the Trust prior to construction of any permanent or semi-permanent improvements on the property, or removal of existing improvements.

LEGAL DESCRIPTION:

Township 6 South, Range 1 West, SLB&M
Section 11: S½NW¼, Lot 1 (SW¼NW¼), Lot 2 (NW¼SW¼), N½SE¼, NE¼, & the NW¼NW¼ (more specifically described below):

DEVELOPMENT RIGHT OF ENTRY NO. 5325 - EPA ENVIRONMENTAL CLEANUP ACCESS OF COOK SLURRY SITE (CONTINUED)

Location of buffer zone: Township 6 South, Range 1 West, Salt Lake Base and Meridan, Section 11: N2, W2SW4, N2SE4, comprising approximately 475 acres surrounding the plant property.

Location of plant property: Beginning at a point which is 2746.3 feet West and 330.0 feet North from the East quarter corner of Section 11, Township 6 South, Range 1 West, Salt Lake Base and Meridian, and running thence West 467 feet; thence North 466 feet; thence East 467 feet; thence South 466 feet to the point of beginning, the plant site containing 5 acres more or less, Saratoga Springs, Utah County, Utah. The front gate of the plant property is located at latitude (North): 40.311890, longitude (West): 111.916290.

Contains 480.00 acres, more or less.

The above legal description has been reviewed by the GIS Group.

NUMBER OF ACRES BY COUNTY: 480.00 acres - Utah County

NUMBER OF ACRES BY FUND: 480.00 acres - School

Upon recommendation of Andrea L. James, the Director approved this right of entry.