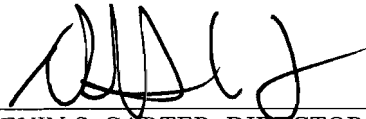


JUNE 1, 2010

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JUNE 1, 2010, 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 JUNE 1, 2010.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 11; SURFACE ACTIONS AS LISTED ON PAGES 11 TO 18; DEVELOPMENT ACTIONS AS LISTED ON PAGES 19 TO 20; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 21.

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, JUNE 15, 2010. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

METALLIFEROUS MINERALS LEASE APPROVAL

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

<u>ML 51811</u>	<u>T4S, R20E, SLB&M.</u>	Uintah
Chuck Barker	SEC. 34: S½	320.00 Acres
1214 North 2500 West		
Vernal, UT 84078		

Annual Rental: \$500

FUND: SCH

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to *Tidewater Oil and Gas Company LLC - 50%*, 110-16th Street, Suite 405, Denver, CO 80202; *Utah Oil & Gas Resources, LLC - 40%*, 110-16th Street, Suite 1220, Denver, CO 80202; and *Western Hydrocarbons, LLC – 10%*, 16451 Somerset Drive, Broomfield, CO 80023, by Vern Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

VERN JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

*TIDEWATER OIL AND GAS COMPANY LLC – 50%,
UTAH OIL & GAS RESOURCES, LLC – 40%,
WESTERN HYDROCARBONS, LLC – 10%*

...ML 50504 (SCH)...ML 50505 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to ***Tidewater Oil and Gas Company LLC - 55%***, 110-16th Street, Suite 405, Denver, CO 80202; and ***NAE, LLC - 45%***, 110-16th Street, Suite 1220, Denver, CO 80202, by Vern Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

VERN JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

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

....ML 51113 (SCH)....ML 51235 (SCH)....ML 51240 (SCH)....ML 51241 (SCH)....ML 51242 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to ***Tidewater Oil and Gas Company LLC - 50%***, 110-16th Street, Suite 405, Denver, CO 80202; ***North American Exploration, LLC – 40%***, 110-16th Street, Suite 1220, Denver, CO 80202, and ***Western Hydrocarbons, LLC – 10%***, 16451 Somerset Drive, Broomfield, CO 80023, by Dorothy Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOROTHY JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***TIDEWATER OIL AND GAS COMPANY LLC – 50%,
NORTH AMERICAN EXPLORATION, LLC – 40%,
WESTERN HYDROCARBONS, LLC – 10%***

....ML 50525 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to ***Tidewater Oil and Gas Company LLC – 52.50%***, 110-16th Street, Suite 405, Denver, CO 80202; and ***Utah Oil & Gas Resources, LLC – 47.50%***, 110-16th Street, Suite 1220, Denver, CO 80202, by Dorothy Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOROTHY JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***TIDEWATER OIL AND GAS COMPANY LLC–52.50%,
UTAH OIL & GAS RESOURCES, LLC – 47.50%***

....ML 50838 (SCH)....ML 50839 (SCH)....ML 50840 (SCH)....ML 50841 (SCH)....ML 50843 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to *Tidewater Oil and Gas Company LLC – 50%*, 110-16th Street, Suite 405, Denver, CO 80202; *North American Exploration, LLC – 40%*, 110-16th Street, Suite 1220, Denver, CO 80202, and *Western Hydrocarbons, LLC – 10%*, 16451 Somerset Drive, Broomfield, CO 80023, by Dorothy Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty. (**REFUND:** \$811.20 – Overpayment of Filing Fees Credited to ML 50543. Make payment to North American Exploration, LLC).

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

DOROTHY JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***TIDEWATER OIL AND GAS COMPANY LLC–50%,
NORTH AMERICAN EXPLORATION, LLC-40%,
WESTERN HYDROCARBONS, LLC – 10%***

....ML 50526 (SCH)....ML 50527 (SCH)....ML 50528 (SCH)....ML 50529 (SCH)....ML 50530 (SCH)....
....ML 50531 (SCH)....ML 50542 (SCH)....ML 50543 (SCH)....ML 50544 (SCH)....ML 50545 (SCH)....
....ML 50546 (SCH)....ML 50547 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to *Simpaug Ltd. -60%*, 63 Cops Hill Road, Ridgefield, CT 06877, and *NAE, LLC – 40%*, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***TIDEWATER OIL AND GAS
COMPANY LLC – 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***SIMPAUG LTD. – 60%,
NAE, LLC – 40%***

....ML 48354 (SCH)....ML 49073 (SCH)....ML 49074 (SCH)....ML 49076 (SCH)....ML 49080 (SCH)....
....ML 49124 (SCH)....ML 49661 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to NAE, LLC, 110-16th Street, Suite 1220, Denver, CO 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

NAE, LLC – 100%

....ML 49086 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to *Simpaug Ltd.* – 60%, 63 Copps Hill Road, Ridgefield, CT 06877, and *NAE, LLC* – 40%, 110-16th Street, Suite 1220, Denver, CO 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

*SIMPAUG LTD – 60%,
NAE, LLC – 40%*

....ML 49089 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to *Tidewater Oil and Gas Company LLC* – 55%, 110-16th Street, Suite 405, Denver, CO 80202, and *NAE, LLC* – 45%, 110-16th Street, Suite 1220, Denver, CO 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

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

....ML 49075 (SCH)....ML 49078 (SCH)....ML 49087 (SCH)....ML 49088 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 42.5% interest in and to the lease listed below to Simpaug Ltd., 63 Copps Hill Road, Ridgefield, CT 06877, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

*TIDEWATER OIL AND GAS COMPANY LLC-50%,
NORTH AMERICAN EXPLORATION, LLC-42.5%,
ROCKSOURCE ENERGY CORPORATION-7.5%,*

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

*SIMPAUG LTD. – 42.5%,
NORTH AMERICAN EXPLORATION, LLC-42.50%,
ROCKSOURCE ENERGY CORPORATION-7.5%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%*

....ML 47721 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 42.5% interest in and to the leases listed below to Simpaug Ltd., 63 Copps Hill Road, Ridgefield, CT 06877, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**TIDEWATER OIL AND GAS COMPANY LLC-50%,
NORTH AMERICAN EXPLORATION, LLC-42.5%,
ROCKSOURCE ENERGY CORPORATION-7.5%,**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**SIMPAUG LTD. – 42.5%,
NORTH AMERICAN EXPLORATION, LLC-42.50%,
ROCKSOURCE ENERGY CORPORATION-7.5%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%**

....ML 47441 (SCH)....ML 49090 (SCH)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13% interest in and to the leases listed below to Simpaug Ltd., 63 Copps Hill Road, Ridgefield, CT 06877, by North American Exploration, LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**SIMPAUG LTD.-42.5%,
NORTH AMERICAN EXPLORATION, LLC-42.5%,
ROCKSOURCE ENERGY CORPORATION-7.5%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**SIMPAUG LTD. – 55.5%,
NORTH AMERICAN EXPLORATION, LLC-29.50%,
ROCKSOURCE ENERGY CORPORATION-7.5%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%**

....ML 47441 (SCH)....ML 47721 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 20% interest in and to the lease listed below to– **NAE, LLC, 12.50%**, 110-16th Street, Suite 405, Denver, CO 80202, and **Tidewater Oil and Gas Company LLC – 7.5%**, 110-16th Street, Suite 1220, Denver, CO 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

**MSC EXPLORATION, L.P. – 80%,
JAMES S. JONES – 20%**

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

**MSC EXPLORATION, L.P. – 80%,
NAE, LLC – 12.50%,
TIDEWATER OIL AND GAS COMPANY, LLC–7.5%**

....ML 49072 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 42.5% interest in and to the lease listed below to *Simpaug Ltd.* – 30%, 63 Cops Hill Road, Ridgefield, CT 06877, and *NAE, LLC* – 12.50%, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

ROCKSOURCE ENERGY CORPORATION-50%,
*TIDEWATER OIL AND GAS
COMPANY LLC* – 50%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

ROCKSOURCE ENERGY CORPORATION-50%,
SIMPAUG LTD. – 30%,
NAE, LLC – 12.50%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%

....ML 49085 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 42.5% interest in and to the lease listed below to Simpaug Ltd., 63 Cops Hill Road, Ridgefield, CT 06877, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPANY LLC-50%,
NORTH AMERICAN EXPLORATION LLC-42.50%,
ROCKSOURCE ENERGY CORPORATION-7.5%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

NORTH AMERICAN EXPLORATION LLC-42.50%,
SIMPAUG LTD.-42.50%,
ROCKSOURCE ENERGY CORPORATION-7.5%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%

....ML 47576 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 45% interest in and to the leases listed below to Utah Oil & Gas Resources, LLC, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPANY LLC-100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPANY LLC-55%,
UTAH OIL & GAS RESOURCES, LLC-45%

....ML 50448 (SCH)....ML 50449 (SCH)....ML 50450 (SCH)....ML 50451 (SCH)....ML 50452 (SCH)....
....ML 50453 (SCH)....ML 50454 (SCH)....ML 50455 (SCH)....

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

Upon recommendation of Ms. Garrison, the Director approved the assignment of 80% interest in and to the lease listed below to *Simpaug Ltd.* – 60%, 63 Copps Hill Road, Ridgefield, CT 06877, and *NAE, LLC* – 20%, 110-16th Street, Suite 1220, Denver, CO 80202, by MSC Exploration, L.P. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

MSC EXPLORATION, LP – 80%,
NAE, LLC – 20%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

SIMPAUG LTD. – 60%,
NAE, LLC – 40%

....ML 49072 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 85% interest in and to the leases listed below to NAE, LLC, 110-16th Street, Suite 1220, Denver, CO 80202, by MSC Exploration, L.P. No override, but subject to 6.375% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

MSC EXPLORATION, LP. – 85%,
ENCANA OIL & GAS (USA) INC. – 15%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

NAE, LLC – 85%,
ENCANA OIL & GAS (USA) INC. – 15%

....ML 47575 (SCH)....ML 47805 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 92.50% interest in and to the leases listed below to *Simpaug Ltd.* – 60%, 63 Copps Hill Road, Ridgefield, CT 06877, and *NAE, LLC* – 32.50%, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPANY LLC-100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

SIMPAUG LTD. – 60%,
NAE, LLC – 32.50%,
TIDEWATER OIL AND GAS COMPANY LLC-7.5%

....ML 49081 (SCH)....ML 49084 (SCH)....ML 49091 (SCH)....ML 49123 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 80% interest in operating rights from surface to the greater of 7000 feet or the stratigraphic equivalent of the Pennsylvanian Age Formation in and to the leases listed below to *NAE, LLC-45%*, 110-16th Street, Suite 1220, Denver, CO 80202, and *Tidewater Oil and Gas Company LLC-35%*, 110-16th Street, Suite 405, Denver, CO 80202, by MSC Exploration, L.P. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OPERATING RIGHTS:

SURFACE TO GREATER OF 7000 FEET OR THE STRAT EQUIV OF PENNSYLVANIAN AGE FORMATION

MSC EXPLORATION, L.P. – 80%,

JAMES S. JONES – 20%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OPERATING RIGHTS:

SURFACE TO GREATER OF 7000 FEET OR THE STRAT EQUIV OF PENNSYLVANIAN AGE FORMATION

NAE, LLC-45%,

TIDEWATER OIL AND GAS COMPANY LLC-35%,

JAMES S. JONES – 20%

...ML 49075 (SCH)...ML 49078 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 20% interest in operating rights from surface to the greater of 7000 feet or the stratigraphic equivalent of the Pennsylvanian Age Formation in and to the leases listed below to Tidewater Oil and Gas Company LLC, 110-16th Street, Suite 405, Denver, CO 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OPERATING RIGHTS:

SURFACE TO GREATER OF 7000 FEET OR THE STRAT EQUIV OF PENNSYLVANIAN AGE FORMATION

NAE, LLC – 45%,

TIDEWATER OIL AND GAS COMPANY LLC-35%,

JAMES S. JONES – 20%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OPERATING RIGHTS:

SURFACE TO GREATER OF 7000 FEET OR THE STRAT EQUIV OF PENNSYLVANIAN AGE FORMATION

TIDEWATER OIL AND GAS COMPANY LLC-55%,

NAE, LLC – 45%

...ML 49075 (SCH)...ML 49078 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights below the greater of 7000 feet or stratigraphic equivalent of the Pennsylvanian Age formation in and to the leases listed below to ***Tidewater Oil and Gas Company LLC-55%***, 110-16th Street, Suite 405, Denver, CO 80202, and ***NAE, LLC-45%***, 110-16th Street, Suite 1220, Denver, CO, 80202, by James S. Jones. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

JAMES S. JONES – 100%

***OPERATING RIGHTS: BELOW THE GREATER OF
7000 FEET OR THE STRAT EQUIV OF THE
PENNSYLVANIAN AGE FORMATION***

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

....ML 49075 (SCH)....ML 49078 (SCH)....

PARTIAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the partial assignment of Lots 1(48.29), 2(48.34), 3(48.40), 4(48.45), NE¹/₄SE¹/₄, NE¹/₄SW¹/₄, W¹/₂SW¹/₄, S¹/₂N¹/₂ Sec. 36, T20.5S, R18E, SLB&M., 513.48 acres, in and to the lease listed below to ***Simpaug Ltd. - 60%***, 63 Copps Hill Road, Ridgefield, CT 06877, and ***NAE, LLC - 40%***, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty. (New lease to be numbered ML 49081-A.)

ML 49081:

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPAY LLC-100%

ML 49081:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

REMAINING IN ML 49081:

T20.5S, R18E, SLB&M. 160.00 ACRES

SEC. 36: NW¹/₄SE¹/₄, SW¹/₄SE¹/₄, SE¹/₄SE¹/₄, SE¹/₄SW¹/₄

TIDEWATER OIL AND GAS COMPANY LLC-100%

NEW LEASE - ML 49081-A:

RECORD TITLE:

T20.5S, R18E, SLB&M. 513.48 ACRES

***SEC. 36: LOTS 1(48.29), 2(48.34), 3(48.40), 4(48.45),
NE¹/₄SE¹/₄, NE¹/₄SW¹/₄, W¹/₂SW¹/₄, S¹/₂N¹/₂***

SIMPAUG, LTD. - 60%,

NAE, LLC - 40%

....ML 49081(SCH).....

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

Upon recommendation of Ms. Garrison, the Director approved the partial assignment of SW¹/₄NW¹/₄, SW¹/₄, SW¹/₄SE¹/₄ Sec. 2, T22S, R18E, SLB&M., 240.00 acres, in and to the lease listed below to *Simpaug Ltd. - 60%*, 63 Copps Hill Road, Ridgefield, CT 06877, and *NAE, LLC - 40%*, 110-16th Street, Suite 1220, Denver, CO 80202, by Tidewater Oil and Gas Company LLC. No override, but subject to 7.5% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty. (New lease to be numbered ML 49123-A.)

ML 49123:

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

TIDEWATER OIL AND GAS COMPANY LLC-100%

ML 49123:

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

REMAINING IN ML 49123:

T22S, R18E, SLB&M. 453.60 ACRES

SEC. 2: LOTS 1(53.54), 2(53.44), 3(53.36), 4(53.26),
S¹/₂NE¹/₄, SE¹/₄NW¹/₄, N¹/₂SE¹/₄, SE¹/₄SE¹/₄

TIDEWATER OIL AND GAS COMPANY LLC-100%

NEW LEASE - ML 49123-A:

RECORD TITLE:

T22S, R18E, SLB&M. 240.00 ACRES

SEC. 2: SW¹/₄NW¹/₄, SW¹/₄, SW¹/₄SE¹/₄

SIMPAUG, LTD. - 60%,

NAE, LLC - 40%

....ML 49123(SCH).....

CORRECTION OF DIRECTOR'S MINUTES OF MAY 17, 2010 – ML 51759 (SCH) – OIL, GAS, AND HYDROCARBON

The Director, on May 17, 2010, approved Oil, Gas, and Associated Hydrocarbons Lease Application No. ML 51759. One portion of the legal description was listed in error. For Section 14, T13S, R2E, SLB&M., it is listed at the beginning as the S¹/₂N¹/₂, W¹/₂SW¹/₄, the correct description should be listed as S¹/₂N¹/₂, E¹/₂SW¹/₄. Also, funding was listed as: **SCH: 427.08**; MH: 63.12; USH: 80.00. Should have been: **SCH: 427.00**; MH: 63.12; USH: 80.00.

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

TERMINATION OF THE PETERSON SPRINGS UNIT (SCH)

The State of Utah School and Institutional Trust Lands Administration (“SITLA”) Office has been furnished with evidence that the Peterson Springs Unit was terminated by the Bureau of Land Management on June 24, 2009, with the same effective date. The unit area ceased production by the plugging of the Peterson Springs #1 Well on June 24, 2009.

The following leases are terminated from the unit with no well production. Due to non-payment of the 2010-2011 rentals, the leases are canceled instead of receiving the full two-year extension beyond the Peterson Springs Unit termination date of June 24, 2009.

<u>LEASE NO.</u>	<u>LESSEE</u>	<u>CANCELLATION DATE</u>
ML 27404	Pioneer Oil & Gas Company	05/10/2010
ML 27406	Pioneer Oil & Gas Company	05/10/2010

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

SURFACE ACTIONS

RANGE IMPROVEMENT PROJECTS

RANGE IMPROVEMENT PROJECT NO. 385 (CORRECTION OF MINUTES DATED MAY 17, 2010)

Range Improvement Project No. 385 was approved on the Director's Minutes of May 17, 2010. The minute entry listed an incorrect legal description, as follows:

T5N, R14E, SLB&M
Section 36: NE¼NE¼ (within)

The correct legal is as follows:

T5N, R14W, SLB&M
Section 36: NE¼NE¼ (within)

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

This should be noted on all records. Box Elder County. School Fund.

Upon recommendation of Ms. Paula Lane, the Director approved the above correction.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5431 (APPROVAL)**

The School and Institutional Trust Lands Administration has received a right of entry application from Robert Nielson Ranch LLC, 270 S. 300 E., Delta, UT 84624, to occupy the following described trust land located within Millard County to begin construction of an irrigation pond:

Township 15 South, Range 5 West, SLB&M
Sec 36: S $\frac{1}{2}$ S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$

Millard County
10.00 acres

The applicant has the grazing permit on this area. It is also next to their existing agricultural lease (SULA 1396). The pond will be built next to an existing ditch/canal. The applicant intends to file a longer term lease application for the pond, but because time is critical, they are requesting this temporary permit to begin construction as soon as possible. A cultural resource survey was completed on the project area which indicated that no historic properties would be affected. This survey has been reviewed by the State Historic Preservation Office ("SHPO") and the Agency's staff Archaeologist, who concur with the findings.

This item was sent to the Resource Development Coordinating Committee ("RDCC") for review. Comments were received from the Division of Air Quality, which indicated that the project was subject to the Fugitive Dust rules of the Division. The applicant has been made aware of these comments.

The assessment for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. School Fund. Millard County. Beginning Date: June 1, 2010. Expiration Date: May 31, 2011.

Upon recommendation of Mr. Lou Brown, the Director approved the above listed right of entry for a term of one year.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE NO. 1665 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Reliance Resources LLC
P.O. Box 1032
Moab, UT 84532

APPLICATION TYPE: Residential
TERM: 30 Years
BEGINNING DATE: July 1, 2010
ENDING DATE: June 30, 2041
NEXT REVIEW DATE: July 1, 2015

FIRST YEAR RENTAL:	\$2,400.00
APPLICATION FEE:	\$ 250.00
PROCESSING FEE:	\$ 700.00
ADVERTISING FEE:	<u>\$ 49.95</u>
TOTAL SUBMITTED:	\$3,399.95

LEGAL DESCRIPTION:

Township 37 South, Range 16 East, SLB&M
Section 2: N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$

Containing 20.00 acres, more or less.

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

SPECIAL USE LEASE NO. 1665 (APPROVAL) (CONTINUED)

COUNTY: San Juan

ACRES: 20.00

FUND: School

PROPOSED ACTION:

The applicant desires to lease this land for a residential home site. The applicant is proposing to place a manufactured home on the site for year-round residential use.

RELEVANT FACTUAL BACKGROUND:

On September 17, 2009, the School and Institutional Trust Lands Administration received a special use lease application from Reliance Resources LLC for a residential home site. The application and advertising fees were paid and receipted appropriately.

A copy of the public notice was sent to all existing permittees, lessees, and adjoining landowners. No comments were received from this notification.

The application was submitted for review through the Resource Development Coordinating Committee ("RDCC") and the Southeastern Utah Association of Governments. The local association of governments recommended the application be approved. The Utah Division of Wildlife Resources ("UDWR") recommended that the lessee be expressly forbidden to keep domestic or exotic ungulates on the property, for any reason, in order to protect the bighorn sheep in this area from disease spread. A letter was sent to inform the applicant of this request; the applicant has agreed to comply with UDWR's request.

The subject property is located in a remote part of San Juan County and is bordered on all sides by trust lands; the section is bordered on all sides by BLM lands.

Initial consultation with the Agency's Archaeologist resulted in a recommendation that a cultural resource survey be completed.

EVALUATION OF FACTS:

A cultural resource survey of the area was completed by Montgomery Archaeological Consultants, #U-10-MQ-0200s. One NRHP-eligible site was found. This site will be avoided; therefore, the Agency's Archaeologist has given clearance with a finding of "no historic properties." Therefore, all requirements pursuant to R850-60 have been met.

This action is exempt from the narrative Record of Decision process because the action is not substantive nor does it warrant the time and expense necessary to complete a full narrative Record of Decision, and the action will not restrict an interested party access to an appeal process. The application was advertised through the standard process and no competing applications or comments were received.

The initial application from Reliance Resources LLC was selected for review pursuant to R850-30-500(2)(g), because no other competing applications were received. The applicant was notified of the need to submit a sealed bid proposal pursuant to R850-30-500-(2)(f). A bid was received which proposes to pay annual base rentals in the amount of \$2,400.00 per year.

Rule 850-30-400 requires that the Trust Lands Administration receive at least fair market value for surface leases. Land values in this area, based on recent appraisals, tax assessment records, and discussions with local realtors, are estimated to be \$400.00 to \$500.00 per acre. Based on this land value, the annual lease rental of \$2,400.00 satisfies fair market value requirements established by rule.

SPECIAL USE LEASE NO. 1665 (APPROVAL) (CONTINUED)

The applicant requested the maximum term of 51 years due to its proposed investments in the property. The applicant intends to use the property for employee housing during its mining operations in Fry Canyon. Based on this being used as employee housing, a term of 30 years appears to be more appropriate. This term does not exceed the standard term for residential leases as defined by R850-30-200.

Upon recommendation of Mr. Bryan Torgerson, the Director approved SULA 1665 for a term of 30 years, with a five-year rental review pursuant to R850-30-400(4). Based on the above evaluation, this summary will constitute the Record of Decision.

SPECIAL USE LEASE AGREEMENT NO. 156 (TRANSFER OF LEASE TO PRIVATE LANDOWNER AND REFUND OF RENTAL)

SULA 156 is leased to the LDS Church, Blanding FM Group, P.O. Box 935, Blanding, UT 84511. The land contained within this lease was sold on May 20, 2010, to the Corporation of The Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, 50 E. North Temple 4-WW, Salt Lake City, UT 84150. The lease status should be changed to reflect that it has been transferred to the private landowner.

On April 19, 2010, the Corporation of The Presiding Bishop ("CPB") paid \$5,080.00 as rental on SULA 156 for the period of May 1, 2010, through April 30, 2011. **CPB has requested a refund of \$4,801.65 for the period of May 21, 2010, through April 30, 2011. Payment should be sent to: Corporation of The Presiding Bishop, Attn: Craig Larson, Real Estate Acquisitions, 50 E. North Temple 4-WW, Salt Lake City, UT 84150.**

Upon recommendation of Mr. Bryan Torgerson, the Director noted the transfer of the lease to the private landowner, and ordered **a refund in the amount of \$4,801.65 be sent to Corporation of The Presiding Bishop.**

SALES**PRE SALE NO. 8391 (MONTEZUMA CREEK)**

Public Pre Sale No. 8391
Certificate of Sale No. 26514
Date of Sale: May 20, 2010

Total Price: \$89,500.00
Terms: Cash sale

TO WHOM SOLD AND ADDRESS:

Corporation of The Presiding Bishop of
The Church of Jesus Christ of Latter-day Saints
A Utah Corporation Sole ("CPB")
50 E. North Temple 4-WW
Salt Lake City, UT 84150
Attn: Craig Larsen

Down payment:	\$89,500.00
Legal land survey:	1,500.00
Appraisal cost:	2,000.00
Legal advertising:	16.50
Sale processing charge:	500.00
Application fee:	250.00
Cult. resource survey:	<u>0.00</u>
TOTAL:	\$93,766.50

LEGAL DESCRIPTION:

Township 40 South, Range 24 East, SLB&M
Section 32: Metes & Bounds within the SW $\frac{1}{4}$ SE $\frac{1}{4}$

San Juan County

PRE SALE NO. 8391 (MONTEZUMA CREEK) (CONTINUED)

Beginning at a point on the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ from which point the S $\frac{1}{4}$ Corner of said Section 32 bears N 89°57'05" W a distance of 1194.30 feet; thence N 1°19'56" W a distance of 362.25 feet along a fence line and the prolongation thereof to the South right-of-way line of State Hwy 262; thence N 1°19'56" W a distance of 54.22 feet to a point on the centerline of State Hwy 262; thence S 68°35'08" E a distance of 186.08 feet along said centerline of State Hwy 262 to a point on the East line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence S 0°19'59" W a distance of 53.59 feet along said East line to a point on the South right-of-way line of State Hwy 262; thence S 0°19'59" W a distance of 294.97 feet along said East line to the SE Corner of said SW $\frac{1}{4}$ SE $\frac{1}{4}$; thence N 89°57'05" W a distance of 161.53 feet along the South line of said SW $\frac{1}{4}$ SE $\frac{1}{4}$ back to the point of beginning. Subject to all easements of record or prescriptive.

Containing 1.46 acres, more or less.

This description has been reviewed by the GIS Group.

NUMBER OF ACRES BY COUNTY: 1.46 – San Juan

NUMBER OF ACRES BY FUND: 1.46 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: SULA 156

LIST MINERAL RESERVATIONS:

Reserving to the Trust Lands Administration all coal and other mineral deposits along with the right for the Trust Lands Administration or other authorized persons to prospect for, mine, and remove the deposits.

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Reserving to the Trust Lands Administration and its successors in interest, lessees, and permittees, an access and utility easement across the parcel to remaining State-owned lands.

Subject to State Highway 262 and all other valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record. Subject to all easements of record or prescriptive.

Subject 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 federal statute.

RESPONSIBLE STAFF MEMBER: Bryan Torgerson

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8465 (PROMONTORY NORTH)

Public Pre Sale No. 8465
Certificate of Sale No. 26513
Date of Sale: May 20, 2010

Total Price: \$120,000.00
Terms: Cash sale

TO WHOM SOLD AND ADDRESS:

Farmland Reserve, Inc.
139 E. South Temple, Suite 600
Salt Lake City, UT 84111

Down payment:	\$120,000.00
Appraisal cost:	2,200.00
Legal advertising:	42.10
Sale processing charge:	500.00
Application fee:	250.00
Cult. resource survey:	<u>4,000.00</u>
TOTAL:	\$126,992.10

LEGAL DESCRIPTION:

Township 10 North, Range 8 West, SLB&M Box Elder County
Section 2: Lots 1-9, S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (All)

Containing 714.38 acres, more or less.

NUMBER OF ACRES BY COUNTY: 714.38 – Box Elder

NUMBER OF ACRES BY FUND: 714.38 – School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Reserving to the Trust Lands Administration all coal and other mineral deposits along with the right for the Trust Lands Administration or other authorized persons to prospect for, mine, and remove the deposits.

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Reserving to the Trust Lands Administration and its successors in interest, lessees and permittees, an access and utility easement across the parcel to remaining State-owned lands.

Reserving to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

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

Subject 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 federal statute.

PRE SALE NO. 8465 (PROMONTORY NORTH) (CONTINUED)

COMMENTS:

The principle balance remaining from the default of this parcel under Certificate of Sale No. 25874 is \$136,125.00. Accounting should book a loss of \$16,125.00 for this property.

RESPONSIBLE STAFF MEMBER: Gary Bagley

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

PRE SALE NO. 8422 (RECAPTURE RESERVOIR)

Negotiated Pre Sale No. 8422
Certificate of Sale No. 26510
Date of Sale: April 29, 2010

Total Price: \$174,000.00
Terms: Financed over 20-year term; variable
interest 5.75% the first year)

TO WHOM SOLD AND ADDRESS:

Ervin Park Guymon and Geraldine Myers Guymon,
As Trustees of The Ervin Park Guymon and
Geraldine Myers Guymon Family Trust, dated March 1, 1994
4085 Eccles
Ogden, Utah 84403

Gary W. Guymon and Sharon L. Guymon
1106 East 300 South
Blanding, Utah 84511

Lawrence F. Guymon and Shari C. Guymon
190 East 300 South
Blanding, Utah 84511

Down payment:	\$17,400.00
Interest to May 1, 2010:	24.67
Legal advertising:	28.80
Appraisal cost:	2,750.00
Sale processing charge:	500.00
Application fee:	250.00
Cult. resource survey:	<u>0.00</u>
TOTAL:	\$20,953.47

LEGAL DESCRIPTION:

Township 36 South, Range 22 East, SLB&M San Juan County
Section 2: Lots 1-6 (All)

Containing 210.66 acres, more or less.

NUMBER OF ACRES BY COUNTY: 210.66 – San Juan

NUMBER OF ACRES BY FUND: 210.66 – School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 23047

PRE SALE NO. 8422 (RECAPTURE RESERVOIR) (CONTINUED)

LIST MINERAL RESERVATIONS:

Reserving to the Trust Lands Administration all coal and other mineral deposits along with the right for the Trust Lands Administration or other authorized persons to prospect for, mine, and remove the deposits.

Reserving to the State of Utah all sub-surface void and pore spaces whether naturally existing or created upon the removal of any coal, oil and gas, and other mineral deposits, and the right to utilize the same for any purpose.

LIST SURFACE RESERVATIONS:

Reserving to the Trust Lands Administration and its successors in interest, lessees and permittees, an access and utility easement across the parcel to remaining State-owned lands.

Reserving to the Trust Lands Administration all archaeological specimens, values, contexts, features, and deposits within noted archaeological sites on the parcel.

Subject to Easement No. 1106 for access roads issued in perpetuity to San Juan County.

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

Subject 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 federal statute.

COMMENTS:

This property was surveyed for cultural resources. As the cost of the survey was paid by the purchaser directly to the contract archaeologist, no costs for cultural clearance were collected by the Agency.

RESPONSIBLE STAFF MEMBER: Bryan Torgerson

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

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

SUBD 10.0 Highland Park Phase 1 Subdivision.

This transaction has been executed pursuant to the Purchase and Sale Agreement with SunCor Utah, Inc. and SunCor Development Company (DEVL 938) and Development Lease DEVL 610 with SunCor Utah, Inc.

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:

SUNCOR UTAH, 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 157	26512	05/20/10	20175	05/18/2010	\$ 7,679.00	\$0	0.11	SCH	7
Lot 161	26512	05/20/10	20175	05/18/2010	\$ 8,655.00	\$0	0.11	SCH	7
Lot 187	26512	05/20/10	20175	05/18/2010	\$11,839.00	\$0	0.17	SCH	7
Lot 190	26512	05/20/10	20175	05/18/2010	\$15,351.00	\$0	0.31	SCH	7
Lot 208	26512	05/20/10	20175	05/18/2010	\$13,321.00	\$0	0.32	SCH	7
Lot 223	26512	05/20/10	20175	05/18/2010	\$12,055.00	\$0	0.18	SCH	7
Lot 268	26512	05/20/10	20175	05/18/2010	\$10,820.00	\$0	0.27	SCH	7
Lot 5	26512	05/20/10	20175	05/18/2010	\$16,505.00	\$0	0.31	USU	18

This legal description has been reviewed by the GIS Group.

LIST MINERAL RESERVATIONS:

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

LIST SURFACE RESERVATIONS:

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

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

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

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

DEVELOPMENT SUBDIVISION SALE

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

SUBD 11.0 Highland Park Area 4 – Phase 1 Subdivision at the Coral Canyon Community.

This transaction has been executed pursuant to the Purchase and Sale Agreement with SunCor Utah, Inc. and SunCor Development Company (DEVL 938) and Development Lease DEVL 610 with SunCor Utah, Inc.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

SUNCOR UTAH, 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 270	26512	05/20/10	20175	05/18/2010	\$18,920.00	\$0	0.21	SCH	18
Lot 278	26512	05/20/10	20175	05/18/2010	\$14,546.00	\$0	0.21	SCH	18

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.

ACTIONS CONTAINING FEE WAIVERS

RIGHT OF ENTRY NO. 5488 (APPROVAL WITH FEE WAIVER)

On May 20, 2010, the Director approved the request of the State of Utah, Department of Natural Resources, Division of Oil, Gas & Mining, Attn: Director, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah, 84114-5801 (the "Division"), to occupy the following described trust lands to conduct reclamation activities on the following listed wells:

Township 20 South, Range 21 East, SLB&M

Section 16: NW¹/₄NE¹/₄ (within) – Sun Resources ST 5-16 Well

Section 16: SW¹/₄NE¹/₄ (within) – State 6-16 Well

Township 20 South, Range 23 East, SLB&M

Section 32: NW¹/₄SW¹/₄ (within) – State 17 Well

Township 20 South, Range 24 East, SLB&M

Section 2: SW¹/₄NW¹/₄ (within) – State 3 Well

Section 2: SE¹/₄NW¹/₄ (within) – State 1 Well

Township 21 South, Range 23 East, SLB&M

Section 2: NW¹/₄SW¹/₄ (within) – Wiegand 2-1 Well

Section 2: SE¹/₄SW¹/₄ (within) – Wiegand 2-2 Well

Section 2: SE¹/₄SW¹/₄ (within) – Grindstaff 9 Well

Section 2: NW¹/₄NE¹/₄ (within) – Escondito 1 Well

Section 2: SE¹/₄NW¹/₄ (within) – Pioneer 1 Well

Section 2: SE¹/₄SE¹/₄ (within) – Wiegand 2-3 Well

Section 2: SW¹/₄NW¹/₄ (within) – Crest ST 1-B Well

Section 2: NW¹/₄NW¹/₄ (within) – Crest 2-8 Well

Section 16: SE¹/₄SW¹/₄ (within) – 16-1 Well

Section 16: SE¹/₄NE¹/₄ (within) – FZ 16-2A Well

Section 26: NW¹/₄SE¹/₄ (within) – State 1 Well

Section 33: NE¹/₄NW¹/₄ (within) – State 1 Well

Township 21 South, Range 24 East, SLB&M

Section 29: NE¹/₄SE¹/₄ (within) – United Inv ST 1 Well

Under the terms of this permit, the Division will conduct reclamation activities on the above listed wells which may include plugging and abandoning the wells and reclamation of surface land in the vicinity of the wells. These reclamation activities will be conducted by the Division at no cost to the Trust Lands Administration.

It has been determined that the benefit to the Trust Beneficiaries of having these potentially hazardous abandoned wells reclaimed by the Division at no cost exceeds the benefit to the Beneficiaries of charging a \$50.00 application fee, \$50.00 processing fee, and \$200.00 rental assessment. Therefore, these fees and assessment have been waived for this permit. The term of the permit is three (3) years, beginning May 20, 2010, and expiring on May 19, 2013. Grand County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the above listed right of entry and fee waiver.