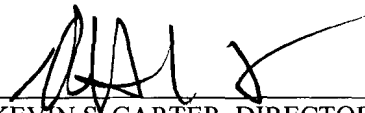


OCTOBER 19, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON OCTOBER 19, 2009, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, LEGAL, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECAME EFFECTIVE AT 6:00 P.M. ON OCTOBER 19, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 3; SURFACE ACTIONS AS LISTED ON PAGES 3 TO 11; DEVELOPMENT ACTIONS AS LISTED ON PAGES 12 TO 16; LEGAL ACTIONS AS LISTED ON PAGES 16 TO 21; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 22; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGE 22.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND MAY BE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, NOVEMBER 2, 2009. APPEALS NOT FILED BY THAT TIME WILL NOT BE ACCEPTED AND THE MATTERS WILL BE CONSIDERED UNAPPEALABLE.



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



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

CORRECTION OF DIRECTOR'S MINUTES OF OCTOBER 4, 1995 – ML 24306 – OIL, GAS, AND HYDROCARBON (SCH) AND TERMINATION OF ML 24306 – OIL, GAS, AND HYDROCARBON (SCH)

The Director, on October 4, 1995, approved the total assignment of the above-numbered lease to ANR Production Company by Pennzoil Company. No override. It has come to our attention that this assignment should have been approved as a partial assignment as follows:

ORIGINAL LEASE NO. ML 24306 (IB)

NEW LEASE NO. ML 24306-A (UNIV)

LAND RETAINED IN ORIGINAL LEASE:
T2S, R1W, USB&M. 80.00 ACRES
SEC. 2: S½SE¼

LANDS ASSIGNED TO A NEW LEASE NO.:
T2S, R1W, USB&M. 94.00 ACRES
SEC. 14: E½NE¼NW¼, SE¼NW¼, S½S½SW¼NW¼

RECORD TITLE OWNERS & PERCENT:
PENNZOIL COMPANY – 100%
(Pennzoil Company has since been acquired by
Devon Energy Production Company)

RECORD TITLE OWNERS & PERCENT:
EL PASO E&P COMPANY LP – 100%

Subsequently, the Todd USA State 1-2B1 Well (API 4304730167) covering the lands in ML 24306 was plugged and abandoned on August 6, 2001, thereby terminating this lease effective same date.

ML 24306-A is held by two producing wells: Wainoco State 1-4B1 and Harvest Fellowship Church 2-14B1.

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction and termination of ML 24306.

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to Marathon Oil Company, 5555 San Felipe Road, Houston, TX 77056, by Henry A. Alker. No override. (***REFUND: \$100 – Overpayment of Filing Fees to Marathon Oil Company***).

OWNERSHIP BEFORE ASSIGNMENT:
RECORD TITLE:
HENRY A. ALKER – 100%

OWNERSHIP AFTER ASSIGNMENT:
RECORD TITLE:
MARATHON OIL COMPANY – 100%

....ML 48232 (MULTI)....ML 48274 (MULTI)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 14.7% interest in and to the leases listed below to Halliburton Energy Services, Inc., 2107 City West Blvd., Bldg. 2, Houston, TX 77242, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION-80.68%,
HEADINGTON OIL COMPANY LLC-19.32%**

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION-65.98%,
HEADINGTON OIL COMPANY LLC – 19.32%,
HALLIBURTON ENERGY SERVICES, INC.-14.7%**

...ML 51405 (SCH)...ML 51406 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights **from 2842 feet** down in part of lands: S½NE¼ Sec. 22, T15S, R9E, SLB&M., 80.00 acres; **ALSO**, 100% interest in operating rights **from 3002 feet** down in part of lands: SW¼ Sec. 22, T15S, R9E, SLB&M., 160.00 acres; **ALSO**, 100% interest in operating rights **from 2875 feet** down in part of lands: NW¼ Sec. 22, T15S, R9E, SLB&M., 160.00 acres; **ALSO**, 100% interest in operating rights **from 2855 feet** down in part of lands: SE¼ Sec. 22, T15S, R9E, SLB&M., 160.00 acres; **ALSO**, 100% interest in operating rights **from 2707 feet** down in part of lands: NE¼SW¼, S½SW¼ Sec. 23, T15S, R9E, SLB&M., 120.00 acres; **ALSO**, 100% interest in operating rights **from 2626 feet** down in part of lands: SE¼ Sec. 23, T15S, R9E, SLB&M., 160.00 acres, in and to the lease listed below to Marathon Oil Company, 5555 San Felipe Road, Houston, TX 77056, by Henry A. Alker, who reserves 7.5% overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

HENRY A. ALKER – 100%

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

HENRY A. ALKER – 100%

OPERATING RIGHTS:**2842 FEET DOWN**

T15S, R9E, SLB&M. 80.00 ACRES

SEC. 22: S½NE¼

MARATHON OIL COMPANY – 100%

3002 FEET DOWN

T15S, R9E, SLB&M. 160.00 ACRES

SEC. 22: SW¼

MARATHON OIL COMPANY – 100%

2875 FEET DOWN

T15S, R9E, SLB&M. 160.00 ACRES

SEC. 22: NW¼

MARATHON OIL COMPANY – 100%

2855 FEET DOWN

T15S, R9E, SLB&M. 160.00 ACRES

SEC. 22: SE¼

MARATHON OIL COMPANY – 100%

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

2707 FEET DOWN
T15S, R9E, SLB&M. 120.00 ACRES
SEC. 23: NE¹/₄SW¹/₄, S¹/₂SW¹/₄
MARATHON OIL COMPANY – 100%
2626 FEET DOWN
T15S, R9E, SLB&M. 160.00 ACRES
SEC. 23: SE¹/₄
MARATHON OIL COMPANY – 100%

...ML 48232 (MULTI)...

Upon recommendation of Ms. Garrison, the Director approved the assignment of 100% interest in operating rights below the stratigraphic equivalent of 2707 feet in and to the lease listed below to Marathon Oil Company, 5555 San Felipe Road, Houston, TX 77056, by Henry A. Alker, who reserves 7.5% overriding royalty. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:
HENRY A. ALKER – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:
HENRY A. ALKER – 100%
OPERATING RIGHTS:
BELOW STRATIGRAPHIC EQUIVALENT OF
2707 FEET
MARATHON OIL COMPANY – 100%

...ML 48274 (MULTI)...

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 23312 (APPROVAL)

Larry H. Robinson
7105 County Road No. 5
Rifle, CO 81650

2,641.39 Acres 260 AUMs School Fund Uintah County

First Year's Rental: \$1,029.60
Application Fee: \$50.00

T9S, R22E, SLB&M
Section 36: All

GRAZING PERMIT NO. 23312 (APPROVAL) (CONTINUED)**T9S, R23E, SLB&M**

Section 32: All

T10S, R22E, SLB&M

Section 2: Lots 1, 2, 8, S½NE¼, N½SE¼, SE¼SE¼

Section 12: N½, SE¼

Section 13: N½, SW¼, N½SE¼

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

The term of this permit begins July 1, 2009, and expires June 30, 2024. The season of use is November 1 to May 15. The type of livestock is sheep. The allotment is Seven Sisters. Note: This was previously GP 22748-99.

Upon recommendation of Mr. Scott Chamberlain, the Director approved Grazing Permit No 23312.

GRAZING PERMIT NO. 23215 (REINSTATEMENT)

Rick Gatherum, 1983 E. Forest Creek Lane, Salt Lake City, UT 84121, has requested reinstatement of GP 23215, which was canceled on August 31, 2009, when the permittee failed to pay the rental fees. The permittee has submitted the grazing rental of \$162.12, the reinstatement fee of \$30.00, the weed control fee of \$4.20, plus the \$30.00 late fee. Carbon County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the reinstatement of GP 23215.

GRAZING PERMIT NO. 21966-02 (ASSIGNMENT)

James A. Crane, P.O. Box 147, Salina, UT 84654, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Last Chance Cattle, LLC, 156 North 300 West, Salina, UT 84654. The assignment fee in the amount of \$81.00 has been submitted. Sevier and Emery Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 21966-02.

GRAZING PERMIT NOS. 21053, 22313-08, 20715, 20522, AND 20452 (CONSOLIDATION OF GRAZING PERMITS)

Two Swipe Cattle Company, 1420 N. Blue Mountain Road, Blanding, UT 84511, has requested the Trust Lands Administration re-configure the legal descriptions and AUMs of the above-referenced permits, and to consolidate the five grazing permits into two grazing permits for better permit administration and billing procedures. As a result, GP 20522, GP 20452, and GP 20715 will be canceled. The remaining permits will be as GP 21053 and GP 22313-08, which will be amended to contain the following legal descriptions:

GP 21053 will contain the following acres and AUMs and will expire on June 30, 2012:

T35S, R22E, SLB&M

Sec. 32: All

640.00 Acres

56 AUMs

GRAZING PERMIT NOS. 21053, 22313-08, 20715, 20522, AND 20452 (CONSOLIDATION OF GRAZING PERMITS) (CONTINUED)

<u>T38S, R22E, SLB&M</u> Sec. 32: N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$	360.00 Acres	15 AUMs
<u>T39S, R21E, SLB&M</u> Sec. 25: S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ Sec. 36: N $\frac{1}{2}$, SE $\frac{1}{4}$	240.00 Acres 480.00 Acres	32 AUMs 82 AUMs
<u>T39S, R22E, SLB&M</u> Sec. 30: Lots 2, 3, 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ Sec. 31: All Sec. 32: All	396.43 Acres 635.72 Acres 640.00 Acres	55 AUMs 112 AUMs 60 AUMs
<u>T40S, R21E, SLB&M</u> Sec. 1: Lots 1, 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$	280.00 Acres 50.00 Acres	29 AUMs 4 AUMs
<u>T40S, R22E, SLB&M</u> Sec. 5: N $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 6: Lots 1, 2, 3, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, West of a diagonal line running from NE to SW corner of Lot 4, N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$	100.00 Acres 446.81 Acres	7 AUMs 65 AUMs
Totals:	4,268.96 Acres	517 AUMs

GP 22313-08 will contain the following acres and AUMs and will expire on June 30, 2023:

<u>T35S, R21E, SLB&M</u> Sec. 36: All	640.00 Acres	15 AUMs
<u>T36S, R21E, SLB&M</u> Sec. 32: E $\frac{1}{2}$ Sec. 36: All	320.00 Acres 640.00 Acres	18 AUMs 33 AUMs
<u>T36S, R22E, SLB&M</u> Sec. 32: All	640.00 Acres	25 AUMs
<u>T37S, R21E, SLB&M</u> Sec. 2: All Sec. 16: All Sec. 36: Lots 1-4, W $\frac{1}{2}$ E $\frac{1}{2}$	641.32 Acres 640.00 Acres 320.18 Acres	13 AUMs 45 AUMs 13 AUMs
<u>T38S, R22E, SLB&M</u> Sec. 32: W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$	280.00 Acres	10 AUMs

GRAZING PERMIT NOS. 21053, 22313-08, 20715, 20522, AND 20452 (CONSOLIDATION OF GRAZING PERMITS) (CONTINUED)

T39S, R21E, SLB&M

Sec. 16: S½, W½NE¼, S½NW¼, NE¼NW¼

520.00 Acres

40 AUMs

Sec. 32: All

640.00 Acres

55 AUMs

T40S, R21E, SLB&M

Sec. 2: All

639.80 Acres

54 AUMs

Sec. 11: W½, W½NE¼, SE¼

560.00 Acres

48 AUMs

Sec. 16: All

640.00 Acres

38 AUMs

Totals

7,121.30 Acres

407 AUMs

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

The permittee has submitted \$100.00, representing a \$50.00 amendment fee for each surviving permit. San Juan County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the consolidation of permits, resulting in the cancellation of GP 20522, GP 20452, and GP 20715, and the amendment of GP 21053 and GP 22313-08.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5305 (CANCELLATION)

Right of Entry No. 5305 was approved by the Director on the March 30, 2009, Director's Minutes, to the Red Rock Dirt Riders, P.O. Box 1035, Moab, UT 84532, for excess parking for a one-year term. Their liability insurance expired May 9, 2009. On June 18, 2009, and on July 14, 2009, a letter was sent requesting a current certificate of insurance. On August 6, 2009, a certified notice was sent to permittee notifying them the permit would be canceled if insurance was not received by August 24, 2009. Although the certified notice was signed as received, the permittee failed to provide current insurance. Right of Entry No. 5305 should be canceled with the \$200.00 rental plus the \$100.00 application/processing, totaling \$300.00, being forfeited to the Agency. San Juan County. School Fund.

Upon recommendation of Ms. Jeanine Kleinke, the Director canceled Right of Entry No. 5305 and ordered the \$200.00 rental plus the \$100.00 application/processing fee be forfeited to the Agency.

RIGHT OF ENTRY NO. 5368 (APPROVAL)

On August 13, 2009, the Agency received an application from Northwest Pipeline GP, 295 Chipeta Way, Salt Lake City, Utah, 84108, to occupy the following described tracts of trust land located in Uintah County for the purpose of two temporary workspace areas in conjunction with a pipeline maintenance project on an existing natural gas pipeline operated by the applicant:

Township 5 South, Range 23 East, SLB&M

Section 36: 0.92 acres within the NW¼NW¼

RIGHT OF ENTRY NO. 5368 (APPROVAL) (CONTINUED)

Township 6 South, Range 25 East, SLB&M

Section 32: 0.57 acres within the NE¹/₄NE¹/₄

COUNTY: Uintah

ACRES: 1.49

FUND: School

The maintenance project will consist of excavating and recoating two sections of the pipeline on trust lands in order to prevent corrosion of the pipeline. The applicant desires to utilize a temporary workspace area on either side of the existing right of way corridor for the temporary storage of excavated material and equipment. The permitted temporary workspace areas will be 25 feet on either side of the existing right of way corridor and will be 500 feet long in Section 32, T6S, R25E, and 800 feet long in Section 36, T5S, R23E, containing a total of 1.49 acres. The applicant will be required to reseed and rehabilitate the project site upon expiration of the permit. The requested term of the permit is one year.

The project area has been surveyed for cultural resources by Entrix (U-09-EX-0164s). No significant sites were found within the project area. The Agency's archaeological staff has reviewed the survey and has granted cultural resource clearance for the project with a finding of "No Historic Properties."

A paleontological survey of the project area was conducted by Erathem-Vanir Geological Consultants. Based on the paleontological potential of the geologic units underlying the project site, it has been recommended that the areas of the site underlain by the Dakota and Wasatch Formations should be monitored by a permitted paleontologist during initial ground disturbance. The Agency's staff paleontologist has reviewed this survey and concurs with this recommendation. The applicant will be required to have a permitted paleontologist on site during initial ground disturbance to monitor for paleontological resources.

The application was submitted to the Resource Development Coordinating Committee ("RDCC"), the Uintah Basin Association of Governments, and the Uintah County Commission for review and comment on August 17, 2009. The following comment was submitted by the RDCC:

Department of Environmental Quality/Division of Air Quality:

"The proposed project in Uintah County is subject to R307-205-5, Fugitive Dust, of the Utah Air Quality Rules, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than ¼ acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/publicat/code/r307/r307.htm."

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

"The applicant has been informed of the comments submitted by the Utah Division of Air Quality. Furthermore, our right of entry permit requires that the permittee comply with the provisions of all Federal, State, County, and Municipal laws, ordinances, and regulations which are applicable to the subject tract and operations covered by the permit."

The following comment was submitted by the Uintah County Commission:

"Thank you for the opportunity to comment on a right of entry for the purpose of a temporary workspace area, by Northwest Pipeline GP, located in T5S, R23E, Sec. 36, and T6S, R25E, Sec. 32, in Uintah County. The workspace area would be used in conjunction with a pipeline maintenance project on an existing natural gas pipeline that

RIGHT OF ENTRY NO. 5368 (APPROVAL) (CONTINUED)

Northwest Pipeline GP operates. Two sections of the pipeline need to be excavated and recoated that are located on trust lands. The workspace areas would be an additional 25 feet on either side of the existing right-of-way and would be 500 feet long in Sec. 32, T6S, R25E, and 800 feet long in Sec. 36, T5S, R23E, containing a total of 1.49 acres.

“Uintah County supports this action, keeping ground disturbance caused by excavation of the pipeline, storage materials, [and] increase in traffic, equipment, dust, and noise emissions during excavation, at a minimum.

“We would ask that Northwest Pipeline GP contact the Uintah County Planning & Zoning Department for the necessary County permits.

“We have no further comment at this time but reserve the right to comment at a later date, if warranted.”

The comments received from the RDCC and the Uintah County Commission have been forwarded to the applicant.

The right of entry will be issued for a term of one year, commencing on October 15, 2009, and expiring on October 14, 2010. The applicant has paid a right of entry rental assessment of \$600.00, plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$700.00.

Upon recommendation of Mr. Chris Fausett, the Director approved Right of Entry No. 5368.

RIGHT OF ENTRY NO. 5369 (APPROVAL)

On August 13, 2009, the Agency received an application from Northwest Pipeline GP, 295 Chipeta Way, Salt Lake City, Utah, 84108, to occupy the following described tracts of trust land located in Grand County for the purpose of three temporary workspace areas in conjunction with a pipeline maintenance project on an existing natural gas pipeline which the applicant operates:

Township 18 South, Range 25 East, SLB&M
Section 36: 0.86 acre within the SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 18 South, Range 26 East, SLB&M
Section 32: 0.95 acre within the NE $\frac{1}{4}$ NE $\frac{1}{4}$

Township 19 South, Range 25 East, SLB&M
Section 16: 0.46 acre within the SE $\frac{1}{4}$ SE $\frac{1}{4}$

COUNTY: Grand

ACRES: 2.27

FUND: School

The maintenance project will consist of excavating and recoating three sections of the pipeline on trust lands in order to prevent corrosion of the pipeline. The applicant desires to utilize a temporary workspace area on either side of the existing right of way corridor for the temporary storage of excavated material and equipment. The permitted temporary workspace areas will be 25 feet on either side of the existing right of way corridor and will be 400 feet long in Section 16, T19S, R25E, 750 feet long in Section 36, T18S, R25E, and 800 feet long in Section 32, T18S, R26E, containing a total of 2.27 acres. The applicant will be required to reseed and rehabilitate the project site upon expiration of the permit. The requested term of the permit is one year.

RIGHT OF ENTRY NO. 5369 (APPROVAL) (CONTINUED)

The project area has been surveyed for cultural resources by Entrix (U-09-EX-0164s). No significant sites were found within the project area. The Agency's archaeological staff has reviewed the survey and has granted cultural resource clearance for the project with a finding of "No Historic Properties."

A paleontological survey of the project area was conducted by Erathem-Vanir Geological Consultants. Based on the paleontological potential of the geologic units underlying the project site, it has been recommended that the areas of the site underlain by the Dakota and Wasatch Formations should be monitored by a permitted paleontologist during initial ground disturbance. The Agency's staff paleontologist has reviewed this survey and concurs with this recommendation. The applicant will be required to have a permitted paleontologist on site during initial ground disturbance to monitor for paleontological resources.

The application was submitted to the Resource Development Coordinating Committee ("RDCC"), the Southeastern Utah Association of Governments, and the Grand County Council for review and comment on August 17, 2009. The following comment was submitted by the RDCC:

Department of Environmental Quality/Division of Air Quality:

"The proposed project in [Grand] County is subject to R307-205-5, Fugitive Dust, of the Utah Air Quality Rules, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/publicat/code/r307/r307.htm."

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

"The applicant has been informed of the comments submitted by the Utah Division of Air Quality. Furthermore, our right of entry permit requires that the permittee comply with the provisions of all Federal, State, County, and Municipal laws, ordinances, and regulations which are applicable to the subject tract and operations covered by the permit."

The right of entry will be issued for a term of one year, commencing on October 15, 2009, and expiring on October 14, 2010. The applicant has paid a right of entry rental assessment of \$900.00, plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$1,000.00.

Upon recommendation of Mr. Chris Fausett, the Director approved Right of Entry No. 5369.

RIGHT OF ENTRY NO. 5370 (APPROVAL)

The Trust Lands Administration received a right of entry permit application from WGR Asset Holding Company, LLC, 1099 18th Street, Suite 1200, Denver, CO 80202, for temporary authorization to continue the operation of an existing small communication site on the following trust lands:

Township 38 South, Range 24 East, SLB&M
Section 16: Within the SE4NE4

County: San Juan Acres: 0.50 Fund: School

The purpose of this permit is to provide temporary authorization for the operation of an existing microwave radio repeater used as part of existing gas operations. It is for an interim period until a longer term telecommunication special use lease can be evaluated and potentially approved.

The permit shall have a one-year term, with a commencement date of September 1, 2009, and an expiration date of August 31, 2010. The charges include telecommunication rental in the amount of \$975.00, a \$50.00 application fee and a \$50.00 processing charge, totaling \$1,075.00. The applicant has submitted the requested fees and rentals.

Upon recommendation of Mr. Gary Bagley, the Director approved Right of Entry Permit No. 5370.

RIGHT OF ENTRY NO. 5378

On October 5, 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 Granny Gear Production, P.O. Box 189, Davis, WV 26260, to occupy the following described trust land located within Grand and San Juan Counties to conduct the annual 24 Hours of Moab bicycle relay race:

T27S, R22E, SLB&M
Sec's 25, 26, 35: Within

T28S, R22E, SLB&M
Sec. 2: Within

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. 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/participant, whichever is greater, within 30 days of permit expiration date. Expiration date: October 17, 2009.

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

RIGHT OF ENTRY NO. 5386 (APPROVAL)

The School and Institutional Trust Lands Administration has received a right of entry application from Aspen Achievement Academy, P.O. Box 400, Loa, UT 84747, to occupy the following described trust land located within Wayne County for therapeutic wilderness program camping:

Township 27 South, Range 8 East, SLB&M
Section 32

Township 28 South, Range 8 East, SLB&M
Section 16

Township 29 South, Range 7 East, SLB&M
Section 36

Township 30 South, Range 8 East, SLB&M
Section 32

The fee for this right of entry is \$2,632.50 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$2,732.50. School Fund. Wayne County. Beginning Date: October 1, 2009. Expiration Date: May 15, 2010.

Upon recommendation of Mr. Lou Brown, the Director approved Right of Entry No. 5386.

EASEMENTS**EASEMENT NO. 285 (RESCISSION OF ASSIGNMENT AND REFUND OF ASSIGNMENT FEE)**

The assignment of Easement No. 285 from Hildale City, P.O. Box 840809, Hildale, Utah 84784, to Twin City Power Holdco, LLC, MAC N9311-115, 625 Marquette Avenue, 11th Floor, Minneapolis, Minnesota 55479, was approved on the Director's Minutes of May 11, 2009, as part of a larger transaction between Hildale City and Twin City Power. Easement No. 285 authorizes a gas pipeline and was issued for a term of 30 years with an expiration date of December 31, 2021.

At the time the assignment was approved, the closing for the transaction between Hildale City and Twin City had not occurred. When it did occur, the parties decided to hold off on the assignment of this easement, as Hildale City was considering holding onto this asset. Staff was informed last week by Hildale City's attorney that the assignment will not occur.

Hildale City has subsequently submitted a written statement to the Trust Lands Administration stating that they no longer intend that Easement No. 285 be transferred to Twin City Power Holdco, LLC and have requested that the assignment be rescinded. **Hildale City has also requested that the \$250.00 assignment fee that was submitted be refunded to them.**

The refund should be directed to the following:

Stirba and Associates
Attn: Mr. Bret W. Rawson
P.O. Box 810
Salt Lake City, Utah 84110-0810
RE: Hildale City Easement No. 285, Assignment Fee Refund

Upon the recommendation of Mr. Chris Fausett, the Director approved the rescission of the assignment of Easement No. 285 and ordered **a refund in the amount of \$250.00 be processed as specified above.**

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

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

SUBD 10.0 Highland Park Phase 1 Subdivision

This transaction has been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 42.0 S, Range 14.0 W, SLBM
Section 7, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.
2303 N. CORAL CANYON BLVD., SUITE 200
ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 229	26377-10-229	10/07/09	19928-10-229	07/07/06	\$10,649.71	\$20.00	0.12	SCH	7

This legal description has been reviewed by the GIS Group.

LIST MINERAL RESERVATIONS:

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

LIST SURFACE RESERVATIONS:

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

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

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

These items were submitted for record-keeping purposes by Andrea James.

EASEMENT - CITY OF ST. GEORGE - SOUTH BLOCK BANDED HILLS ROAD & UTILITIES (ESMT 1526)

THE FOLLOWING EASEMENT HAS BEEN EXECUTED:

EASEMENT NO.: 1526
 PROJECT: South Block Little Valley
 PROJECT CODE: SOBLK 002 02 001
 PROJECT MANAGER: Brent Bluth
 COUNTY: Washington
 FUND: Multi - School - 90%
 University - 10%
 DURATION: Perpetual
 APPLICATION FEE: \$750.00

PERMITTEE:

ST. GEORGE CITY
 175 East 200 North
 St. George, UT 84770

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration (the "Trust") and Quality Development, LLC have agreed to issue a perpetual easement, subject to State of Utah Development Lease No. 874 (the "Lease"), to the City of St. George (the "City") for the installation, operation, maintenance, repair, and replacement of public municipal utilities (the "Utilities"), and for the construction, operation, and maintenance of a public road (the "Road"), which includes the cutting, filling, and maintenance of a slope associated with the Road (the "Slope"). The City is responsible for the payment of all costs and expenses in connection with the installation and construction of the Utilities, Road, and Slope (together, the "Improvements"). Upon completion of the Improvements, the Trust intends to dedicate them to Washington County for the use of the general public; such dedication will additionally grant public easements for the Utilities.

The above-described development activities are based on the premise that engaging in the development process provides a higher return to the Beneficiaries than selling raw land at auction. Although the precise monetary benefit cannot be quantified at this time, it is very probable that the value of the entire block will far exceed the appraised per acre value of the easement lands; therefore, only an easement application fee will be charged. Additional supporting information is available in the Planning and Development file.

LEGAL DESCRIPTION:

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

Commencing at the northwest corner of Section 15, Township 43 South, Range 15 west, Salt Lake Base and Meridian, running thence S01°09'55"W 2635.28 feet along the section line to the West 1/4 corner of said Section 15; thence S88°44'57"E 3032.77 feet along the center section line; thence South 37.52 feet to the true point of beginning, said point being on the arc of a 470.92 foot radius curve to the right, radius point of which bears S58°23'36"E; thence northeasterly 205.28 feet along the arc of said curve through a central angle of 24°58'34"; thence N56°34'58"E 308.39 feet to the point of curvature of a 375.00 foot radius curve to the right, radius point of which bears S33°25'02"E; thence easterly 134.27 feet along the arc of said curve through a central angle of 20°30'55"; thence N77°05'52"E 215.46 feet to the point of curvature of a 335.00 foot radius curve to the right, radius point of which bears S12°54'08"E; thence southeasterly 341.63 feet along the arc of said curve through a central angle of 58°25'48"; thence S44°28'19"E 147.67 feet to the point of curvature of a 325.00 foot radius curve to the left, radius point of which bears N45°31'41"E; thence southeasterly 67.01 feet along the arc of said curve through a central angle of 11°48'46"; thence S56°17'05"E 70.51 feet; thence S62°28'14"E 46.40 feet;

EASEMENT - CITY OF ST. GEORGE - SOUTH BLOCK BANDED HILLS ROAD & UTILITIES (ESMT 1526)
(CONTINUED)

thence S56°17'05"E 553.14 feet to the point of curvature of a 25.00 foot radius curve to the left, radius point of which bears N33°42'55"E; thence easterly 39.27 feet along the arc of said curve through a central angle of 90°00'00"; thence S56°17'05"E 60.00 feet to the point of curvature of a 25.00 foot radius curve to the left, radius point of which bears S56°17'05"E; thence southerly 39.27 feet along the arc of said curve through a central angle of 90°00'00"; thence S56°17'05"E 465.60 feet to a point on the east line of said Section 15, said point also being on the west line of property owned by the City of St. George; thence S01°07'43"W 71.20 feet along said section line; thence N56°17'05"W 503.95 feet to the point of curvature of a 25.00 foot radius curve to the left, radius point of which bears S33°42'55"W; thence westerly 39.27 feet along the arc of said curve through a central angle of 90°00'00"; thence N56°17'05"W 60.00 feet to the point of curvature of a 25.00 foot radius curve to the left, radius point of which bears N56°17'05"W; thence northerly 39.27 feet along the arc of said curve through a central angle of 90°00'00"; thence N56°17'05"W 559.42 feet; thence N49°07'55"W 40.16 feet; thence N56°17'05"W 70.51 feet to the point of curvature of a 375.00 foot radius curve to the right, radius point of which bears N33°42'55"E; thence northwesterly 77.31 feet along the arc of said curve through a central angle of 11°48'46"; thence N44°28'19"W 147.67 feet to the point of curvature of a 285.00 foot radius curve to the left, radius point of which bears S45°31'41"W; thence westerly 290.64 feet along the arc of said curve through a central angle of 58°25'48"; thence S77°05'52"W 215.46 feet to the point of curvature of a 325.00 foot radius curve to the left, radius point of which bears S12°54'08"E; thence southwesterly 116.37 feet along the arc of said curve through a central angle of 20°30'55"; thence S56°34'58"W 308.39 feet to the point of curvature of a 420.92 foot radius curve to the left, radius point of which bears S33°25'02"E; thence southwesterly 183.49 feet along the arc of said curve through a central angle of 24°58'34"; thence N58°23'36"W 50.00 feet to the point of beginning.

Containing 3.385 acres, more or less.

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

CONTAINS 3.385 TOTAL ACRES, MORE OR LESS.

NUMBER OF ACRES BY COUNTY: 3.385 acres - Washington County

NUMBER OF ACRES BY FUND: 3.03 acres - School = 90%
0.35 acres - University = 10%

Upon recommendation of Brent Bluth, the Director approved and granted ESMT No. 1526.

CORRECTION OF 3400 SOUTH - ROAD DEDICATION (DEVL 805) AND TERMINATION OF EASEMENT (ESMT 1105)

IN THE DIRECTOR'S MINUTES OF OCTOBER 12, 2009, PAGES 22 - 23, THE NUMBER OF ACRES CONVEYED WAS REPORTED INCORRECTLY. THIS IS NOW CORRECTED AS SHOWN IN BOLD BELOW.

PROJECT:	Sand Hollow	
PROJECT MANAGER:	Brent Bluth	
PROJECT CODE:	SANDH 000 00	
BENEFICIARY:	Deaf	0.33%
	Miners Hospital	0.60%
	Normal School	0.59%
	Reservoirs	1.42%
	School	94.45%
	School of Mines	0.49%
	University	1.02%
	Utah State University	1.10%

DATE OF RECORDING: May 8, 2009
 PLAT DEDICATION NO.: 190

CONVEYANCE TO:
 HURRICANE CITY
 147 North 870 West
 Hurricane, Utah 84737

DESCRIPTION OF TRANSACTION:

This road dedication replaces a perpetual access and utility easement previously granted to Hurricane City (ESMT 1105), which has terminated on its own terms upon recordation of this plat. **Only the northern half (2.90 acres) of this dedication is on Trust Lands.**

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M
 Section 23: within as more particularly described below:

COMMENCING AT THE NORTH 1/4 CORNER OF SECTION 23, TOWNSHIP 42 SOUTH, RANGE 14 WEST, SLB&M, THENCE SOUTH 00°03'39" WEST 3,235.51 FEET ALONG THE CENTER SECTION LINE; THENCE EAST 767.35 FEET TO THE POINT OF BEGINNING, SAID POINT ALSO BEING ON WESTERLY LINE OF SAND HOLLOW ROAD; THENCE SOUTH 15°23'44" EAST 180.17 FEET ALONG SAID WESTERLY LINE TO THE POINT OF CUSP WITH A 35.00 FOOT RADIUS CURVE TO THE LEFT, THE RADIUS POINT OF WHICH BEARS SOUTH 74°36'16" WEST; THENCE NORTHWESTERLY 53.45 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 87°30'03"; THENCE SOUTH 77°06'13" WEST 1,602.96 FEET TO THE POINT OF A 595.00 FOOT RADIUS CURVE TO THE LEFT; THENCE SOUTHWESTERLY 142.46 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 13°43'05"; THENCE SOUTH 63°23'08" WEST 456.46 FEET, TO A POINT ON THE WEST LINE OF THE EAST ½ OF THE WEST ½ OF SAID SECTION 23; THENCE NORTH 00°04'06" EAST 123.11 FEET ALONG SAID WEST LINE; THENCE NORTH 63°23'08" EAST 401.18 FEET TO THE POINT OF A 705.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE

CORRECTION OF 3400 SOUTH - ROAD DEDICATION (DEVL 805) AND TERMINATION OF EASEMENT (ESMT 1105) (CONTINUED)

NORTHEASTERLY 168.80 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 13°43'05"; THENCE NORTH 77°06'13" EAST 1,595.10 FEET TO THE POINT OF A 35.00 FOOT RADIUS CURVE TO THE LEFT; THENCE NORTHEASTERLY 56.50 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 92°29'57" TO THE POINT OF BEGINNING. CONTAINS 5.61 ACRES, MORE OR LESS.

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

NUMBER OF ACRES BY COUNTY: **2.90 acres** - Washington County

NUMBER OF ACRES BY FUND: **2.90 acres** - Multi

MINERAL RESERVATIONS:

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

SURFACE RESERVATIONS:

None

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

LEGAL ACTIONS

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5

Exchange Name: UDWR Range Creek Exchange
State Patent No.: 20159
Fund: University
Date of Exchange: November 4, 2009

Background Information:

Several years ago, the University of Utah requested that the Trust Lands Administration explore the possibility of a land exchange with the Utah Division of Wildlife Resources (“UDWR”) to acquire the former Wilcox Ranch property (commonly referred to as “Range Creek”) on behalf of the University’s Land Grant Trust. Ranch Creek is a nationally-recognized archeological site known for its pristine resources, which span thousands of years. The Wilcox Ranch property consists of approximately 1,513.14 acres located in Carbon and Emery Counties, Utah. The University requested that the Administration acquire the Wilcox Ranch and then enter into a Beneficiary Use Lease Agreement with the University pursuant to Section 7 of the Utah Enabling Act. Under the beneficiary use lease, the University would

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5 (CONTINUED)

establish an archeological field station to facilitate the long-term, orderly, scientific investigation of cultural resources in the Range Creek drainage and provide an educational facility to help prepare University students and other qualified individuals for careers in the field of archeology. The beneficiary use lease of the Wilcox Ranch property would amend and restate existing Beneficiary Use Lease Agreement No. 5, under which the University leases existing University trust lands in the Range Creek Canyon, to consolidate all such lands in a single beneficiary use lease agreement.

The Wilcox Ranch property is subject to a Conservation Easement jointly held by the State of Utah, Division of Forestry, Fire and State Lands and the State of Utah, Department of Agriculture and Food. The Conservation Easement prohibits any activity on the property that would degrade the natural, forested, scenic, cultural, historical, wildlife, and open space values that the lands possess. All use of the Wilcox Ranch lands by the University would be consistent with the Conservation Easement and governed by a Memorandum of Understanding for the management of the Range Creek Lands to be executed by UDWR, the Administration, and the University, with the concurrence of the Division of Forestry, Fire and State Lands, and the Department of Agriculture and Food.

In exchange for UDWR's conveyance of the Wilcox Ranch property to the Administration, the Administration will convey to UDWR by State of Utah Patent No. 20159, approximately 2,589.92 acres of existing University trust lands located in Emery County, Utah (the "Gordon Creek Lands"). The patent will convey only the surface estate and the Administration will reserve all coal, oil, gas, and other mineral deposits of any type. The appraised, fair-market value of the Gordon Creek Lands is \$15,000 less than the Wilcox Ranch property; therefore, the Administration will provide UDWR with a cash settlement of \$15,000 from the University trust fund. The Administration will convey all water rights associated with the Gordon Creek Lands to UDWR by separate quit claim deeds.

The Administration completed the required advertising pursuant to rule on June 30, 2009, and the Administration received no response. UDWR and the Administration submitted the proposed exchange to the Resource Development Coordinating Committee ("RDCC") on July 15, 2009. The Administration received comments from commercial tour permittees expressing their hope that the lands in Range Creek will remain open to commercial tours following the exchange. UDWR, SITLA, and the University responded to the comments by explaining that the parties were working out the details of a plan to maintain public access while also preserving the Canyon's artifacts. The proposed exchange was also presented to local government officials through the Canyon Country Partnership process. No local government comments were received.

The mineral estate of the Wilcox Ranch property was severed from title to the surface estate decades ago and the Administration would acquire title to the surface estate only. UDWR will convey to the Administration all water rights associated with the Wilcox Ranch property.

SITLA's Environmental Compliance Manager performed an environmental site assessment of the Wilcox Ranch property prior to the exchange. Several items of potential hazardous waste were identified and removed by UDWR as a result of the assessment. The Manager is comfortable with the condition of the property for purposes of acquisition.

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5 (CONTINUED)

Under the amended and restated Beneficiary Use Lease Agreement (“BENE 5”), management of all lands in the prior beneficiary use lease agreement, together with the entire Wilcox Ranch property being acquired by SITLA in the exchange, will be delegated to the University for a thirty year period. The University will operate the Range Creek lands as an academic research facility. BENE 5 contains provisions requiring the University to comply with the Conservation Easement, the MOU, and other applicable agreements. In addition, the University will undertake a comprehensive management planning process in consultation with the parties to the Conservation Easement and SITLA, and will assume full responsibility for planning and management of the University trust lands. BENE 5 allows the University to use the subject lands without compensation; provided, however, that it will reimburse SITLA for any out-of-pocket costs that cannot be covered by University trust funds.

Lands and Water Rights to be Conveyed to UDWR:

Township 14 South, Range 8 East, SLB&M

Section 7: Lots 1-4, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$,

Section 18: All

Section 19: Lots 1-4, E $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

Section 18: All

Section 20: W $\frac{1}{2}$

Section 29: N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$

Containing 2,589.92 acres more or less.

Together with State of Utah:

Water Right No. 91-824

Water Right No. 91-3454

Water Right No. 91-3709

Water Right No. 91-3714

Water Right No. 91-3217

Water Right No. 91-3073

Water Right No. 91-3096

Exceptions and Reservations in State of Utah Patent No. 20159:

Excepting and reserving to the State of Utah, acting by and through the School and Institutional Trust Lands Administration, for the benefit of the School and Institutional Trust Beneficiaries, all coal, oil, gas, and other mineral deposits of any type whatsoever; also,

Subject to rights of ingress, egress, and regress by SITLA and its mineral lessees for the exploration, development, and production of the reserved mineral estate. The rights of SITLA and its mineral lessees to utilize the surface for mineral development purposes shall include all rights available under Utah Code Ann. §53C-2-409(3) (2009); provided, however, that in no event shall such rights of surface use be less than those available under Utah law as of the date of this Patent.

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5 (CONTINUED)

Excepting and reserving to SITLA 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 carbon sequestration purposes; also

Subject to any valid, existing easement or right 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 authority of the United States as provided by Statute; also

Subject to Easement Right of Way No. 844, Easement No. 835, Easement No. 915, ML 27506 B, ML 27719 B, ML 27908, ML 27908 B, ML 46311, ML 46537, and ML 46539.

Surface Acres Conveyed by County: 2,589.92 – Emery County

Surface Acres Conveyed by Beneficiary: 2,589.92 – University Fund

Lands and Water Rights to be Received from UDWR:

Township 15 South, Range 15 East, SLB&M

Section 33: S $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, less
the North 462 feet of the SW $\frac{1}{4}$ NW $\frac{1}{4}$

Township 16 South, Range 15 East, SLB&M

Section 3: Lots 3, 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Section 10: N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$
Section 11: SW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 14: W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
Section 23: N $\frac{1}{2}$ NE $\frac{1}{4}$
Section 24: NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$

Township 16 South, Range 16 East, SLB&M

Section 30: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$
Section 31: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Township 17 South, Range 16 East, SLB&M

Section 4: NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$
Section 9: NE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 10: W $\frac{1}{2}$ W $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$

Containing 1,513.14 acres more or less

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5 (CONTINUED)

Together with State of Utah:

Water Right No. 91-3427
 Water Right No. 91-3462
 Water Right No. 91-3463
 Water Right No. 91-3502
 Water Right No. 91-3428
 Water Right No. 91-638
 Water Right No. 91-3435
 Water Right No. 91-3445
 Water Right No. 91-3446
 Water Right No. 91-3447
 Water Right No. 91-3501
 Water Right No. 91-3448
 Water Right No. 91-3449
 Water Right No. 91-3453
 Water Right No. 91-191
 Water Right No. 91-3709
 Water Right No. 91-3426
 Water Right No. 91-2698

Lands Contained in Amended and Restated Beneficiary Use Agreement No. 5 (BENE 5)

Township 16 South, Range 16 East, SLB&M

Section 32: All

Township 17 South, Range 16 East, SLB&M

Section 16: All

Township 15 South, Range 15 East, SLB&M

Section 33: S $\frac{1}{2}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, less
 the North 462 feet of the SW $\frac{1}{4}$ NW $\frac{1}{4}$

Township 16 South, Range 15 East, SLB&M

Section 3: Lots 3, 4, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 10: N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 11: SW $\frac{1}{4}$ SW $\frac{1}{4}$
 Section 14: W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
 Section 23: N $\frac{1}{2}$ NE $\frac{1}{4}$
 Section 24: NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$

Township 16 South, Range 16 East, SLB&M

Section 30: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 31: NE $\frac{1}{4}$ NE $\frac{1}{4}$

EXCHANGE NO. 339 (EXCHANGE OF GORDON CREEK LANDS WITH UTAH DIVISION OF WILDLIFE RESOURCES FOR RANGE CREEK LANDS) – STATE OF UTAH PATENT NO. 20159; EXECUTION OF MEMORANDUM OF UNDERSTANDING GOVERNING EXCHANGE PROCEDURES AND POST-EXCHANGE MANAGEMENT; EXECUTION OF AMENDED AND RESTATED BENEFICIARY USE LEASE AGREEMENT NO. 5 (CONTINUED)

Township 17 South, Range 16 East, SLB&M

Section 4: NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 9: NE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 10: W $\frac{1}{2}$ W $\frac{1}{2}$ E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$

Containing 2793.14 acres, more or less.

Legal descriptions have been reviewed by the GIS Group.

Evaluation of Facts and Basis for Decision:

The Trust Lands Administration believes that this exchange is in the best interest of the University Fund Beneficiaries. The University specifically requested that the Administration acquire the Wilcox Ranch property so that the University could investigate its extraordinary archeological resources while providing an educational facility for University students and others interested in careers in the field of archeology. Prior to the exchange, the University's use of the Range Creek lands was largely subject to a temporary lease from UDWR which did not provide stability of occupancy necessary to make long-term commitments to a field research station.

The appraised value of the Wilcox Ranch property the Administration is acquiring is similar to the appraised value of the Gordon Creek Lands that the Administration will convey to UDWR. The income being generated by the Gordon Creek Lands for the Trust Fund is primarily based upon mineral development, with some benefit being derived from grazing leases. Because the Administration will reserve the mineral estate of the Gordon Creek Lands, the primary benefit of the lands will be preserved. While the University Fund will not receive an economic benefit from grazing permits on the Wilcox Ranch property, the University will receive other important benefits such as the direct use of the lands through the Beneficiary Use Lease Agreement (BENE 5). The important educational and investigational opportunities this use will provide the University exceed the relatively small economic benefit the University Trust Fund would gain if the Administration continued to own and graze the Gordon Creek Lands. BENE 5 also contains provisions protecting SITLA from costs and liabilities associated with the properties, and will not impose substantial management costs on the Agency.

The University has submitted the letter of application and information required by R850-120-400. The Agency believes that the proposed beneficiary use of the subject lands is prudent. The opportunity cost of in-kind use is limited given the high level of cultural resources on the lands, and the attendant political sensitivity of alternate development of the lands. Use for a field research station will not result in derogation of the land value, and is highly consistent with the University's academic purposes.

This exchange will not result in an unmanageable and uneconomical parcel of trust land, nor eliminate access to a remnant holding.

This summary constitutes the Record of Decision for the proposed exchange, the associated MOU, and the execution of Amended and Restated Beneficiary Use Agreement No. 5.

Upon recommendation of Mr. Andrews, the Director approved Exchange No. 339; the execution of the supporting Memorandum of Understanding governing exchange process and post-exchange management; and Amended and Restated Beneficiary Use Agreement No. 5.

ACTIONS CONTAINING FEE WAIVERS

NONE

TRUST ACCOUNTING ACTIONS

REFUND OVERPAYMENT – MP 331

The above-mentioned permit belongs to Nielson Construction. The acreage on this lease was revised this year. At this time, the billing amount was mistakenly changed to \$100.00 per acre from the correct amount of \$10.00 per acre. As a result of this, Nielson Construction was billed and paid \$24,000.00 instead of the correct amount of \$2,400.00. The total overpayment was \$21,600.00. Mr. Nielson has requested a refund of this overpayment. His address is 825 North Loop Road – Huntington, UT 84528.

Upon recommendation of Mr. Gritzmacher, Deputy Assistant Director of Finance, the Director approved the refund to Nielson Construction in the amount of \$21,600.00

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	5.00%