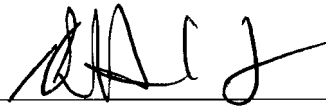


NOVEMBER 2, 2009

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON NOVEMBER 2, 2009, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AUDITING, FEE WAIVER, AND TRUST ACCOUNTING BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON NOVEMBER 2, 2009.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 6; SURFACE ACTIONS AS LISTED ON PAGES 6 TO 17; DEVELOPMENT ACTIONS AS LISTED ON PAGES 17 TO 19; AUDITING ACTIONS AS LISTED ON PAGE 20; ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 21; AND TRUST ACCOUNTING ACTIONS AS LISTED ON PAGES 21 TO 23.

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 16, 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

EXPIRATION OF MINERAL MATERIALS PERMITS (CONTINUED)

<u>ML 51499-MP</u> Chamberlain Stone 942 South 960 East St. George, UT 84790	<u>T43S, R16W, SLB&M.</u> Section 11: SE $\frac{1}{4}$ NW $\frac{1}{4}$ (Less 1 acre m/l of Lots 85, 86, 87 of the Bloomington Country Club Subdivision #7; and less 6.5 ac m/l included within Development Lease 744.)	Washington 32.50 acres
---	--	---------------------------

Permitted Substances: Sandstone Surface Boulders

FUND: SCH

Upon recommendation of Mr. Blake, the Director noted the expiration of the above-numbered permits and approved entry as may be needed to complete mined land reclamation pursuant to the permits.

CANCELLATION OF BITUMINOUS - ASPHALTIC SANDS LEASE – ML 51627 (SCH)

On July 6, 2009, the Director approved the issuance of Bituminous – Asphaltic Sands Lease ML 51627. On July 23, 2009, the prepared lease documents were sent to the lessee for signature. The cover letter accompanying the lease documents requested that the leases be executed and returned to the Administration within thirty (30) days of the date on which the lease documents were sent. The executed lease documents were not returned within the prescribed thirty (30) day period. In compliance with the requirements for proper notification, the Administration, by certified mail, sent a second letter, dated September 9, 2009, requesting execution and return of the lease documents within thirty (30) days from the September 9, 2009, date. A properly signed receipt of the certified mail delivery was signed by a representative of the lessee on September 14, 2009, and returned to the Administration on September 21, 2009. Within the thirty (30) day period prescribed in the certified notification, the lessee failed to return the executed lease documents and failed to submit the first year annual rental and annual advanced minimum royalty.

<u>ML 51627</u> Enertech Energy, Inc. 1901 Avenue of the Stars, Suite 200 Los Angeles, CA 90067	<u>T5S, R21E, SLB&M.</u> SEC. 5: LOTS 8(2.53), 9(37.47), 10(1.16), 11(1.40) SEC. 6: LOTS 1(38.04), 2(37.87), 3(37.56), 4(37.09), 5(38.64), 6(38.60), S $\frac{1}{2}$ N $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ SEC. 8: LOTS 1(41.92), 2(41.89), 5(38.88), 6(38.84), W $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SEC. 18: NE $\frac{1}{4}$	Uintah County 1151.89 Acres
--	---	--------------------------------

Upon recommendation of Mr. Stokes, the Director approved the cancellation of Bituminous – Asphaltic Sands Lease ML 51627 for failure to timely accept and execute the lease agreements.

APPROVAL OF THE LUCKY CHARM UNIT (SCH)

Intrepid Oil & Gas, LLC, operator of the Lucky Charm Unit, has submitted this unit for approval by the State of Utah School and Institutional Trust Lands Administration (“SITLA”). The Lucky Charm Unit is located in the Potash Block in Grand and San Juan Counties. This unit contains 9,175.40 acres of which 8,809.06 acres or 96.01 percent are SITLA lands, and 366.34 acres or 3.99 percent are owned by State of Utah Division of Forestry, Fire and State Lands. State of Utah School and Institutional Trust Lands Administration will act as the authorized officer of this unit. SITLA and the operator have agreed the Lucky Charm Unit is effective October 15, 2009.

The following Oil, Gas & Hydrocarbon SITLA leases are committed to the Lucky Charm Unit with all formations unitized:

<u>LEASE NO.</u>	<u>LESSEE</u>
ML 49435-OBA	Intrepid Oil & Gas, LLC
ML 49436-OBA	Intrepid Oil & Gas, LLC
ML 49437-OBA	Intrepid Oil & Gas, LLC
ML 49438-OBA	Intrepid Oil & Gas, LLC
ML 49439-OBA	Intrepid Oil & Gas, LLC
ML 49440-OBA	Intrepid Oil & Gas, LLC

Intrepid Oil & Gas, LLC has paid an additional fee to extend the expiration date of their leases from October 31, 2009, to January 31, 2010, by completing the unit approval process prior to October 31, 2009.

Upon recommendation of Ms. Wells, the Director approved the Lucky Charm Unit.

APPROVAL OF SUBSEQUENT JOINDER FOR THE THREEMILE UNIT – INCLUSION OF ML 51405 (SCH)

Whiting Oil & Gas Corporation, operator of the Threemile Unit, has furnished the State of Utah School and Institutional Trust Lands Administration (“SITLA”) office with evidence that the subsequent joinder for the SITLA Oil, Gas and Associated Hydrocarbon Lease, ML 51405, was committed to the unit by the Bureau of Land Management with an effective date of July 27, 2009. ML 51405, aka Tract 17 on Exhibit “B” of the unit agreement, was not committed to the Threemile Unit at the time of the April 28, 2008, unit approval date.

The following information comprising Tract 17 is now being committed to the Threemile Unit with all formations unitized:

<u>LEASE NO.</u>	<u>LEGAL DESCRIPTION</u>	<u>LESSEE</u>
ML 51405	<u>T29S, R22E, SLB&M.</u> SEC. 30: LOT 1 (38.58) [aka NW¼NW¼]	Whiting Oil & Gas Corporation

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

TERMINATION OF THE CACTUS ROSE UNIT (SCH)

The State of Utah School and Institutional Trust Lands Administration Office has been furnished with evidence that the Cactus Rose Unit was terminated by the Bureau of Land Management on July 16, 2009, with the same effective date. The unit operator met the drilling obligations, but the three obligation wells, being Cactus Rose MSC 2-1, Cactus Rose 16-11-2118, and Little Grand 35-1, did not prove to be productive of unitized substances.

The following leases terminated from the unit, but are held by a shut-in well. Therefore, the leases will be in an active status as long as the advance rental, advance minimum royalty, and a shut-in fee are paid. Both leases are in their 11th to 15th year payment status. The advance rental is \$2 per acre, the advance minimum royalty is three times the advance rental payment, being \$6 per acre, and the shut-in fee is \$2 per acre, being the same as the advance rental payment.

<u>LEASE NO.</u>	<u>LESSEE</u>	<u>SHUT-IN WELL</u>
ML 47575	Encana Oil & Gas (USA) Inc.	Cactus Rose 16-11-2118
ML 47721	Tidewater Oil & Gas Company LLC	Cactus Rose MSC 2-1

The following leases terminated from the unit with no additional well production. Therefore, the leases will receive a two-year extension from the unit termination date of July 16, 2009.

<u>LEASE NO.</u>	<u>LESSEE</u>	<u>EXPIRATION DATE</u>
ML 46662	Encana Oil & Gas (USA) Inc.	07/16/2011
ML 46664	Encana Oil & Gas (USA) Inc.	07/16/2011
ML 46758	Encana Oil & Gas (USA) Inc.	07/16/2011
ML 47805	Encana Oil & Gas (USA) Inc.	07/16/2011
ML 48354	Tidewater Oil & Gas Company LLC	07/16/2011

The following leases are terminated from the unit and are in their ten-year primary term with no well production. The leases will retain their original expiration dates.

<u>LEASE NO.</u>	<u>LESSEE</u>	<u>EXPIRATION DATE</u>
ML 49084	Tidewater Oil & Gas Company LLC	02/28/2013
ML 49089	James S. Jones	02/28/2013
ML 49123	Tidewater Oil & Gas Company LLC	05/31/2013

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

APPROVAL OF COMMUNITIZATION AGREEMENT FOR LOTS 1, 2, 7, 8, 9, 10 [LOTS AKA NE¼] OF SECTION 2, T17S, R7E, SLB&M. (SCH)

XTO Energy Inc., Operator of the drilling unit comprised of Lots 1, 2, 7, 8, 9, and 10 [Lots aka NE¼] of Section 2, T17S, R7E, SLB&M., Emery County, has supplied this office with evidence that the Bureau of Land Management approved Communitization Agreement No. UTU86245. This agreement contains 188.10 acres of which 80.00 acres or 42.5306% are State of Utah School and Institutional Trust Lands Administration lands. The Communitization Agreement covers production from the Zion Federal 17-7-2-31D Well in the Ferron Formation and has an effective date of May 1, 2008.

The following lease has been committed to the agreement:

ML 48003 XTO Energy Inc.

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

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

GRAZING PERMITS

GRAZING PERMIT NO. 23315 (APPROVAL)

David E. Sorensen, Trustee,
of the David E. Sorensen Trust of April 10, 1995
c/o Derrel Spencer
P.O. Box 640030
Bryce, UT 84764

600.00 Acres 32 AUMs School Fund Garfield County

Township 34 South, Range 2 West
Sec 16: S½
Sec 21: NW¼, SW¼NE¼, E½NE¼

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

First year's rental: \$126.72
Application fee: \$50.00

The term of this permit begins July 1, 2009, and expires June 30, 2024. The season of use is May 15 through November 15. The type of livestock is cattle.

Upon recommendation of Mr. Ron Torgerson, the Director approved Grazing Permit No. 23315.

GRAZING PERMIT NO. 21919-02 (REINSTATEMENT)

Daren Woodard, 3518 North 2550 West, Morgan, UT 84050, has requested reinstatement of GP 21919-02, which was canceled for non-payment on August 31, 2009. The permittee has submitted a total of \$95.64, representing the grazing rental of \$34.74, the weed fee of \$0.90, the reinstatement fee of \$30.00, plus the \$30.00 late fee. Millard County. School Fund.

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

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of GP 21919-02.

GRAZING PERMIT NO. 22054-02 (REINSTATEMENT)

Brent Cottam, 3410 East 1600 South, St. George, UT 84790, has requested reinstatement of GP 22054-02, which was canceled for non-payment on August 31, 2009. The permittee has submitted a total of \$166.92, representing the grazing rental of \$104.22, the weed fee of \$2.70, the reinstatement fee of \$30.00, plus the \$30.00 late fee. Washington County. School Fund.

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

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of GP 22054-02.

GRAZING PERMIT NO. 23159 (REINSTATEMENT)

Perry Bunderson, 2997 E. Hwy. 6, Price, UT 84501, has requested reinstatement of GP 23159, which was canceled for non-payment on August 31, 2009. The permittee has submitted a total of \$127.32, representing the grazing rental of \$65.62, the weed fee of \$1.70, the reinstatement fee of \$30.00, plus the \$30.00 late fee. Emery County. School Fund.

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

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of GP 23159.

GRAZING PERMIT NO. 23206 (REINSTATEMENT)

Brent Cottam, 3410 East 1600 South, St. George, UT 84790, has requested reinstatement of GP 23206, which was canceled for non-payment on August 31, 2009. The permittee has submitted a total of \$551.04, representing the grazing rental of \$478.64, the weed fee of \$12.40, the reinstatement fee of \$30.00, plus the \$30.00 late fee. Washington County. School Fund.

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

Upon recommendation of Mr. Ron Torgerson, the Director approved the reinstatement of GP 23206.

GRAZING PERMIT NO. 23245 (PARTIAL CANCELLATION)

Grazing Permit No. 23245 is permitted to the Division of Wildlife Resources, P.O. Box 146301, Salt Lake City, UT 84114. The following described land contained within GP 23245 was exchanged to the Division of Wildlife Resources in Exchange No. 339 on October 19, 2009, and should be deleted from the permit. A certified letter was mailed to notify the permittee of this action.

Township 14 South, Range 8 East, SLB&M
Section 29: N½SE¼, SW¼SE¼, W½

Carbon County
440.00 acres

University Fund

GP 23245 will now contain 20,662.11 acres and 726.0 AUMs.

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

Upon recommendation of Mr. Scott Chamberlain, the Director approved the partial cancellation of GP 23245.

GRAZING PERMIT NO. 23308 (PARTIAL CANCELLATION)

Grazing Permit No. 23308 is permitted to J. K. Allred, P.O. Box 192, Cleveland, UT 84518. The following described land contained within GP 23308 was exchanged to the Division of Wildlife Resources in Exchange No. 339 on October 19, 2009. A certified letter was mailed to notify the permittee of this action.

Township 14 South, Range 8 East, SLB&M
Section 7: Lots 1- 4, E½NW¼, NW¼NE¼, E½SW¼, SE¼, S½NE¼
Section 18: All
Section 19: Lots 1- 4, E½NW¼, E½SW¼, SE¼, S½NE¼, NW¼NE¼
Section 20: W½

Carbon County

University Fund

597.28 acres

636.32 acres

596.32 acres

320.00 acres

GP 23308 will now contain 80.0 acres and 8.0 AUMs.

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

Upon recommendation of Mr. Scott Chamberlain, the Director approved the partial cancellation of GP 23308.

GRAZING PERMIT NO. 20914 (ASSIGNMENT)

John Nielson, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$30.00 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 20914.

GRAZING PERMIT NO. 21279-99 (ASSIGNMENT)

John Nielson, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$30.00 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 21279-99.

GRAZING PERMIT NO. 21293-99 (ASSIGNMENT)

John C. Nielson & Sons, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$103.00 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 21293-99.

GRAZING PERMIT NO. 21675-01 (ASSIGNMENT)

John C. Nielson & Sons, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$22.00 has been submitted. The \$8.00 assignment fee shortfall will be billed with next year's grazing bill. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 21675-01.

GRAZING PERMIT NO. 21678-01 (ASSIGNMENT)

John C. Nielson & Sons, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$36.00 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 21678-01.

GRAZING PERMIT NO. 22671 (ASSIGNMENT)

John C. Nielson & Sons, P.O. Box 620, Huntington, UT 84528, has requested the Agency's permission to assign 100% interest in the above referenced grazing permit to Nielson Ranches LLC, P.O. Box 620, Huntington, UT 84528. The assignment fee in the amount of \$140.00 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 22671.

GRAZING PERMIT NO. 23205 (CORRECTION OF MINUTES DATED JANUARY 30, 2004)

Grazing Permit No. 23205 was approved on the Director's Minutes of January 30, 2004. Due to a recently discovered discrepancy between the BLM master title plat and the survey plat, the following legal descriptions in GP 23205 need to be corrected as shown below:

Incorrect legal descriptions:T22S, R24E, SLB&MSec. 2: Lot 1, S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ **291.01 Acres**T23S, R24E, SLB&MSec. 2: **All** **640.01 Acres**

GRAZING PERMIT NO. 23205 (CORRECTION OF MINUTES DATED JANUARY 30, 2004) (CONTINUED)

Correct legal descriptions:

T22S, R24E, SLB&M

Sec. 2: Lot 1, S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$

451.05 Acres

T23S, R24E, SLB&M

Sec. 2: **Lots 1, 2, 3, 4**, S $\frac{1}{2}$ N $\frac{1}{2}$

322.32 Acres

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

The total acreage will now be 3,967.61. The AUMs will remain unchanged. This should be noted on all records. Grand County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the above correction for GP 23205.

RANGE IMPROVEMENT PROJECTS

RANGE IMPROVEMENT PROJECT NO. 374 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Glen and Kirk Jensen
P.O. Box 154
Elmo, Utah 84521

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T14S, R8E, SLB&M

Section 25: SW $\frac{1}{4}$ NW $\frac{1}{4}$ (WITHIN)

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

COUNTY: Carbon FUND: School

REQUESTED/PROPOSED ACTION:

The applicant proposes to reconstruct an existing livestock water guzzler. The new liner will be roughly one half acre in size and will be made out of asphalt. A new fence protecting the site and water tank will be installed. No new ground disturbance is anticipated.

RELEVANT FACTUAL BACKGROUND:

The applicant submitted a proposal for this range improvement project on September 24, 2009.

Because this proposal is a reconstruction of an existing watering facility, review by the Resource Development Coordinating Committee ("RDCC") was not required.

The Agency's Archaeology staff has authorized this project to proceed.

A search of the Agency's records was made to determine the status of the area involved. The grazing permit on record is GP 7-03, the applicant. There is one mineral lease (ML 48186) within the project area.

RANGE IMPROVEMENT PROJECT NO. 374 (APPROVAL) (CONTINUED)

Following is a flat rate amortization schedule (NRCS Schedule) for this project if the Agency cancels the grazing permit before the project is fully amortized. If the permittee sells or allows the permit to expire or to be canceled due to his own failure, then the amortization schedule will be canceled. The total project cost on trust lands is valued at \$26,000. The applicant is paying for \$6,500 (25%) of the project and the Utah Grazing Improvement Project is funding the remainder. Only the applicant's portion will be amortized. Note: The life of the project (the benefit) is 20 years.

Project	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Fence construction	\$6,500	20 years	2010	\$325/year	2030

EVALUATION OF THE FACTS:

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the grazing resources pursuant to R850-50-1100(5)(c).

Upon recommendation of Mr. Scott Chamberlain, the Director approved Range Improvement Project No. 374. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5375

On October 22, 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 Moab Ultimate Cross Country Endurance Challenge, c/o Danelle Ballengee, 577 Cliffview Drive, Moab, UT 84532, to occupy the following described trust land located within Grand and San Juan Counties to conduct a commercial cross-country endurance race:

T26S, R21E, SLB&M
Sec's 29, 30, 31, 32, 33, 36: 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. Grand and San Juan Counties. School Fund. Expiration date: November 14, 2009.

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

RIGHT OF ENTRY NO. 5386 (CORRECTION OF MINUTES DATED OCTOBER 19, 2009)

Right of Entry No. 5386, to Aspen Achievement Academy for therapeutic wilderness program camping, was approved on the Director's Minutes dated October 19, 2009. One of the legal descriptions was omitted in error. The following should be added to the permit:

Township 31 South, Range 9 East, SLB&M
Sec 16: Within

There are no additional fees due. School Fund. Wayne County.

Upon recommendation of Mr. Lou Brown, the Director approved the correction of the October 19, 2009, Director's Minutes for ROE 5386.

RIGHT OF ENTRY NO. 5389

On September 29, 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 Chile Pepper Bike Shop, 702 South Main Street, Moab, UT 84532, to occupy the following described trust land located within Grand County to conduct a commercial bicycle race:

T25S, R23E, SLB&M
Sec. 32: 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. Grand County. School Fund. Expiration date: November 1, 2009.

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

RIGHT OF ENTRY NO. 5390 (APPROVAL)

On October 6, 2009, the School and Institutional Trust Lands Administration received an application from Elements Wilderness Program, P.O. Box 1166, Huntington, UT 84528, to occupy the following described trust land located within Emery County for commercial hiking and camping for a one-year term:

T19S, R12E, SLB&M
Sec's 21 – 36: 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. Emery County. School Fund. Beginning date: November 1, 2009. Expiration date: October 31, 2010.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5390 for a one-year term.

RIGHT OF ENTRY NO. 5394 (APPROVAL)

On October 21, 2009, the School and Institutional Trust Lands Administration received an application from Aspiro, Inc., 695 Wakara Avenue, Mt. Pleasant, UT 84032, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial guided adventures for a one-year term.

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. Funding: School = 96.67%, USU = 0.83%, Deaf = 0.16%, USH = < 0.01%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = < 0.01%, SYDC = < 0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%. Beginning date: August 1, 2009. Expiration date: July 31, 2010.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5394 for a one-year term.

RIGHT OF ENTRY NO. 5395

On October 22, 2009, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of the Youth Garden Project, 530 South 400 East, Moab, UT 84532, to occupy the following described trust land located within San Juan County for commercial photography:

T27S, R23E, SLB&M

Sec's 6, 7: 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. San Juan County. School Fund. Expiration date: November 1, 2009.

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

EASEMENTS**EASEMENT NO. 1503 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

PacifiCorp, DBA Rocky Mountain Power
Right of Way Services
1407 West North Temple, Suite 110
Salt Lake City, Utah 84116

LEGAL DESCRIPTION:

Township 18 South, Range 4 West, SLB&M
Section 33: Lot 1 (within)

A 100 foot wide easement for the Scipio - McCornick 46 kV distribution power line, said easement being 50 feet on either side of the following described centerline. The power line itself is the monument that is identified by its physical presence on the land. The following description closely approximates the centerline of the physical monument based on Global Positioning System ("GPS") data:

EASEMENT NO. 1503 (APPROVAL) (CONTINUED)

Beginning at a point on the east line of Section 33, T18S, R4W, SLB&M, said point of beginning being located on the centerline of the existing Scipio - McCornick distribution power line and being located south 150 feet more or less along said east line from the northeast corner of said Section 33 and thence running N 83°29'14" W 149.67 feet more or less; thence N 84°58'30" W 816.41 feet more or less; thence N 88°44'25" W 478.33 feet more or less to a point located on the west line of Lot 1 of said Section 33.

Total length of centerline is 1,444.41 feet more or less. Containing 3.32 acres more or less.

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

COUNTY: Millard

ACRES: 3.32

FUND: School

PROPOSED ACTION:

The applicant has requested a non-exclusive easement to operate, repair, and maintain an existing 46 kV overhead power line located within T18S, R4W, Section 33, in Millard County. The power line is known as the Scipio – McCornick 46 kV transmission line. The proposed easement corridor is 1,444.41 feet long and 100 feet wide, containing 3.32 acres. The requested term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The subject "Application to Purchase an Easement" was received on June 23, 2009. It was submitted for the Agency review on June 25, 2009, and was accepted by the Director on July 10, 2009.

The power line was originally authorized under BLM Right of Way UTU-033540D on January 13, 1960, for a term of 50 years, expiring January 12, 2010. Administration of the BLM right-of-way grant was transferred to the Trust Lands Administration via an in-lieu selection involving the lands underlying the easement corridor in 1984. At that time, the right of way was assigned the reference number Easement No. 978. As this right of way grant will soon expire, the applicant is seeking to reauthorize the power line under a new easement agreement with the Trust Lands Administration.

EVALUATION OF FACTS:

The proposed easement was exempt from review by the Resource Development Coordinating Committee ("RDCC") because it is a reauthorization of an existing use and will involve no new ground disturbance.

The Agency's Archaeology staff has reviewed the proposed easement and has determined that, since it is a reauthorization of an existing use with no new ground disturbance, a cultural resources survey will not be required.

Upon recommendation of Mr. Chris Fausett, the Director approved the applicant's request for a non-exclusive easement. The term of the easement will be for 30 years beginning January 13, 2010, and expiring January 12, 2040. The application fee of \$750.00 and the easement rental assessment of \$2,100.96 have been submitted. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 677 (TRANSFER OF LEASE TO FEDERAL AGENCY)**

Special Use Lease Agreement No. 677 was acquired by Kerr-McGee Oil & Gas Onshore LP, P. O. Box 1733779, Denver, CO 80217-3779, due to a Certificate of Merger dated January 4, 2006. However, SULA 677 is on land that was exchanged by the Trust Lands Administration to the Bureau of Land Management on November 20, 1984, as part of Exchange No. 121 (Patent 18817). Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the transfer of SULA 677 to a federal agency. No fees will be refunded.

SPECIAL USE LEASE AGREEMENT NO. 677 (RELEASE OF BOND)

Special Use Lease Agreement No. 677 has been transferred to the Bureau of Land Management. This lease is on land that was exchanged by Trust Lands Administration to the Bureau of Land Management on November 20, 1984, as part of Exchange No. 121 (Patent 18817). Surety Bond No. 22021275, which was provided on July 11, 2008, by Kerr-McGee Oil & Gas Onshore LP, P.O. Box 1733779, Denver, CO 80217, will be released. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the release of bond for SULA 677.

SPECIAL USE LEASE NO. 1360 (RECLAMATION BOND)

Pursuant to Paragraph 15 of the lease agreement, Boy Scouts of America, Utah National Parks Council, 748 North 1340 West, Orem, UT 84057, has submitted Bond Number 0516249 in the amount of \$10,000.00. The bonding company is the Cincinnati Insurance Company, 6200 South Gilmore Road, Fairfield, OH 45014. The reclamation bond will remain in full force and effect until released by the Trust Lands Administration. Grand County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director accepted the bond submitted for SULA 1360.

SPECIAL USE LEASE AGREEMENT NO. 1434 (FIVE-YEAR REVIEW)

SULA 1434 is leased to William E. Davis & Deborah Westfall, P.O. Box 100, Bluff, UT 84512. This is an agricultural lease for alfalfa crop and agricultural related structures including a shed, shop, & mobile home to house hired help. San Juan County. School Fund.

1. **ANNUAL RENTAL:**

The five-year review date for this lease is January 1, 2010. The subject property is used for an agricultural lease as described above. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$850.00 per year to \$960.00 per year, effective January 1, 2010. A certified notice was sent to inform the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received. Note: This lease contains a provision that any of the leased property not being used for agricultural purposes may be deleted from the lease should the opportunity arise to put it to a higher and better use.

SPECIAL USE LEASE AGREEMENT NO. 1434 (FIVE-YEAR REVIEW) (CONTINUED)

New lease fee: \$960.00
Acres in lease: 39.00
Rental per acre: \$24.62
Farmable acres: 10.00
Rental per farmable acre: \$96.00

2. **DUE DILIGENCE:**
The development allowed by the lease has occurred. It is recommended that the lease be kept in force.
3. **PROPER USE:**
The leased premises are being used in accordance with the lease agreement.
4. **ADEQUATE INSURANCE AND BOND COVERAGE:**
An updated insurance policy has been requested by letter from the lessee. The lease does not require a bond.
5. **ESTABLISHMENT OF WATER RIGHTS:**
There are no Agency-owned water rights associated with this lease.
6. **POLLUTION AND SANITATION REGULATIONS:**
The Trust Lands Administration discovered waste on this lease that violates the lease clause located on Page 9, item 25 in the lease document. The lease administrator sent a certified letter to the lessee on August 28, 2009, requiring that the leased land be cleaned of all trash, debris, and waste of any kind to the satisfaction of the lessor prior to December 31, 2009. This waste located on the lease was inherited by the current lessee when he obtained the lease from the previous lessee several years prior. The lessee, Mr. Davis, was also contacted by phone regarding this waste. He agreed to clean up the waste as requested by the Agency. Agency staff will inspect the lease again in December, 2009, to determine if compliance with the lease terms has been met. There is no evidence of underground storage tanks on the premises.
7. The lease administrator has had this legal description reviewed by the GIS Group.
8. **NEXT ASSESSMENT DATE:**
The next assessment date will be on January 1, 2015.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year review for SULA 1434.

TIMBER SALES

TIMBER APPLICATION NO. 849 (APPROVAL OF CHRISTMAS TREE HARVESTING CONTRACT)

Tavish Edwards, P.O. Box 1818, Beaver, UT 84713, has submitted an application for a Director's Sale contract to cut 40 Christmas trees on the following sections of trust lands:

T28S, R16W, SLB&M

Section 36: Lots 1-11, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (Within) – 511.68 Ac.

T29S, R16W, SLB&M

Section 2: All (Within) – 653.75 Ac.

Section 36: All (Within) – 640.00 Ac.

TIMBER APPLICATION NO. 849 (APPROVAL OF CHRISTMAS TREE HARVESTING CONTRACT)
(CONTINUED)

T29S, R15W, SLB&M
Section 29: All (Within) – 640.00 Ac
Section 32: All (Within) – 640.00 Ac.

Beaver County. School Fund.

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

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on September 22, 2009, and no comments have been received to date. The Five County Association of Governments responded with a comment recommending approval.

The contract will begin on November 1, 2009, and end on December 24, 2009. The applicant has submitted a check for \$500.00, which includes the \$100.00 application fee and the \$10 per tree purchase price. A bond will not be required.

Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Application TA 849.

DEVELOPMENT ACTIONS

BLACK MOUNTAIN DRIVE ROAD DEDICATION (DEVL 917)

PROJECT: South Block
PROJECT MANAGER: Brent Bluth
PROJECT CODE: SOBLK 000 00
BENEFICIARY: School
PLAT DEDICATION NO.: 191

CONVEYANCE TO:
St. George City
175 East 200 North
St. George UT 84770

DESCRIPTION:
The dedication of this road is directly necessary for the development of the surrounding area, according to the approved master plan for the Milepost 2 interchange area. It helps realize the optimal value for the surrounding lands as it provides access to the surrounding graded parcels. This dedication is in line with what is customarily expected of developers of large tracts of land. The first transaction that will benefit from the new access is expected to take place this fiscal year in the context of the assembled land exchange with UDOT (EXCH 323). The exchange value will include the added value of the improvements and access.

BLACK MOUNTAIN DRIVE ROAD DEDICATION (DEVL 917) (CONTINUED)

LEGAL DESCRIPTION:

Township 43 South, Range 16 West, SLB&M

Sections 25 and 26:

Beginning at a point which is North 89°02'56" West 2306.30 feet along the South Section line and South 00°00'00" West 192.08 feet from the South Quarter Corner of Section 24, Township 43 South, Range 16 West, Salt Lake Base and Meridian, as per the City of St. George HCN Survey control dated August 3, 1998, said point also being on the Westerly Right-of-Way of Astragalus Drive; running thence along said Astragalus Drive Right-of-Way South 04°13'5" West 66.00 feet; thence North 85°46'01" West 915.89 feet to the point of curvature of a 467.00 foot radius curve concave to the left; thence Southwesterly 535.30 feet along the arc of said curve through a central angle of 65°40'31" to the point of tangency; thence South 28°33'27" West 27.36 feet; thence North 61°26'00" West 65.74 feet to the Easterly Right-of-Way of Interstate 15; thence along said easterly Right-of-Way North 28°34'00" East 44.26 feet to the point of non-tangent curvature of a 533.00 foot radius curve concave to the right, the radius point which bears South 59°37'29" East; thence Northeasterly 594.04 feet along the arc of said curve through a central angle of 63°51'28" to the point of tangency; thence South 85°46'01" East 915.89 feet to the said Westerly Right-of-Way of Astragalus Drive, said point also being the point of beginning.

Containing: 2.30 acres, more or less.

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

NUMBER OF ACRES BY COUNTY: 2.30 acres - Washington County

NUMBER OF ACRES BY FUND: 2.30 acres - School

MINERAL RESERVATIONS:

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

SURFACE RESERVATIONS:

None

Upon recommendation of Alexa Wilson, the Director approved the above item.

TERMINATION OF SUBLEASE OF SPECIAL USE AGREEMENT NO. 512 (DEVL 9)/EXCH 342 AND ISSUANCE OF EXCHANGE PATENT

THE FOLLOWING TRANSACTION WAS REPORTED IN THE DIRECTOR'S MINUTES OF AUGUST 19, 2005. AT THAT TIME, NO EXCHANGE NUMBER WAS ASSIGNED TO THE TRANSACTION. THIS IS NOW CORRECTED.

PROJECT:	Warm Springs
PROJECT MANAGER:	Alexa Wilson
PROJECT CODE:	WMSPG 000 00
FUND:	School
COUNTY:	Washington County
EXCHANGE NO.:	342
EXCHANGE PATENT NO.:	19587
EXCHANGE PATENT DATE:	July 5, 2005

TERMINATION OF SUBLEASE OF SPECIAL USE AGREEMENT NO. 512 (DEVL 9)/EXCH 342 AND ISSUANCE OF EXCHANGE PATENT (CONTINUED)

SUBLESSEE / PATENT ISSUED TO:

Max K. Schmidt, Jerold G. Schmidt and Jean C. Schmidt
1446 Anvil Drive
Draper, Utah 84020
Successors in interest to Oasis Leisure Homes, Inc., an expired Utah Corporation

DESCRIPTION:

This agreement terminates the sublease and removes the subleased parcel from the premises of the master lease. The Sublessee shall receive Lot 17 of Oasis Leisure Homes as consideration for terminating the sublease.

EXCHANGE PATENT LEGAL DESCRIPTION:

Township 42 South, Range 15 West, SLB&M
Section 11: All of Lot 17 of Oasis Leisure Homes, Phase I, a subdivision recorded at the office of the Washington County Recorder. Containing 0.524 acres, more or less.

NUMBER OF ACRES BY COUNTY: 0.524 - Washington

NUMBER OF ACRES BY FUND: 0.524 - School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

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 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.

COMMENTS:

Subject to the Declaration of Covenants, Conditions and Restrictions for Oasis Leisure Homes, Phase I, and any amendments thereto, as recorded at the office of the Washington County Recorder.

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

AUDITING ACTIONS

MISALLOCATION OF OIL ROYALTY, ML 46605

This lease is comprised of beneficiary acreage contributions from School and the University of Utah. All of the lease acreage is committed to the Wolverine Unit in Sanpete and Sevier Counties. Only a portion of the acreage in the lease is contained within the participating area of the unit. The revenue allocation tables for dividing the lease royalty revenue between School and the University of Utah did not reflect the proper percentages in the business system. The percentages used were based on the acreage contribution on a lease basis. The allocation table should have reflected the acreage contribution on a participating area basis. From September 1, 2005, through December 31, 2005, (the 4th expansion of the participating area) only a School parcel participated but the revenue was allocated on a lease basis.

Lease Acreage Basis			
School	1,720 acres	91.49%	\$210,588.29
University of Utah	160 acres	8.51%	\$19,588.00

Participating Area Basis			
School	40 acres	100%	\$230,176.29

School is due \$19,588.00 for the period of September 1 through December 31, 2005.

Beginning January 1, 2006, the participating area expanded to include a University of Utah parcel (the 5th revision of the participating area) but the lease acreage basis in the business system was never changed and remained on a lease basis.

Lease Acreage Basis			
School	1,720 acres	91.49%	\$5,065,121.02
University of Utah	160 acres	8.51%	\$471,135.36

Participating Area Basis			
School	40 acres	50%	\$2,768,128.19
University of Utah	40 acres	50%	\$2,768,128.19

The University of Utah is due \$2,296,992.83 for the period of January 1, 2006, through August 31, 2009.

Netting the two adjustments leads to the accounting instruction below:

Debit: School	\$2,277,404.83
Credit: University of Utah	\$2,277,404.83

The PEN allocation profile in the royalty module of the business system is now consistent with the Participating Area Basis noted above. The beneficiary allocation profile lists 50% for School and 50% for the University of Utah.

Beneficiaries: School and the University of Utah

Upon recommendation of Mr. Carlson, the Director approved this adjustment to the accounting records.

ACTIONS CONTAINING FEE WAIVERS

NONE

TRUST ACCOUNTING ACTIONS

CANCELED MINERAL LEASES

The following minerals leases were not paid on or before the cancellation date of 10/10/2009. Certified notices were mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 48541.0	AMARICEN GENERAL PARTNERSHIP	SCH	GRND	OGH
ML 48542.0	AMARICEN GENERAL PARTNERSHIP	SCH	GRND	OGH
ML 48545.0	AMARICEN GENERAL PARTNERSHIP	SCH	GRND	OGH
ML 48546.0	AMARICEN GENERAL PARTNERSHIP	SCH	GRND	OGH
ML 48549.0	AMARICEN GENERAL PARTNERSHIP	SCH	SANJ	OGH
ML 48569.0	AMARICEN GENERAL PARTNERSHIP	SCH	SANJ	OGH
ML 48770.0	ANSBRO PETROLEUM COMPANY	SCH	UTAH	OGH
ML 49419.0	JONES, VERN	USH	GARF	OGH
		SCH	GARF	OGH
ML 49420.0	JONES, VERN	SCH	GARF	OGH
ML 50010.0	PIONEER OIL AND GAS	SCH	GARF	OGA
ML 50011.0	PIONEER OIL AND GAS	SCH	GARF	OGA
ML 50012.0	PIONEER OIL AND GAS	SCH	GARF	OGA
ML 50013.0	PIONEER OIL AND GAS	SCH	GARF	OGA
		MH	GARF	OGA
ML 50046.0	KLURFELD, GREG	SCH	KANE	OGA
ML 50047.0	KLURFELD, GREG	SCH	KANE	OGA
ML 50413.0	HOMELAND URANIUM INC.	UNIV	SANJ	MM
ML 50414.0	NERD GAS COMPANY LLC	SCH	RICH	OGA
ML 50470.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
ML 50471.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
		MH	PIUT	OGA
ML 50473.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
ML 50475.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
		MH	PIUT	OGA
ML 50477.0	ROYALITE PETROLEUM CORP	UNIV	PIUT	OGA
		RES	PIUT	OGA
ML 50478.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
ML 50481.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
		RES	PIUT	OGA

CANCELED MINERAL LEASES (CONTINUED)

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 50482.0	ROYALITE PETROLEUM CORP	SCH	PIUT	OGA
ML 50961.0	POWELL, ET AL, DAN L.	SCH	SANJ	MM
		RES	SANJ	MM
ML 51019.0	FARMER, KENNETH	SCH	DAGT	OGA
ML 51023	LASRICH, LANE	SCH	DAGT	OGA
		UNIV	DAGT	OGA
		USH	DAGT	OGA
		MH	DAGT	OGA
ML 51049.0	STONE MOUNTAIN QUARRIES, INC.	SCH	BOX	BS
ML 51050.0	TRIGON EXPLORATION UTAH INC.	SCH	SANJ	MM
ML 51052.0	BAUGHMAN, JAMES	USH	SANJ	MM
		SCH	SANJ	MM
ML 51053.0	BAUGHMAN, JAMES	SCH	SANJ	MM
		NS	SANJ	MM
ML 51054.0	BAUGHMAN, JAMES	SCH	SANJ	MM
ML 51055.0	BAUGHMAN, JAMES	SCH	SANJ	MM
		NS	SANJ	MM
ML 51056.0	BAUGHMAN, JAMES	UNIV	SANJ	MM
		SCH	SANJ	MM
ML 51060.0	FARMER, KENNETH K.	SCH	DAGT	OGA
ML 51061.0	FARMER, KENNETH K.	SCH	DAGT	OGA
		MH	DAGT	OGA
ML 51421.0	KLURFELD, GREG	SCH	SANJ	OGA
ML 51422.0	KLURFELD, GREG	SYDC	SANJ	OGA
ML 51424.0	KLURFELD, GREG	SCH	JUAB	OGA
ML 51441.0	EMERY INDUSTRIAL RESOURCES, INC.	SCH	GARF	MM
ML 51443.0	INTERCONT POTASH CORP (USA)	SCH	SANJ	POT
ML 51453.0	RAMEY, GAYLA	SM	SANJ	POT
		UNIV	SANJ	POT
		SCH	SANJ	POT
ML 51454.0	INTERCONT POTASH CORP (USA)	SCH	SANJ	POT
		MH	SANJ	POT
ML 51455.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51456.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51457.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51458.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51460.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51461.0	INTERCONT POTASH CORP (USA)	SCH	SANJ	POT
ML 51462.0	INTERCONT POTASH CORP (USA)	SCH	SANJ	POT
ML 51464.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51475.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51478.0	RAMEY, GAYLA	SCH	SANJ	POT
ML 51485.0	FUTURE ENERGY L.L.C.	SCH	EMRY	MM
ML 51486.0	ARLAN RIVER L.L.C.	SCH	BEAV	MM
ML 51487.0	POLIQUIN, MORGAN	SCH	IRON	MM

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

REFUND OF OVERPAYMENT – UNIT TERMINATED – ML 27969

The rental and the minimum royalty for the following mineral lease were paid for 2009. The total amount paid was \$18,504.00. This lease has been canceled due to the termination of the North Horseshoe Bend Unit. Therefore, the amounts paid for the minimum royalty and rental were not due for 2009. The refund should be sent to Forest Oil Corporation – ATTN: Judy Thomas – 707 Seventeenth Street, Suite 3600 – Denver, CO 80202.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ML 47969	FOREST OIL CORP.	SCH	UINT	OGH

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the above-mentioned refund in the amount of \$18,504.00 due to lease cancellation.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	3.25%
ONE YEAR AGO:	5.00%