

AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
Monday, August 19, 2013, at 9:00 a.m.
State Capitol
Helena, MT

ACTION ITEMS

- 813-1** **Timber Sales**
- A. Ogilvie Gulch #2**
 Benefits: Common Schools
 Location: Lewis and Clark County
 APPROVED 5-0
- B. Shadoan (Salvage)**
 Benefits: Common Schools
 Location: Gallatin County
 APPROVED 5-0
- 813-2** **Communitization Agreements**
- A. Primary Petroleum LLC – Spring Hill 14-34H-27-6 Well**
 Benefits: Common Schools
 Location: Teton County
 APPROVED 5-0
- B. Oasis Petroleum LLC – Loki 2658 12-25H Well**
 Benefits: Common Schools
 Location: Richland County
 APPROVED 5-0
- C. Oasis Petroleum LLC – Sage Brush 2758 43-9H Well**
 Benefits: Common Schools
 Location: Roosevelt County
 APPROVED 5-0
- 813-3** **Land Banking Parcels: Preliminary Approval for Sale**
- A. Custer County**
 Benefits: Common Schools
 Location: Custer County
 APPROVED 5-0
- B. Fallon County**
 Benefits: Common Schools
 Location: Fallon County
 APPROVED 5-0
- C. Garfield County**
 Benefits: Common Schools
 Location: Garfield County
 APPROVED 5-0
- D. Richland County**
 Benefits: Common Schools
 Location: Richland County
 APPROVED 5-0
- 813-4** **Land Banking Parcels: Set Minimum Bid for Sale**
 Benefits: Common Schools
 Location: Phillips County
 APPROVED 5-0

813-5 Reconveyance of Timber Reservation on Property Exchanged – Lyman Creek Land Exchange

Benefits: Common Schools, Public Buildings

Location: Ravalli County

APPROVED 5-0

813-6 Easements

Benefits: Common Schools, Public Buildings, University of Montana, Eastern-MSU/Western-UM

Location: Cascade, Fergus, Judith Basin, Madison, Richland, Roosevelt, Toole, and Yellowstone Counties

APPROVED 5-0

INFORMATION ITEM

813-7 Real Estate Management Bureau: 2013 Project Management List – Annual Update

Benefits: Common Schools, Eastern-MSU/Western-UM, Pine Hills School

Location: Custer, Flathead, Gallatin, Lincoln, Missoula, Sanders, and Yellowstone Counties

PUBLIC COMMENT

813-1

TIMBER SALES

- A. Ogilvie Gulch #2
- B. Shadoan (Salvage)

**Land Board Agenda Item
August 19, 2013**

813-1A Timber Sale: Ogilvie Gulch #2**Location: Lewis and Clark County****Trust Benefits: Common Schools****Trust Revenue: \$81,119 (estimated, minimum bid)****Item Summary**

The Ogilvie Gulch #2 timber sale is approximately 23 air miles northwest of Helena, MT. The sale includes three harvest units totaling 218 acres with an estimated sale volume of 8,503 tons (1,141 MBF or 7,758 cubic meters) of sawlogs and contains no old growth. The minimum bid is \$9.54 per ton.

Prescriptions include the harvest of Douglas-fir and lodgepole pine in irregular shaped patch clearcuts and shelterwood harvests to promote natural regeneration of both species. Leaving islands of Douglas-fir in addition to the shelterwood leave trees will provide ample seed and enough shade to establish regeneration.

Access to the sale is across private and U.S. Forest Service (USFS) properties. Temporary road use permits have been obtained from the neighboring landowner and USFS. Approximately 2.2 miles of road will be built. Upon completion of the sale, roads will be closed to unauthorized vehicles.

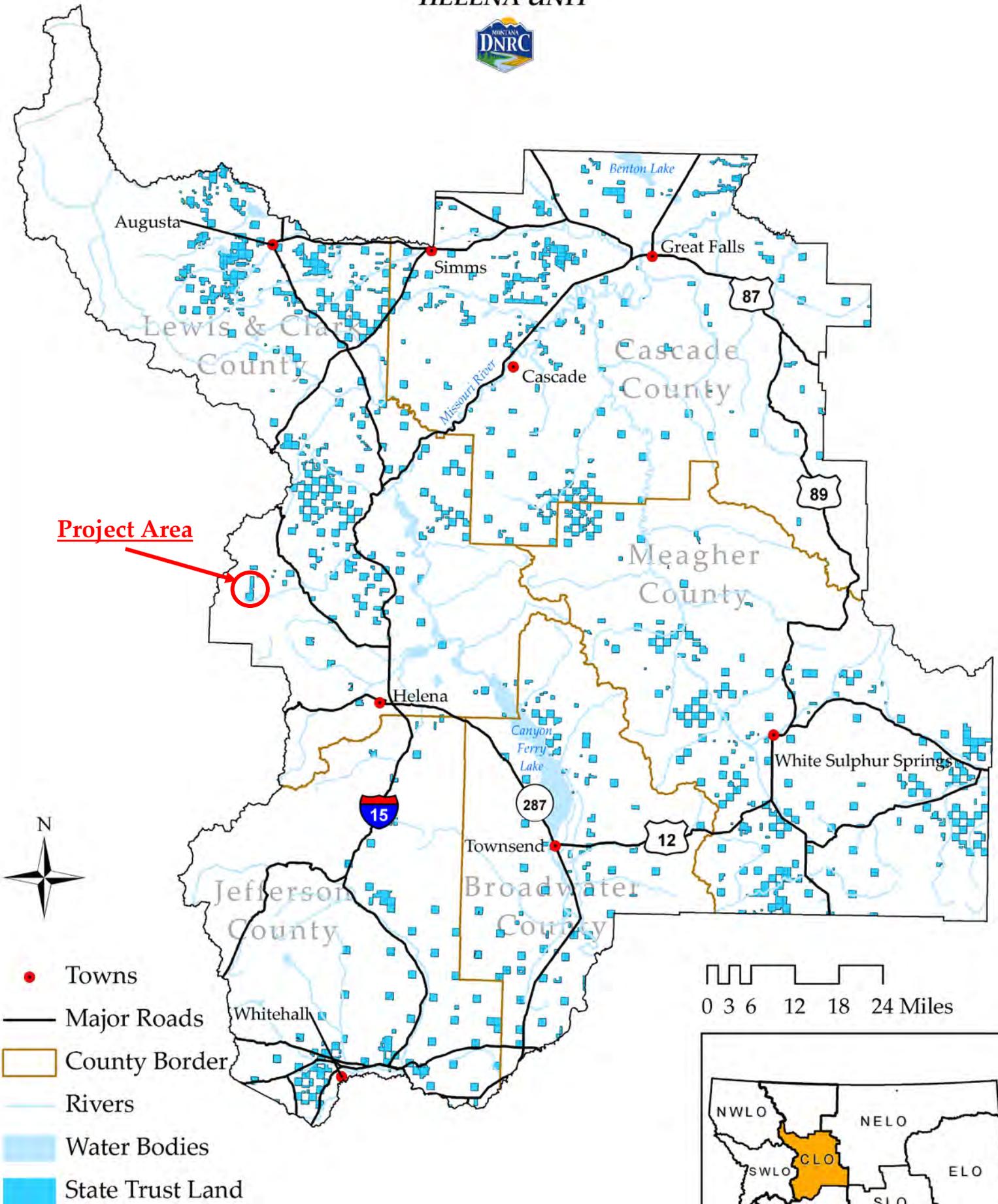
Scoping letters were mailed to adjacent landowners, organizations, and interested parties in March 2012. Public notice was published in the Helena Independent Record. Written comments were received from the Confederated Salish & Kootenai Tribes (CSKT) and adjacent landowner and lessee Todd Burger (Grady Livestock). CSKT wrote that no cultural resources were known to be present at the project area, and asked to be kept informed of any potential cultural resources that are found. DNRC will notify CSKT if any new information arises or previously unknown cultural sites are identified. General questions from Todd Burger (Grady Livestock), regarding road use and activities, were discussed and resolved prior to Grady Livestock providing access to DNRC.

DNRC Recommendation

The Director recommends the Land Board direct DNRC to sell the Ogilvie Gulch #2 timber sale.

OGILVIE GULCH 2 VICINITY MAP HELENA UNIT

813-1A

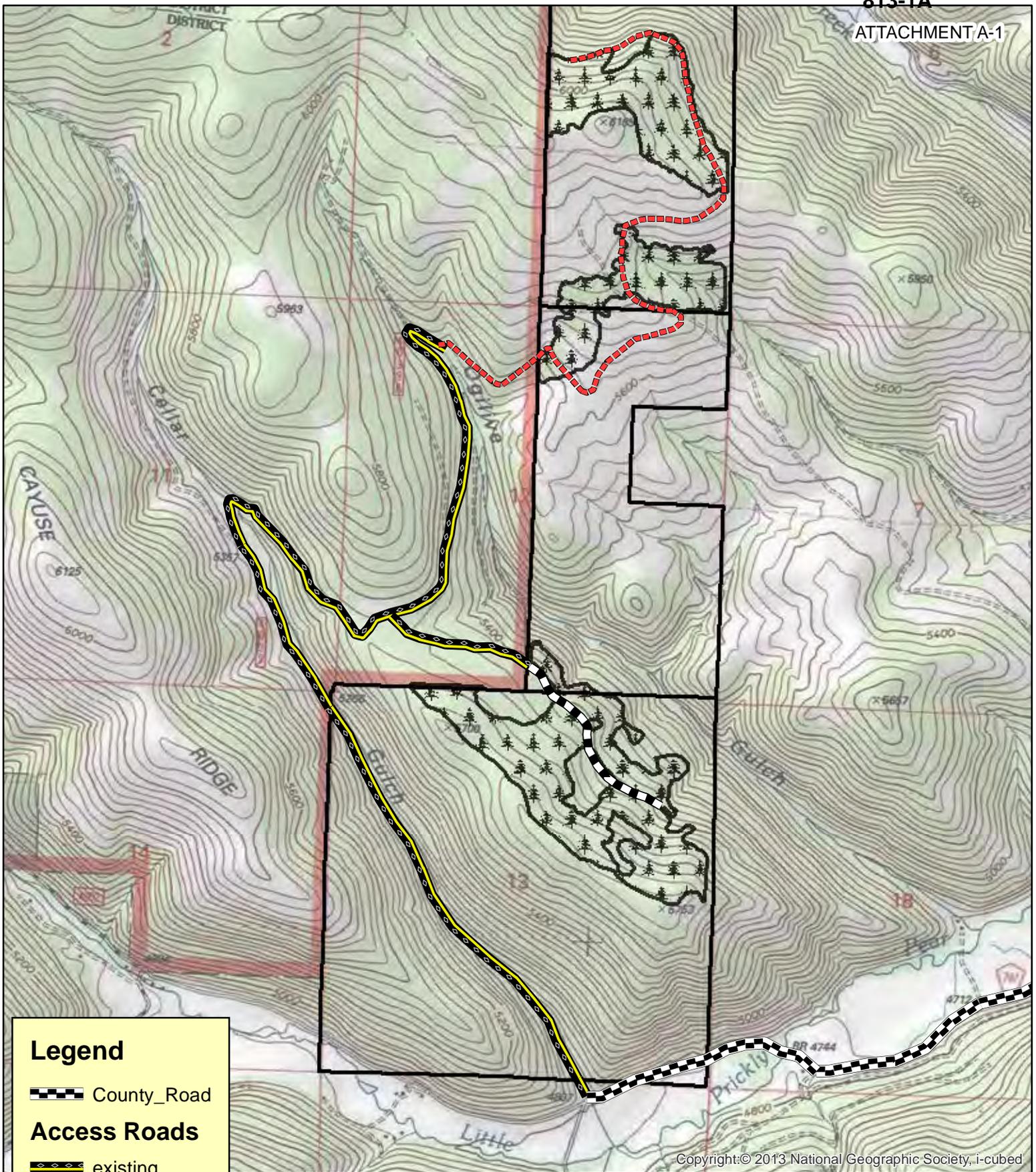


Project Area

- Towns
- Major Roads
- County Border
- Rivers
- Water Bodies
- State Trust Land

0 3 6 12 18 24 Miles





Legend

- County_Road
- Access Roads**
- existing
- new
- reconstruct
- Harvest Area
- State Land

OGILVIE II TIMBER SALE

T12N, R7W, Sections 1, 12, 13



**Land Board Agenda Item
August 19, 2013**

813-1B Timber Sales: Shadoan (Salvage)**Location: Gallatin County****Trust Benefits: Common Schools****Trust Revenue: \$72,359.00 (estimated, minimum bid)****Item Summary**

The Shadoan Salvage timber sale is approximately 8.5 air miles east of Bozeman, MT. The sale includes 11 harvest units totaling 258 acres with an estimated sale volume of 10,337 tons (1,550 MBF or 9,386 cubic meters) of sawlogs and contains no old growth. The minimum bid value is \$7.00 per ton.

The State lands would be accessed using a private road system. The landowner allowing access has imposed a restricted contractor pool of two potential bidders as a condition of use. In addition, harvest must be completed by March 1, 2014.

Douglas-fir stands in the project area have infestations of spruce budworm, while lodgepole pine stands have infestations of mountain pine beetle. Many stands are also infected with dwarf mistletoe. Prescriptions would capture value while improving the health, vigor and productivity of the residual forest stands through the removal of dead, dying, at-risk, overstocked and suppressed timber.

Approximately 0.4 miles (private) and 3.4 miles (state) of minimum standard new spur road construction would be required to access the proposed harvest units. Upon completion of the sale, the new road construction on State lands would be reclaimed by removing culverts and placing slash and debris on the road surface. All roads would have long-term drainage features installed and reseeded with site-adapted grass.

Public involvement was solicited through legal publications in the Bozeman Chronicle and the Livingston Enterprise. Letters were also sent to individuals and interested parties. The Project Leader attended local community meetings and meetings of organized groups as requested. Comments were received from adjacent landowners, special interest groups, and MT FWP.

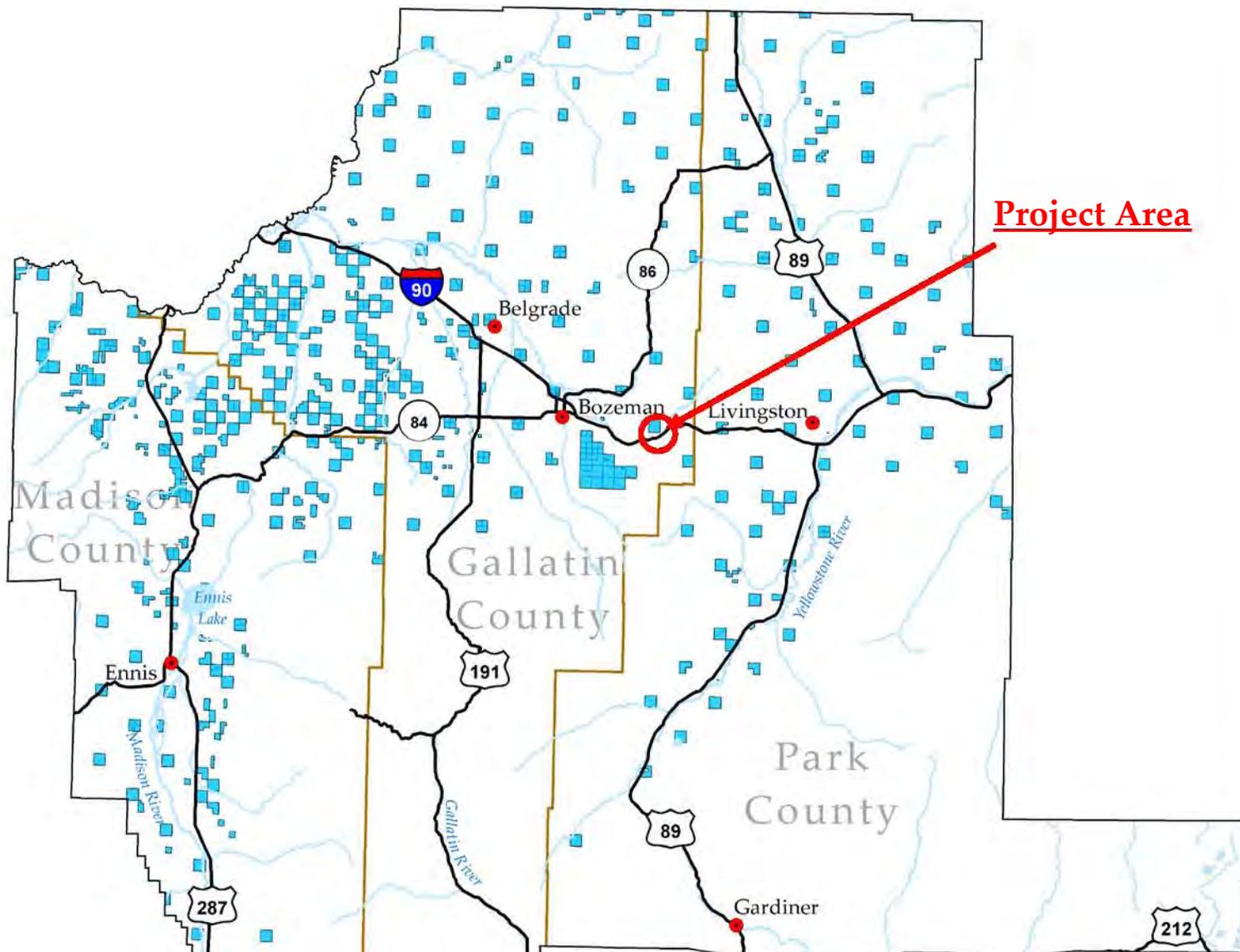
The main issues identified were big game hiding cover, wildlife corridors and roads. In order to address these issues, 40% of existing mature trees would be retained in clumps to maintain potential bedding sites and hiding cover. Submerchantable trees and shrubs would be protected and retained for visual screening. Dense stringers of cover would be retained in draw bottoms and riparian areas, which would provide some escape cover and mitigate for increases in sight distance within most treated stands. Finally, all of the newly constructed roads on State lands would be reclaimed following their use, prohibiting any additional increase in motorized activity.

DNRC Recommendation

The Director recommends the Land Board direct DNRC to sell the Shadoan Salvage timber sale.

SHADOAN VICINITY MAP BOZEMAN UNIT

813-1B

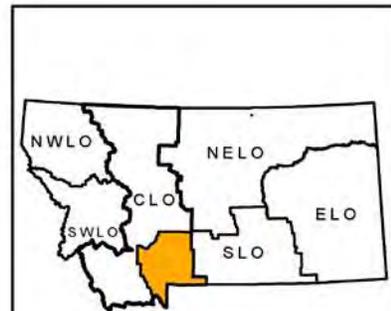


Project Area

- Towns
- Major Roads
- Rivers
- Water Bodies
- County Border
- State Trust Land



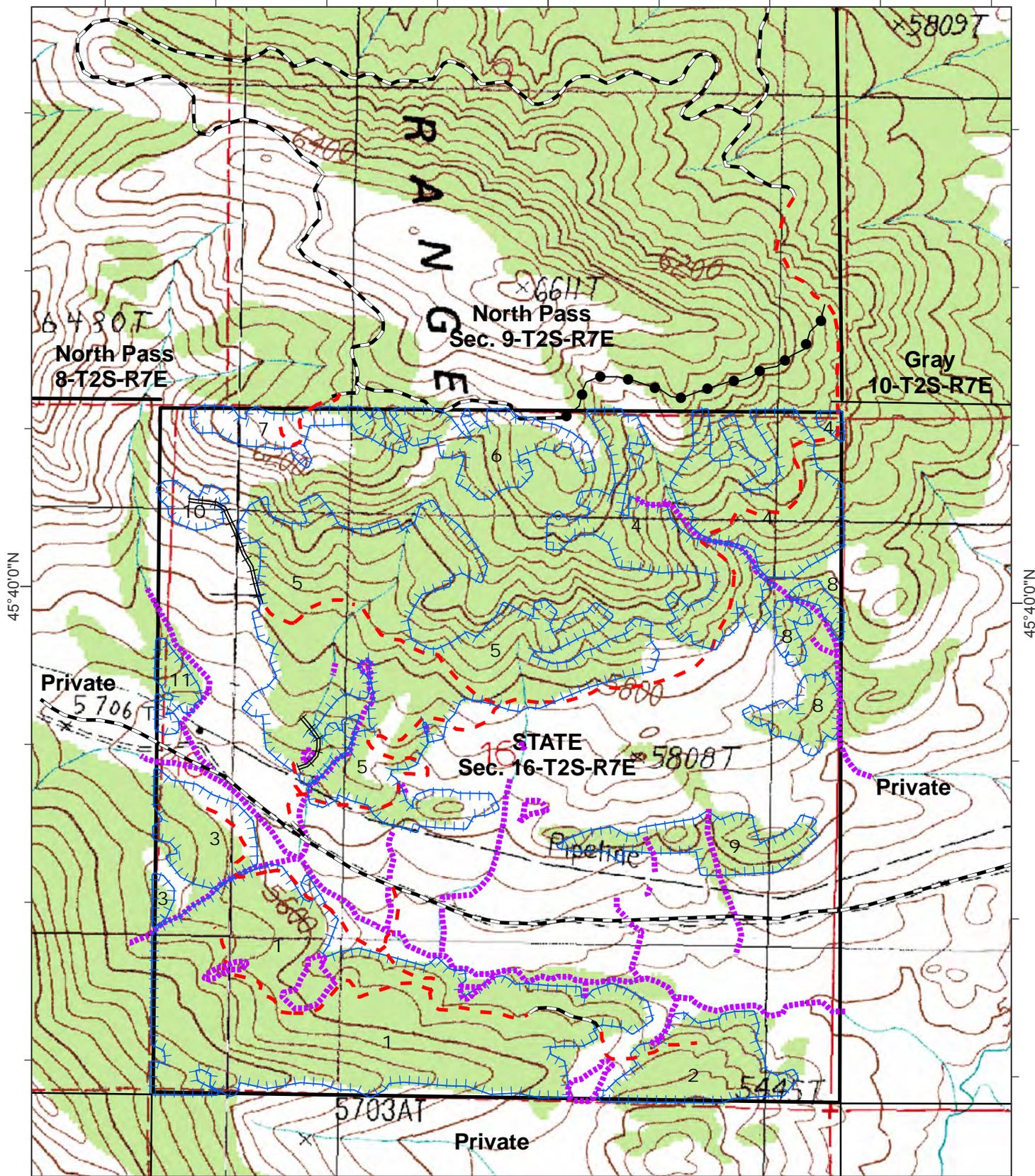
0 3 6 12 18 24 Miles



ATTACHMENT A
Shadoan Salvage Timber Harvest
Section 16-T2S-R7E, Gallatin County

813-1B

110°52'0"W



1:12,500

- Existing Road
- New Road
- Designated Skid Trail
- 4WD/ATV Trail
- SMZ/Wetland Area
- Harvest Area



813-2

COMMUNITIZATION AGREEMENTS

- A. Primary Petroleum LLC – Spring Hill 14-34H-27-6 Well
- B. Oasis Petroleum LLC – Loki 2658 12-25H Well
- C. Oasis Petroleum LLC – Sage Brush 2758 43-9H Well

**Land Board Agenda Item
August 19, 2013**

813-2A Communitization Agreement: Spring Hill 14-34H-27-6 Well

**Location: Teton County
T27N R6W Section 34: E2W2**

Trust Benefits: Common Schools

Trust Revenue: Unknown

Item Summary

Primary Petroleum Company has filed a request with the Department for the approval of a communitization agreement to communitize State owned acreage in conformity with Montana Board of Oil and Gas Conservation Commission (BOGC) regulations.

A communitization agreement brings together small tracts sufficient for the granting of a well permit under applicable spacing rules. The Agreement allows the State to receive its proper share of production from the spacing unit and must be approved by the Department for state lands.

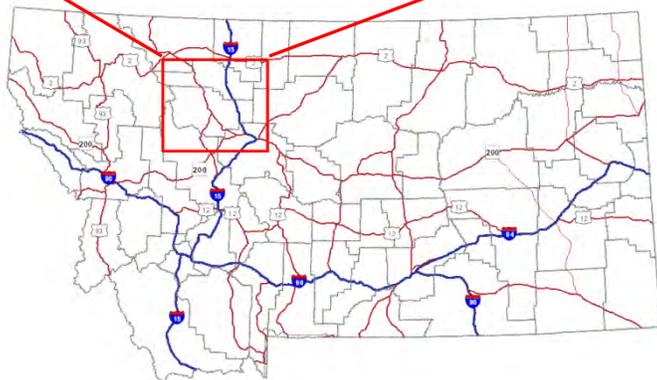
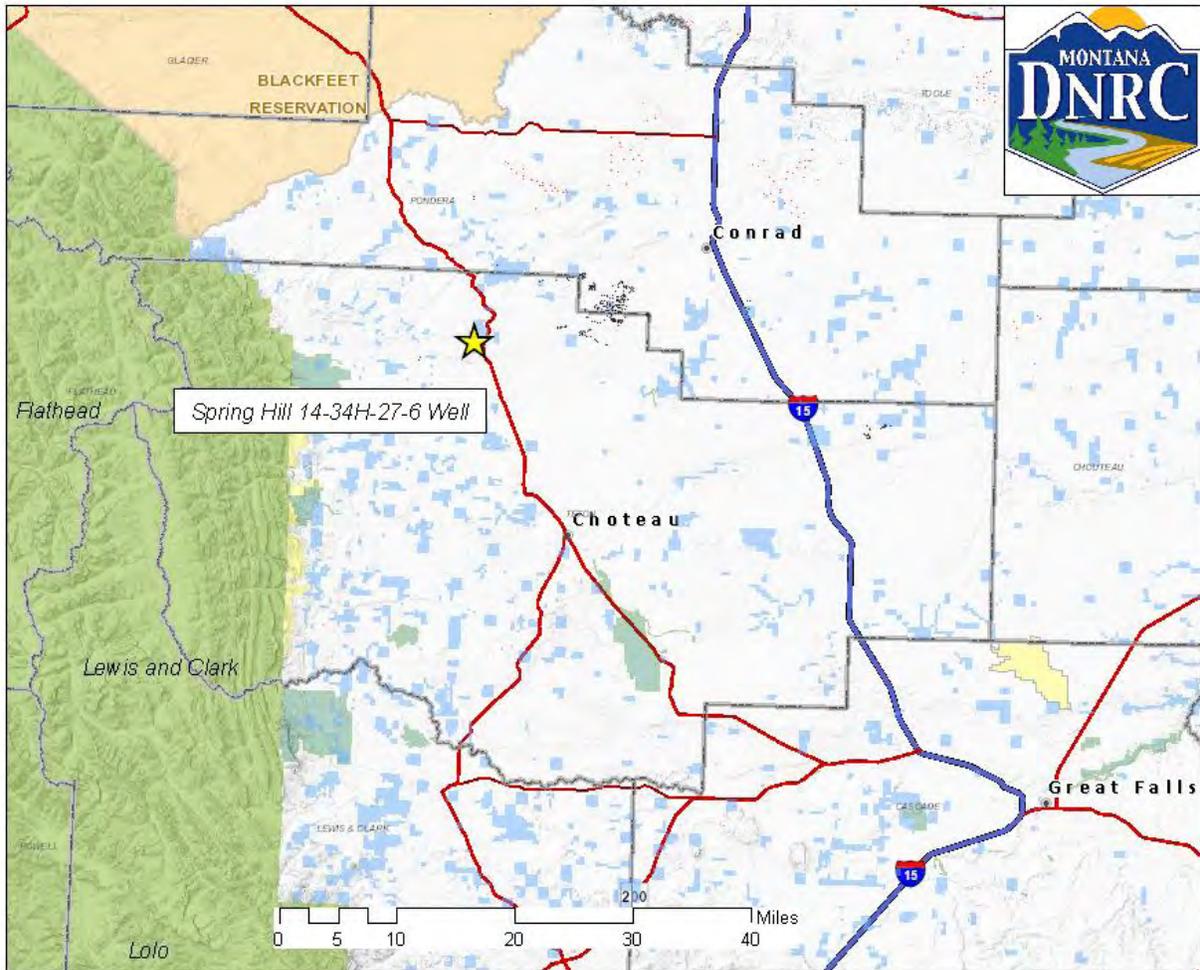
The Spring Hill 14-34H-27-6 well is a horizontal Lodgepole formation oil well located near the town of Pendroy, and was drilled on private land in the SE4SW4 of Section 34. The Department owns 40 acres of the 160 mineral acres in the permanent spacing unit that will be communitized. The Agreement encompasses the Lodgepole Formation in the E2W2 Section 34. The well is not commercial, but a communitization agreement is needed in order to apportion the small amount of oil that has been produced to the mineral owners.

The Department's tract comprises 25% of the communitized area. The Department will consequently receive 4.1675% of all oil and gas production (16.67% royalty rate x 25% tract participation).

DNRC Recommendation

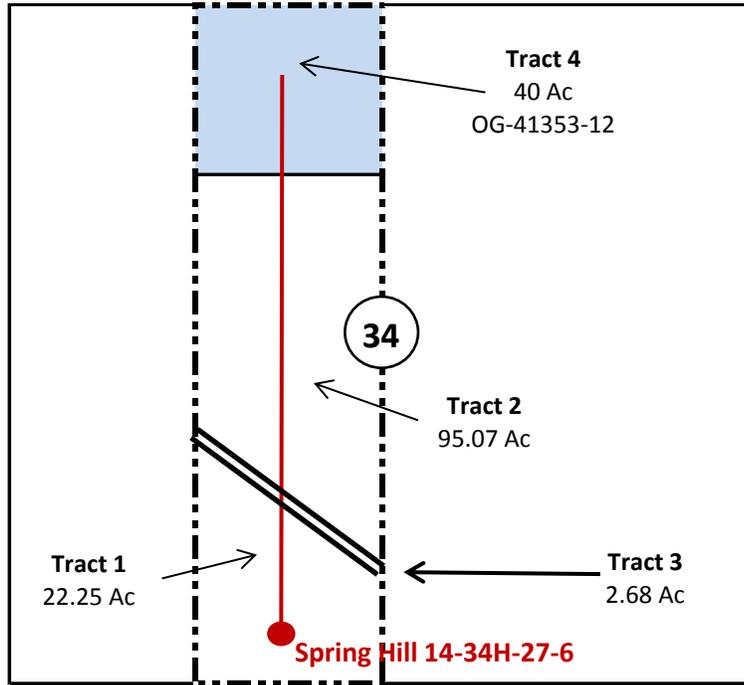
The Director recommends the Land Board approve this Communitization Agreement.

Vicinity Map Spring Hill 14-34H-27-6 Well



Township 27 North Range 6 West

Section 34



Recapitulation

Tract No.	Type	Acres	Tract Participation	Royalty %	Owners Interest Decimal
1	Fee	22.25	13.91%	12.50%	0.017383
2	Fee	95.07	59.42%	12.50%	0.074273
3	Teton County (road)	2.68	1.68%	15.00%	0.002513
4	State of Montana	40.00	25.00%	16.67%	0.041675
Total		160.00	100.00%		

* The Operator of the Communitized Area is Primary Petroleum Company, LLC

**Land Board Agenda Item
August 19, 2013**

1.06 Communitization Agreement: Loki 2658 12-25H Well

**Location: Richland County
T26N R6W Section 36: All**

Trust Benefits: Common Schools

Trust Revenue: Unknown

Item Summary

Oasis Petroleum North America LLC has filed a request with the Department for the approval of a communitization agreement to communitize State owned acreage in conformity with Montana Board of Oil and Gas Conservation Commission (BOGC) regulations.

A communitization agreement brings together small tracts sufficient for the granting of a well permit under applicable spacing rules. The Agreement allows the State to receive its proper share of production from the spacing unit and must be approved by the Department for state lands.

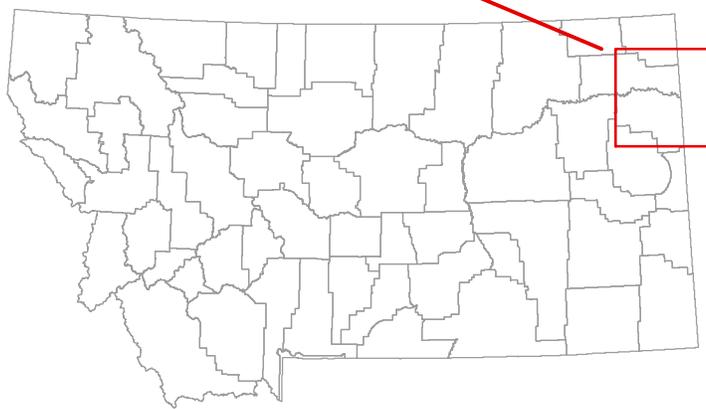
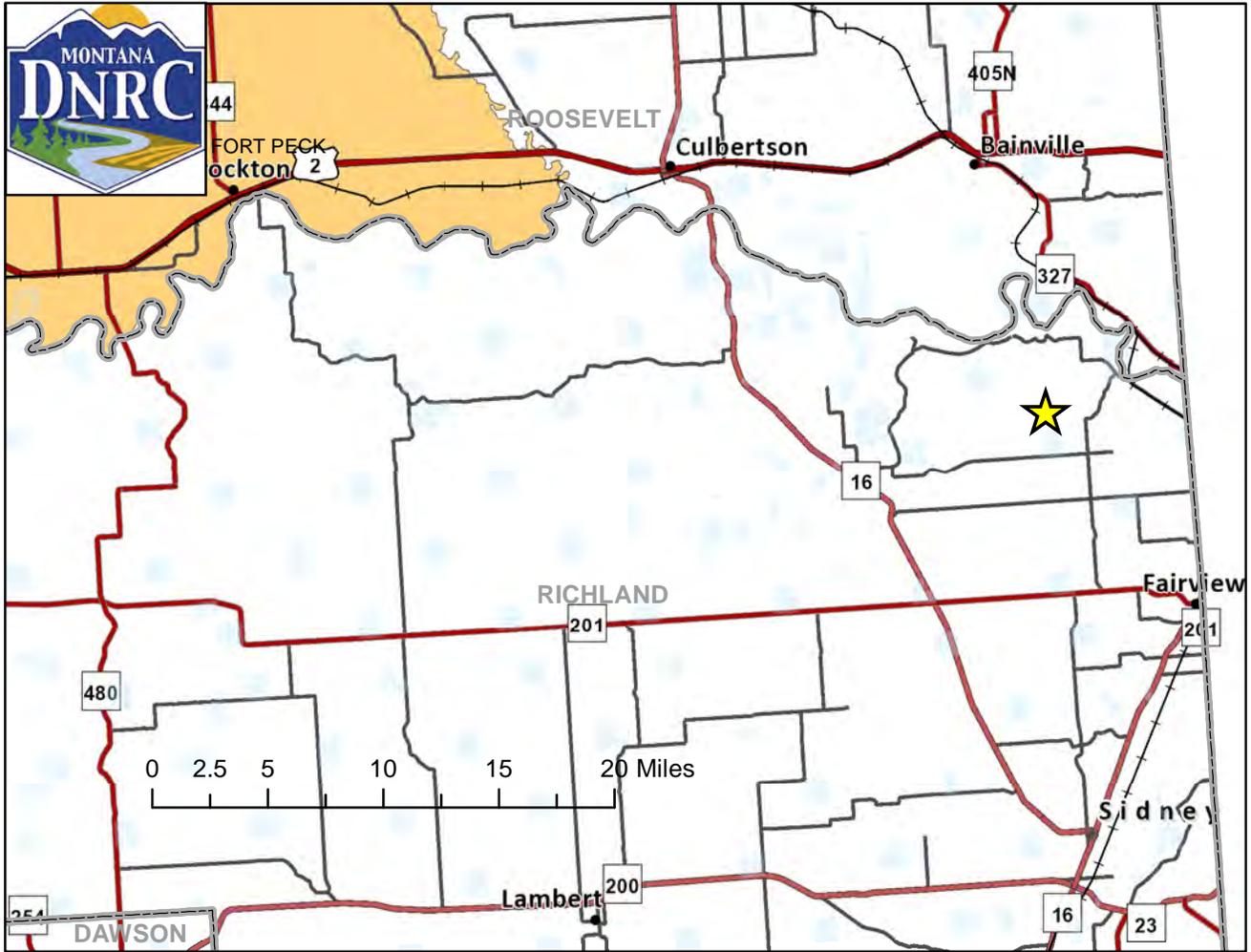
The Loki 2658 12-25H well is a horizontal Bakken/Three Forks formation oil well located about 10 miles northwest of Fairview, and was drilled on private land in the NE4NW4 of Section 25. The Department owns 640 acres of the 1280 mineral acres in the permanent spacing unit that will be communitized. The Agreement encompasses the Bakken/Three Forks Formation in Sections 25 and 36.

The Department's tract comprises 50% of the communitized area. The Department will consequently receive 6.50% of all oil production (13% royalty rate x 50% tract participation).

DNRC Recommendation

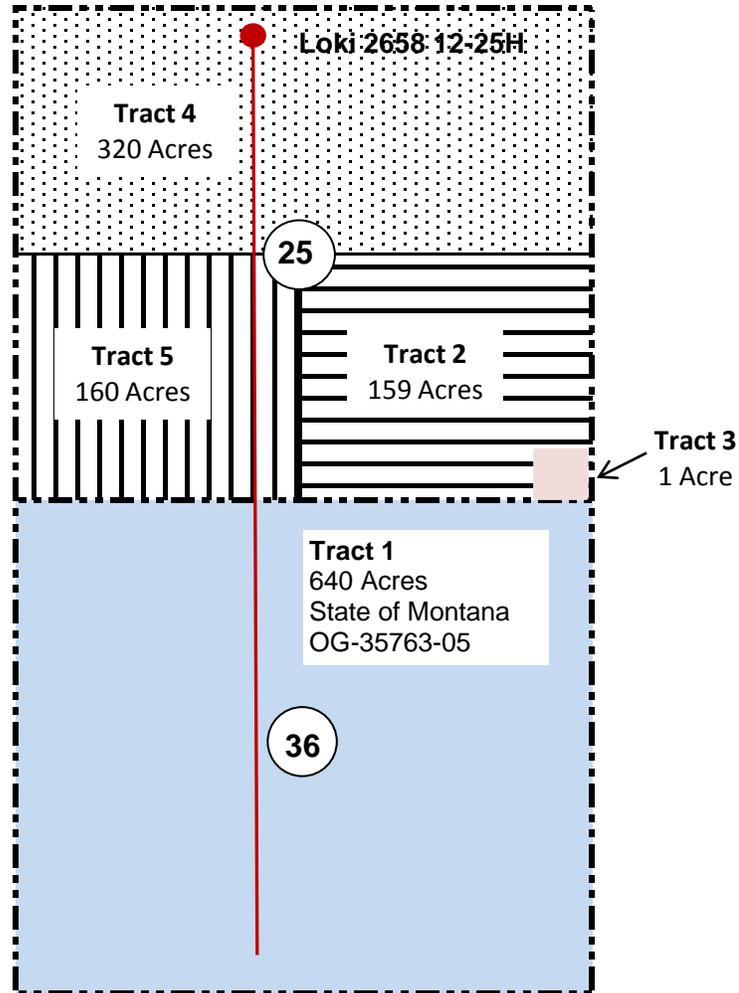
The Director recommends the Land Board approve this Communitization Agreement.

Vicinity Map Loki 2658 12-25H Well



Township 26 North Range 58 East

Sections 25 & 36



Recapitulation

Tract No.	Type	Acres	Tract Participation	Royalty %	Owners Interest Decimal
1	State of Montana	640.00	50.0000%	13.00%	0.065000
2	Fee	159.00	12.4219%	12.50%	0.015527
3	Fee	1.00	0.0781%	12.50%	0.000098
4	Fee	320.00	25.0000%	12.50%	0.031250
5	Fee	160.00	12.5000%	12.50%	0.015625
Total		1280.00	100.00%		

* The Operator of the Communitized Area is Oasis Petroleum North America LLC

Land Board Agenda Item
August 19, 2013

Communitization Agreement: Sage Brush 2758 43-9H Well

**Location: Roosevelt County
T27N R58E Section 16: All**

Trust Benefits: Common Schools

Trust Revenue: Unknown

Item Summary

Oasis Petroleum North America LLC has filed a request with the Department for the approval of a communitization agreement to communitize State owned acreage in conformity with Montana Board of Oil and Gas Conservation Commission (BOGC) regulations.

A communitization agreement brings together small tracts sufficient for the granting of a well permit under applicable spacing rules. The Agreement allows the State to receive its proper share of production from the spacing unit and must be approved by the Department for state lands.

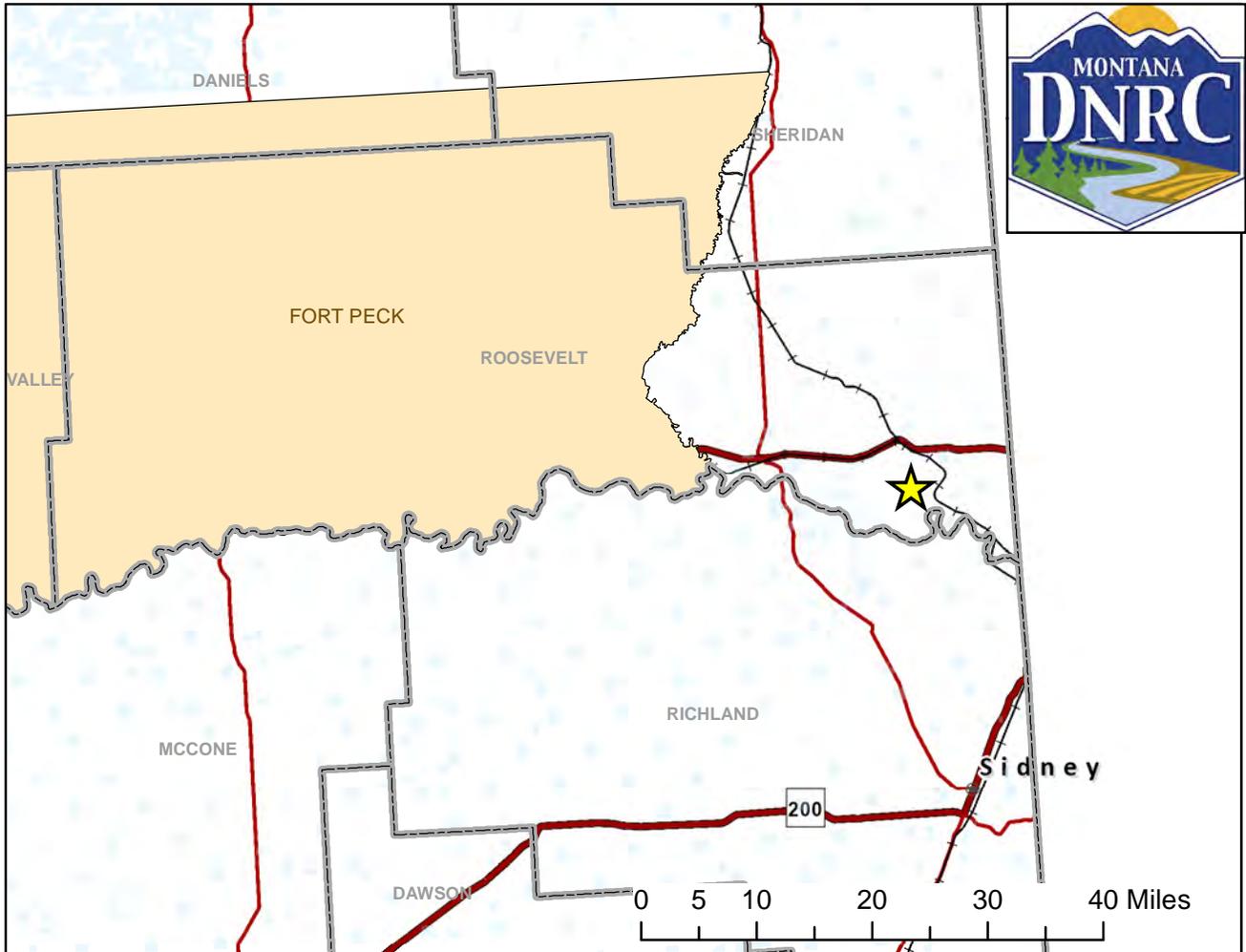
The Sage Brush 2758 43-9H well is a horizontal Bakken/Three Forks formation oil well near the town of Bainville (approximately 13 miles east of Culbertson), and was drilled on private land in the SW4SE4 of Section 9. The Department owns 640 acres of the 1280 mineral acres in the permanent spacing unit that will be communitized. The Agreement encompasses the Bakken/Three Forks Formation in Section 16.

The Department's tract comprises 50% of the communitized area. The Department will consequently receive 6.5% of all oil production (13% royalty rate x 50% tract participation).

DNRC Recommendation

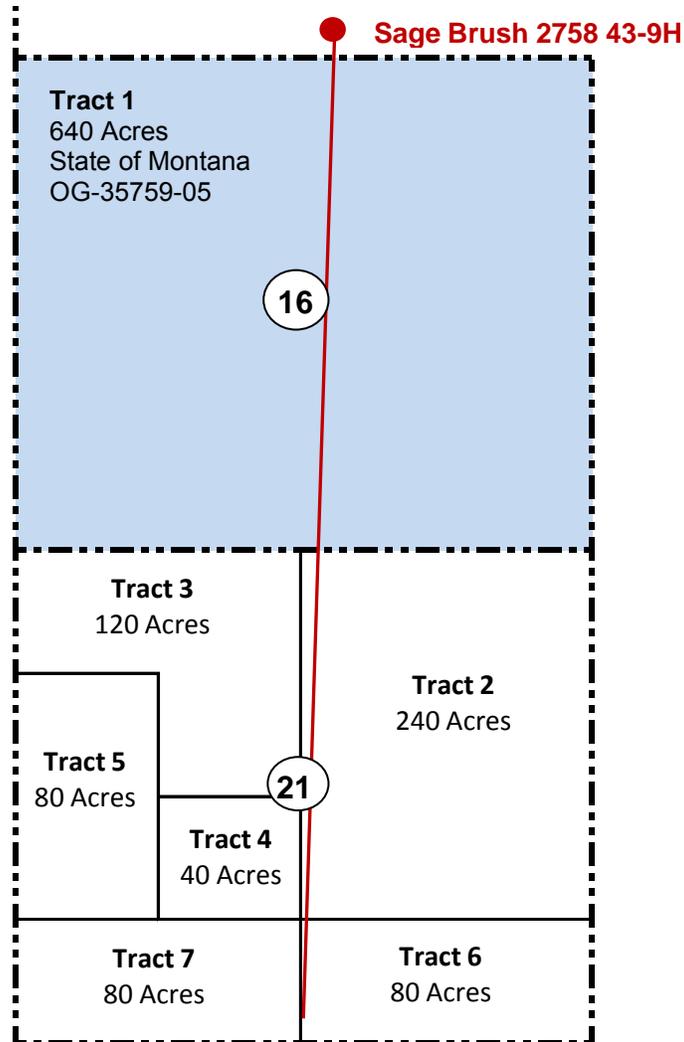
The Director recommends the Land Board approve this Communitization Agreement.

Vicinity Map Sage Brush 2758 43-9H Well



Township 27 North Range 58 East

Sections 16 & 21



Recapitulation

<i>Tract No.</i>	<i>Type</i>	<i>Acres</i>	<i>Tract Participation</i>	<i>Royalty %</i>	<i>Owners Interest Decimal</i>
1	State of Montana	640.00	50.00%	13.00%	0.065000
2	Fee	240.00	18.75%	16.67%	0.031256
3	Fee	120.00	9.38%	16.67%	0.015628
4	Fee	40.00	3.13%	16.67%	0.005209
5	Fee	80.00	6.25%	16.67%	0.010419
6	Fee	80.00	6.25%	20.00%	0.012500
7	Fee	80.00	6.25%	various	0.041669
Total		1280.00	100.00%		

* The Operator of the Communitized Area is Oasis Petroleum North America LLC

813-3

LAND BANKING PARCELS: PRELIMINARY APPROVAL FOR SALE

- A. Custer County
- B. Fallon County
- C. Garfield County
- D. Richland County

**Land Board Agenda Item
August 19, 2013**

813-3A Preliminary Approval for Sale of Land Banking Parcels

Location: Custer County

Trust Benefits: Common Schools

Trust Revenue: Appraisal to be completed after preliminary approval

Item Summary

Requesting preliminary approval of three parcels totaling 1,120 acres nominated for sale in Custer County. All of the sales were nominated by the respective lessees and the parcels are located within approximately 40 miles of Miles City.

Sale #	# of Acres	Legal	Nominator	Trust
691	640	ALL, Section 16, T3N-R54E	Gerald Ellis	Common Schools
696	160	S½NE¼, NW¼NE¼, NE¼NW¼, Section 24, T1N-R48E	Marvin Rehbein	Common Schools
698	320	E½, Section 18, T9N-R51E	Griffin Ranch Co.	Common Schools

The parcels are flat to gently rolling and used primarily for livestock grazing purposes. The parcels have average productivity for grazing lands.

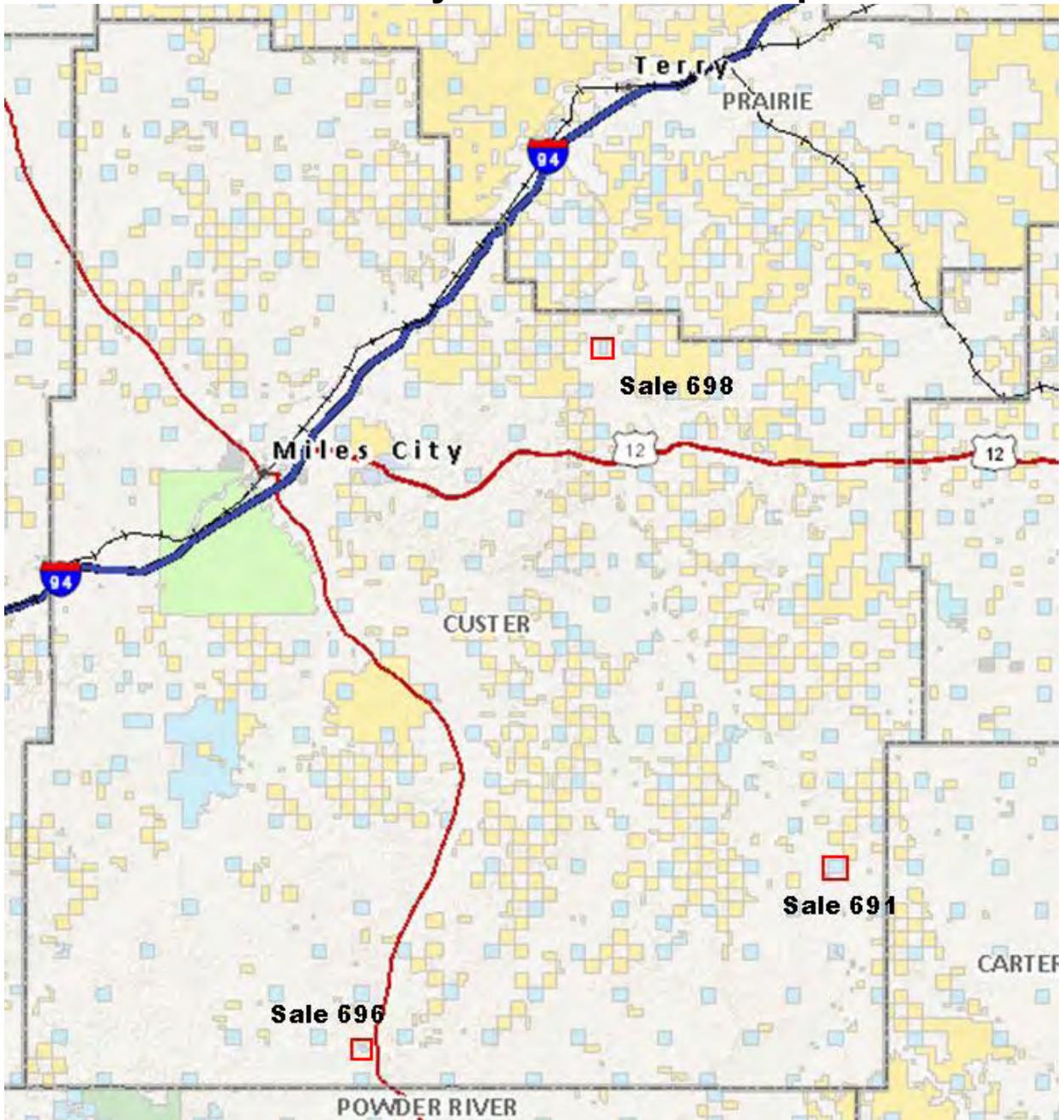
The parcels are not legally accessible by the public and are surrounded by private land.

No potentially negative issues were identified through the MEPA process regarding the sale of these parcels.

DNRC Recommendation

The Director recommends that the Board give preliminary approval to sell these parcels.

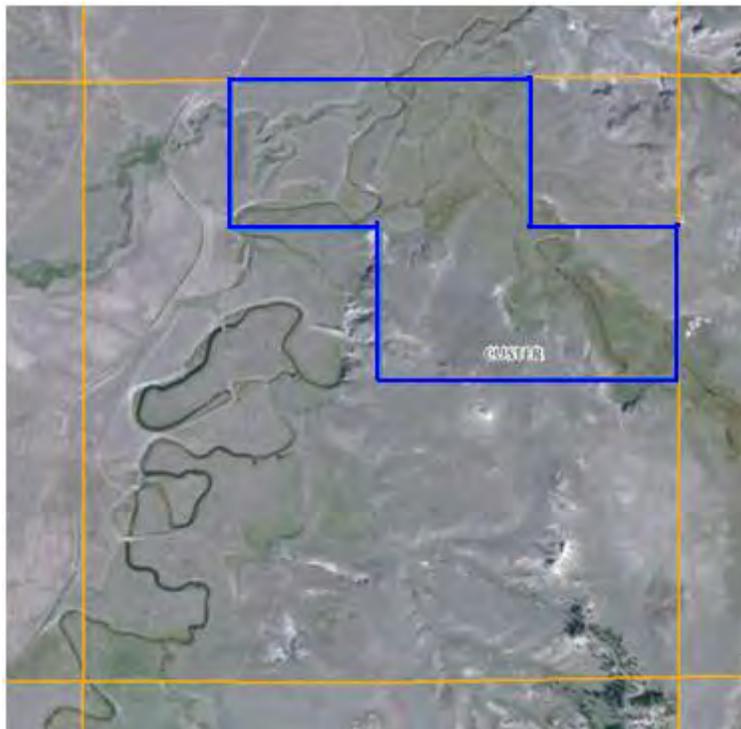
Custer County Sale Location Map



Sale #691
ALL, Section 16, T3N-R54E
Gerald Ellis



Sale #696
S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 24, T1N-R48E
Marvin Rehbein



Sale #698
E½, Section 18, T9N-R51E
Griffin Ranch Co.



**Land Board Agenda Item
August 19, 2013**

813-3B Preliminary Approval for Sale of Land Banking Parcel

Location: Fallon County

Trust Benefits: Common Schools

Trust Revenue: Appraisal to be completed after preliminary approval

Item Summary

Requesting preliminary approval of one parcel totaling 5 acres nominated for sale in Fallon County. The sale was nominated by the lessee and is located approximately 20 miles south of Baker.

Sale #	# of Acres	Legal	Nominator	Trust
702	5	S½SW¼SW¼NW¼, Section 28, T4N-R60E	John Tronstad	Common Schools

The parcel is currently leased as a home site and produces a lower than average income for residential lands statewide.

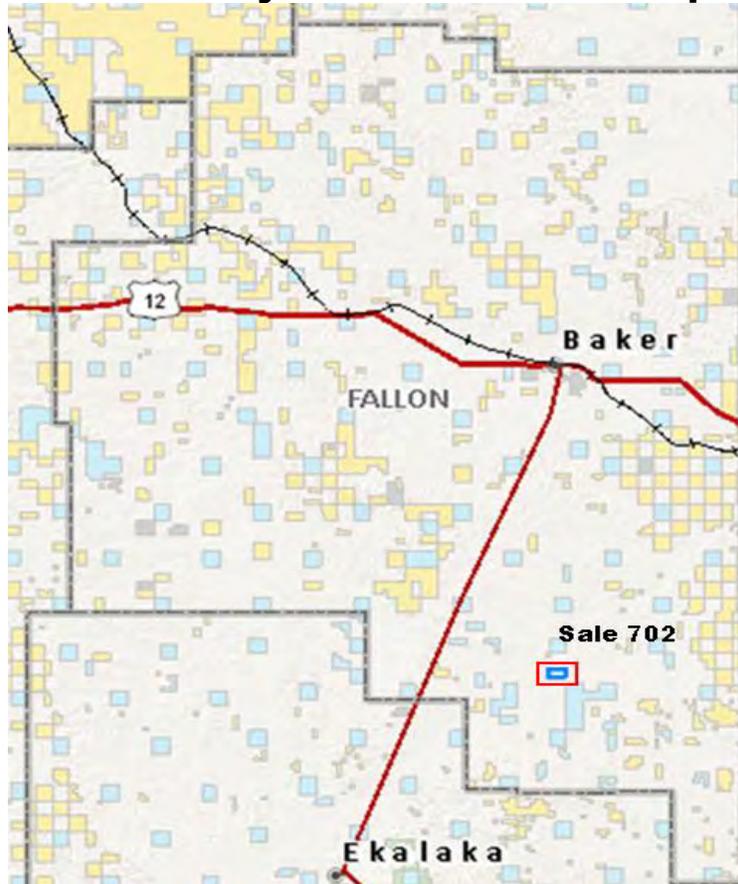
The parcel is legally accessible by a private driveway off a county road.

No potentially negative issues were identified through the MEPA process regarding the sale of this parcel.

DNRC Recommendation

The Director recommends that the Board give preliminary approval to sell this parcel.

Fallon County Sale Location Map



Sale #701

S½SW¼SW¼NW¼, Section 28, T4N-R60E
John Tronstad



**Land Board Agenda Item
August 19, 2013**

813-3C Preliminary Approval for Sale of Land Banking Parcel

Location: Garfield County

Trust Benefits: Common Schools

Trust Revenue: Appraisal to be completed after preliminary approval

Item Summary

Requesting preliminary approval of one parcel totaling 320 acres nominated for sale in Garfield County. The sale was nominated by the lessee and is located within approximately 25 miles of Jordan.

Sale #	# of Acres	Legal	Nominator	Trust
20	320	E $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 12, T18N-R33E	7 V Ranch	Common Schools

The parcel is flat to gently rolling and used primarily for livestock grazing purposes. The parcel has average productivity for grazing lands.

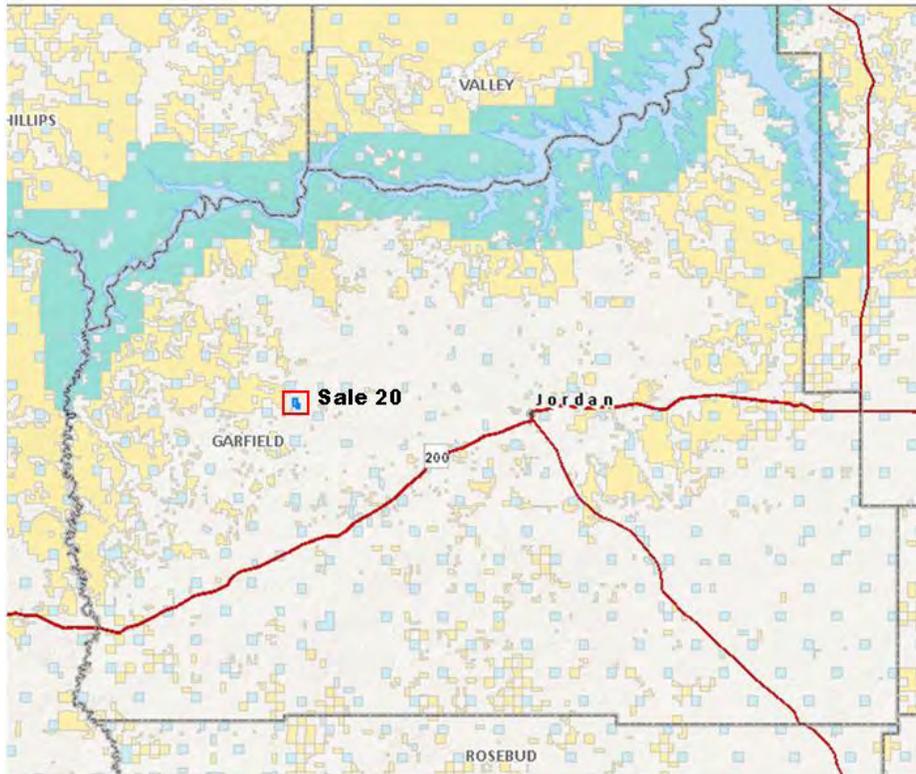
The parcel is not legally accessible by the public and surrounded by private land.

No potentially negative issues were identified through the MEPA process regarding the sale of this parcel.

DNRC Recommendation

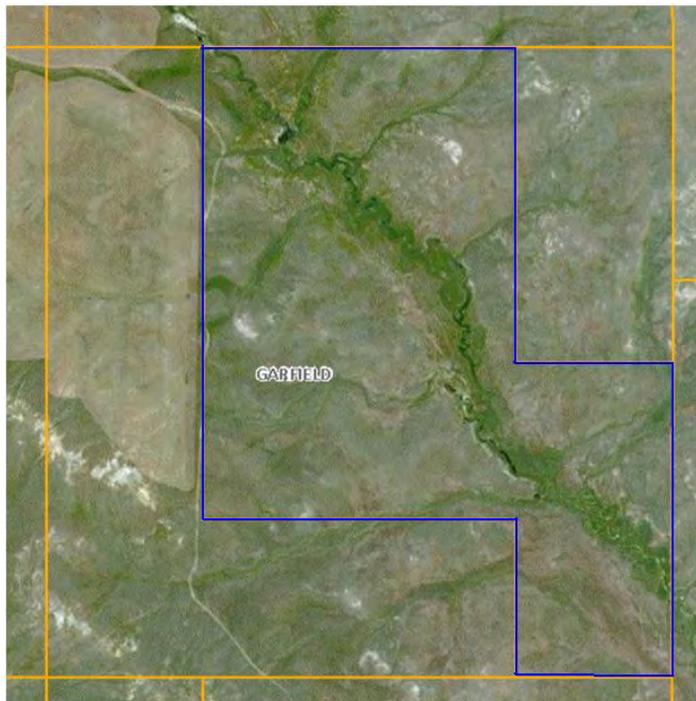
The Director recommends that the Board give preliminary approval to sell this parcel.

Garfield County Sale Location Map



Sale #20

$E\frac{1}{2}NW\frac{1}{4}, W\frac{1}{2}NE\frac{1}{4}, N\frac{1}{2}SE\frac{1}{4}, SE\frac{1}{4}SE\frac{1}{4}, NE\frac{1}{4}SW\frac{1}{4}$,
Section 12, T18N-R33E
7 V Ranch



813-3D Preliminary Approval for Sale of Land Banking Parcel

Location: Richland County

Trust Benefits: Common Schools

Trust Revenue: Appraisal to be completed after preliminary approval

Item Summary

Requesting preliminary approval of one parcel totaling 160 acres nominated for sale in Richland County. The sale was nominated by the lessees and is located approximately 25 miles south of Sidney.

Sale #	# of Acres	Legal	Nominator	Trust
701	160	SE¼, Section 30, T19N-R58E	David & Terri Roberts	Common Schools

The parcel is flat to gently rolling and used primarily for livestock grazing purposes. The parcel has average productivity for grazing lands.

The parcel is not legally accessible by the public and surrounded by private land.

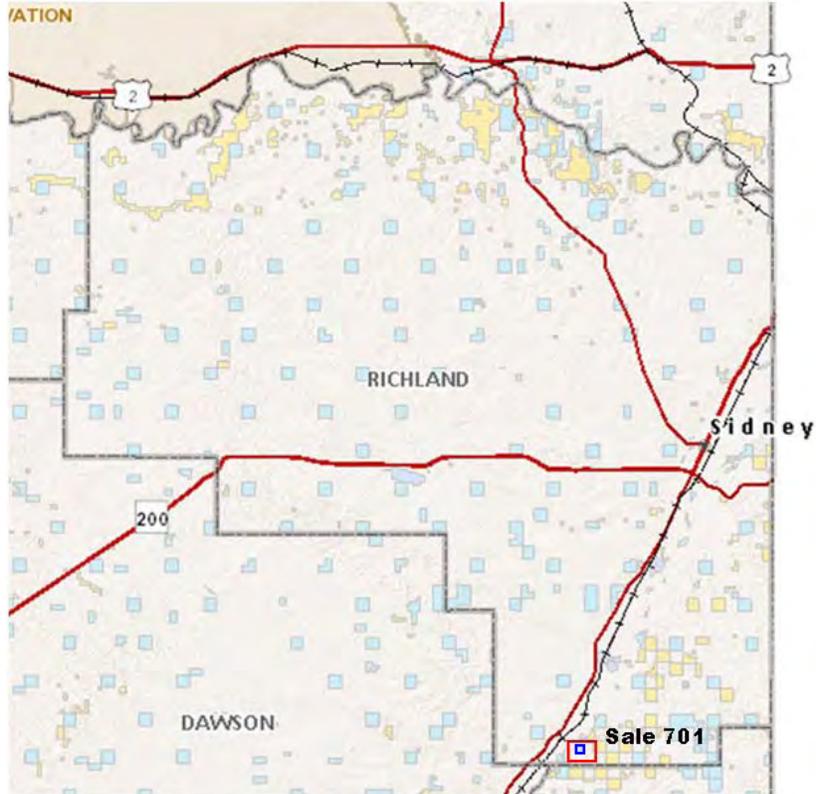
No potentially negative issues were identified through the MEPA process regarding the sale of this parcel.

DNRC Recommendation

The Director recommends that the Board give preliminary approval to sell these parcels.

Richland County Sale Location Map

813-3D



Sale #701

SE¼, Section 30, T19N-R58E

David & Terri Roberts



813-4

LAND BANKING PARCELS:

SET MINIMUM BID

**Land Board Agenda Item
August 19, 2013**

813-4 Minimum Bid for Sale of Land Banking Parcels

Location: Phillips County

Trust Benefits: Common Schools

Trust Revenue: \$47,500

Item Summary

Requesting to set the minimum bid on three parcels totaling 10 acres nominated for sale in Phillips County. The sales were nominated by the lessees and are located within the Town of Zortman.

Sale #	# of Acres	Legal	Nominator	Trust
688	3.66	Sale No. 688, a tract on an unrecorded plat in SW¼NW¼SW¼, Section 16, T25N-T25E	Nick Cebulski	Common Schools
689	5.9	Sale No. 689, a tract on an unrecorded plat in SW¼NW¼SW¼, Section 16, T25N-T25E	John & Kandy Kalal	Common Schools
690	0.5	Sale No. 690, a tract on an unrecorded plat in SW¼NW¼SW¼, Section 16, T25N-T25E	Barbara Schmidt	Common Schools

These parcels are currently leased as a home sites and produce lower than average income for residential lands statewide.

The parcels are legally accessible by a county road.

No potentially negative issues were identified through the MEPA process regarding the sale of these parcels.

Economic Analysis:

Short term – The average rate of return on these sale parcels is 0.6%. The parcels would continue to receive this return if they remain in state ownership.

Long term – The sale of these parcels would result in acquisition of lands that generate a higher rate of return. To date the average annual rate of return on acquisitions has been 2.06% on acquisitions with income generated from annual lease payments.

Cultural/Paleontological Resources:

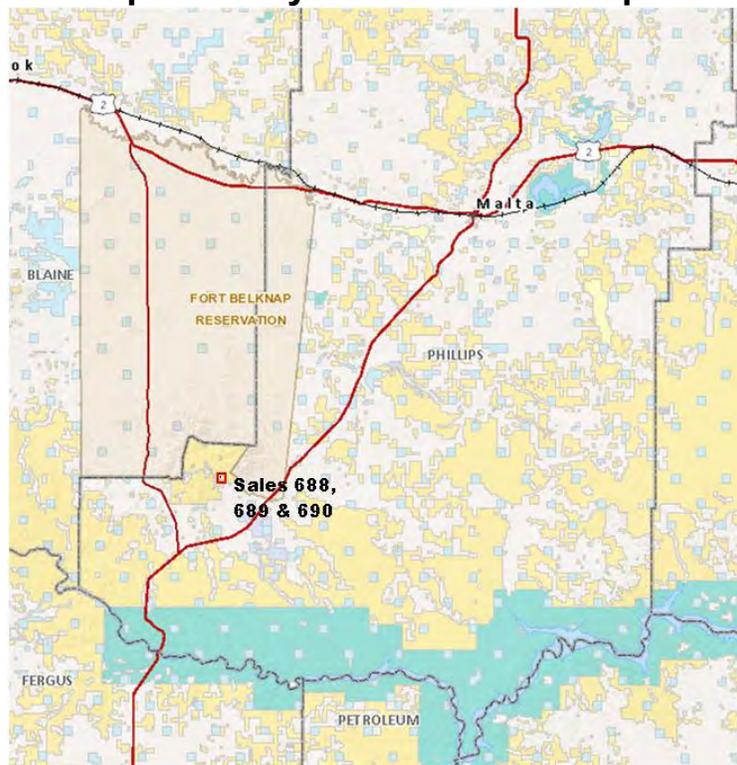
The state parcels proposed for sale were inventoried to Class III standards for cultural and paleontological resources. No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified. A cultural and paleontological resources inventory report has been prepared and is on file with the DNRC, and the Montana State Historic Preservation Office.

Appraised Values of sale parcels:

Sale #	Appraised Value With Access	Recommended Minimum Bid
688	\$15,000	\$15,000
689	\$25,000	\$25,000
690	\$7,500	\$7,500

DNRC Recommendation

The Director recommends that the Board set the minimum bid for the parcels at the appraised value shown above.

Phillips County Sale Location Map

#688, 689, 690
Parcels in the SW¼NW¼SW¼, Section 16, T25N-T25E



813-5

RECONVEYANCE OF TIMBER RESERVATION
ON PROPERTY EXCHANGED –
LYMAN CREEK LAND EXCHANGE

Land Board Agenda Item
August 19, 2013

**813-5 RECONVEYANCE OF TIMBER RESERVATION ON PROPERTY EXCHANGED –
LYMAN CREEK LAND EXCHANGE**

Location: Ravalli County

Trust Benefits: Common Schools & Public Buildings

**Trust Revenue: Common Schools = \$160,937.00
Public Buildings = \$73,898.00**

Item Summary

The Lyman Creek land exchange was approved by the Land Board on February 17, 2009. In the exchange, DNRC exchanged 240 acres in the Calf Creek and Three Mile Wildlife Management Areas, for 368 acres owned by FWP in the Sula State Forest. The FWP land was burned during the fires of 2000, and salvage logged by a previous land owner. The DNRC trust lands to be exchanged had approximately 1,770 MBF of excess timber that was available for harvest, to generate income. To meet the exchange criteria of equal or greater income for the lands received in exchange, the DNRC reserved \$234,835 (net) in timber rights on the trust land being exchanged.

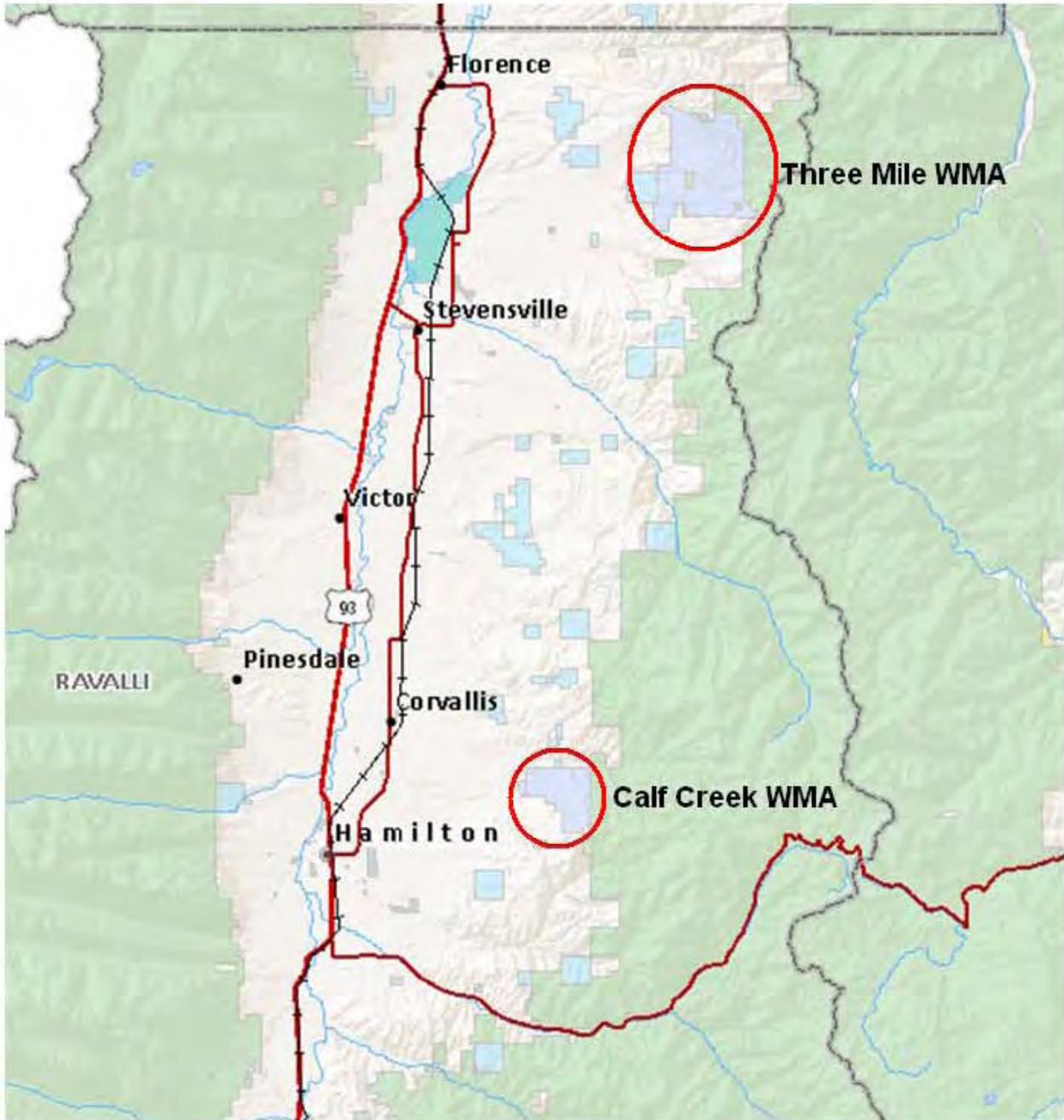
The timber reservation specified that a volume of timber could be harvested off the exchanged lands to generate a net value of the rights reserved, or the FWP had the option of offering timber on other lands or cash to satisfy the reservation. Current timber volumes on the encumbered land and timber prices would require DNRC to cut more timber than FWP would prefer to cut, while maintaining habitat values.

At this time FWP would like to offer cash payment to satisfy the timber reservation on the lands they received in the exchange. The total cash payment would be \$234,835, \$160,937 allocated to Common Schools and \$73,898 allocated to Public Buildings. The timber rights reserved in the exchange would be conveyed back to FWP through a deed. (see Attached)

DNRC Recommendation

DNRC recommends that the Board approve the reconveyance of timber rights to FWP, for a cash payment of \$234,835.

Location Map



After recording, return to:

Montana Department of Fish, Wildlife and Parks
 Lands Unit
 P.O. Box 200701
 Helena, Montana 59620

DEED CONVEYING RESERVED TIMBER RIGHTS

WHEREAS, on April 3, 2009, the State Board of Land Commissioners, acting as a trustee for Montana's Common Public Schools, as Grantor, conveyed the surface estate of the SE¼ of Section 16 within Township 6 North, Range 19 West, MPM, in Ravalli County, Montana to the State of Montana, Department of Fish, Wildlife, and Parks, as Grantee, via State Patent No. F-0138, which was recorded in the Ravalli County Clerk and Recorder's office as document #617214, on May 11, 2009 at 4:19 PM;

WHEREAS, on April 3, 2009, the State Board of Land Commissioners, acting as a trustee for Montana's Public Buildings, as Grantor, conveyed the surface estate of the N½SE¼ of Section 30 within Township 10 North, Range 18 West, MPM, in Ravalli County, Montana to the State of Montana, Department of Fish, Wildlife, and Parks, as Grantee, via State Patent No. F-0139, which was recorded in the Ravalli County Clerk and Recorder's office as document #617213, on May 11, 2009 at 4:17 PM;

WHEREAS, the above-described State Patents Nos. F-0138 and F-0139 reserved timber rights to the State Board of Land Commissioners, as trustee for Common Public Schools and Public Buildings, by the following language in each respective Patent:

EXCEPTING AND RESERVING to the State of Montana, State Board of Land Commissioners, in trust for the financial benefit of Common Public Schools, a volume of timber upon the above-described real property equivalent to the net value of One Hundred Sixty Thousand Nine Hundred Thirty Seven and no/100 Dollars (\$160,937.00) as valued at the time of its harvest and measured at and delivered to the mill, together with the right of ingress and egress and the right to occupy the above-described real property for the purpose of harvesting the above-described volume of timber. The Grantee herein may, with the prior approval of the Grantor, offer timber upon other real property or cash to the Grantor to satisfy this reservation.

EXCEPTING AND RESERVING to the State of Montana, State Board of Land Commissioners, in trust for the financial benefit of Public Buildings, a volume of timber upon the above-described real property equivalent to the net value of Seventy Three Thousand Eight Hundred Ninety Eight and no/100 Dollars (\$73,898.00) as valued at the time of its harvest and measured at and delivered to the mill, together with the right of ingress and egress and the right to occupy the above-described real property for the purpose of harvesting the above-described volume of timber. The Grantee herein may, with the prior approval of the Grantor, offer timber upon other real property or cash to the Grantor to satisfy this reservation.

NOW, THEREFORE, KNOW ALL PERSON BY THESE PRESENTS in consideration of the payment of Two Hundred Thirty-Four Thousand Eight Hundred Thirty-Five and no/100 Dollars (\$234,835.00) by the Grantee to the Grantor, receipt of which is hereby acknowledged, the State of Montana, by and through the State Board of Land Commissioners, in trust for Common Public Schools and Public Buildings, as "Grantor", whose address is P.O. Box 201601, Helena, MT 59620-1601, hereby grants and conveys to the State of Montana, Department of Fish, Wildlife, and Parks, as "Grantee", whose address is 1420 East Sixth Avenue, Helena, MT 59620-0701, all of Grantor's timber rights in the following described real property which Grantor reserved and excepted in State of Montana Patents Nos. F-0138 and F-0139:

Township 6 North, Range 19 West, MPM, in Ravalli County, Montana
Section 16: SE¼, containing 160 acres, more or less,
Township 10 North, Range 18 West, MPM, in Ravalli County, Montana
Section 30: N½SE¼, containing 80 acres, more or less.

TO HAVE AND TO HOLD the above-described timber rights unto the Grantee, its successors and assigns, forever.

IN TESTIMONY WHEREOF, the State of Montana has caused these presents to be executed by the Governor and to be attested by the Secretary of State and countersigned by the Director of the Montana Department of Natural Resources and Conservation, and the Great Seal of the State and the Seal of the State Board of Land Commissioners to be hereunto affixed this ____ day of _____, 2013.

Great Seal of the
State of Montana

Governor Steve Bullock

Linda McCulloch, Secretary of State

Board of Land
Commissioners Seal

John E. Tubbs, Director
Department of Natural Resources and Conservation

813-6

EASEMENTS

**Land Board Agenda Item
August 19, 2013**

813-6 Easements

Location: Cascade, Fergus, Judith Basin, Madison, Richland, Roosevelt, Toole, and Yellowstone Counties

Trust Benefits: Common Schools, Eastern-MSU/Western-UM, Public Buildings, University of Montana

**Trust Revenue: Common Schools = \$60,941
Eastern-MSU/Western-UM = \$3,999
Public Buildings = \$472
University of Montana = \$14,088**

Item Table of Contents

COUNTY ROAD RELOCATION – *Madison County* (Pages 31-32)

CITY STORMWATER DRAIN FACILITY – *City of Great Falls* (Page 4-6)

IRRIGATION BUFFER ZONE – *Town of Sheridan* (Pages 7-8)

**NEW WATER PIPELINE FACILITY – *Town of Broadview* (Pages 2-3)
- *Devon Water Inc* (Pages 12-13)**

**NEW OIL/GAS PIPELINE FACILITY - *Front Range Pipeline* (Pages 9-11)
- *Somont Oil Co.* (Pages 29-30)**

NEW TELEPHONE UTILITY – *Nemont Telephone Coop.* (Pages 14-28)

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Town of Broadview
P O Box 115
Broadview MT 59015

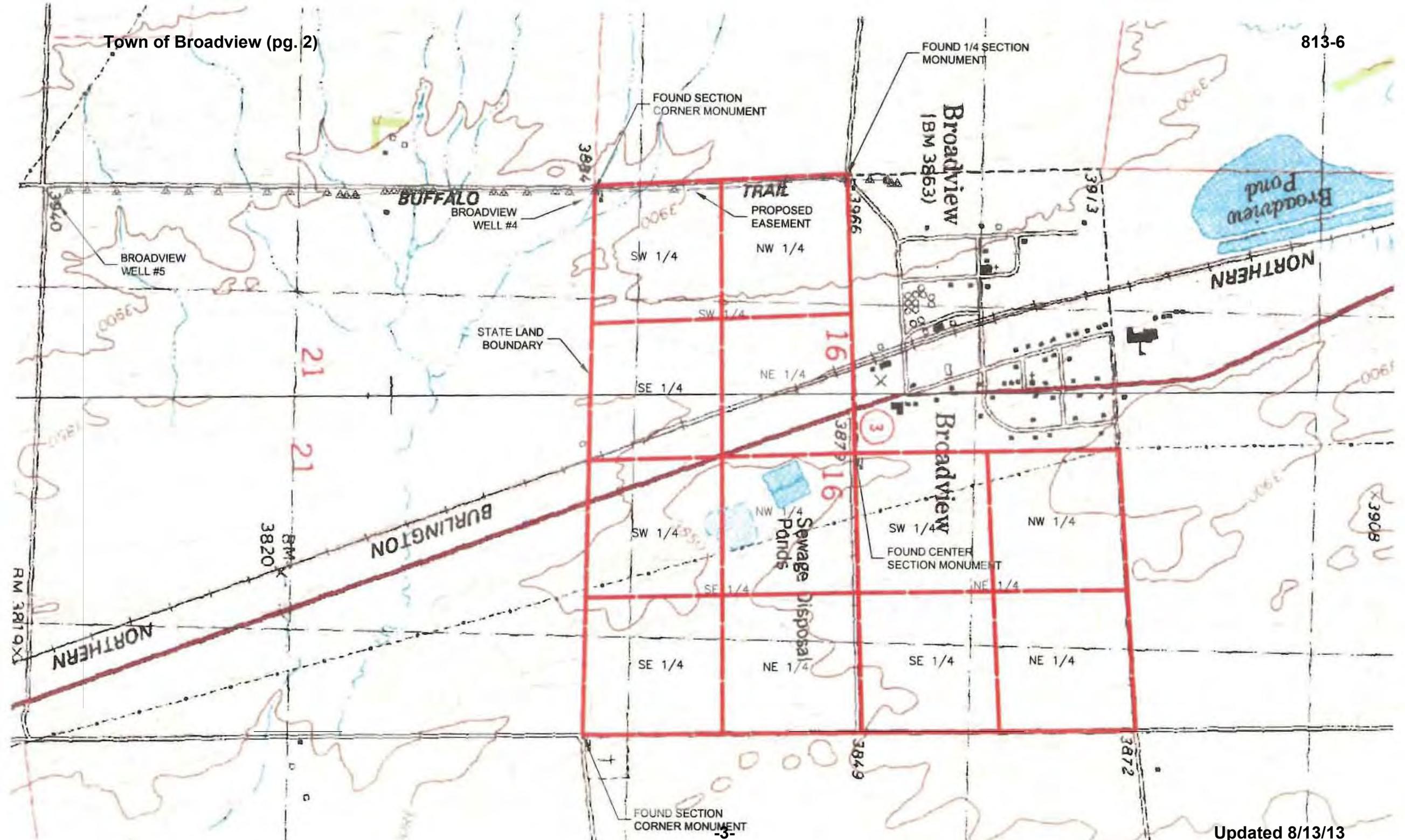
Application No.: 16347
R/W Purpose: a 4" buried water pipeline
Lessee Agreement:
Acreage: 1.12
Compensation: \$730.00
Legal Description: 20-foot strip through W2SW4, Sec. 16, Twp. 4N, Rge. 23E,
Yellowstone County
Trust Beneficiary: Common Schools

Item Summary

The Town of Broadview has historically had problems with both water quality and quantity. In recent water system improvements the town has drilled two new water wells south of town, adjacent to State land, and has reviewed available alternatives to pipe the water from these wells for consumption by the residents. Of all the available alternatives the path across the west section line of the State section was most viable. The State land is classified grazing and installation of the pipeline will cause minimal disturbance and environmental impacts.

Department Recommendation

The Department recommends approval of this easement request.



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: City of Great Falls
P O Box 5021
Great Falls MT 59403

Application No.: 16348
R/W Purpose: an underground stormwater drain pipeline and associated appurtenances

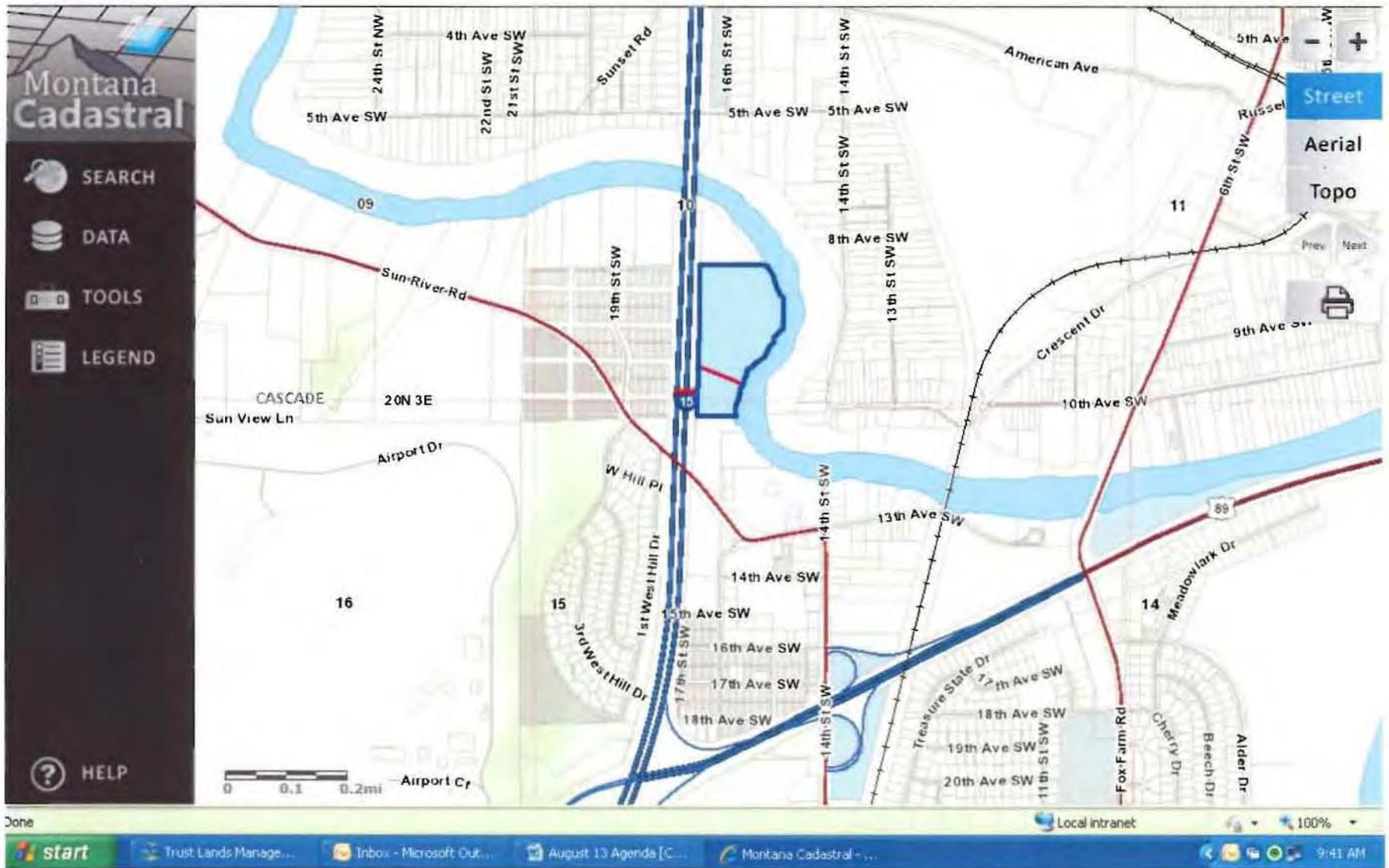
Lessee Agreement: ok
Acreage: 0.36
Compensation: \$1,431.00
Legal Description: 30-foot strip through SE4SW4, Sec. 10, Twp. 20N, Rge. 3E, Cascade County
Trust Beneficiary: University of Montana

Item Summary

The City of Great Falls is requesting an easement to install an underground storm drain between I-15 and the Sun River. Currently, stormwater runoff flows across the State Land into a ditch adjacent to the Sun River, causing erosion issues on the State Land. The installation of this underground pipe will alleviate the excessive overflow and reduce the erosion problem. The City has made application for and received all applicable permits related to this proposed project. This proposal benefits the State Land and minimal disturbance will occur from the construction of the pipe.

Department Recommendation

The Department recommends approval of this request.





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Town of Sheridan
P O Box 78
Sheridan MT 59749

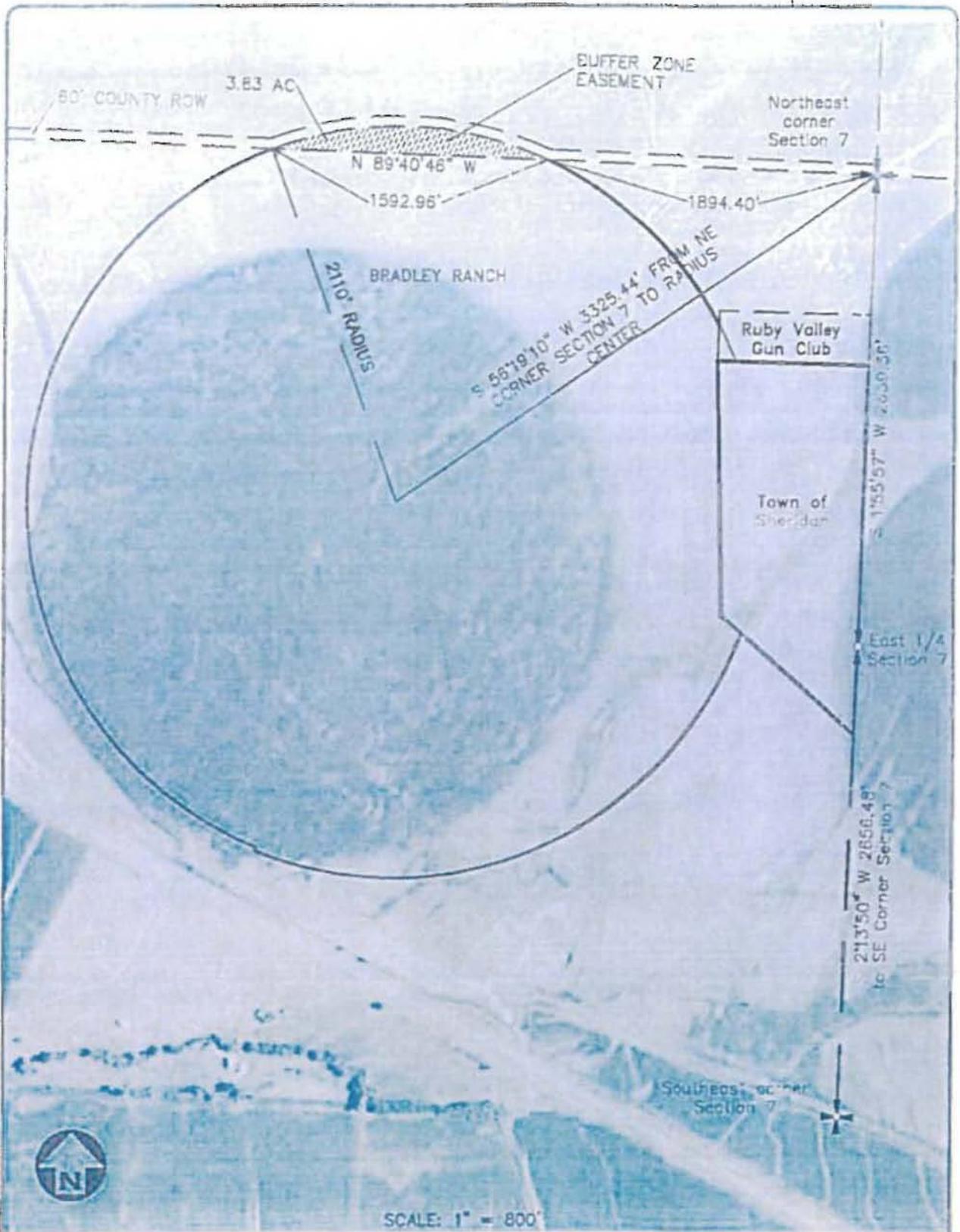
Application No.: 16349
R/W Purpose: an effluent spray field buffer zone
Lessee Agreement: ok
Acreage: 3.83
Compensation: \$3,830.00
Legal Description: tract in SE4SW4, SW4SE4, Sec. 6, Twp. 4S, Rge. 5W,
Madison County
Trust Beneficiary: Eastern College – MSU/Western College - UM

Item Summary

With recent upgrades to the sewage treatment facility for the City of Sheridan additional treated effluent is being utilized for spraying an adjacent hayfield. Because of this expansion, DEQ standards require a 200-foot buffer zone surround the established effluent irrigation system and a fence be constructed to keep the public and any livestock out of the buffer zone area. This requirement impacts an existing county road which Madison County recently received a historic easement for. The DEQ standard requires that not only a portion of state land be utilized as a buffer zone for the effluent irrigation spray field, but a portion of the County road be relocated away from the buffer zone. Because the buffer zone area must be fenced impacts to the management of the Trust land will occur. Thus, the Town of Sheridan must obtain an easement for this use and impact.

Department Recommendation

The Department recommends approval of this easement request.



F:\1-11117-Sheridan WWCADD 1-11117\Reference\Lease Area.dwg



SCALE: 1" = 800'

EXHIBIT B

**SHERIDAN WW
BUFFER ZONE RIGHT OF WAY
LOCATED IN SECTION 7,
T. 4 S., R. 5 W., P.M.M.**

**Town of Sheridan
WASTEWATER IMPROVEMENTS**



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Front Range Pipeline, LLC P O Box 909 Laurel MT 59044
Application No.:	16350
R/W Purpose:	a buried 16" crude oil pipeline and associated fiber optic cables
Lessee Agreement:	ok
Acreage:	1.83
Compensation:	\$12,657.00
Legal Description:	30-foot strip through E2SE4, Sec. 12, Twp. 12N, Rge. 15E, Fergus County
Trust Beneficiary:	University of Montana

Item Summary

Front Range Pipeline is proposing to construct 6 miles of new 16" diameter steel pipeline to connect its Judith Gap pump station to existing and future storage tanks for the existing Express Pipeline system. This connection will allow transportation of additional crude oil from the pipeline system to the CHS refinery in Laurel. Applicant has compensated adjacent landowners a one-time payment of \$80/rod for permanent easements with no additional rental provisions.

Department Recommendation

The Department recommends a one-time payment of \$80/rod and a permanent easement for this request. The recommended compensation exceeds previous Board approved pipeline requests that included decennial payments. A permanent easement is recommended as this proposal connects to the existing Express Pipeline system within the State, which hold permanent easements across State Lands issued in 1996.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Front Range Pipeline, LLC
P O Box 909
Laurel MT 59044

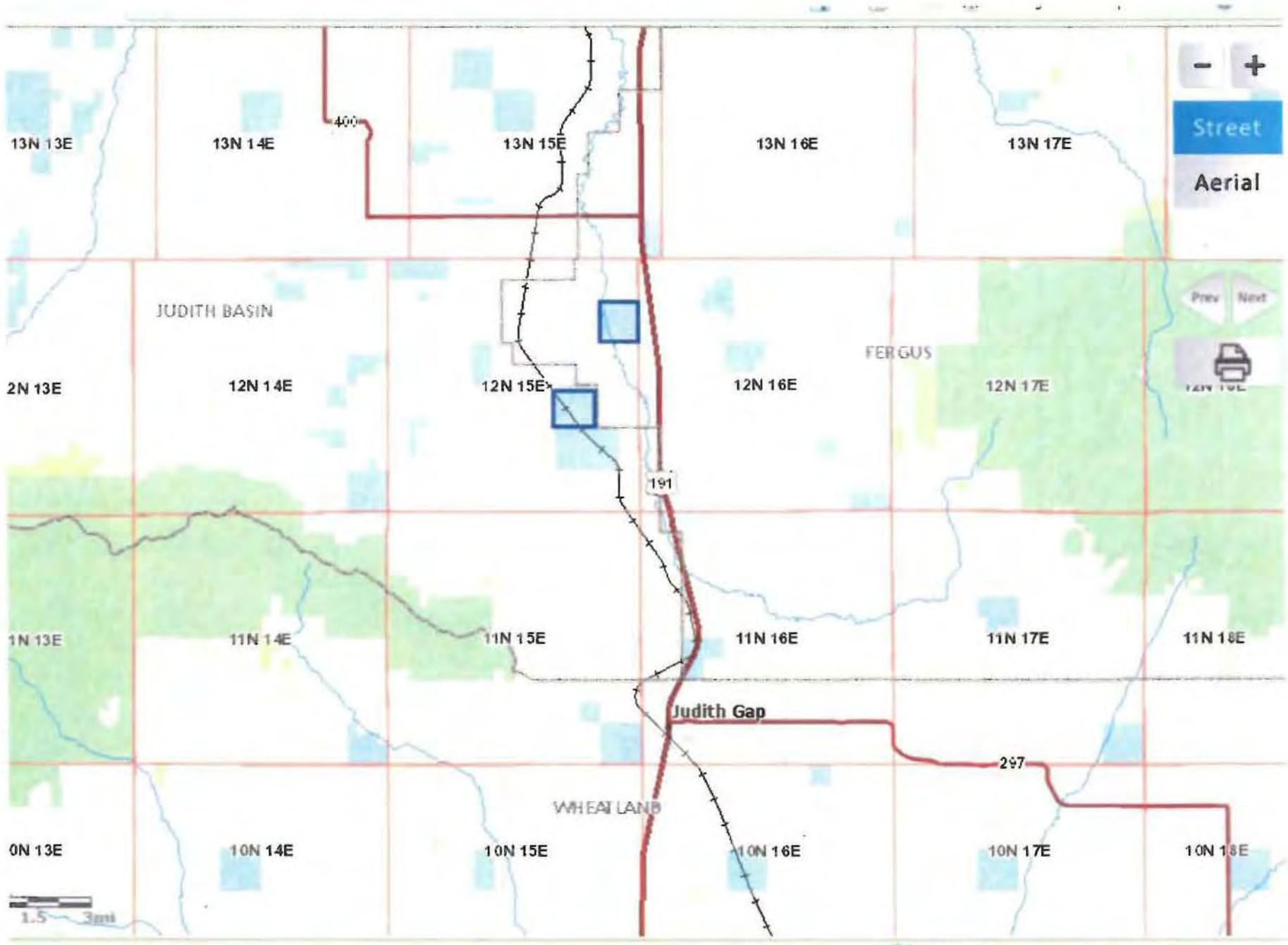
Application No.: 16351
R/W Purpose: a buried 16" crude oil pipeline
Lessee Agreement: ok
Acreage: 4.39
Compensation: \$30,938
Legal Description: 30-foot strip through SW4SW4, N2SW4, NW4SE4, S2NE4,
Sec. 23, Twp. 12N, Rge. 15E, Judith Basin County
Trust Beneficiary: Common Schools

Item Summary

Please see description on page 4.

Department Recommendation

Please see recommendation on page 4.



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Devon Water Inc.
 145 South Devon Rd
 Shelby MT 59474

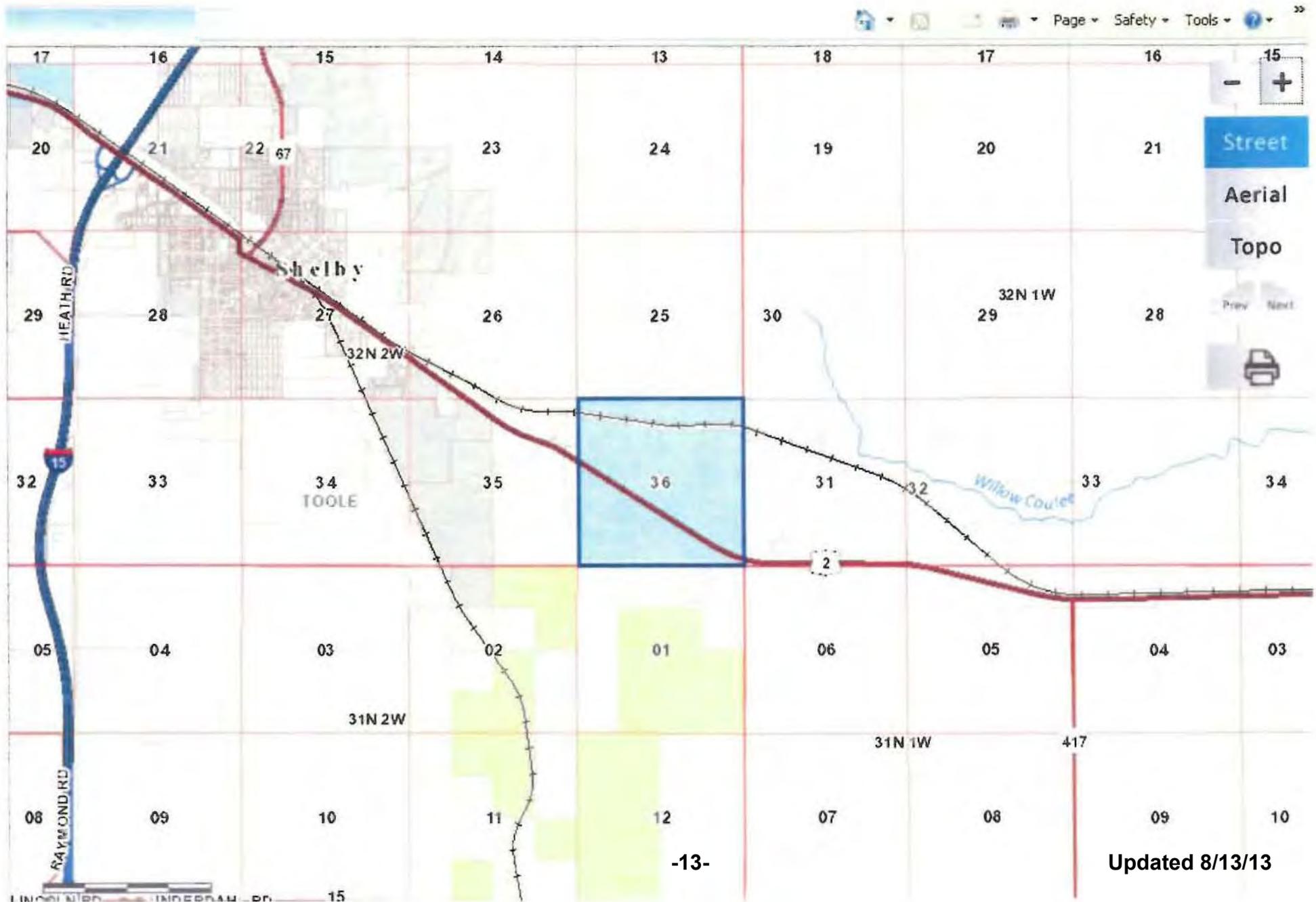
Application No.: 16352
 R/W Purpose: a buried 4" municipal water pipeline
 Lessee Agreement: ok
 Acreage: 6.11
 Compensation: \$4,583.00
 Legal Description: tract in SW4NW4, N2SW4, NW4SE4, S2SE4, Sec. 36, Twp. 32N,
 Rge. 2W, Toole County
 Trust Beneficiary: Common Schools

Item Summary

Devon Water Inc. is proposing to install a new 4" buried potable water pipeline as part of a reconstruction of the company's existing water system. The pipeline originates near the city of Shelby and travels to Dunkirk and Devon. A new system is necessary in order to meet drinking water standards. The route crosses one section of State land and is the most direct and practical and parallels US Highway 2. Minimal impacts to the State land are expected to occur from the installation of this pipeline facility.

Department Recommendation

The Department recommends approval of this request.



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16353
R/W Purpose: a buried telecommunications cable
Lessee Agreement: OK
Acreage: 0.74
Compensation: \$222.00
Legal Description: 20-foot strip through SE4SW4, Sec. 15, Twp. 27N, Rge. 56E,
Richland County
Trust Beneficiary: Common Schools

Item Summary

Nemont Telephone Cooperative is proposing to install new underground telecommunications cable facilities to upgrade the existing copper based network in the Bainville and Culbertson exchanges. The improved facilities will provide fiber optic network and services to ensure stability in service. The route chosen lies primarily along existing roadways and trails that will provide accessibility for construction and maintenance. Minimal impacts are expected from the proposed project.

Department Recommendation

The Department recommends approval of this request.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16354
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 2.21
Compensation: \$663.00
Legal Description: 20-foot strip through Gov. Lots 2 & 3, E2NW4, Sec. 24,
Twp. 27N, Rge. 56E, Richland County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16355
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 3.01
Compensation: \$903.00
Legal Description: 20-foot strip through S2SW4, W2SE4, NE4SE4, SE4NE4, Sec. 23,
Twp. 27N, Rge. 56E, Richland County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16356
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 1.02
Compensation: \$306.00
Legal Description: 20-foot strip through NW4NE4, SE4NE4, Sec. 22, Twp. 27N,
Rge. 56E, Richland County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16357
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 1.94
Compensation: \$582.00
Legal Description: 20-foot strip through SE4NE4, E2SE4, Sec. 27, Twp. 27N,
Rge. 56E, Richland County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16358
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 0.61
Compensation: \$183.00
Legal Description: 20-foot strip through SE4SW4, Sec. 10, Twp. 27N, Rge. 56E,
Richland County
Trust Beneficiary: Common Schools

Item Summary

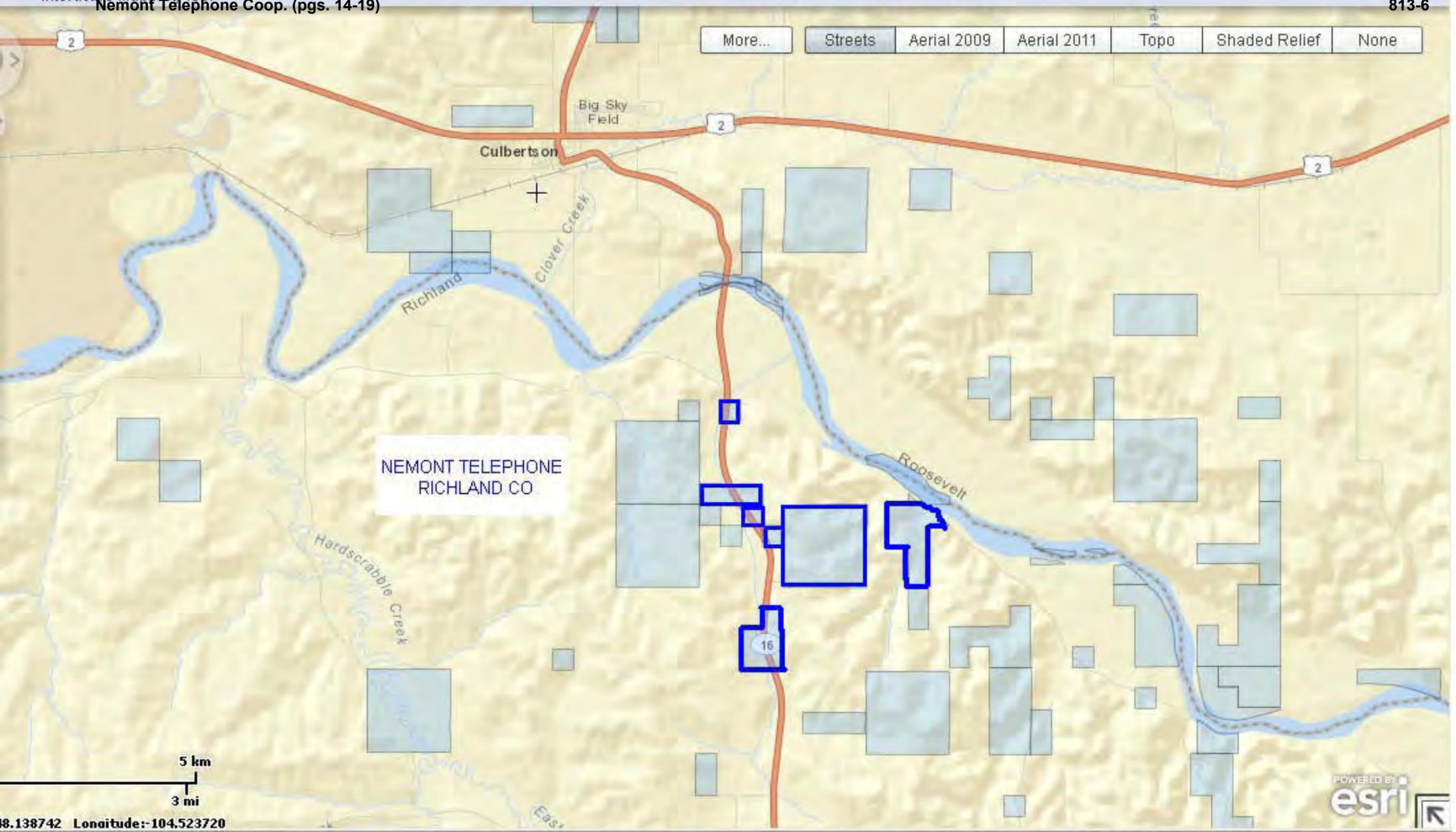
See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.



More... Streets Aerial 2009 Aerial 2011 Topo Shaded Relief None



5 km
3 mi

Longitude: -104.523720



Local intranet 100%

Trust Lands Manage... Inbox - Microsoft Out... August 13 Agenda [C... DNRC Basemap v2.5 ... untitled - Paint 1:40 PM

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16359
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 4.56
Compensation: \$3,420.00
Legal Description: 20-foot strip through Gov. Lots 1, 2, 3, 4, SW4SE4, S2SW4,
Sec. 16, Twp. 29N, Rge. 59E, Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16360
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 2.60
Compensation: \$1,827.00
Legal Description: 20-foot strip through W2W2, Sec. 16, Twp. 29N, Rge. 58E,
Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16361
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 0.61
Compensation: \$427.00
Legal Description: 20-foot strip through Gov. Lot 2, Sec. 9, Twp. 29N, Rge. 59E,
Roosevelt County
Trust Beneficiary: Public Buildings

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16362
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 0.21
Compensation: \$158.00
Legal Description: 20-foot strip through SE4SE4, Sec. 13, Twp. 27N, Rge. 58E,
Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16363
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 0.61
Compensation: \$427.00
Legal Description: 20-foot strip through NW4NW4, Sec. 20, Twp. 28N, Rge. 56E,
Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

Application No.: 16364
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 1.17
Compensation: \$878.00
Legal Description: 20-foot strip through N2NE4, Sec. 36, Twp. 28N, Rge. 56E,
Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Nemont Telephone Cooperative, Inc.
P O Box 600
Scobey MT 59263

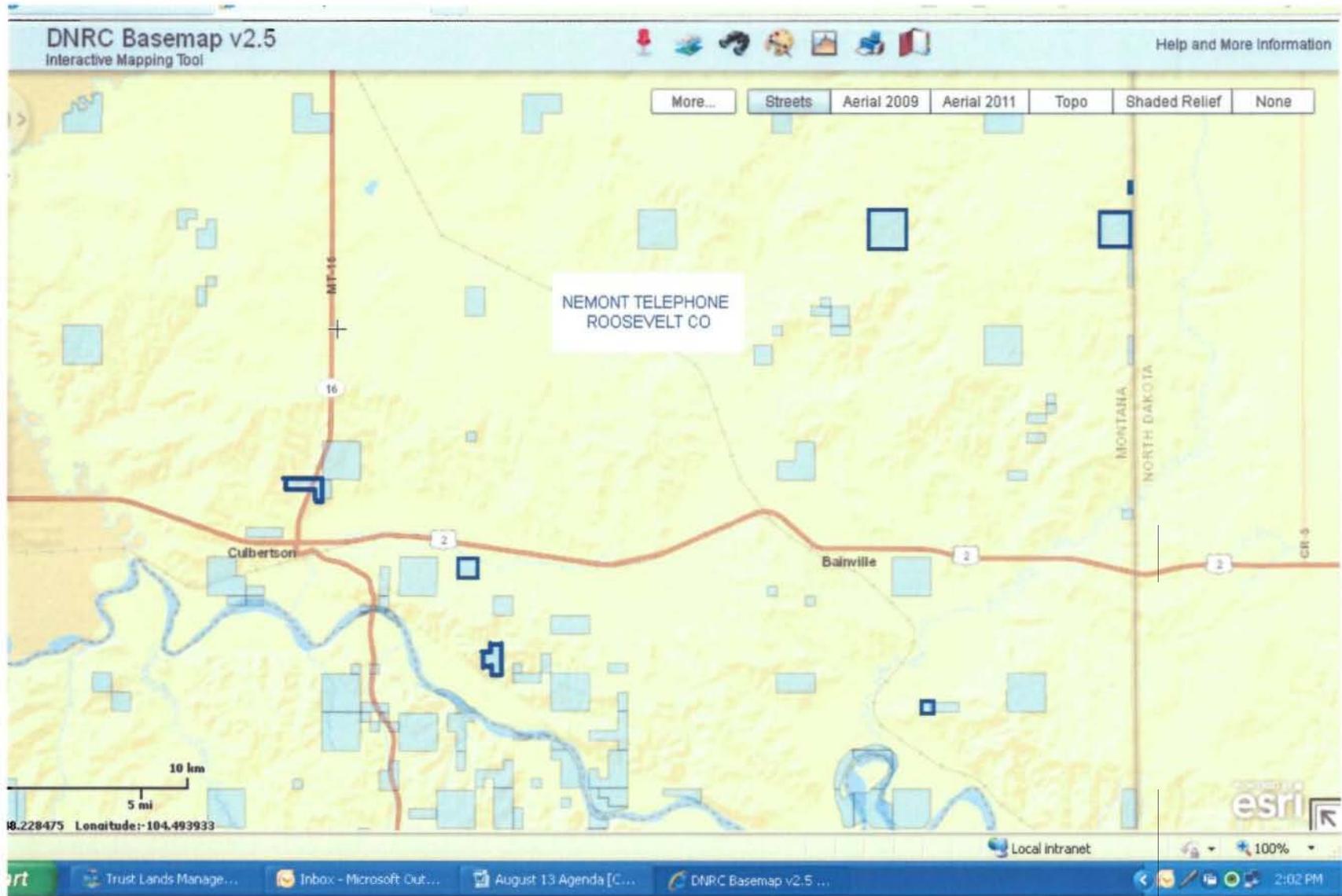
Application No.: 16365
R/W Purpose: a buried telecommunications cable
Lessee Agreement: ok
Acreage: 1.03
Compensation: \$721.00
Legal Description: 20-foot strip through NE4SW4, SW4SE4, Sec. 7, Twp. 27N,
Rge. 57E, Roosevelt County
Trust Beneficiary: Common Schools

Item Summary

See page 7 for detailed explanation.

Department Recommendation

See page 7 for recommendation.



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Somont Oil Company 419 Ferdig Road Oilmont MT 59466
Application No.:	14469 Amended
R/W Purpose:	a buried 3" natural gas operational pipeline and one buried inert pipeline
Lessee Agreement:	ok
Acreage:	2.43
Compensation:	\$14,400.00
Legal Description:	20-foot strip through S2S2, Sec. 36, Twp. 36N, Rge. 3W, Toole County
Trust Beneficiary:	Common Schools

Item Summary

Somont Oil was issued a historic easement in 2008 for an existing natural gas pipeline. After sustaining a series of small leaks Somont installed a new pipeline within the same easement corridor as the existing pipeline in March, 2013. The old pipeline was decommissioned and abandoned in place. However, Somont did not contact the Department regarding the leaks or inquire as to the process to install a new pipeline, believing that the grant of the existing easement allowed them the ability to take care of this situation without further involvement of the Department. While conducting field inspections the Department's Conrad Unit office discovered the ground disturbance, which included lands outside of the granted easement corridor. Somont was contacted by the Department about the unauthorized installation and has submitted this easement application as required. The disturbed area has been reclaimed and reseeded.

Department Recommendation

The Department recommends additional easement compensation at the rate of \$4,800, which equates to the market rate of \$15/rod, consistent with new pipeline installation in this area of the State. In addition, pursuant to §77-1-125, MCA, the Land Board may assess a penalty of \$500 or up to 3 times the easement value for unauthorized installation of facilities on State land. Consistent with what has been assessed in the past, the Department recommends applying a penalty of 2 times the easement value for the trespass use. Therefore, the market value due is \$4,800, plus a penalty of \$9,600 for a total compensation due of \$14,400.



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Madison County
P O Box 278
Virginia City MT 59755

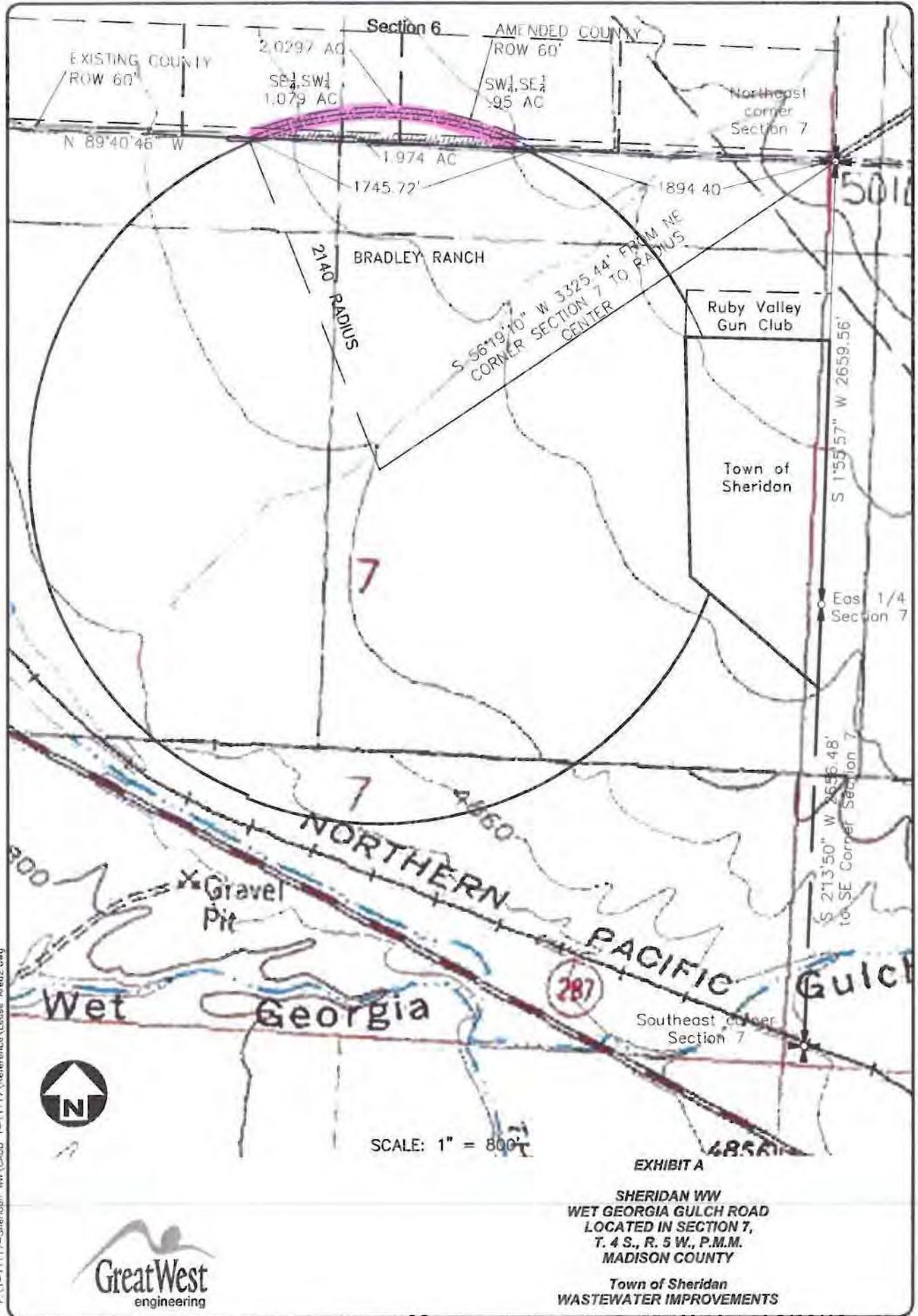
Application No.: 16104 Amended
R/W Purpose: a public county road known as Wet Georgia Road
Lessee Agreement: ok
Acreage: 0.169
Compensation: \$169.00
Legal Description: 60-foot strip through SE4SW4, SW4SE4, Sec. 6, Twp. 4S,
Rge. 5W, Madison County
Trust Beneficiary: Eastern College – MSU/Western College - UM

Item Summary

Madison County received a historic easement on this county road in early 2013. Improvements to the Town of Sheridan’s water treatment facility included providing effluent irrigation on adjoining private lands. Due to DEQ regulations, which require a 200-foot buffer, a portion of the county road must be relocated further onto State land. This easement relocation request is presented in conjunction with the request of the Town of Sheridan on page 3 for this small portion of buffer zone area. The relocated road is not expected to impact management of trust lands and the State will be compensated for the buffer zone area under the proposed easement to the Town of Sheridan.

Department Recommendation

The Department recommends approval of this request.



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EXHIBIT A

SHERIDAN WW
WET GEORGIA GULCH ROAD
LOCATED IN SECTION 7,
T. 4 S., R. 5 W., P.M.M.
MADISON COUNTY

Town of Sheridan
WASTEWATER IMPROVEMENTS



LAND BOARD INFORMATIONAL ITEM
AUGUST 19, 2013
2013 PROJECT MANAGEMENT LIST

BACKGROUND

The *Real Estate Management Plan Record of Decision* (ROD) was approved in July 2005. The ROD provides the Trust Lands Management Division (TLMD) with consistent policy and direction in the selection and implementation of management activities (residential, commercial, industrial, and conservation) on state Trust Lands. The TLMD is required to identify real estate development projects annually through a Project Identification Team (PIT) consisting of Real Estate Bureau and land office staff. The PIT must report their identified projects to land board per ARM 36.25.909(3)(A).

The Project Identification Team has selected these projects in adherence to the ROD. The ROD defines a comprehensive process that includes both extensive site investigation and participation of the public and local units of government. These projects successfully completed the required analysis which ensures development is physically possible and legally permissible. Further, the projects meet the three goals of the Real Estate Management Plan:

Goal A: Share in Expected Community Growth – these projects capture on state Trust lands a share of development taking place in Montana’s communities.

Goal B: Plan Proactively – Land Office staff has participated in numerous neighborhood/community meetings and worked closely with local officials during design and ongoing development of these projects. The Department works cooperatively with local communities in locating projects in designated growth areas and strategic rural areas.

Goal C: Increase Revenue for Trust Beneficiaries – the selected projects increase revenue from the lands proposed for development, and generate the greatest amount of revenue per acre.

NEXT STEP IN PROCESS

The project list will be made available to the public in the Real Estate Management Bureau office, the DNRC land offices, and on the DNRC website.

2013 REAL ESTATE PROJECT LIST

DNRC is currently developing the following Real Estate Projects in compliance with the agency's Real Estate Management Plan.

Real Estate Project	Description	Grant	Office	County	Acres	Urban/Rural	Goal A: Share in Expected Community Growth	Goal B: Plan Proactively	Goal C: Increase Revenue for Trust Beneficiaries
Alaska Road	Commercial/industrial development - Marketing and development of parcel.	Common Schools	CLO	Gallatin	3.3	Urban	Adjacent to existing development and Interstate 90. In growth area.	Annexed and rezoned parcel without negative comments.	Property currently being marketed for commercial lease.
Amsterdam Road	Mixed use development -Annexation and rezoning of parcel.	Common Schools	CLO	Gallatin	450	Urban	Has development on four sides. In growth area.	Dept. will work with public and local planning agency.	Current revenue from agricultural lease.
Lewis & Clark Subdivision	Commercial/industrial development - market and lease of lots.	Common Schools	CLO	Gallatin	28	Urban	Will add additional possible uses on property.	Successful initial conferences with Bozeman staff.	Increase of uses will increase demand for property.
North Park	Commercial/industrial development - Design and engineering of subdivision.	Common Schools	CLO	Gallatin	43	Urban	Has development on four sides. In growth area.	Annexed and rezoned parcel without negative comments.	Increase from \$4,000/yr. to \$100,000 for two lots in first year.
Bull Pasture Subdivision	Commercial/industrial development - Marketing of parcel.	Pine Hills School	ELO	Custer	60	Urban	Less than one mile from Miles City. Supported by local planning office.	Multiple public meetings were held.	1 of 5 lots currently under lease and generating Revenue. The remaining are being marketed for commercial lease.
Spring Prairie Commercial Infill	Commercial/professional development - Design, marketing and lease of lots.	Common Schools	NWLO	Flathead	100	Urban	PUD was approved by Kalispell and is in a growth corridor.	An extensive PUD was created and approved by Kalispell.	Yearly revenues will drastically increase with development proceeds.
Stillwater Industrial	Industrial development - Marketing of parcel and RFP process.	State Normal School	NWLO	Flathead	40	Rural	Allowed industrial use in Whitefish Neighborhood Plan	Property is located in approved Whitefish Neighborhood Plan.	Currently used as managed forest land.
Indian Springs Ranch	Residential development - easement exchange to allow expansion of golf course. Future sale of residential lots on remainder of tract.	Common Schools	NWLO	Lincoln	40	Urban	Adjacent to proposed residential development on two sides.	Dept. will work with public and local planning agency.	Current revenue from grazing lease.
Cripple Horse Creek	Site is adjacent to an existing commercial resort on Lake Kookanusa. Department will be conducting survey and conceptual planning and investigation to determine feasibility of developed commercial recreation at this site.	Public Buildings	NWLO	Lincoln	162.5	Rural	Adjacent resort is at capacity; demand for recreation continues to grow.	Dept. will work with public and local planning agency.	Currently used as managed forest land.
Libby Creek/	Site has several existing residential lease areas.	Common	NWLO	Lincoln	120	Rural	Adjacent development.	Dept. will work with	Will add value to land,



Real Estate Project	Description	Grant	Office	County	Acres	Urban/Rural	Goal A: Share in Expected Community Growth	Goal B: Plan Proactively	Goal C: Increase Revenue for Trust Beneficiaries
Ponderosa Plantation	Department will engage in planning activities and securing entitlements for marketing the parcel for future residential development.	Schools					Several entities interested in parcel.	public and local planning agency.	improve potential for sale to developer.
Libby Golf Club area lands	Site is adjacent to the Libby Golf Club. Department will be investigating potential for making some of this section available for future residential development.	Common Schools	NWLO	Lincoln	640	Rural	Adjacent development. Potential for residential and commercial development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
Libby area lands	Department will be investigating potential for development of future low density residential development in these two sections.	Common Schools	NWLO	Lincoln	800	Rural	Adjacent development. Potential for residential development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
Libby area lands	Department will be investigating potential for development of future low density residential development in this section.	Common Schools	NWLO	Lincoln	45.9	Rural	Adjacent development. Potential for residential development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
Thompson Falls area lands	Site is adjacent to existing Thompson Falls Golf Course. Department will review the site for potential commercial, developed recreation, and/or commercial development.	Common Schools	NWLO	Sanders	46	Rural	Adjacent development. Potential for residential and commercial development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
Skyview Ridge Subdivision	Mixed use development - Sell residential and lease commercial development.	Common Schools	SLO	Yellowstone	285	Urban	Infill location with development on three sides.	Parcel has been in stages of master planning since mid 1980's.	Yearly revenue will increase by over \$130,000.
Reserve Street	Commercial/professional development - Marketing and maintenance.	Common Schools	SWLO	Missoula	2.8	Urban	Infill location on a primary commercial corridor.	All entitlements exist and marketing plan was initiated	Property currently being marketed for commercial lease.

Questions? Contact the DNRC at 406-444-1363.



Real Estate Project	Description	Grant	Office	County	Acres	Urban/Rural	Goal A: Share in Expected Community Growth	Goal B: Plan Proactively	Goal C: Increase Revenue for Trust Beneficiaries
Libby Golf Club area lands	Site is adjacent to the Libby Golf Club. Department will be investigating potential for making some of this section available for future residential development.	Common Schools	NWLO	Lincoln	640	Rural	Adjacent development. Potential for residential and commercial development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
Libby area lands	Department will be investigating potential for development of future low density residential development in these two sections.	Common Schools	NWLO	Lincoln	800	Rural	Adjacent development. Potential for residential development.	Dept. will work with public and local planning agency.	Adding Entitlements will increase development value.
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Reserve Street	Commercial/professional development - Marketing and maintenance.	Common Schools	SWLO	Missoula	2.8	Urban	Infill location on a primary commercial corridor.	All entitlements exist and marketing plan was initiated	Currently unoccupied. Occupancy will generate revenue.

Questions? Contact the DNRC at 406-444-1363.

Goal A: Share in Expected Community Growth

capture a market share of the acres on state trust lands that will be developed to accommodate the population growth of Montana through 2025

Goal B: Plan Proactively

plan proactively by soliciting involvement from communities, improving land values of trust lands, setting design standards, and following local land use regulations

Goal C: Increase Revenue for Trust Beneficiaries

active participation in the market, forming partnerships with local communities and other agencies, trust beneficiaries, and planning proactively