

**AGENDA**  
**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**Monday, June 18, 2018 at 9:00 am**  
**State Capitol, Room 303**  
**Helena, MT**

**ACTION ITEMS**

**0618-1 Timber Sales**

**A. Beaver Creek East Limited Access**  
*Benefits: School for the Deaf and Blind*  
*Location: Sanders*

**B. Big Ohs Limited Access**  
*Benefits: Common Schools Location:*  
*Madison*

**C. Black Smith**  
*Benefits: Common Schools Location:*  
*Cascade*

**APPROVED 5-0**

**0618-2 Oil and Gas Lease Sale (June 5, 2018)**

*Benefits: Common Schools, Public Buildings, Public Land Trust-Navigable Rivers*  
*Location: Blaine, Dawson, Richland, Roosevelt, Sheridan and Toole Counties*

**APPROVED 5-0**

**0618-3 Cabin and Home Sites: Set Minimum Bid for Sale**

*Benefits: Common Schools*  
*Location: Sanders County*

**APPROVED 5-0**

**0618-4 Easements**

*Benefits: Common Schools, MSU-Eastern/UM-Western, MSU Morrill, Public Buildings and Public Land Trust*  
*Location: Beaverhead, Daniels, Madison, Phillips, Roosevelt, Toole and Valley Counties*

**APPROVED 5-0**

**PUBLIC COMMENT**

# 0618-1

## Timber Sales

- A. Beaver Creek East Limited Access
- B. Big Ohs Limited Access
- C. Black Smith Timber Sale

**Land Board Agenda Item  
June 18, 2018**

**0618-1A Timber Sale: Beaver Creek East Limited Access**

**Location: Sanders County  
Section 26, T24N, R31W**

**Trust Beneficiaries: School for the Deaf and Blind**

**Trust Revenue: \$137,695 (Negotiated Rate for Limited Access Sale)**

**Item Summary**

**Location:** Beaver Creek East Limited Access Timber Sale is located approximately 17 miles northwest of Thompson Falls, MT.

**Size and Scope:** The sale includes 1 harvest unit (*44 acres*) of tractor logging.

**Volume:** The estimated harvest volume is 6,005 tons (*1.025 MMBF*) of sawlogs.

**Estimated Return:** The negotiated rate is \$22.93 per ton. This sale would generate approximately \$137,695 for the School for the Deaf and Blind Trust, and \$12,430 in Forest Improvement fees.

**Prescription:** This sale has a commercial thin harvest prescription that will capture the value of trees susceptible to insect and disease while reducing future fuel load. Timber harvest will remove ponderosa pine, Douglas-fir, western larch, lodgepole pine, and white fir.

**Road Construction/Maintenance:** DNRC is not proposing road construction or maintenance.

**Access:** The purchaser, Zane Brown Logging, has obtained access to this timber sale via a private landowner.

**Public Comments:** Five comments were received. Commenters were concerned about retaining patches of deer thermal cover, possible discovery of cultural resources, and the condition of agricultural uses post-harvest. Elk and deer thermal cover would be reduced but not completely removed. The DNRC archaeologist conducted a Class III inventory of the sale area and no cultural or fossil resources were identified. Hauling across the hayfield would be limited to winter/frozen conditions and slash would be removed.

**DNRC Recommendation**

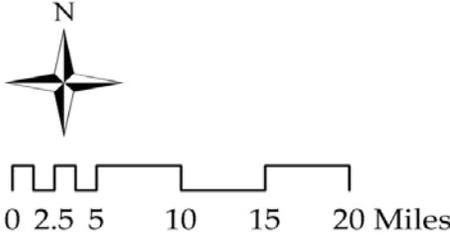
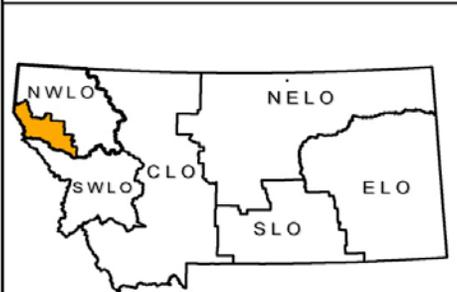
The director recommends the Land Board direct DNRC to sell the Beaver Creek East Limited Access Timber Sale.

# BEAVER CREEK EAST TIMBER SALE VICINITY MAP PLAINS UNIT



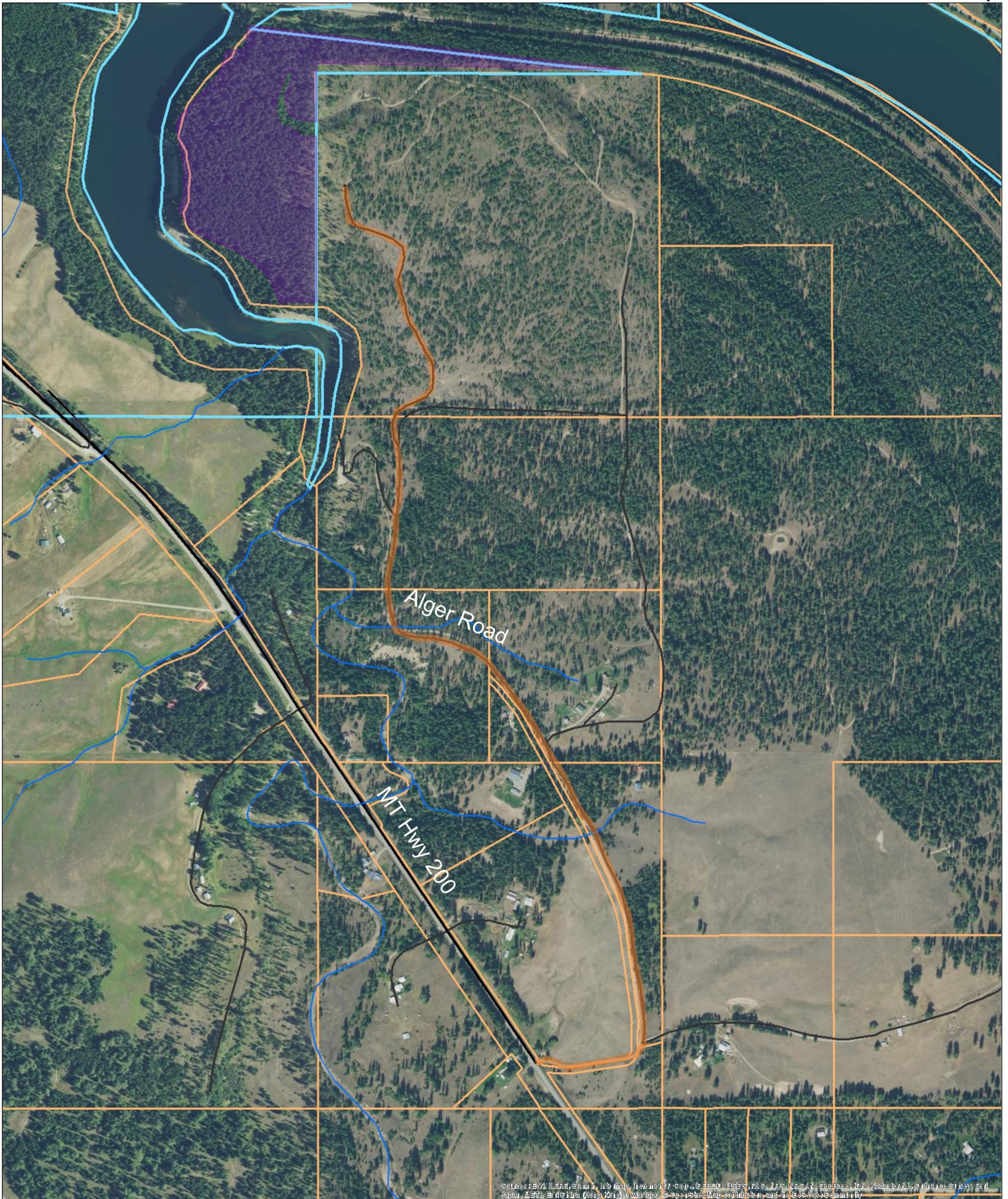
**Beaver Creek East Timber Sale**  
**Location: S26 T24N R31W**

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



Produced by Montana Department of Natural Resources and Conservation 2013  
Datum: NAD 1983 Montana State Plane

# Beaver Creek East Limited Access Timber Sale Harvest Unit and Haul Route Map



Sources: Esri, HERE, Garmin, DeLorme, GeoEye, GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster/NL, OpenStreetMap contributors, Swatch, and the GIS User Community



- |                     |                        |            |
|---------------------|------------------------|------------|
| Existing Road       | Perennial Stream       | USFS Land  |
| New Road            | Intermittent Stream    | USFWS Land |
| Road Reconstruction | Proposed Harvest Units | BLM Land   |
| Haul Route          | DNRC Surface Tracts    | MT FWP     |



**Land Board Agenda Item  
June 18, 2018**

**0618-1B Timber Sale: Big Ohs Limited Access**

**Location: Madison County  
Section 2, T02S, R03W**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: \$15,356.40 (Negotiated Rate for Limited Access Sale)**

**Item Summary**

**Location:** The Big Ohs Limited Access Timber Sale is located approximately 2.5 miles northwest of Pony, MT.

**Size and Scope:** The sale includes 2 harvest units (*25 acres*) of tractor logging.

**Volume:** The estimated harvest volume is 1,340 tons (*200 MBF*) of sawlogs.

**Estimated Return:** The negotiated rate is \$11.46 per ton. This sale would generate approximately \$15,356.40 for the Common Schools Trust and approximately \$723.60 in Forest Improvement fees.

**Prescription:** This sale has a harvest prescription of selection and seed tree treatments that will improve the health, vigor, and productivity of the forest stands. Timber harvest will remove Douglas-fir.

**Road Construction/Maintenance:** DNRC is proposing 1,100 feet of new restricted road construction on private land and 585 feet of new restricted road construction on state land and 2.9 miles of road maintenance.

**Access:** The purchaser, Mike Duffy Logging, has obtained access to this timber sale via a private landowner.

**Public Comments:** No comments were received.

**DNRC Recommendation**

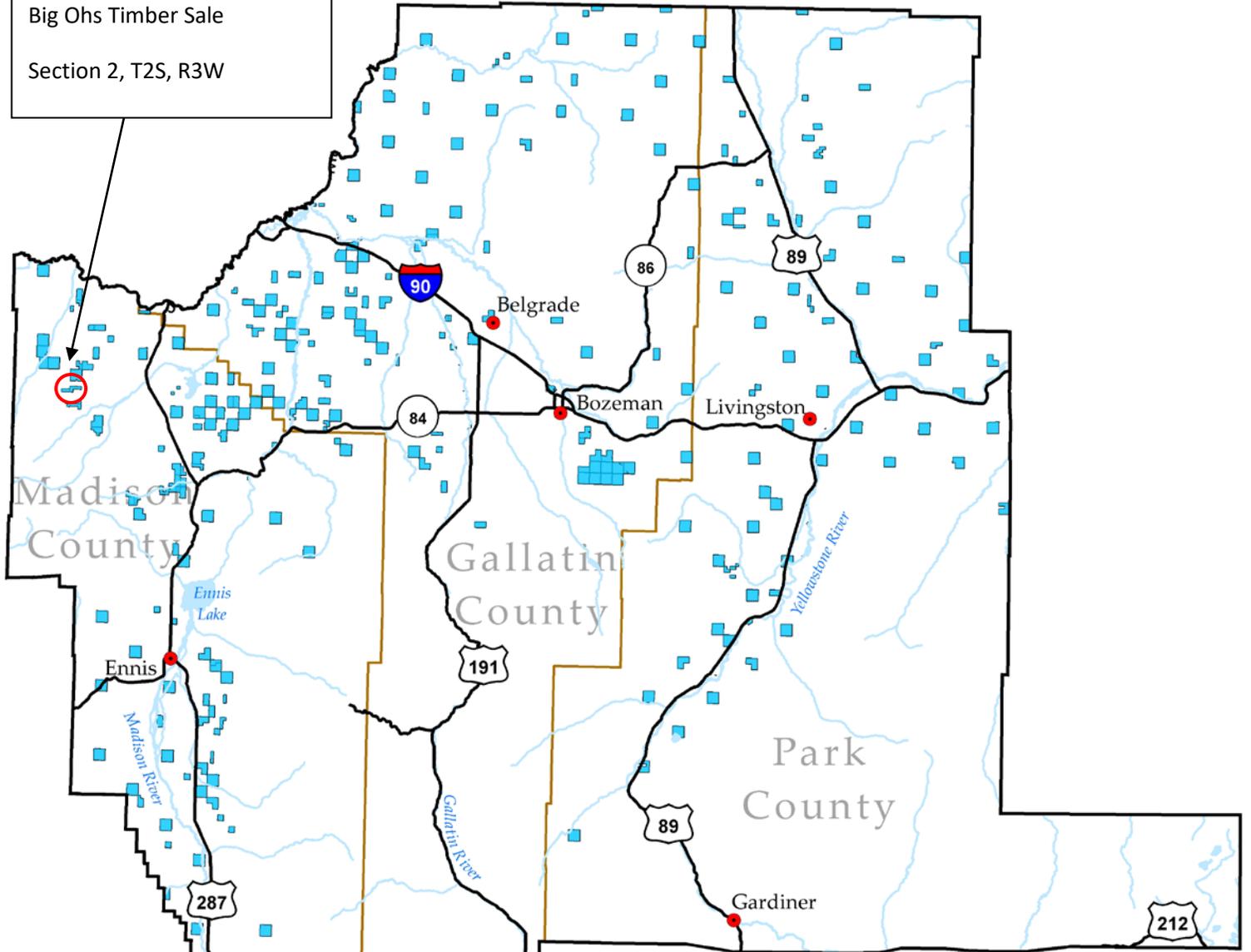
The director recommends the Land Board direct DNRC to sell the Big Ohs Limited Access Timber Sale.

# BIG OHS LIMITED ACCESS TIMBER SALE BOZEMAN UNIT

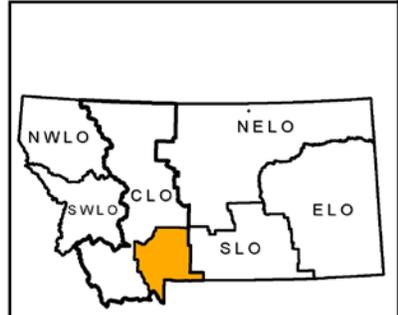
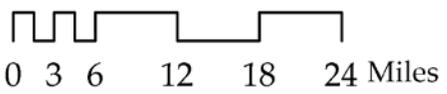
0618-1B



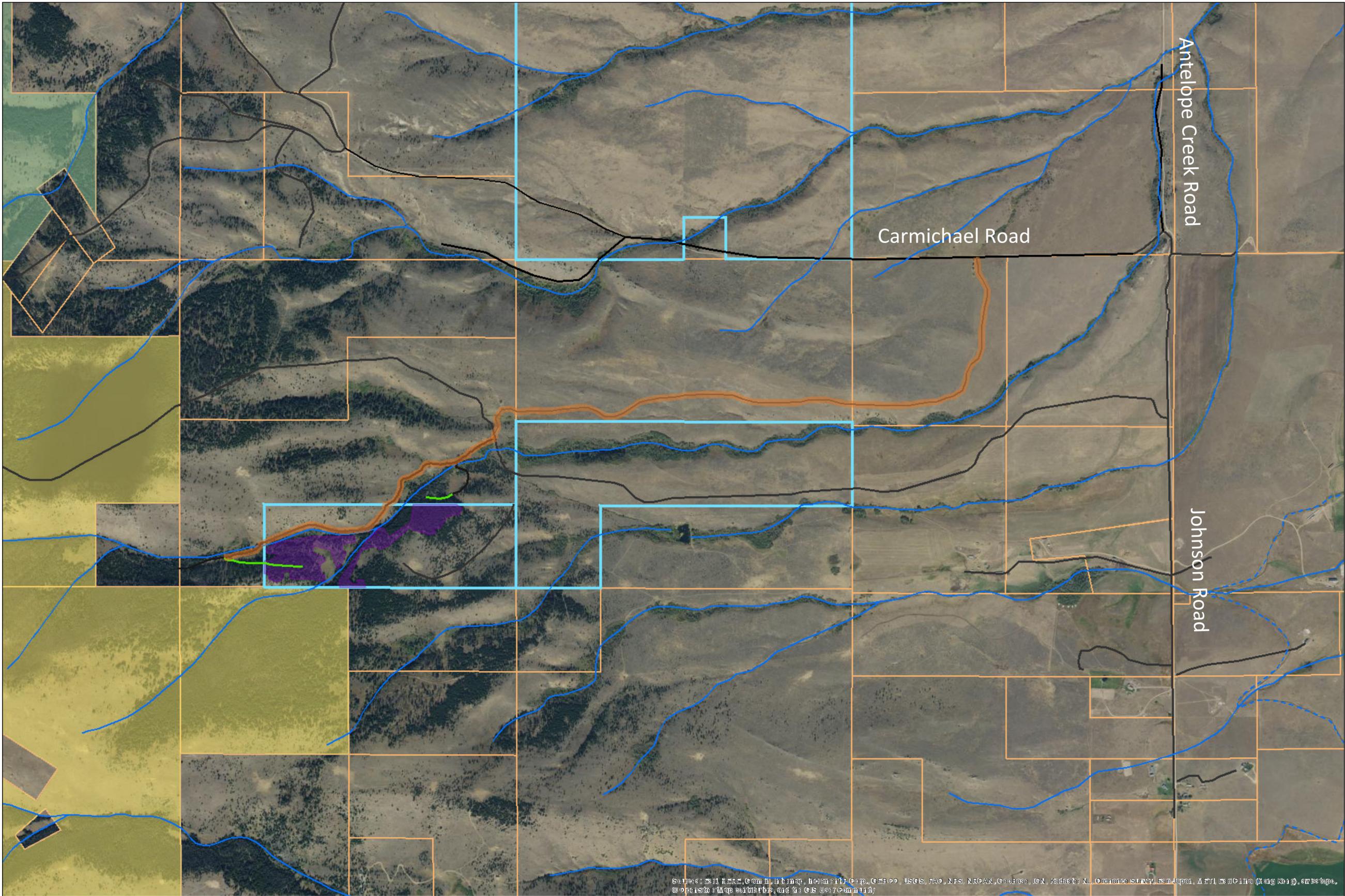
Big Ohs Timber Sale  
Section 2, T2S, R3W



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



# Big Ohs Limited Access Timber Sale Haul Route Map

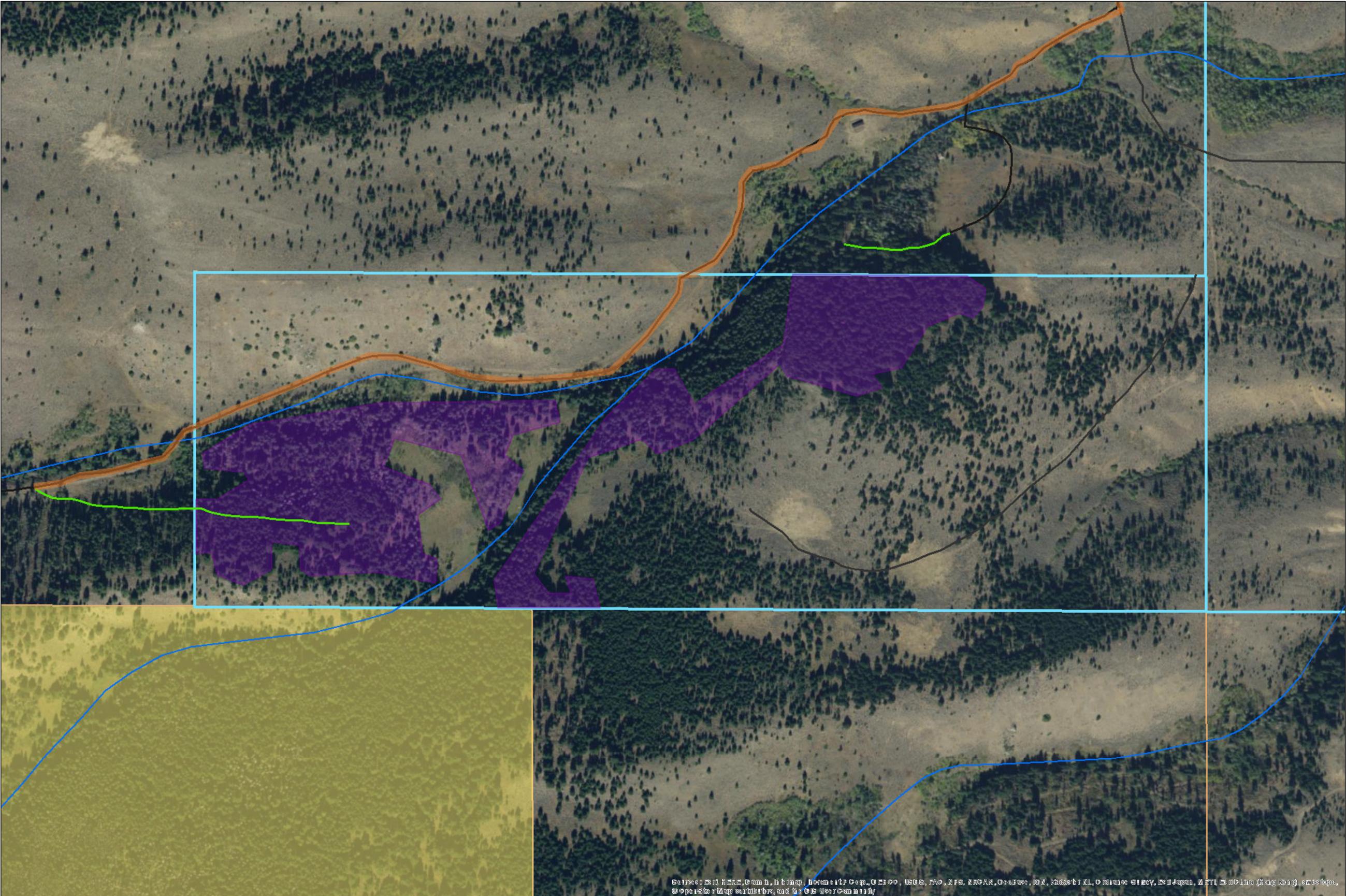


Source: Big Ohs Limited Access Timber Sale, USFS, FWS, NPS, NRGAN, Geopac, IGN, Kadaster NL, Ordnance Survey, Esri Japan, Esri Korea, Esri (China), Swisstopo, © OpenStreetMap contributors, and the GIS User Community

- |                     |                        |            |
|---------------------|------------------------|------------|
| Existing Road       | Perennial Stream       | USFS Land  |
| New Road            | Intermittent Stream    | USFWS Land |
| Road Reconstruction | Proposed Harvest Units | BLM Land   |
| Haul Route          | DNRC Surface Tracts    | MT FWP     |



# Big Ohs Limited Access Timber Sale Harvest Unit Map



Source: Big Ohs Limited Access Timber Sale, USFS, FWS, NFGAN, Geotiff, DNRC, and the US Forest Service. © 2018 DNRC and the US Forest Service.

- |                     |                        |            |
|---------------------|------------------------|------------|
| Existing Road       | Perennial Stream       | USFS Land  |
| New Road            | Intermittent Stream    | USFWS Land |
| Road Reconstruction | Proposed Harvest Units | BLM Land   |
| Haul Route          | DNRC Surface Tracts    | MT FWP     |



**Land Board Agenda Item  
June 18, 2018**

**0618-1C Timber Sale: Black Smith Timber Sale**

**Location: Cascade County  
Section 16, T16N, R4E**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: \$38,574 (estimated, minimum bid)**

**Item Summary**

**Location:** The Black Smith Timber Sale is located approximately 24 miles south of Great Falls, MT.

**Size and Scope:** The sale includes 4 harvest units (*307 acres*) of skyline and tractor logging.

**Volume:** The estimated harvest volume is 4,984 tons (*610 MBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$7.74 per ton, which would generate approximately \$38,574 for the Common Schools Trust and approximately \$2,193 in Forest Improvement fees.

**Prescription:** This sale has harvest prescriptions of seed tree and group selection treatments, aspen restoration, and rangeland encroachment reduction. Timber harvest will remove Douglas-fir.

**Road Construction/Maintenance:** DNRC is proposing 0.4 miles of new temporary road construction, 0.1 miles of road reconstruction, and 7 miles of road maintenance.

**Access:** Access is obtained through a temporary road use agreement with the Gruel Ranch.

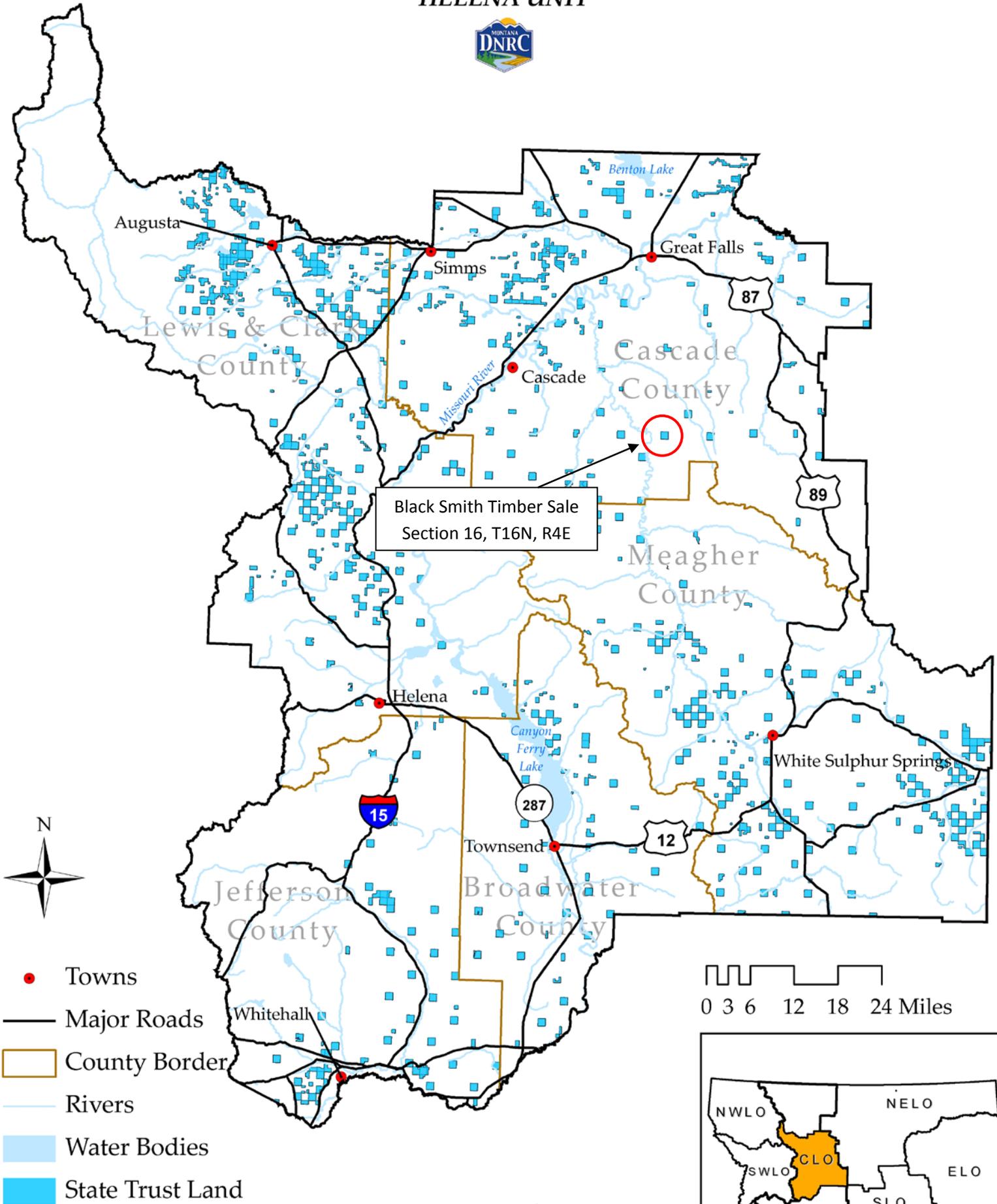
**Public Comments:** No public comments were received.

**DNRC Recommendation**

The director recommends the Land Board direct DNRC to sell the Black Smith Timber Sale.

# BLACK SMITH TIMBER SALE VICINITY MAP HELENA UNIT

0618-1C



Black Smith Timber Sale  
Section 16, T16N, R4E







# 0618-2

Oil and Gas Lease Sale (June 5, 2018)



**State of Montana**  
**Oil & Gas Lease Sale - June 5, 2018**  
**Lease Sale Results**

The following described lands were offered for oil and gas leasing through oral competitive bidding in the Department of Natural Resources and Conservation Montana Room, 1539 Eleventh Avenue, Helena, Montana, beginning at 9:00 am, June 5, 2018.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
<b>Blaine</b>									
1	1, 2, 3, 4, 5, 6, 9, 11	34.N	21.E	16	W2, N2NE4, SE4NE4, SW4SE4	480.00	\$1.75	\$840.00	LONEWOLF EXPLORATION & PRODUCTION COMPANY
<b>Dawson</b>									
2	1, 2, 3, 4, 5, 6, 12, 13	15.N	55.E	32	Yellowstone Riverbed and related acreage	132.00	\$15.00	\$1,980.00	PRIMARY FUELS, LLC
3	1, 2, 3, 4, 5, 6, 7	17.N	53.E	36	All	640.00	\$23.00	\$14,720.00	PRIMARY FUELS, LLC
<b>Richland</b>									
4	1, 2, 3, 4, 5, 6, 8, 18	25.N	57.E	29	SE4NE4, NE4SE4	80.00	\$25.00	\$2,000.00	EMPIRE OIL COMPANY
5	1, 2, 3, 4, 5, 6, 7, 18	26.N	57.E	7	Lot 3	* 35.11	\$77.00	\$2,703.47	KRAKEN OIL & GAS II LLC
6	1, 2, 3, 4, 5, 6, 18	26.N	57.E	18	Lots 2, 3, SE4NW4, S2NE4, N2SE4, NE4SW4	* 310.50	\$600.00	\$186,300.00	EMPIRE OIL COMPANY
7	1, 2, 3, 4, 5, 6, 10, 12, 13, 18	27.N	55.E	1	Lots 1, 2, Missouri Riverbed and related acreage	223.00	\$8.00	\$1,784.00	CODY EXPLORATION LLC
8	1, 2, 3, 4, 5, 6, 18	27.N	55.E	16	Lots 1, 2, 3, 4, S2N2, S2	* 640.16	\$8.00	\$5,121.28	KRAKEN OIL & GAS II LLC
9	1, 2, 3, 4, 5, 6, 18	27.N	55.E	17	E2NW4, SW4NW4, SW4	* 280.00	\$8.00	\$2,240.00	CODY EXPLORATION LLC
10	1, 2, 3, 4, 5, 6, 18	27.N	55.E	20	NE4NW4	* 40.00	\$7.00	\$280.00	KRAKEN OIL & GAS II LLC
11	1, 2, 3, 4, 5, 6	27.N	55.E	31	Lots 1, 2, 3, 4	147.16	\$7.00	\$1,030.12	KRAKEN OIL & GAS II LLC
12	1, 2, 3, 4, 5, 6, 10, 18	27.N	55.E	36	All	640.00	\$8.00	\$5,120.00	KRAKEN OIL & GAS II LLC
13	1, 2, 3, 4, 5, 6, 12, 13	27.N	56.E	2	Missouri Riverbed and related acreage	44.00	\$9.00	\$396.00	KRAKEN OIL & GAS II LLC
14	1, 2, 3, 4, 5, 6, 7, 10, 12, 13, 18	27.N	56.E	3	Lots 2, 7, Missouri Riverbed and related acreage	179.76	\$8.00	\$1,438.08	CODY EXPLORATION LLC
15	1, 2, 3, 4, 5, 6, 7, 12, 13, 18	27.N	56.E	9	SE4SE4, Missouri Riverbed and related acreage	58.00	\$8.00	\$464.00	CODY EXPLORATION LLC
16	1, 2, 3, 4, 5, 6, 18	27.N	56.E	10	SE4SW4	40.00	\$10.00	\$400.00	4-JW LTD
17	1, 2, 3, 4, 5, 6, 12, 13	27.N	56.E	11	Missouri Riverbed and related acreage	186.00	\$34.00	\$6,324.00	KRAKEN OIL & GAS II LLC
18	1, 2, 3, 4, 5, 6, 12, 13	27.N	56.E	14	Missouri Riverbed and related acreage	74.00	\$55.00	\$4,070.00	CODY EXPLORATION LLC
19	1, 2, 3, 4, 5, 6, 18	27.N	56.E	15	SW4SE4, S2SW4	120.00	\$18.00	\$2,160.00	KRAKEN OIL & GAS II LLC
20	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	16	All	640.00	\$21.00	\$13,440.00	KRAKEN OIL & GAS II LLC
21	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	21	All	640.00	\$21.00	\$13,440.00	KRAKEN OIL & GAS II LLC
22	1, 2, 3, 4, 5, 6, 7, 14, 18	27.N	56.E	22	NW4NW4, SE4NW4, NW4NE4, SE4NE4	160.00	\$21.00	\$3,360.00	KRAKEN OIL & GAS II LLC
23	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	23	Lots 1, 2, S2NW4, NE4, S2	638.65	\$21.00	\$13,411.65	KRAKEN OIL & GAS II LLC
24	1, 2, 3, 4, 5, 6, 7, 10, 12, 13, 18	27.N	56.E	24	Lots 2, 3, E2NW4, SW4NE4, W2SE4, Missouri Riverbed and related acreage	278.46	\$38.00	\$10,581.48	KRAKEN OIL & GAS II LLC
25	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	25	W2NE4	80.00	\$235.00	\$18,800.00	KRAKEN OIL & GAS II LLC
26	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	35	N2SE4, NE4SW4	120.00	\$61.00	\$7,320.00	KRAKEN OIL & GAS II LLC
27	1, 2, 3, 4, 5, 6, 7, 18	27.N	56.E	36	All	640.00	\$61.00	\$39,040.00	KRAKEN OIL & GAS II LLC
<b>Roosevelt</b>									
28	1, 2, 3, 4, 5, 6, 7, 10, 18	28.N	55.E	16	All	* 640.00	\$5.00	\$3,200.00	KRAKEN OIL & GAS II LLC

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
<b>Roosevelt</b>									
29	1, 2, 3, 4, 5, 6, 7, 10, 11, 14, 18	28.N	55.E	36	NW4, W2NE4, S2	560.00	\$12.00	\$6,720.00	KRAKEN OIL & GAS II LLC
30	1, 2, 3, 4, 5, 6, 15	28.N	56.E	26	Highway Tract in N2SE4	6.49	\$16.00	\$103.84	KRAKEN OIL & GAS II LLC
31	1, 2, 3, 4, 5, 6, 18	29.N	56.E	11	W2	* 320.00	\$10.00	\$3,200.00	SUNSHINE PACIFIC CORP.
32	1, 2, 3, 4, 5, 6, 18	29.N	56.E	16	All	* 640.00	\$60.00	\$38,400.00	SUNSHINE PACIFIC CORP.
33	1, 2, 3, 4, 5, 6, 18	29.N	56.E	17	N2SW4	* 80.00	\$10.00	\$800.00	SUNSHINE PACIFIC CORP.
34	1, 2, 3, 4, 5, 6, 18	29.N	56.E	19	SE4NW4	* 40.00	\$10.00	\$400.00	SUNSHINE PACIFIC CORP.
35	1, 2, 3, 4, 5, 6, 18	29.N	56.E	27	NE4, N2SE4	240.00	\$15.00	\$3,600.00	SUNSHINE PACIFIC CORP.
<b>Sheridan</b>									
36	2, 3, 4, 5, 6, 16	31.N	57.E	16	All	640.00	\$3.00	\$1,920.00	CODY EXPLORATION LLC
37	1, 2, 3, 4, 5, 6, 8, 18	31.N	58.E	36	All	640.00	\$22.00	\$14,080.00	CODY EXPLORATION LLC
38	2, 3, 4, 5, 6, 8, 16	32.N	58.E	16	All	640.00	\$16.00	\$10,240.00	NISKU ROYALTY, LP
39	1, 2, 3, 4, 5, 6, 11, 18	32.N	59.E	16	Lots 1, 2, 3, 4, W2	485.88	\$26.00	\$12,632.88	RIDGE PETROLEUM CORPORATION
40	2, 3, 4, 5, 6, 8, 16	33.N	58.E	36	Lots 3, 4, 5, 6, 11, 12, 13, 14, W2	* 640.00	\$3.00	\$1,920.00	CODY EXPLORATION LLC
41	1, 2, 3, 4, 5, 6, 11, 18	34.N	58.E	16	NW4, NW4NE4, S2NE4, S2	* 600.00	\$3.00	\$1,800.00	RLD EXPLORATION LLC
42	1, 2, 3, 4, 5, 6, 11, 18	35.N	58.E	21	SE4	160.00	\$3.00	\$480.00	CODY EXPLORATION LLC
43	1, 2, 3, 4, 5, 6, 11, 18	35.N	58.E	28	NE4	160.00	\$3.00	\$480.00	CODY EXPLORATION LLC
44	1, 2, 3, 4, 5, 6, 8, 18	36.N	55.E	16	All	640.00	\$2.00	\$1,280.00	NISKU ROYALTY, LP
45	1, 2, 3, 4, 5, 6, 11, 18	36.N	56.E	16	All	* 640.00	\$2.25	\$1,440.00	NISKU ROYALTY, LP
46	1, 2, 3, 4, 5, 6, 8, 18	37.N	55.E	36	All	640.00	\$9.00	\$5,760.00	NISKU ROYALTY, LP
<b>Toole</b>									
47	1, 2, 3, 4, 5, 6	33.N	2.W	15	E2, below the base of the Swift formation	320.00	\$2.00	\$640.00	SOG RESOURCES
48	1, 2, 3, 4, 5, 6, 7	34.N	2.W	21	SE4NW4, NW4NE4, N2S2, SE4SE4, SW4SW4, below the base of the Rierdon formation	320.00	\$1.50	\$480.00	SOG RESOURCES
49	1, 2, 3, 4, 5, 6, 7	34.N	2.W	28	NW4NW4, S2NW4, E2NE4, N2SE4, NE4SW4, below the base of the Rierdon formation	320.00	\$1.50	\$480.00	SOG RESOURCES
50	1, 2, 3, 4, 5, 6, 17	36.N	3.W	17	NE4NW4, N2NE4, below the base of the Bow Island formation	120.00	\$18.00	\$2,160.00	FARLEIGH OIL PROPERTIES

\* Part or all of tract is not state-owned surface

## Summary by Lessor

	<b>Total Acres</b>	<b>Total Tracts</b>
Dept of Transportation	6.49	1
Dept. of Natural Resources and Conservation	17,032.68	49

## Oil and Gas Lease Sale Summary

<b>Total Tracts</b>	50
<b>Total Acres</b>	17,039.17
<b>Total Bid Revenue</b>	\$470,980.80
<b>Average Bid Per Acre</b>	\$27.64

**State of Montana**  
**Oil & Gas Lease Sale - June 5, 2018**  
**Stipulations**

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- 1 Lessee shall notify and obtain approval from the Department's Trust Land Management Division (TLMD) prior to constructing well pads, roads, power lines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in TLMD's approval.
- 2 Prior to the drilling of any well on or into the lease premises, lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department's Trust Land Management Division (TLMD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to TLMD. A copy of Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to TLMD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the TLMD prior to plugging a well on the lease premises.  
  
Issuance of this lease in no way commits the Land Board to approval of coal bed methane production on this lease. Any coal bed methane extraction wells would require subsequent review and approval by the board.
- 3 The TLMD will complete an initial review for cultural resources and, where applicable, paleontological resources of the area intended for disturbance and may require a resources inventory. Based on the results of the inventory, the TLMD may restrict surface activity for the purpose of protecting significant resources located on the lease premises.
- 4 The lessee shall be responsible for controlling any noxious weeds introduced by lessee's activity on State-owned land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the lease premises. The lessee's methods of control shall be reviewed and approved by the Department's Unit Office that has jurisdiction for that locale.
- 5 The definitions of "oil" and "gas" provided in 82-1-111, MCA, do not apply to this lease for royalty calculation purposes.
- 6 If the State does not own the surface, the lessee must contact the owner of the surface in writing at least 30 days prior to any surface activity. A copy of the correspondence shall be sent to TLMD.
- 7 Due to unstable soil conditions on this tract and/or topography that is rough and/or steep, surface use may be restricted or denied. Seismic activity may be restricted to poltershots.
- 8 The lessee is responsible to pay for all damages, including penalties and charges assessed by the USDA-CFSA on CRP lands, as a result of drilling and production on the tract.
- 9 This lease is located within designated sage grouse general habitat. Proposed activities are subject to, and shall comply with, all provisions, stipulations and mitigation requirements of the Montana Sage Grouse Habitat Conservation Strategy, as implemented by Governor's Executive Orders 10-2014, 12-2015, and amendments thereto. Contact the TLMD prior to preparing a project proposal.
- 10 Unless otherwise approved by the Department in writing, wells and related surface infrastructure, including new road construction, are prohibited within 1/2 mile of the centerline of a navigable river, lake or reservoir, and within 1/4 mile of direct perennial tributary streams of navigable waterways, on or adjacent to the tract. No surface occupancy is allowed within the bed of a river, stream, lake or reservoir, islands and accretions or abandoned channels.
- 11 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
- 12 This tract contains navigable riverbeds. No surface occupancy is allowed within the bed of the navigable river, abandoned channels, or on islands and accretions. In addition, upon completion of a successful well, where river title is disputed, the lessee will file an interpleader action under Rule 22, M.R.Civ.P. in the Montana District Court, or other court having jurisdiction, in which the leased lands are located for all acreage within the lease in which the title is disputed. The lessee shall name all potential royalty claimants as defendants.

- 13 If the lessee completes a successful oil and/or gas well, and if land title is disputed, the lessee shall fund professional land surveys as needed to determine the location and acreage encompassed by the spacing and/or pooling unit and the state lease acreage within that unit. Surveys shall be conducted by a licensed land surveyor acceptable to the Department, and shall be prepared pursuant to survey requirements provided by the Department.
- 14 Due to existing surface uses (such as center pivots, wheel lines, etc.) development on this tract may be restricted.
- 15 No surface occupancy shall be allowed on this tract unless otherwise approved in writing by the Director of Montana Department of Transportation.
- 16 This lease includes areas that may be environmentally sensitive. Therefore, if the lessee intends to conduct any activities on the lease premises, the lessee shall submit to TLMD one copy of an Operating Plan or Amendment to an existing Operating Plan, describing in detail the proposed activities. No activities shall occur on the tract until the Operating Plan or Amendments have been approved in writing by the Director of the Department. TLMD shall review the Operating Plan or Amendment and notify the lessee if the Plan or Amendment is approved or disapproved.

After an opportunity for an informal hearing with the lessee, surface activity may be denied or restricted on all or portions of any tract if the Director determines in writing that the proposed surface activity will be detrimental to trust resources and therefore not in the best interests of the trust.

- 17 This tract is located within the Kevin-Sunburst oil and gas field area and is adjacent to a portion of the Kevin Rim ACEC. The Department will solicit input from the Montana Department of Fish, Wildlife and Parks for any new well proposals.
- 18 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.

**State of Montana**  
**Oil & Gas Lease Sale - June 5, 2018**  
**Applicant List**

Tract	Twp	Rng	Sec	Description	Acres	Applicant
<b>Blaine</b>						
1	34.N	21.E	16	W2, N2NE4, SE4NE4, SW4SE4	480.00	LONEWOLF EXPLORATION & PRODUCTION COMPANY
<b>Dawson</b>						
2	15.N	55.E	32	Yellowstone Riverbed and related acreage	132.00	ENERGY LAND SERVICES, LLC
3	17.N	53.E	36	All	640.00	ENERGY LAND SERVICES, LLC
<b>Richland</b>						
4	25.N	57.E	29	SE4NE4, NE4SE4	80.00	CODY EXPLORATION LLC
5	26.N	57.E	7	Lot 3	35.11	CODY EXPLORATION LLC
6	26.N	57.E	18	Lots 2, 3, SE4NW4, S2NE4, N2SE4, NE4SW4	310.50	CODY EXPLORATION LLC
7	27.N	55.E	1	Lots 1, 2, Missouri Riverbed and related acreage	223.00	CODY EXPLORATION LLC
8	27.N	55.E	16	Lots 1, 2, 3, 4, S2N2, S2	640.16	CODY EXPLORATION LLC
9	27.N	55.E	17	E2NW4, SW4NW4, SW4	280.00	CODY EXPLORATION LLC
10	27.N	55.E	20	NE4NW4	40.00	CODY EXPLORATION LLC
11	27.N	55.E	31	Lots 1, 2, 3, 4	147.16	CODY EXPLORATION LLC
12	27.N	55.E	36	All	640.00	CODY EXPLORATION LLC
13	27.N	56.E	2	Missouri Riverbed and related acreage	44.00	CODY EXPLORATION LLC
14	27.N	56.E	3	Lots 2, 7, Missouri Riverbed and related acreage	179.76	CODY EXPLORATION LLC
15	27.N	56.E	9	SE4SE4, Missouri Riverbed and related acreage	58.00	CODY EXPLORATION LLC
16	27.N	56.E	10	SE4SW4	40.00	CODY EXPLORATION LLC
17	27.N	56.E	11	Missouri Riverbed and related acreage	186.00	CODY EXPLORATION LLC
18	27.N	56.E	14	Missouri Riverbed and related acreage	74.00	CODY EXPLORATION LLC
19	27.N	56.E	15	SW4SE4, S2SW4	120.00	CODY EXPLORATION LLC
20	27.N	56.E	16	All	640.00	CODY EXPLORATION LLC
21	27.N	56.E	21	All	640.00	CODY EXPLORATION LLC
22	27.N	56.E	22	NW4NW4, SE4NW4, NW4NE4, SE4NE4	160.00	CODY EXPLORATION LLC
23	27.N	56.E	23	Lots 1, 2, S2NW4, NE4, S2	638.65	CODY EXPLORATION LLC
24	27.N	56.E	24	Lots 2, 3, E2NW4, SW4NE4, W2SE4, Missouri Riverbed and related acreage	278.46	CODY EXPLORATION LLC
25	27.N	56.E	25	W2NE4	80.00	CODY EXPLORATION LLC
26	27.N	56.E	35	N2SE4, NE4SW4	120.00	CODY EXPLORATION LLC
27	27.N	56.E	36	All	640.00	CODY EXPLORATION LLC
<b>Roosevelt</b>						
28	28.N	55.E	16	All	640.00	CODY EXPLORATION LLC
29	28.N	55.E	36	NW4, W2NE4, S2	560.00	CODY EXPLORATION LLC
30	28.N	56.E	26	Highway Tract in N2SE4	6.49	CODY EXPLORATION LLC
31	29.N	56.E	11	W2	320.00	CODY EXPLORATION LLC
32	29.N	56.E	16	All	640.00	CODY EXPLORATION LLC
33	29.N	56.E	17	N2SW4	80.00	CODY EXPLORATION LLC
34	29.N	56.E	19	SE4NW4	40.00	CODY EXPLORATION LLC
35	29.N	56.E	27	NE4, N2SE4	240.00	CODY EXPLORATION LLC
<b>Sheridan</b>						
36	31.N	57.E	16	All	640.00	CODY EXPLORATION LLC
37	31.N	58.E	36	All	640.00	CODY EXPLORATION LLC
38	32.N	58.E	16	All	640.00	CODY EXPLORATION LLC
39	32.N	59.E	16	Lots 1, 2, 3, 4, W2	485.88	CODY EXPLORATION LLC
40	33.N	58.E	36	Lots 3, 4, 5, 6, 11, 12, 13, 14, W2	640.00	CODY EXPLORATION LLC
41	34.N	58.E	16	NW4, NW4NE4, S2NE4, S2	600.00	CODY EXPLORATION LLC
42	35.N	58.E	21	SE4	160.00	CODY EXPLORATION LLC
43	35.N	58.E	28	NE4	160.00	CODY EXPLORATION LLC
44	36.N	55.E	16	All	640.00	EMPIRE OIL COMPANY
45	36.N	56.E	16	All	640.00	EMPIRE OIL COMPANY
46	37.N	55.E	36	All	640.00	EMPIRE OIL COMPANY
<b>Toole</b>						
47	33.N	2.W	15	E2, below the base of the Swift formation	320.00	SOG RESOURCES

<b>Tract</b>	<b>Twp</b>	<b>Rng</b>	<b>Sec</b>	<b>Description</b>	<b>Acres</b>	<b>Applicant</b>
48	34.N	2.W	21	SE4NW4, NW4NE4, N2S2, SE4SE4, SW4SW4, below the base of the Rierdon formation	320.00	SOG RESOURCES
49	34.N	2.W	28	NW4NW4, S2NW4, E2NE4, N2SE4, NE4SW4, below the base of the Rierdon formation	320.00	SOG RESOURCES
50	36.N	3.W	17	NE4NW4, N2NE4, below the base of the Bow Island formation	120.00	FARLEIGH OIL PROPERTIES

## DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

P.O. Box 201601

Helena, Montana 59620-1601

The following is a list of oil and gas leases, which expired or terminated in March 2018.

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
<b>Daniels</b>					
	34 N	46 E	6	Lots 1 thru 7, SE4NW4, S2NE4, SE4, E2SW4	629.97
	34 N	46 E	7	Lots 1, 2, E2NW4, NE4	314.71
	34 N	47 E	6	Lots 1 thru 7, SE4NW4, S2NE4, E2SE4	487.96
	34 N	47 E	11	NW4, SE4, N2SW4	400.00
	34 N	47 E	13	N2NW4, SW4NW4, E2	440.00
	34 N	47 E	14	S2NW4, SW4NE4, NW4SE4, N2SW4	240.00
	35 N	47 E	1	Lot 4, S2NW4, SW4NE4, S2	480.93
	35 N	47 E	2	Lots 1, 2, S2NE4, SE4	322.12
	35 N	47 E	11	NW4	160.00
	35 N	47 E	12	N2, SE4, N2SW4	560.00
	35 N	47 E	32	SW4	160.00
	35 N	47 E	33	W2	320.00
	36 N	46 E	31	Lots 1, 2, 3, 4, E2W2, NE4, N2SE4	541.28
	36 N	46 E	32	S2	320.00
	36 N	47 E	1	Lots 1, 2, 3, SE4NW4, S2NE4, N2SE4, SE4SE4	348.27
	36 N	47 E	2	Lot 4, S2NW4, NW4SE4, S2SE4, SW4	398.23
	36 N	47 E	3	Lots 1, 3, 4, SW4NW4, SE4NE4, E2SE4, NW4SW4	315.86
	36 N	47 E	6	Lots 3, 4, 5, 6, 7, SE4NW4, SE4, E2SW4	482.17
	36 N	47 E	7	Lots 1, 2, 3, 4, E2NW4, NE4, E2SE4	480.84
	36 N	47 E	10	N2, N2S2	480.00
	36 N	47 E	11	W2, W2NE4, NW4SE4	440.00
	36 N	47 E	12	E2NE4, SE4	240.00
	36 N	47 E	13	SW4NW4, E2NE4, N2S2, SE4SE4	320.00
	36 N	47 E	23	NW4NW4, S2NW4, N2SW4	200.00
	36 N	47 E	24	SW4NW4, SW4	200.00
	36 N	47 E	25	N2NW4, S2SW4	160.00
	36 N	47 E	36	N2, N2S2	480.00
	36 N	51 E	16	S2	320.00
	37 N	48 E	36	N2NE4, SW4	240.00
<b>Dawson</b>					
	15 N	56 E	36	All	640.00
	15 N	57 E	36	All	640.00
	19 N	53 E	36	All	640.00
<b>Fallon</b>					
	10 N	60 E	20	NE4	160.00
<b>Gallatin</b>					
	3 N	7 E	36	All	640.00

COUNTY	TWP	RNG	SEC	DESCRIPTION	ACRES
<b>Glacier</b>	36 N	5 W	34	NW4, N2SW4	240.00
<b>Park</b>	3 N	8 E	22	W2NW4, NW4SW4, W3E2NW4, W3NE4SW4	160.00
<b>Sheridan</b>	35 N	56 E	36	All	640.00
<b>Sweet Grass</b>	2 S	16 E	16	N2, SE4, SE4SW4	520.00
<b>Toole</b>	35 N	4 W	11	SE4	160.00
	35 N	4 W	12	NE4, S2	480.00
	35 N	4 W	13	W2	320.00
	36 N	4 W	36	All	640.00
<b>Wheatland</b>	6 N	15 E	36	All	640.00

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

0618-2

Trust Land Management Division



STEVE BULLOCK, GOVERNOR

1539 ELEVENTH AVENUE

DIRECTOR'S OFFICE (406) 444-2074  
TELEFAX NUMBER (406) 444-2684

PO BOX 201601  
HELENA, MONTANA 59620-1601

TO ALL INTERESTED PARTIES:

RE: September 5, 2018 Oil and Gas Lease Sale

In order to give as much advance notice as possible, please be advised that the date of the September 2018 Oil and Gas Lease Sale has been set for **WEDNESDAY, SEPTEMBER 5, 2018**, at 9:00 a.m. in the Montana Room of the Department of Natural Resources and Conservation building at 1539 Eleventh Avenue, Helena, Montana, across from the Capitol Hill Mall. Please call the Department of Natural Resources and Conservation for detailed directions, if necessary.

The deadline filing date for submitting applications on tracts to be nominated for the sale in September is 5:00pm on **June 19, 2018**. Applications must be received in this office by that date. If you have any questions, please contact me at [jmason2@mt.gov](mailto:jmason2@mt.gov) or (406) 444-4576.

Julie Mason, Supervisor  
Mineral Leasing Section  
Minerals Management Bureau

# 0618-3

Cabin and Home Sites:

Set Minimum Bid for Sale

**Land Board Agenda Item  
June 18, 2018**

**0618-3 Cabin and Home Sites: Set Minimum Bid for Sale**

**Location:** Sanders County  
**Trust Benefits:** Common Schools  
**Trust Revenue:** \$24,800

**Item Summary**

The Department of Natural Resources and Conservation (DNRC) requests to set the minimum bid for the sale of a cabin site in Sanders County. The sale was nominated by the lessee and DNRC in conjunction with the Cabin/Home Site Sale Program.

<b>Sale Number</b>	<b># of Acres</b>	<b>Legal</b>	<b>Nominator</b>	<b>Trust</b>
876	0.99 ±	Lot in SW4SW4 T23N-R26W, Sec. 6 Sanders County	Darvin Struck	Common Schools

This sale parcel is currently leased as a cabin site and produces an average income for residential leases statewide.

The parcel will be sold with the access that is currently provided to the current lessee under their lease agreement.

**Economic Analysis**

Short term – The average rate of return for the sale parcel is as follows:

<b>Sale #</b>	<b>Rate of Return</b>
876	2.388%

Long term – The funds from the sale of this parcel would be combined with other sale funds to purchase replacement lands through DNRC's Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 2.78% on acquisitions with income generated from annual lease payments.

**Cultural/Paleontological Resources**

A Class I level of cultural resource inventory was conducted for the proposed sale. Home sites typically contain numerous structures and the ground surfaces within most home sites have been variously disturbed over the course of many years of occupation and development. This sale will have no effect to state owned heritage properties.

**Appraised Value**

The land value for this sale parcel was set after a hearing on the originally-appraised value of the land which took place in March 2018. The hearing was requested by the sale proponent within the time frame allotted by the Cabin/Home Site Sale Program process. The appraised improvements value was not affected by the hearing.

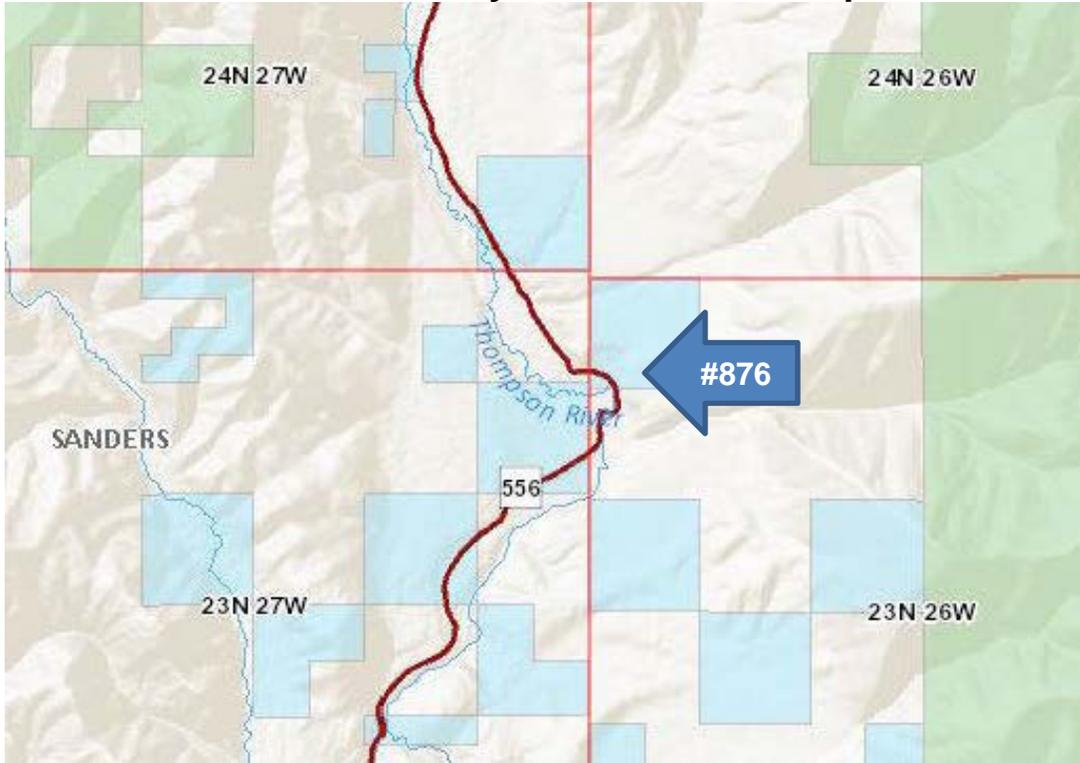
At the hearing, the sale proponent provided a secondary appraisal by a Montana General Certified Appraiser and evidence of significant seasonal flooding. The hearing examiner requested that the original appraiser reevaluate the land value based on this evidence, which resulted in an amended appraised land value of \$24,800. The hearing examiner recommends the following values:

<b>Sale #</b>	<b>Original Appraised Value of the Land</b>	<b>Value of the Land Determined by the Valuation Hearing</b>	<b>Appraised Value of Improvements</b>
876	\$40,000	\$24,800	\$91,000

**DNRC Recommendation**

The director recommends that the Land Board set the minimum bid for this sale parcel at the value of the land determined by the valuation hearing and the maximum value of compensation for the improvements as shown above.

### Sanders County Sales Location Map



### Sale Number 876 Lot in SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, T23N-R26W Sec. 6



# 0618-4

Easements

**Land Board Agenda Item  
June 18, 2018**

**0618-4 Easements**

**Location:** Beaverhead, Daniels, Madison, Phillips, Roosevelt, Toole, Valley

**Trust Benefits:** Common Schools, MSU-Eastern/UM-Western, MSU Morrill,  
Public Buildings, Public Land Trust

**Trust Revenue:** Common Schools = \$ 78,855  
MSU/UM = \$ 6,288  
MSU Morrill = \$ 372  
Public Buildings = \$ 1,988  
Public Land Trust = \$ 482

**Item Table of Contents**

<b>Applicant</b>	<b>Right-of-Way Purpose</b>	<b>Term</b>	<b>Page(s)</b>
3 Rivers Telephone Cooperative	Buried Fiber Optic Cable	Permanent	1-16
NorVal Electric Cooperative	Buried Electric Distrib. Line	Permanent	17-18
North Central Regional Water Authority	Buried 12" Water Line	Permanent	19-20
Southern Montana Telephone Company	Buried Telecommunications Line	Permanent	21-23
OneOk Rockies Midstream LLC	Buried 8" Natural Gas Pipeline	30-year	24-27
Northwestern Energy	Historic Overhead Electric Lines	Permanent	28-44

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	3 Rivers Telephone Coop. Inc. P O Box 429 Fairfield, MT 59436
Application No.:	18220
R/W Purpose:	a buried fiber optic communications cable
Lessee Agreement:	ok
Acreage:	1.04
Compensation:	\$830.00
Legal Description:	20-foot strip through W2NW4, NE4NW4, Sec. 36, Twp. 5S, Rge. 3W, Madison County
Trust Beneficiary:	Common Schools

Item Summary

3 Rivers Telephone Cooperative is proposing to upgrade existing infrastructure in the Twin Bridges service exchange area. The existing facilities are aging copper cables that have reached their useful life limit which prevents 3 Rivers from fulfilling new service requests, including digital services. The upgraded fiber optic cables will provide high speed data and broadband services to the rural Twin Bridges area. Overall, the project comprises approximately 41 miles of new fiber optic cable in Madison County and 9 crossings of State Trust Land.

DNRC Recommendation

The director recommends approval of the 3 Rivers Telephone fiber optic project.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18221  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 0.72  
Compensation: \$506.00  
Legal Description: 20-foot strip through Gov. Lots 1 & 2, Sec. 31, Twp. 3S, Rge. 6W,  
Madison County  
Trust Beneficiary: MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18222  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 3.28  
Compensation: \$2,296.00  
Legal Description: 20-foot strip through SW4SW4, E2E2, Sec. 30, Twp. 3S, Rge 6W,  
Madison County  
Trust Beneficiary: MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18223  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 1.08  
Compensation: \$756.00  
Legal Description: 20-foot strip through NW4NW4, SW4SW4, Sec. 29, Twp. 3S,  
Rge. 6W, Madison County  
Trust Beneficiary: MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18224  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 1.90  
Compensation: \$1,330.00  
Legal Description: 20-foot strip through N2SE4, NE4SW4, Sec. 26, Twp. 3S,  
Rge. 6W, Madison County  
Trust Beneficiary: MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18225  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 1.31  
Compensation: \$917.00  
Legal Description: 20-foot strip through S2SE4, NE4SE4, Sec. 24, Twp. 3S, Rge.  
6W,  
Trust Beneficiary: Madison County  
MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18226  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 0.69  
Compensation: \$483.00  
Legal Description: 20-foot strip through Gov. Lot 4, Sec. 19, Twp. 3S, Rge. 6W,  
Madison County  
Trust Beneficiary: MSU-Eastern/UM-Western

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18227  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 0.42  
Compensation: \$294.00  
Legal Description: 20-foot strip through NW4NW4, Sec. 16, Twp. 3S, Rge. 5W,  
Madison County  
Trust Beneficiary: Common Schools

Item Summary

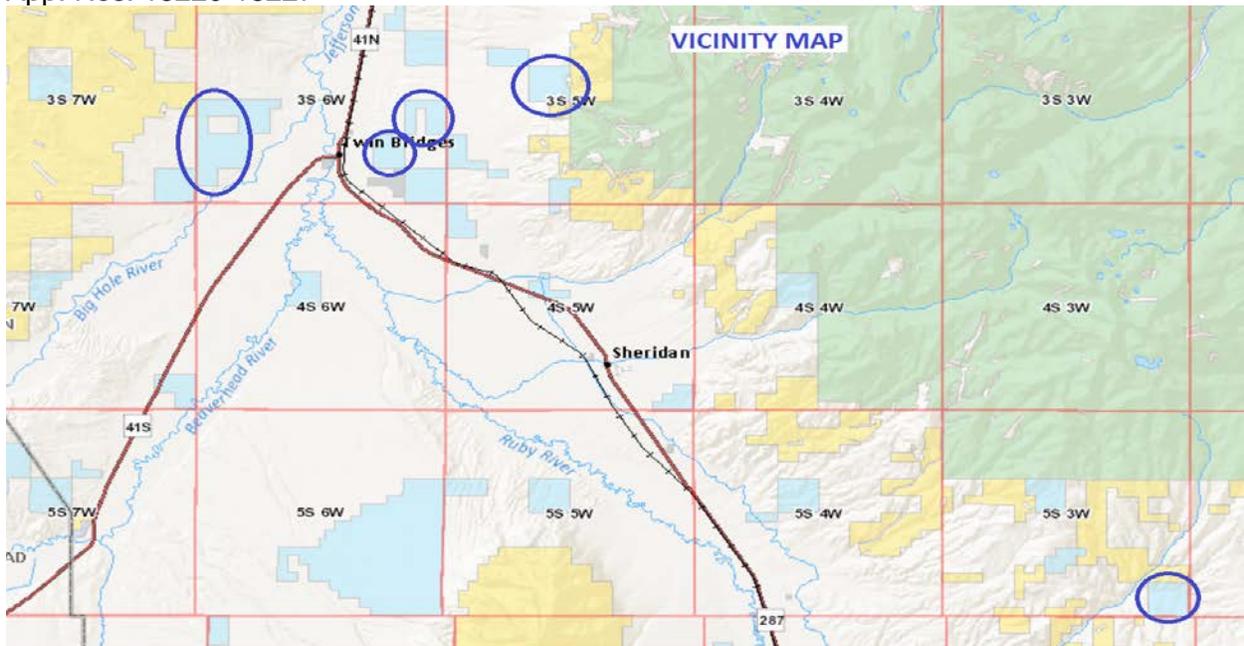
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DNRC Recommendation

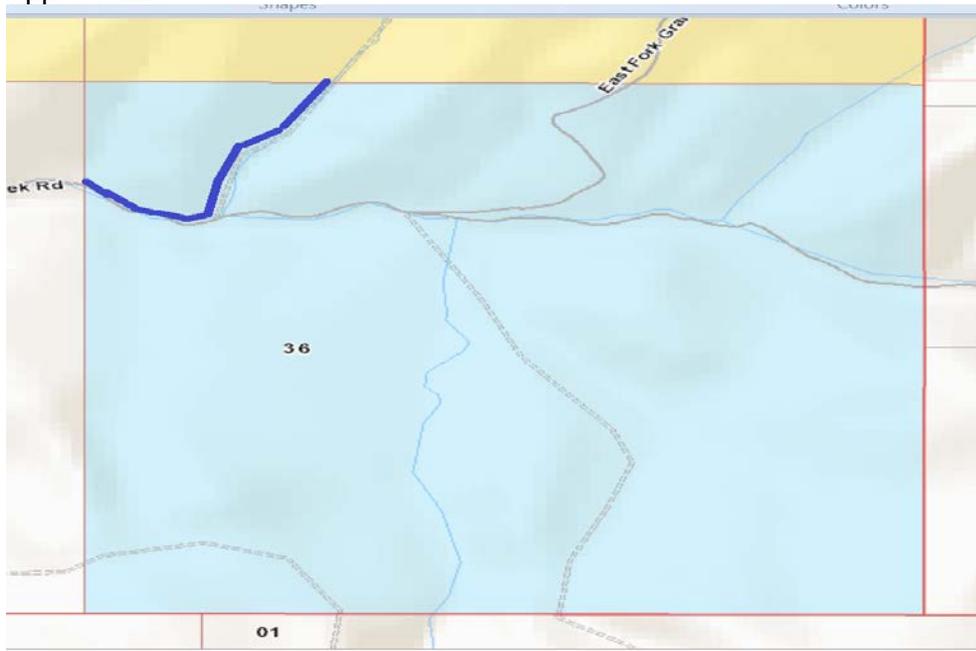
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App. Nos. 18220-18227



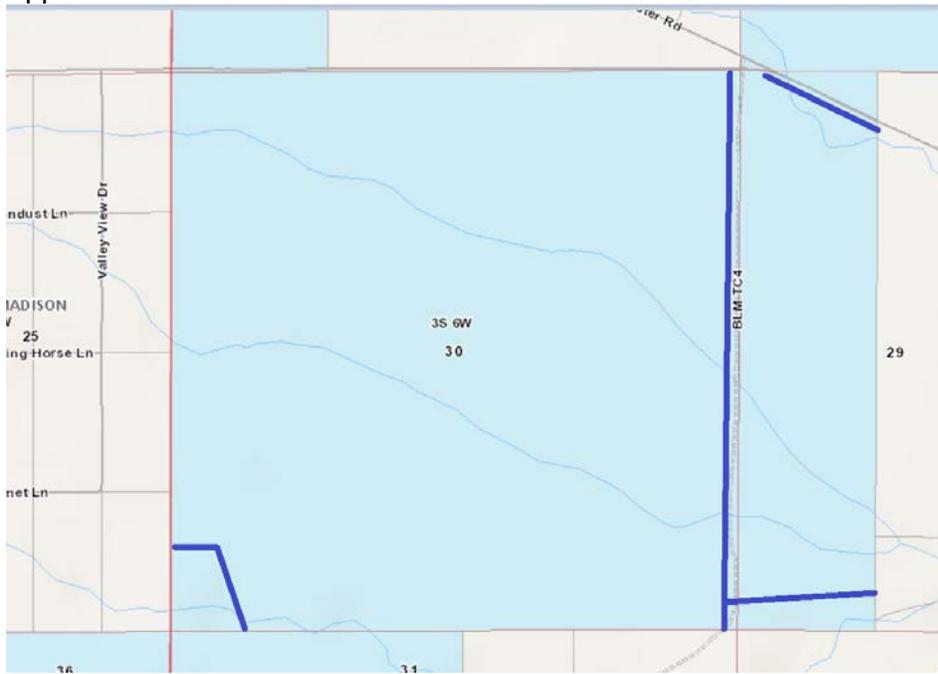
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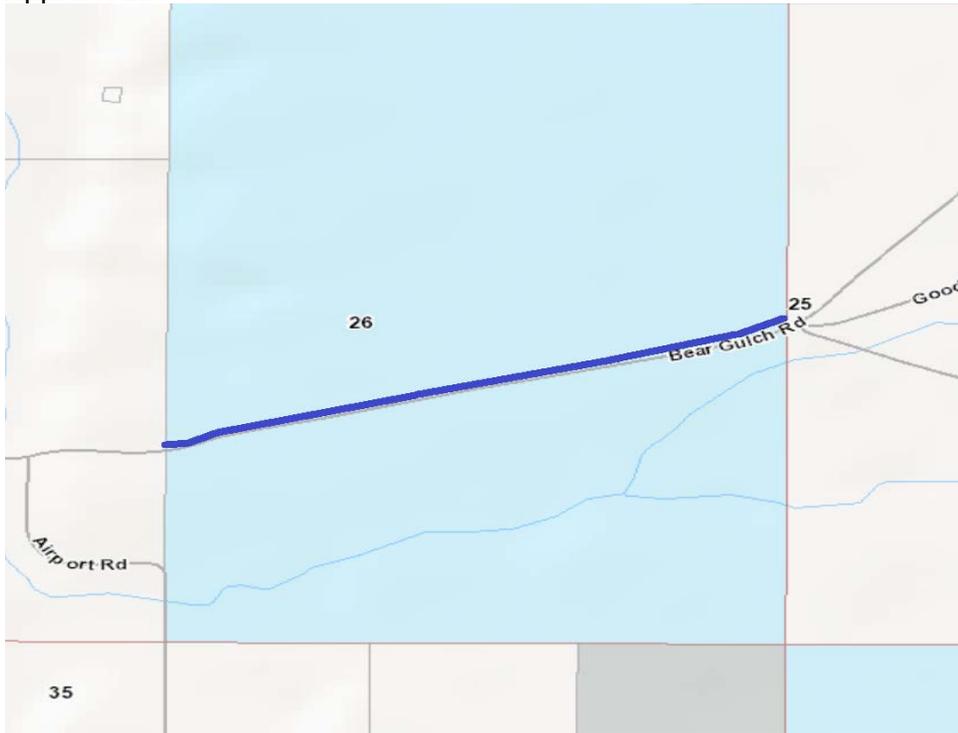
App. #18221



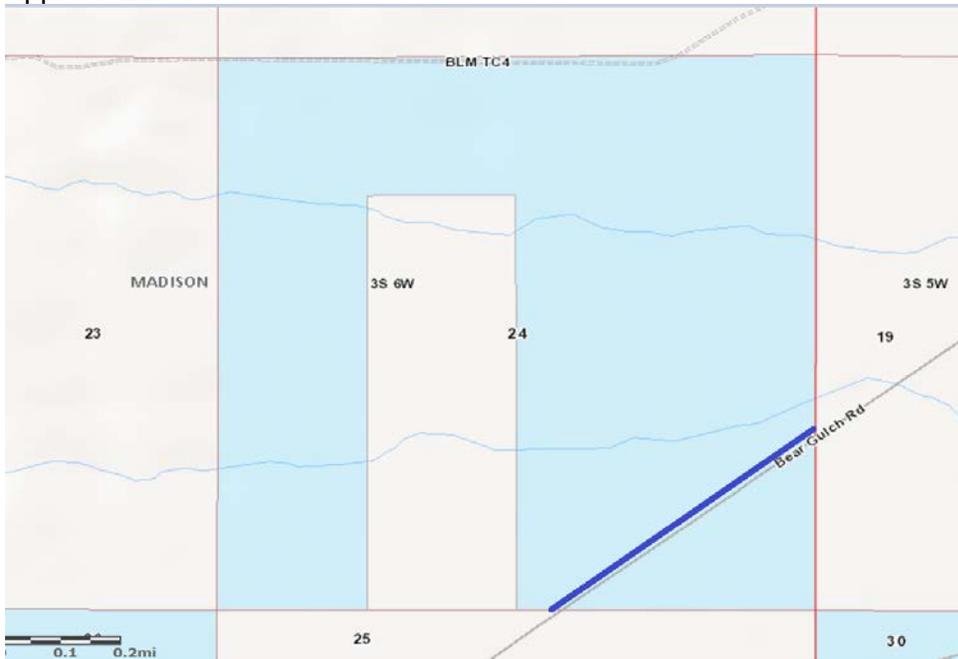
App. #18222 & 18223



App. #18224



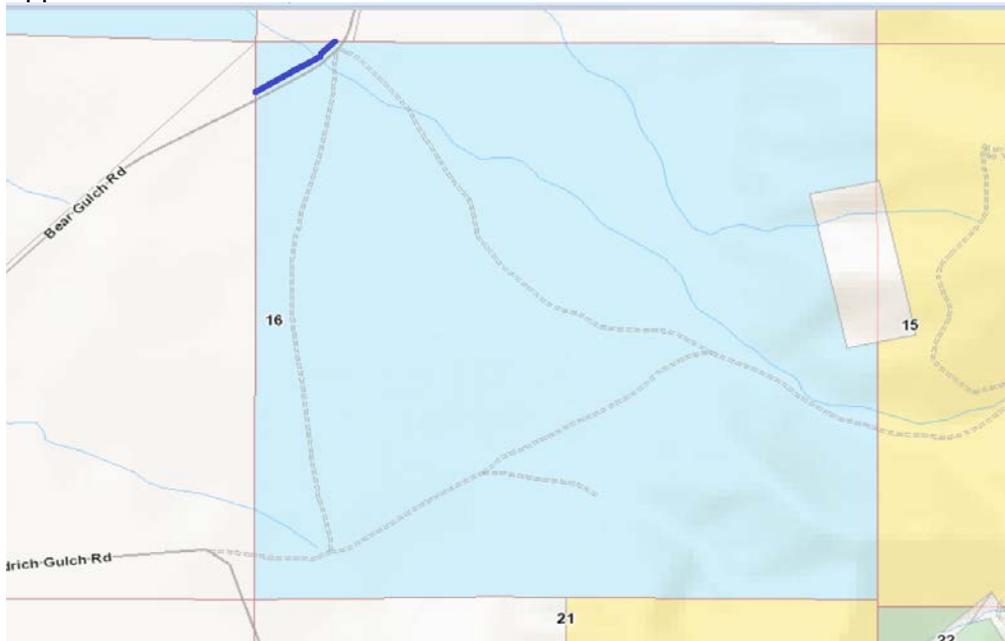
App. #18225



App. #18226



App. #18227



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18228  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 0.21  
Compensation: \$482.00  
Legal Description: 20-foot strip across the Jefferson River in SE4SW4, Sec. 23,  
Twp. 2S, Rge. 6W, Madison County  
Trust Beneficiary: Public Land Trust

Item Summary

See page 1 for summary.

DNRC Recommendation

See page 1 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Telephone Coop. Inc.  
P O Box 429  
Fairfield, MT 59436

Application No.: 18229  
R/W Purpose: a buried fiber optic communications cable  
Lessee Agreement: ok  
Acreage: 0.60  
Compensation: \$423.00  
Legal Description: 20-foot strip through NE4SE4, SE4NE4, Sec. 36, Twp. 3S,  
Rge. 7W, Madison County  
Trust Beneficiary: Common Schools

Item Summary

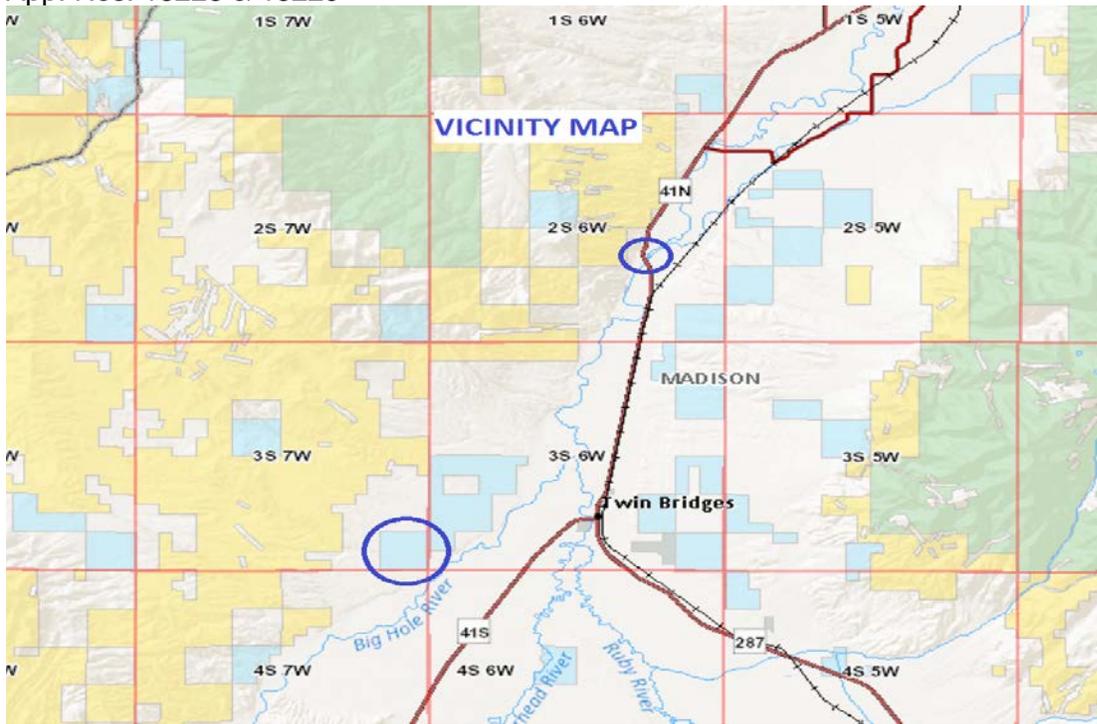
See page 1 for summary.

DNRC Recommendation

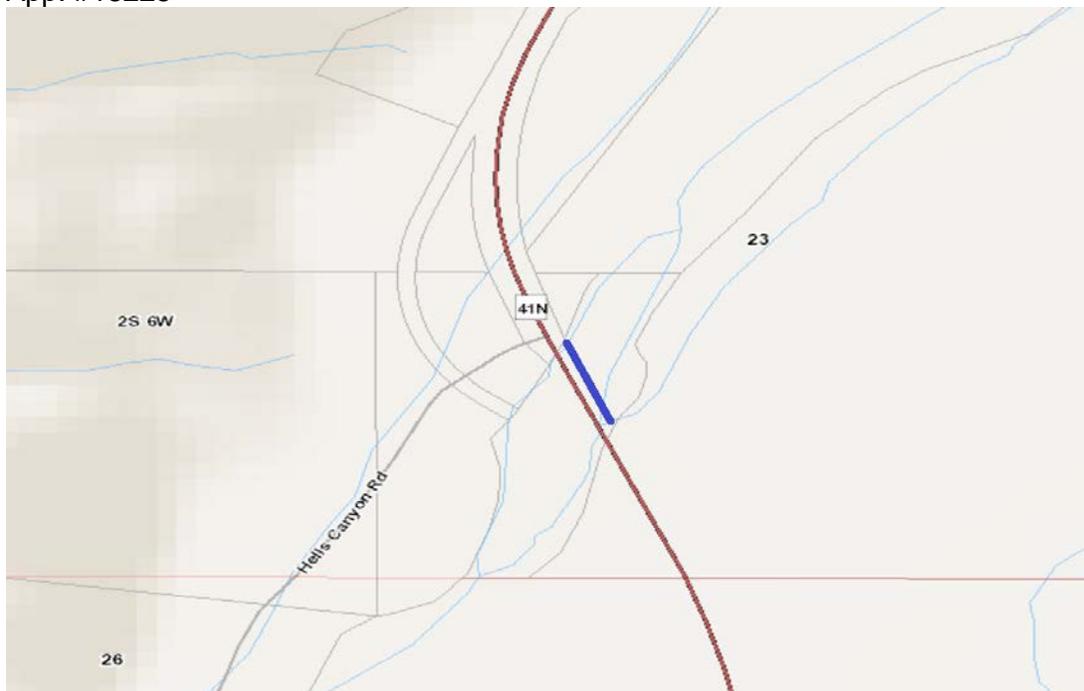
See page 1 for recommendation.

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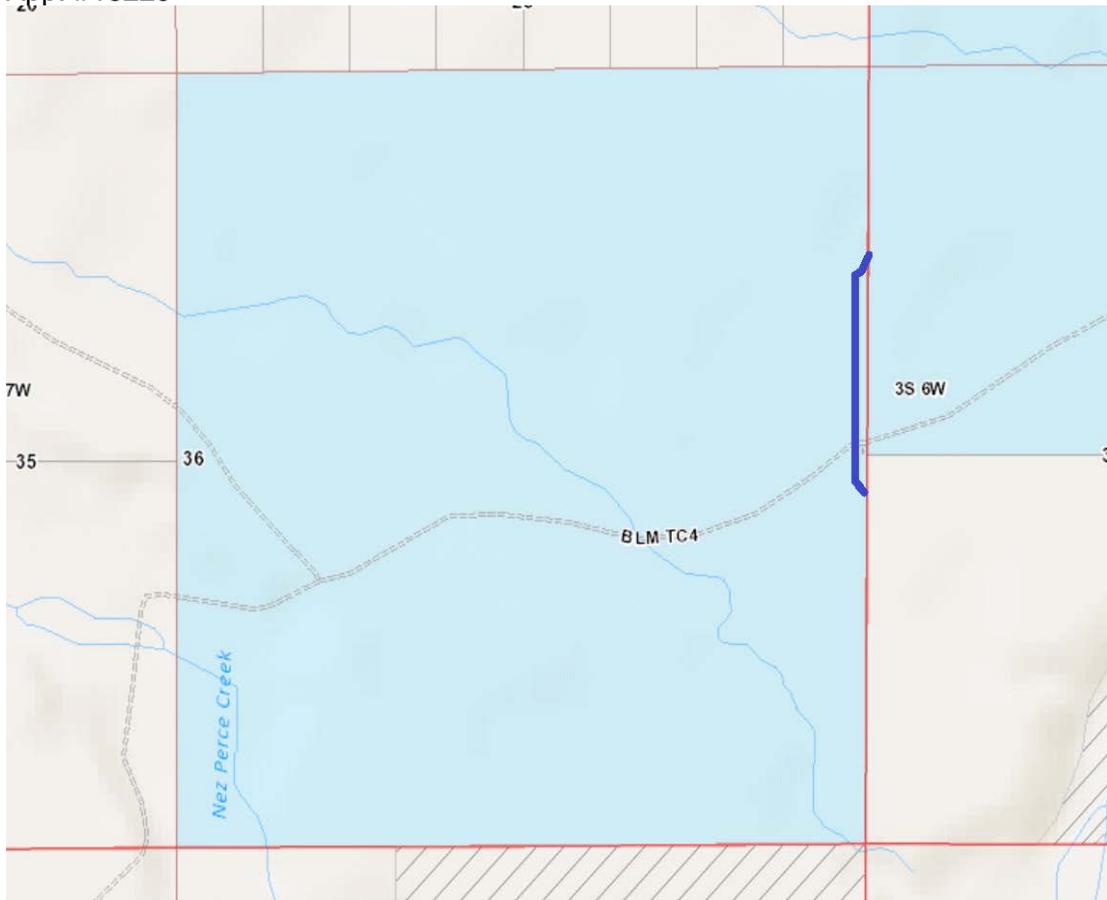
App. Nos. 18228 & 18229



App. #18228



App. #18229



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	NorVal Electric Cooperative, Inc. P O Box 951 Glasgow, MT 59230
Application No.:	18230
R/W Purpose:	a buried electric distribution line
Lessee Agreement:	ok
Acreage:	1.95
Compensation:	\$1,170.00
Legal Description:	20-foot strip through W2W2, Sec. 17, Twp. 36N, Rge. 47E, Daniels County
Trust Beneficiary:	Common Schools

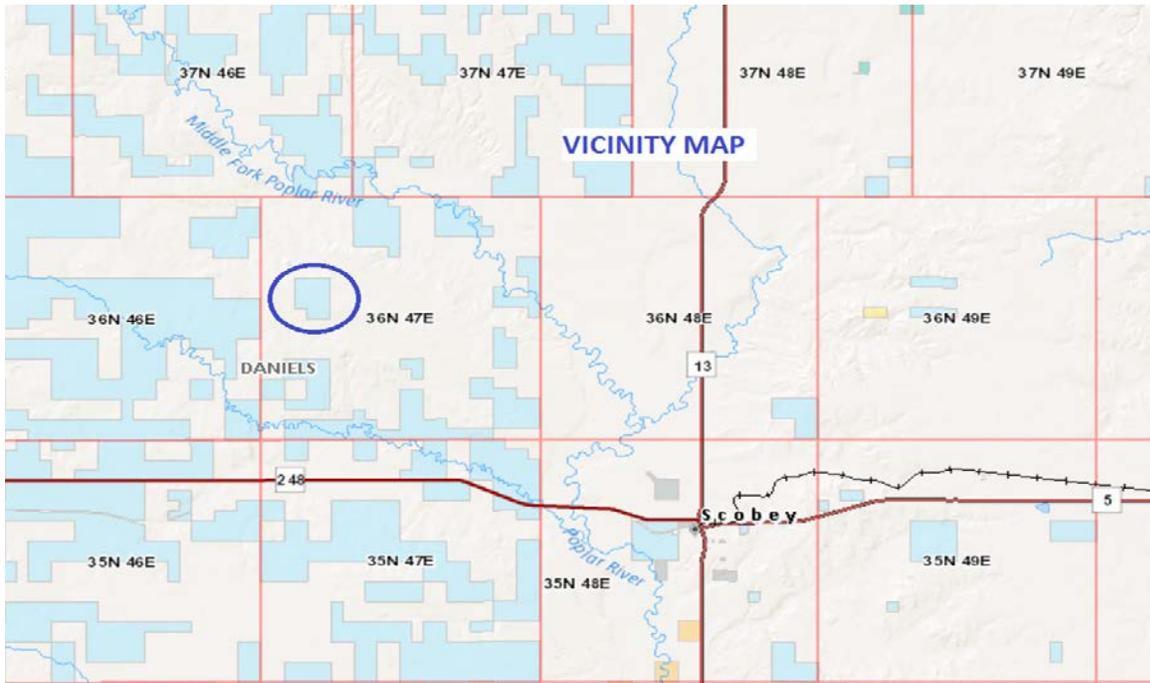
Item Summary

NorVal Electric Cooperative has requested an easement for the purpose of providing electrical service to a new cellular tower owned by Nemont Telephone Cooperative. The electric line will share the right of way corridor with the Nemont buried fiber optics cable that was recently approved by the Land Board. Both facilities will be laid at the same time and knifed in by specialized equipment that creates an approximate 1-foot trench so as to minimize impacts.

DNRC Recommendation

The director recommends approval of the NorVal Electric request.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	North Central Montana Regional Water Authority %KLJ 2969 Airport Road, Suite 1B Helena, MT 59601
Application No.:	18231
R/W Purpose:	a buried 12" water line
Lessee Agreement:	ok
Acreage:	6.08
Compensation:	\$6,080.00
Legal Description:	50-foot strip through E2E2, Sec. 15, Twp. 33N, Rge. 2W, Toole County
Trust Beneficiary:	Common Schools

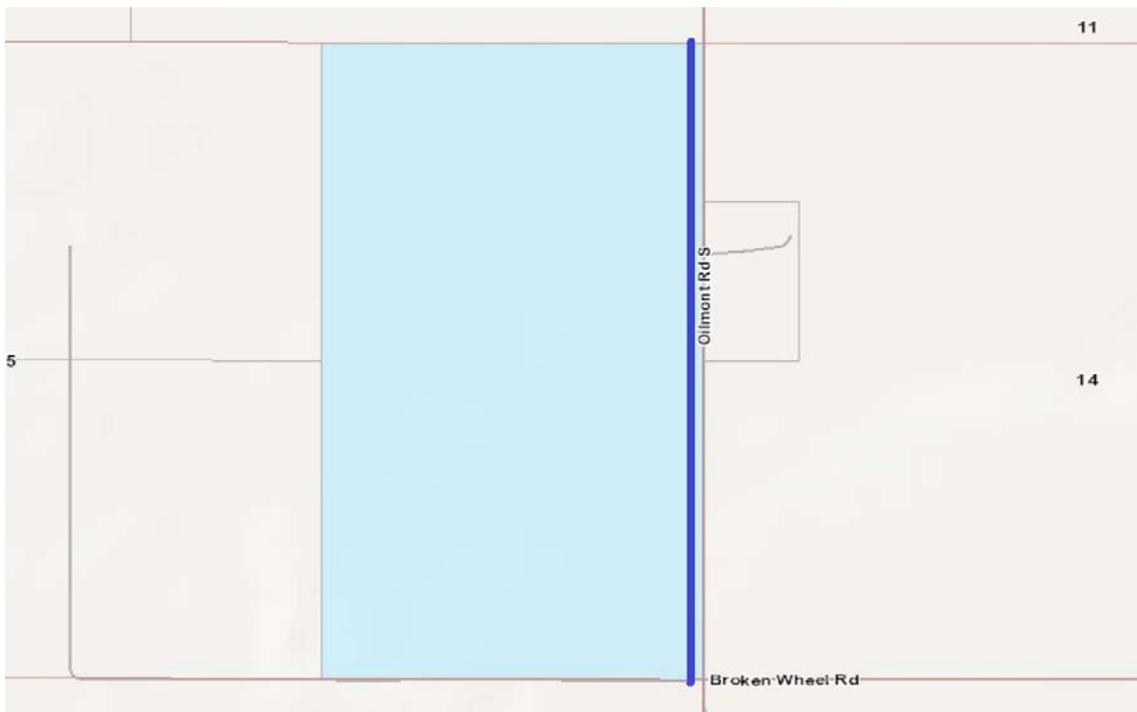
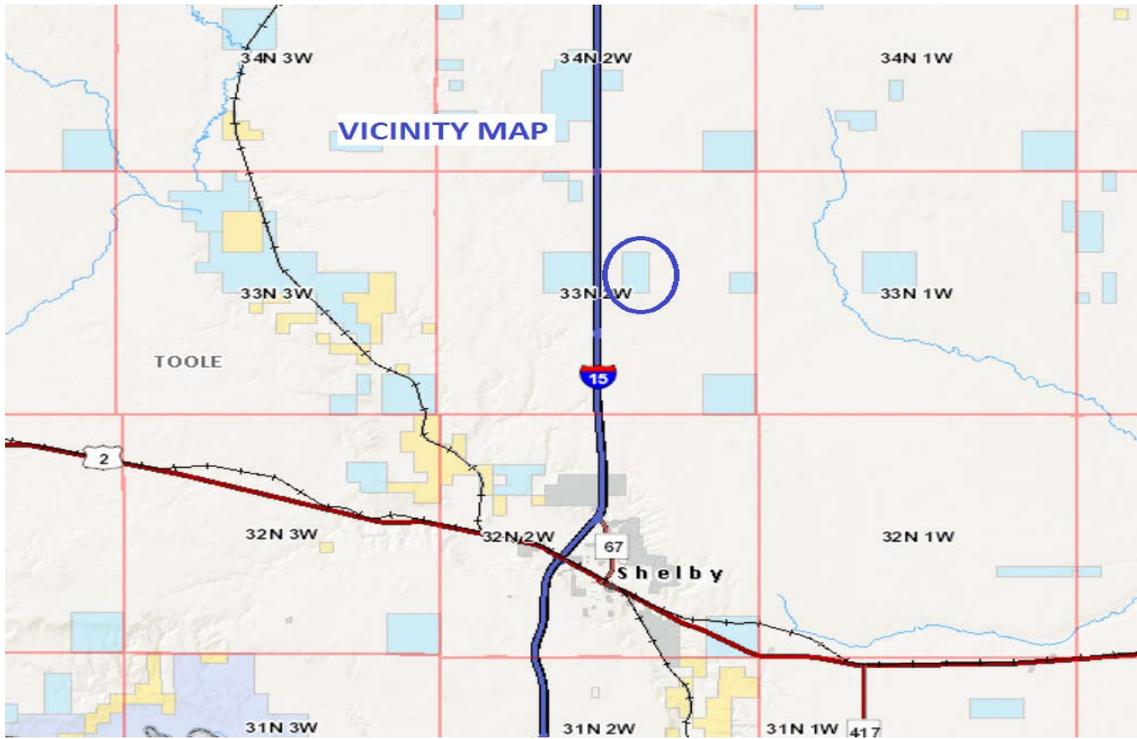
Item Summary

North Central Montana Regional Water Authority is requesting approval to construct a 12" drinking water pipeline across State Trust land. This project is part of the regional water project to bring potable water to the region, including the Rocky Boy's Reservation. This particular line is part of the Shelby to Sweetgrass segment. The Executive Committee of the Water Authority adopted a value of \$1,000/acre for this project to ensure equitable payment to landowners. This valuation is greater than the Department's valuation study.

DNRC Recommendation

The director recommends approval of the Water Authority easement request.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Southern Montana Telephone Company P O Box 205 Wisdom, MT 59761
Application No.:	18232
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	ok
Acreage:	0.80
Compensation:	\$642.00
Legal Description:	20-foot strip through NE4SE4, SE4NE4, Sec. 22, Twp. 4S, Rge. 16W, Beaverhead County
Trust Beneficiary:	Public Buildings

Item Summary

Southern Montana Telephone is proposing to upgrade their current facilities in the Wisdom Exchange service area. This improvement will provide state of the art telecommunications toll and distribution facilities and well as provide for future growth capabilities. The route was determined to be the most direct route between the terminus locations and is located adjacent to an existing two-track road. Minimal impacts are expected from the installation of this cable.

DNRC Recommendation

The director recommends approval of Southern Montana Telephone cable installation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Southern Montana Telephone Company  
P O Box 205  
Wisdom, MT 59761

Application No.: 18233  
R/W Purpose: a buried telecommunications cable  
Lessee Agreement: ok  
Acreage: 1.68  
Compensation: \$1,346.00  
Legal Description: 20-foot strip through W2SW4, Sec. 23, Twp. 4S, Rge. 16W,  
Beaverhead County  
Trust Beneficiary: Public Buildings

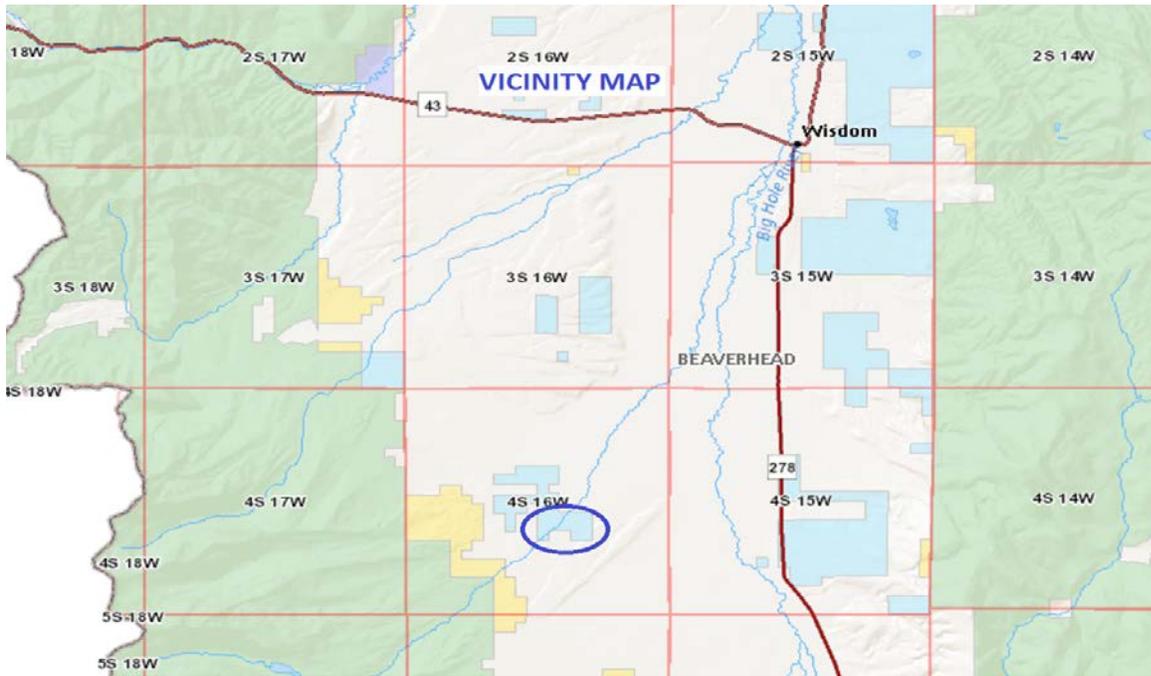
Item Summary

See page 21 for summary.

DNRC Recommendation

See page 21 for recommendation.

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App. Nos. 18232 & 18233



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	OneOk Rockies Midstream, LLC 896 25th Street SE Sidney, MT 59270
Application No.:	18234
R/W Purpose:	a buried 8" natural gas pipeline
Lessee Agreement:	ok
Acreage:	2.67
Compensation:	\$35,258.00
Legal Description:	30-foot strip through SE4NE4, E2SE4, Sec. 36, Twp. 29N, Rge. 58E, Roosevelt County
Trust Beneficiary:	Common Schools

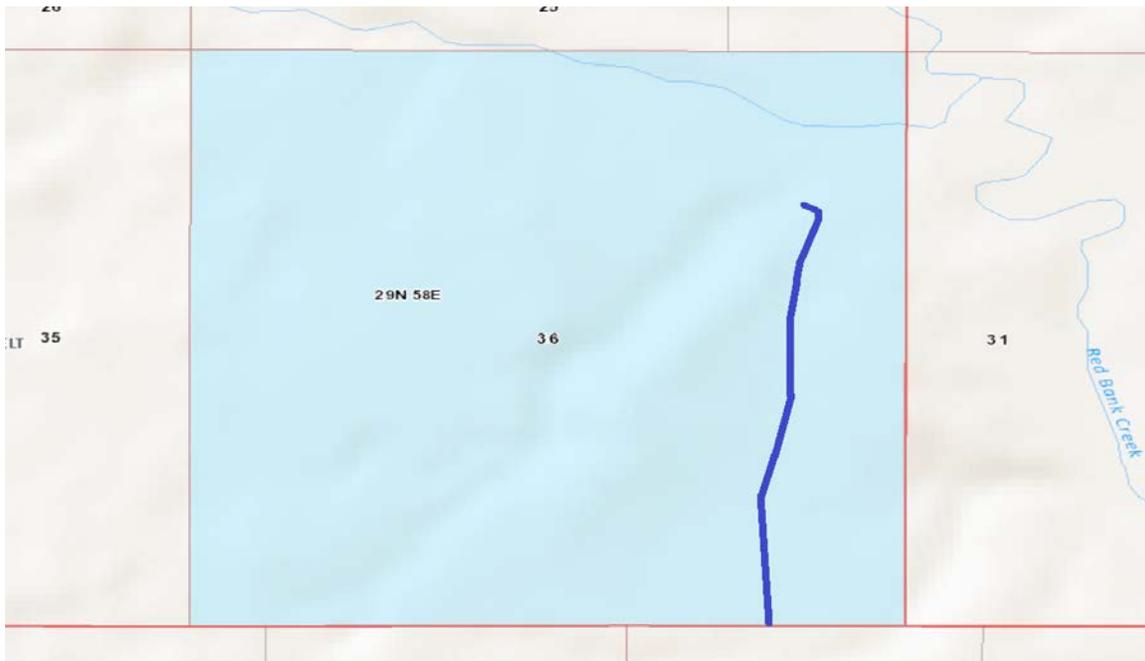
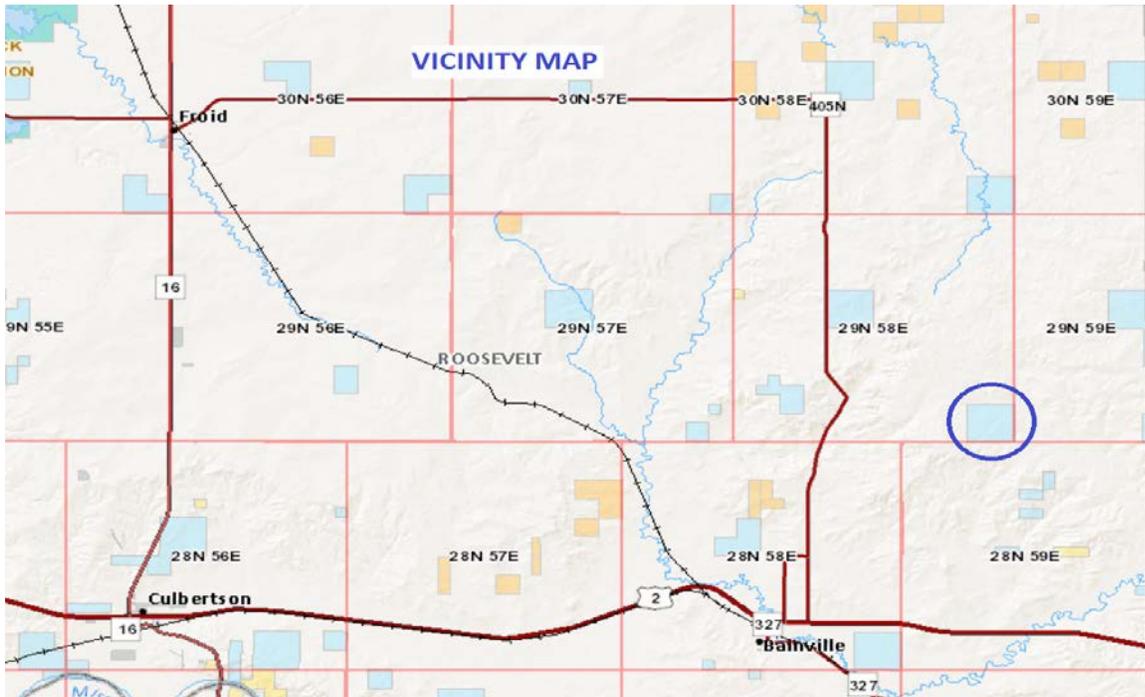
Item Summary

OneOk Rockies Midstream is proposing to construct a new 8" natural gas pipeline for the purpose of collecting the gas from the Star Coulee South Multiwell Pad located on State land. Due to the location of the pad on State, there is no other option for construction the pipeline to connect to other infrastructure in the area. OneOk has offered the State \$150 per rod for the easement which is considerably higher than the Department's standard valuation for pipelines. As is standard with all pipeline easements, this request is recommended to be a 30-year term easement.

DNRC Recommendation

The director recommends approval of the OneOk natural gas pipeline request for a 30-year term.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	OneOk Rockies Midstream, LLC 896 25th Street SE Sidney, MT 59270
Application No.:	18235
R/W Purpose:	a buried 8" natural gas pipeline
Lessee Agreement:	ok
Acreage:	0.53
Compensation:	\$7,037.00
Legal Description:	30-foot strip through NE4SE4, Sec. 27, Twp. 27N, Rge. 57E, Roosevelt County
Trust Beneficiary:	Common Schools

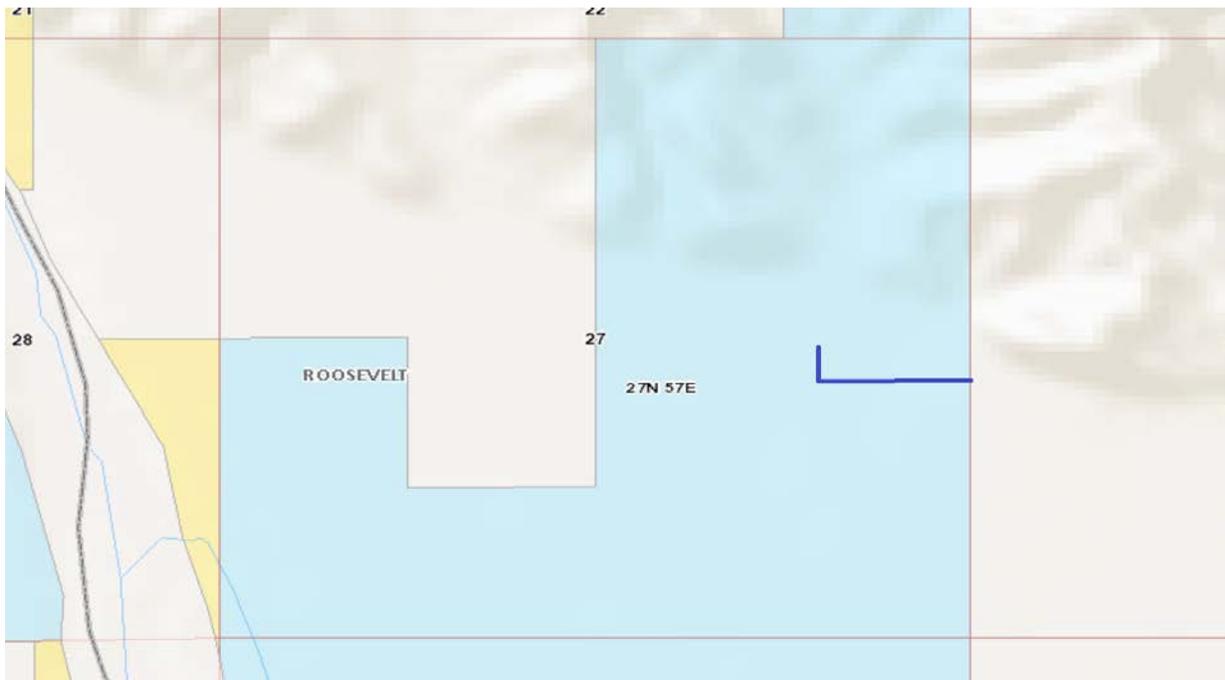
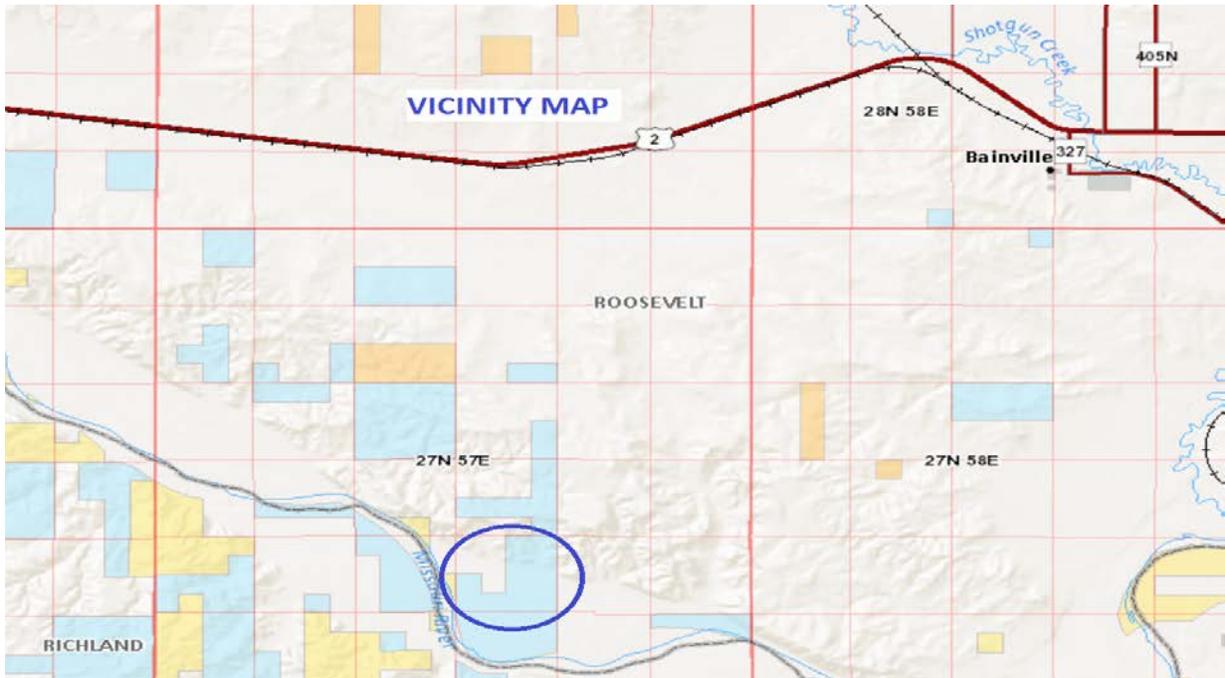
Item Summary

OneOk Rockies Midstream is proposing to construct a new 8" natural gas pipeline for the purpose of collecting the gas from the Kraken Operating well pad, known as Jill 26-25CDP which is located on State land. Due to the location of the pad and existing infrastructure there is no alternative to constructing the pipeline elsewhere. OneOk has made an offer of \$150 per rod for the easement which greatly exceeds the Department's standard valuation for pipelines. As is standard for all pipeline easement requests, the Department recommends a 30-year term.

DNRC Recommendation

The director recommends approval of the OneOk natural gas pipeline request as a 30-year term easement.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 E. Park Butte, MT 59701
Application No.:	18236
R/W Purpose:	an overhead 12.47 kv electric distribution line
Lessee Agreement:	N/A (Historic)
Acreage:	5.72
Compensation:	\$8,580.00
Legal Description:	30-foot strip through SE4NW4, N2SW4, W2E2, Sec. 16, Twp. 30N, Rge. 29E, Phillips County
Trust Beneficiary:	Common Schools

Item Summary

Northwestern Energy has made application for multiple overhead electric distribution and transmission lines that were constructed on state lands many years ago without proper authorization from the Land Board. Pursuant to §77-1-130, MCA Northwestern Energy is requesting recognition of these overhead electric distribution and transmission lines as historic rights of ways.

DNRC Recommendation

The director recommends approval of this historic right of way for Northwestern Energy.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18237  
R/W Purpose: an overhead 12.47 kv electric distribution line  
Lessee Agreement: N/A (Historic)  
Acreage: 3.86  
Compensation: \$2,316.00  
Legal Description: 30-foot strip through S2NW4, NW4SW4, S2SW4, Sec. 32,  
Twp. 30N, Rge. 30E, Phillips County  
Trust Beneficiary: Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18238  
R/W Purpose: an overhead 12.47 kv electric distribution line  
Lessee Agreement: N/A (Historic)  
Acreage: 3.26  
Compensation: \$978.00  
Legal Description: 30-foot strip through NWN2, Sec. 16, Twp. 30N, Rge. 31E,  
Phillips County  
Trust Beneficiary: Common Schools

Item Summary

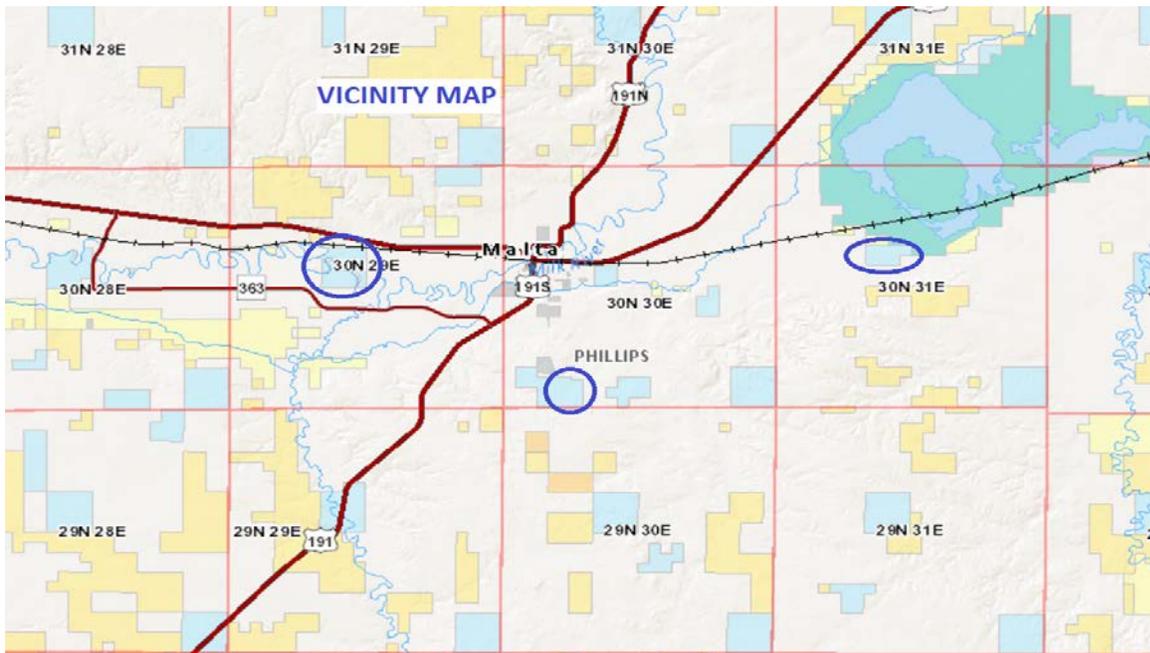
See page 28 for summary.

DNRC Recommendation

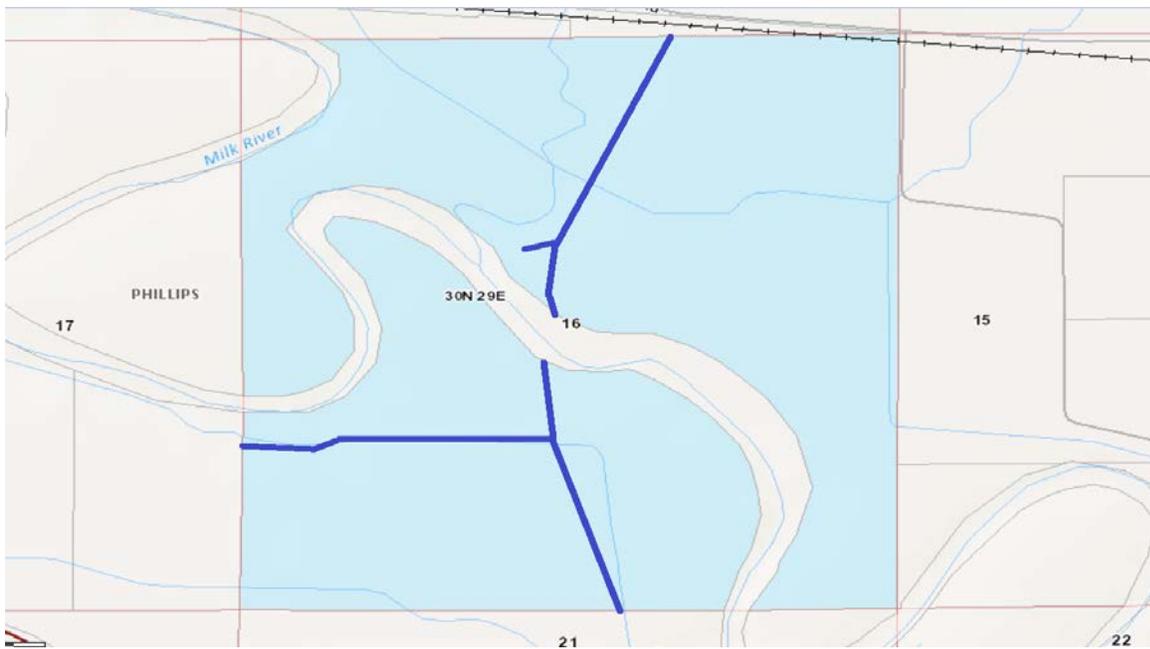
See page 28 for recommendation.

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App. Nos. 18236-18238



App. #18236



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 E. Park Butte, MT 59701
Application No.:	18239
R/W Purpose:	an overhead 12.47 kv electric distribution line
Lessee Agreement:	N/A (Historic)
Acreage:	2.54
Compensation:	\$1,524.00
Legal Description:	30-foot strip through E2NE4, SE4SE4, Sec. 36, Twp. 31N, Rge. 26E, Phillips County
Trust Beneficiary:	Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 E. Park Butte, MT 59701
Application No.:	18240
R/W Purpose:	an overhead 69 kv electric transmission line with a 12.47 kv distribution underbuilt
Lessee Agreement:	N/A (Historic)
Acreage:	1.92
Compensation:	\$2,880.00
Legal Description:	40-foot strip through SE4NW4, SW4NE4, N2NE4, Sec. 36, Twp. 31N, Rge. 26E, Phillips County
Trust Beneficiary:	Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18241  
R/W Purpose: an overhead 12.47 kv electric distribution line  
Lessee Agreement: N/A (Historic)  
Acreage: 0.25  
Compensation: \$100.00  
Legal Description: 30-foot strip through SW4SE4, Sec. 36, Twp. 31N, Rge. 27E,  
Phillips County  
Trust Beneficiary: Common Schools

Item Summary

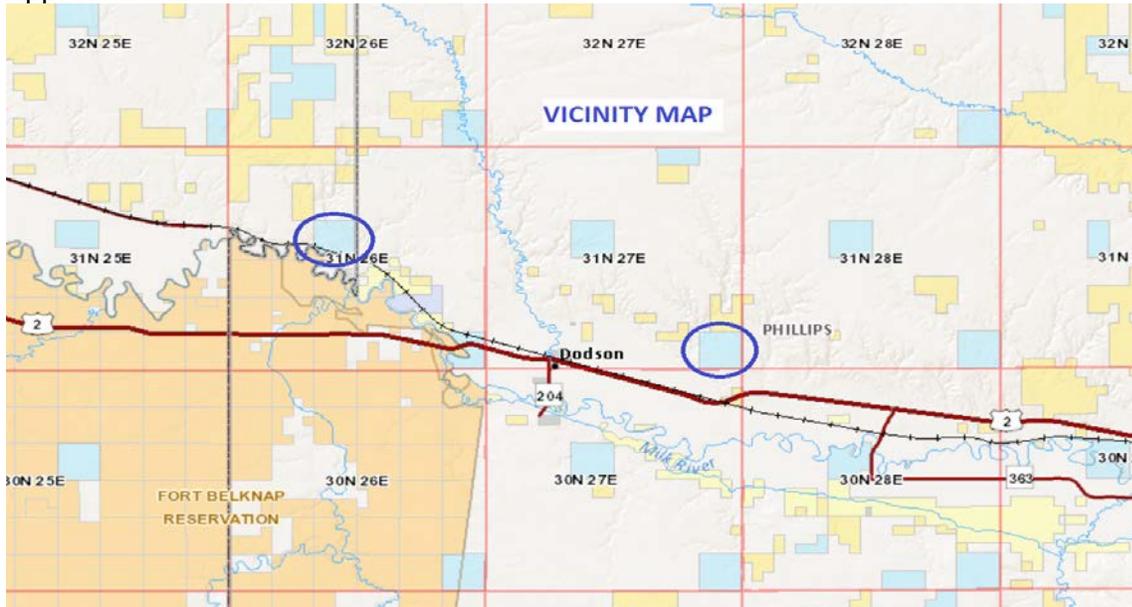
See page 28 for summary.

DNRC Recommendation

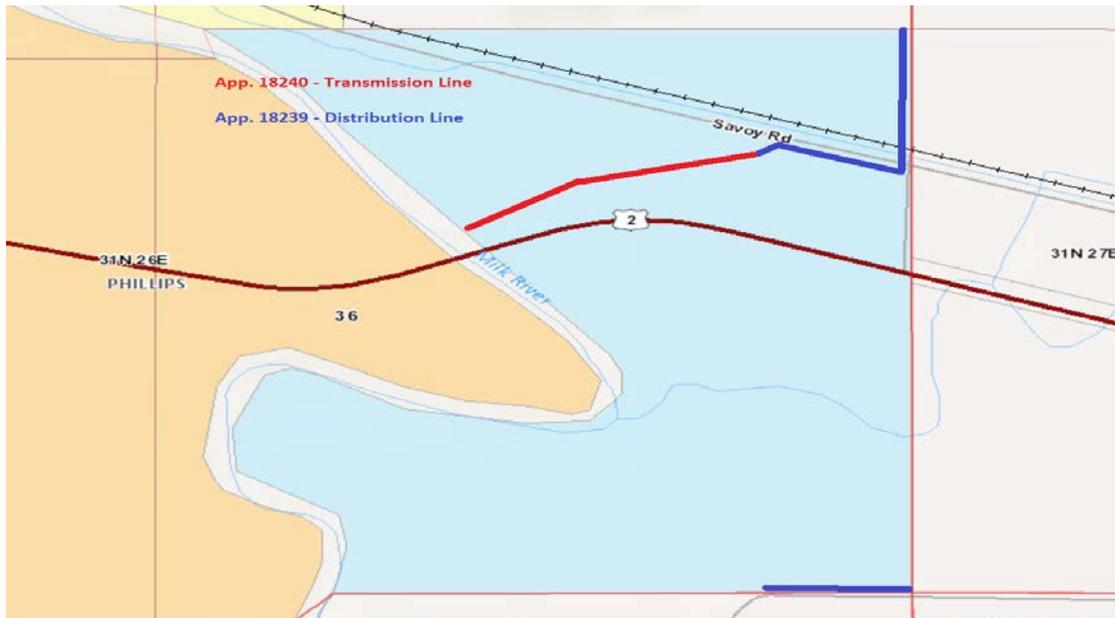
See page 28 for recommendation.

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App. Nos. 18239-18241



App. #18239 & 18240



App. #18241



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18242  
R/W Purpose: an overhead 69 kv electric transmission line  
Lessee Agreement: N/A (Historic)  
Acreage: 1.24  
Compensation: \$372.00  
Legal Description: 40-foot strip through SW4NE4, Sec. 23, Twp. 31N, Rge. 31E,  
Phillips County  
Trust Beneficiary: MSU Morrill

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 E. Park Butte, MT 59701
Application No.:	18243
R/W Purpose:	an overhead 69 kv electric transmission line with a 12.47 kv distribution underbuilt
Lessee Agreement:	N/A (Historic)
Acreage:	4.86
Compensation:	\$1,458.00
Legal Description:	40-foot strip through S2S2, Sec. 16, Twp. 31N, Rge. 32E, Phillips County
Trust Beneficiary:	Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18244  
R/W Purpose: an overhead 12.47 kv electric distribution line  
Lessee Agreement: N/A (Historic)  
Acreage: 3.73  
Compensation: \$1,119.00  
Legal Description: 30-foot strip through NWSW4, NW4SE4, S2SE4, Sec. 36,  
Twp. 31N, Rge. 32E, Phillips County  
Trust Beneficiary: Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18245  
R/W Purpose: an overhead 69 kv electric transmission line with a 12.47 kv  
distribution underbuilt

Lessee Agreement: N/A (Historic)  
Acreage: 4.87  
Compensation: \$7,305.00  
Legal Description: 40-foot strip through N2N2, Sec. 16, Twp. 31N, Rge. 34E,  
Phillips County  
Trust Beneficiary: Common Schools

Item Summary

See page 28 for summary.

DNRC Recommendation

See page 28 for recommendation.

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy  
11 E. Park  
Butte, MT 59701

Application No.: 18246  
R/W Purpose: an overhead 69 kv electric transmission line  
Lessee Agreement: N/A (Historic)  
Acreage: 5.01  
Compensation: \$1,503.00  
Legal Description: 40-foot strip through N2N2, Sec. 16, Twp. 31N, Rge. 35E,  
Valley County  
Trust Beneficiary: Common Schools

Item Summary

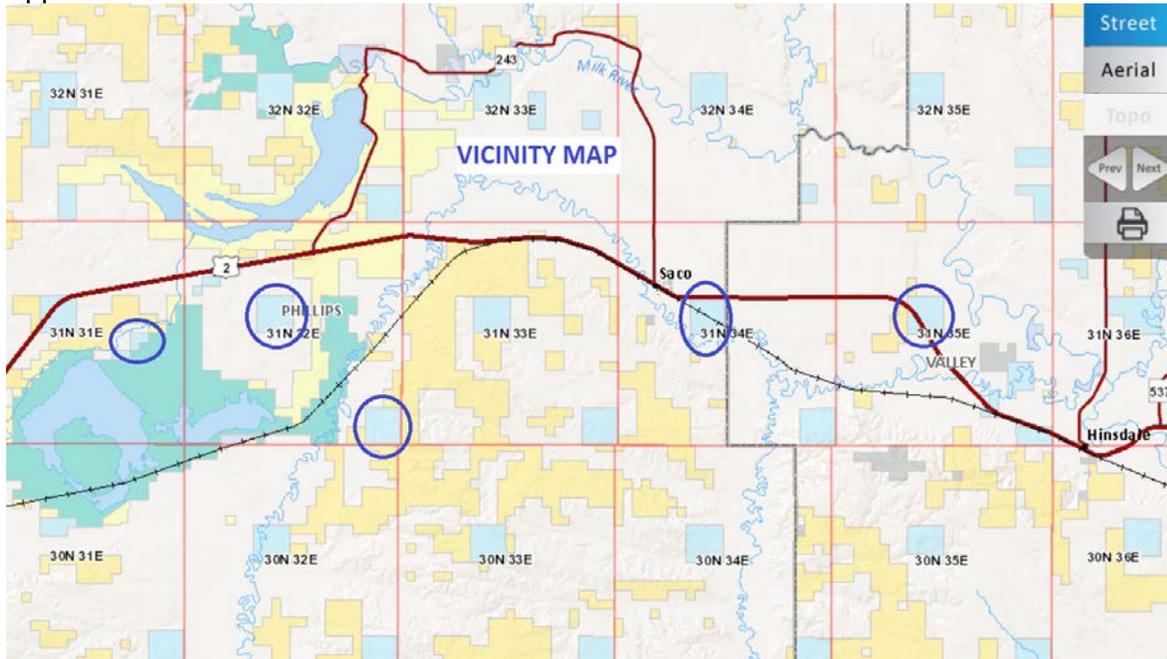
See page 28 for summary.

DNRC Recommendation

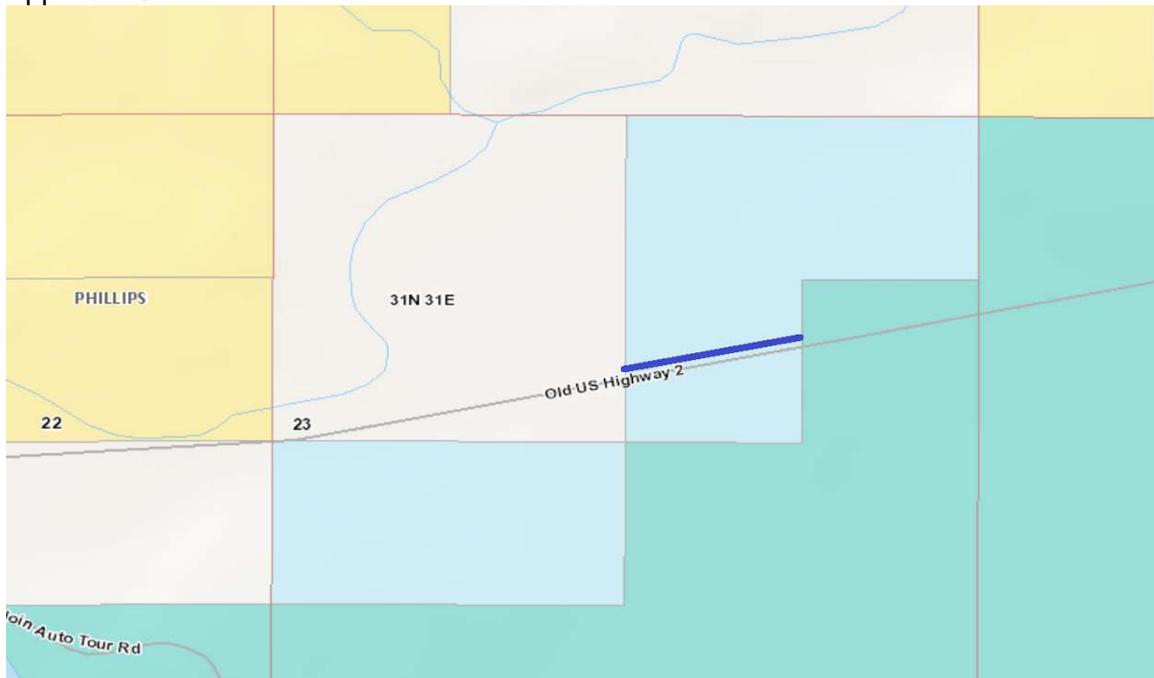
See page 28 for recommendation.

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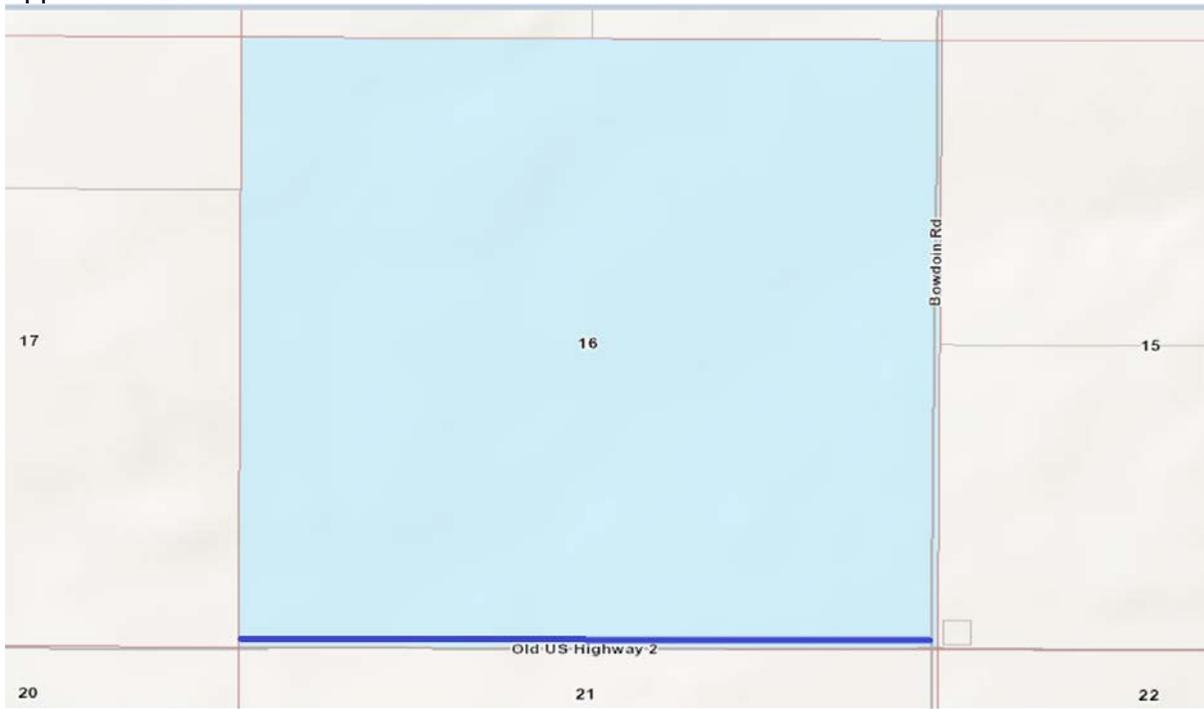
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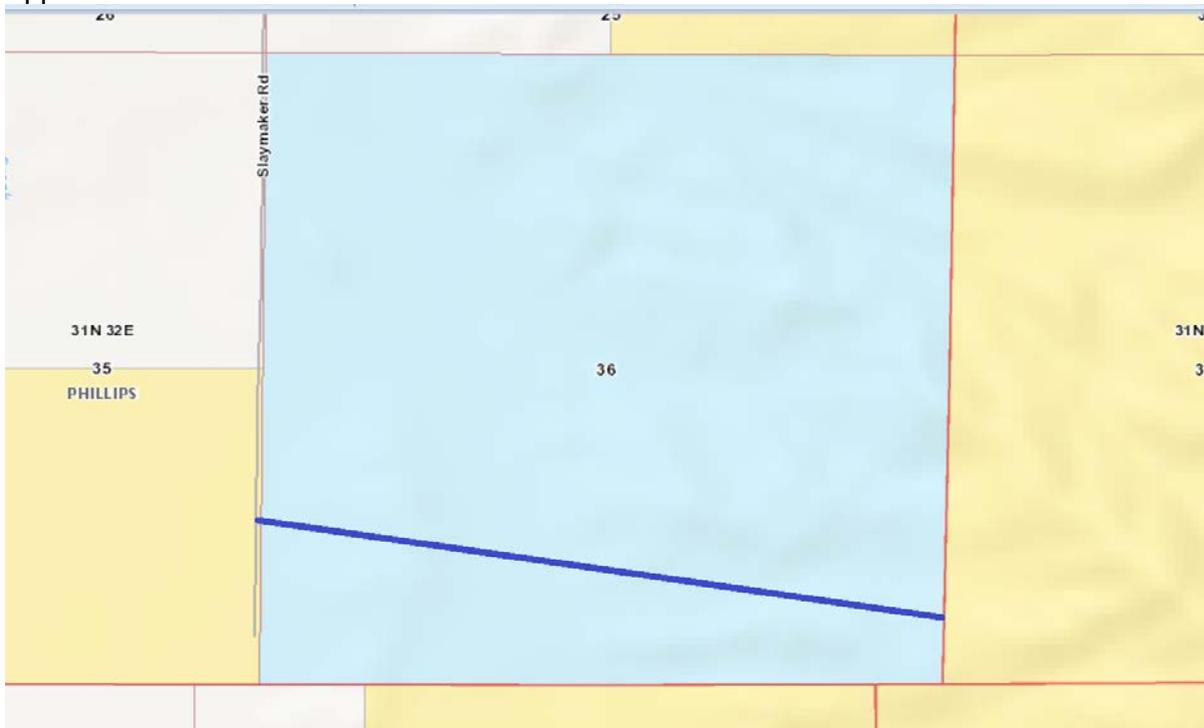
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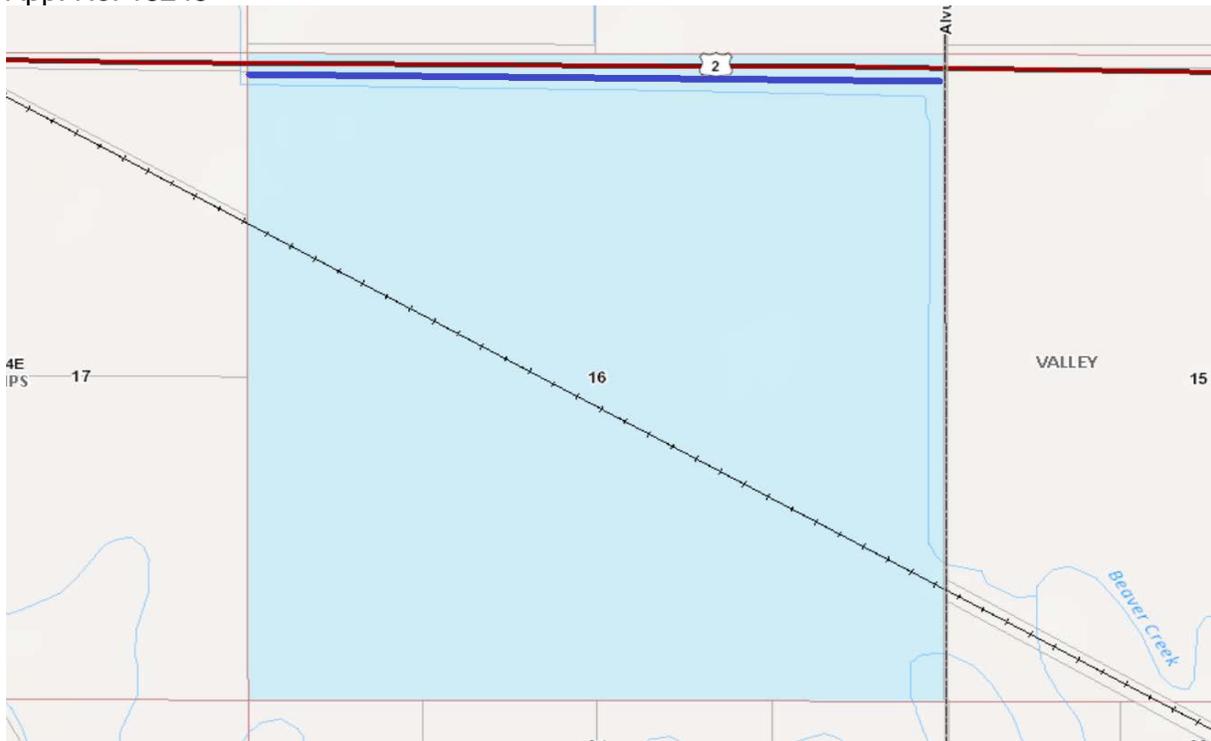
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App. No. 18244



App. No. 18245



App. No. 18246

