AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
March 16, 2020, at 9:00 a.m.
State Capitol, Room 303
Helena, MT

ACTION ITEMS

0320-1 **Timber Sales**

A. Belmont Buzz
Benefits: Common Schools
Location: Missoula County

B. Boyle Lake 2020
Benefits: State Normal School
Location: Flathead County

C. Green Woods
Benefits: Common Schools and Pine Hills
Location: Lewis and Clark County

D. West Fork Blacktail II
Benefits: Common Schools
Location: Beaverhead County

0320-2 **Oil and Gas Lease Sale: March 3, 2020**
Benefits: Common Schools, Capitol Buildings
Location: Big Horn, Liberty, Pondera, Sheridan, Stillwater, and Toole Counties

0320-3 **Land Banking Parcel: Final Approval for Sale**
Benefits: Common Schools
Location: Custer and Rosebud Counties

0320-4 **Land Acquisition: Approval for Purchase**
Benefits: Common Schools, Public Buildings
Location: Sanders County

0320-5 **Easements**

A. Standard Grant
Benefits: Common Schools, Public Land Trust – Nav. River
Location: Carbon, Dawson, Fallon, Gallatin, Hill, Madison, Powell, Prairie, and Wibaux Counties

B. Foys Canyon: Reciprocal Access Agreement- Application No. 18856
Benefits: Common Schools
Location: Flathead County

PUBLIC COMMENT

0320-1

TIMBER SALES:

A. Belmont Buzz

B. Boyle Lake 2020

C. Green Woods

D. West Fork Blacktail II

Land Board Agenda Item
March 16, 2020

0320-1A Timber Sale: Belmont Buzz

Location: Missoula County
Section 16 T15N, R16W

Trust Beneficiaries: Common Schools

Trust Revenue: $72,914 (estimated, minimum bid)

Item Summary

Location: The Belmont Buzz timber sale is approximately 11 miles southwest of Seeley Lake, Montana.

Size and Scope: The sale includes 5 tractor units totaling 163 acres.

Volume: The estimated harvest volume is 5,032 Tons (*.738 MMBF*) of sawlogs.

Estimated Return: The minimum bid is $14.49 per ton, which would generate approximately $72,914 for the Trust Beneficiaries (*Common Schools*) and approximately $17,914 in Forest Improvement fees.

Prescription: This timber sale has a combination of overstory removal and sanitation harvest to remove decadent overstory trees. This will limit competition and allow additionl nutrients to be used by younger, healthier trees. Trees with poor vigor (limited leader growth), forked tops, excessive sweep, crook, rot and/or insects and disease will be targeted for removal.

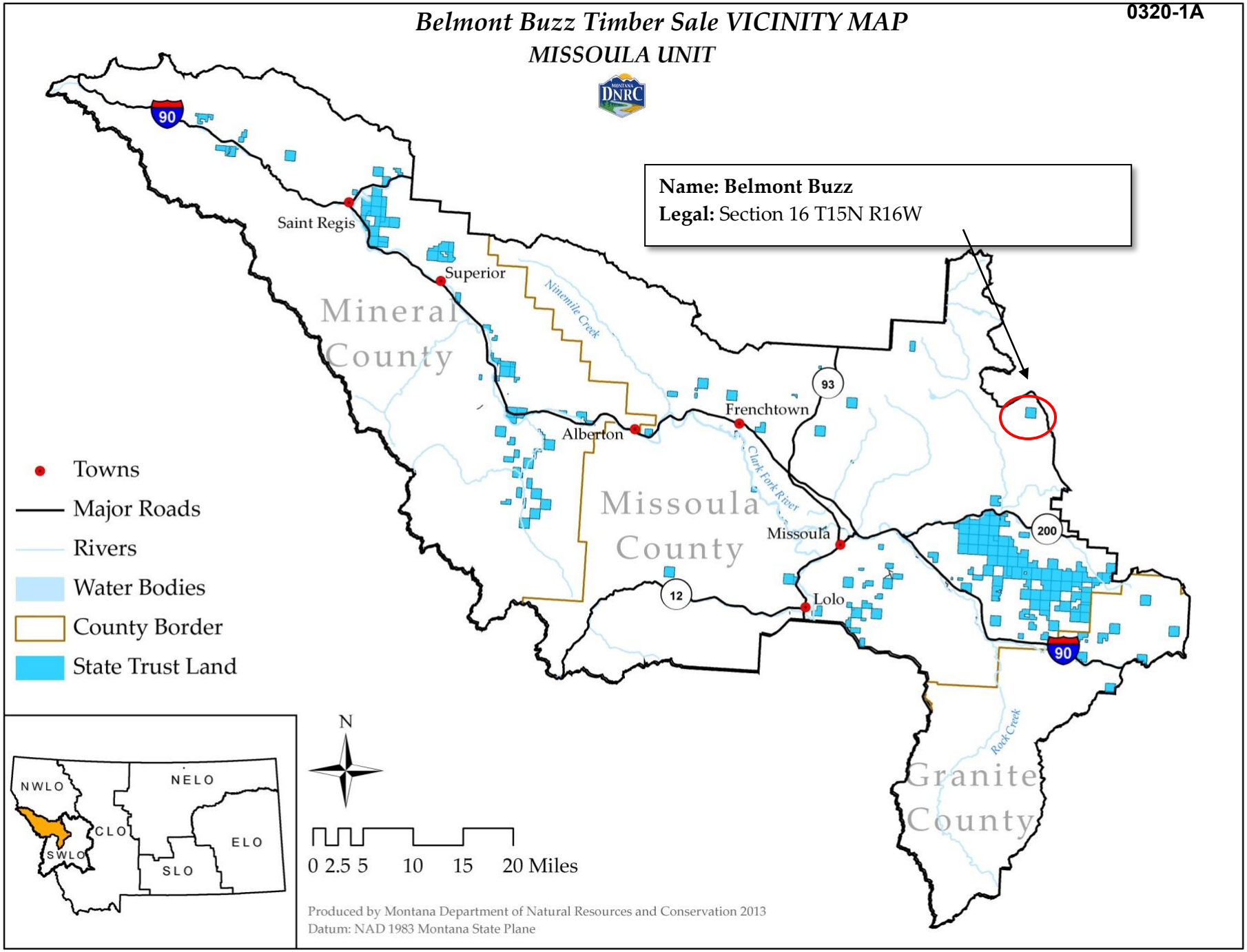
Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 20.5 miles of road maintenance, including weed spraying, grass seeding and dust abatement (as needed).

Access: 10.58 miles of the 20.5 miles of the haul route is part of a USFS Cost Share road (the cost share was acquired in 2015). A temporary road use permit (TRUP) request has been submitted to the United States Forest Service (USFS) for an additional 2.3 miles of road that they recently acquired from The Nature Conservancy (DBA Montana Checkerboard LLC). An additional TRUP request was submitted to The Nature Conservancy for 800' feet of road access.

Public Comments: One comment was received from the Confederated Salish and Kootenai Tribes (CSKT) requesting that if unknown cultural materials are identified that DNRC contact the CSKT Tribal Historic Preservation Officer (THPO) and cease work until a professional assessment of such resources could be made. Such measures are standard operating procedures for DNRC and language is included in the timber sale MEPA documents as well as timber sale contracts.

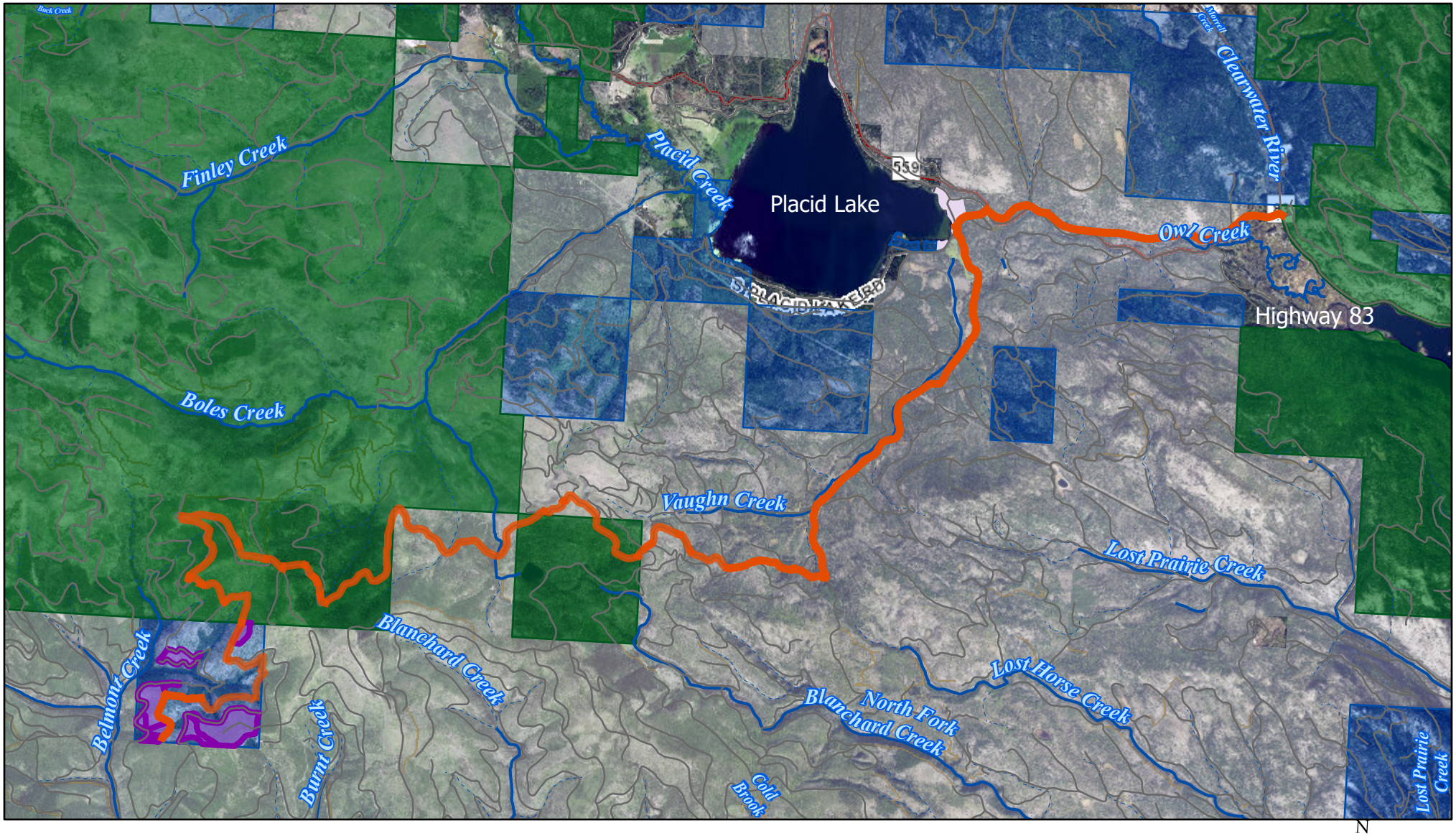
DNRC Recommendation

The director recommends the Land Board direct DNRC to sell the Belmont Buzz Timber Sale.


0320-1A
Belmont Buzz Timber Sale VICINITY MAP
MISSOULA UNIT
Name: Belmont Buzz
Legal: Section 16 T15N R16W
Saint Regis
Superior
Mineral County
Ninemile Creek
Alberton
Frenchtown
Clark Fork River
Missoula County
Missoula
Lolo
Granite County
Rock Creek
90
93
200
12
Towns
Major Roads
Rivers
Water Bodies
County Border
State Trust Land
NWLO
NELO
CLO
ELO
SWLO
SLO
N
0 2.5 5 10 15 20 Miles
Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane

Belmont Buzz Timber Sale Haul Route

0320-1A



- Haul Route
- Existing Road
- Belmont Buzz Harvest Units
- Perennial Stream
- Intermittent Stream
- Montana State Trust Lands
- Montana Fish, Wildlife, and Parks
- US Forest Service
- Montana Dept of Transportation

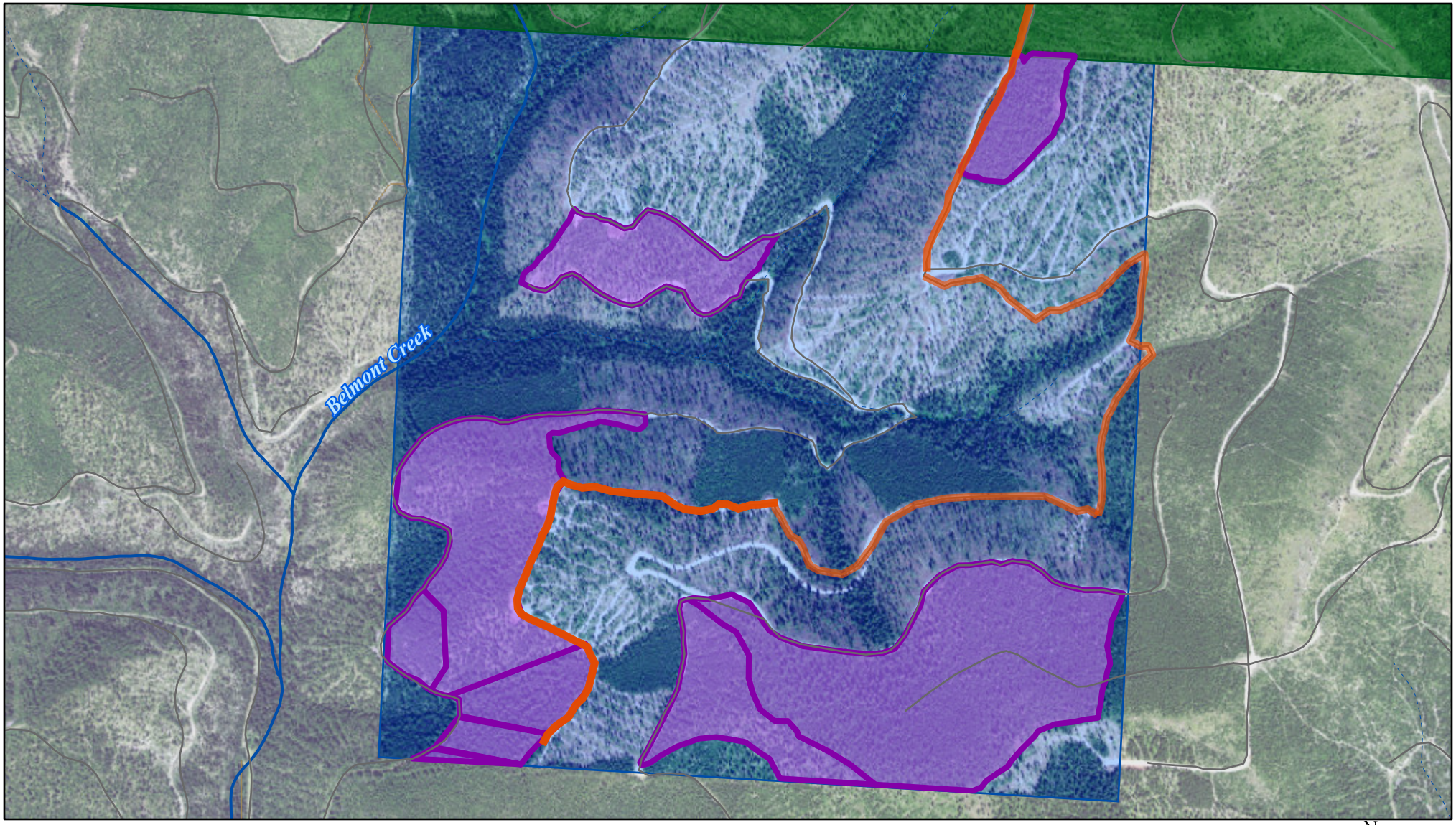
N

0 0.5 1 1.5 2 Miles

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

Belmont Buzz Timber Sale Harvest Units

0320-1A



Haul Route

Existing Road

Belmont Buzz Harvest Units

Perennial Stream

Intermittent Stream

Montana State Trust Lands

US Forest Service

0 0.1 0.2 0.3 0.4 Miles

N

Land Board Agenda Item
March 16, 2020

0320-1B Timber Sale: Boyle Lake 2020

Location: Flathead County
Section 6, 7, T31N, R22W

Trust Beneficiaries: State Normal School

Trust Revenue: $ 325,452 (estimated, minimum bid)

Item Summary

Location: The Boyle Lake 2020 Timber Sale is located approximately 7 air miles northwest of Whitefish, MT.

Size and Scope: The sale includes 7 harvest units (*206 acres*) of ground-based logging.

Volume: The estimated harvest volume is 12,634 tons (*2.065 MMBF*) of sawlogs.

Estimated Return: The minimum bid is $25.76 per ton, which would generate approximately $325,452 for the State Normal School and approximately $61,275 in Forest Improvement fees.

Prescription: This sale has a harvest prescription of seedtree, Improvement (selection), shelterwood, old-growth maintenance, and overstory removal treatment designed to reduce fuel loads in the Wildland Urban Interface by creating a mosaic of age classes and desired future conditions, as well as improve growth of existing trees.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0 miles of new permanent road construction, 0.3 miles of road reconstruction, and 4.4 miles of road maintenance.

Access: Access is obtained through State and County roads and an easement giving DNRC permanent access for “resource management”.

Public Comments: 12 comments from organizations and individuals were received. The private land owner and easement holder expressed concern with dust and timing. Additionally, internal and external comments expressed concern that silvicultural treatments address fuels reduction within the wildland urban interface and DNRC follow administrative rules for loon nesting. Wildlife corridors were also incorporated into the project. These concerns are to be incorporated into the contract partly through design, timing of operations to be in late fall and winter when the private landowner is in the Whitefish area less and dust would likely be minimal. There are plans for follow up treatments assuring fuels treatments are adequate.

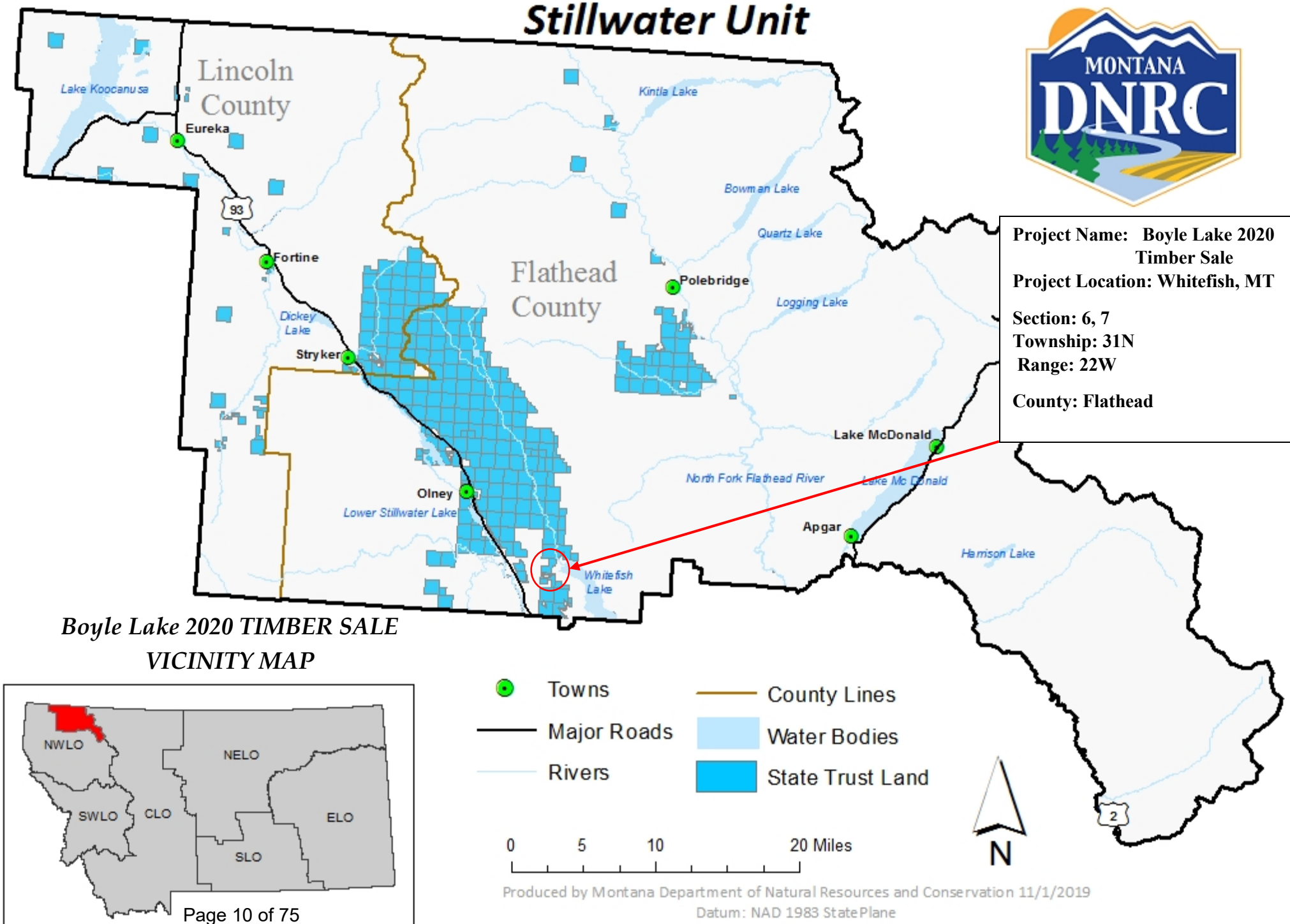
DNRC Recommendation

The director recommends the Land Board direct DNRC to sell the Boyle Lake 2020 Timber Sale.

State Trust Land Vicinity Map

Stillwater Unit

0320-1B



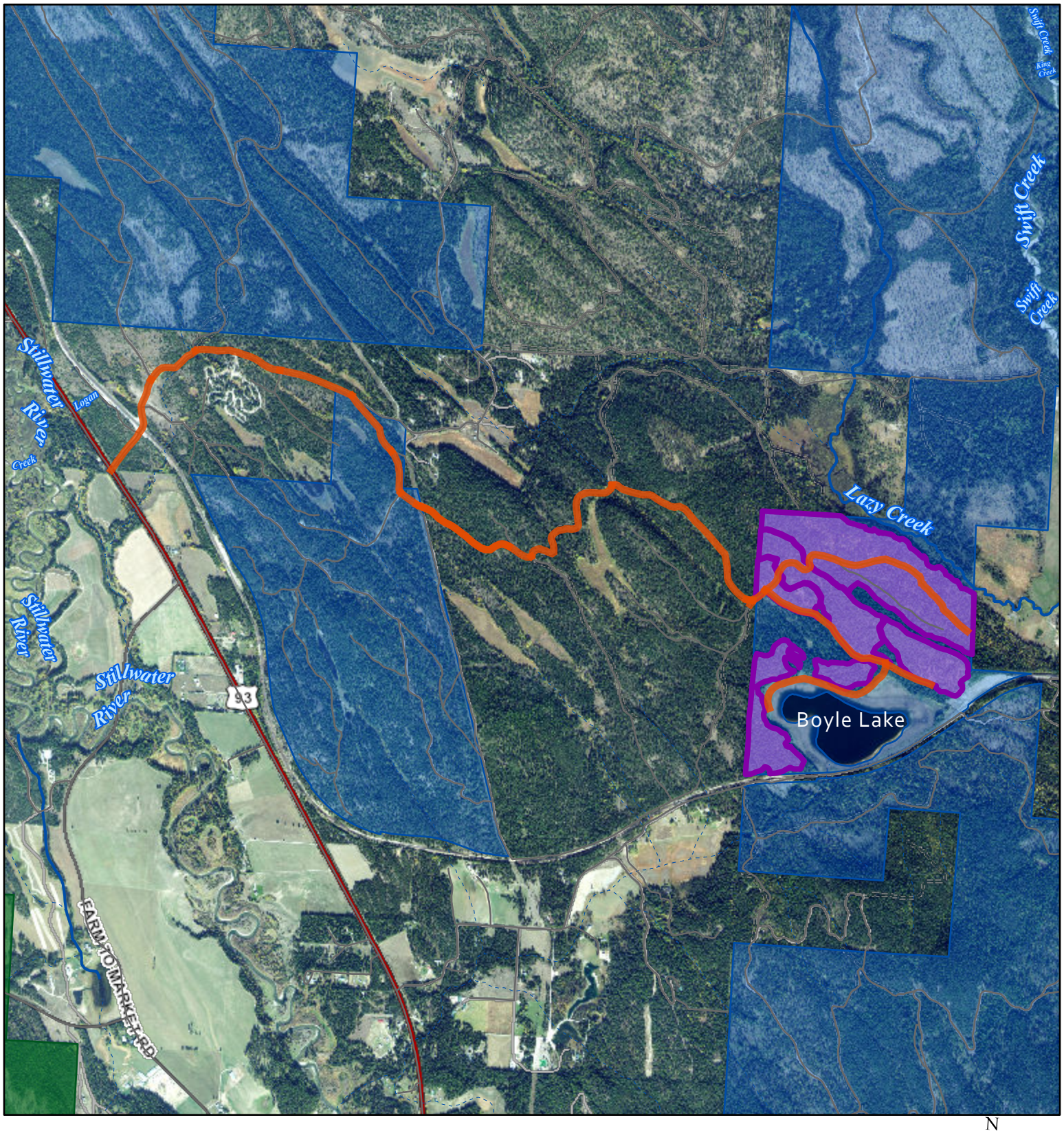
Project Name: Boyle Lake 2020 Timber Sale
Project Location: Whitefish, MT

Section: 6, 7
Township: 31N
Range: 22W

County: Flathead

Boyle Lake 2020 TIMBER SALE VICINITY MAP

Boyle Lake 2020 Haul Route and Harvest Units 0320-1B



Haul Route

Existing Road

Boyle 2020 Harvest Units

Perennial Stream

Intermittent Stream

Montana State Trust Lands

US Forest Service

N

0 0.13 0.25 0.5 0.75 1 Miles

Land Board Agenda Item
March 16, 2020

0320-1C Timber Sale: Green Woods

Location: Lewis and Clark County
Sections 16 & 20, T15N, R5W

Trust Beneficiaries: Common Schools and Pine Hills

Trust Revenue: $18,797 (estimated, minimum bid)

Item Summary

Location: The Green Woods Timber Sale is located approximately 9 miles northwest of Wolf Creek, MT.

Size and Scope: The sale include11 harvest units (303 *acres*) of both ground based and cable logging.

Volume: The estimated harvest volume is 7898 tons (*972 MBF*) of Douglas-fir, ponderosa pine, and lodgepole pine.

Estimated Return: The minimum bid is $2.38 per ton, which would generate approximately $18,797 for the Common Schools and Pine Hills Trust and approximately $8,767 in Forest Improvement fees.

Prescription: This sale has a harvest prescription of seed tree harvest with retention clumps designed to remove trees impacted by spruce budworm and mountain pine beetle, while providing cover for wildlife and improving stand genetics.

Road Construction/Maintenance: DNRC is proposing up to 1.8 miles of new permanent road construction, .5 miles of temporary road, and 7 miles of road maintenance.

Access: Access is obtained through verbal agreements from adjacent land owners. Formal agreements are being drafted.

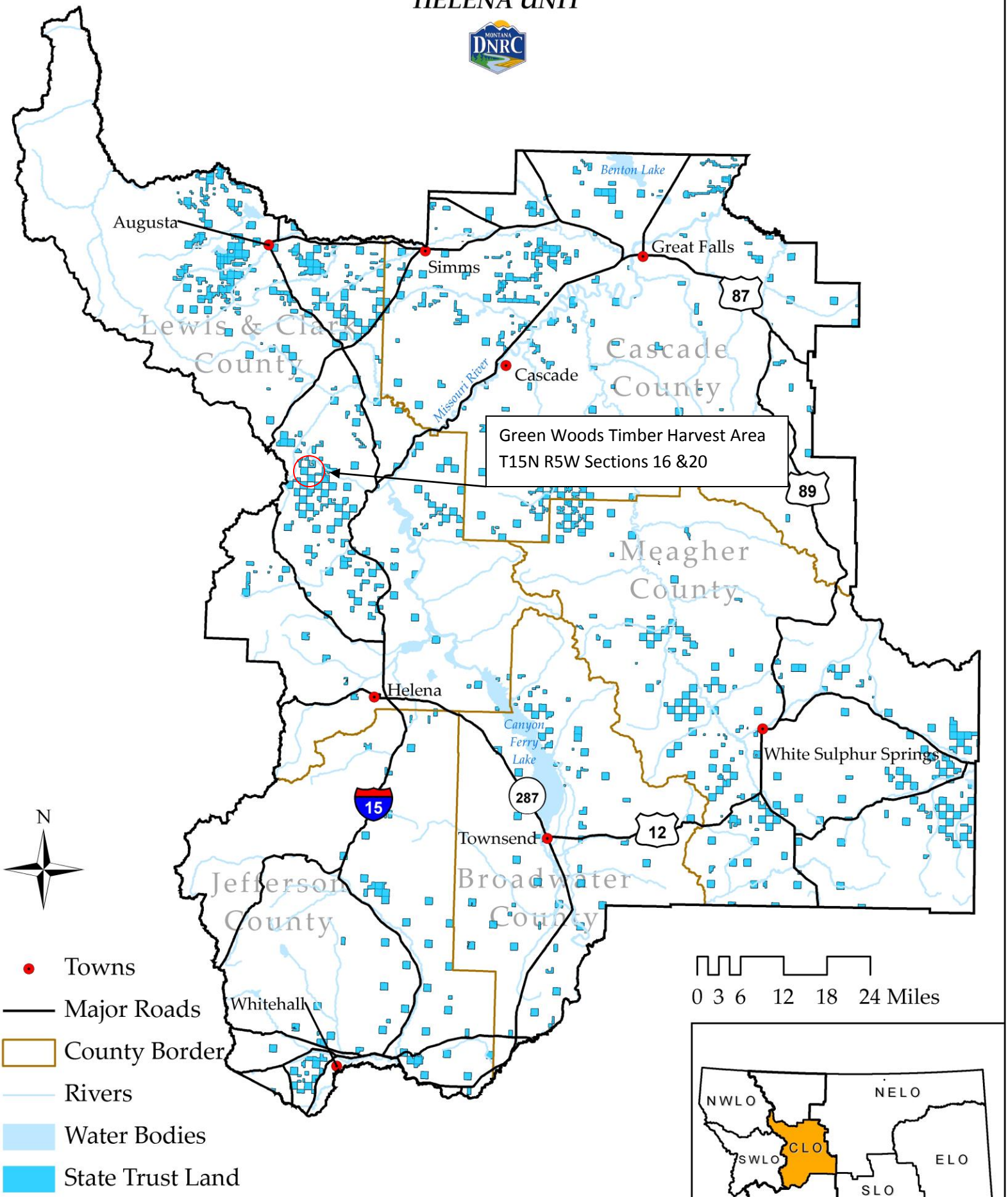
Public Comments: No public comments were received.

DNRC Recommendation

The director recommends the Land Board direct DNRC to sell the Green Woods Timber Sale.

GREEN WOODS VICINITY MAP
HELENA UNIT

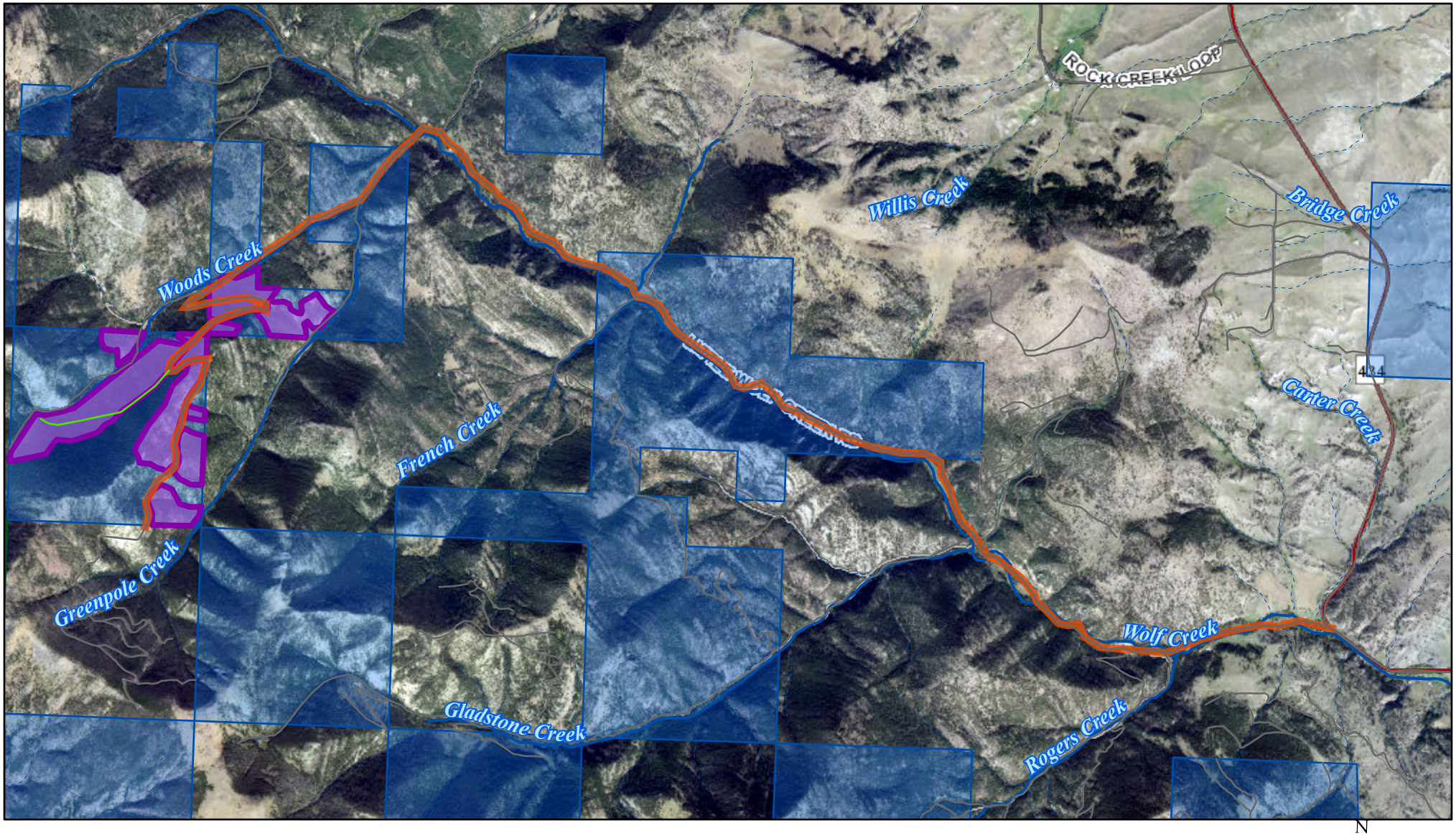
0320-1C



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

Green Woods Timber Sale Haul Route

0320-1C



New Road

Existing Road

Green Woods Harvest Units

Perennial Stream

Intermittent Stream

Montana State Trust Lands

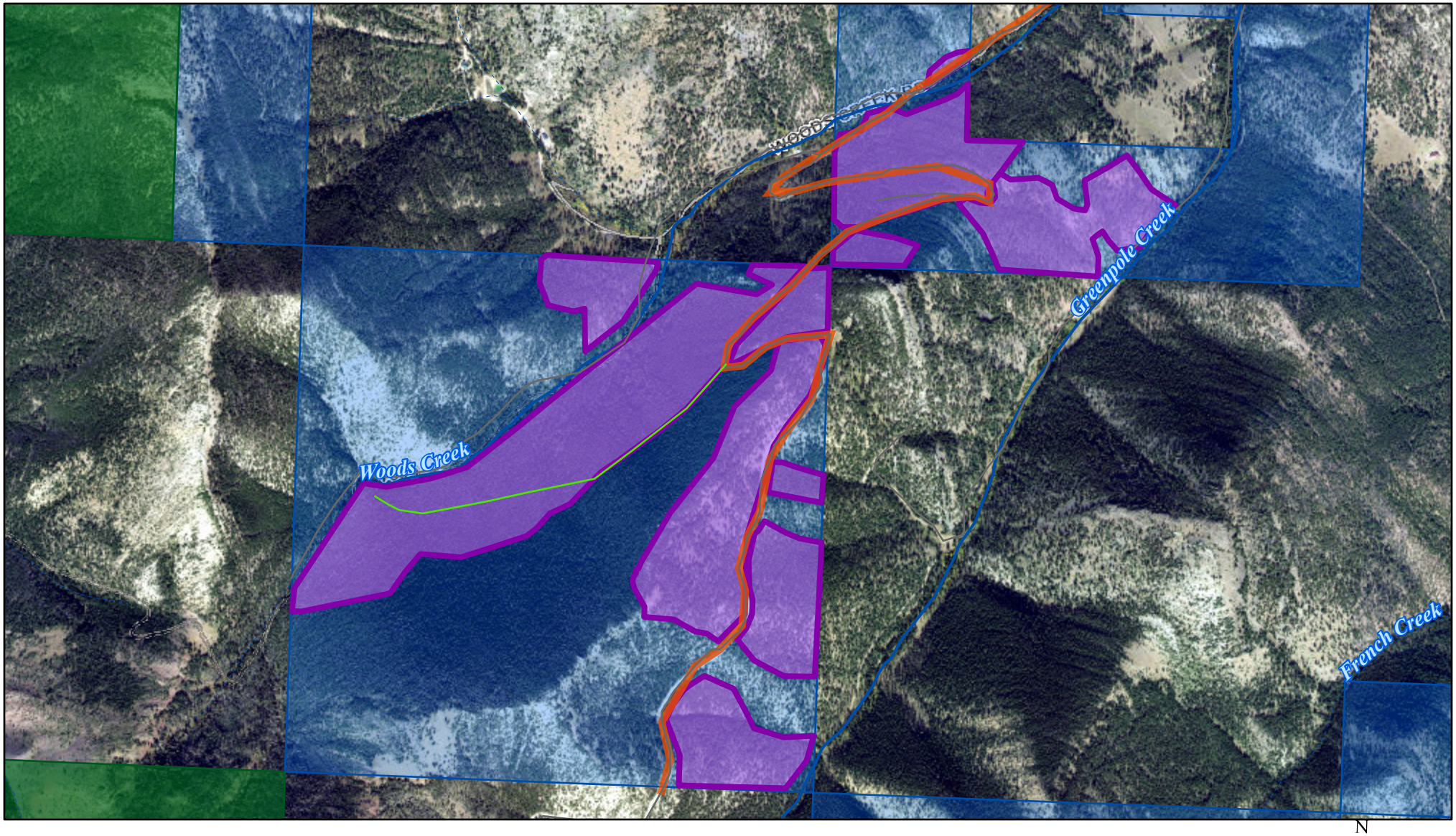
US Forest Service

0 0.5 1 1.5 2 Miles

N

Green Woods Timber Sale Harvest Units

0320-1C



N

New Road

Existing Road

Green Woods Harvest Units

Perennial Stream

Intermittent Stream

Montana State Trust Lands

US Forest Service

0 0.2 0.4 0.6 0.8 Miles

Land Board Agenda Item
March 16, 2020

0320-1D Timber Sale: West Fork Blacktail II

Location: Beaverhead County
Sections 21, 22, 23, 26, & 27, T12S, R6W

Trust Beneficiaries: Common Schools

Trust Revenue: $7,408 (estimated, minimum bid)

Item Summary

Location: The West Fork Blacktail II Timber Sale is located approximately 35 miles southeast of Dillon, MT.

Size and Scope: The sale includes 6 harvest units (*81acres*) of ground-based logging.

Volume: The estimated harvest volume is 4,545 tons (*641MMBF*) of timber.

Estimated Return: The minimum bid is $1.63 per ton, which would generate approximately $7,408 for the Common Schools Trust and approximately $1,364 in Forest Improvement fees.

Prescription: This sale has a harvest prescription of seed tree and shelterwood designed to harvest timber to contribute to the Dillon Unit share of the sustained yield mandate.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 2.5 miles of new permanent road construction, 0.4 miles of road reconstruction, and 0 miles of road maintenance.

Access: Access is obtained through DNRC land and a county road.

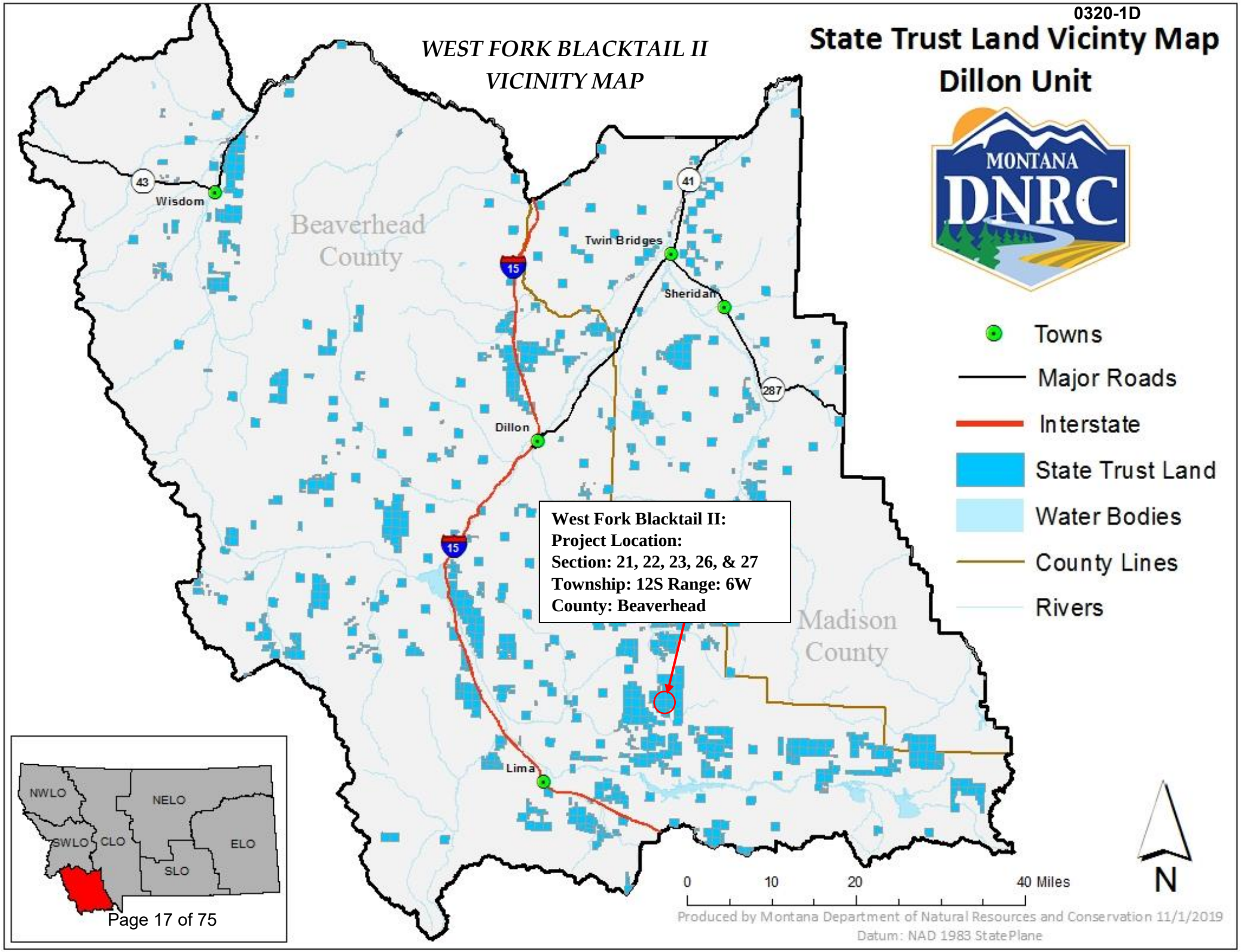
Public Comments: 3 comments were received. Of the three comments one asked if treatments could be expanded to consider aspen regeneration treatments, one suggested DNRC defer to the nearest tribe for cultural resource concerns and the third comment expressed concern over elk security during the hunting season. Treatments to neighboring aspen stands were included in the Checklist Environmental Analysis, all tribes on the statewide scoping list were sent scoping notices and elk security was analyzed for in the wildlife portion of the Checklist EA.

DNRC Recommendation

The director recommends the Land Board direct DNRC to sell the West Fork Blacktail II Timber Sale.

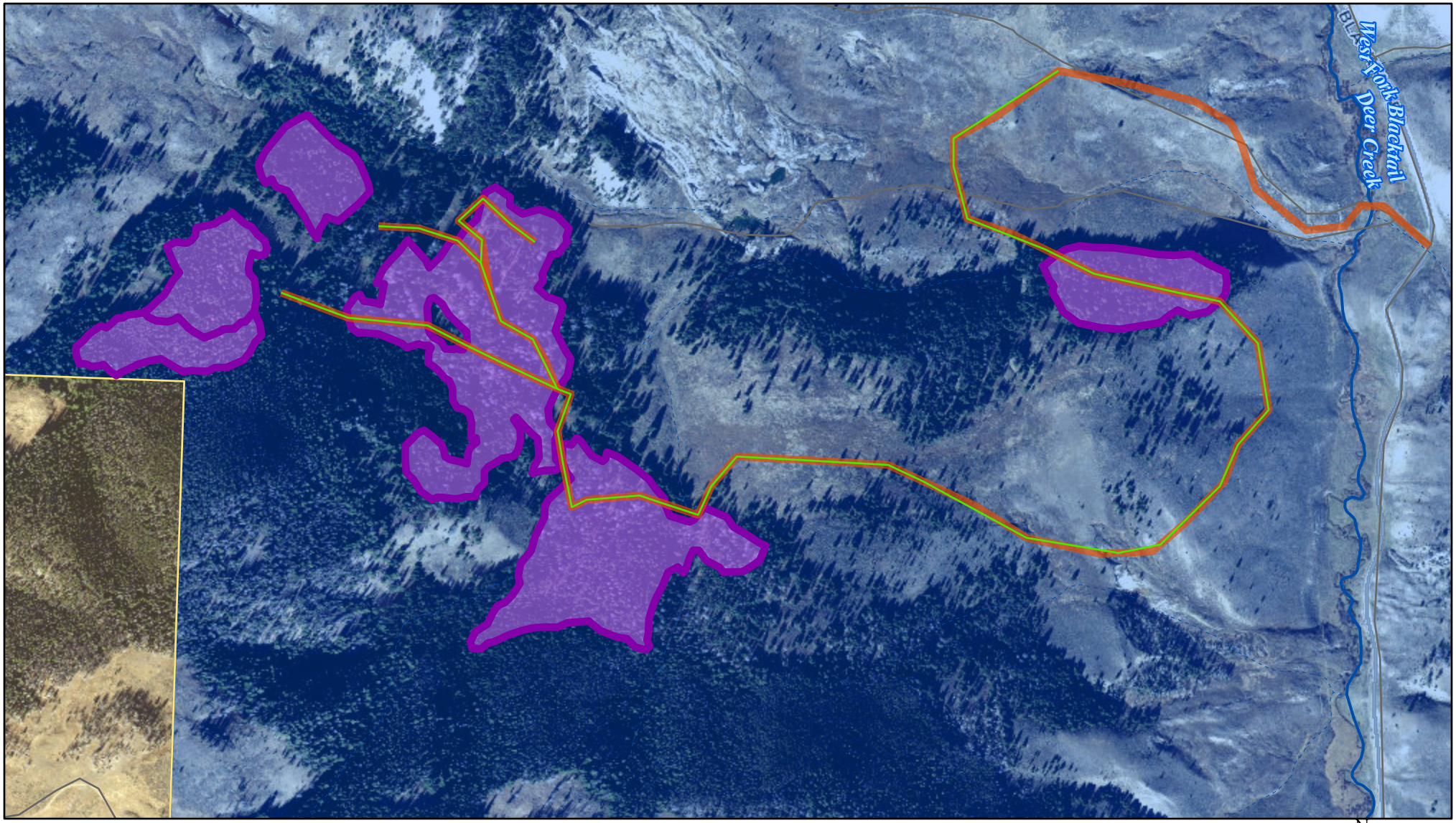
State Trust Land Vicinty Map
Dillon Unit

WEST FORK BLACKTAIL II
VICINITY MAP



West Fork Blacktail II Haul Route and Harvest Units

0320-1D



Haul Route
New Road
Existing Road
West Fork Blacktaill II Harvest Units
Perennial Stream
Intermittent Stream
Montana State Trust Lands
US Bureau of Land Management

N

0 0.1 0.2 0.3 0.4 Miles

0320-2

OIL AND GAS LEASE SALE:

March 3, 2020

Land Board Agenda Item
March 16, 2020

0320-2 Oil and Gas Lease Sale (March 3, 2020)

Location: Big Horn, Liberty, Pondera, Sheridan, Stillwater, and Toole Counties

Trust Benefits: Common Schools and Capital Buildings

Trust Revenue: $6,520.00

Item Summary

The Department of Natural Resources and Conservation (DNRC) held an oil and gas lease sale on March 3, 2020, in the Montana Room at the Montana DNRC building. A total of seven tracts were offered for lease. Seven tracts were leased for a total of $6,520.00. The seven tracts that were sold covered a total of 4,240.00 acres. The average bid per acre was $1.54.

The high competitive bid for the March 3, 2020 sale was $1.75 per acre and the largest total bid was $1,120.00 for Tract 3 in Pondera County.

DNRC Recommendation

The director requests Land Board approval to issue the leases from the March 3, 2020 oil and gas lease sale.

State of Montana
Oil & Gas Lease Sale - March 3, 2020
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, March 3, 2020.

Tract	Stipulations	Twp	Rng	Sec	Description		Acres	Bid/Acre	Total Bid	Lessee
Big Horn										
1	1, 2, 3, 4, 5, 6, 9, 10, 12	2.N	33.E	36	LOT 1, NE4NW4, S2NW4, NE4, S2, BIG HORN RIVERBED AND RELATED ACREAGE		640.00	$1.50	$960.00	BRISCOE PETROLEUM, LLC
Liberty										
2	1, 2, 3, 4, 5, 6	34.N	4.E	16	ALL, BELOW THE BASE OF THE BLACKLEAF FORMATION	*	640.00	$1.50	$960.00	TAYLOR WELL OPERATING INC.
Pondera										
3	1, 2, 3, 4, 5, 6, 8, 13	28.N	5.W	36	ALL		640.00	$1.75	$1,120.00	BALKO INC
Sheridan										
4	1, 2, 3, 4, 5, 6, 8, 15	33.N	57.E	16	ALL		640.00	$1.50	$960.00	SAMPSEN, RICHARD E
5	1, 2, 3, 4, 5, 6, 14, 15	33.N	57.E	36	ALL		640.00	$1.50	$960.00	SAMPSEN, RICHARD E
Stillwater										
6	1, 2, 3, 4, 5, 6, 7, 11	5.S	17.E	36	W2, W2NE4	*	400.00	$1.50	$600.00	SWITCHBACK RANCH, LLC
Toole										
7	1, 2, 3, 4, 5, 6	32.N	1.W	21	ALL, BELOW THE BASE OF THE KOOTENAI FORMATION	*	640.00	$1.50	$960.00	SWANSON, TOM E.

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

Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	4,240.00	7

Oil and Gas Lease Sale Summary

Total Tracts	7
Total Acres	4,240.00
Total Bid Revenue	$6,520.00
Average Bid Per Acre	$1.54

State of Montana
Oil & Gas Lease Sale - March 3, 2020
Stipulations

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 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.

13 This tract has (an) existing well(s) and related facilities. The lessee has 45 days from the effective date of this lease to determine whether or not to assume responsibility from the former lessee for the well(s) and any existing facilities. The lessee may not enter the well(s) until a change of operator has been filed with, and approved by, the Board of Oil and Gas Conservation. The(se) well(s) must be returned to commercial production or plugged and the well site (s) reclaimed within 18 months from the effective date of this lease.

14 Due to existing surface uses (such as center pivots, wheel lines, etc.) development on this tract may be restricted.

15 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.

0320-3

LAND BANKING PARCEL:

FINAL APPROVAL FOR SALE

Land Board Agenda Item
March 16, 2020

0320-3 Land Banking Parcel: Final Approval for Sale

Location: Custer and Rosebud Counties

Trust Benefits: Common Schools

Trust Revenue: $3,225,001

Item Summary
The Department of Natural Resources and Conservation (DNRC) is requesting final approval for nine Land Banking parcels totaling approximately 5,440 acres nominated for sale in Custer and Rosebud Counties. The sales were nominated by the lessee and DNRC and are located in the vicinity of Miles City, Montana, in Custer and Rosebud Counties.

Sale #	# of Acres	Legal	Nominator	Trust
126	640±	ALL T8N-R39E, Sec. 36, Rosebud County	Coffee Cattle Company	Common Schools
1049	640±	ALL, T4N-R48E, Sec. 16, Custer County	Coffee Cattle Company	Common Schools
1050	640±	ALL, T4N-R47E, Sec. 36, Custer County	Coffee Cattle Company	Common Schools
1051	640±	ALL T2N-R44E, Sec. 16, Rosebud County	Coffee Cattle Company	Common Schools
1052	640±	ALL T2N-R46E, Sec. 16, Custer County	Coffee Cattle Company	Common Schools
1053	640±	ALL T2N-R45E, Sec. 36, Custer County	Coffee Cattle Company	Common Schools
1054	640±	ALL T1N-R45E, Sec. 16, Custer County	Coffee Cattle Company	Common Schools
1060	320±	W2 T7N-R51E, Sec. 34, Custer County	DNRC	Common Schools
1061	640±	ALL T3N-R47E, Sec. 16, Custer County	Coffee Cattle Company	Common Schools

The sale parcels have been used primarily for livestock grazing purposes.

Sale No. 126 is surrounded entirely by private land (Coffee Nefsy Limited Partnership) and is not legally accessible by the public.
Sale No. 1049 is surrounded entirely by private land (Farmland Reserve Inc. & Tongue River Ranch LLC) and is not legally accessible by the public.
Sale No. 1050 is surrounded entirely by private land (Coffee Nefsy Limited Partnership & Tongue River Ranch LLC) and is not legally accessible by the public.
Sale Nos. 1051 and 1052 are surrounded entirely by private land (Coffee-Nefsy Limited Partnership) and are not legally accessible by the public.
Sale No. 1053 is surrounded entirely by private land (Coffee-Nefsy Limited Partnership & Coffee Ranch LLC) and is not legally accessible by the public.
Sale No. 1054 is surrounded entirely by private land (Coffee Ranch LLC) and is not legally accessible by the public.
Sale No. 1060 is surrounded entirely by private land (Montana Ranch LLC & Bernard & Edythe Hardy) and is not legally accessible by the public.
Sale No. 1061 is surrounded entirely by private land (Pine Ridge Land & Livestock LLC & Coffee Nefsy Limited Partnership) and is not legally accessible by the public.

Together, these scattered parcels of state trust lands are surrounded entirely by private land and not legally accessible by the public. The sale of these nine parcels would not restrict or eliminate access to adjacent private land.

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 for these sale parcels are as follows:

Sale No.	Rate of Return	Sale No.	Rate of Return
126	0.41%	**1053**	0.35%
1049	0.30%	**1054**	0.36%
1050	0.42%	**1060**	0.00%
1051	0.38%	**1061**	0.30%
1052	0.41%		

These parcels would continue to receive these returns if they remain in state ownership.

Long-term – The funds from the sale of these parcels would be combined with other sale funds to purchase replacement lands through the department'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 2.91% on acquisitions with income generated from annual lease payments.

Cultural/Paleontological Resources:
The state parcel proposed for sale was inventoried to Class III standards for cultural and paleontological resources. No cultural or paleontological resources were identified. A formal report of findings has been prepared and filed with the Montana State Historic Preservation Office per the requirements of the Montana State Antiquities Act.

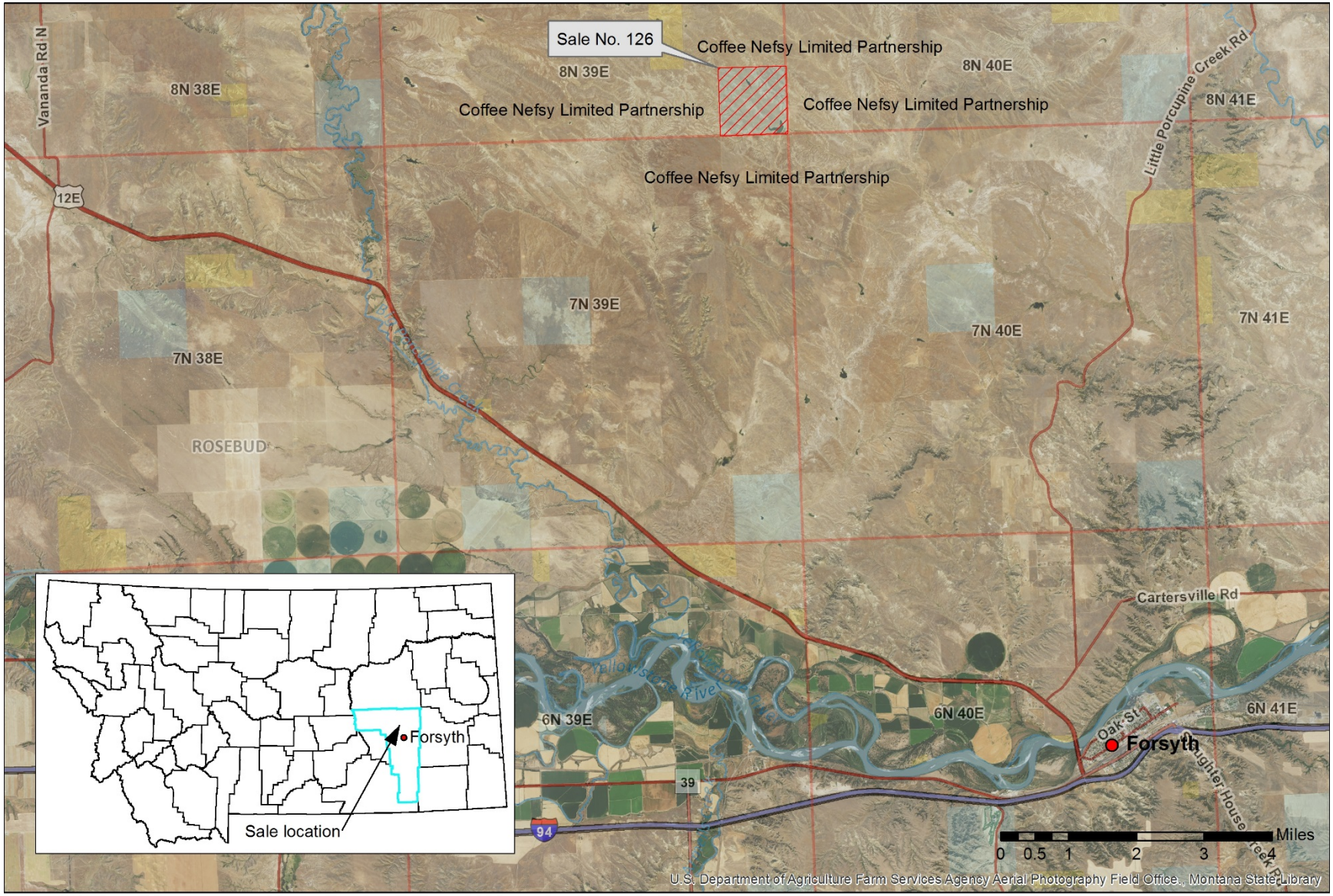
Background:
In May and June of 2019, the Land Board granted preliminary approval for these parcels to continue through the Land Banking sale evaluation process. These parcels were appraised by an independent Certified General Appraiser contracted by the Department concluding a total market value of $3,225,001. In November of 2019 the Land Board set the minimum bid as follows.

Appraised Value of sale parcels:

Sale #	Appraised Value with Access	Recommended Minimum Bid
126	$320,000	$320,000
1049	$397,143	$397,143
1050	$397,143	$397,143
1051	$397,143	$397,143
1052	$397,143	$397,143
1053	$397,143	$397,143
1054	$397,143	$397,143
1060	$125,000	$125,000
1061	$397,143	$397,143

Sale Price:
The parcels sold at a public auction on February 5, 2020. There was one qualified bidder for each sale, which was the current lessee except for sale 1060 which was not leased. Each parcel sold for the minimum bid shown above.

DNRC Recommendation
The director recommends the Land Board grant final approval for these parcels at the appraised land values shown above. The sales will close within 30 days of final approval by the Land Board.

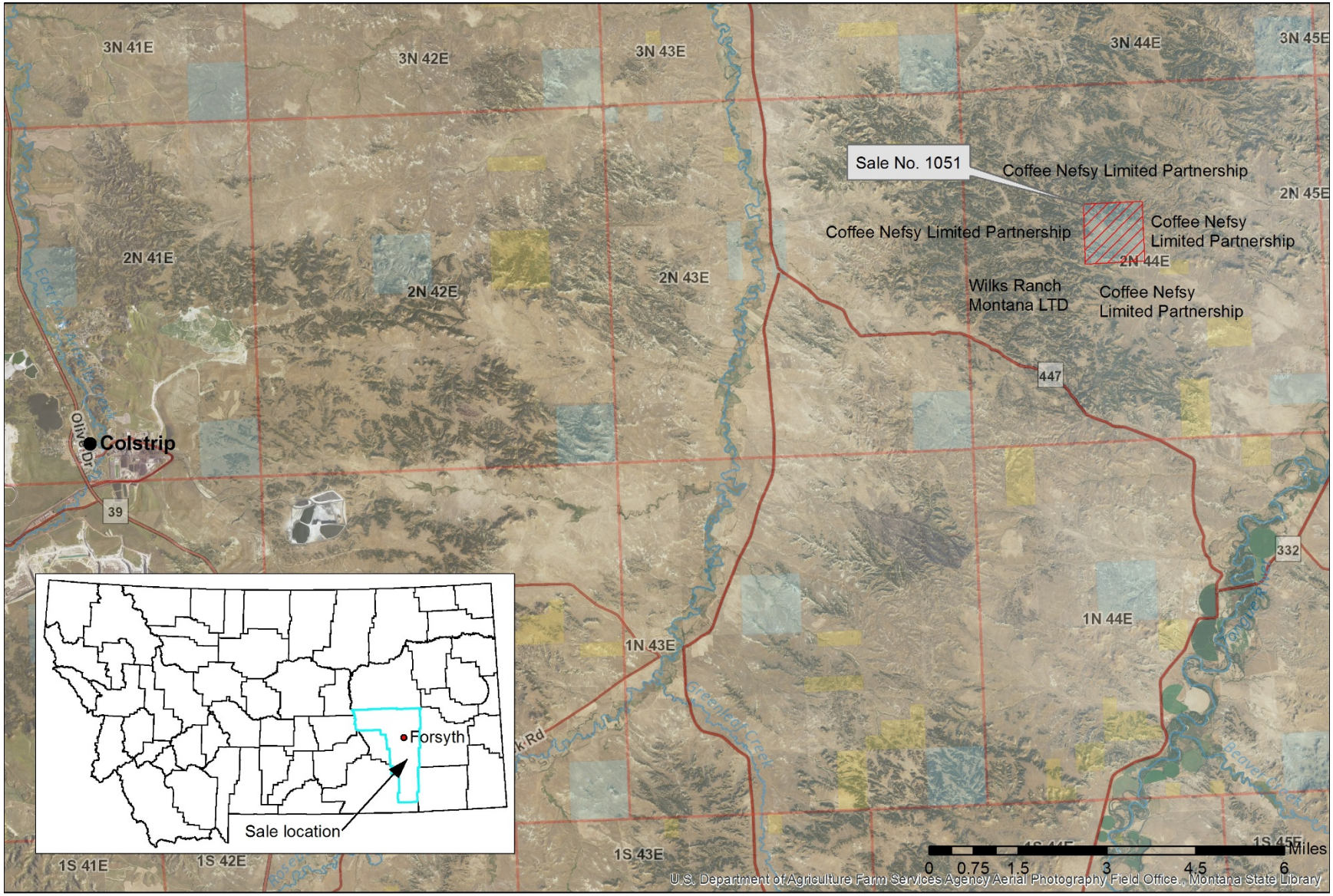


Location: Rosebud County
Prepared on: 03 MAY 2019
Prepared by: DNRC REMB Staff
Projection: NAD 1983 - MT State Plane

Rosebud County Sale: Coffee Cattle Company
Sale No. 1051 & 126, Common Schools

Land Sales | Montana State Trust Land | Bureau of Land Management

N

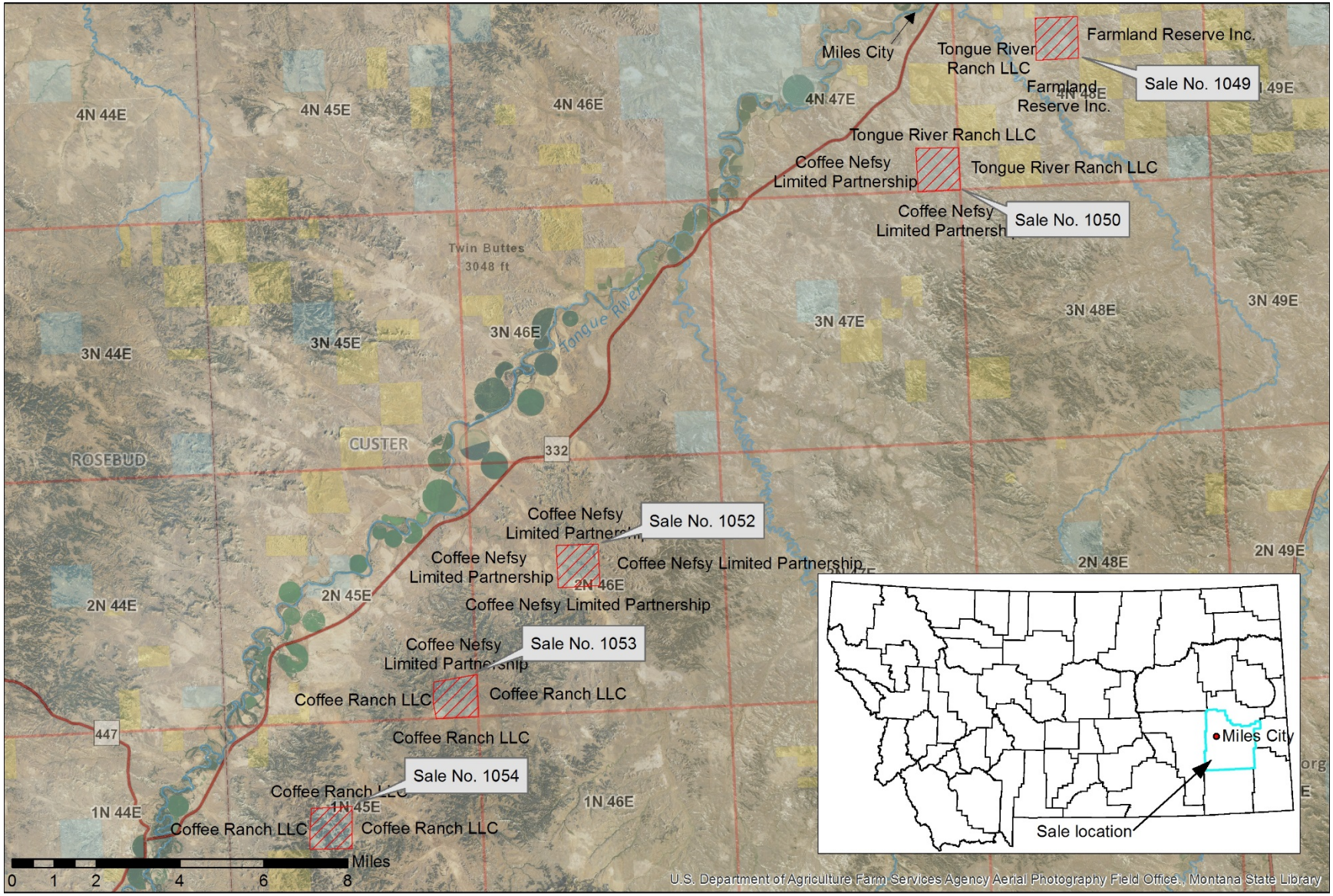


Location: Rosebud County
Prepared on: 03 MAY 2019
Prepared by: DNRC REMB Staff
Projection: NAD 1983 - MT State Plane

Rosebud County Sale: Coffee Cattle Company
Sale No. 1051 & 126, Common Schools

Land Sales | Montana State Trust Land | Bureau of Land Management

N

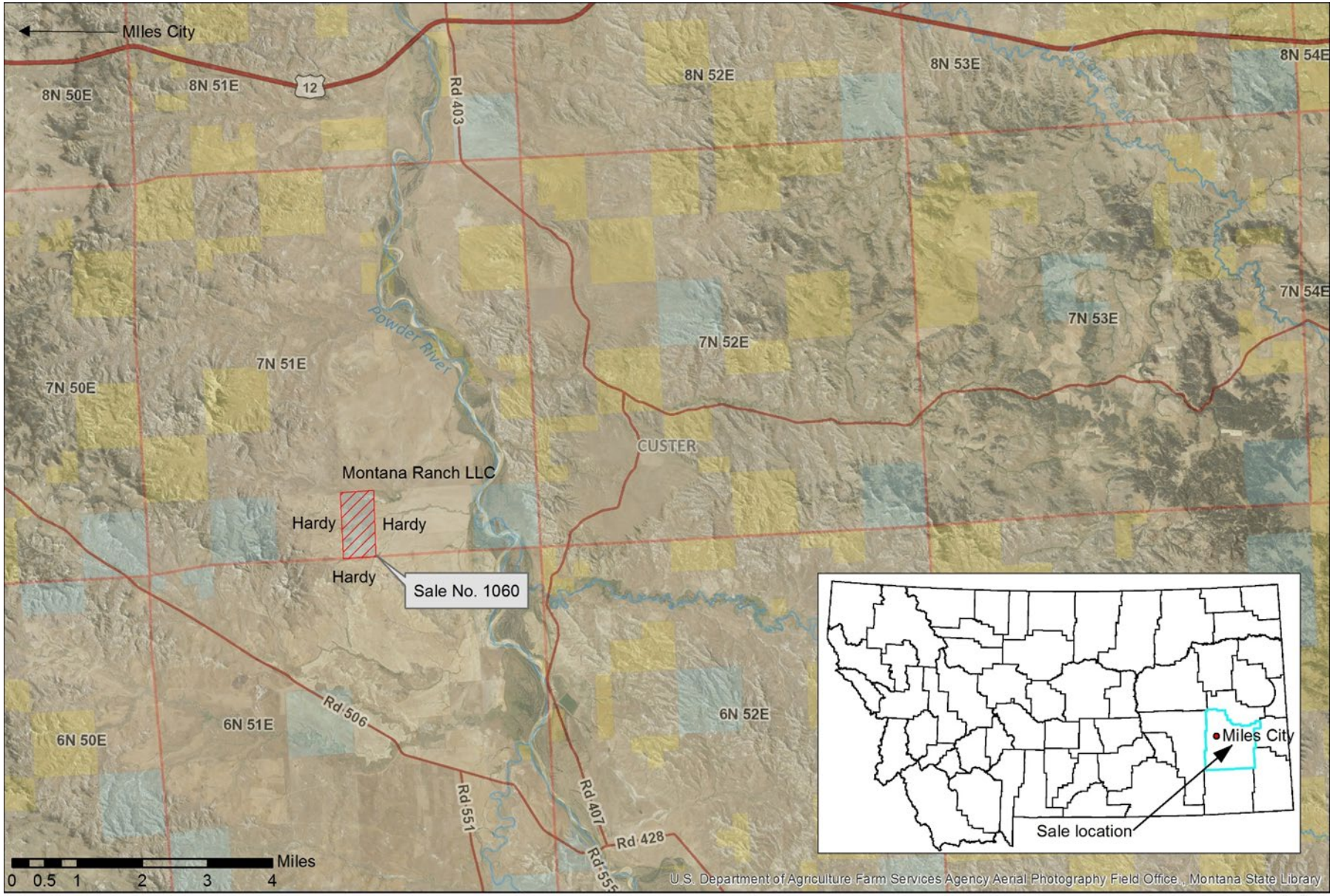


Location: Custer County
Prepared on: 03 MAY 2019
Prepared by: DNRC REMB Staff
Projection: NAD 1983 - MT State Plane

Custer County Sales: Coffee Cattle Company
Sale Nos. 1049, 1050, 1052, 1053 & 1054, Common Schools

Land Sales | Montana State Trust Land | Bureau of Land Management

N

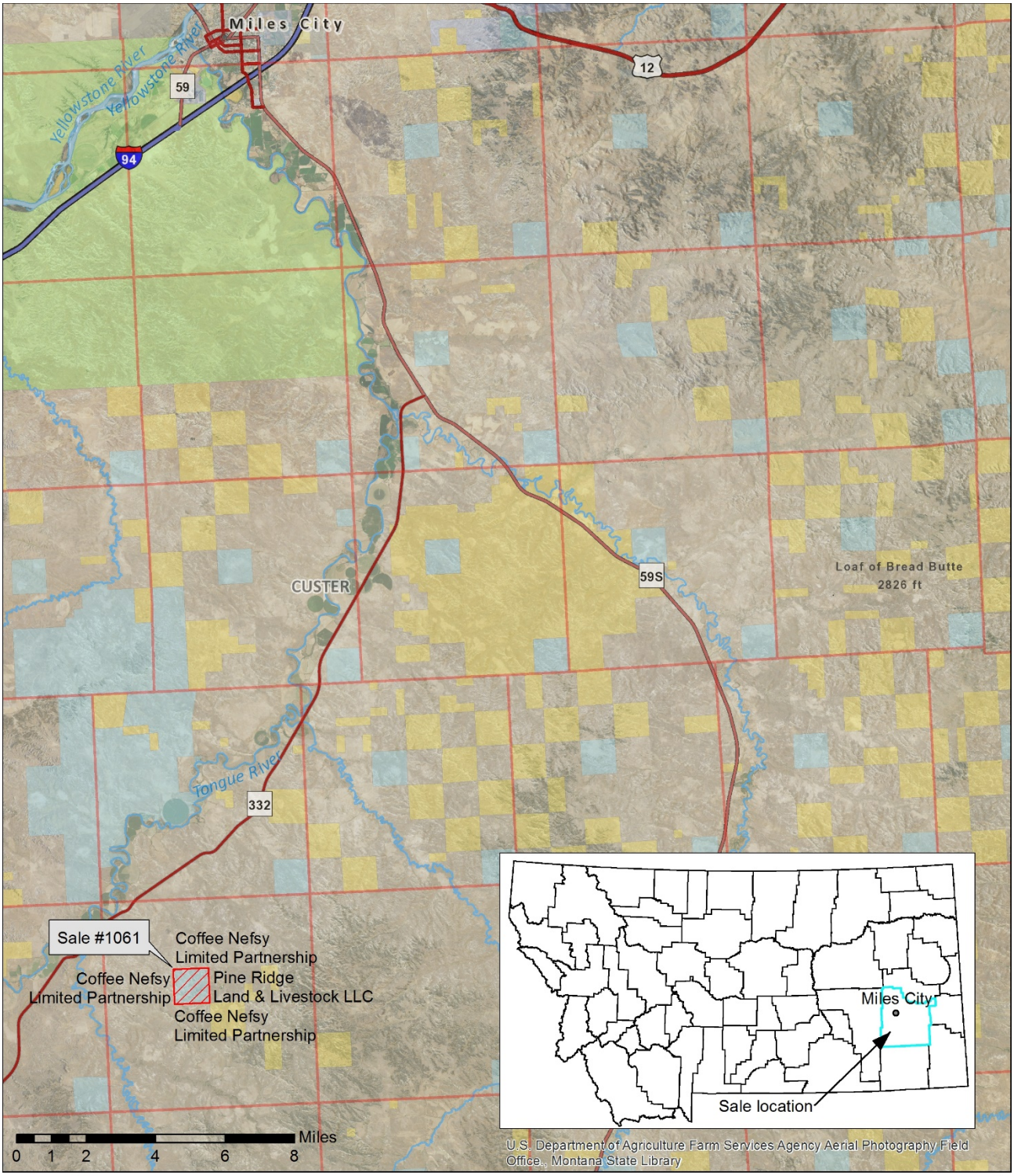


Location: Custer County
Prepared on: 03 MAY 2019
Prepared by: DNRC REMB Staff
Projection: NAD 1983 - MT State Plane

Custer County Sale: DNRC
Sale No. 1060, Common Schools

Land Sales | Montana State Trust Land | Bureau of Land Management

N



Sale: 1061 Common Schools to Coffee Cattle Company
Location: Custer County
Prepared on: 22 MAY 2019
Prepared by: DNRC REMB Staff
Projection: NAD 1983 - MT State Plane

Land Sale
Montana State Trust Land
US Dept of Ag.
Bureau of Land Management

N

0320-4

LAND ACQUISITION:

APPROVAL FOR PURCHASE

Land Board Agenda Item
March 16, 2020

0320-4 Land Acquisition: Approval for Purchase

Location: Sanders County

Trust Benefits: Common Schools, Public Buildings

Trust Revenue: N/A

Item Summary

The Department of Natural Resources and Conservation (DNRC) has identified a potential land acquisition of approximately 1.63 acres in the Thompson River drainage in Sanders County.

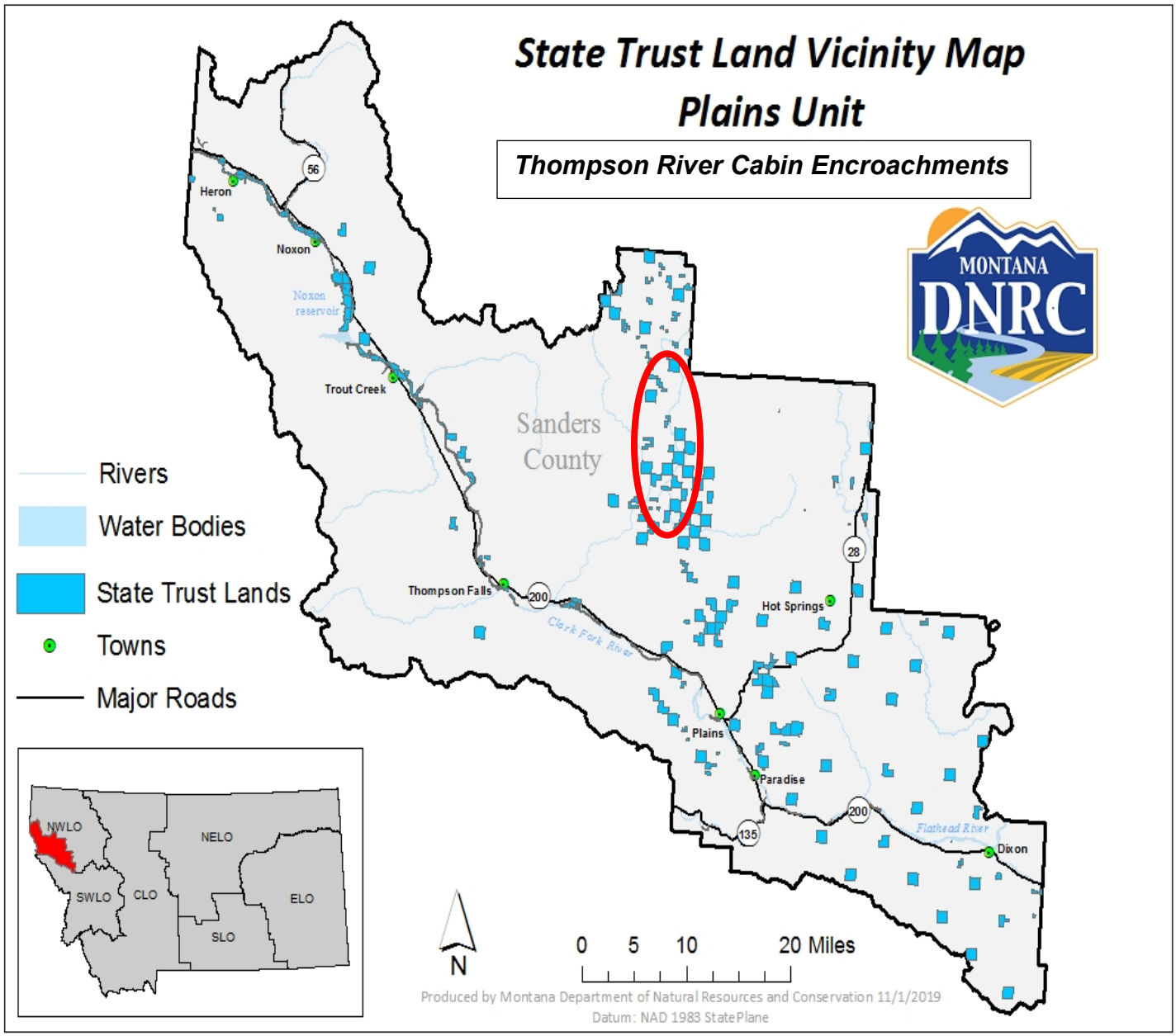
Proposed Acquisition:
Seven (7) DNRC issued cabin site leases encroach on adjoining land owned by Weyerhaeuser Company (WEY). These encroachments consist of improvements to the leases, including buildings, septic systems, access roads and water lines which have been in place for decades. The encroachments range from 0.03 acres to 0.67 acres in size. DNRC has worked with WEY, and their predecessor, Plum Creek Timber, to identify and survey the specific areas of encroachment for the purpose of DNRC pursuing acquisition in fee title of these small acreages. WEY has agreed to grant easements for the access encroachments and waterline encroachments. The total purchase price for this transaction is $26,007.30.

The lands of WEY in the Thompson River drainage are mostly encumbered by a conservation easement held by Department of Fish, Wildlife and Parks (DFWP). DNRC and WEY worked with DFWP to limit the impact to the conservation easement and preserve certain rights retained by WEY associated with allowable building envelopes. WEY agreed to include additional lands in the drainage in the conservation easement and DFWP agreed to amend the conservation easement and release the encroachment acreage from it so those parcels would be unencumbered. This transaction was completed in November 2019.

The DNRC is requesting approval to acquire these properties in fee title and incorporate them into the existing cabin site leases. Purchase of these properties will cure the encroachment situation, ensure continued residential lease revenue and enable these leases to be included in the cabin site sales program.

DNRC Recommendation:

The director recommends approval of this acquisition.


State Trust Land Vicinity Map
Plains Unit
Thompson River Cabin Encroachments
MONTANA
DNRC
Heron
Noxon
Noxon reservoir
Trout Creek
Sanders County
Thompson Falls
Clark Fork River
Hot Springs
Plains
Paradise
Flathead River
Dixon
56
28
200
135
Rivers
Water Bodies
State Trust Lands
Towns
Major Roads
NWLO
NELO
SWLO
CLO
ELO
SLO
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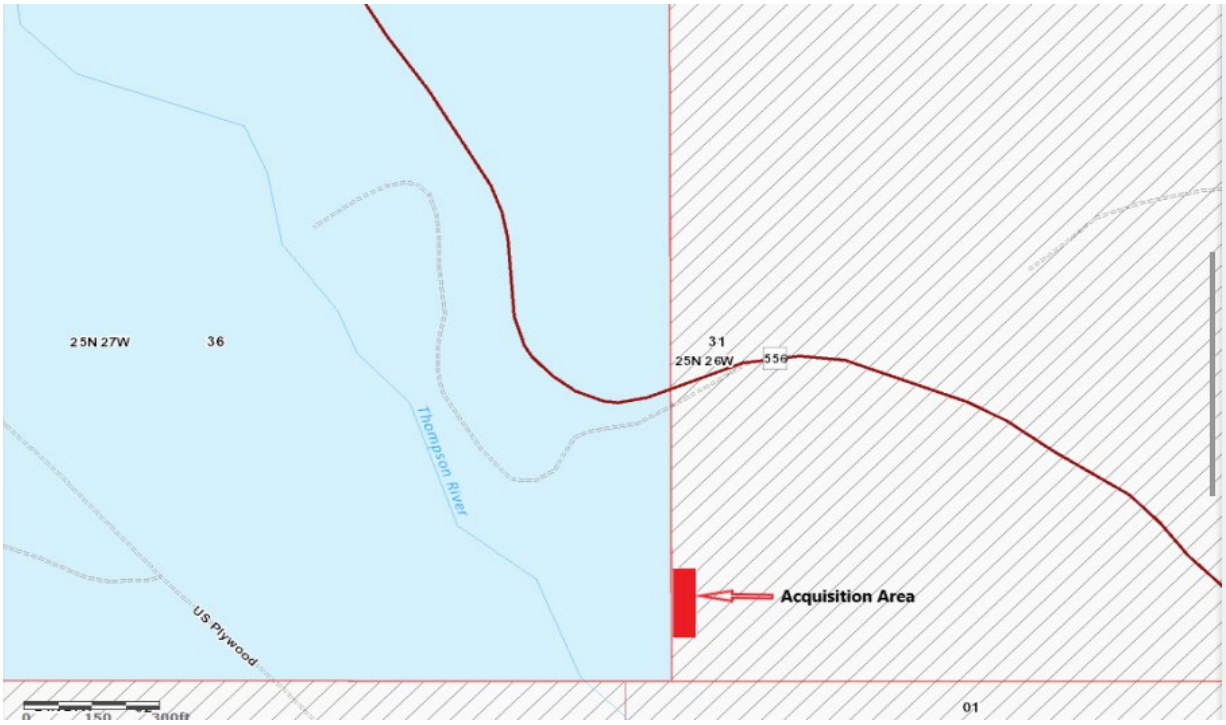
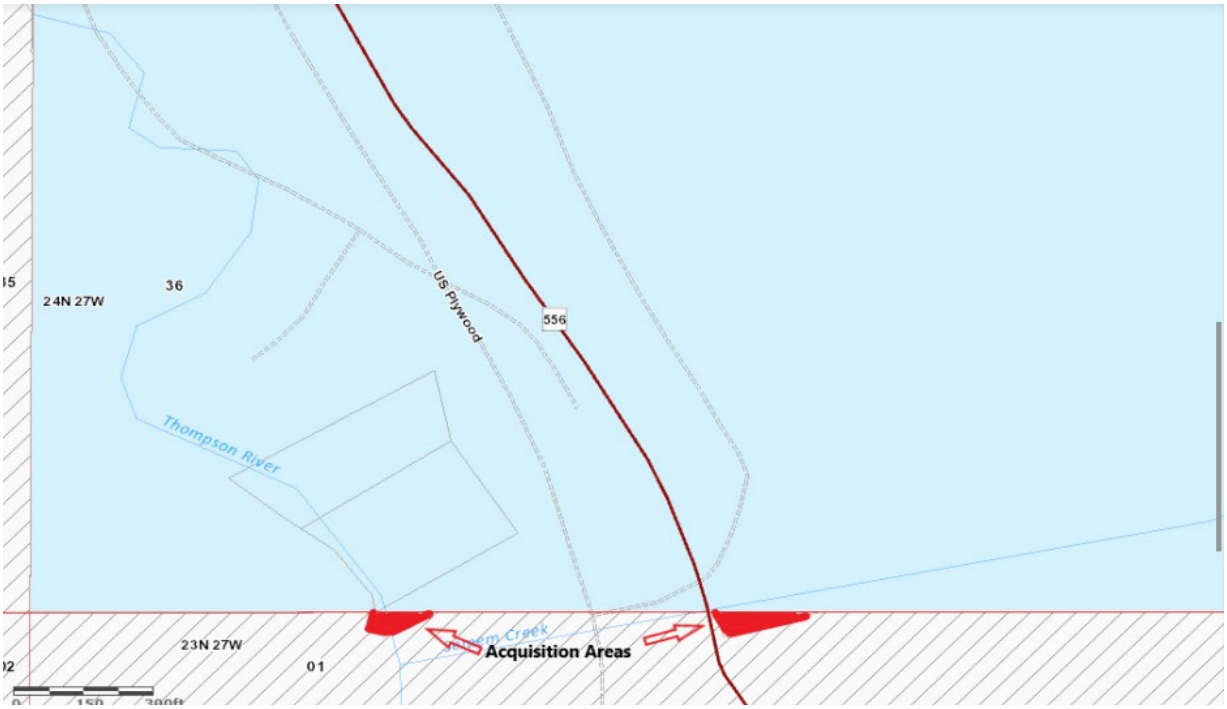
0 5 10 20 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane

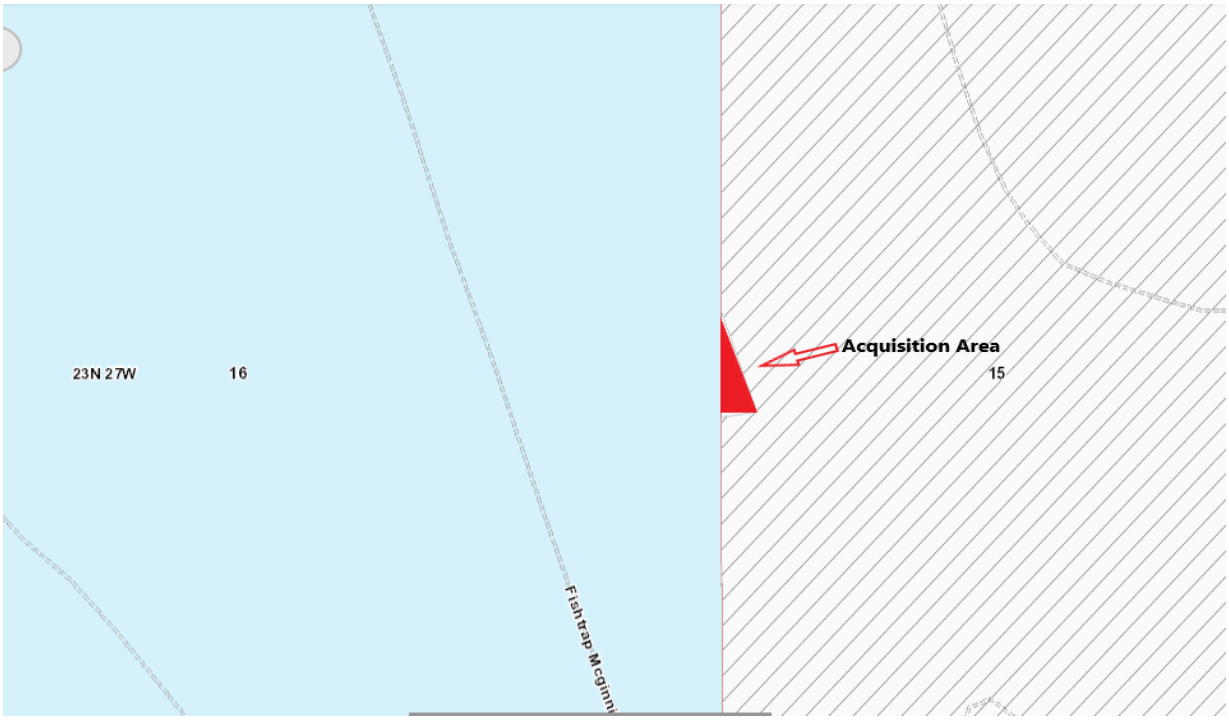
LEASE # 3050441 – Sec. 36, Twp. 25N, Rge. 27W



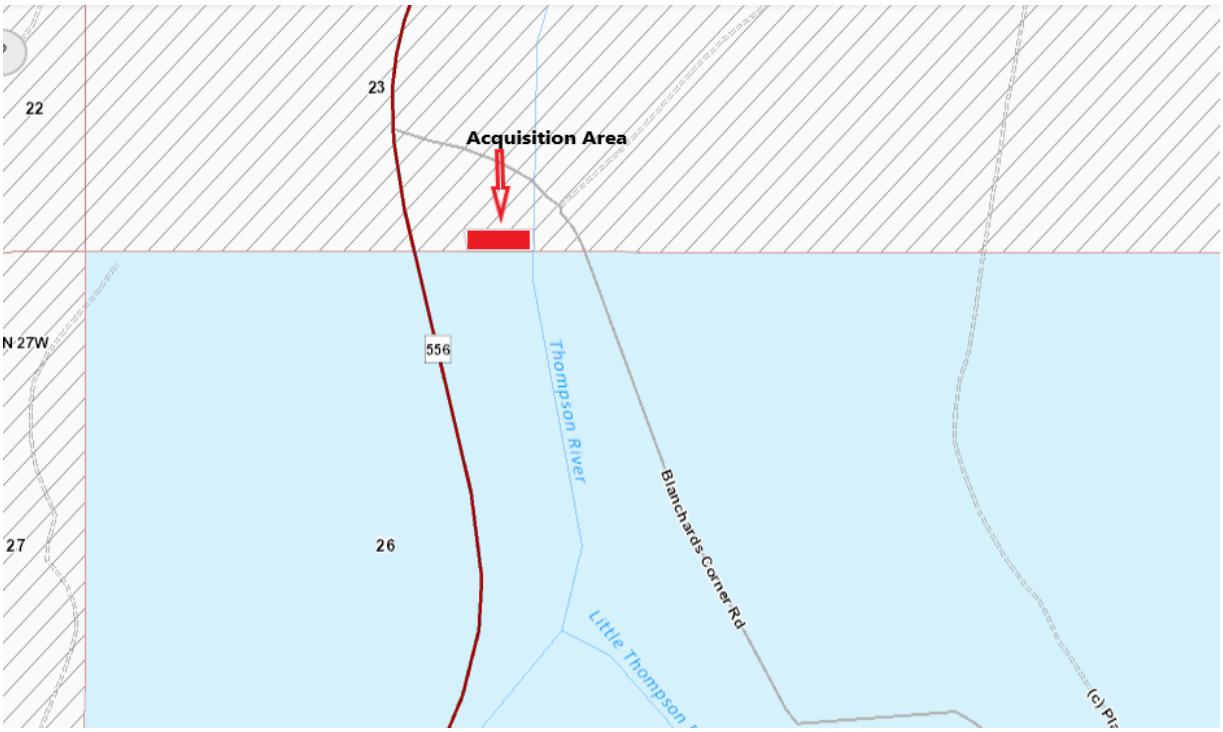
LEASE # 3050489 & LEASE # 3051393 -Sec. 36, Twp. 24N, Rge. 27E



Lease No. 3051220 – Sec. 16, Twp. 23N, Rge. 27W

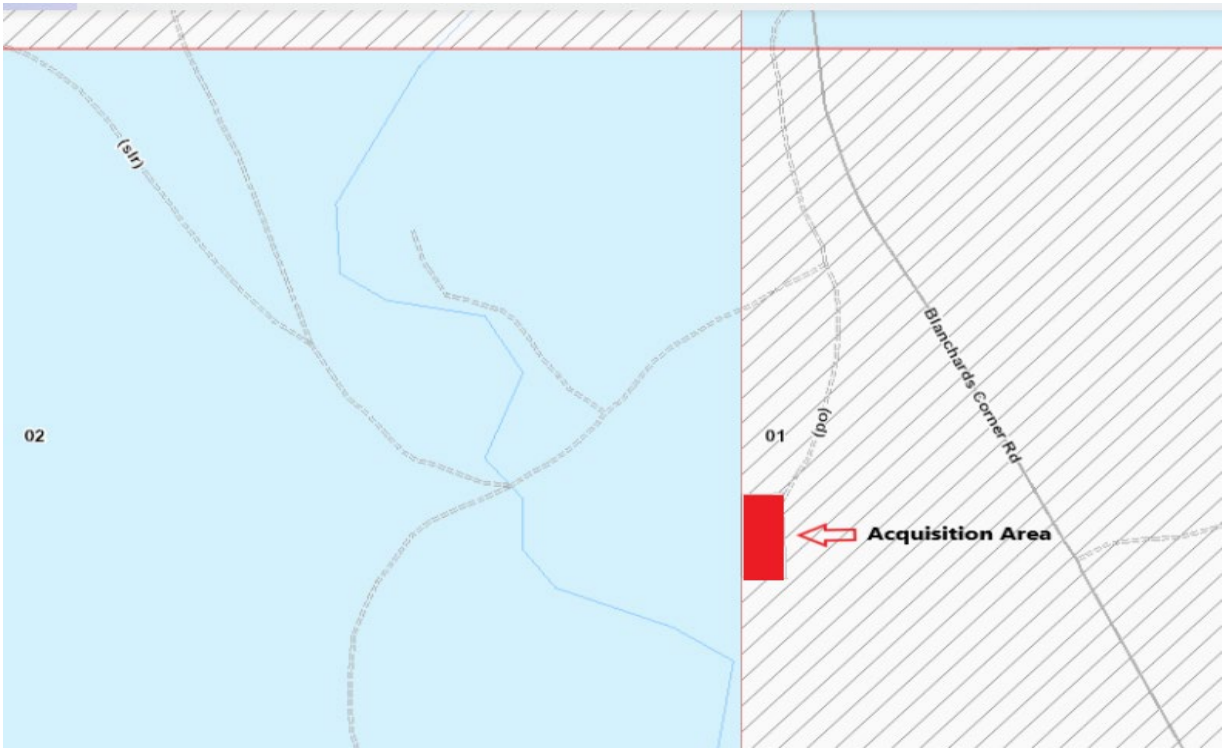


Lease No. 3051394 – Sec. 26, Twp. 23N, Rge. 27W



Lease # 3050484 – Sec. 6, Twp. 23N, Rge. 26W

Lease # 3051102 – Sec. 2, Twp. 22N, Rge. 27W



0320-5

EASEMENTS:

A. Standard Grant

B. Foys Canyon: Reciprocal Access Agreement

Land Board Agenda Item
March 16, 2020

0320-5A Easements

Location: Carbon, Dawson, Fallon, Gallatin, Hill, Madison, Powell, Prairie, and Wibaux Counties

Trust Benefits: Common Schools, Public Land Trust – Nav. River

Trust Revenue: Common Schools = $63,153
Public Land Trust = $855

Item Table of Contents

Applicant	Right-of-Way Purpose	Term	Page(s)
Hill County Electric Cooperative, Inc.	Buried Electric Line	Permanent	46-47
Mid-Rivers Telephone Cooperative	Buried Fiber-Optic Cable	Permanent	48-54
City of Deer Lodge	Bridge Construction and Maintenance	Permanent	55-56
Chadwick Harrison Lee Carr & Penelope Carr	Historic Private Access Road	Permanent	57-58
Town of Twin Bridges	Buried Municipal Water Pipeline	Permanent	59-60
Monte Blain	Historic Private Access Road	Permanent	61-62
Mid-Rivers Telephone Cooperative	Buried Fiber-Optic Cable	Permanent	63-69
City of Belgrade	Buried Municipal Water & Sewer Pipelines	Permanent	70-71

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Hill County Electric Cooperative Inc. PO Box 2330 Havre, MT 59501
Application No.:	18847
R/W Purpose:	a buried 7.2kV electrical distribution line
Lessee Agreement:	ok
Acreage:	1.05
Compensation:	$1,155.00
Legal Description:	20-foot strip through S2SE4, Sec. 16, Twp. 33N, Rge. 9E, Hill County
Trust Beneficiary:	Common Schools

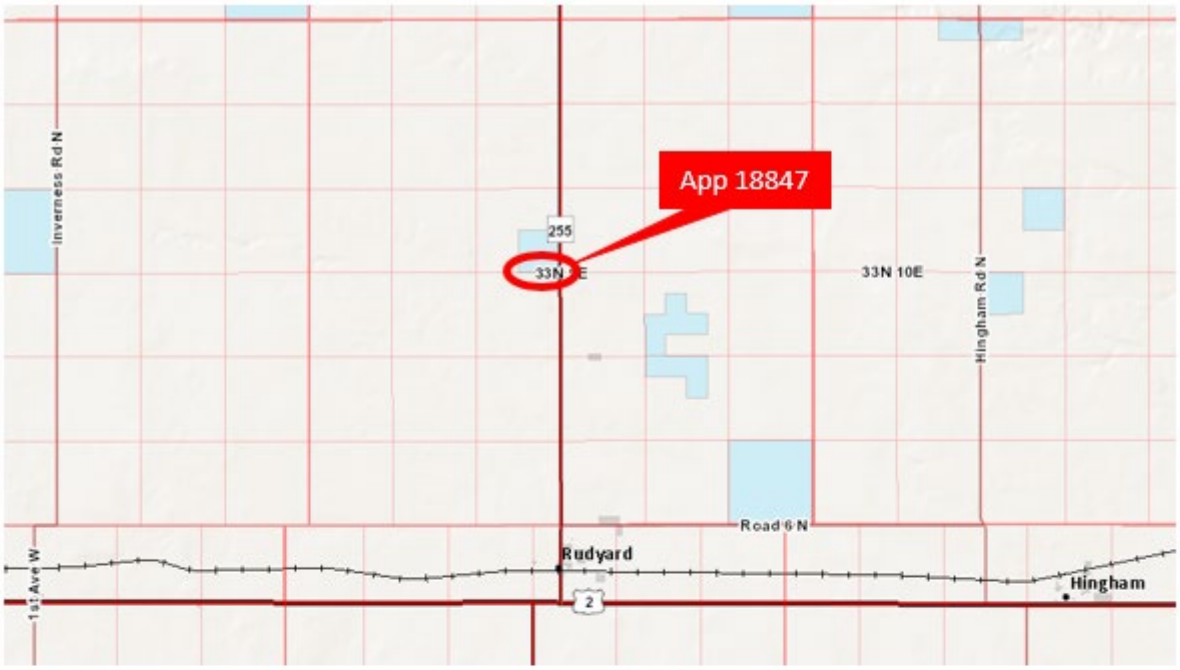
Item Summary

Hill County Electric Cooperative is requesting an easement for a buried electric distribution line to replace and upgrade their current facilities and services to the Rudyard Substation serving area in and around Rudyard Montana. Alternate routes were explored, however the proximity to the existing county road provides easier accessibility for construction and maintenance.

DNRC Recommendation

The director recommends approval of the easement request by Hill County Electric Cooperative.

R/W Application 18847



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18848
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.67
Compensation:	$402.00
Legal Description:	16-foot strip through S2NW4, Sec. 28, Twp. 12N, Rge. 55E, Prairie County
Trust Beneficiary:	Common Schools

Item Summary

Mid-Rivers Telephone Cooperative is proposing to install approximately 145 miles of new fiber optic cable in rural areas within Custer, Dawson, Fallon, Prairie and Wibaux Counties to provide enhanced capabilities for rural customers. Four sections of Trust Land are impacted by this project with three of the sections being within sage grouse general habitat. The proposed route is located along existing roads and previously disturbed ground on State Land and minimal impacts are expected. Consultation with the Sage Grouse program has taken place and Mid-Rivers has agreed to a mitigation plan for any impacts.

DNRC Recommendation

The director recommends approval of this easement request for Mid-Rivers Telephone Cooperative.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18849
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	1.89
Compensation:	$1,134.00
Legal Description:	16-foot strip through S2SW4, NE4SW4, N2SE4, Sec. 16, Twp. 12N, Rge. 57E, Wibaux County
Trust Beneficiary:	Common Schools

Item Summary

See page 48 for summary

DNRC Recommendation

See page 48 for recommendation

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18850
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	2.71
Compensation:	$1,626.00
Legal Description:	16-foot strip through N2SW4, NW4SE4, S2NE4, NE4NE4, Sec. 36, Twp. 13N, Rge. 54E, Prairie County
Trust Beneficiary:	Common Schools

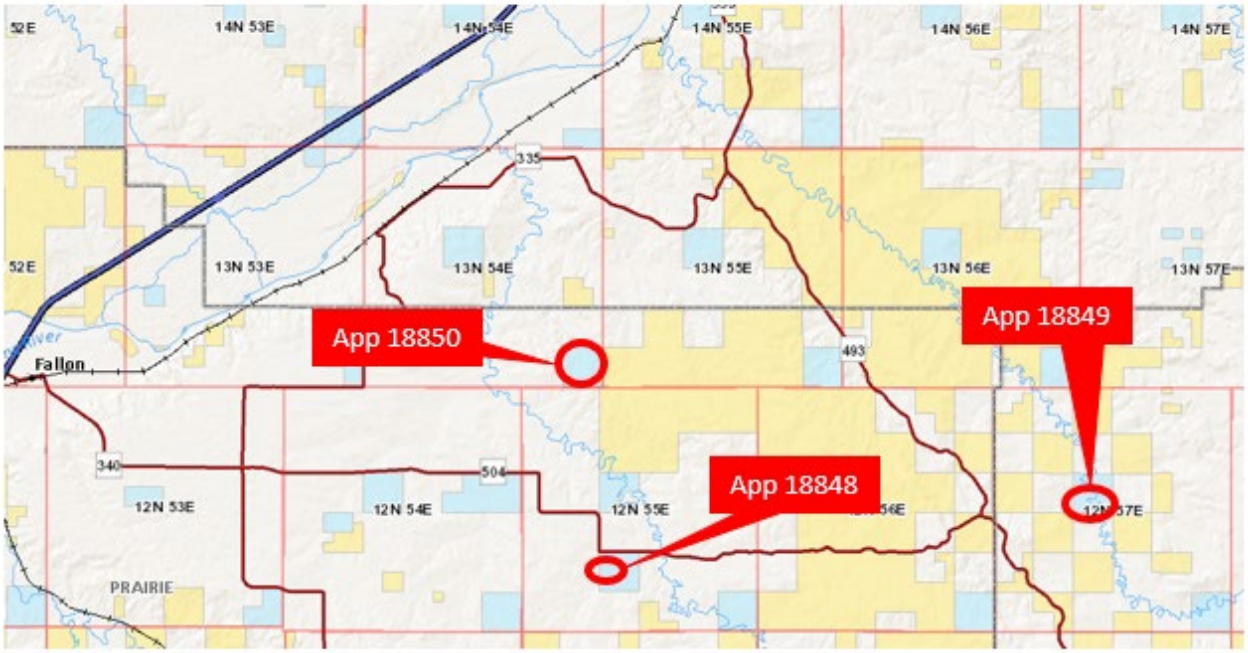
Item Summary

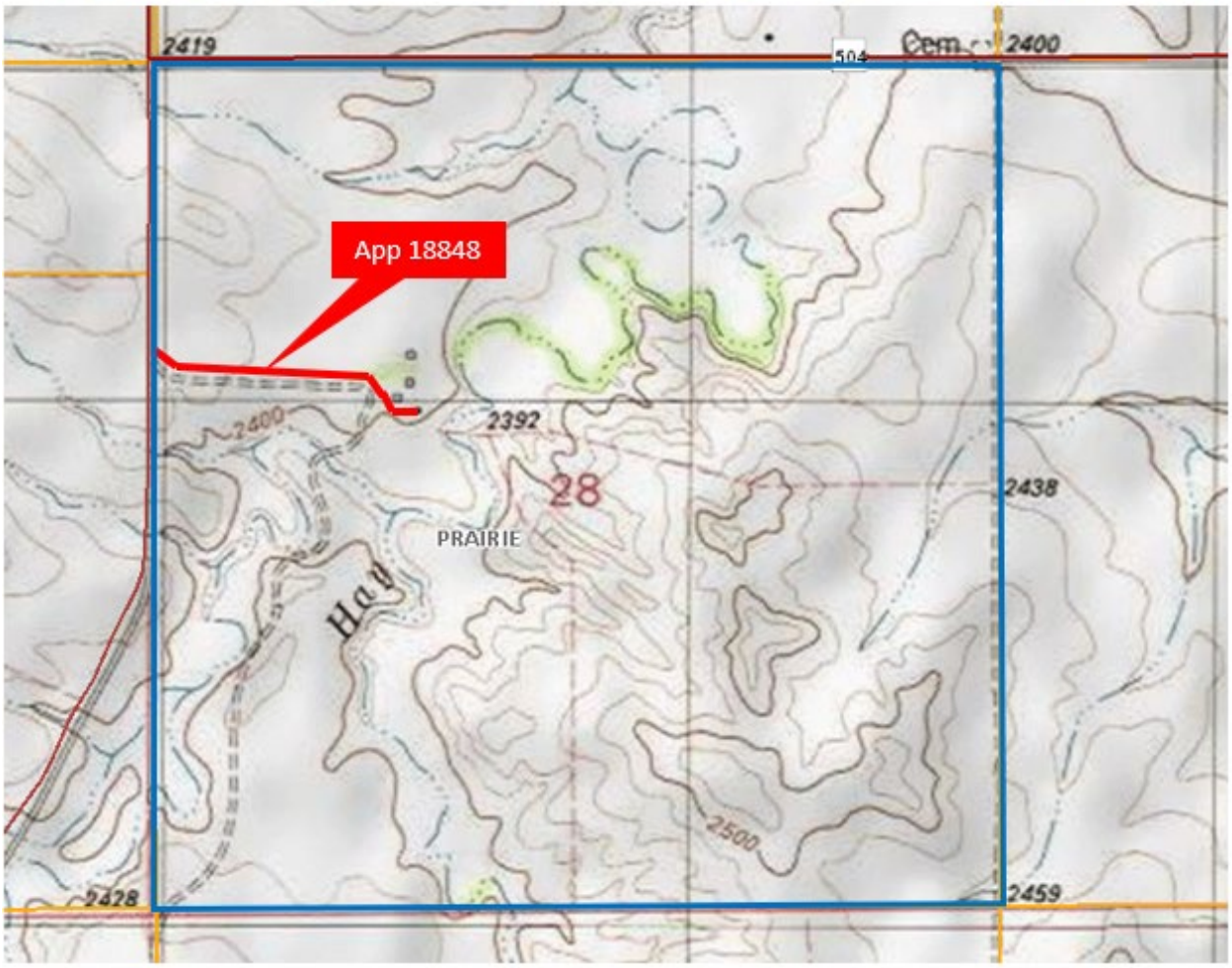
See page 48 for summary

DNRC Recommendation

See page 48 for recommendation

R/W Application 18848, 18849, & 18850





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App 18849
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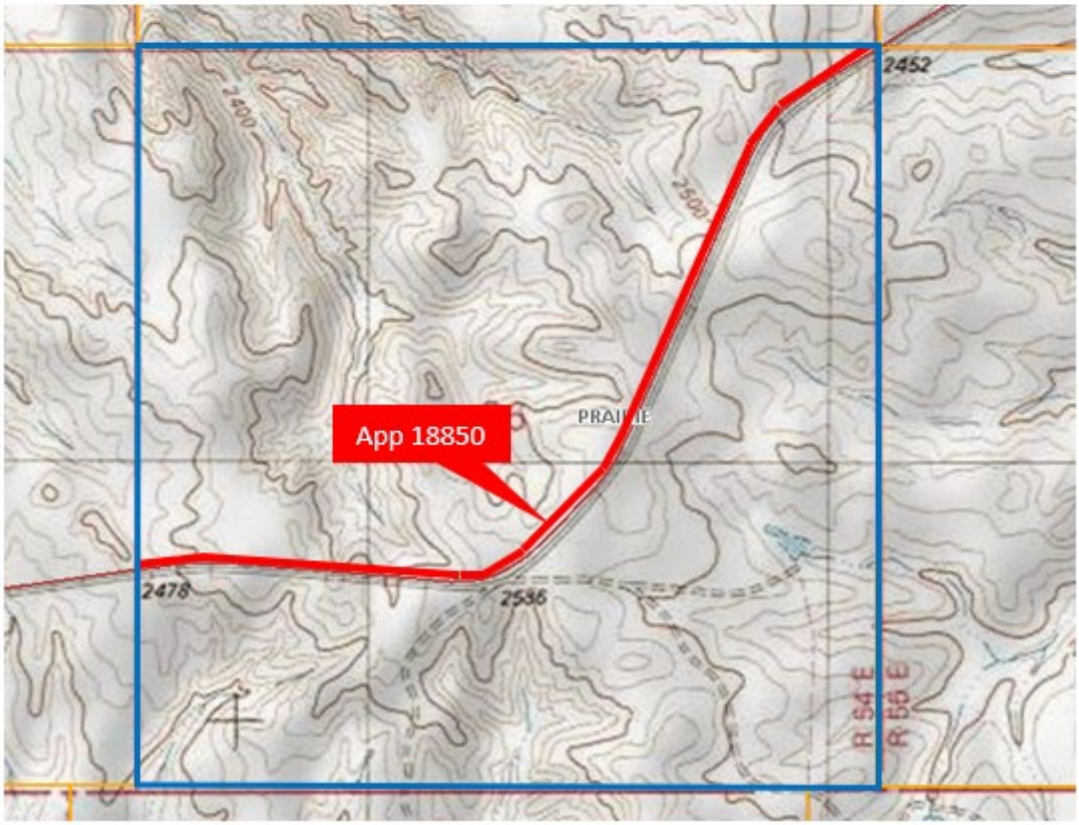
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2500
App 18850
2478
2536
R 54 E
R 55 E

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18851
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.17
Compensation:	$102.00
Legal Description:	16-foot strip through SW4SW4, Sec. 36, Twp. 14N, Rge. 54E, Dawson County
Trust Beneficiary:	Common Schools

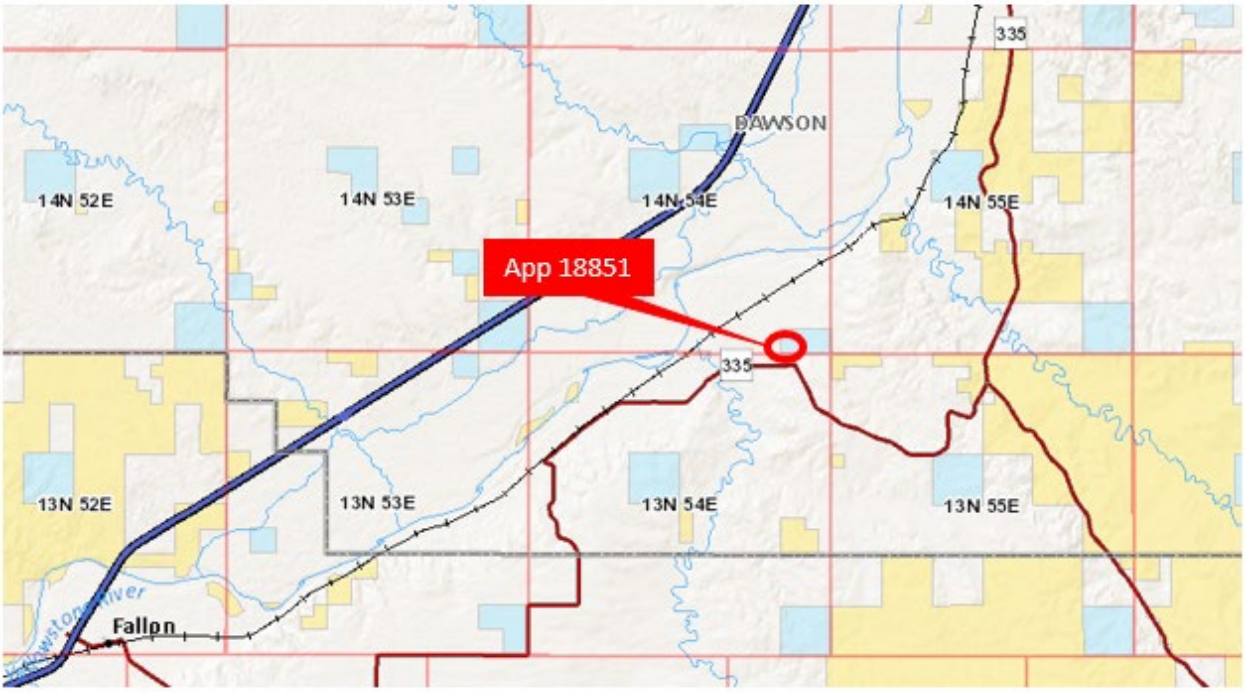
Item Summary

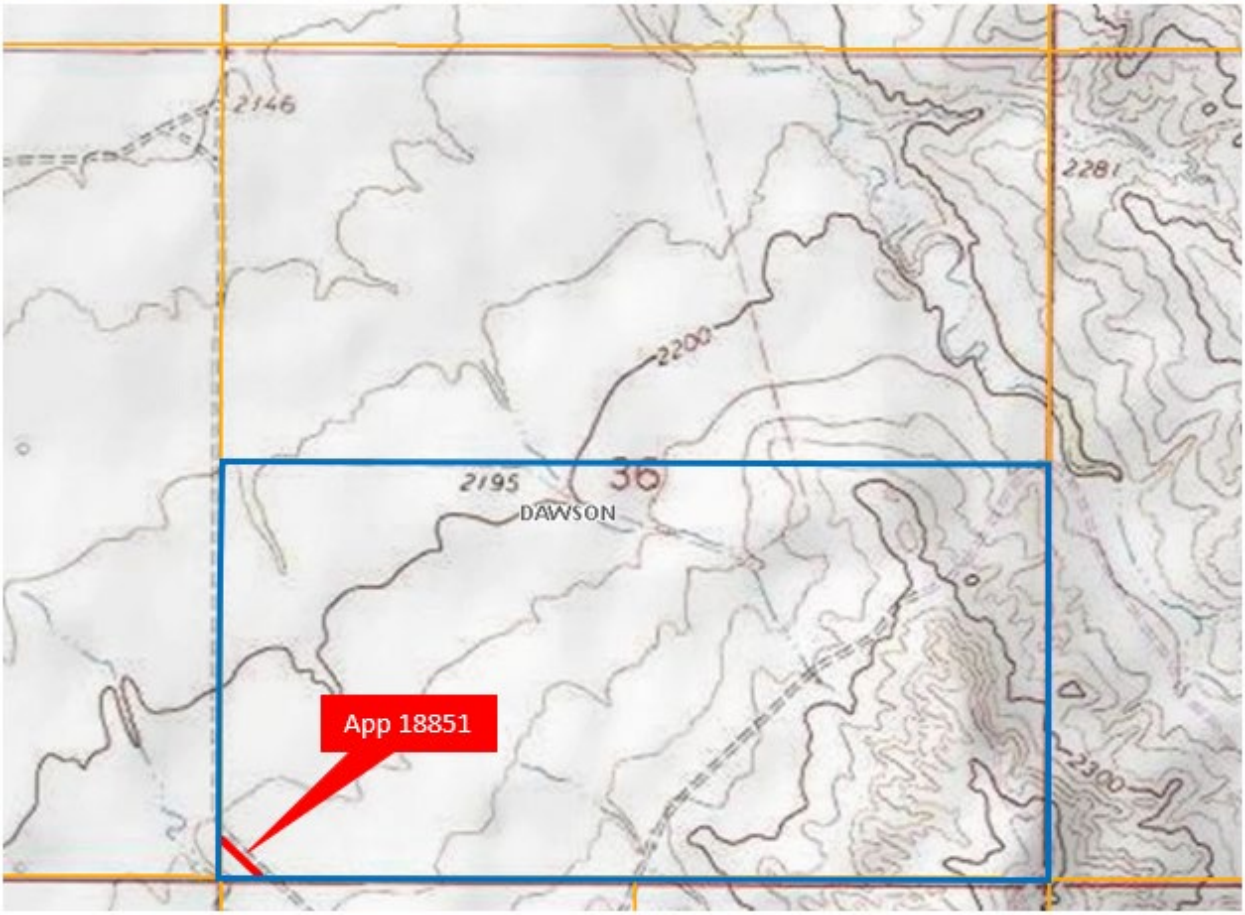
See page 48 for summary

DNRC Recommendation

See page 48 for recommendation

R/W Application 18851





APPLICANTS AND RIGHTS OF WAY INFORMATION

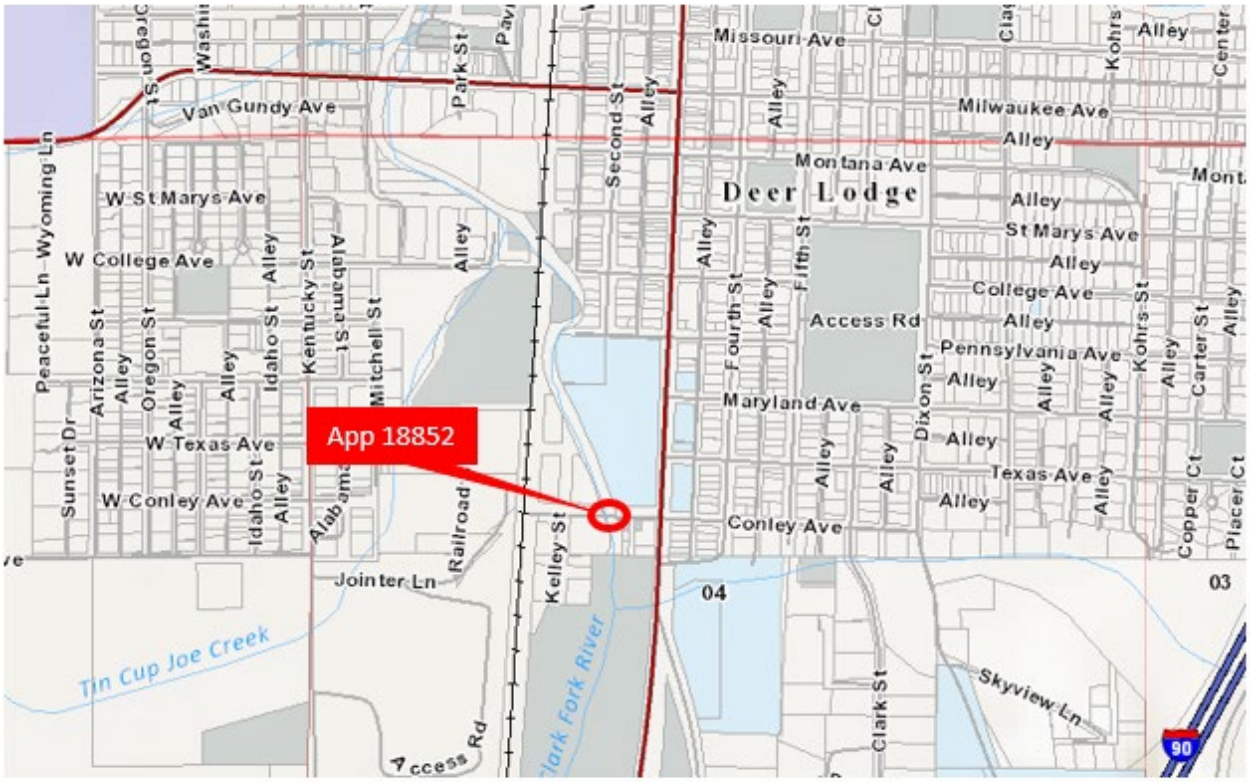
Applicant:	City of Deer Lodge % Montana Department of Transportation PO Box 201001 Helena, MT 59620-1001
Application No.:	18852
R/W Purpose:	highway bridge construction and maintenance, including occupancy by public utilities as defined in §69-4-101 MCA
Lessee Agreement:	N/A (navigable river)
Acreage:	0.16
Compensation:	$697.00
Legal Description:	a tract of land across the Clark Fork River in SE4NW4, Sec. 4, Twp. 7N, Rge. 9W, Powell County
Trust Beneficiary:	Public Land Trust - Nav. River

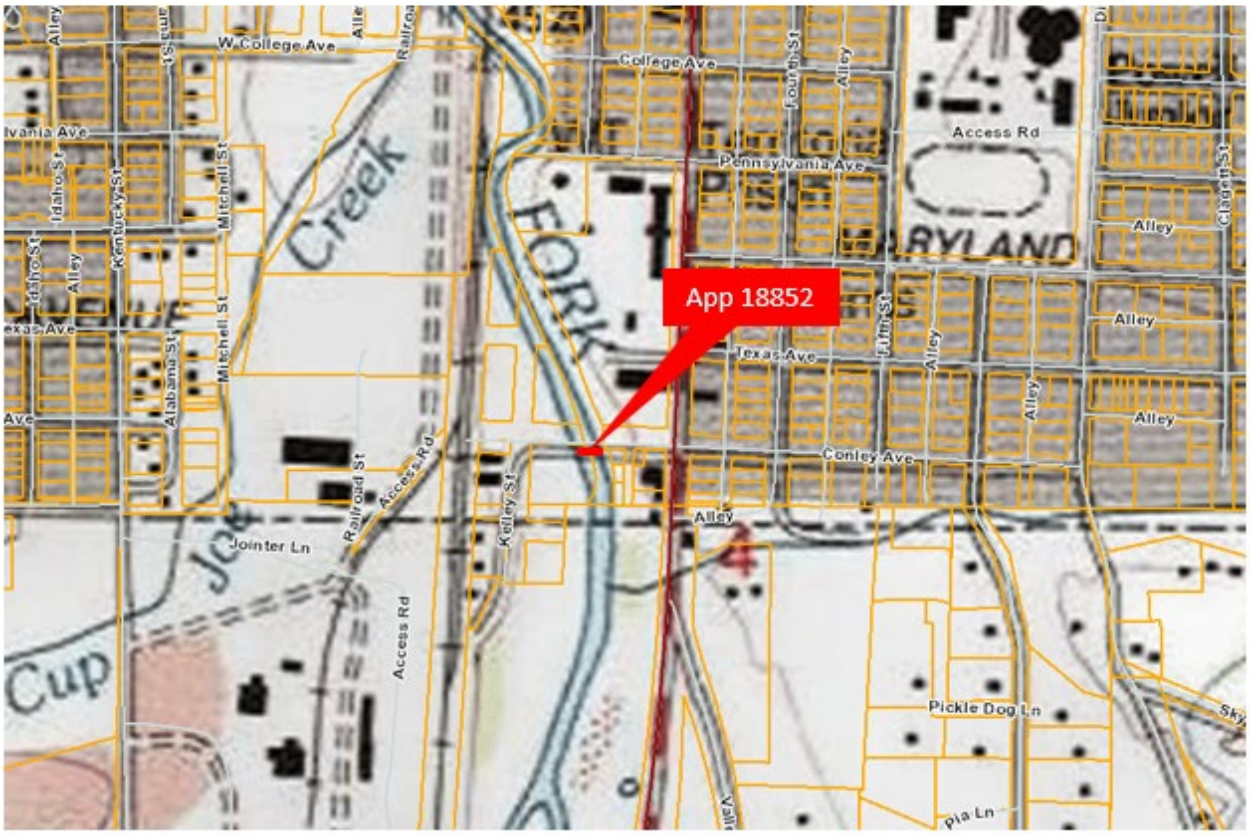
The Montana Department of Transportation (MDT) is proposing to remove the existing Conley Street Bridge in Deer Lodge and construct a new two-span, single lane concrete bridge within the same alignment. The existing bridge is in poor condition and is not a candidate for rehabilitation. Existing piers will be removed and replaced with a single pier, which will be located outside of the active channel. An existing pedestrian path will be impacted with the new construction but will be rebuilt and potentially realigned to provide continued pedestrian traffic to Arrowstone Park. This project is located within the Clark Fork River superfund site with adjacent soils contaminated with heavy metals. Consultation with The Department of Environmental Quality (DEQ) has occurred and DEQ will haul and dispose of contaminated soil. This project is partially funded through the Treasure State Endowment Program.

DNRC Recommendation

The director recommends approval of this easement request by MDT for the City of Deer Lodge.

R/W Application 18852





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Chadwick Harrison Lee Carr & Penelope Carr PO Box 662 Cowley, WY 82420
Application No.:	18853
R/W Purpose:	a private access road to a single-family residence and associated outbuildings and to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	0.84
Compensation:	$590.00
Legal Description:	16-foot strip through N2NE4, SE4NE4, Sec. 36, Twp. 9S, Rge. 25E, Carbon County
Trust Beneficiary:	Common Schools

Item Summary

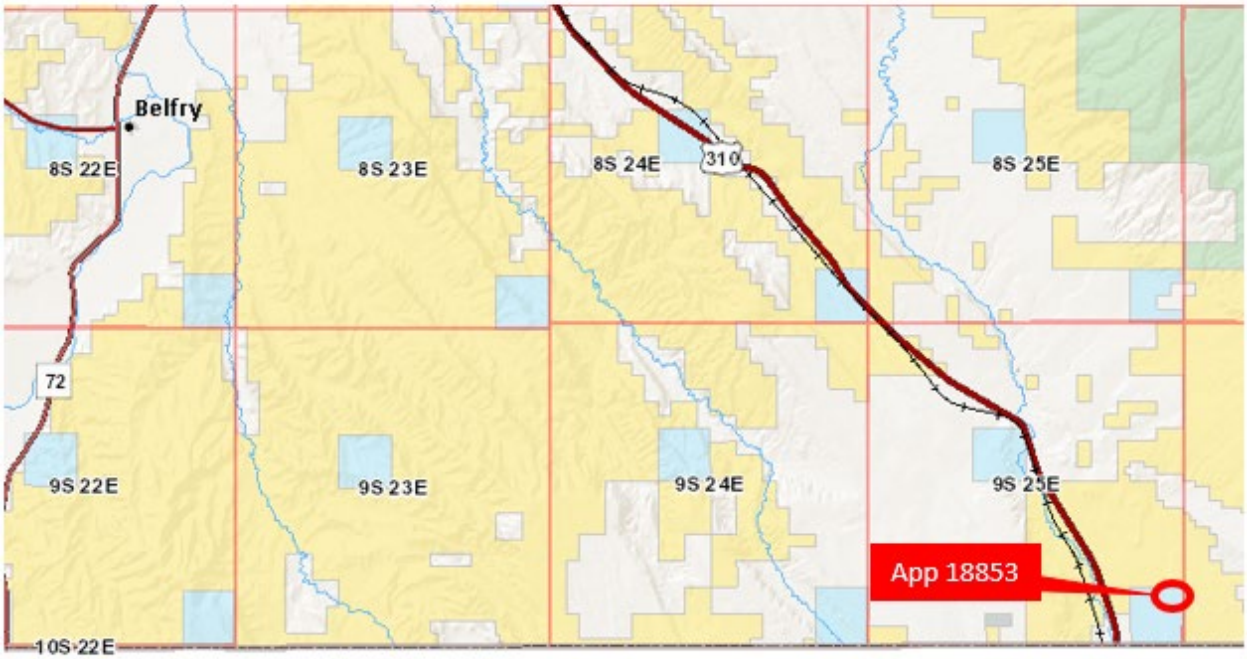
Lee and Penelope Carr have made application for the use of an existing road to access a single-family residence and to conduct normal farming and ranching operations. The road has been in place for many years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The private property to be accessed is described as:

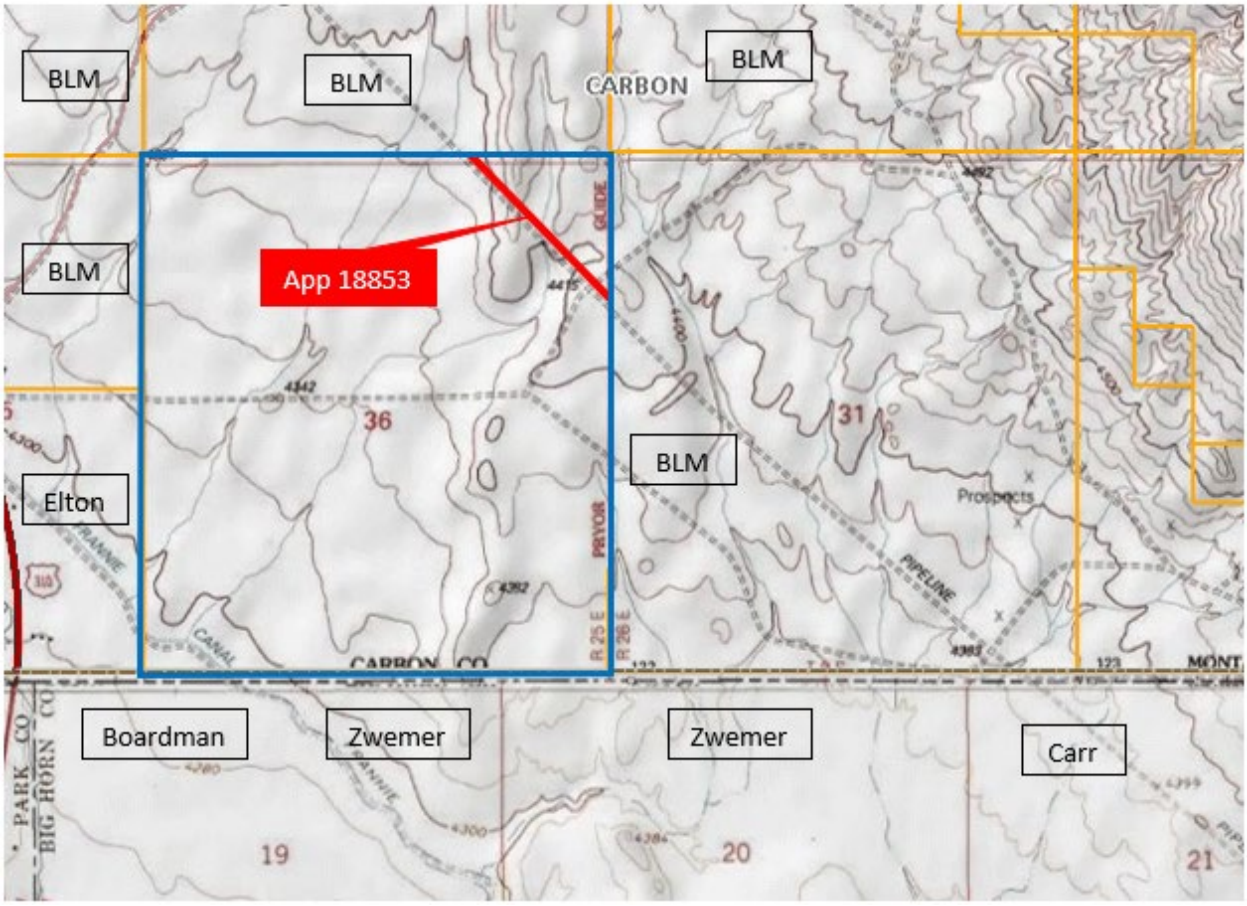
- Sec. 21, Twp. 58N, Rge. 97W, Big Horn County, Wyoming
- Sec. 27, Twp. 58N, Rge. 97W, Big Horn County, Wyoming

DNRC Recommendation

The director recommends approval of this historic easement request.

R/W Application 18853





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Town of Twin Bridges 104 East 6th Avenue Twin Bridges, MT 59754
Application No.:	18854
R/W Purpose:	a buried municipal 12" water main line
Lessee Agreement:	N/A (navigable river)
Acreage:	0.07
Compensation:	$158.00
Legal Description:	30-foot strip across the Beaverhead River in SE4SW4, Sec. 27, Twp. 3S, Rge. 6W, Madison County
Trust Beneficiary:	Public Land Trust - Nav. River

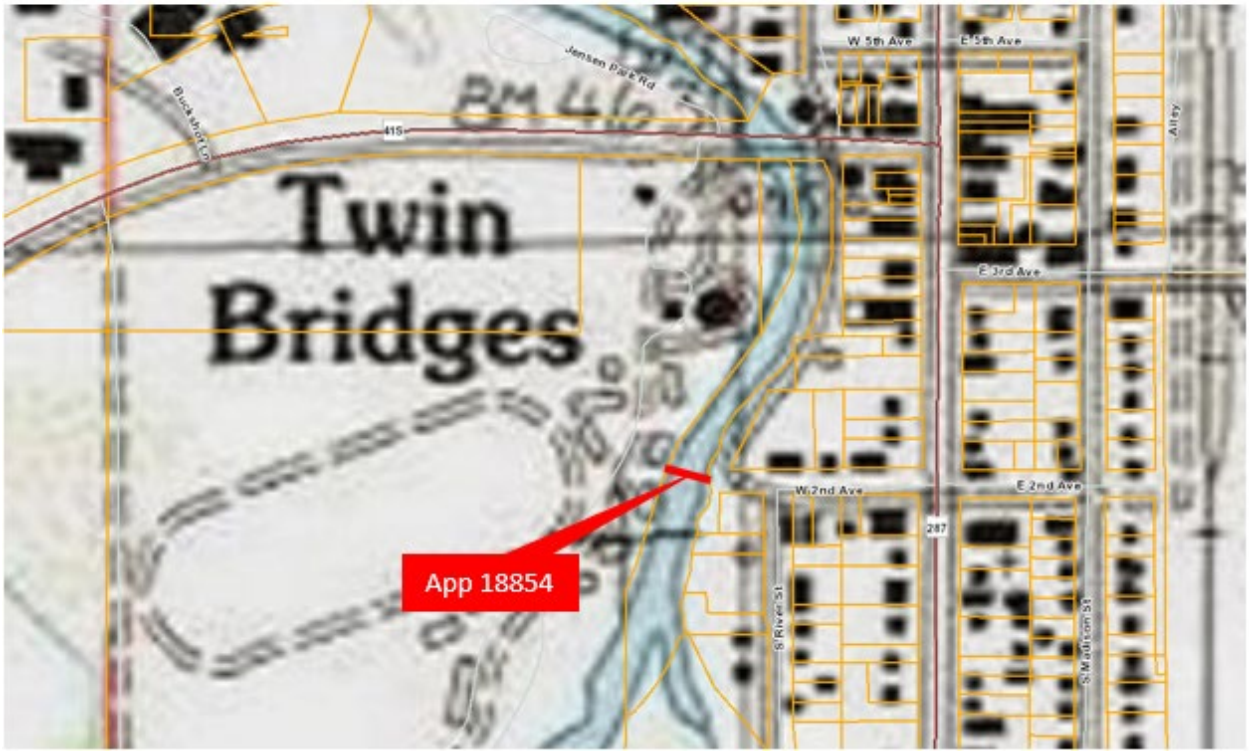
Item Summary

The City of Twin Bridges installed a new 12” municipal water main under the Beaverhead river pursuant to a Land Use License authorized by the Department. This application is the follow-up to the license and will allow permanent authorization for the water line. The existing water main that provided service to the Madison County fairgrounds was no longer functioning which jeopardized the annual County fair. Prior to construction the Town received all required permits and adhered to the stipulations. The pipeline was horizontally directional drilled to a depth of more than 6 feet below the river bed.

DNRC Recommendation

The director recommends approval of the City of Twin Bridges easement request.

R/W Application 18854



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Monte Blain 279 Bellion Creek Rd. Joliet, MT 59041
Application No.:	18855
R/W Purpose:	a private access road to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	1.08
Compensation:	$1,300.00
Legal Description:	a 14-foot strip through NW4NE4 and a 14-foot strip through S2NE4, NE4SE4, Sec. 36, Twp. 3S, Rge. 22E, Carbon County
Trust Beneficiary:	Common Schools

Item Summary

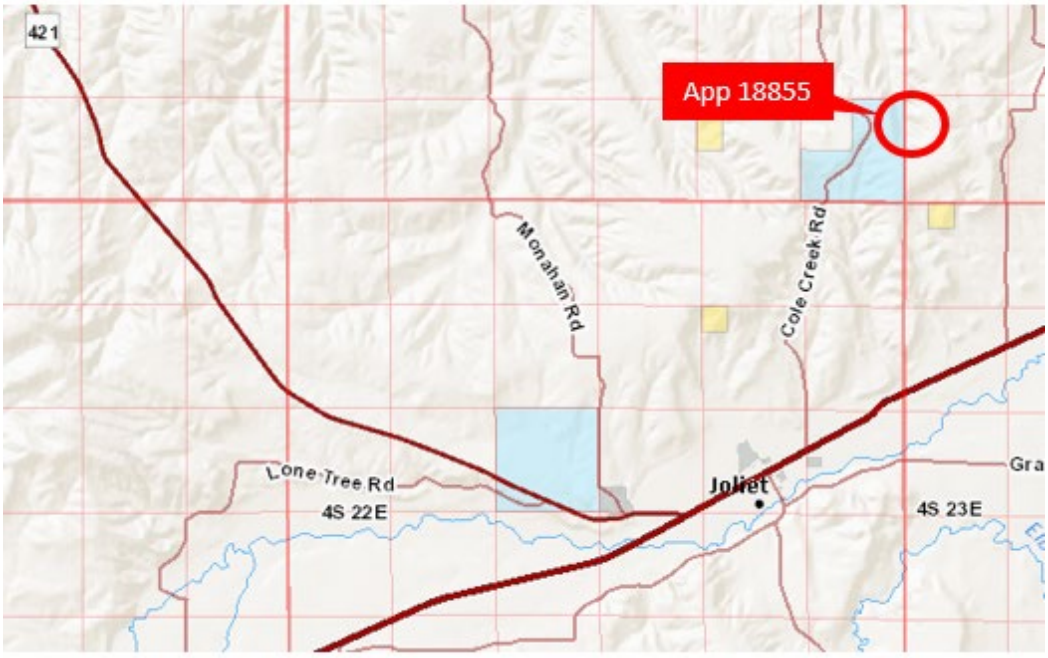
Mr. Blain has made application for the use of an existing roads to conduct normal farming and ranching operations. The road has been in place for many years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The private property to be accessed is described as:

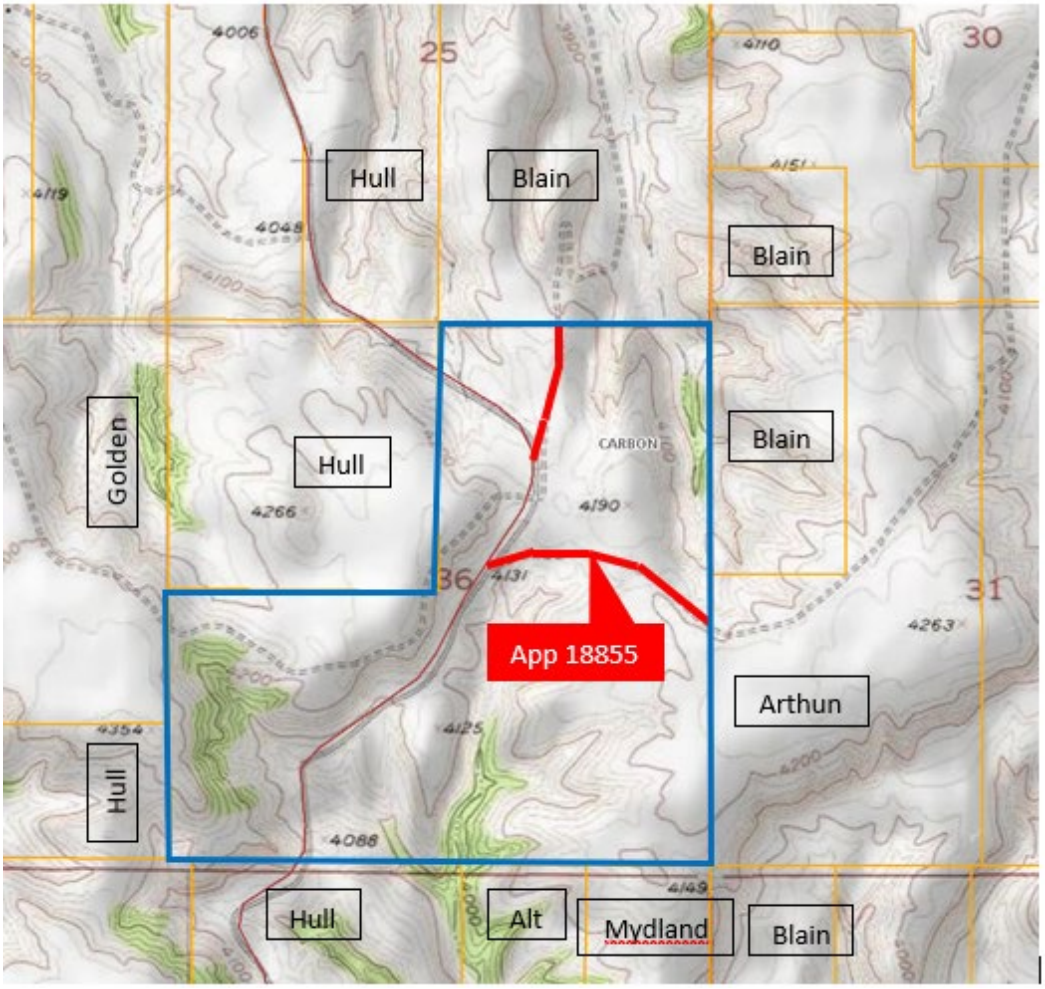
- Government Lots 1 & 2, Sec. 31, Twp. 3S, Rge. 23E
- Government Lot 4, Sec. 30, Twp. 3S, Rge. 23E
- Government Lot 4, W2SE4, Sec. 25, Twp. 3S, Rge. 22E

DNRC Recommendation

The director recommends approval of this historic easement request.

R/W Application 18855





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18857
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.98
Compensation:	$588.00
Legal Description:	16-foot strip through SW4NW4, N2SW4, Sec. 3, Twp. 8N, Rge. 60E, Fallon County
Trust Beneficiary:	Common Schools

Item Summary

Mid-Rivers Telephone Cooperative is proposing to install approximately 122 miles of new fiber optic cable in the Baker exchange area to provide enhanced capabilities for rural customers. Four sections of Trust land are impacted by this project and lie within sage grouse general habitat, two of the sections are within 2 miles of an active lek. The proposed route is located primarily along existing roads and previously disturbed ground on State Land and minimal impacts are expected. Consultation with the Sage Grouse program has taken place and Mid-Rivers has agreed to a mitigation plan for any impacts.

DNRC Recommendation

The director recommends approval of this easement request for Mid-Rivers Telephone Cooperative.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18858
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	1.96
Compensation:	$1,176.00
Legal Description:	16-foot strip through S2S2, Sec. 16, Twp. 7N, Rge. 60E, Fallon County
Trust Beneficiary:	Common Schools

Item Summary

See page 63 for summary

DNRC Recommendation

See page 63 for recommendation

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18859
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.72
Compensation:	$432.00
Legal Description:	a 16-foot strip through NE4NE4; two 16-foot strips through SW4NW4; a 16-foot strip through SW4NW4 & NW4SW4; and a 16-foot strip through NW4SW4 Sec. 36, Twp. 7N, Rge. 60E, Fallon County
Trust Beneficiary:	Common Schools

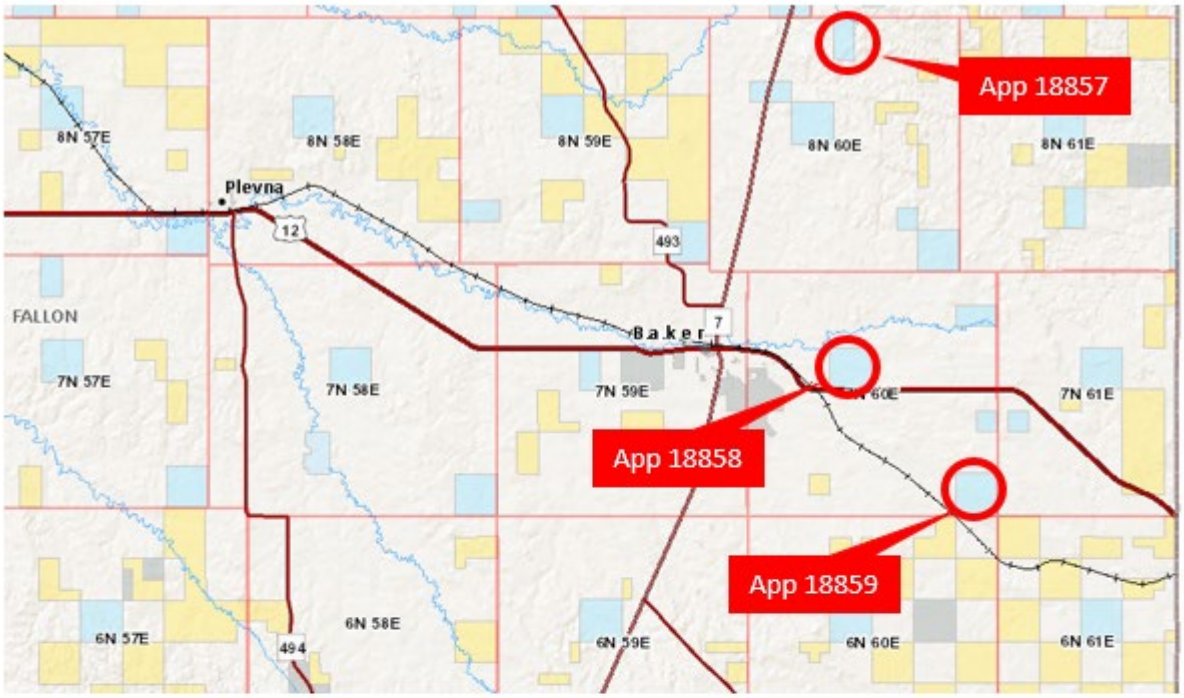
Item Summary

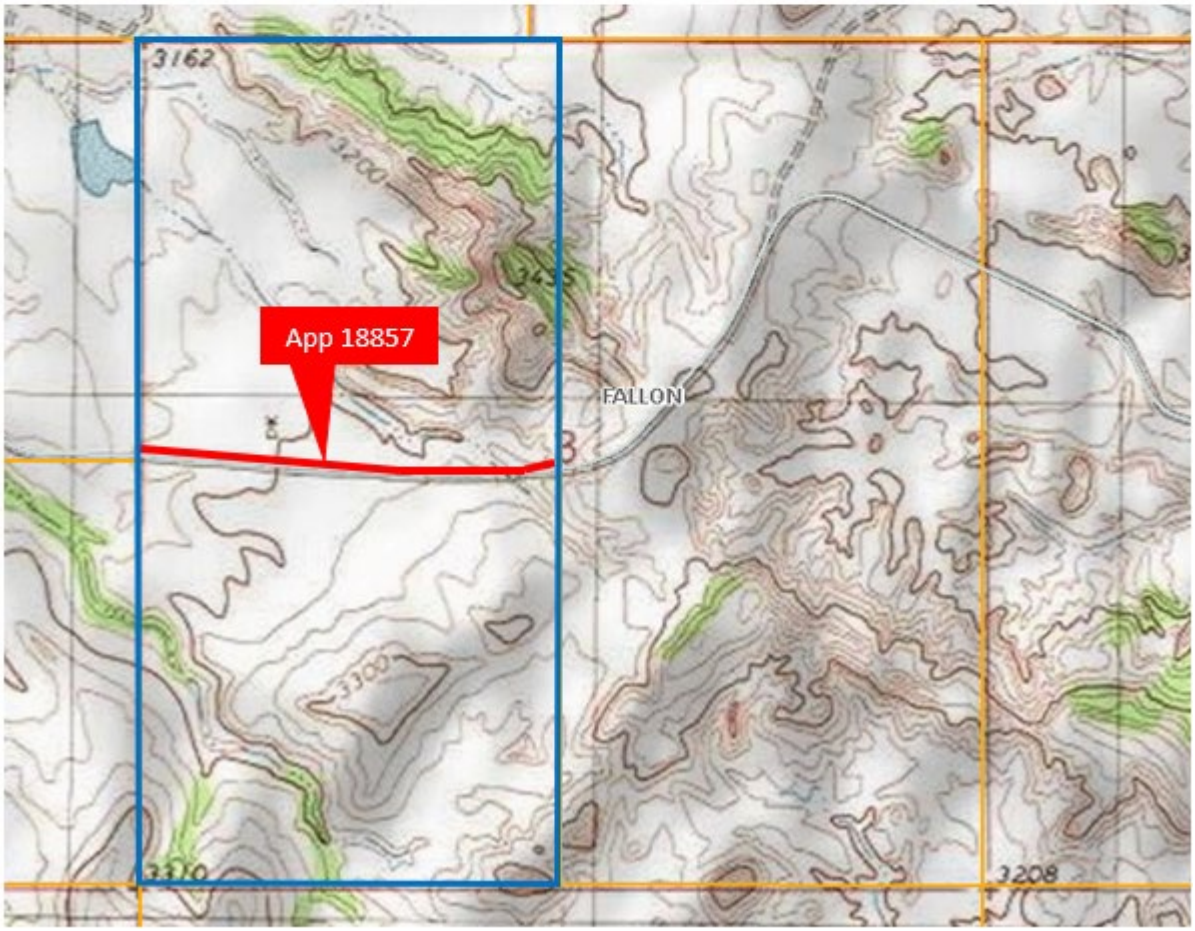
See page 63 for summary

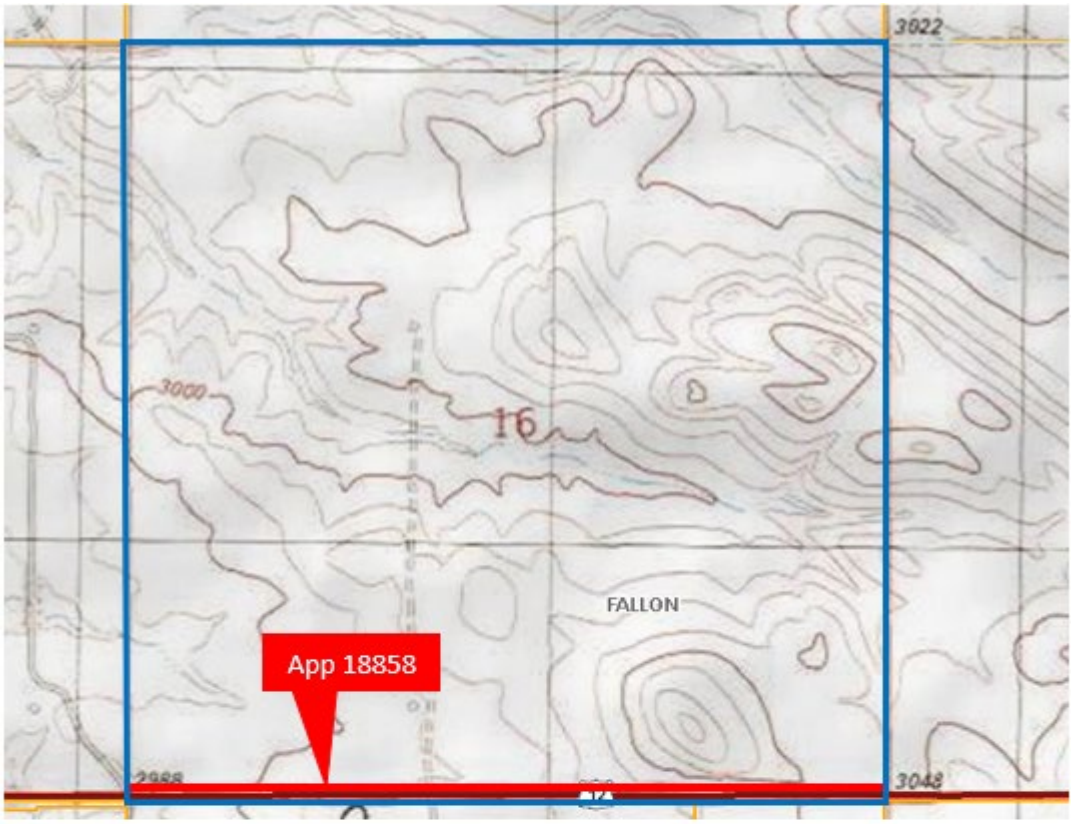
DNRC Recommendation

See page 63 for recommendation

R/W Application 18857, 18858, & 18859



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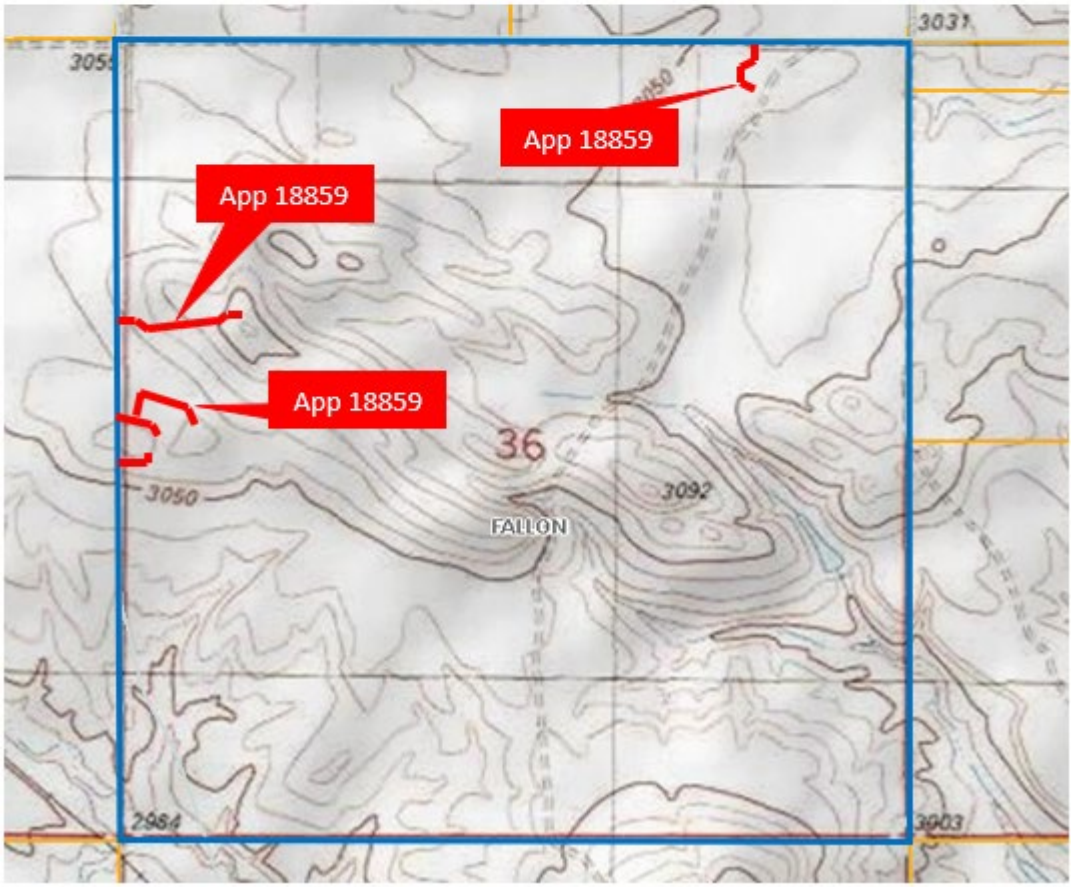
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3003

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18860
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	1.83
Compensation:	$1,098.00
Legal Description:	16-foot strip through E2SE4, SE4NE4, Sec. 36, Twp. 9N, Rge. 58E, Fallon County
Trust Beneficiary:	Common Schools

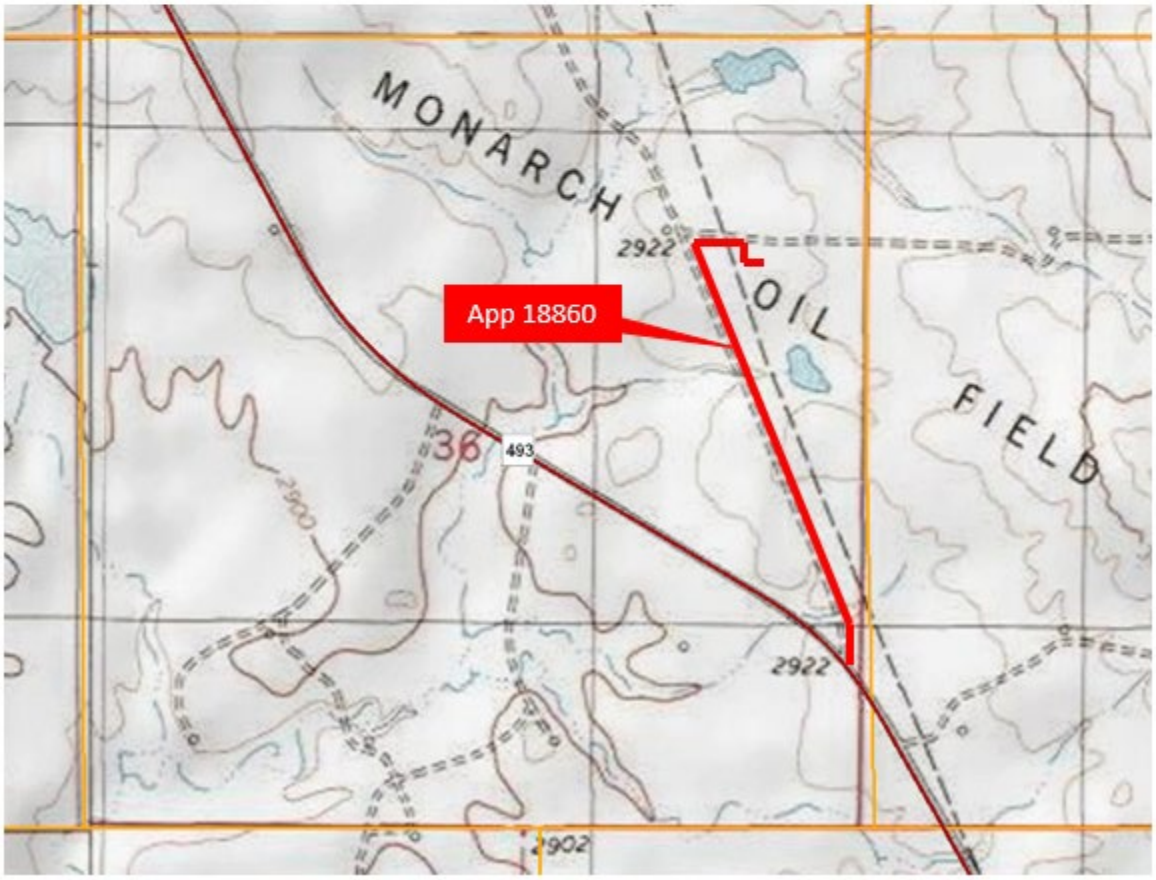
Item Summary

See page 63 for summary

DNRC Recommendation

See page 63 for recommendation

R/W Application 18860



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	City of Belgrade 91 East Central Avenue Belgrade, MT 59714
Application No.:	18861
R/W Purpose:	a buried 8" municipal water main pipeline and two 24" buried municipal sewer main pipelines
Lessee Agreement:	N/A (Unleased)
Acreage:	3.06
Compensation:	$53,550.00
Legal Description:	a 30-foot strip through SE4SW4, SW4SE4, NW4SE4 and a 50-foot strip through SE4SE4, Sec. 36, Twp. 1N, Rge. 4E, Gallatin County
Trust Beneficiary:	Common Schools

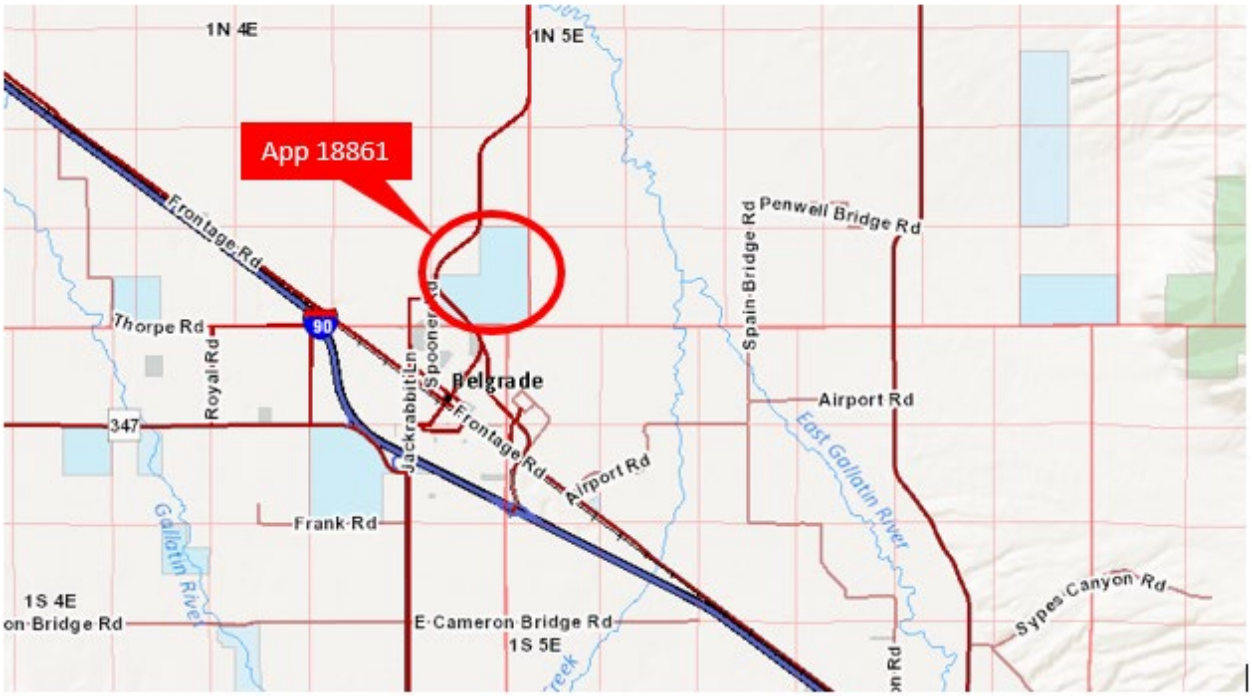
Item Summary

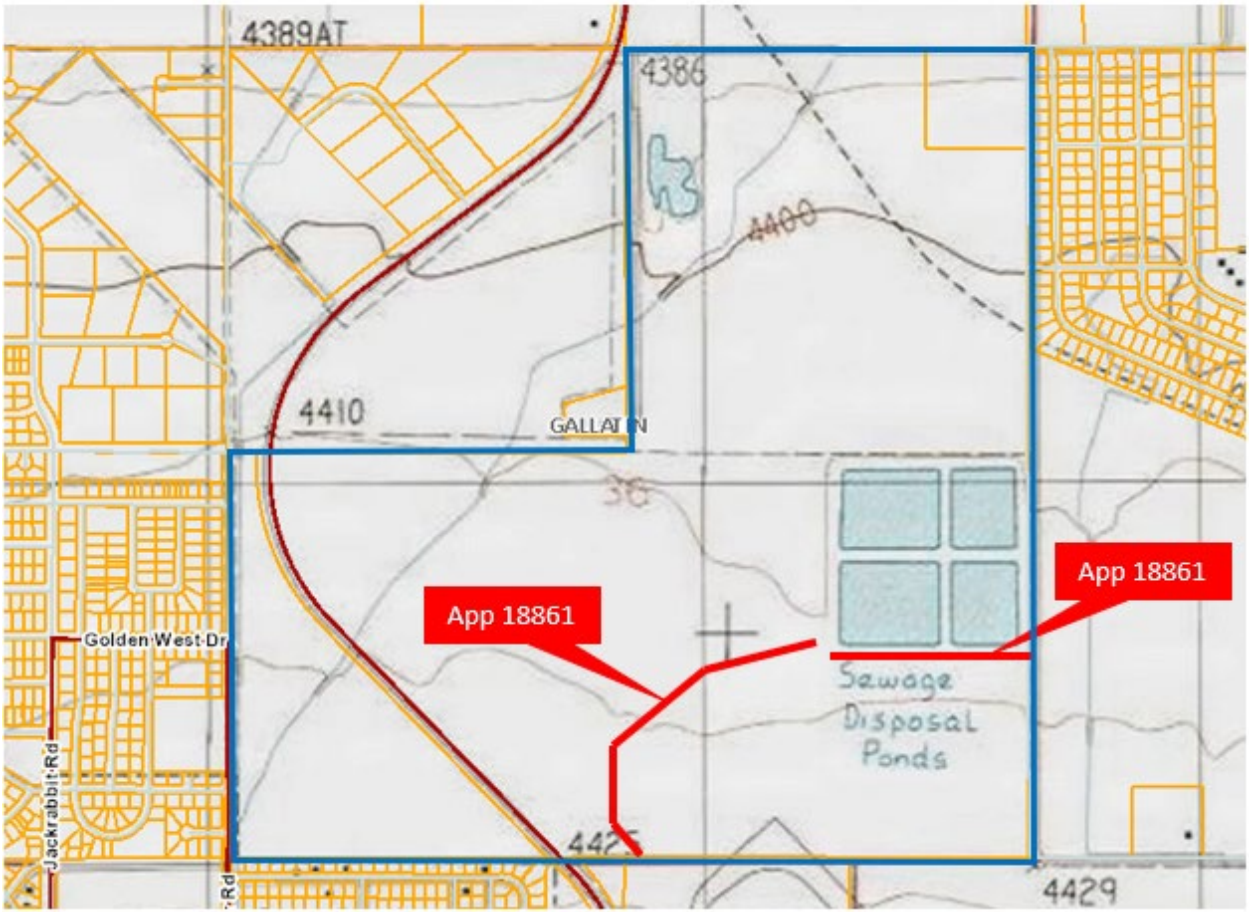
The City of Belgrade is upgrading and improving their water reclamation facility to accommodate growth within the City as well as the expansion of the Bozeman Yellowstone International Airport. The existing system is outdated and nearing the end of its useful life. The new pipelines will connect to existing mains and extend to new facility infrastructure. Portions of the State Land impacted are currently under easement to the airport authority, who has been involved in the project planning and concurs with the proposal. Having updated water and sewer facilities on the State Trust Land is also critical for potential development and the Department supports this request.

DNRC Recommendation

The director recommends approval of this easement request from the City of Belgrade.

R/W Application 18861





0320-5B Foys Canyon: Reciprocal Access Agreement – Application No. 18856

Location: Flathead County

Trust Benefits: Common Schools

I. Applicant:

Thomas and Charlene Esch
500 Foys Canyon Road
Kalispell, MT 59901

II. Purpose of Reciprocal Access Agreement:

State land is adjacent to the Esch property. The Applicant needs to remedy a trespass use of a driveway on State Trust lands and the State desires legal access to a parcel of Trust land. For both parties to legally remedy their respective needs it is proposed to exchange easements for each party's respective uses.

As a part of this Agreement, the State and Applicant agree to grant each other a non-exclusive easement, 40 feet in width, for resource management purposes and access to a single residence.

Legal Description (R/W):

State Land burdened - Sec. 36, Twp. 28N, Rge. 22W - 0.68 acre
State Land benefited - Sec. 36, Twp. 28N, Rge. 22W - 204 acres

Applicant Land burdened - Sec. 36, Twp. 28N, Rge. 22W - 0.77 acre
Applicant Land benefited - Sec. 36, Twp. 28N, Rge. 22W - 70 acres

VI. Costs to be Borne by Each Party:

Excess costs by land value and road costs are summarized as follows:

	EXCESS COSTS	
	Applicant owes State	State owes Applicant
Land Value	$ 1,173	$ 999
Road Costs	$ 575	$ 835
Total Value/Costs	$ 1,748	$ 1,834

NET BALANCE

Land Value	$ 174	
Road Costs		$ 260
Subtotals	$ 174	$ 260

TOTAL LAND AND ROAD $ 86

Land values are calculated with consideration given to trusts burdened and trusts benefited by the easement granted. The net amount the State owes the Applicant is considered to be a donation to the State of Montana by the Applicant should the Board approve this agreement. The donation value equals $86.

VI. Results of MEPA Analysis:

The proposed reciprocal agreement was included in the MEPA analysis for the Foys Canyon Timber Sale. No members of the public appeared for the meeting. Public scoping occurred during the environmental analysis and no comments were received. No significant impacts are expected, and no further analysis is required.

VII. Benefits to State:

1. *Describe the rights regarding which DNRC lands are being accessed.*

    - Provides full permanent access for all resource management purposes and a single residence to 207 acres of State Trust Lands. A state highway provides access to the a very small portion of Government Lot 10 (NW4SE4) of the section, however due to topography the remainder of the State's ownership in Section 36 is isolated and inaccessible.

2. *Describe the public access situation and the effects of this agreement.*

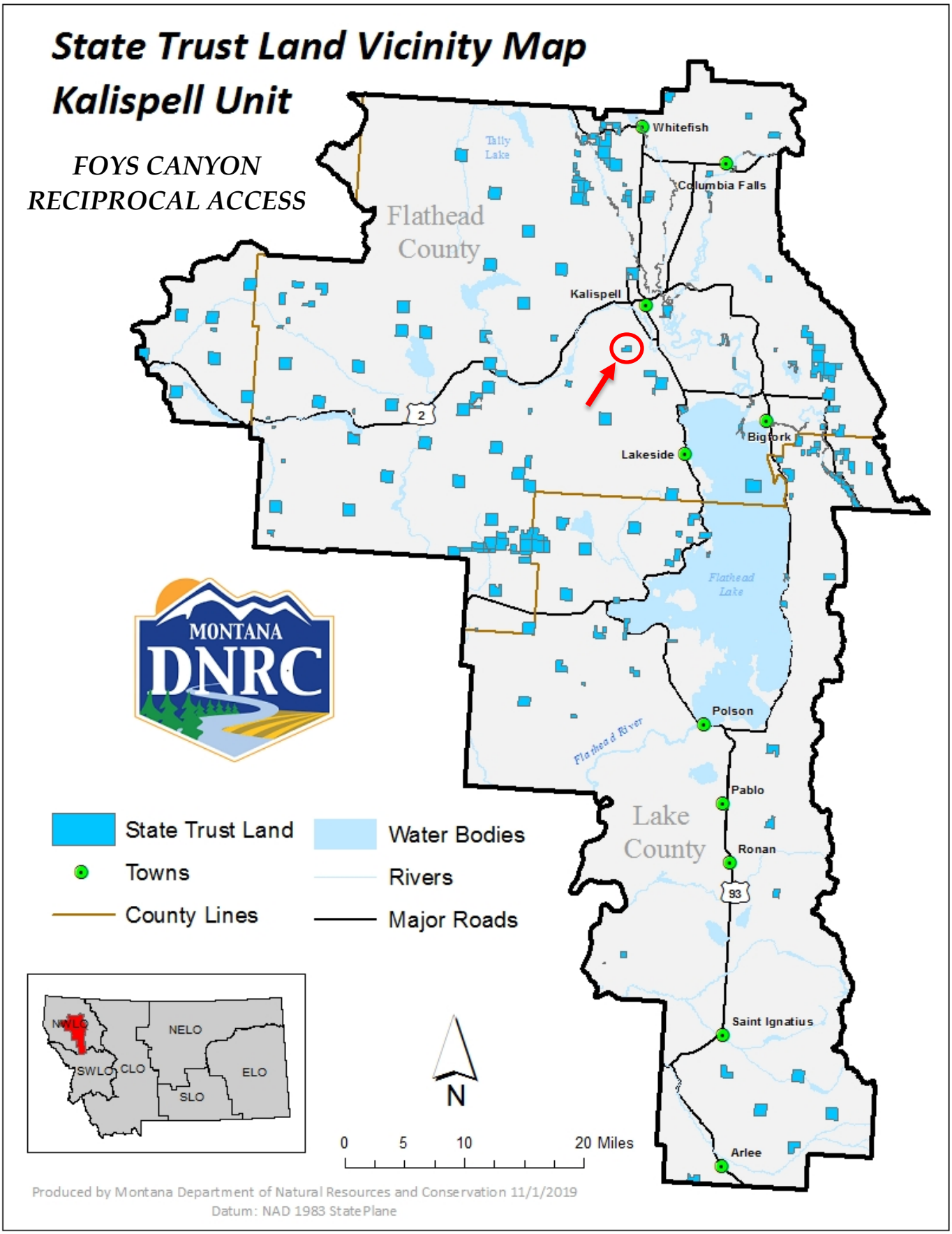
    - The easement to be acquired under this agreement will not provide rights in favor of the public.

3. *Describe other benefits associated with completing the agreement.*

    - Provides for acquisition costs to be shared and thereby reduces access acquisition costs, shared financial obligations for road maintenance, resurfacing, weed management, and road reconstruction, if need be, to current road standards.
    - Provides for legal access for Trust Land management.
    - Resolves a trespass use situation.

VIII. Recommendation/Action:

The director recommends approval of this proposed Easement Exchange Agreement.


State Trust Land Vicinity Map
Kalispell Unit
FOYS CANYON
RECIPROCAL ACCESS
Flathead County
Lake County
Whitefish
Columbia Falls
Kalispell
Lakeside
Bigfork
Polson
Pablo
Ronan
Saint Ignatius
Arlee
Tally Lake
Flathead Lake
Flathead River
2
93
MONTANA
DNRC
State Trust Land
Towns
County Lines
Water Bodies
Rivers
Major Roads
NWLO
NELO
SWLO
CLO
ELO
SLO
N
0
5
10
20 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane

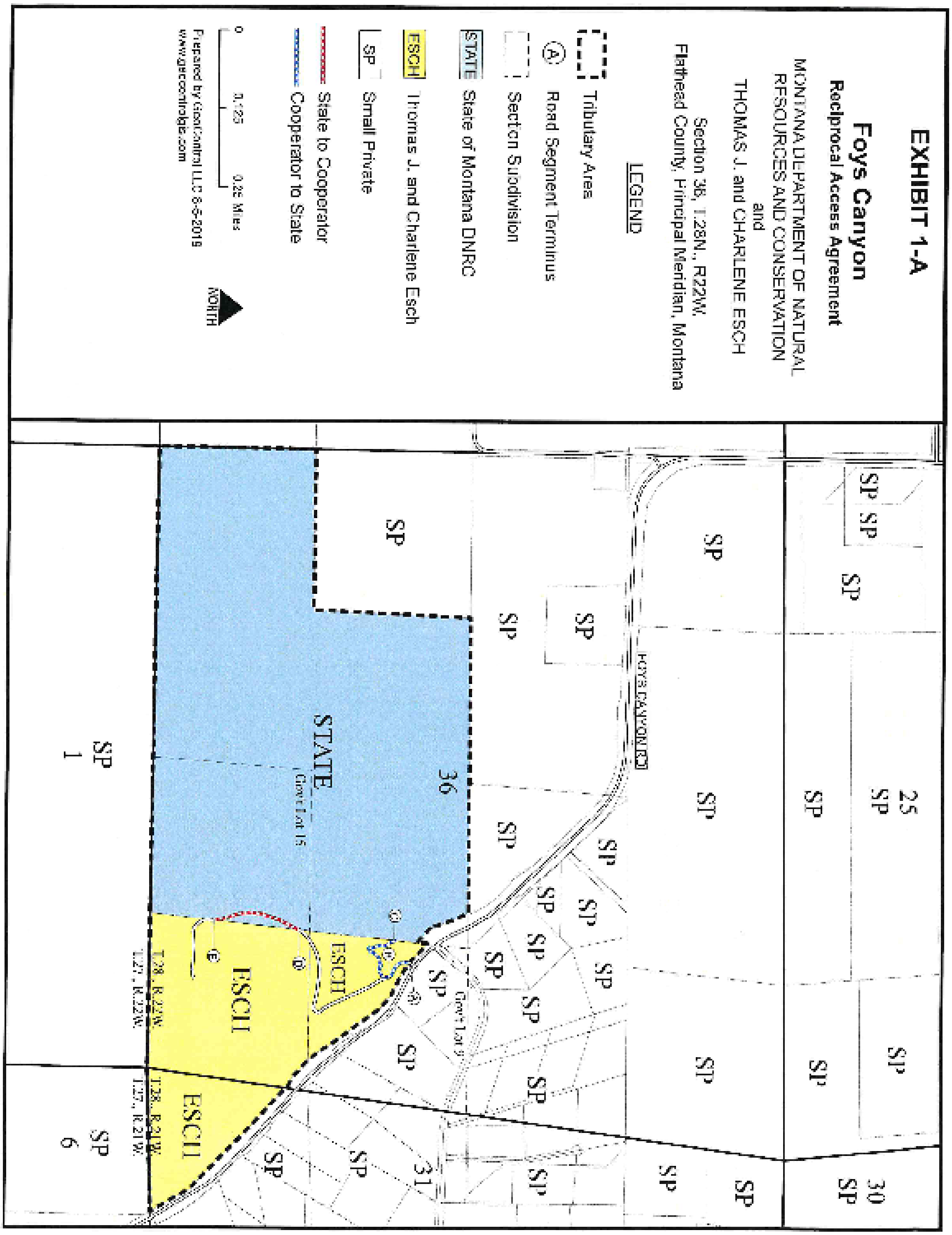


EXHIBIT 1-A
Foys Canyon
Reciprocal Access Agreement
MONTANA DEPARTMENT OF NATURAL
RESOURCES AND CONSERVATION
and
THOMAS J. and CHARLENE ESCH
Section 36, T.28N., R22W.
Flathead County, Principal Meridian, Montana
LEGEND
Tributary Area
Road Segment Terminus
Section Subdivision
STATE State of Montana DNRC
ESCH Thomas J. and Charlene Esch
SP Small Private
State to Cooperator
Cooperator to State
0 0.125 0.25 Miles
Prepared by GeoControl LLC 6-6-2019
www.geocontrolgis.com
NORTH
FOYS CANYON RD
STATE
36
Gov't Lot 15
ESCH
Gov't Lot 9
T.28, R.22W.
T.27, R.22W.
T.28, R.21W.
T.27, R.21W.
25
30
31
1
6