AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
June 15, 2020 at 9:00 a.m.
State Capitol, Room 303
Helena, MT

ACTION ITEMS

0620-1 **Timber Sales:**

A. Cow Camp
Benefits: Public Buildings
Location: Lincoln County

B. Lake Mary Ronan
Benefits: Common Schools, School for the Deaf & Blind
Location: Lake County

C. ReDeemer
Benefits: Common Schools
Location: Sanders County

0620-2 **Oil and Gas Lease Sale: (June 2, 2020)**
Benefits: Common Schools, Department of Transportation, Public Buildings, Public Land Trust – Navigable Rivers
Location: Daniels, Glacier, Roosevelt, Rosebud & Toole Counties

0620-3 **Land Banking Acquisition: Preliminary Approval for Purchase**
Benefits: Common Schools
Location: Treasure County

0620-4 **Cabin and Home Sites: Set Minimum Bid for Sale**
Benefits: Common Schools
Location: Lincoln County

0620-5 **Cabin and Home Sites: Final Approval for Sale**
Benefits: Pine Hills School
Location: Missoula County

0620-6 **Easements:**
Benefits: Capitol Buildings, Common Schools, Public Land Trust – Navigable Rivers
Location: Blaine, Deer Lodge, Garfield, Granite, Judith Basin, Madison, McCone & Phillips Counties

0620-7 **Forest Management Bureau: Initiating the Montana Administrative Procedure Act**
Benefits: N/A
Location: N/A

0620-8 **Letter of Appreciation for Big Arm State Park Easement**
Benefits: N/A
Location: N/A

PUBLIC COMMENT

Complete agenda item information can be found on the DNRC website at http://dnrc.mt.gov/LandBoard

0620-1

TIMBER SALES:

A. Cow Camp

B. Lake Mary Ronan

C. ReDeemer

Land Board Agenda Item
June 15, 2020

0620-1A <u>Timber Sale: Cow Camp</u>

Location: Lincoln County
Section 12, T29N, R27W

Trust Beneficiaries: Public Buildings

Trust Revenue: $243,184 (estimated, minimum bid)

Item Summary

Location: The Cow Camp Timber Sale is located approximately 27 miles east of Libby, MT.

Size and Scope: The sale includes 3 harvest units (*385 acres*) of tractor logging.

Volume: The estimated harvest volume is 15,285 tons (2.245 *MMBF*) of sawlogs.

Estimated Return: The minimum bid is $15.91 per ton, which would generate approximately $243,184 for the Public Buildings Trust and approximately $66,643 in Forest Improvement fees.

Prescription: This timber sale is old growth maintenance treatment for all harvest units. This prescription is designed to promote and maintain an appropriate component of old growth timber on the Libby Unit.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.2 miles of new permanent road construction, 0.2 miles of road reconstruction, and 5.1 miles of road maintenance.

Access: Access is obtained through an open county road.

Public Comments: 2 comments were received. One comment was in support of the timber sale from a local mill and the other comment was from an archaeologist to confirm that there were no cultural sites within the timber sale area. No mitigations are needed as no concerns arose in connection with the sale.

DNRC Recommendation

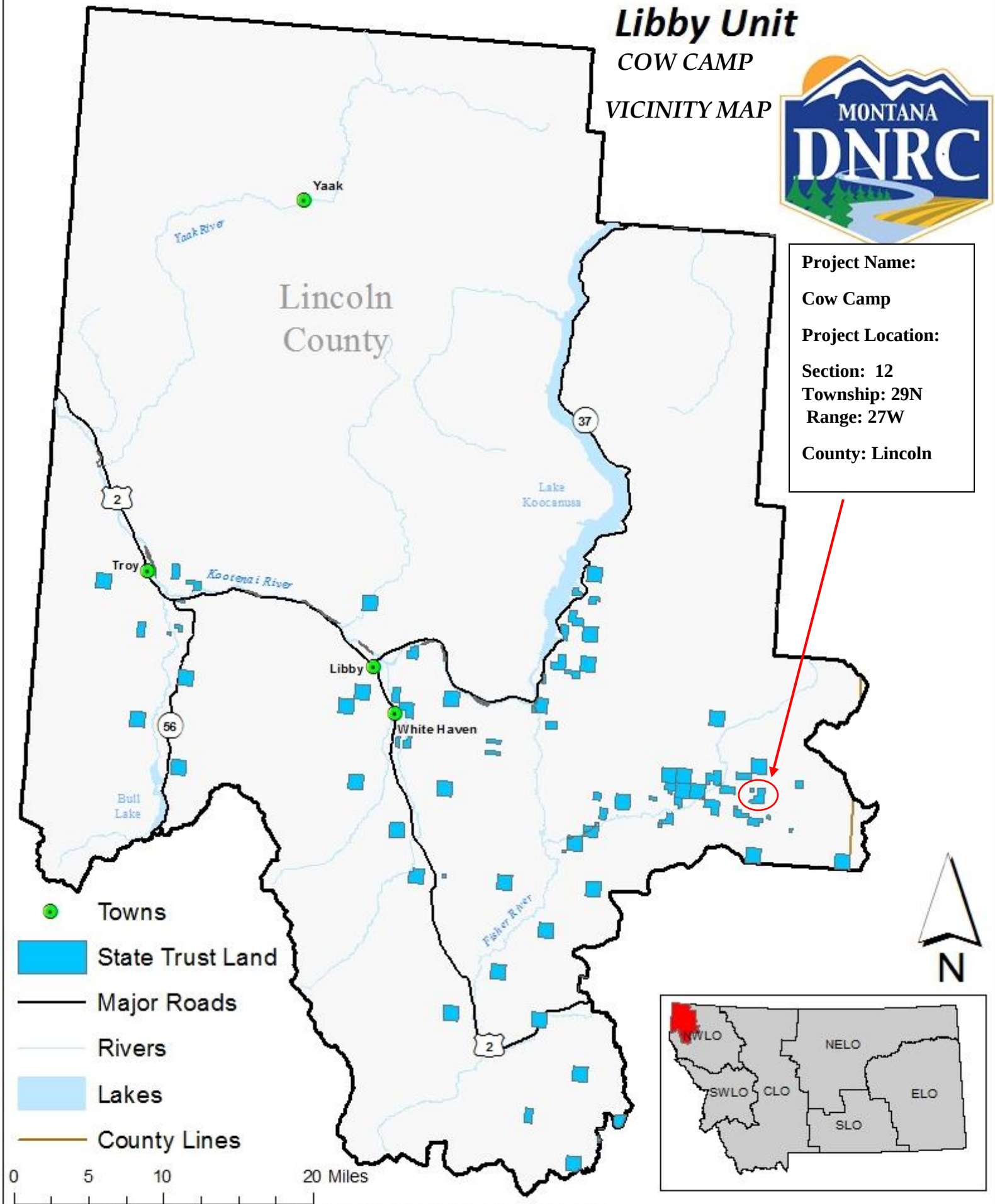
The director recommends the Land Board direct DNRC to sell the Cow Camp Timber Sale.

State Trust Land Vicinity Map

Libby Unit

COW CAMP

VICINITY MAP



Project Name:

Cow Camp

Project Location:

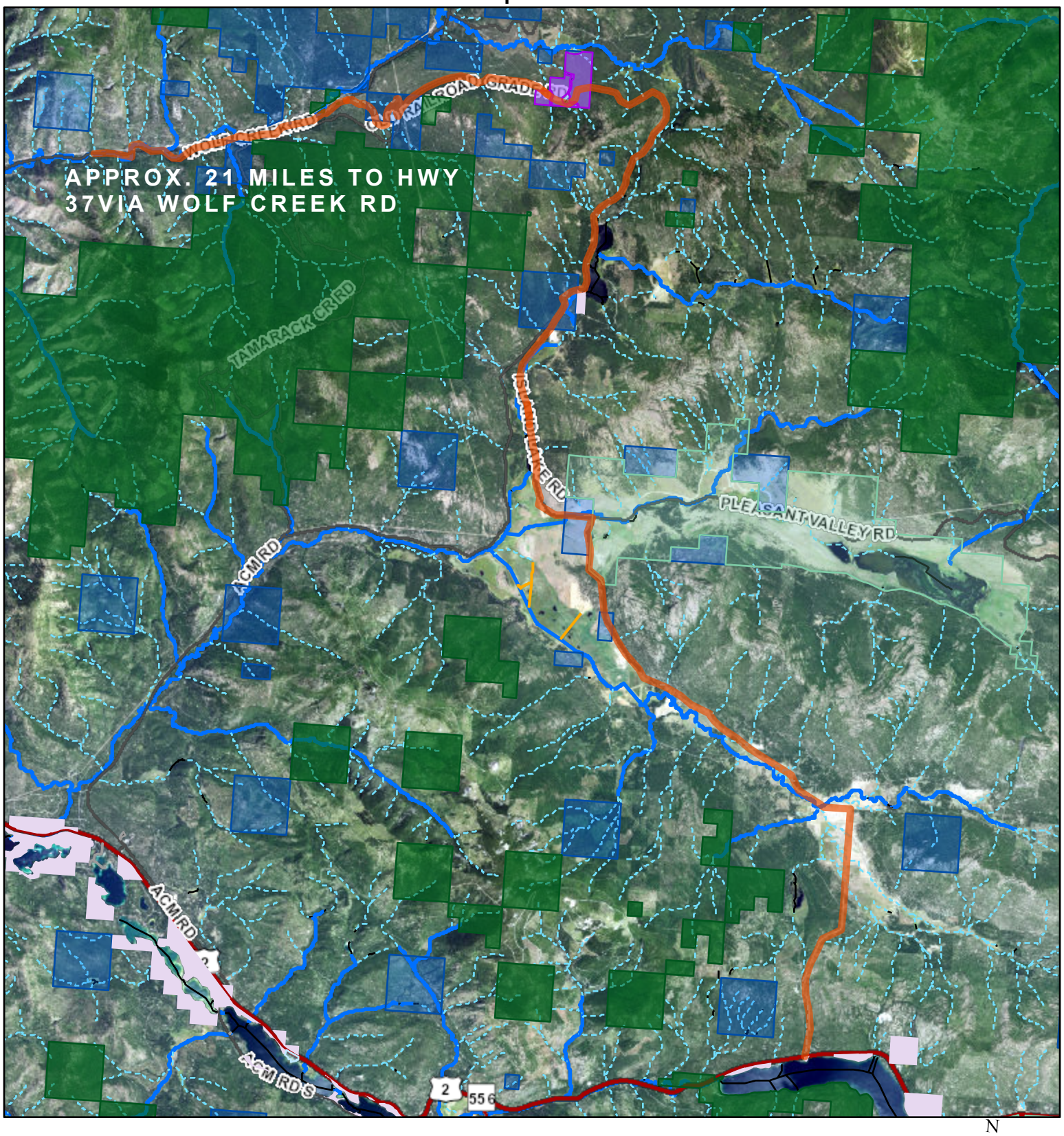
Section: 12
Township: 29N
Range: 27W

County: Lincoln

Produced by Montana Department of Natural Resources and Conservation 11/1/2019

Cow Camp Haul Routes

0620-1A



Haul Route

Cow Camp Harvest Units

Montana State Trust Lands

Montana Fish, Wildlife, and Parks

US Forest Service

County Government

Montana Dept of Transportation

US Fish and Wildlife Service

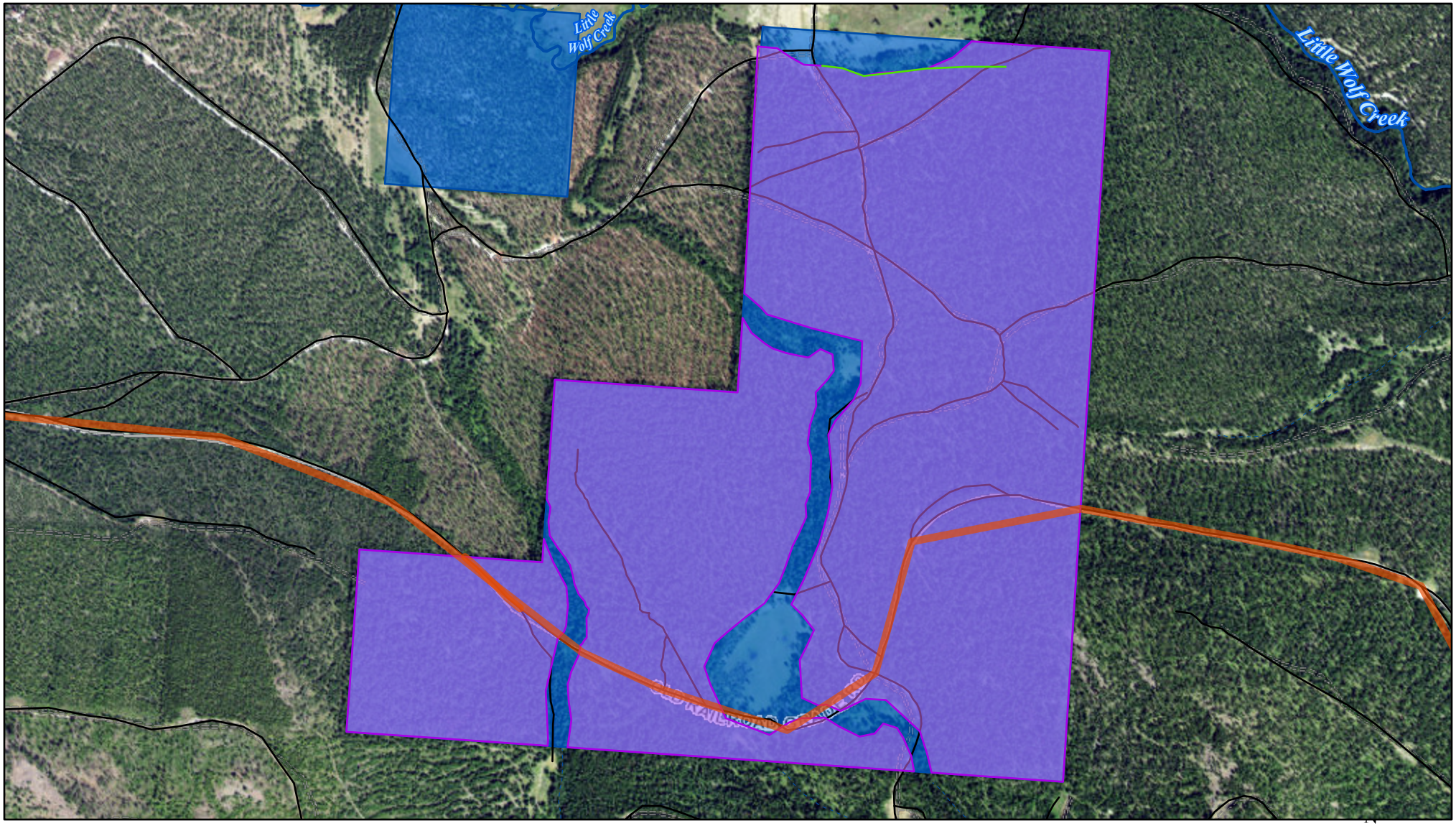
N

0 0.5 1 2 3 4 Miles

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

Cow Camp Harvest Units

0620-1A



Haul Route
New Road
Cow Camp Harvest Units
Existing Road
Perennial Stream
Intermittent Stream
Montana State Trust Lands

0 0.1 0.2 0.3 0.4 Miles

Land Board Agenda Item
June 15, 2020

0620-1B <u>Timber Sale: Lake Mary Ronan</u>

Location: Lake County
Section 16, 26 T25N R22W

Trust Beneficiaries: Common Schools, School for the Deaf and Blind

Trust Revenue: $646,086 (estimated, minimum bid)

Item Summary

Location: The Lake Mary Ronan Timber Sale is located approximately 5 miles west of Proctor, MT.

Size and Scope: The sale includes 9 harvest units (1134 *acres*) of tractor logging. One of the units (F-3, 24 acres) is optional due to access issues.

Volume: The estimated harvest volume is 31,455 tons (4.78 *MMBF*) of sawlogs which includes volume in the optional unit.

Estimated Return: The minimum bid is $20.54 per ton, which would generate approximately $646,086 for the Common School Trust and the School for the Deaf & Blind. Approximately $141,862 in Forest Improvement fees would also be collected.

Prescription: This sale has a combination of regeneration and thinning harvest prescriptions designed to minimize disease and manage for desired future conditions.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.2 miles of new temporary road construction, 0.4 miles of reconstruction and ~12.6 miles of road maintenance.

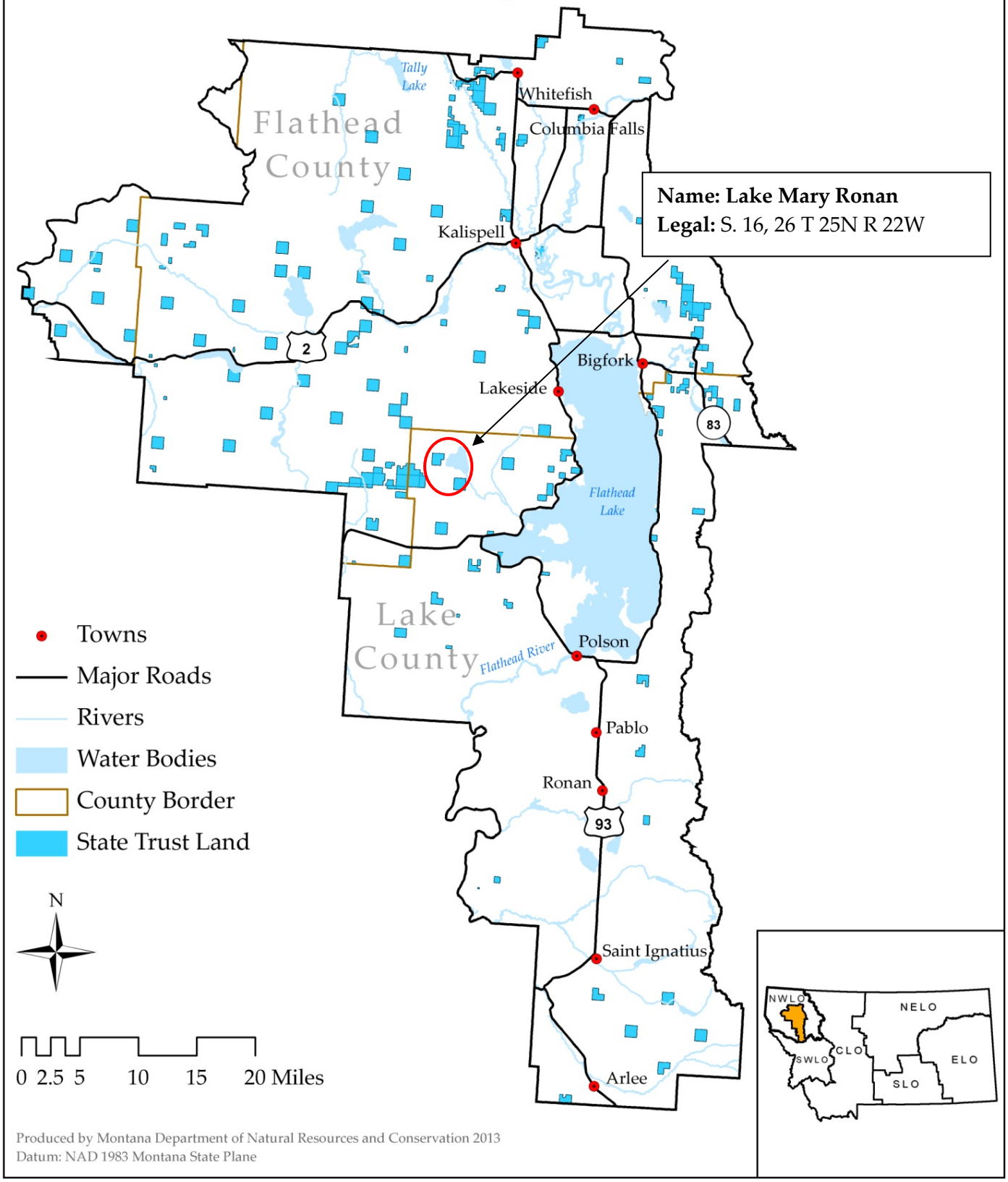
Access: Access is obtained through easements and temporary road use permits across private lands.

Public Comments: Four public comments were received. The Friends of Lake Mary Ronan were concerned about water quality on the lake and how logging might adversely affect it. Other comments from this group were in support and curious about upgrades to mutual use roads. The project leader attended a meeting of the Friends of Lake Mary Ronan and explained our practices, SMZ law and the various experts that were consulted during the planning period of this project. Montana Fish Wildlife and Parks (FWP) noted elk security concerns in the area. This project will close a network of illegal ATV trails across state lands in the project area. By limiting hunters and recreators to non-motorized use, elk security will be improved.

DNRC Recommendation

The director recommends the Land Board direct DNRC to sell the Lake Mary Ronan Timber Sale.

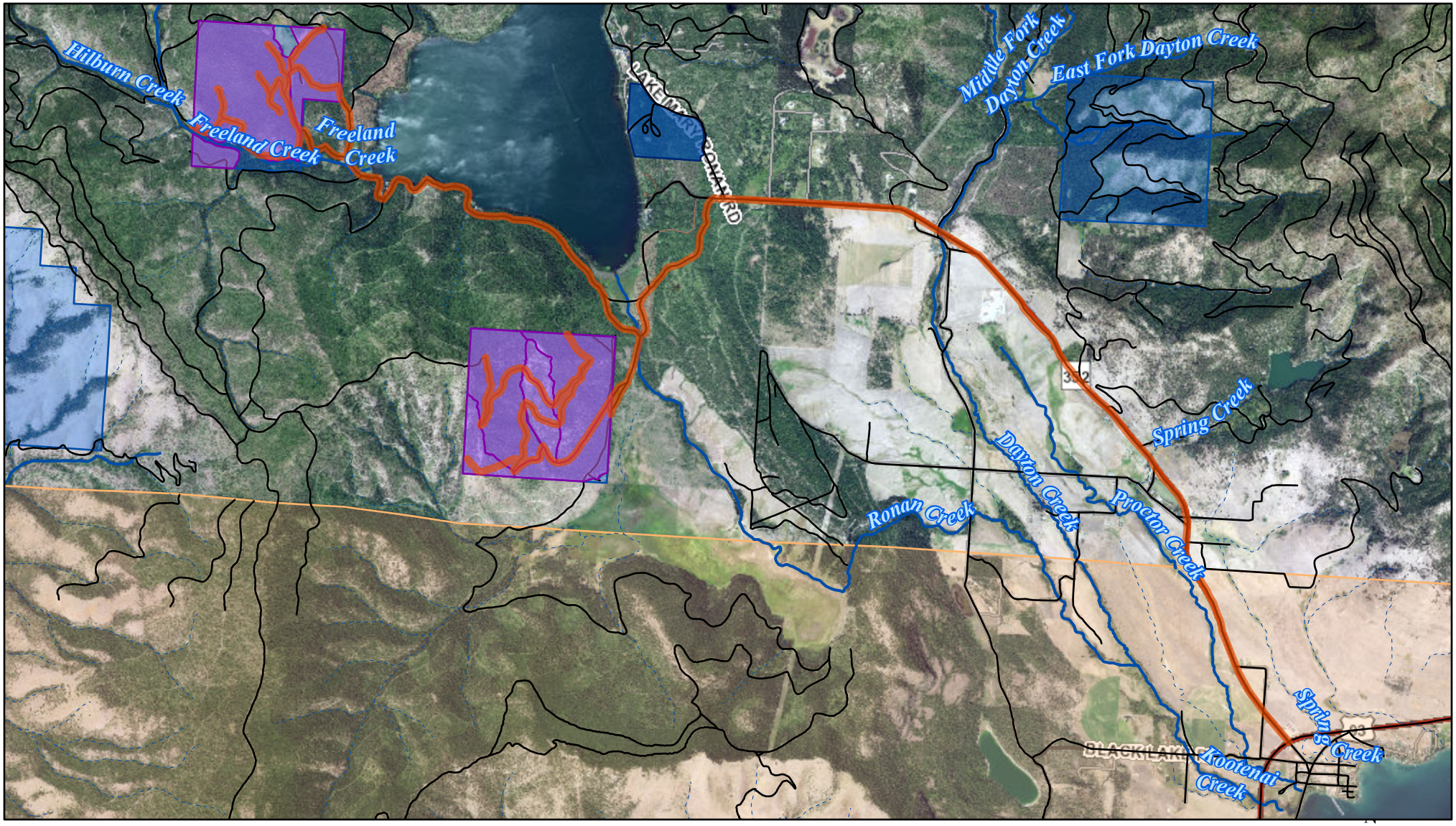
Lake Mary Ronan VICINITY MAP
KALISPELL UNIT



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

Lake Mary Ronan Haul Route

0620-1B



HaulRoute

Lake Mary Ronan Harvest Units

Existing Road

Perennial Stream

Intermittent Stream

Montana State Trust Lands

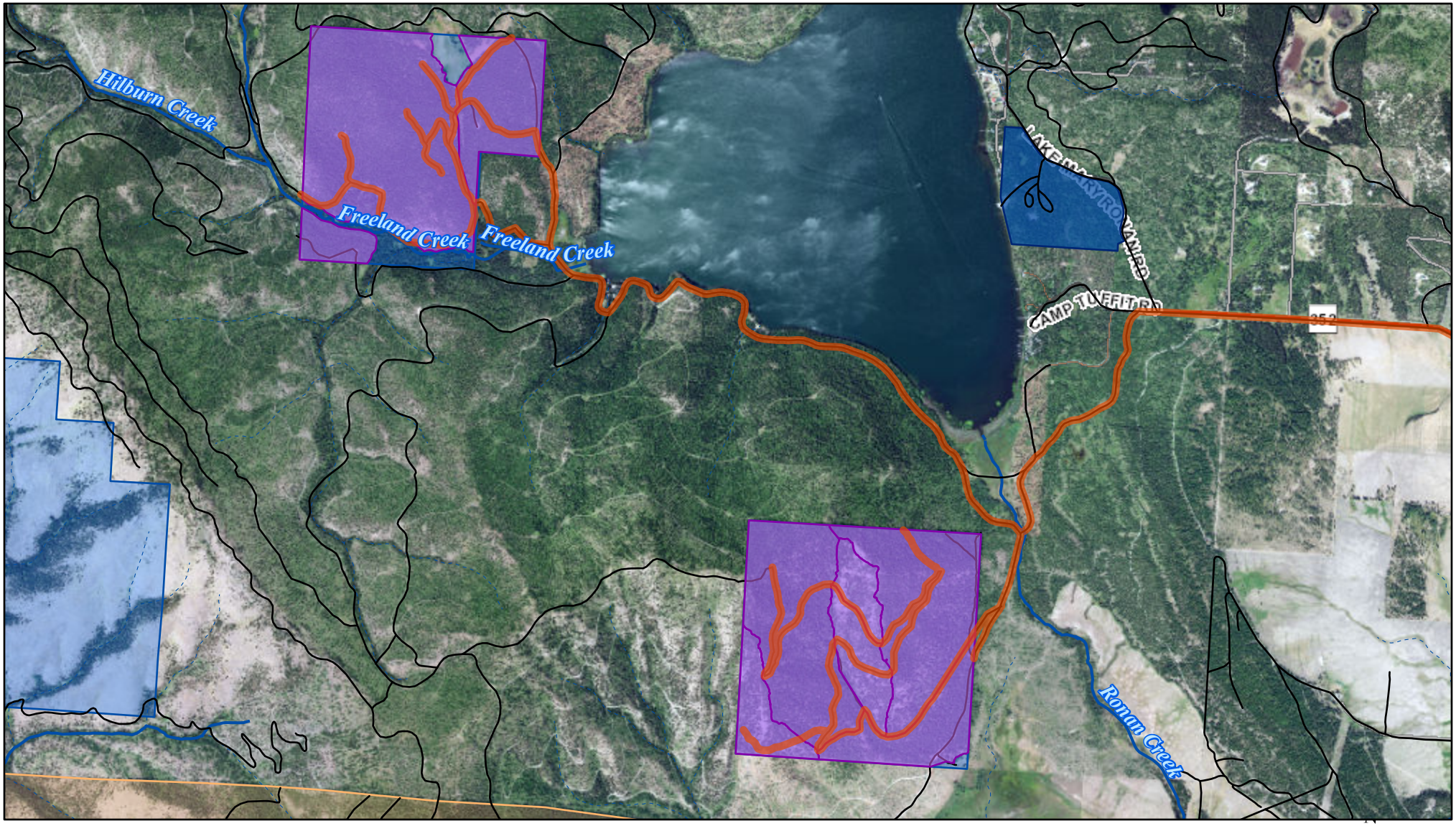
Montana Fish, Wildlife, and Parks

0 0.55 1.1 1.65 2.2 Miles

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

Lake Mary Ronan Harvest Units

0620-1B



HaulRoute

Lake Mary Ronan Harvest Units

Existing Road

Perennial Stream

Intermittent Stream

Montana State Trust Lands

Montana Fish, Wildlife, and Parks

0 0.35 0.7 1.05 1.4 Miles

Land Board Agenda Item
June 15, 2020

0620-1C <u>Timber Sale: ReDeemer</u>

Location: Sanders County
Section 8, 9, 16, T20N, R25W

Trust Benefits: Common Schools Trust

Trust Revenue: $ 328,685 (estimated, minimum bid)

Item Summary

Location: The ReDeemer Timber Sale is located approximately 5 air miles northeast of Plains, MT.

Size and Scope: The sale includes 11 harvest units (55*4 acres*) of skyline (460 acres) and tractor logging (94 acres).

Volume: The estimated harvest volume is 27,505 tons (3,865 *MBF*) of sawlogs.

Estimated Return: The minimum bid is $11.95 per ton, which would generate approximately $328,685 for the Common Schools Trust and approximately $114,696 in Forest Improvement fees.

Prescription: This sale has a Seed Tree harvest prescription that will capture the value of trees susceptible to insect and disease while reducing future fuel load.

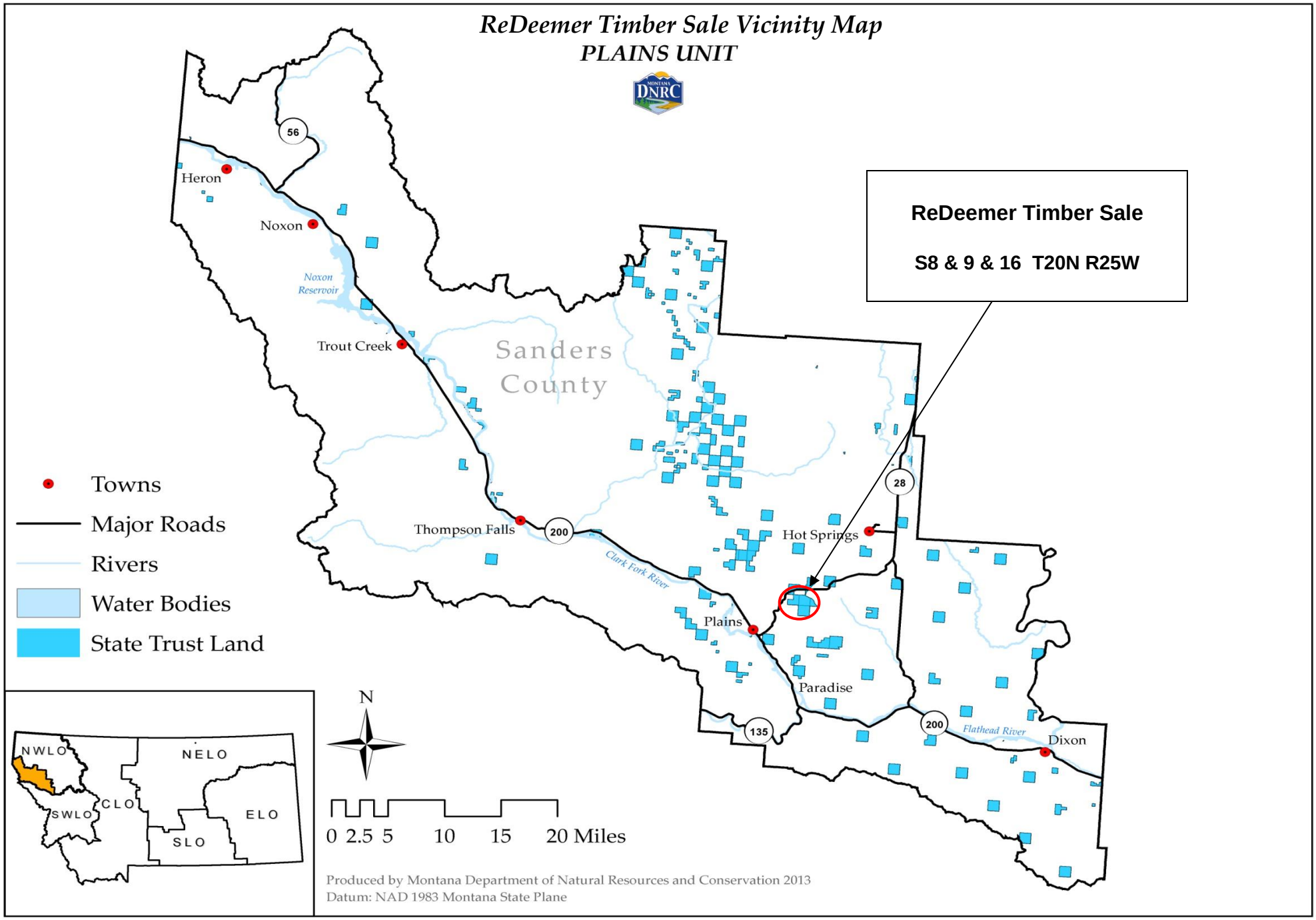
Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.30 miles of road construction, 4.75 miles of road reconditioning, and 20 miles of road maintenance.

Access: Access is obtained from MT Highway 200, south of the town of Plains, between mile marker 78 and 79 at Henry Creek Road.

Public Comments: Eight comments were received. Internal and external issues and concerns were incorporated into project planning and design. A private land owner had questions regarding access into the sale area through her property and was informed the State will not be accessing Trust Lands through her land. Other comments included strong support for timber harvest operations and the overall benefit to State trust lands.

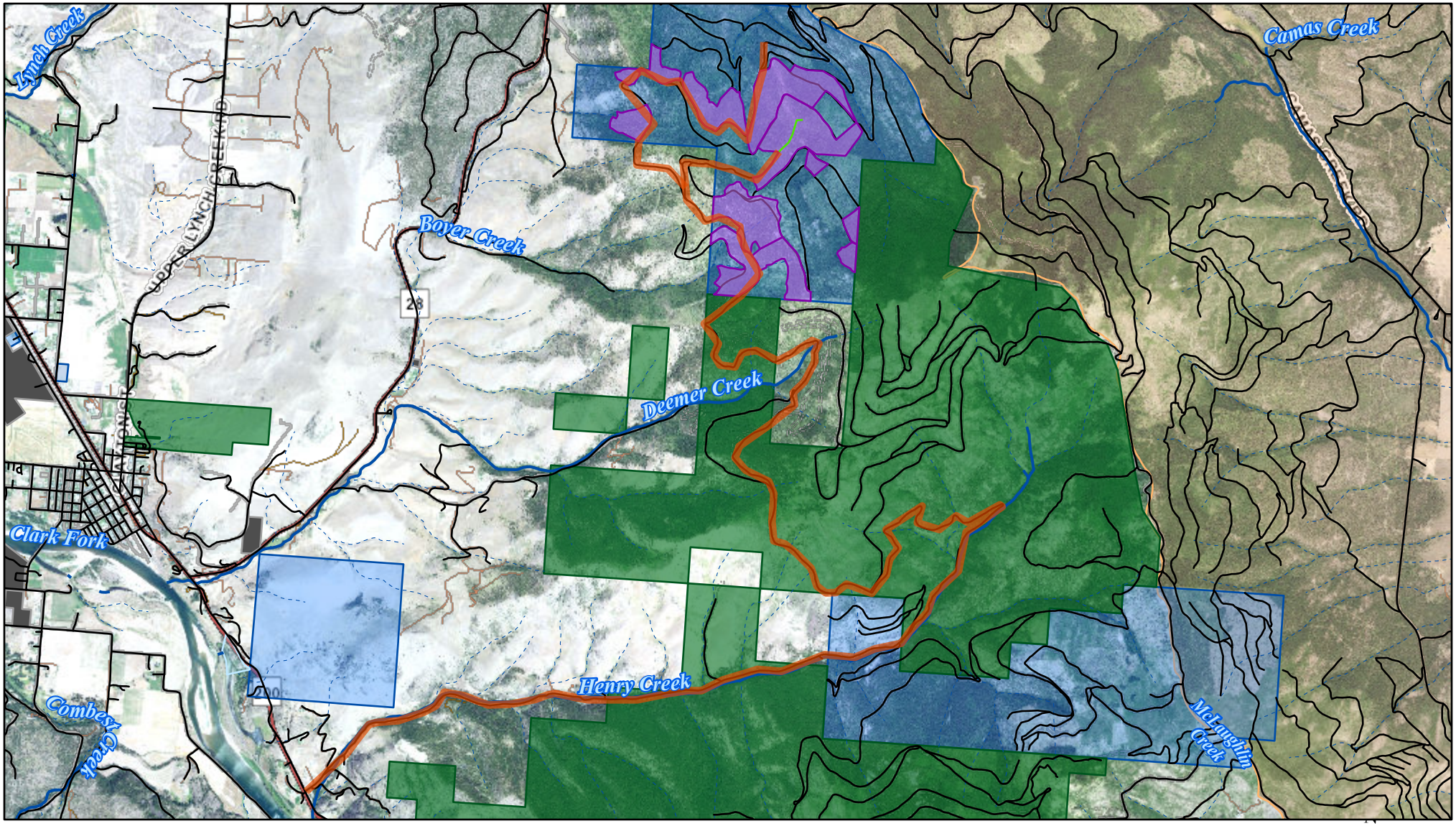
DNRC Recommendation

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


ReDeemer Timber Sale Vicinity Map
PLAINS UNIT
ReDeemer Timber Sale
S8 & 9 & 16 T20N R25W
Heron
Noxon
Noxon Reservoir
Trout Creek
Sanders County
Thompson Falls
Clark Fork River
Hot Springs
Plains
Paradise
Flathead River
Dixon
56
200
28
135
Towns
Major Roads
Rivers
Water Bodies
State Trust Land
NWLO
NELO
CLO
SWLO
ELO
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

ReDeemer Haul Route

0620-1C

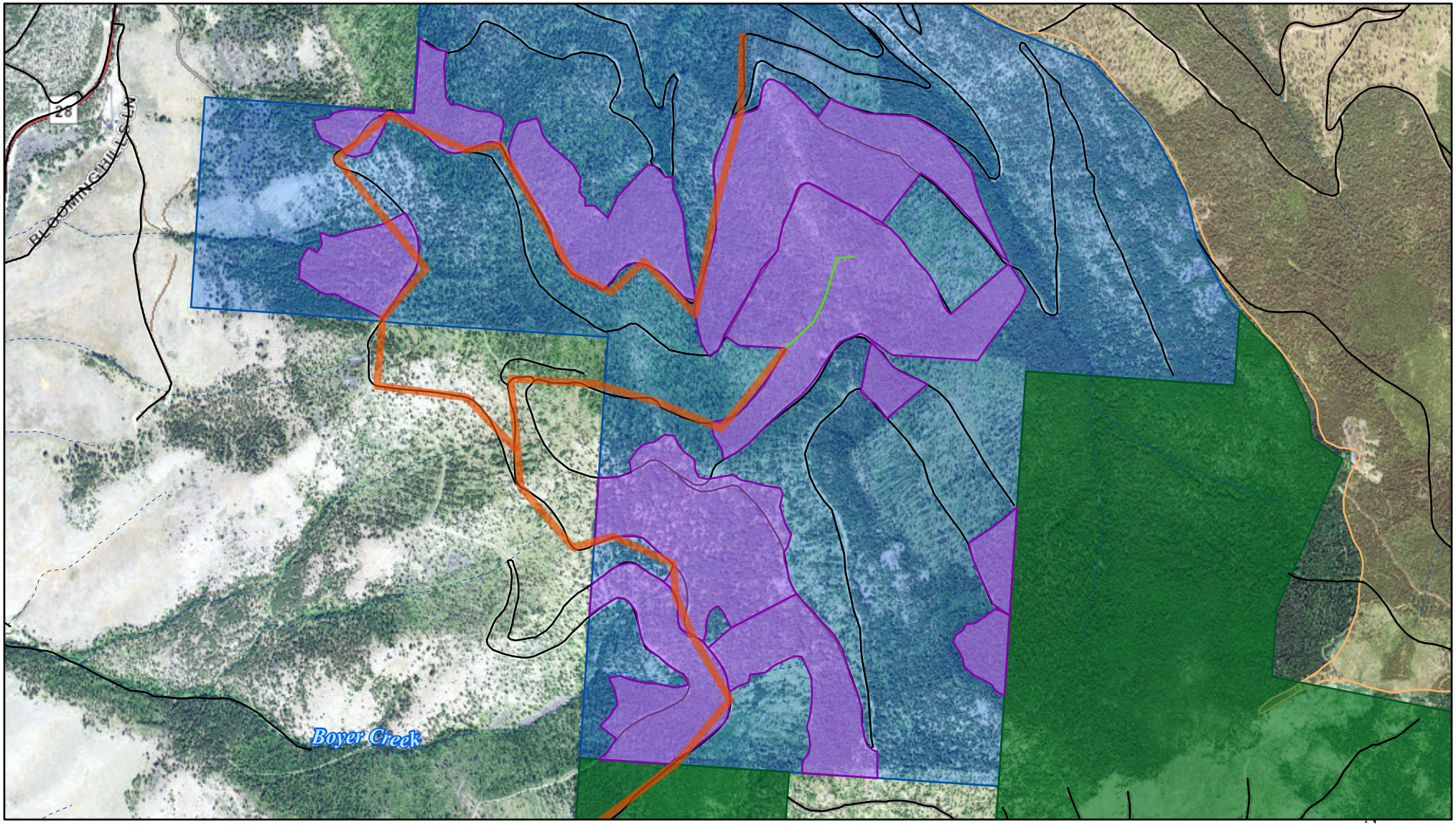


- Haul Route
- New Road
- ReDeemer Harvest Units
- Existing Road
- Perennial Stream
- Intermittent Stream
- State of Montana
- Montana State Trust Lands
- US Forest Service
- City Government
- County Government
- Montana Dept of Transportation

0 0.55 1.1 1.65 2.2 Miles

ReDeemer Harvest Units

0620-1C



Haul Route
New Road
ReDeemer Harvest Units
Existing Road
Perennial Stream
Intermittent Stream
Montana State Trust Lands
US Forest Service

0 0.15 0.3 0.45 0.6 Miles

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

0620-2

OIL AND GAS LEASE SALE:

June 2, 2020

Land Board Agenda Item
June 15, 2019

0620- 2 Oil and Gas Lease Sale (June 2, 2020)

Location: Daniels, Glacier, Roosevelt, Rosebud, Toole Counties

Trust Benefits: Common Schools, Department of Transportation, Public Buildings, Public Land Trust – Navigable Rivers

Trust Revenue: $98,384.23

Item Summary
The Department of Natural Resources and Conservation (DNRC) held an oil and gas lease sale on June 2, 2020, in the Montana Room at the Montana DNRC building. A total of sixty-seven tracts were offered for lease. Sixty-seven tracts were leased for a total of $98,384.23. The sixty-seven tracts that were sold covered a total of 22,654.35 acres. The average bid per acre was $4.34.

The high competitive bid for the June 2, 2020 sale was $110.00 per acre for Tract 60 in Roosevelt County and the largest total bid was $22,400.00 for Tract 58 in Glacier County.

DNRC Recommendation
The director requests Land Board approval to issue the leases from the June 2, 2020 oil and gas lease sale.

State of Montana
Oil & Gas Lease Sale - June 2, 2020
Lease Sale Results

The following described lands were offered for oil and gas leasing through oral competitive bidding in the Department of Transportation auditorium, 2701 Prospect Avenue, Helena, Montana, beginning at 9:00 am, June 2, 2020.

Tract	Stipulations	Twp	Rng	Sec	Description		Acres	Bid/Acre	Total Bid	Lessee
Daniels										
1	1, 2, 3, 4, 5, 6, 8	34.N	45.E	1	LOTS 3, 4, S2NW4, SW4		320.90	$1.50	$481.35	JAKE OIL, LLC
2	1, 2, 3, 4, 5, 6, 8	34.N	45.E	2	LOTS 1, 2, 3, 4, S2N2, S2		642.16	$1.50	$963.24	JAKE OIL, LLC
3	1, 2, 3, 4, 5, 6	34.N	45.E	3	LOTS 1, 4, SW4NW4, SE4NE4, E2SE4, W2SW4	*	320.68	$1.50	$481.02	JAKE OIL, LLC
4	1, 2, 3, 4, 5, 6, 8	34.N	45.E	11	E2		320.00	$1.50	$480.00	JAKE OIL, LLC
5	1, 2, 3, 4, 5, 6, 7, 8	34.N	45.E	12	N2NE4, SE4SE4, W2SW4	*	200.00	$1.50	$300.00	JAKE OIL, LLC
6	1, 2, 3, 4, 5, 6	34.N	45.E	13	E2NE4, SE4, SE4SW4		280.00	$1.50	$420.00	JAKE OIL, LLC
7	1, 2, 3, 4, 5, 6, 7	34.N	45.E	14	N2N2, S2SE4, E2SW4	*	320.00	$1.50	$480.00	JAKE OIL, LLC
8	1, 2, 3, 4, 5, 6, 10	34.N	45.E	23	ALL		640.00	$1.50	$960.00	JAKE OIL, LLC
9	1, 2, 3, 4, 5, 6, 10	34.N	45.E	24	NE4NW4, N2NE4, S2		440.00	$1.50	$660.00	JAKE OIL, LLC
10	1, 2, 3, 4, 5, 6, 8, 10, 17	34.N	45.E	36	ALL		640.00	$1.50	$960.00	JAKE OIL, LLC
11	1, 2, 3, 4, 5, 6, 8	34.N	46.E	1	LOTS 1, 2, S2NE4, SE4		320.38	$1.50	$480.57	JAKE OIL, LLC
12	1, 2, 3, 4, 5, 6, 8	34.N	46.E	18	LOTS 3, 4, N2NE4, SE4, E2SW4		395.34	$1.50	$593.01	JAKE OIL, LLC
13	1, 2, 3, 4, 5, 6	34.N	46.E	19	LOT 1, E2NW4, E2NE4		197.79	$1.50	$296.68	JAKE OIL, LLC
14	1, 2, 3, 4, 5, 6, 8, 10	34.N	47.E	5	LOTS 1, 2, 3, 4, S2N2, SE4, N2SW4		562.28	$1.50	$843.42	JAKE OIL, LLC
15	1, 2, 3, 4, 5, 6, 8	34.N	47.E	6	LOTS 1-7 INC., SE4NW4, S2NE4, E2SE4		487.96	$1.50	$731.94	JAKE OIL, LLC
16	1, 2, 3, 4, 5, 6, 8	34.N	47.E	7	LOTS 1, 2, 3, 4, SE4, E2SW4		407.84	$1.50	$611.76	JAKE OIL, LLC
17	1, 2, 3, 4, 5, 6, 8	34.N	47.E	8	N2NE4, SW4NE4, SW4		280.00	$1.50	$420.00	JAKE OIL, LLC
18	1, 2, 3, 4, 5, 6, 10	34.N	47.E	11	NW4, SE4, N2SW4		400.00	$1.50	$600.00	JAKE OIL, LLC
19	1, 2, 3, 4, 5, 6, 10	34.N	47.E	12	S2SE4, SW4		240.00	$1.50	$360.00	JAKE OIL, LLC
20	1, 2, 3, 4, 5, 6, 10	34.N	47.E	13	N2NW4, SW4NW4, E2		440.00	$1.50	$660.00	JAKE OIL, LLC
21	1, 2, 3, 4, 5, 6, 7	34.N	47.E	14	S2NW4_SW4NE4_NW4SE4_N2SW4		240.00	$1.50	$360.00	JAKE OIL, LLC
22	1, 2, 3, 4, 5, 6, 7, 16	34.N	47.E	24	NW4		160.00	$1.50	$240.00	JAKE OIL, LLC
23	1, 2, 3, 4, 5, 6	34.N	47.E	25	W2		320.00	$1.50	$480.00	JAKE OIL, LLC
24	1, 2, 3, 4, 5, 6	34.N	47.E	26	N2, N2SW4		400.00	$1.50	$600.00	JAKE OIL, LLC
25	1, 2, 3, 4, 5, 6	35.N	45.E	23	NE4, N2SE4, SW4SE4	*	280.00	$1.50	$420.00	JAKE OIL, LLC
26	1, 2, 3, 4, 5, 6, 8	35.N	45.E	24	N2, SE4, N2SW4		560.00	$1.50	$840.00	JAKE OIL, LLC
27	1, 2, 3, 4, 5, 6, 8	35.N	45.E	25	E2, E2SW4		400.00	$1.50	$600.00	JAKE OIL, LLC
28	1, 2, 3, 4, 5, 6, 8	35.N	45.E	26	N2NW4, NW4NE4		120.00	$1.50	$180.00	JAKE OIL, LLC
29	1, 2, 3, 4, 5, 6	35.N	45.E	34	NW4, W2SW4	*	240.00	$1.50	$360.00	JAKE OIL, LLC
30	1, 2, 3, 4, 5, 6	35.N	45.E	35	S2NE4, S2		400.00	$1.50	$600.00	JAKE OIL, LLC
31	1, 2, 3, 4, 5, 6, 8	35.N	45.E	36	ALL		640.00	$1.50	$960.00	JAKE OIL, LLC
32	1, 2, 3, 4, 5, 6	35.N	46.E	4	LOTS 1, 2, S2NE4, SE4, S2SW4		399.90	$1.50	$599.85	JAKE OIL, LLC
33	1, 2, 3, 4, 5, 6, 8	35.N	46.E	5	LOTS 1, 2, 4, SW4NW4, SW4		319.76	$1.50	$479.64	JAKE OIL, LLC

Tract	Stipulations	Twp	Rng	Sec	Description		Acres	Bid/Acre	Total Bid	Lessee
Daniels										
34	1, 2, 3, 4, 5, 6	35.N	46.E	8	ALL		640.00	$1.50	$960.00	JAKE OIL, LLC
35	1, 2, 3, 4, 5, 6	35.N	46.E	9	ALL		640.00	$1.50	$960.00	JAKE OIL, LLC
36	1, 2, 3, 4, 5, 6, 8	35.N	46.E	31	LOTS 1, 2, 3, 4, E2W2		310.76	$1.50	$466.14	JAKE OIL, LLC
37	1, 2, 3, 4, 5, 6, 8	35.N	46.E	36	E2		320.00	$1.50	$480.00	JAKE OIL, LLC
38	1, 2, 3, 4, 5, 6, 8, 10	35.N	47.E	31	SE4		160.00	$1.50	$240.00	JAKE OIL, LLC
39	1, 2, 3, 4, 5, 6, 8, 10	35.N	47.E	32	SW4		160.00	$1.50	$240.00	JAKE OIL, LLC
40	1, 2, 3, 4, 5, 6, 8	35.N	47.E	33	W2		320.00	$1.50	$480.00	JAKE OIL, LLC
41	1, 2, 3, 4, 5, 6	36.N	47.E	1	LOTS 1, 2, 3, SE4NW4, S2NE4, N2SE4, SE4SE4	*	348.27	$1.50	$522.40	JAKE OIL, LLC
42	1, 2, 3, 4, 5, 6, 10	36.N	47.E	2	LOT 4, S2NW4, NW4SE4, S2SE4, SW4		398.23	$1.50	$597.34	JAKE OIL, LLC
43	1, 2, 3, 4, 5, 6, 10, 17	36.N	47.E	3	LOTS 1, 3, 4, SW4NW4, SE4NE4, E2SE4, NW4SW4	*	315.86	$1.50	$473.79	JAKE OIL, LLC
44	1, 2, 3, 4, 5, 6	36.N	47.E	10	N2, N2S2	*	480.00	$1.50	$720.00	JAKE OIL, LLC
45	1, 2, 3, 4, 5, 6, 10	36.N	47.E	11	W2, W2NE4, NW4SE4	*	440.00	$1.50	$660.00	JAKE OIL, LLC
46	1, 2, 3, 4, 5, 6	36.N	47.E	12	E2NE4, SE4	*	240.00	$1.50	$360.00	JAKE OIL, LLC
47	1, 2, 3, 4, 5, 6, 10	36.N	47.E	13	SW4NW4, E2NE4, N2S2, SE4SE4		320.00	$1.50	$480.00	JAKE OIL, LLC
48	1, 2, 3, 4, 5, 6, 7	36.N	47.E	14	N2SW4_SW4SW4	*	120.00	$1.50	$180.00	JAKE OIL, LLC
49	1, 2, 3, 4, 5, 6	36.N	47.E	23	NW4NW4, S2NW4, N2SW4	*	200.00	$1.50	$300.00	JAKE OIL, LLC
50	1, 2, 3, 4, 5, 6	36.N	47.E	24	SW4NW4, SW4		200.00	$1.50	$300.00	JAKE OIL, LLC
51	1, 2, 3, 4, 5, 6	36.N	47.E	25	N2NW4, S2SW4		160.00	$1.50	$240.00	JAKE OIL, LLC
52	1, 2, 3, 4, 5, 6, 8	37.N	47.E	30	S2SE4		80.00	$1.50	$120.00	JAKE OIL, LLC
53	1, 2, 3, 4, 5, 6, 10	37.N	47.E	31	LOTS 1, 2, 3, 4, E2NW4		239.44	$1.50	$359.16	JAKE OIL, LLC
54	1, 2, 3, 4, 5, 6, 8, 10, 12, 17	37.N	47.E	32	NE4NW4, N2NE4, SE4NE4, NE4SE4, S2S2	*	360.00	$1.50	$540.00	JAKE OIL, LLC
55	1, 2, 3, 4, 5, 6, 10	37.N	47.E	33	W2W2	*	160.00	$1.50	$240.00	JAKE OIL, LLC
56	1, 2, 3, 4, 5, 6, 8	37.N	47.E	34	SE4NW4, NE4, S2		520.00	$1.50	$780.00	JAKE OIL, LLC
57	1, 2, 3, 4, 5, 6	37.N	48.E	36	N2NE4, SW4		240.00	$1.50	$360.00	JAKE OIL, LLC
Glacier										
58	1, 2, 3, 4, 5, 6, 8, 14	37.N	5.W	36	ALL, BELOW THE TOP OF THE ELLIS FORMATION		640.00	$35.00	$22,400.00	NORTHWESTERN CORPORATION DBA NORTHWESTERN ENERGY
Roosevelt										
59	1, 2, 3, 4, 5, 6, 11, 13	26.N	59.E	5	MISSOURI RIVERBED AND RELATED ACREAGE, BELOW THE BASE OF THE RED RIVER FORMATION		186.00	$2.00	$372.00	SUNSHINE PACIFIC CORP.
60	1, 2, 3, 4, 5, 6, 11, 13	27.N	58.E	26	MISSOURI RIVERBED AND RELATED ACREAGE		149.00	$110.00	$16,390.00	SUNSHINE PACIFIC CORP.
Rosebud										
61	1, 2, 3, 4, 5, 6, 7, 9, 15, 17	7.N	39.E	32	ALL		640.00	$1.50	$960.00	HAMMOND VALLEY COLONY, INC.
Toole										
62	1, 2, 3, 4, 5, 6, 18	31.N	3.E	5	HWY TRACT IN SE4NW4		6.57	$15.22	$100.00	A. B. ENERGY LLC
63	1, 2, 3, 4, 5, 6, 10	31.N	3.E	5	LOTS 1, 2, 3, LESS 14.06 ACRES, S2SE4NE4, E2SE4	*	205.41	$1.50	$308.12	A. B. ENERGY LLC
64	1, 2, 3, 4, 5, 6, 10	31.N	3.E	18	NE4NE4		40.00	$2.50	$100.00	A. B. ENERGY LLC

Tract	Stipulations	Twp	Rng	Sec	Description		Acres	Bid/Acre	Total Bid	Lessee
Toole										
65	1, 2, 3, 4, 5, 6, 10, 16	32.N	3.E	32	NW4NW4, S2NW4, SW4SE4, E2SW4	*	240.00	$1.50	$360.00	A. B. ENERGY LLC
66	1, 2, 3, 4, 5, 6, 7, 19	36.N	3.W	16	ALL, BELOW THE BASE OF THE REIRDON FORMATION		640.00	$31.00	$19,840.00	SWANSON, TOM E.
67	1, 2, 3, 4, 5, 6, 14	37.N	4.W	31	LOTS 2, 3, 4, E2SW4, BELOW THE TOP OF THE ELLIS GROUP, WHICH IS EQUIVALENT TO THE BASE OF THE MORRISON FORMATION		199.82	$40.00	$7,992.80	NORTHWESTERN CORPORATION DBA NORTHWESTERN ENERGY

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

Summary by Lessor

	Total Acres	Total Tracts
Dept. of Natural Resources and Conservation	22,654.35	67

Oil and Gas Lease Sale Summary

Total Tracts	67
Total Acres	22,654.35
Total Bid Revenue	$98,384.23
Average Bid Per Acre	$4.34

State of Montana
Oil & Gas Lease Sale - June 2, 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 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.

11 This tract contains navigable river beds and/or related acreage. 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.

12 No surface occupancy of the school area and/or related facilities is permitted without written approval of TLMD.

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 A gas storage unit exists on this tract. TLMD will solicit comments from the gas storage operator (if other than lessee) if drilling through the gas storage reservoir is proposed, and TLMD may include reasonable protective stipulations in approving lessee's operating plan. As part of its regulatory review, the BOGC may also require protective measures to ensure no impact to the gas storage reservoir.

15 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 and any existing facilities. The lessee may not enter the well until a change of operator has been filed with, and approved by, the Board of Oil and Gas Conservation.

16 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.

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

18 No surface occupancy shall be allowed on this tract unless otherwise approved in writing by the Director of Montana Department of Transportation.

19 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.

0620-3

LAND BANKING ACQUISITION:

Preliminary Approval for Purchase

Land Board Agenda Item
June 15, 2020

0620-3 Land Banking Acquisition: Preliminary Approval for Purchase

Location: Treasure County

Trust Benefits: Common Schools

Trust Revenue: N/A

Item Summary
The Department of Natural Resources and Conservation (DNRC) has identified a potential land acquisition of 526± acres known as the 71 Ranch - Bench Road Farm, Hysham, available for sale in Treasure County.

Proposed Acquisition:
These acres include approximately 247± acres pivot irrigation, 40± acre wheel line irrigation, 152± acres flood irrigation, and 87± acres range for a total approximate 526 acres±. Improvements included in the sale are two 12-14 year-old Reinke pivots with electric pumps and a wheel line irrigation system in good working condition. The property is offered for sale for $1,675,000.

Selection Considerations:
The Department has conducted a review of this property nominated for acquisition per Administrative Rule 36.25.813 (3).

Access: The parcels are accessible from Bench Road, a county road.

Revenue: The predicted annual rate of return, over a 20-year period is estimated at 2.32%. The irrigated crop options include alfalfa hay, malt barley, wheat, corn silage and sugar beets.

Multiple Use: The parcel has a variety of natural resource uses including irrigated and dryland agricultural and grazing land. The property also offers wildlife habitat, hunting (big game, upland game birds, and waterfowl) and other recreational opportunities. There is an existing agricultural covenant on 48.873 acres of the property that was placed on the parcel due to the use of the Agricultural Exemption from Subdivision review. This covenant requires the parcel to be used exclusively for agricultural use. It could be removed by the Board of County Commissioners at the request of the landowner and subject to certain criteria.

Location: The property is located approximately two miles southeast of Hysham, MT and 19 miles west of Forsyth in Treasure County. Easy access from Interstate 94 at either exit 67 or 72 via county and secondary roads. The southern border of the property abuts the Hysham Irrigation District canal.

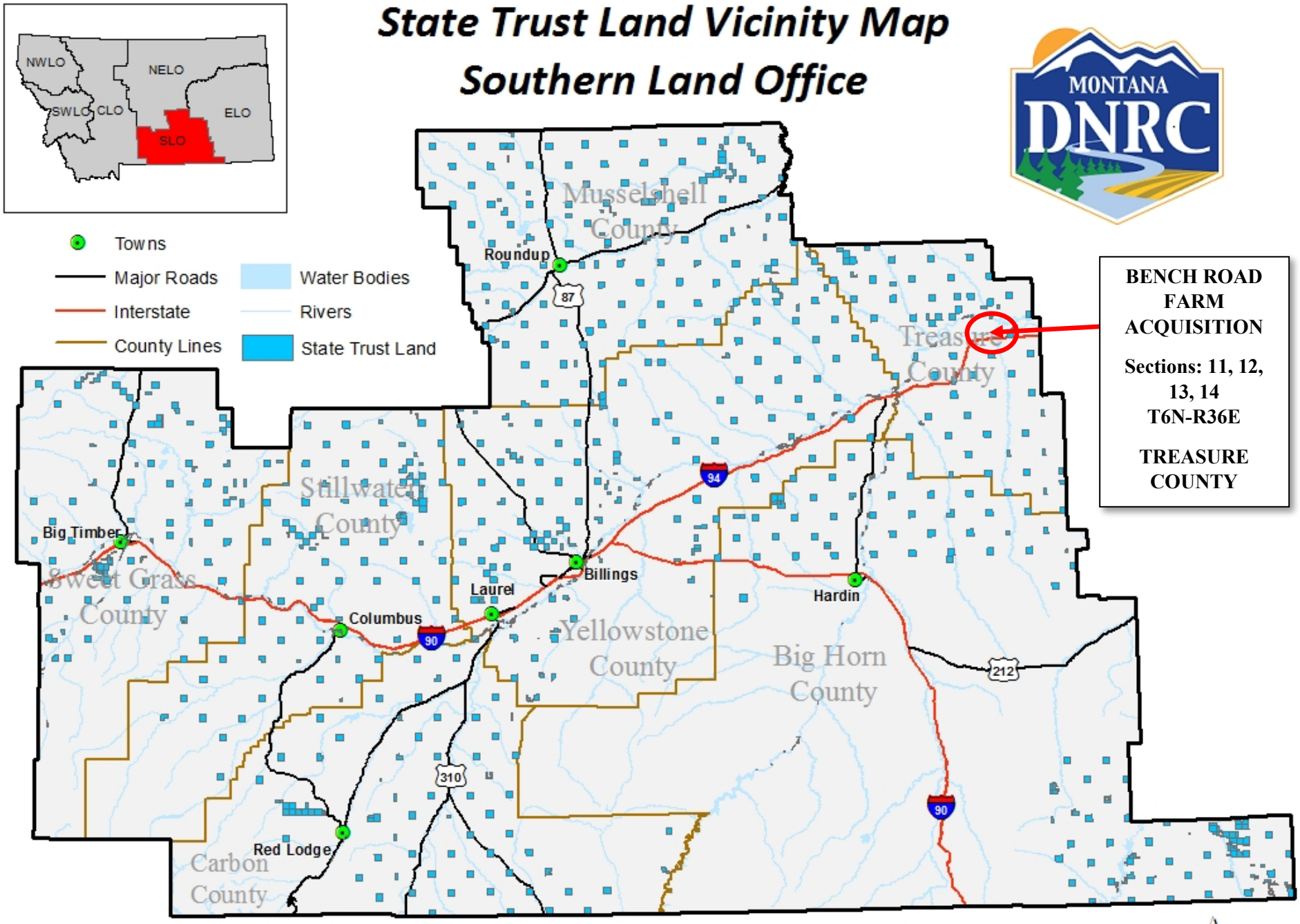
Water Resources: Irrigation water is provided by the Hysham Irrigation District. Preliminary review indicates plenty of irrigation and stock water.

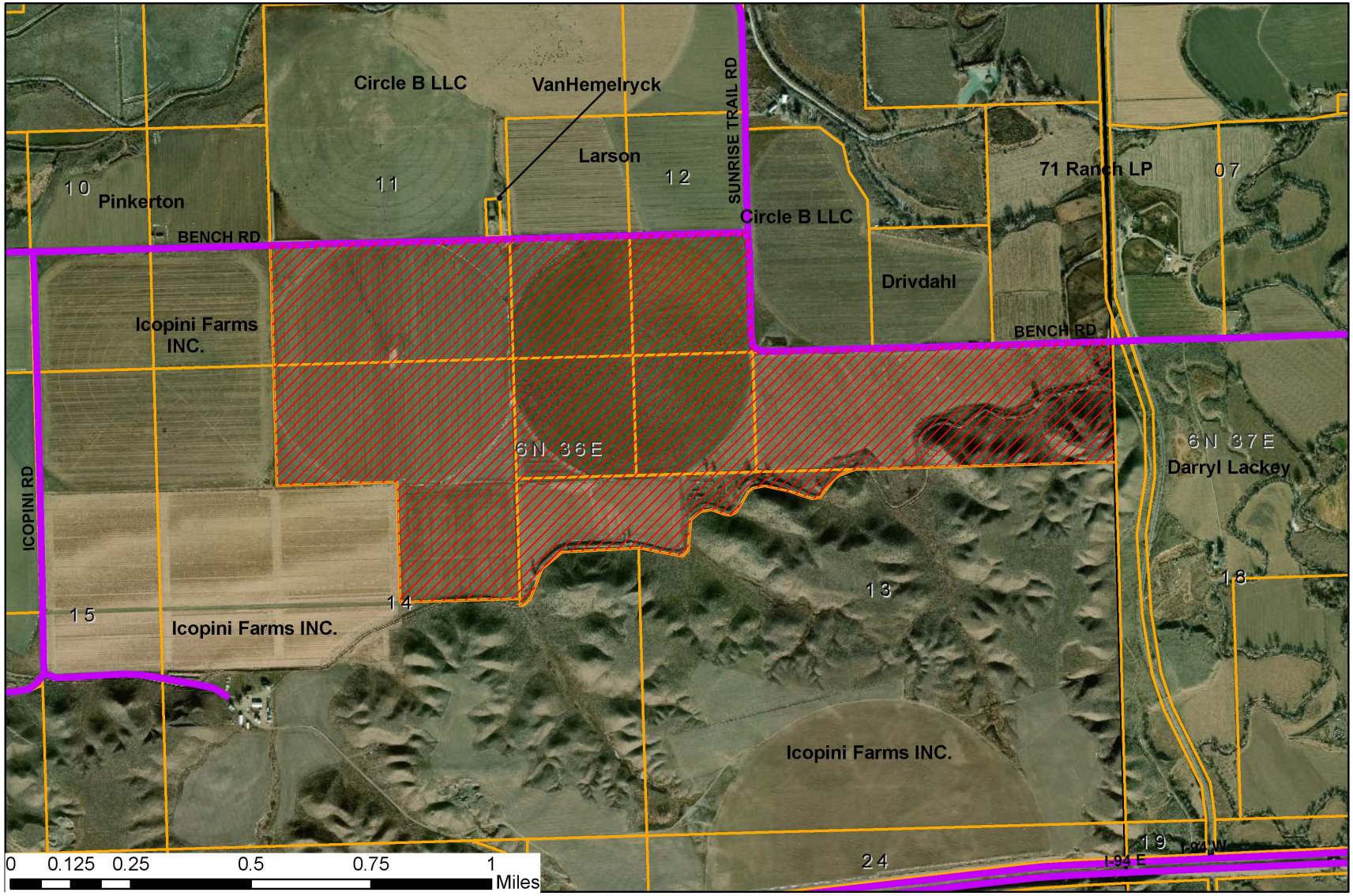
Cooperation: DNRC plans to contact The Department of Fish Wildlife and Parks (DFWP) Region 7 and the Treasure County Board of County Commissioners to discuss the proposed acquisition prior to the Land Board meeting.

Steps in this process include securing a purchase agreement contingent upon findings of the due diligence as per Land Banking rule ARM 36.25.813 through 815. Due diligence includes a detailed inventory report of the property, appraisal, Phase 1 hazardous materials study, an in-depth financial analysis, and a survey, if needed, followed by final Land Board approval.

DNRC Recommendation:
The Department recommends preliminary approval of the Bench Road Farm, Hysham for further consideration for acquisition.

State Trust Land Vicinity Map
Southern Land Office





Location: Treasure County S11,12,13,14 T6N R36E
Prepared on: 27 May 2020
Prepared By: DNRC REMB Staff

Bench Road Farm Acquisition

Bench Rd Farm Acquisition | Roads | Owner Parcels

N

0620-4

CABIN AND HOME SITES:

Set Minimum Bid for Sale

Land Board Agenda Item
June 15, 2020

0620-4 Cabin and Home Sites: Set Minimum Bid for Sale
Lincoln County

Location: Lincoln County
Trust Benefits: Common Schools
Trust Revenue: $80,000

Item Summary
The Department of Natural Resources and Conservation (DNRC) is requesting to set the minimum bid for one cabin site nominated for sale in Lincoln County. This sale was nominated by the lessee in conjunction with the Cabin and Home Site Sale Program.

Sale No.	Acres	Legal Description	Nominator	Trust
1022	7.083 ±	Tract 1, COS 4670, T31N-R34W, Sec. 36	Harlan Galbraith	Common Schools

The parcel is currently leased as a home site and produces an average income for residential leases statewide. The parcel will be sold with the access that is currently provided under the current lease agreement and can be conveyed by DNRC.

Economic Analysis:
Short term – The average rate of return on this sale parcel is 1.477%. The parcel will continue to receive this rate of return if it remains in state ownership.

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 2.91% on acquisitions with income generated from annual lease payments.

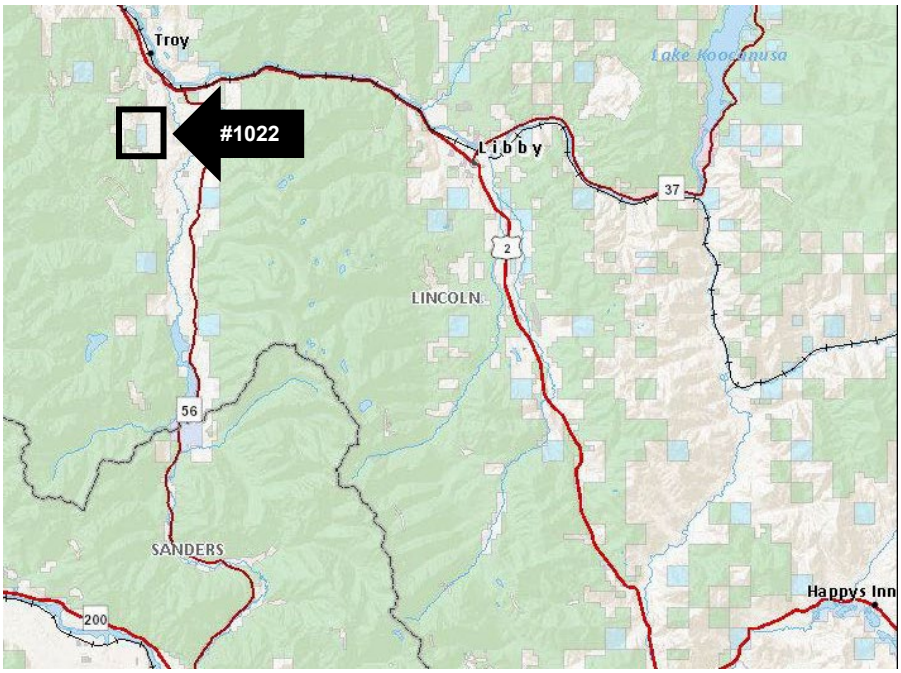
Cultural/Paleontological Resources:
A Class I level of cultural resource inventory was conducted for the proposed sale. Home sites typically contain numerous privately-owned structures and the ground surfaces within most home sites have been variously disturbed over the course of many years of occupation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

Appraised Values of Land and Improvements:

Sale No.	Appraised Land Value	Appraised Improvements Value
1022	$80,000	$190,000

DNRC Recommendation
The director recommends that the Land Board set the minimum bid for this cabin site at the appraised land value and the maximum value of compensation for the improvements shown above.

LINCOLN COUNTY SALE



Tract 1, COS 4670, T31N-R34W, Sec. 36

0620-5

CABIN AND HOME SITES:

Final Approval for Sale

Land Board Agenda Item
June 15, 2020

0620-5 Cabin and Home Sites: Final Approval for Sale

Location: Missoula County
Trust Benefits: Pine Hills School
Trust Revenue: $90,000

Item Summary
The Department of Natural Resources and Conservation (DNRC) is requesting final approval for sale of one cabin site nominated for sale in Missoula County. This sale was nominated by the lessees in conjunction with the Cabin and Home Site Sale Program.

Sale No.	Acres	Legal Description	Nominator	Trust
1027	0.84 ±	Lot 10, Elbow Lake, COS 4921, T15N-R14W, Sec. 20	Jeffrey Denning & Terry Martin-Denning	Pine Hills School

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

The parcel will be sold with the access currently provided under its lease agreement.

Economic Analysis
Short term – The average rate of return for this sale parcel is 3.610%.

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 2.91% 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.

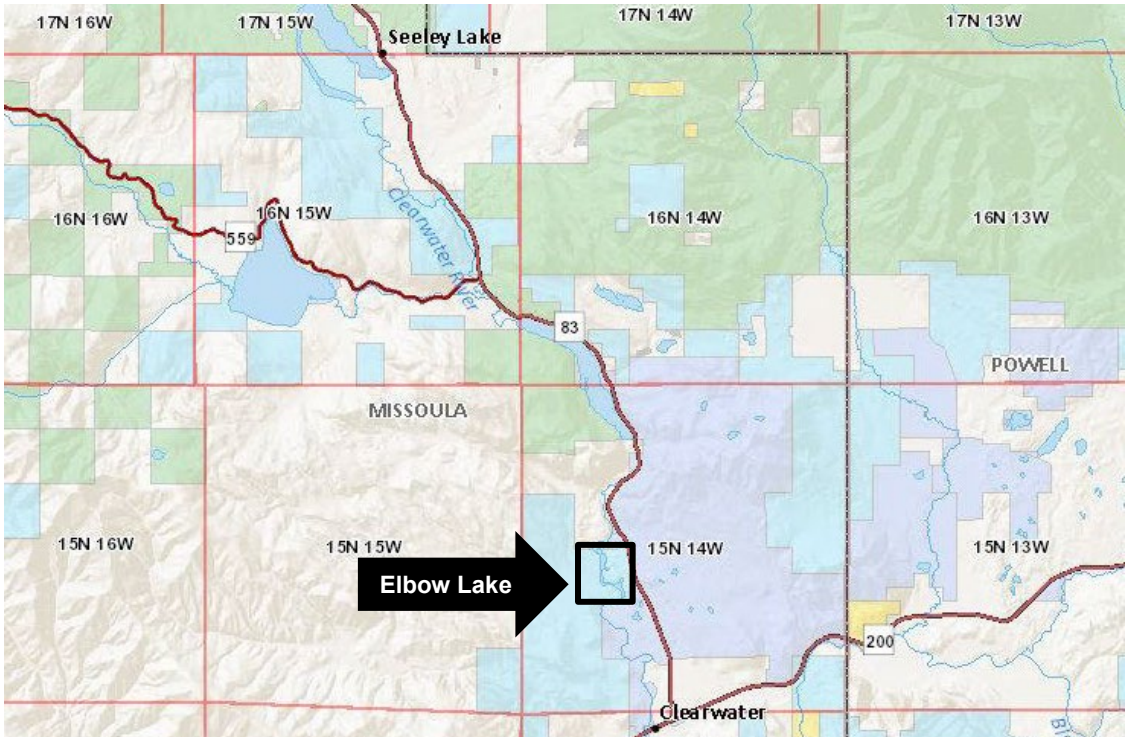
Background
This sale was granted preliminary approval in May 2018 to proceed through the Cabin and Home Site Sale Program. The Land Board set the minimum bid for the land and the maximum value of compensation for the improvements in February 2020.

Sale Nos.	Appraised Land Value	Appraised Improvements Value	Final Sale Price
1027	$90,000	$131,500	$90,000

Sale Price
This sale sold at public auction on May 26, 2020. DNRC received a bid deposit from one qualified bidder for this sale who was the current lessee. The site sold for the final sale price listed above.

DNRC Recommendation
The director recommends the Land Board grant final approval for the sale of this cabin site at the value shown above. This sale will close within 30 days of final approval by the Land Board.

MISSOULA COUNTY SALE



Elbow Lake

Lot 10, Elbow Lake, COS 4921, T15N-R14W, Sec. 20, Missoula County

0620-6

EASEMENTS:

Land Board Agenda Item
June 15, 2020

0620-6 Easements:

Location: Blaine, Deer Lodge, Garfield, Granite, Judith Basin, Madison, McCone Phillips

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

Trust Revenue: Capitol Buildings = $4,718
Common Schools = $8,515
Public Land Trust = $100

Item Table of Contents

Applicant	Right-of-Way Purpose	Term	Page(s)
Northwestern Energy	Buried Electrical Distribution. Line	Permanent	46 - 47
Northwestern Corporation	Buried and Overhead Electrical Distribution. Line	Permanent	48 - 49
Spectrum Pacific West, LLC	Buried Telecommunications Cable	Permanent	50 - 58
Triangle Telephone Coop.	Buried Telecommunications Cable	Permanent	59 - 60
3-Rivers Telephone Coop. Inc	Buried Fiber-Optic Cable	Permanent	61 - 64
Montana Department of Transportation	Highway Construction and Maintenance	Permanent	65 - 66
McCone Electric Coop. Inc.	Overhead Electrical Distribution. Line	Permanent	67 - 68
Northwestern Corporation	Overhead Electrical Distribution. Line	Permanent	69 - 70
Spectrum Pacific West, LLC	Buried Telecommunications Cable	Permanent	71 - 72

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 East Park St. Butte, MT 59701
Application No.:	18884
R/W Purpose:	a buried 25kV electric distribution line
Lessee Agreement:	ok
Acreage:	0.42
Compensation:	$378.00
Legal Description:	20-foot strip through SE4SE4, Sec. 16, Twp. 9N, Rge. 13W, Granite County
Trust Beneficiary:	Common Schools

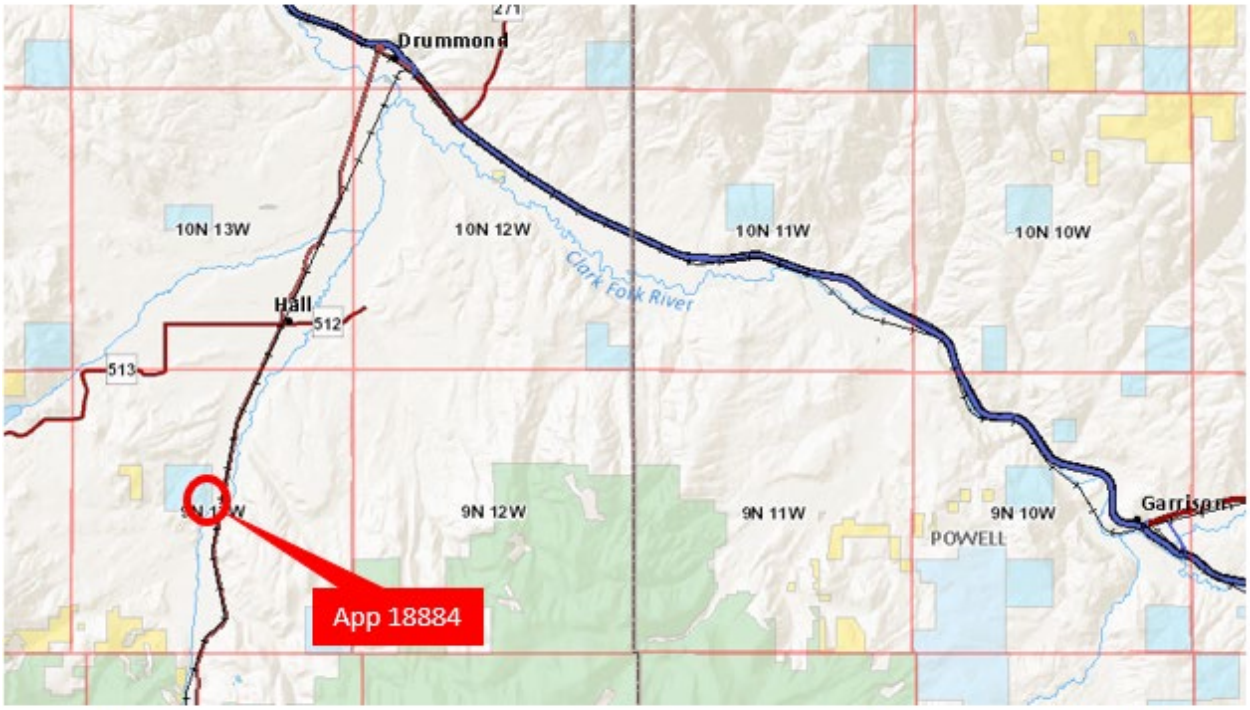
Item Summary

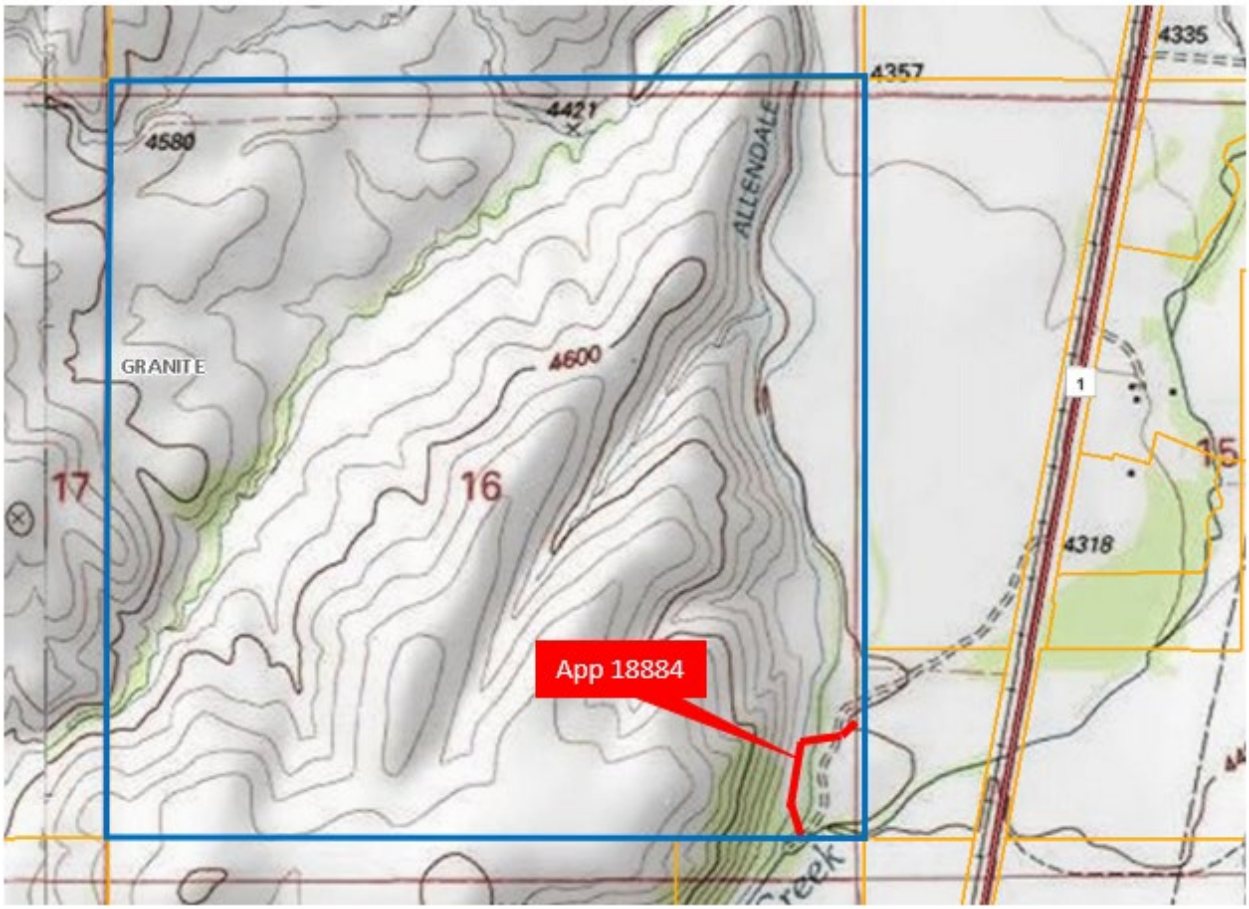
Northwestern Energy is requesting an easement for a buried electric distribution line to provide electrical service to the Allendale Canal for a fish screening project. The new line will be buried along an existing road in previously disturbed ground, therefore minimal disturbance will occur. Installation of this line will provide the potential for future expansion of electrical services to the general area, if needed.

DNRC Recommendation

The director recommends approval of the easement request by Northwestern Energy.

R/W Application 18884





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Corporation 11 East Park St. Butte, MT 59701
Application No.:	18907
R/W Purpose:	a buried 7.2kV electric distribution line and an overhead 24kV electric distribution line
Lessee Agreement:	ok
Acreage:	0.47
Compensation:	$927.00
Legal Description:	two 20-foot strips through SE4NE4, Sec. 36, Twp. 6N, Rge. 10W, Deer Lodge County
Trust Beneficiary:	Common Schools

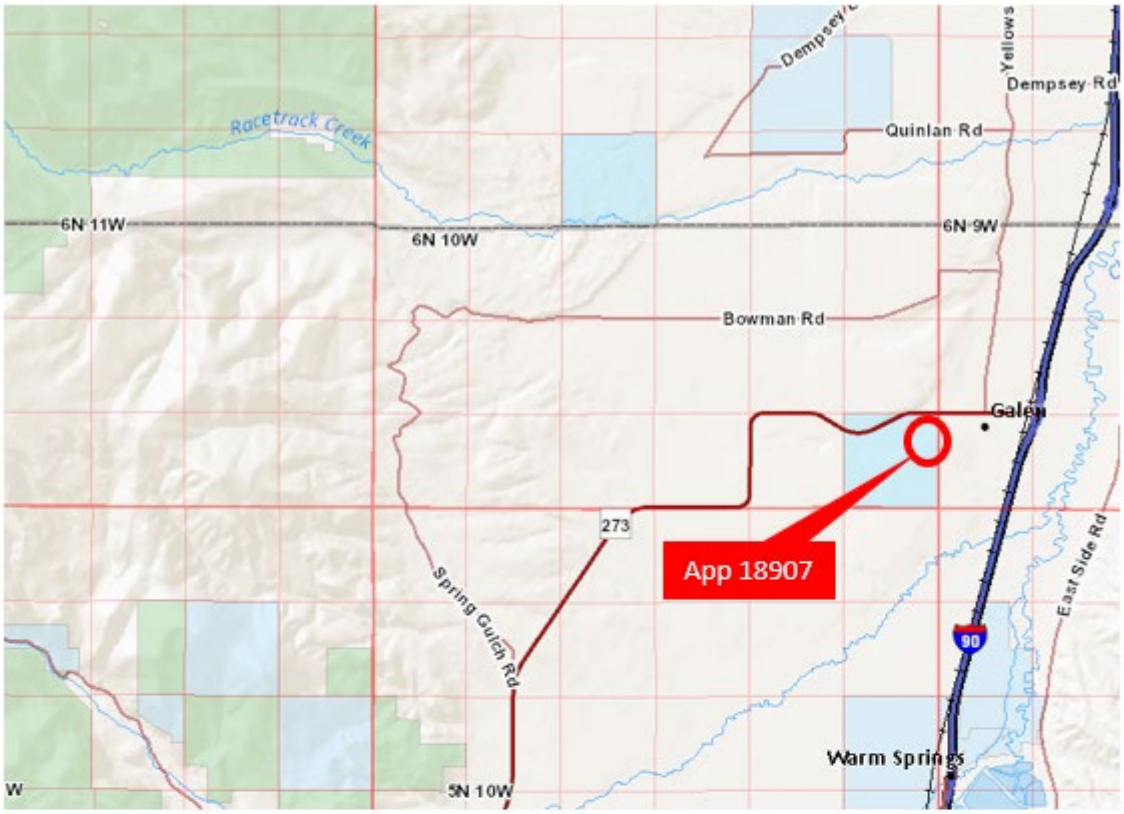
Item Summary

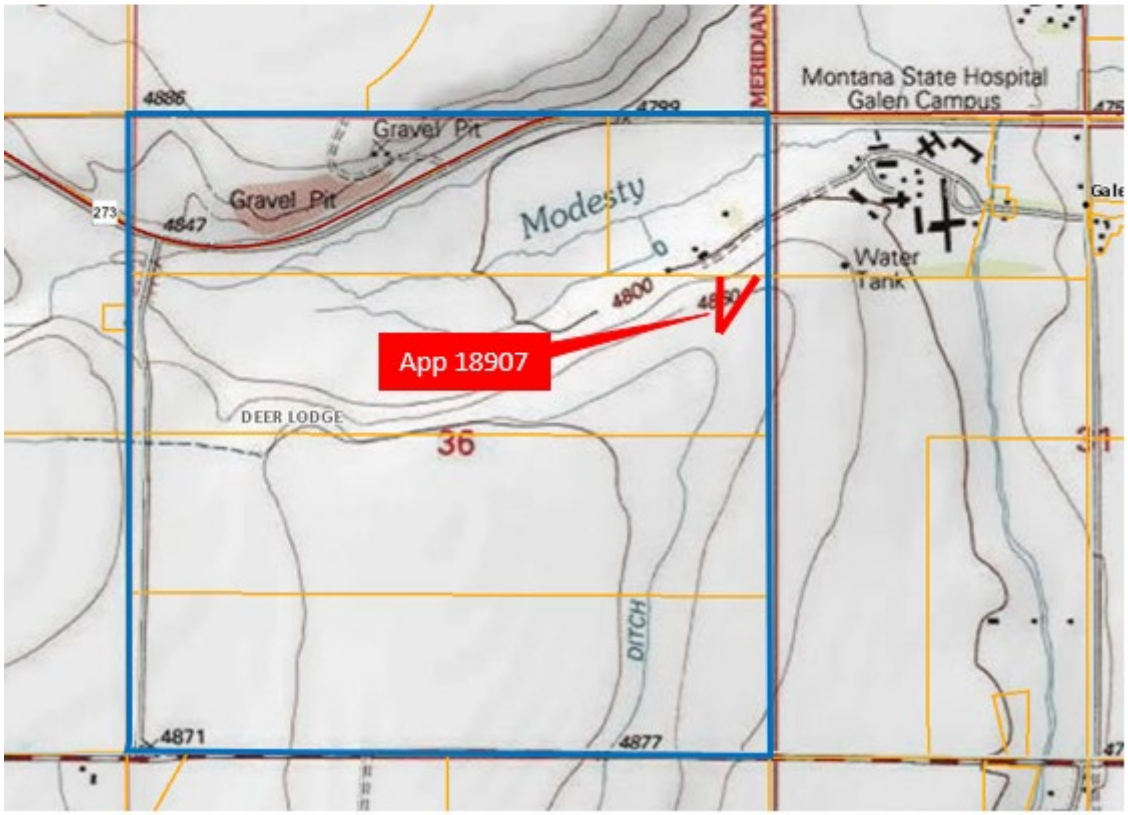
Northwestern Corporation is requesting an easement for (2) two electric distribution lines. The 7.2 kV buried distribution line provides power to an above-ground water storage reservoir with the 24 kV overhead distribution continuing from the water reservoir to a private residence. The route chosen is the most direct route for the requested service and will cause minimal disturbance and impact.

DNRC Recommendation

The director recommends approval of the easement request by Northwestern Corporation.

R/W Application 18907





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18909
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	needed
Acreage:	1.23
Compensation:	$467.00
Legal Description:	20-foot strip through E2SE4, Sec. 28, Twp. 33N, Rge. 18E, Blaine County
Trust Beneficiary:	Common Schools

Item Summary

Spectrum Pacific West is proposing to install new telecommunications cable for approximately 94.7 miles from Havre to Malta in Blaine and Phillips Counties. The project will provide state-of-the-art broadband telecommunications to rural areas along the Hi-Line and consists of new installation of cable except for an area of less than a mile where existing overhead service is available. Approximately 87 miles of new cable installation is located within sage grouse general habitat. Consultation with the Sage Grouse program has occurred and a mitigation plan agreed upon. Installation of the new cable will occur generally along existing roads and disturbed ground, causing minimal impacts.

DNRC Recommendation

The director recommends approval of the application of Spectrum Pacific West.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18910
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	needed
Acreage:	0.18
Compensation:	$100.00
Legal Description:	20-foot strip through NE4NE4, Sec. 33, Twp. 33N, Rge. 18E, Blaine County
Trust Beneficiary:	Common Schools

Item Summary

See page 50 for summary.

DNRC Recommendation

See page 50 for recommendation.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18911
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	needed
Acreage:	1.21
Compensation:	$460.00
Legal Description:	20-foot strip through N2NW4, Sec. 34, Twp. 33N, Rge. 18E, Blaine County
Trust Beneficiary:	Common Schools

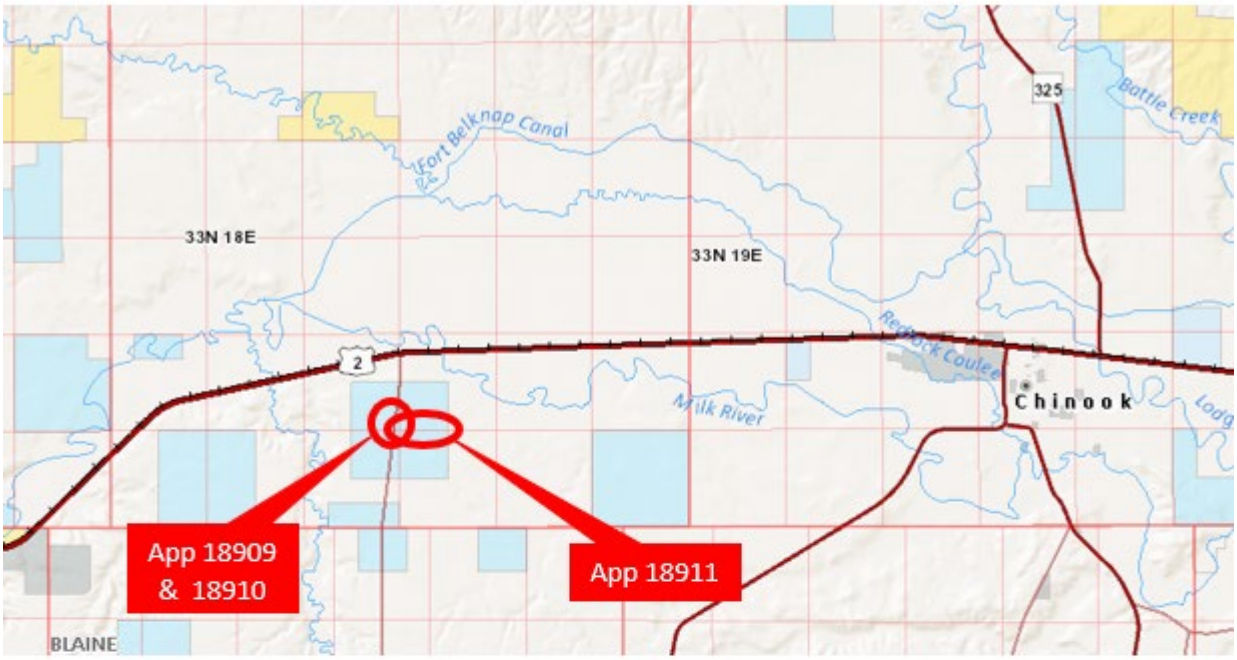
Item Summary

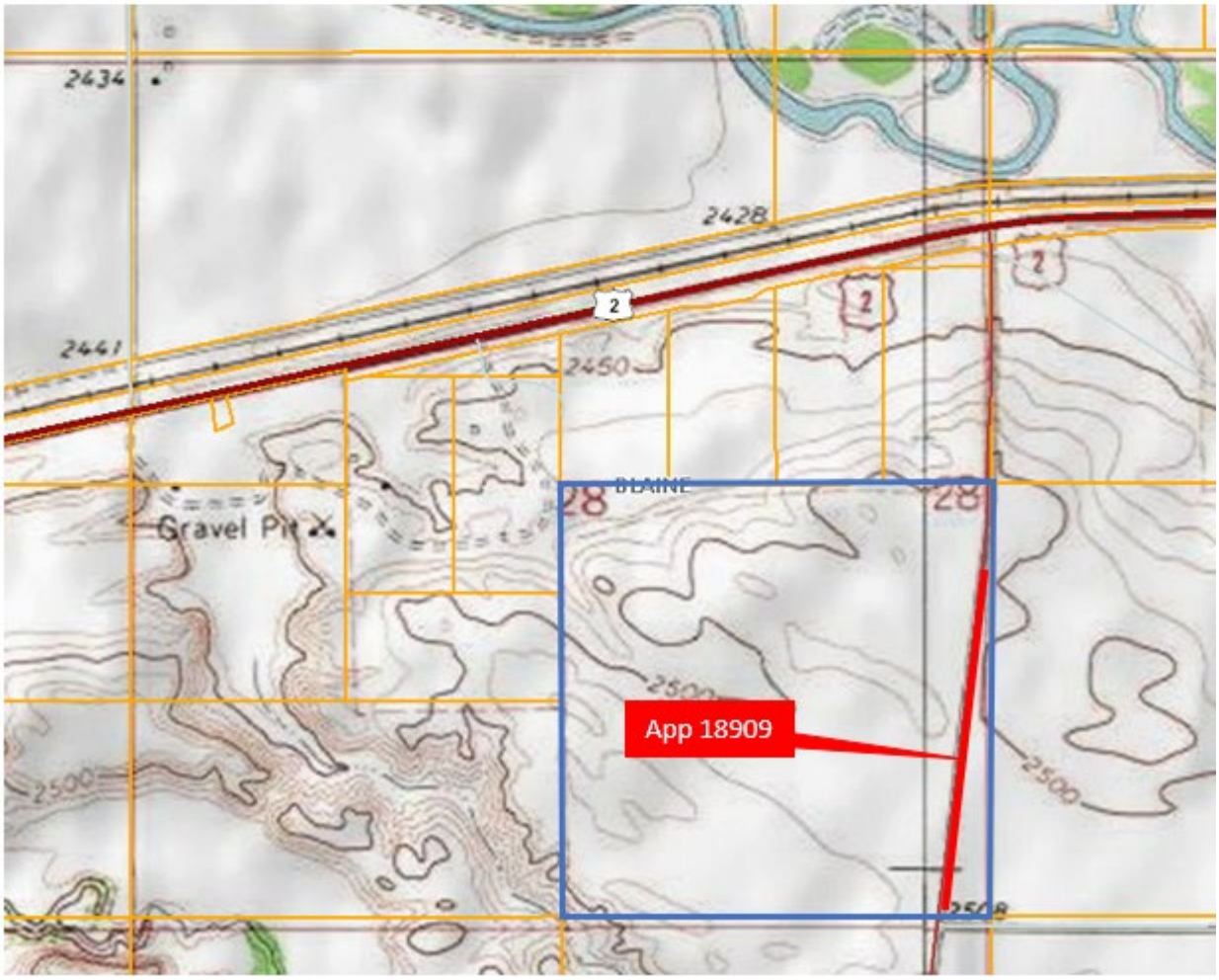
See page 50 for summary.

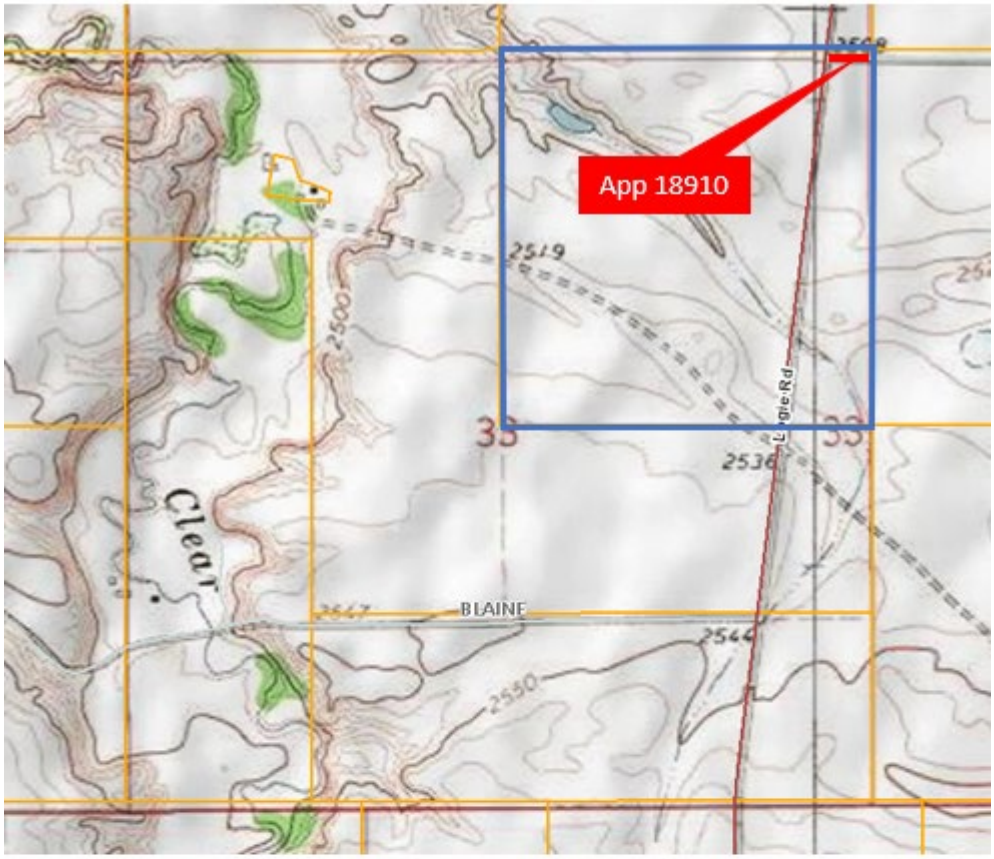
DNRC Recommendation

See page 50 for recommendation.

R/W Application 18909, 18910 & 18911






App 18910
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App 18911
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BLAINE
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2543

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18912
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	needed
Acreage:	1.31
Compensation:	$498.00
Legal Description:	20-foot strip through N2NE4, Sec. 36, Twp. 33N, Rge. 18E, Blaine County
Trust Beneficiary:	Common Schools

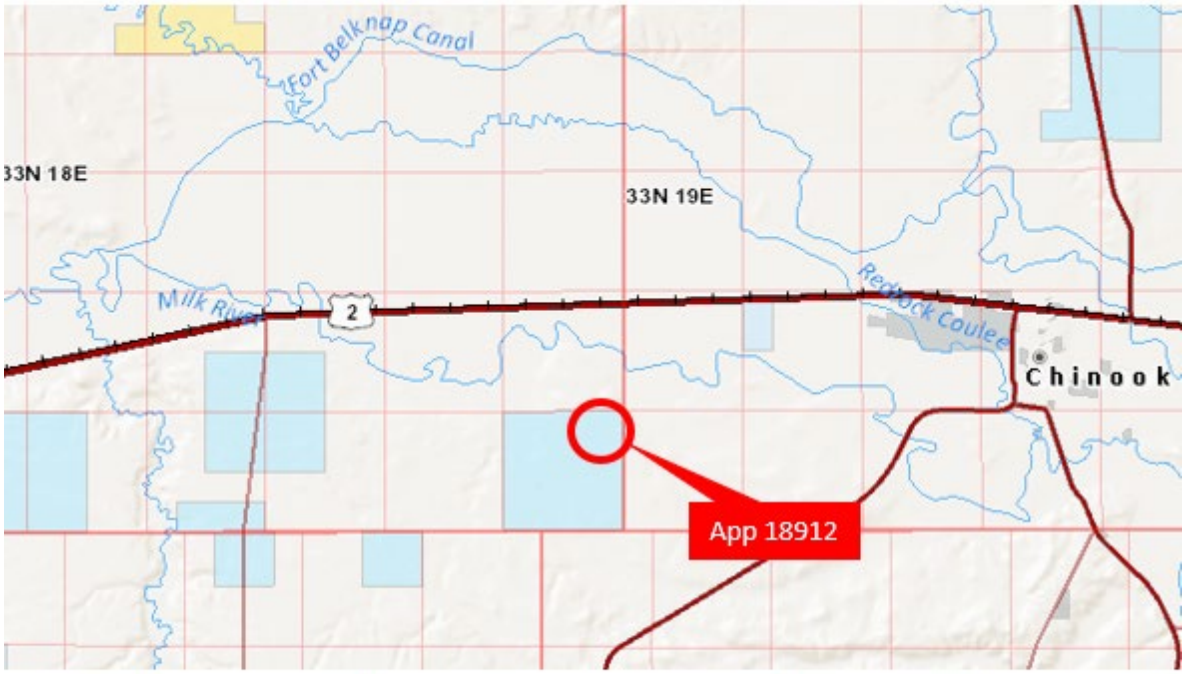
Item Summary

See page 50 for summary.

DNRC Recommendation

See page 50 for recommendation.

R/W Application 18912



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18913
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	needed
Acreage:	0.66
Compensation:	$251.00
Legal Description:	20-foot strip through S2SW4, Sec. 36, Twp. 33N, Rge. 21E, Blaine County
Trust Beneficiary:	Common Schools

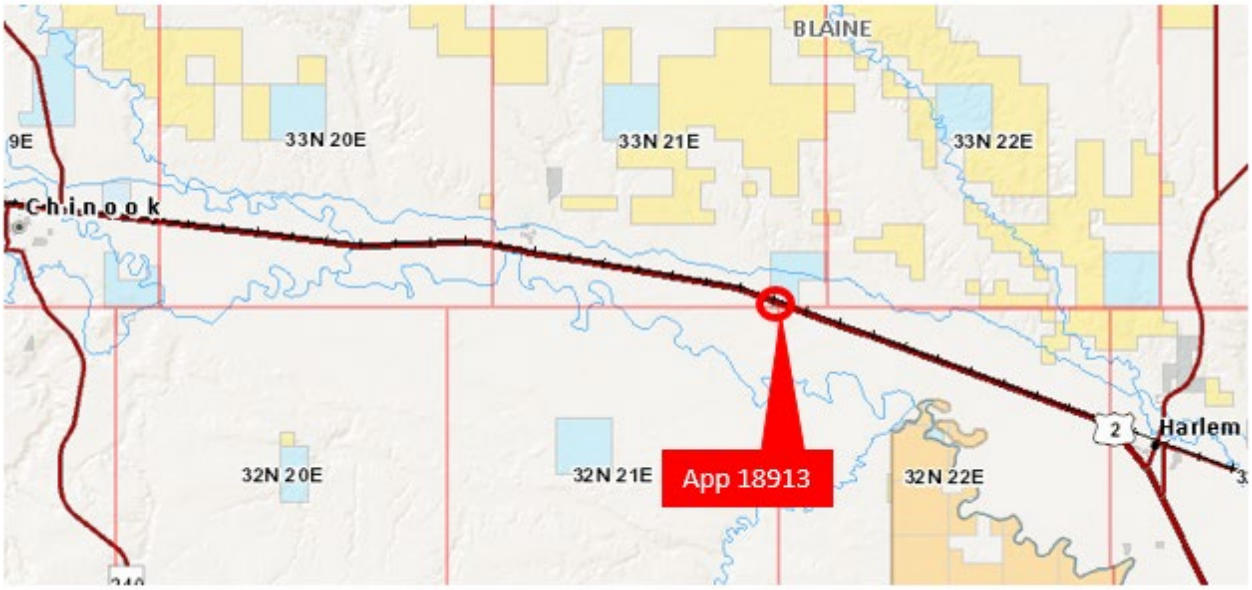
Item Summary

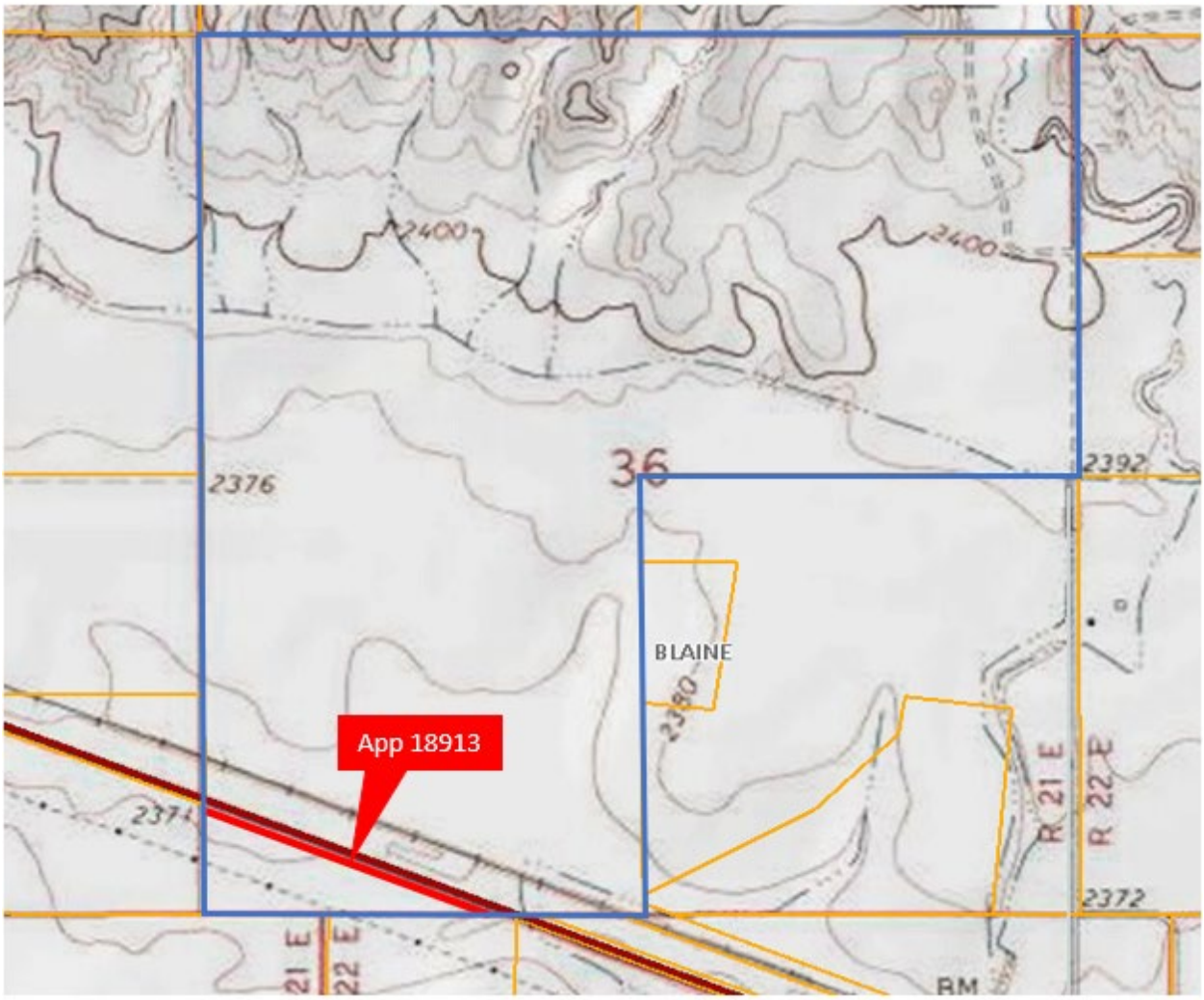
See page 50 for summary.

DNRC Recommendation

See page 50 for recommendation.

R/W Application 18913





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Triangle Telephone Coop. Assoc. Inc. PO Box 1220 Havre, MT 59501
Application No.:	18914
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	ok
Acreage:	0.38
Compensation:	$266.00
Legal Description:	20-foot strip through SE4SE4, Sec. 1, Twp. 17N, Rge. 11E, Judith Basin County
Trust Beneficiary:	Common Schools

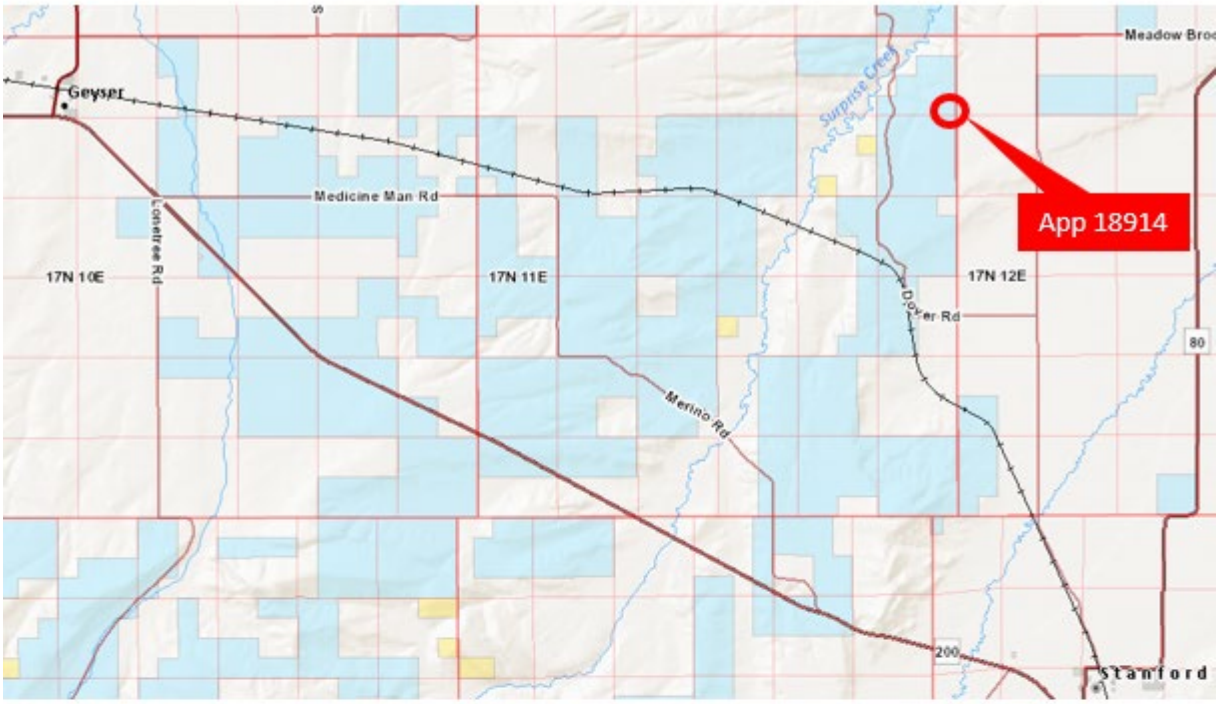
Item Summary

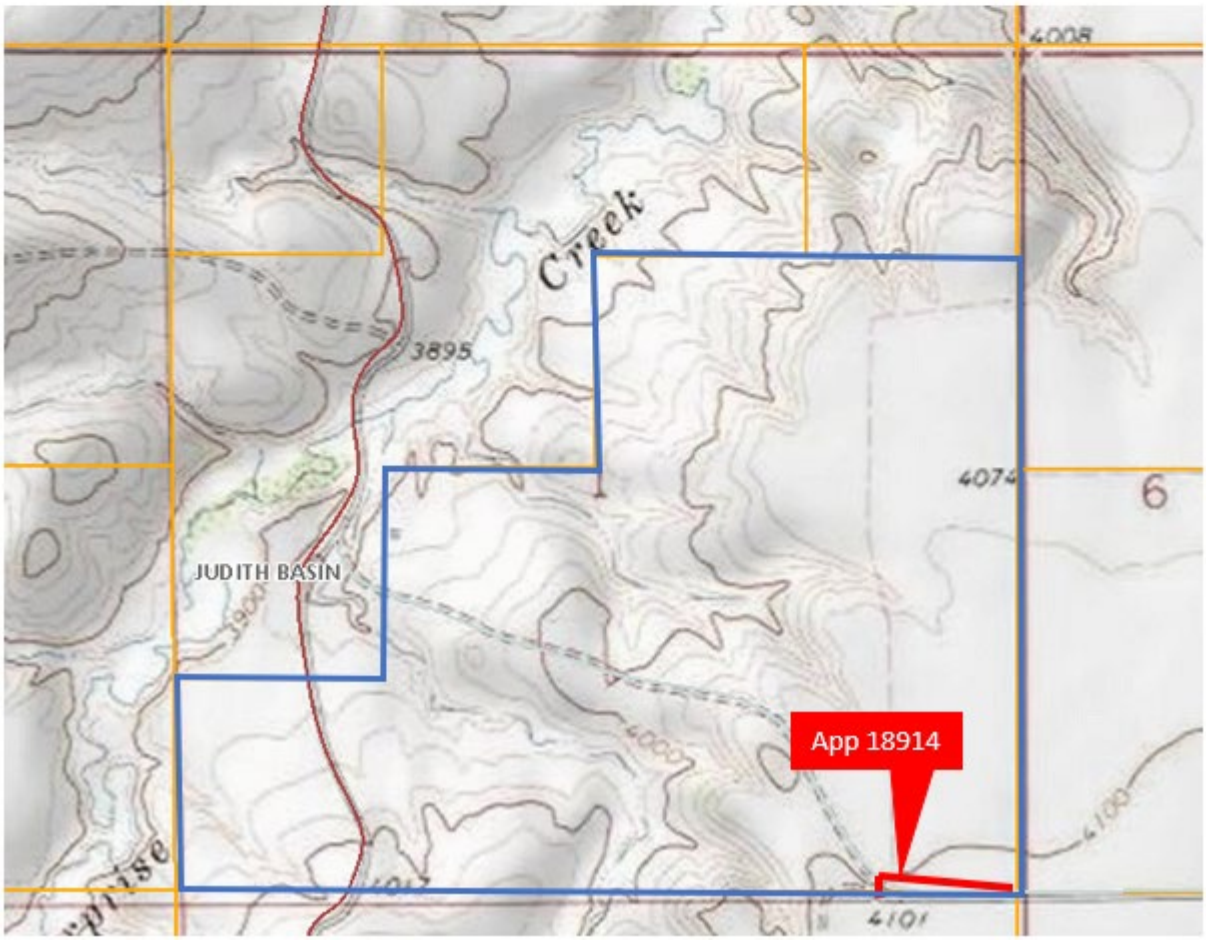
Triangle Telephone Coop. is proposing to upgrade existing telecommunications facilities in the Stanford Exchange area in Judith Basin County. The proposed project involves eight sections of Trust land, applications for seven sections were approved at the May 2020 Land Board meeting. The new telecommunications cable will provide improved service to rural customers and provide future growth capabilities. Installation of the new cable will primarily be along existing roads and minimal impacts are expected.

DNRC Recommendation

The director recommends approval of the application of Triangle Telephone Coop.

R/W Application 18914





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	3-Rivers Telephone Cooperative, Inc PO Box 429 Fairfield, MT 59436-0429
Application No.:	18915
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	needed
Acreage:	1.22
Compensation:	$2,440.00
Legal Description:	10-foot strip through W2E2, Sec. 36, Twp. 8S, Rge. 1W, Madison County
Trust Beneficiary:	Common Schools

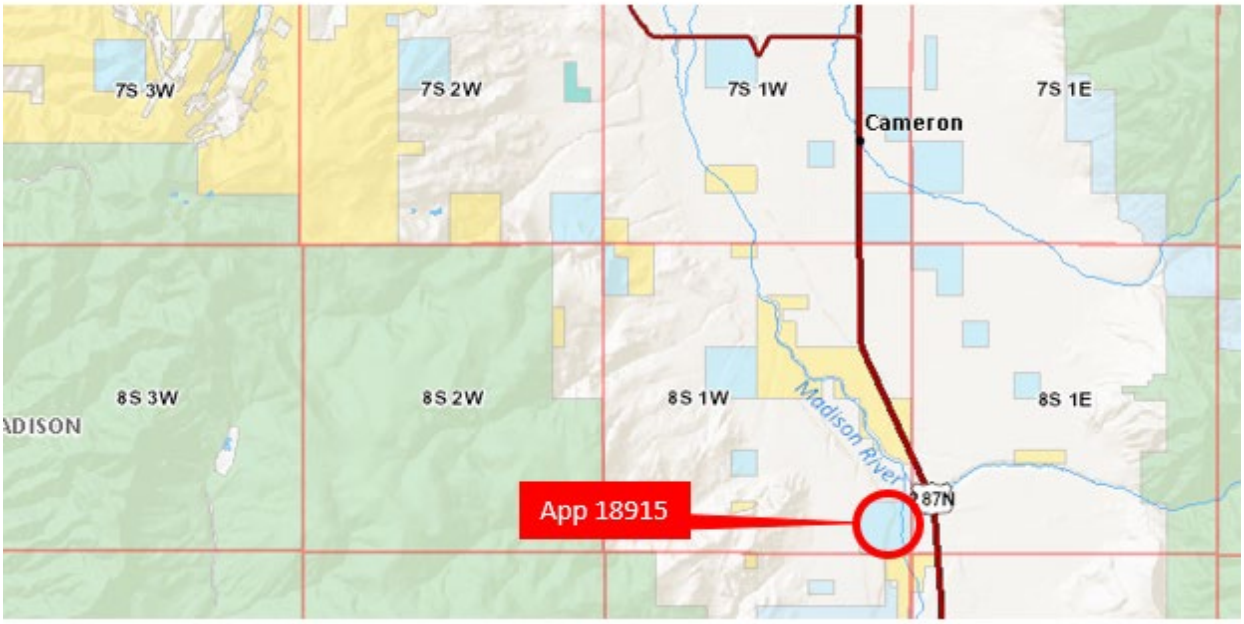
Item Summary

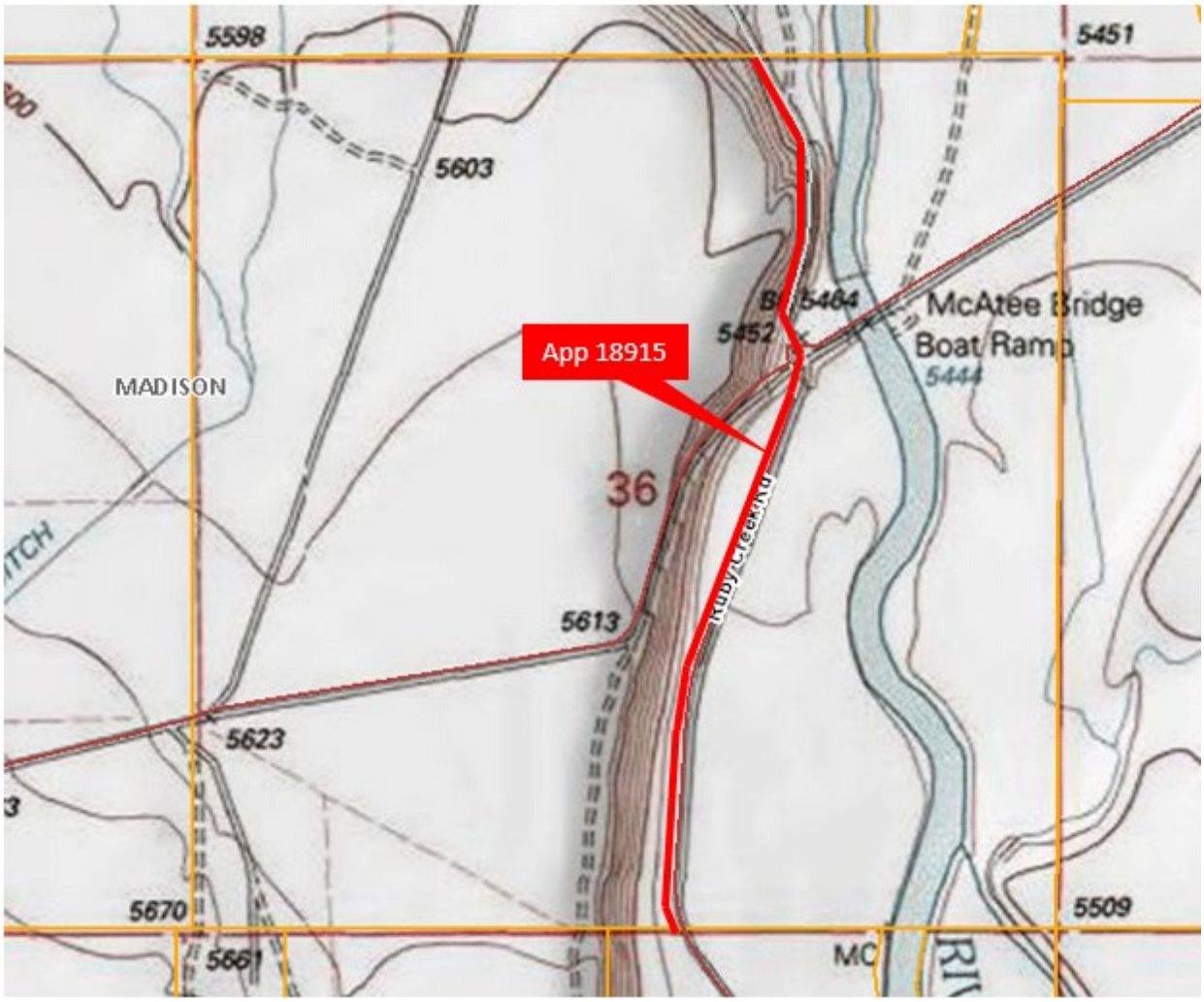
3-Rivers Telephone Cooperative is requesting easements to place fiber optic cable in rural Madison County from Cameron to Kirby. This application is part of a 114-mile cable installation under the Fiber to the Home (FTTH) project that provides high speed internet and broadband services to rural customers. The existing copper cables are at capacity and do not allow for future growth capabilities. These new fiber optic cable will be placed in existing cable corridors along state highway, county and existing roads to minimize the impacts.

DNRC Recommendation

The director recommends approval of the application of 3-Rivers Telephone Cooperative

R/W Application 18915





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	3-Rivers Telephone Cooperative, Inc PO Box 429 Fairfield, MT 59436-0429
Application No.:	18916
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	N/A (Nav. River)
Acreage:	0.06
Compensation:	$100.00
Legal Description:	10-foot strip across the Madison River in NE4NE4, Sec. 29, Twp. 10S, Rge. 1E, Madison County
Trust Beneficiary:	Public Land Trust - Nav. River

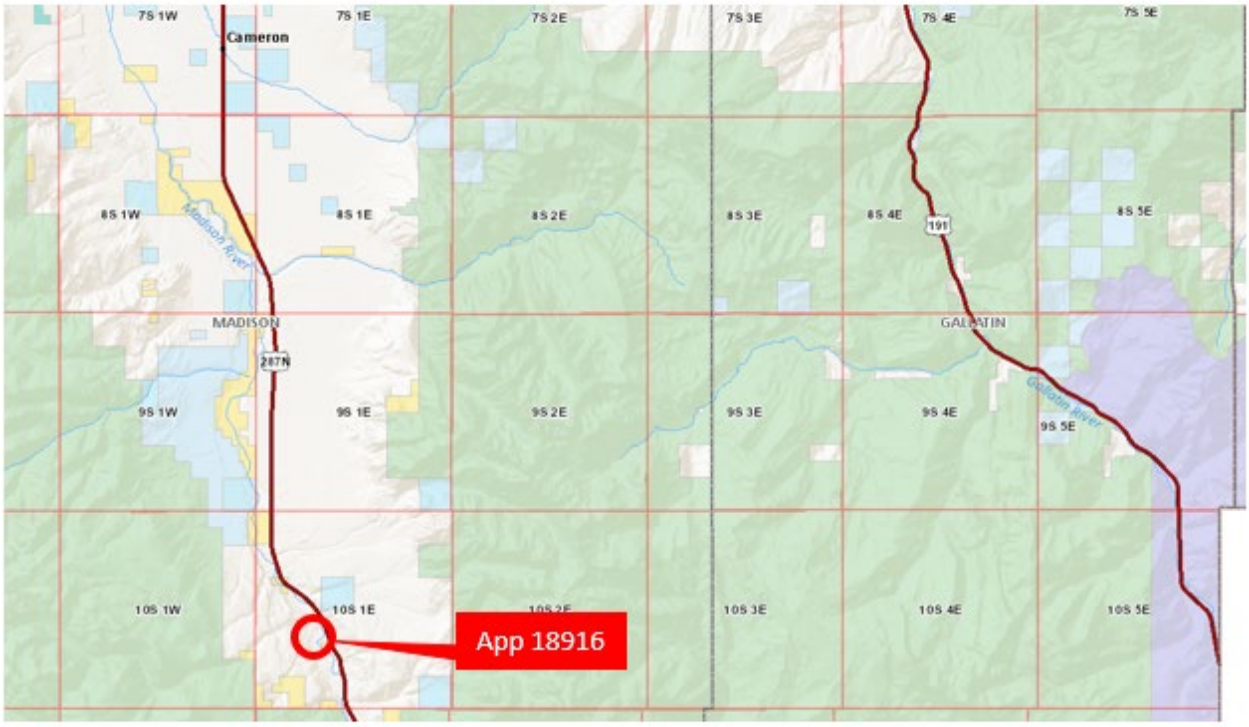
Item Summary

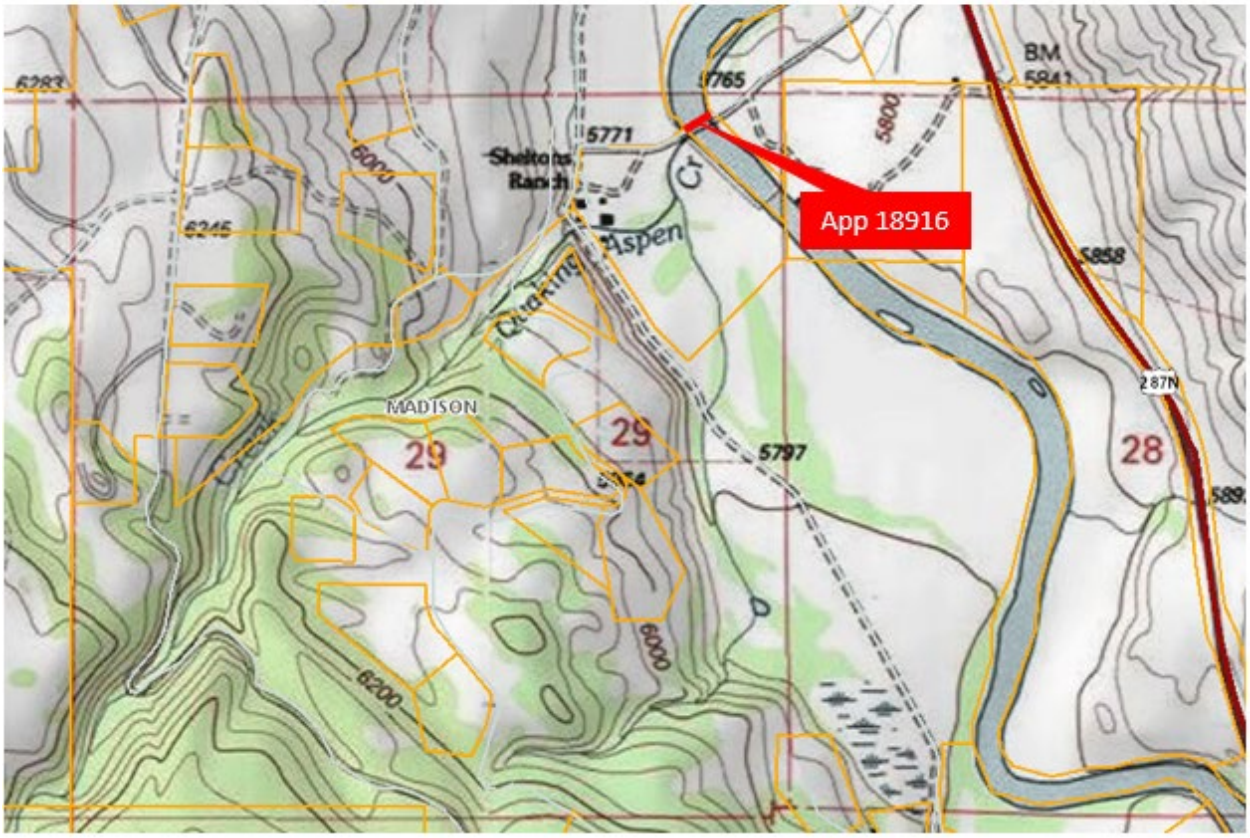
See page 61 for summary.

DNRC Recommendation

See page 61 for recommendation.

R/W Application 18916





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Montana Department of Transportation PO Box 201001 Helena, MT 59620-1001
Application No.:	18917
R/W Purpose:	highway construction and maintenance, including occupancy by public utilities as defined in §69-4-101 MCA
Lessee Agreement:	ok
Acreage:	2.88
Compensation:	$1,296.00
Legal Description:	a tract of land in the NE4NW4, N2NE4, Sec. 16, Twp. 18N, Rge. 43E, Garfield County
Trust Beneficiary:	Common Schools

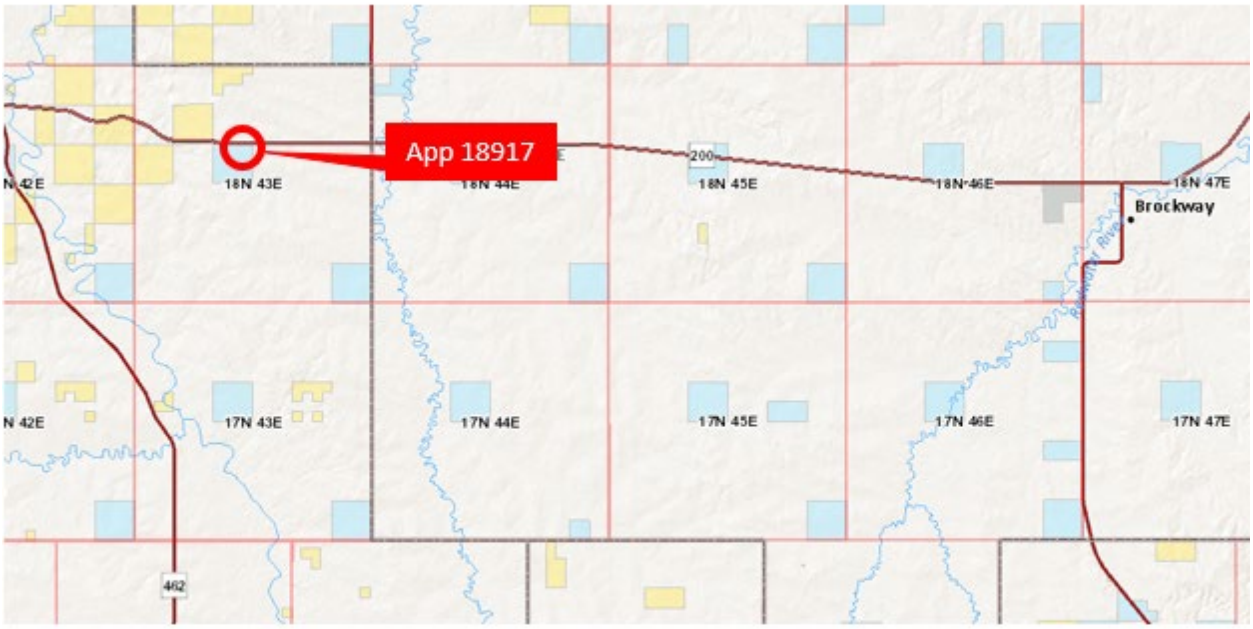
Item Summary

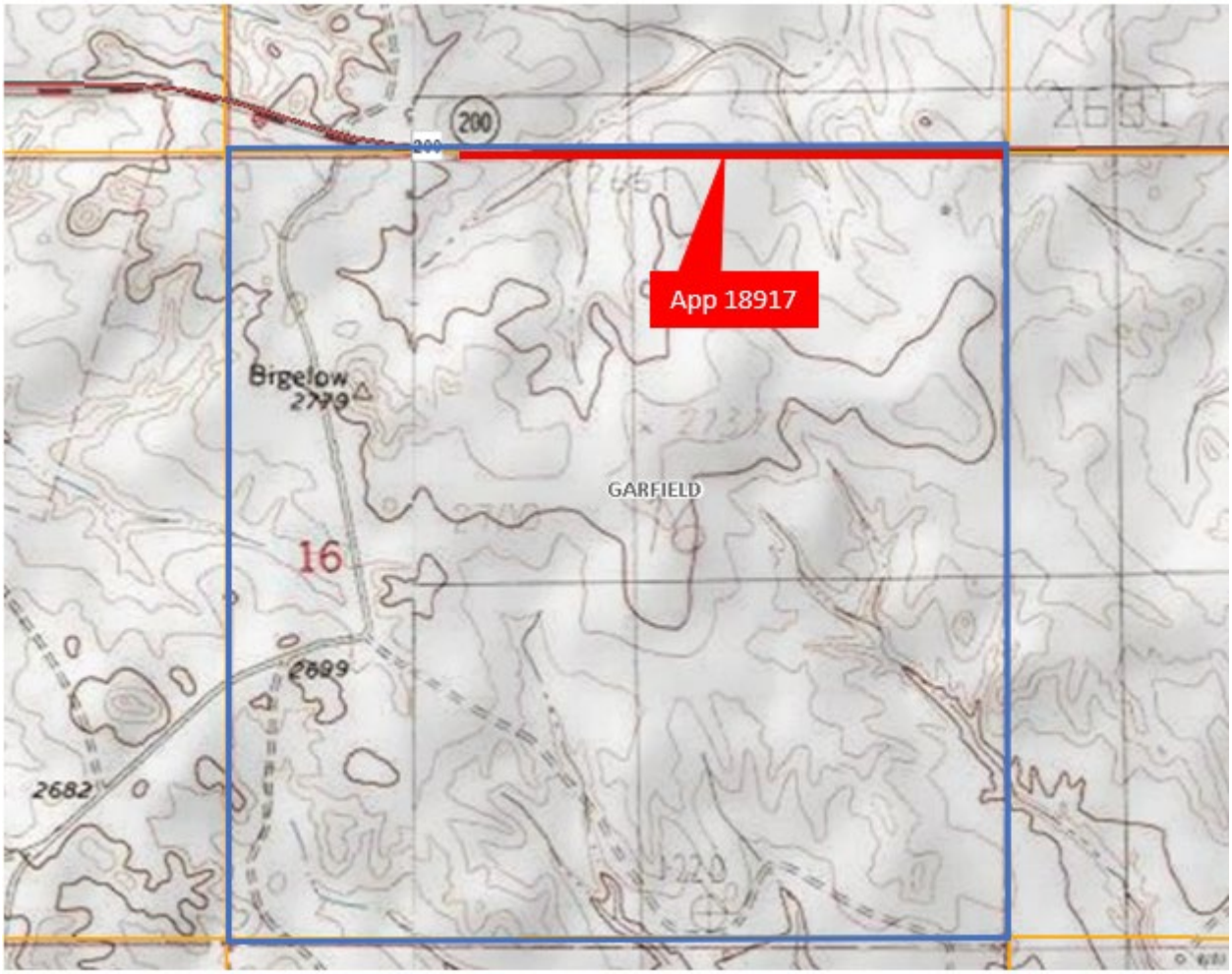
The Montana Department of Transportation (MDT) is proposing to reconstruct a section of Montana Highway 200, starting approximately 17 miles west of the Town of Jordan and continuing east for 7.2 miles. The scope of the project involves realignment of the vertical and horizontal alignment, widening the surface, installation of new culverts and other drainage features, sloping of shoulders, new signage and pavement markings to improve the safety and drivability of the roadway. The affected area of State Trust land is within sage grouse general habitat; however, a large portion of the project is within core habitat. MDT is in the consultation process with the Sage Grouse Program.

DNRC Recommendation

The director recommends approval of this easement request by MDT.

R/W Application 18917





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	McCone Electric Cooperative, Inc PO Box 368 Circle, MT 59215
Application No.:	18918
R/W Purpose:	an overhead 25kV electric distribution line
Lessee Agreement:	ok
Acreage:	1.21
Compensation:	$424.00
Legal Description:	20-foot strip through E2SE4, Sec. 14, Twp. 17N, Rge. 45E, McCone County
Trust Beneficiary:	Common Schools

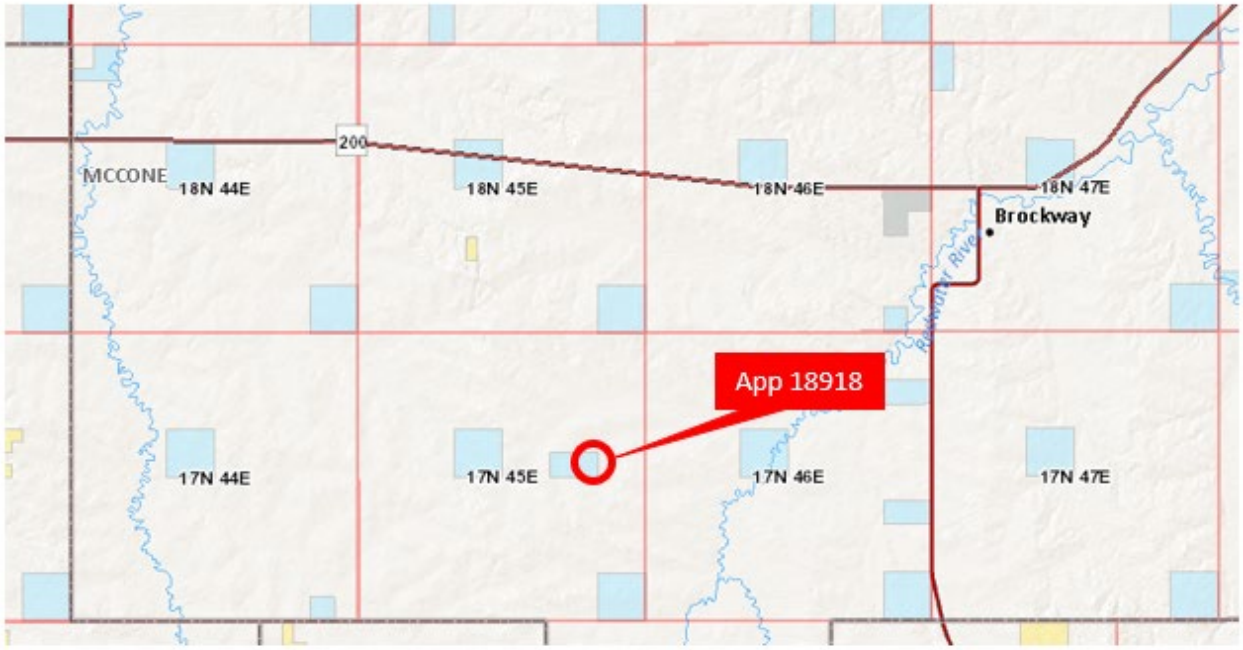
Item Summary

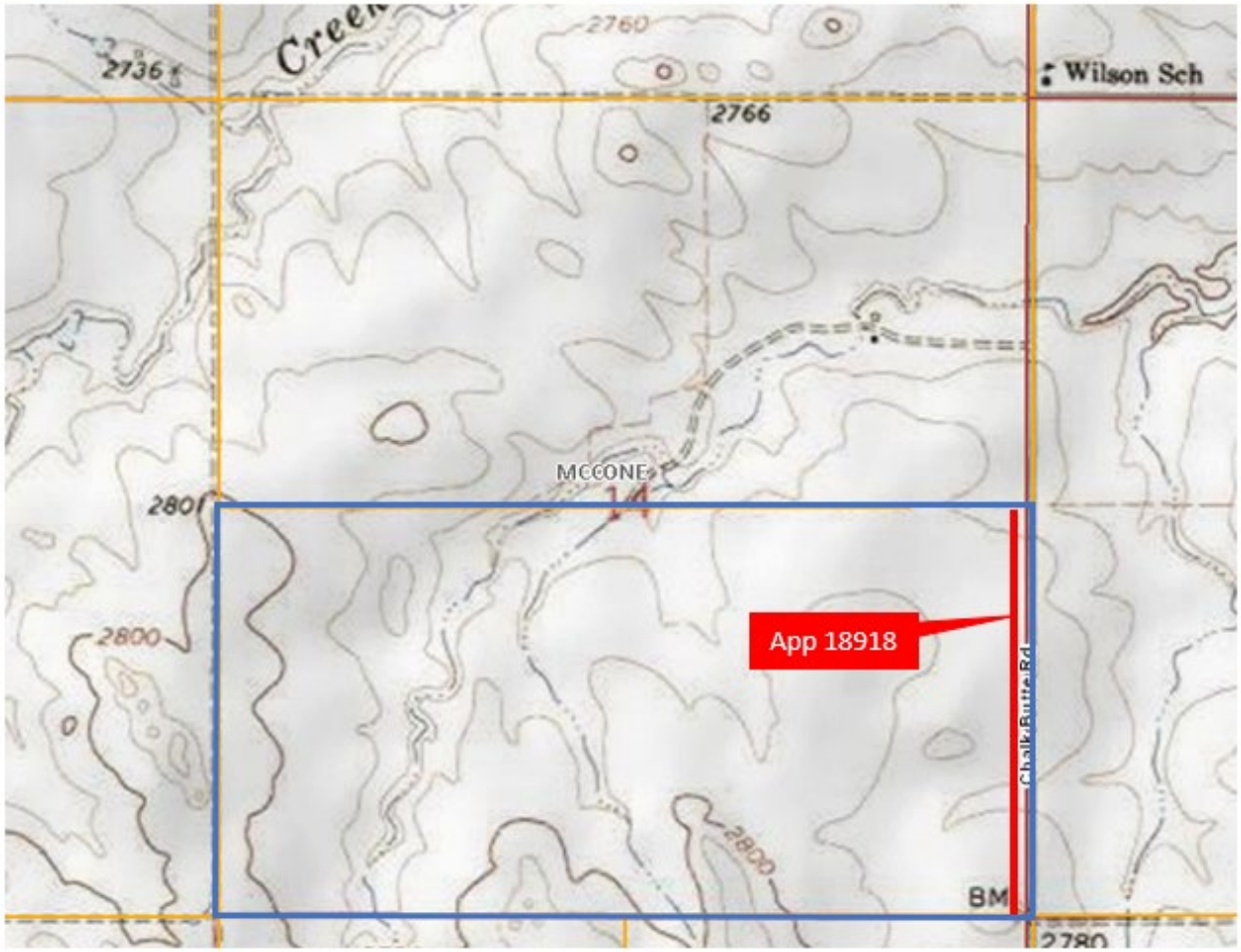
McCone Electric Coop. is requesting an easement for an overhead electric distribution line to provide electrical service to a rural customer. The overhead line will be constructed along an existing county road, therefore minimal disturbance will occur. The project is not located in sage grouse habitat, therefore consultation with the Sage Grouse Program was not required.

DNRC Recommendation

The director recommends approval of the easement request by McCone Electric Coop.

R/W Application 18918





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Corportation 11 East Park St. Butte, MT 59701
Application No.:	18921
R/W Purpose:	an overhead 7.2kV electric distribution line
Lessee Agreement:	ok
Acreage:	3.15
Compensation:	$4,718.00
Legal Description:	20-foot strip through NE4NW4, NW4NE4, E2E2, Sec. 7, Twp. 8S, Rge. 4W, Madison County
Trust Beneficiary:	Capitol Buildings

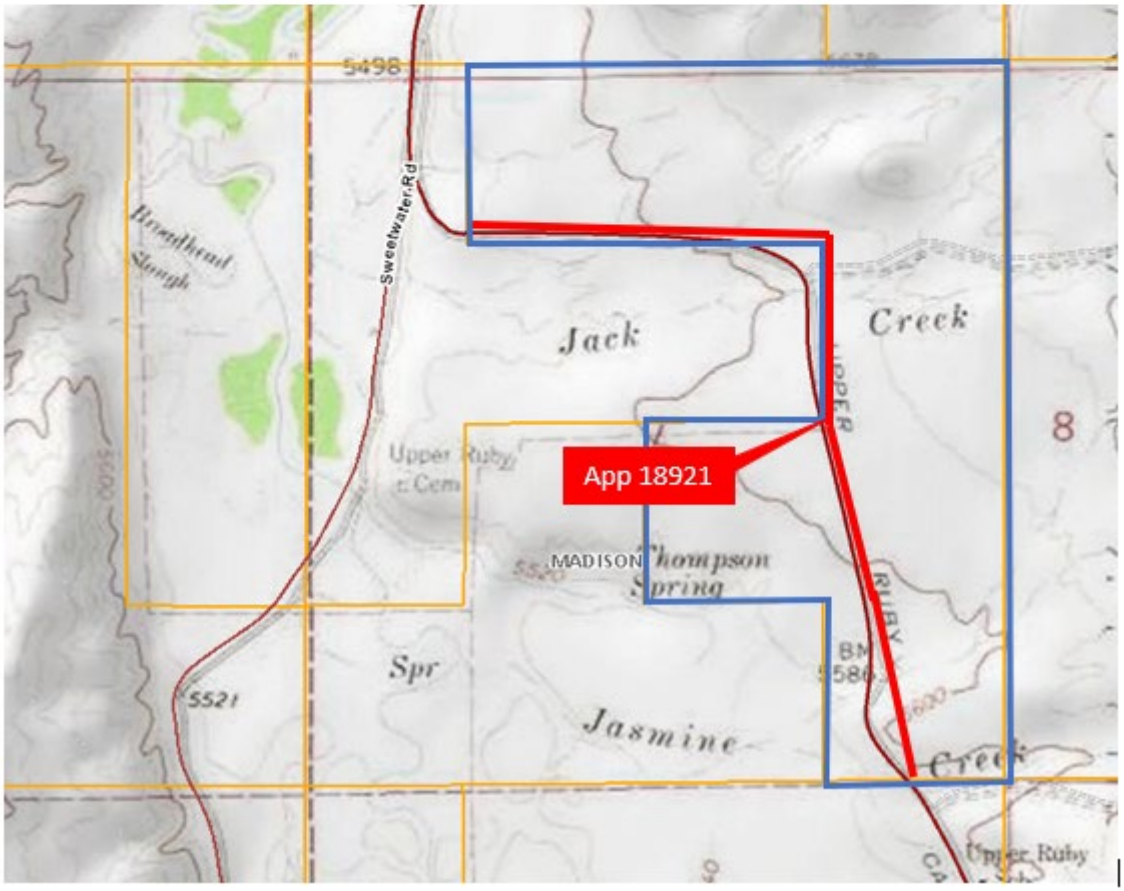
Item Summary

Northwestern Corporation is requesting an easement to relocate an existing 7.2 kV electrical distribution line which currently runs along the Ruby River on private land to a location on trust land. The current alignment is located next to the river in areas that are difficult to access, creating problems with maintenance. Relocating the line along a county road will provide the ability to easily respond to maintenance calls and ensure reliable service to rural customers. Placing the line along the county road and previously disturbed area will cause minimal impacts.

DNRC Recommendation

The director recommends approval of the easement request by Northwestern Corporation.

R/W Application 18921



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	18922
R/W Purpose:	a buried telecommunications cable
Lessee Agreement:	ok
Acreage:	1.47
Compensation:	$1,008.00
Legal Description:	20-foot strip through Gov. Lots 2 & 3, SE4NE4, Sec. 36, Twp. 31N, Rge. 26E, Phillips County
Trust Beneficiary:	Common Schools

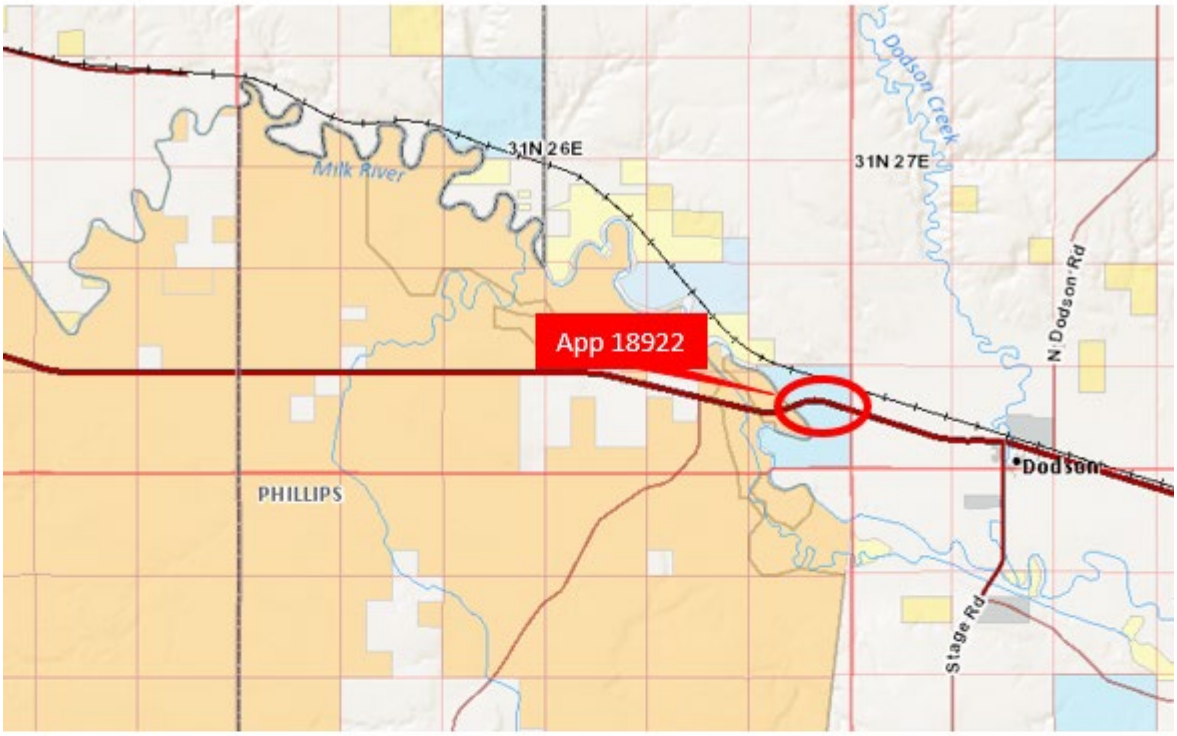
Item Summary

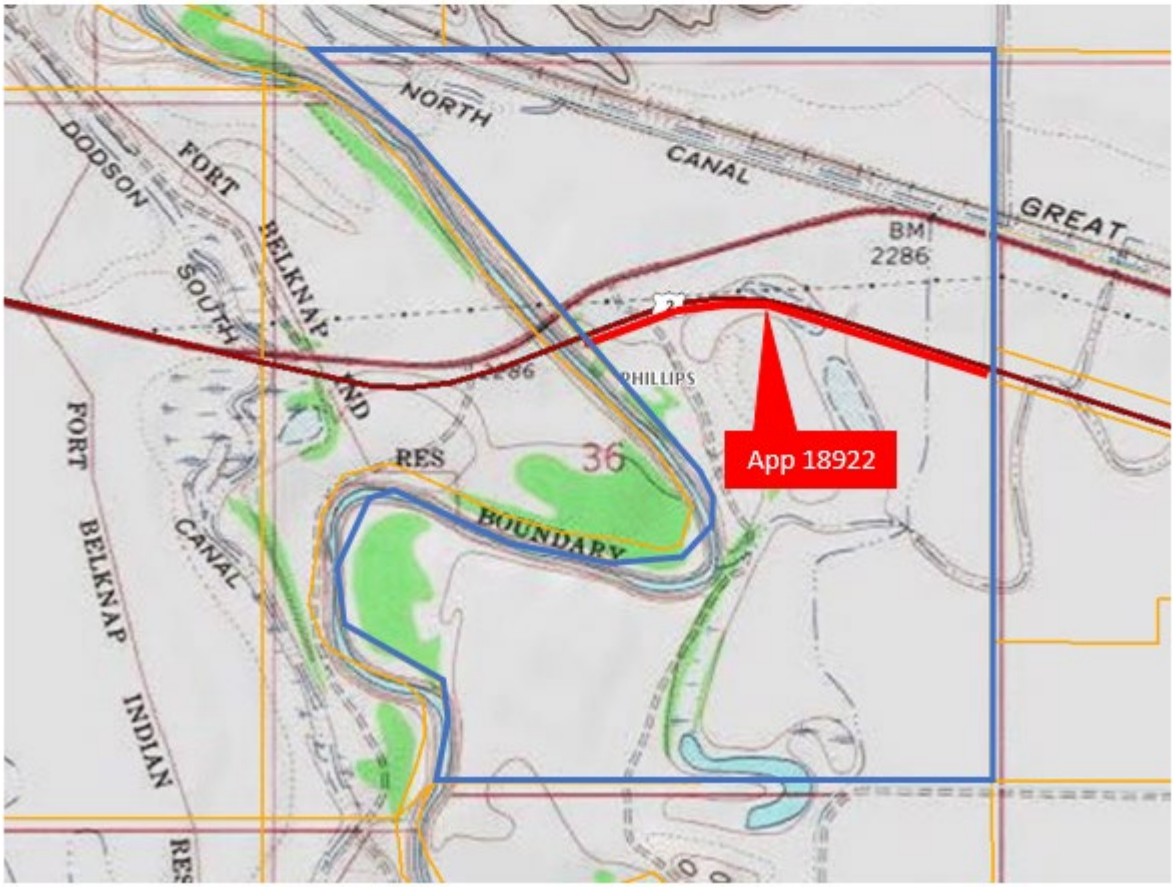
See page 50 for summary.

DNRC Recommendation

See page 50 for recommendation.

R/W Application 18922





0620-7

FOREST MANAGEMENT BUREAU: Initiating the Montana Administrative Procedure Act

Land Board Agenda Item
June 15, 2020

0620-7 Forest Management Bureau: Initiating the Montana Administrative Procedure Act

Item Summary
The Forest Management Bureau is proposing to initiate the Montana Administrative Procedure Act (MAPA) to amend and repeal the Administrative Rules for forest management. Four primary categories of proposed rule amendment and repeal are being proposed, which include: **1.** general rule clarification/revision; **2.** Adopting Habitat Conservation Plan (HCP) Conservation Strategies; **3**. Threatened, Endangered and sensitive species updates; and **4.** statute updates from legislative action in the 2019 session. The majority of rule revisions fall under the general rule clarification and revision category. Changes related to grizzly bear management on state trust lands are driven by incorporation of HCP commitments, dissolution of the Swan Valley Grizzly Bear Conservation Agreement in August 2018, and signatory commitments associated with the Northern Continental Divide Ecosystem Grizzly Bear Conservation Strategy. Conservation strategies contained in the HCP will be applied on all Classified Forest lands, and they would also apply to forest management actions on a subset of lands with various land use classifications.

Item Timeline
Upon Land Board approval the Montana Administrative Procedures Act process will begin, and the department will file a Proposal Notice with the Secretary of State's office at the beginning of July 2020. The final proposal will be brought to the Land Board in November 2020 following completion of the public review and comment process. If approved, the final rules would be effective approximately December 1st, 2020.

DNRC Recommendation
The director recommends the Land Board direct DNRC to proceed with the MAPA process.

0620-8

LETTER OF APPRECIATION:
Big Arm State Park Easement

Land Board Agenda Item
June 15, 2020

0620-8 Letter of Appreciation for Big Arm State Park Easement

DNRC Recommendation
The director recommends the Land Board approve sending the letter.

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION

STEVE BULLOCK, GOVERNOR
1625 ELEVENTH AVENUE

STATE OF MONTANA

DIRECTOR'S OFFICE: (406) 444-2074
FAX: (406) 444-2684
PO BOX 201601
HELENA, MONTANA 59620-1601

Dear Representative Keane and Speaker Hertz,

The State Land Board recently voted unanimously to approve the sale of a recreational park easement between The Department of Natural Resources and Conservation (DNRC) and The Department of Fish Wildlife and Parks (DFWP) for Big Arm State Park. This is an important milestone towards permanently securing the future of Big Arm State Park. This is made possible due to your co-sponsorship of House Bill 695 in the last legislative session. This is an exciting opportunity to resolve a long-standing cloud on the future of an important public resource located along the shores of Flathead Lake while providing a perpetual revenue stream to public education from interest on the more than $10 million payment to the Trust and Legacy Fund.

With this approval, DFWP can now secure the required federal grant monies to complete the easement transaction. We hope to have a formal celebration with yourselves, the Land Board, and staff from both agencies at the completion of this effort later this year.

Sincerely,

_____

Steve Bullock, *Governor*

_____

Tim Fox, *Attorney General*

_____

Matthew Rosendale, *Commissioner of Securities and Insurance*

_____

Corey Stapleton, *Secretary of State*

_____

Elsie Arntzen, *Superintendent of Public Instruction*