AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
August 26, 2020, at 9:00 a.m.
State Capitol, Room 303
Helena, MT

ACTION ITEMS

0820-1 Timber Sales

A. Camp Creek
Benefits: Common Schools
Location: Powder River County

B. Lower Woodward
Benefits: Common Schools
Location: Lake County

C. Slow Burr
Benefits: Common Schools, MSU 2nd Grant
Location: Mineral County

D. Swift Smith Excaline
Benefits: Montana Tech, MSU Morrill, MSU 2nd Grant, & The School of Deaf & Blind
Location: Flathead County

E. White Lion
Benefits: Common Schools
Location: Lake County

0820-2 Non-Metalliferous Gypsum Lease Application: GCC Three Forks, LLC
Benefits: Common Schools
Location: Judith Basin County

0820-3 Land Banking Parcels: Final Approval for Sale

A. Heirmosa Ranch, LLC. Sale # 1062
Benefits: Public Buildings
Location: Teton County

B. Daniel Roark Sale # 1063
Benefits: Public Buildings
Location: Toole County

C. Fred & Gayle Stout Sale # 1064
Benefits: Public Buildings
Location: Teton County

D. Barr & Colleen Gustafson Sale # 1065
Benefits: Common Schools
Location: Pondera County

E. Gerald Lear Sale # 1066
Benefits: Common Schools
Location: Pondera County

F. Meissner Ranches, LLC. Sale # 1067
Benefits: Common Schools
Location: Liberty County

G. Hawks Angus, Inc. Sale # 1068,1069,1070
Benefits: Common Schools
Location: Liberty County

H. Diamond 4D, LLC. Sale # 1071
Benefits: Public Buildings
Location: Teton County

0820-4 **Easements**
Benefits: Common Schools, Public Land Trust- Nav. River
Location: Dawson, Garfield, Missoula, Powell, and Wheatland County

0820-5 **Elmo State Park- Rescind State Park Designation**
Benefits: Common Schools
Location: Flathead County

PUBLIC COMMENT

0820-1

TIMBER SALES:

A. Camp Creek
B. Lower Woodward
C. Slow Burr
D. Swift Smith
E. White Lion

Land Board Agenda Item
August 26, 2020

0820-1A Timber Sale: Camp Creek

Location: Powder River
Section 16 T2S-R49E

Trust Beneficiaries: Common Schools

Trust Revenue: $18,765 (estimated, minimum bid)

Item Summary

Location: The Camp Creek timber sale is located approximately 5 miles southwest of Coalwood, Montana.

Size and Scope: The sale includes 7 harvest units (315 acres) of tractor logging.

Volume: The estimated harvest volume is 4,500 tons (600 MBF) of saw logs.

Estimated Return: The minimum bid is $4.17 per ton, which would generate approximately $18,765 for the Common School Trust and approximately $585 in Forest Improvement fees.

Prescription: This sale prescription is to conduct a selection harvest. This will reduce stocking levels to a more historic pre fire suppression level. Dominant and co-dominant live green ponderosa pine form all size classes will be left to promote regeneration. Old growth is not present in any of the stands to be harvested.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 1 to 3 miles of temporary road construction. Approximately 1 to 2 miles of existing road will be used. All temporary spur roads will be closed and reclaimed upon completion of the sale.

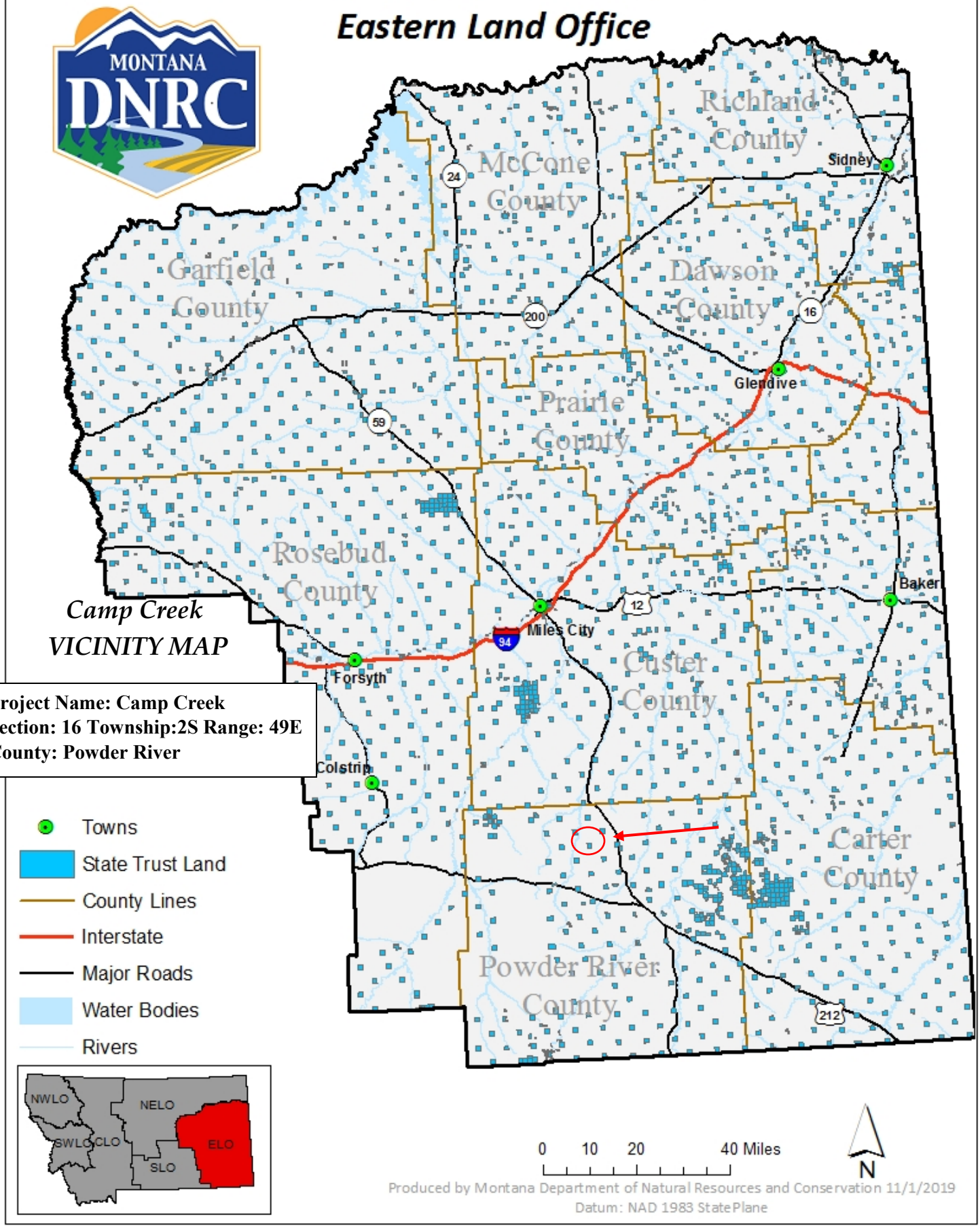
Access: Access is obtained through Camp Creek road.

Public Comments: Scoping letters were mailed to landowners and interested parties on March 3, 2020 and posted on the DNRC's website. A notice was placed in the Powder River Examiner, and the Miles City Star newspapers. One comment was received. The comment was from the Tribal Historic Preservation Officer of The Northern Cheyenne asking if any archaeological materials or human remains are found that they be notified. 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 Camp Creek Timber Sale.

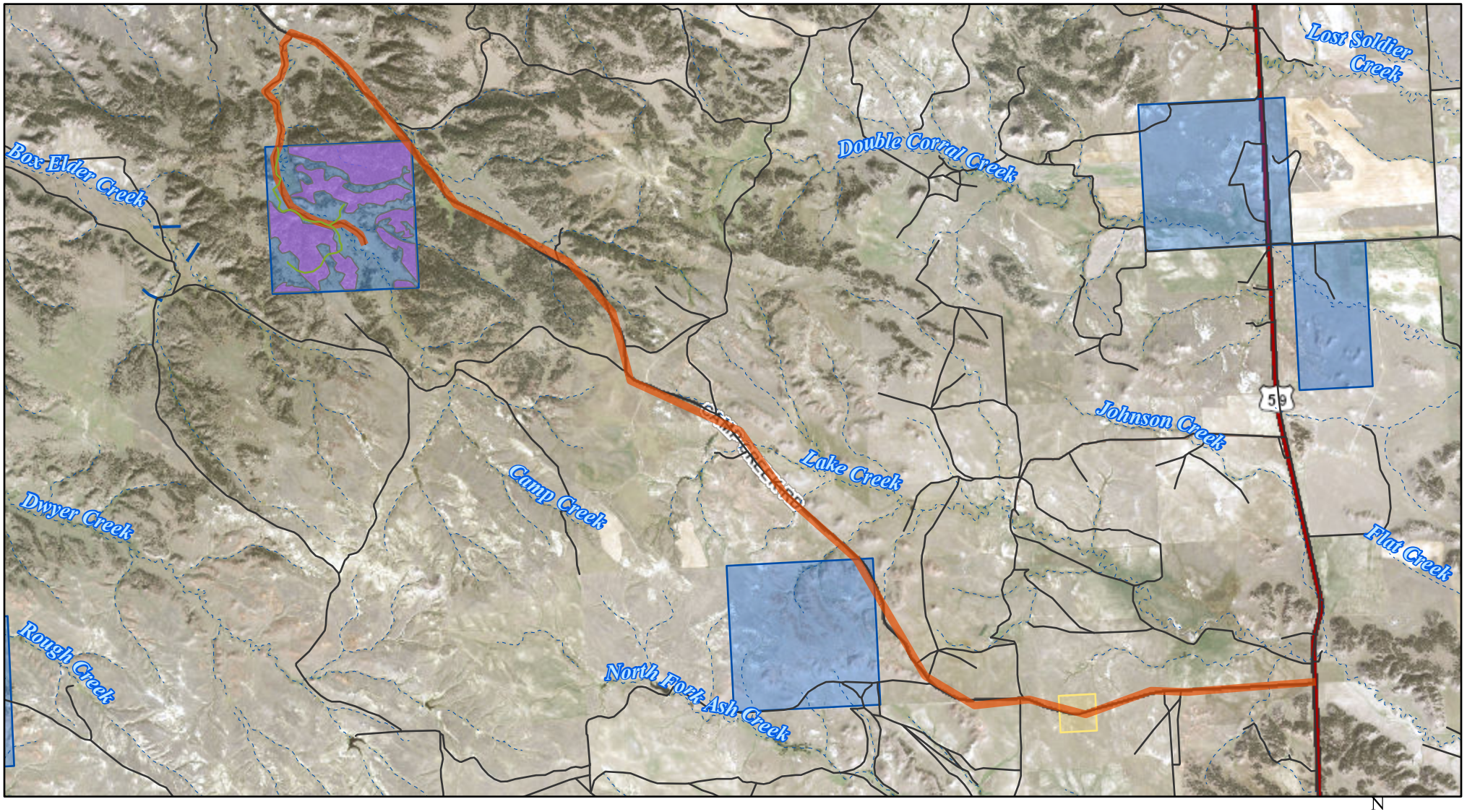
State Trust land Vicinity Map
Eastern Land Office



Camp Creek
VICINITY MAP

Project Name: Camp Creek
Section: 16 Township:2S Range: 49E
County: Powder River

Camp Creek Harvest Units and Haul Route



- Haul Route
- Camp Creek Harvest Units
- Existing Road
- Perennial Stream
- Intermittent Stream
- Montana State Trust Lands
- US Bureau of Land Management

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

Land Board Agenda Item
August 26, 2020

0820-1B Timber Sale: Lower Woodward

Location: Lake County
Sections: 11 and 14, T23N, R18W

Trust Beneficiaries: Common Schools

Trust Revenue: $525,432 (estimated, minimum bid)

Item Summary

Location: The Lower Woodward timber sale is located approximately 12 air miles southwest of Swan Lake, Montana.

Size and Scope: The sale includes 4 harvest units (329 acres) of skyline (52 acres) and tractor logging (277 acres).

Volume: The estimated harvest volume is 19,289 tons (3,692 MMBF) of saw logs.

Estimated Return: The minimum bid is $27.24 per ton, which would generate approximately $525,432 for the Common Schools Trust and approximately $109,561 in Forest Improvement fees.

Prescription: This sale will be harvested using seed tree (2 units), commercial thin (1 unit), and group select (1 unit) prescriptions. These treatments will promote the growth of natural regeneration by providing an on-site seed source through retention of seed trees, reduce stand density to allow for improved growth of leave trees, and increase the resiliency of the old growth portions of the sale.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 12.1 miles of road maintenance, and 1.9 miles of new road construction.

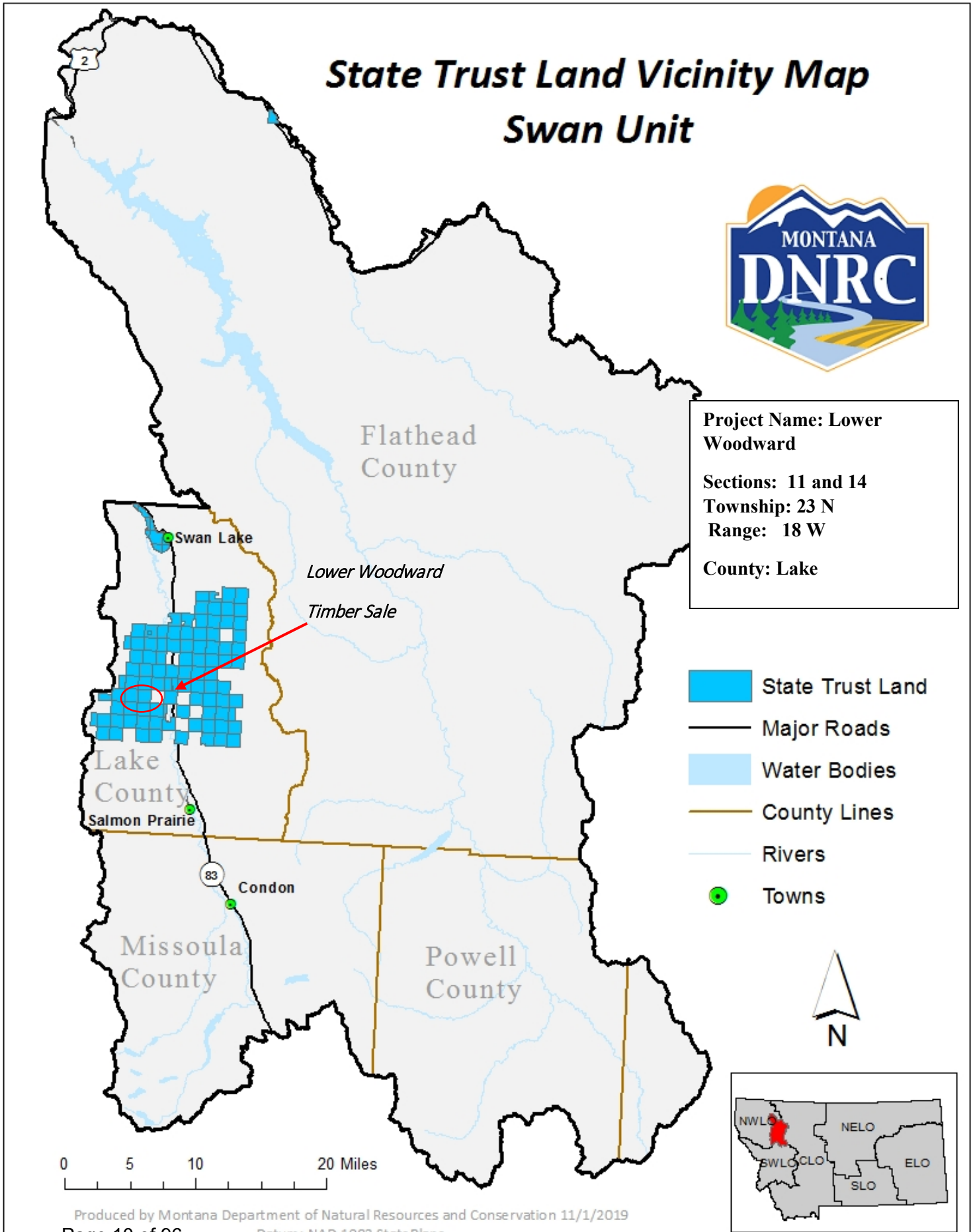
Access: Access is obtained through the Fatty Creek, Lower Woodward, Whitetail, and Main Woodward road systems.

Public Comments: Three comments were received in response to the Wood Lion Draft Environmental Impact Statement, which covers this timber sale. One comment from The Friends of the Wild Swan and one comment from a nearby landowner both with concerns regarding old growth, wildlife and harvesting impact. The third comment was from Montana Fish Wildlife and Parks suggesting DNRC choose a specific alternative in the Draft Environmental Impact Statement. All comments were recorded and responded to in the Final Environmental Impact Statement.

DNRC Recommendation

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

State Trust Land Vicinity Map
Swan Unit



Project Name: Lower Woodward

Sections: 11 and 14
Township: 23 N
Range: 18 W

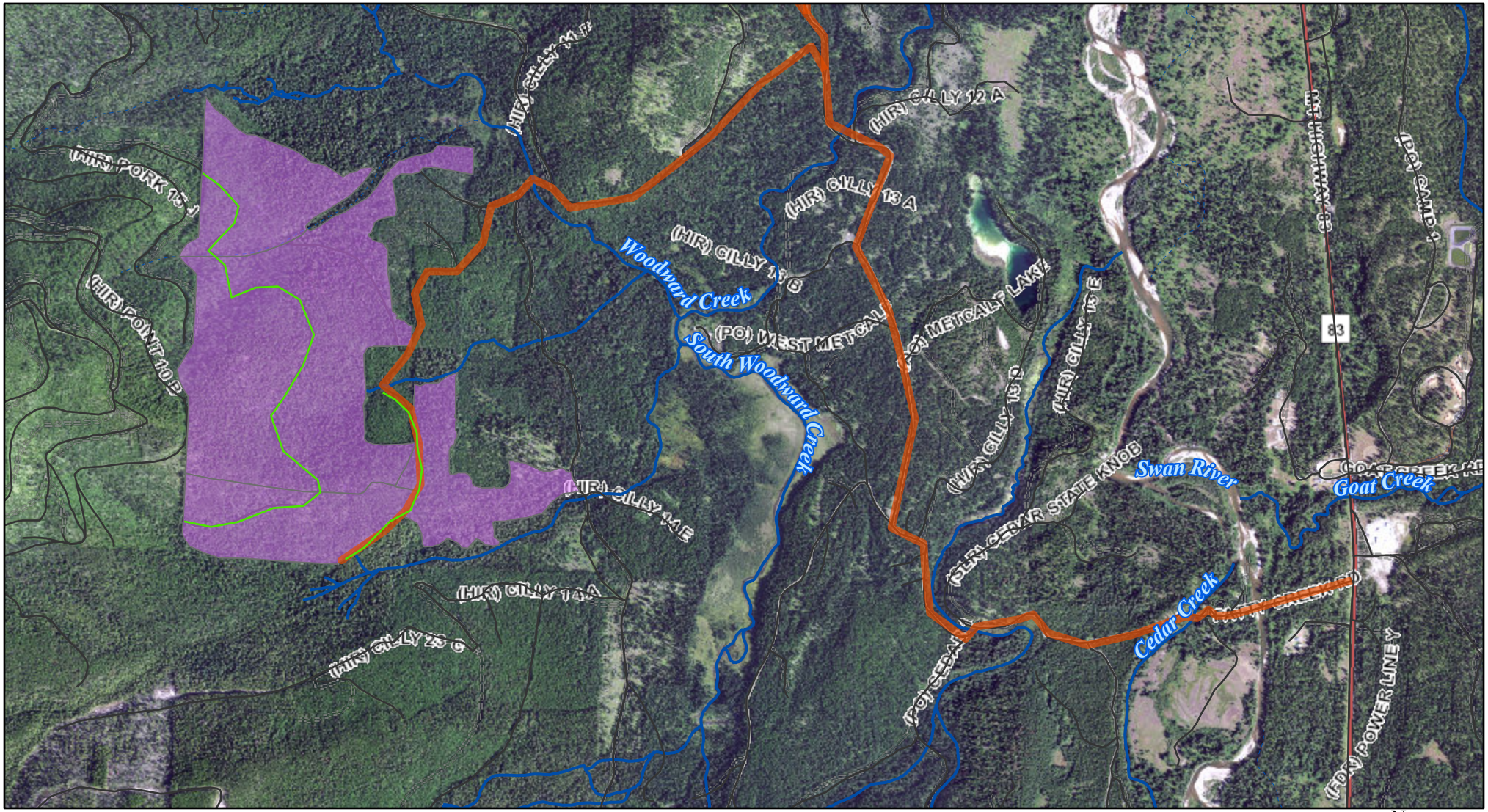
County: Lake

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

Datum: NAD 1983 StatePlane

0820-1B

Lower Woodward Haul Route and Harvest Units



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

0 0.2 0.4 0.6 0.8 Miles

MONTANA DNRC FOREST MANAGEMENT TRUST LAND MANAGEMENT DIVISION

Land Board Agenda Item
August 26, 2020

0820-1C Timber Sale: Slow Burr

Location: Mineral County
Sections 20, 21, 28 & 29 T18N R27W

Trust Beneficiaries: Common Schools and MSU 2nd Grant

Trust Revenue: $431,195 (estimated, minimum bid)

Item Summary

Location: The Slow Burr Timber Sale is located approximately 3 miles southwest of St. Regis, Montana.

Size and Scope: The sale includes 1 unit (*348 acres*) of tractor logging (*100%)*

Volume: The estimated harvest volume is 18,578 tons (*2.9 MMBF*) of sawlogs.

Estimated Return: The minimum bid is $23.21 per ton, which would generate approximately $431,195 for the Trust Beneficiaries (*Common Schools and MSU 2nd Grant)* and approximately $70,039 in Forest Improvement fees.

Prescription: This sale has a combination of overstory removal and sanitation harvest prescriptions designed to reduce insect and disease issues and to promote forest health.

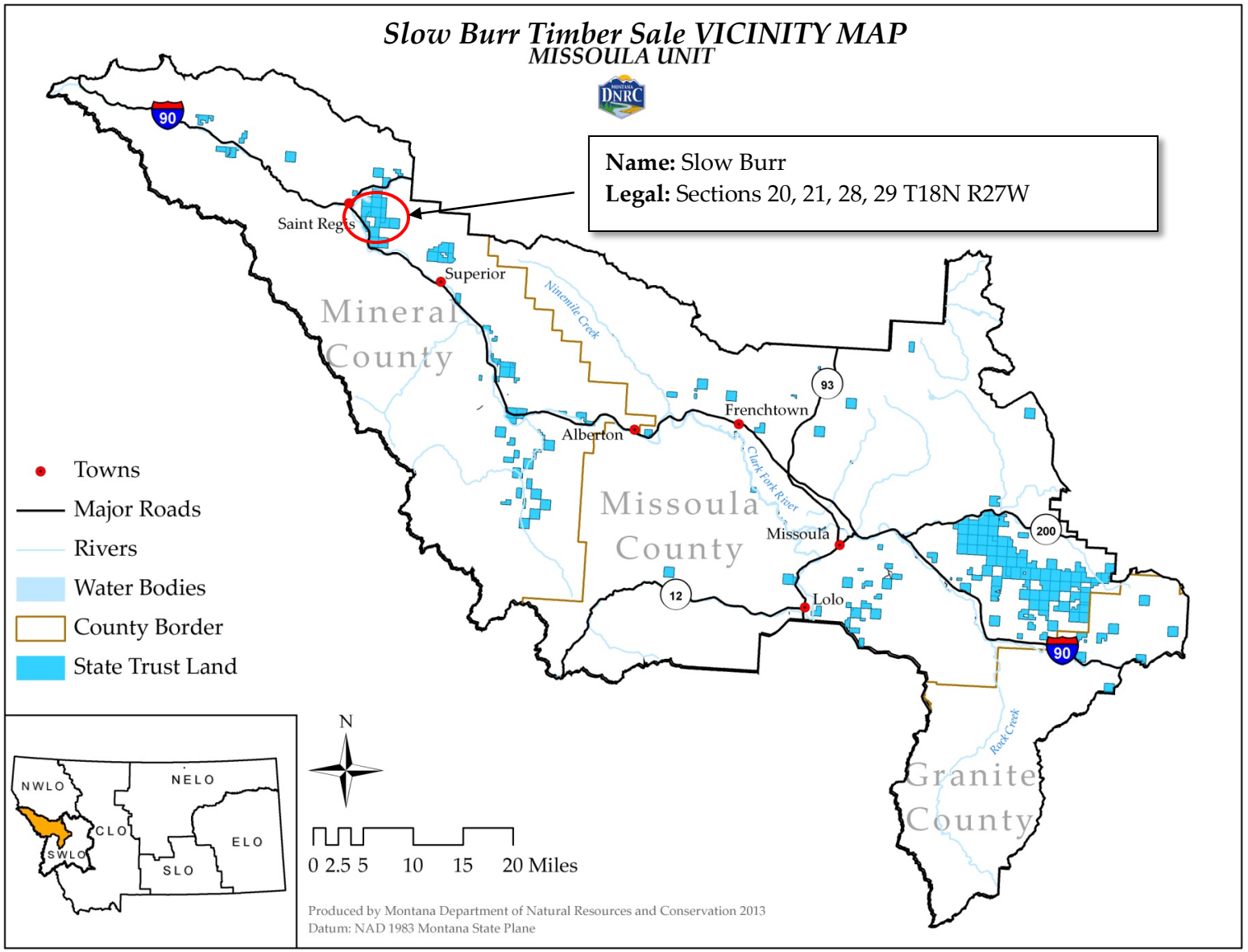
Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.4 miles of new permanent road construction, 3.4 miles of road maintenance, and 0.48 miles of road reclamation for an unauthorized road within the sale.

Access: Portions of the road are on a cost share road.

Public Comments: There were five public comments total. Two nearby land owners had questions about the duration of truck traffic. After explanation on when trucks would be driving on the roads both land owners were understanding. Two comments were received from Fish, Wildlife and Parks (FWP). Wildlife concerns are addressed in detail in the wildlife analysis section of the environmental analysis (EA). The Mineral County Resource Coalition (MCRC) commented in favor of the management and were curious about changes to motorized use. The motorized use designation(s) in the area will not change following implementation of the project. These issues and concerns were incorporated into project planning and design and will be implemented in associated contracts.

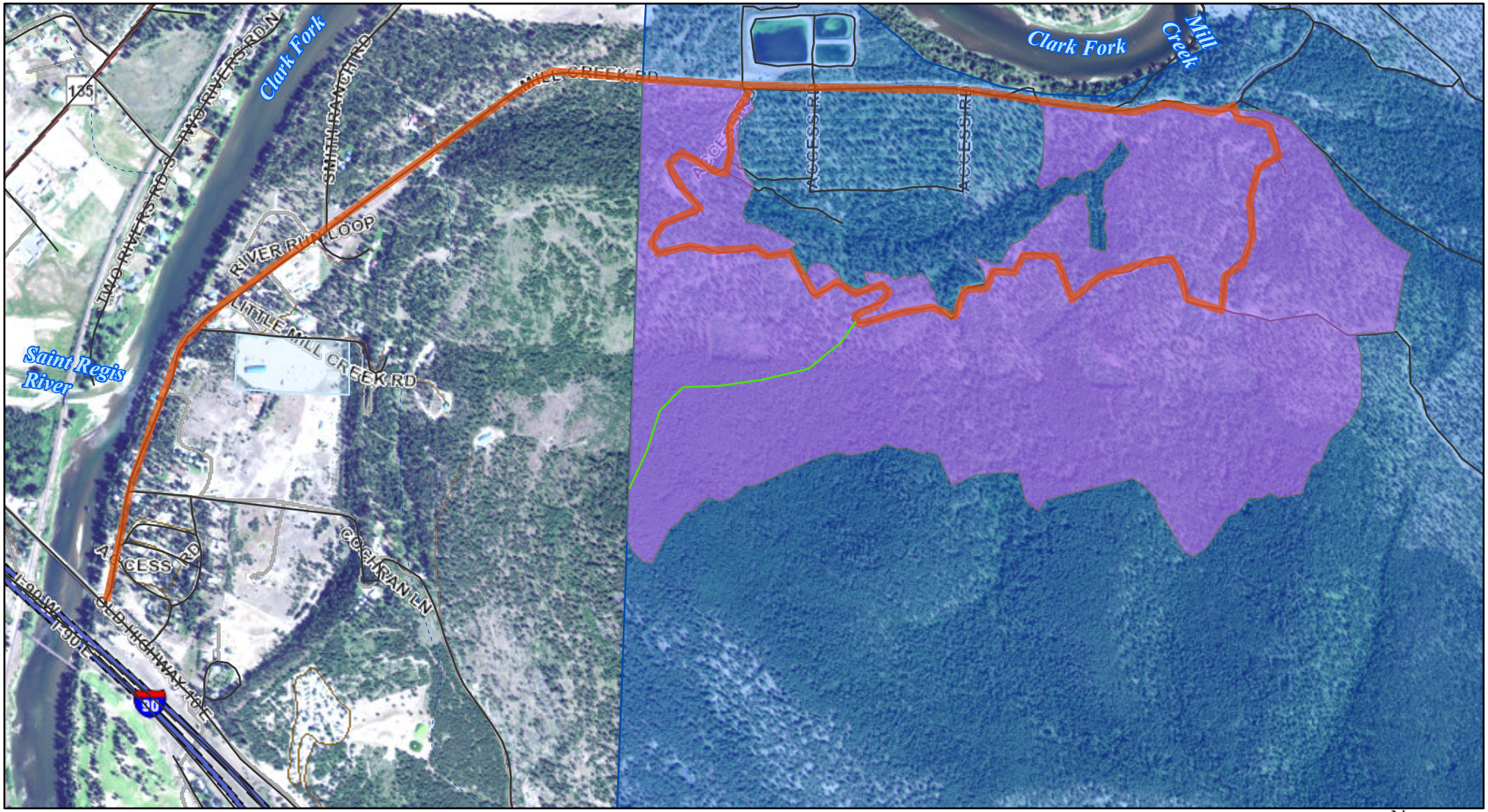
DNRC Recommendation

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


Slow Burr Timber Sale VICINITY MAP
MISSOULA UNIT
Name: Slow Burr
Legal: Sections 20, 21, 28, 29 T18N R27W
Saint Regis
Superior
Mineral County
Ninemile Creek
Alberton
Frenchtown
93
Clark Fork River
Missoula County
Missoula
200
12
Lolo
90
Rock Creek
Granite County
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

Slow Burr Harvest Unit and Haul Route

0820-1C



- Haul Route
- New Road
- Slow Burr Harvest Units
- Existing Road
- Perennial Stream
- Intermittent Stream
- Montana State Trust Lands
- Montana Dept of Transportation

N

0 0.1 0.2 0.3 0.4 Miles

Land Board Agenda Item
August 26, 2020

0820-1D Timber Sale: Swift Smith Excaline

Location: Flathead county
Sections 19, 29, 30, 32, & 33 T32N R22W

Trust Beneficiaries: 50% Montana Tech, 36% MSU Morrill, 12% MSU 2nd Grant, 2% School of Deaf & Blind

Trust Revenue: $199,198 (estimated, minimum bid)

Item Summary

Location: The Swift Smith Excaline Timber Sale is located approximately 7 miles north of Whitefish, MT.

Size and Scope: The sale includes 12 harvest units (*266 acres*) of which, 182 acres is ground-based harvesting and 84 acres is excaline/cable logging.

Volume: The estimated harvest volume is 11,588 tons (*1.9 MMBF*) of sawlogs.

Estimated Return: The minimum bid is $17.19 per ton, which would generate approximately $199,198 and approximately $28,559 in Forest Improvement fees.

Prescription: This sale is in response to a large wind event that occurred on March 14, 2020. Harvest prescriptions focus on the salvage and harvesting of blowdown and “root-sprung” trees and the reduction of Douglas-fir bark beetle.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.2 miles of new temporary road construction, 0.7 miles of temporary road reconstruction, and 5.4 miles of road maintenance.

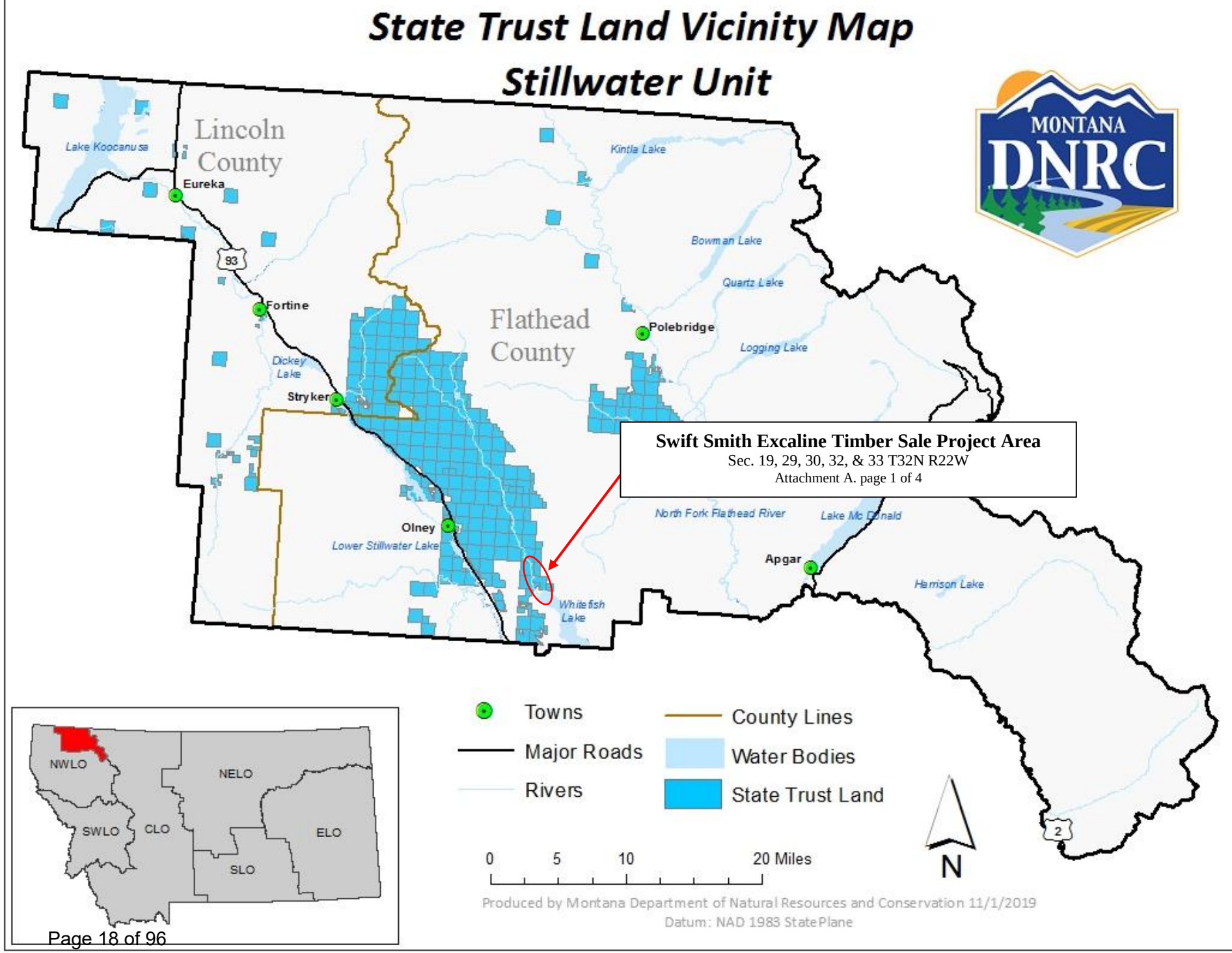
Access: Access is via DNRC owned Lower Whitefish Road located within the Stillwater State Forest then onto County/State roads.

Public Comments: 9 comments were received. Most comments revolved around DNRC making a timely effort to salvage logs for the wood products, reduce future bark beetle infestations, and minimize disruption of recreation activities associated with Land-Use Licenses by having most logging completed before spring 2021. There’s some concern about big game winter range and winds increasing because of past harvest operations. These comments were addressed in the Environmental Analysis.

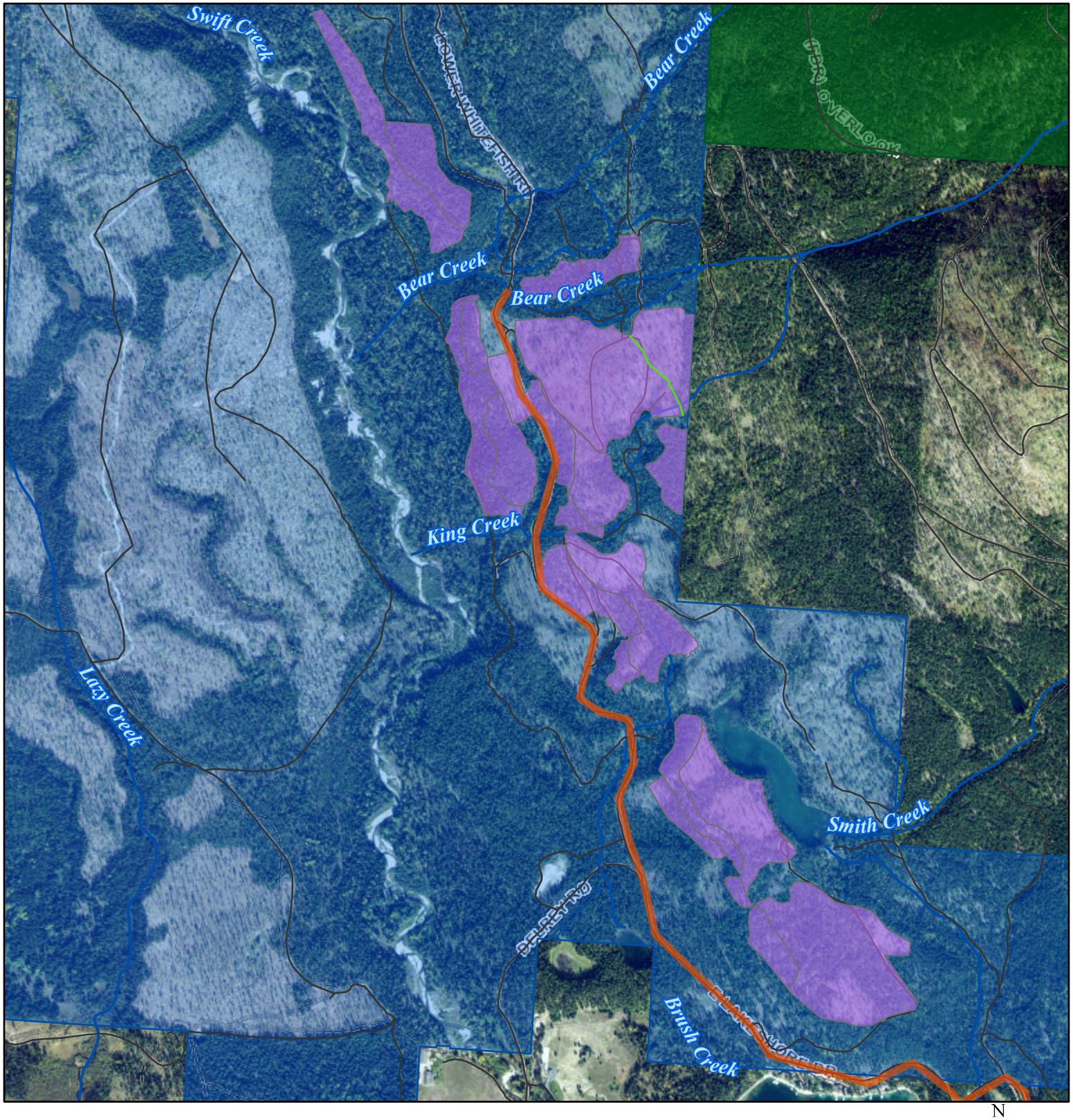
DNRC Recommendation

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

SWIFT SMITH EXCALINE TIMBER SALE VICINITY MAP



Swift Smith Harvest Units



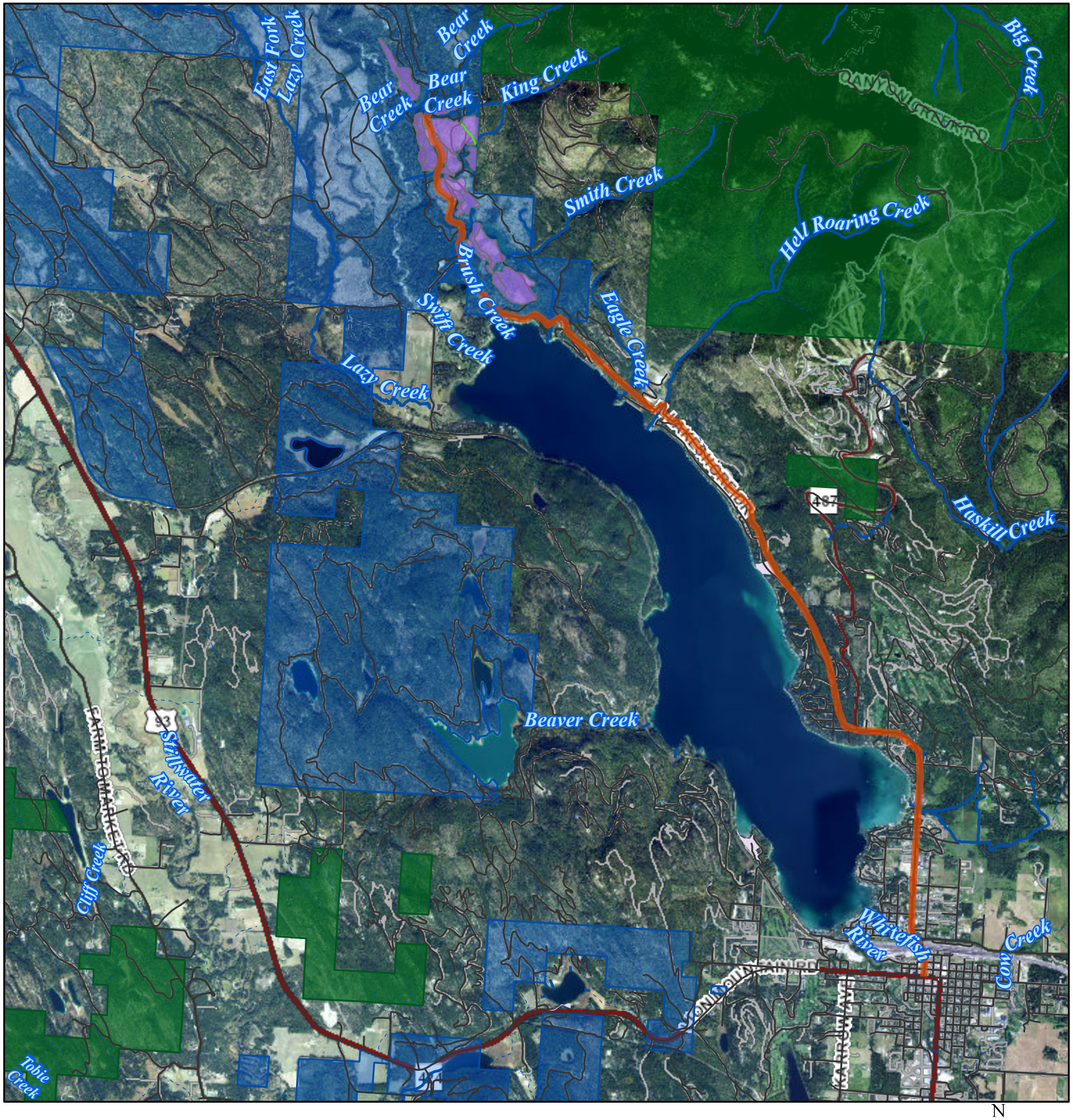
N

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

0 0.07 0.15 0.3 0.45 0.6
Miles

MONTANA DNRC
FOREST MANAGEMENT
TRUST LAND MANAGEMENT DIVISION

Swift Smith Haul Route



N

Haul Route
New Road
Swift Smith Harvest Units
Existing Road
Perennial Stream
Intermittent Stream

Montana State Trust Lands
Montana Fish, Wildlife, and Parks
US Forest Service
City Government
County Government
Montana Dept of Transportation
US Government

0 0.33 0.65 1.3 1.95 2.6
Miles

MONTANA DNRC
FOREST MANAGEMENT
TRUST LAND MANAGEMENT DIVISION

Land Board Agenda Item
August 26, 2020

0820-1E Timber Sale: White Lion

Location: Lake County
Section: 26 and 34 T24N, R18W

Trust Beneficiaries: Common Schools

Trust Revenue: $457,509 (estimated, minimum bid)

Item Summary

Location: The White Lion timber sale is located approximately 8.7 air miles southwest of Swan Lake, Montana.

Size and Scope: The sale includes 3 harvest units (*322 acres*) of skyline (*199 acres*) and tractor (*123 acres*) logging.

Volume: The estimated harvest volume is 18,242 tons (3.162 *MMBF*) of saw logs.

Estimated Return: The minimum bid is $ 25.08 per ton, which would generate approximately $457,509 for the Common Schools Trust and approximately $93,946 in Forest Improvement fees.

Prescription: This sale will be harvested using seed tree and commercial thin prescriptions. These treatments will promote growth of natural regeneration by providing an onsite seed source through retention of seed trees and reduce stand density to allow for improved growth of leave trees.

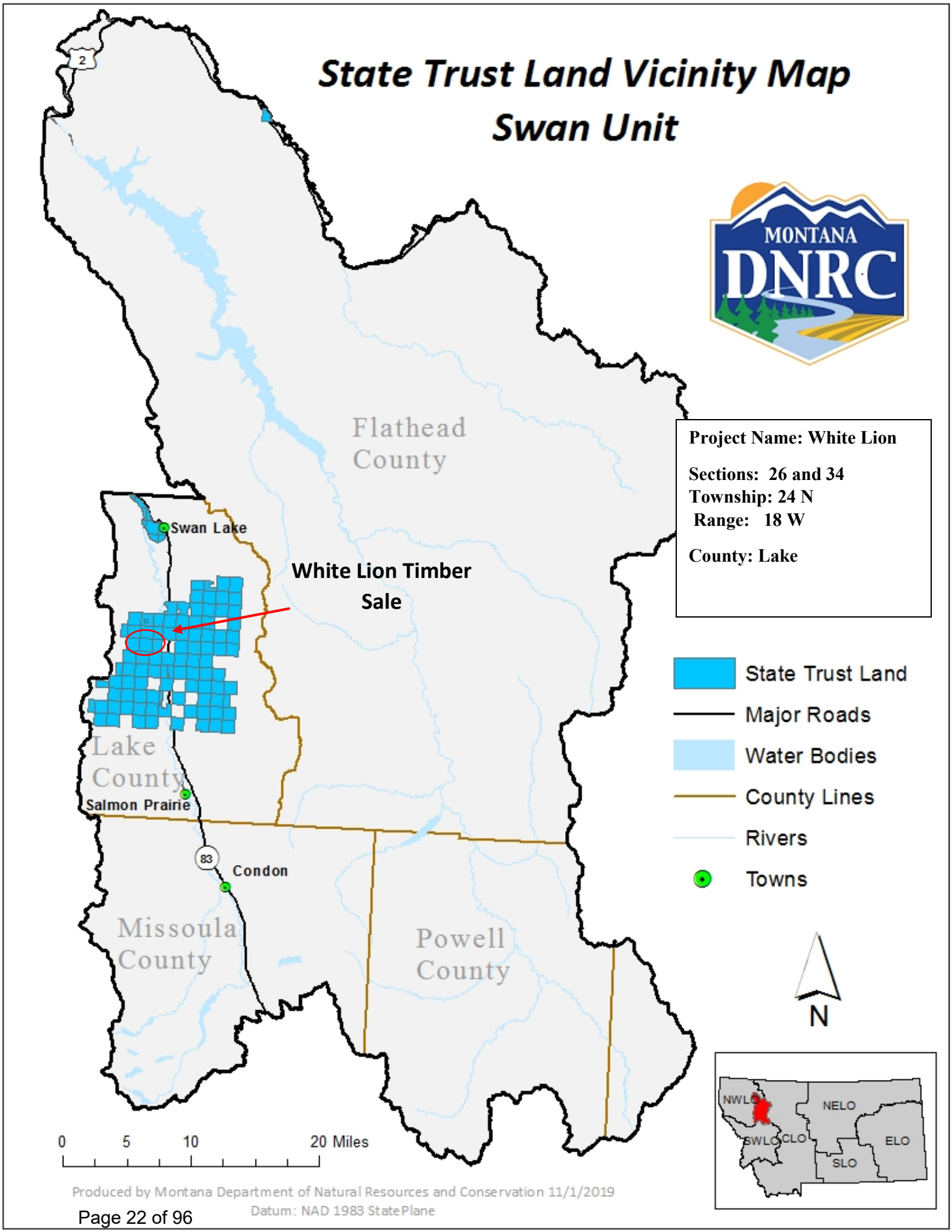
Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 1.26 miles of new road construction, and 17.6 miles of road maintenance.

Access: Access is obtained through the Fatty Creek, Whitetail, and Woodward Point road systems.

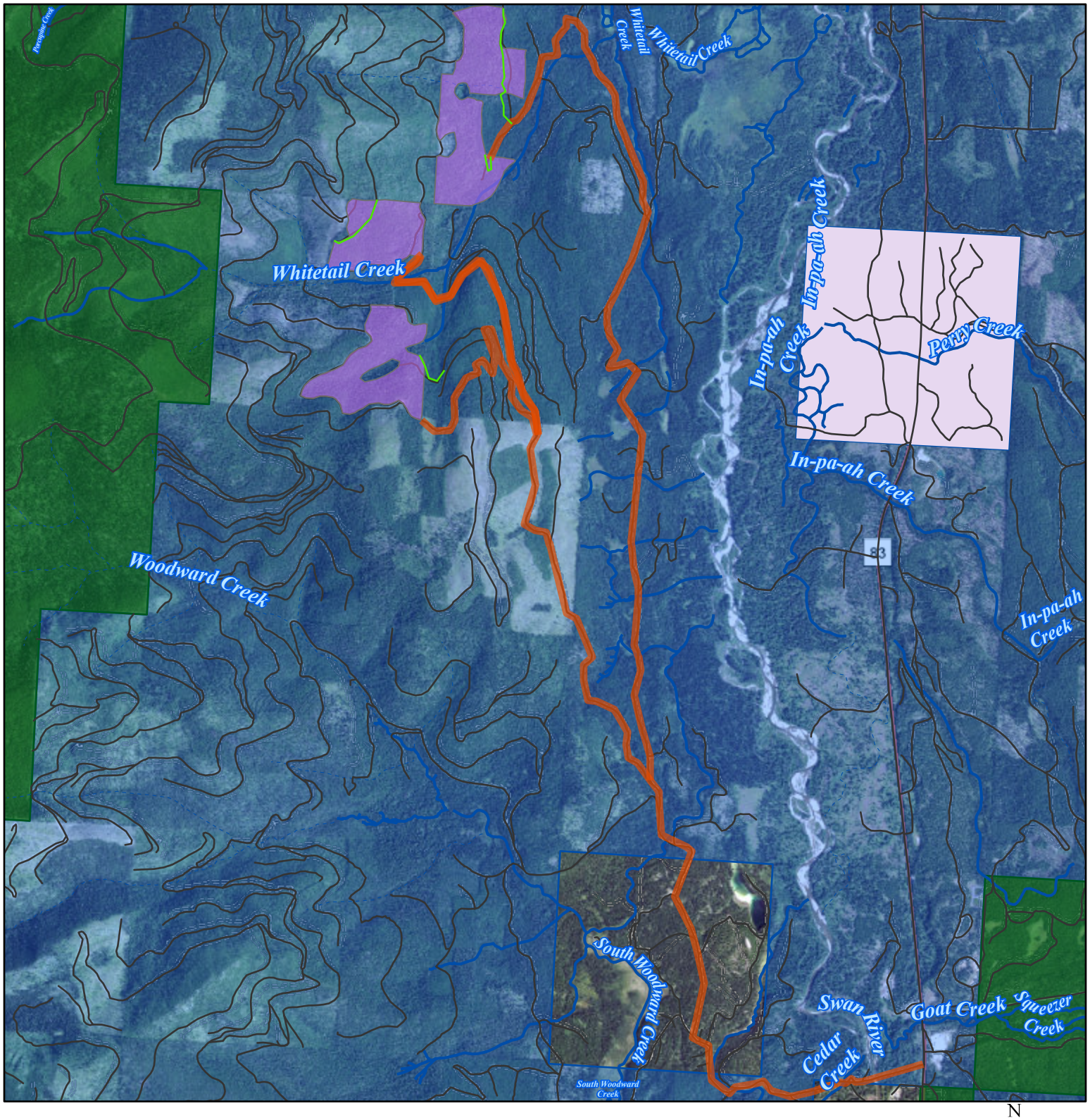
Public Comments: Three comments were received in response to the Wood Lion Draft Environmental Impact Statement, which covers this timber sale. One comment from The Friends of the Wild Swan and one comment from a nearby landowner both with concerns regarding old growth, wildlife and harvesting impact. The third comment was from Montana Fish Wildlife and Parks suggesting DNRC choose a specific alternative in the Draft Environmental Impact Statement. All comments were recorded and responded to in the Final Environmental Impact Statement.

DNRC Recommendation

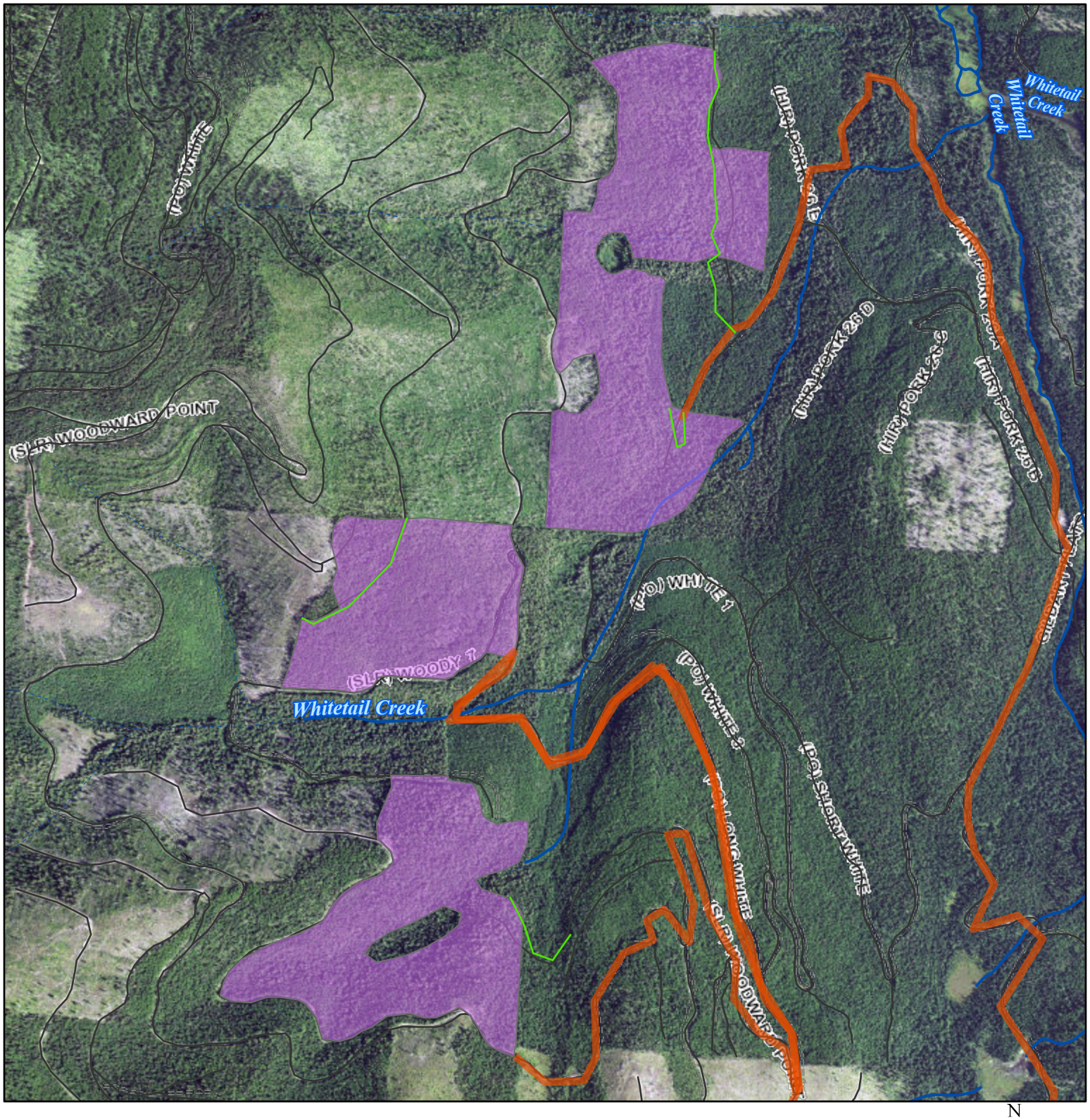
The director recommends the Land Board direct DNRC to sell the White Lion Timber Sale.


State Trust Land Vicinity Map
Swan Unit
MONTANA
DNRC
Flathead County
Swan Lake
White Lion Timber Sale
Lake County
Salmon Prairie
83
Condon
Missoula County
Powell County
Project Name: White Lion
Sections: 26 and 34
Township: 24 N
Range: 18 W
County: Lake
State Trust Land
Major Roads
Water Bodies
County Lines
Rivers
Towns
N
0 5 10 20 Miles
NWLO
NELO
SWLO
CLO
ELO
SLO
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane

White Lion Haul Route



White Lion Harvest Units



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

N

0 0.07 0.15 0.3 0.45 0.6 Miles

MONTANA DNRC
FOREST MANAGEMENT
TRUST LAND MANAGEMENT DIVISION

0820-2

NON-METALLIFEROUS GYPSUM LEASE APPLICATION: GCC Three Forks, LLC

0820-2 Non-Metalliferous Gypsum Lease Application: GCC Three Forks, LLC

Location: Judith Basin County
T16N-R10E-11: NW¼, N½SW¼ - 240 acres

Trust Benefits: Common Schools

Trust Revenue: $98,250 (estimated)

Item Summary

The Department received an application from GCC Three Forks, LLC for a non-metalliferous mineral gypsum lease. The state parcel proposed for lease locates about 7 miles SE of Geyser, Montana in Section 11 noted above (Figure 1). The company currently operates a gypsum mine on private land and state land in adjacent Section 10 with lease approval by the State Land Board on January 22, 2018. The company plans to expand operations on its current state lease and extend them onto an adjacent state tract in Section 11 (Figure 2). The solid yellow outline is the current mine permit area on private and state land. The dashed yellow line is the proposed expanded permit area submitted to The Department of Environmental Quality (DEQ) and The Montana Department of Natural Resources and Conservation (DNRC), including part of the newly proposed state non-metalliferous lease area. GCC Three Forks, LLC transports mined gypsum to its Trident cement plant located north of Three Forks (Figure 3).

The proposed mine disturbance area in Section 11 containing proven gypsum deposits will cover about 9 acres, see white dotted outline in Figure 2. About ± 26,200 tons of gypsum reserves are currently estimated to exist on the state land in Section 11. The royalty rate is $3.75 per ton, consistent with the state lease in the N2NE of Section 10 and the private lease covering the existing mine. Therefore, the projected royalty revenue is approximately $98,250. An annual rental of $720 is also required. Mining is expected to take about 5 years to complete (in the proposed expanded mining area in Sections 10 and 11).

Mining operations involve removing an average of approximately 12 feet of topsoil and overburden, (up to a maximum of 21 feet), mining the 4 to 10-feet thick gypsum layer, re-contouring the overburden back over the mined area, evenly spreading the topsoil on the surface, and revegetating the area.

Non-metalliferous mineral mining is regulated by DEQ. An amended mine operating/reclamation plan has been submitted. Approvals will be required from both DEQ and DNRC before any mining can occur.

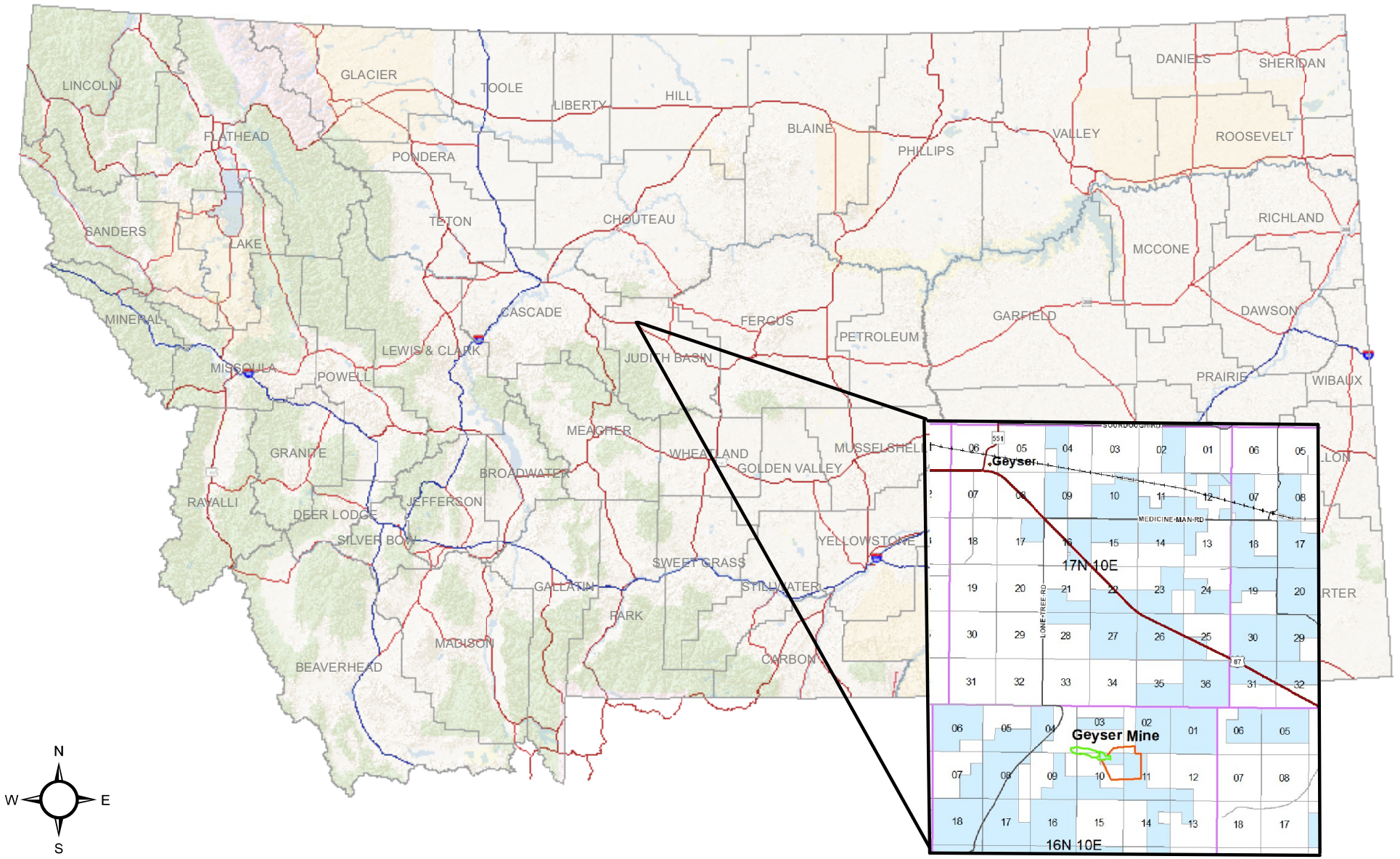
Impact to State

The common school permanent trust would receive an estimated $98,250 in royalty payments.

DNRC Recommendation

The director requests Land Board approval to issue a non-metalliferous gypsum lease to GCC Three Forks, LLC.

Figure 1: GCC Geyser Gypsum Mine Location Map



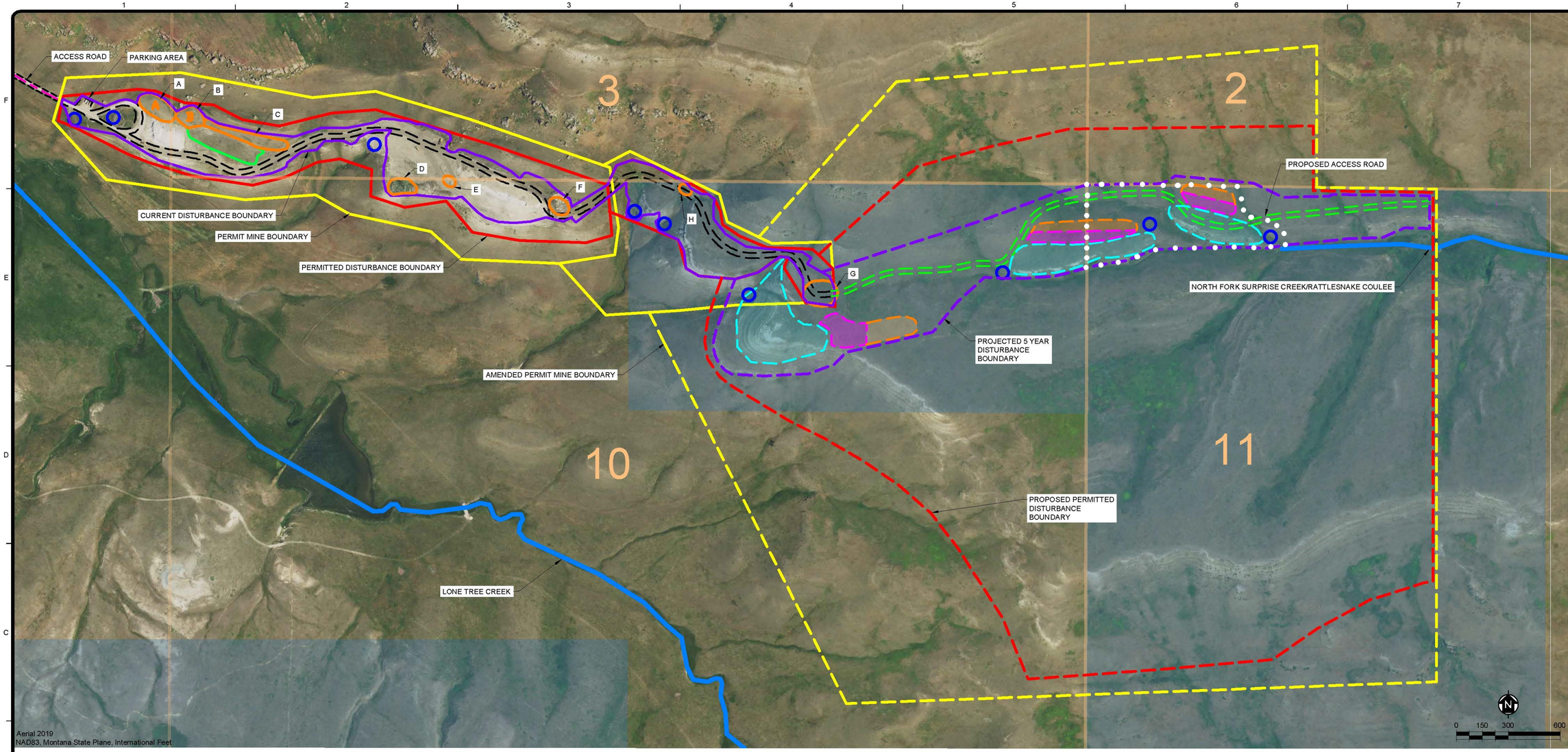


FIGURE 2

TOPSOIL VOLUMES	
SOIL PILE	CUBIC YARDS
A	4,892
B	2,561
C	3,582
D	3,783
E	528
F	2,420
G	5,080
H	1,200
MINE ROAD BERMS	5,819
TOTAL	**29,865**

Legend

Permit Boundary	67.3 Acres	Proposed Overburden Areas	2.0 Acres
Amended Permit Boundary	305.8 Acres	Proposed Soil Areas	2.0 Acres
Permitted Disturbance Boundary	36.5 Acres	Reclamation	1.0 Acres
Proposed Disturbance Boundary	220.4 Acres	Topsoil Stockpile	3.0 Acres
Current Disturbance Limits	24.4 Acres	Sediment Control Structure Location	
Projected 5-Year Disturbance	39.1 Acres	State Parcels	
Quarry Areas	8.0 Acres	Section Lines	
Conceptual Access Road		Proposed Access Road	

TETRA TECH
www.tetratech.com
825 W. Custer Ave.
Helena, Montana 59602
PHONE: 406-442-5588 FAX: 406-442-7182

GCC ENERGY
4070 TRIDENT ROAD
THREE FORKS, MT 59752

MARK	DATE	DESCRIPTION	BY

GCC - GEYSER, MONTANA

MINE SITE AND PLAN

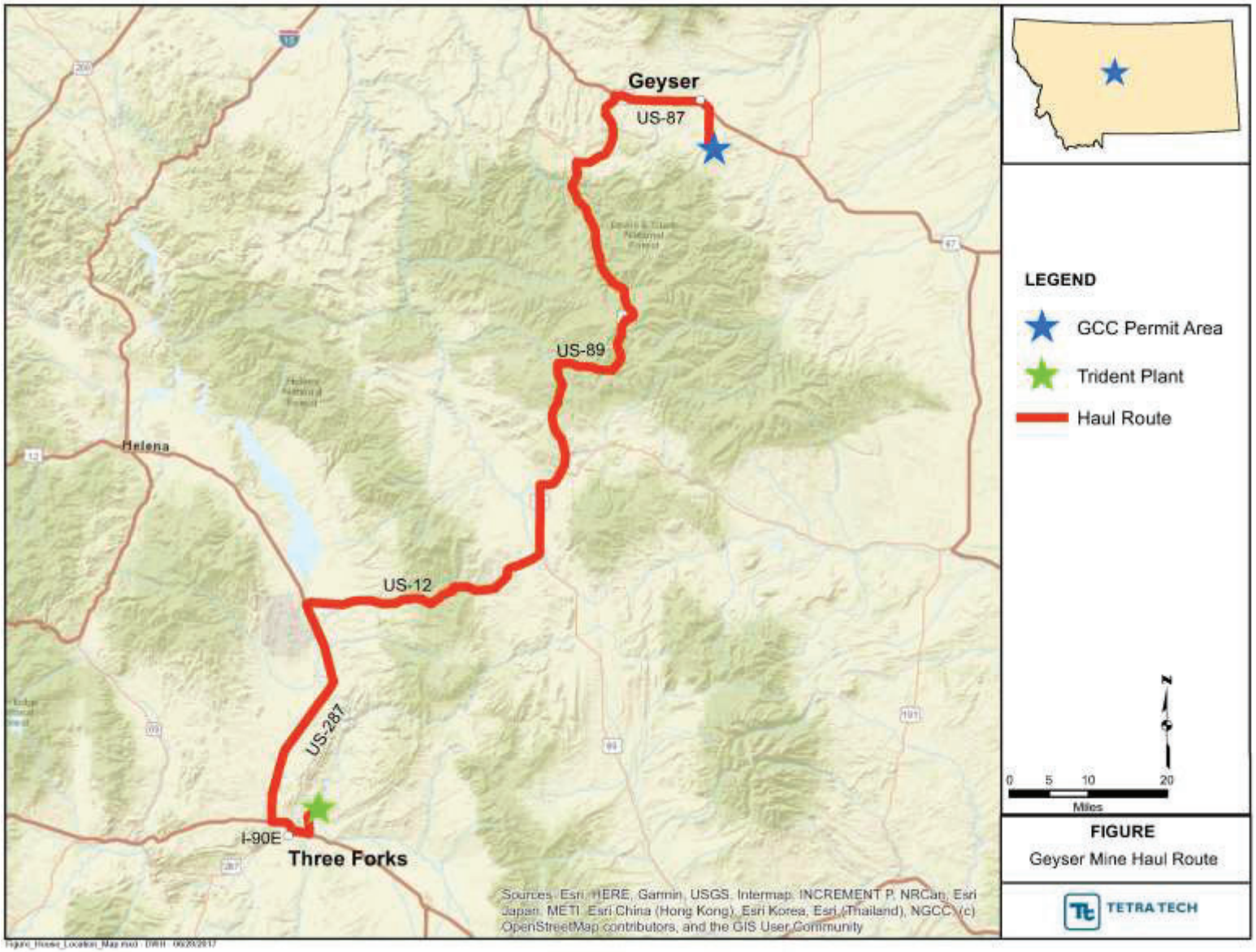
Project No.:	103P6825
Designed By:	
Drawn By:	PM
Checked By:	

A

Bar Measures 1 inch

7/28/2020 5:50 PM - S:\CAD\PRIVATE\GCC\GEYSER MINE\SHEET FILES\EXHIBIT A_2020_SITEPLAN.DWG

Figure 3- Geyser Mine Haul Route



Geyser Mine

Operation Summary

- Existing mine, capable of producing approximately 20,000 tons of gypsum per 8 month season. Mine developed in segments moving west to east.
- DEQ reclamation bond currently $594,106. Would be revised as needed if extension onto additional state land were approved.
- Operations would continue at current level, extending operations onto additional state land would extend the life of mine by about 5 years.
- Mining occurs on demand during the year. When active, three to six truckloads of ore hauled per day to GCC's Trident cement plant. Using over the road rock trucks with pup trailers – 34-38 tons per load. Normally one to two equipment operators will be onsite during working hours.
- Up to eight equipment operators and truck drivers employed
- Onsite equipment includes a loader, dozer, excavator, haul truck, and water truck.
- Operations 7 am – 6 pm, Monday – Friday
- Blasting may be required once per year.
- No water used in the mining operation.
- Concurrent reclamation when mining in a segment is completed.

Resource Summary

An environmental assessment to cover the extension of the mine on state land will be conducted by DEQ and DNRC. However, the initial environmental assessment for the mine and the mine plan amendment submitted for review provides basic information on resources.

- The soils present are not fragile, unstable, or overly erosive.
- Western part of mine is situated on a bench that does not contain springs or groundwater flows. Expansion on part of a bench and on an area above intermittent, N. Fork Surprise Creek in Rattlesnake Coulee. Best Management Practices proposed.
- An air quality permit is not required as no onsite crushing is proposed. Dust control onsite managed by spraying water as needed during mining and hauling operations.
- Existing vegetation is mostly native range/grassland species. Comparable habitat plentiful in area. A native seed mix will be used for reclamation.
- DNRC archaeologist surveyed the state land, located 2 cultural sites, documented and excavated the two rock cairns.
- No public road access to mine site or state land.
- The mine is not visible from a major highway or the town of Geyser.
- Mining and truck noise noticeable at the closest residence (private landowner who owns the gypsum currently being mined). Nearest non-landowner residence over one mile away.
- Concurrent weed control.

Mine Permitting/MEPA Review

- Two decisions – DEQ regulatory permit approval and DNRC mine plan approval. Environmental assessment (EA) jointly prepared by DEQ and DNRC.
- Existing EAs prepared in 2013 and 2018 covering current mine. New EA updates the review for the additional state mine area.
- Will solicit public comment on the draft EA. Minimal to no interest expected.
- Anticipate +/- 6 months to complete.

Gypsum

Gypsum[1] is a soft mineral composed of calcium sulfate dihydrate. Pure gypsum is white but impurities may produce various colors. It is a relatively common mineral[2], with thick and extensive evaporite beds in association with sedimentary rocks.

Gypsum Blocks at GCC's mine near Geyser, MT

Uses[3]

GCC Three Forks, LLC utilizes its mined gypsum as an additive to Portland cement to delay the hardening process. However, gypsum has a wide variety of commercial and other interesting uses, such as:

- Gypsum board (sheetrock, drywall) - used in buildings as a finish for walls and ceilings; a typical new American home contains > 7 metric tons of gypsum
- In concrete in highways, bridges, buildings, other structures
- Plaster – surgical splints, casting molds and modeling
- Fertilizer and soil conditioner for clay type soils; benefits crops such as corn, alfalfa, wheat, peanuts, and cotton where large amounts of sulfate sulfur are required
- Additive in ponds to settle dirt and clay particles
- A component used in brewing beer, in controlling tartness and clarity of wine
- Ingredient in canned vegetables, flour, white bread, ice cream, blue cheese, & other foods; in baking as a dough conditioner; dietary source of calcium
- As a color additive in drugs and cosmetics
- Shampoo and other hair products; also in tooth paste
- Used to simulate snow in historic film and TV productions; creation of movie sets
- Building material in Egyptian pyramids & palaces
- A common ingredient in making mead (honey wine)
- Sidewalk and classroom chalk
- Alabaster – a type of gypsum historically used in sculptures

[1] Information from Geology.com and handbookofmineralogy.org
[2] [Orbital pictures and exploration by rover confirmed the existence of gypsum dunes in the northern polar region of Mars.] White Sands National Park has world's largest area of gypsum dunes ~275 sq. mi.
[3] Information from Gypsum Association, USGS, and McLanahan.com

0820-3

LAND BANKING PARCELS: FINAL APPROVAL FOR SALE

A. Heirmosa Ranch, LLC. Sale #1062

B. Daniel Roark Sale #1063

C. Fred & Gayle Stout Sale #1064

D. Barr & Colleen Gustafson Sale #1065

E. Gerald Lear Sale #1066

F. Meissner Ranches, LLC. Sale #1067

G. Hawks Angus, Inc. Sale #1068,1069,1070

H. Diamond 4D, LLC. Sale #1071

Land Board Agenda Item
August 26, 2020

0820-3A Land Banking Parcel: Final Approval for Sale

Location: Teton County

Trust Benefits: Public Buildings

Trust Revenue: $42,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 40 acres nominated for sale in Teton County. The sale was nominated by the lessee and is located southwest of Dupuyer, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1062	40±	SW4SW4, T27N-R8W, Sec. 8	Heirmosa Ranch, LLC.	Public Buildings

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. This parcel is also completely surrounded by Conservation Easements. The proponent has indicated that they intend to include this parcel in a Conservation Easement with Rocky Mountain Elk Foundation after the purchase of the property. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.39%. The parcel would continue to receive this 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 land 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. Sale of this tract will have No Effect to Antiquities as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

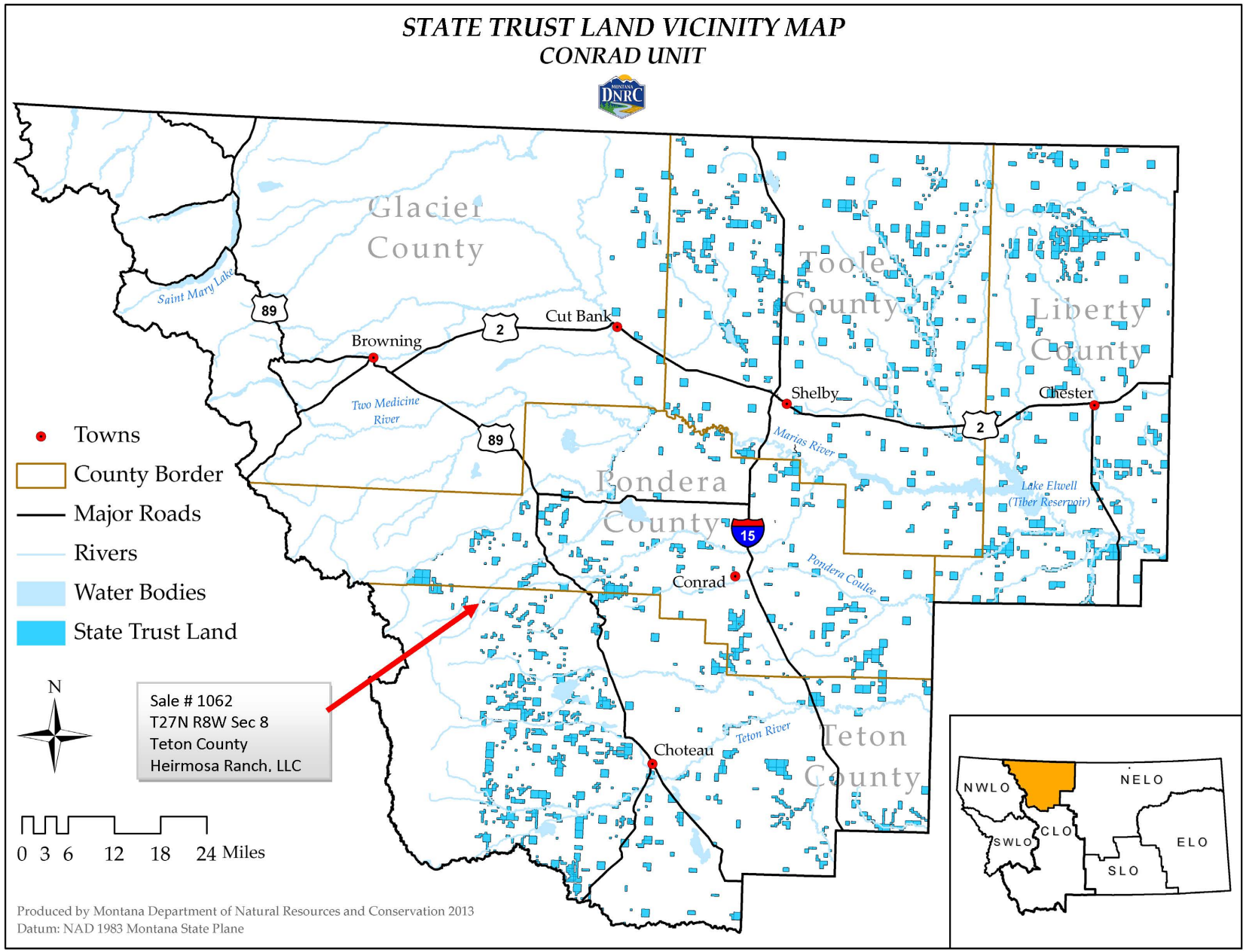
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1062	$42,000	$42,000

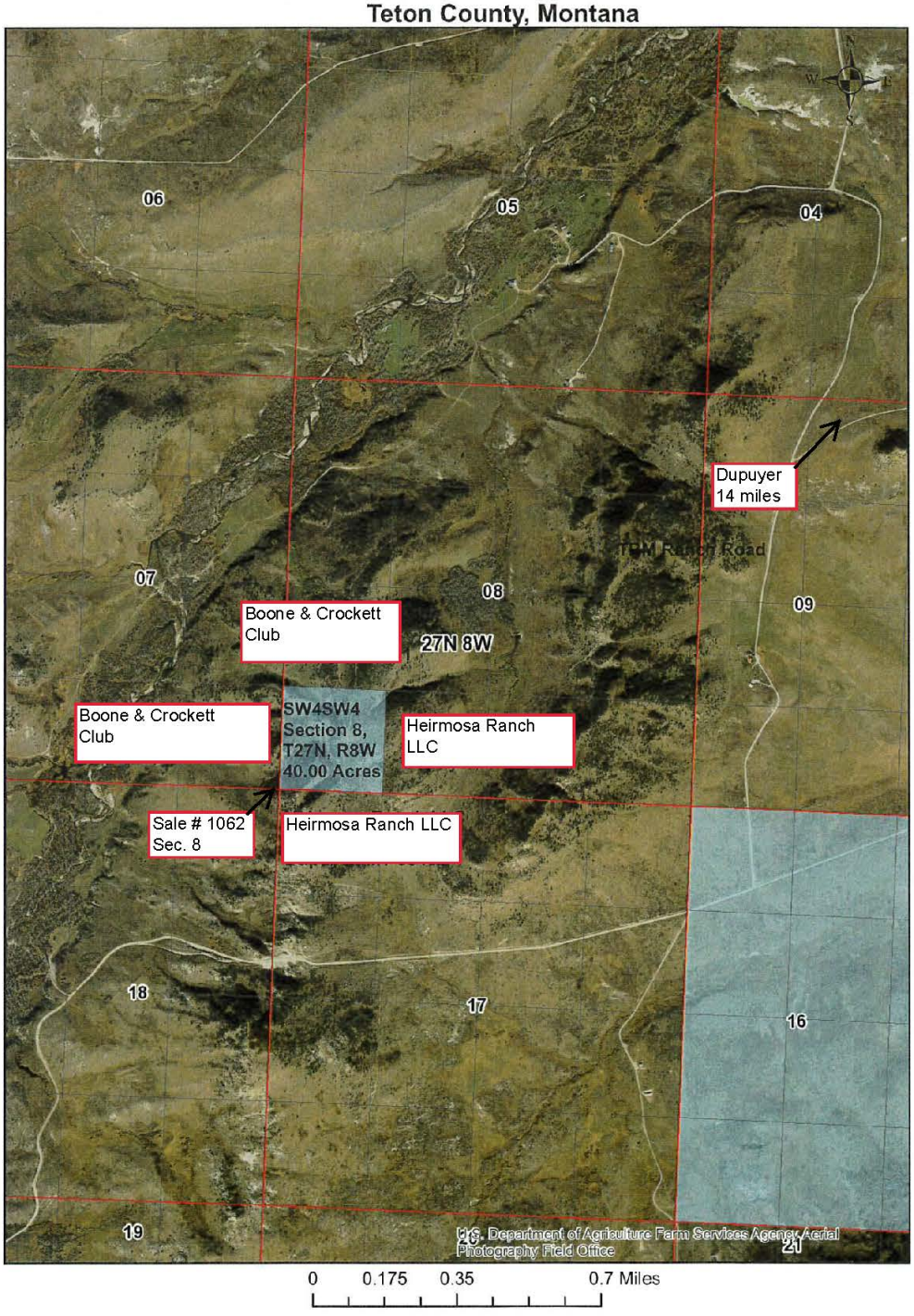
Sale Price:
The parcel sold at public auction on July 28, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


STATE TRUST LAND VICINITY MAP
CONRAD UNIT
Glacier County
Toole County
Liberty County
Pondera County
Teton County
Saint Mary Lake
Two Medicine River
Marias River
Lake Elwell (Tiber Reservoir)
Teton River
Poindera Coulee
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
89
2
15
Towns
County Border
Major Roads
Rivers
Water Bodies
State Trust Land
N
Sale # 1062
T27N R8W Sec 8
Teton County
Heirmosa Ranch, LLC
0 3 6 12 18 24 Miles
Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane
NWLO
NELO
SWLO
CLO
ELO
SLO

Appendix B
Teton County, Montana



Land Board Agenda Item
August 26, 2020

0820-3B Land Banking Parcel: Final Approval for Sale

Location: Toole County

Trust Benefits: Public Buildings

Trust Revenue: $25,000.00

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 40 acres nominated for sale in Toole County. The sale was nominated by the lessee and is located north of Shelby, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1063	40±	SE4NW4, T34N-R2W, Sec. 12	Daniel Roark	Public Buildings

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.89%. The parcel would continue to receive this 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 land 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 DNRC conducted a Class III cultural and paleontological resources inventory of the parcel proposed for sale. A precontact (pre-1805 A.D.) stone circle site was documented. Significance and integrity of the site has not been determined, but a change in land use is unlikely if the resource leaves state ownership. Therefore, the DNRC recommends the sale of the state parcel will result in *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid at the appraised value shown below:

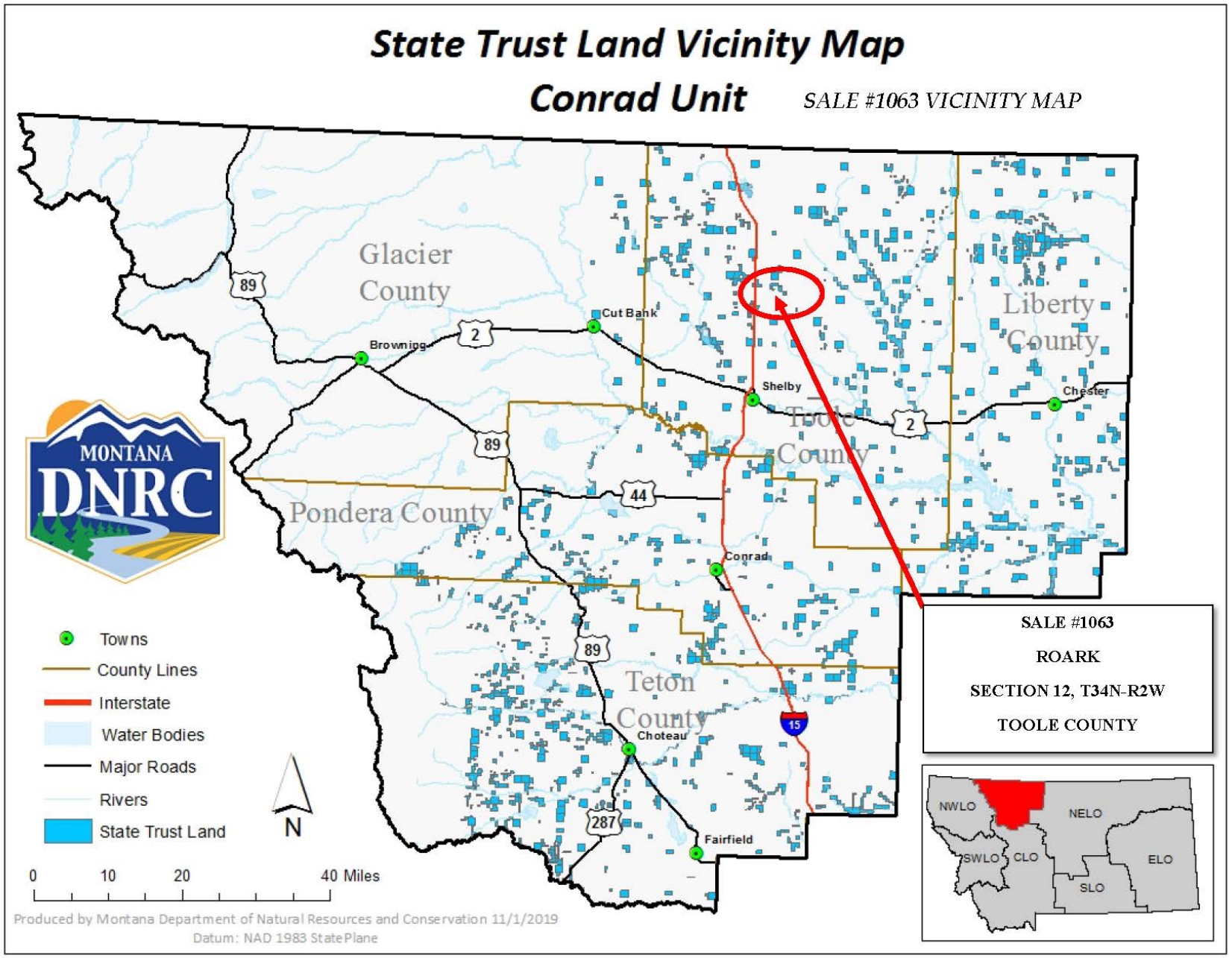
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1063	$15,000	$25,000

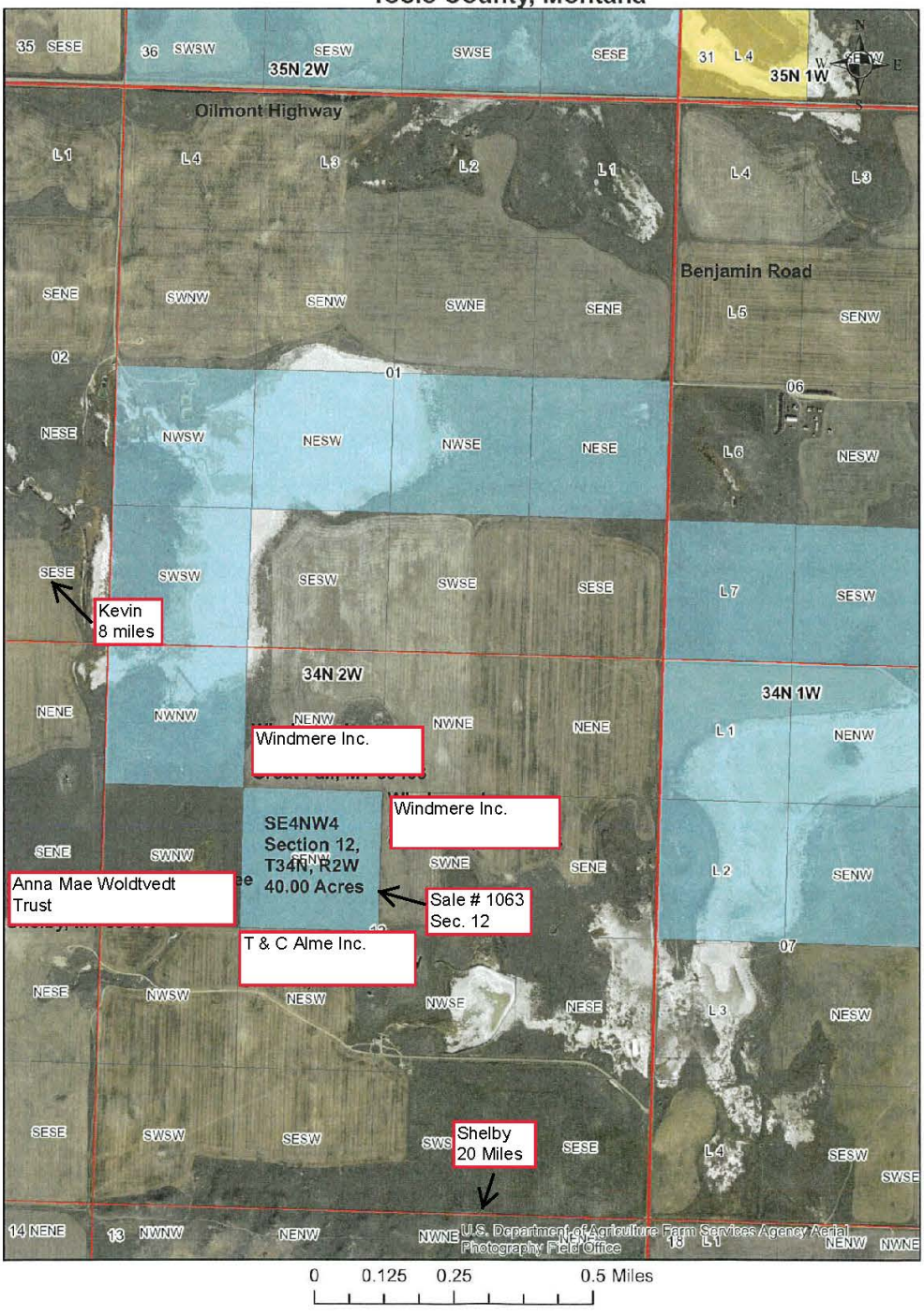
Sale Price:
The parcel sold at public auction on July 30, 2020. There were two qualified bidders for the sale, one of which was the current lessee. The parcel sold for a final sale price of $25,000 to an adjacent landowner, who was not the lessee.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the final auction bid amount of $25,000. The sale will close within 30 days of final approval by the Land Board.


State Trust Land Vicinity Map
Conrad Unit
SALE #1063 VICINITY MAP
Glacier County
Liberty County
Toole County
Pondera County
Teton County
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
Fairfield
89
2
44
15
287
MONTANA DNRC
Towns
County Lines
Interstate
Water Bodies
Major Roads
Rivers
State Trust Land
N
0 10 20 40 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane
SALE #1063
ROARK
SECTION 12, T34N-R2W
TOOLE COUNTY
NWLO
NELO
SWLO
CLO
ELO
SLO

Appendix B
Toole County, Montana



Land Board Agenda Item
August 26, 2020

0820-3C Land Banking Parcel: Final Approval for Sale

Location: Teton County

Trust Benefits: Public Buildings

Trust Revenue: $23,400

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests to final approval to sell one parcel totaling approximately 40 acres nominated for sale in Teton County. The sale was nominated by the lessee and is located west of Bynum, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1064	40±	NE4SE4, T26N-R7W, Sec. 24	Fred & Gayle Stout	Public Buildings

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.48%. The parcel would continue to receive this 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 land 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 DNRC conducted a Class III cultural and paleontological resources inventory of the subject parcel. An abandoned historic ditch was documented and evaluated as ineligible for National Register listing. As such, sale of the state parcel will result in *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

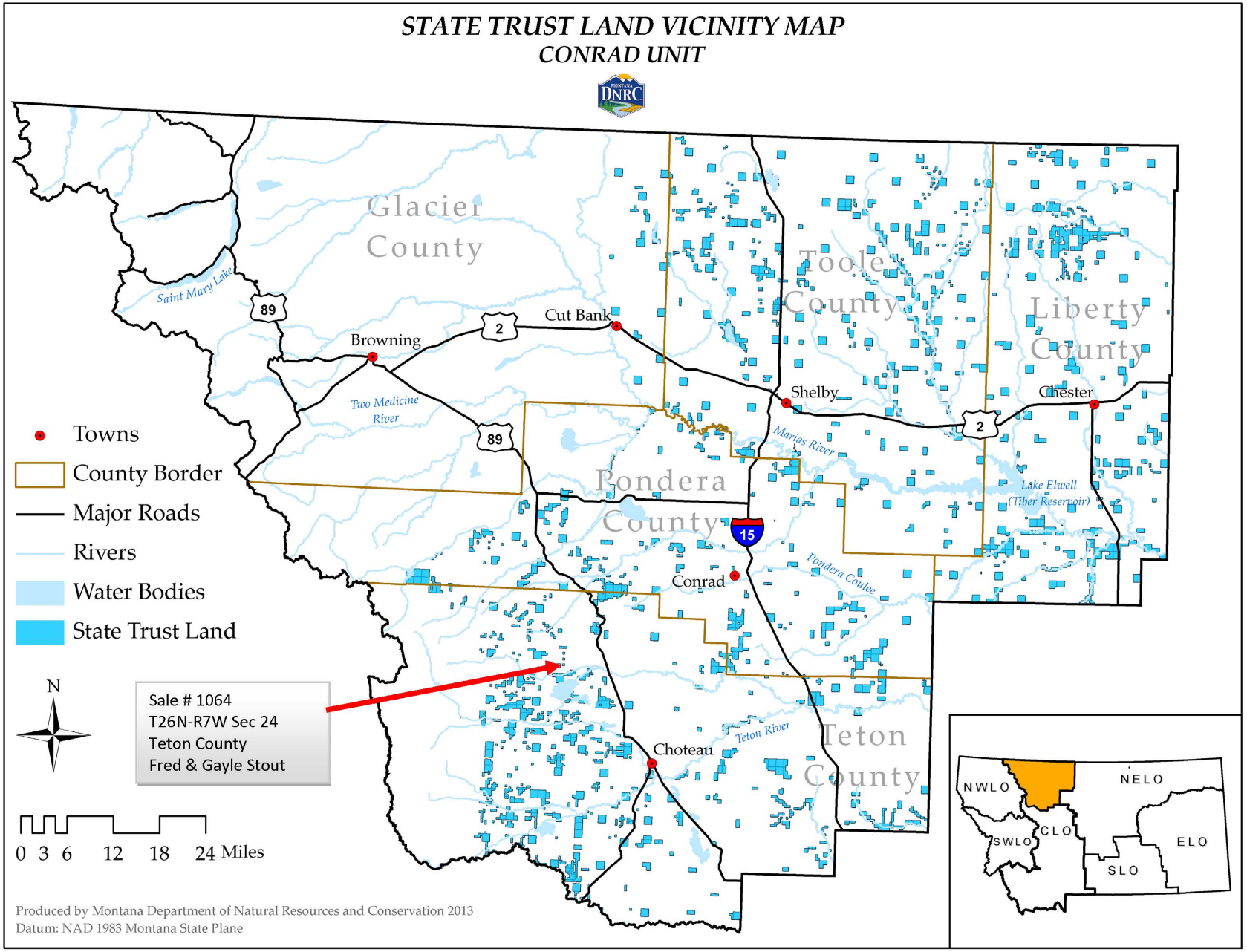
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1064	$23,400	$23,400

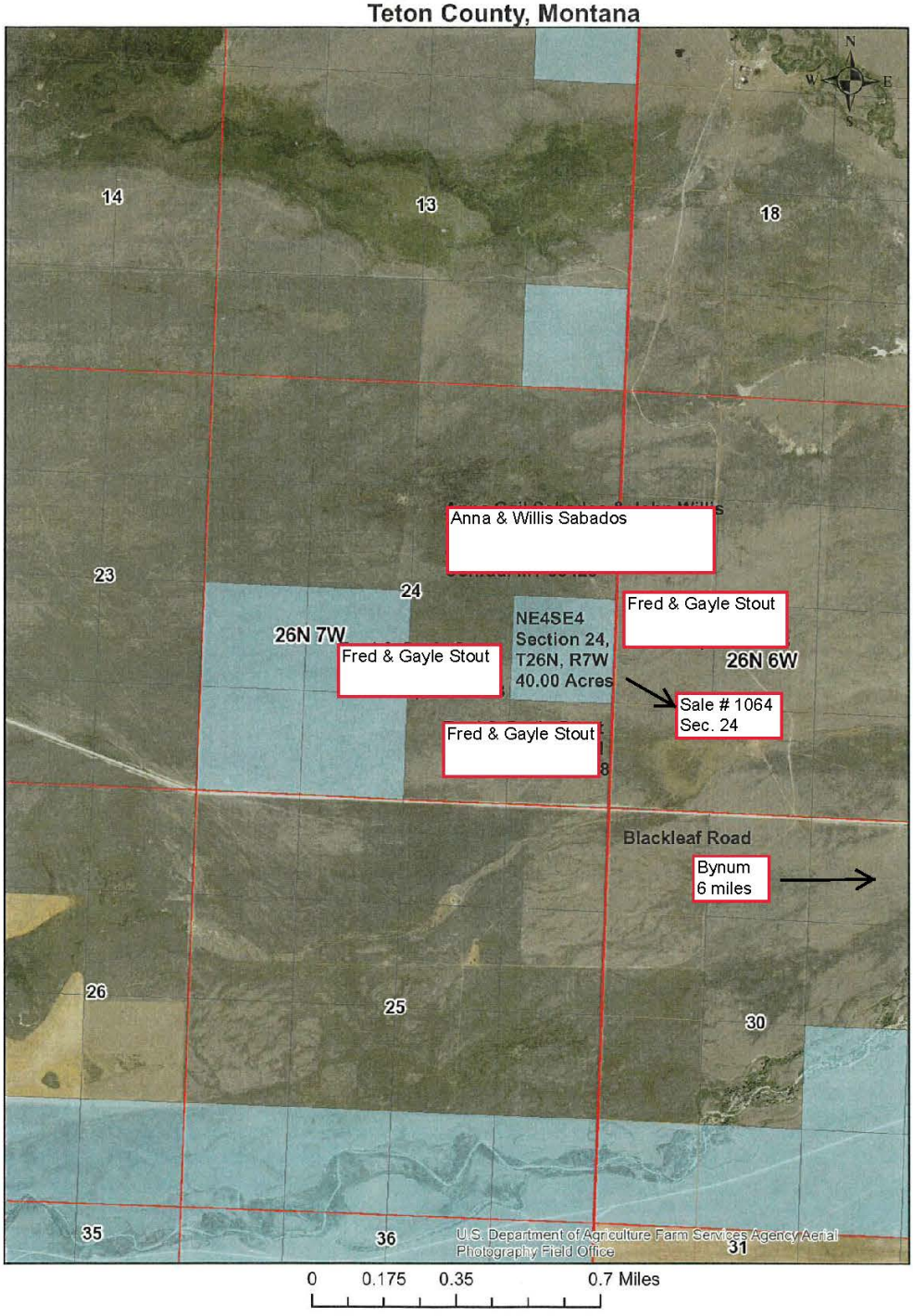
Sale Price:
The parcel sold at public auction on July 28, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


STATE TRUST LAND VICINITY MAP
CONRAD UNIT
Glacier County
Toole County
Liberty County
Pondera County
Teton County
Saint Mary Lake
Two Medicine River
Marias River
Lake Elwell (Tiber Reservoir)
Pondera Coulee
Teton River
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
89
2
15
Towns
County Border
Major Roads
Rivers
Water Bodies
State Trust Land
N
Sale # 1064
T26N-R7W Sec 24
Teton County
Fred & Gayle Stout
0 3 6 12 18 24 Miles
NWLO
NELO
SWLO
CLO
ELO
SLO
Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane

Appendix B
Teton County, Montana



Land Board Agenda Item
August 26, 2020

0820-3D Land Banking Parcel: Final Approval for Sale

Location: Pondera County

Trust Benefits: Common Schools

Trust Revenue: $23,400

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 40 acres nominated for sale in Pondera County. The sale was nominated by the lessee and is located northwest of Dupuyer, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1065	40±	SW4SE4, T29N-R8W, Sec. 33	Barr & Colleen Gustafson	Common Schools

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.43%. The parcel would continue to receive this 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 land 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. Sale of this tract will have No Effect to Antiquities as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

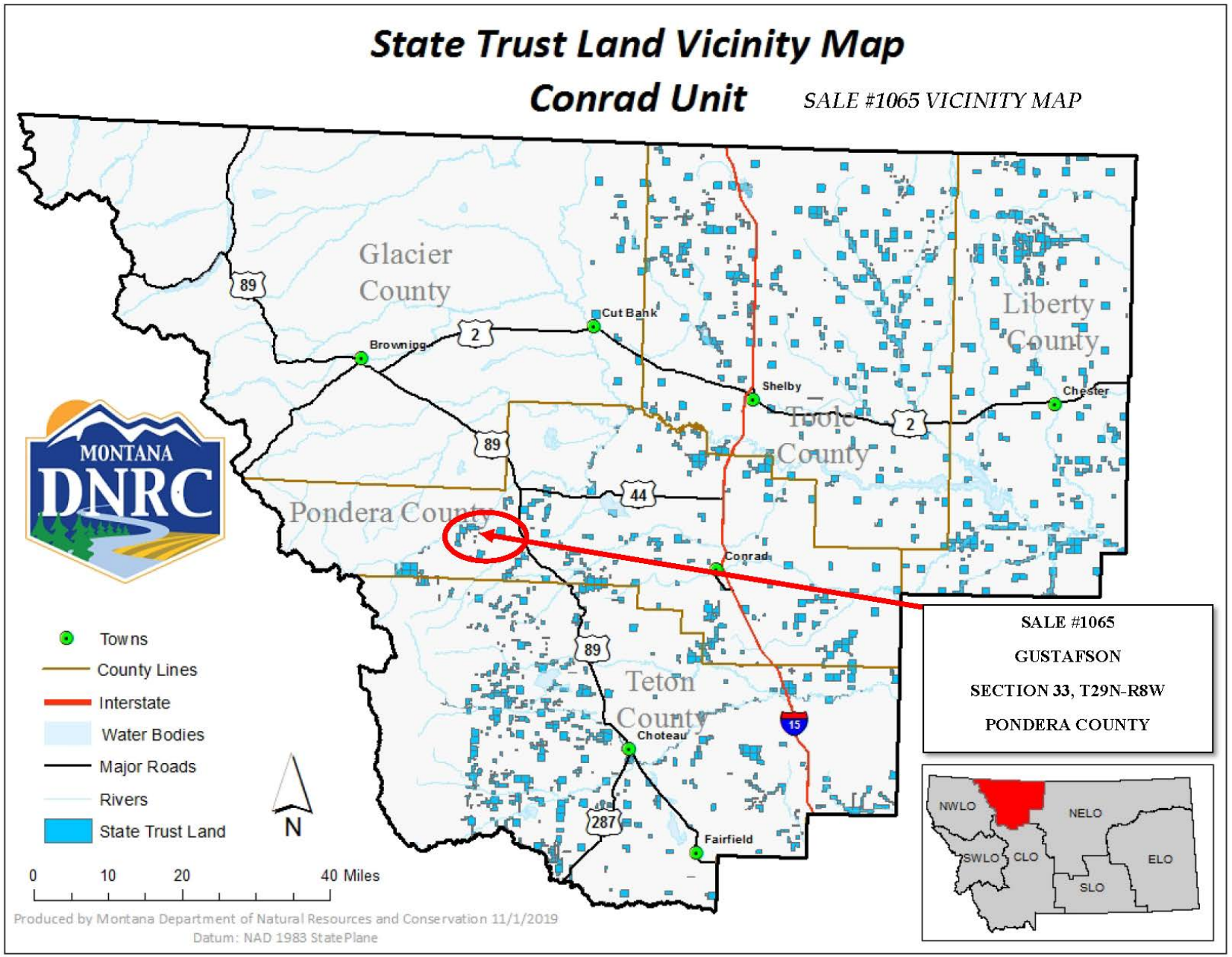
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1065	$23,400	$23,400

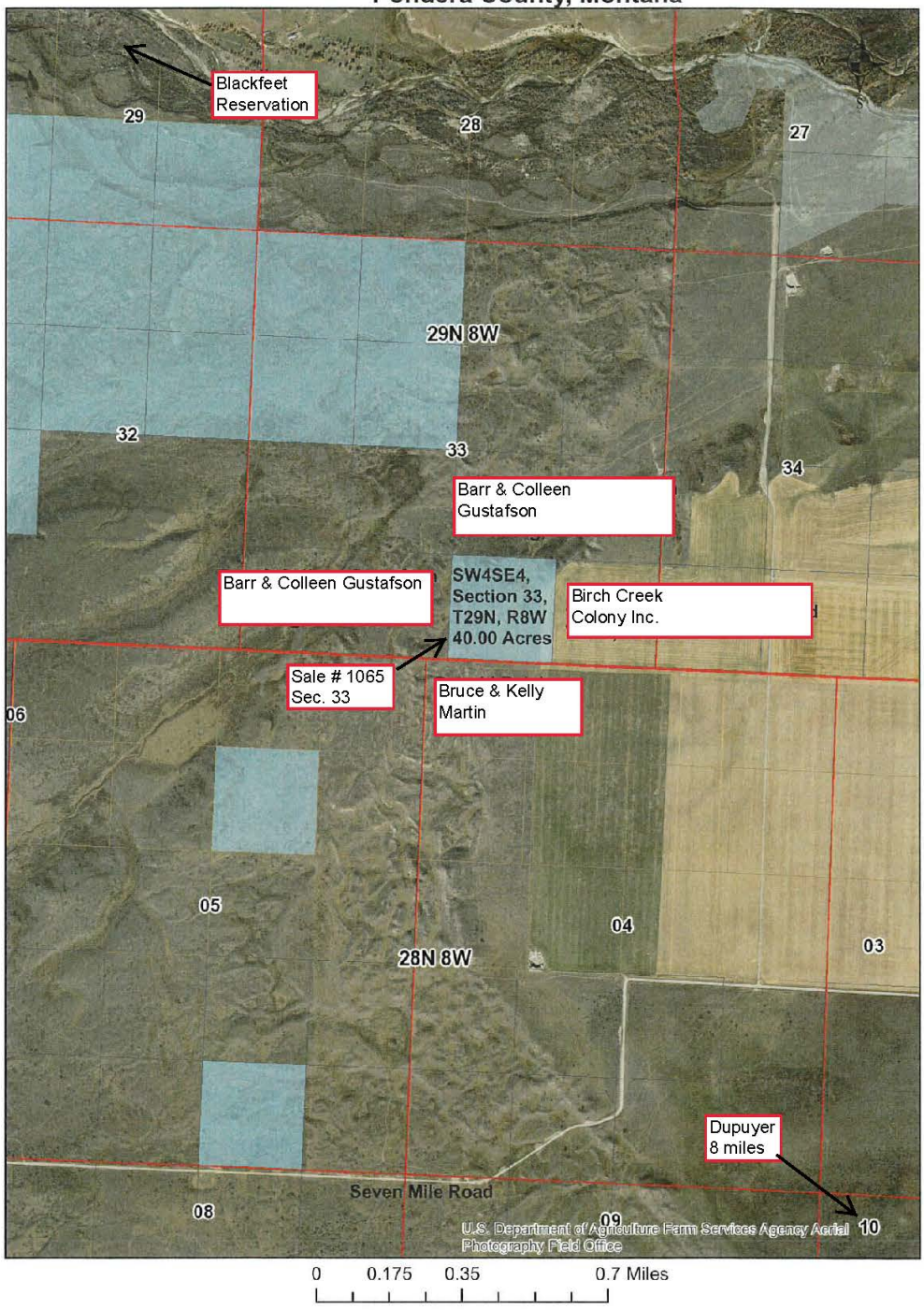
Sale Price:
The parcel sold at public auction on July 28, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


State Trust Land Vicinity Map
Conrad Unit
SALE #1065 VICINITY MAP
Glacier County
Liberty County
Toole County
Pondera County
Teton County
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
Fairfield
89
2
44
15
287
MONTANA DNRC
Towns
County Lines
Interstate
Water Bodies
Major Roads
Rivers
State Trust Land
N
0 10 20 40 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane
SALE #1065
GUSTAFSON
SECTION 33, T29N-R8W
PONDERA COUNTY
NWLO
NELO
SWLO
CLO
ELO
SLO

Appendix B
Pondera County, Montana



Land Board Agenda Item
August 26, 2020

0820-3E Land Banking Parcel: Final Approval for Sale

Location: Pondera County

Trust Benefits: Common Schools

Trust Revenue: $40,100

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 68.56 acres nominated for sale in Pondera County. The sale was nominated by the lessee and is located west of Dupuyer, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1066	68.56±	LOTS 5 & 6 T28N-R8W, Sec. 6	Gerald Lear	Common Schools

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.64%. The parcel would continue to receive this 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 land 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 DNRC conducted a Class III cultural and paleontological resources inventory of the subject parcel. A series of low-profile cairns were documented. Significance and integrity of the cairn sites has not been determined, but a change in land use is unlikely if the resource leaves state ownership. Therefore, the DNRC recommends the sale of the state parcel will result in *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

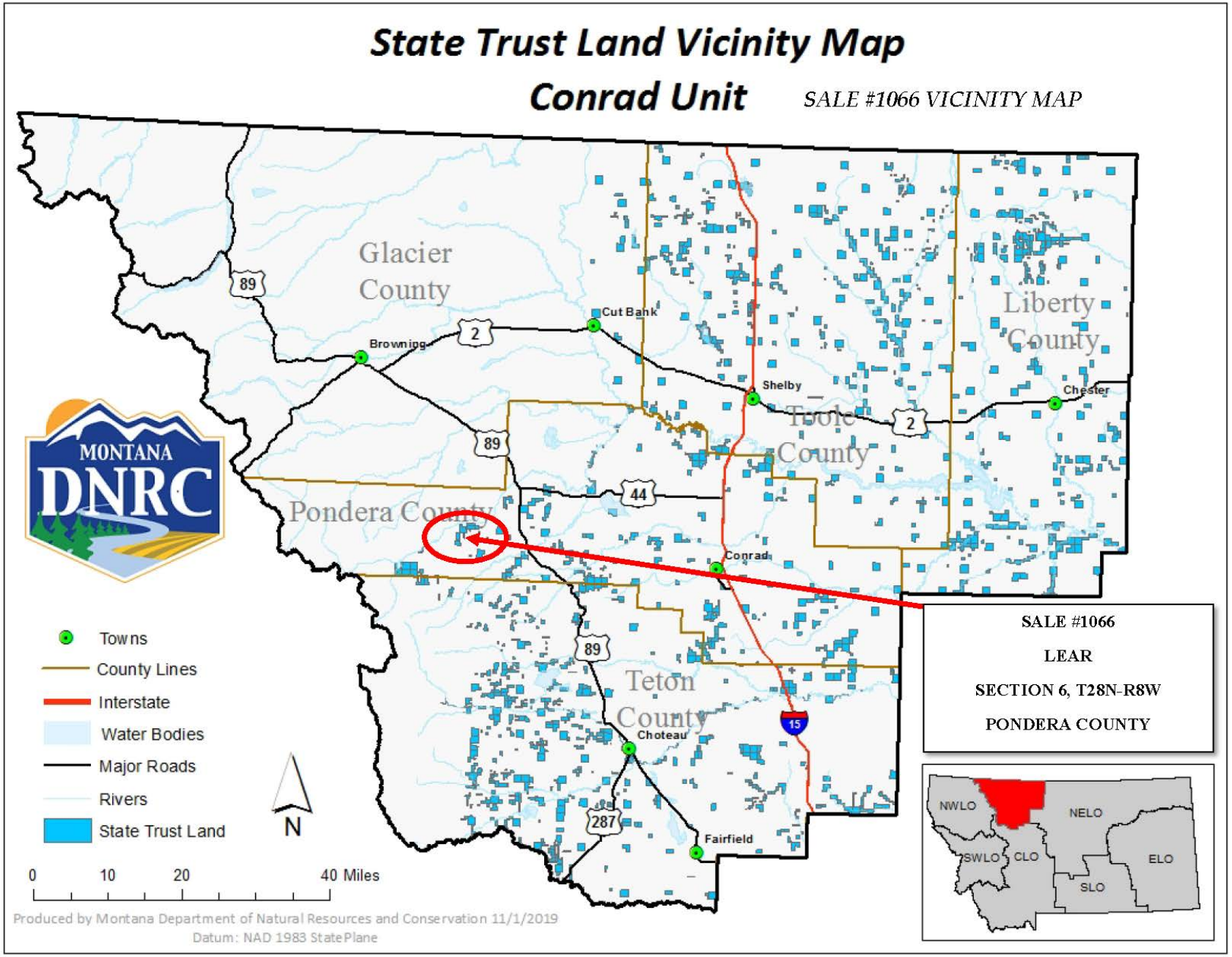
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1066	$40,100	$40,100

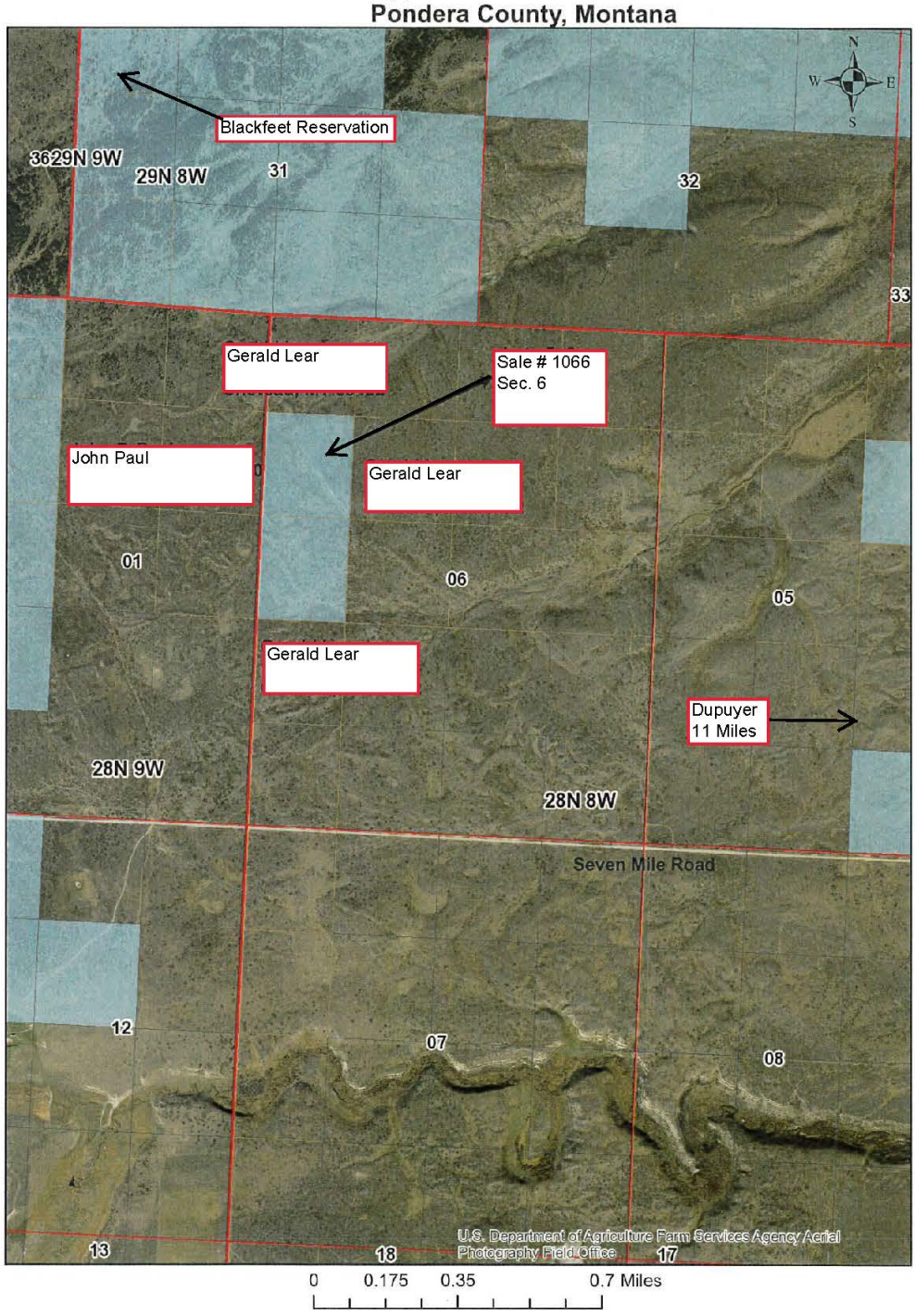
Sale Price:
The parcel sold at public auction on July 28, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


State Trust Land Vicinity Map
Conrad Unit
SALE #1066 VICINITY MAP
Glacier County
Liberty County
Toole County
Pondera County
Teton County
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
Fairfield
89
2
44
15
287
MONTANA DNRC
Towns
County Lines
Interstate
Water Bodies
Major Roads
Rivers
State Trust Land
N
0 10 20 40 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane
SALE #1066
LEAR
SECTION 6, T28N-R8W
PONDERA COUNTY
NWLO
NELO
SWLO
CLO
ELO
SLO

Appendix B
Pondera County, Montana



Land Board Agenda Item
August 26, 2020

0820-3F Land Banking Parcel: Final Approval for Sale

Location: Liberty County

Trust Benefits: Common Schools

Trust Revenue: $15,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 40 acres nominated for sale in Liberty County. The sale was nominated by the lessee and is located north of Chester, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1067	40±	SE4NE4, T35N-R5E, Sec. 15	Meissner Ranches, LLC	Common Schools

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.92%. The parcel would continue to receive this 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 land 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. A historic irrigation ditch and a precontact age (pre-1805 A.D.) stone circle/cairn site was documented. The irrigation ditch is privately owned and outside of DNRC jurisdiction. Significance and integrity of the stone circle/cairn site has not been determined, but a change in land use is unlikely if the resource leaves state ownership. Therefore, the DNRC

recommends the sale of the state parcel will result in *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act. A formal report of findings has been prepared and filed with the DNRC and the Montana State Historic Preservation Officer.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

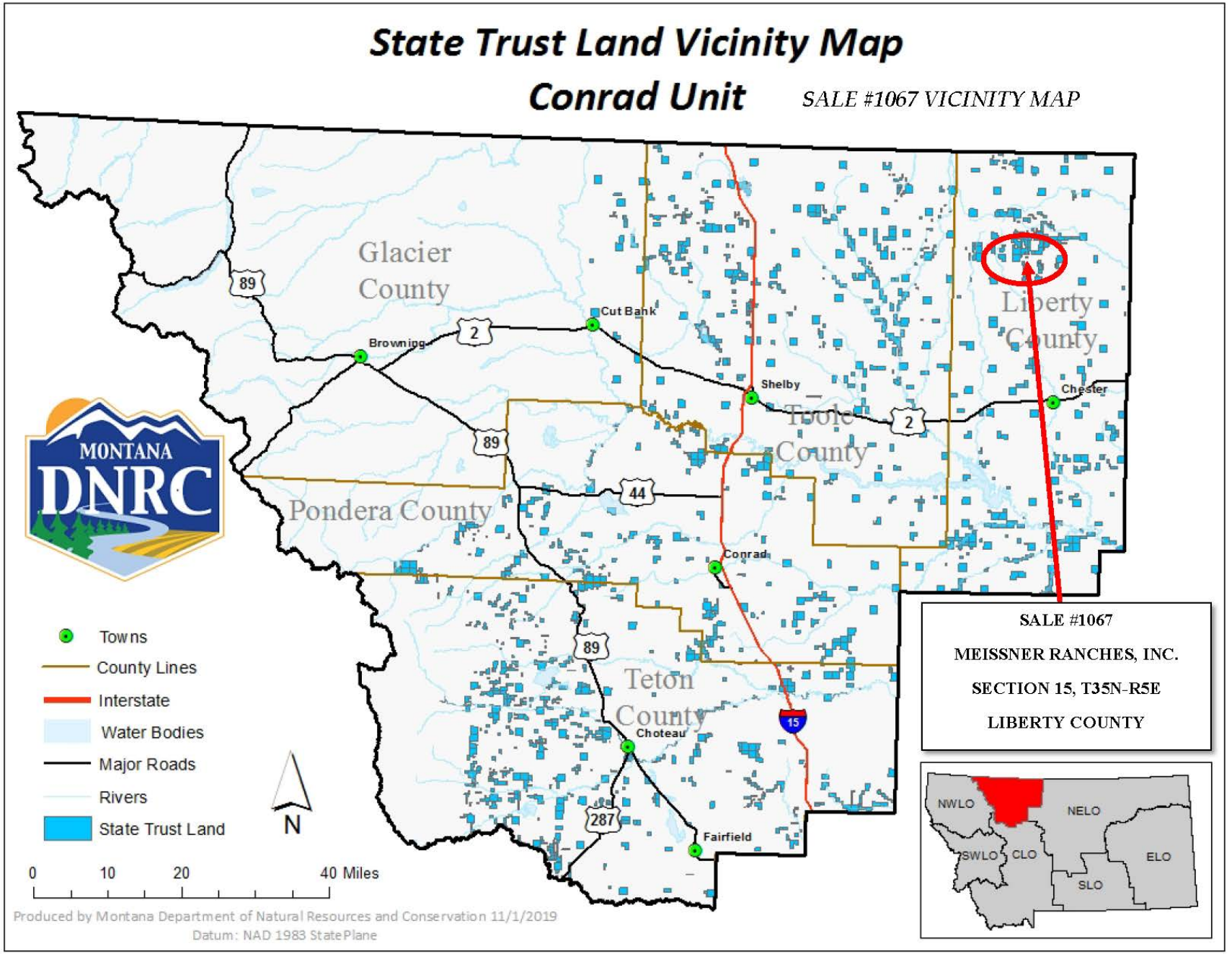
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1067	$15,000	$15,000

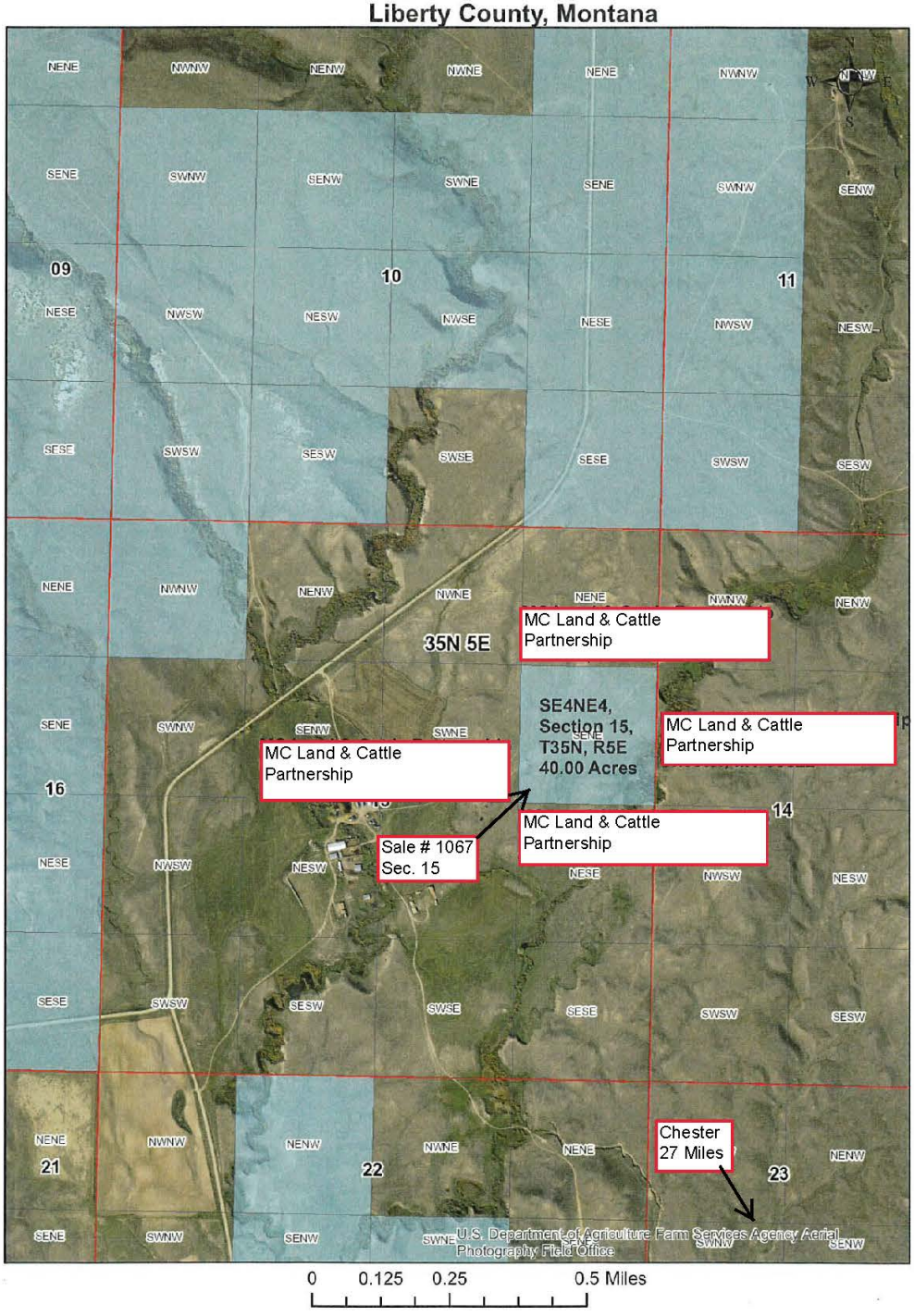
Sale Price:
The parcel sold at public auction on July 30, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


State Trust Land Vicinity Map
Conrad Unit
SALE #1067 VICINITY MAP
Glacier County
Liberty County
Toole County
Pondera County
Teton County
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
Fairfield
89
2
44
15
287
MONTANA DNRC
Towns
County Lines
Interstate
Water Bodies
Major Roads
Rivers
State Trust Land
N
0 10 20 40 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane
SALE #1067
MEISSNER RANCHES, INC.
SECTION 15, T35N-R5E
LIBERTY COUNTY
NWLO
NELO
SWLO
CLO
ELO
SLO

Appendix B
Liberty County, Montana



Land Board Agenda Item
August 26, 2020

0820-3G Land Banking Parcel: Final Approval for Sale

Location: Liberty County

Trust Benefits: Common Schools

Trust Revenue: $45,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval for sale of three parcels totaling approximately 120 acres nominated for sale in Liberty County. The sales were nominated by the lessee and are located north of Chester, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1068	40±	NW4SE4, T36N-R5E, Sec. 21	Hawks Angus, Inc.	Common Schools
1069	40±	NE4NE4, T36N-R5E, Sec. 23	Hawks Angus, Inc.	Common Schools
1070	40±	SE4SE4, T36N-R5E, Sec. 27	Hawks Angus, Inc.	Common Schools

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

The parcels are surrounded entirely by private land and not legally accessible by the public. The sale of these 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 on sale parcel #1068 and #1070 is 0.84%; for sale parcel #1069 it is 1.01%. The 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 land 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 parcels proposed for sale were 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 June 2019, the Board granted preliminary approval for these parcels to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

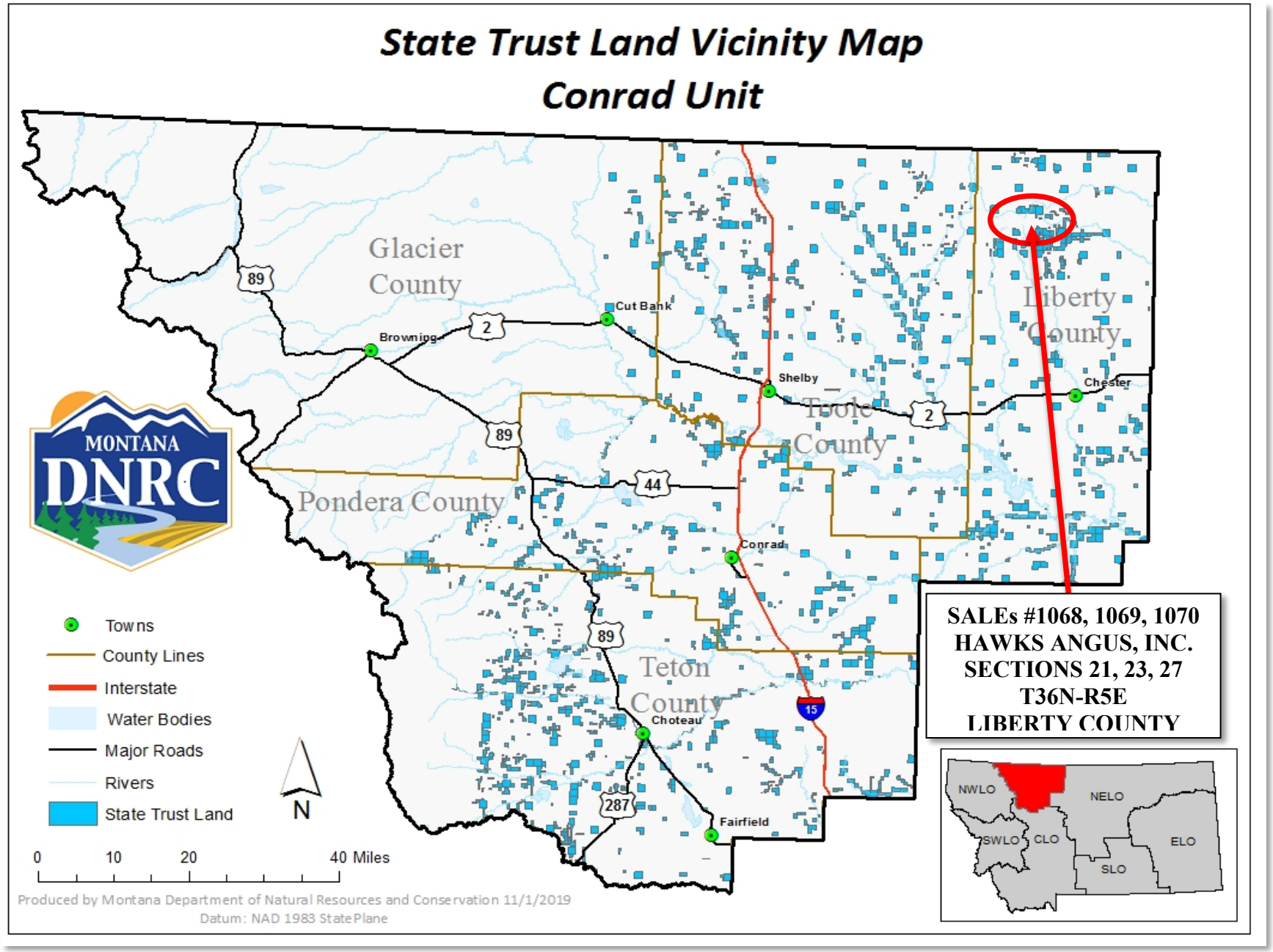
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1068	$15,000	$15,000
1069	$15,000	$15,000
1070	$15,000	$15,000

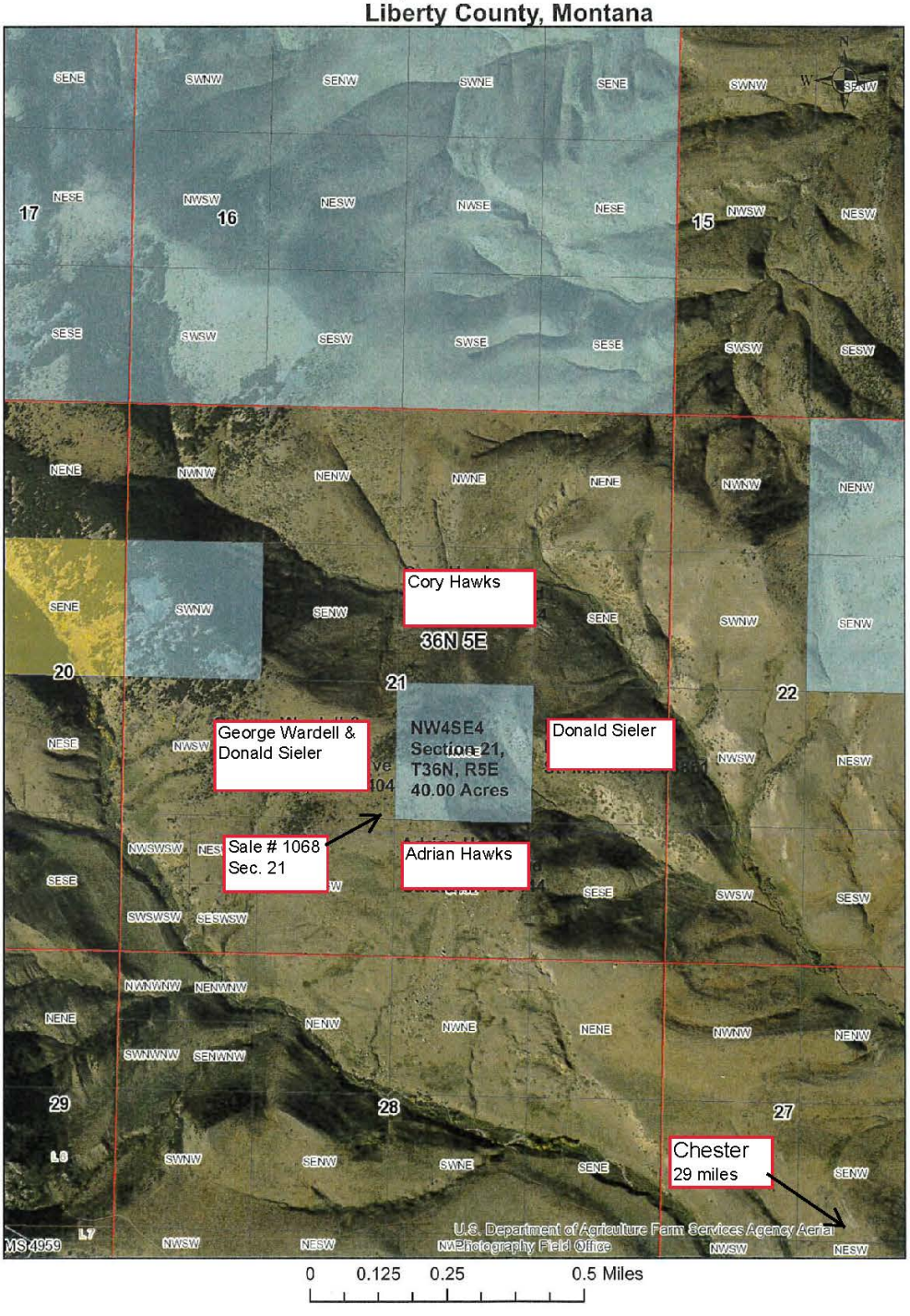
Sale Price:
The parcels sold at public auction on July 30, 2020. There was one qualified bidder for each sale, which was the current lessee. The parcels sold for the minimum bid amounts shown above.

DNRC Recommendation

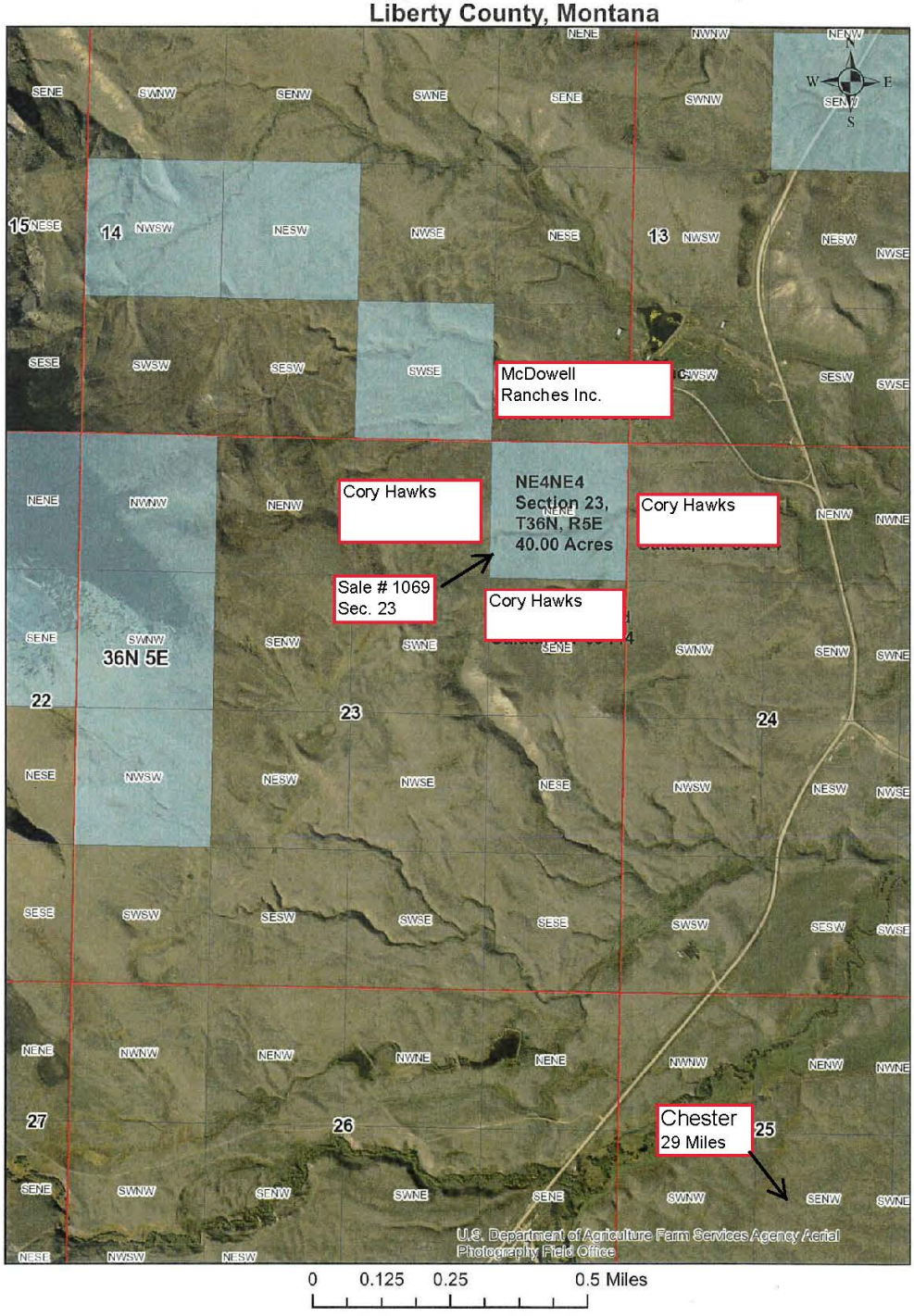
The director recommends the Land Board grant final approval for the Land Banking sales at the values shown above. The sales will close within 30 days of final approval by the Land Board.


State Trust Land Vicinity Map
Conrad Unit
Glacier County
Pondera County
Toole County
Liberty County
Teton County
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
Fairfield
89
2
44
15
287
MONTANA DNRC
Towns
County Lines
Interstate
Water Bodies
Major Roads
Rivers
State Trust Land
N
0 10 20 40 Miles
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane
SALEs #1068, 1069, 1070
HAWKS ANGUS, INC.
SECTIONS 21, 23, 27
T36N-R5E
LIBERTY COUNTY
NWLO
NELO
SWLO
CLO
ELO
SLO

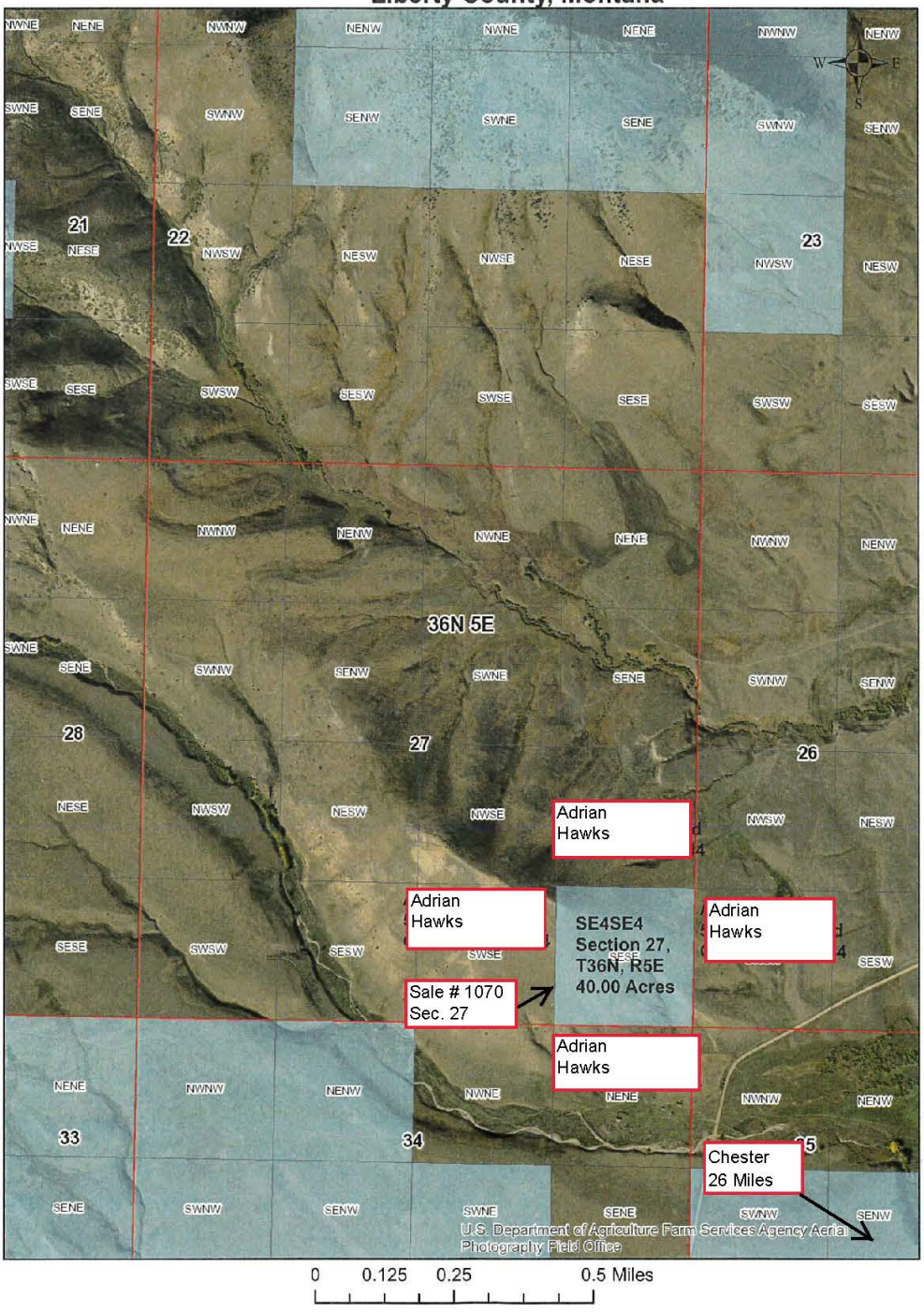
Appendix B
Liberty County, Montana



Appendix B
Liberty County, Montana



Appendix B
Liberty County, Montana



Land Board Agenda Item
August 26, 2020

0820-3H Land Banking Parcel: Final Approval for Sale

Location: Teton County

Trust Benefits: Public Buildings

Trust Revenue: $42,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) requests final approval to sell one parcel totaling approximately 40 acres nominated for sale in Teton County. The sale was nominated by the lessee and is located southwest of Choteau, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
1071	40±	NE4SE4, T23N-R7W, Sec. 27	Diamond 4D, LLC	Public Buildings

The sale parcel has been used primarily for livestock grazing purposes.

The parcel is surrounded entirely by private land and not legally accessible by the public. This parcel is also completely surrounded by Conservation Easements. The proponent has indicated that they intend to include this parcel in Conservation Easement after the purchase of the property. The sale of this parcel would not restrict or eliminate access to adjacent private land.

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

Economic Analysis:
Short term – The average rate of return on the sale parcel is 0.15%. The parcel would continue to receive this 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 land 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 DNRC conducted a Class III cultural and paleontological resources inventory of the subject parcel. A precontact (pre 1805 A.D.) stone circle/cairn site was documented. Significance and integrity of the site has not been determined, but a change in land use is unlikely if the resource

leaves state ownership. Therefore, the DNRC recommends the sale of the state parcel will result in *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act.

Background:
In June 2019, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process. After appraisal, in May of 2020, the Land Board set the minimum bid as follows:

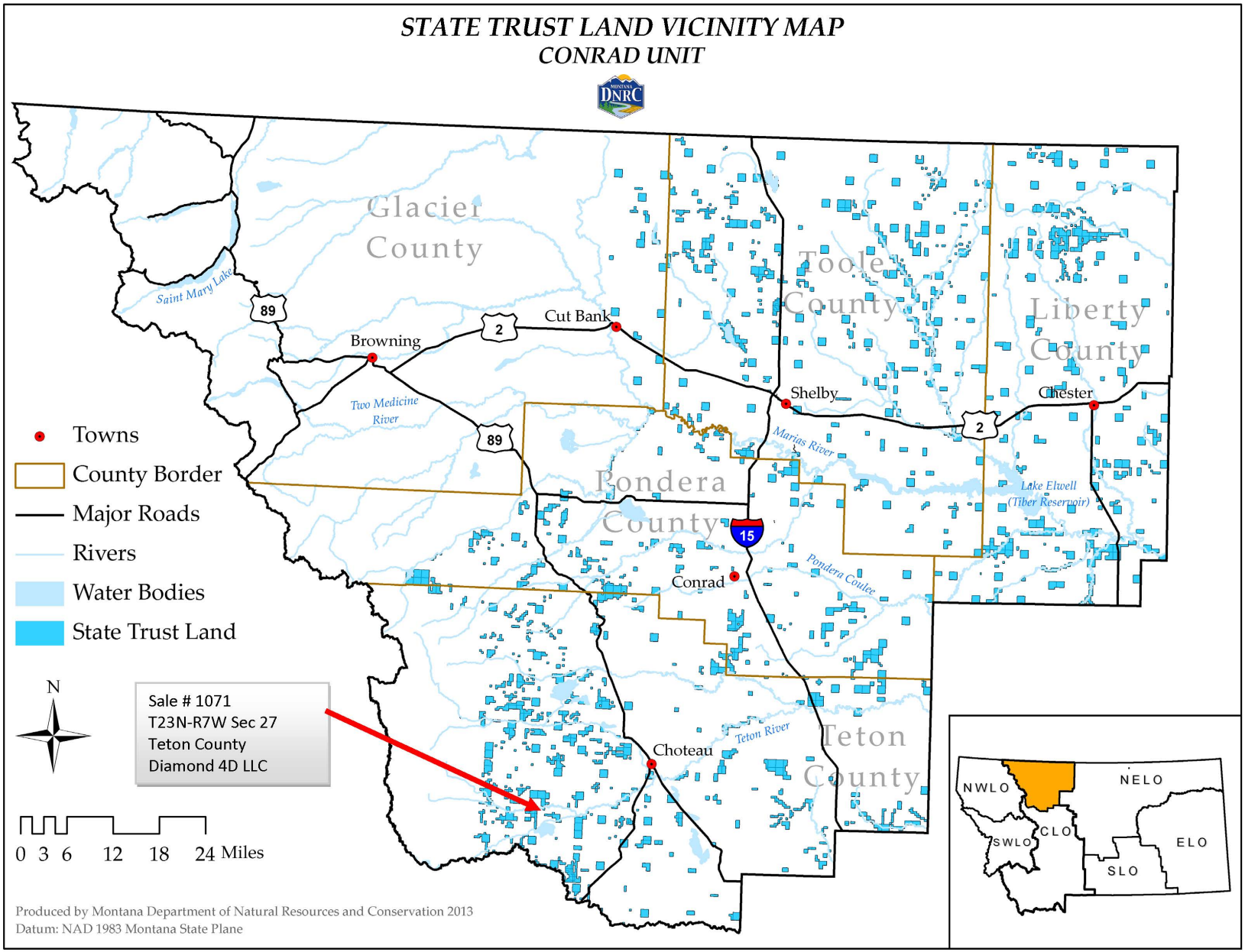
Appraised Value:

Sale #	Appraised Value with Access	Final Sales Price
1071	$42,000	$42,000

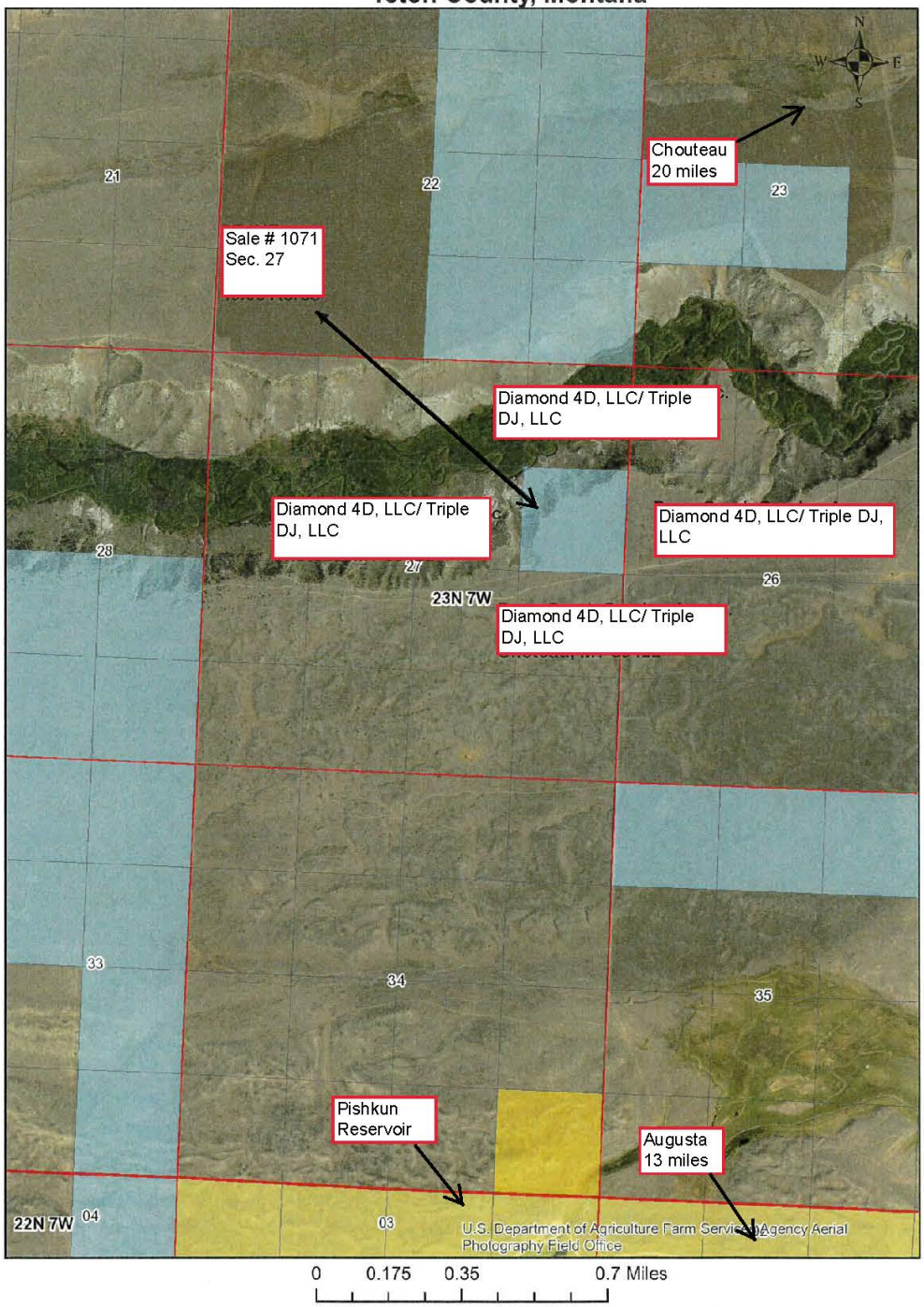
Sale Price:
The parcel sold at public auction on July 28, 2020. There was one qualified bidder for the sale, which was the current lessee. The parcel sold for the minimum bid shown above.

DNRC Recommendation

The director recommends the Land Board grant final approval for the Land Banking sale at the value shown above. The sale will close within 30 days of final approval by the Land Board.


STATE TRUST LAND VICINITY MAP
CONRAD UNIT
Glacier County
Toole County
Liberty County
Pondera County
Teton County
Saint Mary Lake
Two Medicine River
Marias River
Lake Elwell (Tiber Reservoir)
Pondera Coulee
Teton River
Cut Bank
Browning
Shelby
Chester
Conrad
Choteau
89
2
15
Towns
County Border
Major Roads
Rivers
Water Bodies
State Trust Land
N
Sale # 1071
T23N-R7W Sec 27
Teton County
Diamond 4D LLC
0 3 6 12 18 24 Miles
Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane
NWLO
NELO
CLO
SWLO
ELO
SLO

Appendix B
Teton County, Montana



0820-4

EASEMENTS:

Land Board Agenda
Item August 26, 2020

0820-4 Easements

Location: Dawson, Garfield, Missoula, Powell, Wheatland

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

Trust Revenue: Common Schools = $22,002
Public Land Trust = $951

Item Table of Contents

Applicant	Right-of-Way Purpose	Term	Page(s)
Northwestern Enery	Buried 4” Natural Gas Pipeline	Permanent	72-73
Cotter Homestead, LLC	Private Access Road	Permanent	74-75
Pettit Land, LLC	Private Access Road	Permanent	76-77
Mid-Rivers Telephone Cooperative	Buried Fiber Optic Cable	Permanent	78-81
USDA – Helena-Lewis and Clark National Forest	Administrative Access; Public Parking Lot and Trail	Permanent	82-85

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Northwestern Energy 11 East Park Butte, MT 59701
Application No.:	17439 (Amended)
R/W Purpose:	a buried 4" natural gas pipeline
Lessee Agreement:	N/A (Nav. River)
Acreage:	0.14
Compensation:	$951.00
Legal Description:	20-Foot strip across the Bitterroot River in N2SW4, Sec. 26, Twp. 13N, Rge. 20W, Missoula County
Trust Beneficiary:	Public Land Trust - Navigable River

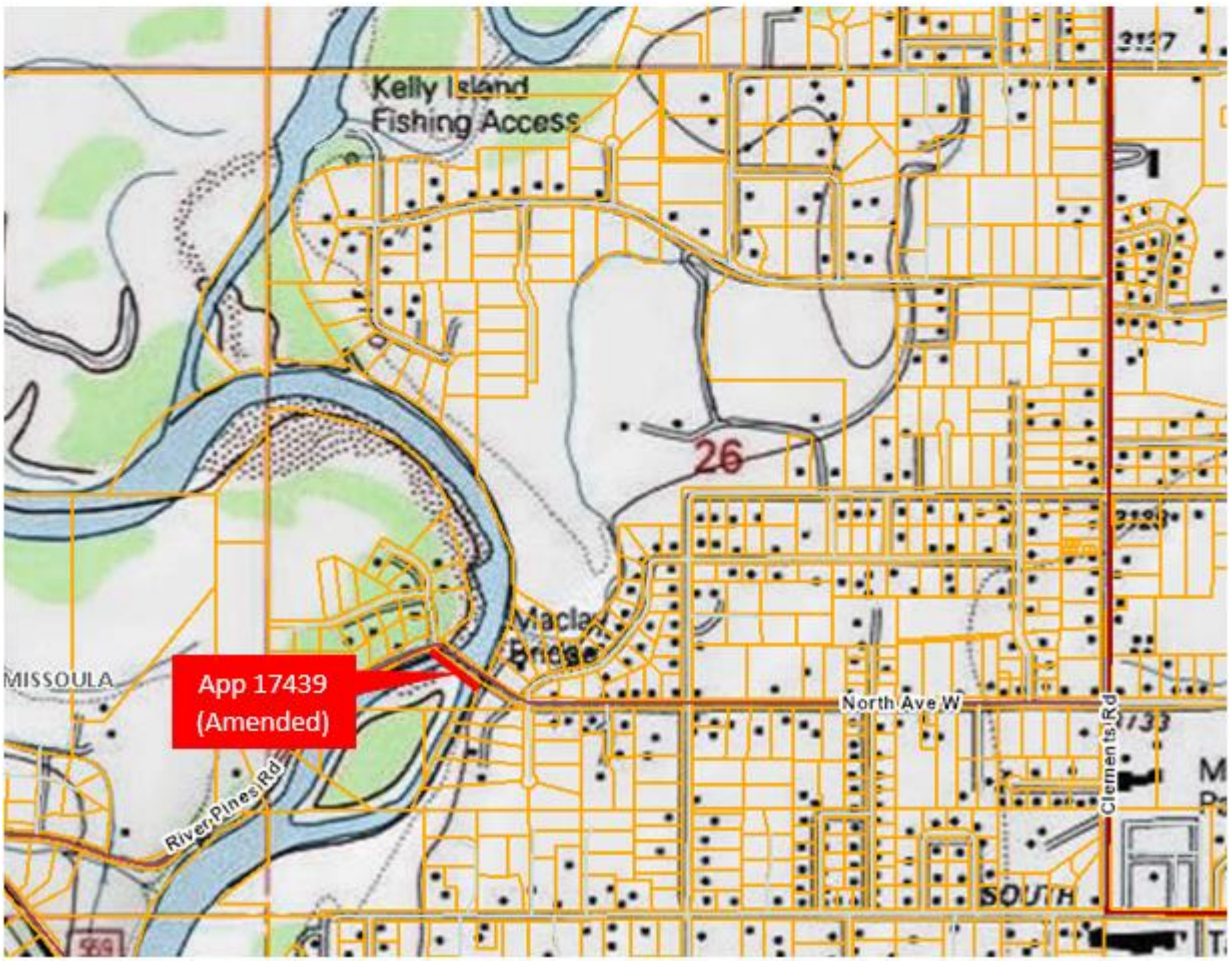
Item Summary

Northwestern Energy received a historic utility easement in 2017 to authorize an existing 4” natural gas pipeline suspended from the Maclay Bridge in Missoula. Due to the uncertainty associated with the proposed replacement of the bridge, and concerns related to continued maintenance on a one-lane bridge, Northwestern Energy is proactively requesting an amendment of their existing easement to relocate the pipeline under the riverbed. The pipeline will be directionally bored under the river to a depth of 15 feet, which is twice the estimated scour depth.

DNRC Recommendation

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

R/W Application 17438 (amended)



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Cotter Homestead LLC 4680 Last Straw Drive Helena, MT 59602
Application No.:	18932
R/W Purpose:	a private access road to access two (2) residential cabins and to conduct normal farming and ranching operations and timber management activities
Lessee Agreement:	N/A (Historic)
Acreage:	0.41
Compensation:	$369.00
Legal Description:	16-foot strip through SW4SW4, Sec. 16, Twp. 12N, Rge. 11W, Powell County
Trust Beneficiary:	Common Schools

Item Summary

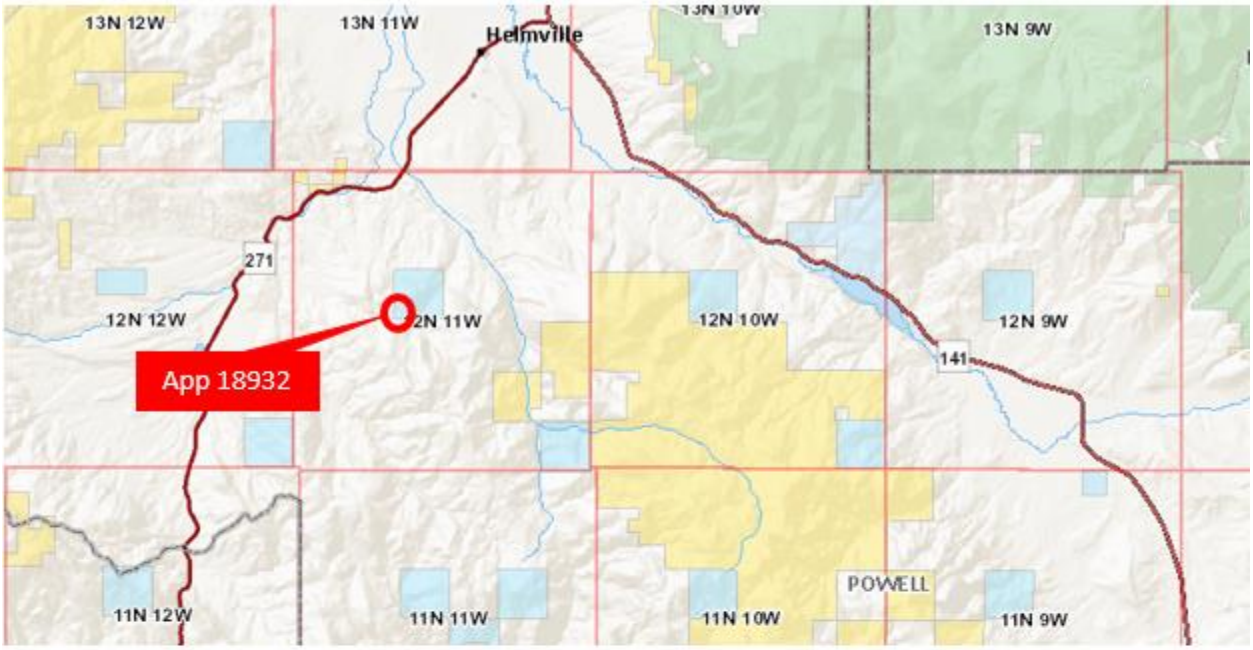
Cotter Homestead, LLC has made application for the use of an existing road to access two residential cabins, conduct normal farming and ranching operations and timber management activities. The road has been in place for many years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The State parcel affected has legal public access through County roads. The private property to be accessed is described as:

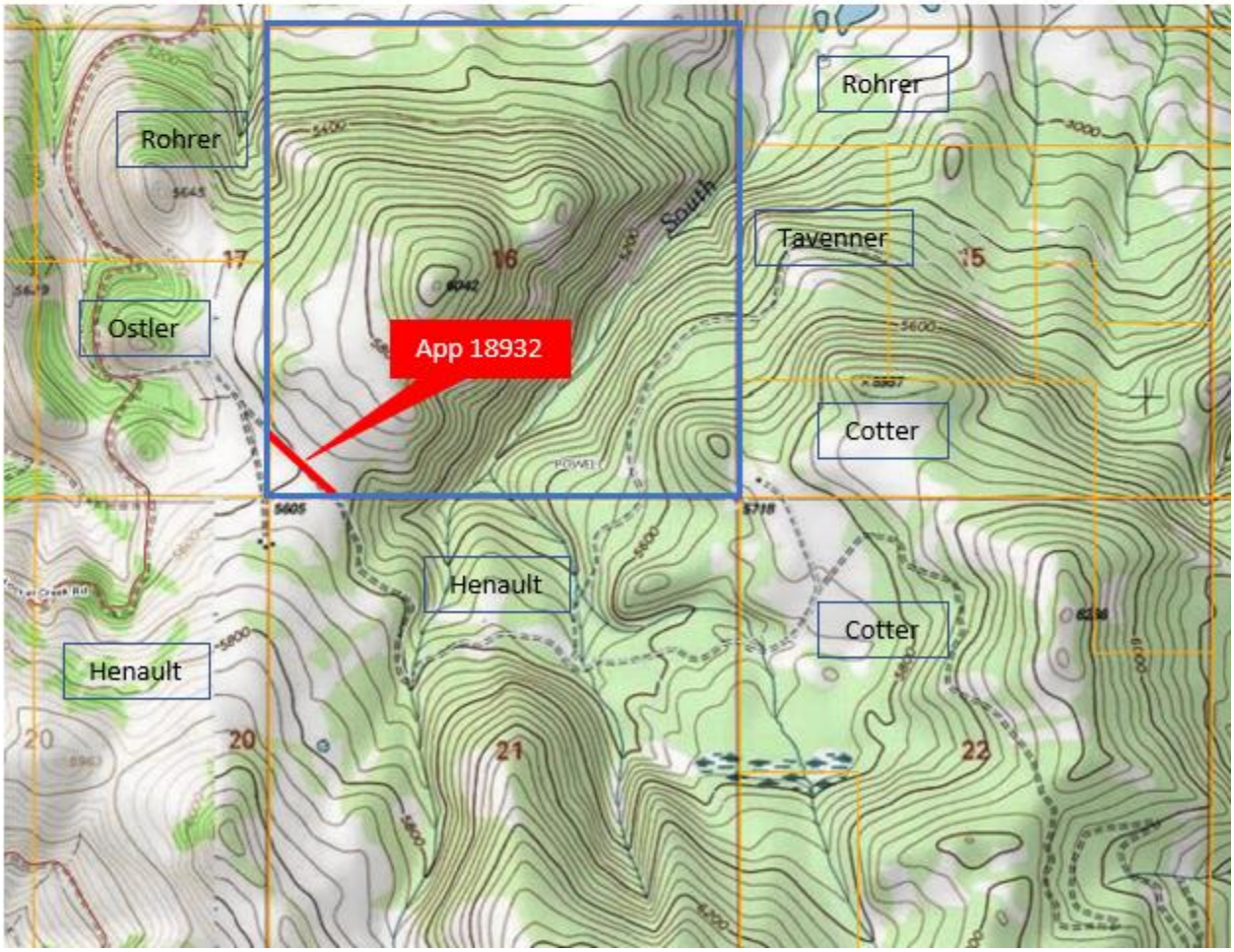
- S2SW4, SW4SE4, Sec. 15, Twp. 12N, Rge. 11W, Powell County
- Gov. Lots 1-4, SE4, E2SW4, Sec. 22, Twp. 12N, Rge. 11W, Powell County

DNRC Recommendation

The director recommends approval of the applications of Cotter Homestead, LLC.

R/W Application 18932





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Pettit Land LLC 110 E. 17th St. Hastings, MN 55033
Application No.:	18940
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:	4.13
Compensation:	$1,859.00
Legal Description:	30-foot strip through N2NE4, SW4NE4, NW4SE4, E2SW4, Sec. 36, Twp. 14N, Rge. 41E, Garfield County
Trust Beneficiary:	Common Schools

Item Summary

Pettit Land, LLC has made application for the use of an existing road to access two residents and associated outbuilding, 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 Department reviewed potential reciprocal opportunities, however the intervening private land owners between the nearest public road to the State Trust land will not grant access to the State. Pettit Land had received easements for access up to the State Trust Land decades ago, however, such easements do not allow for assignment of rights to others.

The private property to be accessed is described as:

Township 12 North, Range 41 East, P.M.M., Rosebud County
Sec. 1: E2

Township 12 North, Range 42 East, P.M.M., Rosebud County
Sec. 6: All

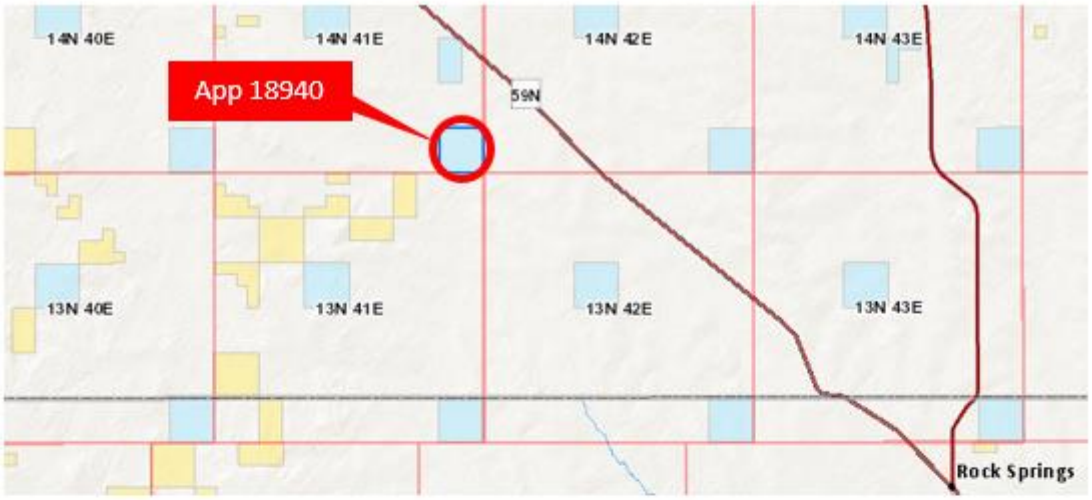
Township 13 North, Range 41 East, P.M.M., Garfield County
All or portions of: Secs, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34 & 35

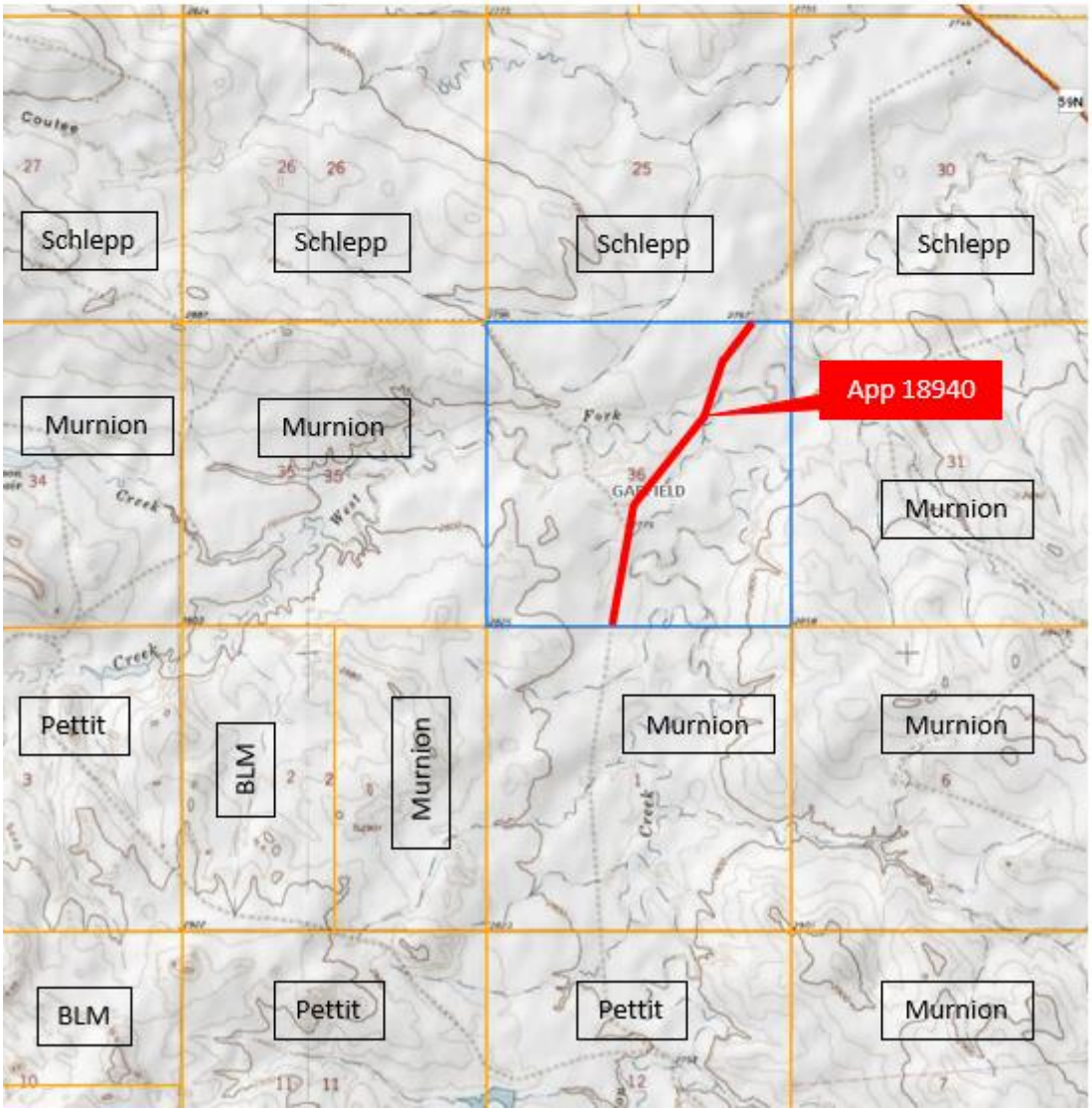
Township 14 North, Range 41 East, P.M.M., Garfield County
All or portions of: Secs. 19, 20, 29, 30, 31, 32

DNRC Recommendation

The director recommends approval of the applications of Pettit Land, LLC.

R/W Application 18940





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18941
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.95
Compensation:	$570.00
Legal Description:	16-foot strip through NE4SW4, NW4SE4, Sec. 20, Twp. 15N, Rge. 58E, Dawson County
Trust Beneficiary:	Common Schools

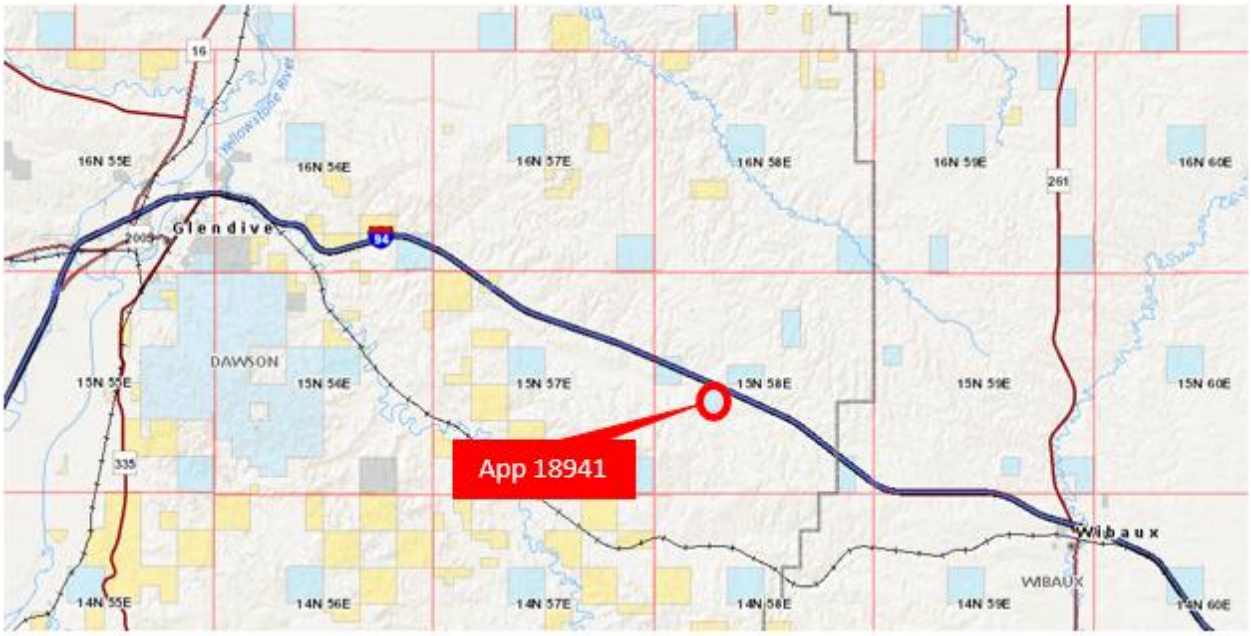
Item Summary

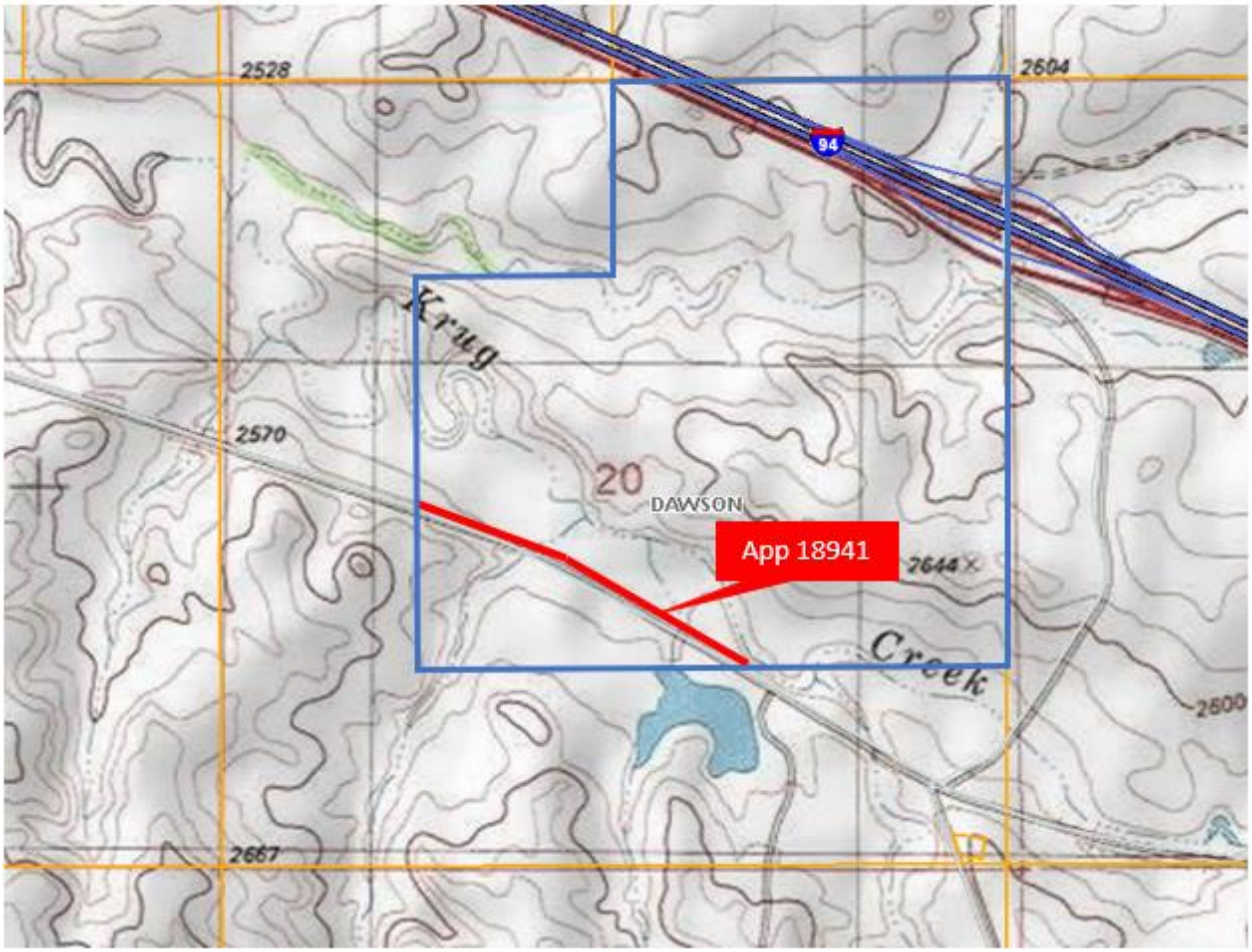
Mid-Rivers Telephone Cooperative is requesting easements to place fiber optic cable across State Trust land in rural Dawson county. The installation will provide a communications link between outlying areas of Dawson County. The selected route will follow the existing roadways and minimal impacts to the land is anticipated.

DNRC Recommendation

The director recommends approval of the application of Mid-Rivers Telephone Cooperative.

R/W Application 18941





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Mid-Rivers Telephone Cooperative PO Box 280 Circle, MT 59215
Application No.:	18942
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	0.34
Compensation:	$204.00
Legal Description:	16-foot strip through NE4NE4, Sec. 16, Twp. 15N, Rge. 57E, Dawson County
Trust Beneficiary:	Common Schools

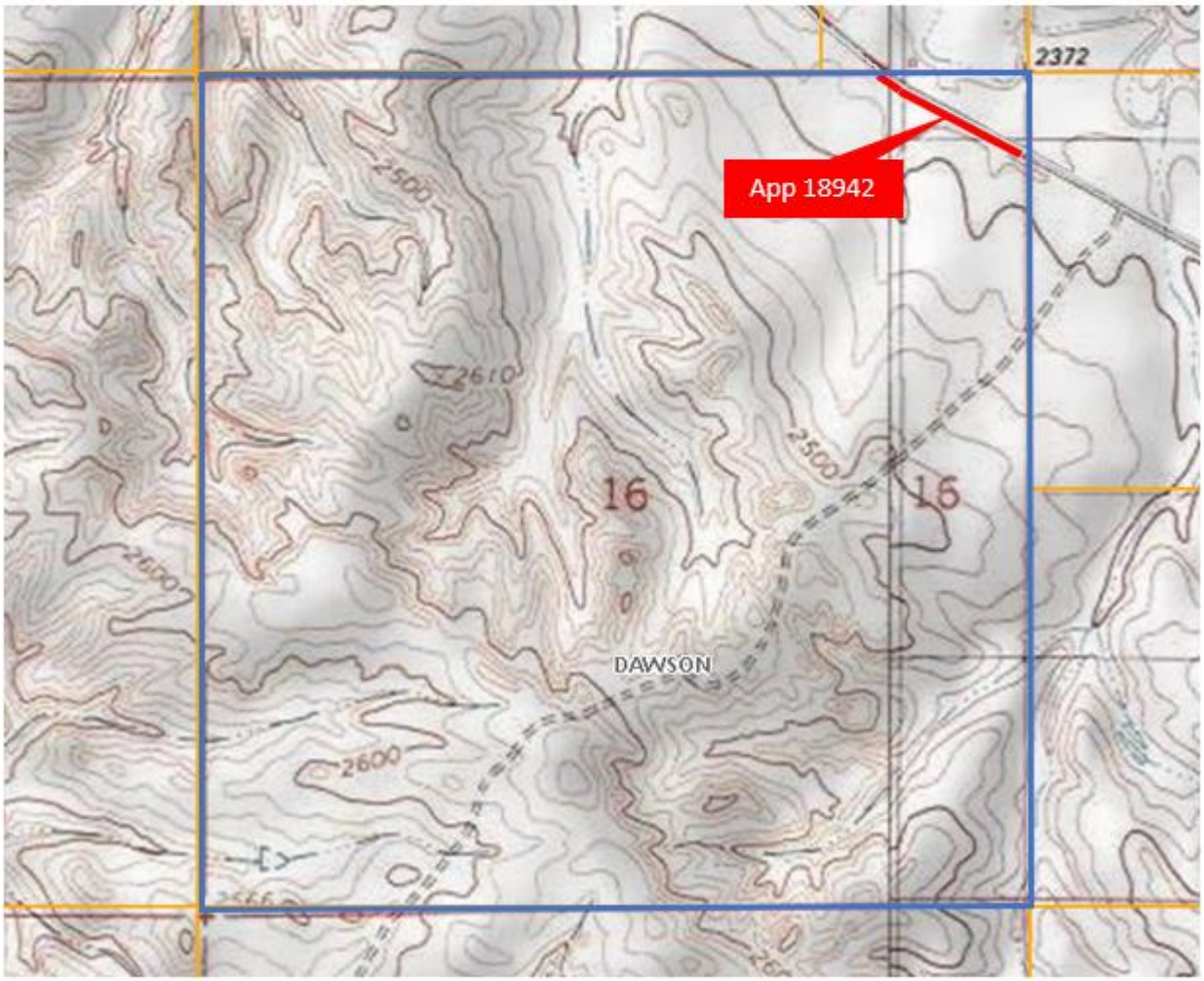
Item Summary

See page 78 for summary.

DNRC Recommendation

See page 78 for recommendation.

R/W Application 18942



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	United States Department of Agriculture Helena-Lewis & Clark National Forest 2880 Skyway Drive Helena, MT 59602
Application No.:	18955
R/W Purpose:	to use, manage, maintain, improve and repair an existing road for administrative access purposes to National Forest System lands
Lessee Agreement:	ok
Acreage:	9.04
Compensation:	$9,000.00
Legal Description:	60-foot strip through SE4NE4, N2SE4, E2SW4, SW4SW4, Sec. 26, Twp. 6N, Rge. 12E, Wheatland County
Trust Beneficiary:	Common Schools

Item Summary

The United States Department of Agriculture, Helena-Lewis & Clark National Forest has made application for two easements associated with an administrative motorized access easement and a public parking lot and non-motorized public access road across State Trust lands. The affected State Trust Land Section is legally accessible by the Big Elk Road, a County maintained access road. This easement request on State Land follows a reciprocal access agreement between the McFarland-White Ranch and the United States Forest Service (USFS) in which the Ranch provides public access into the Big Elk Creek drainage in the Crazy Mountains and the USFS provides the Ranch with access to inholdings on the National Forest. The proposed public access system across State and McFarland-White Ranch willl connect to Big Elk Creek Trail No. 640, which is designated as a non-motorized route on the USFS. Should the designation of Big Elk Creek Trail No. 640 change in the future to motorized uses the State easement will recognize that change in designation as well.

It is expected that the parking area and trail on State will see the most use from September through November associated with big game hunting. Incidental use from April through September is likely to occur with horseback and hiking enthusiasts. The parking area will be fenced and may be graveled to prevent vehicle rutting and provide an appropriate parking surface. It is anticipated that the parking area will accommodate 10 vehicles and/or trailers. No public camping will be allowed. Public scoping was conducted, with no comments received. Montana Environmental Policy Act (MEPA) analysis has determined minimal impacts will occur to the long-term productivity to grazing of the parcel.

DNRC Recommendation

The director recommends approval of the application of United States Department of Agriculture, Helena-Lewis & Clark National Forest

APPLICANTS AND RIGHTS OF WAY INFORMATION

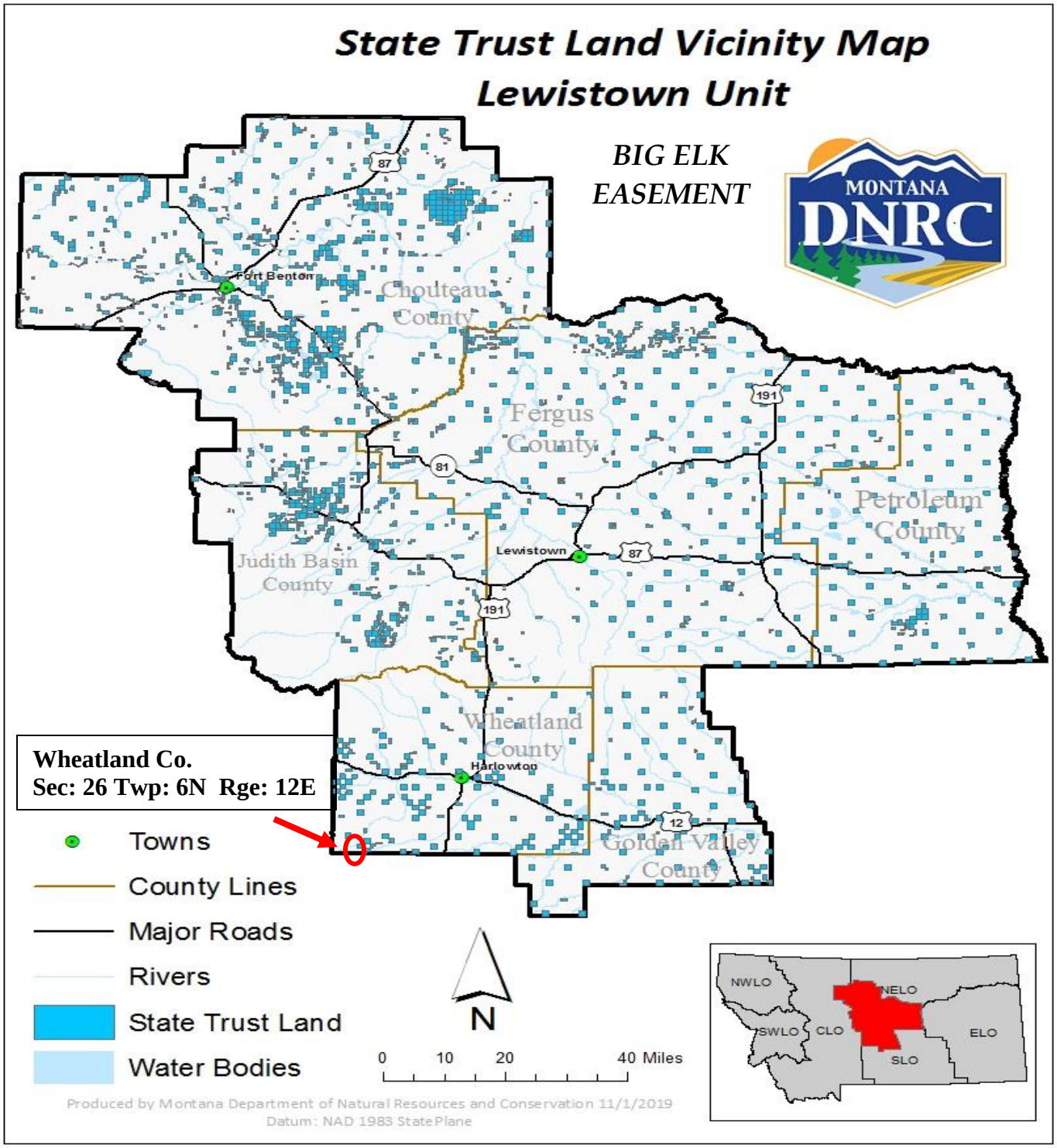
Applicant:	United States Department of Agriculture Helena-Lewis & Clark National Forest 2880 Skyway Drive Helena, MT 59602
Application No.:	18956
R/W Purpose:	to locate, construct, use, manage, maintain, improve and repair a public parking lot and public access road to National Forest System lands
Lessee Agreement:	ok
Acreage:	9.93
Compensation:	$10,000.00
Legal Description:	a tract of land in the NE4NE4 and a 60-foot strip through N2NE4, SW4NE4, SE4NW4, N2SW4, Sec. 26, Twp. 6N, Rge. 12E, Wheatland County
Trust Beneficiary:	Common Schools

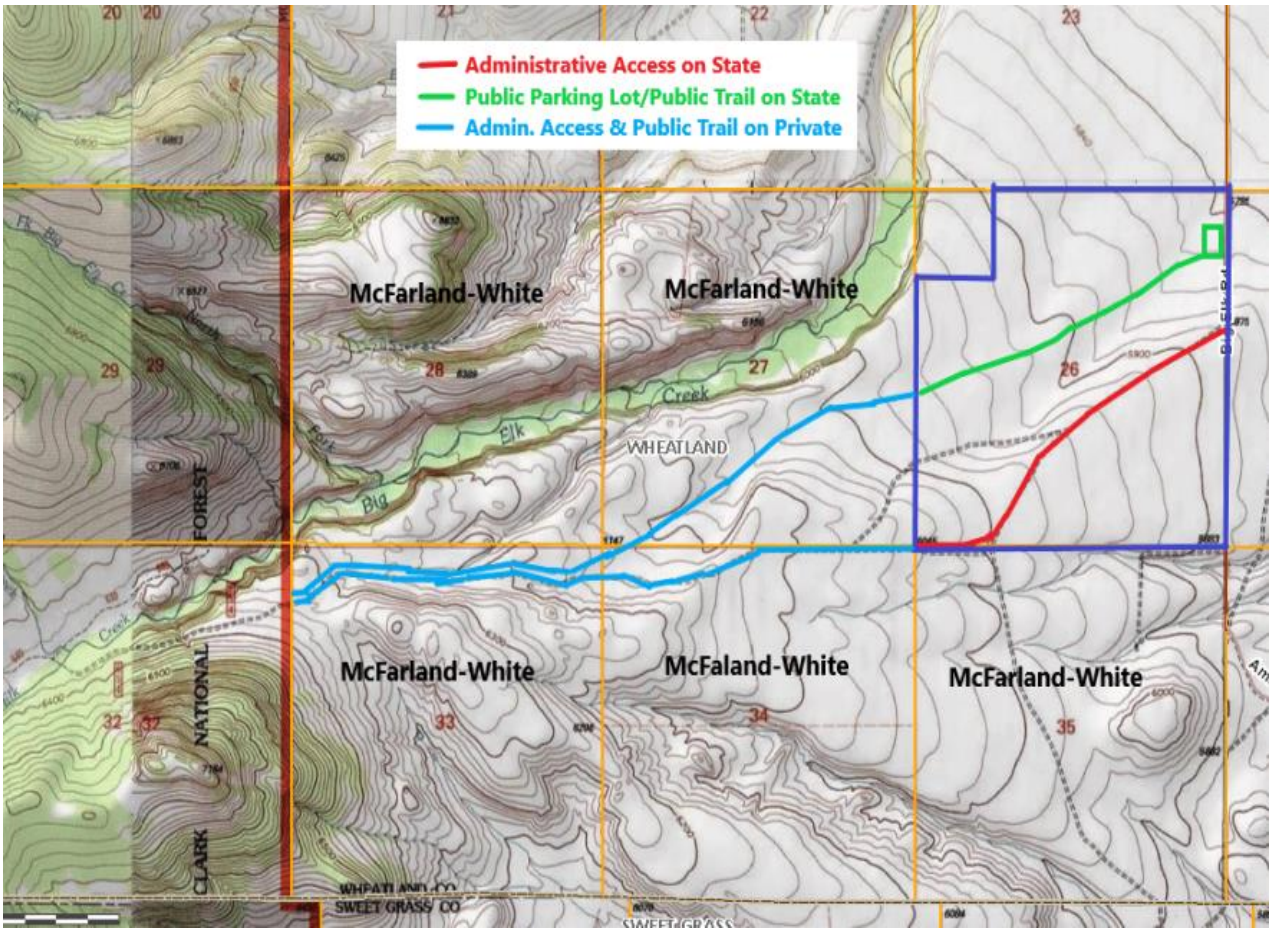
Item Summary

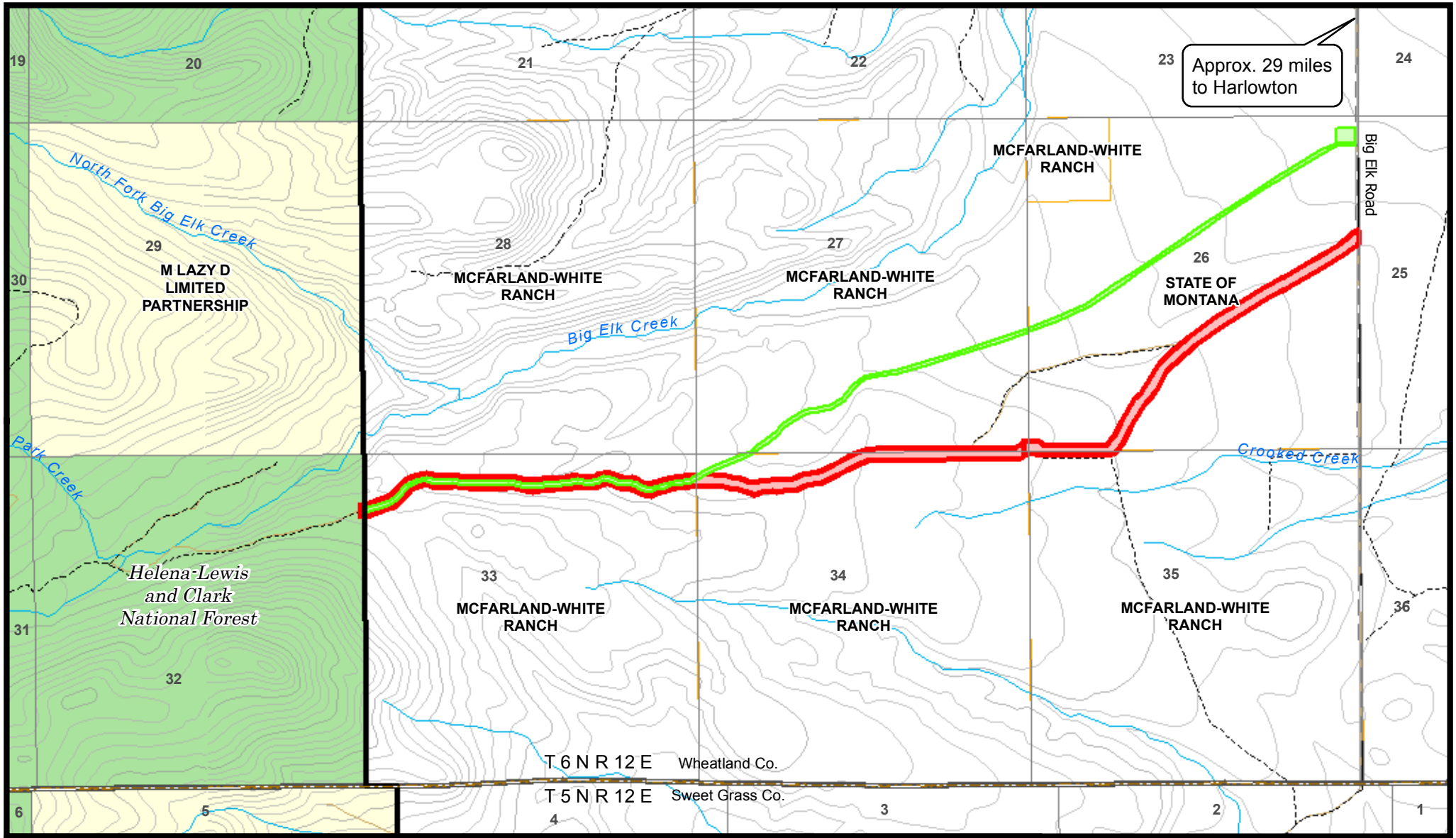
See page 82 for summary.

DNRC Recommendation

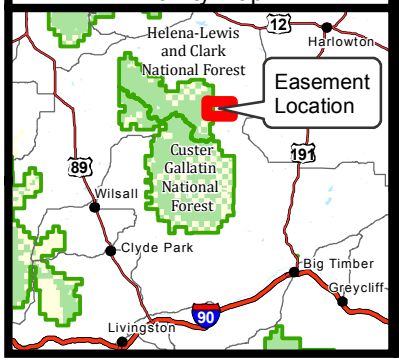
See page 82 for recommendation.


State Trust Land Vicinity Map
Lewistown Unit
BIG ELK
EASEMENT
MONTANA
DNRC
Fort Benton
Choteau County
Fergus County
Petroleum County
Judith Basin County
Lewistown
Wheatland County
Harlowton
Golden Valley County
87
191
81
12
Wheatland Co.
Sec: 26 Twp: 6N Rge: 12E
Towns
County Lines
Major Roads
Rivers
State Trust Land
Water Bodies
N
0 10 20 40 Miles
NWLO
NELO
SWLO
CLO
ELO
SLO
Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 StatePlane


Administrative Access on State
Public Parking Lot/Public Trail on State
Admin. Access & Public Trail on Private
McFarland-White
McFarland-White
McFarland-White
McFaland-White
McFarland-White
WHEATLAND
Creek
Elk
Big
Fork
FOREST
NATIONAL
CLARK
SWEET GRASS CO
20
21
22
23
26
27
28
29
32
33
34
35
37



Vicinity Map



References

NFS ownership, PLSS, and forest boundary from R1 Automated Lands Program. Roads, trails, hydrography, contours and placemark data from FS Enterprise Data Warehouse (EDW).

Disclaimer

The USDA Forest Service makes no warranty, expressed or implied regarding the data displayed on this map, and reserves the right to correct, update, modify, or replace this information without notification.

- Road Easement for Admin Use Only
- Trail and Parking Lot Easement Open to Public Use
- National Forest System Land
- Other Land Inside Forest Boundary
- Administrative Unit Boundary

0 0.25 0.5 1 Miles

Map Date: 8/21/2020

Big Elk Creek Easements

Easements across State of Montana lands in:
Section 26.
Easements across McFarland-White Ranch lands in:
Sections 27, 33, 34.
PMM, T. 6 N., R. 12 E.
Wheatland County, Montana

U.S. Forest Service - Northern Region
Helena-Lewis and Clark National Forest
Belt Creek-White Sulphur Springs Ranger District
Montana At-Large U.S. Congressional District

0820-5

ELMO STATE PARK-RESCIND STATE PARK DESIGNATION

Land Board Agenda
Item August 26, 2020

0820-5 ELMO STATE PARK – RESCIND STATE PARK DESIGNATION

Location: Flathead County

Trust Benefits: Common Schools

Trust Revenue: N/A

Item Summary:

State Trust Land at Elmo, described as Government Lots 5 and 6 of Section 18, Township 24 North, Range 21 West, was leased by Department of Fish, Wildlife and Parks (DFWP) and operated as the Elmo State Park until the late 1990s. It was later operated by DFWP as a fishing access site. Due to the rising cost of the lease, DFWP notified The Department of Natural Resources and Conservation (DNRC) in February 2020 that they did not desire to renew the existing lease for the fishing access site and were relinquishing all interest in the site.

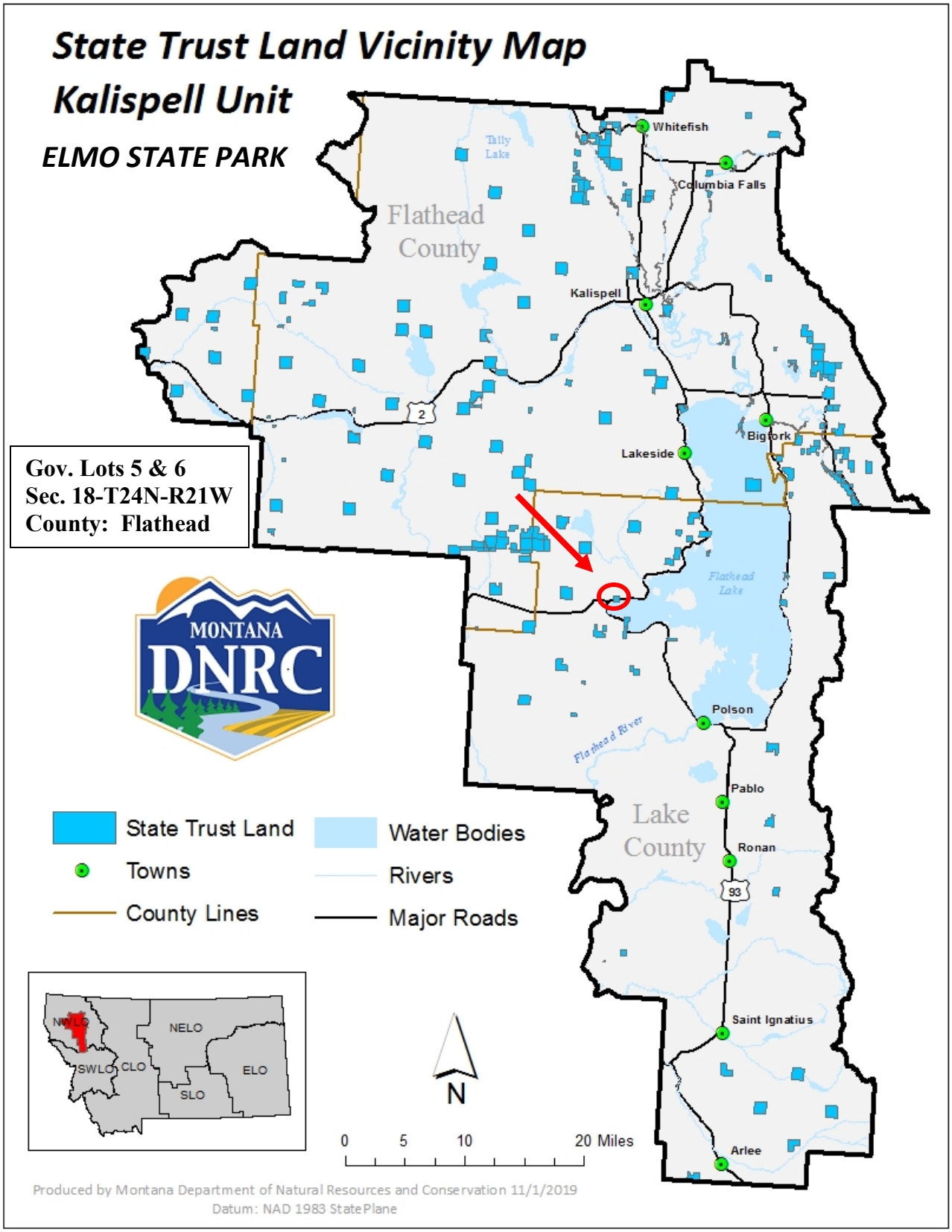
While reviewing options for future uses of this parcel it was discovered that at the request of the Department of Fish and Game, now DFWP, Government Lots 5 and 6 were designated as an exclusive State Park by the Land Board at the April 13, 1966 meeting pursuant to Revised Codes of Montana, §62-312 (now codified as §23-1-103, MCA). A copy of the 1966 minutes is attached. Although designated as a State Park, the only legal authorization and compensation for said use have been through various lease/license agreements. In the absence of those agreements, the designation is a hinderance to other revenue generating opportunities.

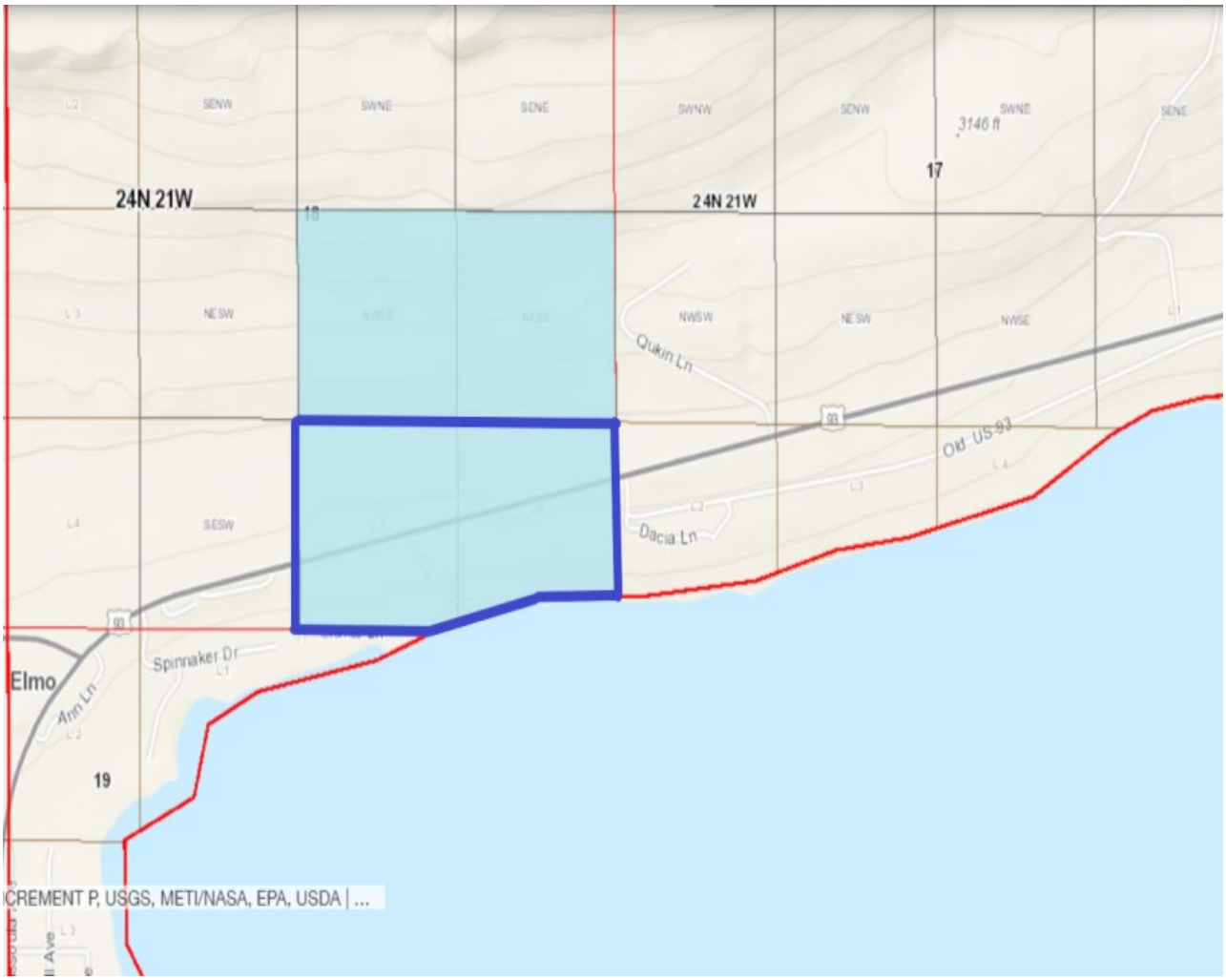
Currently, the DNRC is working with Lake County to maintain this public access to Flathead Lake and we hope to arrive at a permanent solution with the County and/or other partners through an easement. There have also been inquiries from other parties for the area which could lead to other revenue generating opportunities. The designation of the parcel as a State Park could lead to complications if the DNRC were to approve any future uses, resulting in lost opportunities for revenue to the Trust.

In order for the DNRC to effectively manage the Trust land formerly occupied by the Elmo State Park now that DFWP has no authorizing interest in the site, it is necessary for the Land Board to rescind the 1966 designation of Government Lots 5 and 6 for exclusive State Park purposes.

Recommendation:

The director recommends the Land Board rescind the designation of Government Lots 5 and 6 of Section 18, Township 24 North, Range 21 as an exclusive State Park.


State Trust Land Vicinity Map
Kalispell Unit
ELMO STATE PARK
Gov. Lots 5 & 6
Sec. 18-T24N-R21W
County: Flathead
MONTANA
DNRC
Whitefish
Columbia Falls
Flathead County
Kalispell
Lakeside
Bigfork
Flathead Lake
Polson
Flathead River
Pablo
Lake County
Ronan
93
Saint Ignatius
Arlee
Tally Lake
2
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


24N 21W
18
24N 21W
17
3146 ft
Qukin Ln
Old US 93
Dacia Ln
Spinnaker Dr
Elmo
19
CREMENT P, USGS, METI/NASA, EPA, USDA | ...

STATE LAND BOARD
Papers No 1063

MINUTES
REGULAR MEETING OF STATE BOARD OF LAND COMMISSIONERS
Wednesday, April 13, 1966, at 2:00 P.M.
In Governor's reception room

PRESENT: Governor Tim Babcock; Superintendent of Public Instruction Harriet Miller; Attorney General Forrest H. Anderson; Harry V. Nichols, Acting Commissioner.

ABSENT: Secretary of State Frank Murray.

BUSINESS CONSIDERED:

Mr. Anderson moved that the minutes of the regular meeting of March 9 and the special meeting of March 30, be considered read and approved as read. Seconded Miss Miller. Unanimous.

1. RENEWAL LEASE NO. 43098 - E½, SW¼, Sec. 36, Twp. 2N, Rge. 20E
(Held over from March 9th meeting)

Lessee - R. S. Company, Inc., Rapelje, Montana
Bidder - Ernest N. Lutgen, Rapelje, Montana

The R. S. Company, Inc., a family corporation, appeared through its attorney, Mr. Louis Forsell, to support the bid of Robert S. Bradbrook, principal owner of the corporation. The Deputy Commissioner verified that adequate notice and opportunity to be heard had been given to bidder, E. N. Lutgen, of Rapelje, whose reply by letter dated March 3, 1966, saying they would not appear, was examined by the board.

Mr. Forsell submitted the following grounds in support of the one-fourth crop bid of R. S. Company, Inc.

The R. S. Company acquired the lease by assignment in 1965 from Alfred and Betty Nelson and took over after the crops were in; production from the land has been sporadic and erratic for the last six years and it has been poorly managed for years with very little summerfallow and weed control, and no effort at irrigation; R. S. Company has sprayed the land to control the extensive growth of wild oats and weeds; among other things it has been cultivated and has seen the first real effort at fertilization in about six or seven years; fertilizer at 45 pounds per acre has been applied; this year's seed has been treated with Seed-Growth to strengthen roots and retard smut; two wells have been drilled for increased productivity and the fences have been repaired. The established production record of the present lessee is 36.6 bushels of wheat per acre on adjoining lands while Mr. Lutgen's record is unavailable; the County average is 28 bushels; the lessee's yield has been proved to qualify for federal benefits. The land has deteriorated terribly and will require two to three years to make it productive. Lutgen does not own land. On the contrary the lessee Bradbrook owns contiguous land and is an experienced farmer of 17 years. He has made substantial improvements though he has had the lease less than one year. The yield was nine bushels per acre when he took over and he feels it will equal the standards of nearby lands within three years. The present lessee is now paying a one-fourth crop share and it was submitted that the state will receive more from Mr. Bradbrook than from Mr. Lutgen when the land becomes productive. Mr. Forsell offered a letter from the Assistant Vice-President of the Yellowstone Bank, and agricultural representative and loan specialist, stating his opinion that one-fourth of the crop is all a landowner can get in this area under the present economy; thus one-third is not equitable and must be changed if share crop farmers and landowners are to continue in sound and honest business in that area.

Mr. Anderson stated as follows: The competitive bidders in this case were given adquate notice and opportunity to be heard. Mr. Lutgen submitted a bid of one-third crop share against the one-fourth share of the present lessee. However, Mr. Lutgen chose to disregard the invitation to appear and the Commissioner has his letter in the file which states: "P.S. Don't look for me in Helena." Thus, there has been no showing to support the Lutgen bid. On the contrary the present lessee has appeared by its attorney and has made a remarkable showing in support of its bid. On this record it appears clear that with the present lessee the state and the trust will be better served financially and the land will receive a quality of care which will be commensurate with the purposes of the trust. The land is in trust for education and the well being of the people. The board's discretionary power requires that it make its decisions to secure the largest measure of legitimate and reasonable advantage to the state, and the granting of a lease may not be considered only ministerial in nature. We must get full market value and in these agricultural lease cases the best tests are the value of similar nearby leases, or community value, coupled with the farmers' ability. Ohter necessary factors should be considered and we must secure as large a return as possible, yet preserve the productive capacity of the land. A recent decision of our Spremem Court states that in this setting the usual willing buyer - willing seller test has little application. As trustees our duty to the public is higher than that of an ordinary businessman and we may not speculate hoping to receive a higher return for leased land. We must secure a sustained income which will continually benefit the general public. Thus, it is our duty to get the best lessees possible so that the state may receive the maximum return with the least injury to the land. The board must consider all these factors and in exercising its discretion the final decision must not be arrived at arbitrarily nor capriciously. Here, since the competitor has not even appeared there is no question of similarity in the quality of the bidders. Also the evidence that the competing bid is above the economic community standard is uncontradicted in this record. There is considerable discrepancy in the bids and bidders, and we must therefore, determine what will most benefit the public from all the factors and variables. Formal notice and opportunity to be heard was given in fairness to all bidders, but Mr. Lutgen has chosen not to appear. Therefore, on this evidence, I move that his bid be denied and the bid of R. S. Company be accepted with the exception that it shall be changed to meet the high bid for the portion of the land which is grazing in nature. Seconded Miss Miller. Unanimous.

2. REQUEST BY ALVIN D. BITZ, HAVRE, FOR RECONSIDERATION OF THE BOARD'S ACTION OF DECEMBER 20, REJECTING HIS APPLICATION TO PURCHASE SEC. 16, TWP. 31N, RGE. 12E (Mr. Bitz attended the meeting in support of his bid)

Mr. Anderson stated that the policy of the board is to sell isolated pieces of land where management problems exist, and that he was not for selling land.

Mr. Anderson moved that the petition be denied for the reason a rehearing is generally based on new facts or information which are not offered in support of this request. Seconded Miss Miller. Unanimous.

3. REQUEST BY FISH AND GAME COMMISSION THAT TWO TRACTS OF STATE LAND BORDERING FLATHEAD LAKE BE SET ASIDE AS STATE PARKS UNDER THE PROVISIONS OF SECTION 62-312, R.C.M. 1947

Mr. Ralph Cooper and Mr. Wesley Woodgerd attended the meeting and presented the request of the Fish and Game Department.

The State Fish and Game Department is presently the holder of two leases on land being utilized for state park purposes bordering Flathead Lake. One lease comprises 48.68 acres and is at the site of Flathead Lake State Park. The other lease is newly acquired comprising 37.14 acres and the Park Department contemplates development of the area near Dayton, Montana, part of Lots 5 and 6, Section 18, Township 24 North, Range 21 West.

In view of the fact that part of the development is to be financed by the Bureau of Outdoor Recreation, a federal agency, they require that the Fish and Game Department show control of the land for a minimum of twenty-five years. The meximum term of lease that can be granted by this department is ten years which is not adquate for their purposes.

In view of the extreme need for public recreation areas adjoining Flathead Lake, it is recommended that the board give consideration to granting this request if possible under the laws of the State of Montana.

Mr. Anderson moved that by reason of the authority vested in the State Land Board under the provisions of Section 62-312, R.C.M. 1947 -

> That portion of Lots numbered Five (5) and Six (6) in Section Eighteen (18) of Township Twenty-four (24) North of Range Twenty-one (21) West of the Montana Principal Meridian, lying south of U. S. Highway Number 93 -

be set aside for Elmo State Park, and that -

> Lots numbered Five (5), Six (6) and Seven (7) in Section Twenty-nine (29) of Township Twenty-four (24) North of Range Twenty-one (21) West of the Montana Principal Meridian, save and except a parcel of land west of the Flathead Lake shore 200 feet in width, running north and south through said Lots which was previously set aside for State park purposes by the State Board of Land Commissioners -

be set aside for Flathead Lake State Park, to be used for recreational and educational purposes, and that the management of these parks be placed in the agency responsible for the management of State Parks pursuant to Section 62-304, R.C.M. 1947. Seconded Miss Miller.. Unanimous.

4. REQUEST BY U. S. GOVERNMENT TO PURCHASE ADDITIONAL STATE LAND FOR AMISSILE LAUNCHING SITE

The United States of America, Corps of Emgineers, Seattle Real Estate Divison, requests the sale of the following tract. This acreage will be in addition to the lands patented to them in November, 1961 and February, 1962:

TETON COUNTY

A tract lying in the SE¼NE¼, Sec. 36, Twp. 27N., Rge. 1W., containing 5.59 acres, appraised at $319.32 per acre.

(Commissioner recommends sale.)

Mr. Anderson moved that the request of the U. S. Government to purchase a tract lying in the SE¼NE¼, Section 36, Township 26 North, Range 1 West, containing 4.59 acres, appraised at $319.32 per acre be approved. Seconded Miss Miller. Unanimous.

5. REQUEST BY THE STATE FORESTER FOR AUTHORITY FOR TIMBER SALE IN FLATHEAD COUNTY

The following letter, dated March 21, 1966, was received from the State Forester:

"We have prepared a management cut of timber which has been estimated and appraised as follows:

Flathead County - Sections 16, 18, 19, 20, 21, 28, T33N, R23W
Sections 2, 3, 10, 11, 12, 13, 24, T33N, R24W

M bd. ft.	Species	@ per M bd. ft.	Stumpage Value	Total Value
659 M	White pine	$18.75	$12,356.25	
1 M	ponderosa pine	17.23	17.23	
5,231 M	larch	9.40	49,171.40	
2,675 M	Douglas fir	9.40	25,145.00	
1,479 M	spruce	5.65	8,356.35	
275 M	lodgepole pine	4.55	1,251.25	
664 M	cedar	2.45	1,626.80	
386 M	white fir	2.75	1,061.50	
162 M	dead	2.00	324.00	
				$99,309.78

In addition to stumpage, there will be a brush disposal charge of $2.50 per M bd. ft. and $1.10 per M bd. ft. for timber stand improvement on all green timber cut.

It is my recommendation that this sawtimber be advertised for sale at not less than the appraised stumpage rates upon the Land Board's approval of the sale."

Mr. Anderson moved approval of timber sale as outlined in letter of March 21, 1966. Seconded Miss Miller. Unanimous.

6. INVESTMENTS - Public Employees' Retirement system

Letters dated March 21, 1966:

"The Investment Committee of the Montana State Game Wardens' Retirement Board, at its last meeting, considered the various offerings available for its consideration and you are advised herewith that it selected the following railroad equipment certificates subject to the approval of the State Board of Lands and Investments, and in accordance with the provisions of Section 79-1202, RCM, 1947:

A. D. A. Davidson & Company, Helena, Montana:

Great Northern Railway Co. 5 1/4% Railroad Equipment Trust Certificate AA-Rated,
May 1, 1972 Maturity to yield 5.45%. $25,000.00

Adequate funds are available for the payment of the above railroad equipment trust certificates upon your approval and their delivery."

"The Investment Committee of the Board of Administration, at its last meeting, considered the various offerings available for its consideration and you are advised herewith that it selected the following federally guaranteed mortgage loans and FNMA Participation Certificates subject to the approval of the State Board of Lands and Investments, and in accordance with the provisions of Section 79-1202, RCM, 1947:

A. Union Bank & Trust Co., Helena, Montana:
(FHA 5 1/4% Guaranteed Real Estate Mortgage Loans)

	Mortgagor	Balance	Offered at	Mortgage Date	Maturity Date
1.	Bishop, James L.	$16,542.23	.95	12-1-65	12-1-95
2.	Clark, John F.	15,196.72	.95	6-24-65	7-1-90
3.	DesLauriers, A. O.	13,885.25	.95	7-13-65	10-1-90
4.	Fischer, Roy L.	16,483.69	.95	9-1-65	9-1-95
5.	Gollmeyer, Robert E.	13,157.01	.95	7-20-65	1-1-91
6.	Hall, Arthur J.	12,459.29	.95	12-13-65	1-1-91
7.	Hefner, Charles Z.	11,009.00	.95	9-23-65	10-1-90
8.	Hendershot, Earl E.	11,126.72	.95	10-20-65	11-1-90
9.	Ibey, Daniel P.	15,887.47	.95	6-28-65	7-1-90
10.	Jones, Wallace E.	14,928.90	.95	12-15-65	1-1-86
11.	O'Donnell, Francis E.	10,964.34	.95	12-14-65	1-1-91
12.	Piper, Glenn M.	15,947.89	.95	12-3-65	1-1-91
13.	Stewart, Wallace W.	16,120.68	.95	11-24-65	12-1-90
14.	Stalnaker, Walter R.	13,908.40	.95	5-21-65	11-1-90
15.	Steuteville, John R.	13,958.08	.95	10-11-65	11-1-90
16.	Thompson, Amos	17,414.31	.95	11-8-65	12-1-90
17.	Ullam, Cecil N.	16,602.71	.95	9-14-65	10-1-95
		$245,591.69			

B. Francis I. Dupont Company, San Francisco, California:

Federal National Mortgage Association Certificates, April 1, 1977
Maturity, at 5.45 % yield. $200,000.00

C. Eastman, Dillon Co., Chicago, Illinois:

Federal National Mortgage Association Certificates, April 1, 1977
Maturity at 5.45% yield. 30,000.00

Adequate funds are available to pay for the above federally guaranteed real estate mortgage loans and Federal National Mortgage Associaton Certificates upon your approval and the proper delivery and/or assignment of the same."

Mr. Anderson moved Board concur in Commissioner's approval of investments by Public Employees' Retirement System. Seconded Miss Miller. Unanimous .

7. INVESTMENTS - MONTANA TRUST & LEGACY FUND AND COMMON SCHOOL INTEREST & INCOME FUND

INVESTMENT: MONTANA TRUST & LEGACY PERMANENT ACCOUNT

Balance as of March 1, 1966		$66,702.37
Amount Invested:		65,000.00
Purchased: March 9, 1966		
5% Federal Land Bank Bonds due 2-24-76		
Price 99.9375	$64,969.53	
Accrued Interest:	225.69	
Commission:	40.63	
Total Cost	$65,235.85	

Net Interest for 1966 $2,980.68

Interest per annum to maturity $3,250.00

7. INVESTMENTS - MONTANA TRUST & LEGACY FUND AND COMMON SCHOOL INTEREST & INCOME FUND - continued

INVESTMENT: COMMON SCHOOL INTEREST & INCOME ACCOUNT

Balance as of 3-1-66		$380,345.60
Amount Invested:		360,000.00
Purchased: March 3, 1966		
U. S. Treasury Bills due 1-31-67		
Price: 95.645833	$344,325.00	
Accrued Interest:	-----	
Commission:	168.75	
Total Cost	$344,493.75	
Total Yield:	$15,675.00	
Less Commission:	168.75	
Net Yield to Fund	$15,506.25	

(Commissioner requests approval)

Mr. Anderson moved approval of investments of Montana Trust & Legacy and Common School Interest and Income Funds. Seconded Miss Miller. Unanimous.

8. REQUEST FOR CONFIRMATION OF COMMISSIONER'S ACTION IN APPROVING DIVISION ORDERS FOR CHARLES W. AUSTIN AND SHELL OIL COMPANY

The Attorney General has prepared a form of division order and the Land Board has directed the Land Office t9 use it in all cases. Is it necessary, therefore, that each individual division order be presented to the Board? State leases are getting into good production and interest from royalty payments will make a substantial showing on this year's revenue.

The Commissioner, in an emergency, signed a division order for Chas. W. Austin which resulted in royalty payments to date of $26,158.39 and also relieved a bad financial situation for Mr. Austin. He also signed a division order for Shell Oil Company, which assures payment of at lease $15,000. with that company's March payment. The two leases upon which division orders were approved are Chas. W. Austin, Lease No. 1793-46 and Shell Oil Company, Lease No. 4501-56.

Mr. Anderson moved confirmation of Commissioner's action in approving divisiin orders for Charles W. Austin and Shell Oil Company. Seconded Miss Miller. Unanimous.

9. COMMISSIONER REQUESTS AUTHORITY TO APPROVE DIVISION ORDERS AND SUBMIT TO LAND BOARD FOR CONFIRMATION

Mr. Anderson moved that Commissioner's request for authority to approve division orders to be submitted to the Board for confirmation, be approved. Seconded Miss Miller. Unanimous.

10. REQUEST BY MR. MURRAY FOR FIELDMAN's REPORT ON RUFFCORN LEASES

A copy of report by Deputy Field Agent, Frank Scott, concerning his investigation of M. K. Ruffcorn's Lease No. 46953, Section 3, Township 33 North, Range 40 East, and also a compiled report covering years 1961 through 1965 on per wheat acre average on bushels and income, were presented for information.

No action taken.

11. APPROVAL OF LEASEHOLD SUBORDINATION AGREEMENTS

Mr. Anderson moved approval of Leasehold Subordination Agreements as requested. Seconded Miss Miller. Unanimous.

12. APPROVAL OF RIGHT OF WAY APPLICATIONS

Appl. No.		Acreage	Compensation
Applicant:	U. S. Forest Service, Libby, Montana Right of Way for Road		
6175	SW¼SE¼, Sec. 22-30N-29W Lincoln County Written consent on file	.693	$10.00
Applicant:	U. S. Corps of Engineers, Seattle, Wash. Right of Way for Airforce Facilities		
6176	NE¼, N½SE¼, Sec. 36-26N-1W Teton County	84.68 5.73 used bal. restrictive	1,555.00
6177	E½SE¼, Sec. 36-28N-1W Pondera County	6.33	100.00
	Written consents on file		
Applicant:	Mountain States Tel. & Tel. Co., Helena, Montana Right of way for Telephone Pole Line		
6178	N½SW¼, Sec. 30-12N-3W Lewis & Clark County	0.76	15.20
	Written consent on file		

12. APPROVAL OF RIGHT OF WAY APPLICATIONS - continued

Appl. No.		Acreage	Compensation
Applicant:	State Highway Commission, Helena, Montana Right of Way for State Highway		
6179	SE¼SW¼, SW¼SE¼, Sec. 16-30N-28E Phillips County	11.78	$471.20
	Written consent on file		
Applicant:	Bureau of Land Management, Missoula, Montana Right of Way for Road		
6180	SE¼SW¼, SW¼SE¼, Sec. 23-12N-14W Missoula County	4.63	75.83
6181	NE¼NE¼, Sec. 27-13N-14W Missoula County	0.37	6.06
6182	NW¼NW¼, Sec. 26-13N-14W Missoula County	4.22	69.12
	Written consents on file		

Mr. Anderson moved approval of right of way applications providing written consents are on file. Seconded Miss Miller. Unanimous.

Meeting unanimously adjourned.

APPROVED: Tim Babcock
President

ATTESTED: Mons Teigen
Secretary

STATE LAND BOARD
Misc. Paper No. 1064

MINUTES
REGULAR MEETING OF THE STATE BOARD OF LAND COMMISSIONERS
Wednesday, May 11, 1966, at 2:00 P.M.
In Governor's reception room.

PRESENT: Governor Tim Babcock; Superintendent of Public Instruction Harriet Miller; Secretary of State Frank Murray; Attorney General Forrest H. Anderson and Commissioner and Ex-officio Secretary Mons L. Teigen.

BUSINESS CONSIDERED:

Mr. Anderson moved that the minutes of April 13 be considered read and approved as read. Seconded Mr. Murray. Unanimous.

2. APPLICATION OF IVANHOE PETROLEUM CORPORATION (MRS. R. P. OLIVER) FOR EXCHANGE OF LEASE NO. 2033-48 UNDER PROVISIONS OF SECTION 81-1708 R.C.M. 1947 Mrs. R. P. Oliver and her attorney, James M. Haughey, attended meeting, presenting written application.

Application of Mrs. R. P. Oliver for exchange of her lease No. 2033-48 for one written on the current lease form. This is a producing lease, the term of which will expire February 11, 1968.

Mr. Anderson moved that the ~~application~~ request of the Ivanhoe Petroleum Corporation (Mrs. R. P. Oliver) as presented by Mr. Haughey, for the exchange of Lease No. 2033-48 be approved subject to the terms outlined in the application and a new lease issued accordingly. Seconded Miss Miller. Unanimous.

1. APPLICATION OF CHARLES W. AUSTIN FOR EXCHANGE OF HIS LEASE NO. 1793-46 UNDER PROVISIONS OF SECTION 81-1708, R.C.M. 1947

Application of Charles W. Austin for exchange of his lease No. ~~1793-6~~ 1793-46 for one written on the current lease form. This producing lease will expire July 10.

Mr. Raymond K. Peete, Attorney, attended the meeting and offered to pay the State of Montana $50 per acre or a total of $4000.00 for the exchange of the segregated Montana State Oil and Gas Lease No. 1793-46-B covering Township 37 North, Range 4 West, Toole County, Montana, Section 17, W½SE¼, for a new lease which would only change the term in accordance with Montana Statute 81-1708 R.C.M. 1947 and as amended.

Mr. Anderson moved that the offer made by Mr. Austin through his counsel Mr. Raymond K. Peete, be approved and adopted, and a new lease be entered into accordingly. Seconded Miss Miller. Unanimous.

7. RESOLUTION REQUESTING BUREAU OF LAND MANAGEMENT FOR REVOCATION OF TOWNSITE WITHDRAWAL AND LIEU SELECTION OF 7.95 ACRES NEAR WEST YELLOWSTONE MONTANA Mr. Michael Kennedy, Director of the Historical Society attended the meeting.

The Montana Historical Society has an opportunity to acquire the depot and other buildings nearby held by the Union Pacific Railroad at West Yellowstone, Montana. The Railroad is anxious to dispose of these buildings along with the right of way on which they are located.