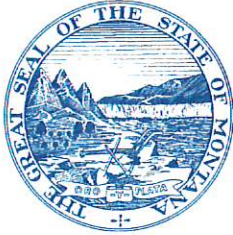


DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION
Conrad Unit Office



STEVE BULLOCK, GOVERNOR

(406) 278-7869
FAX NUMBER (406) 278-7077

P O Box 961
CONRAD, MONTANA 59425-0961

April 18, 2018

To: All Interested Parties

The 2003 State Legislature passed statutes (77-2-361 through 367 MCA) authorizing the Department of Natural Resources and Conservation (DNRC) to sell State School Trust Lands and utilize those funds to purchase replacement lands for the school trust through a process called Land Banking. The intent of the program is for the state to dispose of scattered tracts of land that generally do not have legal access, generate substantially less income for the trust than their relative value or are difficult for the DNRC to manage. The funds generated from sales are then used to purchase property that is blocked or contiguous to state land, has legal access, has potential for increased Trust revenue and consequently is more efficient to manage.

In 2005 the Department accepted nominations from lessees and DNRC personnel for state tracts to be considered for sale under the program. Nominations were evaluated and the State Board of Land Commissioners prioritized parcels to sell. To date, the Department and the Board have sold 79,547 acres of Trust Land and purchased 71,058 acres of replacement lands. The tracts listed on the attached spreadsheet were nominated, evaluated, and are now being considered for sale.

We are currently conducting an analysis under the Montana Environmental Policy Act (MEPA) of the impacts that may occur as a result of the proposed land sale. You have been identified by the DNRC to receive this scoping notice as a neighboring land owner, member of the negotiated rule making committee, trust beneficiary, local legislator, government agency and/or other interested party. The analysis is to be completed for all of the tracts under consideration prior to presenting a list to the Board for preliminary approval. If approval is received from the Board, the Department will then conduct appraisals to determine an estimated value and recommended minimum bid price for each tract proposed for sale. The list will then be brought back before the Board to establish the minimum acceptable bid for each tract and approval to proceed with the sale process.

By this letter, DNRC is requesting comments under MEPA regarding the possible sale of the attached tracts. Comments will be considered if received no later than May 25, 2018 and may be sent to:

DNRC - Conrad Unit Office
PO Box 961
Conrad, MT 59425
Or by email at: eeneboe@mt.gov

Should you have further questions or need additional information, I can be contacted at (406)-278-7869.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erik Eneboe".

Erik Eneboe
Conrad Unit Manager
Central Land Office - DNRC

Tracts of State Land Under MEPA review for potential sale

Miller Colony - Lessee

Located approximately 9 miles northwest of Choteau, Montana

SW4NE4, Section 3, T25N, R6W, 40.00 acres, Teton County, (CB)

W2SE4, Section 2, T25N, R6W, 80.00 acres, Teton County, (CS)

W2NE4, Section 11, T25N, R6W, 80.00 acres, Teton County, (CS)

Total (CB) Acres: 40.00

Total (CS) Acres: 160.00

Total Acres: 200.00

Lazy T3 Red Angus Inc. – Lessee

Located approximately 20 miles northwest of Chester, Montana

W2SE4 Section 4, T35N, R4E, 80.00 acres, Liberty County, (CS)

W2NE4, NW4SE4, Section 9, T35N, R4E, 120.00 acres, Liberty County, (CS)

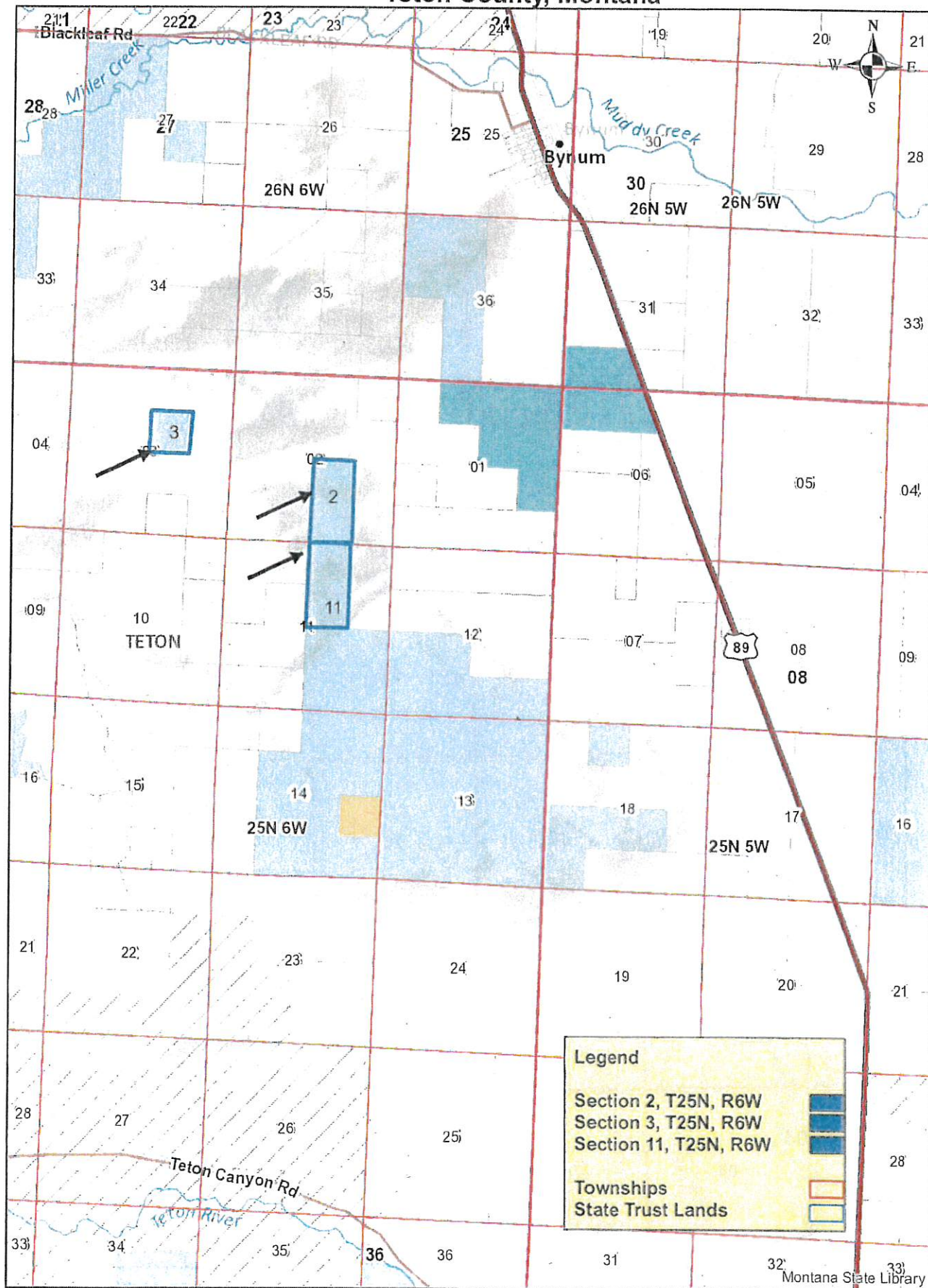
Total (CS) Acres: 120.00

Total Acres: 120.00

CS – Common School Trust

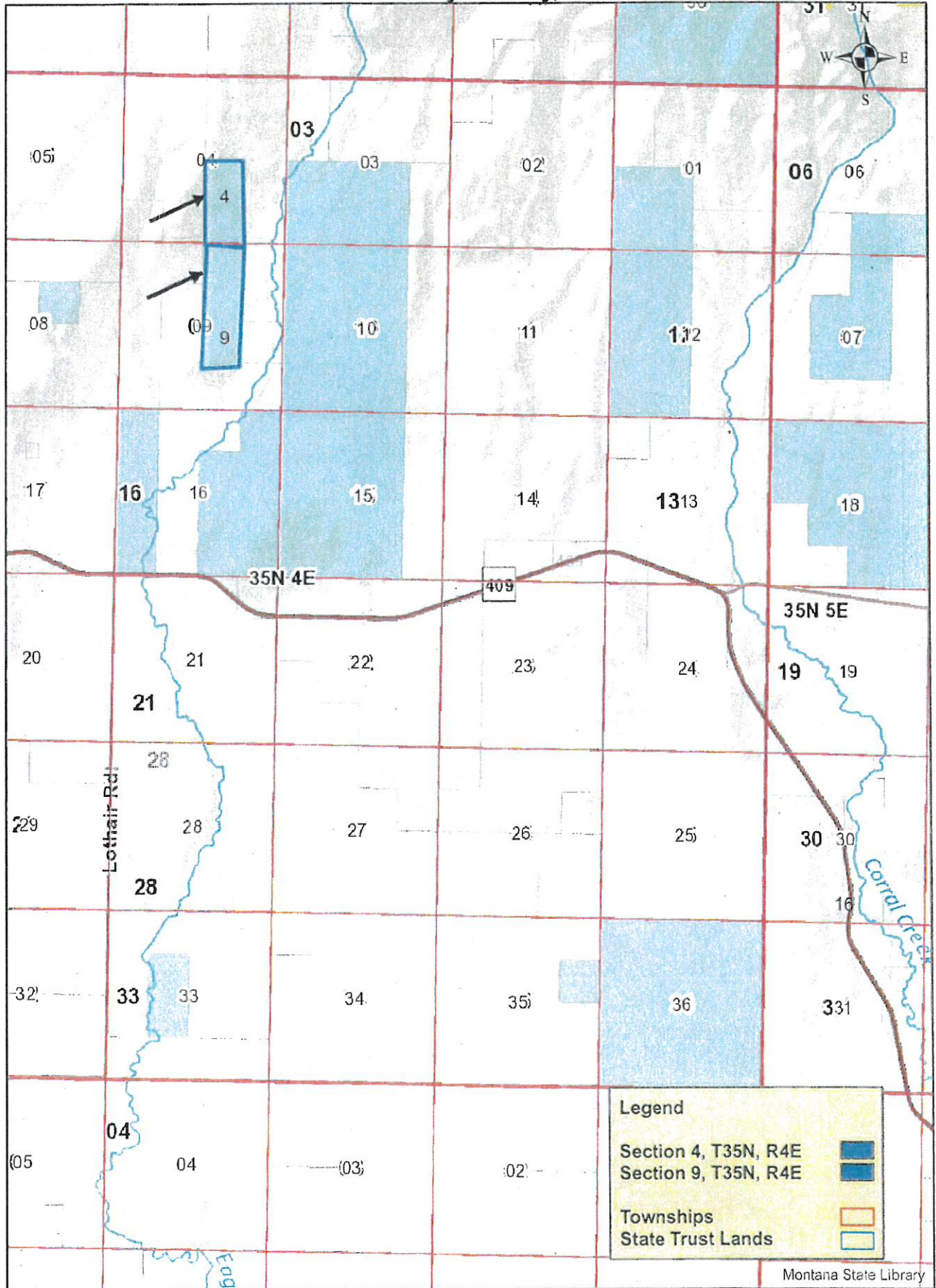
CB – Capitol Buildings Trust

Land Banking Priorities Teton County, Montana



0 0.45 0.9 1.8 Miles

Land Banking Priorities Liberty County, Montana



0 0.45 0.9 1.8 Miles