

**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**AGENDA**  
**June 17, 2024, 9:00 a.m.**  
**Supreme Court Chambers, Mazurek Justice Building**  
**Helena, MT**

**ACTION ITEMS**

- 0624-1 Timber Sale: Beetlejuice** Approved 5-0  
*Location: Missoula County*  
*Benefits: Common Schools*
- 0624-2 Oil and Gas Lease Sale: June 4, 2024** Approved 5-0  
*Location: Fallon, Musselshell, Richland, Rosebud, and Yellowstone Counties*  
*Benefits: Common Schools*
- 0624-3 Easements** Approved 5-0  
*Location: Flathead, Jefferson, Meagher, Musselshell, Sweet Grass, and Teton Counties*  
*Benefits: Public Buildings, Common Schools, and Public Land Trust – Navigable Rivers*
- 0624-4 Informational Item: Temporary Use of Private Water Rights on State Trust Lands**  
*Location: State of Montana*  
*Benefits: N/A*
- 0624-5 Informational Item: Status Update on Legal Cases Involving Water Rights on State Trust Lands**  
*Location: State of Montana*  
*Benefits: N/A*

**PUBLIC COMMENT**

# 0624-1

TIMBER SALE:

Beetlejuice

**Land Board Agenda Item  
June 17, 2024**

**0624-1 Timber Sale: Beetlejuice**

**Location: Missoula County  
Section 2 T11N R16W  
Section 36 T12N R16W**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: \$79,472 (estimated, minimum bid)**

**Item Summary**

**Location:** The Beetlejuice Timber Sale is located approximately 7 miles east of Clinton, Montana.

**Size and Scope:** The sale includes 5 harvest units of skyline (210 acres) and tractor logging (214 acres).

**Volume:** The estimated harvest volume is 13,681 tons (2.1 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is \$6.45 per ton for non-Ponderosa Pine sawlogs and \$2.00 per ton set price for ponderosa pine sawlogs, which would generate approximately \$79,472 for the Common Schools Trust and approximately \$45,745 in Forest Improvement fees.

**Prescription:** This sale would utilize an individual tree selection and commercial thin harvest prescriptions designed to improve stand health and vigor while generating revenue for the Common Schools Trust.

**Road Construction/Maintenance:** Department of Natural Resources and Conservation (DNRC) is proposing 1 mile of new permanent road construction and 7.6 miles of road maintenance.

**Access:** Access is obtained through a DNRC-owned easement with an adjacent landowner.

**Public Comments:** One comment was received. Montana Department of Fish, Wildlife & Parks (FWP) expressed support for the project and suggested mitigations to help offset potential negative impacts to wildlife and their respective habitats. All wildlife concerns and mitigations were considered and addressed in the final environmental assessment document.

**DNRC Recommendation**

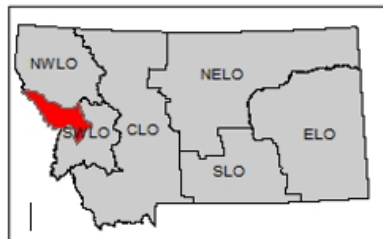
The DNRC recommends the Land Board direct DNRC to sell the Beetlejuice Timber Sale.

# State Trust Land Vicinity Map Missoula Unit

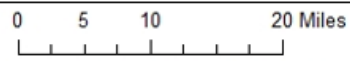
Beetlejuice Timber Sale VICINITY MAP



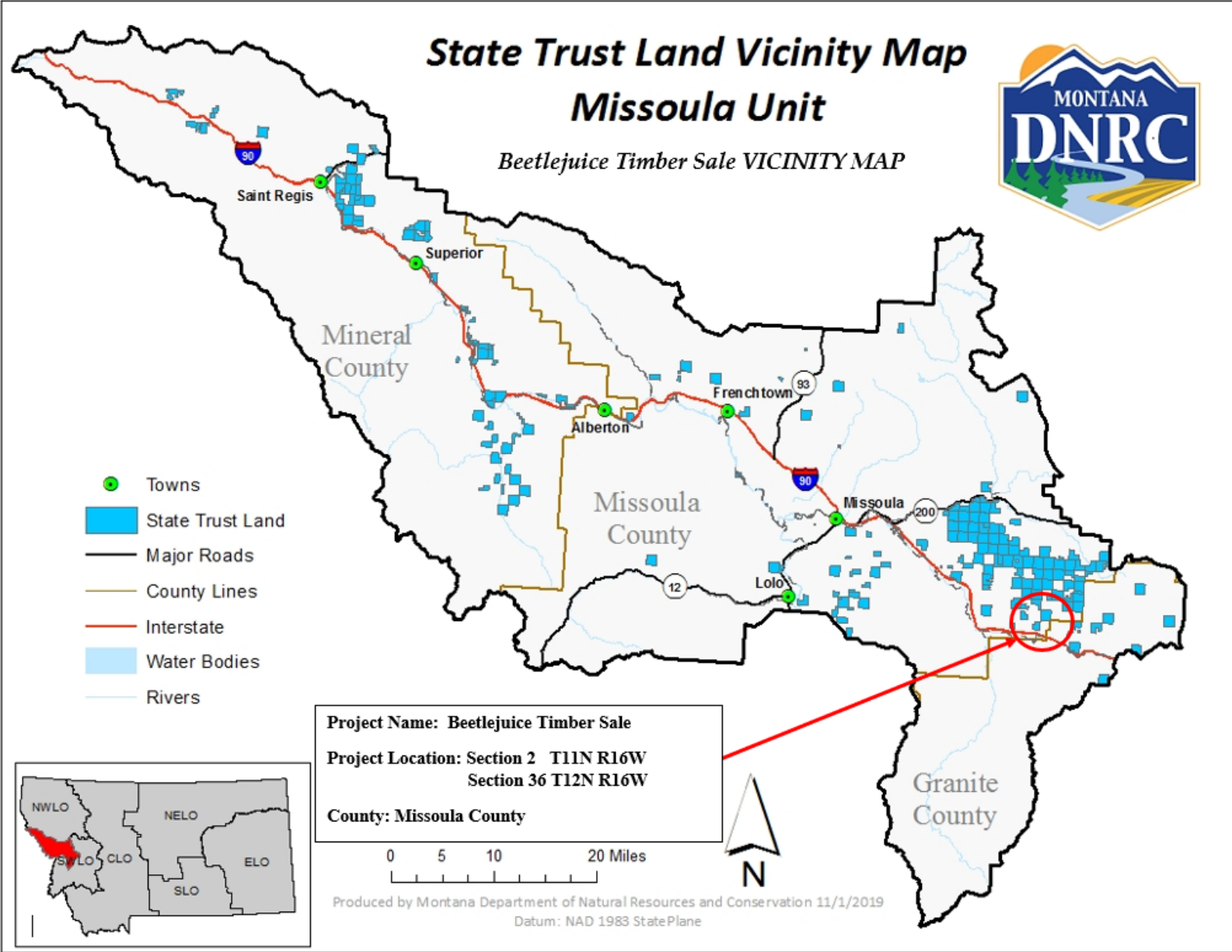
- Towns
- State Trust Land
- Major Roads
- County Lines
- Interstate
- Water Bodies
- Rivers



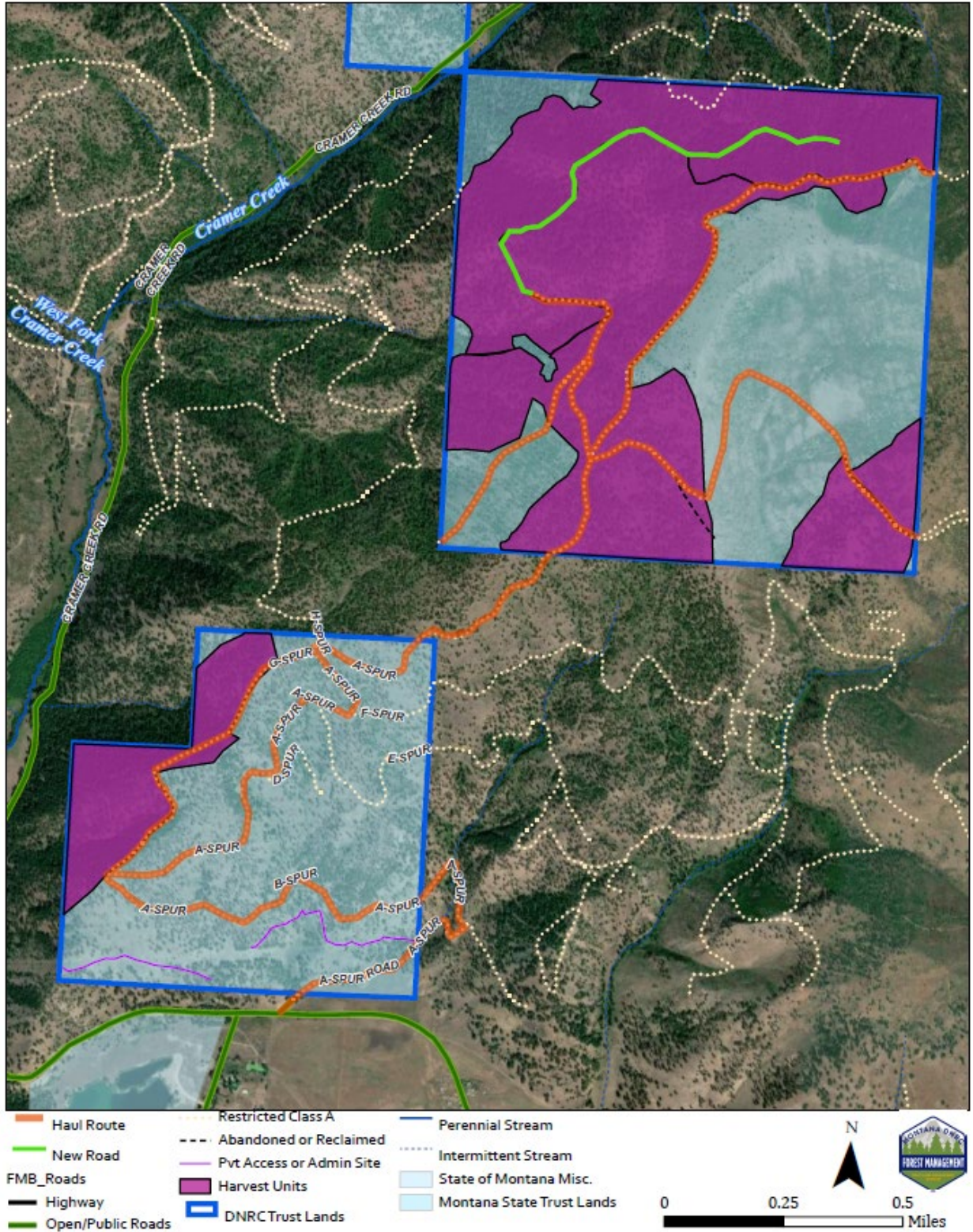
**Project Name:** Beetlejuice Timber Sale  
**Project Location:** Section 2 T11N R16W  
 Section 36 T12N R16W  
**County:** Missoula County



Produced by Montana Department of Natural Resources and Conservation 11/1/2019  
 Datum: NAD 1983 StatePlane



# Beetlejuice Timber Sale Haul Route and Harvest Units



# 0624-2

OIL AND GAS LEASE SALE:

June 4, 2024

**Land Board Agenda Item  
June 17, 2024**

**0624-2 Oil and Gas Lease Sale**

**Location: Fallon, Musselshell, Richland, Rosebud, Yellowstone**

**Trust Benefits: Common Schools**

**Trust Revenue: \$445,015.86**

**Item Summary**

The Department of Natural Resources and Conservation (DNRC) held an online oil and gas lease sale that started on May 29, 2024 and closed on June 4, 2024, through an online auction company, EnergyNet. A total of twenty-seven tracts were offered for lease. Twenty-seven tracts were leased for a total of \$445,015.86. The Twenty-seven tracts that were sold covered a total of 13,823.42 acres. The average bid per acre was \$32.19.

The high competitive bid for the June 4, 2024 sale was \$1,695.00 per acre and the largest total bid was \$203,400.00 for Tract 21 in Richland County.

**DNRC Recommendation**

The director requests Land Board approval to issue the leases from the June 4, 2024 oil and gas lease sale.

**State of Montana  
Oil & Gas Lease Sale - June 4, 2024  
Lease Sale Results**

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, beginning May 29, 2024 and closed on June 4, 2024.

Tract	Stipulations	Twp	Rng	Sec	Description	Acres	Bid/Acre	Total Bid	Lessee
<b>Fallon</b>									
1	1, 2, 3, 4, 5, 6, 9	9.N	60.E	16	ALL	640.00	\$9.00	\$5,760.00	COLORADO LAND MANAGEMENT LLC
2	1, 2, 3, 4, 5, 6, 12	10.N	60.E	20	NE4	* 160.00	\$6.00	\$960.00	THRIVE ENERGY, LLC
3	1, 2, 3, 4, 5, 6, 13	10.N	60.E	36	ALL	* 640.00	\$6.00	\$3,840.00	THRIVE ENERGY, LLC
4	1, 2, 3, 4, 5, 6	10.N	61.E	16	LOTS 1, 2, 3, 4, W2	453.12	\$8.00	\$3,624.96	COLORADO LAND MANAGEMENT LLC
<b>Musselshell</b>									
5	1, 2, 3, 4, 5, 6, 7	8.N	30.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
6	1, 2, 3, 4, 5, 6, 7, 9	8.N	31.E	36	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
7	1, 2, 3, 4, 5, 6, 10	9.N	23.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
8	1, 2, 3, 4, 5, 6, 10	9.N	23.E	36	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
9	2, 3, 4, 5, 6, 9, 10, 14	9.N	24.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
10	1, 2, 3, 4, 5, 6, 9	9.N	24.E	34	SE4	160.00	\$9.00	\$1,440.00	COLORADO LAND MANAGEMENT LLC
11	1, 2, 3, 4, 5, 6, 9	9.N	24.E	36	ALL	* 640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
12	1, 2, 3, 4, 5, 6, 10	9.N	26.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
13	1, 2, 3, 4, 5, 6, 9, 16	9.N	26.E	26	NE4, E2NW4	240.00	\$7.00	\$1,680.00	COLORADO LAND MANAGEMENT LLC
14	1, 2, 3, 4, 5, 6, 9	9.N	27.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
15	1, 2, 3, 4, 5, 6, 8, 10	10.N	25.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
16	1, 2, 3, 4, 5, 6, 10	10.N	26.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
17	1, 2, 3, 4, 5, 6, 9	11.N	24.E	4	S2NE4, SE4NW4, E2SE4	200.00	\$7.00	\$1,400.00	COLORADO LAND MANAGEMENT LLC
18	1, 2, 3, 4, 5, 6, 9	11.N	24.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
19	1, 2, 3, 4, 5, 6, 7, 9, 10, 12, 16	11.N	24.E	36	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
<b>Richland</b>									
20	1, 2, 3, 4, 5, 6, 11, 15	24.N	59.E	36	NW4, BELOW THE BASE OF THE MISSION CANYON FORMATION	* 160.00	\$1,215.00	\$194,400.00	KRAKEN OIL & GAS LLC
21	1, 2, 3, 4, 5, 6, 11, 15	24.N	59.E	36	N2NE4, SW4NE4	* 120.00	\$1,695.00	\$203,400.00	KRAKEN OIL & GAS LLC
<b>Rosebud</b>									
22	1, 2, 3, 4, 5, 6, 7, 10, 11, 12	10.N	31.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
23	1, 2, 3, 4, 5, 6, 7, 10	12.N	31.E	36	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
<b>Yellowstone</b>									
24	1, 2, 3, 4, 5, 6, 9	7.N	31.E	4	LOTS 3, 4, S2NW4, S2	490.30	\$3.00	\$1,470.90	COLORADO LAND MANAGEMENT LLC
25	1, 2, 3, 4, 5, 6, 9	7.N	31.E	24	E2	320.00	\$4.50	\$1,440.00	COLORADO LAND MANAGEMENT LLC
26	1, 2, 3, 4, 5, 6, 9	7.N	32.E	16	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC
27	1, 2, 3, 4, 5, 6, 7, 9	7.N	32.E	36	ALL	640.00	\$2.50	\$1,600.00	COLORADO LAND MANAGEMENT LLC

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



# Summary by Lessor

	<b>Total Acres</b>	<b>Total Tracts</b>
Dept. of Natural Resources and Conservation	13,823.42	27

## Oil and Gas Lease Sale Summary

<b>Total Tracts</b>	27
<b>Total Acres</b>	13,823.42
<b>Total Bid Revenue</b>	\$445,015.86
<b>Average Bid Per Acre</b>	\$32.19

# 0624-3

EASEMENTS

**Land Board Agenda Item  
June 17, 2024**

**0624-3 Easements**

**Location: Flathead, Jefferson, Meagher, Musselshell, Sweet Grass and  
Teton Counties**

**Trust Benefits: Public Buildings, Common Schools and Public Land Trust –  
Navigable Rivers**

**Trust Revenue: Public Buildings = \$970  
Common Schools = \$23,830  
Public Land Trust – Navigable Rivers = \$1,302**

**Item Table of Contents**

<b>Applicant</b>	<b>Right-of-Way Purpose</b>	<b>Term</b>	<b>Page(s)</b>
Triangle Telephone Cooperative Association, Inc.	A buried fiber optic cable	Permanent	19-20 27-30
InterBel Telephone Cooperative, Inc.	A buried fiber optic cable	Permanent	21-22
Central Montana Regional Water Authority	A buried water pipeline	Permanent	23 -24
Darrin R. & Sandra I. Leber	A private access road	Permanent	25-26 33-34
Charter Communications	A buried fiber optic cable	Permanent	31-32

## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Triangle Telephone Cooperative Association, Inc.  
PO Box 1220  
Havre, MT 59501

Application No.: 8899 (Amended)  
R/W Purpose: a buried copper telecommunications cable and a buried fiber optic cable

Lessee Agreement: ok  
Acreage: 1.22  
Compensation: \$1,302.00  
Legal Description: 20-foot strip through S2SW4, Sec. 13, Twp. 1S, Rge. 12E, Sweet Grass County

Trust Beneficiary: Common Schools

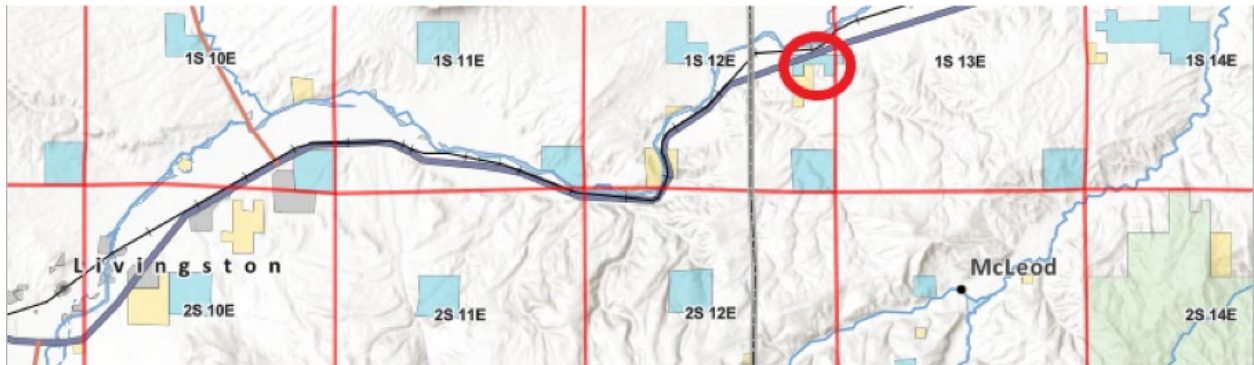
### Item Summary

Triangle Telephone Cooperative Association, Inc. is requesting to amend an existing easement issued in 1983 for placement of underground copper cables. The amendment is to add fiber optic cable to the corridor and operate both copper telephonic and fiber optic systems. The lines will provide rural residents access to high-speed telecommunication networks through the fiber optic system. This easement application is part of a larger project that is providing a Fiber to the Home (FTTH) network to rural areas in Sweet Grass County. The proposed route is along the frontage road paralleling the I-90 corridor. While this parcel of State Land lies within Sage Grouse habitat, mitigation is not recommended as the proposed fiber optic line will be installed by a static plow in previously disturbed areas along a roadway.

### DNRC Recommendation

The DNRC recommends approval of the application of Triangle Telephone Cooperative Association, Inc.

Application #8899 (amended)



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: InterBel Telephone Cooperative, Inc.  
PO Box 648  
Eureka, MT 59917

Application No.: 19622  
R/W Purpose: a buried fiber optic cable  
Lessee Agreement: N/A (Navigable River)  
Acreage: 0.03  
Compensation: \$1,302.00  
Legal Description: 20-foot strip under the Stillwater River in NE4NE4, Sec. 14,  
Twp. 29N, Rge. 22W, Flathead County  
Trust Beneficiary: Public Land Trust – Navigable Rivers

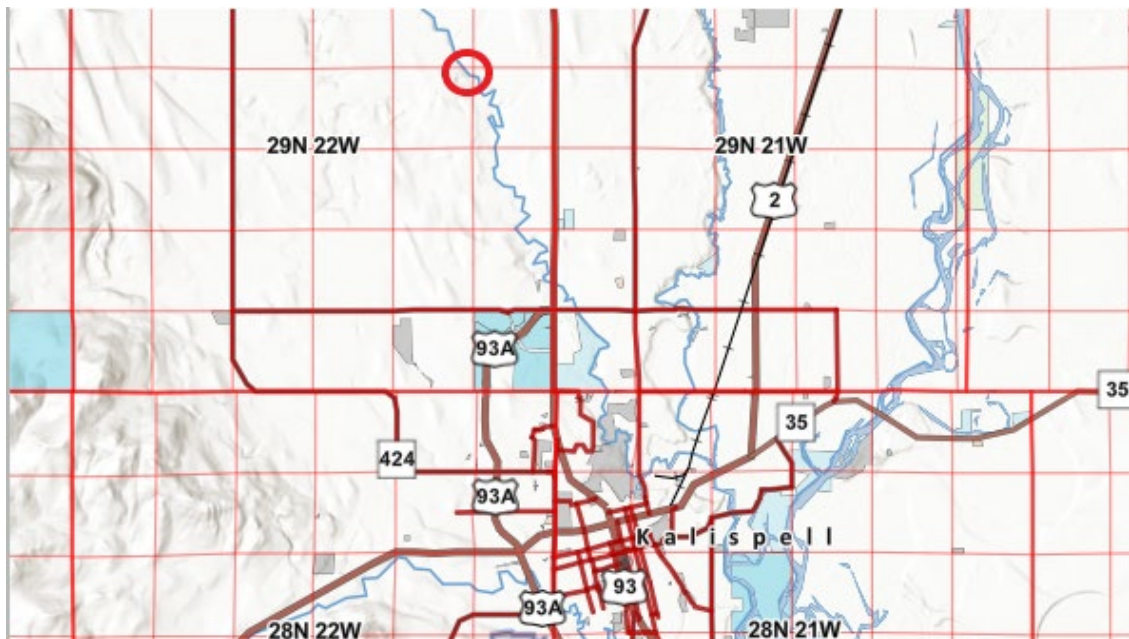
### Item Summary

InterBel Telephone Cooperative, Inc. is requesting an easement to install a buried fiber optic cable to extend their existing transport network to a new interconnect point. The cable will provide reliable telephone and broadband services to unserved and underserved homes and businesses in the Flathead Valley. This proposed route is the most direct route between terminus locations while also providing access to existing and future network considerations and will be bored under the Stillwater River through the horizontal directional drill method.

### DNRC Recommendation

The DNRC recommends approval of the application of InterBel Telephone Cooperative, Inc.

Application #19622



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Central Montana Regional Water Authority  
PO Box 660  
Roundup, MT 59072

Application No.: 19656  
R/W Purpose: a buried 8" water pipeline  
Lessee Agreement: ok  
Acreage: 3.95  
Compensation: \$2,568.00  
Legal Description: 30-foot strip through N2NE4, SW4NE4, S2NW4, NW4SW4,  
Sec. 16, Twp. 10N, Rge. 27E, Musselshell County  
Trust Beneficiary: Common Schools

### Item Summary

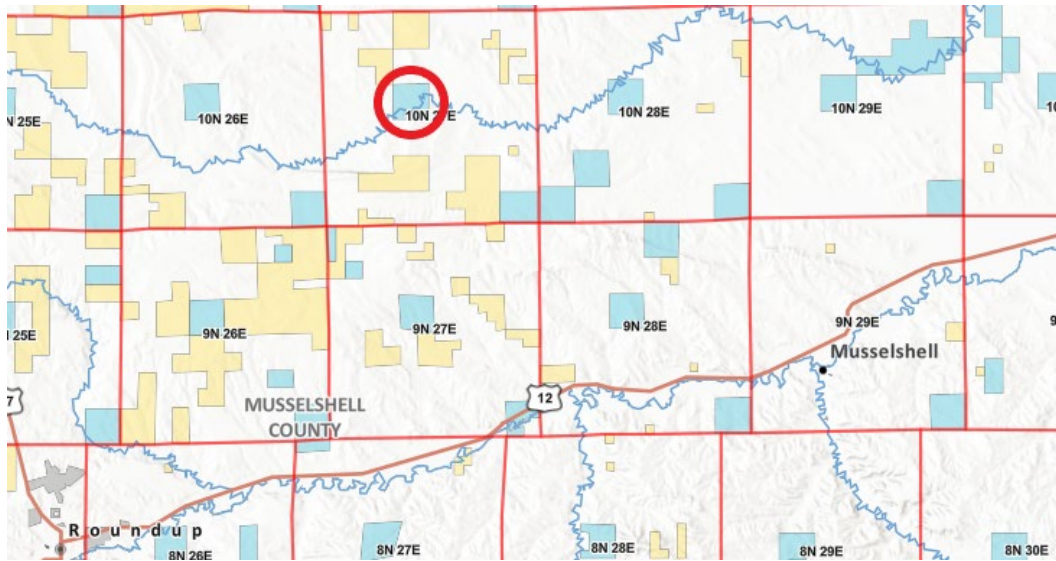
Central Montana Regional Water Authority has requested an easement for a 8" water pipeline as part of the Musselshell Judith Rural Water System. This pipeline project received federal authorization in 2020, with funding sources including federal, state and local entities. In this phase of the project approximately 200 miles of pipeline will be constructed and will supply communities and rural residents in the region with a reliable supply of high-quality drinking water. Communities that would be serviced by this phase of the project include Ryegate, Lavina, Broadview, Roundup, Musselshell and Melstone. All necessary water rights have been obtained from the State. The proposed route is the most technically and financially feasible.

### DNRC Recommendation

The DNRC recommends approval of the application of Central Montana Regional Water Authority.



Application #19656



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Darrin R. & Sandra I. Leber  
PO Box 323  
Clearlake, WA 98235-0323

Application No.: 19657  
R/W Purpose: a private access road to a single-family residence and outbuildings to conduct normal and farming operations

Lessee Agreement: Ok  
Acreage: 0.77  
Compensation: \$770.00  
Legal Description: 30-foot strip through SE4SW4, Sec. 21, Twp. 21N, Rge. 6W, Teton County  
Trust Beneficiary: Public Buildings

### Item Summary

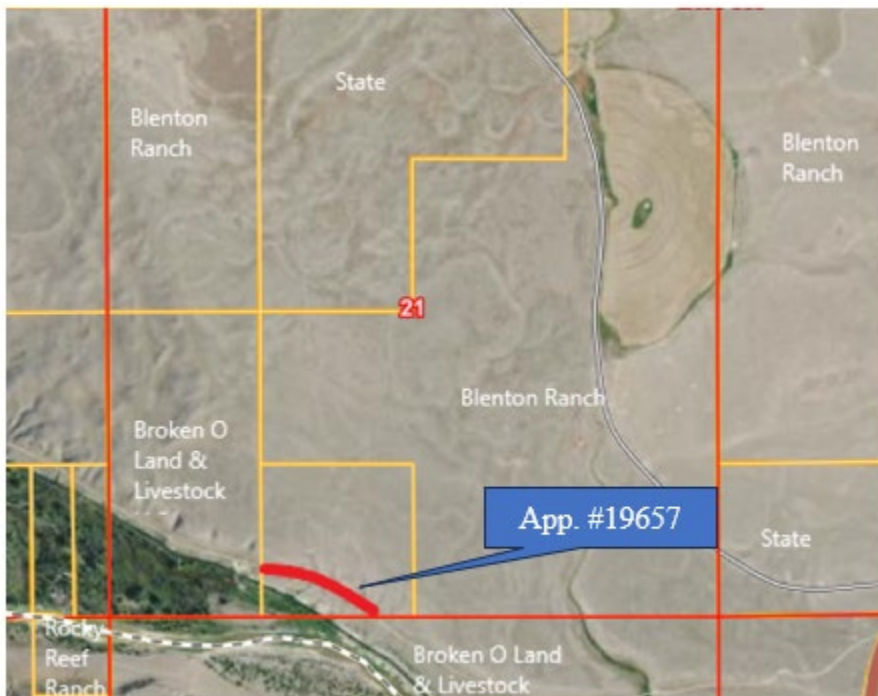
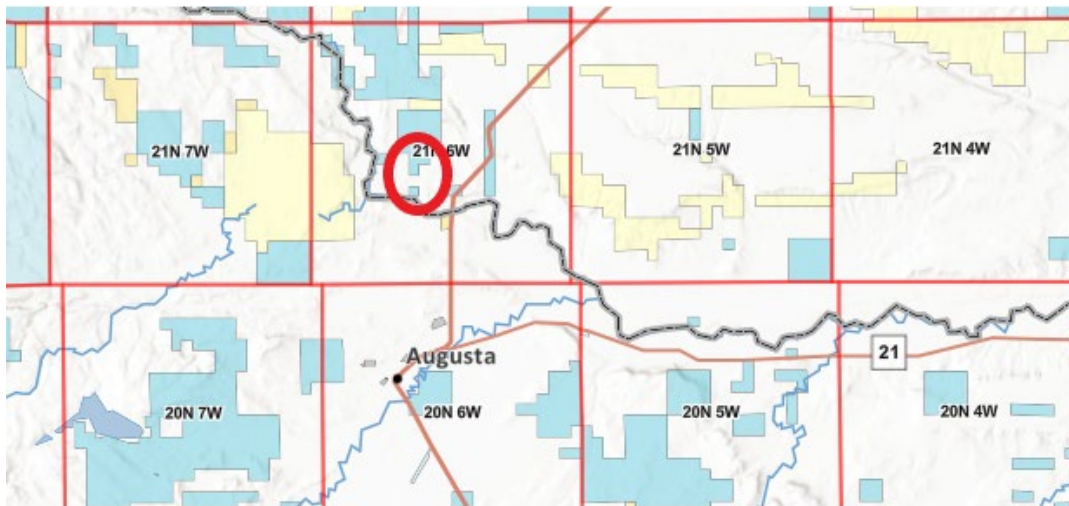
Darrin R. & Sandra I. Leber are requesting an easement for a private access road. The easement will provide access to Leber's private residence via an existing road. The access road is a two-track trail that crosses the southern half of State land. Easement across intervening private lands is in place. Leber's private land is described as follows:

- Sec. 20, Twp. 21N, Rge. 6W: That part of the SE4NW4 lying easterly of the centerline of the Sun River and a tract of land located in the NE4SW4

### DNRC Recommendation

The DNRC recommends approval of the application of Darrin R. & Sandra I. Leber.

Application #19657



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Triangle Telephone Cooperative Association, Inc.  
PO Box 1220  
Havre, MT 59501

Application No.: 19658  
R/W Purpose: a buried fiber optic cable  
Lessee Agreement: ok  
Acreage: 0.53  
Compensation: \$795.00  
Legal Description: 20-foot strip through Gov. Lot 1, Sec. 16, Twp. 9N, Rge. 10E,  
Meagher County  
Trust Beneficiary: Common Schools

### Item Summary

Triangle Telephone Cooperative Association, Inc. is requesting an easement to install a buried fiber optic telecommunications cable. The proposed cable will serve the area around Martinsdale and provide state of the art telecommunications toll and distribution facilities as well as provide for future growth capabilities. The area is currently served by ageing copper cables that will remain in place. The proposed route is primarily along existing roadways to limit disturbance.

### DNRC Recommendation

The DNRC recommends approval of the application of Triangle Telephone Cooperative Association, Inc.

Application #19658



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Triangle Telephone Cooperative Association, Inc.  
PO Box 1220  
Havre, MT 59501

Application No.: 19659  
R/W Purpose: a buried fiber optic cable  
Lessee Agreement: ok  
Acreage: 2.73  
Compensation: \$4,095.00  
Legal Description: 20-foot strip through Gov. Lot 1, NE4NW4, N2NE4, Sec.18,  
Twp. 7N, Rge. 9E, Meagher County  
Trust Beneficiary: Common Schools

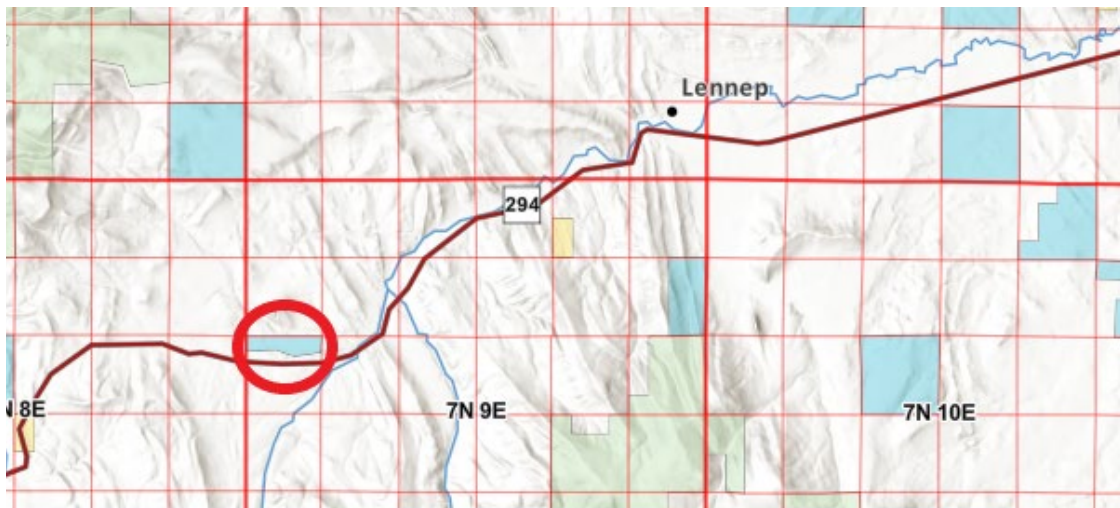
### Item Summary

Continuation of Triangle Telephone Cooperative Association applications.

### DNRC Recommendation

The DNRC recommends approval of the application of Triangle Telephone Cooperative Association, Inc.

Application #19659



## APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Charter Communications  
1860 Monad Road  
Billings, MT 59102

Application No.: 19660  
R/W Purpose: a buried fiber optic cable  
Lessee Agreement: N/A (Unleased)  
Acreage: 1.37  
Compensation: \$15,070.00  
Legal Description: 15-foot strip through N2SW4, SW4SW4, Sec. 16, Twp. 8N,  
Rge. 3W, Jefferson County  
Trust Beneficiary: Common Schools

### Item Summary

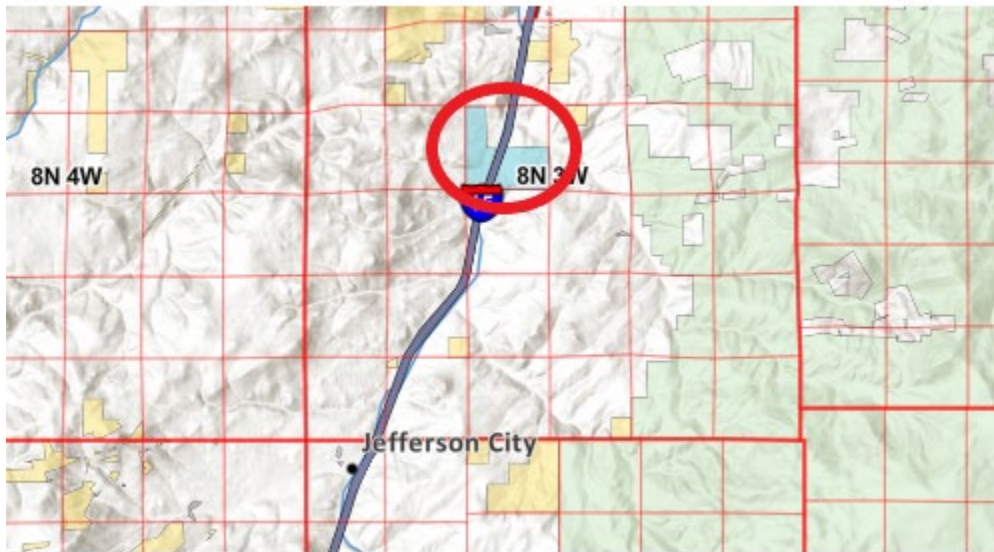
Charter Communications is requesting an easement to install a buried fiber optic telecommunications cable near Alhambra in Jefferson County. This proposed fiber optic cable will provide improved broadband capabilities to rural and underserved areas in rural Jefferson County. This project is slated to serve customers located on the west side of I-15 where the only viable access road for north-to-south traversal is situated due to constraints of wetlands and the I-15 corridor.

### DNRC Recommendation

The DNRC recommends approval of the application of Charter Communications.



Application #19660



APPLICANTS AND RIGHTS OF WAY INFORMATION

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Applicant: Darrin R. & Sandra I. Leber  
PO Box 323  
Clearlake, WA 98235-0323

Application No.: 19661  
R/W Purpose: a private access road to a single-family residence and associated outbuildings and to conduct normal and farming operations

Lessee Agreement: ok  
Acreage: 0.2  
Compensation: \$200.00  
Legal Description: 30-foot strip through SE4SW4, Sec. 22, Twp. 21N, Rge. 6W, Teton County  
Trust Beneficiary: Public Buildings

Item Summary

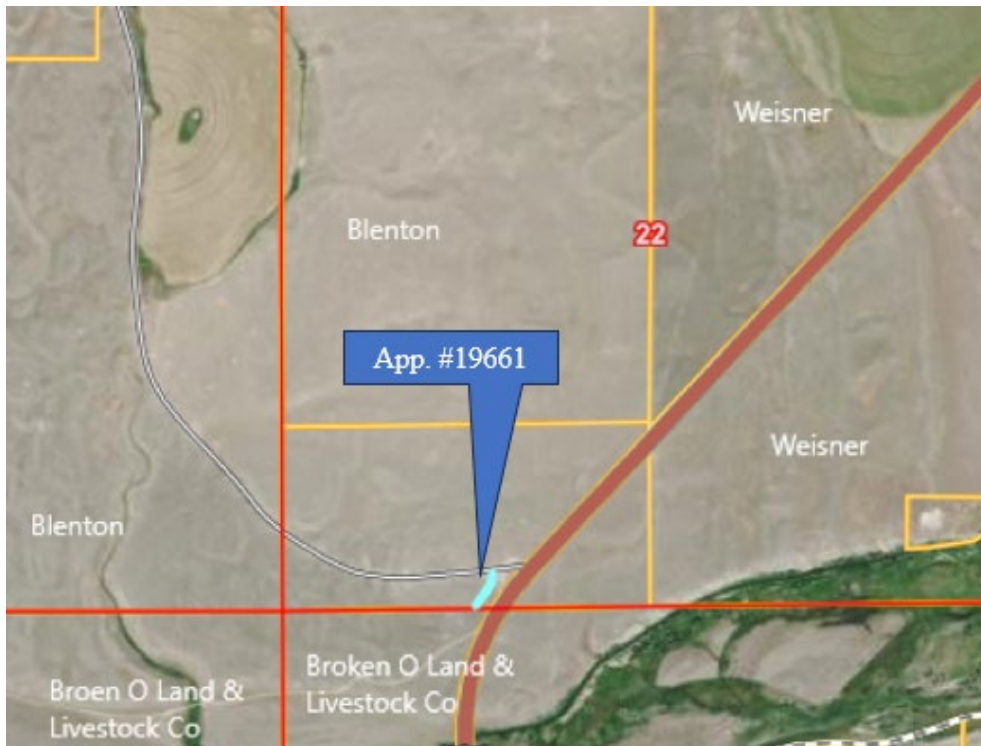
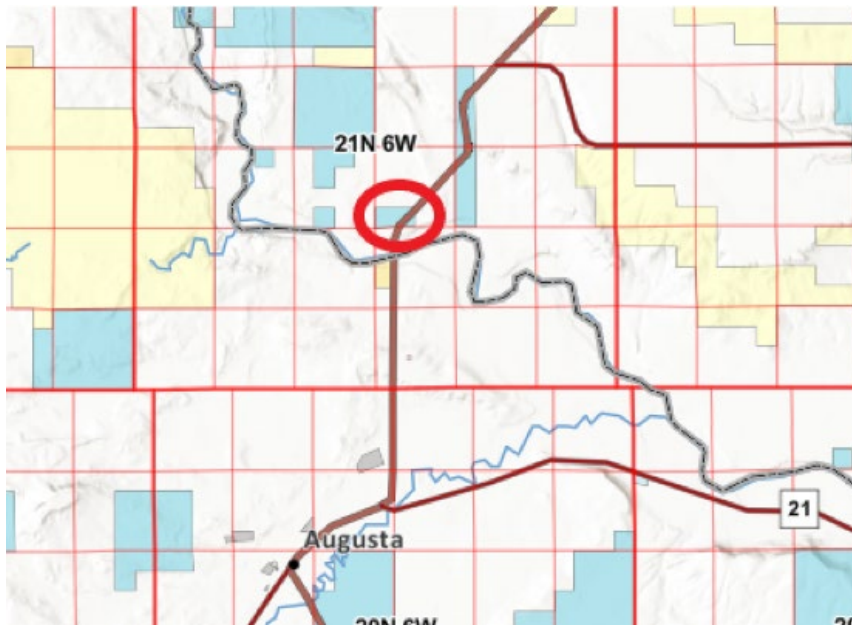
This application is in concert with Application No. 19657. Because the two affected Trust parcels are not contiguous, a separate easement for each crossing has been applied for. To recap, Darrin R. & Sandra I. Leber are requesting an easement for a private access road to reach their private lands described as follows:

- Sec. 20, Twp. 21N, Rge. 6W: That part of the SE4NW4 lying easterly of the centerline of the Sun River and a tract of land located in the NE4SW4

DNRC Recommendation

The DNRC recommends approval of the application of Darrin R. & Sandra I. Leber

Application #19661



# 0624-4

INFORMATIONAL ITEM:

Temporary Use of Private Water Rights on State  
Trust Lands

**Land Board Agenda Item  
June 17, 2024**

**0624-4 Informational Item – Temporary Use of Private Water Rights on State Trust Lands**

**Location:** State of Montana

**Trust Benefits:** N/A

**Trust Revenue:** N/A

**Item Summary**

Temporary use of private water rights on state trust lands.

# 0624-5

INFORMATIONAL ITEM:

Status Update on Legal Cases Involving Water  
Rights on State Trust Lands

**Land Board Agenda Item  
June 17, 2024**

**0624-5 Informational Item – Status Update on Legal Cases Involving Water Rights on State Trust Lands**

**Location:** State of Montana

**Trust Benefits:** N/A

**Trust Revenue:** N/A

**Item Summary**

Status update on legal cases involving water rights on state trust lands.