

REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS

AGENDA

November 18, 2024, 9:00 a.m.

**Supreme Court Chambers, Mazurek Justice Building
Helena, MT**

ACTION ITEMS

1124-1 Timber Sales Approved 4-0

A. Airgun

Location: Powell County

Benefits: Common Schools

B. Lupfer Loop

Location: Flathead County

Benefits: Public Buildings (22%), MSU Morrill (22%), Montana Tech (56%)

C. Rocky Swamp

Location: Sanders County

Benefits: School for the Deaf and Blind

D. West Morrison

Location: Missoula County

Benefits: MSU Morrill Trust

1124-2 Cabin and Home Site: Final Approval for Sale Approved 4-0

Location: Valley County

Benefits: Common Schools

1124-3 Land Exchange: Preliminary Approval Approved 4-0

Location: McCone County

Benefits: Common Schools

1124-4 Easements Approved 4-0

Location: Broadwater, McCone and Rosebud County

Benefits: Common Schools

1124-5 Renewable Energy Tabled TBD

Location: Dawson, McCone, and Prairie County

*Benefits: Common Schools, Intensive Behavioral Center, MT State
Hospital and School for the Deaf and Blind*

1124-6 Informational Item: FY2024 Trust Lands Review

Location: N/A

Benefits: N/A

PUBLIC COMMENT

1124-1

TIMBER SALES:

- A. Airgun
- B. Lupfer Loop
- C. Rocky Swamp
- D. West Morrison

**Land Board Agenda Item
November 18, 2024**

1124-1A Timber Sale: Airgun

Location: Powell County
Section 36 T17N R15W

Trust Beneficiaries: Common Schools

Trust Revenue: \$122,934 (estimated, minimum bid)

Item Summary

Location: The Airgun Timber Sale is located approximately 1 mile east of Seeley Lake, Montana.

Size and Scope: The sale includes 8 harvest units (*299 acres*) of tractor logging.

Volume: The estimated harvest volume is 9,729 tons (*1,497 MBF*) of sawlogs.

Estimated Return: The minimum bid is \$12.64 per ton, which would generate approximately \$122,934 for the Common Schools Trust, and approximately \$32,560 in Forest Improvement fees.

Prescription: This sale would utilize an individual tree selection harvest prescription designed to reduce insect and disease issues, promote forest health and progress the stands towards the desired future condition.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 5.2 miles of road maintenance.

Access: Access is obtained through County and United States Forest Service roads.

Public Comments: One public comment was received from the Montana Department of Fish Wildlife & Parks (FWP) with suggestions about potential habitat-related mitigations for wildlife and fisheries populations within the project area. The DNRC considered FWP's suggestions and implemented appropriate wildlife and fisheries mitigations.

Recommendation

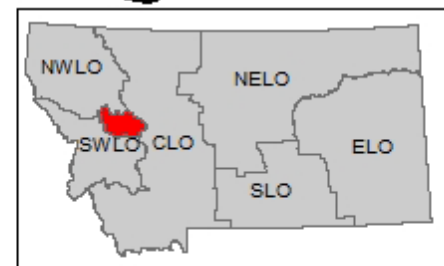
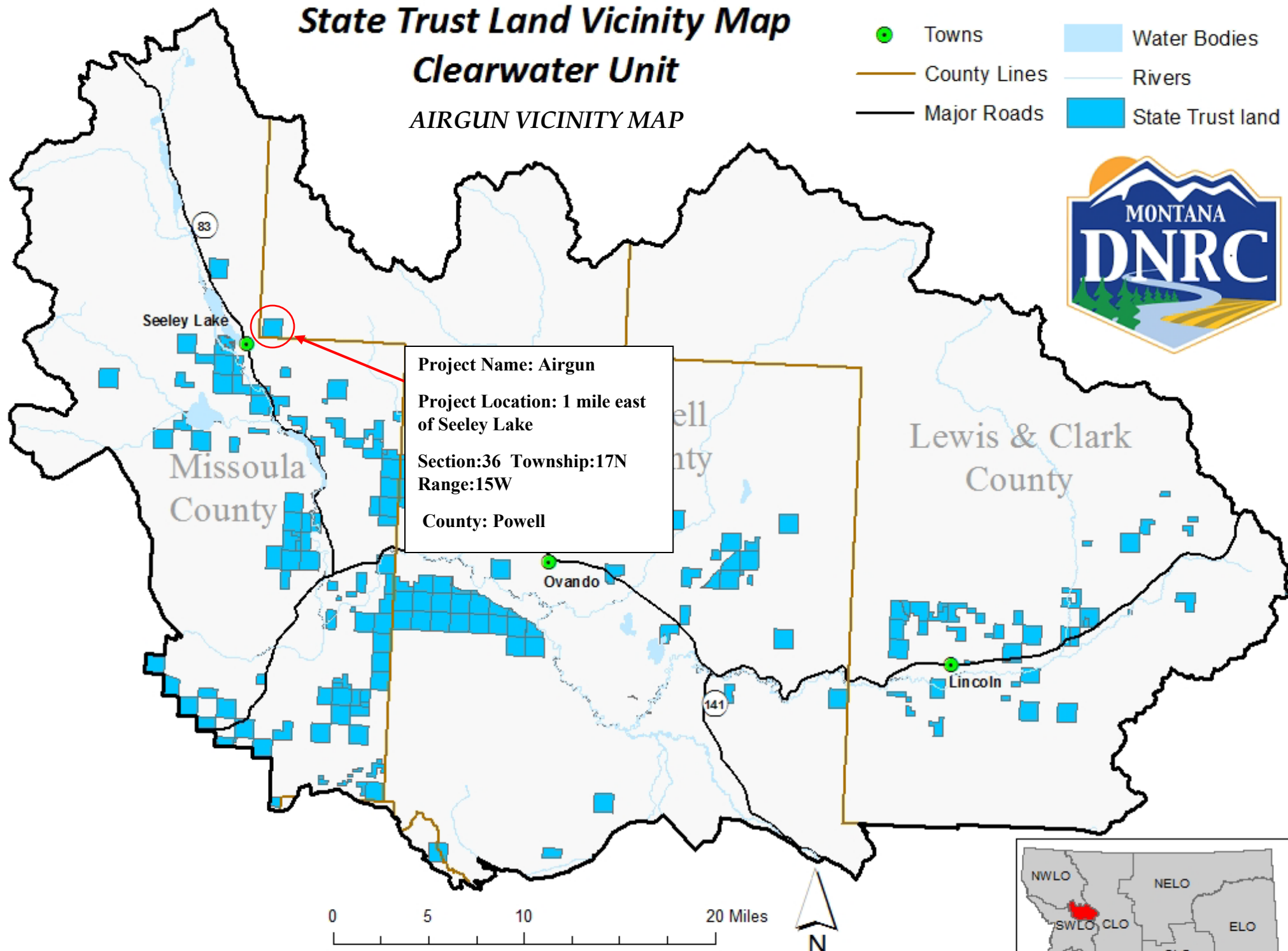
The DNRC recommends the Land Board direct the DNRC to sell the Airgun Timber Sale.

State Trust Land Vicinity Map

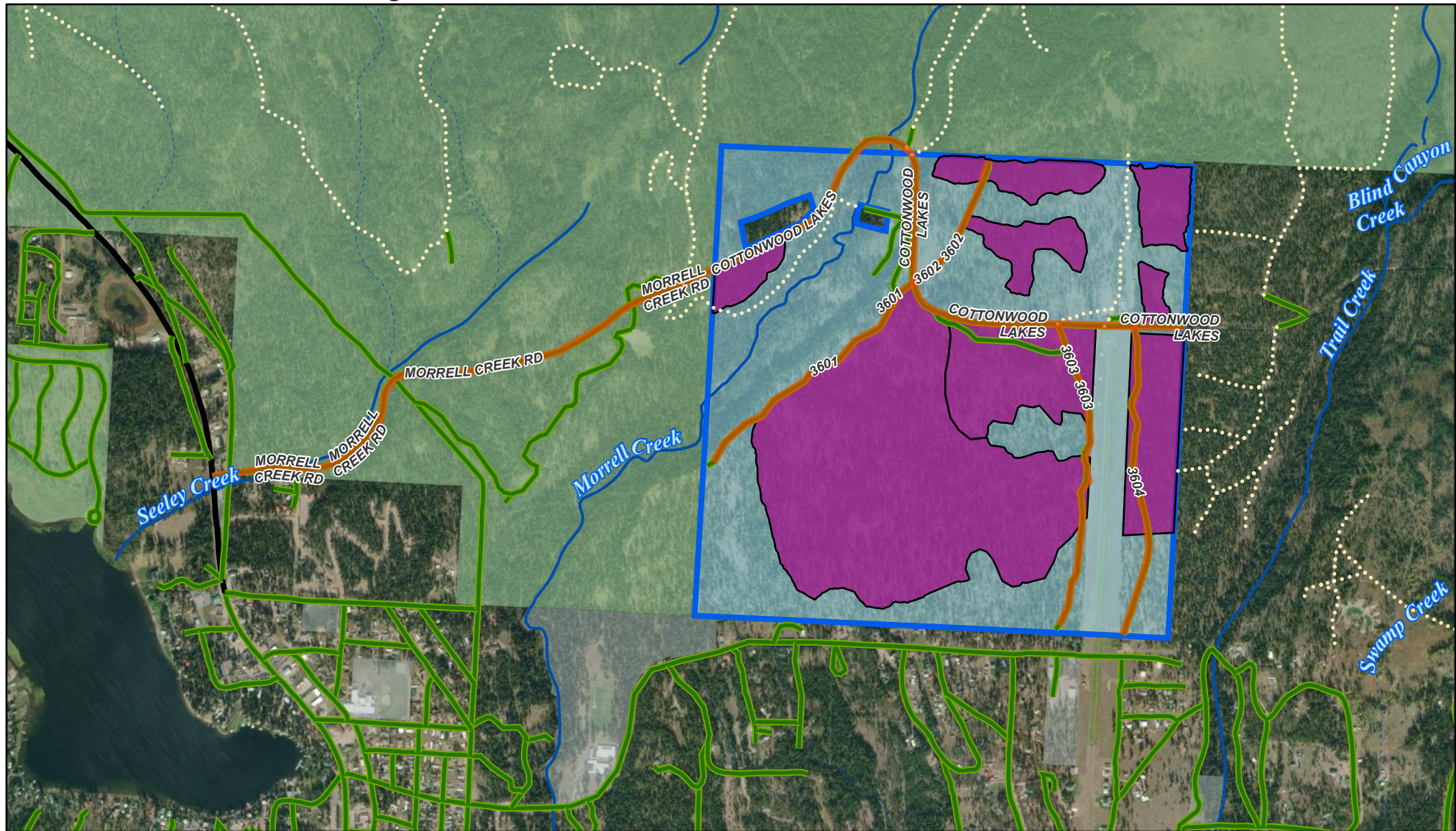
Clearwater Unit

AIRGUN VICINITY MAP

- Towns
- County Lines
- Major Roads
- Water Bodies
- Rivers
- State Trust land



Airgun Timber Sale Harvest Units and Haul Route



- Haul Route
- FMB_Roads
- Highway
- Open/Public Roads
- Restricted Class A
- Harvest Units
- DNRC Trust Lands
- Perennial Stream
- ... Intermittent Stream
- US Forest Service
- Montana State Trust Lands
- Local Government
- Local Government



**Land Board Agenda Item
November 18, 2024**

1124-1B Timber Sale: Lupfer Loop

Location: Flathead County
Sections S27, 28, 34, 35 T32N R23W

Trust Beneficiaries: Public Buildings (22%), MSU Morrill (22%), Montana Tech
(56%)

Trust Revenue: \$138,094 (estimated, minimum bid)

Item Summary

Location: The Lupfer Loop Timber Sale is located approximately 12 miles north of Whitefish, Montana.

Size and Scope: The sale includes 4 harvest units (123 acres) of tractor logging.

Volume: The estimated harvest volume is 5,550 tons (911 MBF) of sawlogs and 49 tons of pulp material.

Estimated Return: The minimum bid is \$24.88 per ton, which would generate approximately \$138,094 for the Public Buildings, MSU Morrill, and Montana Tech Trusts and approximately \$18,179 in forest improvement fees.

Prescription: This sale would utilize a seed tree harvest prescription designed to capture the economic value of dead and dying trees, promote regeneration of healthier, more resilient stands, and limit unauthorized timber theft/firewood cutting and off-road vehicle use prevalent in the area.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 4.4 miles of road maintenance.

Access: Access is obtained through county and State-owned roads.

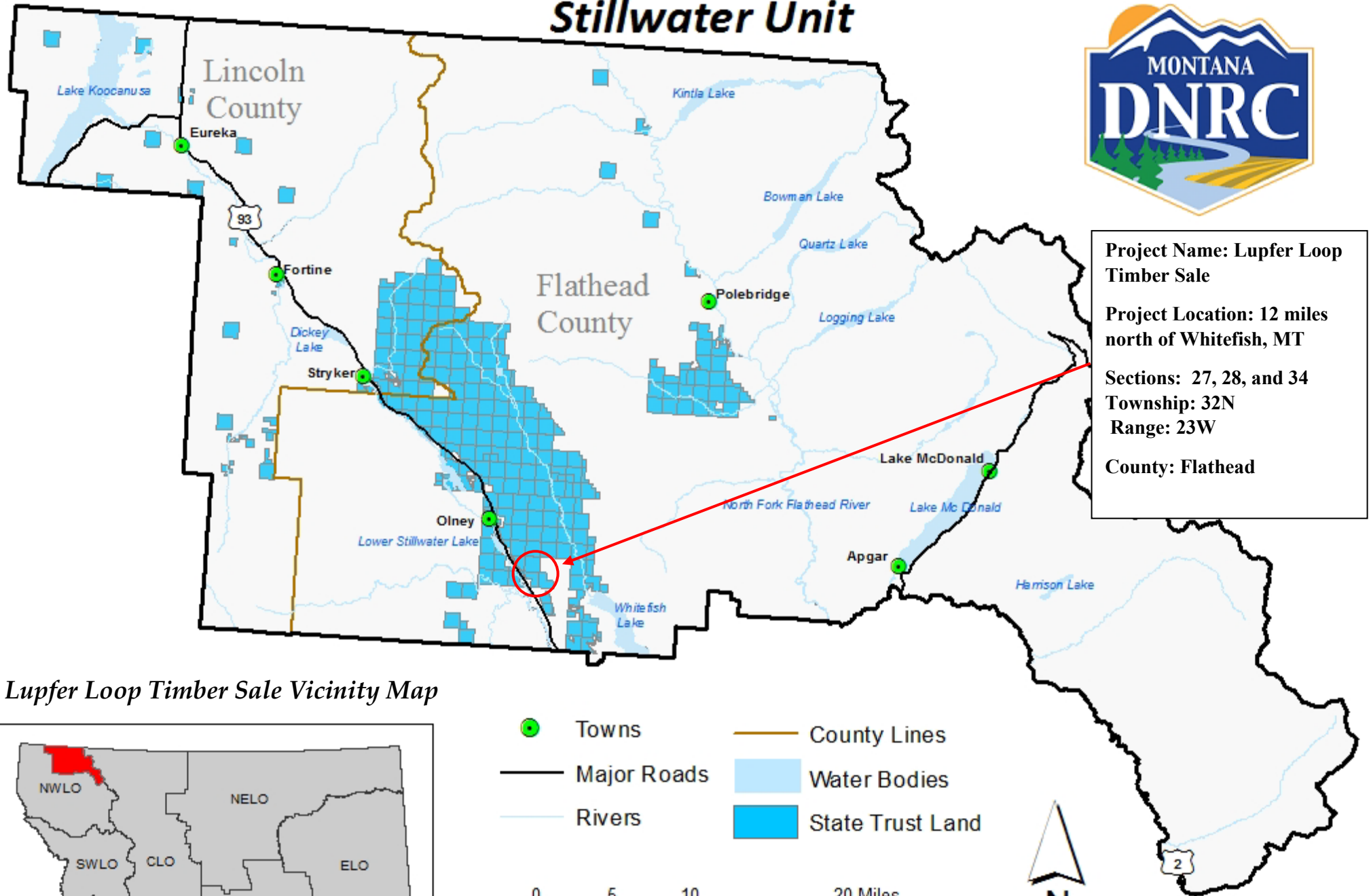
Public Comments: Three public comments were received. One comment from a logging industry representative expressed support for the project. A tribal representative from Northern Cheyenne Tribe requested to be kept informed during project development. The DNRC continued to keep Northern Cheyenne Tribe informed as the project progressed. Lincoln Electric Cooperative, Inc. (LEC) expressed concern about hazard trees near LEC powerlines and requested that the DNRC consider expanding the right-of-way (ROW) by removing hazard trees. The DNRC determined that none of the proposed harvest units are near ROWs near LEC's powerlines.

Recommendation

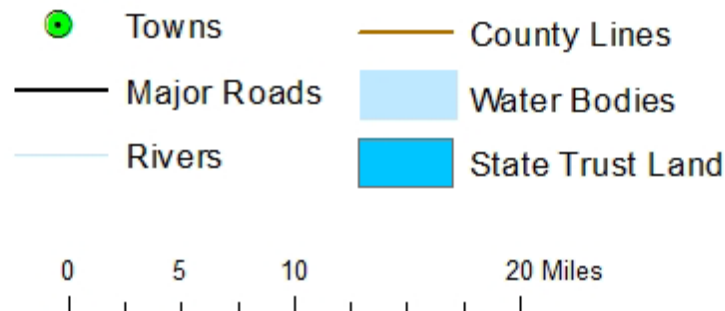
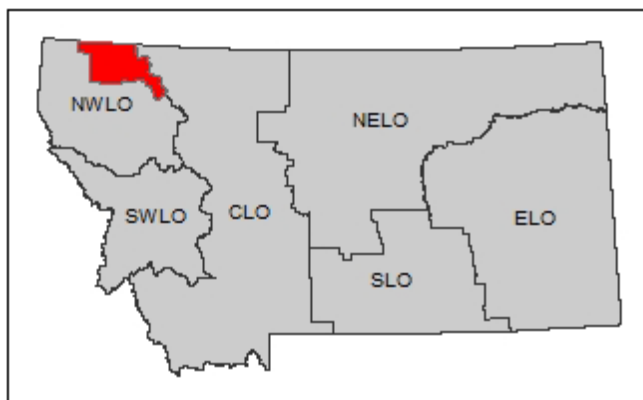
The DNRC recommends the Land Board direct the DNRC to sell the Lupfer Loop Timber Sale.

State Trust Land Vicinity Map

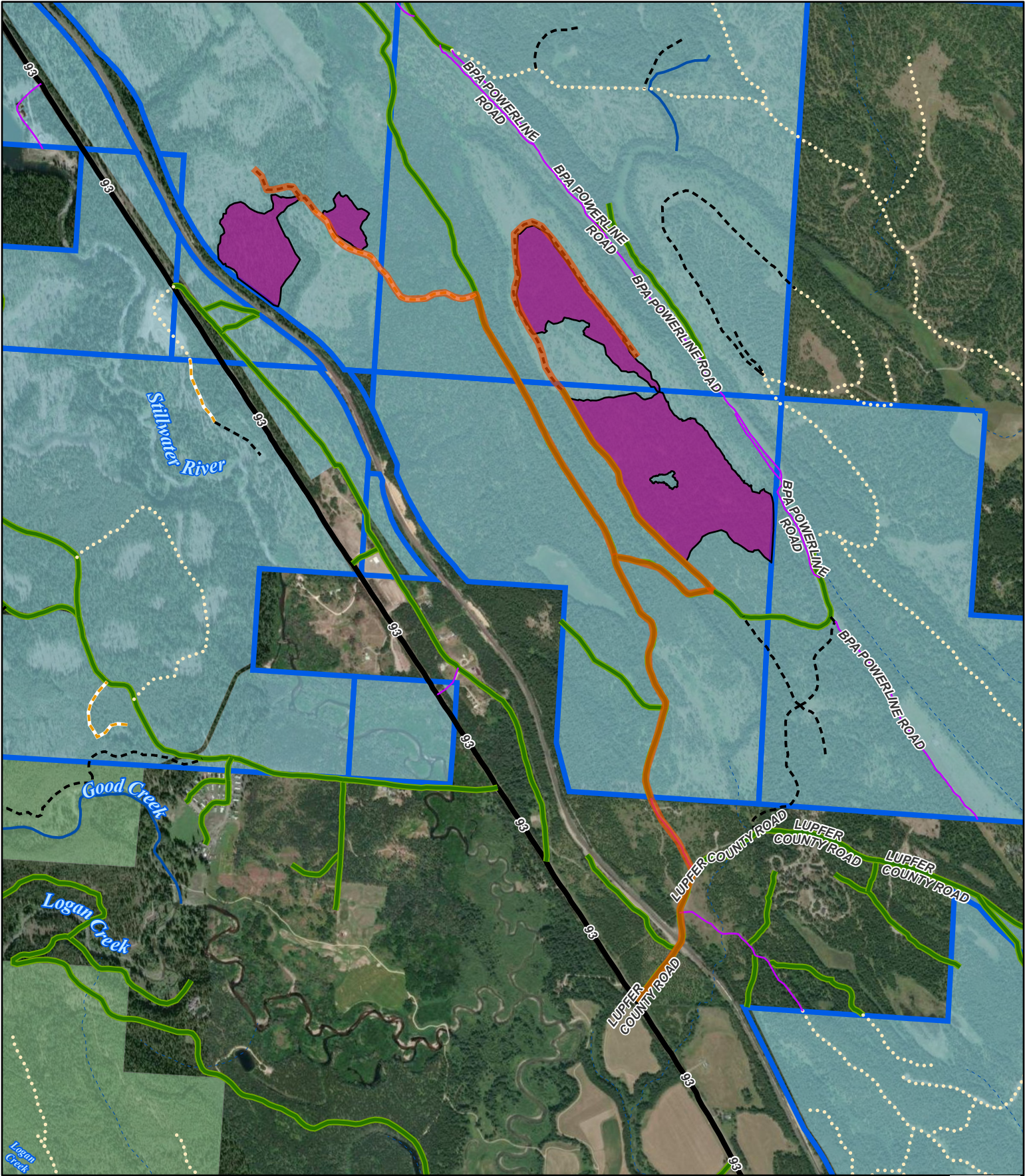
Stillwater Unit



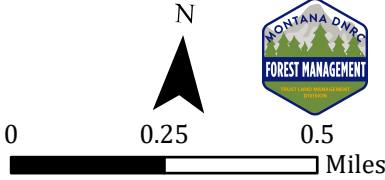
Lupfer Loop Timber Sale Vicinity Map



Lupfer Loop Timber Sale Haul Route and Harvest Units



- Haul Route
- Restricted Class B
- Abandoned or Reclaimed
- Pvt Access or Admin Site
- Harvest Units
- DNRCT Trust Lands
- Perennial Stream
- Intermittent Stream
- US Forest Service
- Montana State Trust Lands



**Land Board Agenda Item
November 18, 2024**

1124-1C Timber Sale: Rocky Swamp

Location: Sanders County
Section 12, T20N, R27W

Trust Beneficiaries: School for the Deaf and Blind

Trust Revenue: \$133,050 (estimated, minimum bid)

Item Summary

Location: The Rocky Swamp Timber Sale is located approximately 5 miles northwest of Plains, Montana.

Size and Scope: The sale includes 4 harvest units of tractor (*364 acres*) and skyline (*40 acres*) logging.

Volume: The estimated harvest volume is 16,339 tons (*2.5 MMBF*) of sawlogs.

Estimated Return: The minimum bid is \$8.14 per ton, which would generate approximately \$133,050 for the School for the Deaf and Blind Trust and approximately \$66,793 in forest improvement fees.

Prescription: This sale would utilize commercial thinning, overstory removal and seed tree harvest prescriptions designed to increase growth of overcrowded trees, release established regeneration, promote regeneration and capture value of dying timber.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 1 mile of new temporary road construction and 1.1 miles of road maintenance.

Access: Access is obtained through county roads.

Public Comments: One public comment was received. A grazing lessee expressed concerns about damaging established cattle trails in some harvest units. The DNRC identified and mapped cattle trails and will request that logging contractors to avoid these trails.

Recommendation

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

State Trust Land Vicinity Map

Plains Unit

ROCKY SWAMP VICINITY MAP



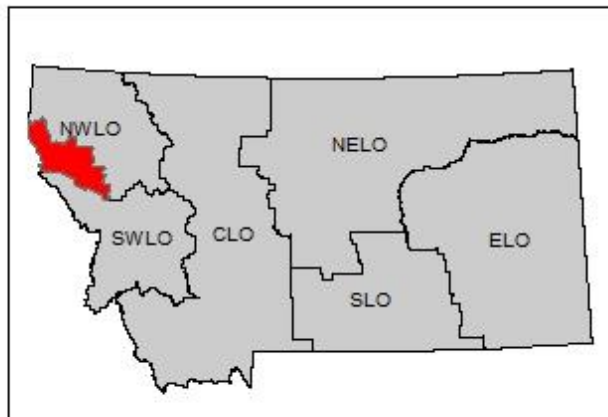
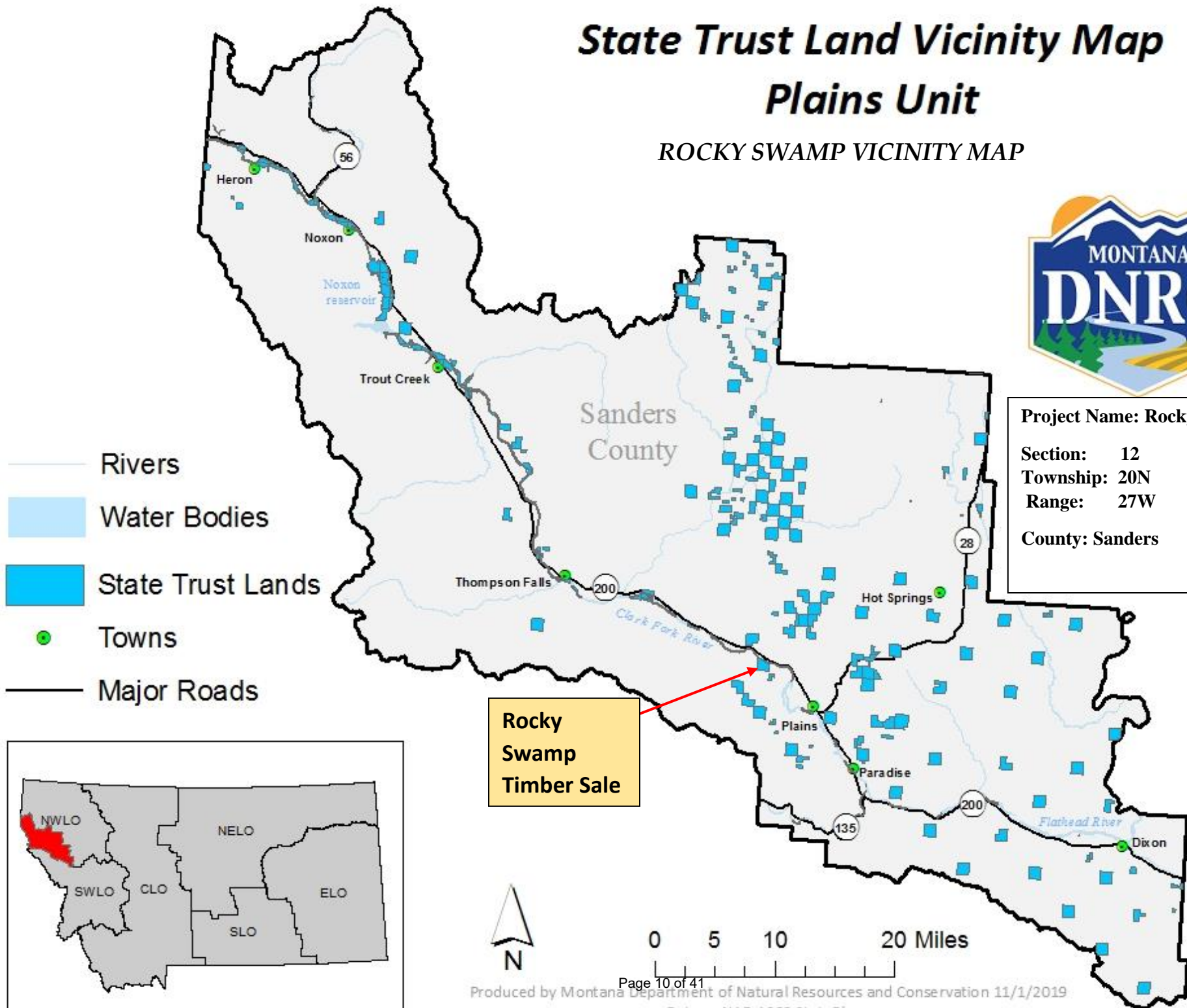
Project Name: Rocky Swamp

Section: 12

Township: 20N

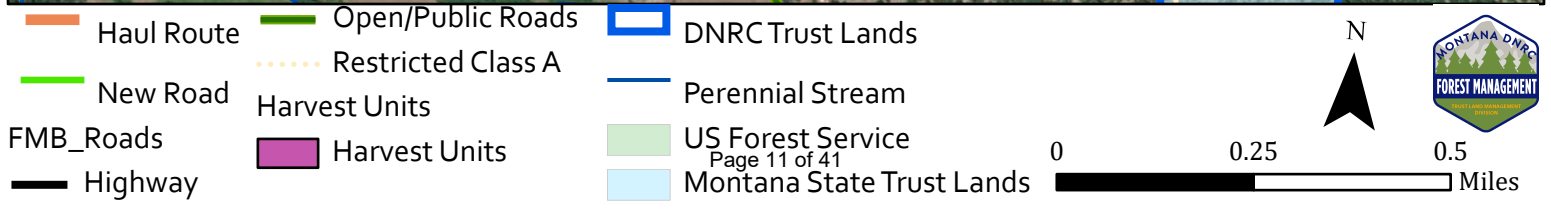
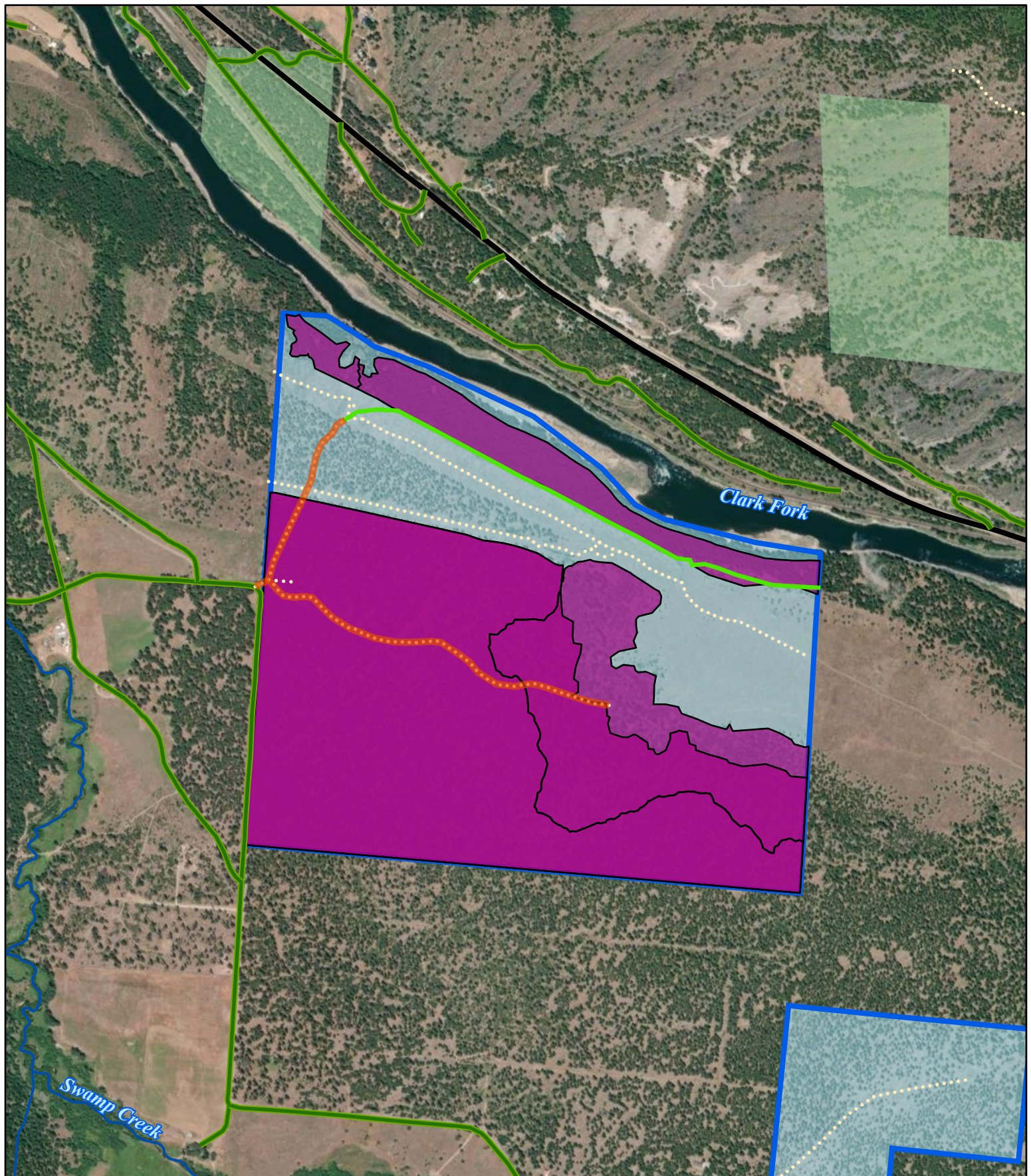
Range: 27W

County: Sanders



0 5 10 20 Miles

Rocky Swamp Timber Sale Haul Route and Harvest Units



**Land Board Agenda Item
November 18, 2024**

1124-1D Timber Sale: West Morrison

Location: Missoula County
Section 4 and 8 T13N R15W

Trust Beneficiaries: MSU Morrill Trust

Trust Revenue: \$169,623 (estimated, minimum bid)

Item Summary

Location: The West Morrison Timber Sale is located approximately 6 miles east of Potomac, Montana.

Size and Scope: The sale includes 5 harvest units (*790 acres*) of tractor logging.

Volume: The estimated harvest volume is 17,922 tons (2,567 MBF) of sawlogs.

Estimated Return: The minimum bid is \$12.53 per ton for all species except Ponderosa Pine and \$2.00 per ton for Ponderosa Pine, which would generate approximately \$169,623 for MSU Morrill Trust. No forest improvement funds would be collected.

Prescription: This sale would utilize a selection harvest prescription designed to promote stand health and long-term timber and revenue production for the Trust beneficiaries.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 3.57 miles of new road construction and 7.78 miles of road maintenance.

Access: Access is obtained from Highway 200.

Public Comments: Three comments were received during the scoping period. One comment from a logging industry representative expressed support for the project. A Northern Cheyenne Tribal representative requested an archaeological report and to remain informed as the project progressed. DNRC staff conducted a Class I archaeological review of the project area and continued communication with the individual. Montana Department of Fish, Wildlife & Parks (FWP) requested to remain informed throughout project development. DNRC continued communication with FWP and offered a meeting to discuss the project, if necessary.

Recommendation

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

State Trust Land Vicinity Map

Clearwater Unit

-  Towns
-  County Lines
-  Major Roads
-  Water Bodies
-  Rivers
-  State Trust land



Seeley Lake

Missoula
County

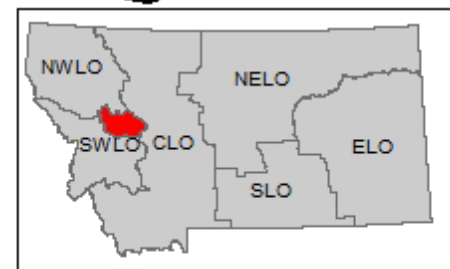
West Morrison Timber Sale
East of Potomac, Montana
Section 4 and 8 T13N R15W
Missoula County
Attachment A-1

Ovando

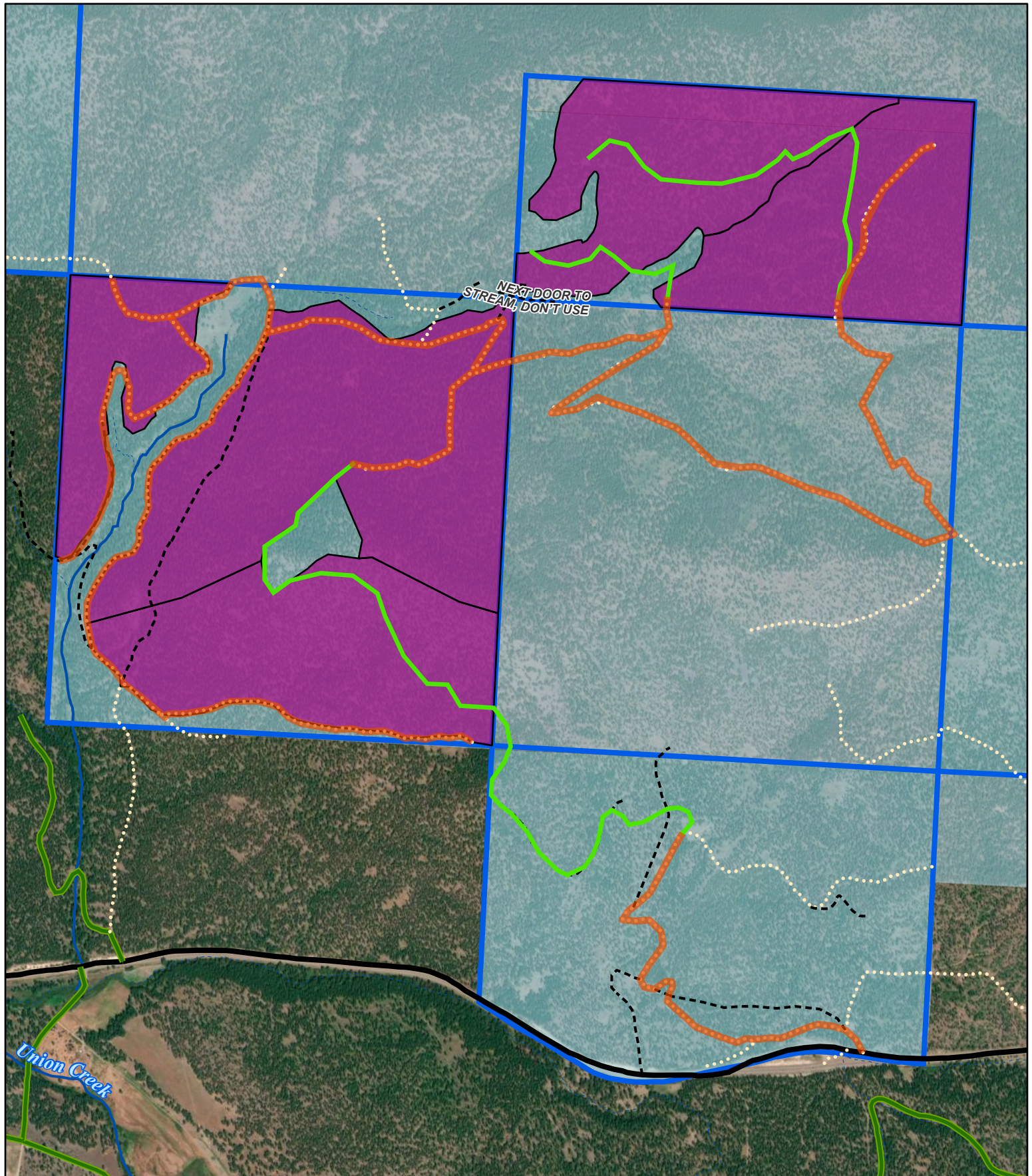
Lewis & Clark
County

Lincoln

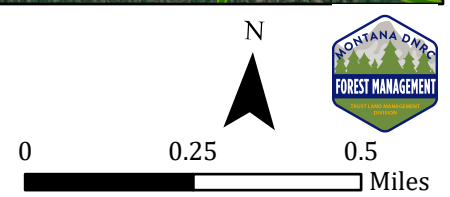
0 5 10 20 Miles



West Morrison Timber Sale Haul Route and Harvest Units



- | | | |
|------------------|------------------------|---------------------------|
| Haul Route | Open/Public Roads | Perennial Stream |
| New Road | Restricted Class A | Intermittent Stream |
| FMB_Roads | Abandoned or Reclaimed | State of Montana Misc. |
| Highway | Harvest Units | Montana State Trust Lands |
| DNRC Trust Lands | | |



1124-2

CABIN AND HOME SITES:
Final Approval for Sale

**Land Board Agenda Item
November 18, 2024**

1124-2 Cabin and Home Sites: Final Approval for Sale

Location: Valley County

Trust Benefits: Common Schools

Trust Revenue: \$115,000

The Department of Natural Resources and Conservation (DNRC) is requesting final approval for sale of one (1) home site nominated for sale in Valley County. This sale was nominated by the DNRC in conjunction with the 2022-2023 Cabin and Home Site Sales Program.

| Sale No. | Acres | Legal Description | Nominator | Trust |
|-----------------|--------------|---|------------------|-------------------|
| 2040 | 2.82± | TRACT 1 OF VALLEY COUNTY COS 484 Section 36, T28N-R41E | DNRC | Common Schools |

Background

Preliminary Land Board approval was granted in December of 2022 (Approved 4-1) for this site to be included as part of the 2022-2023 Cabin Site Sales Program. The Land Board set the minimum bid for the land and improvements at the appraised value in July of 2024 (Approved 2-1). The DNRC owns the improvements on Sale Number 2040, per 36.25.1006, ARM.

Cultural/Paleontological Resources

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

Access/Recreational Use

As part of the cabin site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin site sale program that the public is permitted to use for recreation. Rather, the funds generated by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.

Economic Analysis

Short term – The home site is not leased, therefore, the average rate of return on this sale parcel is 0%. The parcel will 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 lands through the DNRC's Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.28% on acquisitions with income generated from annual lease payments. However, the rate of return on land acquired within the last ten years has been higher at 3.65%.

Appraised Values of Land and Improvements

The appraisal of this home site was prepared by Montana General Certified Appraisers J. Scott Crosby and Valerie Crosby of Crosby analytics from Cowley, Wyoming.

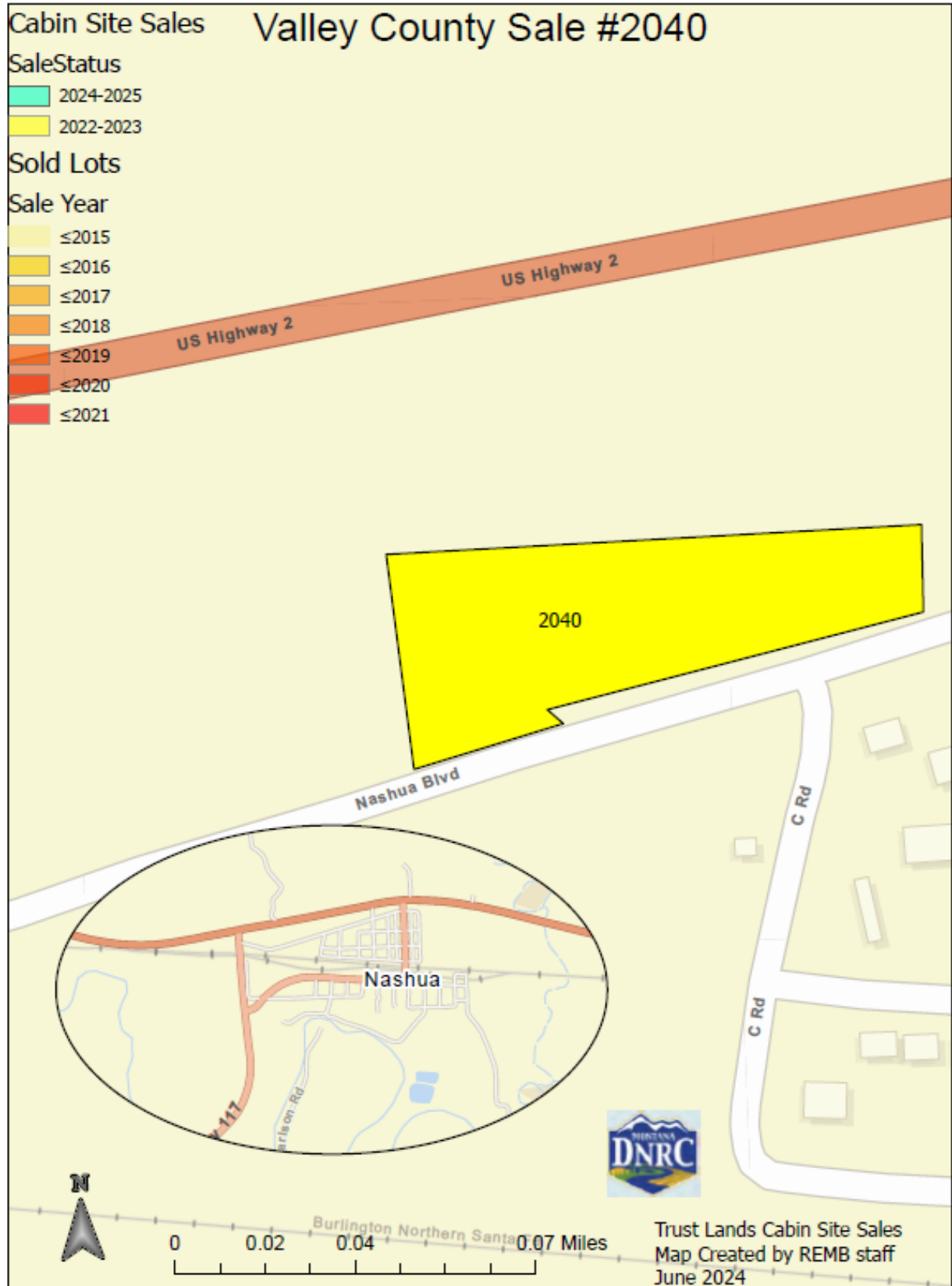
| Sale No. | Appraised Land Value | Appraised Improvements Value | Final Sale Price |
|-----------------|-----------------------------|-------------------------------------|-------------------------|
| 2040 | \$85,000 | \$30,000 | \$115,000 |

Sale Price

The home site sold at public auction on September 26, 2024. There were two qualified bidders for this sale. The site sold for the final sale price listed above.

Recommendation

The DNRC recommends the Land Board grant final approval for the sale of this home site at the value shown above.



1124-3

LAND EXCHANGE

**Land Board Agenda Item
November 18, 2024**

1124-3 Land Exchange: Preliminary Approval

Location: McCone County

Trust Benefits: Common Schools

Trust Revenue: N/A

Item Summary

The Department of Natural Resources and Conservation (DNRC or Department) requests preliminary approval of a land exchange proposal with 4-B Properties LLC involving 600+ acres of state trust land for 480+ acres of private land all located in McCone County.

| State Trust Land (DNRC) | | | |
|---|---|----------------|-------|
| County | Legal Description | Trust | Acres |
| McCone | N2NW4, SE4NW4, NE4, S2 T23N, R47E Sec. 16 | Common Schools | 600± |
| 4-B Properties LLC (DBM Properties LLC, Sodie Properties LLC) | | | |
| County | Legal Description | Acres | |
| McCone | W2SW4, SE4SW4, SW4SE4, Section 27, T23N, R47E | 160± | |
| McCone | NW4, Section 34, T23N, R47E | 160± | |
| McCone | NW4 Section 3, T23N, R49E | 160± | |

PUBLIC INVOLVEMENT PROCESS AND RESULTS

A scoping letter requesting public comment was sent out September 4, 2024, and the comment period ran through October 4, 2024. The letter was sent to neighboring landowners, interested parties and the McCone County Commissioners. In addition, a public scoping notice was posted on the DNRC website and published in the Circle Banner newspaper.

The DNRC Eastern Land Office received two written comments regarding the exchange. The first was from a private landowner stating they would like the opportunity to purchase the farmland, however they understand the proposed exchange benefits, and would like the opportunity to lease the farmland if the exchange is completed. The second comment was from the Montana Department of Fish Wildlife and Parks (FWP) with concerns that current state ownership is adjacent to a Block Management Area. If the exchange were to be completed, the FWP recommends that the farmland be reseeded back to native rangeland and no longer cultivated.

EXCHANGE CRITERIA ANALYSIS

The following preliminary review describes how the land exchange meets or exceeds the land exchange criteria and could benefit the trust beneficiary, Common Schools.

1. EQUAL OR GREATER VALUE

Both the trust and private lands will be appraised to determine actual values if the Land Board gives preliminary approval for this proposed exchange. Preliminary review of the 600+ acres of state trust land proposed for exchange indicates an estimated value of \$210,000. Preliminary review of the 480+ acres of the private land proposed to be acquired indicates an estimated value of \$336,000.

Preliminarily Meets Criteria

2. STATE LAND BORDERING ON NAVIGABLE LAKES AND STREAMS

There are no navigable lakes or streams bordering on either the trust land or the exchange parcels.

Preliminarily Meets Criteria

3. EQUAL OR GREATER INCOME TO THE TRUST

With this proposal, the State would gain tillable acreage, as well as productive hay ground. An increase in income would be expected. The 2023 income for the current state ownership was a total of \$2,002 (grazing lease and outfitting). The anticipated 2024 income for state ownership is \$2,364 in grazing fees. The preliminary estimate of income potential for the private ownership is a minimum of \$8,140 annually.

Preliminarily Meets Criteria

4. EQUAL OR GREATER ACREAGE

The proposed exchange is 600+ acres of trust land for 480+ acres of private land. Although the exchange proposal does not meet this criterion, the Land Exchange Policy does provide that the Land Board may consider receiving less acreage in return for substantially higher value or income, or both.

Does Not Preliminarily Meet Criteria

5. CONSOLIDATION OF STATE LAND

The exchange is neutral in its net effect on the consolidation of state land, as neither parcel proposed in the exchange is adjacent to any other state land.

Does Not Preliminarily Meet Criteria

6. POTENTIAL FOR LONG-TERM APPRECIATION

The proposed acquisition parcels have the potential for greater appreciation, due to the legal access and the potential for competitive lease bids in the future.

Preliminarily Meets Criteria

7. ACCESS

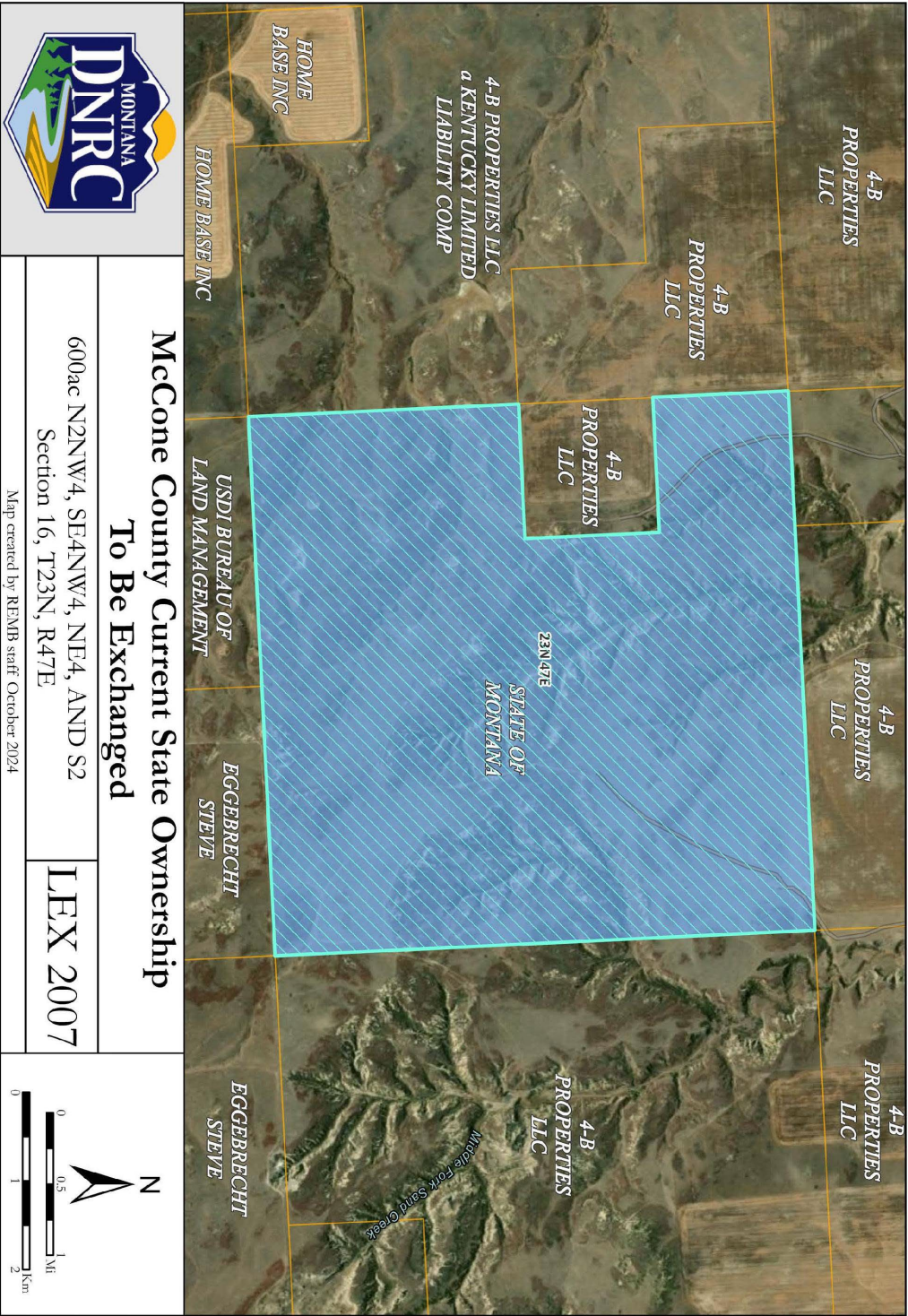
This proposed exchange would increase the amount of access to state lands. The current state ownership is 600+ acres with no legal or administrative access for the Department or public. If completed, the exchange would provide the Department and public with 320+ acres of legally accessible trust lands, and another 160+ acres the Department could access for administrative purposes. This exchange would result in a net increase of 320+ acres with public access and a total of 480+ acres accessible by the Department.

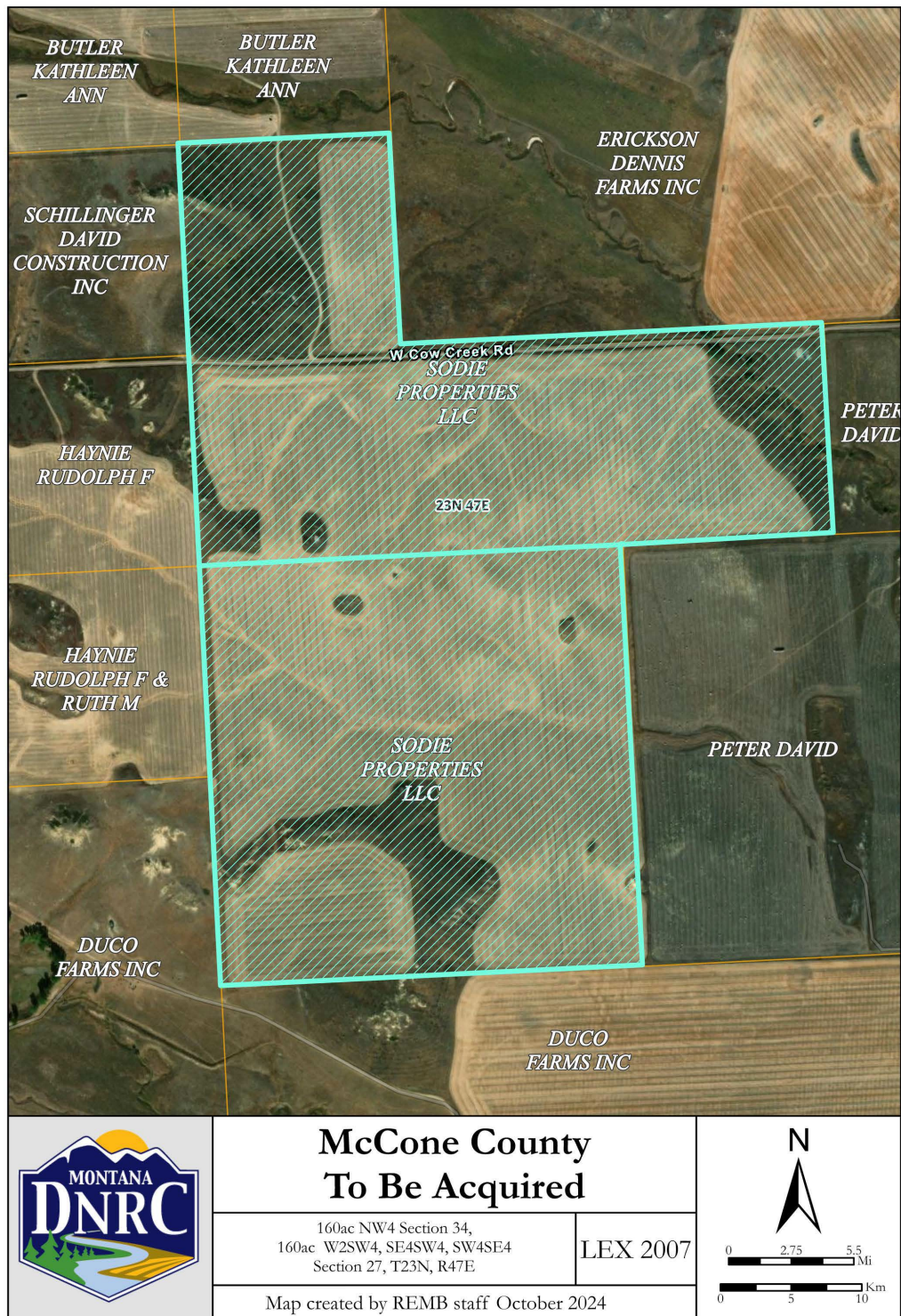
Preliminarily Meets Criteria

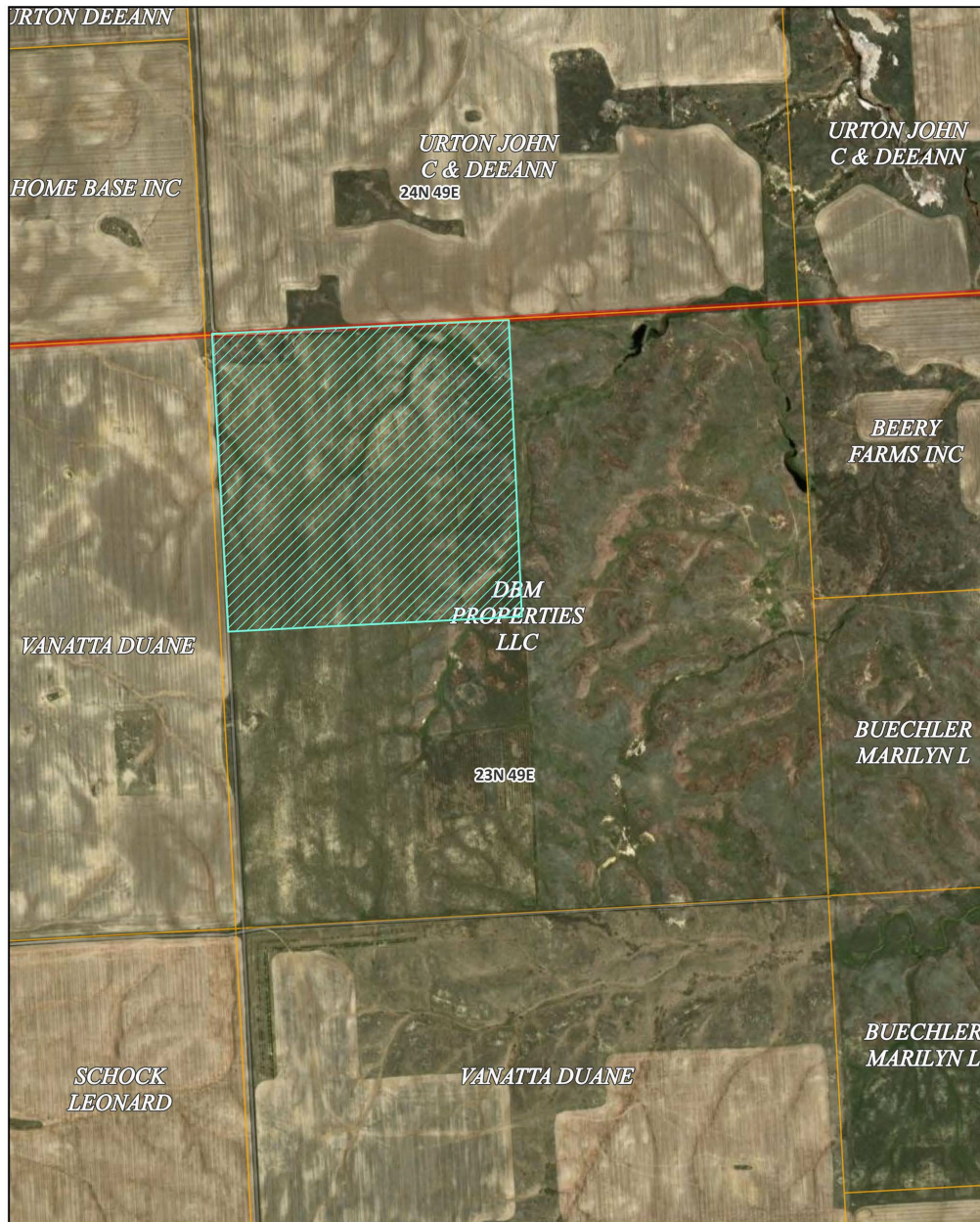
The DNRC believes this proposed land exchange would benefit the Trust beneficiary and the State of Montana. If approved by the Board, DNRC would execute a non-binding Agreement to initiate the land exchange with 4-B Properties LLC and would begin a detailed evaluation, including an environmental assessment.

RECOMMENDATION

The DNRC recommends this proposed land exchange receive preliminary approval by the Land Board.





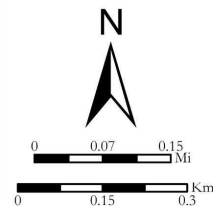


McCone County To Be Acquired

160ac NW4,
Section 3, T23N, T49E

LEX 2007

Map created by REMB staff October 2024



1124-4

EASEMENTS

**Land Board Agenda Item
November 18, 2024**

1124-4 Easements

Location: Broadwater, McCone and Rosebud County

Trust Benefits: Common Schools

Trust Revenue: \$14,928

Item Table of Contents

| Applicant | Right-of-Way Purpose | Term | Page(s) |
|-------------------------------------|-----------------------------|-------------|----------------|
| Vigilante Electric Cooperative Inc. | Overhead Power Line | Permanent | 28-29 |
| Range Telephone Cooperative Inc. | Buried Fiber Optic Cable | Permanent | 30-33 |
| MT Dept. of Transportation | Highway Easement | Permanent | 34-35 |

APPLICANTS AND RIGHTS OF WAY INFORMATION

| | |
|--------------------|---|
| Applicant: | Vigilante Electric Cooperative Inc. 225 East Bannack Street Dillon, MT 59725 |
| Application No.: | 4754 (Amended) |
| R/W Purpose: | an overhead 14.4kV electric distribution line |
| Lessee Agreement: | ok |
| Acreage: | 3.86 |
| Compensation: | \$5,790.00 |
| Legal Description: | 30-foot strip through S2NW4, N2NE4, Sec. 36, Twp. 7N, Rge. 2E, Broadwater County |
| Trust Beneficiary: | Common Schools |

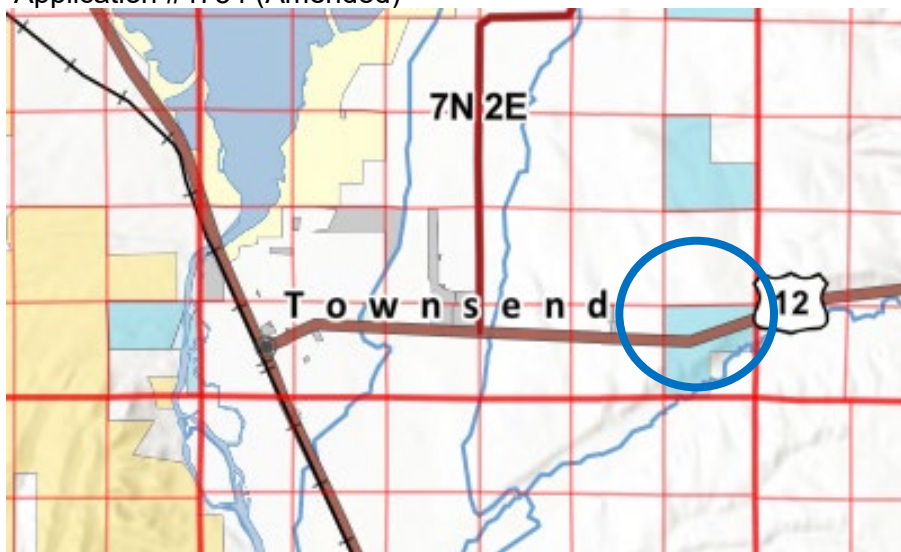
Item Summary

Vigilante Electric Cooperative Inc. is requesting an amendment to an existing easement for the purpose of relocating an overhead 14.4kV power transmission line. Currently, the transmission line runs through an agriculture field which causes damage to field crops due to lack of immediate access. Vigilante is proposing to relocate the line to follow the State highway and a farm field road. Relocating the line to this proposed route will eliminate disturbance to the crop land as well as provide for quicker response for repairs when outages may occur and allow for easy maintenance access.

Recommendation

The DNRC recommends approval of the application of Vigilante Electric Cooperative Inc.

Application #4754 (Amended)



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Range Telephone Cooperative Inc.
PO Box 127
Forsyth, MT 59327

Application No.: 19718
R/W Purpose: a buried fiber optic cable
Lessee Agreement: N/A (Unleased)
Acreage: 2.57
Compensation: \$1,542.00
Legal Description: 20-foot strip through W2W2, Sec. 16, Twp. 2N, Rge. 41E,
Rosebud County
Trust Beneficiary: Common Schools

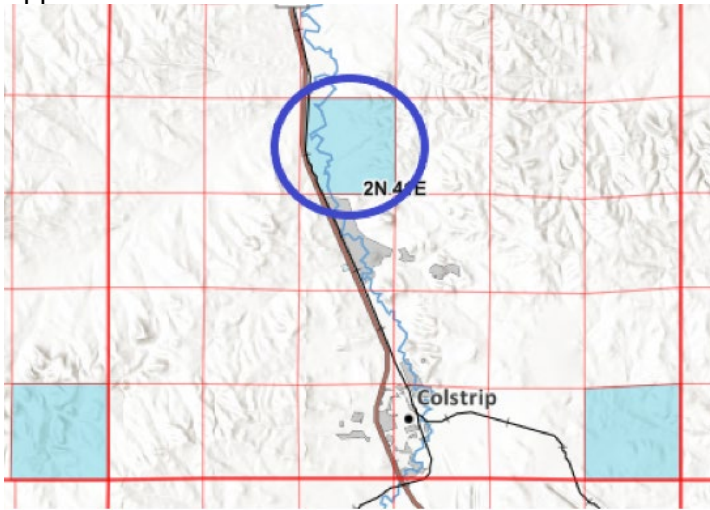
Item Summary

Range Telephone Cooperative Inc. is requesting an easement to install a buried fiber optic telecommunications cable. The line will provide reliable telephone and broadband services to homes and businesses in Rosebud County, specifically north of Colstrip, Montana. The proposed route was chosen in order to follow the existing roadway and was deemed the most direct and cost-effective route to provide service to this area. This route will also have the least amount of ground disturbance and the least damaging environmental impact.

Recommendation

The DNRC recommends approval of the application of Range Telephone Cooperative Inc.

Application #19718



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Range Telephone Cooperative Inc.
PO Box 127
Forsyth, MT 59327

Application No.: 19719
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 2.97
Compensation: \$1,782.00
Legal Description: 20-foot strip through N2NW4, SE4NW4, SW4NE4, W2SE4,
SE4SE4, Sec. 36, Twp. 4N, Rge. 40E, Rosebud County
Trust Beneficiary: Common Schools

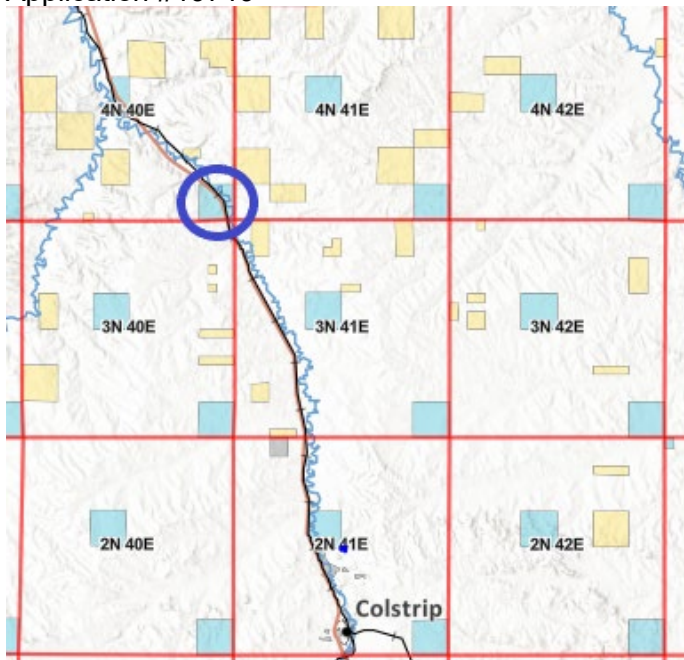
Item Summary

Continuation of Range Telephone Cooperative Inc. applications.

Recommendation

The DNRC recommends approval of the application of Range Telephone Cooperative Inc.

Application #19719



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Montana Department of Transportation
PO Box 201001
Helena, MT 59620-1001

Application No.: 19720
R/W Purpose: highway construction and maintenance, including occupancy by
public utilities as defined in §69-4-101, MCA

Lessee Agreement: ok
Acreage: 9.69
Compensation: \$5,814.00
Legal Description: tract of land thru N2N2, Sec. 16, Twp. 18N, Rge. 44E,
McCone County
Trust Beneficiary: Common Schools

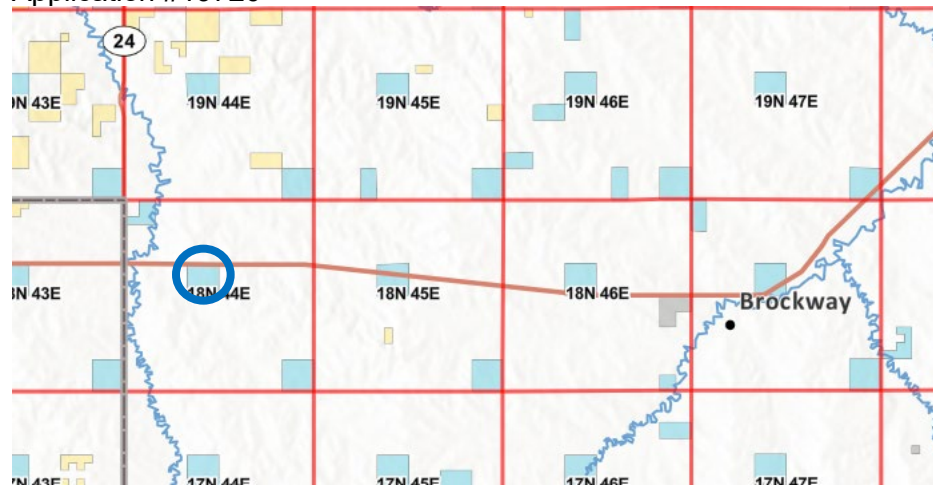
Item Summary

The Montana Department of Transportation is requesting an easement to reconstruct the highway on a new horizontal and vertical alignment that meets all current design standards including 6-foot shoulders. The reconstruction will also include auxiliary lanes, including parking, weaving, turning and climbing lanes. The proposed project is not expected to cause any major traffic disruptions.

Recommendation

The DNRC recommends approval of the application of Montana Department of Transportation.

Application #19720



1124-5

RENEWABLE ENERGY

**Land Board Agenda Item
November 18, 2024**

1124-5 Renewable Energy Option to Lease Agreement

Location: Dawson, McCone, and Prairie County

Trust Benefits: Common Schools, Intensive Behavioral Center, MT State Hospital and School for the Deaf & Blind

Trust Revenue: \$80,850 (First Year)

Item Summary

The Department of Natural Resources and Conservation (Department) is requesting approval to issue an Option to Lease for 11,550 +/- acres located in Prairie, McCone, and Dawson counties, as part of the greater Glendive Wind Farm project, to Glendive Wind, LLC (Proponent).

The Option to Lease provides site control for rights associated with wind power project development, as well as the right for the Optionee to enter into a long-term Renewable Energy Lease for the construction and operation of a wind power project. The Development activity is not authorized through an Option to Lease. The Option to Lease is also contingent upon an environmental review conducted in compliance with the Montana Environmental Policy Act (MEPA) and associated decision document signed by the Department. The Option to Lease provides that the final decision for the MEPA document may require modifications to the Lease to ensure compliance with the MEPA decision.

The proposed Option to Lease would facilitate the State's ability to participate in the Glendive Wind development being planned on adjacent private and federal lands within the project's boundaries and share in the potential long-term revenue opportunity. The proposed Option to Lease includes the following State Trust Lands, also depicted on the attached map.

| County | Sec. | Twp. | Rge. | Acres |
|--|-------------|-------------|-------------|--------------|
| Prairie County – All | 16 | 15N | 47E | 640 |
| Prairie County - All less TR 1 COS #19-97 Doc# 125815 | 36 | 16N | 47E | 631 |
| Prairie County – All | 36 | 16N | 48E | 640 |
| Prairie County – All | 16 | 16N | 49E | 640 |
| Prairie County – All | 36 | 16N | 49E | 640 |
| Prairie County – All | 4 | 16N | 50E | 653 |
| Prairie County – W2 | 5 | 16N | 50E | 346 |
| Prairie County – All | 9 | 16N | 50E | 640 |
| Prairie County – N2 | 15 | 16N | 50E | 320 |
| Prairie County – All | 16 | 16N | 50E | 640 |
| Prairie County – All | 21 | 16N | 50E | 640 |
| Prairie County – All | 26 | 16N | 50E | 640 |
| Prairie County – W2 | 32 | 16N | 50E | 320 |

| | | | | |
|----------------------------|-----------|------------|------------|------------|
| McCone County - All | 36 | 17N | 48E | 640 |
| McCone County – All | 16 | 17N | 49E | 640 |
| McCone County – All | 36 | 17N | 49E | 640 |
| Dawson County – All | 16 | 17N | 50E | 640 |
| Dawson County – All | 16 | 17N | 51E | 640 |
| McCone County – All | 36 | 18N | 49E | 640 |
| Dawson County – E2 | 36 | 18N | 50E | 320 |

The proposed Option to Lease would be active for up to seven years. If a Lease is exercised during the Option to Lease period, the proponent could commence construction and development of wind power facilities. The Lease includes an initial 35-year term and may renew by up to two 10-year intervals. At any time during the Lease term, the lessee may elect to commence the Decommissioning Term, which is a period of up to eighteen (18) months.

The Option to Lease is based on the proposal and preliminary development plans for the project. The final site plan, including location and quantities of turbines and ultimate acreage leased will be determined based on environmental analysis and other factors including wind studies, the power purchase agreement, and final determination of turbine technology. These factors will be evaluated and finalized throughout the Option to Lease term.

Revenue

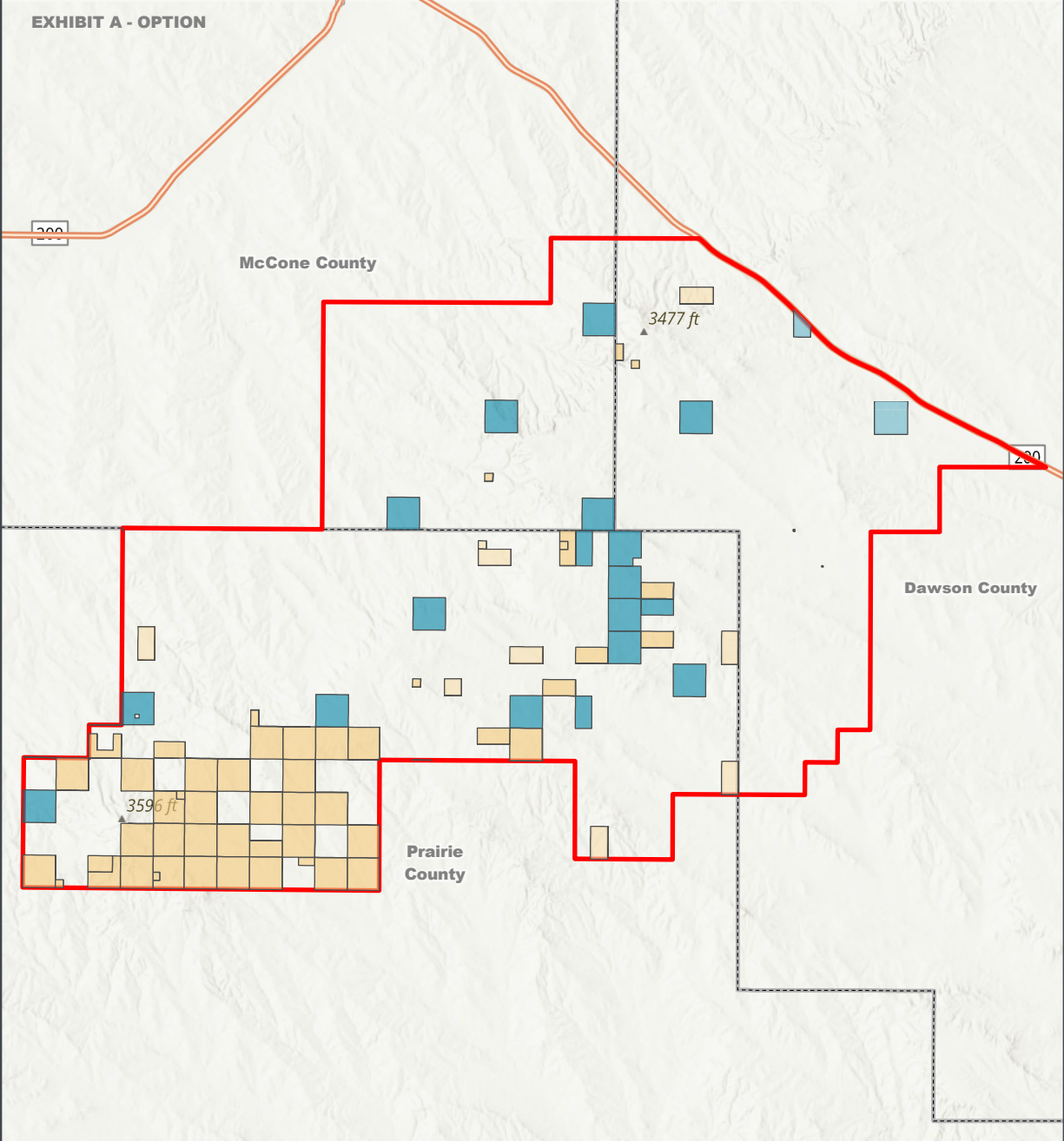
Option to Lease: Annual rent will be \$7/acre for the first year and will increase by \$2/acre each year, up to seven years of the Option to Lease. First year Option fee will be \$7/acre X 11,550 acres = \$80,850, and will increase each year, as described below.

| | |
|-------------|--|
| Year one: | \$7.00 per acre. or \$80,850 due on the Effective Date. |
| Year two: | \$9.00 per acre, or \$103,950 on the first anniversary of the Effective Date |
| Year three: | \$11.00 per acre, or \$127,050 on the second anniversary of the Effective Date |
| Year four: | \$13.00 per acre, or \$150,150 on the third anniversary of the Effective Date |
| Year five: | \$15.00 per acre, or \$173,250 on the fourth anniversary of the Effective Date |
| Year six: | \$17.00 per acre, or \$196,350 on the fifth anniversary of the Effective Date |
| Year seven: | \$19.00 per acre, or \$219,450 on the sixth anniversary of the Effective Date |

Under a Renewable Energy Lease: Annual rent will be based upon the greater of three elements: land value derived minimum per acre fee; gross revenue share from electrical energy sold; or per megawatt of installed capacity for all turbines located upon the Lease premises.

Recommendation

The Department recommends that the Board approve the issuance of an Option to Lease agreement for the Glendive Wind project to Glendive Wind, LLC.



- Highway
- Wind Resource Area
- County Boundary

- Surface Ownership**
- Bureau of Land Management
 - Local Government
 - Montana State Lands (Leased)

Dawson County, MT
 McCone County, MT
 Prairie County, MT

NAD 1983 UTM Zone 13N
 105.4598°W 47.1641°N

*Base Map: ESRI ArcGIS Online,
 accessed September 2024
 Updated: 9/12/2024
 Project No. 84489
 Layout: Project_Overview
 Aprx: 84489_GlendiveWind*

0 2.5 5
 Miles
 0 2 4
 Kilometers

N

Montana

1:325,000

SWCA
 ENVIRONMENTAL CONSULTANTS

1124-6

INFORMATIONAL ITEM:
FY2024 Trust Lands Review

**Land Board Agenda Item
November 18, 2024**

1124-6 Informational Item: FY24 Trust Lands Review

Location: State of Montana

Trust Benefits: N/A

Trust Revenue: N/A

Item Summary

Fiscal Year 2024 Trust Lands Bureaus year in review.