REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
AGENDA
NOVEMBER 16, 2026, AT 9:00 A.M.
STATE CAPITOL, ROOM 303
HELENA, MT

ADMINISTRATIVE ITEMS

Approval of the November Land Board Agenda
Approval of the October Land Board Meeting Minutes

ACTION ITEMS

1126-1 Metalliferous Lease Template Update
Location: All
Benefits: All

1126-2 Easements
Location: Custer, Lake, Lincoln, Madison, Ravalli, Roosevelt and Wheatland Counties
Benefits: Common Schools and Public Land Trust

1126-3 Hydroelectric Lease: Black Eagle Falls Dam (Executive Session)
Location: Cascade County
Benefits: Public Land Trust – Navigable Rivers

1126-4 Montana Fifteenth Judicial District Cause No. DV 2021-0047 River Oxbow, LLC et al. v. Montana Department of Natural Resources and Conservation et al. (Executive Session)
Location: Richland and Rosevelt Counties
Benefits: N/A

PUBLIC COMMENT

DRAFT

REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
MINUTES
OCTOBER 19, 2026, AT 9:00 A.M.
STATE CAPITOL, ROOM 303
HELENA, MT

Members Present
Greg Gianforte, Governor
Susie Hedalen, Superintendent of Public Instruction
Austin Knudsen, Attorney General
James Brown, Commissioner of Securities and Insurance
Christi Jacobsen, Secretary of State
Sonia Gavin, Land Board Secretary

Members Excused
Susan Hedalen, Superintendent of Public Instruction

Testifying Staff
Amanda Kaster, DNRC Director
Deidra Kloberdanz, DNRC Real Estate Management Bureau Chief
Brian Bramblett, DNRC Chief Legal Counsel

Call to Order
00:00:00 Governor Gianforte called the meeting to order.

00:01:00 Governor Gianforte moved to postpone action on agenda item 1026-2, Metalliferous Mining Lease Template to the November Land Board Agenda. The motion was seconded by Austin Knudsen, Attorney General, and carried unanimously.

Adopt Proposed Agenda
00:02:23 Governor Gianforte moved to adopt the October agenda as amended. The motion was seconded by Christi Jacobsen, Secretary of State, and carried unanimously.

Adopt Prior Months Meeting Minutes
00:02:44 Austin Knudsen, Attorney General, moved to approve the September minutes. The motion was seconded by Christi Jacobsen, Secretary of State, and carried unanimously.

Business Considered

1026-1 Timber Sales
00:02:54 Amanda Kaster, DNRC Director, gave an overview of the items.

Public Comment: N/A

00:04:27 Austin Knudsen, Attorney General moved to approve items 1026-1. The motion was seconded by Christi Jacobsen, Secretary of State, and carried unanimously.

1026-2 Cabin and Homesites: Set Minimum Bid for Sale

00:04:44 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A

00:05:36 Christi Jacobsen, Secretary of State, moved to approve items 1026-2. The motion was seconded by Austin Knudsen, Attorney General and carried unanimously.

1026-3 Land Banking Acquisition: Preliminary Approval for Purchase

00:05:52 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A

00:06:41 Christi Jacobsen, Secretary of State, moved to approve items 1026-2. The motion was seconded by Austin Knudsen, Attorney General.
00:06:51 Austin Knudsen, Attorney General, requested clarification from DNRC Staff for the public
00:07:19 Deidra
00:08:47 Austin Knudsen, Attorney General
00:09:06 Deidra Kloberdanz, DNRC Real Estate Management Bureau Chief
00:09:22 Greg Gianforte, Governor
00:09:24 Deidra Kloberdanz, DNRC Real Estate Management Bureau Chief
00:09:31 The motion to approve item 1026-3 carried unanimously.

1026-4 Easements

00:09:41 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment:

00:10:24 Christy Clark, FWP Director

00:14:59 Austin Knudsen, Attorney General moved to approve items 1026-5. The motion was seconded by Christi Jacobsen, Secretary of State.
00:15:08 Austin Knudsen, Attorney General
00:15:48 James Brown, Commissioner of Securities and Insurance
00:16:00 Greg Gianforte, Governor
00:16:32 The motion to approve item 1026-4 carried unanimously.

1026-5 Outside Legal Counsel: Water Rights

00:16:39 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A

00:17:20 Austin Knudsen, Attorney General moved to approve items 1026-5. The motion was seconded by Christi Jacobsen, Secretary of State.
00:17:27 Austin Knudsen, Attorney General
00:17:51 Amanda Kaster, DNRC Director
00:18:14 The motion to approve item 1026-5 carried unanimously.

INFORMATIONAL ITEM

1026-6 Quarterly Litigation Update

00:18:24 Amanda Kaster, DNRC Director, gave an overview of the item.

00:18:50 Brian Bramblett, DNRC Chief Legal Counsel

Public Comment: N/A

General Public Comment:
N/A

Adjournment
00:20:56 Austin Knudsen, Attorney General, moved to adjourn.

PRESIDENT	ATTEST
/s/ Date	/s/ Date
Greg Gianforte, Governor	Amanda Kaster, DNRC Director

Please note: *The Land Board has adopted the audio recording of its meetings as the official record, as allowed by 2-3-212, MCA. These minutes provide an abbreviated summary of the Land Board discussion, public testimony, action taken, and other activities. The time designations listed are approximate and may be used to locate the referenced discussion on the audio recording of this meeting. You may access the minutes and the audio recording on our website: https://dnrc.mt.gov/TrustLand/About/LandBoardMeetingArchive.*

1126-1

Metalliferous Lease Template Update

Land Board Agenda Item
November 16, 2026

1126-1 Metalliferous Lease Template Update

Location: All

Trust Beneficiaries: All

Trust Revenue: Unknown

Item Summary:
DNRC has updated the standard metalliferous lease template to incorporate the lease terms adopted by the 2025 Legislature in SB 520. The bill authorizes a lease term beyond the primary 10-year period in several circumstances: while the lease is in commercial production, during periods when the lease is ineffective due to legal challenges to DEQ or MEPA actions, and for the duration of any DEQ exploration license or DEQ mining permit associated with the lease.

DNRC Recommendation:
The DNRC recommends that the Land Board approve the department's revisions to the metalliferous lease.

State of Montana

METALLIFEROUS MINERAL OR GEM MINING LEASE

No. M-XXXX-26

This Indenture of Lease ("Lease") is made and entered into by the Montana State Board of Land Commissioners ("Board" or "Lessor"), acting by and through the Montana Department of Natural Resources and Conservation ("Department"), Minerals Management Bureau, 1539 11th Ave., PO Box 201601, Helena, MT 59620-1601 and the person, persons, company or corporation herein named and hereinafter referred to as Lessee.

1. GRANTING CLAUSE. Subject to the terms and conditions of this Lease and as permitted by applicable federal, state and local laws, regulations and ordinances, the Lessor grants the Lessee the right and privilege to enter onto the lands described below ("Leased Premises") for the purposes of exploration, prospecting and extraction of the minerals and gems listed above, including the right of ingress and egress for personnel, machinery, equipment, supplies and products as may be reasonably needed for such purposes. This Grant of Lease confers upon the Lessee the right to use the Leased Premises as reasonably necessary to carry out the purposes of this Lease. :

Date this Lease takes effect: _____

Name of Lessee: _____ Address: _____

Email address for Lessee:_____

Description of Leased Premises:_____County:_____

Total number of acres:_____, more or less, belonging to_____Grant.

Minerals authorized to be mined:

First Year's Bonus:

Royalty:

Bond:

Lessee and Lessor agree as follows:

2. RENTAL RATE. The Lessee shall pay to the Lessor an annual monetary rental in the amount of $1.00 per acre for the first three-year period, $2.50 per acre for the next two years, and thereafter annually $3.00 per acre. This is in addition to any bonus paid during the first year that may be required as a condition of obtaining the Lease. In no circumstance may the rental be less than $100 per year. The annual rental is in addition to, and not in lieu of, the royalty payments required by the Lease. The rental for each year shall be due and payable before the beginning of each rental year.

3. ROYALTY. The Lessee shall pay, on or before the last day of each quarter, in addition to the rental rate specified above, a royalty in cash to Lessor, unless the Lessor requests that it be delivered in kind. The royalty rate as specified above shall be determined at the discretion of the Board for the applicable percentage of the returns from the metalliferous minerals or gems being mined, but in no case shall be less than what is statutorily required under Title 77, Chapter 3, Mont. Code Ann. The returns are defined as the net amount received by the shipper after deducting reasonable costs, which costs may, subject to Title 77, Chapter 3 Mont. Code Ann. and Subchapter 36.25.6, Mont. Admin. R., be determined by the Board. The fair market value is the value of the minerals or gems in raw crude form as recovered at the mine site.

4. ROYALTY AUDIT. Lessor may, within 7 years of payment by Lessee of a royalty payment due and owing hereunder, commence an audit of Lessee's or a former Lessee's operation to determine whether all royalties owed have been paid. Lessor shall notify the Lessee and/or former lessee in writing of the audit. The notice must describe the period for which the audit is being conducted. Upon conclusion of the audit, Lessor shall notify Lessee and/or former lessee of Lessor's conclusions and, if Lessor has determined that additional royalties are owed, the basis for that determination. An action to compel payment of royalties due must be commenced within 2 years of the date of mailing the notice.

5. BOND REQUIRED. Prior to issuance of the Lease, the Lessee shall file with the Department a bond in the amount to be established by the Board conditioned upon payment of rentals and royalties, compliance with all Lease terms, and protection of the rights of any prior purchasers or lessees. The Board may require an additional bond or bonds, at any time during the period of the Lease. The Lessee may furnish one bond covering all metalliferous minerals and gem leases in which any interest is held or acquired by the Lessee. If such a blanket bond is furnished by the Lessee, separate bonds relating to individual leases shall not be required. Such blanket bond shall be in an amount to be fixed by the Department. Payment of a sum under the terms of said bond or bonds does not release the Lessee from liability for damages in excess of the amount paid under the terms of said bond or bonds. The bond or bonds provided for in this provision do not release or forgive Lessee from any bonding which may be required by the Montana Department of Environmental Quality or any other state, federal, or local government entity.

6. TERM. This Lease is granted to have and to hold the Leased Premises for:

a. (i) A primary term of not less than 10 years and to be held by production for as long thereafter as metalliferous minerals or gems are produced in commercial quantities; or

   (ii) if the Leased Premises are subject to limitations contained in grants by which the state acquired title to the Leased Premises or mineral rights to be leased, a period determined by the Board to be in accordance with the limitations.

b. If this Lease has a corresponding permit issued by the Montana DEQ's Hard Rock Mining Bureau, or an environmental analysis related to this Lease or permits enjoined or ineffective due to a temporary restraining order, preliminary injunction, or other equitable relief, or if its issuance is postponed by a challenge requiring further agency review, then the primary term of this Lease must be commensurately extended for the period that this Lease, permit, or action is enjoined or ineffective.

c. If an exploration license provided for in Mont. Code Ann. § 82-4-332 is obtained on the Leased Premises, the primary term of this Lease must be extended commensurately with the period for which the exploration license is authorized and for which exploration is occurring on the Leased Premises.

d. As long as a Lessee complies with the terms and conditions of this Lease including Section 6(a)(i), the Lease may not be terminated at the end of the primary term of this Lease, if the Leased Premises are covered and described by an active Montana DEQ Operating Permit issued under Title 82, chapter 4, or are described in an active Montana DEQ mine-site location permit under Title 82, chapter 4.

7. RIGHTS RESERVED. Any and all rights not expressly granted herein shall be reserved in the Lessor. In addition, the Lessor expressly reserves the right to sell, lease, or otherwise dispose of any interest or estate in the Leased Premises, except the interest conveyed by this Lease; provided, however, that subsequent sales, leases or other

dispositions of any interest or estate in the Leased Premises shall be subject to the terms of this Lease and shall not interfere with the Lessee's possession or rights hereunder**.**

8. ASSIGNMENTS.

a. By Lessee: With the Board's approval, the Lessee may assign this Lease either in whole or as to any regular subdivision thereof, embracing not less than forty (40) acres, to any qualified assignee, by filing the assignment with the Department in duplicate executed copies on the form prescribed by the Department and accompanied by the required fees. Provided, however, that no such assignment shall be binding upon the Board until it has been filed in the manner on form proscribed by Mont. Admin. R. 36.25.609, and approved by the Department. No assignment to two or more assignees will be approved until one of the assignees is designated to act as agent for the assignees. Each Lessee executing this Lease or accepting an assignment of an interest in this Lease is jointly and severally liable for all obligations attributable to the entire working interest under this Lease. Upon Lessor's approval of an assignment and acceptance of a replacement or substitute bonding, assignor shall be released from all obligations arising after the effective date of the assignment as to the assigned lands or interest, with the exception of unpaid royalties owed by assignor as determined in an audit conducted pursuant to Paragraph 4, hereof.

b. By Lessor: The Board may assign this Lease either in whole or in part to a third party. Promptly after approval, Lessor shall give Lessee notice of the assignment.

9. COMPLIANCE WITH LAWS, RULES AND REGULATIONS. This Lease is subject to further permitting under the provisions of Title 75 or 82, Montana Code Annotated. The Lessee shall fully comply with all applicable state and federal laws, rules and regulations, including but not limited to those concerning safety, environmental protection and reclamation. The Lessee shall conduct and reclaim the operation in accordance with the performance and reclamation laws and standards set forth by the Montana DEQ and the associated Operating Permit or Exploration License.

10. SMALL MINER EXCLUSION. If a Small Miner's Exclusion Statement ("SMES") is obtained, pursuant to Mont. Code Ann. 82-4-305, in lieu of a Montana DEQ operating permit, the Lessor reserves the right, as owner of the Leased Premises, and independent from any permitting or bonding authority of Montana DEQ, to require additional information and bonding from the Lessee. Such additional information may include, but is not limited to, an operations plan and a reclamation plan. The exemption of the Lessee's operations under a SMES does not relieve the Lessee from the obligation to fully reclaim the operations in accordance with performance and reclamation standards of the Lessor and the Montana DEQ Mining Division. Any bond collected by the Lessor under this Lease may be used for reclamation of operations if reclamation is not completed as specified within the reclamation plan. The Lessor, as owner of the Leased Premises, and independent from any permitting authority of Montana DEQ, reserves the right to deny the Lessee the ability to mine the Leased Premises through a Small Miner's Exclusion Statement if the Lessor determines that doing so is in the best interest of the State.

11. MINING PRACTICES AND SURFACE DAMAGES. The Lessee shall work the Leased Premises in a safe and miner-like fashion and manner consistent with due regard to the development and preservation thereof as workable mining areas. The Lessee shall compensate the Lessor or the Lessor's surface lessee(s) or permittee(s) for actual damage to the surface or any leasehold interest and/or to authorized improvements on the Leased Premises, including penalties and charges assessed by the Farm Service Agency on lands under the Conservation Reserve Program or like federal program, as a result of the Lessee's prospecting, exploration, development or mining operations, in accordance with Montana Administrative Rule 36.25.138. Lessee shall also make all payments required by law to surface owners and lessees if the Lessor is not the owner of the surface estate for the Leased Premises.

12. LESSOR'S RIGHT TO INSPECT. The Lessor and its designated employees, agents, and/or representatives shall at all reasonable times have the right to enter onto the Leased Premises and all of the workings and shafts and tunnels or buildings thereon and all parts thereof for the purpose of inspecting and examining the same. The Lessor and its designated employees, agents and/or representatives shall also, at all reasonable hours, have free access to all books, accounts, billing, records, contracts, invoices and papers of the Lessee insofar as they contain information

relating to the production obtained under this Lease, the prices obtained therefor, the fair market value of the production, percentage of returns, and all deductions, charges, costs, fees and expenses that reduced the net amount paid to the Lessor as royalties.

13. RECORDS. The Lessee agrees to keep accurate books of account showing the type and amount of metalliferous minerals and/or gems extracted from the Leased Premises; the amount of such minerals and/or gems produced, saved, treated, shipped or marketed collectively or individually; the amount of money received from the sale of the minerals and/or gems or the value extracted from them; the percentage of returns; and all deductions, charges, costs, fees and expenses that reduced the net amount paid to the Lessor as royalties. The records of the Leased Premises shall be kept and preserved separate from records of minerals mined from other lands.

14. MINIMIZATION OF DISTURBANCE. The Lessee shall prospect and explore for metalliferous minerals or gems with the minimum disturbance to the surface of the Leased Premises that is required to adequately explore the Leased Premises. Furthermore, all mining operations shall be conducted in such a manner as to protect the Leased Premises, surface and resources from disturbance which is not reasonably necessary to efficiently and economically remove the mineral deposit. The Lessee shall enclose and maintain all shafts, tunnels and other openings to protect wildlife, livestock and humans from dangerous conditions. Nor shall the Lessee cut any timber on the surface of the Leased Premises without the written consent of the Department, provided that such consent shall not be unreasonably withheld, conditioned, or delayed, so long as the proposed removal does not adversely impact Lessor's ability to adhere to multiple-use management principles, including management for forest and/or timber health. The Lessee shall pay the customary charges for such timber if consent is obtained.

15. EXPLORATION AND/OR DEVELOPMENT REPORT. The Lessee shall furnish to the Lessor upon request, but not more than once each calendar year, an exploration and development report which describes the work completed by the Lessee under this Lease. The report shall include a plat showing the location of any work completed on the Leased Premises and shall include a complete geologic log and electric log (if done) and location of any test holes. The report shall also include a summary of all mineral concentrations and volumes found on the Leased Premises.

16. PRODUCTION AND ROYALTY REPORTING. Upon commencement of mining operations on the Leased Premises, the Lessee shall report to the Department, on or before the last day of each quarter, concerning the operations for the latest 3 months for which records are available but not more than 3 months preceding the report. The report shall be on the form prescribed by the Department and shall provide sufficient information to determine the royalty paid as well as any other pertinent information requested by the Department.

17. NOTICE OF DISCOVERY OF OTHER MINERALS. The Lessee shall promptly notify the Department of the discovery of any valuable minerals other than those covered by this Lease.

18. POOLING AND UNIT AGREEMENTS AUTHORIZED. The Lessor may enter into agreements for the pooling of acreage or yardage with others holding the mineral rights in adjoining lands for unit operation of placer mining and the apportionment of royalties on a cubic yardage or area basis in the case of placer mining deposits lying partly on land in which the State holds the mining rights and partly on land in which others hold the mining rights.

19. WATER RIGHTS. The Lessee shall not interfere with any existing water right owned or operated by any person. The Lessee shall indemnify the Lessor and hold the Lessor harmless against all claims, including attorney fees, for damages claimed by any person asserting interference with a water right. No water rights are conveyed, leased, assigned, or transferred to the Lessee with this Lease.

20. LEGAL ACCESS. The Lessee acknowledges that the Lessor makes no representation or promise regarding whether, or by what route, legal access to the Leased Premises exists.

21. WASTE PROHIBITED. All mining operations shall be done in a good and workmanlike manner in accordance with approved methods and practices using such methods to ensure the extraction of the greatest amount of economically minable and saleable mineral, having due regard for the prevention of waste of the minerals developed

on the Leased Premises, the protection of the environment, historical resources and all natural resources, the preservation and conservation of the Leased Premises for future use, and for the health and safety of workers and employees. If the Lessor has reasonable belief that the operations are not so being conducted, it shall so notify the Lessee in writing, and if compliance is not promptly obtained and the delinquency fully satisfied, the Lessor may, at its option, cancel this Lease pursuant to Paragraph 25 of the Lease.

22. INDEMNIFICATION. Lessee shall protect, defend, indemnify, and save harmless Lessor, its elected and appointed officials, agents, and employees, from and against all claims, liabilities, demands, causes of action, judgments, penalties, fines, and losses ("Claims"), including all costs of defense and reasonable attorney fees, arising in favor of or asserted by Lessee's employees and agents, its subcontractors, its subcontractor's employees and agents, or third parties relating to property damage, personal injury, bodily injury, death, violation of or non-compliance with any laws, or financial or other loss or obligation of any kind that in any way, directly or indirectly, arise or allegedly arise out of, in connection with, or on account of this Lease, any act or omission of Lessee, or any act or omission of Lessee's officers, agents, employees, or subcontractors.

Notwithstanding the foregoing, Lessee shall not be required to indemnify Lessor to the extent any Claims are the result of the gross negligence or willful misconduct of Lessor. The obligations contained in this Section shall survive expiration or earlier termination of this Lease.

Lessor shall give Lessee prompt notice, in writing, of any Claim and shall, at Lessee's expense, cooperate in the defense thereof by Lessee. Lessee acknowledges that under the laws of the State of Montana, the Montana Attorney General may participate in an action involving the State of Montana.

If Lessee fails to comply with its obligations under this Section, Lessor may undertake its own defense. If Lessor undertakes its own defense, Lessee shall reimburse Lessor for all: (i) losses, liabilities, damages, judgments, settlements, penalties and fines arising from the Claim, and (ii) costs arising from defense of the Claim, including but not limited to attorney fees, court costs, and costs of investigation, discovery, and experts. Lessee shall reimburse Lessor within 30 days after receiving Lessor's justification for such expenditures.

23. INSURANCE. Lessee shall, at its sole cost and expense, procure and maintain the following insurance policies:

a) Liability Insurance. Comprehensive or commercial general liability insurance covering claims arising out of the ownership, operation, maintenance, condition or use of the Leased Premises, for personal and bodily injury and death, and damage to others' property, with limits of not less than $2,000,000.00 for any one accident or occurrence and $2,000,000 in the aggregate. The foregoing liability insurance policy(ies) shall include cross liability and severability of interests clauses.

b) Property Insurance. All-risk fire and extended coverage insurance (including standard extended endorsement perils, leakage from fire protective devices and other water damage) covering loss or damage to the Improvements on a full replacement cost basis, excluding existing architectural and engineering fees, undamaged excavation, footings and foundations.

c) Workers' Compensation Insurance. Workers' compensation and employer's liability insurance covering Lessee's employees, officers, agents and representatives employed at the Leased Premises.

The policies required above shall name Lessor as an additional insured at all times during the Term. Lessee shall promptly provide to Lessor certificates of insurance evidencing the policies obtained by Lessee hereunder as hereinafter described. Proof of insurance ("Proof") shall consist of either (a) an insurance binder or premium payment receipt, (b) a copy of the policy, or (c) an "ACORD 27 Evidence of Property Insurance" or "ACORD 25 Certificate of Liability Insurance," whichever is appropriate (or such other similar certificates), issued by Lessee's insurer with respect to each required policy. Lessee shall deliver Proof before the Lease is executed. Thereafter, during the Term, within 30 days after the renewal date of each policy, the issuance of a new policy or on such other date as Lessor reasonably requires, Lessee shall deliver a copy of the latest Proof to Lessor. Each policy of insurance shall require the issuer of the insurance policy to give Lessor 30 days' advance written notice of the termination or modification of the policy. Further, all policies of insurance described above shall:

a) be written as primary policies not contributing with and not in excess of coverage that Lessor may carry;

b) contain an endorsement providing that such insurance may not be materially changed, amended or canceled except after 30 days' prior written notice from insurance company to Lessor;

c) expressly provide that Lessor shall not be required to give notice of accidents or claims and that Lessor shall have no liability for premiums; and

d) not have a deductible in excess of $20,000.00.

24. RELINQUISHMENTS. The Lessee may surrender and relinquish to Lessor any legal subdivision of the Leased Premises and thereby be discharged from any obligations not yet accrued as to the lands so surrendered and relinquished, without prejudice to the continuance of this Lease as to the lands not surrendered or relinquished. Any such surrender and/or relinquishment by Lessee shall at all times be subject to, and conditioned upon, the release of any Montana DEQ bond attributable to the part of the Leased Premises for which surrender is sought. Although no particular form of surrender is required, such surrender must be in writing, must sufficiently identify the portion of the Leased Premises sought to be surrendered, and must specifically describe the lands to be surrendered. Such written instrument of surrender and relinquishment must be signed by the Lessee or Lessees as shown by the records of Lessor. If more than one person owns the working interest in this Lease, all such owners must join in a joint surrender of the applicable land, or each must submit a separate, written surrender. Notwithstanding this paragraph, the Lease bond shall not be released until any land disturbed by the Lessee has been restored as provided under the terms of this Lease; Admin. R. Mont., Title 36, Subchapter 36.25.6, or other applicable law; or a subsequent lessee or assignee assumes responsibility for the disturbance.

25. TERMINATION AND REMEDIES.

a. TERMINATION. This Lease is terminated upon any of the following events:

i. Upon expiration of the Term as defined above;

ii. Upon the material breach of the Lease by the Lessee. However, the Lessor must provide written notice to Lessee of the material breach and at least 30 days to cure. If the Lessee has made diligent and continuous efforts to cure the breach within the time specified but is unable to do so, the Lessee may request a reasonable extension of time to cure the breach, along with documentation of its efforts to cure the default, prior to the cure deadline. The Lessor may, in its sole discretion, grant or deny the extension request.

b. REMEDIES. The Lessor may, in its sole discretion, and without waiving any other remedies stated herein or any other remedies allowed by law, take any one or more of the following actions in the event of a default by the Lessee:

i. Terminate this Lease and retake possession of the Leased Premises. The Lessee, upon written application for a hearing, made not later than 30 days after notice of termination has been given by Lessor, shall be granted a hearing on any notice or demand of the Lessor before the Lease shall be declared terminated. The Lessee shall remain liable for any and all damages to or on account of the Leased Premises or breach of this Lease;

ii. Continue the Lease in full force and effect and hold the Lessee liable for any and all damages to or on account of the Leased Premises or breach of this Lease; or

iii. Exercise its right to re-enter the Leased Premises and take possession of it and hold the Lessee liable for any and all damages to or on account of the Leased Premises or breach of this Lease.

c. These remedies are cumulative. The Lessor's choice of one remedy shall not act as a waiver of any other remedies stated in this section or as allowed by law.

26. DISPUTE RESOLUTION AND GOVERNING LAW. Prior to either party filing administrative or legal action, the parties hereto agree to engage in mediation using a mutually agreed-upon mediator. This Lease shall be governed and construed according to the Laws of the State of Montana. Any legal action relating to, or arising out of, this Lease must be filed with the Montana First Judicial District Court, Lewis and Clark County, Montana.

27. SURRENDER POSSESSION. Upon the termination of this Lease, for any cause, the Lessee shall surrender possession of the Leased Premises to the Lessor, subject to the Lessee's right to re-enter at any time within 60 days after termination to remove personal property, fixtures, equipment, core samples, materials, and improvements. Such period may, in the sole discretion of Lessor, be extended due to weather, safety, access, reclamation, permitting, force majeure, or pending dispute resolution. If any of the property of the Lessee is not removed from the Leased Premises within the applicable removal period, including any extension approved by Lessor, the same shall be deemed forfeited and shall become the property of the State of Montana.

28. SURRENDER OF DATA, INFORMATION AND DRILL CORE. Subject to conditions of Title 77, Chapter 3, all geological data pertaining to the Leased Premises and to the minerals and gems sought and extracted, as well as financial, operations and production information, relating to this Lease, including but not limited to reports, statements, maps, logs and other information and data, shall be given to the Lessor upon surrender, termination, or expiration of this Lease. The Lessor may refuse to release the bond obtained by Lessee hereunder until the Lessor receives all such data. All drill core unused or undamaged by testing shall be saved and shall become the property of the Lessor upon surrender, termination, or expiration of the Lease. The Lessor shall contact the State Geologist, Montana Bureau of Mines and Geology, Butte, Montana, to determine if such drill core is of interest to the State Geologist for the drill core library. Any drill core determined by the State Geologist to be of interest shall be forwarded by Lessee, at Lessor's sole cost and expense, to the drill core library.

All data and information that the Lessee believes is proprietary and confidential shall be labeled as such. Contemporaneously with the surrender of such data and information, the Lessee shall submit to the Department one or more trade secret applications that comply with Montana law. The Department shall determine whether each such data and information is a trade secret pursuant to Montana law.

29. DISPUTES NOT TO INTERRUPT OPERATIONS. Should a dispute arise between the parties hereto arising from this Lease concerning payments, audits, or the Leased Premises, including informal disputes and claims, complaints, actions or lawsuits, the Lessee agrees not to disrupt, interrupt, or cease operations pending final resolution of the dispute, unless Lessor requests Lessee to do so.

30. MEMORANDUM AGREEMENT. Upon execution of this Lease, the parties shall execute and cause to be delivered a short form of this Lease which shall be recorded by the Lessee at its expense in the office of the Clerk and Recorder of each county wherein all or part of the Leased Premises are located, with a copy forthwith furnished to the Lessor. The execution and recording of the Memorandum Agreement shall not limit, increase or in any manner affect the terms of this Lease or any rights, interests or obligations of the parties hereto.

31. NOTICES. Any notices required or authorized to be given shall be in writing and shall be deemed to have been given if sent by U.S. Certified Mail, postage prepaid, and email, at the addresses designated herein by each party, unless the party to whom notice is directed has requested, in writing, that notice be provided to a different address.

32. EXECUTING PARTIES BOUND. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs, executors, and administrators.

33. RELATIONSHIP OF THE PARTIES. Nothing contained herein shall be deemed to constitute any party, in its capacity as such, the partner, agent or legal representative of any other party, or to create any partnership, mining partnership or fiduciary relationship between them for any purpose whatsoever.

34. ACTIVITIES MAY BE DENIED. Lessor may impose reasonable, site-specific conditions to prevent unnecessary or unreasonable damage to the Leased Premises when Lessor determines, in writing, supported by material

evidence, that the conditions or limitations are reasonably necessary for the protection of State resources. With the exception of the foregoing, Lessor shall not deny or materially impair mining activities conducted under this Lease and reasonably necessary for Lessee's exploration, development, mining, access, sampling, testing, construction, operation, reclamation, or mineral evaluation, if Lessee is otherwise in compliance with this Lease, any applicable permits and other applicable law.

35. FINANCIAL AGREEMENTS. All contracts made in relation to the mineral interest granted herein, such as but not limited to assignments, subleases, joint ventures, overriding royalties, operating agreements, project financing, back-in rights, or other similar agreements, whether verbal or written between the Lessee and any other person or entity, must first be approved in writing by the Lessor. Any such contract entered into by the Lessee that has not been approved by the Lessor shall be voidable in the Lessor's sole discretion.

36. NOXIOUS WEEDS. The Lessee shall be responsible for controlling any noxious weeds within the lands covered by Lessee's Montana DEQ permit, and any noxious weeds resulting from exploration, construction or mining activities by Lessee. Lessee shall prevent or eradicate the spread of noxious weeds onto land adjoining the Leased Premises. The Lessee's methods of control shall be reviewed by the Lessor's Unit/Area Field Office that has jurisdiction for that locale or the Lessor's Weed Coordinator. The Lessee shall provide an annual report on weed control activities.

37. SEVERABILITY. If any part, term or provision of this Lease is held by a court of competent jurisdiction to be illegal or in conflict with any law of the United States or State of Montana, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Lease did not contain the particular part or provision held to be invalid.

38. NON-WARRANTY OF TITLE. Regardless of any of the provisions of said Lease, actual or implied, the State of Montana does not warrant title to its lands.

39. SPECIAL CONDITIONS: SEE ATTACHMENT "A"

40. ENTIRE AGREEMENT, AMENDMENTS, MODIFICATIONS. This Lease constitutes the entire agreement between the parties hereto, and any prior or contemporaneous statements, promises, agreements or understandings, whether verbal or written, shall be null and void and shall merge into this Lease. This Lease may only be amended, modified or extended by a written and duly executed amendment, modification or extension.

IN WITNESS WHEREOF, the State of Montana and the Lessee have caused this Lease to be executed in duplicate and the Director of the Department of Natural Resources and Conservation, pursuant to the authority granted the Director by the State Board of Land Commissioners of the State of Montana, has hereunto set their hand and affixed the seal of the Board of Land Commissioners this _____ day of _____ Year of _____.

Director of the Department of Natural
Resources and Conservation

Seal

_____
Lessee Signature

_____
Lessee's Printed Name and Title

_____
Address

NOTARY BLOCK

1126-2

Easements

Land Board Agenda Item
November 16, 2026

1126-2 Easements

Location: Custer, Lake, Lincoln, Madison, Ravalli, Roosevelt and Wheatland Counties

Trust Beneficiaries: Common Schools and Public Land Trust

Trust Revenue: Common Schools $15,436 and Public Land Trust $19,688

Item Table of Contents

Applicant	Right-of-Way Purpose	Term	Page(s)
Troy and Tina Sams	Private Access Road	Permanent	15-16
Spectrum Pacific West, LLC	Fiber Optic Cable	Permanent	17-22
Central Montana Regional Water Authority	Buried Water Pipeline	Permanent	23-24
Theodore F. and Pamela K. Schreiber	Private Access Road	Permanent	25-26
Sheridan Electric Cooperative, Inc.	Electric Distribution Line	Permanent	27-28
Town of Twin Bridges	Water and Sanitary Sewer Pipelines	Permanent	29-32
Montana Department of Transportation	Highway Construction and Maintenance	Permanent	33-34

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Troy and Tina Sams 800 Hwy 39 Forsyth, MT 59327
Application No.:	19982
R/W Purpose:	a private access road to a single-family residence and associated outbuildings
Lessee Agreement:	N/A (Unleased)
Acreage:	1.01
Compensation:	$1,010.00
Legal Description:	30-foot strip through SE4NE4, Sec. 16, Twp. 16N, Rge. 20W, Lake County
Trust Beneficiary:	Common Schools

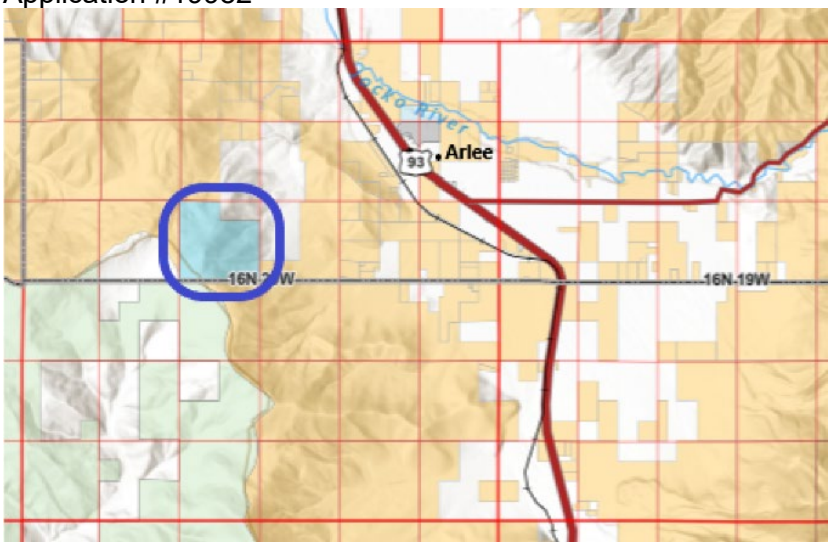
Item Summary:
Troy and Tina Sams are requesting a historic easement for a private access road for the purpose of accessing a single family residence. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

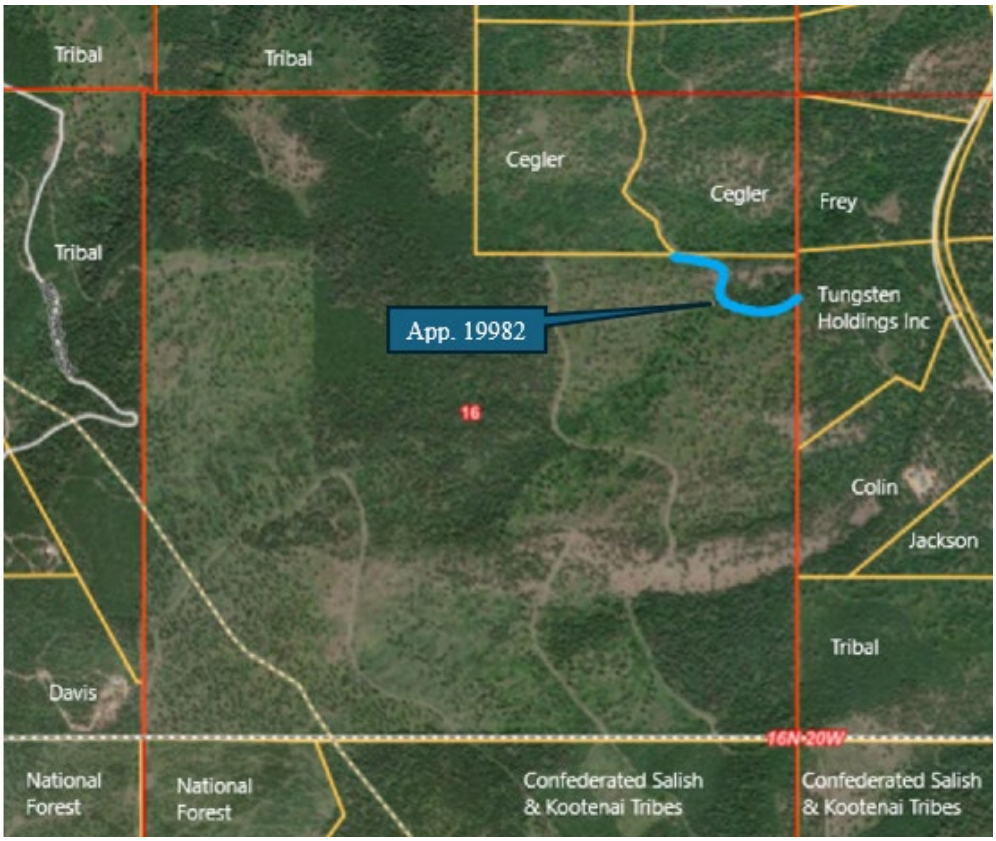
Troy and Tina Sams' private land to be accessed is described as follows:

- Lot 22, Arlee Pines Subdivision: Section 9, Township 16 North, Range 20 West

DNRC Recommendation:
The DNRC recommends approval of the application of Troy and Tina Sams.

Application #19982





APPLICANTS AND RIGHTS OF WAY INFORMATION

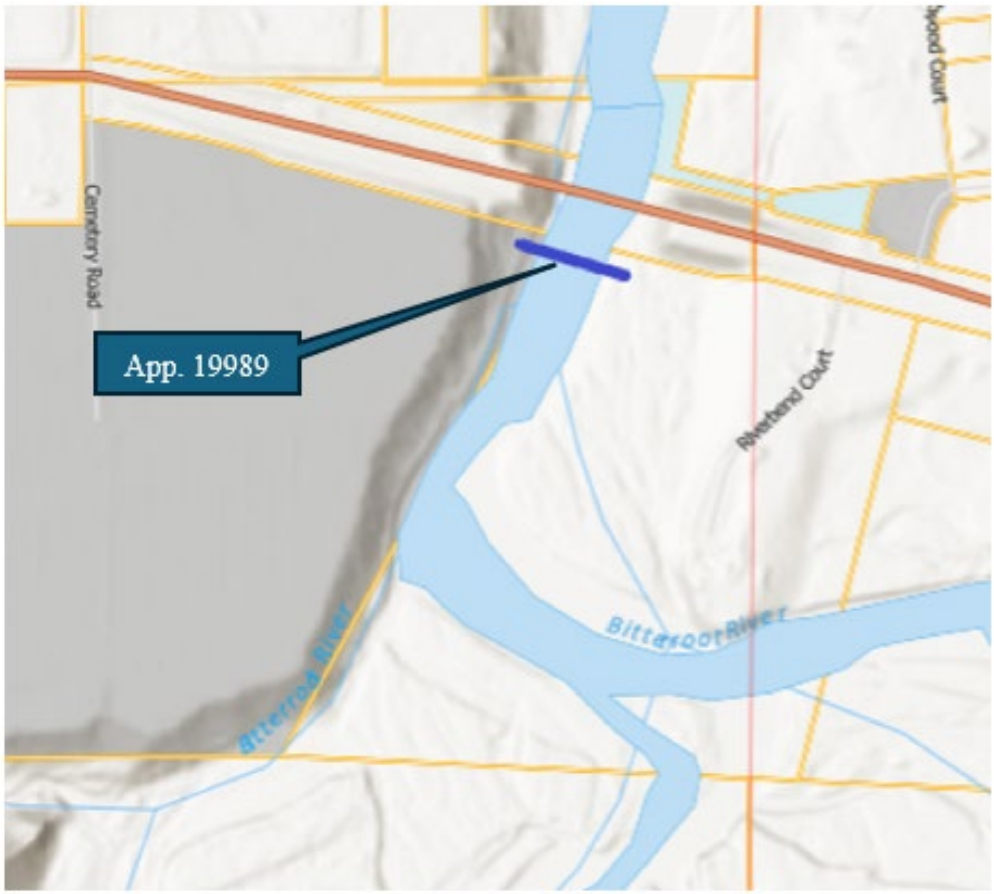
Applicant:	Spectrum Pacific West, LLC 1860 Monad Road Billings, MT 59102
Application No.:	19989
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	N/A (Navigable River)
Acreage:	0.08
Compensation:	$1,076.00
Legal Description:	20-foot strip under the Bitterroot River in NE4SE4, Sec. 26, Twp. 6N, Rge. 21W, Ravalli County
Trust Beneficiary:	Public Land Trust

Item Summary:
Spectrum Pacific West, LLC is requesting an easement to install a buried fiber optic telecommunications cable. This line will provide reliable services to unserved and underserved residences and businesses in Ravalli County. The proposed route was determined by field review as the most direct route between terminus locations while also providing access to existing and future network considerations. The proposed route will provide accessibility for construction and maintenance since it is primarily along existing roadways.

DNRC Recommendation:
The DNRC recommends approval of the application of Spectrum Pacific West, LLC.

Application #19989





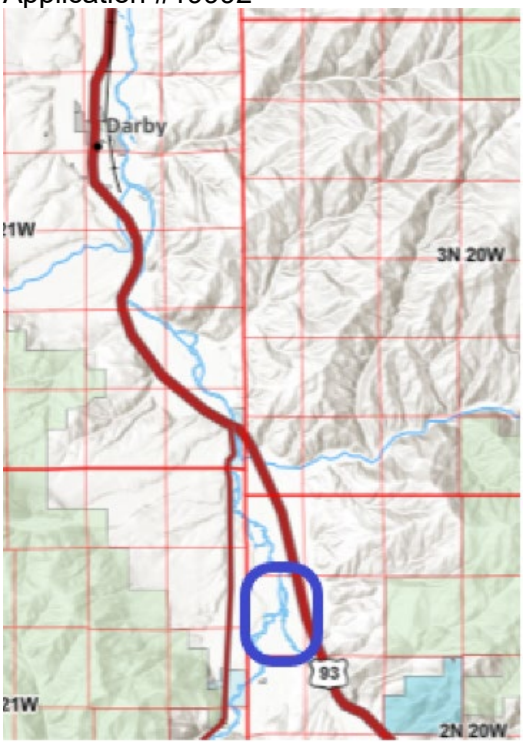
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Spectrum Pacific West, LLC 1860 Monad Road Billings, MT 59102
Application No.:	19992
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	N/A (Navigable River)
Acreage:	0.06
Compensation:	$2,591.00
Legal Description:	20-foot strip under the Bitterroot River in SE4SE4, Sec. 7, Twp. 2N, Rge. 20W, Ravalli County
Trust Beneficiary:	Public Land Trust

Item Summary:
Continuation of Spectrum Pacific West, LLC applications.

DNRC Recommendation:
The DNRC recommends approval of the application of Spectrum Pacific West, LLC.

Application #19992





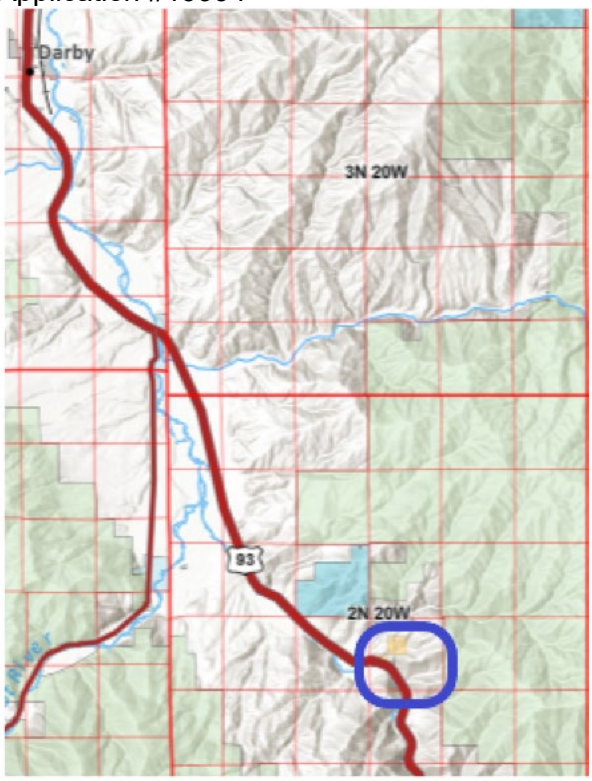
APPLICANTS AND RIGHTS OF WAY INFORMATION

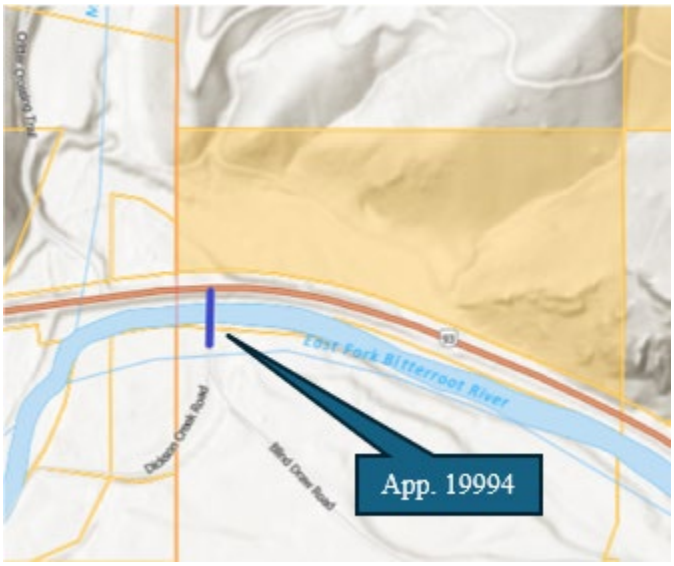
Applicant:	Spectrum Pacific West, LLC 1860 Monad Road Billings, MT 59102
Application No.:	19994
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	N/A (Navigable River)
Acreage:	0.02
Compensation:	$718.00
Legal Description:	20-foot strip under the Bitterroot River in NW4SW4, Sec. 22, Twp. 2N, Rge. 20W, Ravalli County
Trust Beneficiary:	Public Land Trust

Item Summary:
Continuation of Spectrum Pacific West, LLC applications.

DNRC Recommendation:
The DNRC recommends approval of the application of Spectrum Pacific West, LLC.

Application #19994





APPLICANTS AND RIGHTS OF WAY INFORMATION

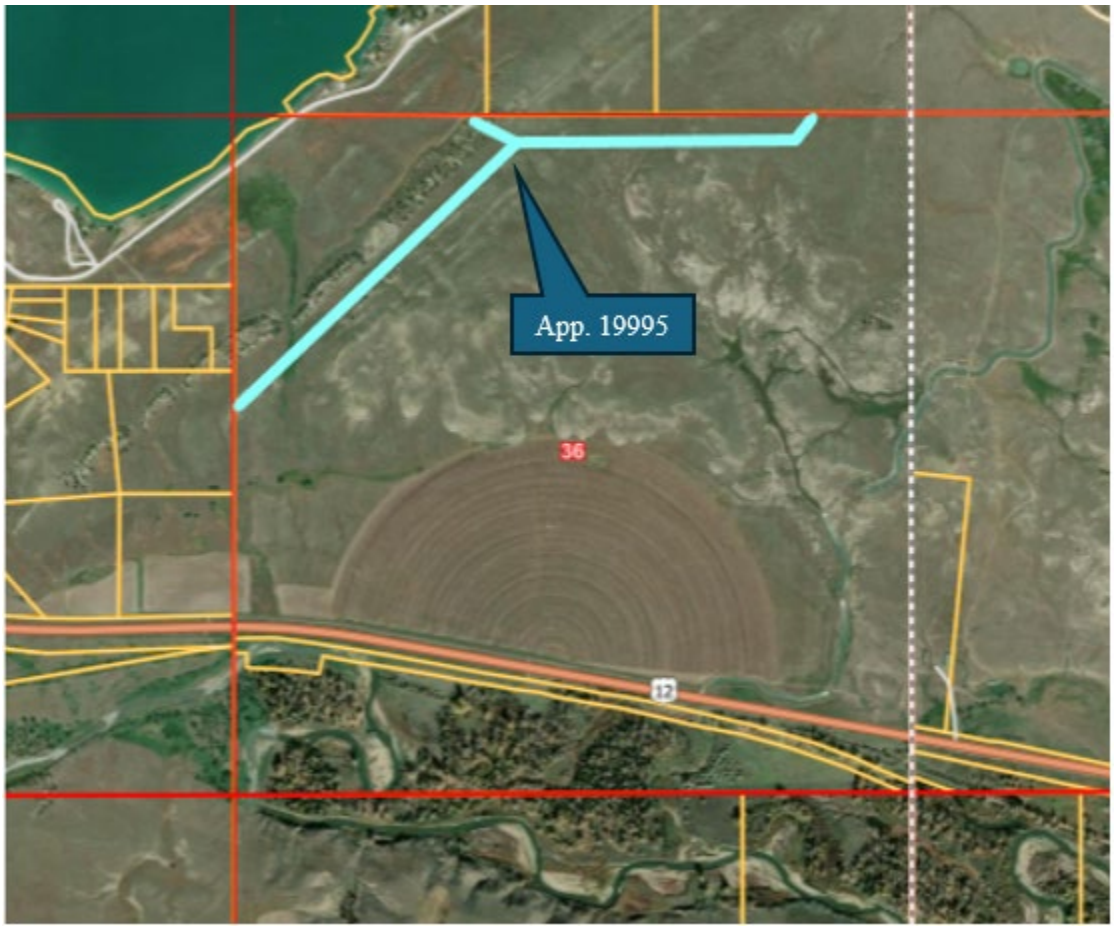
Applicant:	Central Montana Regional Water Authority PO Box 660 Roundup, MT 59072
Application No.:	19995
R/W Purpose:	a buried 6-inch water transmission pipeline
Lessee Agreement:	ok
Acreage:	3.93
Compensation:	$2,751.00
Legal Description:	30-foot strip through N2N2, SW4NW4, Sec. 36, Twp. 7N, Rge. 18E, Wheatland County
Trust Beneficiary:	Common Schools

Item Summary:
Central Montana Regional Water Authority has requested an easement for a buried 6-inch water transmission pipeline. This proposed easement is for the construction of a drinking water pipeline to serve rural residents and small communities in the Musselshell River Valley from the Madison Aquifer groundwater. Several route alternatives were evaluated and the most technically and financially feasible route alternative includes crossing state trust lands. Also, significant effort was made to address concerns of the State Water Projects Bureau about proximity of the pipeline to reservoir dike by offsetting the pipeline over 1000 feet from the dike embankments.

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

Application #19995





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Theodore F. and Pamela K. Schreiber 505 Ponderosa Drive Miles City, MT 59301
Application No.:	19996
R/W Purpose:	a private access road to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	0.02
Compensation:	$100.00
Legal Description:	30-foot strip through NW4NW4, Sec. 36, Twp. 4N, Rge. 53E, Custer County
Trust Beneficiary:	Common Schools

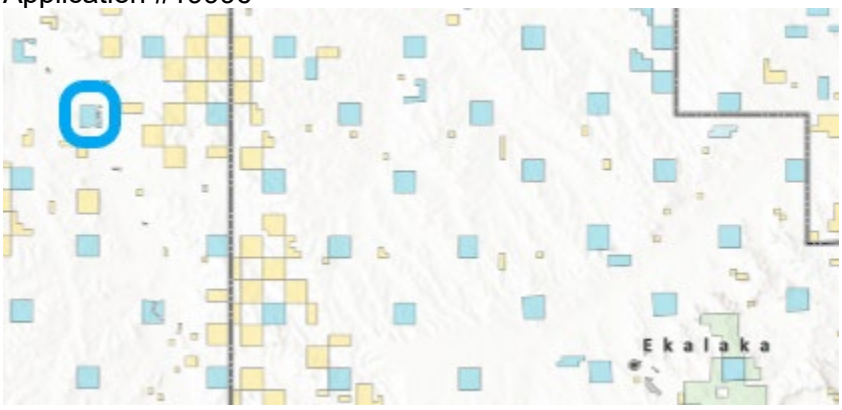
Item Summary:
Theodore F. and Pamela K. Schreiber are requesting a historic easement for a private access road for the purpose of conducting normal farming and ranching operations. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

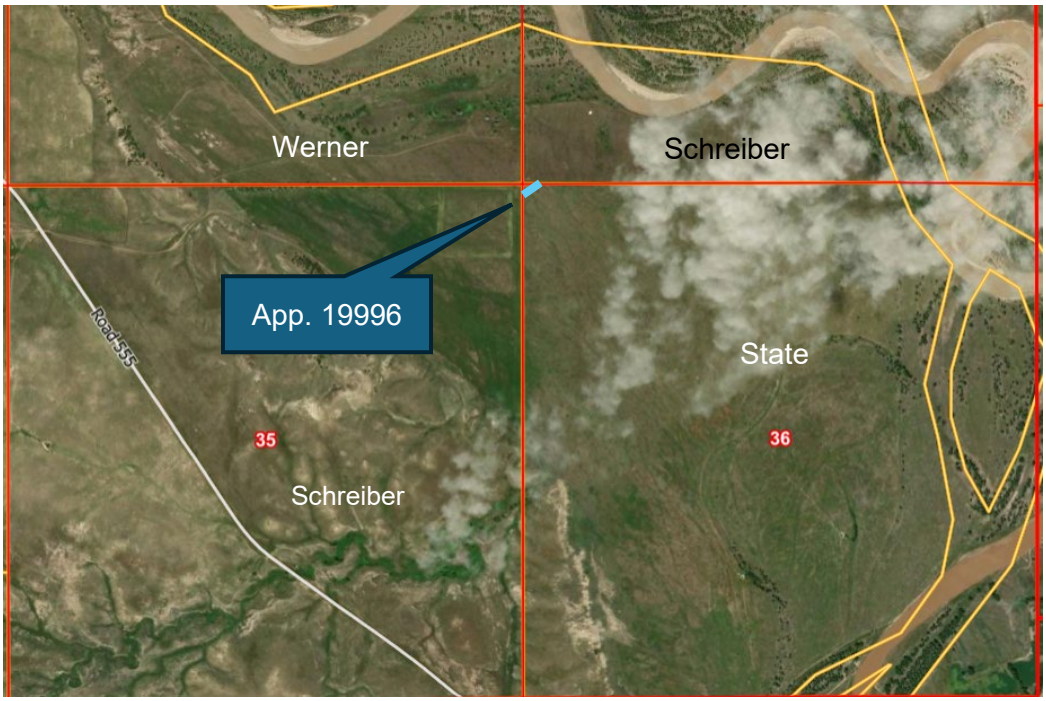
Theodore F. and Pamela K. Schreiber's private land to be accessed is described as follows:

- Lots 5-7, Section 25, Township 4 North, Range 53 East

DNRC Recommendation:
The DNRC recommends approval of the application of Theodore F. and Pamela K. Schreiber.

Application #19996





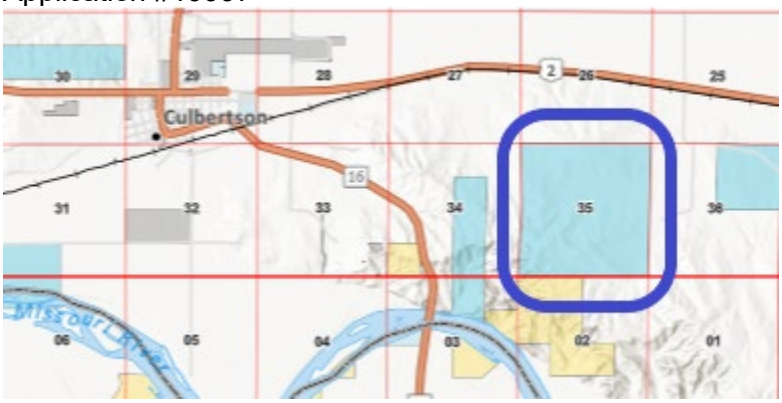
APPLICANTS AND RIGHTS OF WAY INFORMATION

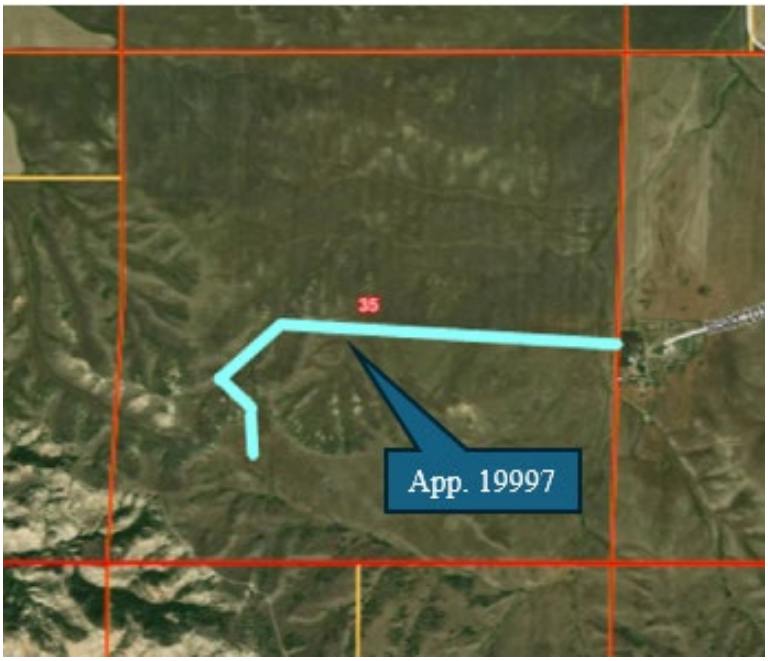
Applicant:	Sheridan Electric Cooperative, Inc. PO Box 227 Medicine Lake, MT 59247
Application No.:	19997
R/W Purpose:	a single-phase buried electric distribution line
Lessee Agreement:	ok
Acreage:	3.59
Compensation:	$1,975.00
Legal Description:	30-foot strip through N2S2, E2SW4, Sec. 35, Twp. 28N, Rge. 56E, Roosevelt County
Trust Beneficiary:	Common Schools

Item Summary:
Sheridan Electric Cooperative, Inc. is requesting an easement to install a single-phase buried electric distribution line. This proposed line extension is requested to provide service to the Asgard XI well located in SW4 of Section 35. This proposed corridor will provide the most direct route to the well pad to be serviced. Other alternatives were considered; however, those routes would ultimately result in increased route length and overall ground disturbance.

DNRC Recommendation:
The DNRC recommends approval of the application of Sheridan Electric Cooperative, Inc.

Application #19997





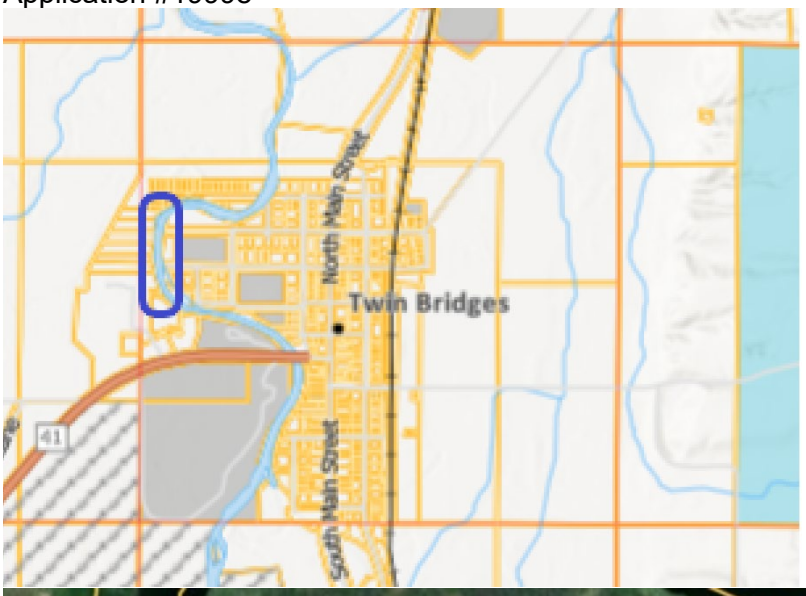
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Town of Twin Bridges PO Box 307 Twin Bridges, MT 59754
Application No.:	19998
R/W Purpose:	a buried 10-inch sanitary sewer pipeline
Lessee Agreement:	N/A (Navigable River)
Acreage:	0.03
Compensation:	$6,953.00
Legal Description:	20-foot strip under the Beaverhead River in SW4NW4, Sec. 27, Twp. 3S, Rge. 6W, Madison County
Trust Beneficiary:	Public Land Trust

Item Summary:
The Town of Twin Bridges is requesting an easement to install a sewer force main and a water force main under the Beaverhead River. The new city service extensions will service property that will be occupied by the McCallie School campus west of the Beaverhead River. The only available route to connect the school facilities to the existing city utility infrastructure is by crossing the river.

DNRC Recommendation:
The DNRC recommends approval of the application of Town of Twin Bridges.

Application #19998





APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Town of Twin Bridges PO Box 307 Twin Bridges, MT 59754
Application No.:	19999
R/W Purpose:	a buried 10-inch water pipeline
Lessee Agreement:	N/A (Navigable River)
Acreage:	0.04
Compensation:	$8,350.00
Legal Description:	20-foot strip under the Beaverhead River in SW4NW4, Sec. 27, Twp. 3S, Rge. 6W, Madison County
Trust Beneficiary:	Public Land Trust

Item Summary:
Continuation of the Town of Twin Bridges applications.

DNRC Recommendation:
The DNRC recommends approval of the application of the Town of Twin Bridges.

Application #19999





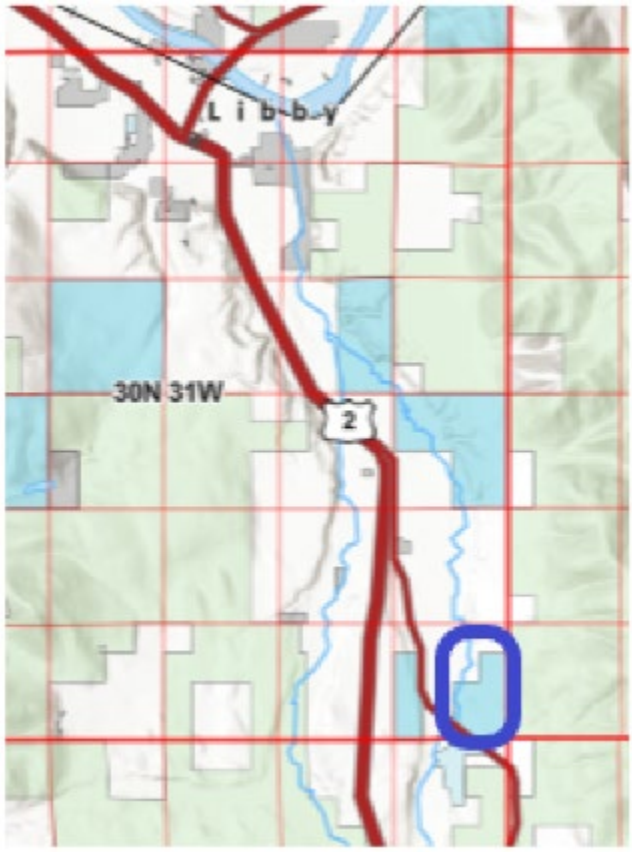
APPLICANTS AND RIGHTS OF WAY INFORMATION

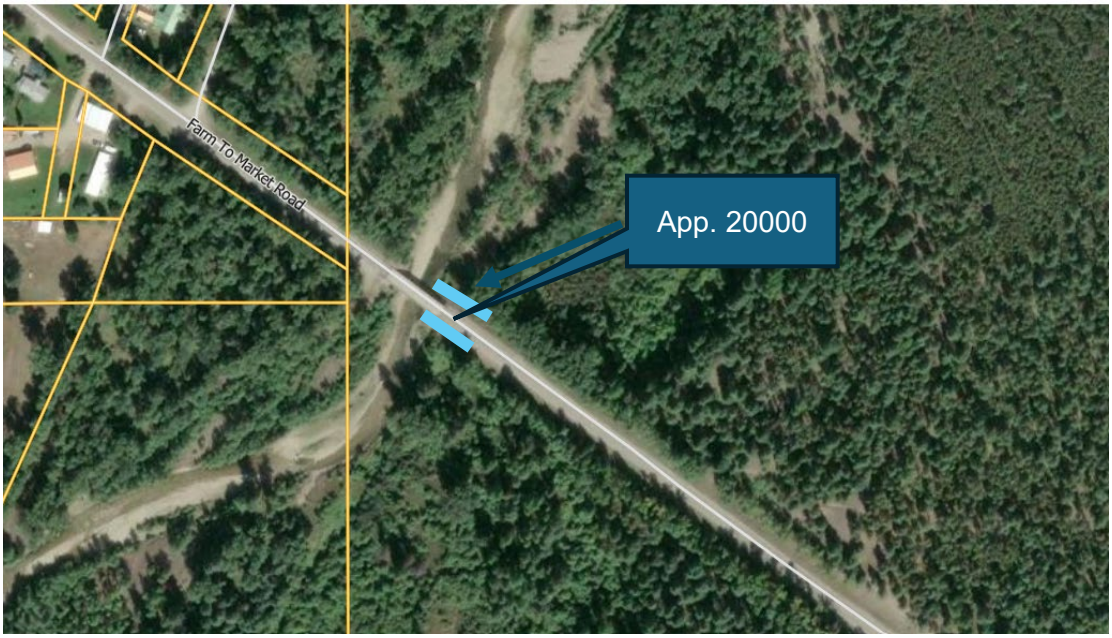
Applicant:	Montana Department of Transportation PO Box 201001 Helena, MT 59620-1001
Application No.:	20000
R/W Purpose:	highway construction and maintenance, including occupancy by utilities as described in §69-4-101, MCA
Lessee Agreement:	N/A (Unleased)
Acreage:	0.80
Compensation:	$9,600.00
Legal Description:	tract of land in SW4SE4, Sec. 36, Twp. 30N, Rge. 31W, Lincoln County
Trust Beneficiary:	Common Schools

Item Summary:
The Montana Department of Transportation is requesting an easement for highway reconstruction of the Farm to Market Road and bridge crossing south of Libby. The floods in December 2025 severely damaged the road and washed out the bridge which caused the public to use alternate access routes to get to Libby. Due to the declaration of an emergency, the DNRC worked with MDT to begin reconstruction of the road segment on state trust lands in an effort to restore access while the easement application was being processed.

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

Application #20000





1126-3

Hydroelectric Lease: Black Eagle Falls Dam

Land Board Agenda Item
November 16, 2026

1126-3 Executive Session – Montana v. NorthWestern Energy (CV-16-35-H-DLC) Settlement and Hydroelectric Lease – Black Eagle Falls Dam

Location: Cascade County

Trust Beneficiaries: Public Land Trust - Navigable Rivers

Trust Revenue: $325,000 Future Annual Base Rental Rate
$3,216,000 Past Rent

Item Summary:
On April 20, 2026, the Land Board authorized the Attorney General's Office and his designees to participate in the court approved mediation in State of Montana v.NorthWestern Energy, et. al., (6:16-CV-00035-DLC, with full authority on behalf of the State Board of Land Commissioners to negotiate the terms of settlement of any past due and future rentals owed by NorthWestern Energy. On April 27, 2026, the State of Montana and NorthWestern Energy participated in mediation which resulted in a proposed settlement of all claims between the State and Northwestern Energy subject to Land Board approval of a hydroelectric lease of the Black Eagle Falls Dam hydropower project pursuant to the Hydroelectric Resources Act (77-4-201, et. seq. MCA). Under the proposed settlement and lease, Northwestern Energy will pay the State $3,216,000 for past rent from 2015 through 2026 and will pay a full market value rental of $325,000 per year (subject to an escalator) equal to the State's share as partial landowner of the net benefits produced by the Black Eagle Falls Dam. Upon approval by the Land Board the lease term will be for a period commencing on May 1, 2026, and ending the earlier of (1) April 30, 2076, or (2) termination of the federal license without issuance of a new federal license for the Black Eagle Falls Dam hydropower development.

The Black Eagle Falls Hydroelectric Project is located on the Missouri River in Cascade County, Montana, beginning at River Mile 2117.9 at the head of Black Eagle Falls dam, generally located along the section line common to Sections 5 and 6, T20N, R4E, PMM; thence upstream and ending at River Mile 2121.1 located in Section 11, T20N, R3E, PMM.

DNRC Recommendation:
The Attorney General's Office recommends the Board approve settlement and issue a lease to Northwestern Energy for the purpose of hydroelectric generation.

HYDROPOWER SITE LEASE

Pursuant to the Montana Hydroelectric Resources Act, Section 77-4-201, MCA, *et seq*., this Hydropower Site Lease ("Lease") is entered into and effective as of _____ (the "Effective Date") between the **STATE OF MONTANA, STATE BOARD OF LAND COMMISSIONERS** (hereinafter referred to as the "Lessor"), whose address is P.O. Box 201601, Helena, MT 59620-1601, and NorthWestern Corporation d/b/a NorthWestern Energy, a corporation organized under the laws of the State of Delaware ("Lessee"), whose address is 6700 Rainbow Dam Road, Great Falls, MT 59404-6040. The Lessor and the Lessee may be referred to herein singularly as "Party" or jointly as "Parties."

RECITALS

A. The Lessee owns and operates the Black Eagle Development ("Development"). The Development is part of the Missouri-Madison Project, for which a new license was issued by the Federal Energy Regulatory Commission ("FERC") as FERC Project No. 2188 (the "FERC License"). (Order Issuing New License, 96 FERC 61,261). The Development is located on the Missouri River within Cascade County, Montana. This Lease pertains to a portion of the Development located solely on lands owned by the State of Montana.

B. In October 2003, Richard Dolan and Denise Hayman commenced an action in the United States District Court for the District of Montana against multiple owners of hydropower projects, which raised questions as to the ownership and uncompensated use of navigable riverbeds. In March 2004, Montana intervened as a plaintiff in the action. (*State ex rel. Richard Dolan v. PPL Montana LLC, et al*., Cause No. CV-03-167-M-LBE). The United States District Court ultimately dismissed the lawsuit due to lack of jurisdiction.

C. In November 2004, PPL Montana, LLC ("PPL Montana"), PacifiCorp, and Avista Corporation filed a declaratory judgment action against the State of Montana in the Montana First Judicial District Court, Lewis and Clark County as *PPL Montana, et al. v. State of Montana* (Cause No. CDV-2004-846) (the "Lawsuit") in order to determine their rights, if any, to utilize riverbeds underlying certain hydroelectric facilities they owned. In December 2004, the State of Montana filed an Answer and Counterclaims and alleged, among other things, that the owners of the hydropower projects had an obligation under the provisions of the Montana Hydroelectric Resources Act, 77-4-201, *et seq.*, MCA ("HRA"), to compensate Lessor for the use of state-owned riverbeds being used for hydroelectric power generation purposes.

D. After the addition of Lessee as a party who had since acquired some of the hydroelectric facilities at issue and removal of the state court action to the United States District Court for the District of Montana, the Court entered an order on August 25, 2023, finding the Missouri River within the Sun River to Black Eagle Falls Segment is navigable for title purposes from River Mile 2121.7 to 2117.9, measured upstream from the confluence of the Missouri and Mississippi Rivers. Title was quieted to Montana for the riverbed lands in the segment and pursuant to Montana law, Defendants Talen and NorthWestern were obligated to compensate the State for the past, present, and future use of these riverbed lands.

E. Pursuant to the Memorandum of Negotiated Settlement Terms signed on April 29, 2026, the Lessor and Lessee agreed to resolve all claims made in the Lawsuit including an agreement for future rentals through the issuance of the following lease by the State Board of Land Commissioners.

Wherefore, the Parties hereby agree to the following:

LEASE TERMS

1. **Leased Premises**. Subject to all the terms and conditions contained herein, the Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor those state-owned riverbeds of Missouri River between the upstream boundary of the Development's FERC Project Boundary, at approximately River Mile 2121.1, and the head of Black Eagle Falls, at approximately River Mile 2117.9 in Cascade County, Montana (the "Leased Premises") as more particularly described in **Exhibit A**, for the following term described herein.

2. **Lease Term**. The term of this Lease ("Term") will be deemed to be for a period commencing on May 1, 2026, and ending on the earlier of: (1) April 30, 2076, or (2) termination of the FERC License without issuance of a new FERC license covering substantially the same Development ("New FERC License").

3. **Payment Date**. On or before the first day of February of each year ("Payment Date"), Lessee will pay to Lessor an annual rent ("Rent") for occupying the Leased Premises during the preceding calendar year during which the Lease is in effect. If the first day of February is a Saturday, Sunday, or Montana or federal holiday, the payment will be due on or before the next following business day.

4. **Rent**. The amount of the Rent shall be determined as follows:

4.1. For the initial lease year of 2026, Lessee will pay to the Lessor the sum of Three Hundred Twenty-Five Thousand Dollars ($325,000) ("Base Rent") as Rent for the Leased Premises for the year 2026, pro-rated to Two Hundred Thirty-Three Thousand Four Hundred and Fifty Dollars ($233,450).

4.2. Thereafter, for the period beginning January 1, 2027, and each subsequent year during the Term of this Lease, the Lessee will pay to the Lessor an adjusted annual Rent for the year ("Subject Year"), calculated as follows:

4.2.1. The Rent will be adjusted based on the percentage change ("Percentage Adjustment") for the Consumer Price Index for all Urban Consumers/All Items by the U.S. Department of Labor's Bureau of Labor Statistics ("CPI") between July 1 of the year before the Subject Year ("Previous Year") and June 30 of the Subject Year.

The Rent for the Subject Year ("Subject Year's Rent") will be determined by adjusting the Rent for the Previous Year

("Previous Year's Rent") by the Percentage Adjustment. For example, assuming the percentage change in the CPI from July 1 of the Previous Year to June 30 of the Subject Year is +3% (Percentage Adjustment) and the Previous Year's Rent was $400,000, the Subject Year's Rent is $412,000 ($400,000 x 1.03).

4.2.2. If the CPI is no longer published, another comparable index, generally recognized as authoritative ("Substitute Index") will be substituted by agreement of the Parties. If the Parties are unable to agree on a Substitute Index within thirty (30) days after demand by either Party, either Party may apply to the chief officer of the Research & Analysis Bureau of the Workforce Services Division of the Montana Department of Labor & Industry, or its successor or equivalent, to select the Substitute Index.

4.2.3. To the extent any lease payments are for a portion of any year during the term of this Lease, they will be paid pro-rata by Lessee.

4.3. All payments required by this Lease will be made to the Montana Department of Natural Resources and Conservation, 1625 Eleventh Avenue, P.O. Box 201601, Helena, MT 59620-1601, or to such other payee as designated in writing by the State of Montana.

4.4. Parties agree that Rent as determined in accordance with this Lease is the full market rental value as that term is used in the HRA of the Leased Premises for the Term of this Lease.

4.5. In the event of a dispute over rental amounts, rental payments shall be made by the Lessee under protest. Any rental payments made under protest shall be placed in an interest-bearing escrow account by the Lessor. The rate of interest shall be equal to the rate of return of the Unified Investment Program ("UIP") administered by the Montana Board of Investments pursuant to § 17-6-201, MCA. If the UIP no longer exists, another comparable investment program, generally recognized as authoritative ("Substitute Investment Program") will be substituted by agreement of the Parties. If the Parties are unable to agree on a Substitute Investment Program within thirty (30) days after demand by either Party, either Party may apply to the chief investment officer of the Montana Board of Investments, or its successor or equivalent, to select the Substitute Investment Program. The validity of any payment made under protest shall be resolved by a court of competent jurisdiction in Montana, as provided by paragraph 10 of this Lease. The prevailing party in any such rental dispute will be entitled to the disputed rentals as well as the interest accrued upon those rentals.

5. **Assignments**. This Lease is assignable to any successor-in-interest to the FERC License or New FERC License. Lessee shall provide Lessor thirty (30) days' advance notice of any such assignment.

6. **Improvements**. The Lessee is authorized to construct, operate, and maintain any and all improvements ("Improvements") necessary to conduct the operations described in the FERC License or New FERC License, as any such license may be amended from time to time. Lessor and Lessee acknowledge that ownership of any Improvements following the end of the Term shall remain with Lessee, subject to the provisions of the Federal Power Act and any interests of the United States.

7. **Indemnification by Lessee**. As a condition of the grant of the Lease, the Lessee, and its successors and assigns, hereby agree to indemnify, defend with counsel acceptable to the State, and hold harmless the State of Montana, the State Board of Land Commissioners, the Montana Department of Natural Resources and Conservation, and their officers, agents, employees, and representatives from and against all claims and liabilities arising out of the Lessee's design, placement, allowance, existence, construction, inspection, public use, operation, and maintenance of the Improvements upon the Leased Premises, including all repairs, restoration and rebuilding made at any time thereafter. This duty to defend and indemnify shall extend to all actions, administrative proceedings, judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest, or losses, sums paid in settlement of claims, attorney's fees, consultant fees, expert witness fees, as well as any fees, costs, or expenses incurred by the State in enforcing this indemnity. Notwithstanding anything to the contrary in this paragraph, the Lessee shall have no liability for losses to the extent they are caused by or result from the actions or omissions of Lessor. The duty to defend and indemnify shall survive the termination of this Lease.

8. **Control and Design Indemnification**. During the existence of this Lease, the Lessee, and its successors, and assigns, shall have control and possession of the Leased Premises for hydropower purposes, and the State shall have no liabilities, obligations or responsibilities whatsoever with respect thereto or with respect to any plans or specifications submitted to any Governmental Authority. The State is not the agent of the Lessee, and the Lessee is not the agent of the State. Any review of such plans or specifications by the Lessor is solely for its own purposes, and the Lessor expressly disclaims any warranty concerning the appropriateness of any such plans or specifications for any purpose. The Lessee hereby covenants and agrees to indemnify, defend with counsel acceptable to the State, and hold the State of Montana, the State Board of Land Commissioners, the Montana Department of Natural Resources and Conservation, and their officers, agents, employees, and representatives harmless from and against any and all claims arising out of the design or the use of such plans and specifications. Notwithstanding anything to the contrary in this paragraph, the Lessee shall have no liability for losses to the extent they are caused by or result from the actions or omissions of Lessor. The duty to defend and indemnify shall survive the termination of this Lease.

9. **Indemnification by Lessor**. As a condition of entering the Lease, the State of Montana hereby agrees to indemnify, defend with counsel acceptable to Lessee, and hold harmless the Lessee, and its officers, agents, employees, and representatives from and against all claims and liabilities arising out of the State of Montana's use of the Leased Premises. This duty to defend and indemnify shall extend to all actions, administrative proceedings, judgments, damages,

punitive damages, penalties, fines, costs, liabilities, interest, or losses, sums paid in settlement of claims, attorney's fees, consultant fees, expert witness fees, as well as any fees, costs, or expenses incurred by Lessee in enforcing this indemnity. Notwithstanding anything to the contrary in this paragraph, the State of Montana shall have no liability for losses to the extent they are caused by or result from the actions or omissions of Lessee. The duty to defend and indemnify shall survive the termination of this Lease.

10. **Breach and Reversion and Remedies**. The Lessee's failure to pay the Rent by the due date or the Lessee's breach of any other duty or condition under this Lease ("Default"), shall result in the cancellation of the Lease, and the reversion of the Leased Premises to the State. However, prior to any cancellation, the Lessee shall be given written notice of such breach. The Lessee shall have thirty (30) days to cure the Default, provided if the Default is of a nature that the Default cannot be reasonably cured within thirty (30) days, the Lessee shall have such longer period of time as may be reasonably required to cure the Default. Should any dispute arise as to the Lessee's duties under this Lease, the dispute shall be resolved by a court of competent jurisdiction in Montana. Under any such circumstances, the terms of this Lease shall be extended until a court of final jurisdiction reviews the outcome of the dispute.

11. **Taxes**. The intent of both Parties is that this Lease shall not affect any tax payments or assessments owed by the Lessee, and by entering into this Lease, the Lessee does not waive any rights or obligations as to the payment of taxes.

12. **No Warranty of Title**. It is understood and agreed that this Lease is issued only under such title as the State of Montana may now have or hereafter acquire, and, that the Lessor shall not be liable for any damages sustained by the Lessee in the event the Lessor does not have the title to the leased lands or the Lessee is found to have possessed a prior right or easement for its operations upon the leased lands described herein.

13. **Interference**. The Parties recognize that the Leased Premises are a public waterway of the State of Montana and subject to the rights of the public for the recreational use of streams. The Lessor further reserves the right to issue additional leases for the use of the Leased Premises, provided that such leases and uses shall not in any manner interfere with the Lessee's operation of the Development. Lessor will notify Lessee in writing prior to granting any third party the use or occupation of any portion of the Leased Premises for any purpose. Lessor also will not use, nor will Lessor permit its employees, lessees, licensees, or agents to use, any portion of the Leased Premises in any way, which interferes with the operations of Lessee or the rights of Lessee under this Lease or the FERC License or New FERC License. Lessor will cause such interference to cease within forty-eight (48) hours after written receipt of notice of interference from Lessee. In the event any such interference does not cease within the cure period then the Parties acknowledge that Lessee will suffer irreparable injury, and Lessee will have the right, in addition to any other rights that it may have at law or in equity, to elect to enjoin such interference upon notice to Lessor. No authorization granted by the Lessor shall immunize the grantee from remedies Lessee may have against the grantee in law or equity for any interference with the operations of Lessee or the rights of Lessee under this Lease, the FERC License, or New FERC License.

14. **Miscellaneous**.

14.1. **Amendment/Waiver**. This Lease cannot be amended, modified, or revised unless done in writing and signed by an authorized agent of Lessor and an authorized agent of the Lessee. No provision may be waived except in a writing signed by both Parties.

14.2. **Binding Effect**. The terms and conditions contained in this Lease will run with the Leased Premises and bind and inure to the benefit of the Parties, their respective heirs, executors, administrators, successors and assigns.

14.3. **Entire Agreement**. This Lease and Exhibit A attached, all being a part hereof, constitute the entire agreement of the Parties hereto.

14.4. **Governing Law**. This Lease will be governed by and construed according to the laws of the State of Montana.

14.5. **Force Majeure**. If either Party is prevented from complying with any terms or provisions of this Lease due to impossibility, including, but not limited to, riot, war, rebellion, accident, or other causes beyond the control of such Party, then upon written notice to the other Party, the affected provisions or requirements of this Lease shall be suspended during the period of such disability.

14.6. **Notice**. When notice is required under any of the terms of this Lease, notice shall be made to the following addresses and each Party will further notify the other when there is any change in the address listed here:

For the State of Montana:

Director, Department of Natural Resources and Conservation
State of Montana
1625 Eleventh Avenue
P.O. Box 201601
Helena, MT 59620-1601

For NorthWestern Corporation:

Director of Power Generation
6700 Rainbow Dam Road
Great Falls, MT 59404-6040

and

Legal Department
208 North Montana Avenue, Suite 200
Helena, MT 59601-3837

Additional copy to:

CT Corporation System
Registered Agent, State of Montana, for NorthWestern Corporation
3011 American Way
Missoula, MT 59808-1921

LESSOR	**LESSEE**
STATE OF MONTANA	**NORTHWESTERN CORPORATION**
By: _____	By: _____
Its: _____	Its: _____

EXHIBIT A

DESCRIPTION OF LEASED PREMISES

A portion of the riverbed of the Missouri River owned by the State of Montana under the equal-footing doctrine of the United States Constitution, as determined by the United States District Court for the District of Montana, *State v. Talen Montana, LLC*, CV 16-35-H-DLC (D. Mont. Aug. 25, 2023), and affirmed by the United States Court of Appeals for the Ninth Circuit, *Montana v. Talen Montana*, LLC, 130 F.4th 675 (9th Cir. 2025), being described as:

Beginning at the head of Black Eagle Falls, at approximate River Mile 2117.9, measured upstream from the confluence of the Missouri and Mississippi Rivers, generally located along the section line common to Sections 5 and 6, Township 20 North Range 4 East, Principal Meridian, Montana; thence upstream, and ending at the upstream boundary of the Federal Energy Regulatory Commission Project Boundary for the Black Eagle Development, approximately at River Mile 2121.1, located in Section 11, Township 20 North, Range 3 East, Principal Meridian, Montana, containing 358 acres (±45 acres).

1126-4

Montana Fifteenth Judicial District Cause No. DV 2021-0047
River Oxbow, LLC et al. v. Montana Department of Natural Resources and Conservation et al. (Executive Session)

Land Board Agenda Item
November 16, 2026

1116-4 Montana Fifteenth Judicial District Cause No. DV 2021-0047
River Oxbow, LLC et al. v. Montana Department of Natural Resources and Conservation et al. (Executive Session)

Cross Disclaimer of Interest: Odyssey Royalties, LLC, Horizon Royalties, LLC, and Medicine Bow Land Co, LLC

Location: Richland and Roosevelt Counties

Trust Beneficiaries: N/A

Trust Revenue: N/A

Item Summary:
Odyssey Royalties, LLC ("Odyssey"), Horizon Royalties, LLC ("Horizon"), and Medicine Bow Land Co., LLC ("Medicine Bow"), are counter and/or third-party defendants in the above referenced quiet title action filed in Roosevelt County Montana (the "Action"), in which DNRC is seeking to resolve mineral and surface ownership along multiple sections of land along the Missouri River in Richland and Roosevelt Counties.

Odyssey, Horizon and Medicine Bow have requested that DNRC dismiss them from the Action and DNRC has negotiated terms for dismissal as requested.

In summary, Odyssey, Horizon, and Medicine Bow will execute a recordable disclaimer of interest as to any and all right, title, and interest in and to the real property interests claimed by the State in the Action in exchange for dismissal of Odyssey, Horizon, and Medicine Bow from the Action.

In partial consideration for disclaimer Odyssey, Horizon, and Medicine Bow have requested a disclaimer, by the State of Montana, to the lands in which Odyssey, Horizon, and Medicine Bow claim a record interest and which are potentially implicated by the Action (i.e. Lots 2-5 of Section 34, Township 27 North, Range 58 East). After reviewing information provided by the geomorphologist retained by DNRC in the Action, it is the DNRC's position that the State of Montana has no ownership claim to Lots 2-5 and the disclaimer sought by Odyssey, Horizon, and Medicine Bow will not adversely affect the State's claims in the Action.

Exhibit A represents an approximate location diagram of the parcels involved and a copy of the Cross Disclaimer of Interest and is attached hereto.

Pursuant to MCA 2-3-203(4), the board may go into closed session.

DNRC Recommendation:
The DNRC recommends that the Land Board approve the department's recommended Cross Disclaimer of Interest.

After Recording Return to:

Trevor Taylor
Minerals Management Bureau Chief
Department of Natural Resources and Conservation
P.O. Box 201601
Helena, MT 59620-1601

CROSS DISCLAIMER OF INTEREST

WHEREAS, Odyssey Royalties, LLC, a Colorado Limited Liability Company, whose address is P.O. Box 550, Littleton, Colorado 80160-0550, Horizon Royalties, LLC, a Colorado Limited Liability Company, whose address is 5827 S. Gallup St., Littleton, CO 80120-2115, and Medicine Bow Land Company LLC, a Wyoming Limited Liability Company, whose address is P.O. Box 280, Laramie, WY 82073 owns minerals under lands located in Lots 2, 3, 4, and 5 in Section 34 of Township 27 North, Range 58 East, P.M.M., Roosevelt County, Montana, AND

WHEREAS, the State of Montana is claiming surface and mineral real property interests located under certain lands described below, AND

WHEREAS, the State of Montana and Odyssey Royalties, LLC, Horizon Royalties, LLC, and Medicine Bow Land Company LLC agree that the minerals owned by Odyssey Royalties, LLC, Horizon Royalties, LLC, and Medicine Bow Land Company LLC in Lots 2, 3, 4, and 5 in Section 34 of Township 27 North, Range 58 East, P.M.M. are not on lands being claimed by the State of Montana as described below. Therefore, the State of Montana hereby disclaims any and all interest in and to real property and minerals located in Lots 2, 3, 4, and 5 in Section 34 of Township 27 North, Range 58 East, P.M.M., Roosevelt County, Montana subject to and any and all future changes from accretion, erosion, or avulsion, including but not limited to the formation of vertically accreted islands pursuant to Section 70-18-203, MCA, resulting in State ownership.

WHEREAS, in consideration for the foregoing, Odyssey Royalties, LLC, Horizon

Royalties, LLC, and Medicine Bow Land Company LLC hereby disclaims any and all interest in and to the following-described real property and minerals located in Roosevelt and/or Richland Counties, Montana, to wit:

The active river bed of the Missouri River from low-water mark to low-water mark as it presently exists within the portions of Sections 3, 4, and 5 of Township 26 North, Range 58 East; four islands vertically arising from between the low-water marks of the Missouri River, now present within portions of Sections 3, 4, and 5, Township 26 North, Range 58 East and Sections 26, 27, 34, and 35 of Township 27 North, Range 58 East, P.M.M..; and an abandoned channel of the Missouri River, as it presently exists in Sections 22, 23, 26, 27, 34, and 35 of Township 27 North, Range 58 East, P.M.M.. all further described as:

ISLAND 05-01 (MERGED WITH ISLAND 04-01):

A tract of land situate in east half (E1/2) of Section 5 and the west half (W1/2) of Section 4, Township 26 North, Range 58 East of the Principal Meridian Montana, Roosevelt County, Montana; being more particularly described as follows:

Beginning at a Point being the intersection of the line common to said Sections 4 and 5 with the Medial Line of a Relicted Channel, from which the Original Witness Corner-Meander Corner (WC - MC) monument on the left bank of the Missouri River bears N00'47'29"W, 604.87 feet; thence along said Medial Line the following eleven (11) courses:

1) S55°11'20"E, 410.42 feet;
2) S41°25'25"E, 251 22 feet;
3) S46°29'39"E, 234.18 feet;
4) S18°07'45"E, 97.56 feet;
5) S40°48'26"E, 96.35 feet;
6) S57°50'24" E, 96.64 feet;
7) S47°22'35"E, 108.87 feet;
8) S78°56'51"E, 78.83 feet;
9) S86°20'30"E, 214.04 feet;
10)S74°06'56"E, 129.82 feet;
11) S82°30'51"E, 463.12 feet;

to the Mean Low Water Meanders at the Right Bank of the Missouri River; thence upstream along said Meanders the following twenty (20) courses:

1) S79°18'10"W, 98.32 feet;
2) S67°50'23"W, 330.10 feet;
3) S65°29'51"W, 185.81 feet;
4) S71°36'20"W, 229.11 feet;
5) S86°46'43"W, 90.00 feet;
6) N86°36'18"W, 245.70 feet;
7) N79°21'17"W, 153.86 feet;
8) N74°11'59"W, 248.09 feet;

9) N60°58'30"W, 922.37 feet;
10) N46°33'16"W, 84.26 feet;
11) N74°49'27"W, 290.81 feet:
12) N62°52'07"W, 225.83 feet;
13) N72°01'36"W, 218.42 feet;
14) N61°56'08"W, 417.49 feet;
15) N52°41'25"W, 164.62 feet;
16) N31°27'03"W, 205.32 feet;
17) N04°56'53'W, 281.18 feet;
18) N23°55'22"W, 211.28 feet;
19) N38°33'15"W, 394.40 feet;
20) N50°32'29"W, 480.06 feet;

to the Medial line of said Relicted Channel; thence along said Medial Line the following seventeen (17) courses

1) S79°19'41"E, 395.99 feet;
2) S53°10'3"E, 305.74 feet;
3) S43°54'48"E, 100.80 feet;
4) S55°04'24"E, 427.25 feet;
5) S00°54'56"E, 109.88 feet;
6) S22°57'43"E, 379. 32 feet;
7) S56°37'34"E, 256.90 feet;
8) N68°34'43"E, 230.07 feet;
9) N30°57'46"E, 149.01 feet;
10) N06°34'03"E, 201.25 feet;
11) N46°45'18"E, 96.76 feet;
12) S81°30'58"E, 41.07 feet;
13) S60°20'46"E, 214.12 feet;
14) S51°07'51"E, 294.00 feet;
15) S56°56'42"E, 260.42 feet;
16) S85°57'53"E, 111.63 feet;
17) S55°11'20"E, 15.37 feet;

to the Point of Beginning; containing 59.08 acres, more or less.

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435039.

ORDINARY LOW WATER MARK OF THE LEFT BANK OF THE MISSOURI RIVER THROUGH A PORTION OF SECTION 4:

A portion of the Mean Low Water Meanders at the Left Bank of the Missouri River; situate in Section 4, Township 26 North, Range 58 East of the Principal Meridian Montana, Roosevelt County, Montana; according to that CERTIFICATE OF SURVEY, RETRACEMENT OF ISLANDS, ACCRETIONS AND RIVERBED; filed for record on November 14, 2024 as No.

7739, Sheets 1 and 2, as Document No. 435039, in Envelope 483A in the Office of the Clerk and Recorder for Roosevelt County, Montana; being more particularly described as follows:

Commencing at the intersection of the east line of said Section 4 and the Mean Low Water Meanders at the Left Bank of the Missouri River; from which the Meander Corner for the Original 1901 Left Bank Meanders of Sections 3 and 4 bears N00°24'50"W, 1091.48 feet; thence along said Mean Low Water Meanders at the Left Bank the following twelve (12) courses:

1) N82°56'40"W, 453.26 feet;
2) S87°28'13"W, 149.34 feet;
3) S77°42'13"W, 168.74 feet;
4) S87°55'43"W, 167.19 feet;
5) N83°56'53"W, 377.85 feet;
6) N77°59'26"W, 381.65 feet;
7) N79°35'40"W, 290.23 feet;
8) S87°48'36"W, 419.62 feet;
9) N87°54'48"W, 316.11 feet;
10) S87°53'35"W, 384.11 feet;
11) N89°18'32"W, 301.76 feet;
12) S79°18'10"W, 76.26 feet;

to the easterly end of an Island 05-01 as shown on said Certificate of Survey No. 7739.
All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435039.

ISLAND 03-01:

A tract of land situate in Section 2 and Section 3, Township 26 North, Range 58 East of the Principal Meridian Montana, Richland County, Montana; being more particularly described as follows:

Beginning at a Point being the intersection of the line common to said Sections 2 and 3 with the Mean Low Water Meanders at the Right Bank of the Missouri River; thence downstream along said Meanders N57°00'58"E, 215.01 feet; thence N62°31'47"E, 72.12 feet; to the Medial Line of a Relicted Channel; thence upstream along said Medial Line the following fifteen (15) courses:

1) S17°37'40"W, 213.84 feet;
2) S03°23'00"E, 211.40 feet;
3) S22°27'20"'W, 272.80 feet;
4) S18°50'00"W, 514.80 feet;
5) S55°10'20"W, 571.60 feet;
6) S55°10'20"W, 409.10 feet;
7) S67°50'30"W, 777.20 feet;
8) S55°33'30"W, 486.60 feet:

9) S73°30'10"W, 256.80 feet;
10) S85°08'50"W, 257.60 feet;
11) S77°13'20"W, 281.70 feet;
12) S89°56'10"W, 123.20 feet;
13) N50°43'00"W, 187.10 feet;
14) N79°24'40"W, 173.00 feet;
15) N51°53'30"W, 101.42 feet;

to the said Mean Low Water Meanders at the Right Bank; thence downstream along said Meanders the following seven (7) courses:

1) N51°43'45"E, 369.42 feet;
2) N51°36'08"E, 619.87 feet;
3) N56°51'41"E, 929.85 feet;
4) N68°35'03"E, 408.62 feet;
5) N60°22'35"E, 779.41 feet;
6) N55°13'38"E, 532.66 feet;
7) N57°00'58"E, 271.46 feet;

to the Point of Beginning; containing 63.71 acres, more or less.

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435039.

RIVER BED IN SECTION 3:

A tract of land situate in Section 3, Township 26 North, Range 58 East of the Principal Meridian Montana, in Richland and Roosevelt Counties, Montana; being more particularly described as follows:

Beginning at a Point of being the intersection of the east line of said Section 3 with the Mean Low Water Meanders at the Right Bank of the Missouri River; thence upstream along said Meanders the following fourteen (14) courses:

1) S57°00'58"W, 271.46 feet;
2) S55°13'38"W, 532.66 feet;
3) S60°22'35"W, 779.41 feet;
4) S68°35'03"W, 408.62 feet;
5) S56°51'41"W, 929.85 feet;
6) S51°36'08"W, 619.87 feet;
7) S57°43'45"W, 399.33 feet;
8) S73°03'27"W, 257.45 feet;
9) S62°41'26"W, 197.32 feet;
10) S73°57'26"W, 284.37 feet:
11) N87°07'01"W, 364.57 feet;

12) N81°14'30"W, 367.49 feet;
13) N86°44'00"W, 406.17 feet;
14) S86°34'58"W, 117.61 feet;

to the west line of said Section 3; thence along said west line N00°24'50"W 755.81 feet; to the Mean Low Water Meanders at the Left Bank of the Missouri River; thence downstream along said Meanders the following sixteen (16) courses:

1) S87°38'19"E, 207.61 feet;
2) N84°17'28"E, 257.78 feet;
3) S86°00'34"E, 174.38 feet;
4) N78°02'37"E, 317.76 feet;
5) N71°23'45"E, 816.85 feet:
6) N65°46'16"E, 193.76 feet;
7) N77°09'12"E, 498.82 feet;
8) N84°39'11"E, 170.47 feet;
9) N63°26'44"E, 284.82 feet;
10) N79°16'10"E, 318.27 feet;
11) N58°23'26"E, 497.31 feet;
12) N44°03'03"E, 293.03 feet;
13) N55°52'48"E, 120.39 feet;
14) N40°50'42"E, 1055.00 feet
15) N66°54'33"E, 704.26 feet;
16) N60°03'30"E, 94.22 feet;

to said east line of Section 3; thence S00 24'51"E, 893.90 feet; to the Point of Beginning; containing 99.52 acres, more or less.

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435039.

ISLAND 03-02:

A tract of land situate in Section 3, Township 26 North, Range 58 East of the Principal Meridian Montana, Roosevelt County, Montana; being more particularly described as follows:

Beginning at a Point on the Mean Low Water Meanders at the Left Bank of the Missouri River from which the northeast corner of said Section 3 bears N22°49'22"E, 1952.10 feet; thence upstream along said Meanders the following thirteen (13) courses:

1) S40°50'42"W, 996.83 feet;
2) S55°52'48'W, 120.39 feet;
3) S44°03'03"W, 293.03 feet;
4) S58°23'26"W, 497.31 feet;
5) S79°16'10"W, 318.27 feet;

6) S63°26'44"W, 284.82 feet;
7) S84°39'11"W, 170.47 feet;
8) S77°09'12"W, 498.82 feet;
9) S65°46'16"W, 193.76 feet;
10) S71°23'45"W, 816.85 feet;
11) S78°02'37"W, 317.76 feet;
12) N86°00'34"W, 174.38 feet;
13) S84°17'28"W, 50.06 feet;

to the Medial Line of a Relicted Channel; thence downstream along said Medial Line the following seventeen (17) courses:

1) N00°01'20"W, 232.75 feet;
2) N22°19'48"E, 239.45 feet;
3) N74°00'31"E, 243.89 feet;
4) N57°06'42"E, 148.57 feet;
5) N66°32'41"E, 164.97 feet;
6) N77°44'55"E, 491.82 feet;
7) S88°28'58"E, 183.73 feet;
8) N78°01'28"E, 330.14 feet;
9) N77°34'32"E, 275.07 feet;
10) N32°04'05"E, 140.75 feet;
11) N53°43'01"E, 315.80 feet;
12) N72°39'23"E, 127.14 feet;
13) S86°30' 48"E, 342.47 feet;
14) N82°00'03"E, 404.93 feet;
15) N54°17'49"E, 648.24 feet;
16) N50°39'18"E, 274.52 feet;
17) N59°09'45"E. 347.57 feet;

to the Point of Beginning; containing 40.73 acres, more or less.

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435039.

ISLAND 35-01:

A tract of land situate in Sections 26, 27, 34 and 35, Township 27 North, Range 58 East of the Principal Meridian Montana; Roosevelt County, State of Montana; being more particularly described as follows:

Beginning at a Point at the intersection of the south line of Section 27 with the Medial Line of a Relicted Channel; from which the southeast corner of said Section 27 bears S89°54'59"E, 818.44 feet; thence along said Medial Line the following six (6) courses;

1) N44°01'20"W, 215.95 feet;
2) N36°58'20"W, 609.10 feet;
3) N00°35'30"E, 430.40 feet;
4) N07°00'50"E, 625.20 feet;
5) N17°20'30"E, 322.10 feet;
6) N29°21'10"E, 1260.95 feet;

to the Westerly Mean Low Water of an Abandoned Riverbed; thence along said Westerly Mean Low Water the following seven (7) courses:

1) S27°51'49"E, 467.59 feet;
2) S52°37'13"E, 1780.62 feet;
3) S16°57'36"E, 688.86 feet;
4) S11°52'24"E, 597.25 feet;
5) S00°27'17"W, 262.32 feet;
6) S20°05'53"W, 1142.36 feet:
7) S25°25'07"W, 126.36 feet;

to said Medial Line of a Relicted Channel; thence along said Medial Line the following four (4) courses:

1) N59°59'50"W, 563.21 feet;
2) N63°12'50"W, 1004.20 feet;
3) N48°57'50"W, 510.40 feet;
4) N44°01'20"W, 25.55 feet;

to the Point of Beginning; containing 160.46 acres, more or less

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435040.

ABANDONED RIVER BED AND ACCRETION THERETO:

A tract of land situate in Sections 23, 26, 27, 34 and 35; Township 27 North, Range 58 East of the Principal Meridian Montana; Roosevelt and Richland Counties; State of Montana; being more particularly described as follows:

Beginning at a Point on the south line of said Section 26 at the intersection of the westerly Mean Low Water of an Abandoned Riverbed of the Missouri River from which the southwest corner of said Section 26 bears N89°55'44"W, 1377.88 feet; thence through said Section 26 and along the said westerly Mean Low Water the following five (5) courses:

1) N20°05'53"E, 108.80 feet;
2) N00°27'17"E, 262.32 feet;
3) N11°52'24"W, 597.25 feet;

4) N16°57'36"W, 688.86 feet;
5) N52°37'13"W, 1366.73 feet

to the west line of said Section 26 from which said southwest corner of Section 26 bears S00°10'33"W, 2435.89 feet; thence along said Mean Low Water and through said Section 27 the following seven (7) courses:

1) N52°37'13"W, 413.89 feet;
2) N27°51'49 "W, 467.59 feet;
3) N28°21'57"W, 120.25 feet;
4) N02°49'20"W, 119.75 feet;
5) N15°33'35"E, 647.18 feet;
6) N24°33'31"E, 520.32 feet;
7) N40°59'23"E, 346.83 feet;

to said west line of Section 26 from which the northwest corner of said Section 26 bears N00°10'33"E, 595.65 feet; thence along said Mean Low Water and through said Section 26 the following four (4) courses:

1) N40°59'23"E, 249.62 feet;
2) N48°54'43"E, 290.68 feet;
3) N60°19'36"E, 296.48 feet;
4) N63°41'29"E, 157.16 feet;

to the north line of said Section 26 from which said northwest corner of Section 26 bears S89°58'57"W 779.47 feet; thence along said Mean Low Water and through said Section 23 the following six (6) courses:

1) N63°41'29"E, 220.75 feet;
2) N66°50'53"E, 272.22 feet;
3) N84°02'56"E, 663.58 feet;
4) S76°24'57"E, 254.15 feet;
5) S67°31'39"E, 416.00 feet;
6) S72°09'42"E, 177.52 feet;

to said north line of Section 26 from which the northeast corner of said Section 26 bears N89°58'57"E, 2604.98 feet; thence along said Mean Low Water and through said Section 26 the following six (6) courses:

1) S72°09'42"E, 502.69 feet;
2) S76°36'23"E, 552.97 feet;
3) S74°27'34"E, 795.07 feet;
4) S57°30'59"E, 333.49 feet
5) S45°10'50"E, 398.25 feet;
6) S35°23'45"E, 431.50 feet;

to the east line of said Section 26; from which said northeast corner of Section 26 bears N00°23'07"E, 1307.48 feet; thence along said east line S00°23'07"W, 1692.93 feet; to the easterly Mean Low Water of said Abandoned Riverbed of the Missouri River; thence along said Mean Low Water and through said Section 26 the following six (6) courses:

1) S23°21'43"W, 195.18 feet;
2) S22°08'18"W, 752.01 feet;
3) S19°16'23"W, 372.85 feet;
4) S28°42'27"W, 675.73 feet;
5) S17°43'14'W, 263.58 feet;
6) S13°15'01"W, 220.54 feet;

to the south line of said Section 26 from which a Meander Corner for said Sections 26 and 35 bears S89°56'53'W, 63.09 feet; thence along said Mean Low Water and through said Section 35 the following six (6) courses:

1) S13°15'01"W, 334.64 feet;
2) S08°54'17"E, 183.69 feet;
3) S04°49'09"W, 375.36 feet;
4) S00°19'48"E, 573.39 feet;
5) S08°44'46"E, 402.15 feet;
6) S15°11'18"E, 315.59 feet;

to the Mean Low Water Meanders at the Left Bank of the Missouri River; thence upstream along said Mean Low Waler Meanders N76°05'47"W, 81.22 feet; and N83°17'29"W, 171.23 feet; to the westerly Mean Low Water of an easterly channel of said Abandoned Riverbed of the Missouri River; thence along said Mean Low Water the following eight (8) courses:

1) N04°01'58"E, 516 .06 feet;
2) N04°30'48"W, 337.69 feet;
3) N05°56'54"W, 342.01 feet;
4) N13°19'20"E, 337. 86 feet;
5) N53°39'54"W, 235.36 feet;
6) S37°24'10"W, 1187.57 feet;
7) S31°32'58"W, 434.70 feet;
8) S03°42'56"W, 433.13 feet;

to said Mean Low Water Meanders at the Left Bank of the Missouri River; thence upstream along said Mean Low Water Meanders S78°45'39"W, 252.30 feet to the westerly Mean Low Water of a westerly channel of said Abandoned Riverbed of the Missouri River; thence along said Mean Low Water the following; five (5) courses:

1) N11°27'06"E, 436.59 feet;
2) N16°57'16"E, 403.18 feet;

3) N23°35'14"E, 825.57 feet:
4) N13°39'29"E, 273.93 feet;
5) N18°51'53"E, 440.60 feet;

to said south line of Section 26 from which a Meander Corner for Sections 26 and 35 bears N89°56'53"W, 1166.76 feet; thence along said Mean Low Water and through said Section 26 the following seventeen (17) courses:

1) N18°51'53"E, 200.49 feet;
2) N35°27'17"E, 511.40 feet;
3) N44°19'33"E, 532.47 feet;
4) N30°13'59"E, 1572.46 feet;
5) N05°16'48"W, 498.24 feet;
6) N18°51'18"W, 240.35 feet;
7) N28°41'11"W, 665.27 feet;
8) N39°55'08"W, 633.56 feet;
9) N50°49'57"W, 568.65 feet;
10) N65°29'15"W, 816.74 feet;
11) N71°15'11"W, 506.73 feet;
12) N68°14'19"W, 472.87 feet;
13) N88°19'05"W, 568.08 feet;
14) S77°19'29"W, 327.13 feet;
15) S66°43'11"W, 665.54 feet:
16) S44°51'05"W, 713.41 feet;
17) S34°50'33"W, 186. 86 feet;

to the west line of said Section 26 from which the northwest corner of said Section 26 bears N00°10'33"E, 1086.32 feet; thence along said Mean Low Water and through said Section 27 the following six (6) courses:

1) S34°50'33"W, 283.83 feet;
2) S23°13'45"W, 386.68 feet;
3) S15°38'21"W, 175.41 feet;
4) S08°38'26"E, 135.63 feet;
5) S57°11'32"E, 321.63 feet;
6) S48°06'39"E, 91.07 feet

to said west line of Section 26 from which the southwest corner of said Section 26 bears S00°10'33"W, 3067.45 feet; thence along said Mean Low Water of an Abandoned Riverbed and through said Section 26 the following ten (10) courses:

1) S48°06'39"E, 167.33 feet;
2) S42°53'39"E, 639.95 feet;
3) S49°35'19"E, 560.07 feet;
4) S39°56'22"E, 421.85 feet;

5) S53°22'21"E, 261.96 feet;
6) S34°31'03"W, 402.15 feet;
7) S17°36'18"E, 398.00 feet;
8) S01°48'16"E, 496.68 feet;
9) S05°12'56"W, 338.03 feet;
10) S09°43'18"W, 104.01 feet;

to the south line of said Section 26 from which the southwest corner of said Section 26 bears N89°55'44"W, 1792.67 feet; thence along said Mean Low Water and through said Section 35 the following five (5) courses:

1) S09°43'18"W. 450.95 feet;
2) S07°44'50"W, 832.12 feet;
3) S15°48'37"W, 844.86 feet;
4) S08°55'29"E, 219.70 feet;
5) S17°08'21"E, 643.35 feet;

to the Mean Low Water at the Limits of Erosion of the Missouri River; thence on a partition line perpendicular to the Mean Low Water Meanders of the Missouri River S56°58'28"E, 40.46 feet; to the west line of Lot 9 according to that U.S.B.L.M Supplemental Plat Approved July 30, 2020; thence along said west line of Lot 9 S05°39'40"E. 482.51 feet; to the Mean Low Water Meanders at the Left Bank of the Missouri River; thence upstream along said Mean Low Water Meanders S33°01'32"W, 292.37 feet; and S22°45'16"W, 272.50 feet; thence on a partition line perpendicular to said Mean Low Water Meanders N67°14'44"W, 318.24 feet; to said Mean Low Water of an Abandoned Riverbed; thence along said Mean Low Water the following seven (7) courses:

1) N00°04'13"W, 397.42 feet;
2) N10°26'22"W, 342.37 feet;
3) N15°51'21"W, 983.23 feet;
4) N01°30'13"W, 159.85 feet;
5) N07°04'43"E, 655.93 feet;
6) N25°25'07"E, 363.70 feet;
7) N20°05'53"E, 1033.55 feet;

to the Point of Beginning; containing 219.56 acres, more or less.

All as depicted on that certain Certificate of Survey appearing of record in Roosevelt County, Montana, on November 14, 2024, as Document No. 435040.

An aerial photograph of the lands subject to this Disclaimer has been attached hereto as Exhibit "A" for reference purposes only. In the event of any conflict between Exhibit "A" and the terms of this Disclaimer, including, but not limited to, the legal descriptions contained herein, the terms of this Disclaimer shall control.

Allan R. Heinle, Manager
Odyssey Royalties, LLC

STATE OF COLORADO)
:ss
County of ARAPAHOE)

This instrument was executed and acknowledged before me on the 3rd day of November, 2026, by Allan R. Heinle, Manager of Odyssey Royalties, LLC, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the written instrument.

ROSALIE HARRISON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20244007448
MY COMMISSION EXPIRES 02/21/2028

Notary Public for the State of Colorado

Brook J Phifer, Manager
Horizon Royalties, LLC

Brook J Phifer

STATE OF COLORADO)
:ss
County of ARAPAHOE)

This instrument was executed and acknowledged before me on the 3rd day of November, 2026, by Brook J Phifer, Manager of Horizon Royalties, LLC, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the written instrument.

ROSALIE HARRISON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20244007448
MY COMMISSION EXPIRES 02/21/2028

Rosalie Harrison
Notary Public for the State of Colorado

Ronald E. Hornig, Manager
Medicine Bow Land Company LLC

Ron Hornig, Manager

STATE OF IDAHO)
:ss
County of KOOTENAI)

This instrument was executed and acknowledged before me on the 3RD day of NOVEMBER, 2026, by Ronald E. Hornig, Manager of Medicine Bow Land Company LLC, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the written instrument.

KELLEY I. WOODARD
NOTARY PUBLIC
STATE OF IDAHO
COMMISSION NUMBER 51063

Kelley I. Woodard
Notary Public for the State of Idaho

Commission Expires 12-11-2026
Residing at Coeur d'Alene, Idaho

GREG GIANFORTE

Governor of the State of Montana

ATTEST: _____

CHRISTIE JACOBSEN
Secretary of State

Countersigned by: _____

AMANDA KASTER
Director, Department of Natural Resources
And Conservation

Exhibit A: For Cross Disclaimer of Interest with Odyssey Royalties, LLC, Horizon Royalties, LLC, and Medicine Bow Land Co. LLC

