



# **TRUST LANDS** ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

## **Board Meeting Materials**

**February 19, 2026**



# TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

## **Board of Trustees Meeting Agenda**

**Thursday, February 19, 2026**

**10:00 a.m.**

102 Tower – 6<sup>th</sup> Floor Boardroom

102 South 200 East, Salt Lake City, Utah 84111

### **1. Welcome**

### **2. Approval of Minutes**

January 22, 2025 Board Meeting Minutes

February 5, 2026 Board Meeting Minutes

### **3. Confirmation of Upcoming Meeting Dates**

March 19, 2026 - Regular Meeting

April 16, 2026 - Regular Meeting and Board Tour (Utah County)

May 21, 2026 - Regular Meeting

### **4. Trust Lands Funds in Action by Marla Kennedy, Director of Communications, Trust Lands Administration**

### **5. Social Media Minute by Joelette Organista, Communications Specialist, Trust Lands Administration**

## **6. Public Comment Period**

Trust Lands welcomes comments from the county advisory committee, the public, and other interested parties. The Board sets aside 15 minutes at each board meeting to hear from anyone wishing to speak. Each presenter is allowed one opportunity and has up to three (3) minutes for remarks. Any member of the public participating electronically who desires to comment shall use the “raise hand” feature during the Zoom meeting. The public comment segment of the board meeting is not the time for a question-and-answer discussion. Trust Lands staff is available for dialogue outside of board meetings.

## **7. Chair’s Report by Tiffany James, Board Chair, Trust Lands Administration Board of Trustees**

## **8. Director’s Report by Michelle McConkie, Executive Director, Trust Lands Administration**

- A. Annual Report for FY2025
- B. Operations Team Highlights and Updates (Stephanie Barber-Renteria, Deputy Director, Operations)
- C. Legislative Update

## **9. Advocate Report by Kim Christy, Director, Land Trusts Protection & Advocacy Office**

## **10. Action Items**

- A. Proposed Major Development Transaction in Leeds, Washington County, Utah (115.52 +/- acres) with Brennan Holdings by Aaron Langston, Managing Director of Residential and Commercial Development.
- B. Proposed revised Agency Donation Policy by Kyle Pasley, Deputy Director, Strategic Initiatives.
- C. Proposed Geothermal Exploration Agreement with option to lease OBA located in Beaver County, Utah (9,180 +/- acres) with TLS Geothermics by Chansé Rinderknecht, Geoscientist and Lease Manager, Energy and Minerals.

- D. Proposed Oil, Gas, and Associated Hydrocarbons OBA located in Millard County, Utah (2,720 +/- acres) with San Patricio Exploration by Chanse Rinderknecht, Geoscientist and Lease Manager, Energy and Minerals.
  
- E. Proposed Amended Oil, Gas, and Associated Hydrocarbons OBA located in Uintah County, Utah (32,774.23 +/- acres) with SM Energy Company by Chanse Rinderknecht, Geoscientist and Lease Manager, Energy and Minerals.
  
- F. Proposed repeal of Board Policy Statement No. 2006-04, Oil Shale Leasing on Trust Lands, by Andy Bedingfield, Managing Director, Energy and Minerals.
  
- G. Closed Session (Pursuant to Utah Code §52-4-205(1)(a), the Board will hold a closed discussion of the character, professional competence, or physical or mental health of individual(s)).

## **11. Adjourn**

**Note:** Board members may participate in this meeting electronically but may be seen and heard via electronic means at the anchor location specified above. Interested parties, including members of the public or representatives of county governments or Utah Tribes, may attend the meeting in person or through the registration link:

[https://utah-gov.zoom.us/webinar/register/WN\\_GPcpwB6XRgSVoGNUbOxwAw#/registration](https://utah-gov.zoom.us/webinar/register/WN_GPcpwB6XRgSVoGNUbOxwAw#/registration)

Those wishing to provide public comment electronically will be asked at the beginning of the designated comment period to use the "raise hand" feature at the bottom of the screen within the Zoom meeting, so they may be called upon to provide their comments.

**Please call Imaan Ahmed at 801-538-5110 or email ifahmed@utah.gov with any questions before 4:00 p.m. on February 18, 2026.**

Items may be heard in any order, at any time, at the Board's discretion. Please be aware that the public portions of this meeting may be broadcast live over the Internet. Also, please note that an audio recording of the public portions of this meeting, along with any materials presented or distributed in the public portions of this meeting, will be posted on Utah's Public Notice website. Witnesses with questions, concerns, or handouts should contact staff.

Pursuant to the Americans with Disabilities Act, individuals needing auxiliary communicative aids and services for this meeting should contact Imaan Ahmed at 801-538-5110 or by email at ifahmed@utah.gov at least three (3) days in advance.

I, Imaan Ahmed, Trust Lands Administration Board of Trustees Executive Assistant, hereby certify that the foregoing agenda was posted on the Utah State Public Notice website, <https://www.utah.gov/pmn/index.html>.

Dated: February 9, 2026

# Board Meeting Minutes

January 22, 2026



**TRUST LANDS**

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

## Board of Trustees Meeting Minutes January 22, 2026

### Board Members

#### Present at Anchor Location

Ms. Tiffany James, Chair  
Dr. Mike Nelson, Co-Vice Chair  
Mr. John Baza  
Mr. Bryan Harris, Co-Vice Chair  
Mr. Mike Mower  
Mr. Brian Tarbet

### Board Members

#### Joining Remote/Online

Mr. Dan Simons

### Attending Staff & Public

Michelle McConkie, Executive Director  
Mike Johnson, General Counsel  
Imaan Ahmed, Exec. Assistant to Exec. Director and Board  
Stephanie Barber-Renteria, Deputy Director of Operations  
Kyle Pasley, Deputy Director, Strategic Initiatives  
Matt Thomson, AG  
Andy Bedingfield, Managing Director, Energy and Minerals  
Marla Kennedy, Director of Communications  
Keli Beard, Legal Counsel  
Brett Wiersum, Legal Counsel  
Joelette Organista, Communications Specialist  
Chris Fausett, Deputy Director, Energy and Land Resources  
Aaron Langston, Managing Director, Residential and Commercial Development  
Rachel Boyack, Lease Manager

**Attending Staff & Public (continued)**

- Josh Quiqley, Land Planner
- Barry Biediger, IT Manager
- Marcos Santana, IT Support
- Troy Herold, Asst. Managing Director of Planning
- Joshua Quigley, Land Planner
- Dawn Soper, Senior Legal Counsel
- Tyler Wiseman, Geoscientist and Lease Manager
- Elise Erler, Asst. Managing Director Research and Analytics
- Drew Bonner, Lease Manager
- Kim Christy, Land Trusts Protection & Advocacy Office (LTPAO)
- Liz Mumford, Land Trusts Protection & Advocacy Office (LTPAO)
- Jessie Stewart, Land Trusts Protection & Advocacy Office (LTPAO)
- Paula Plant, USBE
- Kira Bennett, USBE
- Corey Fairholm, Utah PTA
- Bobbie Nixon, Copper Canyon Elementary
- Jonathan Lear, Lear & Lear
- Preston Colledge, Ionic MT
- Eric Christiansen, Ionic MT

**Welcome**

At 10:02 a.m., Chair James welcomed the board, staff, and visitors, and opened the meeting.

**Approval of Minutes**

Mr. Mower moved to approve minutes of the November 20, 2025, board meeting with a second from Dr. Nelson. The motion passed with a unanimous vote.



- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

### **Confirmation of Upcoming Meeting Dates**

February 19, 2026 - Regular Meeting

March 19, 2026 - Regular Meeting - Chair James will be attending remotely.

April 16, 2026 - Regular Meeting

### **Trust Lands Funds in Action**

Principal Bobbie Nixon's Copper Canyon Elementary uses their \$80,000 in annual Trust Lands funds, driven by data from RISE and Acadience, to maximize student growth. Most of the funding goes toward hiring support staff, including aides for a "walk to read" program and aides for specials (Art, STEM, PE, and a BTS theater teacher). A small amount of the funds is also used to purchase Chromebooks for technology updates. The principal emphasizes that the Trust Lands funds are essential to the school. This presentation can be found at: <https://www.utah.gov/pmn/files/1382333.pdf>.

### **Social Media Minute**

Ms. Joelette Organista presented a video showcasing Ms. Michelle McConkie's visit to Merit Preparatory Academy in Springville, Utah. The visit was to award the school with a \$2,500 check for winning the TLA video contest among 40 other entries (1,027 views, 33 likes). For the second video presented, Ms. Organista explained a social media trend about working hard and who you are trying to impress, then applied this to the Trust Lands Administration team. The team works hard in the field, often unnoticed, but their efforts are for the public schools in Utah and other beneficiaries (1,906 views, 65 likes). Social media content can be found at: <https://www.utah.gov/pmn/files/1382335.mp4>.

### **Public Comment Period**

Mr. Lance Anderson, who joined the meeting online, requested a call from either Mr. Mike Mower or Ms. Michele McConkie at 435-668-7420. Mr. Mower confirmed he would contact Mr. Anderson following the conclusion of the board meeting.

A public comment from Ms. Sarah Erb was submitted via email to Ms. Imaan Ahmed and is included with the meeting minutes for the official record (see attached last page of the minutes).

### **Chair's Report**

The Chair's report for the first meeting of the year stressed a forward-looking focus, recognizing the agency's vital role and responsibility. The Chair, honored yet noting the challenging transition, affirmed the agency's commitment to discipline and stewardship for long-term beneficiary value. A core priority is aligning Trust Lands with evolving markets through data-driven, responsibly structured opportunities to ensure durable returns. The current energy-heavy agenda reflects this via measured growth and partnerships that expand opportunities while safeguarding trust value.

## **Director's Report**

Ms. Stephanie Barber-Renteria reported on behalf of Executive Director McConkie, the agency's strong financial performance halfway through the fiscal year. Total revenue as of the end of December is nearly \$81M, a significant increase from \$57.4M at the same time last year. Key revenue sources include \$28M from Development transactions, \$40M from Energy and Minerals (including \$32M from Oil and Gas), and \$7.4M from Surface group sales, boosted by the R6 sale. The figures are seen as a positive sign of the agency's work, and optimism remains for the rest of the fiscal year.

Mr. Troy Herold, Asst. Managing Director of Planning, has indicated that the Planning team, since its inception four and a half months ago, has focused on building a solid "foundation." Key accomplishments include hiring a new land planning staff member, Josh Quigley (who recently passed his licensing exam), putting utility and access corridors in place for the Oak City block and IPP, approving right-of-entry requests through a new process, and starting to prepare sketch plans for the development group. The team has also become the default initial contact for new projects, helping to coordinate resources across agency groups and break down silos.

Mr. Harris commented there is an inherent uncertainty that is a challenge for future planning and recommended collaboration with industry partners/lessors, whose forecasts of future technologies and trends offer valuable insight. Mr. Mower commended the Trust Lands Administration for significantly increased proactive outreach, including attendance at events like the Energy Summit and a Cedar City event, actively informing groups such as the Utah Mining Association and the petroleum industry about the Trust Land's offerings.

Ms. Elise Erler, Asst. Managing Director of Research and Analytics, highlighted three major projects her team is currently focusing on: Valuation (Legislative Mandate), Economic Impact Study, and Water Policy. It was indicated that a working group was formed to focus on developing a water policy to address the challenge of Trust Lands lacking water and the need for a mechanism to quickly acquire water rights to enable development and increase value. Details of Mr. Herold's and Ms. Erler's presentations can be found at <https://www.utah.gov/pmn/files/1382337.pdf>.

Mr. Kyle Pasley explained that the current \$5M capital account is problematic because it hasn't been adjusted since 2009, lapses annually requiring reappropriation, and is often insufficient, especially for rising water costs. This limits the ability to quickly buy water or fund other critical needs.

Chair James suggested securing water rights with limited funds by suggesting an initial, renewable, fractional-cost water use agreement to hold the option until the purchase is possible and expressed enthusiasm for the Board to work with his group on ways to develop new policies that support responsible funding.

Ms. Barber-Renteria concluded the Director's Report by highlighting the recent promotion of Mr. Drew Bonner to a Lease Manager as well as introducing Mr. Brett Wiersum as the new Legal Counsel.

## **Advocate Report**

Director Christy reported on upcoming term expirations for Trustee Harris (June 2026) and Advocacy

Committee member Roger Barrus (fiscal year-end), initiating replacement procedures. Legislatively, the office's priority bill, SB 43, is now in the House Rules Committee, and they are monitoring SB 21 on geothermal and HB 64. The office is engaging legislators through one-on-one communication and customized statistics and holds weekly coordination meetings with partner agencies. The agency is also working to resolve outstanding land grant balances, including nearly \$2 million owed to Public Schools, and plans to address the \$147,000 Public Buildings trust liquidation post-session.

Ms. Jessie Stuart highlighted a few outreach initiatives done in the past quarter, which included: completing annual in-person visits to all 12 beneficiary institutions to establish contacts and coordinate distributions; a successful media campaign publicizing the record \$134 million in School Land Trust distributions statewide; launching a new social media pilot on X and LinkedIn to build basic presence, guided by policy, focusing on trust awareness and stakeholder collaboration; and completing the annual report detailing the trust system, Advocacy Office performance, beneficiary fund use, and financial data, all of which contributed to the fulfilling of statutory requirements. Details of her presentation can be found at: <https://www.utah.gov/pmn/files/1382731.pdf>.


### Action Items

#### Item 10A.

Ms. Rachel Boyack shared a presentation of the proposed Helium, Gas and Associated Hydrocarbons Lease OBA (ML 54676 - OBA) located in San Juan County, Utah, with ST Oil Utah, as outlined in the Board Memo. The presentation can be found at <https://www.utah.gov/pmn/files/1382339.pdf>. This lease OBA was reviewed in the December Minerals Committee meeting.

Questions arose regarding proximity of this location to the copper mine as well as potential timing on Application for Permit to Drill (ADP). Location is approximately six miles to the east of mine, and ADP has been submitted to both DOGM and BLM.

Mr. Baza made a motion to approve ML 54676-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transactions. Mr. Tarbet seconded the motion, and the vote was unanimously passed.

Yea	Nay	Excused
		

- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

#### Item 10B.

Mr. Tyler Wiseman reviewed a presentation of the terms of the Proposed Amendment to Lease ML 54409 - OBA located in Lake Mountain Block, Utah County, Utah with Ionic Mineral Technologies. The

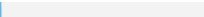

original OBA was a two-year exploration agreement approved in 2024 for over 4,000 acres. Following extensive exploration, including drilling, the company found that while initially seeking halloysite clays, assays revealed high concentrations of rare earth elements and other critical minerals.

A question was asked about when Ionic anticipates production. The company is currently performing lab work to determine the processing of materials stating that mining could begin as soon as six to eight months, but this is not yet imminent.

Mr. Harris asked whether the PacificCorp transmission line traverses the area and if that was a factor in the planning. Mr. Wiseman affirmed that the transmission line plan was indeed considered, and the lease agreement was drafted to accommodate the existing corridor.

The proposal, according to Mr. Kim Christy, has attracted considerable recent media attention and has been met with significant enthusiasm and positive feedback from various legislators.

Mr. Mower made a motion to approve ML 54409-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction. Mr. Harris seconded the motion, and it passed unanimously.

Yea	Nay	Excused
		

Chair James

Co-Vice Chair Mr. Harris

Co-Vice Chair Dr. Nelson

Mr. Simons

Mr. Baza

Mr. Tarbet

Mr. Mower

#### Item 10C.

Mr. Tyler Wiseman shared a presentation highlighting Proposed Minerals OBA Leases (ML 54677, ML 54678, ML 54679, and ML 54680) located in Lake Mountain Block, Utah County, Utah. with Ionic Mineral Technologies. Ionic Mineral Technologies is seeking to consolidate the northern part of the Lake Mountain block of Trust Lands for further exploration and development of both halloysite clay and metalliferous minerals. Each of the proposed OBA leases is on top of an existing lease. Details of this presentation can be found at: <https://www.utah.gov/pmn/files/1382343.pdf>.

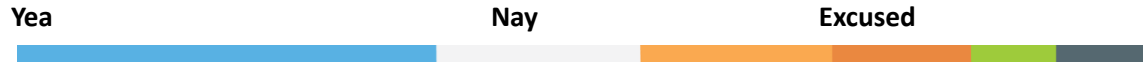
Question arose regarding the practicality of having multiple leases on the same site, and Mr. Andy Bedingfield clarified they did talk to PABCO, who has an active site there. PABCO's clay leases with SITLA contain a provision that allows SITLA to own and negotiate for other minerals. PABCO has existing rights, and Ionic intends to access its minerals without impacting those rights. The goal is a synergistic agreement where Ionic mines the clay, extracts its desired minerals, and then provides refined clay back to PABCO for its building purposes, benefiting both parties.

Mr. Harris inquired about any future arbitration and ways to mitigate it. Ms. Keli Beard explained the new lease would be subject to the existing clay lease, meaning the new lessee cannot begin work until they have protected the rights of the first lessee. The cross-leasing situation carries a risk of interference. Ms. Beard noted that Ionic MT, as a second lessee, will have to indemnify the agency against any claims of lease interference from the first lessee.

Dr. Nelson commented that when mineral rights overlap, the existence of a producing mineral creates a greater incentive to resolve the overlap and continue production. Chair James concurred with Dr. Nelson,

acknowledging that while such issues are typical for the business and can likely be resolved, future efforts must prioritize managing the associated risk.

Mr. Tarbet made a motion to approve above-mentioned OBA leases on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transactions. Dr. Nelson seconded the motion, and the vote was unanimously passed.



- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

**Item 10D.**

Mr. Tyler Wiseman shared a presentation on Proposed Metalliferous Minerals Lease OBA located in the Drum Mountains Block, Juab and Millard Counties, Utah with Infield Minerals Nevada, Inc. The item was reviewed in December’s Energy and Minerals Committee meeting, and the presentation can be found at <https://www.utah.gov/pmn/files/1382345.pdf>.

The question was asked by Trustee Tarbet if this area is within the Utah Test and Training range and Mr. Wiseman clarified that none of it is part of that area, and is miles north of it.

Trustee Baza praised the exploration plan, commenting that it was exceptionally well-structured and detailed with clear, trackable upcoming milestones.

Dr. Nelson inquired if any of the patented claims are on the Louder property and Mr. Wiseman indicated that none of them are, as that area is also north of the area in question.

Mr. Baza made a motion to approve ML 54673 - OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transactions. The motion was seconded by Mr. Tarbet and subsequently passed with a unanimous vote.



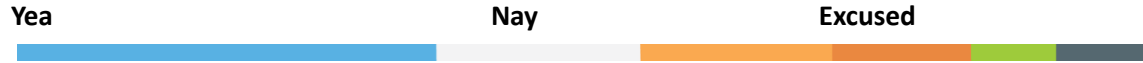
- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

**Item 10E.**

Proposed adoption of Director's Review Process (This item was skipped.)

**Closed Session**

At 11:59 a.m. Mr. Mower moved and Co-Vice Chair Mr. Harris seconded the motion to move into a closed session. The vote was unanimously passed.



- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

Chair James read the following statement:  
The Board, pursuant to Utah Code Section 52-4-205(1)(c), will hold a closed meeting to conduct a strategy session to discuss pending or reasonably imminent litigation.

**Closed Session Attendees:**

- Chair James
- Co-Vice Chair Dr. Nelson
- Co-Vice Chair Mr. Harris
- Mr. Dan Simons
- Mr. John Baza
- Mr. Brian Tarbet
- Mr. Mike Mower
- Ms. Michelle McConkie
- Mr. Mike Johnson

**Adjourn**

At 1:33 p.m. Mr. Baza moved to adjourn the meeting. Mr. Tarbet seconded. The vote was unanimous in the affirmative.



- Chair James
- Co-Vice Chair Mr. Harris
- Co-Vice Chair Dr. Nelson
- Mr. Simons
- Mr. Baza
- Mr. Tarbet
- Mr. Mower

Respectfully Submitted,

Imaan Ahmed

Executive Assistant to the Executive Director and the Board of Trustees

Audio of this meeting can be found at <https://www.utah.gov/pmn/files/1381427.m4a>



Imaan Ahmed &lt;ifahmed@utah.gov&gt;

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**Public comment for 1/22/2026**

1 message

**Sarah Erb** <slcerb@gmail.com>

Thu, Jan 22, 2026 at 11:33 AM

To: "ifahmed@utah.gov" &lt;ifahmed@utah.gov&gt;

Cc: Liz Mumford &lt;lizmumford@utah.gov&gt;, kschristy@utah.gov, jpstuart@utah.gov, paula.plant@schools.utah.gov

Hello!

Thank you for the work you all do to maximize the funds available for our beneficiaries across Utah. I wasn't admitted to today's meeting until after the public comment portion, so below is my written public comment.

My name is Sarah Erb, and my family and I live in Salt Lake City. I am a parent of a child who is blind, and is a user end beneficiary of the institutional trust funds provided to the Utah schools for the blind. If you'd like, we'd be happy to share how these funds have supported our family beautifully. We are just one out of the many families across Utah whom these funds have been so vital.

I'd like to specifically thank Paula Plant as she has supported the State Board of Education in their role in the public trust lands process. She has been true to her own core values and loyal to the trust beneficiaries.

I'd also like to publicly thank the advocacy office, who have been very helpful in clarifying the separate, historical distribution amounts for the schools for the blind and the schools for the Deaf.

As a result of the 2025 USBE internal audit of USDB's funds, it was shared that the 2 beneficiary accounts were inappropriately co-mingled since the 1990's which has left our state's blind and visually impaired community lacking in support. USBE has now separated these funds, and I am in full support of SB43, and want to thank those of you who have collaborating so nicely for this bill!

I have been following these funds for about 7 years, with very little information provided by the USDB. My efforts during this time were significant, and I feel could have been greatly reduced had I known that the advocacy office was there as a resource for Utah's beneficiaries.

Utah's blind, visually impaired, and Deafblind community are tremendously grateful for the access to these funds!

In closing, I'd like to recommend that the land parcels owned by the schools for the Deaf be further maximized, to provide for the specific needs of that community.

Both of these communities have high needs, and we are so appreciative of your efforts!

Thank you!

Gratefully,

Sarah Erb  
891-556-6649  
Utah Parent of a blind child

# Board Meeting Minutes

February 5, 2026



**TRUST LANDS**  
ADMINISTRATION  
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

## Board of Trustees Meeting Minutes February 5, 2026

### Board Members

#### Present at Anchor Location

Dr. Mike Nelson, Co-Vice Chair

### Board Members

#### Joining Remote/Online

Ms. Tiffany James, Chair

Mr. Bryan Harris, Co-Vice Chair

Mr. Dan Simons

Mr. John Baza

Mr. Mike Mower

Mr. Brian Tarbet

### Attending Staff & Public

Michelle McConkie, Executive Director

Mike Johnson, General Counsel

Imaan Ahmed, Exec. Assistant to Exec. Director and Board

Stephanie Barber-Renteria, Deputy Director of Operations

Kyle Pasley, Deputy Director, Strategic Initiatives

Matt Thomson, AG

Andy Bedingfield, Managing Director, Energy and Minerals

Marla Kennedy, Director of Communications

Keli Beard, Legal Counsel

Brett Wiersum, Legal Counsel

Chris Fausett, Deputy Director, Energy and Land Resources

Aaron Langston, Managing Director, Residential and Commercial Development

Vince Wayodi, IT Support

### **Attending Staff & Public (continued)**

Marcos Santana, IT Support

Dawn Soper, Senior Legal Counsel

Jim Davis, Managing Director, Surface Resourced

Alexa Wilson, Development Project Manager

Eric Baim, Financial Analyst

Kim Christy, Land Trusts Protection & Advocacy Office (LTPAO)

### **Welcome**

At 9:02 a.m., Chair James welcomed the board, staff, and visitors, and opened the meeting.

### **Public Comment Period**

There were no public comments.

### **Action Items**

Mr. Aaron Langston opened by explaining the reason for a special board meeting which was to expedite the approval of a major development transaction with Larry H Miller Real Estate involving approximately 1,200 acres in Saratoga Springs. The urgency stemmed from a sixty day statutory deadline regarding an annexation petition tied to the project's Master Development Agreement, and missing the window would have forced the project to "ground zero".

Ms. Alexa Wilson shared a presentation highlighting specifics of the Three Canyons project, including the development plan, lease terms and financial returns. Details of this presentation can be found at <https://www.utah.gov/pmn/files/1387239.pdf>.

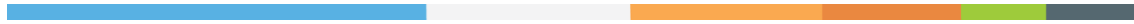
Trustees sought clarification on housing density, environmental logistics, and legal protections. Ms. Wilson confirmed that the Three Canyons project includes approximately 2,950 housing units and explained that the active landfill must be closed immediately to ensure the marketability of the high-end homes, rejecting the suggestion to keep it open for construction debris. Regarding hillside preservation, Ms. Wilson clarified that the city's request for a conservation easement to preserve the Trust's mineral rights was declined, negotiating a 40-year mineral rights withdrawal on slopes greater than 30% instead. It was verified that the developer assumes full liability for all environmental mitigation and that new, rare earth mining operations are located "quite a ways south," well-separated from the development. The discussion concluded with Trustee Simons disclosing a professional association with the developer that ended in 2000, which the Board Counsel deemed non-conflicting.

Mr. Simons moved to approve the final terms of the development agreement, which were outlined in the presentation and the Board Memorandum. Mr. Tarbet seconded the motion, and the vote passed with unanimous support.

**Yea**

**Nay**

**Excused**



Chair James  
Co-Vice Chair Mr. Harris  
Co-Vice Chair Dr. Nelson  
Mr. Simons  
Mr. Baza  
Mr. Tarbet  
Mr. Mower  
Unanimous

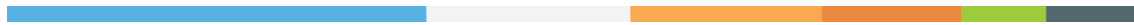
**Adjourn**

At 9:40 a.m. Mr. Mower moved to adjourn the meeting. Mr. Tarbet seconded. The vote was unanimous in the affirmative.

**Yea**

**Nay**

**Excused**



Chair James  
Co-Vice Chair Mr. Harris  
Co-Vice Chair Dr. Nelson  
Mr. Simons  
Mr. Baza  
Mr. Tarbet  
Mr. Mower

Respectfully Submitted,

Imaan Ahmed

Executive Assistant to the Executive Director and the Board of Trustees

Audio of this meeting can be found at <https://www.utah.gov/pmn/files/1388601.m4a>.

# Action Item 10A

## Proposed Major Development in Leeds

Washington County, Utah



**TRUST LANDS**

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**From:** Aaron Langston, Managing Director,  
Real Estate and Commercial Development

**Applicant:** Brennan Holdings

**Lands:** Leeds, UT  
T40s R13w within section 31 and T41s R13w within Section 6

**Acreage:** 115.52 +/- acres

**Beneficiary:** Miners Hospital

### **Summary**

The purpose of this memorandum is to seek authorization to enter a development lease with Brennan Holdings (Brennan) for a Major Development Transaction on approximately 115.52-acres of development property located in the municipal boundary of Leeds, UT. The Board authorized Staff to enter negotiations with Brennan during their September 18, 2025, Board of Trustees meeting. The subject property is known as the Silver Creek Estates area within Leeds, which is at the far north end of the municipal boundary, situated on the west or north side of I-15.

### **Key Information and Background**

TLA investigated the subject lands extensively from 2003 – 2007 to determine whether they might be suitable for a possible residential development. The subject parcel had a lot of challenges, including cultural and historic concerns (primarily tied to the mining history of Silver Reef), no entitlements, culinary water issues (water supplied by the Leeds Domestic Water Users Association (LDWA), not the Washington County Water Conservancy District (WCWCD)), and no sanitary sewer infrastructure.

The Board of Trustees approved an exchange of 7.8 acres of land for 28.75-acre feet of water at the October 21, 2003 Board meeting. Later, when more water rights became available in 2004, a few more acre feet were purchased. Next, staff worked with engineers to produce a plat map showing 45 lots

known as the Silver Creek Estates. A preliminary plat was approved by the Town Council on December 14, 2005. However, with other priorities, and with the downturn in the market around 2007, the project was put on hold.

In 2020, Staff began receiving inquiries about the Leeds parcel. Staff worked with the City to update the original preliminary plat. An updated plat was approved by the town council on October 11, 2023. Once entitlements were reapproved, A Request for Proposal (RFP) ran from February through May of 2025 to see if the time was ripe to develop the parcel.

**Competitive Process:** Staff advertised the parcel on the TLA website from February through May of 2025. Over the same timeframe, ads in the local paper were also published. Staff also reached out to several of its active and past development partners. Only two developers submitted proposals in response to the RFP. Brennan had the superior offer and will be discussed further in this memo.

**Economic Analysis:** TLA maintains ownership of the land while Brennan puts in all the infrastructure and develops lots. Once lots are sold, TLA conveys the land to Brennan, and then Brennan sells the lot(s) to the third party. Brennan will sell developed lots to third parties at an average of \$400K per lot with TLA receiving 45% of the gross revenue of each lot sale. The project is projected to generate a NPV of \$6.3 million, with a gross revenue of \$8.1 million ( $\$400K * 45% * 45$  lots).

### **Key Terms of the Transaction**

Brennan will use their own capital to install all on-and-off-site infrastructure to develop the project while the land is still owned by TLA. As each lot is sold, a near-simultaneous closing occurs, where TLA first conveys the subject lot(s) to Brennan, and then Brennan in turn sells the subject lot(s) to the third-party buyer.

As outlined herein, the Trust is to receive 45% of the gross sales price of each lot, at the time of each closing. Average price points are projected to be \$400K per lot, which will yield approximately \$8.1 million to TLA with a NPV of \$6.3 million. At the conclusion of each phase of the three phases, an audit will be conducted to see if the projected average prices have been met. If they have not been met, TLA will have the option of receiving catchup payments, or increasing TLAs revenue share to ensure that TLA is receiving its full compensation.

Wherein Brennan proposes to develop and sell lots (as opposed to building housing units on the lots), the proposed contract anticipates a 5-year absorption with options to extend if the development plan is substantially being adhered to.

It was originally anticipated that the Trust would convey all open space within this development lease. Wherein State law prohibits the conveyance of historic properties without adequate restrictions or conditions to ensure long-term preservation of its historic significance, TLA may retain some of the open space lands with such historic and cultural resources.

### **Committee Discussion**

The Real Estate Committee reviewed this proposal during their July 15, 2025, meeting and shared opinions that Brennan's proposal of paying TLA 45% of the gross sales price of each lot was more

advantageous to TLA than the competing offer. Consequently, they recommended that the full Board of Trustees vote on the matter, which happened at the August 21, 2025 Board of Trustees meeting. That meeting authorized TLA to enter negotiations with Brennan. Those negotiations are now complete.

The Real Estate Committee reviewed the final deal points during their January 27, 2026, meeting (as outlined herein) and recommended that the proposed development agreement go to the full Board of Trustees for a final vote on the project. The only new matter discussed at the second Real Estate Committee meeting was Brennan's willingness to increase TLA's revenue share, or to make periodic catchup payments if average pricing on the lots is lower than what was projected. In this way, TLA is guaranteed to receive the minimum revenue projected in the proforma.

Staff Conflicts of Interest: None.

Legal Risks: None.

Subordination of Trust Assets: None.

### **Request Action**

Authorize TLA to execute a development lease with Brennan Holdings based on the terms and conditions outlined herein.

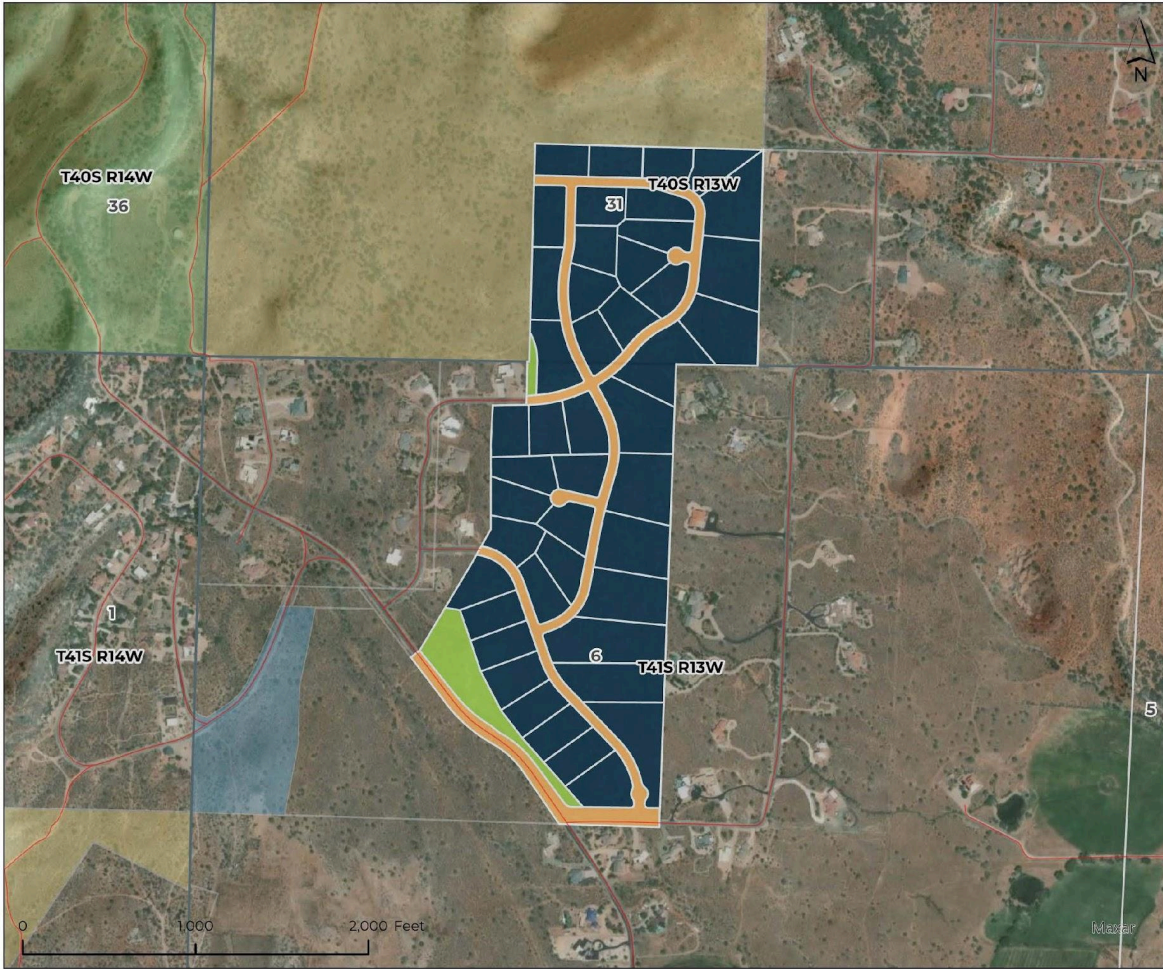
*"Move to approve the final terms of the development agreement with Brennan Holdings for the Leeds Silver Creek Estates Project and for the agency to execute and take all further actions necessary to finalize the transaction."*

# Exhibit A

## TLAs Land Holdings showing lots and open spaces



**Platted Silver Creek Estates**  
 Townships 40 & 41 South, Range 13 West, SLB&M;  
 Within Sections 31 & 6;  
 Washington County



**Platted Silver Creek Estates (Approximately +99.00 Acres)**

- Platted Lots
- Platted Common Areas
- Platted Roads

**Land Ownership and Administration**

- Bureau of Land Management
- National Forest
- Private
- State Trust Lands

Data represented on this map is for REFERENCE USE ONLY and is not suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. The Trust Lands Administration provides this data in good faith and shall in no event be liable for any incorrect results, or any special, indirect or consequential damages to any party, arising out of or in connection with the use or the inability to use the data herein. Land parcels, lease boundaries and associated Trust Lands Administration data layers may have been adjusted to allow for visual "best fit." The Surface Ownership Land Status data (if present) are maintained by the Trust Lands Administration to reflect current trust lands status and surface ownership. Lakes, rivers, streams, highways, roads county and state boundaries are distributed by the Utah Geospatial Resource Center and/or other sources as specified. Contour lines (if present) were generated from USGS 10 meter DEM. Please Note: While the Trust Lands Administration seeks to verify data for accuracy and content, discrepancies may exist within the data. Acquiring the most updated Trust Lands Administration ownership GIS data may require contacting the GIS staff directly 801-538-5100 or TLA-GIS@utah.gov. The Trust Lands Administration GIS department welcomes your comments and concerns regarding the data and will attempt to resolve issues as they are brought to our attention. Produced: December 09, 2024 - katesalay

Document Path: Y:\GIS\Share\GIS\GIS Group\Kate\Templates\LeaseMaps\_NEW\Development\_Group\_PRC\_8x11.aprx Coordinate System: NAD 83 UTM Zone 12N



# Action Item 10B

## Proposed Revised Agency Donation Policy

Kyle Pasley



**TRUST LANDS**

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**To:** Board of Trustees

**From:** Kyle Pasley, Deputy Director – Strategic Initiatives

**Re:** Agency Donation Policy

### **Summary**

In 2017 the Board of Trustees amended and adopted a policy that guided the donation of real property, cash and personal property to the Trust Lands Administration on behalf of our beneficiaries (Exhibit A). Historically, donations have made up an exceedingly small amount of our portfolio, with only a handful of examples in the history of the agency dating back to inception in 1994.

During the most recent audit of TLA by the Office of the Legislative Auditor General the current donation policy was reviewed and a recommendation made to revise the policy based on experiences with the 2017 donation to TLA of the North Temple Landfill.

### **Key Information and Background**

TLA project and legal staff reviewed the current donation policy and decided that key revisions were needed to the policy in the following areas:

1. Types of acceptable property for donation. The original donation policy made provision for the agency to accept donations of not only real property but also cash and personal property. With the advent of the Utah School and Institutional Trust Funds Office it has been determined that it would not be prudent for TLA to accept cash and other financial donations. The investment ability of SITFO is more suited to both accept and vet such donations. Likewise, TLA is not equipped to accept and dispose of personal property items such as cars, jewelry or other valuable items. To that end the proposed updated donation policy clarifies that TLA will only accept real property, water rights and water shares.
2. The current donation policy delineated sole authority for accepting donations to the Director. The proposed updated policy provides that the Board of Trustees for TLA must approve all donations.

3. The original donation policy did not require TLA to verify the value of donated property by an independent third party before acceptance. The proposed updated policy requires TLA to obtain an independent third-party appraisal or an opinion of value before acceptance of a donation.

The proposed revised donation policy is attached as Exhibit B.

**Rationale**

These changes along with other review processes already outlined in the current policy, will provide a more robust review of property to be donated into the TLA portfolio. This should give more security for the risk portfolio of the agency.

**Committee Discussion**

The proposed updated policy was discussed in both the August 2025 and January 2026 Real Estate Committee meetings. At the August meeting the Committee asked for clarification of property types to include a specific naming of water rights and water shares due to the value of such property rights to TLA.

**Requested Agency Action**

It is proposed that the Board of Trustees adopt the revised Donation policy.

## **Exhibit A**

*The Board of Trustees*

*of the*

*School and Institutional Trust Lands Administration*

*Amends and Restates Policy No. 1998-02*

***Policy Statement No. 2017-03***

***Subject: Donations Policy***

*The Board of Trustees of the School and Institutional Trust Lands Administration met in open and public session on November 16, 2017, and by majority vote amended its prior Policy Statement No. 98-02. The Board of Trustees declares the following amended and restated policy to be an official policy of the Board.*

1. The School and Institutional Trust Lands Administration welcomes donations of funds, real estate and personal property for the purposes of building the trust funds of the respective school and institutional trust lands beneficiaries.
2. The Trust Lands Administration may accept unrestricted donations on behalf of any of the 12 trust land beneficiaries. Prior to accepting a donation, the Trust Lands Administration will inform the donor of the respective trust beneficiaries, and give the donor the opportunity to designate a specific beneficiary to receive the donation. If the donor does not designate a specific beneficiary, the donation will be deemed to be for the benefit of the common schools trust.
3. All donations of real property which are accepted by the School and Institutional Trust Lands Administration will acquire the trust mandate and be managed according to existing laws and rules governing trust lands.
4. The Trust Lands Administration's acceptance of donations will comply with all applicable Internal Revenue Service (IRS) requirements. Donations of real or personal property that exceed \$5,000 in value (other than cash or marketable securities) are subject to applicable federal disclosure statutes, including IRS requirements for the retention of a qualified appraiser. Potential donors will be notified in writing of applicable IRS requirements and advised to seek appropriate legal and/or financial counsel.
5. The Trust Lands Administration's acceptance of any donation is subject to the approval of the Director in his/her sole discretion. The Director will implement appropriate internal controls and checklists to confirm matters of title, payment of real property taxes, environmental due diligence, legal description, and other relevant criteria in the processing of any donation of real property.

6. Prior to accepting any donation of real property for which the donor is seeking a charitable contribution deduction, the Trust Lands Administration will inform the donor that the Trust Lands Administration reserves the right to decline to endorse the donor's appraisal on the appraisal-related IRS form, if the Director believes that the appraisal is inaccurate, misleading or inconsistent with the actual value of the property.
  
7. The Trust Lands Administration may sell donated real or personal property at any time. However, if the Trust Lands Administration sells donated property within three years of the donation, IRS rules require the Trust Lands Administration to file certain reports with the IRS within 125 days of the transaction. The Trust Lands Administration will therefore retain appropriate records of all donations which exceed \$5,000 in value (other than cash or marketable securities) for a minimum of three years.

By the Board:



Thomas W. Bachtell  
Chair

## **Exhibit B**

*The Board of Trustees  
of the  
School and Institutional Trust Lands Administration  
  
Amends and Restates Policy No. 1998-02*

***Policy Statement No.***

***Subject: Donations Policy***

*The Board of Trustees of the School and Institutional Trust Lands Administration met in open and public session on February 19, 2026 and by majority vote amended its prior Policy Statement No. 98-02. The Board of Trustees declares the following amended and restated policy to be an official policy of the Board.*

1. The School and Institutional Trust Lands Administration welcomes donations of real estate, including land and water rights and shares, for the purposes of building the trust funds of the respective school and institutional trust lands beneficiaries.
2. The Trust Lands Administration may accept unrestricted donations on behalf of any of the 12 trust land beneficiaries. Prior to accepting a donation, the Trust Lands Administration will inform the donor of the respective trust beneficiaries, and give the donor the opportunity to designate a specific beneficiary to receive the donation. If the donor does not designate a specific beneficiary, the donation will be deemed to be for the benefit of the common schools trust.
3. All donations of real property, water rights or shares, which are accepted by the School and Institutional Trust Lands Administration will become trust assets, acquire the trust mandate, and be managed according to existing laws and rules governing trust lands.
4. The Trust Lands Administration's acceptance of donations will comply with all applicable Internal Revenue Service (IRS) requirements. Donations of real property that exceed \$5,000 in value are subject to applicable federal disclosure statutes, including IRS requirements for the retention of a qualified appraiser. Potential donors will be notified in writing of the need to comply with applicable IRS requirements and advised to seek appropriate legal and/or financial counsel.
5. The Trust Lands Administration's acceptance of any donation is subject to the approval of the Board of Trustees at their sole discretion. The Director will implement appropriate internal controls and checklists to confirm matters of title, payment of real property taxes, environmental due diligence, legal description, and other relevant criteria in the processing of any donation of real property.
6. Prior to accepting any donation of real property for which the donor is seeking a charitable contribution deduction, the Trust Lands Administration will inform the donor that the Trust Lands Administration reserves the right to decline to endorse the

donor's appraisal on the appraisal-related IRS form, if the Director believes that the appraisal is inaccurate, misleading, inconsistent with the actual value of the property, or for any other reason.

7. Prior to the acceptance of the donation of any real property the Trust Lands Administration will obtain an independent, third party appraisal or opinion of value on the subject property.
8. The Trust Land Administration may sell donated real property at any time. However, if the Trust Lands Administration sells donated property within three years of the donation, IRS rules require the Trust Lands Administration to file certain reports with the IRS within 125 days of the transaction. The Trust Lands Administration will therefore retain appropriate records of all donations which exceed \$5,000 in value (other than cash or marketable securities) for a minimum of three years.

DRAFT

# Action Item 10C

## Proposed Geothermal Exploration Agreement

Beaver County, UT



**TRUST LANDS**

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**From:** Chanse Rinderknecht

**Applicant:** TLS Geothermics  
86 Waxwing Court: East Amherst  
New York, 14051

**Lands:** See Appendix A

**Acreage:** 9,180 +/- acres

**Beneficiary:** Public Schools Trust

### **Summary**

The agency requests the Board approve this Geothermal Exploration Agreement with option to lease OBA for lands in Beaver County. Pursuant to Utah Code § 53C-2-401(1)(d)(ii), the agency may enter an OBA with Board approval. This action requires Board approval because the proposed lands are not being offered on the standard lease form via the competitive lease process.

### **Key Information and Background**

The OBA is located just to the East of the Wah Wah Mountain Range to the West of Minersville. TLS utilizes geologic exploration in the form of gravity surveys, passive seismic, magnetotellurics, field mapping, fault trace geometry analysis, geochemistry analysis, and gas flow surveys. They target faulted sedimentary basins that act as fluid conduits into the deeper hotter basement. The Plan of Development provided in the initial OBA proposal laid out a thorough five-year exploration plan, as well as detailed plans to address the necessary infrastructure issues in the area. The proposed project area is in an area with good geothermal potential and provides a great opportunity for both TLS and TLA.

**The Resource:** Oil, Gas, & Associated Hydrocarbons

**The Applicant:** San Patricio Exploration is registered to do business in Utah

### **Material Terms of the Transaction**

**Exploration Agreement:** 1<sup>st</sup> year- \$1/acre  
2<sup>nd</sup> year- \$2/acre  
3<sup>rd</sup> year- \$3/acre  
4<sup>th</sup> year- \$4/acre  
5<sup>th</sup> year- \$5/acre

**Primary Term:** The applicant will receive a 10-year primary term lease agreement.

**Payments to Trust Lands Administration:**

- 1) Production royalty rate of 1.75% for the first 10 years and 3.5% thereafter
- 2) Advanced Minimum Royalty of \$5/acre

**Work/Expenditure Requirements:** TLS Geothermics is set to perform an in-depth geologic evaluation, economic evaluation, and infrastructure study.

**Data Reporting Requirements:** The agency will require year-end reports as well as yearly updated Plans of Development.

### **Rationale**

TLS Geothermics consists of a professional team of geoscientists and engineers. The preliminary geologic evaluation is top tier, and the plan of development is thought out and calculated. With geothermal exploration still in the early stages, the E&M team feels they provide a good path to production.

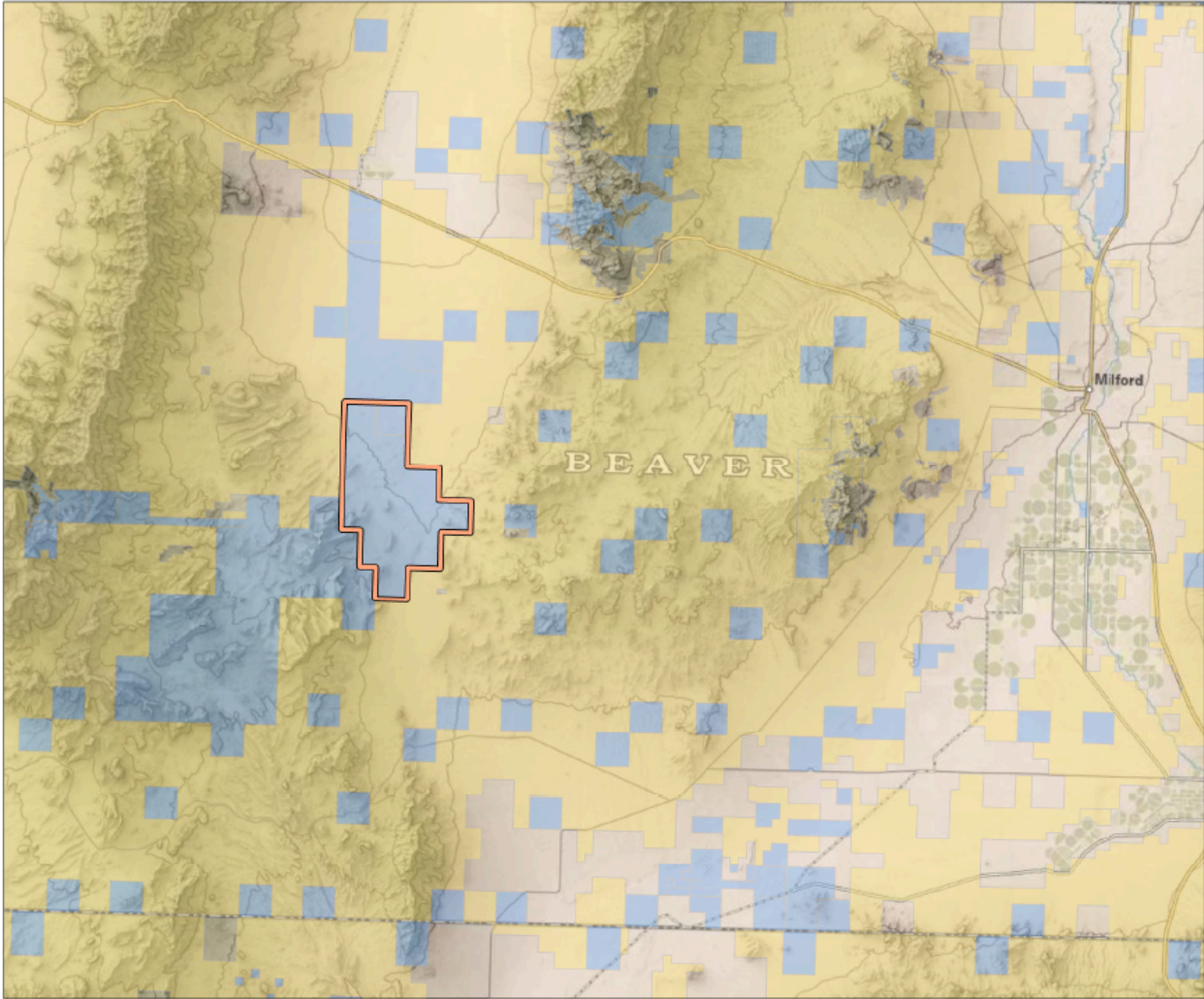
### **Committee Discussion**

The mineral committee expressed interest in the Lessee. While the committee was in favor of the lease, the question of transmission was a concern.

### **Request Action**

The agency requests that the Board approve the OBA and offers the following proposed motion:

“I move to approve RNBL 2019-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction.”



**Renewable Contract No. 2019**

Grover Wash  
Geothermal  
Withir T2B/29 R14W SLB&M  
Beaver County

Renewable Contract No. 2019 (9,180.80 Acres)

**Land Ownership**

- Bureau of Land Management
- Private
- State Trust Lands

Data represented on this map is for REFERENCE USE ONLY and is not suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. The Trust Lands Administration provides this data in good faith and shall in no event be liable for any incorrect results, or any special, indirect, or consequential damages to any party, arising out of or in connection with the use or the inability to use the data hereon. Land parcels, lease boundaries and associated Trust Lands Administration data layers may have been adjusted to allow for visual "best fit." The Surface Ownership Land Status data (if present) are maintained by the Trust Lands Administration to reflect current trust lands status and surface ownerships. Lakes, rivers, streams, highways, roads, county and state boundaries are distributed by the Utah Geospatial Resource Center and/or other sources as specified. Contour lines (if present) were generated from USGS 10 meter DEM. Please Note: While the Trust Lands Administration seeks to verify data for accuracy and content, discrepancies may exist within the data. Acquiring the most updated Trust Lands Administration ownership GIS data may require contacting the GIS staff directly 861-538-5100 or TLU-GIS@utah.gov. The Trust Lands Administration GIS department welcomes your comments and concerns regarding the data and will attempt to resolve issues as they are brought to our attention. Produced: January 23, 2025 - richoleswick

Desired Lands

T29S R14W SLB&M Section 10 ALL;

T29S R14W SLB&M Section 03 LOTS 1, 2, 3, 4, 5, 6, 7, 8, S2N2, S2 [ALL];;

T29S R14W SLB&M Section 04 LOTS 1, 2, 3, 4, 5, 6, 7, 8, S2N2, S2 [E2];

T29S R14W SLB&M Section 02 LOTS 1, 2, 3, 4, 5, 6, 7, 8, S2N2, S2 [ALL];

T28S R14W SLB&M Section 36;

T28S R14W SLB&M Section 35;

T28S R14W SLB&M Section 34;

T28S R14W SLB&M Section 33 E2;

T28S R14W SLB&M Section 26;

T28S R14W SLB&M Section 27;

T28S R14W SLB&M Section 28;

T28S R14W SLB&M Section 22;

T28S R14W SLB&M Section 21;

T28S R14W SLB&M Section 15;

T28S R14W SLB&M Section 16.

Total approximate acreage: 9180 acres.

# Action Item 10D

## Proposed Oil, Gas, and Associated Hydrocarbons OBA

Millard County, UT



# TRUST LANDS

## ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**From:** Chanse Rinderknecht

**Applicant:** San Patricio Exploration  
PO Box 25, Corpus Christi  
Texas 78403

**Lands:** T15S, R19W, Section 36: All  
T16S, R19W, Section 16: All  
T16S, R19W, Section 32: NE/4  
T16S, R19W, Section 36: All  
T17S, R19W, Section 02: All

**Acreage:** 2,720 +/- acres

**Beneficiary:** Public Schools Trust

### **Summary**

The agency requests the Board approve this Oil, Gas and Associated Hydrocarbons OBA for lands in Millard County. Pursuant to Utah Code § 53C-2-401(1)(d)(ii), the agency may enter an OBA with Board approval. This action requires Board approval because the proposed lands are not being offered on the standard lease form via the competitive lease process.

### **Key Information and Background**

The OBA is located in Snake Valley of western Millard County. The proposed lease agreement includes 2,720 acres of surface and mineral land. It is anticipated that cross-leasing will not be a significant issue although it is mapped as a potential geothermal resource. The operator will receive a 3-year exploration agreement in which they will conduct seismic and comprehensive feasibility study. The lessee will have the option to lease anytime during the exploration agreement. However, upon the third anniversary of the effective date, if the lessee has not exercised the option, the OBA will terminate.

The Resource: Oil, Gas, & Associated Hydrocarbons

The Applicant: San Patricio Exploration is registered to do business in Utah

**Material Terms of the Transaction**

Exploration Agreement: 1<sup>st</sup> year- \$1/acre  
2<sup>nd</sup> year- \$2/acre  
3<sup>rd</sup> year- \$3/acre

Primary Term: The applicant will receive a five-year primary term lease agreement.

Payments to Trust Lands Administration:

- 1) Annual Rental of \$2/acre or \$5,440
- 2) Production royalty rate of sixteen and two-thirds (16 2/3%)
- 3) Minimum Royalty of \$4/acre

Work/Expenditure Requirements: San Patricio is set to perform seismic and conduct an in-depth feasibility study of the petroleum system in the area.

Data Reporting Requirements: The agency will require any additional geologic data from exploration activities conducted on the subject lands.

**Rationale**

The wildcat nature of this exploration effort merits the exploration agreement. The seismic and geologic data obtained by the lessee will be a valuable asset to TLA moving forward. While still an extremely wildcat exploration effort, the exploration is not unwarranted with previous wells containing oil shows.

**Committee Discussion**

The mineral committee was curious as to the exploration efforts in the area previously. They also showed concern over the lack of infrastructure in the area. However, the committee was supportive of the wildcat exploration in the area.

**Request Action**

The agency requests that the Board approve the OBA and offers the following proposed motion:

“I move to approve ML 54676-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction.”



# Action Item 10E

## Proposed Oil, Gas, and Associated Hydrocarbons OBA

Uintah County, UT



**TRUST LANDS**

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**From:** Chanse Rinderknecht

**Applicant:** SM Energy Company  
a Delaware Corporation  
1700 Lincoln Street, Suite 3200  
Denver, CO 80203

**Lands:** See Appendix A

**Acreage:** 32,774.23 +/- acres

**Beneficiary:** Public Schools Trust

### **Summary**

The agency requests the Board approve this Amended Oil, Gas and Associated Hydrocarbons OBA for lands in Uintah County. Pursuant to Utah Code § 53C-2-401(1)(d)(ii), the agency may enter an OBA with Board approval. This action requires Board approval because the proposed lands are not being offered on the standard lease form via the competitive lease process.

### **Key Information and Background**

The drilling obligations of the original OBA leases, held by Morning Gun, were satisfied by the drilling of the Klondike well. Once the separate OBA's were acquired by SM Energy, the drilling commitment was met by drilling the Joe Hutch Well. To simplify the management of these blocks and to promote the most production from the leases, TLA and SM Energy have negotiated the consolidation of all OBA's into one large OBA. The negotiations included drilling commitments, well-banking language, and retained acreage clause.

**The Resource:** Oil, Gas, & Associated Hydrocarbons, and Helium

The Applicant: SM Energy is an oil and gas exploration and production company. They have been TLA's biggest revenue generator in recent months.

### **Material Terms of the Transaction**

Primary Term: The applicant will receive a three-year primary term lease agreement.

Extension of Primary Term by Continuous Drilling: SM Energy will drill at least one well by the end of the primary year or the lease will terminate. If a well is drilled, it will earn an additional year.

Payments to Trust Lands Administration:

- 1) Annual Rental of \$2/acre
- 2) Production royalty rate of seventeen (17%)

Work/Expenditure Requirements: There is a drilling commitment of one well per year. SM Energy can earn more than one year beyond the extension period by completing more than one well. SM Energy can "bank" up to two banked extension periods at a time.

Data Reporting Requirements: The agency will require any additional geologic data from exploration activities conducted on the subject lands.

### **Rationale**

SM Energy has shown to be a prudent and productive operator. The fact that they are willing to commit to drill at least one well in this remote area of Uintah County, even with a large acreage holding in the central basin, speaks volumes of the potential of the TLA owned blocks.

### **Committee Discussion**

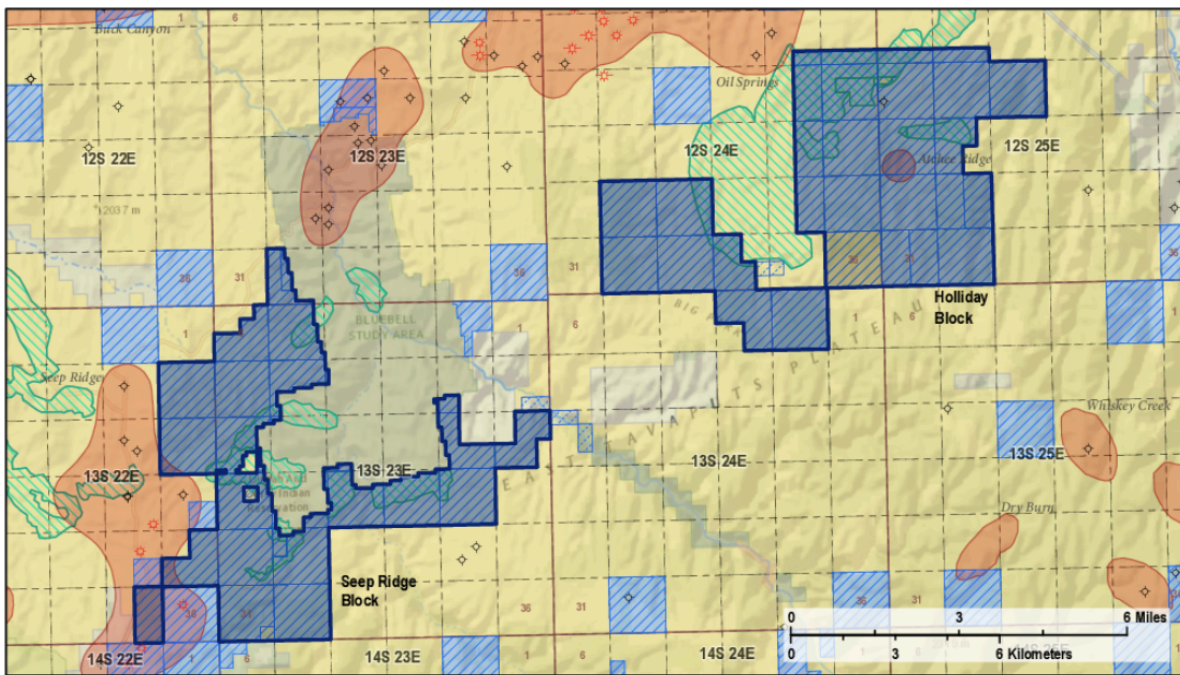
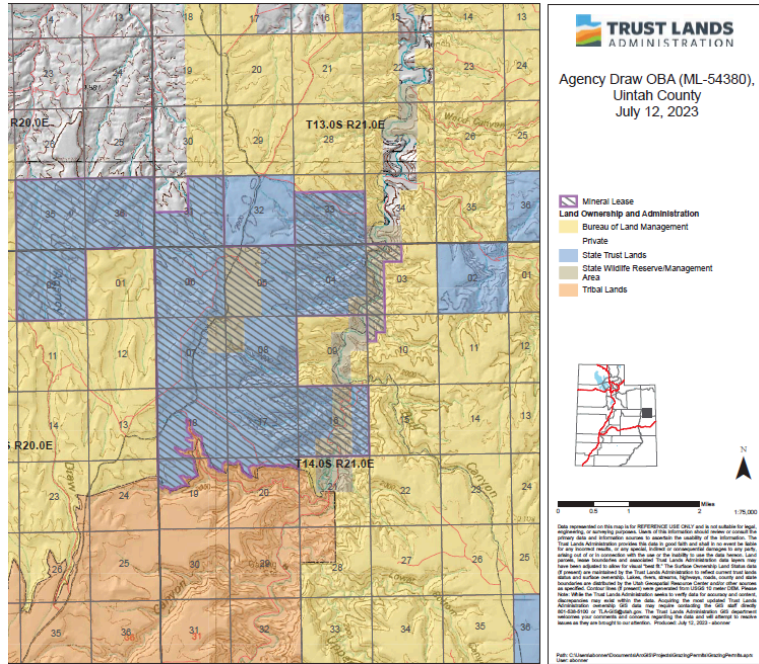
The mineral committee recognizes the great work that SM Energy has been doing in the basin. They were pleased with the drilling commitment and the banking language in the lease.

### **Request Action**

The agency requests that the Board approve the OBA and offers the following proposed motion:

"I move to approve the amendment to ML 54380-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction."

# Appendix A



Created by Tyler Wiseman | SITLA | August 12, 2021



- Bureau of Land Management
- Private
- State Trust Lands (SITLA)
- State Wildlife Reserve
- Tribal Lands
- PLSS Township-Range
- All SITLA Minerals
- Partial SITLA Minerals

Holliday Block					
Township	Range	Section	Legal Description	Gross Acres	Net Acres
12S	24E	11	S2SE4	80.00	80.00
12S	24E	12	S2S2	160.00	160.00
12S	24E	13	ALL	640.00	640.00
12S	24E	14	E2	320.00	320.00
12S	24E	23	E2	320.00	320.00
12S	24E	24	ALL	640.00	640.00
12S	24E	25	ALL	640.00	640.00
12S	24E	26	E2	320.00	320.00
12S	24E	28	ALL	640.00	640.00
12S	24E	29	ALL	640.00	640.00
12S	24E	32	ALL	640.00	640.00
12S	24E	33	ALL	640.00	640.00
12S	24E	34	W2, W2SE4	400.00	400.00
12S	24E	36	ALL	640.00	640.00
12S	25E	7	S2S2	160.00	160.00
12S	25E	18	ALL	640.00	640.00
12S	25E	8	S2S2	160.00	160.00
12S	25E	17	ALL	640.00	640.00
12S	25E	16	ALL	640.00	640.00
12S	25E	19	ALL	640.00	640.00
12S	25E	20	W2NE4, W2	400.00	400.00
12S	25E	29	ALL	640.00	640.00
12S	25E	30	ALL	640.00	640.00
12S	25E	31	ALL	640.00	640.00
12S	25E	32	ALL	640.00	640.00

13S	24E	2	Lots 1-8, S2N2, S2	696.80	696.80
13S	24E	3	Lots 1-8, S2N2, SE4	533.72	533.72

**EXHIBIT A-2**

to ML 54380-OBA

Property Description

The Property is located in Uintah County, Utah and is described as follows:

<b>Seep Ridge Block</b>					
<b>Township</b>	<b>Range</b>	<b>Section</b>	<b>Legal Description</b>	<b>Gross Acres</b>	<b>Net Acres</b>
12S	23E	32	W2W2NE4NW4, SE4SW4NE4NW4, W2SE4NW4, SW4SE4SE4NW4, W2E2NE4SW4, W2NE4SW4, W2W2, SE4SW4, S2S2SW4SE4, SW4SW4SE4SE4	1268.42	1268.42
13S	23E	5	Lots 2-4, 7, W2SW4NE4NE4, SW4NE4, W2NW4SE4NE4, SW4SE4NE4, S2NW4, SW4, W2NE4SE4, SW4SE4NE4SE4, W2SE4, W2NE4SE4SE4, W2SE4SE4, SE4SE4SE4		
13S	23E	6	Lots 1, 6, 7, S2NE4, E2SW4, SE4		
13S	22E	12	ALL	640.00	640.00
13S	22E	13	ALL	640.00	640.00
13S	22E	25	NE4, S2	480.00	480.00
13S	22E	35	E2	320.00	320.00
13S	23E	7	Lots 1, 2, 3, 4, E2W2, E2		
13S	23E	8	N2NE4, SW4NE4, N2SE4NE4, N2S2SE4NE4, NW4, NW4NE4NE4SW4, N2NW4NE4SW4, N2NE4NW4SW4, W2W2SW4, SW4NE4SW4SW4, W2SE4SW4SW4	1003.76	1003.76

13S	23E	9	SW4SW4NW4NW4, W2NW4SW4NW4, NW4SW4SW4NW4		
13S	23E	10	NE4NE4SE4SE4	852.50	852.50
13S	23E	11	S2SW4NE4SW4, S2SE4NW4SW4, SW4SW4, W2SE4SW4		
13S	23E	13	NE4, E2E2NW4, NE4NE4SW4, S2NW4NE4SW4, S2NE4SW4, S2N2NW4SW4, S2NW4SW4, S2SW4, W2SE4		
13S	23E	14	W2NE4NW4, NW4NW4, NE4SW4NW4, E2NW4SW4NW4, E2SW4SW4NW4, SE4SW4NW4, W2SE4NW4, S2NE4NE4SW4, NW4NE4SW4, S2NE4SW4, E2NW4SW4, E2E2SW4SW4, SE4SW4, S2N2N2SE4, S2N2SE4, S2SE4		
13S	23E	17	NW4NE4NW4NW4, N2NW4NW4NW4, SW4NW4NW4NW4, SE4SE4SE4SE4	1021.60	1021.60
13S	23E	18	Lots 1-3, 5, N2NE4NE4, N2SW4NE4NE4, W2NE4, E2NW4, NE4SW4, N2SE4SW4, SW4SE4SW4, NW4SE4SE4SW4, SW4NW4NE4SE4, W2SW4NE4SE4, N2NW4SE4, NW4SW4NW4SE4, W2NW4SE4SE4, SW4SE4SE4		
13S	23E	19	Lots 1-4, W2NE4NE4, W2SE4NE4NE4, NW4NE4, W2NE4SE4NE4, W2SE4NE4, SE4SE4NE4, E2W2, SE4		
13S	23E	16	S2S2SW4SW4, NE4SE4SW4SW4, SW4SE4SW4, W2SE4SE4SW4	650.00	650.00
13S	23E	20	E2E2NE4NE4, NE4NE4SE4NE4, NE4NE4SW4SE4, S2NE4SW4SE4, SE4NW4SW4SE4, E2SW4SW4SE4, SE4SW4SE4, SE4SE4, SW4SW4NW4SW4, W2W2SW4SW4		
13S	23E	21	S2N2SW4NE4, S2SW4NE4, NE4SE4NE4, NE4NW4SE4NE4, S2NW4SE4NE4, S2SE4NE4,		

			W2E2NE4NW4, W2NE4NW4, W2NW4, SE4NW4, NE4SW4, E2NW4SW4, N2NW4NW4SW4, SE4NW4NW4SW4, NE4SW4NW4SW4, S2SW4NW4SW4, S2SW4, SE4		
13S	23E	22	NE4NE4NE4NE4, S2NE4NE4NE4, S2NW4NE4NE4, S2NE4NE4, S2NE4NW4NE4, S2NW4NE4, S2NE4, NE4SW4NE4NW4, S2SW4NE4NW4, SE4NE4NW4, S2SE4NW4NW4, S2NW4, S2	560.00	560.00
13S	23E	23	ALL	640.00	640.00
13S	23E	29	NE4NE4, NE4NW4NE4, NE4NW4NW4NE4, S2NW4NW4NE4, S2NW4NE4, S2NE4, S2NE4NW4, S2NE4NE4NW4, NW4NW4NW4, S2NW4NW4, SW4NW4, SE4NW4, S2	612.50	612.50
13S	23E	30	Lots 1-4, E2W2, E2	628.68	628.68
13S	23E	31	Lots 1-4, E2W2, E2	629.20	629.20
13S	23E	32	ALL	640.00	640.00

**EXHIBIT A-3**

to ML 54380-OBA

Property Description

The Property is located in Uintah County, Utah and is described as follows:

<b>Agency Draw Block</b>					
<b>Township</b>	<b>Range</b>	<b>Section</b>	<b>Legal Description</b>	<b>Gross Acres</b>	<b>Net Acres</b>
13S	20E	35	ALL	640.00	640.00
13S	20E	36	ALL	640.00	640.00
13S	21E	31	W2SW, E2, E2SW	474.21	474.21
13S	21E	33	S2N2, S2	480.00	480.00
14S	20E	2	ALL	639.91	639.91
14S	21E	3	N2NW, SWNW, W2SW	201.44	201.44
14S	21E	4	ALL	643.36	643.36
14S	21E	5	ALL	642.36	642.36
14S	21E	6	ALL	630.40	630.40
14S	21E	7	ALL	630.20	630.20
14S	21E	8	ALL	640.00	640.00
14S	21E	10	NWNW, NWSWNW	50.00	50.00
14S	21E	16	ALL	640.00	640.00
14S	21E	17	ALL	640.00	640.00
14S	21E	18	Lots 1-6, 9, 10, 13, NE, NENW, E2SE	576.42	576.42
14S	21E	19	Lots 1, 5, 8, 9, 11, NENW	148.02	148.02
14S	21E	20	Lots 1, 3, 5, 7	80.73	80.73

# Action Item 10F

## Proposed Repeal of Board Policy Statement No. 2006-04 (Oil Shale Leasing)

Andy Bedingfield



# TRUST LANDS

## ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



# TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

## Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

**Date:** February 19, 2026

**From:** Andy Bedingfield, Managing Director, Energy & Minerals

**Re:** Repeal of Board Policy Statement No. 2006-04 – Oil Shale Leasing on Trust Lands

### Summary

Staff requests that the Board repeal Board Policy Statement No. 2006-04, Oil Shale Leasing on Trust Lands, to remove a legacy policy constraint on oil and gas development on several large land blocks of Trust Lands in Uintah County, Utah (the “Affected Property”).

### Key Information and Background

The Board adopted Board Policy Statement No. 2006-04 on September 14, 2006. The purpose of the policy was to prioritize leasing and development of oil shale on the Affected Property over leasing and development of oil and gas or other mineral resources. Since 2006, development conditions and regulatory frameworks governing mineral development on trust lands have evolved significantly. Oil and gas development is now occurring in areas where oil shale potential was previously the primary consideration, and the agency routinely manages overlapping mineral interests using modern lease forms, other business arrangements, and negotiated terms and conditions. In practice, the objectives of Policy 2006-04 are now addressed through project specific agreements and administrative oversight rather than through a standing Board policy.

### Effect of Repeal

Repealing Policy 2006-04 would not affect existing leases or invalidate previously approved transactions. Instead, repeal would remove a legacy policy constraint and allow TLA to manage oil shale, oil and gas, and other mineral interests through current contractual mechanisms, including the designation and management of multiple mineral development areas (MMDA) and related terms and conditions designed to address conflicts and coordinate development.

**Requested Action**

Board Policy Statement No. 2006-04 reflects a land management approach that has been superseded by current agency practices. Accordingly, staff recommends that the Board repeal this policy and offers the following proposed motion.

*"I move to repeal Board Policy Statement No. 2006-04 – Oil Shale Leasing on Trust Lands."*

*The Board of Trustees  
of the  
School and Institutional Trust Lands Administration*

*New Policy*       *Amends Policy No.*     *Repeals Policy No.*

*Policy Statement No. 2006-04*

*Subject: Oil Shale Leasing on Trust Lands*

*The Board of Trustees of the School and Institutional Trust Lands Administration met in open, public session on September 14, 2006, and by majority vote declares the following to be an official policy of the Board:*

**The Trust Lands Administration shall continue to make lands with the potential for recovery of kerogen from oil shale available for leasing.**

**The Administration will work toward consolidation of leases on the blocks of oil shale lands which have high potential for exploitation of the oil shale resource. In order to eliminate potential problems resulting from cross-leasing, the potential for tar sands, coal, and conventional oil and gas production will be evaluated before leasing.**

**The areas of oil shale land “blocks” are referred to by the following names:**

- \* Magic Circle Block
- \* TOSCO or Sand Wash Block
- \* Bonanza Block
- \* Holliday Block
- \* Seep Ridge Block

**These “blocks” will only be leased with Board approval using the Administration’s “Other Business Arrangement” (OBA) procedures.**

**With regard to “over-the-counter” leasing, the withdrawal of lands with recognized oil shale potential will continue. Modification of existing leases within the above-referenced blocks will require approval of the Board and use of the OBA procedure.**

**The Administration will continue to pursue opportunities to increase the value of the oil shale resources through land exchanges and unitization opportunities among federal, tribal, and fee lands.**

# **End of Board Materials**

**February 19, 2026**