



TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board Meeting Packet

March 19, 2026



TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Meeting Agenda

Thursday, March 19, 2026

9:00 a.m.

102 Tower – 6th Floor Boardroom
102 South 200 East, Salt Lake City, Utah 84111

1. Welcome

2. Approval of Minutes

February 19, 2026 Board Meeting Minutes

3. Confirmation of Upcoming Meeting Dates

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

May 21, 2026 - Regular Meeting

June 18, 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 Bryan Harris, Board Co-Vice Chair, Trust Lands Administration Board of Trustees

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

- A. Highlights from the Finance Team
- B. Legislative Session Update
- C. Staff Updates

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

10. Action Items

- A. Proposed Major Development Transaction in Washington County, Utah (65.04 +/- acres) with Quality Development by Gregg McArthur, Commercial and Economic Development Manager.
- B. Proposed Oil Shale OBA (ML 54691 - OBA) in Uintah County, Utah (15,2650 +/- acres to be relinquished and 8,862.33 +/- acres to be consolidated) with Red Leaf Resources, INC. by Chanse Rinderknecht, Geoscientist and Lease Manager, Energy and Minerals.
- C. Proposed Limestone Exploration Agreement with Option to Lease OBA (ML 54671 - OBA) in Washington County, UT (680 +/- acres) with Western Rock Products, by Drew Bonner, Lease Manager, Energy and Minerals, and Andy Bedingfield, Managing Director of Energy and Minerals.

- D. Proposed Lithium, Potash, and Mineral Salts Brine Exploration Agreement with Option to Lease OBA (ML 54688 - OBA) located in Tooele and Box Elder Counties, Utah (5,814 +/- acres) with White Plains Corporation, by Tyler Wiseman, Geoscientist and Lease Manager, Energy and Minerals.
- E. Proposed Trust Lands Administration 2026/ 2027 Grazing Assessment Rates pursuant to Utah Administrative Code R850-50-500 by Jim Davis, Director, Surface Resources, and Scott Chamberlain, Assistant Managing Director, Surface Resources.
- F. Proposed request to approve Expenditure of Capital Account Funds for Acquisition of Water Rights, 10 acre foot portion of Water Right No. 61-1882 by Jim Davis, Director, Surface Resources, and Scott Chamberlain, Assistant Managing Director, Surface Resources.
- G. Vote Regarding Re-Appointment of Director

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

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 March 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: March 9, 2026

Board Meeting Minutes

February 19, 2026



TRUST LANDS

ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS



TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Meeting Minutes February 19, 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
Mr. Dan Simons

Board Members

Joining Remote/Online

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
Brent Kasza, AG
Andy Bedingfield, Managing Director, Energy and Minerals
Marla Kennedy, Director of Communications
Joelette Organista, Communications Specialist
Chris Fausett, Deputy Director, Energy and Land Resources
Aaron Langston, Managing Director, Residential and Commercial Development
Deborah Memmott, Director of Finance

Attending Staff & Public (continued)

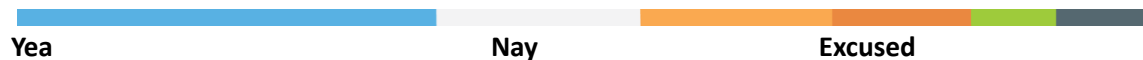
Barry Biediger, IT Manager
Vince Wayodi, IT Support
Lisa Wells, Records Manager
Dawn Soper, Senior Legal Counsel
Naudia Gregerson, Operations Specialist
Kim Christy, Land Trusts Protection & Advocacy Office (LTPAO)
Liz Mumford, Land Trusts Protection & Advocacy Office (LTPAO)
Paula Plant, USBE
Sheri Mattle, Utah PTA
Warren Peterson
Margaret Bird, ASTL
Michael Hutchings, Principal, Jordan School District
Dakota Cambrozzi, DHRM

Welcome

At 10:01 a.m., Chair James welcomed the board, staff, and visitors, and opened the meeting.

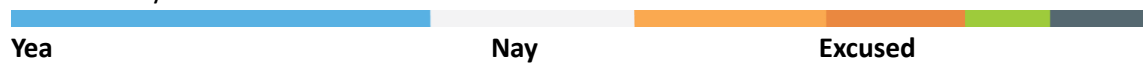
Approval of Minutes

Dr. Nelson seconded Mr. Mower's motion to approve the minutes from the January 22, 2025, board meeting. The motion, which included the change to page 10 of the Board Packet as indicated by Chair James, 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

Mr. Tarbet moved to approve the minutes of the February 5, 2026, board meeting, with a modification to page 19 of the board packet as noted by Chair James. Mr. Baza seconded the motion, and it was carried unanimously.



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

- March 19, 2026 - Regular Meeting - Chair James will join virtually, Trustee Mower will not be able to join as he will be out of country
- April 16, 2026 - Regular Meeting and Board Tour (Utah County)
- May 21, 2026 - Regular Meeting

Trust Lands Funds in Action

West Jordan High School Principal Michael Hutchings praised the integral support of the Trust Lands funds, emphasizing their crucial role in achieving the school's long-term objectives and making a significant impact on student outcomes. This strategic investment enabled a one-to-one Chromebook program, ensuring universal technology access for personalized learning and career readiness. Furthermore, the funding provided targeted academic support, including the hiring of a unique reading specialist for literacy interventions and school-wide instructional support, as well as offering vital math tutoring opportunities. Collectively, these initiatives have contributed to a notable 4% increase in the school's graduation rate over the last three years.

Social Media Minute

Ms. Joelette Organista shared a video which showcased the annual "Maps on the Hill" event, highlighting the crucial work of the GIS (Geographic Information Systems) team. The creator's objective was to use this video to give a spotlight to agencies, particularly those less frequently featured on social media, by recognizing GIS for their diligence and the exceptional quality of their maps, as well as their skill in clearly explaining the map data during the event. The video collected 454 views and 18 likes and can be found at <https://www.utah.gov/pmn/files/1395279.mp4>.

Public Comment Period

No public comments (virtual or in person).

Chair's Report

Chair Tiffany James commended the agency's commitment to its fiduciary responsibility for actively managing Utah's Trust Lands for long-term value, which is reaffirmed as the FY2025 Annual Report shows strong growth and operational execution aimed at both increasing and protecting the durability of that growth for the twelve beneficiaries.

Chair James concluded the discussion by emphasizing the direct, tangible impact of the Agency's decisions—regarding every lease, agreement, and policy—on students and institutions across Utah. She cited a specific public comment from the parent of a visually impaired child, who illustrated how Trust distributions directly benefited her family and students at the Utah School for the Blind.

Director's Report

Director McConkie provided an overview of the recently released, fiscal year 2025 annual report, highlighting it as a significant team effort and a valuable communications tool. She also mentioned the distribution of 27,000 stickers to 145 schools, intended to be placed on items purchased with Trust Lands money (e.g. Chromebooks), to raise awareness of the funding source.

Deputy Director of Operations, Ms. Stephanie Barber-Renteria, presented an in-depth look at the Operations team and its staff, emphasizing many crucial functions. These functions span a wide range, including Records Management, Historic Records, Geographic Information Systems (GIS), Archaeology, Information Technology, Operations Specialists, Fleet and Facilities, GRAMA, Policy, and Archives. The specifics of her presentation are available at <https://www.utah.gov/pmn/files/1395275.pdf>.

Director McConkie closed the Director's Report section by giving a high-level legislative update covering several key bills affecting the Agency.

Trustee Mower praised the TLA team for effectively serving the public trust and successfully managing potentially controversial issues without being at the forefront.

Trustee Baza asked for an update on the budget's status with appropriations. Director McConkie informed Trustee Baza that the budget passed the Natural Resources Committee and is now part of the comprehensive budget bill (bill of bills) being finalized this week. No issues have been raised, and final approval is expected.

Advocate Report

Ms. Liz Mumford commended the Trust Lands Administration for its excellent annual report. She also noted that both SITFO and SITLA will have board vacancies to fill. The nominating committee is scheduled to meet on March 11th and has requested that board members submit strong nominees before that date. To ensure a seamless transition in July, a replacement appointee for Mr. Roger Barrus on the Advocacy Committee should be considered by the June meeting.

Ms. Mumford praised Director McConkie's exceptional job at navigating solutions that uphold trust principles and protect beneficiaries. Her essential clarification with Senator McKell on geothermal language was noted, safeguarding beneficiaries with primarily mineral estates and ensuring their economic viability. Ms. Mumford announced the successful passage of SB 43, the advocacy office amendments bill. She stated that a timeline and implementation priorities for the bill will be established once it goes into effect.

Action Items

Item 10A.

Mr. Aaron Langston reviewed a presentation highlighting a proposed major development transaction in Leeds, Washington County, Utah, which seeks final approval of the development lease with Brennan Holdings for the Leeds Silver Creek Estates Project. Details of Mr. Langston's presentation can be found at <https://www.utah.gov/pmn/files/1395275.pdf>.

A question was raised regarding the contaminants found on site. The Leeds parcel contains mercury tailings. Contamination tests were conducted on the site and adjacent private property. Working with them, the site passed tests and a new cap was installed.

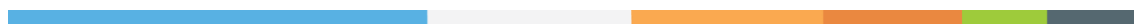
Chair James praised the team for their strategy and visible commitment to asset investment and growth.

The motion to approve the final lease terms, as detailed in the Board Memorandum, was moved by Mr. Simons and seconded by Co-Vice Chair Harris. The motion passed with unanimous approval.

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.

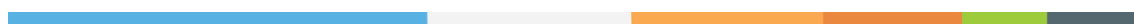
Deputy Director Kyle Pasley presented proposed revisions to the agency's donation policy, which has remained largely unchanged since 2017. The agency's revised policy will discontinue acceptance of cash and personal property. The previous policy had allowed real property, cash, and various personal items. Trustee Mower asked if donations would be directed to SITFO. Mr. Pasley noted that the School and Institutional Trust Fund Office (SITFO) was not in existence when the policy was last updated. The donation policy has been revised so that the Trust Lands Administration will now focus exclusively on donations of real property and water rights, while cash and personal property donations will be handled by the SITFO.

A motion was made by Mr. Mower and seconded by Mr. Tarbet to approve the proposed new agency donation policy. The motion passed with a unanimous vote in favor.

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. Chanse Rinderknecht shared a presentation on the Proposed Geothermal Exploration Agreement with the option to lease OBA located in Beaver County, Utah, with TLS Geothermics, which has gone through the Energy and Minerals Committee meeting for a recommendation. Details of the presentation can be found at <https://www.utah.gov/pmn/files/1395275.pdf>. This item was reviewed by the Board committee during the Energy and Minerals Committee meeting and recommended for advancement and approval for full Board consideration.

Several questions were brought up including handling of self-consumed electricity (parasitic load), confirming that the lease allows the Trust Lands to receive a portion (stated as 10%) of that revenue, pricing it based on comparable market sales if it involves non-arm's length transactions, a standard lease provision.

Confirmation was received that there are no current geothermal commitments on the adjacent Trust Lands acreage that was inquired about. However, a pre-existing metalliferous lease held by Kinross is in place on the southern portion of that land.

Mr. Rinderknecht responded to a question regarding the benefits of using a geothermal OBA compared to a more open, competitive bidding environment. He emphasized that the OBA structure allows the agency to choose technically qualified developers, such as TLS Geothermics. This selection process, he explained, ensures actual asset development and improvement, preventing the risk of land banking or speculative flipping often associated with open bidding.

Mr. Rinderknecht clarified that the company lacks transmission infrastructure and is prioritizing temperature surveying to confirm the geothermal asset's viability. Concurrently, they are actively seeking transmission solutions and partners. In addition, TLA is pushing for a plan of development in the first year given that the OBA proposal was thorough, surpassing submissions from some long-term lessees, providing more initial work than others do in years.

Mr. Tarbet made a motion to approve the above-mentioned OBA lease 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.

Yea	Nay	Excused

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

Mr. Tarbet
Mr. Mower

Item 10D.

Mr. Chanse Rinderknecht shared a presentation on Proposed Oil, Gas, and Associated Hydrocarbons OBA located in Millard County, Utah with San Patricio Exploration. Details of this presentation can be found at <https://www.utah.gov/pmn/files/1395275.pdf>. This item was reviewed by the Board committee during the Energy and Minerals Committee meeting and recommended for advancement and approval for full Board consideration.

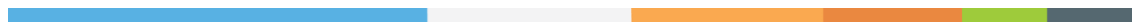
Trustee Baza asked if the year-end reports would incorporate seismic interpretation as well as what is known about San Patricio as a company. Mr. Rinderknecht indicated data would be the raw seismic data so he could perform his own interpretation. He noted that San Patricio is a Texas-based company with activities and lease holdings extending into Nevada, beyond its Texas base.

Mr. Baza made a motion to approve this OBA in 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 10E.

Mr. Rinderknecht also shared a presentation on Proposed Amended Oil, Gas, and Associated Hydrocarbons OBA located in Uintah County, Utah with SM Energy Company. The objective is to combine existing leases, such as 90031, into one comprehensive, amended agreement. This new agreement will incorporate the streamlined language and "Pugh clause" found in the agency draw lease, thereby requiring continuous drilling for any extensions or production. This item was reviewed by the Board committee during the Energy and Minerals Committee meeting and recommended for advancement and approval for full Board consideration. Details of the presentation are located at <https://www.utah.gov/pmn/files/1395275.pdf>.

Trustee Simons raised several inquiries concerning the land at the center of the agency-owned block that was not part of the transaction: if it was private property and are there any existing leases. Furthermore, how can the agency ensure competitive development in areas with adjacent private agreements. While options or bids simplify the process, the challenge lies in how to obtain details regarding a private sale.

Mr. Rinderknecht mentioned that the agency typically reviews Bureau of Land Management (BLM) sales data to gauge pricing. However, he stated he was uncertain about how to determine the price paid in transactions between private individuals because that information is often not shared.

Trustee Baza noted that while public land transaction details are available in public records, agreements concerning private land typically remain confidential. Mr. Baza commended SM Energy, noting their significant experience with batch drilling and moved to approve the amendment of this OBA as indicated in the Board Memorandum, which was seconded by Co-Vice Chair Dr. Nelson. The vote was unanimous in the positive.

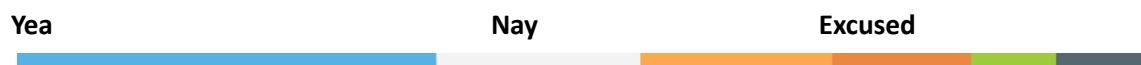


Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Simons
Mr. Baza
Mr. Tarbet
Mr. Mower

Item 10F.

Mr. Andy Bedingfield presented a proposal to repeal Board Policy Statement No. 2006-04 concerning Oil Shale Leasing on Trust Lands. The justification for this repeal is that, although the agency supports the oil shale industry and currently holds active leases, the recent improvements in drilling techniques have substantially decreased surface disturbance, making oil and gas development now arguably the "highest and best use" of the land.

The motion, put forth by Trustee Tarbet and seconded by Dr. Nelson, to repeal the policy under discussion 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

Closed Session

At 12:07 pm Mr. Simons moved and Mr. Baza seconded the motion to move into a closed session. 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

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. Dakota Cambruzzi, DHRM

Chair James read the following statement:
 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).

Adjourn

The meeting was adjourned at 2:27 p.m. following a motion by Mr. Mower, which was seconded by Mr. Simons. The motion 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

Action Item 10A

Proposed Major Development Transaction

Washington County, UT



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TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Gregg McArthur, Economic Development & Project Manager, P&DG Utah South

Applicant: Quality Development – Ed Burgess

Lands: T43S, R15W
Sections 17, NENE, SENE

Acreage: 65.04 +/- acres

Beneficiary: Public Schools

Summary

Staff proposes a major development transaction on approximately 65.04 acres of Trust Lands located in Washington County within the municipality of St George City just east of the intersection of River Road and Brigham Road (See Exhibit B). Prior to negotiating a major development transaction, the Board must approve the process, goals, and timeliness of that transaction, pursuant to Rule R850-140-600. If the Board approves moving forward, the agency will negotiate a development agreement with the selected developer, obtain input from the Real Estate Committee, and bring the terms to the Board for final approval.

Key Information and Background

Background: In 2005, TLA worked with the City of St. George to entitle the subject property, along with approximately 200 acres of surrounding TLA-owned land, as part of a master-planned development known as *Fossil Hills*.

In 2015, Quality Development approached The Trust to purchase a 91.5-acre parcel within the Fossil Hills development located immediately north of the subject 65-acre parcel. Quality Development estimated that approximately 10 acres of the property were developable. They subsequently developed townhomes on those 10 acres and, in doing so, constructed an access point that now provides access to the adjacent 65-acre subject parcel.

As part of their 2015 purchase proposal, Quality Development requested and was granted a 10-year Right of First Refusal on the 65-acre subject parcel currently under consideration. TLA approved the sale of the 91.5-acre parcel at the May 5, 2015 Board Meeting, and the transaction closed in October 2015, including the Right of First Refusal provision. This provision was approved with the understanding that the area presented challenging soil conditions and that Quality Development possessed the excavation expertise necessary to successfully develop property in this location.

During the subsequent 10-year period, TLA did not receive any additional offers for the 65-acre parcel. In July 2025, Quality Development submitted an offer to The Trust to purchase the subject property.

Material Terms of the Transaction

In June 2025, Quality Development submitted an offer of \$6,500,000 for the parcel. As part of their due diligence prior to making the offer, they identified approximately 28.54 acres as developable and approximately 36.5 acres as non-developable due to slope constraints and culinary water pressure limitations (see Exhibit A). The Trust retained an independent engineering firm to review these findings, which confirmed that the areas identified as non-developable were accurate.

To further evaluate market interest, The Trust engaged NAI Excel, a local commercial real estate brokerage, to professionally market the parcel for a four-month period. The property was listed on CoStar and LoopNet and actively promoted through NAI Excel's network of local builders and excavation contractors. While the marketing effort generated significant interest and inquiries, only one additional written offer was received—from a local excavator/developer in the amount of \$6,200,000.

Following the completion of the marketing period, The Trust commissioned an independent appraisal of the property, which concluded a market value of \$6,545,000. Quality Development subsequently agreed to increase their offer to match the appraised value.

Property Value:

An appraisal was completed in January of 2026 on the parcel. The parcel was appraised at \$210,000 per acre for the usable lands and \$15,000 per acre for the unusable lands for a combined value of \$6,540,000.

The Trust will meet its fiduciary responsibility by selling this property at or above market value.

Competitive Process:

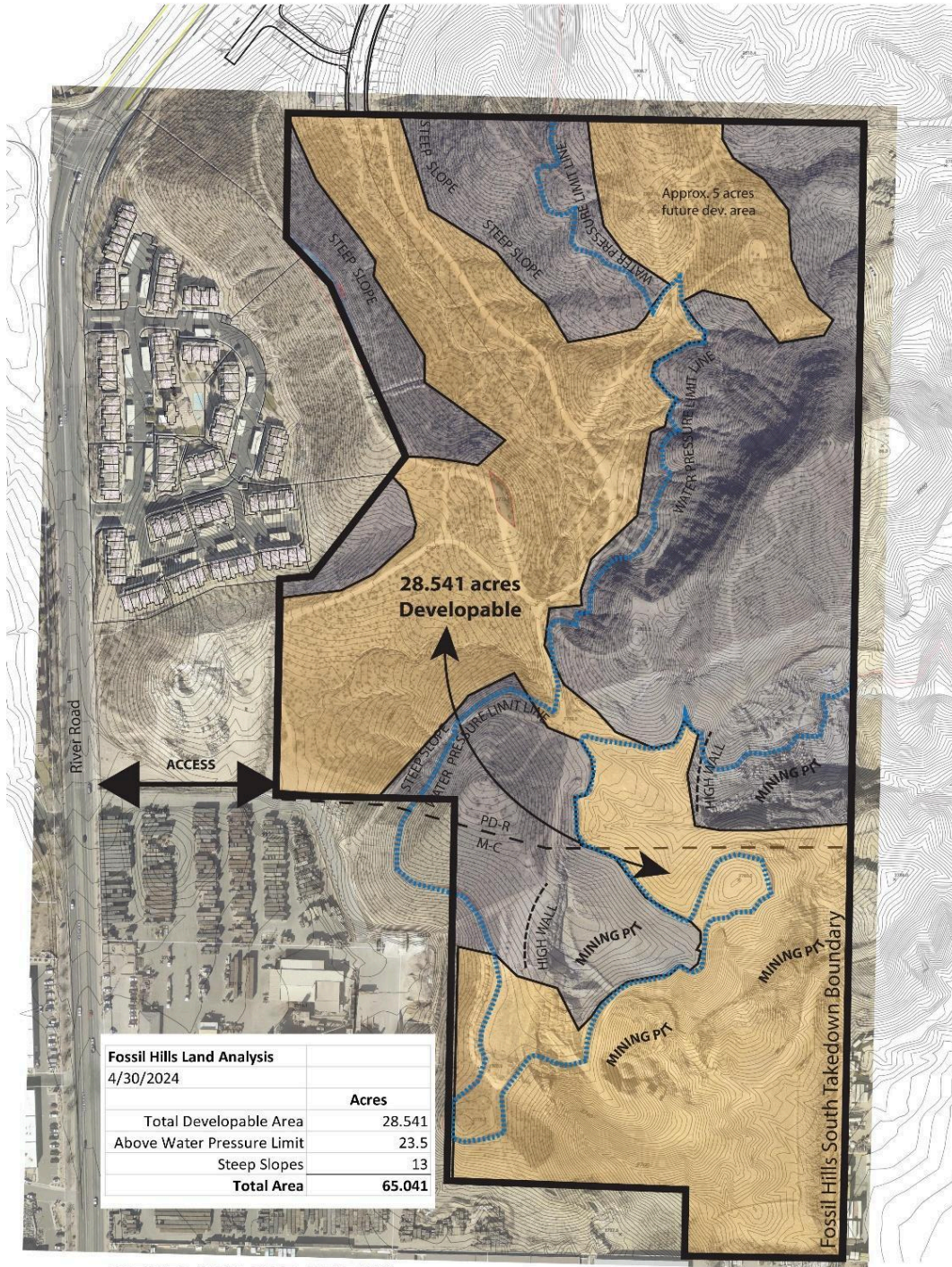
The parcel was actively marketed by a national commercial brokerage, NAI Excel, for a 4-month period starting in August 2025 through November 2025.

Requested Action:

Utah Administrative Code Rule R850-140-600 requires that Major Development Transactions exceeding \$5,000,000 receive approval from the Board of Trustees prior to negotiation and again following negotiations once a final offer has been structured. In this instance, staff received a direct offer to purchase the property. Through an independent appraisal and comprehensive marketing efforts staff has verified that the offer represents the highest and best available at this time. As no further negotiations are required, the agency respectfully requests that the Board approve the final terms of the development agreement with the developer and consider the following proposed motion:

“Move to approve the final terms of the purchase agreement with Quality Development for the sale of the Fossil Hills 65.04 acre parcel and for the agency to execute and take all further actions necessary to finalize the transaction.”

Exhibit A Fossil Hills 65 Acre Developable Lands



DEVELOPABLE AREAS

FOSSIL HILLS SOUTH TAKEDOWN
TOTAL BOUNDARY 65.041 ACRES
4/30/24

Exhibit B
Fossil Hills 65 Acre Parcel Location



Action Item 10B

Proposed Oil Shale OBA (ML 54691 - OBA)

Uintah County, UT



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TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Chanse Rinderknecht

Applicant: Red Leaf Resources, INC.
32 West 200 South #552,
Salt Lake City, UT 84101

Lands to Be Relinquished: 15,650 +/- acres

Seep Ridge: ML 48811 and ML 53644 OBA

Holliday: ML 49949, ML 49953, ML 53645 OBA

Other: ML 48804, ML 48805, ML 48807, ML 48808, ML 48809, ML 48810

Acres to Be Consolidated: 8,862.33 +/- acres

Seep Ridge: ML 43374, ML 48811 (continuous with Seep Ridge) ML 50150, ML 52803

McCook Ridge: T13S R23E Section 31, T14S R22E Section 1, and T14S 23E Section 6

Holliday: ML 48570, ML 48812, and ML 49924

Beneficiary: Public Schools Trust, X11S

Summary

The agency requests the Board approve this Oil Shale 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 OBA is located in Uintah County. The exploration and production of oil shale has proven to be a difficult and time-consuming process. Red Leaf has a long history of exploration in the area and would like to focus on their core acreage.

The Resource: Oil Shale

The Applicant: Red Leaf Resources, INC.

Material Terms of the Transaction

Bonus Payment: \$4.00/acre upon signing OBA

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

Payments to Trust Lands Administration:

- 1) Annual Rental of \$4.00/acre
- 2) Production royalty rate
 - A) 2% on first 40MM bbl oil
 - B) Linear escalation from 2% to 10% from (40MMbbl – 200MM bbl oil)
 - C) 10% of gross revenue for final production (200 MM bbl – 400 MM bbl oil)

Work/Expenditure (POD):

2026-Q2 Investor Commitment to stage-gated development project
2027-Q2 Small Commercial Demonstration Project (SCDP) operations (~\$60 MM)
2028-Q2 Commercial Plant design and engineering complete (~\$40 MM)
2029-Q4 Seep Ridge Commercial Mine opening
2030-Q3 Seep Ridge Phase 1 construction complete (~12,500 bpd capacity) (~\$1.2B)
2030-Q4 Seep Ridge Phase 1 commissioning and startup
2032-Q3 Seep Ridge Phase 2 construction complete (~12,500 bpd capacity) (~\$1.1B)
2032-Q4 Seep Ridge Phase 2 commissioning and startup
2034-Q1 Holliday Commercial Mine opening
2034-Q3 Holliday Phase 1 construction complete (~12,500 bpd capacity) (~\$1.1B)
2034-Q4 Holliday Phase 1 commissioning and startup
2036-Q3 Holliday Phase 2 construction complete (~12,500 bpd capacity) (~\$1.1B)
2036-Q4 Holliday Phase 2 commissioning and startup
2050-Q4 Seep Ridge Phase 1 decommissioning (20y plant life) (~\$100 MM)
2052-Q4 Seep Ridge Phase 2 decommissioning (20y plant life) (~\$100 MM)
2057-Q4 Holliday Phase 1 decommissioning (23y plant life) (~\$100 MM)
2059-Q4 Holliday Phase 2 decommissioning (23y plant life) (~\$100 MM)

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

Rationale

Red Leaf has been a good partner with SITLA and desires to consolidate the leases into one timeline. This will allow them to more effectively develop and produce the oil shale.

Committee Discussion

The committee discussed how difficult oil shale has been to produce. They agree that a sliding scale royalty rate would help Red Leaf put the commodity into production.

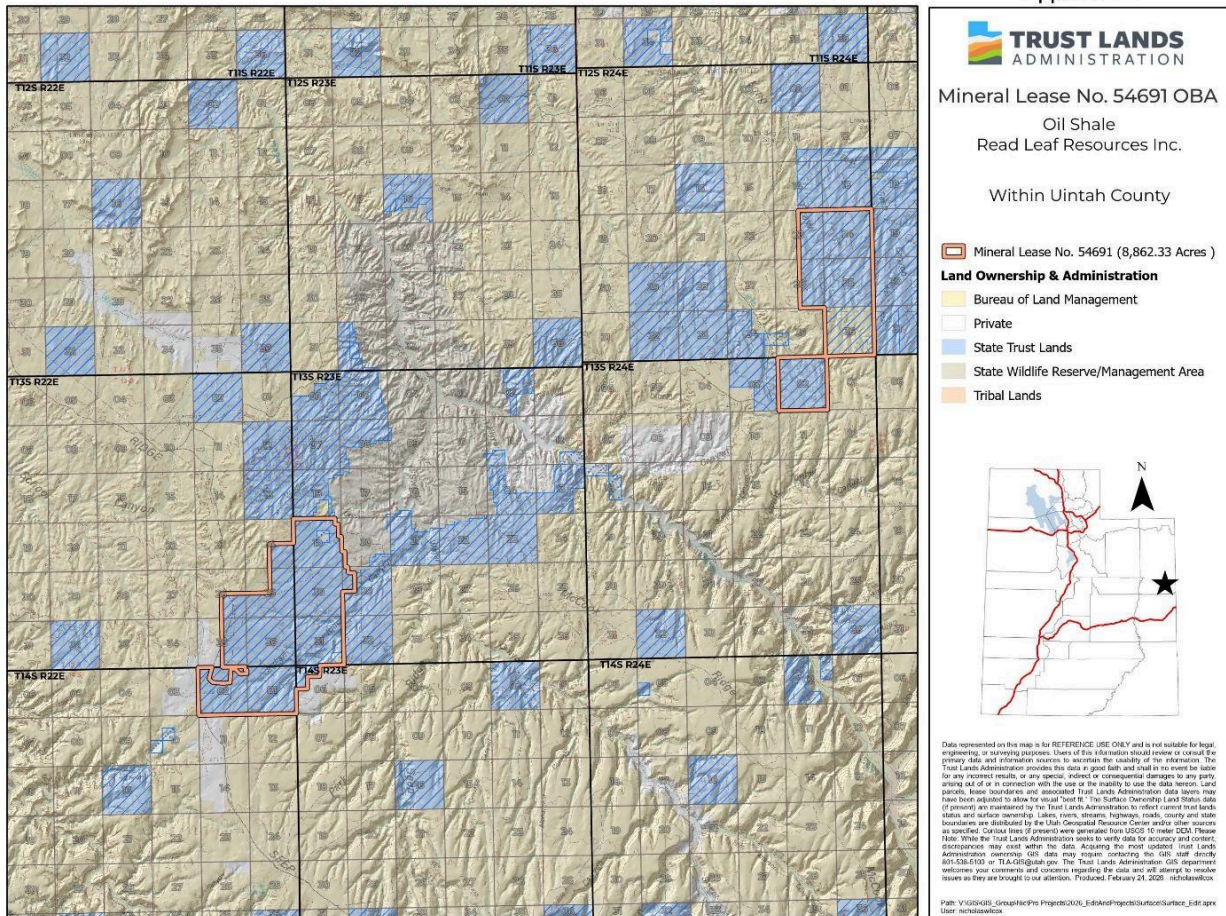
Request Action

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

“I move to approve ML 54691-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

Appendix A



Action Item 10C

Proposed Limestone Exploration Agreement with Option to Lease OBA (ML 54671 - OBA)

Washington County, UT



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SUPPORTING SCHOOLS AND INSTITUTIONS

Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Drew Bonner, Lease Manager, Energy & Minerals
Andy Bedingfield, Managing Director of Energy & Minerals

Applicant: Western Rock Products
4617 S. Pioneer Road,
STE. 300
St. George, UT 84790

Lands: See Map
Washington County

Acreage: 680 acres, more or less

Beneficiary: SCH – School Fund

Summary

The agency requests the Board approve this Limestone Exploration Agreement with Option to Lease OBA (ML 54671-OBA) for lands in Washington 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 proposed OBA is located on the Hurricane Cliffs half a mile east from Hurricane in Washington County. The proposed agreement includes 680 acres of surface and mineral estate. The lands were acquired via the Enabling Act upon statehood of 1896 on Patents 43-66-0067 and 43-65-0211. The lands are currently managed for future land development and for grazing. The applicant is required to get a mine permit from the Division of Oil, Gas and Mining prior to any exploration or mining activities. This permit will contain a reclamation bond based on the mine plan held by DOGM.

The Resource: Limestone, comprised primarily of CaCO₃ or Mg-CaCO₃ used in construction aggregates.

The Applicant: Western Rock Products. Western Rock Products is a subsidiary of The Staker Parson Group, a contractor with a long and strong relationship with TLA.

Material Terms of the Transaction

Term: The applicant will receive a three-year exploration agreement wherein the applicant may explore for minerals and have the option to enter into a lease following the exploration period.

Payments to Trust Lands Administration:

- 1) Bonus payment of \$10,000
- 2) Production rate of \$0.70 per short ton
- 3) Annual rental of \$10/acre
- 4) Prior to commencing mining, a mine plan and final grading plan would be submitted that would create highway access and a final design for development of the land.
- 5) The primary term of the lease is 10 years. Should the lease go into production, TLA will have the right to re-evaluate the highest and best use of the lands during year 15 and every 5 years thereafter to determine the continuance of the lease. If the determination is made that the highest and best use is something other than continuance of the lease, TLA will give Western Rock a 30 month notice to vacate.

Work/Expenditure Requirements: Western Rock Products will conduct exploration activities as it deems necessary. A report summarizing the drilling and testing data is required prior to executing a lease. If they exercise the option to lease, the standard diligent operations requirements to extend a limestone lease will be applicable.

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

Rationale

The applicant is a major producer of aggregates in the Washington County area. The applicant's proposal is to help create much needed access to the parcel from S.R. 59. The mine plan would "mass grade" the parcel to make it more amenable to future residential development. The mine plan, including finished grade, would be pre-approved by TLA staff to ensure the parcel is mined to accommodate future development prior to any mining activities. The applicant previously drilled small 1" diameter cores and found the material promising enough to continue exploration with larger diameter drill holes which would occur under the exploration agreement. The proposed royalty rate is at or above marked value.

Committee Discussion

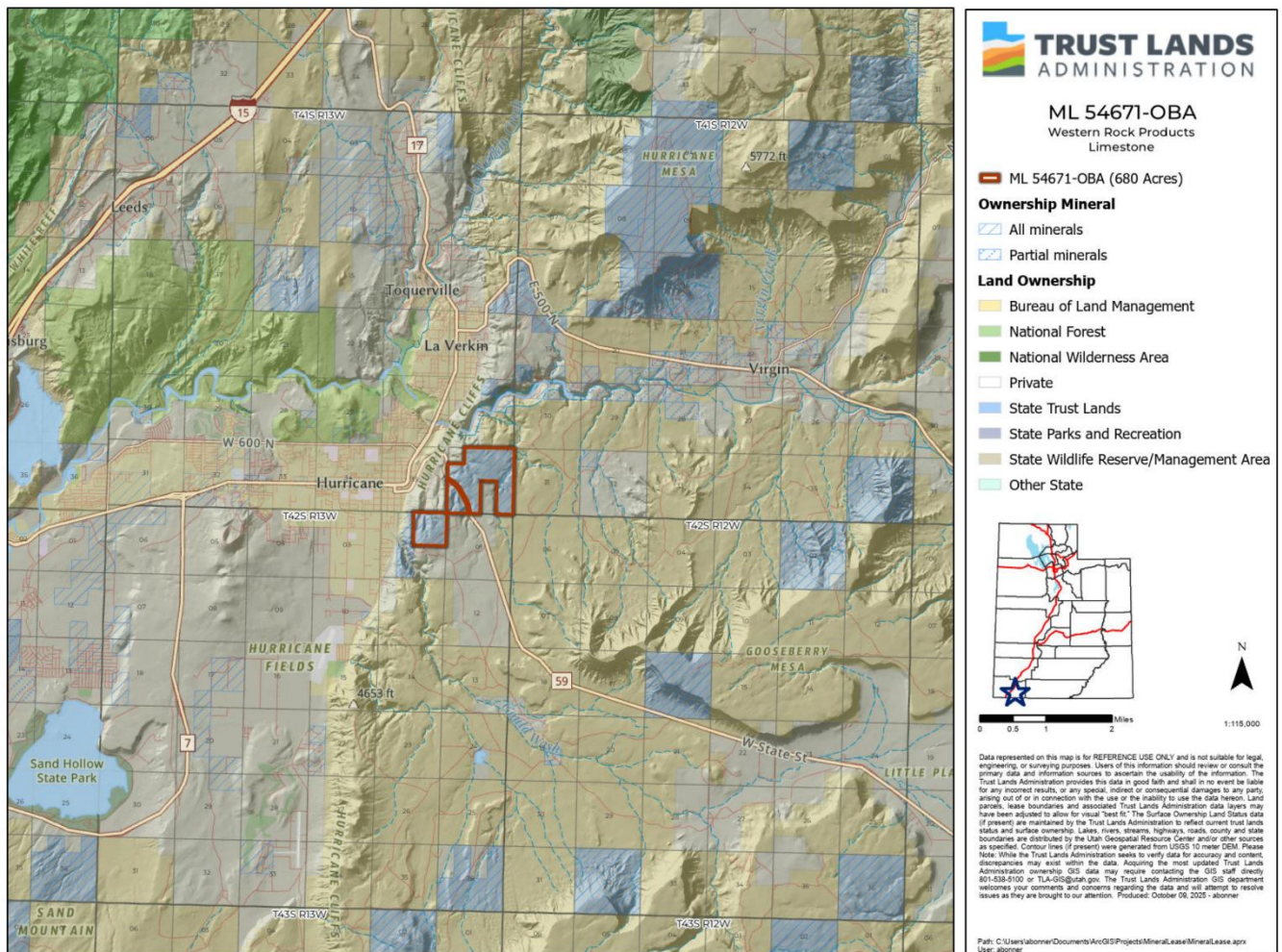
Drew Bonner prepared a presentation of the terms of this exploration agreement with an option to lease as outlined in the draft Board Memo. Mr. Baza stated there have been issues in the past with development instability resulting in houses falling down, which should be something to consider for the

future. Mr. Bedingfield stated that he would reach out to Mr. Nelson and Mr. Harris for comments or concerns, otherwise we would consider the lease recommended for presentation to the full board. Mr. Bedingfield subsequently spoke with both Mr. Nelson and Mr. Harris and both felt this OBA was prepared to go on the March board agenda.

Request Action

The agency requests that the Board approve the OBA and offers the following proposed motion: "I move to approve ML 54671-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



Action Item 10D

Proposed Lithium, Potash, and Mineral Salts Brine Exploration Agreement with Option to Lease OBA (ML 54688 - OBA)

Tooele and Box Elder Counties, UT



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Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Tyler Wiseman, PG, Geoscientist/Lease Manager
Energy & Minerals

Applicant: White Plains Corporation
Level 28, 1 Spring Street
Perth, Western Australia 6000
Australia

Lands: T2N, R19W, Section 16: All
T3N, R18W, Section 32: All
T3N, R19W, Section 36: All
T4N, R18W, Sections 2, 16, 32, 36: All
T5N, R18W, Sections 32 and 36: All
Tooele & Box Elder Counties
As described in Exhibit A

Acreage: 5,814.00 acres, more or less

Beneficiary: Public Schools Trust

Summary

The agency requests the Board approve this Lithium, Potash, and Mineral Salts Brine Exploration Agreement with Option to Lease OBA (ML 54688-OBA) for lands in Tooele and Box Elder Counties. 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 proposed OBA is located within the Pilot Valley dry lake (or playa) along the western edge of Utah in Tooele and Box Elder Counties, approximately ten miles north of Wendover where Intrepid Potash

currently operates a large potash production facility at the southern edge of the Bonneville Salt Flats. Pilot Valley is a typical Basin and Range-type closed basin situated geographically between the Pilot Range to the west and the Silver Island Mountains to the east. Although the Pilot Valley playa has been explored in the past for its prospective deposits of potash, this particular area has not been explored using modern exploration techniques specifically for lithium-rich brine. A few miles to the north, the Pilot Valley shallow and deep aquifers are currently being explored by the applicant with ongoing exploration efforts to assess the potential for future production. Pilot Valley is well serviced by nearby infrastructure, being located within proximity to US Highway 80 and the Union Pacific Railroad. The proposed agreement includes approximately 5,814.00 acres of Utah's trust land surface and mineral estate, which the agency acquired at statehood. The applicant has been made aware that approximately 4,480.00 acres of the proposed lease agreement footprint are trust lands mineral estate only and the company would be required to negotiate a surface use agreement with the private surface landowner.

The Resource: Lithium, Potash, and Mineral Salts

The Applicant: White Plains Corporation ("White Plains"), a wholly owned subsidiary of Lithium Energy Ltd., an ASX-listed Australian-based successful junior mining exploration and development company primarily focused on exploring for precious and base metals in Queensland, Australia, and mineral-rich brines in South America and the western United States. The company's portfolio of exploration projects includes the Capricorn Gold-Copper Belt Project and Burke Graphite Project in Queensland, Australia, the Solaroz Lithium Project in Argentina, and the White Plains Lithium Brine Project in Tooele and Box Elder Counties, Utah.

Material Terms of the Transaction

Term: White Plains will receive an initial three-year exploration agreement with the option to lease for a primary term of ten (10) years, contingent on a negotiated exploration program, required annual progress reports submitted to the agency, and filing an Australian JORC resource report or equivalent feasibility study.

Payments to Trust Lands Administration:

- Three-year Exploration Term annual rental
 - \$4.00 per acre or approximately \$23,256.00 per year
- Ten-year Primary Term annual rental on selected optioned areas, or entire OBA
 - \$4.00 per acre
- Production royalty rate for potash and mineral salts at 5% gross value
- Production royalty rate for lithium-rich brine at a sliding-scale variable gross royalty rate from 1% to 5% based on the value of lithium carbonate equivalent (LCE) as described in the adjustable scale below:

Price per kilogram (kg) of Li₂CO₃ and LiOH	Gross Royalty Rate
up to and including \$12.00 per kg	1%
between \$12.01 and \$15.00 per kg	2.5%
between \$15.01 and \$25.00 per kg	3%
between \$25.01 and \$35.00 per kg	3.5%
between \$35.01 and \$45.00 per kg	4%
between \$45.01 and \$55.00 per kg	4.5%
\$55.01 per kg and above	5%

Work/Expenditure Requirements: White Plains will complete a comprehensive three-year exploration program designed to evaluate the resource and identify new targets on the subject lands as described below:

- Year 1: Geochemical sampling of surface soil and brine in a grid-wise fashion to determine surface aquifer lithium and potash elemental grades. Application for and obtaining exploration permits through the Utah Division of Oil, Gas and Mining on the subject lands. Conduct a Magnetotelluric (MT) passive geophysical survey across permitted areas to profile the shallow and deep aquifer potential. Estimated exploration expenditure: \$60,000.00.
- Year 2: Conduct shallow drilling and pump testing to evaluate the surface aquifer for lithium and potash elemental grades and understanding of surface aquifer hydrogeology, including: porosity, permeability, transmissivity, and flow and recharge rates. Estimated exploration expenditure: \$80,000.00.
 - Drilling would be planned to utilize existing roads/tracks as much as possible.
 - Secure necessary exploration permits and bonding through the Utah Division of Oil, Gas and Mining
 - Cultural and environmental baseline surveys to be conducted prior to any drilling.
 - Drill plan to be submitted prior to any drilling.
- Year 3: Completion of environmental and hydrological studies in preparation for Preliminary Economic Assessment (PEA) study. Complete and file an Australian JORC resource report or equivalent feasibility study by the end of the three-year exploration term. Estimated exploration expenditure: \$120,000.00.

Data Reporting Requirements: The agency will require a development plan and any additional geologic data from exploration activities conducted on the overall property.

Rationale

The applicant is the logical lessee for the proposed OBA. White Plains has staked a total of 797 placer mining claims on over 15,000 acres of federal lands adjacent to the subject lands where the company has recently completed a large passive seismic program to map the geophysical structure of the basin and completed a shallow auger sampling program with positive lithium assay results. Based on their previous exploration work on federal lands, White Plains is looking to expand their lithium-rich brine exploration to the south by proposing a comprehensive exploration program on the subject lands to further delineate the resource. The company has submitted to the agency a thorough quarterly and cash flow report confirming access to sufficient capital to complete the negotiated exploration program.

Committee Discussion

Tyler Wiseman prepared a presentation of the terms of this OBA exploration agreement with option to lease as outlined in this Board Memorandum. Mr. Baza was the only board representative at the committee meeting and commented that this OBA is a good opportunity for exploration work in a remote part of Utah. Mr. Baza then asked a follow up question regarding the reasoning for the variable royalty rate for lithium. Mr. Wiseman stated that lithium is an emerging market historically dominated by China and that this is the same sliding-scale royalty rate approved by the board for another lessee in 2025. The variable royalty rate is meant to adjust more to volatile mineral prices – it generates more revenue when prices are high and less revenue when prices are low without stalling the project. There was a brief discussion on the commodity price swings for lithium over the last five years. Mr. Bedingfield

reminded the committee that unlike potash, which is leasable under current federal rules and regulations, lithium is a locatable mineral under the 1872 mining law, which carries no royalty on federal lands. Mr. Christy asked a question about reclamation bonding. Mr. Wiseman responded that the exploration work would be under an exploration permit with the Utah Division of Oil, Gas and Mining (DOGM), and the bonding would be through them with the possibility of SITLA adding additional bonding if necessary. Mr. Wiseman stated that if this project was to eventually go into production, the reclamation bonding amounts under DOGM would be calculated similarly to the operational Wendover Potash Mine nearby. There was some discussion about access to water for the project. Mr. Wiseman stated that this is an exploration project to define the resource and that water will be something the company will need to address if their exploration efforts warrant further development. The other board committee members were given the opportunity to review this OBA proposal and ask question via email. There were no specific concerns, and the OBA was recommended for presentation to the full board.

Request Action

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

“I move to approve ML 54688-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction.”

Exhibit A



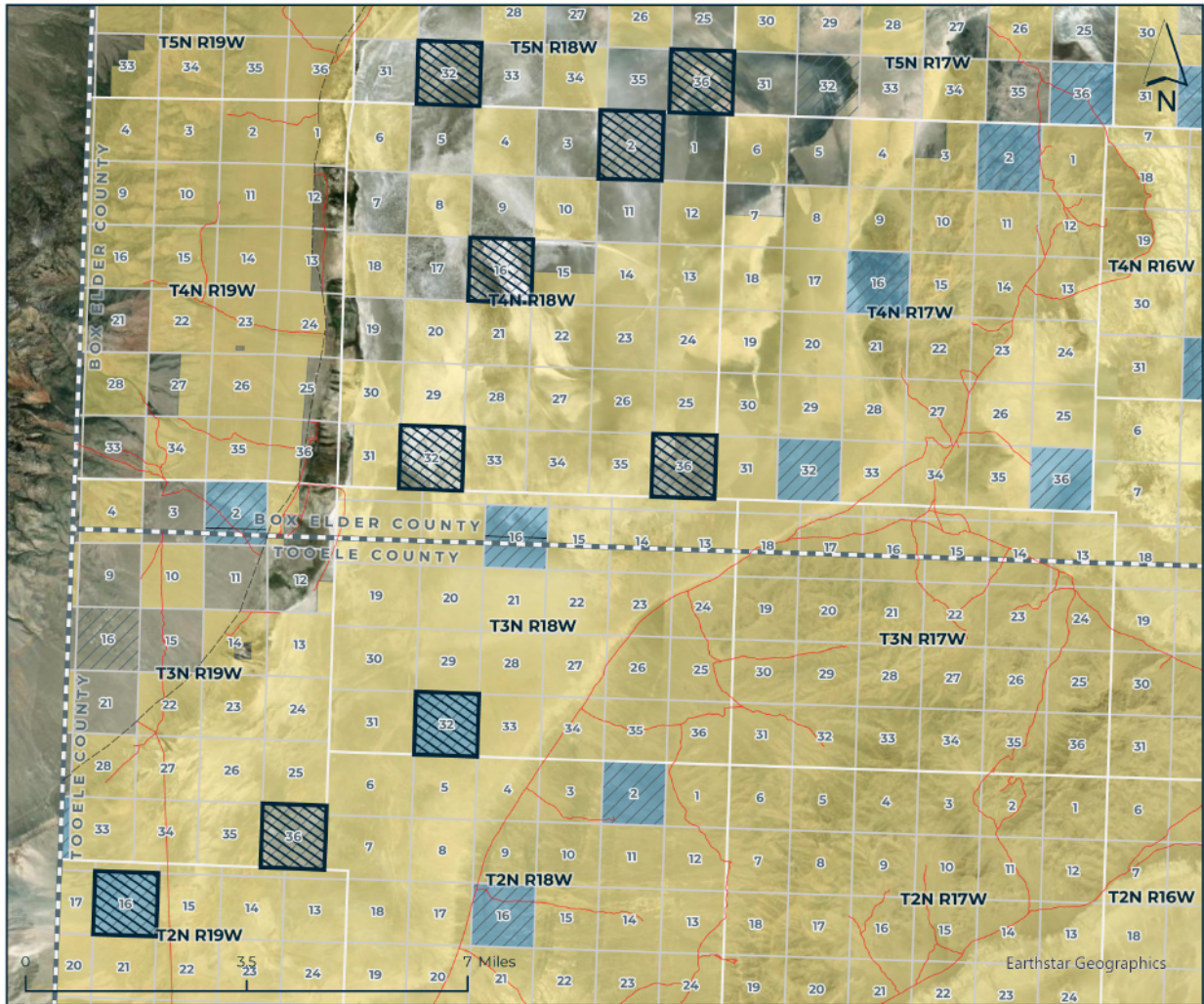
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Mineral Lease No. 54688-OBA - Lithium

Townships 2, 3, 4 & 5 North,
Ranges 18 & 19 West, SLB&M;

Tooele & Box Elder Counties



 Mineral Lease No. 54688-OBA - 5,814.00 Acres

 State Trust Lands

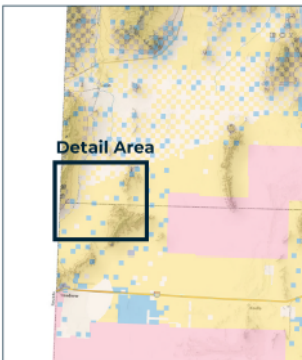
Trust Lands Minerals Ownership

 All minerals

Land Ownership and Administration

 Bureau of Land Management

 Private

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 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 USCS 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: February 23, 2026 - katestaley

Action Item 10E

Proposed 2026/2027 Grazing Assessment Rates



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Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Jim Davis, Managing Director, Surface Resources
Scott Chamberlain, Assistant Managing Director, Surface Resources

Subject: Proposed 2026/2027 Grazing Assessment Rates

Summary

Pursuant to Utah Administrative Code R850-50-500, TLA grazing assessment rates are to be established by the Board and reviewed annually. Grazing rates are charged on an Animal Unit Month¹ (AUM) basis. TLA proposes the 2026/2027 grazing assessment rates set forth below.

The 2026/2027 recommended grazing assessments are:

- Standard Assessment - \$7.32 + \$0.10 weed fee = **\$7.42 per AUM**
- Block Assessment - \$12.81 + \$0.10 weed fee = **\$12.91 per AUM**

Last year's 2025/2026 approved grazing assessments were:

- Standard Assessment - \$7.08 + \$0.10 weed fee = \$7.18 per AUM
- Block Assessment - \$12.39 + \$0.10 weed fee = \$12.49 per AUM

Key Information and Background

Current Formula:

In March of 2020, the Board approved a grazing assessment formula that is tied to the private market while recognizing that different circumstances typically apply to grazing on trust lands compared with privately-owned lands. For example, the agency requires its grazing permittees to perform tasks and

¹ An animal unit month (AUM) is a unit of measurement used to determine stocking rates for livestock grazing. One AUM is the amount of air-dry forage a 1,000-pound cow and her un-weaned calf will consume in one month.

expend money (non-fee costs) that private landowners do not typically require of their permittees. In comparison, the federal grazing rate on adjacent BLM lands is \$1.69 per AUM.

The formula is a percentage (36% for standard assessment, 63% for block assessment) of the USDA National Agricultural Statistic Service (NASS) private lease rate, averaged over a three-year period. Using a three-year running average helps moderate any dramatic swings in either direction. This formula has been much simpler to follow and implement than the formula in effect prior to 2020 and is tied directly to market rates.

- Standard Assessment – 36% of the (NASS) three-year average private lease rate, Ex. NASS DATA private lease rates for the last three years: $19.50 + 20.50 + 21.00 = 61.00 / 3 = 20.33 \times 36\% =$
\$7.32/AUM
- Block Assessment – 63% of the (NASS) three-year average private lease rate, Ex. NASS DATA private lease rates for the last three years: $19.50 + 20.50 + 21.00 = 61.00 / 3 = 20.33 \times 63\% =$
\$12.81/AUM

The \$0.10/AUM weed fee is established in state statute (53C-5-104) and is to be used for the payment of costs incurred in controlling noxious weeds, new and invading plant species, insects, and disease infestations on trust lands.

Committee Discussion

The committee has reviewed the proposal and recommended it be presented to the Board.

Requested Action

The agency requests that the Board approve the proposed 2026/2027 grazing assessments and offers the following proposed motion:

“Move to approve the grazing assessments for 2026/2027 with the standard assessment being set at \$7.32 per AUM and the block assessment being set at \$12.81 per AUM.”

Action Item 10F

Proposed Request to Approve Expenditure of Capital Account Funds

Acquisition of Water Rights



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Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: March 19, 2026

From: Jim Davis, Managing Director, Surface Resources
Scott Chamberlain, Assistant Managing Director, Surface Resources

Subject: Expenditure of Capital Account Funds for Acquisition of Water Rights
10 acre-foot portion of Water Right No. 61-1882

Summary

The agency requests the Board approve an expenditure of \$100,000 from the capital account for the acquisition of a 10 acre-foot portion of Water Right No. 61-1882 (the “Water Right”) in the Strawberry Valley area of northwestern Kane County. Pursuant to Board Policy 2013-03, expenditures from the capital account exceeding \$100,000 for any given project require approval by the Board.

Key Information and Background

Water Right No. 61-1882, currently owned by Strawberry Valley Investment Corporation, is based on a diligence claim filed in 1988 with an asserted priority date of 1879. The water is currently diverted from springs and used for irrigation purposes on private lands located south of Duck Creek Village (see Map Exhibit A). While not adjudicated under the 1936 Sevier River (Cox) Decree, the underlying right has a strong history of validity. Over the past 12 years the current owners have transferred ownership of several smaller portions of WR 61-1882, ranging between 0.25 and 1 acre-foot, to other parties who have successfully completed permanent change applications to move the water to other locations, including lands adjacent to TLA’s Hatch Block property.

The agency has negotiated the purchase of a 10 acre-foot portion of Water Right No. 61-1882 from Strawberry Valley Investment Corporation. It is anticipated that the Water Right would be utilized on TLA’s Hatch Block (see Map Exhibit A). The Hatch Block, located in Garfield County and comprising 13,874 acres, was acquired in the 1998 Grand Staircase-Escalante National Monument land exchange for its future development potential.

The agency has consulted with the Utah Division of Water Rights (UDWRi) and an independent water rights engineer to verify the validity of the Water Right and is confident that the Water Right is currently in good standing. As detailed below, the purchase will be contingent upon the approval of permanent change application by UDWRi authorizing the transfer of the Water Right to trust lands.

To ensure that the Water Right is maintained in good standing, the agency has identified immediate beneficial uses that will allow TLA to hold the water for long-term development. In the short term (10-20 years) the Water Right will be used for agricultural purposes on the Hatch Block by diverting the water from either an existing spring or TLA-owned well on the property to an existing pond and then using it to irrigate fallow fields. Irrigation can be managed by the current grazing permittee or TLA staff. This Water Right can support up to 3.33 acres of irrigation.

In the long term it is anticipated that the Water Right can be converted to culinary use to support future residential/commercial projects on the Hatch Block or be transferred to other strategic parcels within the Upper Sevier River drainage. The Water Right could support up to 22 full-time residences or 40 seasonal residences.

Material Terms of the Transaction

Purchase Price: The agency has negotiated a purchase price of \$100,000 for the Water Right (\$10,000 per acre-foot). The purchase would be funded from the agency's capital account.

Financial Analysis: The agency's market research indicates comparable water rights of 1 acre-foot to 5 acre-feet selling for \$18,000/acre-foot to \$22,000/acre-foot and ¼ acre-foot water rights selling for \$5,000 to \$5,500. In 2015, the agency purchased similar water rights for approximately \$12,699/acre-foot. Figure 1 below shows the range of water right prices from transactions over the past 25 years. The negotiated purchase price of \$10,000/acre-foot represents a significant value compared to current market rates for smaller, piecemeal transactions in the area.

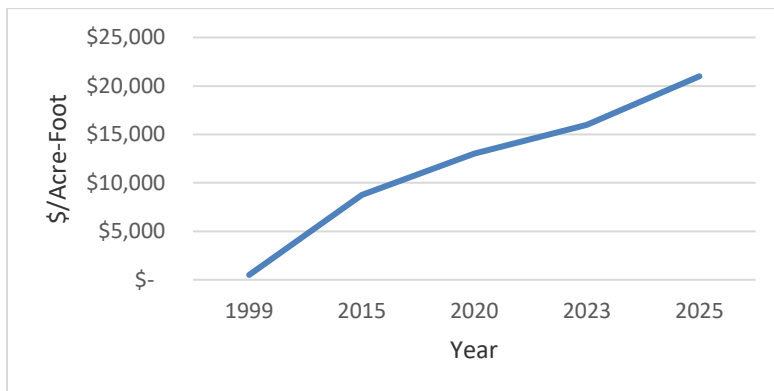


Figure 1 - Prices for Hatch area water rights

Transaction Structure: The agency will execute a water right purchase agreement with Strawberry Valley Investment Corporation. Finalization of the purchase will be contingent upon approval of a permanent change application by UDWRi to transfer the point of diversion and place of use of the Water Right to the Hatch Block and confirmation of clean title free of encumbrances. As part of the change application process UDWRi will evaluate the validity of the Water Right, any protests to the transfer of the Water Right, and determine how much water is available for transfer. Having an approved change application in place prior to finalizing the transaction will ensure that the agency is acquiring valid “wet” water and not just a “paper” water right. At closing, the Water Right will be conveyed to the agency via special warranty deed.

Rationale

The Strategic Initiatives Group has identified water availability as a critical prerequisite to realizing the full potential of the Hatch Block. Securing the Water Right immediately enhances the land's marketability and value and ensures that the agency is positioned to act when market conditions favor residential or commercial development.

Beneficiary Allocation

It is anticipated that the Water Right will be used on the Hatch Block, upon which the beneficiary is 100% Public Schools. Pursuant to Board Policy 2019-01, beneficial ownership of the Water Right will be held by the Public Schools beneficiary and the acquisition cost of the Water Right allocated accordingly.

Committee Discussion

The committee has reviewed the proposal and recommended it be presented to the Board.

Requested Action

The agency requests that the Board approve the expenditure of funds from the capital account to purchase the Water Right and offers the following proposed motion:

"Move to approve the expenditure of \$100,000 from the capital account to purchase a 10 acre-foot portion of Water Right No. 61-1882 and to have the agency take all further actions necessary to finalize the transaction."

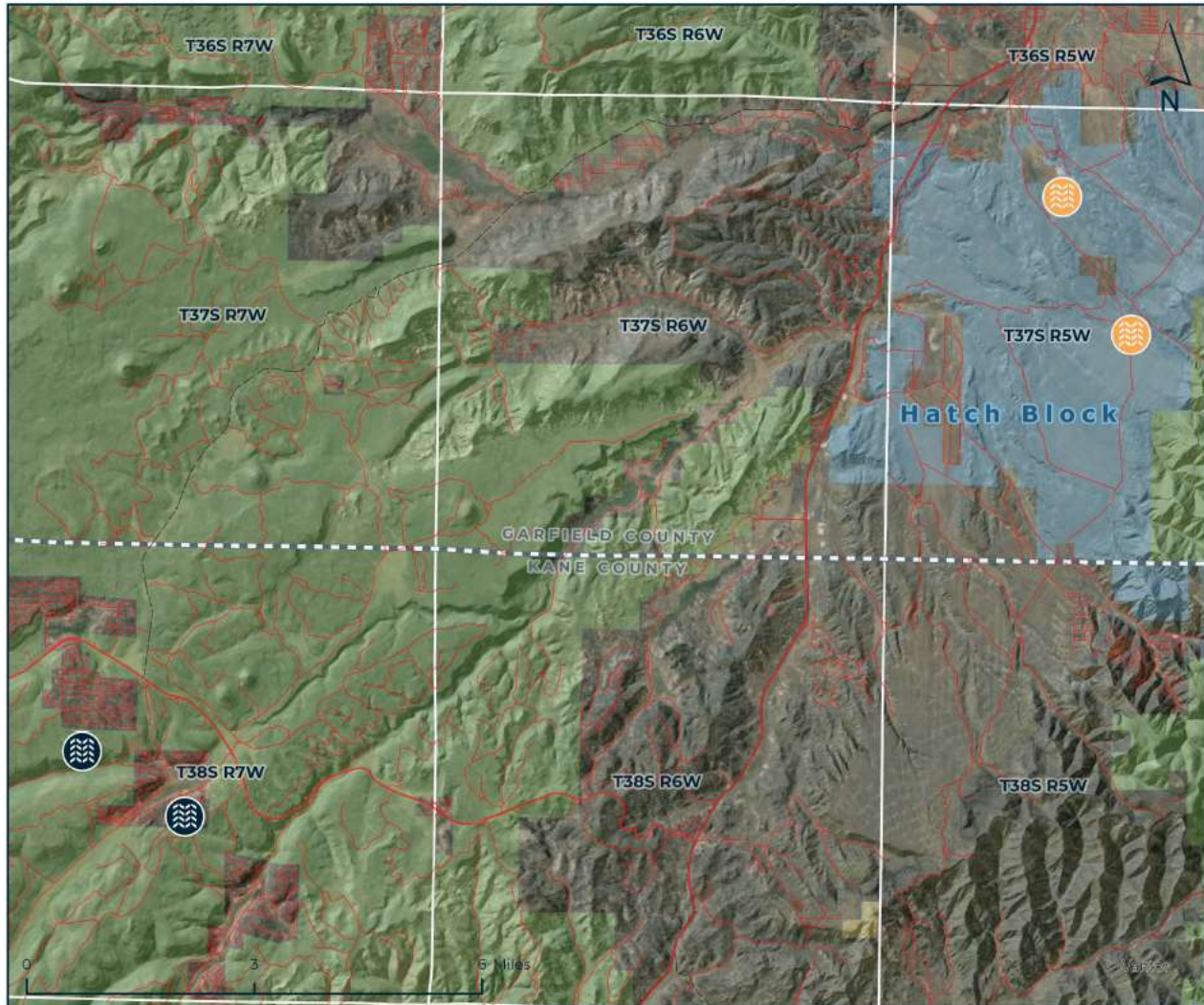
MAP EXHIBIT A



Request to Purchase Water - WR 61-1882

Townships 37 & 38 South, Ranges 5 & 7 West, SLB&M;

Garfield and Kane Counties

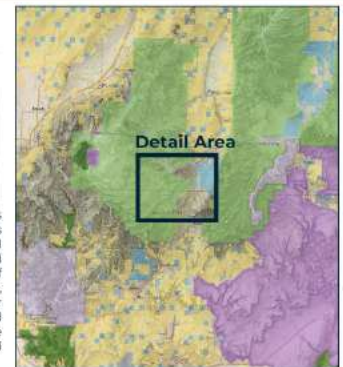


Land Ownership and Administration

- Bureau of Land Management
- National Forest
- Private
- State Trust Lands
- State Wildlife Reserve/Management Area

Water Rights

- Current Points of Diversion
- Proposed Points of Diversion



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Action Item 10G Vote

Re-Appointment of Director



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End of Board Materials

March 19, 2026