

**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**AGENDA**  
**SEPTEMBER 15, 2025 AT 9:00 A.M.**  
**STATE CAPITOL, ROOM 303**  
**HELENA, MT**

**ADMINISTRATIVE ITEMS**

Approval of the September Land Board Agenda  
Approval of the August Land Board Meeting Minutes

**ACTION ITEMS**

- 0925-1     DEQ Easement     APPROVED 5-0**  
*Benefits: N/A (non-trust land)*  
*Location: Cascade County*
- 0925-2     Timber Sales     APPROVED 5-0**  
**A. Elk Creek Limited Access**  
*Location: Sanders County*  
*Benefits: Common Schools*
- B. In-Pa-Ah**  
*Location: Lake County*  
*Benefits: Common Schools*
- C. Stobie Ranch**  
*Location: Sanders County*  
*Benefits: Capitol Buildings*
- 0925-3     Oil and Gas Lease Sale (September 3)     APPROVED 5-0**  
*Location: Glacier, Liberty, Roosevelt, Sheridan, and Toole Counties*  
*Benefits: Common Schools*
- 0925-4     Cabin and Home Site: Set Minimum Bid for Sale     APPROVED 5-0**  
*Location: Chouteau County*  
*Benefits: Common Schools*
- 0925-5     Easements     APPROVED 5-0**  
*Location: Daniels, Garfield, Jefferson, Lewis & Clark, Meagher, Missoula, Powder River, Sheridan, and Valley Counties*  
*Benefits: Common Schools and Public Land Trust*
- 0925-6     Litigation Authority ( Executive Session)     APPROVED 5-0**  
*Location: Flathead County*  
*Benefits: School for Deaf and Blind*
- 0925-7     Motion To Clarify Water Rights Objection Process     TABLED**  
*Benefits: N/A (non-trust land)*  
*Location: N/A (non-trust land)*

**PUBLIC COMMENT**

# 0925-1

DEQ EASEMENT

**Land Board Agenda Item  
September 15, 2025**

**0925-1 DEQ Easement**

**Location: Cascade County**

**Trust Beneficiaries: N/A**

**Trust Revenue: N/A**

**Item Summary:**

The Department of Environmental Quality (DEQ) requests Land Board approval to obtain an easement on the property of landowner Bobbin Maki in Belt, Montana. The easement would allow DEQ to install, maintain, repair, and replace an underground water pipeline that returns treated water to Belt Creek. (See attached contract and map exhibit showing the exact location.) The only landowner restrictions would be no digging or planting trees/shrubs with deep roots.

**Background:**

DEQ's Abandoned Mine Lands Program constructed a Water Treatment Plant in Belt to treat acid mine water entering Belt Creek from abandoned coal mines. These discharges have caused heavy contamination from arsenic and metals such as lead and aluminum.

This reclamation project will remove contaminated water, treat it at the new Water Treatment Plant, and return clean water to Belt Creek. The result will be improved safety for humans, wildlife, and aquatic species; restored fish and aquatic habitats; clean water for livestock and wildlife; and enhanced recreational opportunities.

**Easement Survey and Appraisal:**

DEQ obtained a survey of the proposed easement area from Brown and Associates, a Montana-licensed surveyor (attached as Exhibit A to the Contract) and an appraisal from Phil Rowen, a Montana-licensed appraiser.

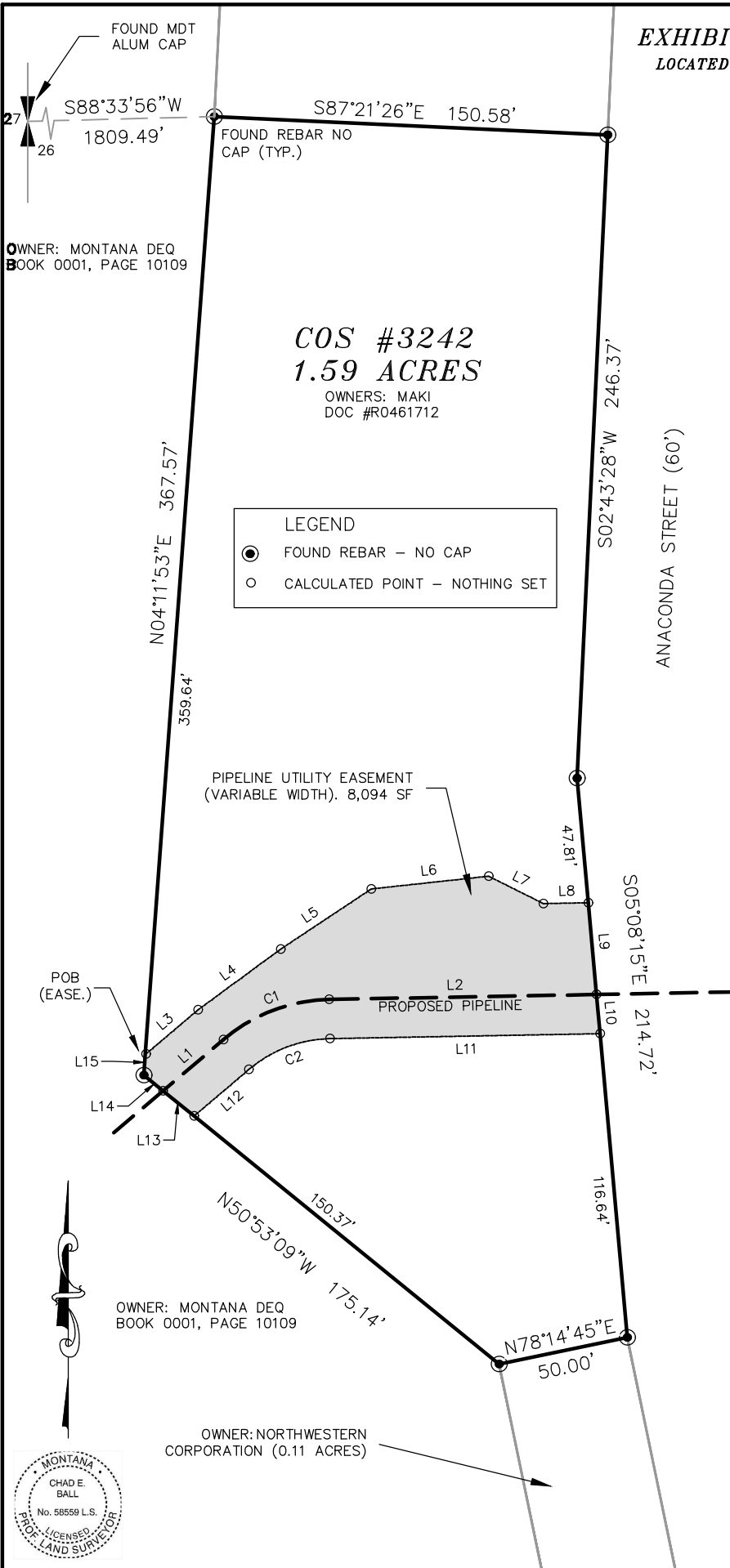
The landowner agreed to grant an easement to DEQ for \$10,000 subject to Land Board approval.

**Funding:**

The purchase will be funded with federal monies allocated to the DEQ's Abandoned Mine Lands Program. No state funds will be used.

**Recommendation:**

DEQ recommends that the Land Board approve the proposed easement on Bobbin Maki's property for the installation, maintenance, repair, and replacement of an underground water pipeline needed for the Water Treatment Plant Project which will return clean water to Belt Creek.



**EXHIBIT "A" PIPELINE UTILITY EASEMENT**  
**LOCATED IN THE NW ¼ & SW ¼ OF SEC 26, T19N, R6E, P.M.M.**  
**CASCADE COUNTY, STATE OF MONTANA**

CURVE TABLE				
CURVE #	LENGTH	RADIUS	CHORD DIRECTION	CHORD LENGTH
C1	44.13'	63.83'	N69°08'18"E	43.26'
C2	33.81'	48.83'	S69°06'43"W	33.13'

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	30.24	N49°42'03"E
L2	102.20	N88°56'43"E
L3	26.39	N49°42'03"E
L4	39.21	N53°41'01"E
L5	41.63	N56°24'18"E
L6	45.08	N83°48'47"E
L7	23.46	S63°29'20"E

LINE TABLE		
LINE #	LENGTH	DIRECTION
L8	17.12	N88°56'43"E
L9	35.23	S05°08'15"E
L10	15.04	S05°08'15"E
L11	103.27	S88°56'43"W
L12	27.49	S49°42'03"W
L13	15.26	N50°53'09"W
L14	9.51	N50°53'09"W
L15	7.93	N04°11'53"E

**SURVEYOR NOTES**

1. THIS SURVEY IS NOT MEANT TO ACT AS A TITLE REPORT OR GUARANTEE TITLE. ANY TITLE MATTERS SHOULD BE HANDLED BY A QUALIFIED AND LICENSED TITLE COMPANY.
2. IF THIS SURVEY DOES NOT CONTAIN ON ITS FACE THE SIGNATURE AND SEAL OF THE LICENSED SURVEYOR IN CHARGE OF THE SURVEY IT SHALL BE CONSIDERED A PRELIMINARY PLAT.
3. THIS SURVEY MADE NO ATTEMPT TO RESEARCH AND IDENTIFY ALL EASEMENTS AND ENCUMBRANCES, RECORDED OR UN-RECORDED. A DETAILED TITLE REPORT MAY PROVIDE ADDITIONAL INFORMATION NOT INCLUDED IN THIS SURVEY.

**PURPOSE OF THE SURVEY**

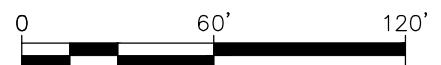
THE PURPOSE OF THIS SURVEY IS TO DEPICT A PIPELINE EASEMENT OF VARIABLE WIDTH, FOR THE PURPOSES OF CONVEYING DRAINAGE WATER, DISCHARGED FROM THE MONTANA DEQ WATER TREATMENT FACILITY, PARCEL A OF COS 4482, ACROSS THE MAKI PROPERTY, SHOWN ON COS 3242, TO THE WEST LINE OF ANACONDA STREET. THIS SURVEY WAS PERFORMED UNDER MY SUPERVISION DURING THE MONTH OF MAY, 2025.

*Chad E. Ball*

CHAD E. BALL, PLS

**LEGAL DESCRIPTION PIPELINE UTILITY EASEMENT (NOT A TRACT OF RECORD)**

BEGINNING AT A POINT ON THE EAST LINE OF PARCEL A, COS 4482, WHICH IS ALSO A POINT ON THE WEST LINE OF COS 3242, FROM WHICH THE WEST QUARTER CORNER OF SECTION 26, TOWNSHIP 19 NORTH, RANGE 6 EAST, P.M.M. BEARS N04°11'53"E FOR 359.64 FEET TO THE NORTHWEST CORNER OF SAID COS 3242, THENCE, S88°33'56"W FOR 1809.49 FEET; THENCE, FROM SAID POINT OF BEGINNING, N49°42'03"E FOR 26.39 FEET; THENCE, N53°41'01"E FOR 39.21 FEET; THENCE, N56°24'18"E FOR 41.63 FEET; THENCE, N83°48'47"E FOR 45.08 FEET; THENCE, S63°29'20"E FOR 23.46 FEET; THENCE, N88°56'43"E FOR 17.12 FEET TO ITS INTERSECTION WITH THE WEST LINE OF ANACONDA STREET; THENCE, S05°08'15"E FOR 50.27 FEET; THENCE, S88°56'43"W FOR 103.27 FEET TO IT INTERSECTION WITH A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 48.83 FEET AND A CHORD BEARING AND DISTANCE OF S69°06'43"W FOR 33.13 FEET; THENCE ALONG SAID TANGENT CURVE TO THE LEFT FOR 33.81 FEET; THENCE, S49°42'03"W FOR 27.49 FEET TO ITS INTERSECTION WITH THE WEST LINE OF SAID COS 3242; THENCE, N50°53'09"W FOR 24.77 FEET; THENCE, N04°11'53"E FOR 7.93 FEET TO THE POINT OF BEGINNING, EASEMENT AREA CONTAINING 8,094 SQUARE FEET OR 0.18 ACRES IN ALL.



<b>BROWN AND ASSOCIATES, INC.</b> PROFESSIONAL LAND SURVEYORS 1701 Cobban St., Butte, MT. 59701 (406) 723-6574	
EXHIBIT A PIPELINE UTILITY EASEMENT LOCATED IN THE NW1/4 & SW 1/4 SECTION 26, T19N, R6E, P.M.M. CASCADE COUNTY, STATE OF MONTANA	
Drawn by: CB	Revised on:
Scale: 1"=60'	Dated: 6/09/25
4 of 63	



## Contract for Grant of Easement on Real Property

Subject to approval by the Montana Department of Natural Resources State Board of Land Commissioners (DNRC Land Board), the Montana Department of Environmental Quality (DEQ) agrees to purchase, and Bobbin K. Maki (Maki) agrees to grant, an easement (Easement) on real property in Belt, Montana, Geocode 02-2895-26-2-02-01-0000, with a street address of 30 Anaconda Street, for <sup>\$10,000.00 BKM KJA Qm</sup> ~~\$7,500.00~~. The Easement is necessary for the construction of a water

treatment plant in Belt. The legal description for the Easement is described in the survey attached as EXHIBIT A which is fully incorporated by reference. DEQ understands that the Easement is

granted "as is" without any warranties. <sup>BKM KJA Qm</sup> Access to any driveway on the property ... will not be infringed or blocked throughout the construction or maintenance of the water treatment plant.

Under § 82-4-239(6), MCA, DEQ is required to obtain approval for this Easement purchase. If the DNRC Land Board approves this purchase, DEQ will complete the purchase as soon as its processes allow. If the DNRC Land Board disapproves of this purchase, this contract is void, and DEQ has no obligation to purchase the Easement or otherwise compensate Maki.

**Notice to Landowner:** This is a legal document. You may wish to consult an attorney before signing this document. If you would prefer for DEQ to communicate with an attorney retained by you, please let us know. You are not required to have an attorney represent you in this matter, DEQ is merely informing you that DEQ has no objection if you choose to.

Bobbin K. Maki  
Bobbin K. Maki, Owner/Grantor

8/20/25  
Date

Kathie A. Forba  
Katie Garcin-Forba, Superfund, AML,  
and Construction Bureau Chief

8/21/25  
Date

Approved as to form and content: DEQ Legal: By Jonathan May, Date 8/25/25

# 0925-2

TIMBER SALES

A. Elk Creek Limited Access

B. In-Pa-Ah

C. Stobie Ranch

**Land Board Agenda Item  
September 15, 2025**

**0925-2A Elk Creek Limited Access Timber Sale**

**Location:** Sanders County

**Trust Beneficiaries:** Common Schools

**Trust Revenue:** \$112,711 (estimated, minimum bid)

**Item Summary**

**Location:** The Elk Creek Limited Access Timber Sale is located approximately 3 miles south of Heron, Montana.

**Size and Scope:** The sale includes 5 harvest units (*79 acres*) of skyline and tractor logging.

**Volume:** The estimated harvest volume is 5,555 tons (*935 MBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$20.29 per ton, which would generate approximately \$112,711 for the Common School Trust and approximately \$24,886 in Forest Improvement fees.

**Prescription:** This sale would utilize shelterwood and seed tree harvest prescriptions designed to capture the value of trees susceptible to insect and disease while reducing future fuel loading.

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

**Access:** The purchaser obtained limited access from the adjacent landowner to gain access to the State land.

**Public Comments:** One comment was received from a local resident with concerns about silviculture and post-harvest stand structure. The DNRC provided the commenter with additional information about proposed silvicultural treatments and potential post-harvest forest conditions, which resolved the commenter's concerns.

**DNRC Recommendation:**

The DNRC recommends the Land Board direct the DNRC to sell the Elk Creek Limited Access Timber Sale.

# State Trust Land Vicinity Map

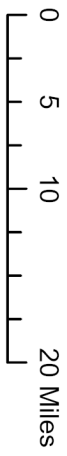
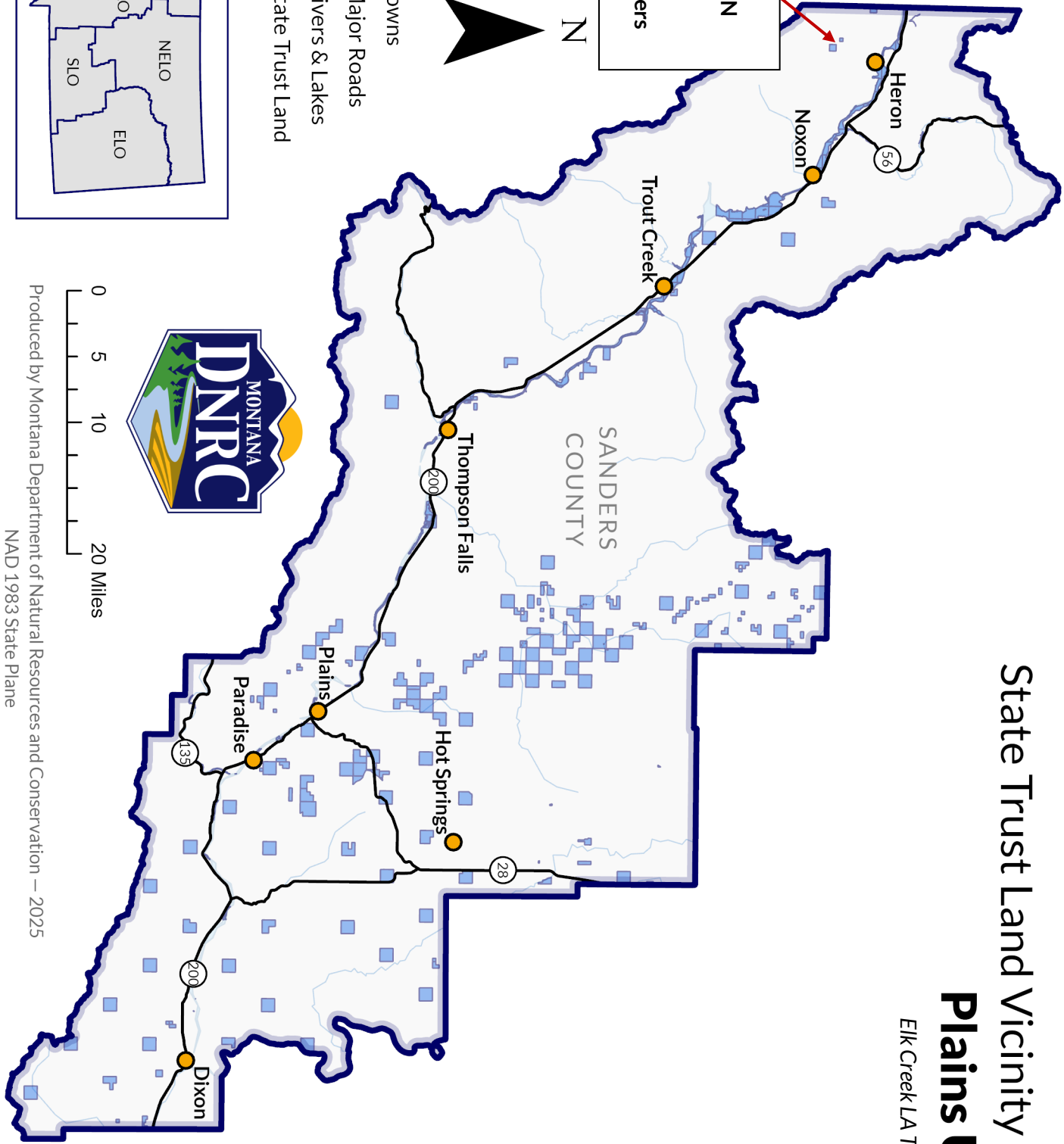
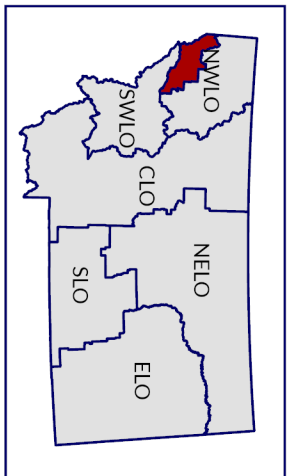
## Plains Unit

Elk Creek LA Timber Sale

Section: 16  
Township: 26N  
Range: 34W  
County: Sanders



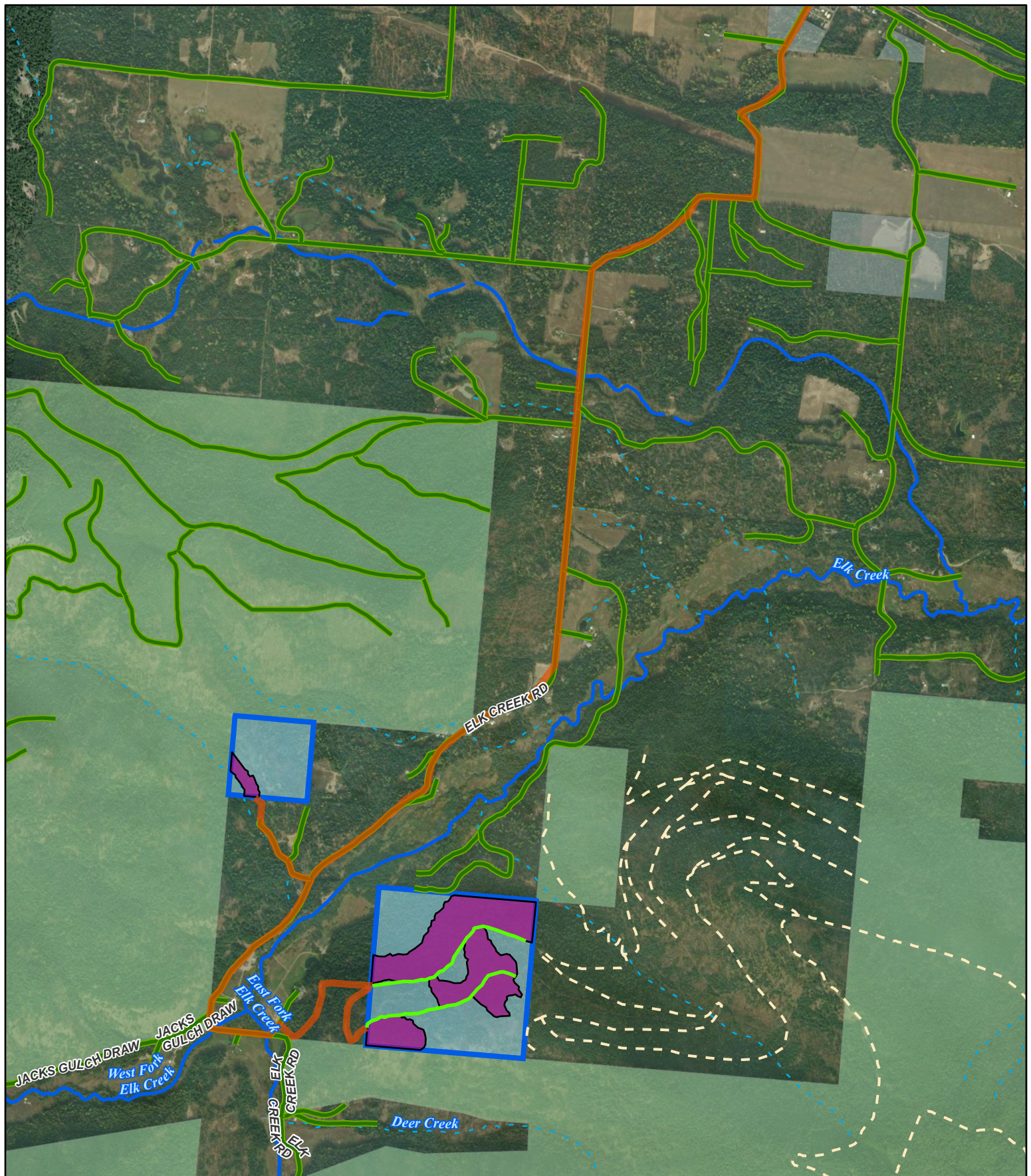
- Towns
- Major Roads
- Rivers & Lakes
- State Trust Land



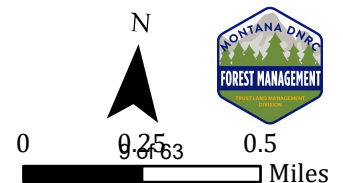
Produced by Montana Department of Natural Resources and Conservation — 2025  
NAD 1983 State Plane



# Elk Creek Limited Access Timber Sale Haul Route and Harvest Units



- |  |  |   |
|--|--|---|
| <span style="color: orange;">—</span> Haul Route       | <span style="color: yellow;">—</span> Restricted Class A   | <span style="color: blue;">- - -</span> Intermittent  |
| <span style="color: green;">—</span> New Road          | <span style="background-color: purple; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span> Harvest Units | <span style="background-color: lightgreen; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span> US Forest Service        |
| <span style="color: blue;">—</span> FMB_Roads          | <span style="border: 2px solid blue; display: inline-block; width: 15px; height: 10px;"></span> TLMD_SurfaceTracts                       | <span style="background-color: lightblue; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span> Montana State Trust Lands |
| <span style="color: black;">—</span> Highway           | <span style="color: blue;">—</span> Streams  | <span style="background-color: gray; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span> Local Government               |
| <span style="color: green;">—</span> Open/Public Roads | <span style="color: blue;">—</span> Hydrograph   |   |
|  | <span style="color: blue;">—</span> Perennial  |   |





**Land Board Agenda Item  
September 15, 2025**

**0925-2B In-Pa-Ah Timber Sale**

**Location:** Lake County

**Trust Beneficiaries:** Common Schools

**Trust Revenue:** \$392,215 (estimated, minimum bid)

**Item Summary**

**Location:** The In-Pa-Ah Timber Sale is located approximately 7 miles southeast of Swan Lake, Montana.

**Size and Scope:** The sale includes 12 harvest units (737 acres) of ground-based logging.

**Volume:** The estimated harvest volume is 23,659 tons (3.33 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is \$17.85 per ton for all non-Ponderosa Pine species and \$5.42 for Ponderosa Pine, which would generate approximately \$392,215 for the Common School Trust and approximately \$88,471 in Forest Improvement fees.

**Prescription:** This sale would utilize individual tree selection, seed tree, shelterwood, old growth maintenance, and commercial thinning harvest prescriptions designed to reduce insect and disease issues, reduce fuel loading and promote forest health.

**Road Construction/Maintenance:** The Department of Natural Resources and Conservation (DNRC) is proposing 16.8 miles of road maintenance.

**Access:** Access is obtained through State-owned roads.

**Public Comments:** This timber sale is covered under the Squeezer Meadow Environmental Impact Statement (EIS). Twenty public comments were received during the scoping of the Squeezer Meadow EIS and an additional five individuals indicated that they had no comments but would like to stay informed during project development. Nine comments provided general support for the project, six comments were neutral, and five comments were opposed to the project. Commenters expressed concern about wildlife, silviculture, hydrology and soils, roads and traffic, fisheries, climate change, visual aesthetics, air quality, cultural resources, and economics. All public comments and concerns were considered and addressed in the Squeezer Meadow Final EIS.

**DNRC Recommendation:**

The DNRC recommends the Land Board direct DNRC to sell the In-Pa-Ah Timber Sale.

# State Trust Land Vicinity Map

## Swan Unit

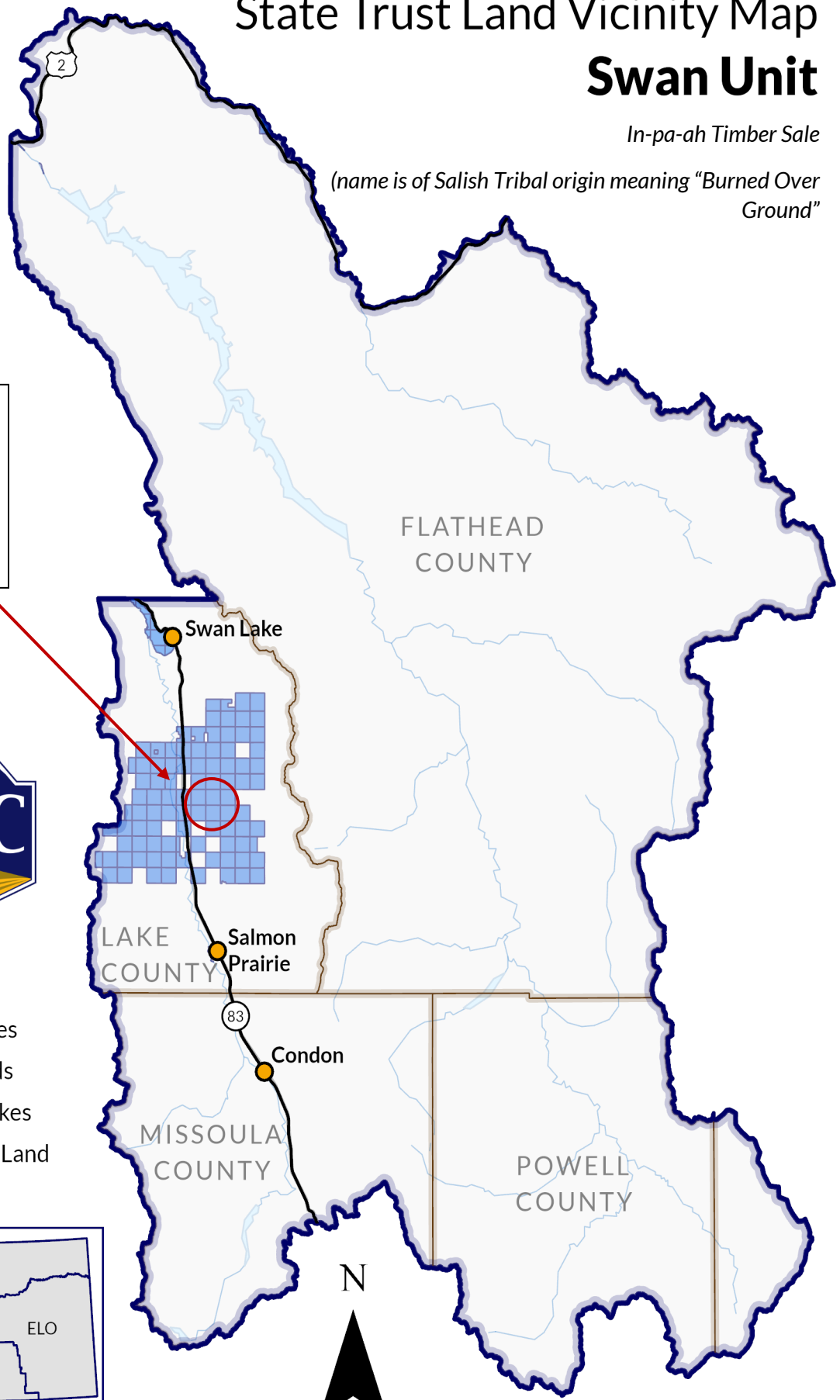
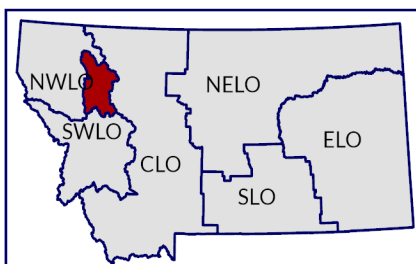
*In-pa-ah Timber Sale*

*(name is of Salish Tribal origin meaning "Burned Over Ground")*

Sections: 3, 4, 7, 8,  
9, & 10  
Township: 23N  
Range: 17W  
County: Lake



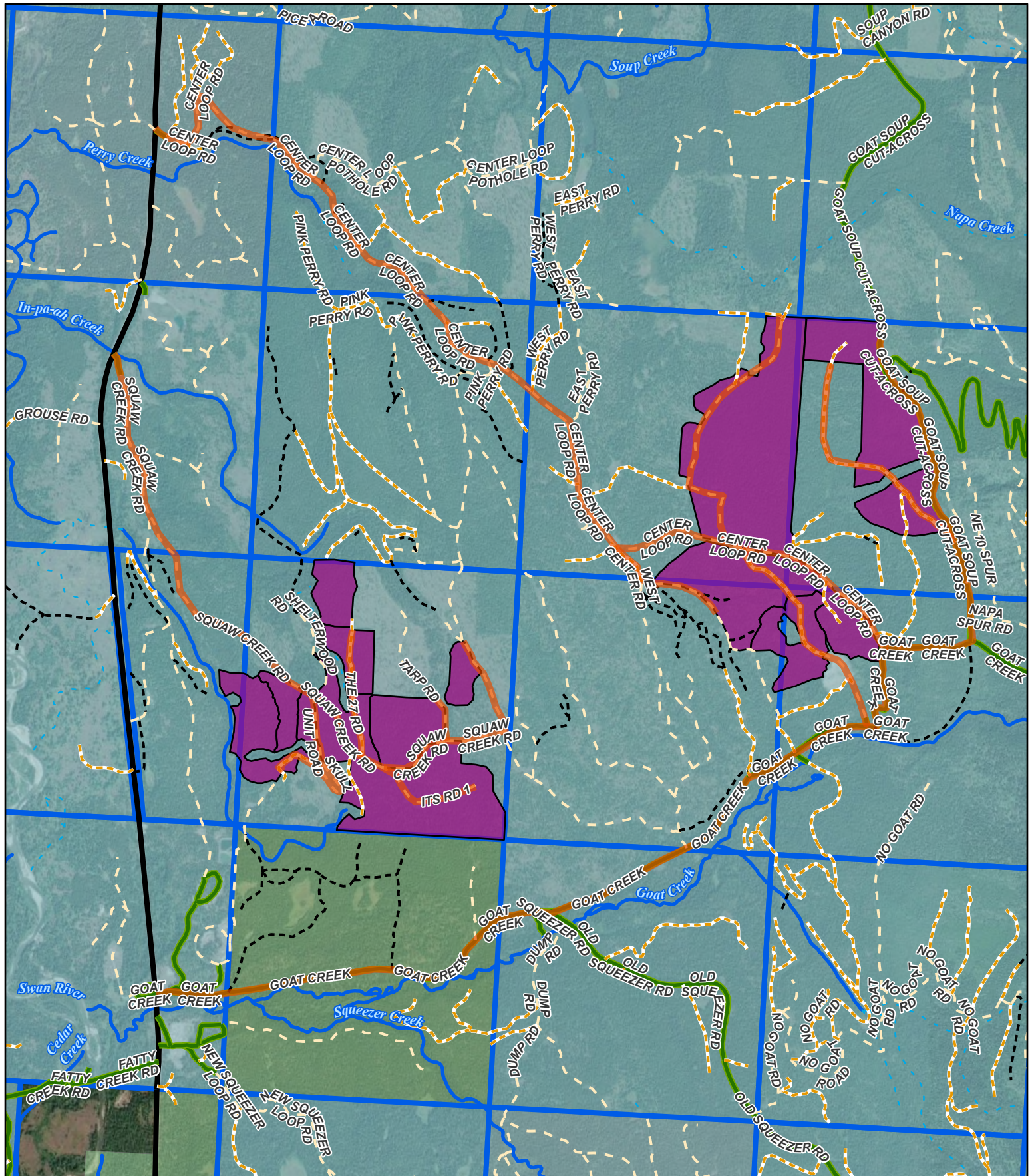
- Towns
- County Lines
- Major Roads
- Rivers & Lakes
- State Trust Land



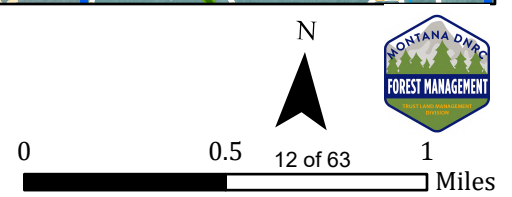
0 5 10 20 Miles  
11 of 63



# In-Pa-Ah Timber Sale Haul Route and Harvest Units



- Haul Route
- FMB\_Roads
- Highway
- Open/Public Roads
- - - Restricted Class A
- - - Restricted Class B
- - - Abandoned or Reclaimed
- Harvest Units
- Harvest Units
- TLMD\_SurfaceTracts
- Streams
- Hydrograph
- Perennial
- US Forest Service
- State of Montana Misc.
- Montana State Trust Lands





**Land Board Agenda Item  
September 15, 2025**

**0925-2C Stobie Ranch Timber Sale**

**Location:** Sanders County

**Trust Beneficiaries:** Capitol Buildings

**Trust Revenue:** \$399,905 (estimated, minimum bid)

**Item Summary**

**Location:** The Stobie Ranch Timber Sale is located approximately 20 miles north of Plains, Montana.

**Size and Scope:** The sale includes 7 harvest units (*502 acres*) of tractor logging and 2 harvest units (*44 acres*) of skyline/cable logging.

**Volume:** The estimated harvest volume is 21,903 tons (*3.67 MMBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$18.11 per ton, which would generate approximately \$399,905 for the Capitol Buildings and approximately \$98,553 in Forest Improvement fees.

**Prescription:** This sale would utilize individual tree selection and seed tree treatment harvest prescriptions designed to move the stands towards the desired future conditions and help mitigate the effects of insects and disease.

**Road Construction/Maintenance:** The Department of Natural Resources and Conservation (DNRC) is proposing 1.6 miles of new road construction, 5.4 miles of road maintenance and 1.1 miles of optional road maintenance.

**Access:** Access is obtained through the Marten Creek (Stobie) Reciprocal Access Agreement, Cook Mountain Reciprocal Access Agreement and Green Diamond Temporary Road Use Permit.

**Public Comments:** One comment was received from Montana Department of Fish, Wildlife & Parks (FWP) expressed concerns about big game and fisheries habitat within the sale area and suggested mitigations to alleviate impacts to wildlife. DNRC worked with FWP during project development to incorporate appropriate wildlife mitigations, which are documented in the associated environmental assessment document.

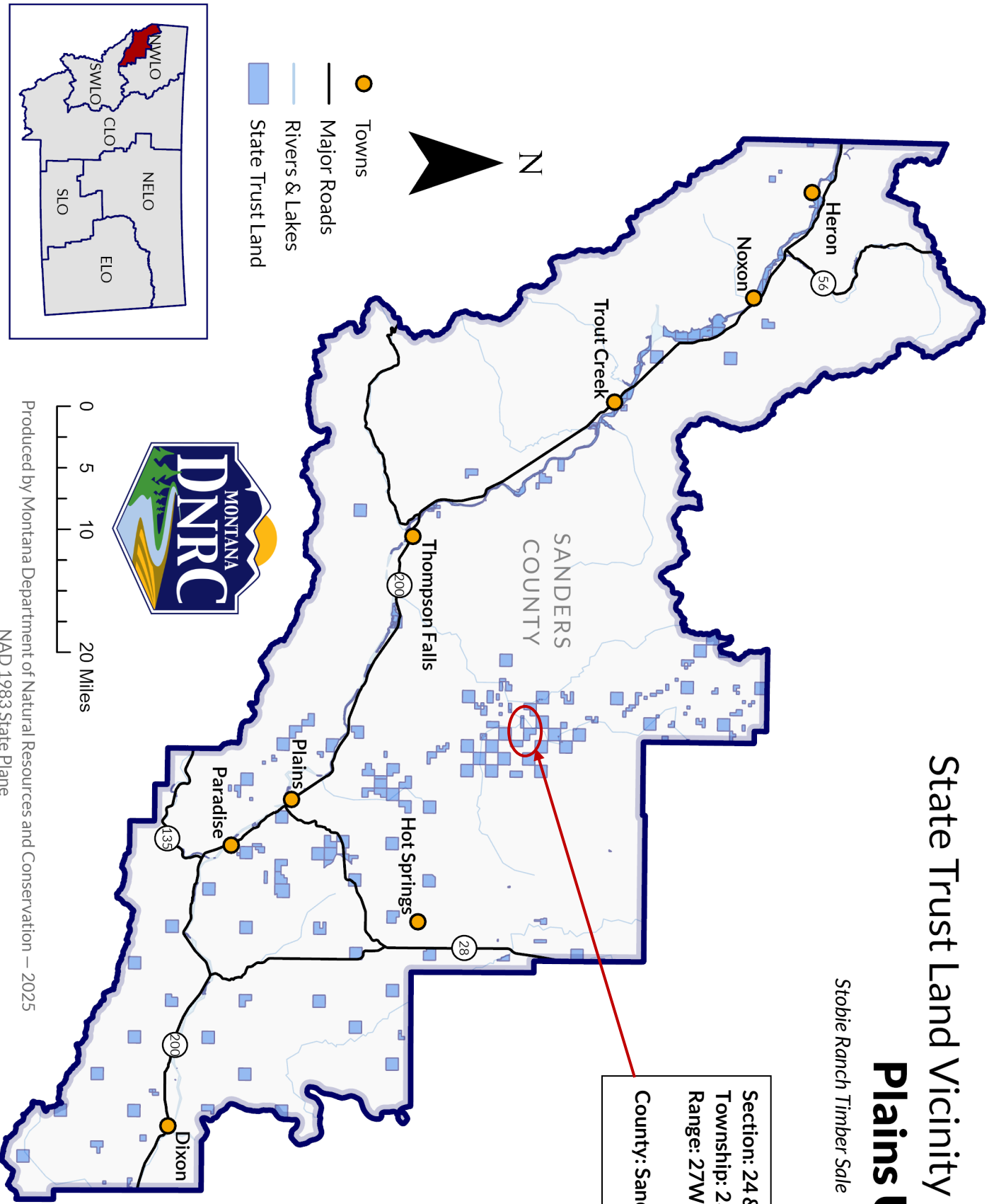
**DNRC Recommendation:**

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

# State Trust Land Vicinity Map Plains Unit

Stobie Ranch Timber Sale

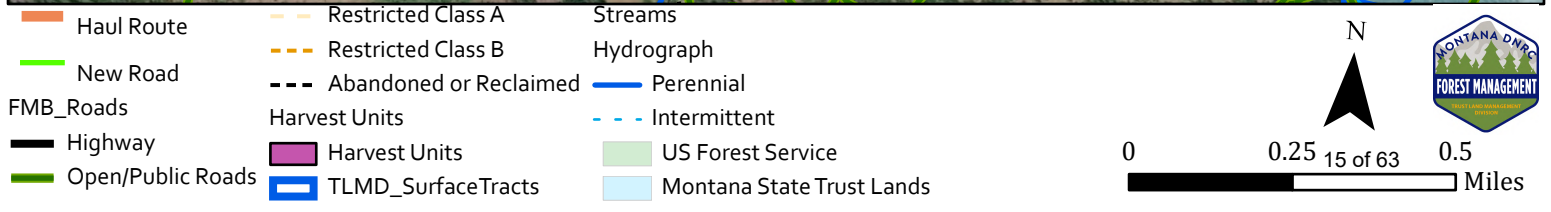
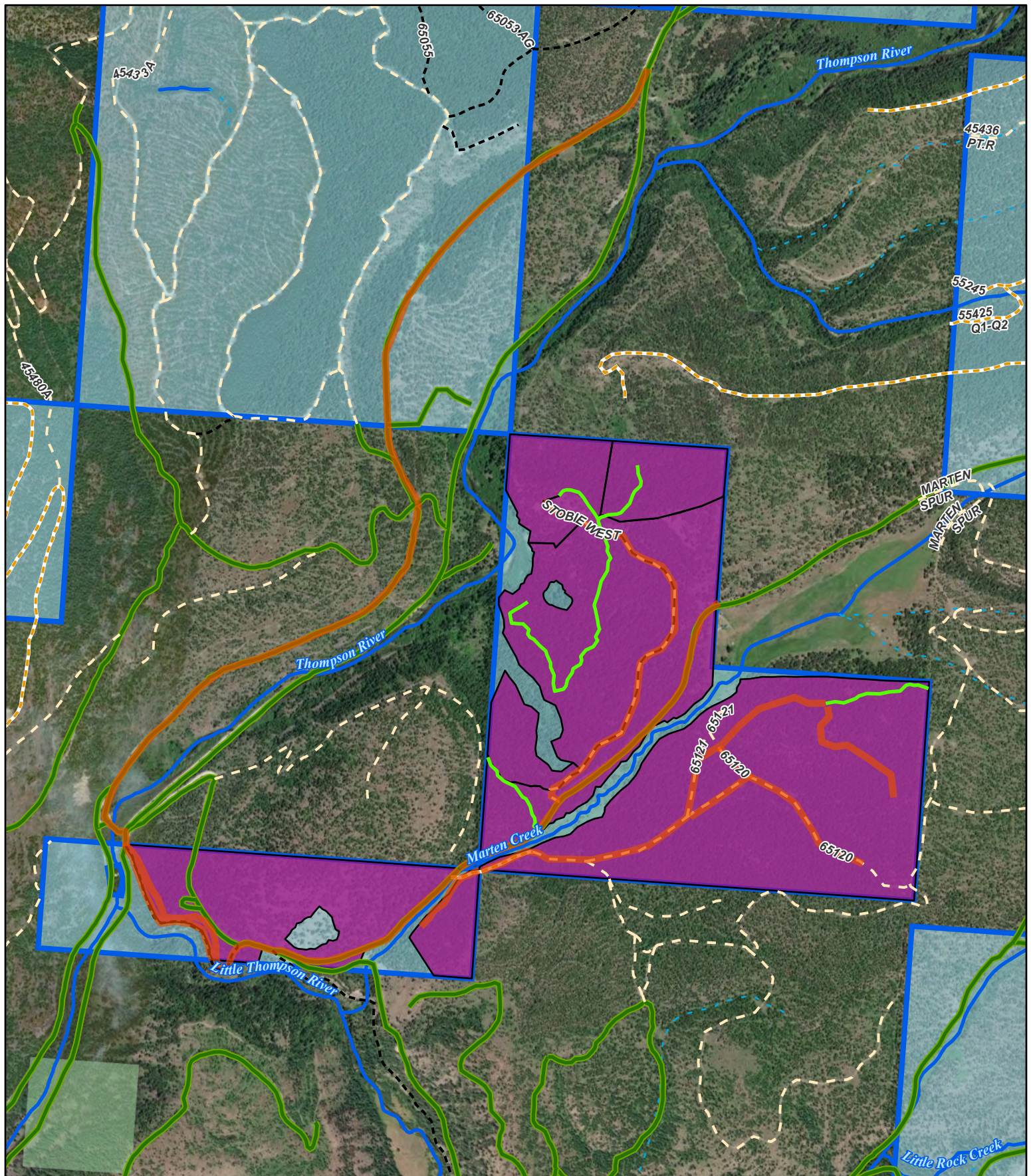
Section: 24 & 26  
Township: 23N  
Range: 27W  
County: Sanders



Produced by Montana Department of Natural Resources and Conservation — 2025  
NAD 1983 State Plane



# Stobie Ranch Timber Sale Haul Route and Harvest Units





# 0925-3

OIL AND GAS LEASE SALE

**Land Board Agenda Item  
September 15, 2025**

**0925-3 Oil and Gas Lease Sale**

**Location: Glacier, Liberty, Roosevelt, Sheridan, and Toole Counties**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: \$1,444,320**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC) conducted an oil and gas lease sale from August 28 through September 3 using the online auction platform EnergyNet. A total of nine tracts covering 5,440 acres were offered, and all were successfully leased. The sale generated \$1,444,320. The average bid price was \$266 per acre, with all proceeds benefiting the Common Schools Trust.

**DNRC Recommendation:**

The DNRC recommends Land Board approval to issue the leases auctioned in the September 3 oil and gas lease sale.

# State of Montana

## Oil and Gas Lease Sale - September 3, 2025

### Lease Sale Results

The following described lands were offered for oil and gas leasing through an online bidding service, EnergyNet, opened on August 28, 2025 and closed on September 3, 2025.

Tract	Stipulations	Twp Rng Sec	Description	•	Acres	Bid/Acre	Total Bid	Lessee
<b>Glacier</b>								
1	1, 2, 3, 4, 5, 6	32N 5W 16	ALL		640.00	\$1.50	\$960.00	HEIMMER, DON H
<b>Liberty</b>								
2	1, 2, 3, 4, 5, 6, 7	37N 6E 16	E2		320.00	\$1.50	\$480.00	WINDWALKER LAND SERVICES, INC.
3	1, 2, 3, 4, 5, 6, 7, 8, 9, 12	37N 7E 16	ALL		640.00	\$1.50	\$960.00	WINDWALKER LAND SERVICES, INC.
<b>Roosevelt</b>								
4	1, 2, 3, 4, 5, 6, 10, 14	30N 58E 36	ALL		640.00	\$2,150.00	\$1,376,000.00	OASIS PETROLEUM NORTH AMERICA LLC
<b>Sheridan</b>								
5	1, 2, 3, 4, 5, 6, 13, 14	33N 57E 36	ALL		640.00	\$97.00	\$62,080.00	IRISH OIL & GAS, INC.
<b>Toole</b>								
6	1, 2, 3, 4, 5, 6, 11	36N 1E 36	ALL		640.00	\$1.50	\$960.00	HEIMMER, DON H
7	1, 2, 3, 4, 5, 6	37N 1W 10	ALL	*	640.00	\$1.50	\$960.00	HEIMMER, DON H
8	1, 2, 3, 4, 5, 6	37N 1W 15	ALL	*	640.00	\$1.50	\$960.00	HEIMMER, DON H
9	1, 2, 3, 4, 5, 6	37N 1W 36	ALL		640.00	\$1.50	\$960.00	HEIMMER, DON H

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

## Summary By Lessor

	Total Acres	Total Tracts
Dept. Of Natural Resources and Conservation	5440	9
<b>Oil And Gas Lease Summary</b>		
Total Tracts		9
Total Acres		5,440.00
Total Bid Revenue		\$1,444,320.00
Average Bid Per Acre		\$265.50

**State of Montana**  
**Oil and Gas Lease Sale - September 3, 2025**  
**Stipulations**

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- 1 Lessee shall notify and obtain approval from the Department's Forestry and Trust Lands Division (FTLD) prior to constructing well pads, roads, power lines, and related facilities that may require surface disturbance on the tract. Lessee shall comply with any mitigation measures stipulated in FTLD's approval.
- 2 Prior to the drilling of any well on or into the lease premises, lessee shall send one copy of the well prognosis, including Form 22 "Application for Permit" to the Department's Forestry and Trust Lands Division (FTLD). After a well is drilled and completed, lessee shall send one copy of all logs run, Form 4A "Completion Report", and geologic report to FTLD. A copy of Form 2 "Sundry Notice and Report of Wells" or other appropriate Board of Oil and Gas Conservation form shall be sent to FTLD whenever any subsequent change in well status or operator is intended or has occurred. Lessee shall also notify and obtain approval from the FTLD prior to plugging a well on the lease premises.

Issuance of this lease in no way commits the Land Board to approval of coal bed methane production on this lease. Any coal bed methane extraction wells would require subsequent review and approval by the board.
- 3 The FTLD will complete an initial review for cultural resources and, where applicable, paleontological resources of the area intended for disturbance and may require a resources inventory. Based on the results of the inventory, the FTLD may restrict surface activity for the purpose of protecting significant resources located on the lease premises.
- 4 The lessee shall be responsible for controlling any noxious weeds introduced by lessee's activity on State-owned land and shall prevent or eradicate the spread of those noxious weeds onto land adjoining the lease premises. The lessee's methods of control shall be reviewed and approved by the Department's Unit Office that has jurisdiction for that locale.
- 5 The definitions of "oil" and "gas" provided in 82-1-111, MCA, do not apply to this lease for royalty calculation purposes.
- 6 If the State does not own the surface, the lessee must contact the owner of the surface in writing at least 30 days prior to any surface activity. A copy of the correspondence shall be sent to FTLD.
- 7 Due to unstable soil conditions on this tract and/or topography that is rough and/or steep, surface use may be restricted or denied. Seismic activity may be restricted to poltershots.
- 8 If (an) existing well(s) production on this tract is/are put to private use, (for example, farm taps) the lessee is responsible for installation of a meter and documentation of gas used as recorded by said meter. Documentation will be provided to the Department.

Lessee will have a meter installed within 45 days from the effective date of this lease, or prior to gas production, whichever comes first. The lessee shall work with MMB every year that the tap well is in use to pay royalties on the average price of gas. MMB will calculate a contract gas price annually based on projected AECO Index price. Non-compliance with this stipulation will result in lease cancellation.

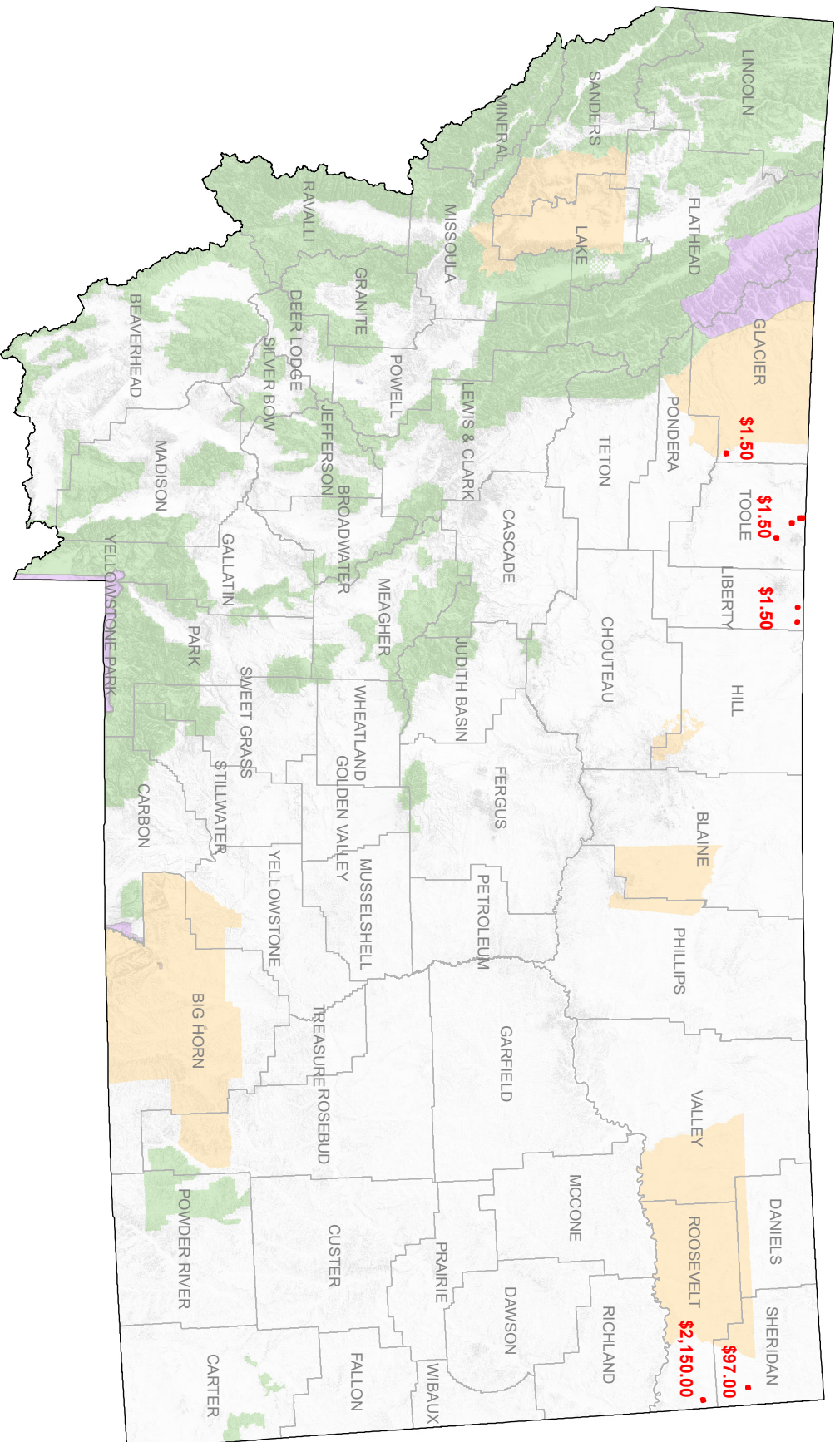
- 9 This lease is located within designated sage grouse general habitat. Proposed activities are subject to, and shall comply with, all provisions, stipulations and mitigation requirements of the Montana Sage Grouse Habitat Conservation Strategy, as implemented by Governor's Executive Orders 10-2014, 12-2015, and amendments thereto. Contact the FTLD prior to preparing a project proposal.
- 10 Due to the floodplain/wetlands area(s), surface use may be restricted or denied.
- 11 No surface occupancy of the school area and/or related facilities is permitted without written approval of FTLD.

- 12 This tract has (an) existing well(s) and related facilities. The lessee has 45 days from the effective date of this lease to determine whether or not to assume responsibility from the former lessee for the well(s) and any existing facilities. The lessee may not enter the well(s) until a change of operator has been filed with, and approved by, the Board of Oil and Gas Conservation. The(se) well(s) must be returned to commercial production or plugged and the well site(s) reclaimed within 6 months from the effective date of this lease.
- 13 Due to existing surface uses (such as center pivots, wheel lines, etc.) development on this tract may be restricted.
- 14 If whooping cranes are observed on-site, construction and/or maintenance activities shall be suspended until birds leave the area.



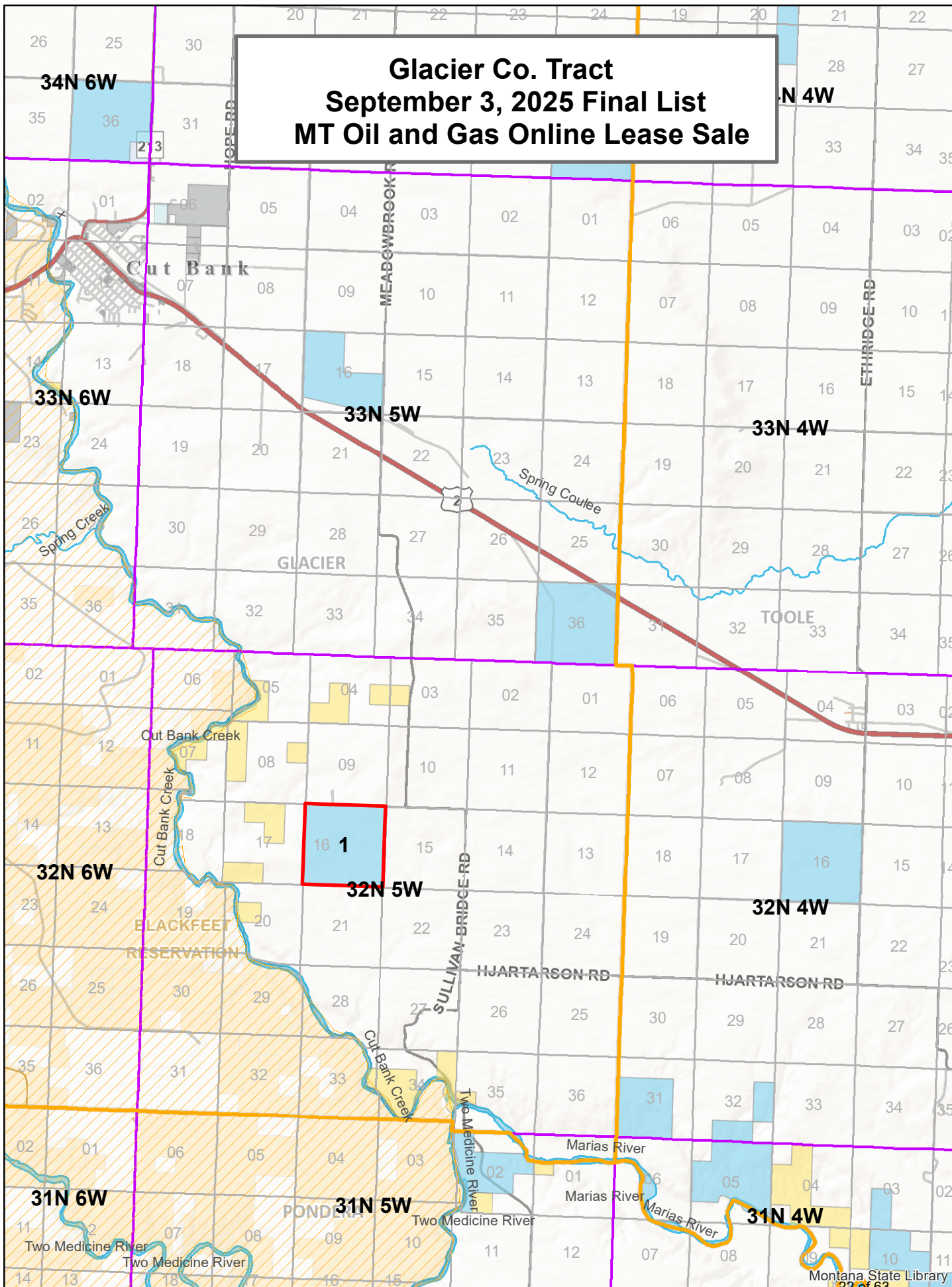
# State of Montana August 28 - September 3, 2025 O&G Lease Sale

## County Average Bid/Acre



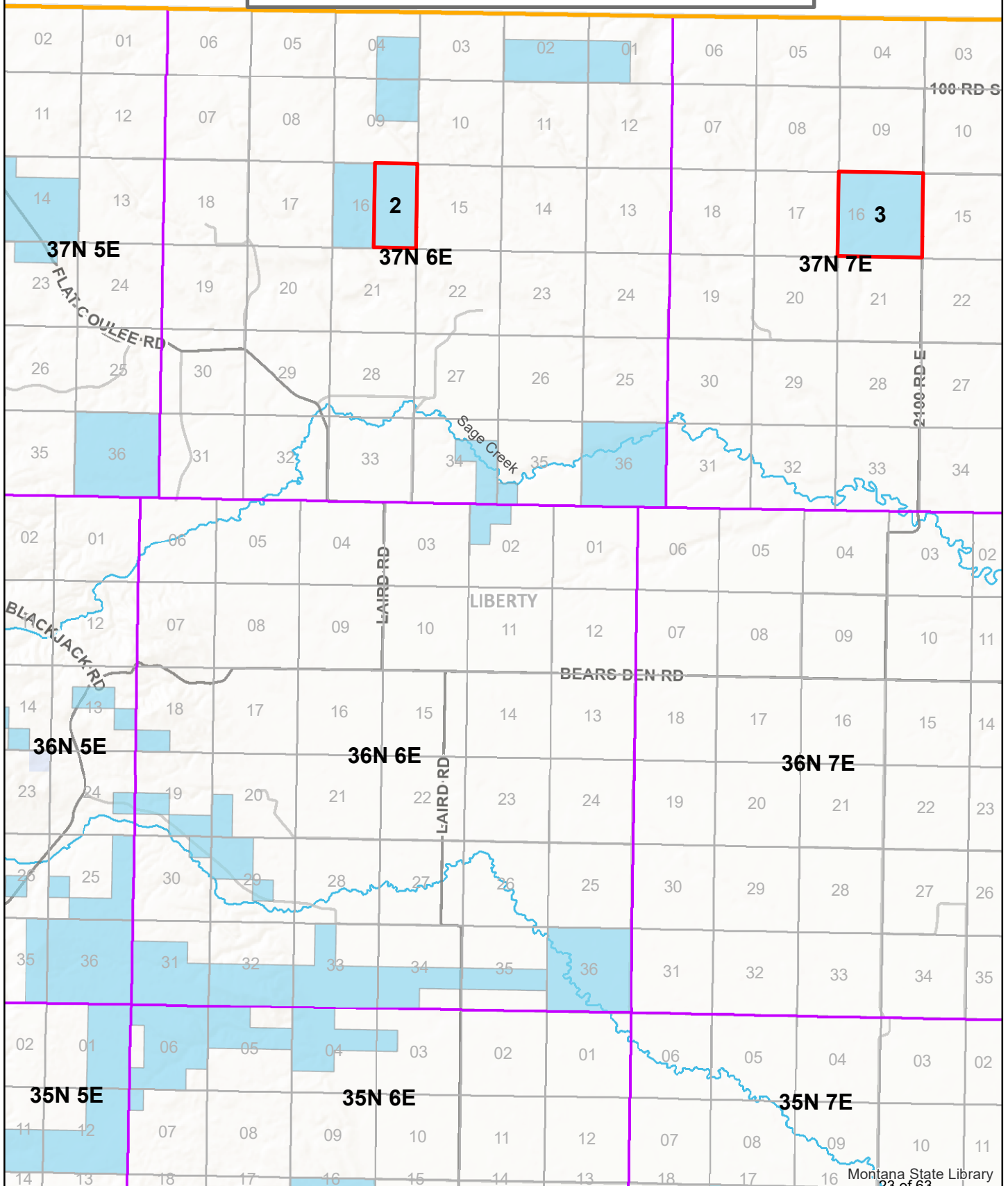
Tracts are Highlighted in Red

**Glacier Co. Tract  
September 3, 2025 Final List  
MT Oil and Gas Online Lease Sale**

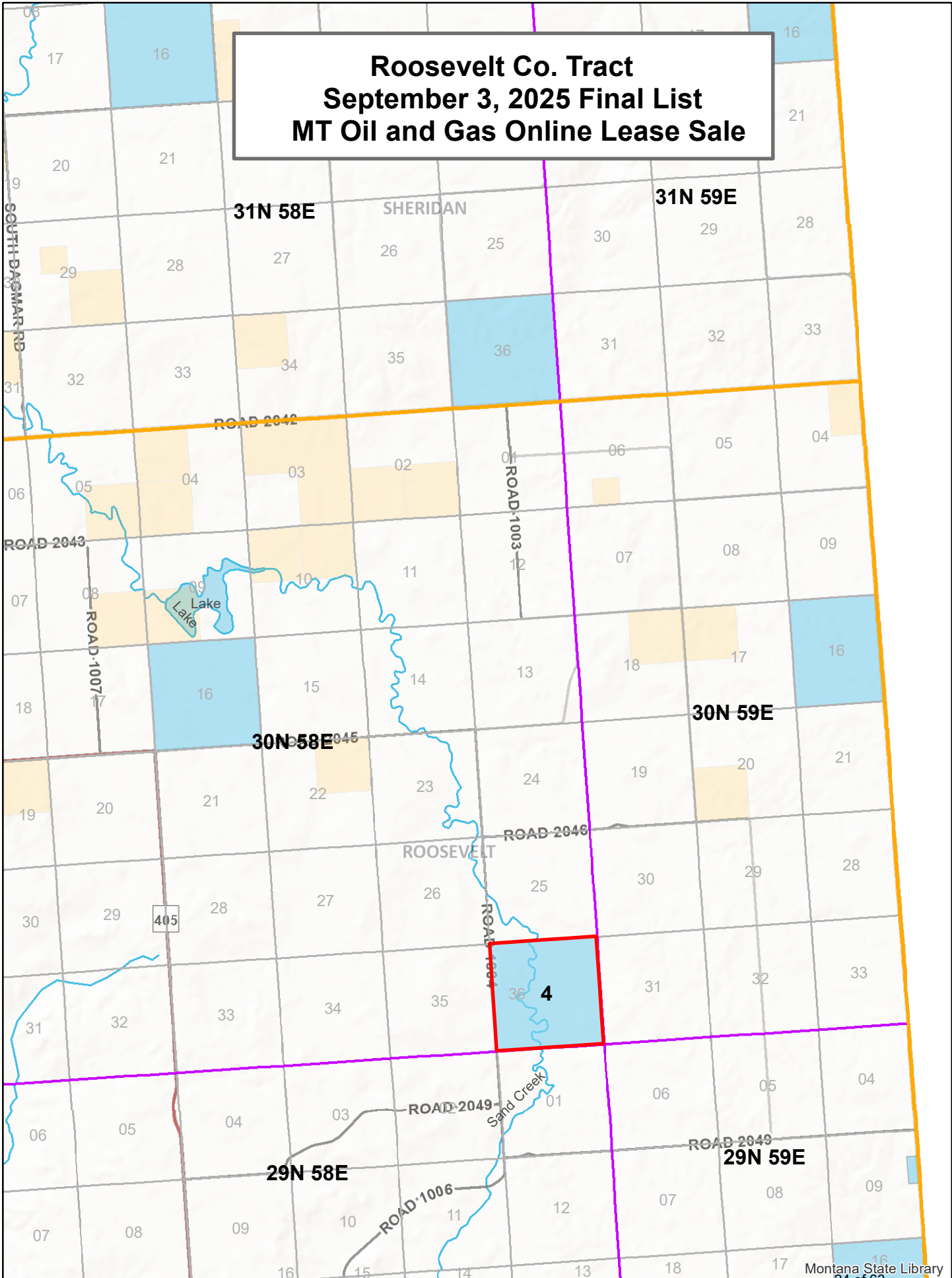




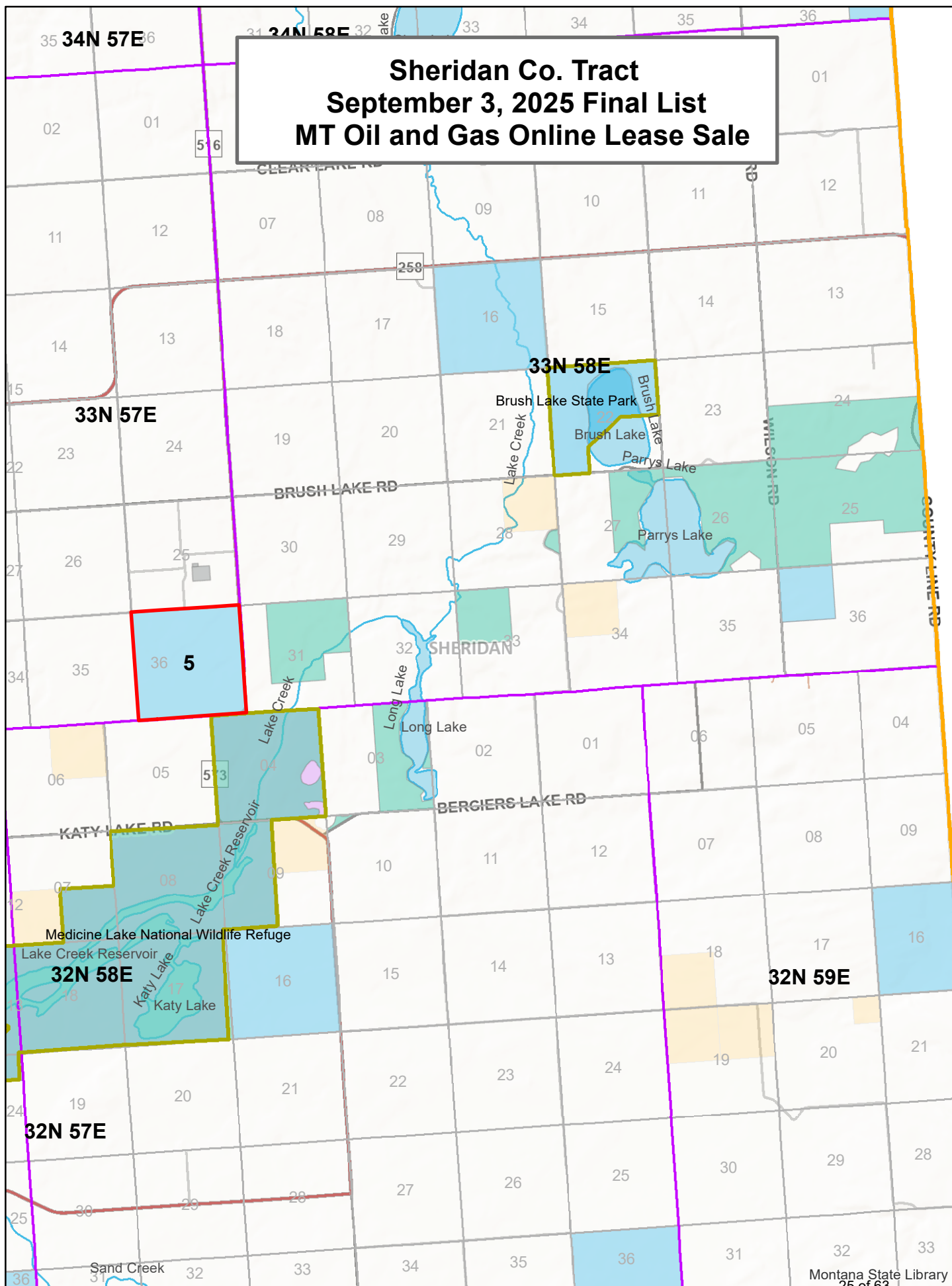
**Liberty Co. Tracts**  
**September 3, 2025 Final List**  
**MT Oil and Gas Online Lease Sale**



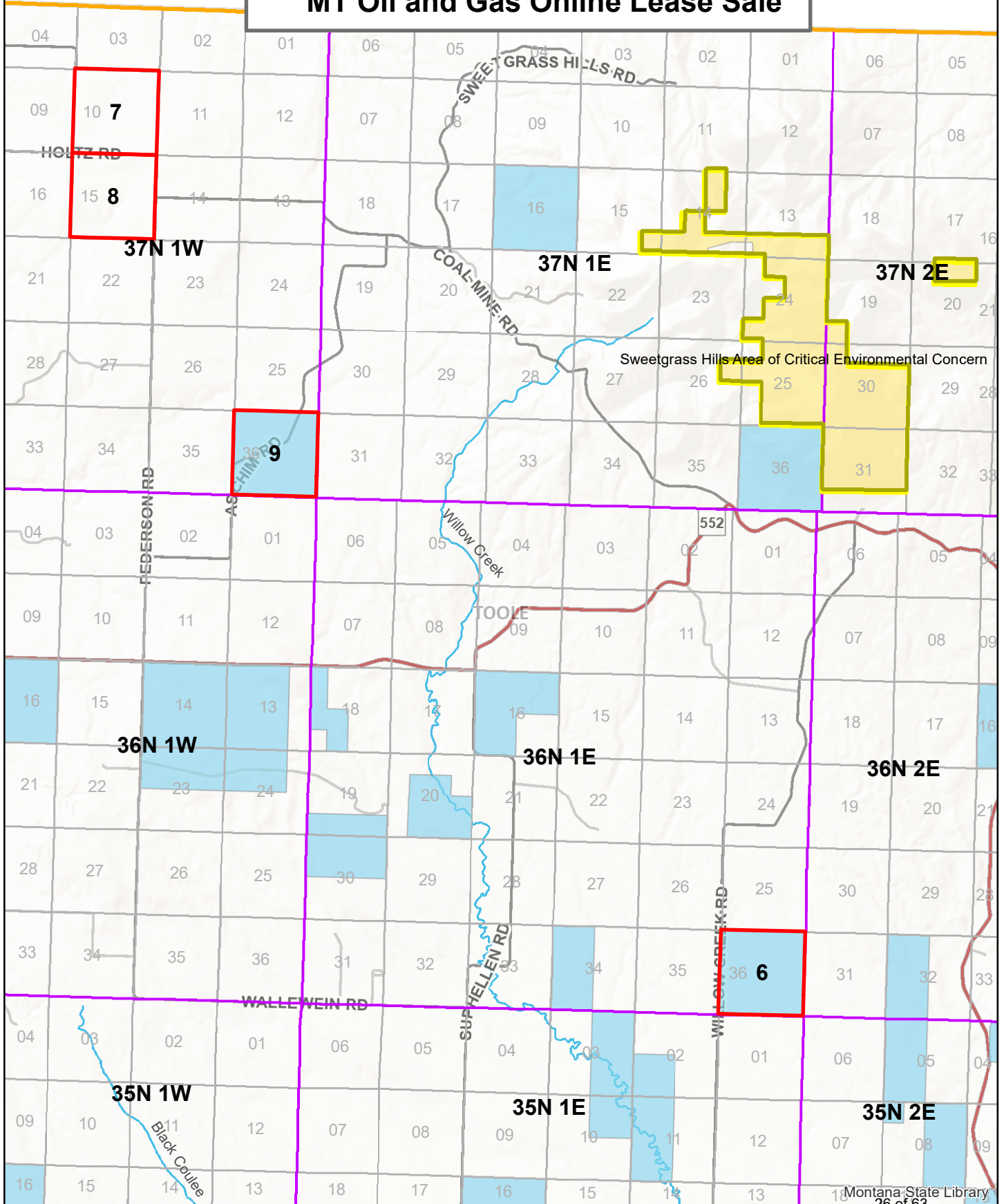
**Roosevelt Co. Tract  
September 3, 2025 Final List  
MT Oil and Gas Online Lease Sale**



**Sheridan Co. Tract  
September 3, 2025 Final List  
MT Oil and Gas Online Lease Sale**



**Toole Co. Tracts**  
**September 3, 2025 Final List**  
**MT Oil and Gas Online Lease Sale**



# 0925-4

CABIN AND HOME SITE:  
SET MINIMUM BID FOR SALE



**Land Board Agenda Item  
September 15, 2025**

**0925-4 Cabin and Home Sites: Set Minimum Bid for Sale**

**Location: Chouteau County**

**Trust Beneficiary: Common Schools**

**Trust Revenue: \$164,000**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC) is requesting to set minimum bid for two (2) home sites nominated for sale in Chouteau County. These sites were nominated by the lessees in conjunction with the 2022-2023 Cabin and Home Site Sales Program.

Sale No.	Acres	Legal Description	Nominator	Trust
2037	11.081 ±	Tract 1 of Chouteau County COS 223A T22N-R11E, Section 27	Freida & Gordon Muir; Huckle Land & Livestock	Common Schools
2038	9.370 ±	Tract 2 of Chouteau County COS 223A T22N-R11E, Section 27	Gordon Muir	Common Schools

These parcels are currently leased as home sites and produce below average income for residential leases statewide.

**Background:**

Preliminary Land Board approval was granted in December of 2022 (Approved 4-1) for these sites to be included as part of the 2022-2023 Cabin and Home Site Sales Program.

**Cultural/Paleontological Resources:**

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

**Access/Recreational Use:**

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



## Economic Analysis:

Short term –The average rates of return on these sale parcels are shown in Figure 1 below.

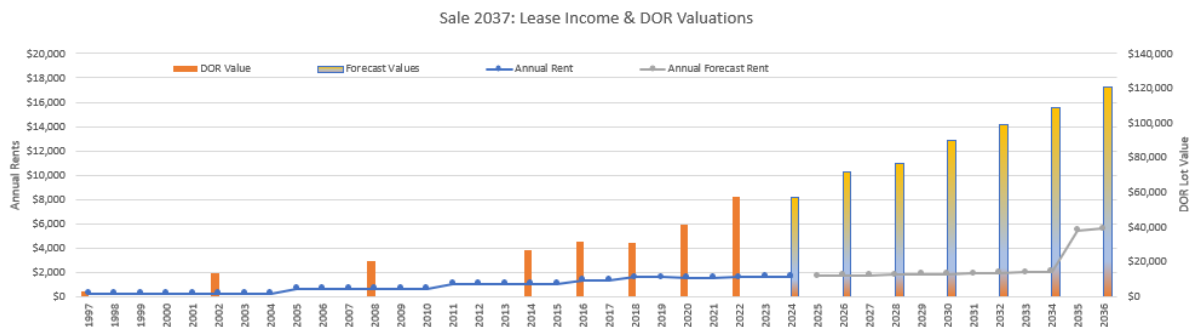
The parcels will continue to receive these returns if they remain in state ownership.

The income rates of return may grow smaller, as average annual value appreciation may be greater than the annual rent increase, as shown in Figure 2 and Figure 3.

**Figure 1: Rates of Return at Current Appraised Values**

Sale Number:	Rate of Return
2037	1.474%
2038	1.97%

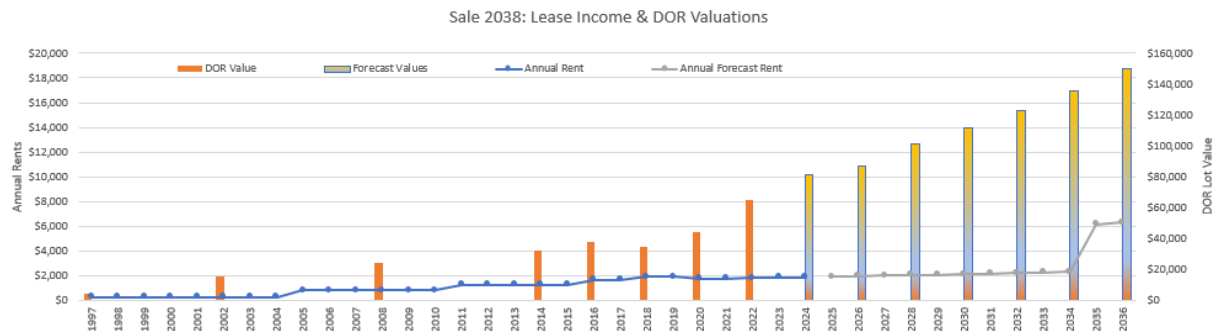
**Figure 2: Sale 2037-Review of Past Incomes and Values; Forecast Income & Values:**



Forecast assumptions:

1. the average annual appreciation rate of the future DOR lot value used here is 4.71%, based on the FHFA House Price Index for Montana, 2000 - 2020.
2. lease contract terms provide for a 2% annual rent increase on the current contract template, starting from a base rent of 5% of the most recent DOR valuation.

**Figure 3: Sale 2038-Review of Past Incomes and Values; Forecast Income & Values:**



Forecast assumptions:

1. the average annual appreciation rate of the future DOR lot value used here is 4.71%, based on the FHFA House Price Index for Montana, 2000 - 2020.
2. lease contract terms provide for a 2% annual rent increase on the current contract template, starting from a base rent of 5% of the most recent DOR valuation.

Long term – The funds from the sale of these parcels would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.17% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher at 3.42% for lands acquired within the last ten years. Figure 4 shows hypothetical lot values derived from the 3-year average net revenue of the current lease, at a sample range of income rates of return that could be anticipated when the sale proceeds are used for a land banking acquisition.

**Figure 4: Lot Values derived from 3-year Average Net Income at a Sample Rate of Return:**

Sale Number		Rate of Return at Current Appraised Value for Land	Average Rate of Return on all Land Banking Acquisitions	Average Rate of Return on Land Banking Acquisitions in the last 10 years
	Income Rate of Return	Various (see Figure 1)	3.17%	3.42%
2037	1.474%	\$89,000	\$41,377	\$38,353
2038	1.97%	\$75,000	\$46,651	\$43,241

**Appraised Values of Land and Improvements:**

The Appraisal was prepared by Montana General Certified Appraiser Ernest F. Goettlich V of Northern Acres Appraisal Services, LLC in Havre.

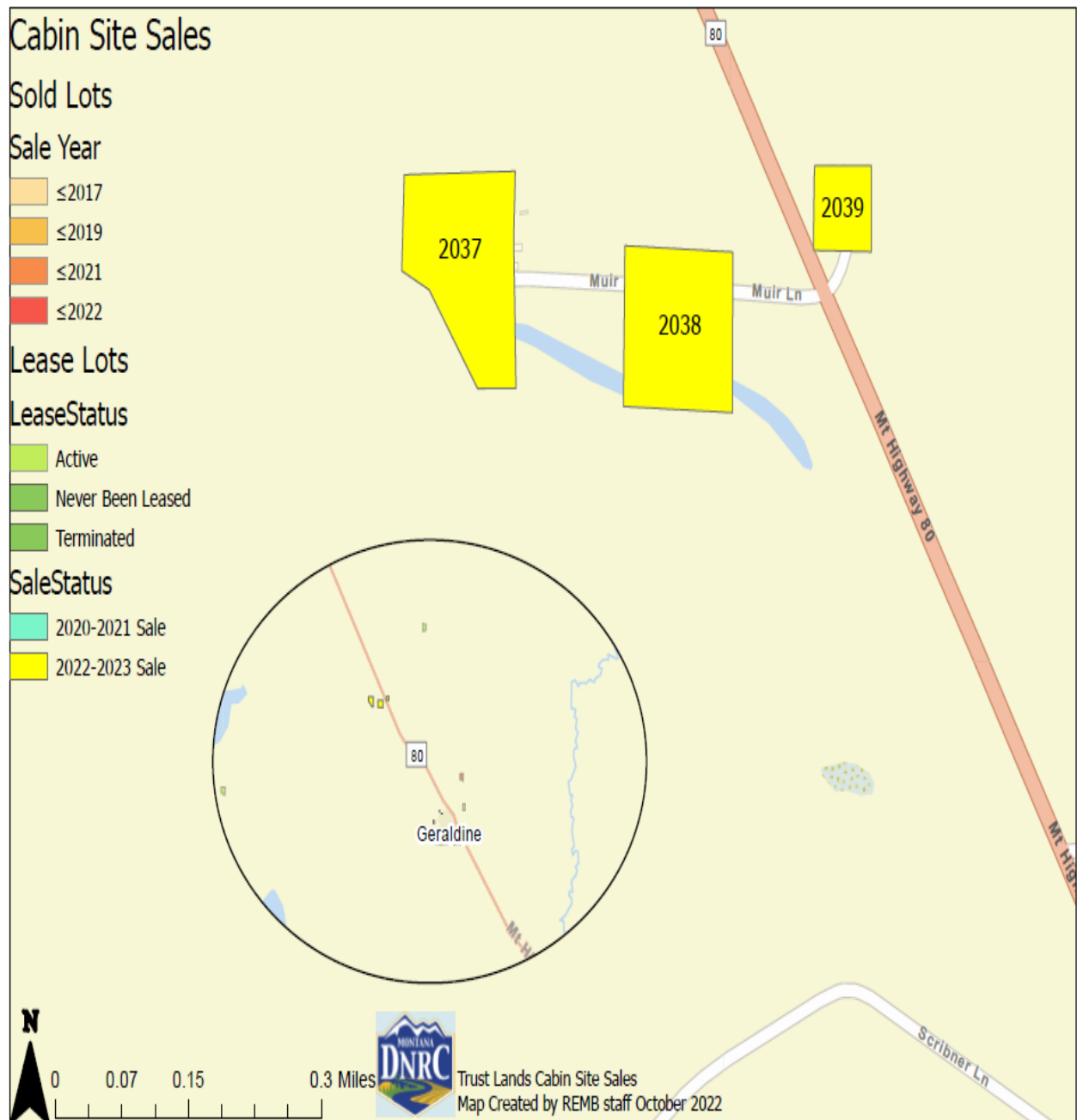
The proponents for each sale appealed both the land and improvements values determined by the appraiser and requested hearings regarding these appraised values. The administrative hearings were held on May 13, 2025. Administrative Law Judge Martin Balukas’ recommendation to the Land Board was to set the minimum bid for the land and the maximum value of compensation for the improvements at the appraised values, as shown below.

Sale No.	Appraised Land Value	Appraised Improvements Value
2037	\$89,000	\$461,000
2038	\$75,000	\$325,000

**DNRC Recommendation:**

The DNRC recommends that the Land Board set the minimum bid for these cabin sites at the appraised land values and the maximum value of compensation for the improvements shown above.

## Sales 2037, 2038, 2039, Chouteau County



# 0925-5

## EASEMENTS

**Land Board Agenda Item  
September 15, 2025**

**0925-5 Easements**

**Location: Daniels, Garfield, Jefferson, Lewis & Clark, Meagher, Missoula,  
Powder River, Sheridan, and Valley Counties**

**Trust Beneficiaries: Common Schools and Public Land Trust**

**Trust Revenue: Common Schools \$21,269 and Public Land Trust \$259**

**Item Table of Contents**

<b>Applicant</b>	<b>Right-of-Way Purpose</b>	<b>Term</b>	<b>Page(s)</b>
Spectrum Pacific West, LLC by Charter Communications	Fiber optic cable	Permanent	34-35 & 52-53
Dry Prairie Rural Water Authority	Water transmission line	Permanent	36-41
Scott and Brandi Halverson	Private access easement	Permanent	42-47
McCone Electric	Buried electrical line	Permanent	48-49
Buck N Bull Outpost LLC	Private access easement	Permanent	50-51
Jesse West	Private access easement	Permanent	54-55
Clive H. Townsend	Private access easement	Permanent	56-57

## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Spectrum Pacific West, LLC by Charter Communications 12405 Powerscout Drive St. Louis, MO 63131
Application No.:	19836
R/W Purpose:	an overhead fiber optic cable
Lessee Agreement:	N/A (Navigable Water)
Acreage:	0.02
Compensation:	\$259.00
Legal Description:	20-foot strip across Nine Mile Creek in NW4SW4, Sec. 28, Twp. 15N, Rge. 22W, Missoula County
Trust Beneficiary:	Public Land Trust

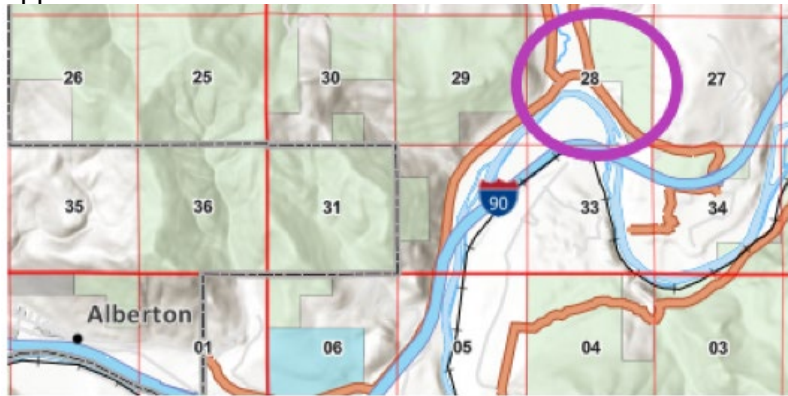
### **Item Summary:**

Spectrum Pacific West, LLC by Charter Communications is requesting an easement to install an overhead fiber optic telecommunications cable crossing Nine Mile Creek northeast of Alberton. The line will provide service to rural areas located south of Nine Mile Creek and is part of the ARPA Project to enhance broadband connectivity in the region. The proposed route was chosen in order to follow the existing highway and will be adjacent to the Highway 10 bridge. Other routes were considered and eliminated for topographical, environmental, and economic reasons

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Spectrum Pacific West, LLC by Charter Communications.

Application #19836



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Dry Prairie Rural Water Authority PO Box 577 Culbertson, MT 59218
Application No.:	19851
R/W Purpose:	a 3-inch water pipeline
Lessee Agreement:	ok
Acreage:	1.84
Compensation:	\$1,656.00
Legal Description:	30-foot strip through N2NW4 Sec. 16, Twp. 28N, Rge. 40E, Valley County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Dry Prairie Rural Water Authority has requested an easement for a 3-inch water pipeline. This pipeline is part of the project to facilitate potable and stock water to areas surrounding the Fort Peck Reservation. The selected route across state lands is the most cost effective route. Other routes were rejected base upon engineering design requirements, topographical features, and increased cost.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Dry Prairie Rural Water Authority.



Application #19851



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Dry Prairie Rural Water Authority PO Box 577 Culbertson, MT 59218
Application No.:	19852
R/W Purpose:	a 2-inch water pipeline
Lessee Agreement:	ok
Acreage:	1.93
Compensation:	\$2,219.00
Legal Description:	30-foot strip through SE4SW4, SW4SE4, Sec. 6, Twp. 36N, Rge. 52E, Sheridan County
Trust Beneficiary:	Common Schools

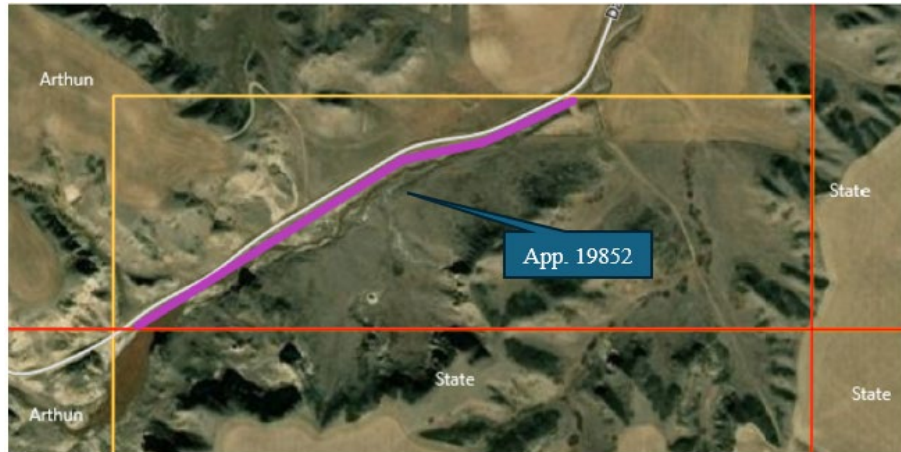
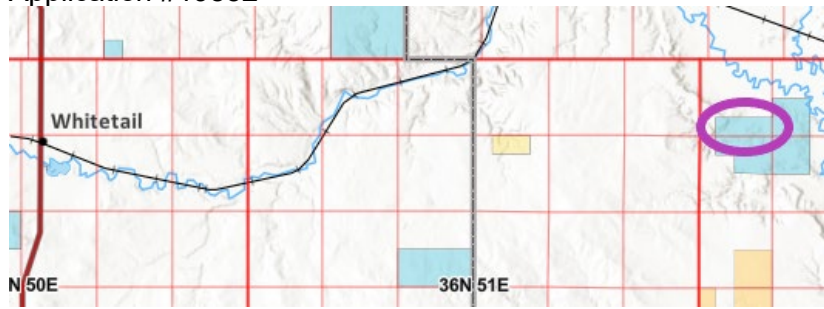
### **Item Summary:**

Continuation of Dry Prairie Rural Water Authority applications.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Dry Prairie Rural Water Authority.

Application #19852



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Dry Prairie Rural Water Authority PO Box 577 Culbertson, MT 59218
Application No.:	19853
R/W Purpose:	a 2-inch water pipeline
Lessee Agreement:	ok
Acreage:	0.14
Compensation:	\$161.00
Legal Description:	30-foot strip through SE4SE4, Sec. 16, Twp. 36N, Rge. 55E, Sheridan County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Continuation of Dry Prairie Rural Water Authority applications.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Dry Prairie Rural Water Authority.

Application #19853



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Scott and Brandi Halverson 181 Halverson Road Scobey, MT 59263
Application No.:	19855
R/W Purpose:	a private access road to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	3.28
Compensation:	\$2,057.00
Legal Description:	20-foot strip through Gov. Lots 1 & 2, SE4NW4, E2SW4, Sec. 7, Twp. 37N, Rge. 46E, Daniels County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Scott and Brandi Halverson are requesting a historic easement for a private access road for the purpose of conducting normal farming and ranching operations on their private lands. The private property was formerly owned by an estate who had not obtained legal access. DNRC staff worked with the attorney for the estate and the Halversons to make application for legal access so the Halversons could acquire funding to purchase the property from the estate. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across State Trust Land.

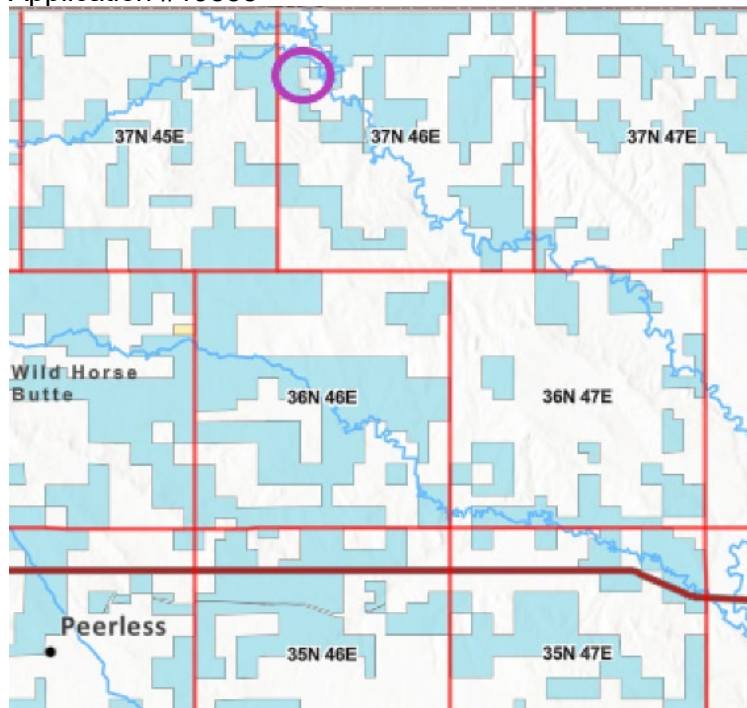
Scott and Brandi Halverson private land to be accessed is described as follows:

- Government Lots 13 & 14, Section 6, Township 37 North, Range 46 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Scott and Brandi Halverson.

Application #19855



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Scott and Brandi Halverson 181 Halverson Road Scobey, MT 59263
Application No.:	19856
R/W Purpose:	a private access road to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	0.64
Compensation:	\$512.00
Legal Description:	20-foot strip through NW4SE4, NE4SW4, Sec. 17, Twp. 37N, Rge. 46E, Daniels County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Continuation of Scott and Brandi Halverson private access applications. The State lands are accessible by county road.

Scott and Brandi Halverson private land to be accessed per this application is described as follows:

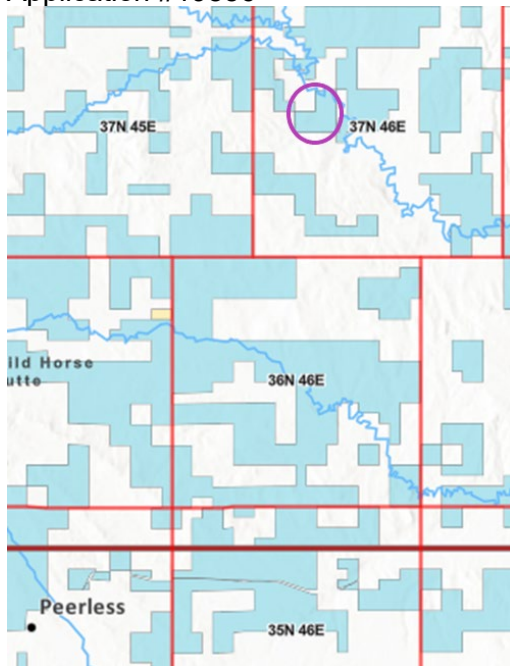
- NW4, Section 18, Township 37 North, Range 46 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Scott and Brandi Halverson.



Application #19856



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Scott and Brandi Halverson 181 Halverson Road Scobey, MT 59263
Application No.:	19857
R/W Purpose:	a private access road for the purpose of conducting normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	5.52
Compensation:	\$3,604.00
Legal Description:	20-foot strip through W2SW4, Sec. 4; 20-foot strip through N2SE4, NE4SW4, Sec. 5; and 20-foot strip through SE4SW4, W2SW4, SW4NW4, Sec. 9, Twp. 37N, Rge. 46E, Daniels County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Continuation of Scott and Brandi Halverson private access applications. Halverson has obtained an easement across an intervening landowner (McCarty) to complete access.

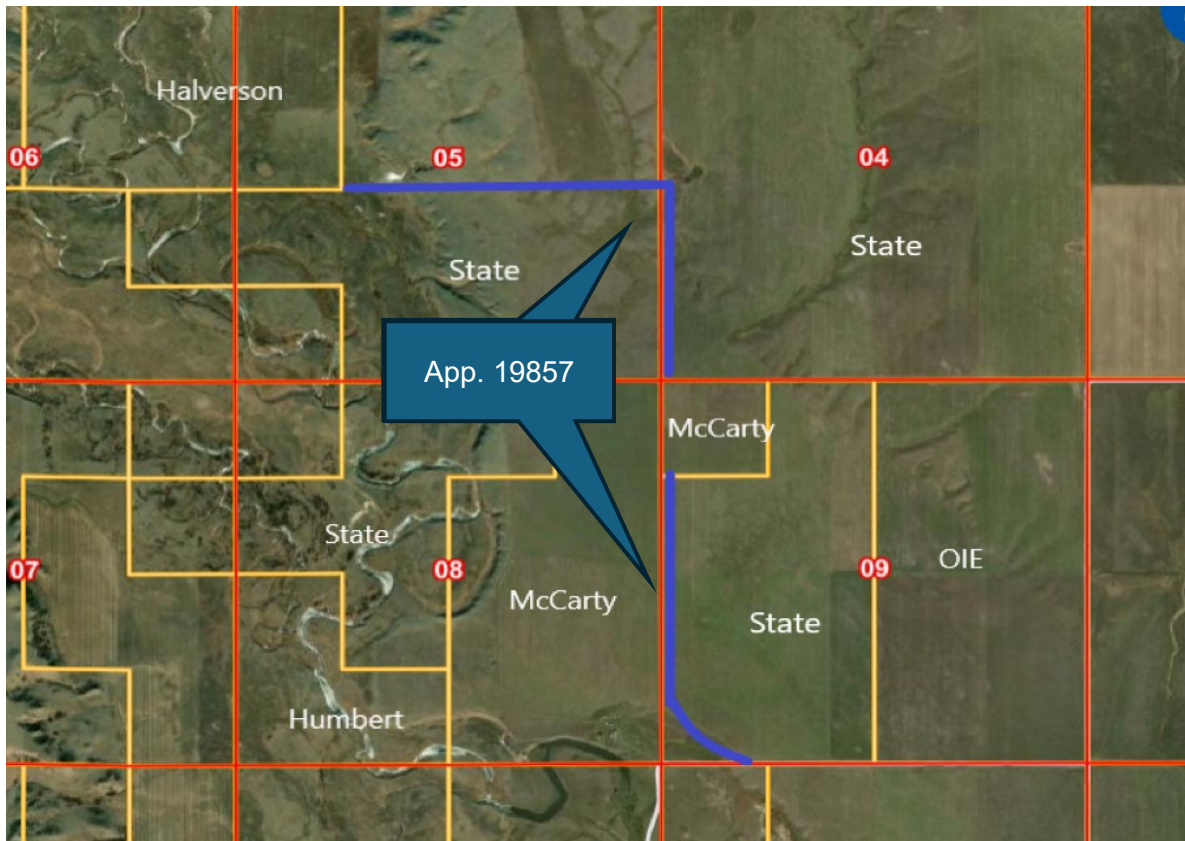
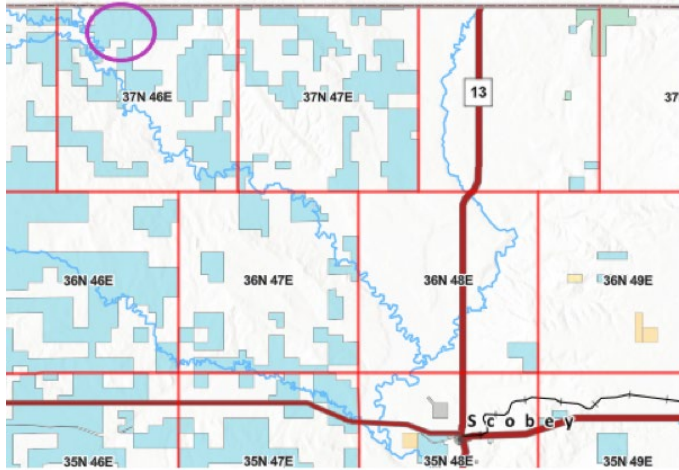
Scott and Brandi Halverson private land to be accessed by this application is described as follows:

- Government Lots 4, 5 & 12 and Government Lots 1, 2, 7, 8, 9 & 10 of Section 5, Township 37 North, Range 46 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Scott and Brandi Halverson.

Application #19857



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	McCone Electric PO Box 368 Circle, MT 59215
Application No.:	19859
R/W Purpose:	an overhead 25kV electric line
Lessee Agreement:	ok
Acreage:	0.47
Compensation:	\$258.00
Legal Description:	30-foot strip through SW4NW4, Sec. 16, Twp. 18N, Rge. 38E, Garfield County
Trust Beneficiary:	Common Schools

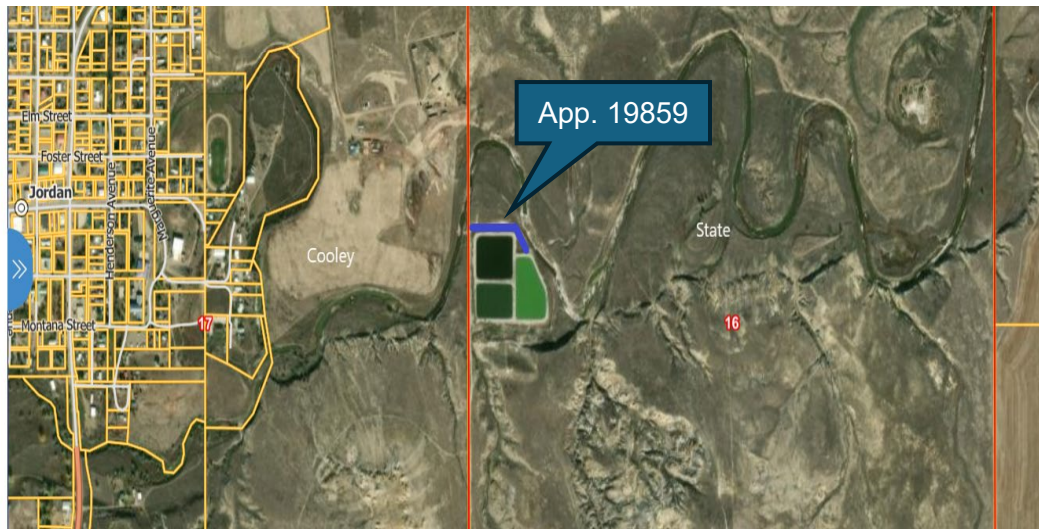
### **Item Summary:**

McCone Electric has requested an easement for an overhead 25kV single-phase electric distribution line to service a pump for the sewer lagoons at Jordan. The route chosen is the only realistic alignment for the project as the lagoons are located on State land.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of McCone Electric.

Application #19859



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Buck N Bull Outpost LLC 2575 Bear Valley Drive Carlton, MN 55718
Application No.:	19860
R/W Purpose:	a private access road to single-family residence and associated outbuildings and to conduct normal farming and ranching operations
Lessee Agreement:	ok
Acreage:	5.15
Compensation:	\$3,734.00
Legal Description:	20-foot strip through S2SW4, N2SW4, SE4NW4, NW4NE4, N2NW4, Sec. 16, Twp. 1S, Rge. 47E, Powder River County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Buck N Bull Outpost LLC is requesting an easement for a private access road to a single-family residence and for the purpose of conducting farming and ranching operations. When this entity was purchasing the property an adjoining landowner offered access and an agreement had been worked out. After the property was purchased it was discovered that the person who had provided access did not have the rights to convey such an easement. Other landowners were approached but access could not be attained. Buck N Bull was able to acquire an easement from the landowner south of the State Land to get to the State land. The landowner has declined to grant the State permanent access.

Buck N Bull Outpost LLC private land to be accessed is described as follows:

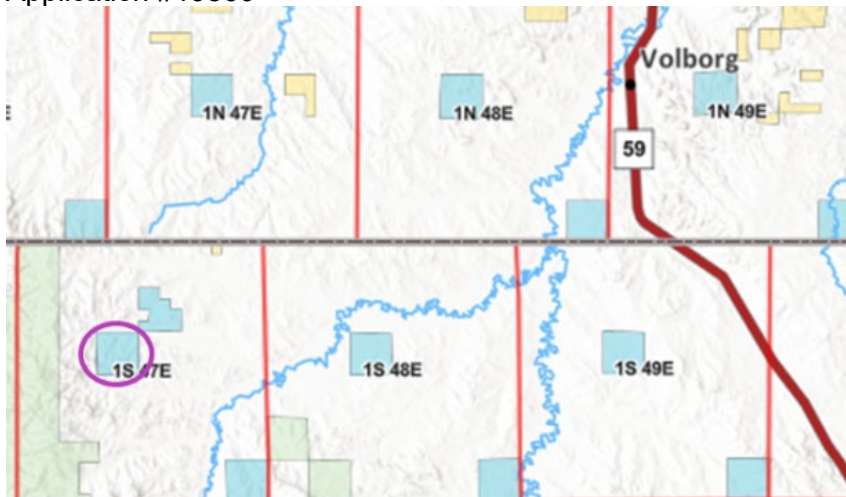
- All, Section 8, Township 1 South, Range 47 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Buck N Bull Outpost LLC.



Application #19860



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Spectrum Specific West LLC by Charter Communications 12405 Powerscourt Drive St. Louis, MO 63131
Application No.:	19861
R/W Purpose:	a buried fiber optic cable
Lessee Agreement:	ok
Acreage:	1.19
Compensation:	\$2,142.00
Legal Description:	20-foot strip through SW4SW4, SE4SW4, Sec. 36, Twp. 11N, Rge. 5W, Lewis and Clark County
Trust Beneficiary:	Common Schools

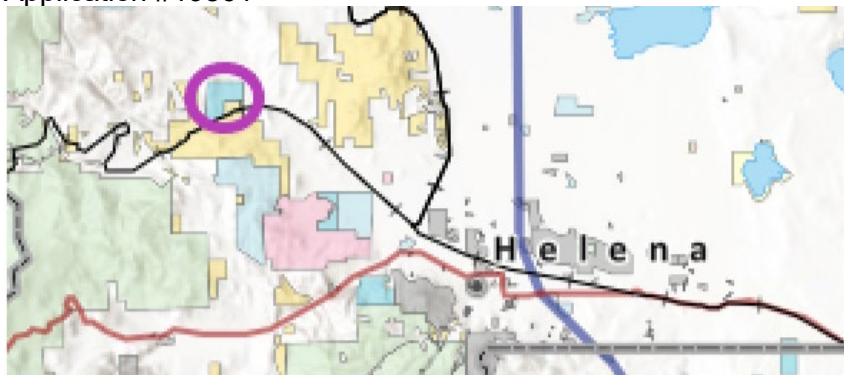
### **Item Summary:**

Spectrum Specific West LLC by Charter Communications is requesting an easement to install a buried fiber optic telecommunications cable. The line will provide reliable telephone and broadband services to homes and businesses in Lewis and Clark County. The proposed route was chosen in order to follow the existing roadway, Austin Road. Other routes were considered and eliminated for topographical, environmental, and economic reasons

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Spectrum Specific West LLC by Charter Communications.

Application #19861



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Jesse West PO Box 476 Boulder, MT 59632
Application No.:	19862
R/W Purpose:	a private access road to a single-family residence and associated outbuildings
Lessee Agreement:	N/A (Historic)
Acreage:	1.68
Compensation:	\$2,016.00
Legal Description:	12-foot strip through N2NE4, E2NW4, SW4NW4, NW4SW4, Sec. 16, Twp. 4N, Rge. 3W, Jefferson County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Jesse West is requesting a historic easement for a private access road for the purpose of accessing a single family residence and to conduct farming and ranching operations. The property accessed is within the Quintana Subdivision and individual easements were issued in the past to the majority of lot owners. Most recently, the Land Board approved an easement to access a lot in 2023. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across State Trust Land.

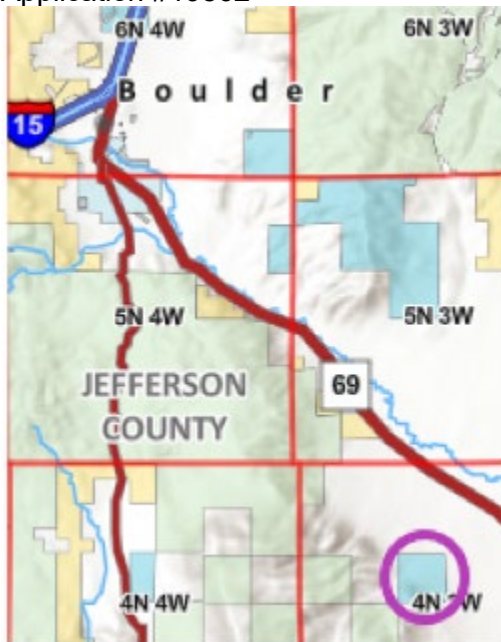
Jesse West private land to be accessed is described as follows:

- Lot 8, Quintana COS 133239, Section 17, Township 4 North, Range 3 West

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Jesse West.

Application #19862



## **APPLICANTS AND RIGHTS OF WAY INFORMATION**

Applicant:	Clive H. Townsend 282 Burt Ranch Road White Sulphur Springs, MT 59645
Application No.:	19863
R/W Purpose:	a private access road to a single-family residence and associated outbuildings and to conduct normal farming and ranching operations
Lessee Agreement:	N/A (Historic)
Acreage:	1.94
Compensation:	\$2,910.00
Legal Description:	30-foot strip through SW4SW4, Sec. 16, Twp. 10N, Rge. 4E, Meagher County
Trust Beneficiary:	Common Schools

### **Item Summary:**

Clive H. Townsend is requesting a historic easement for a private access road for the purpose of accessing a single family residence and to conduct farming and ranching operations. The State land is accessed via a County road. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across State Trust Land.

Clive H. Townsend private land to be accessed is described as follows:

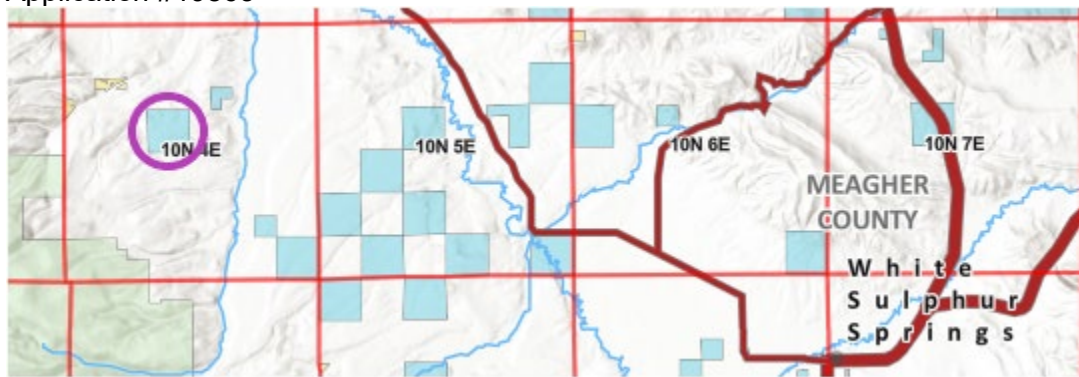
- W2SW, Section 9, Township 10 North, Range 4 East
- All, Section 17, Township 10 North, Range 4 East
- E2, Section 18, Township 10 North, Range 4 East
- E2NE, Section 19, Township 10 North, Range 4 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application of Clive H. Townsend



Application #19863



# 0925-6

LITIGATION AUTHORITY

**Land Board Agenda Item  
September 15, 2025**

**0925-6 Litigation Authority-Trespass on State Trust Land**

**Location: Flathead County**

**Trust Beneficiary: School for Deaf and Blind**

**Trust Revenue: N/A**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC) has not received lease payments for a cabin site lease in Flathead County since December 2023. In addition, the DNRC does not have a current signed lease agreement from the former lessee, who continues to occupy the cabin site without authorization. The former lessee has refused all efforts by the DNRC for two years to sign a new lease agreement and provide back payments. In July 2025, the DNRC sent a final request, by process server, to the former lessee, including a lease renewal and notice of non-payment. The former lessee's refusal to renew his lease and pay rent deprives the Trust of revenue. The DNRC is requesting authority from the Land Board to pursue a civil action against the former lessee of the cabin site. On behalf of the Land Board, the DNRC is seeking ejectment of the former lessee.

**DNRC Recommendation:**

The DNRC recommends the Land Board grant approval for the DNRC to pursue a civil action against the former lessee of the cabin site, on behalf of the Land Board, seeking ejectment of the former lessee.

# 0925-7

MOTION TO CLARIFY WATER RIGHTS  
OBJECTION PROCESS

**Land Board Agenda Item  
September 15, 2025**

**0925-7 Motion To Clarify The Land Board's Policy For Providing Advance, Written Notice To Water Rights Owners Before Filing An Objection With The Water Court**

**Location: N/A**

**Trust Beneficiaries: N/A**

**Trust Revenue: N/A**

**Item Summary:**

The Montana State Auditor, Commissioner of Securities and Insurance ("State Auditor"), proposes to revise the July 2025 directive from the Montana Board of Land Commissioners ("Land Board"), which instructed the Department of Natural Resources and Conservation ("DNRC") to provide 90 days' mailed written notice to water-right holders concerning objections to their water rights.

**Background:**

On May 20, 2024, the Land Board passed a motion requiring the Board's approval before DNRC may file an objection with the Water Court that asserts a state ownership in a private water right with a point of diversion (POD) on private land and a place of use (POU) on state trust land. On July 21, 2025, the Land Board passed a motion requiring that DNRC provide water-rights owners at least 90 days' notice, in writing, of a potential objection that the Land Board might file.

Under Montana law, the Land Board must file an objection with the Water Court "within 180 days after entry of the temporary preliminary decree, preliminary decree, or supplemental preliminary decree." Mont. Code Ann. § 85-2-316(2). Thus, to comply with the recent Motions, after the Water Court issues a decree, (1) DNRC must identify potential objections to water rights contained in the decree, (2) provide the water rights owners with 90 days advance notice of the potential objections, and (3) the potential objections must be considered at one of the Land Board's monthly meeting to approve file the objections — all which must all occur within 180 days after the decree issued.

Following the July 21, 2025, meeting, DNRC's attorneys filed motions with the Water Court, on behalf of the Land Board, to extend the deadline to file objections in three basins so that DNRC could comply with the new 90-day notice requirement. Based on the "good cause" standard contained in Mont. Code Ann. § 85-2-316(2), on August 15, 2025, the Water Court reluctantly granted the extensions, in part, based on "the possibility that the Land Board was not aware of the cumulative delay they might cause to water users and other parties interested in the statewide adjudication." The Court noted that each extension requested by the Land Board "elongates the time necessary for the Water Court to meet its public interest obligations to complete the statewide adjudication in a timely manner. Additionally, each extension has a fiscal impact because the Court pays to publish notice of the extension in three newspapers of general circulation." The Court warned that "[t]his finding of good cause should not be interpreted as precedent for further extensions in these basins . . . for the numerous future



decrees the Water Court intends to issue over the coming months.” Thus, it appears that the Water Court may deny future requests from the Land Board to extend the deadline to file objections.

While the policy of providing additional notice to water right owners before the Land Board objects to a private water right, in response to the Water Court’s Order, and after input to interested parties, the State Auditor believes the 90-day requirement should be modified and that additional procedural requirements should be incorporated to ensure comprehensive notice and transparency throughout the objection process.

**Motion:**

The State Auditor moves to amend the Motion adopted at the July 21, 2025, Land Board meeting as follows:

- DNRC shall diligently review each temporary preliminary decree, preliminary decree, supplemental preliminary decree, and final decree issued by the Water Court and develop a list of potential objections that it recommends filing on behalf of the Land Board.
- As soon as possible, and no later than 120 days after a decree is issued, DNRC shall send written notice, sent via mail with tracking capacity, to each water right owner noted on the list of potential objections, stating that the Land Board will consider DNRC’s recommendation to file an objection to their water right at an upcoming Land Board Meeting (which should be the Land Board meeting in the month immediately preceding the deadline to file objections with the Water Court).<sup>1</sup> A copy of each notice shall be promptly provided via email to the members of the Land Board.
- The Notice shall contain:
  - A summary outlining the basis that led DNRC to recommend that the Land Board consider filing an objection. If the recommendation is based on a specific statute, administrative rule, or legal precedent, the legal authority should be noted in the notice. However, in providing the notice, DNRC is not limiting or waiving the Land Board’s ability to raise other issues during litigation.
  - The date of the Land Board meeting at which the members will consider DNRC’s recommendation to file the objections and assert ownership or co-ownership of the identified water right.
  - A clear explanation of the Land Board’s role in deciding whether to pursue legal action, the opportunity for public input at the meeting, and what decisions or actions may result.
  - The name and contact information of a DNRC staff member who can answer questions or further discuss the issue with the water right owner before the Land Board meeting.
  - A Frequently Asked Questions (FAQ) section should accompany the Notice to help water right owners understand the broader context, including what an assertion of ownership would mean and how the process would proceed if authorized.

<sup>1</sup> Depending on the deadline to file objections and the date of the Land Board’s meeting, there should be between 30 and 45 days from the date the Notice is mailed and the date of the Land Board meeting.

- In the extraordinary circumstance that DNRC cannot meet deadlines mentioned above, either because of the large number of water rights in a decree or because of the number of potential objections, DNRC shall obtain the Land Board's permission to request an extension of the objection deadline. If the Land Board grants permission to request an extension, the Board will establish new deadlines for notifying water rights owners that are consistent with the policy stated above.
- The policy only applies to water rights and objections that were the subject of the Land Board's May 20, 2024, Motion.

**Conclusion:**

In the interests of time, due process, and transparency for both Montana's citizens and its government, the State Auditor proposes this motion as a means of allowing impacted parties to file and respond to objections in a more timely and responsive manner, with enhanced procedural safeguards, thereby preventing these matters from being unresolved for prolonged periods of time while maintaining comprehensive notice standards.