

**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**AGENDA**  
**JULY 20, 2026, AT 9:00 A.M.**  
**STATE CAPITOL, ROOM 303**  
**HELENA, MT**

**ADMINISTRATIVE ITEMS**

Approval of the July Land Board Agenda **APPROVED: 5-0**  
Approval of the June Land Board Meeting Minutes **APPROVED: 5-0**

**ACTION ITEMS**

- 0726-1 Timber Sales **APPROVED: 5-0****  
**A. Clark Hinch**  
*Location: Sanders County*  
*Benefits: Common Schools*  
**B. Weeksville**  
*Location: Sanders County*  
*Benefits: Common Schools*  
**C. Willow Divide**  
*Location: Fergus County*  
*Benefits: Common Schools*
- 0726-2 Cramer Creek Land Exchange: Preliminary Approval **APPROVED: 5-0****  
*Location: Missoula County*  
*Benefits: Common Schools and Capitol Buildings*
- 0726-3 Informational Item: Land Banking Program Briefing**  
*Location: NA*  
*Benefits: NA*
- 0726-4 Land Banking Sale: Preliminary Approval **APPROVED: 5-0****  
*Location: Cascade County*  
*Benefits: Common Schools*
- 0726-5 Easements **APPROVED: 5-0****  
*Location: Blaine, Chouteau, Dawson, Pondera, and Valley Counties*  
*Benefits: Common Schools and Public Land Trust*
- 0726-6 Land Board Policy – Production Livestock Policy **As amended APPROVED: 5-0****  
*Location: All*  
*Benefits: All*
- 0726-7 Lease No. 5183**  
*Location: Toole County*  
*Benefits: Common Schools*
- 0726-8 Legislative Proposals **APPROVED: 5-0****  
*Location: All*  
*Benefits: All*
- 0726-9 Informational Item: Quarterly Litigation Update**  
*Location: N/A*  
*Benefits: N/A*

**Public Comment:**

**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS  
MINUTES  
JULY 20, 2026 AT 9:00 A.M.  
STATE CAPITOL, ROOM 303  
HELENA, MT**

**Members Present**

Kristen Juras, Lieutenant Governor  
Susie Hedalen, Superintendent of Public Instruction  
Austin Knudsen, Attorney General  
James Brown, Commissioner of Securities and Insurance  
Christi Jacobsen, Secretary of State  
Brenda Johnson, Land Board Secretary  
Sonia Gavin, Land Board Secretary

**Members Absent**

None

**Testifying Staff**

Amanda Kaster, DNRC Director  
Seth Goodwin, DNRC Land Section Supervisor  
Ryan Weiss, DNRC Trust Lands Deputy Administrator  
Parker Osterloh, DNRC Land Sections Supervisor  
Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief  
Deidra Klobberdanz, DNRC Real Estate Management Bureau Chief  
Trevor Taylor, DNRC Minerals Management Bureau Chief  
Brian Bramblette DNRC Chief Legal Counsel

**Attachments**

Related Materials, Attachment 1 – Sign-in-Sheet  
Related Materials, Attachment 2 – Randal Rucker written testimony

**Call to Order**

00:00:00 Lieutenant Governor Juras called the meeting to order.

**Adopt Proposed Agenda**

00:00:58 Austin Knudsen, Attorney General, moved to approve the July agenda. The motion was seconded by Christi Jacobsen, Secretary of State, and carried unanimously.

**Adopt Prior Months Meeting Minutes**

00:01:15 James Brown, Commissioner of Securities and Insurance, moved to approve the June, minutes. The motion was seconded by Susie Hedalen, Superintendent of Public Instruction, and carried unanimously.

**Business Considered**

**0726-1 Timber Sales A, B & C**

00:02:31 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A

00:04:33 Austin Knudsen, Attorney General, moved to approve item 0726-1. The motion was

seconded by Christi Jacobsen, Secretary of State and carried unanimously.

**0726-2 Cramer Creek Land Exchange: Preliminary Approval**

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

Public Comment:

00:08:34 Dwight Maclay Schulte, Public Citizen

00:12:12 Mark Aagenes, Montana Chapter of the Nature Conservancy

00:14:47 Denny Iverson, Public Citizen

00:16:56 Todd Johnson, Public Citizen

00:19:26 Ryan Chapin, Theodore Roosevelt Conservation Partnership

00:20:30 Doug Hall, Public Citizen

00:22:21 Jeff Schulz, Bonita-Clinton Potomac Grazing Association

00:24:04 Ben Lamb, Montana Conservation Society

00:25:50 Phil Ramsey, MPG Ranch

00:26:51 David Maclay-Schulte, Public Citizen

00:32:33 Christi Jacobsen, Secretary of State moved to approve item 0726-2. The motion was seconded by Susie Hedalen, Superintendent of Public Instruction.

Board Discussion/Comments:

00:32:48 Austin Knudsen, Attorney General

00:36:06 James Brown, Commissioner of Securities and Insurance

00:37:38 Susie Hedalen, Superintendent of Public Instruction

00:38:13 The motion to approve item 0726-2 carried unanimously.

**0726-3 Informational Item: Land Banking Program Briefing**

00:38:21 Amanda Kaster, DNRC Director, gave an overview of the item.

Presentation:

00:38:52 Seth Goodwin, DNRC Land Section Supervisor. Presentation delayed due to technical difficulties.

00:43:21 James Brown, Commissioner of Securities and Insurance, moved to defer item 0726-3 to the August meeting due to technical difficulties and the motion was seconded by Austin Knudsen, Attorney General.

Public Comment:

00:44:40 Kevin Farron, Montana Wildlife Federation

Presentation:

00:47:05 Seth Goodwin, DNRC Land Section Supervisor

Public Comment:

00:56:04 Kevin Farron, Montana Wildlife Federation

Board Discussion/Comments:

00:58:11 James Brown, Commissioner of Securities and Insurance

00:58:29 Amanda Kaster, DNRC Director

00:58:39 James Brown, Commissioner of Securities and Insurance

00:59:09 Seth Goodwin, DNRC Land Section Supervisor

00:59:12 James Brown, Commissioner of Securities and Insurance  
00:59:29 Seth Goodwin, DNRC Land Section Supervisor  
00:59:31 James Brown, Commissioner of Securities and Insurance  
00:59:44 Seth Goodwin, DNRC Land Section Supervisor  
00:59:46 James Brown, Commissioner of Securities and Insurance  
01:00:34 Seth Goodwin, DNRC Land Section Supervisor  
01:00:36 James Brown, Commissioner of Securities and Insurance  
01:00:43 Seth Goodwin, DNRC Land Section Supervisor  
01:00:46 James Brown, Commissioner of Securities and Insurance  
01:00:58 Seth Goodwin, DNRC Land Section Supervisor  
01:01:04 James Brown, Commissioner of Securities and Insurance  
01:01:25 Seth Goodwin, DNRC Land Section Supervisor  
01:01:28 James Brown, Commissioner of Securities and Insurance  
01:01:51 Seth Goodwin, DNRC Land Section Supervisor  
01:01:53 James Brown, Commissioner of Securities and Insurance  
01:01:55 Seth Goodwin, DNRC Land Section Supervisor  
01:02:26 James Brown, Commissioner of Securities and Insurance  
01:02:39 Seth Goodwin, DNRC Land Section Supervisor  
01:02:59 James Brown, Commissioner of Securities and Insurance  
01:03:18 Seth Goodwin, DNRC Land Section Supervisor  
01:03:23 James Brown, Commissioner of Securities and Insurance  
01:03:24 Seth Goodwin, DNRC Land Section Supervisor  
01:03:37 James Brown, Commissioner of Securities and Insurance  
01:03:48 Seth Goodwin, DNRC Land Section Supervisor  
01:03:52 James Brown, Commissioner of Securities and Insurance  
01:04:07 Seth Goodwin, DNRC Land Section Supervisor  
01:04:28 James Brown, Commissioner of Securities and Insurance  
01:04:42 Seth Goodwin, DNRC Land Section Supervisor  
01:04:44 James Brown, Commissioner of Securities and Insurance  
01:04:54 Seth Goodwin, DNRC Land Section Supervisor  
01:05:18 James Brown, Commissioner of Securities and Insurance  
01:05:40 Seth Goodwin, DNRC Land Section Supervisor  
01:05:44 Amanda Kaster, DNRC Director  
01:05:53 James Brown, Commissioner of Securities and Insurance  
01:06:31 Amanda Kaster, DNRC Director  
01:06:48 James Brown, Commissioner of Securities and Insurance  
01:08:08 Christi Jacobsen, Secretary of State  
01:08:25 Amanda Kaster, DNRC Director  
01:08:35 Ryan Weiss, DNRC Trust Lands Deputy Administrator

**0726-4 Land Banking Sale: Preliminary Approval**

01:08:08 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A

01:10:26 Christi Jacobsen, Secretary of State, moved to approve item 0726-4. The motion was seconded by James Brown, Commissioner of Securities and Insurance, and carried unanimously.

**0726-5 Easements**

01:10:46 Amanda Kaster, DNRC Director, gave an overview of the item.

Public Comment: N/A



01:11:26 Austin Knudsen, Attorney General, moved to approve item 0726-5. The motion was seconded by Susie Hedalen, Superintendent of Public Instruction, and carried unanimously.

**0726-6 Land Board Policy – Production Livestock Policy**

01:11:47 Amanda Kaster, DNRC Director, gave an overview of the item.

**Public Comment:**

01:13:18 Raylee Honeycutt, Executive Vice President of the MT Stockgrowers Association

01:14:25 Emma Quist, Montana Stockgrowers Policy Intern

01:15:38 Becky Williams, American Prairie Foundation

01:20:58 Tom Franz, Representative HD 99

01:29:04 Michael King, Fort Belknap Tribal Council

01:34:09 Tylee Wellman, World Wildlife Fund Native Nations Team and Blackfeet Tribal Member

01:36:04 Kevin Farron, Montana Wildlife Federation

01:37:21 Susie Hedalen, Superintendent of Public Instruction moved to approve item 0726-6. The motion was seconded by Austin Knudsen, Attorney General.

**Board Discussion/Comments:**

01:37:36 Austin Knudsen, Attorney General

01:38:07 Amanda Kaster, DNRC Director

01:38:21 Parker Osterloh, DNRC Land Sections Supervisor DNRC Land Sections Supervisor

01:38:44 Austin Knudsen, Attorney General

01:39:00 Parker Osterloh, DNRC Land Sections Supervisor DNRC Land Sections Supervisor

01:39:03 Austin Knudsen, Attorney General

01:39:56 Susie Hedalen, Superintendent of Public Instruction

01:40:17 Amanda Kaster, DNRC Director

01:40:25 Parker Osterloh, DNRC Land Sections Supervisor DNRC Land Sections Supervisor

01:41:06 Austin Knudsen, Attorney General

01:41:43 Parker Osterloh, DNRC Land Sections Supervisor DNRC Land Sections Supervisor

01:42:12 Austin Knudsen, Attorney General

01:42:15 Susie Hedalen, Superintendent of Public Instruction

01:42:46 Kristen Juras, Lieutenant Governor

01:44:00 James Brown, Commissioner of Securities and Insurance

01:44:05 Kristen Juras, Lieutenant Governor

01:44:20 James Brown, Commissioner of Securities and Insurance, moved to amend to defer this matter to a future meeting. The motion was seconded by Austin Knudsen, Attorney General.

01:45:28 Austin Knudsen, Attorney General

01:45:30 Kristen Juras, Lieutenant Governor

01:45:36 James Brown, Commissioner of Securities and Insurance

01:45:47 Austin Knudsen, Attorney General

01:46:06 The motion to amend item 0726-6 carried unanimously.

01:46:21 The motion item 0726-6 as amended carried unanimously.

**0726-7 Lease No. 5183**

01:46:58 Amanda Kaster, DNRC Director, gave an overview of the item.

01:48:00 Kristen Juras, Lieutenant Governor

Public Comment:

01:48:34 Lacey Nichol, Land Owner

Board Discussion/Comments:

01:51:07 Kristen Juras, Lieutenant Governor

01:51:23 Lacey Nichol, Land Owner

01:51:24 Kristen Juras, Lieutenant Governor

01:51:25 Lacey Nichol, Land Owner

01:51:26 Kristen Juras, Lieutenant Governor

01:51:31 Lacey Nichol, Land Owner

01:52:22 Kristen Juras, Lieutenant Governor

Board Discussion/Comments

01:53:03 Austin Knudsen, Attorney General

01:53:20 Amanda Kaster, DNRC Director

01:53:41 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:54:46 Austin Knudsen, Attorney General

01:55:26 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:55:31 Austin Knudsen, Attorney General

01:55:45 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:55:48 Austin Knudsen, Attorney General

01:55:53 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:56:42 Kristen Juras, Lieutenant Governor

01:56:57 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:57:30 Amanda Kaster, DNRC Director

01:57:40 Kelly Motichka, DNRC Agricultural and Grazing Bureau Chief

01:57:57 Kristen Juras, Lieutenant Governor

**0726-8 Legislative Proposals**

01:58:34 Amanda Kaster, DNRC Director, gave an overview of the item.

01:59:48 Deidra Klobardanz, DNRC Real Estate Management Bureau Chief

02:01:58 Amanda Kaster, DNRC Director

02:02:07 Trevor Taylor, DNRC Minerals Management Bureau Chief

02:03:45 Amanda Kaster, DNRC Director

Public Comment:

02:04:10 Kevin Farron, Montana Wildlife Federation

02:06:45 Susie Hedalen, Superintendent of Public Instruction moved to approve item 0726-8. The motion was seconded by Austin Knudsen, Attorney General.

Board Discussion/Comments:

02:06:57 Austin Knudsen, Attorney General

02:07:50 Amanda Kaster, DNRC Director

02:08:00 Travis Taylor, DNRC Minerals Management Bureau Chief

02:08:26 Amanda Kaster, DNRC Director

02:08:30 Deidra Klobardanz, DNRC Real Estate Management Bureau Chief

02:08:57 Christi Jacobsen, Secretary of State

02:09:11 Amanda Kaster, DNRC Director

02:09:15 Travis Taylor, DNRC Minerals Management Bureau Chief

02:09:40 James Brown, Commissioner of Securities and Insurance

02:10:45 Susie Hedalen, Superintendent of Public Instruction

02:10:58 Kristen Juras, Lieutenant Governor

02:11:23 The motion to approve item 0726-8 carried unanimously.

**0726-9 Informational Item: Quarterly Litigation Update**

02:11:45 Amanda Kaster, DNRC Director, gave an overview of the item.

02:12:05 Brian Bramblette, DNRC Chief Legal Counsel

Board Discussion/Comments:

02:13:30 James Brown, Commissioner of Securities and Insurance

**General Public Comment:** N/A

**Adjournment**

02:14:07 Adjournment

PRESIDENT

ATTEST

/s/ \_\_\_\_\_ Date \_\_\_\_\_

Kristen Juras, Lieutenant Governor

/s/ \_\_\_\_\_ Date \_\_\_\_\_

Amanda Kaster, DNRC Director

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

**REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS**  
**SIGN-IN SHEET**  
**JULY 20, 2026 AT 9:00 A.M.**  
**STATE CAPITOL, ROOM 303, HELENA, MT**

| NAME                  | AFFILIATION                      | E-MAIL                              | Check to be added to the interested parties list. |
|-----------------------|----------------------------------|-------------------------------------|---------------------------------------------------|
| Denny Iverson         | private landowner                | dban7@blackfoot.net                 | ✓                                                 |
| Doug Hall             | Put land owner                   | PTM3677@blackfoot.net               | ✓                                                 |
| Zeph Schulz           | Rancher                          | zephschulz@gmail                    | ✓                                                 |
| Todd Johnson          | Sawmill Owner                    | t.j.pyrant@lumber.com               | ✓                                                 |
| Greg Lambert          | The Nature Conservancy           | glambert@dnv.org                    | ✓                                                 |
| Tyler Wellman         | WWF                              | tyler.wellman@wwfus.org             | ✓                                                 |
| Ben Lamb              | MCS                              | b.lamb@montconservation.society.org | ✓                                                 |
| Phil Ramsey           | MPG Ranch                        | pramsey@mpgranch.com                | ✓                                                 |
| Beckie Wilmer         | American Prairie                 | beckie@americanprairie.org          | ✓                                                 |
| Scott Heidebrink      | American Prairie                 | scott@americanprairie.org           | ✓                                                 |
| Lacy Nickol           | Private Landowner                | rsquaredff@gmail.com                | ✓                                                 |
| Dwight MacLay-Schulte |                                  |                                     |                                                   |
| Libby MacLay          |                                  |                                     |                                                   |
| Emma Brist            | MSSA                             |                                     |                                                   |
| Raylee Honeycutt      | MT Assoc. of State Grazing Dist. |                                     |                                                   |
| KEVIN FARRON          | MWF                              | kevin@mtwildlife.org                | ✓                                                 |
| Ryan Chapin           | TRLP                             | rchapin@trlp.org                    | ✓                                                 |
|                       |                                  |                                     |                                                   |
|                       |                                  |                                     |                                                   |
|                       |                                  |                                     |                                                   |

Email [landboard@mt.gov](mailto:landboard@mt.gov) or indicate on this sign-in sheet if you would like to be placed on the Land Board interested parties list.

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## I. INTRODUCTION

### A. Qualifications

1. My name is Randal R. Rucker, and I am a Professor Emeritus in the Department of Agricultural Economics and Economics at Montana State University-Bozeman where I was a faculty member from 1991 until 2021. Prior to that, from 1984 to 1991, I was on the faculty at North Carolina State University, where I held joint appointments in the Department of Agricultural & Resource Economics, the Department of Economics and Business, and the Department of Forestry.
2. I received my Ph.D. in economics from the University of Washington in 1984, and my specialization is in applied economics. My academic research has covered a broad range of topics, including forestry contracting and marketing, livestock inventories and marketing, federal commodity policies, energy markets, fisheries policy, as well as various aspects of pollination markets. Over the course of my career, I have published peer reviewed academic articles in the *Journal of Political Economy*, the *American Economic Review*, the *Review of Economics and Statistics*, the *Journal of Law and Economics*, the *Journal of the Association of Environmental and Resource Economics*, the *American Journal of Agriculture Economics*, the *Journal of Law, Economics, and Organization*, the *Journal of Environmental Economics and Management*, the *Journal of Agricultural and Resource Economics*, *Energy Economics*, *Forest Science*, and the *Review of Agricultural Economics*. Many of the research projects on which I have worked have required that I gain an in-depth understanding of different markets and industries, several of them being related to agricultural policy and markets. I have also co-authored a number of professional journal articles related to competitive bidding in the context of auctions.
3. As a faculty member, I also taught numerous classes, many of them covering various aspects of microeconomic theory. For almost all the time I was on the faculty at Montana State University, I taught a Master's level graduate course on Microeconomic Theory and an undergraduate capstone course on the economics of

agricultural policy. In both of those courses, I discussed the behavior of profit-maximizing firms and the markets in which they operated with a focus on the implications of competition in a variety of industries and contexts.

4. During my career as an economist, I have worked on numerous litigation consulting projects covering a wide range of topics including contract disputes, labor market discrimination and off-the-clock work requirements, antitrust issues, and natural resources damage assessments. I have been qualified to provide expert testimony in several previous cases. Over the past five years or so, I was deposed in the *Speaks et al. v. U.S. Tobacco Cooperative* matter in February of 2020 and in the *Broiler Chicken Antitrust Litigation* case in (roughly) June of 2022.
5. Attached as **Appendix A** is my current curriculum vitae, which provides additional details on my education, experience, and research.

#### B. Assignment

6. I have been retained by the American Prairie Foundation (henceforth American Prairie) to provide a discussion of my views on economic implications of recent actions taken by the Montana Land Board regarding the process through which they allocate grazing leases for state lands.
7. I am being compensated for my services in this matter, but my compensation is not contingent upon the opinions I form or the outcome of the policy actions currently under consideration for implementation by the Land Board. The analysis I have undertaken to formulate my opinions in this case is based on the assumption that the data and information provided to me are accurate. My work on this matter is ongoing, and I may review additional materials or conduct further analysis. I reserve the right to update, refine, or revise my opinions.

## II. BACKGROUND – THE LAND BOARD, AMERICAN PRAIRIE, AND PROPOSED POLICY CHANGES

8. In Montana, the Board of Land Commissioners, which is also known as the Land Board, is made up of the five highest elected officers in the state—the Governor,



the Secretary of State, the Attorney General, the State Auditor, and the Superintendent of Public Instruction. The Land Board “exercise[s] general authority, direction, and control over the care, management, and disposition of state lands and, subject to investment authority of the board of investments, the funds arising from the leasing, use, sale and disposition of those lands.” Section 77-1-202, MCA. The Secretary of State’s website indicates “The primary responsibility of the Land Board is to make money for the school trust beneficiaries” (<https://sosmt.gov/land-board/>). The Land Board attempts to accomplish these objectives through its management of Montana’s 5.2 million acres of public trust lands. The Board generates revenues through its management of state-owned minerals, forests, agricultural and grazing leases, and real estate (<https://sosmt.gov/land-board/>).

9. American Prairie is a Montana-based nonprofit organization that was founded in June 2001. Its objective is to conserve and restore the native short-grass prairie ecosystem in Northern Montana. To accomplish this, American Prairie has strategically purchased land on the open market, which qualifies the organization to lease grazing land from federal and state agencies, specifically the Bureau of Land Management (BLM) and the Montana Department of Natural Resources and Conservation (DNRC). Currently, approximately 8,000 head of cattle and 940 head of bison are grazing on lands owned or leased by American Prairie.
10. Recently two changes have been made that are relevant for this report. First, in February of 2026, the Land Board directed DNRC “to develop and propose a policy that favors the issuance of grazing leases on state land to production livestock operations as opposed to non-production operations, and which also factors in the fiduciary obligations of the Land Board and the agency.”<sup>1</sup> The resulting draft policy is available at <https://dnrc.mt.gov/News/dnrc-news/scoping-notice-land-board-policy>. For present purposes, the relevant feature of that draft proposal is that it alters the competitive bidding process for state grazing leases to

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<sup>1</sup> See “Production Livestock Policy | Scoping Period | Public Comment and Survey,” April 24, 2026 at <https://dnrc.mt.gov/News/dnrc-news/scoping-notice-land-board-policy>.

the benefit of production livestock operations (e.g., cattle and sheep producers).

This proposed change to benefit production livestock operations also represents a change to the detriment of non-producing lessees.

11. The second relevant change was a direct response to a February 17, 2026 statement at a meeting of the Land Board by Land Board Commissioner James Brown to “move that DNRC review existing legal authorities and develop for our review a rule making package regarding grazing lease stocking rates that also addresses the absence of bison from the existing provisions. The motion also encompasses the admonition that until the rulemaking effort is complete, the Land Board directs DNRC not to authorize any new or pending bison grazing requests including the proposed, proposal mentioned in the February 2nd, 2026 letter and to further instruct APR to notify and, excuse me, and to instruct DNRC to notify APR not to turn bison out on the lease.” This motion, which was unanimously supported by the other Land Board members, effectively places a moratorium on the DNRC’s ability to approve any new or pending bison grazing requests for an indeterminant amount of time.

### III. ECONOMIC EFFECTS OF PROPOSED POLICY CHANGES

12. There is an extensive economic literature on various aspects of buyer (and seller) behavior in a competitive bidding (or auction) setting.<sup>2</sup> A commonly accepted prediction in this literature is that an increase in the number of bidders in an auction will result in an increase in the expected bid price. Likewise, a decrease in the number of bidders will result in a reduction in the expected bid price. For example, in his seminal theoretical paper, Robert Wilson states “The sale price converges almost surely to the true value as the number of bidder increases . . .”<sup>3</sup> Similarly, in their 1987 review of the auction literature, McAfee and McMillan summarize this point in the literature as “increasing the number of bidders (in an auction) increases the revenues on average of the seller.” In the lead sentence of another 1987 journal article, Brannman, Klein, and Weiss state that “Auction theory

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<sup>2</sup> For a sense of the extent of this literature, see the lengthy references section in the almost 40-year-old literature review in McAfee and McMillan (1987). Research on auctions has continued since that article was published.

<sup>3</sup> Wilson, Robert. 1977. “A Bidding Model of Perfect Competition.” *Review of Economic Studies* 44 (October): 511-518

predicts an increased number of bidders increases winning bids.”<sup>4</sup> The flip side of this prediction is that when sellers are competing with each other to sell a good or service to a given purchaser, the expected winning offer will decline with the increase in the number of bidders. In their 1987 article (mentioned above), Brannman, Klein, and Weiss analyzed data from three different industries (underwriter spreads on tax exempt bonds, offshore oil tracts, and National Forest timber) and found statistical support for the prediction from auction theory that (controlling for relevant characteristics of item in question) increases in the number of bidders will result in increases in winning bid prices.<sup>5</sup> This result from the auction literature can usefully be thought of as an extension of the simple intuitive notion that an increase in competition (among prospective buyers) will lead to an increase in the price of the good being sold.

#### IV. OPINIONS

13. Here, I focus my attention on a particular economic impact of (1) the proposed change in policy that, if implemented, will change the bidding process for state trust land grazing leases to the detriment of any prospective lessees who are not “production livestock operations,” and (2) the moratorium on DNRC’s ability to approve any new or pending bison grazing requests for state grazing leases that is currently in effect (see paragraph 11 above). My opinions regarding these two actions are based on the discussion in the preceding paragraph of the impact on expected winning bid prices of reductions in the number of bidders. My opinions are also based on the following fundamental principle in economics—if the benefits of an action fall, individuals will undertake less of that action. Similarly, if the cost of an action rises, individuals will undertake less of that action.
14. My first opinion is that the proposed change in the bidding process for state trust land leases, which will be to the detriment of prospective lessees who are not “production livestock operations” will reduce the benefits to those bidders of participating in the state grazing lease process. Insofar as this reduction in benefits induces one or more such bidder to no longer participate in the state grazing lease process, the expected winning bid price for state grazing leases will fall.
15. My second opinion is that the current moratorium on the DNRC’s ability to approve bison grazing leases will reduce the number of bidders in the leasing

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<sup>4</sup> See p. 24 in Brannman, Lance, J., Douglass Klein, and Leonard W. Weiss. 1987. “The Price Effects of Increased Competition in Auction Markets.” *The Review of Economics and Statistics* (69 (February): 24-32. In the first footnote of that article the authors refer the reader to a 1979 article and a 1980 article, both of which contain “comprehensive bibliographies.”

<sup>5</sup> See Brannman, Lance, J., Douglass Klein, and Leonard W. Weiss. 1987. In their analysis of underwriter spreads, they found that an increased number of competing sellers resulted in a reduction in the bid price.

process for some state trust land grazing leases. As such, the expected winning bid price of state grazing leases will fall.

16. Thus, my conclusion is that the changes in the bidding process for state grazing leases implemented recently either will reduce, or will have the potential to reduce, expected winning bid prices for state grazing leases.

I declare under penalty of perjury that the foregoing is true and correct.

DATED this 16<sup>th</sup> day of July 2026, at Bozeman, Gallatin County, Montana.

  
Randal R. Rucker

# 0726-1

Timber Sales

A. Clark Hinch

B. Weeksville

C. Willow Divide



**Land Board Agenda Item  
July 20, 2026**

**0726-1A Timber Sale: Clark Hinch**

**Location:** Sanders County

**Trust Beneficiaries:** Common Schools

**Trust Revenue:** \$76,863 (estimated, minimum)

**Item Summary:**

**Location:** The Clark Hinch Timber Sale is located approximately 8 miles northeast of Plains, Montana.

**Size and Scope:** The sale includes 5 harvest units (*94 acres*) of tractor logging and 9 harvest units (*253 acres*) of cable logging.

**Volume:** The estimated harvest volume is 15,750 tons (*2.8 MMBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$4.88 per ton, which would generate approximately \$76,863 for the Common School Trust and approximately \$73,915 in forest improvement fees.

**Prescription:** This sale would utilize old growth maintenance, seed tree, shelterwood, overstory removal and individual tree selection harvest prescriptions designed to move the stands towards the desired future conditions and help mitigate the effect of douglas-fir bark beetle.

**Road Construction/Maintenance:** The Department of Natural Resources and Conservation (DNRC) is proposing 1.1 miles of road construction and 14 miles of road maintenance.

**Access:** Access is obtained through a temporary road use permit with the United States Forest Service.

**Public Comments:** One comment was received from Montana Department of Fish, Wildlife & Parks (FWP) with concerns about wildlife, silviculture and roads. DNRC addressed FWP's concerns in the environmental assessment document.

**DNRC Recommendation:**

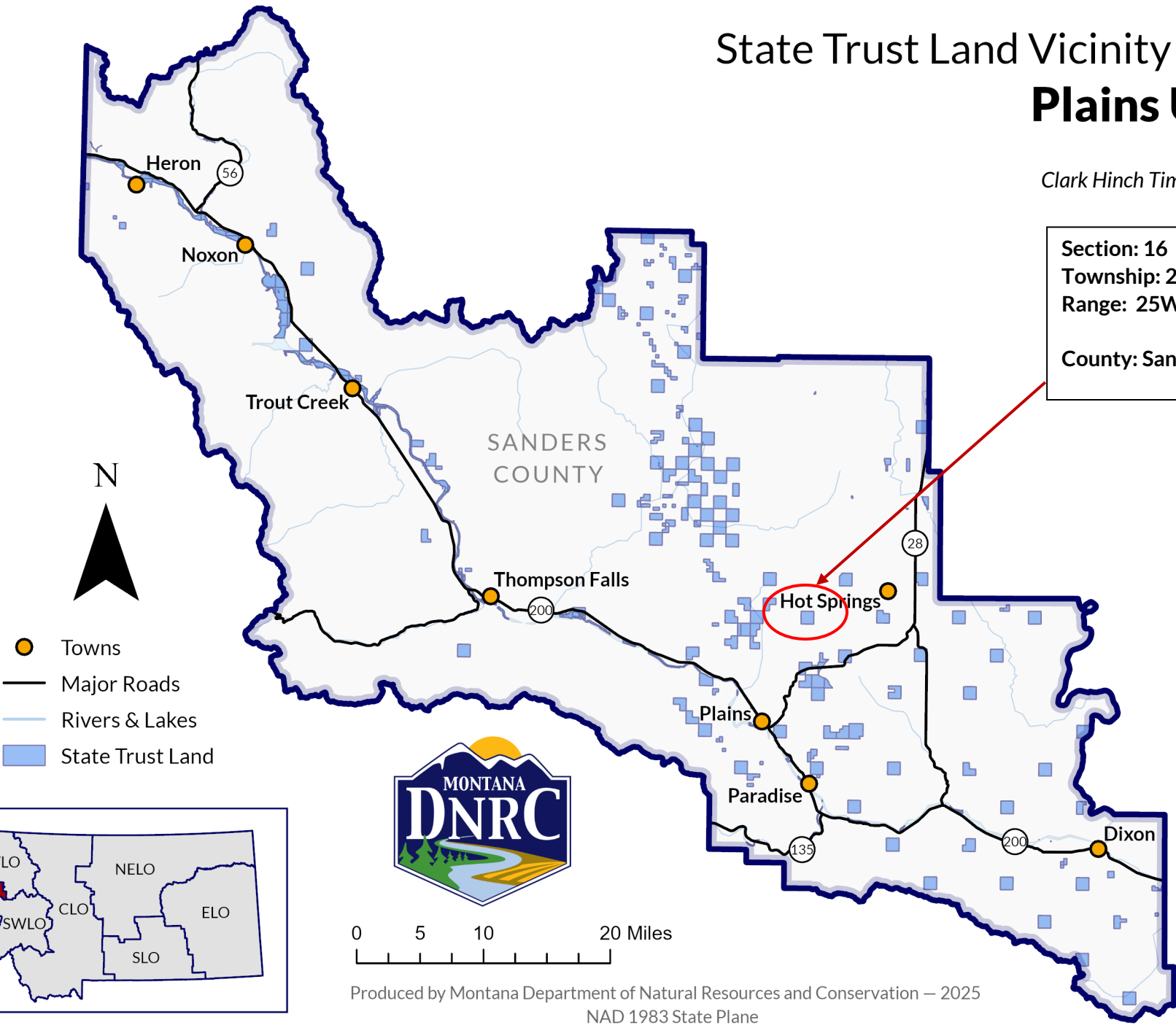
The DNRC recommends that the Land Board direct DNRC to sell the Clark Hinch Timber Sale.

# State Trust Land Vicinity Map

## Plains Unit

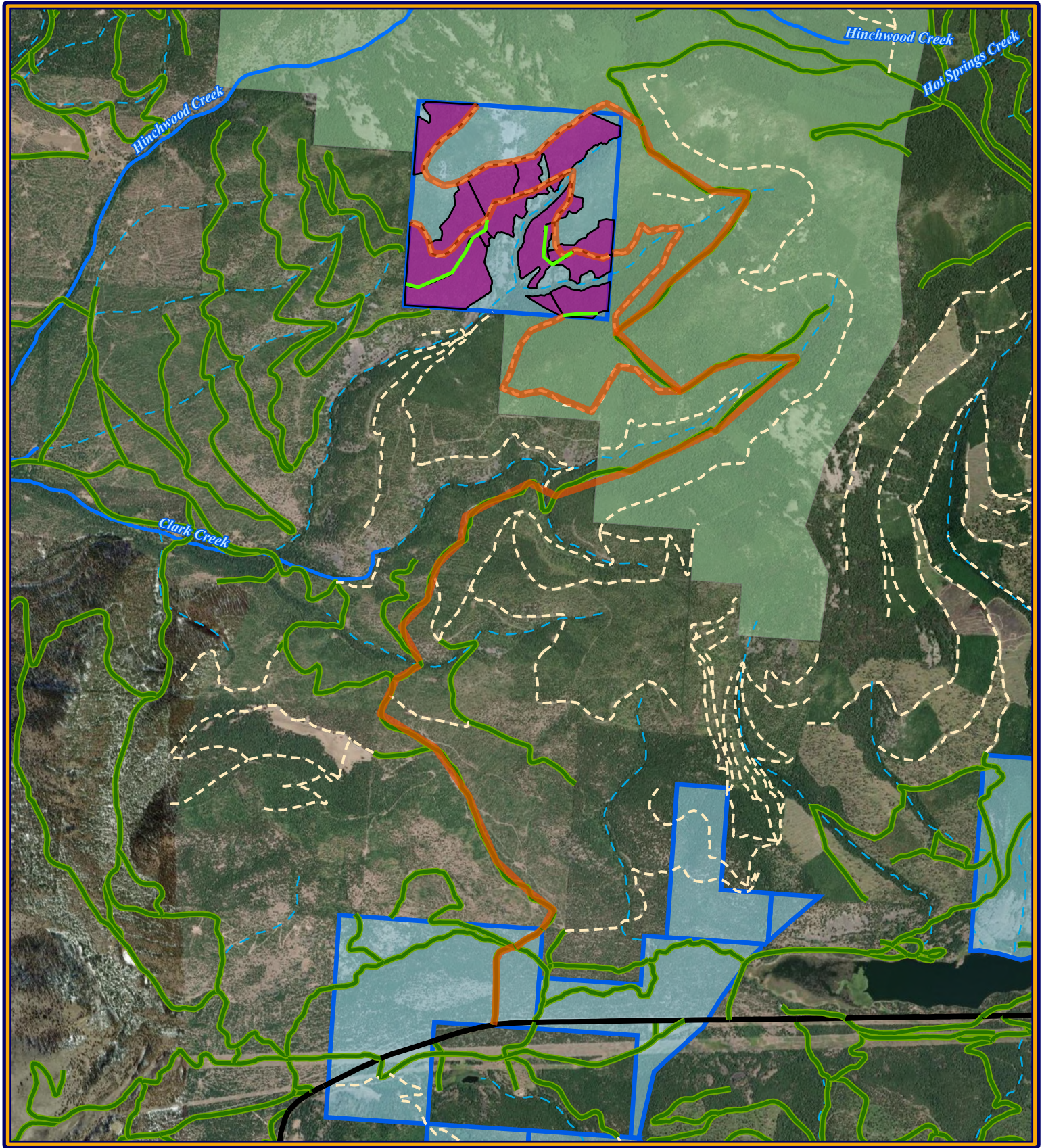
Clark Hinch Timber Sale

Section: 16  
Township: 21N  
Range: 25W  
  
County: Sanders

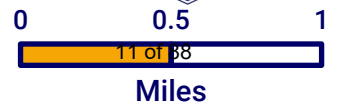




# Clark Hinch Timber Sale Haul Route and Harvest Units



|                   |                         |                           |
|-------------------|-------------------------|---------------------------|
| Haul Route        | Restricted Class A      | US Forest Service         |
| New Road          | Perennial Stream        | Montana State Trust Lands |
| Highway           | Intermittent Stream     | Harvest Units             |
| Open/Public Roads | State Trust Land Tracts | Harvest Units             |





**Land Board Agenda Item  
July 20, 2026**

**0726-1B Timber Sale: Weeksville**

**Location:** Sanders County

**Trust Beneficiaries:** Common Schools

**Trust Revenue:** \$115,129 (estimated, minimum)

**Item Summary:**

**Location:** The Weeksville Timber Sale is located approximately 7 miles west of Plains, Montana.

**Size and Scope:** The sale includes 7 harvest units (*151 acres*) of tractor logging and 3 harvest units (*49 acres*) of skyline/cable logging.

**Volume:** The estimated harvest volume is 10,005 tons (*1.8 MMBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$11.51 per ton, which would generate approximately \$115,129 for the Common School Trust and approximately \$47,796 in forest improvement fees.

**Prescription:** This sale would utilize shelterwood, seed tree, individual tree selection, and overstory removal harvest prescriptions designed to move the stands towards desired future conditions, promote the growth of remaining trees and increase recruitment of tree regeneration post-harvest.

**Road Construction/Maintenance:** The Department of Natural Resources and Conservation (DNRC) is proposing 0.7 miles of road construction and 11.7 miles of road maintenance.

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

**Public Comments:** Seven public comments were received. Five comments from nearby residents expressed concern about roads, soils, wildlife, vegetation, introduction of invasive species, stream health, recreation, and economics. Some residents also expressed general support for the project. One comment from the grazing licensee of the parcel expressed concerns about how the project may affect the grazing license. DNRC assured the licensee that grazing cattle would be avoided during project operations. One comment from the Montana Department of Fish, Wildlife & Parks provided comments about the importance of the area as wildlife and fisheries habitat and suggested mitigations for these habitats. All concerns were either addressed or dismissed with rationale in the environmental assessment document.

**DNRC Recommendation:**

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

Attachment A-1

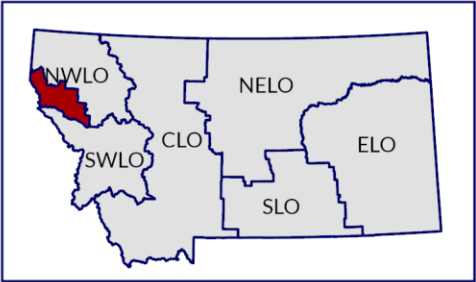
# State Trust Land Vicinity Map

## Plains Unit

*Weeksville Timber Sale*

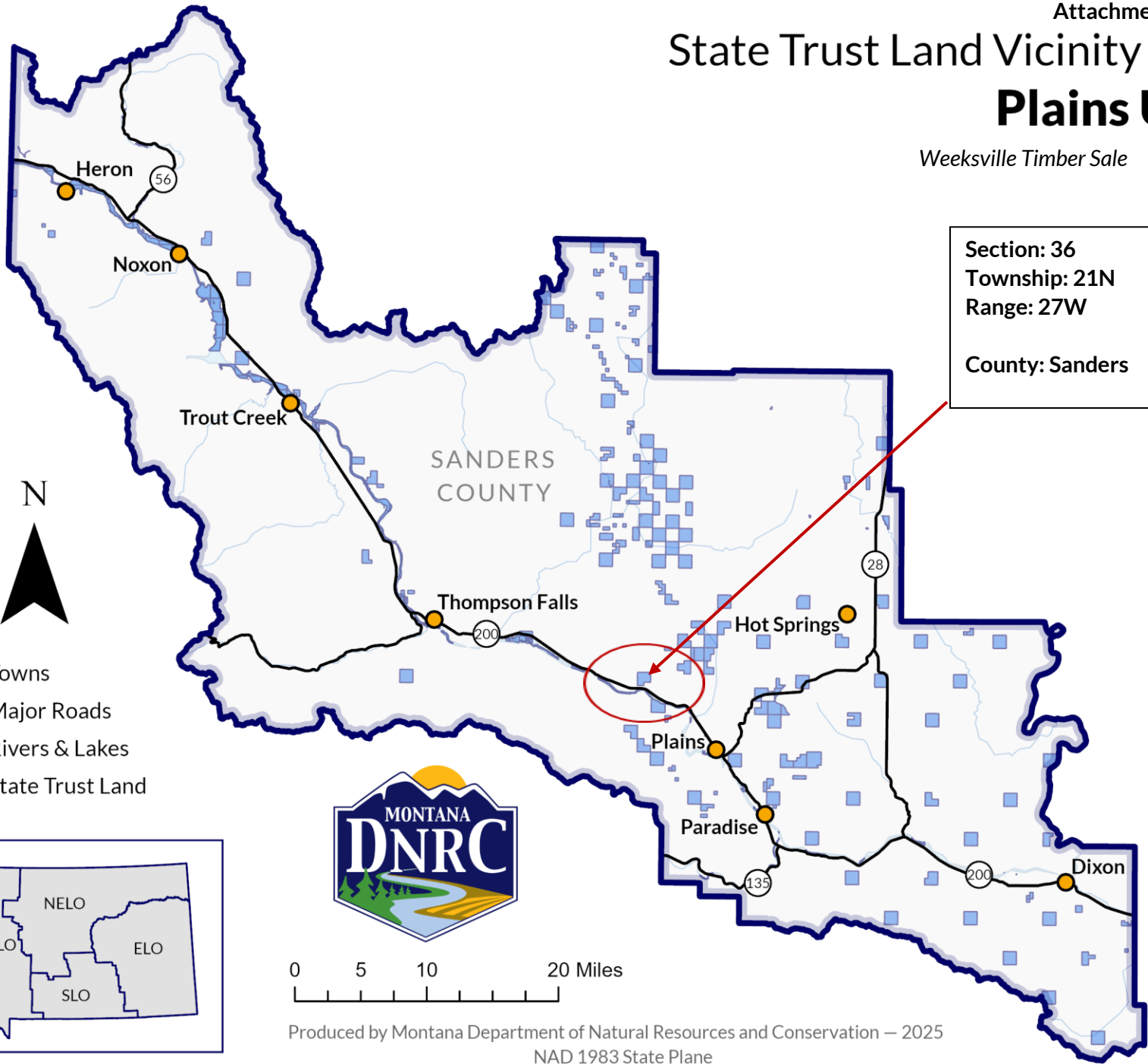
Section: 36  
Township: 21N  
Range: 27W  
  
County: Sanders

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



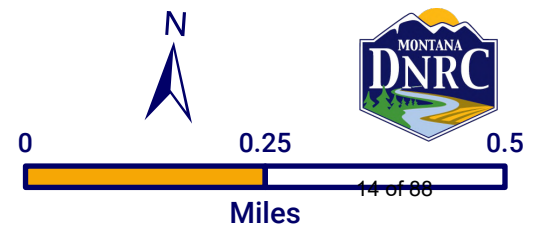
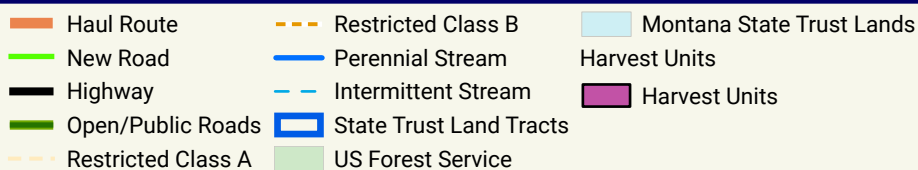
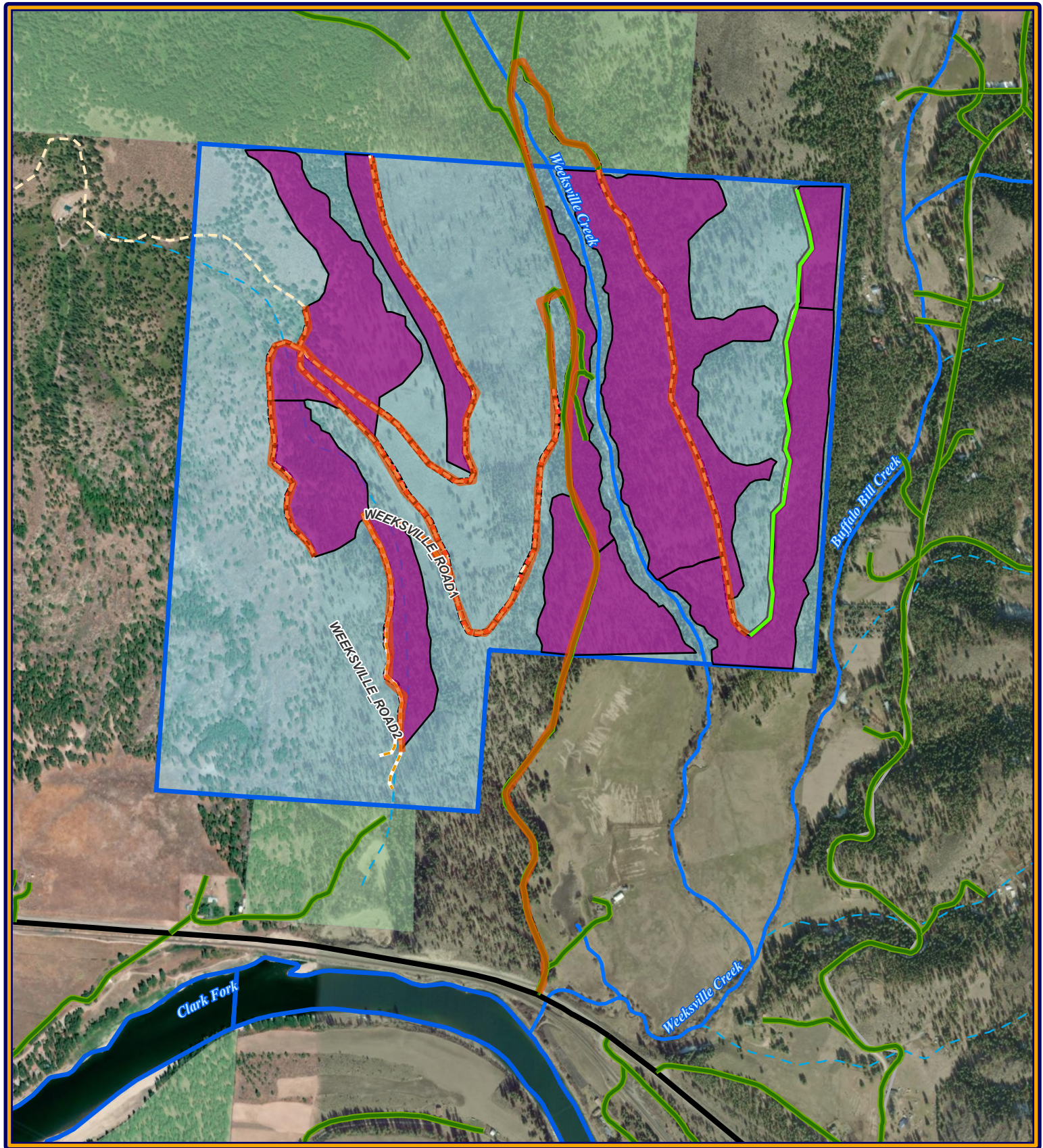
0 5 10 20 Miles

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





# Weeksville Timber Sale Haul Route and Harvest Units





**Land Board Agenda Item  
July 20, 2026**

**0726-1C Timber Sale: Willow Divide**

**Location:** Fergus County

**Trust Beneficiaries:** Common Schools

**Trust Revenue:** \$18,233 (estimated, minimum)

**Item Summary:**

**Location:** The Willow Divide Timber Sale is located approximately 25 miles southeast of Lewistown, Montana.

**Size and Scope:** The sale includes three harvest units (*199 acres*) of tractor-based logging.

**Volume:** The estimated harvest volume is 8,250 tons (*1.1 MMBF*) of sawlogs.

**Estimated Return:** The minimum bid is \$2.21 per ton, which would generate approximately \$18,233 for the Commons Schools Trust and approximately \$825 in forest improvement fees.

**Prescription:** This sale would utilize an individual tree selection harvest prescription designed to reduce stocking rates, to increase growth and vigor of the residual stands, reduce wildfire hazards and generate income for the trust.

**Road Construction/Maintenance:** The Department of Natural Resources and Conservation (DNRC) is proposing 1.5 miles of road maintenance.

**Access:** Access to the project area is obtained through county roads.

**Public Comments:** Two public comments were received from nearby residents that expressed concerns about soils, noxious weeds, wildlife, archeological/cultural resources, slash piles and insect infestations, economics, cumulative effects, harvest volume, old growth and vegetation, silviculture. All concerns were either addressed or dismissed with rationale in the environmental assessment document.

**DNRC Recommendation:**

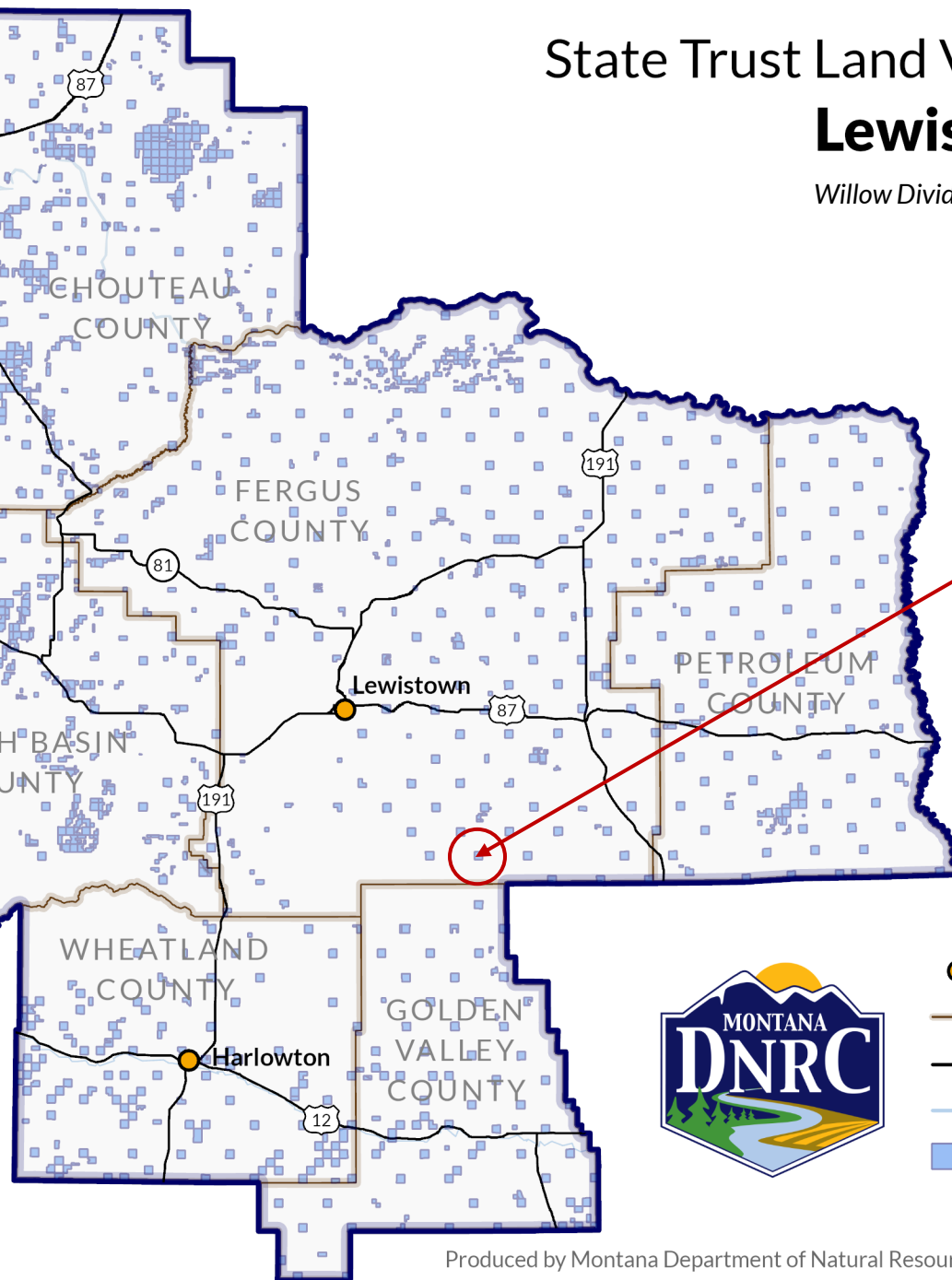
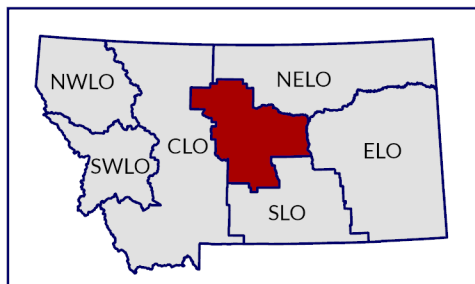
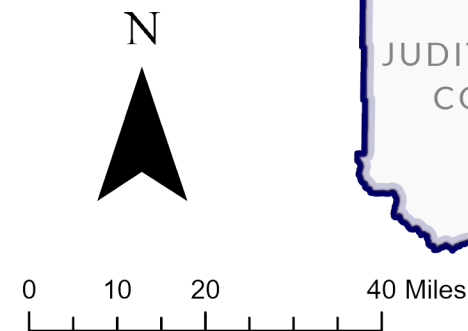
The DNRC recommends that the Land Board direct DNRC to sell the Willow Divide Timber Sale.

# State Trust Land Vicinity Map

## Lewistown Unit

*Willow Divide Timber Sale*

Section: 16  
Township: 12N  
Range: 23E  
  
County: Fergus

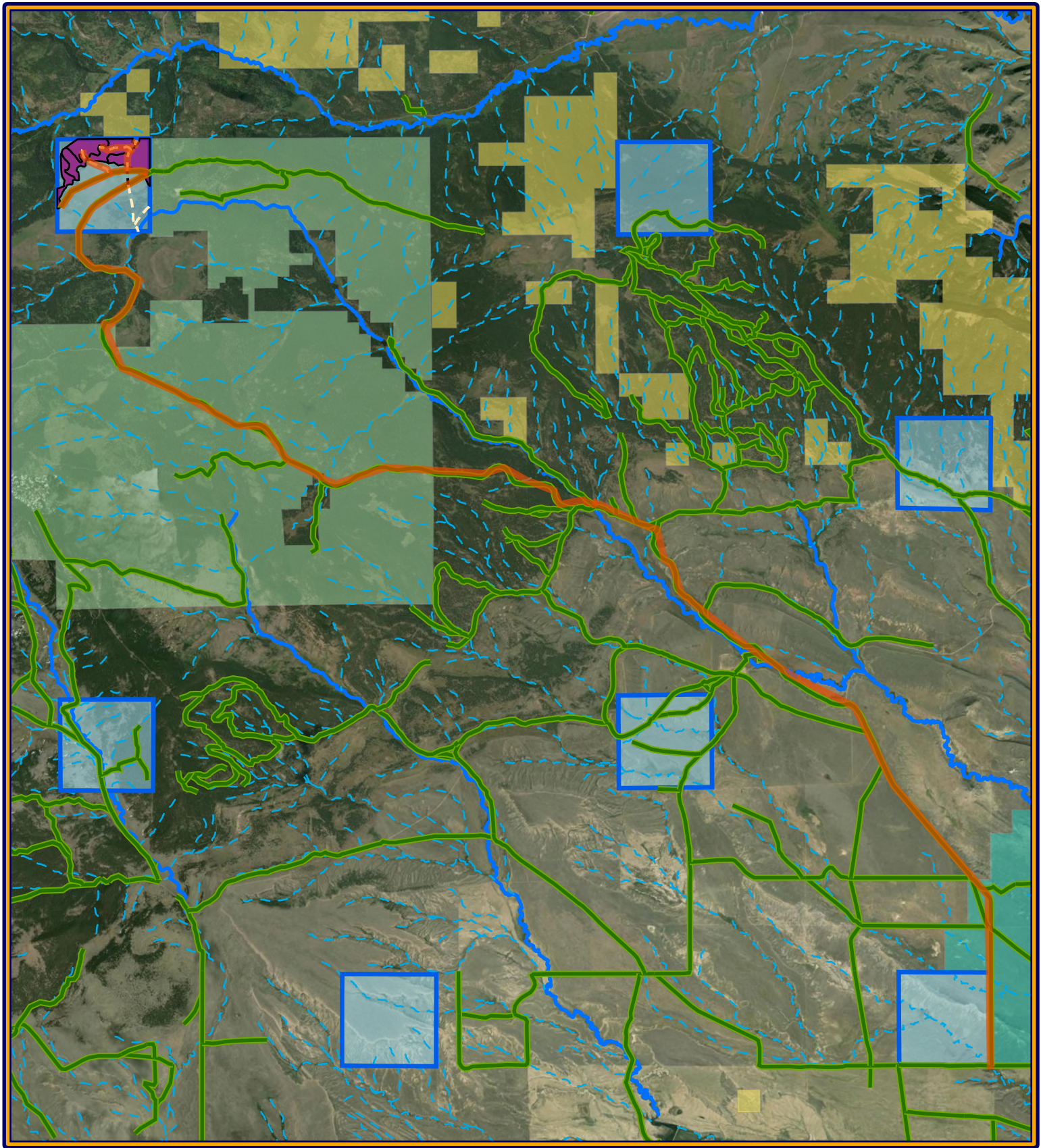


- Towns
- County Lines
- Major Roads
- Rivers & Lakes
- State Trust Land

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



# Willow Divide Timber Sale Haul Route



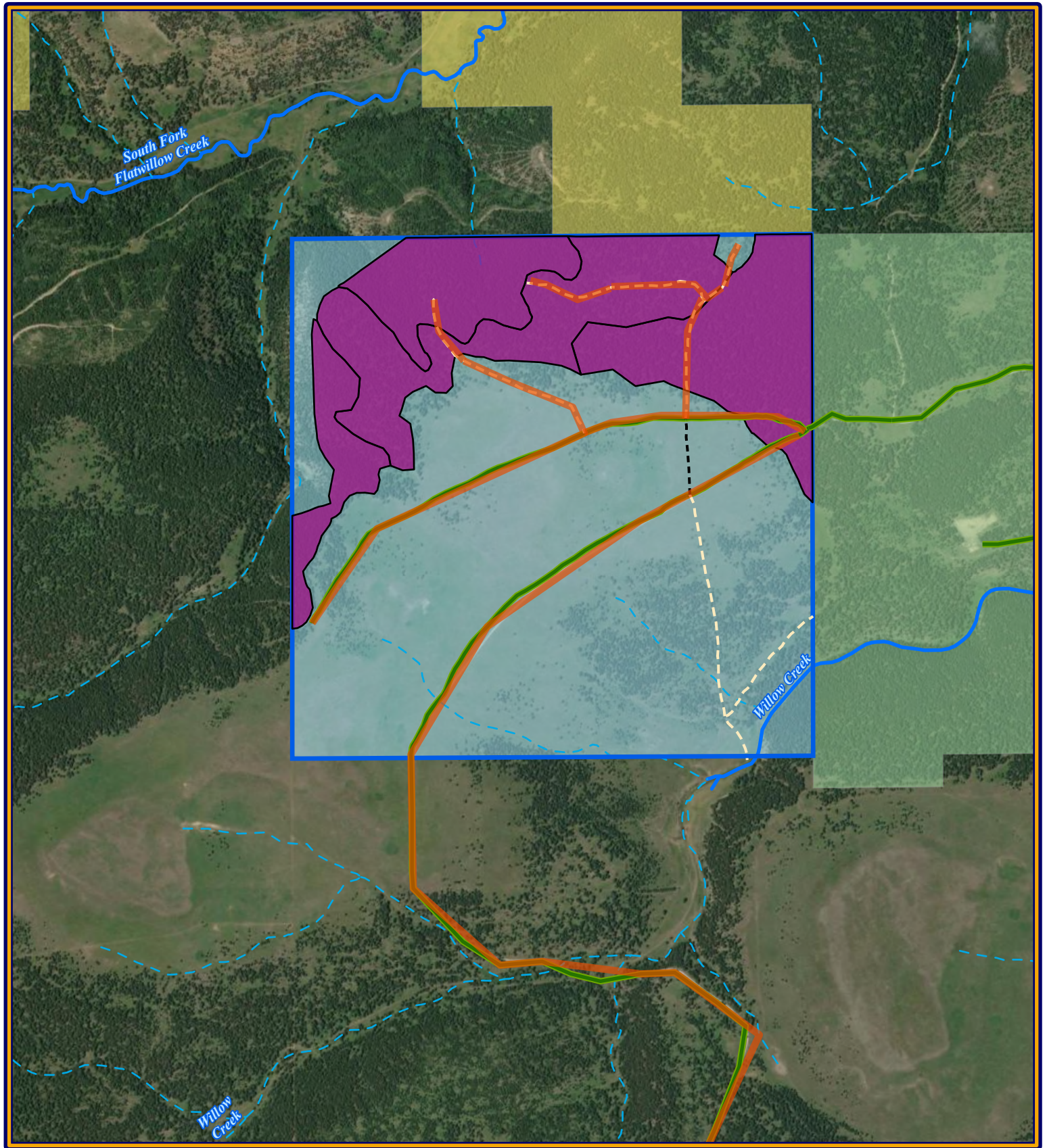
- |                        |                           |                           |
|------------------------|---------------------------|---------------------------|
| Haul Route             | Perennial Stream          | US Fish and Wildlife      |
| Open/Public Roads      | Intermittent Stream       | US Forest Service         |
| Restricted Class A     | State Trust Land Tracts   | Montana State Trust Lands |
| Abandoned or Reclaimed | Bureau of Land Management | Harvest Units             |



17 of 88  
Miles



# Willow Divide Timber Sale Harvest Units



- |                        |                           |
|------------------------|---------------------------|
| Haul Route             | State Trust Land Tracts   |
| Open/Public Roads      | Bureau of Land Management |
| Restricted Class A     | US Forest Service         |
| Abandoned or Reclaimed | Montana State Trust Lands |
| Perennial Stream       | Harvest Units             |
| Intermittent Stream    |                           |





# 0726-2

Cramer Creek Land Exchange

Preliminary Approval

**Land Board Agenda Item  
July 20, 2026**

**0726-2**

**Land Exchange: Preliminary Approval for Cramer Creek Land Exchange**

**Location: Missoula County**

**Trust Beneficiaries: Common Schools, Capitol Buildings**

**Trust Revenue: N/A**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC or Department) requests preliminary approval of a land exchange proposal with MPG Ranch involving 1,804<sup>±</sup> acres of state trust land for 8,139<sup>±</sup> acres of private land all located in Missoula County.

| <b>State Trust Land (DNRC)</b>                                      |                                                            |                   |                     |
|---------------------------------------------------------------------|------------------------------------------------------------|-------------------|---------------------|
| <b>County</b>                                                       | <b>Legal Description</b>                                   | <b>Trust</b>      | <b>Acres</b>        |
| Missoula                                                            | Gov. Lots 3 & 4, Section 2, T11N, R19W                     | Common Schools    | 83.64 <sup>±</sup>  |
| Missoula                                                            | Gov. Lot 1, S2NE4, SE4, Section 4, T11N, R19W              | Common Schools    | 281.21 <sup>±</sup> |
| Missoula                                                            | N2, Section 10, T11N, R19W                                 | Capitol Buildings | 320 <sup>±</sup>    |
| Missoula                                                            | W2, Section 14, T11N, R19W                                 | Capitol Buildings | 320 <sup>±</sup>    |
| Missoula                                                            | SE4, Section 28, T12N, R19W                                | Capitol Buildings | 160 <sup>±</sup>    |
| Missoula                                                            | NE4NW4, S2NW4, NE4, S2, Section 34, T12N, R19W             | Capitol Buildings | 600 <sup>±</sup>    |
| Missoula                                                            | NW4NW4, Section 34, T12N, R19W                             | Common Schools    | 40 <sup>±</sup>     |
|                                                                     |                                                            |                   |                     |
| <b>Montana Checkerboard LLC (Managed by The Nature Conservancy)</b> |                                                            |                   |                     |
| <b>County</b>                                                       | <b>Legal Description</b>                                   | <b>Acres</b>      |                     |
| Missoula                                                            | Gov. Lots 1, 3-4, SE4NE4, S2NW4, S2, Section 1, T11N, R16W | 535 <sup>±</sup>  |                     |
| Missoula                                                            | Gov. Lots 1-3, SE4NW4, Section 2, T11N, R16W               | 135 <sup>±</sup>  |                     |
| Missoula                                                            | All of Section 3, T11N, R16W                               | 640 <sup>±</sup>  |                     |
| Missoula                                                            | All of Section 5, T11N, R16W                               | 640 <sup>±</sup>  |                     |
| Missoula                                                            | NE4, Section 30, T12N, R15W                                | 160 <sup>±</sup>  |                     |
| Missoula                                                            | All of Section 31, T12N, R15W                              | 640 <sup>±</sup>  |                     |
| Missoula                                                            | NW4, S2NE4, NW4SW4, Section 32, T12N, R15W                 | 280 <sup>±</sup>  |                     |

| <b>Montana Checkerboard LLC Lands Continued</b> |                                                |              |
|-------------------------------------------------|------------------------------------------------|--------------|
| <b>County</b>                                   | <b>Legal Description</b>                       | <b>Acres</b> |
| Missoula                                        | All of Section 33, T12N, R15W                  | 640±         |
| Missoula                                        | E2, Section 17, T12N, R16W                     | 320±         |
| Missoula                                        | All of Section 21, T12N, R16W                  | 640±         |
| Missoula                                        | NE4, S2SE4, NE4, N2SW4, Section 25, T12N, R16W | 469±         |
| Missoula                                        | SW4, W2SE4, Section 26, T12N, R16W             | 240±         |
| Missoula                                        | N2, N2SE4, SE4SE4, Section 27, T12N, R16W      | 440±         |
| Missoula                                        | N2SE4, Section 28, T12N, R16W                  | 80±          |
| Missoula                                        | All of Section 29, T12N, R16W                  | 640±         |
| Missoula                                        | NE4, S2SW4, SW4SE4, Section 32, T12N, R16W     | 280±         |
| Missoula                                        | All of Section 33, T12N, R16W                  | 640±         |
| Missoula                                        | NE4, N2NW4, Section 34, T12N, R16W             | 240±         |
| Missoula                                        | N2, SE4, Section 35, T12N, R16W                | 480±         |

## **PUBLIC INVOLVEMENT PROCESS AND RESULTS**

A scoping letter requesting public comment was sent April 2, 2026, and the comment period ran through May 1, 2026. The letter was sent to neighboring landowners, interested parties, special interest groups and the Missoula County Commissioners. In addition, a public scoping notice was posted on the DNRC website, published in the Missoulian Newspaper, and sent via email to the department's land exchange GovDelivery list.

The department received 48 total comments regarding the exchange. The comments have been grouped into categories with summaries provided below.

### **A. Supportive Comments Summary**

Comments of support received by the department centered on the exchange improving overall land management, public benefits, and long-term conservation outcomes. Specifically, support for the consolidation of fragmented checkerboard ownership into larger, more manageable blocks of state trust land, increasing efficiency for wildlife, timber, grazing, and access management. Commenters also expressed support for the exchange, because it would remove isolated state trust lands and replace them with legally accessible lands.

### **B. Neutral Comments Summary**

A neutral comment from The Montana Department of Transportation (MDT) was received indicating no anticipated impacts to existing MDT facilities or approaches and requested coordination if, during the exchange process, any impacts to MDT are identified. Other comments were requests for clarification of parcel details, questions about impacts to currently held easements, and one comment stating that the exchange was access neutral. Department staff addressed the requests for more information with the commenters directly.

### **C. Opposed Comments Summary**



Those who made comments in opposition to the exchange were concerned the exchange would reduce meaningful public access to those who have permission from neighboring landowners to cross private land to access the state trust lands. Commenters were also concerned that the exchange would not create publicly accessible lands, because they feel the current state trust lands are already currently accessible or will become accessible via corner crossing. Additionally, the Montana Checkerboard LLC lands are accessible via block management. Further comments expressed concern that the current state trust lands are higher quality than the lands to be received, that there could be potential negative impacts to neighboring landowners, and that the exchange prioritizes a private, out-of-state landowner over the public.

To clarify, the current state trust lands do not have legal access and are isolated according to the definition of “isolated parcel” found under Montana Code Annotated 77-2-361 (1): “Isolated parcel means any state land not possessing a legal right of access by the public”. Legally accessible state lands are defined under Montana Code Annotated 77-1-101(6) “Legally accessible state lands means state lands that can be accessed by: (a) dedicated public road, right-of-way, or easement; (b) public waters; (c) adjacent federal, state, county, or municipal land if the land is open to public use; or (d) adjacent contiguous private land if permission to cross the land has been secured from the landowner. The granting of permission by a private landowner to cross private property in a particular instance does not subject the state land that is accessed to general recreational use by members of the public, other than those granted permission.” The department has no record of public roads, right-of-way, or easements providing access to the current state trust lands for the public and no record of legal access for the department for administrative purposes. There are also no public waters, or adjacent public land which provide access to the current state trust lands. Finally, permission granted to individuals to cross private land to access the state trust land does not constitute public access as defined by MCA 77-1-101(6) above.

Although the Montana Checkerboard LLC lands may currently be accessible via block management, Montana Checkerboard LLC could cease participation in block management and eliminate public access or sell the properties; therefore, public access to the Montana Checkerboard LLC lands is not secured. Completion of the Cramer Creek Land Exchange could ensure that the public would continue to have access to those lands.

The proponent of the exchange, MPG Ranch, holds the current forest grazing licenses on all but one of the state trust land parcels to be exchanged. MPG has expressed willingness to inherit and honor the term of the existing third-party license if the exchange proceeds to completion.

Public scoping comments regarding quality of land, appraised values, and trust income are addressed in the brief analysis below. If preliminary approval to proceed with the Land Exchange is received, a more thorough analysis of the exchange criteria will be completed. Additionally, an appraisal will be contracted to determine land values, a Phase-1 environmental site assessment will be completed, and the proposal will be evaluated through the Montana Environmental Quality Act (MEPA).

If preliminary approval is received, additional opportunities for public comment and participation will include:

- another public scoping period, as part of MEPA,
- a formal public hearing, held in Missoula County, and
- public comment to the Land Board when presented for final approval.

## **EXCHANGE CRITERIA ANALYSIS**

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

### **1. EQUAL OR GREATER VALUE**

Based on a preliminary appraisal report contracted by the proponent, the current state trust land parcels are valued at \$5,457,000 with the hypothetical condition of having legal access, and \$4,644,000 without legal access. The Montana Checkerboard LLC lands were preliminarily valued at \$9,768,000.

- *Preliminarily Meets Criteria*

### **2. STATE LAND BORDERING ON NAVIGABLE LAKES AND STREAMS**

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

- *Preliminarily Meets Criteria*

### **3. EQUAL OR GREATER INCOME TO THE TRUST**

With a significant increase in acreage and legal access, greater income is expected. The current state trust land is classified for timber management purposes, but due to lack of access, no income from timber is received. Secondary uses, including two active forest grazing licenses, generate a small income. In contrast, the land proposed to be acquired would be accessible for future timber production and also generate revenue from forest grazing licenses.

- *Preliminarily Meets Criteria*

### **4. EQUAL OR GREATER ACREAGE**

The proposed exchange is 1,801+ acres of state trust land for 8,139+ acres of private land.

- *Preliminarily Meets Criteria*

### **5. CONSOLIDATION OF STATE LAND**

The proposed exchange would remove 1,801+ acres of isolated and detached state trust land and replace those lands with 8,139+ acres all of which are contiguous to existing state ownership.

- *Preliminarily Meets Criteria*

### **6. POTENTIAL FOR LONG-TERM APPRECIATION**

The proposed acquisition parcels have the potential for greater appreciation as part of a larger contiguous block of state ownership. In addition, legal access provides more potential for timber harvest and competitive license bids in the future.

- *Preliminarily Meets Criteria*

### **7. ACCESS**

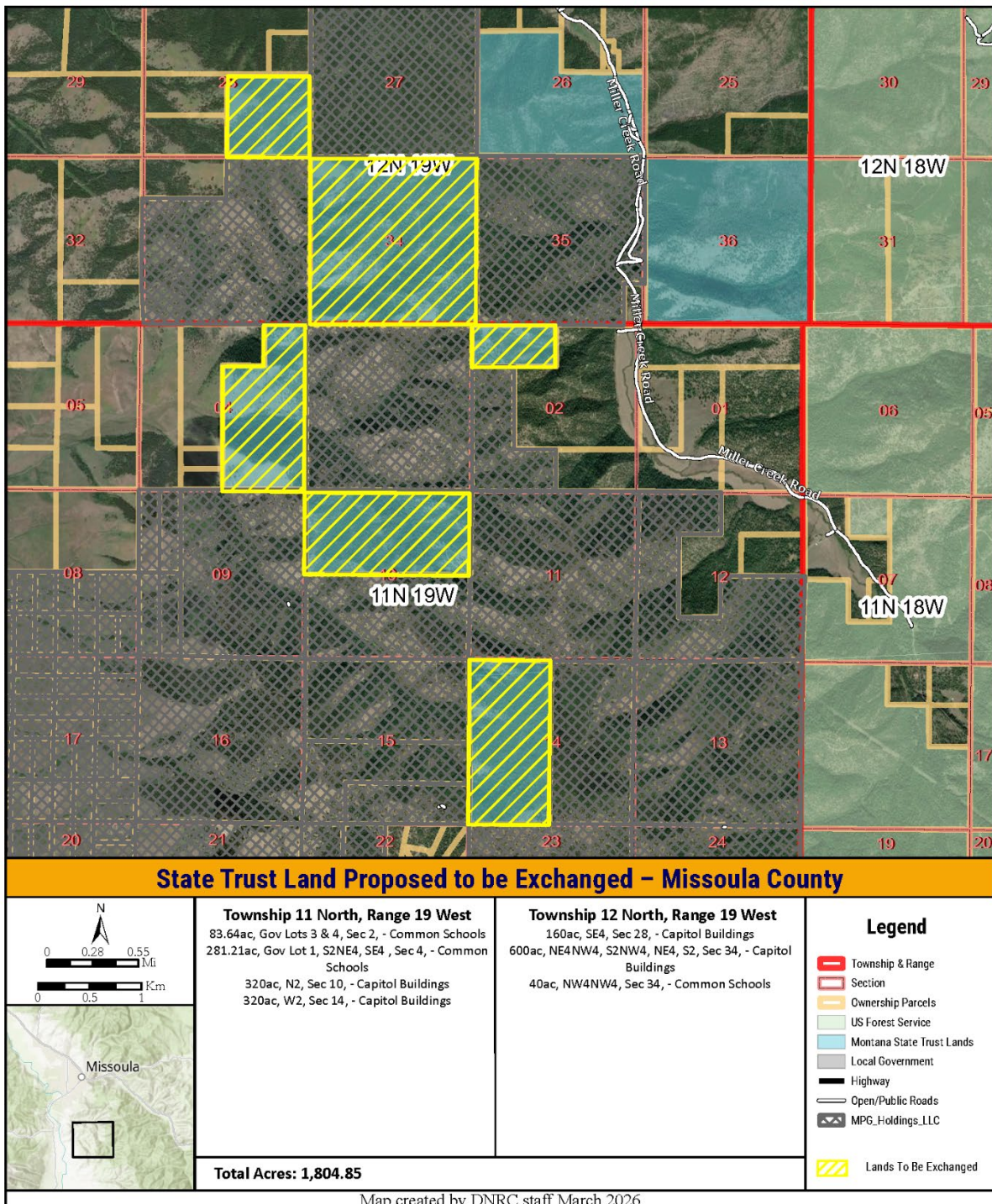
This exchange would add 8,139+ acres of publicly accessible land to state ownership while removing 1,801+ acres of inaccessible lands. The land proposed to be acquired by the state would be legally accessible for the department and the public, whereas the state trust land to be exchanged is currently not legally accessible for the public or the department.

- *Preliminarily Meets Criteria*

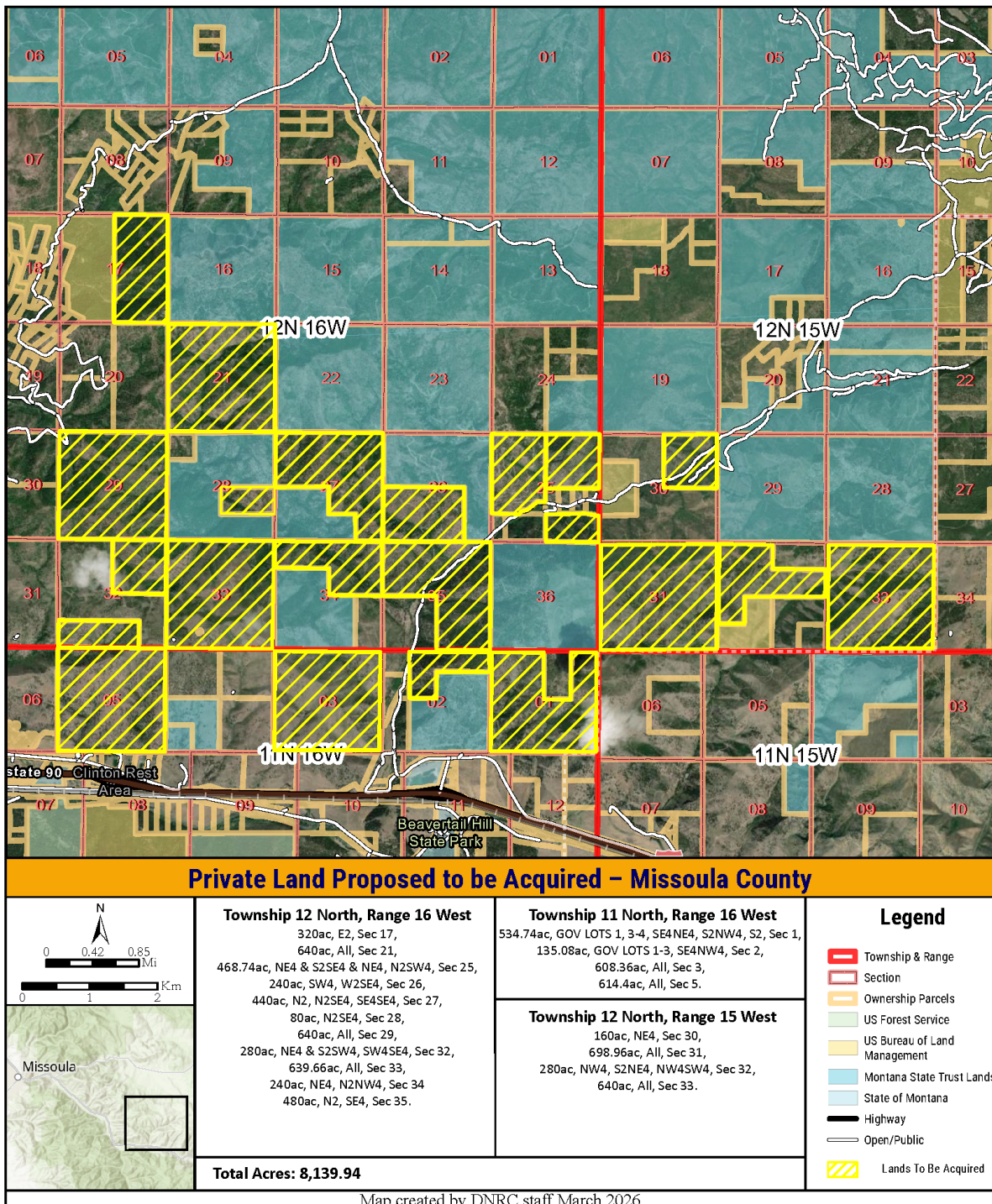
The DNRC believes this proposed land exchange would benefit the Trust beneficiary and the State of Montana. If approved by the Board, DNRC would execute a non-binding Agreement to Initiate a Land Exchange with MPG Ranch and would begin a detailed evaluation, including an environmental assessment.

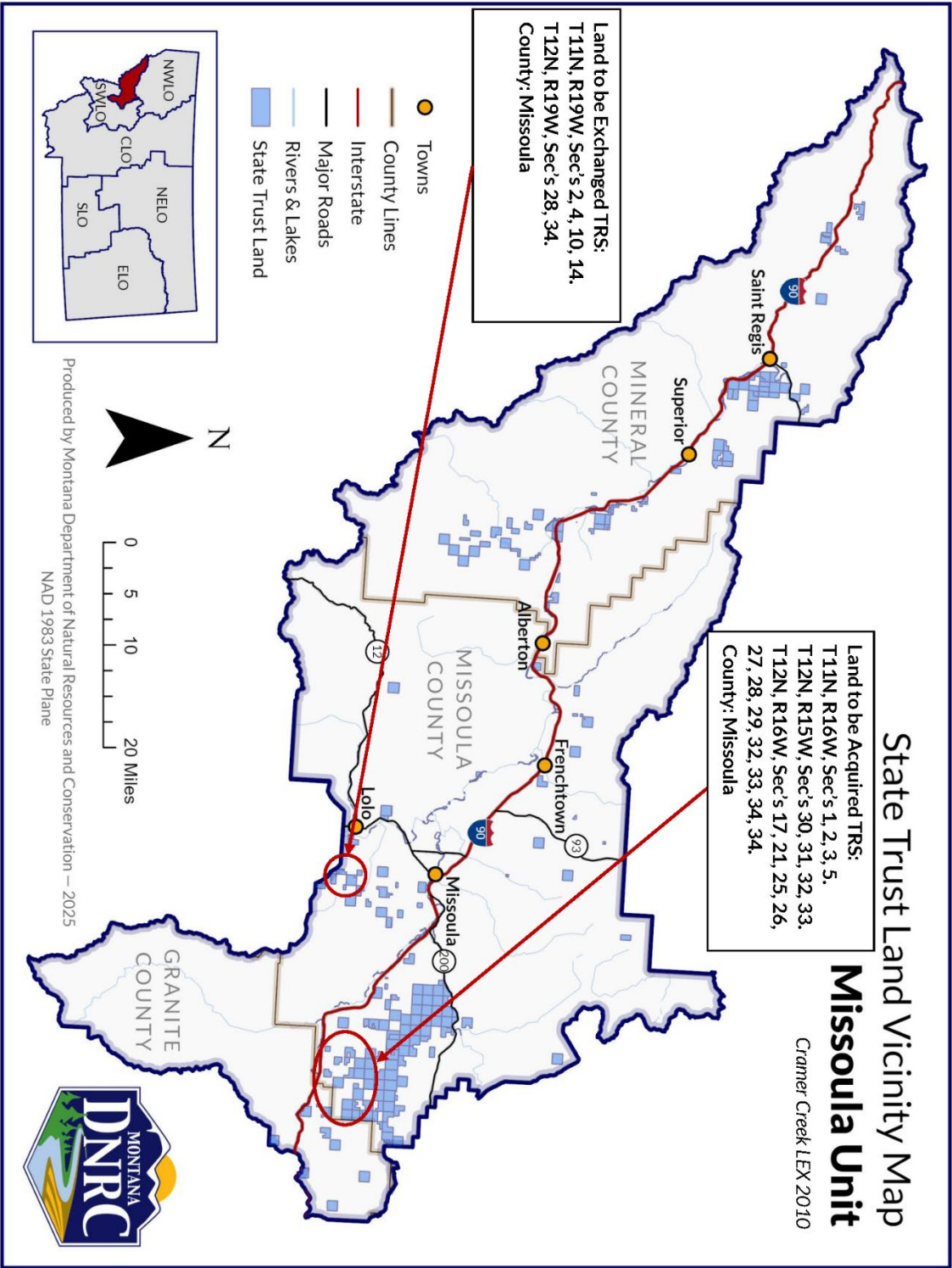
**DNRC Recommendation:**

The DNRC recommends that the Land Board grant preliminary approval of the proposed Cramer Creek land exchange.









# 0726-3

## Land Banking Program Briefing

**Land Board Agenda Item  
July 20, 2026**

**0726-3 Informational Item: Land Banking Program Briefing**

**Location: N/A**

**Trust Beneficiaries: N/A**

**Trust Revenue: N/A**

**Item Summary:**

At the June 2026 Land Board Meeting, Commissioner Brown requested a briefing regarding the Land Banking program, including programmatic objectives, statutory requirements, accounting & balances, as well as the department's process and administration of land banking activities. DNRC's Real Estate Management Bureau Staff will provide a presentation on these topics. Additionally, the 2026 Land Banking and Cabin Site Sale Reports are enclosed for review.





# The Montana Department of Natural Resources & Conservation

## **LAND BANKING REPORT** **March 2026**

### **Background**

HB 223 (77-2-361 through 367, MCA) passed the Legislature in 2003 with bipartisan support, including unanimous support from the Land Board. HB 223 enacted a Land Banking Program whereby the proceeds of state trust land sales would be placed in a special land banking account which could only be used to acquire other real property interests (land, easements, or improvements). In 2009 the Legislature passed HB 402, removing the sunset of the initial legislation, and capping the number of acres that could be sold through land banking at 250,000.

### **Statute & Rule Requirements**

Statute limits the sale of land to 250,000 acres.

- Of these 250,000 acres, at least 75% must be isolated land.
- Limits sales to 20,000 acres until replacement properties are purchased.

Replacement land must generate as much or more revenue than the land sold.

Prior to a statute change in the 2025 Legislature, the Department of Natural Resources & Conservation (DNRC) was required to provide a report to the Environmental Quality Council (EQC) prior to each regular legislative session which described the results of the Land Banking Program in detail.

Administrative Rules of Montana (ARM 36.25.701 through 708 and ARM 36.25.801 through 817) guide the Land Banking Program and require a rigorous examination of state trust land prior to sale. This includes evaluation using the Montana Environmental Policy Act (MEPA) process, appraisal, notification of lessees, beneficiaries, adjacent landowners, licensees, and publication of legal notices, culminating in public auctions after which final State Land Board approval is required.

### **Goals and Accomplishments of the Program**

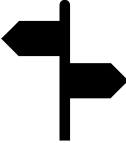
Three goals of the program include: 1) increasing public access to state trust land through strategic sales and acquisitions; 2) improving the investment portfolio of the beneficiaries by diversifying land holdings; and 3) enhancing management and stewardship activities with land consolidation. To date, DNRC has accomplished:

- Isolated sales make up 76% of all acreage sold since the Land Banking Program's inception in 2003, while all 98,272 acres purchased through the program are legally accessible for the Department and the public.
- Cabin sites sold generated \$1,109,210 annually at a 2.88% rate of return.
- Land sales not including cabin sites have generated \$272,395 annually at a 0.48% rate of return.
- Total of all land sold has generated \$1,381,605 annually at a 1.45% rate of return.
- Land acquired has generated \$1,015,799 annually at 1.90% rate of return.
- Land sold is predominantly low-producing and isolated grazing lands, except for leased cabin/home sites which produce a higher rate of return than isolated tracts.
- The land acquired includes commercial, agricultural, grazing, and timbered land with layered income potential.
- Acquisitions are contiguous and (in most cases) result in consolidating existing state ownership.

## Land Banking by the Numbers

| LAND SALES                                                                                                                              |                                                                       |                                                                                                                                               |                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| <b>\$95,341,596</b><br>total generated from land banking sales through the Land Banking Program                                         | <b>\$1,965,000</b><br>total generated from land banking sales in 2025 | <b>68,980 or 76%</b><br>of the acres sold since 2006 have been inaccessible                                                                   | <b>663</b><br>total acres sold in 2025       |
| <b>674</b><br>parcels sold at auction since 2006<br> | <b>\$15.22</b><br>average income per acre of sold parcels             | <b>278</b><br>total cabin & home sites sold since 2014<br> | <b>90,762</b><br>total acres sold since 2006 |

## ACQUISITIONS

|                                                                                                                                          |                                                                                                          |                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>98,272</b><br>total acres<br>acquired since<br>2006  | <b>\$1,015,799</b><br>generated annually from<br>parcels acquired                                        | <b>23</b><br>acquisitions since 2006                               |
| <b>\$10.34</b><br>average income per acre<br>for all acquisitions                                                                        | <b>\$18.99</b><br>average annual income per<br>acre of acquired parcels<br>from annual lease<br>payments | <b>98,272</b><br>acres of publicly<br>accessible<br>land acquired  |
| <b>3.16%</b><br>average rate of return on<br>acquired parcels with<br>annual lease payments                                              | <b>2.21%</b><br>projected long-term<br>average rate of return on<br>forested acquisitions                | <b>\$543</b><br>average cost per acre for<br>all acquisitions                                                                                         |

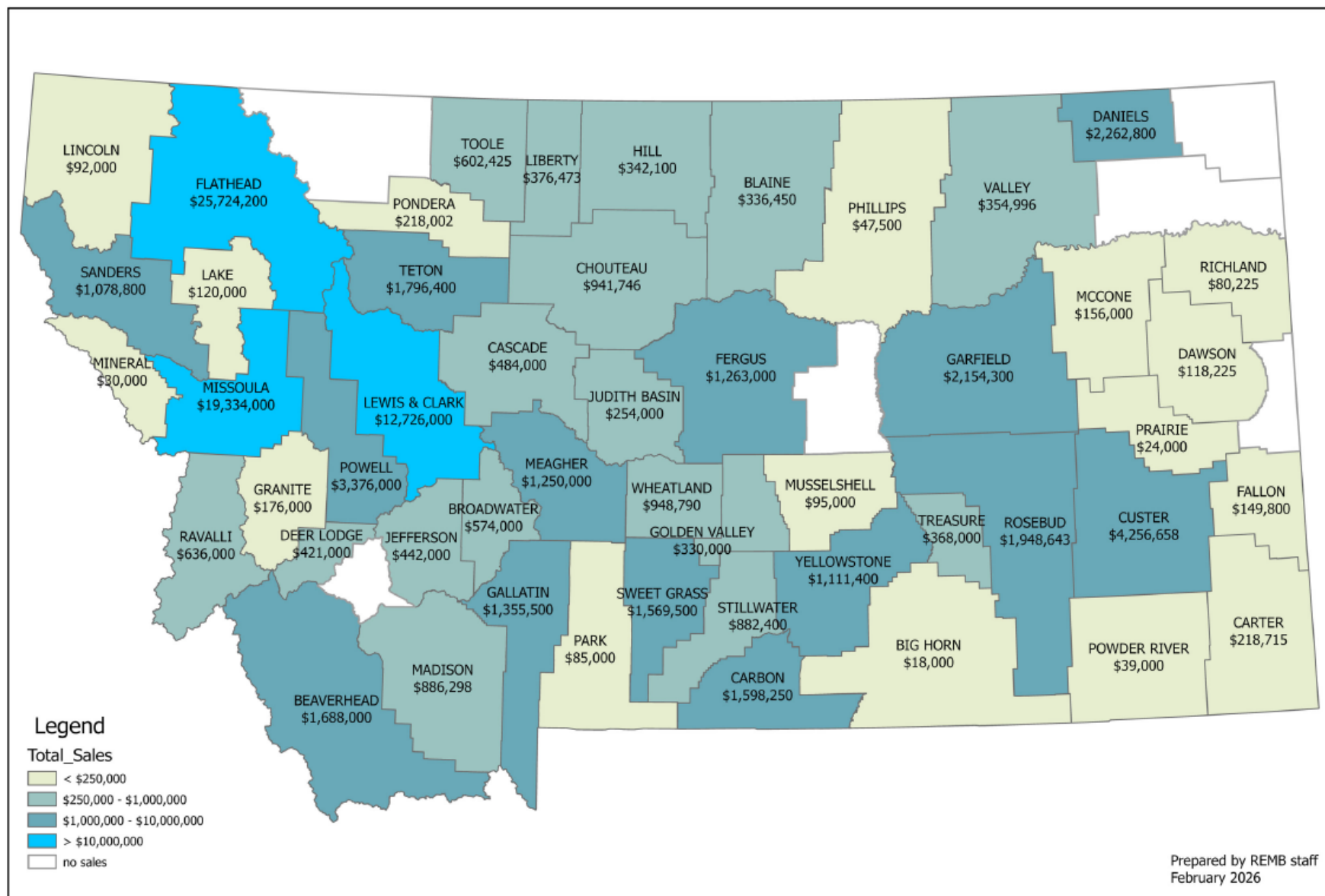
## MONTANA TRUST LAND SALES BY COUNTY 2006-2025

| Acres  | County          | Sales Price  | Annual Income |
|--------|-----------------|--------------|---------------|
| 1,640  | Beaverhead      | \$1,688,000  | \$5,095       |
| 2      | Big Horn        | \$18,000     | \$1,325       |
| 1,284  | Blaine          | \$336,450    | \$3,290       |
| 1,150  | Broadwater      | \$574,000    | \$6,340       |
| 935    | Carbon          | \$1,598,250  | \$1,034       |
| 705    | Carter          | \$218,715    | \$1,367       |
| 805    | Cascade         | \$484,000    | \$2,291       |
| 3,138  | Chouteau        | \$941,746    | \$9,299       |
| 14,608 | Custer          | \$4,256,658  | \$21,296      |
| 6,889  | Daniels         | \$2,262,800  | \$57,326      |
| 646    | Dawson          | \$118,225    | \$432         |
| 360    | Deer Lodge      | \$421,000    | \$5,109       |
| 340    | Fallon          | \$149,800    | \$1,369       |
| 1560   | Fergus          | \$1,263,000  | \$4,406       |
| 761    | Flathead        | \$25,724,200 | \$387,531     |
| 26     | Gallatin        | \$1,355,500  | \$26,191      |
| 13,783 | Garfield        | \$2,154,300  | \$17,204      |
| 658    | Golden Valley   | \$330,000    | \$3,232       |
| 160    | Granite         | \$176,000    | \$417         |
| 684    | Hill            | \$342,100    | \$2,310       |
| 480    | Jefferson       | \$442,000    | \$1,198       |
| 177    | Judith Basin    | \$254,000    | \$4,788       |
| 2      | Lake            | \$120,000    | \$5,700       |
| 10,454 | Lewis and Clark | \$12,726,000 | \$77,674      |
| 1,425  | Liberty         | \$376,473    | \$2,762       |
| 8      | Lincoln         | \$92,000     | \$1,716       |
| 479    | Madison         | \$886,298    | \$601         |
| 301    | McCone          | \$156,000    | \$1,867       |
| 852    | Meagher         | \$1,250,000  | \$9,164       |
| 13     | Mineral         | \$30,000     | \$0           |
| 1,126  | Missoula        | \$19,334,000 | \$628,968     |
| 160    | Musselshell     | \$95,000     | \$1,017       |
| 7      | Park            | \$85,000     | \$24          |
| 10     | Phillips        | \$47,500     | \$755         |
| 618    | Pondera         | \$218,002    | \$3,829       |
| 83     | Powder River    | \$39,000     | \$910         |
| 2,329  | Powell          | \$3,376,000  | \$15,256      |



## MONTANA TRUST LAND SALES BY COUNTY 2006-2025, CONTINUED

| Acres         | County       | Sales Price         | Annual Income      |
|---------------|--------------|---------------------|--------------------|
| 9             | Prairie      | \$24,000            | \$699              |
| 636           | Ravalli      | \$636,000           | \$1,611            |
| 23            | Richland     | \$80,225            | \$1,519            |
| 7,032         | Rosebud      | \$1,948,643         | \$9,741            |
| 35            | Sanders      | \$1,078,800         | \$19,096           |
| 1,930         | Stillwater   | \$882,400           | \$3,855            |
| 484           | Sweet Grass  | \$1,569,500         | \$2,662            |
| 2,002         | Teton        | \$1,796,400         | \$7,159            |
| 2,869         | Toole        | \$602,425           | \$4,910            |
| 1,600         | Treasure     | \$368,000           | \$2,039            |
| 494           | Valley       | \$354,996           | \$5,498            |
| 2,266         | Wheatland    | \$948,790           | \$3,738            |
| 2,722         | Yellowstone  | \$1,111,400         | \$5,984            |
| <b>90,762</b> | <b>Total</b> | <b>\$95,341,596</b> | <b>\$1,381,605</b> |



## Montana Trust Land Sold through the Land Banking Program 2006-2025

| SALES BY TRUST |                        |                     |                    |                         |
|----------------|------------------------|---------------------|--------------------|-------------------------|
| ACRES          | TRUST                  | SALES PRICE         | ANNUAL INCOME      | AVERAGE RATES OF RETURN |
| 84,314         | Common Schools         | \$62,045,229        | \$502,915          | 0.81%                   |
| 640            | MSU Morrill            | \$614,400           | \$1,428            | 0.23%                   |
| 337            | MSU 2nd                | \$15,362,000        | \$529,234          | 3.45%                   |
| 11             | Deaf & Blind School    | \$352,000           | \$7,818            | 2.22%                   |
| 2,824          | Capitol Buildings      | \$2,146,385         | \$19,883           | 0.93%                   |
| 150            | MT Tech                | \$11,341,200        | \$243,675          | 2.15%                   |
| 897            | Pine Hills             | \$2,031,290         | \$60,455           | 2.98%                   |
| 450            | MSU Eastern/UM Western | \$604,592           | \$9,081            | 1.50%                   |
| 1,140          | U of M                 | \$844,500           | \$7,114            | 0.84%                   |
| <b>90,762</b>  | <b>TOTAL</b>           | <b>\$95,341,596</b> | <b>\$1,381,605</b> | <b>1.45%</b>            |

| SALES BY LAND TYPE                                                                                                         |                                                                                                                                |                                                                                                                             |                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <b>84,470</b><br><br>grazing acres sold | <b>3,276</b><br><br>agricultural acres sold | <b>2,408</b><br><br>forested acres sold | <b>607</b><br><br>other acres sold (cabin/home sites) |

| SALES IN SUMMARY                                               |                                                        |                                                     |                                                        |
|----------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------|
| <b>\$1,050</b><br>average sale price per acre of parcels sold  | <b>10,595</b><br>acres sold since the last acquisition | <b>68,980</b><br>inaccessible acres sold since 2003 | <b>1.45%</b><br>average rate of return of parcels sold |
| <b>76% of all sales have been isolated &amp; inaccessible.</b> |                                                        |                                                     |                                                        |

## Land Acquired through the Land Banking Program 2006-2025

This table summarizes replacement property acquired with land banking proceeds. Each acquisition is evaluated on set criteria. Acquisitions Should:

- increase the rate of return compared with the land sold;
- improve access and consolidate land holdings;
- maintain a similar land base consistent with the state's fiduciary duty; and
- consider equalization of land base through sales and acquisitions by geographic area.

It is important to note that while 90,762 acres were sold generating \$95,341,596 in sales revenue, the state spent only \$53,328,091 to acquire 98,272 acres. Additionally, the replacement acreage is all publicly accessible and produces a higher rate of return to the state trust lands.

| LAND ACQUIRED THROUGH THE LAND BANKING PROGRAM<br>2006-2025 |               |                        |                |                 |                 |                     |               |
|-------------------------------------------------------------|---------------|------------------------|----------------|-----------------|-----------------|---------------------|---------------|
| TRACT NAME                                                  | COUNTY        | ACRES                  | PURCHASE PRICE | APPRAISED VALUE | 2025 NET INCOME | 2025 RATE OF RETURN | PURCHASE DATE |
| Eustance Ranch<br>(Ulm Pishkin)                             | Cascade       | 898 Ag & Grazing       | \$718,256      | \$969,600       | \$25,774        | 3.59%               | Oct-06        |
| Capdeville Ranch                                            | Valley        | 530 Ag                 | \$618,000      | \$619,000       | \$16,632        | 2.69%               | Dec-06        |
| North Lincoln                                               | Lewis & Clark | 1,042 Grazing & Timber | \$1,131,636    | \$1,480,000     | \$2,802         | 0.25%*              | Dec-06        |
| Ovando Mountain                                             | Powell        | 1,439 Grazing & Timber | \$540,735      | \$975,000       | \$5,071         | 0.94%*              | Dec-06        |
| Wolf Creek Ranch                                            | Fergus        | 1,843 Ag & Grazing     | \$1,290,000    | \$1,290,000     | \$28,589        | 2.22%               | Jan-07        |
| Tongue River Ranch                                          | Custer        | 18,544 Ag & Grazing    | \$4,800,000    | \$4,800,000     | \$133,782       | 2.79%               | Apr-07        |



**LAND ACQUIRED THROUGH THE LAND BANKING PROGRAM  
2006-2025, CONTINUED**

| TRACT NAME                   | COUNTY            | ACRES                  | PURCHASE PRICE | APPRAISED VALUE | 2025 NET INCOME | 2025 RATE OF RETURN | PURCHASE DATE |
|------------------------------|-------------------|------------------------|----------------|-----------------|-----------------|---------------------|---------------|
| Tupper Lake                  | Powell            | 1,778 Grazing & Timber | \$1,271,000    | \$1,271,000     | \$1,494         | 0.12%*              | Jul-08        |
| DeBruycker Farm              | Teton             | 5,212 Ag & Grazing     | \$4,980,000    | \$4,980,000     | \$140,525       | 2.82%               | Dec-08        |
| Valentine Water Project      | Fergus            | 304 Grazing            | \$150,000      | \$150,000       | \$1,812         | 1.21%               | Jan-09        |
| Chamberlain Creek            | Missoula          | 1,172 Grazing & Timber | \$1,336,000    | \$1,336,000     | \$317           | 0.01%*              | Jul-10        |
| Chamberlain Creek with CE    | Missoula & Powell | 13,411 Timber          | \$4,600,000    | \$4,600,000     |                 |                     |               |
| North Swan (Phase 1)         | Lake              | 1,920 Timber           | \$1,435,830    | \$1,435,830     | \$3,717         | 0.05%*              | Dec-10        |
| North Swan (Phase 2)         | Lake              | 14,624 Timber          | \$5,849,600    | \$5,849,600     |                 |                     | Dec-12        |
| Milk River Ranch             | Hill              | 1,514 Ag & Grazing     | \$1,069,226    | \$1,069,226     | \$21,310        | 1.99%               | Dec-12        |
| 1539 Eleventh Avenue, Helena | Lewis & Clark     | 1 Commercial           | \$435,500      | \$803,000       | \$46,954        | 10.78%              | Feb-13        |
| Hougardy Farm                | Treasure          | 407 Ag & Grazing       | \$1,000,000    | \$1,000,000     | \$18,109        | 1.81%               | Oct-14        |
| Bullhead Ranch               | Pondera           | 2,563 Ag & Grazing     | \$2,500,000    | \$2,550,000     | \$108,263       | 4.33%               | Aug-15        |
| Clapper Flat Farm            | Yellowstone       | 617 Ag & Grazing       | \$490,000      | \$490,000       | \$6,131         | 1.25%               | Jun-16        |

**LAND ACQUIRED THROUGH THE LAND BANKING PROGRAM  
2006-2025, CONTINUED**

| TRACT NAME                     | COUNTY      | ACRES               | PURCHASE PRICE      | APPRAISED VALUE     | 2025 NET INCOME    | 2025 RATE OF RETURN | PURCHASE DATE |
|--------------------------------|-------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------|
| Lost Creek Farm                | Stillwater  | 2,017 Ag            | \$1,333,000         | \$1,445,500         | \$33,383           | 2.50%               | Jun-17        |
| Birkley Road Farm              | Yellowstone | 1,266 Ag            | \$979,265           | \$979,265           | \$10,301           | 1.05%               | Sep-17        |
| Angela Farm                    | Rosebud     | 16,952 Ag & Grazing | \$11,300,000        | \$11,300,000        | \$408,538          | 3.62%               | Mar-18        |
| Stillwater Lazy Creek Phase I  | Flathead    | 7,018 Timber        | \$3,777,579         | \$3,777,579         | \$2,294            | 0.04%*              | Feb-18        |
| Stillwater Lazy Creek Phase II | Flathead    | 3200 Timber         | \$1,722,464         | \$1,722,464         |                    |                     | Oct-18        |
| <b>TOTAL</b>                   |             | <b>98,272 acres</b> | <b>\$53,328,091</b> | <b>\$54,893,064</b> | <b>\$1,015,799</b> | <b>1.90%</b>        |               |

\* Rate of Return only reflects secondary income. Timber will be harvested from the property during the next 60 years.



# Department of Natural Resources & Conservation

## Cabin & Home Site Sales Report

### June 2026

#### Background

SB369 passed the Legislature in 2013 with bipartisan support and established the Cabin and Home Site Sale Program. Proceeds from the sale of cabin and home sites are placed into the state land bank fund. The purpose of the state land bank fund is to temporarily hold proceeds from the sale of trust land pending the purchase of other land, easements, or improvements for the benefit of the beneficiaries of the respective trusts.

#### Statute & Rule Requirements

Statute requires the sale of cabin and home sites at the request of a lessee or improvements owner, only if approved by the State Board of Land Commissioners (Land Board) and if the sale is consistent with the Land Board's fiduciary duty of attaining full market value.

The Department of Natural Resources and Conservation (DNRC) previously reported annually to the Environmental Quality Council (EQC) a summary of land sales of those lands that were state land cabin or home sites pursuant to 77-2-318, MCA, and efforts by DNRC to comply with the requirements of 77-2-318 (1) MCA. During the 2025 Legislative session, HB 562 repealed the reporting requirement previously found under 77-2-366, MCA.



*View from Flathead County Cabin Site*

#### Goals of the Program

The goals of the program are to:

- meet the legislative intent of SB369 as outlined above.
- maximize the revenue from the sale of these state cabin sites for the beneficiaries, with sales occurring over a reasonable period of time and spread throughout different neighborhoods in Montana.
- improve the investment portfolio of the beneficiaries by purchasing replacement lands that provide better income returns with fewer management costs.

## Cabin Site Sale Program Summary

Administrative Rules (ARM 36.25.701 through 708) were given final approval by the Land Board in December 2013. As of June 1, 2026, **283** cabin/homesites have been sold for a total of **\$39,543,050**. Of that total, **\$1,146,091** has been used to purchase access easements to the cabin or home sites as a part of the sale transaction and allocated to the respective trust's permanent fund for easement compensation, pursuant to 77-2-318, MCA.

### Sites Sold through the Cabin & Home Site Sales Program 2014-2026

| CALENDAR YEAR                                        | # SOLD     | SALE PRICE          |
|------------------------------------------------------|------------|---------------------|
| 2014*                                                | 3          | \$580,000           |
| 2015*                                                | 3          | \$596,000           |
| 2016                                                 | 14         | \$2,499,500         |
| 2017                                                 | 38         | \$3,651,225         |
| 2018                                                 | 26         | \$4,328,325         |
| 2019                                                 | 41         | \$4,137,800         |
| 2020                                                 | 41         | \$7,307,500         |
| 2021                                                 | 37         | \$4,418,200         |
| 2022                                                 | 28         | \$5,367,500         |
| 2023                                                 | 29         | \$3,861,000         |
| 2024                                                 | 7          | \$537,000           |
| 2025                                                 | 11         | \$1,215,000         |
| 2026                                                 | 5          | 1,044,000           |
| <b>Total Sales Closed</b>                            | <b>283</b> | <b>\$39,543,050</b> |
| Sales Granted Preliminary Approval by the Land Board | 10         | Pending Processing  |

*\*The pilot program started in 2014- 2015 and was integrated into existing workloads. In 2016, operations for the program were funded and staffed with an additional FTE.*

*\*\*The total sites listed in the above table are shown by calendar year; data current as of June 1, 2026.*

DNRC's portion of processing costs for cabin/homesite sales as of June 2026 is approximately \$714,000. These costs include appraisal fees, land surveys, and marketing (for vacant sites) offered for sale. Buyers of cabin and home sites are responsible for additional processing costs, including nomination fees, legal advertising, appraisals attributable to improvements, cultural resource inventories, any required environmental reviews, and document filing fees.

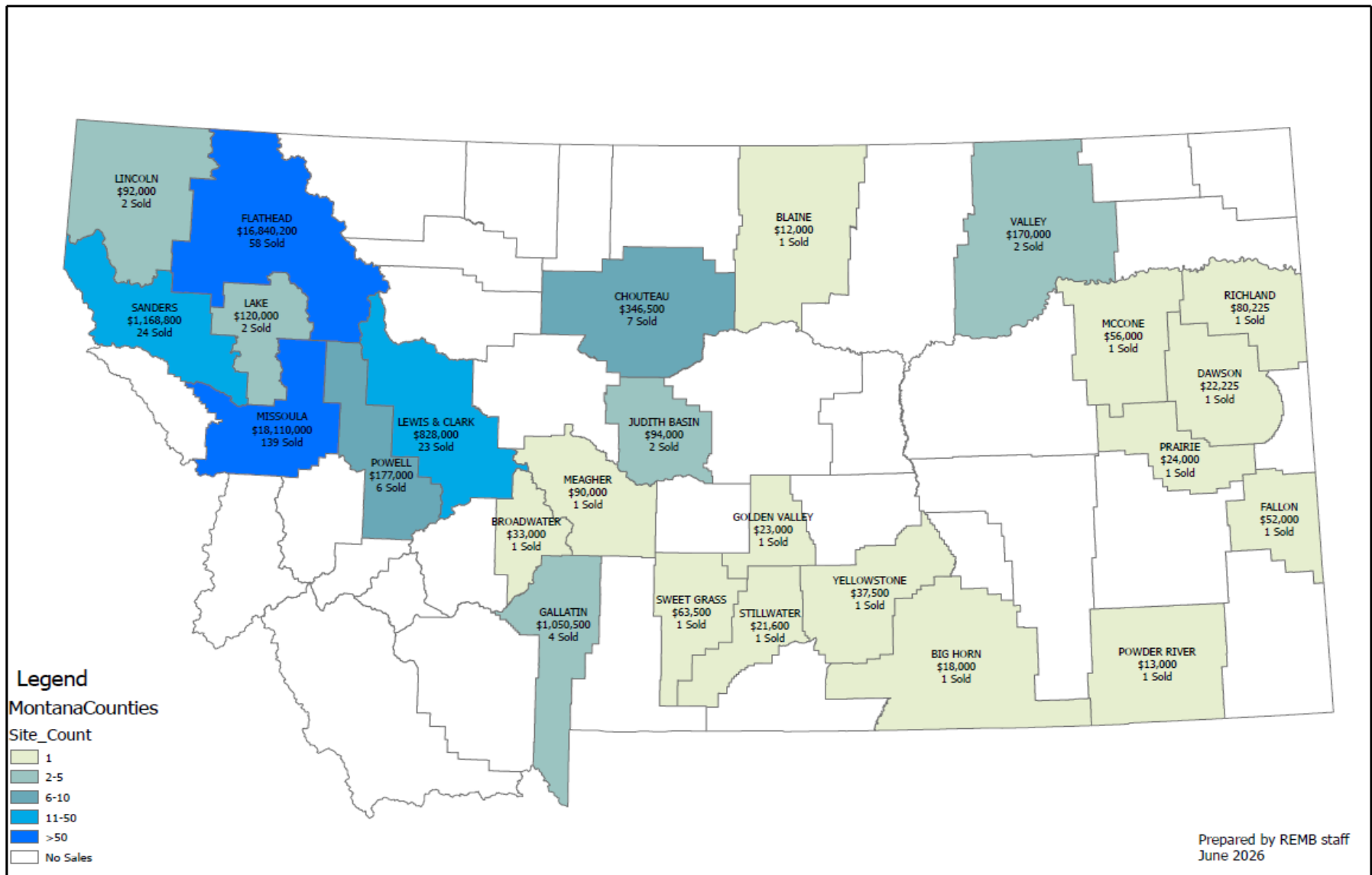
Solicitation for the 2026-2027 sale cycle began in October 2025. After selection of nominated sites to be included for sale in the 2026-2027 Cabin Site Sales Program, the Land Board granted preliminary approval for ten cabin site sales in April of 2026.



Approximately 8% of lessees withdrew from the 2024-2025 sale cycle, most frequently after preliminary approval and prior to submitting processing costs. To date no lessees have withdrawn from the 2026-2027 Sales Cycle. Over the course of the program there have been 387 lessee-nominated cabin sites; of these nominated sales, 106 have withdrawn for a withdrawal rate of 27%.

Over the life of the program, hearings due to contested appraised value have been requested for 56 cabin and home sites. Of these, 11 hearings were cancelled by the lessee. Among the hearings that proceeded, 67% resulted in recommendations of no change by the Administrative Law Judge. Fewer than one in five hearings have resulted in recommended downward adjustments to land values, which have ranged from \$8,500 to \$127,000.

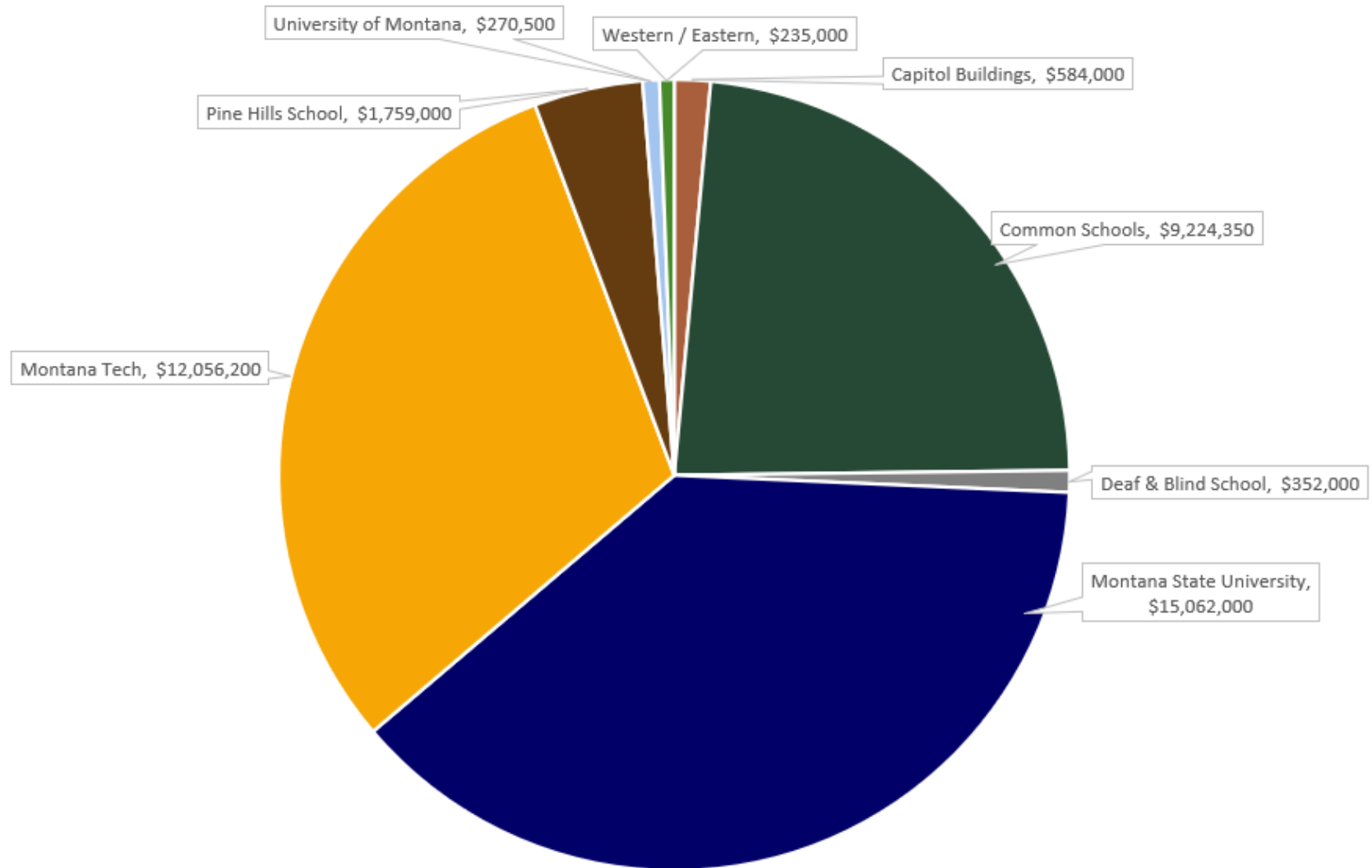
The average time frame to complete a sale from appraisal to closing is eleven months.

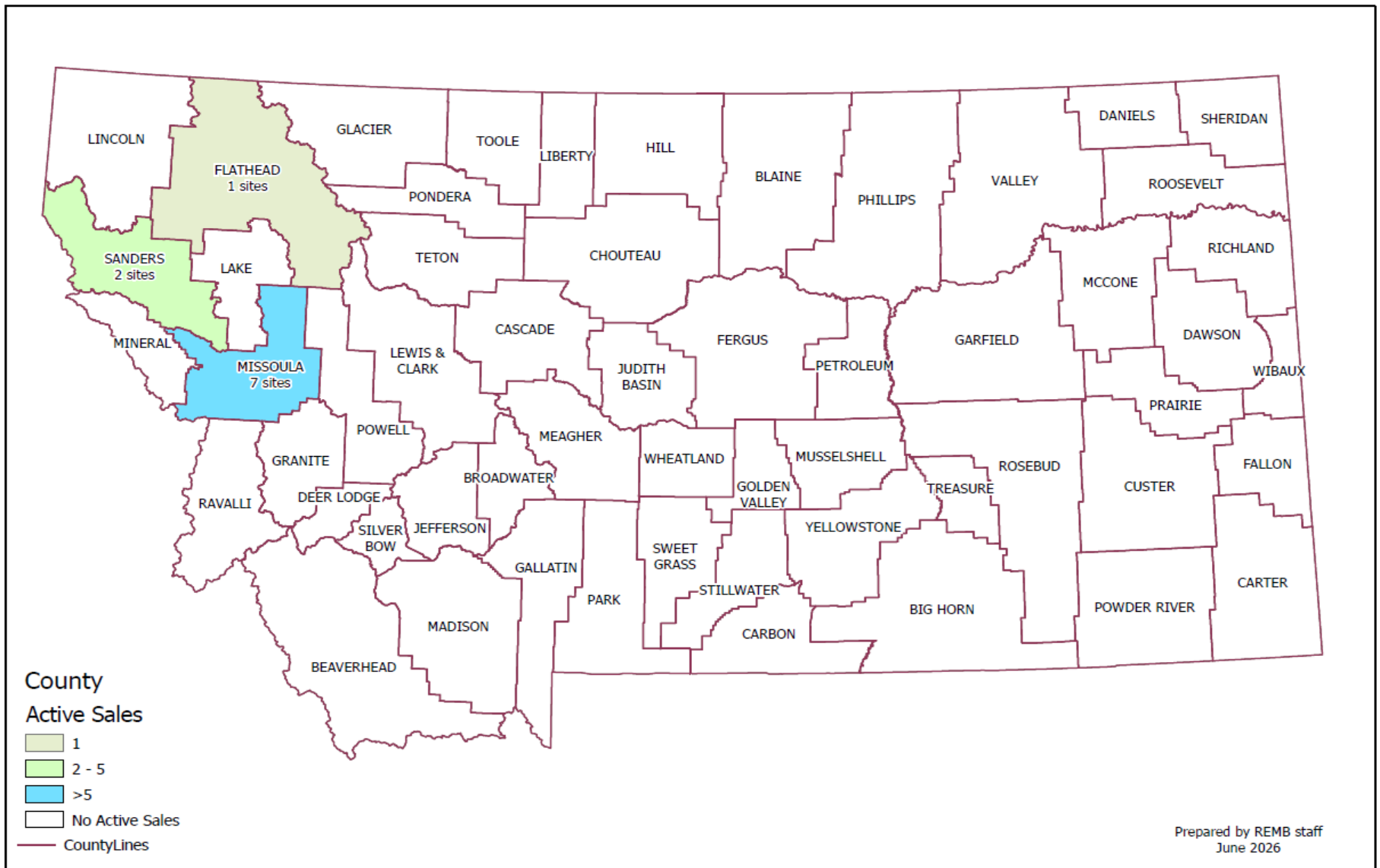


## Montana Trust Lands Cabin & Home Site Sales by County, 2014 - June 2026



# Cabin & Home Site Sales by Trust





# 0726-4

Land Banking Sale:  
Preliminary Approval



**Land Board Agenda Item  
July 20, 2026**

**0726-4 Land Banking: Preliminary Approval for Sale**

**Location: Cascade County**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: Appraisal to be completed after preliminary approval**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC or Department) requests preliminary approval to sell one parcel totaling approximately 520± acres nominated for sale in Cascade County. The sale was nominated by the lessee and is located approximately 9 miles south of Cascade, Montana.

| <b>Sale #</b> | <b># of Acres</b> | <b>Legal</b>                                  | <b>Nominator</b>  | <b>Trust</b>      |
|---------------|-------------------|-----------------------------------------------|-------------------|-------------------|
| 2001          | 520±              | N2NW4_E2_NE4SW4_S2SW4<br>T16N-R1W, Section 16 | Leach Holdings LP | Common<br>Schools |

The sale parcel has been used primarily for livestock grazing purposes and has below average productivity for agricultural and grazing lands statewide.

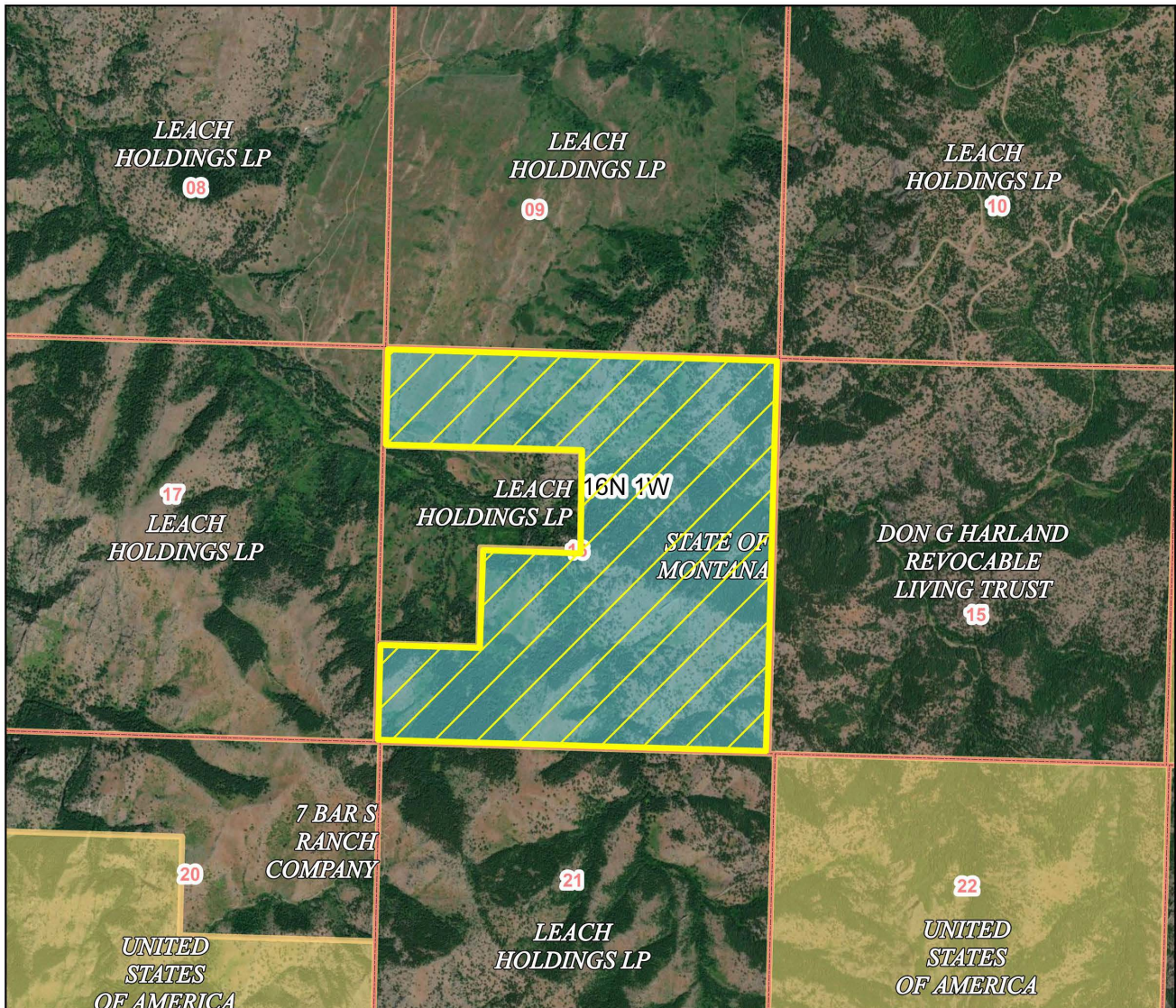
Sale No. 2001 is entirely surrounded by private land and is not legally accessible by the public. The sale of this parcel would not restrict or eliminate access to adjacent private land.

MEPA scoping has been completed, and no potentially negative issues related to the sale of this parcel have been identified. Public comments include one reply from an adjoining landowner expressing general support for the sale. Other public comments received were informational inquiries.

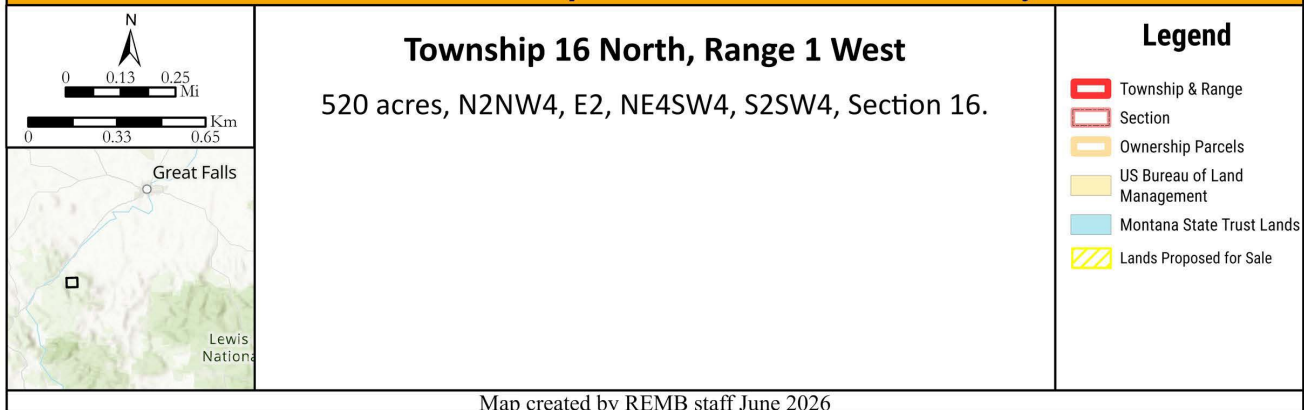
With the Land Board's preliminary approval to sell this parcel, DNRC can continue the due diligence necessary to fully evaluate this parcel and process it for sale.

**DNRC Recommendation:**

The DNRC recommends preliminary approval to sell this parcel.



**State Trust Land Proposed for Sale - Cascade County**



Map created by REMB staff June 2026



# State Trust Land Vicinity Map Helena Unit

Leach Holdings Land Banking Sale #2001

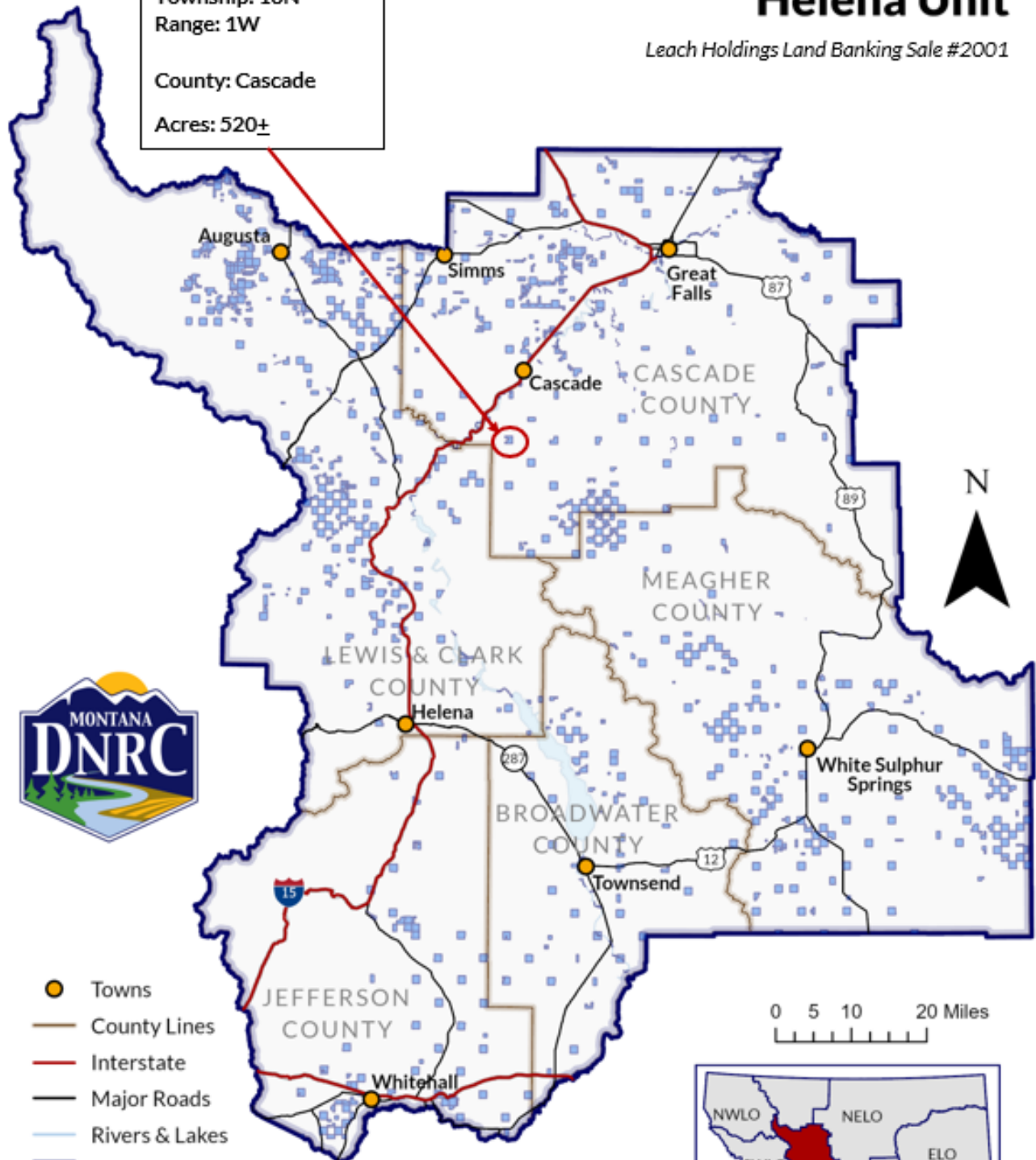
Section: 16  
Township: 16N  
Range: 1W

County: Cascade

Acres: 520±



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



0 5 10 20 Miles



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

# 0726-5

## Easements

**Land Board Agenda Item  
July 20, 2026**

**0726-5**

**Easements**

**Location: Blaine, Chouteau, Dawson, Pondera, and Valley Counties**

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

**Trust Revenue: Common Schools \$18,905, Public Land Trust \$1,874**

**Item Table of Contents**

| <b>Applicant</b>                             | <b>Right-of-Way Purpose</b> | <b>Term</b> | <b>Page(s)</b> |
|----------------------------------------------|-----------------------------|-------------|----------------|
| WBI Energy Transmission, Inc.                | Natural Gas Pipeline        | 30-Year     | 52-53          |
| William Brown                                | Private Access Easement     | Permanent   | 54-55          |
| Allen Denzer                                 | Private Access Easement     | Permanent   | 56-59          |
| Kyle Allan Mathiason & Alix Louise Mathiason | Private Access Easement     | Permanent   | 60-61          |
| NorthWestern Energy                          | Natural Gas Pipelines       | 30-Year     | 62-67          |



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

|                    |                                                                                                                  |
|--------------------|------------------------------------------------------------------------------------------------------------------|
| Applicant:         | WBI Energy Transmission, Inc.<br>2010 Montana Avenue<br>Glendive, MT 59330                                       |
| Application No.:   | 19958                                                                                                            |
| R/W Purpose:       | an 8-inch natural gas pipeline                                                                                   |
| Lessee Agreement:  | N/A (Navigable River)                                                                                            |
| Acreage:           | 0.18                                                                                                             |
| Compensation:      | \$1,874.00                                                                                                       |
| Legal Description: | 50-foot strip below the west half of the Milk River in Gov. Lot 5,<br>Sec. 22, Twp. 27N, Rge. 42E, Valley County |
| Trust Beneficiary: | Public Land Trust                                                                                                |

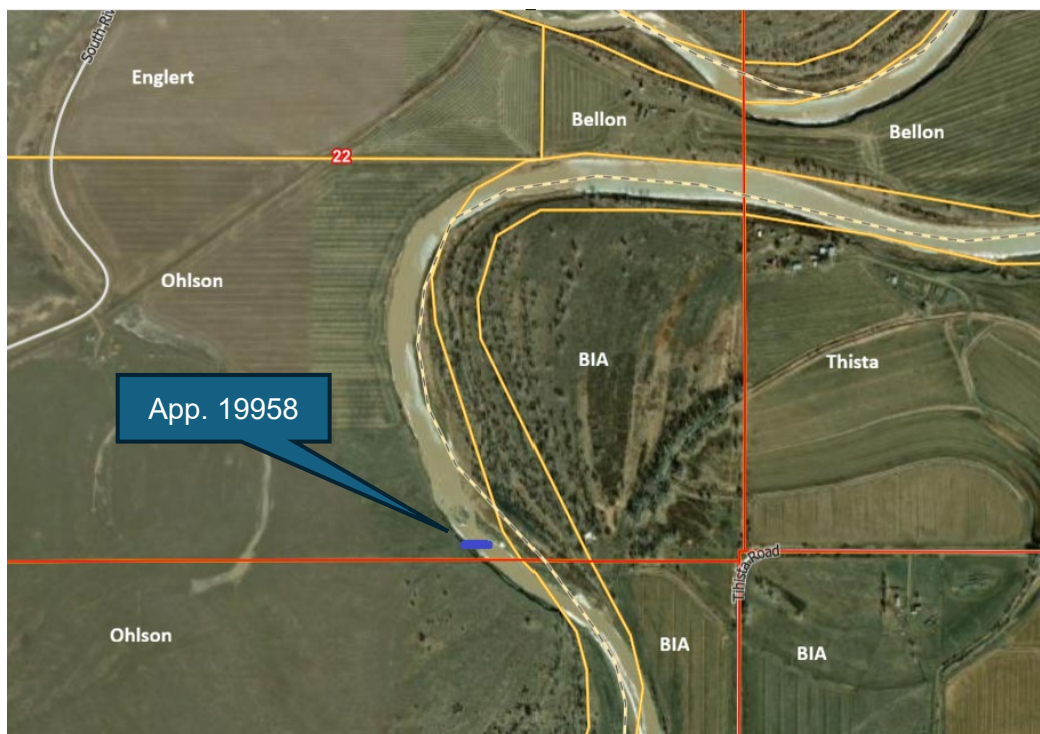
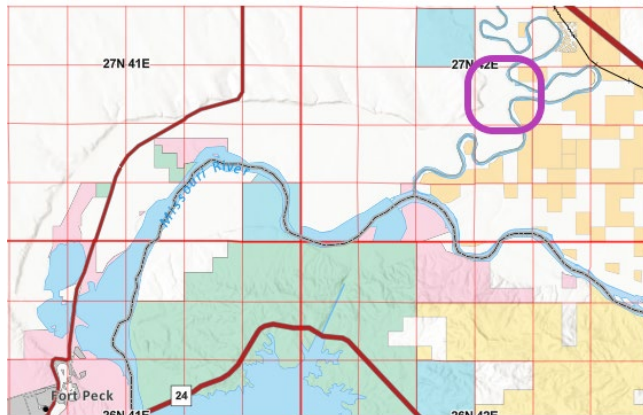
### **Item Summary:**

WBI Energy is requesting an easement to install a new 8-inch natural gas pipeline under the Milk River. The existing pipeline is exposed due to scour and erosion and could be at risk of rupture. The new proposed pipeline would be located north of the existing pipeline and bored below the depth of scour to eliminate any future exposures. The State of Montana claims ownership of the western half of the Milk River, with the east half of the river under ownership of the BIA. Thus, the project was analyzed by the Dept. of Interior, Bureau of Indian Affairs and a finding of no significant impact was issued in April, 2026.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of WBI Energy Transmission, Inc for a 30-year term.

Application #19958



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

|                    |                                                                                                                                      |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Applicant:         | William Brown<br>43 Chase Hill Dr.<br>Big Sandy, MT 59520                                                                            |
| Application No.:   | 19959                                                                                                                                |
| 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:           | 1.58                                                                                                                                 |
| Compensation:      | \$1,106.00                                                                                                                           |
| Legal Description: | 30-foot strip through E2NE4, Sec. 16, Twp. 23N, Rge. 16E, Chouteau County                                                            |
| Trust Beneficiary: | Common Schools                                                                                                                       |

### **Item Summary:**

William Brown 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. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

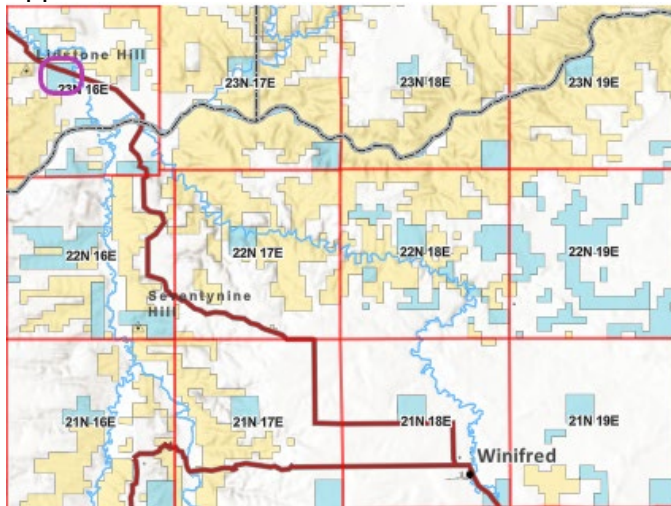
William Brown private land to be accessed is described as follows:

- NE4, Section 16, Township 23 North, Range 16 West
- NW4NW4, Section 15, Township 23 North, Range 16 West

### **DNRC Recommendation:**

The DNRC recommends approval of the application for William Brown.

Application #19959



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

|                    |                                                                          |
|--------------------|--------------------------------------------------------------------------|
| Applicant:         | Allen Denzer<br>PO Box 936<br>Conrad, MT 59425                           |
| Application No.:   | 19960                                                                    |
| R/W Purpose:       | a private access road to conduct normal farming and ranching operations  |
| Lessee Agreement:  | N/A (Historic)                                                           |
| Acreage:           | 0.59                                                                     |
| Compensation:      | \$826.00                                                                 |
| Legal Description: | 20-foot strip through NW4NW4, Sec. 15, Twp. 27N, Rge. 3W, Pondera County |
| Trust Beneficiary: | Common Schools                                                           |

### **Item Summary:**

Allen Denzer is requesting a historic easement for a private access road for the purpose of conducting farming and ranching operations. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

Allen Denzer private land to be accessed is described as follows:

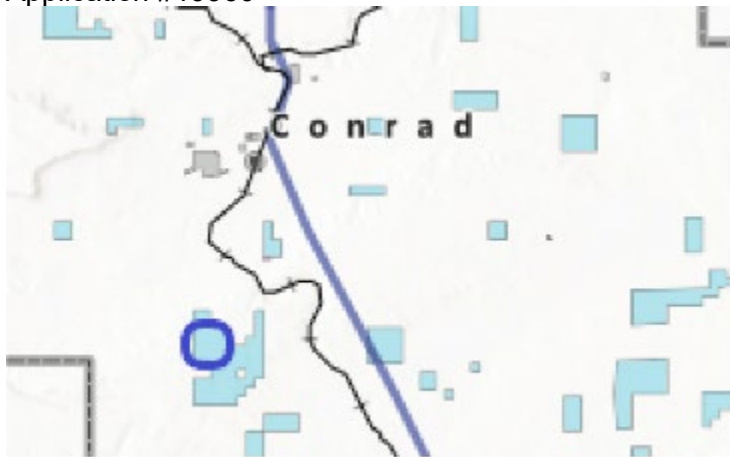
- SE4, Section 10, Township 27 North, Range 3 West

### **DNRC Recommendation:**

The DNRC recommends approval of the application for Allen Denzer.



Application #19960



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

|                    |                                                                                                                                  |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Applicant:         | Allen Denzer<br>PO Box 936<br>Conrad, MT 59425                                                                                   |
| Application No.:   | 19961                                                                                                                            |
| R/W Purpose:       | a private access road to a single-family residence & associated outbuildings & to conduct normal farming and ranching operations |
| Lessee Agreement:  | N/A                                                                                                                              |
| Acreage:           | 0.73                                                                                                                             |
| Compensation:      | \$1,022.00                                                                                                                       |
| Legal Description: | 20-foot strip through S2SW4, Sec. 10, Twp. 27N, Rge. 3W, Pondera County                                                          |
| Trust Beneficiary: | Common Schools                                                                                                                   |

### **Item Summary:**

Allen Denzer 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. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

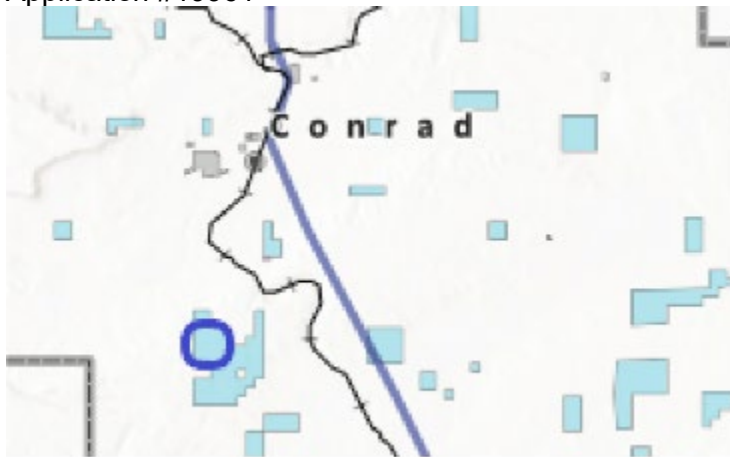
Allen Denzer private land to be accessed is described as follows:

- SE4, Section 10, Township 27 North, Range 3 West

### **DNRC Recommendation:**

The DNRC recommends approval of the application for Allen Denzer.

Application #19961



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

Applicant: Kyle Allan Mathiason and Alix Louise Mathiason  
1563 Road 248  
Glendive, MT 59330

Application No.: 19962  
R/W Purpose: a private access road to conduct normal farming and ranching operations  
Lessee Agreement: N/A (Historic)  
Acreage: 3.00  
Compensation: \$2,100.00  
Legal Description: 20-foot strip through S2NE4, SE4NW4, NE4SW4, W2SW4, Sec. 16, Twp. 14N, Rge. 52E, Dawson County

Trust Beneficiary: Common Schools

### **Item Summary:**

Kyle Allan Mathiason and Alix Louise Mathiason are requesting a historic easement for a private access road for the purpose of conducting farming and ranching operations. This application is made pursuant to amendments of §77-2-101, MCA for recognition of historic uses across state trust land.

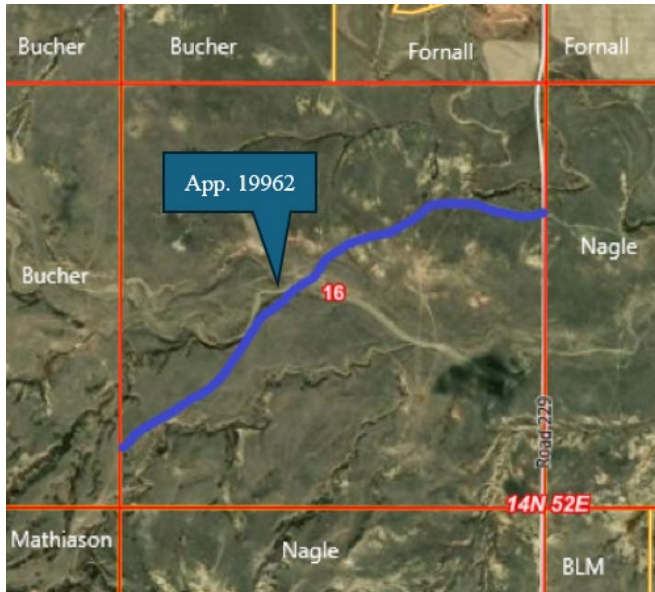
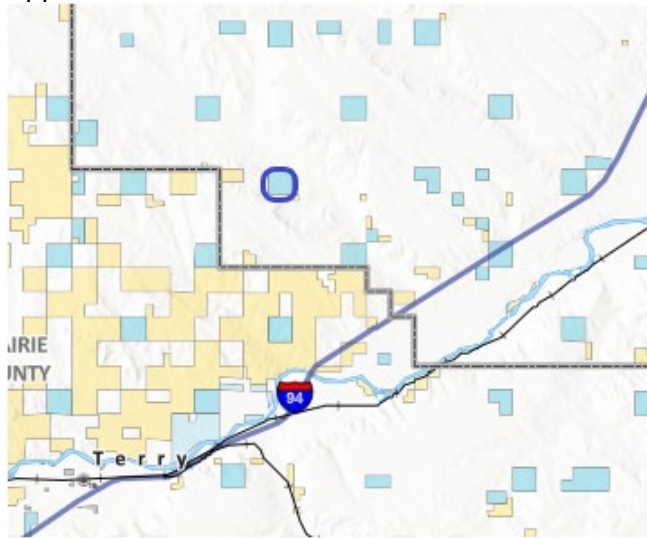
Kyle Allan Mathiason and Alix Louise Mathiason private land to be accessed is described as follows:

- All, Section 20, Township 14 North, Range 52 East
- E2, Section 19, Township 14 North, Range 52 East

### **DNRC Recommendation:**

The DNRC recommends approval of the application for Kyle Allan Mathiason and Alix Louise Mathiason.

Application #19962





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

|                    |                                                                                                             |
|--------------------|-------------------------------------------------------------------------------------------------------------|
| Applicant:         | NorthWestern Energy<br>7525 US HWY 2 NW<br>Havre, MT 59501                                                  |
| Application No.:   | 19963                                                                                                       |
| R/W Purpose:       | a buried 6-inch natural gas pipeline                                                                        |
| Lessee Agreement:  | ok                                                                                                          |
| Acreage:           | 2.45                                                                                                        |
| Compensation:      | \$4,844.00                                                                                                  |
| Legal Description: | 20-foot strip through NE4NE4, SW4NE4, SE4NE4, NE4SE4,<br>NW4SE4, Sec. 16, Twp. 25N, Rge. 18E, Blaine County |
| Trust Beneficiary: | Common Schools                                                                                              |

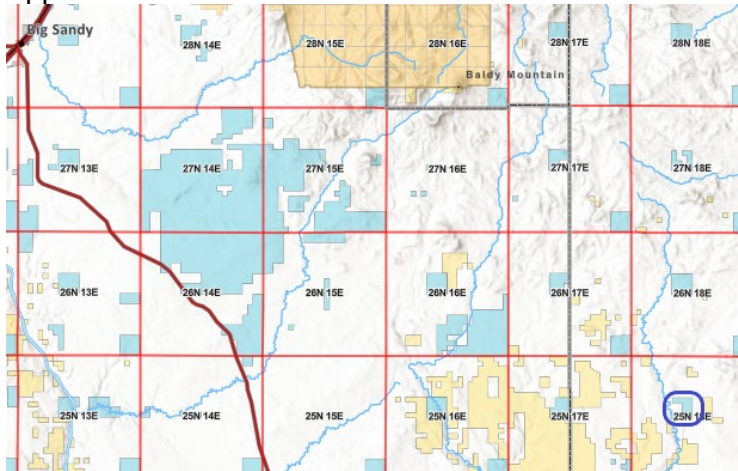
### **Item Summary:**

Northwestern Energy is requesting an easement for an existing buried 6-inch natural gas pipeline that connects a well on private land to a well on state trust land. The pipeline was initially installed in 2006 under a land use license.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of NorthWestern Energy for a 30-year term.

## Application #19963



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

Applicant: NorthWestern Energy  
7525 US HWY 2 NW  
Havre, MT 59501

Application No.: 19964  
R/W Purpose: a buried 4-inch natural gas pipeline  
Lessee Agreement: ok  
Acreage: 1.23  
Compensation: \$2,431.00  
Legal Description: 20-foot strip through S2SE4, Sec. 16, Twp. 27N, Rge. 14E,  
Chouteau County

Trust Beneficiary:

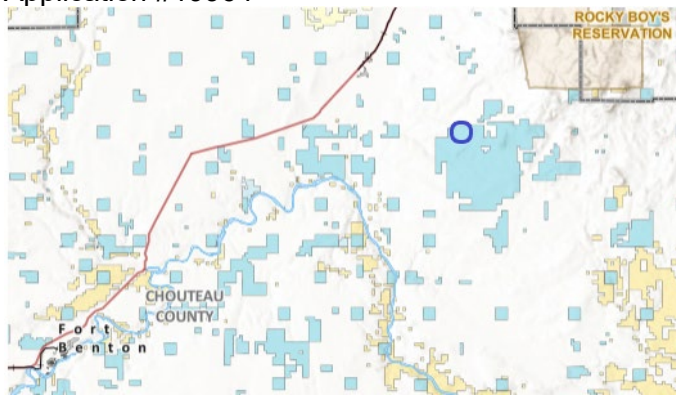
### **Item Summary:**

Northwestern Energy is requesting an easement for a buried 4-inch natural gas pipeline that connects existing wells on state trust land. State 16-14-27-14 well to an existing line at State well #1. The pipeline was initially installed in 2004 under a land use license.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of NorthWestern Energy for a 30-year term.

# Application #19964



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

|                    |                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------|
| Applicant:         | NorthWestern Energy<br>7525 US HWY 2 NW<br>Havre, MT 59501                                                          |
| Application No.:   | 19965                                                                                                               |
| R/W Purpose:       | a buried 4-inch natural gas pipeline                                                                                |
| Lessee Agreement:  | ok                                                                                                                  |
| Acreage:           | 3.86                                                                                                                |
| Compensation:      | \$6,576.00                                                                                                          |
| Legal Description: | 20-foot strip through Gov. Lot 3, E2SW4, W2SE4, NE4SE4, S2NE4, NW4NE4, Sec. 19, Twp. 27N, Rge. 14E, Chouteau County |
| Trust Beneficiary: | Common Schools                                                                                                      |

### **Item Summary:**

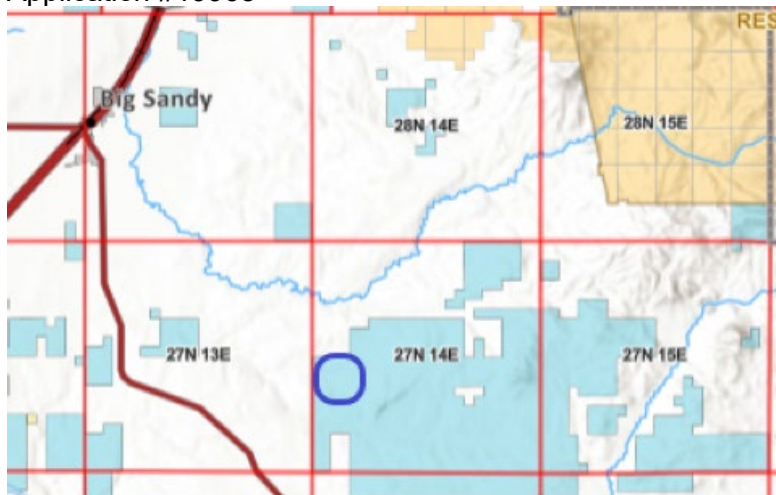
Northwestern Energy is requesting an easement for a buried 4-inch natural gas pipeline that connects to a well on state trust land. The pipeline was initially installed under a land use license in 2004.

### **DNRC Recommendation:**

The DNRC recommends approval of the application of NorthWestern Energy for a 30-year term.



Application #19965



# 0726-6

Land Board Policy –  
Production Livestock Policy

**Land Board Agenda Item  
July 20, 2026**

**0726-6 Land Board Policy – Production Livestock Policy**

**Location: All**

**Trust Beneficiaries: All**

**Trust Revenue: Unknown**

**Item Summary:**

At the February 2026 Land Board meeting a motion was unanimously approved directing the Department of Natural Resources and Conservation (DNRC) to develop a policy to guide the issuance of grazing leases and licenses to production livestock operations while also factoring the fiduciary obligations of the Land Board and DNRC. Competitive bidding is the mechanism the DNRC utilizes to issue grazing leases.

At the April 2026 Land Board meeting a motion was unanimously approved directing DNRC to conduct public scoping on a draft policy for 30 days, collect public comments, make any applicable revisions and return to a future Land Board meeting for approval and adoption of a final draft policy.

The public scoping period ran from April 24, 2026 through May 24, 2026. 473 comments were provided during the scoping period, 440 responses were submitted through an online survey, 28 responses were received through email, and 5 responses were received through mail.

Based on the responses received during the scoping period revisions to the proposed policy have been incorporated in order to clarify the applicability and scope of the policy, define the roles of the Land Board and DNRC, and highlight the Land Board and DNRC's fiduciary duty and consideration of the long term stewardship and income generating capacity of trust land.

A summary of the comments received is included below.

If the policy is adopted, it would provide internal guidance in evaluating and awarding competitive bids on grazing leases as described and would become effective immediately. The DNRC would return to a future Land Board meeting with revisions to lease documents necessary to implement the policy.

**DNRC Recommendation:**

The DNRC recommends that the Land Board adopt the revised policy.

77-6-202 and 205, MCA and 36.25.111 and 117, ARM detail the process and requirements for a prospective lessee or licensee of state trust land to obtain a lease or license through competitive bidding.

In reviewing competitive bids deemed to be complete and proper on classified grazing ground the department should consider all of the factors provided in 36.25.117 (9) (b) as well as:

- Does the bid fulfill the fiduciary obligations of the Land Board and the department?
- Does the bid align with the Land Board and department's mission, including considering environmental factors and protecting the long-term income-generating capacity of the land?
- Is the bid in the best interest of the state?

When comparing two or more bids deemed to be complete and proper on classified grazing ground, and the above questions have been satisfied, and all other factors are equal except one bidder has indicated in their bid form that they participate in production livestock operations, and one bidder has not:

- For competitive bids on renewing leases the director shall recommend the Board to award the lease or license to the bidder who has indicated that the lease or license is used for production livestock operations.
- For bids on vacant tracts the department shall award the lease or license to the bidder who has indicated that the lease or license is used for production livestock operations
- "Production livestock operations" means the use of the leased or licensed land primarily and directly for raising and marketing livestock, their offspring, or products derived from the livestock in the regular course of business with the intent to profit. Production livestock operations include activities and uses that are customary and necessary in raising livestock and preparing them, their offspring, or the products derived therefrom for market.

This preference for lessees or licensees participating in production livestock operations can be taken into account, but does not supersede:

- The Land Board and department's fiduciary obligation to obtain the highest measure of advantage for the trust while considering the long term health and income generating capacity of the land.
- An existing lessee or licensee's preference right to match high bids and request a hearing on renewing leases or licenses.

77-6-202 and 205, MCA and 36.25.111 and 117, ARM detail the process and requirements for a prospective lessee or licensee of state trust land to obtain a lease or license through competitive bidding.

In reviewing competitive bids deemed to be complete and proper on classified grazing ground the department should consider all of the factors provided in 36.25.117 (9) (b) as well as:

- Does the bid fulfill the fiduciary obligations of the Land Board and the department?
- Does the bid align with the Land Board and department's mission, including considering environmental factors and protecting the long-term income-generating capacity of the land?
- Is the bid in the best interest of the state?

When comparing two or more bids deemed to be complete and proper on classified grazing ground, and the above questions have been satisfied, and all other factors appear to be equal except one bidder has indicated in their bid form that they participate in production livestock operations, and one bidder has not:

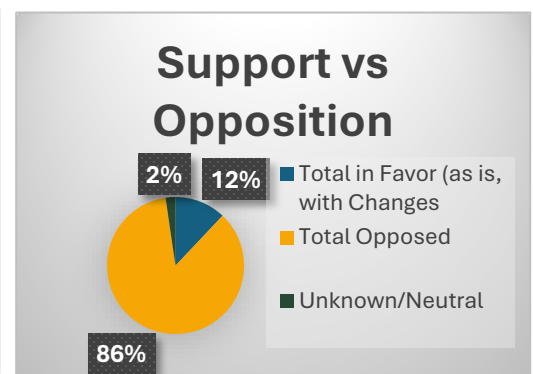
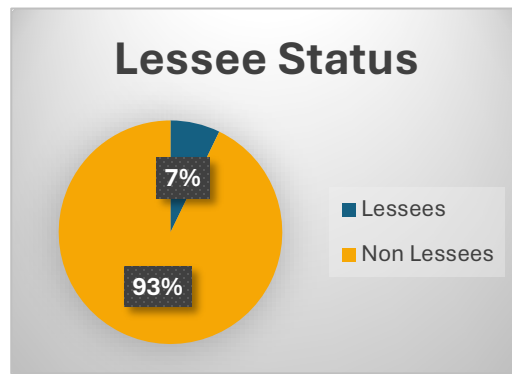
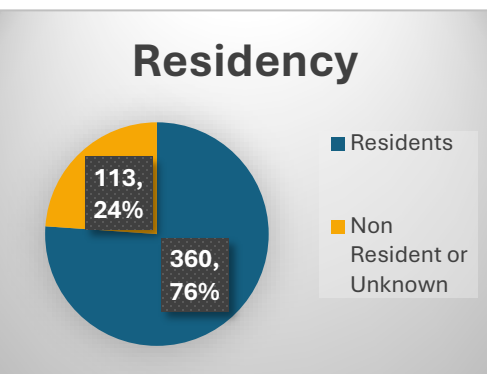
- For competitive bids on renewing leases the department director shall should recommend the Board to award the lease or license to the bidder who has indicated that they intend to utilize the lease or license is used for production livestock operations.
- For bids on vacant tracts the department shall award the lease or license to the bidder who has indicated that the lease or license is used for production livestock operation.
- "Production livestock operations" means the use of the leased or licensed land primarily and directly for raising and marketing livestock, their offspring, or products derived from the livestock in the regular course of business with the intent to profit. Production livestock operations include activities and uses that are customary and necessary in raising livestock and preparing them, their offspring, or the products derived therefrom for market.

This preference for lessees or licensees participating in production livestock operations can be taken into account, but does not supersede:

- The Land Board and department's fiduciary obligation to obtain the highest measure of advantage for the trust while considering the long term health and income generating capacity of the land.
- An existing lessee or licensee's preference right to match high bids and request a hearing on renewing leases or licenses.



| Total Responses | Residents | Non Resident or Unknown | Lessees | Total in Production | Non Production | Total in Favor (as is, with Changes) | Total Opposed | Unknown/Neutral |
|-----------------|-----------|-------------------------|---------|---------------------|----------------|--------------------------------------|---------------|-----------------|
| 473             | 360       | 113                     | 34      | 50                  | 423            | 57                                   | 405           | 11              |
|                 | 76.11%    | 23.89%                  | 7.19%   | 10.57%              | 89.43%         | 12.05%                               | 85.62%        | 2.33%           |



- 440 Survey Responses; 33 mail and email
- Areas of agreement
  - Long term range health
  - Fiduciary duty
  - Trust lands support multiple uses
- Support – Key Themes
  - Emphasize production livestock and Family ranches
    - Keep working lands working
  - Investments in the land
  - Well-funded nonproduction entities could outbid family operations
  - Land could be shifted away from production agriculture

- Opposition – Key Themes
  - Aimed at a singular entity (AP) rather than a neutral standard
  - Broadly applicable should be rule and go through MAPA and Tribal Consultation
  - Non-production obligations can still meet fiduciary duty and better care for the long-term health of the land
  - Decisions should be based in science
  - Very narrow applicability and the factors to examine are already provided in MCA
  - Open to legal challenges if adopted
- Options to edit before adoption
  - Clarify limited role of preference
  - Highlight stewardship of range health
  - Clarify internal policy when examining bids, not a rule

# 0726-7

Lease No. 5183

**Land Board Agenda Item  
July 20, 2026**

**0726-7 Lease 5183**

**Location: Toole County**

**Trust Beneficiaries: Common Schools**

**Trust Revenue: \$26,659 Annually**

**Item Summary:**

At the June 15, 2026 Land Board meeting, Governor Gianforte directed DNRC to work with the Nickol family to determine whether new information warrants cancelling lease 5183 or reopening the competitive bid hearing process.

**Background:**

Under 77-6-205, MCA and ARM 36.25.117, expiring leases are subject to competitive bidding. Lease 5183, an agricultural and grazing lease in Toole County, expired February 28, 2026. One bid was received at \$65/acre and \$50/AUM. The existing lessee had already applied for renewal and exercised their statutory preference right under 77-6-116(2), MCA to match the bid and request a hearing.

An informal hearing was held April 16, 2026, before the DNRC Director pursuant to ARM 36.25.117. Both parties reviewed lease records, presented evidence, and responded to staff questions. No additional evidence was submitted after the hearing. Based on the record, the Director recommended awarding the lease to the existing lessee at \$50/acre and \$35/AUM.

At the May 18, 2026 Land Board meeting, the bidder introduced additional allegations during public comment. The Board accepted the Director's recommendation and awarded the lease to the existing lessee.

Later that day, the unsuccessful bidder emailed the Land Board and DNRC requesting a cease and desist on lease issuance and alleging wrongdoing without substantiated evidence. The bidder's deposit refund was processed June 11, 2026. The lease was executed by the existing lessee on June 4, 2026, for a 10-year term.

At the June 15, 2026 Land Board meeting, the unsuccessful bidder again alleged wrongdoing and requested cancellation of the lease for violation of lease provisions. DNRC requested supporting documentation on June 18 and June 24, 2026, but no evidence substantiating the allegations against the lessee have been provided.

DNRC has no record of lease violations, management concerns, or other issues related to Lease 5183.

**Authority:**

DNRC has not received evidence supporting cancellation for cause. The Land Board lawfully awarded the lease, and DNRC does not have authority to overturn that decision or cancel the lease without cause.

**Recommendation:** The DNRC recommends administering lease 5183 with the existing lessee as directed by the Land Board at the May 18, 2026 Land Board meeting.



AGRICULTURAL & GRAZING LEASE OF STATE LANDS

This lease is entered into by the State of Montana, Board of Land Commissioners and Department of Natural Resources & Conservation (Department) as lessor, and the person herein named, as the lessee.

Date this lease takes effect: March 1, 2026Customer #: 10104

Name of Lessee: JUDISCH, KENNETH W  
Address or Box No.: 55 JUDISCH RD  
City/State/Zip: LEDGER, MT 59456  
Land located in Toole county.

| Description | Sec. | Twp. | Rge. | Acres  |
|-------------|------|------|------|--------|
| ALL         | 36   | 30N  | 1E   | 640.00 |
|             |      |      |      |        |
|             |      |      |      |        |
|             |      |      |      |        |
|             |      |      |      |        |

Total Number of leased acres: 640 more or less belonging to Common Schools Grant.

Grazing Acres: 153.72Agricultural Acres: 486.28Unsuitable Acres: 0  
Other Acres: Hayland Acres: 0CRP Acres: 0

Terms of Grazing Use and Rental Rate: All Grazing @ \$35.00/AUM  
Terms of Agricultural Use and Rental Rate: All Ag @ \$50.00/Acre

Purpose for which the land is leased: AGRICULTURE & GRAZINGGRANTED THROUGH COMPETITIVE BIDDING

Term of lease: 10 yearsDate of expiration: February 28, 2036

THIS LEASE HAS A CARRYING CAPACITY OF 18 ANIMAL UNIT MONTHS. THE LESSEE SHALL NOT EXCEED SUCH CARRYING CAPACITY. THE ANNUAL GRAZING RENTAL IS BASED ON THIS CARRYING CAPACITY.

The State of Montana, in consideration of the payment of rentals as specified in this lease and the mutual agreements contained in this lease hereby leases the above-described lands to the lessee(s) named above.

The lessee(s) in consideration of the lease of the above-described lands and the mutual agreements contained in this lease hereby agrees to pay the rentals as specified in the lease and to perform all the conditions as specified in this lease, the applicable rules and the applicable statutes.

The parties to this lease mutually agree to the following terms and conditions:

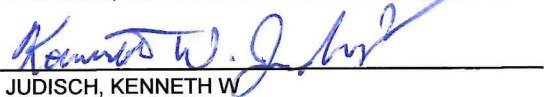
- ALL GRAZING RENTALS ARE DUE BY MARCH 1 EACH YEAR AND FAILURE TO PAY BY APRIL 1 AUTOMATICALLY CANCELS THE ENTIRE LEASE. A NOTICE OF RENTAL DUE OR ANY OTHER CORRESPONDENCE OR NOTICE FROM THE LESSOR WILL BE SENT TO THE ABOVE ADDRESS ONLY, UNLESS A CHANGE OF ADDRESS IS REQUESTED IN WRITING, SIGNED BY THE LESSEE AND RECORDED BY THE LESSOR.
- ALL AGRICULTURAL RENTALS ARE DUE ON NOVEMBER 15 OF THE YEAR IN WHICH CROPS OR HAY ARE HARVESTED. IF THE RENTAL IS NOT PAID BY DECEMBER 31 OF THE SAME YEAR, THE ENTIRE LEASE IS CANCELED.
- CONVERSION OF CLASSIFIED GRAZING LANDS TO CROPLAND WITHOUT PRIOR APPROVAL AS REQUIRED BY LAW SUBJECTS THIS ENTIRE LEASE TO CANCELLATION.
- SUBLEASING (allowing any other person and/or their livestock to utilize the State land) WITHOUT FILING A FORM AND RECEIVING APPROVAL FROM THE DEPARTMENT MAY SUBJECT THE LEASE TO CANCELLATION. SUBLEASING ON TERMS LESS ADVANTAGEOUS TO THE SUBLESSEE THAN THE TERMS GIVEN BY THE STATE SHALL RESULT IN CANCELLATION. (a) SUBLEASING FOR MORE THAN TWO YEARS WILL RESULT IN LOSS OF THE PREFERENCE RIGHT. (b) SUBLEASING FOR MORE THAN THREE YEARS WILL RESULT IN THE LEASE BEING CANCELED. (The department's rules and applicable statutes concerning subleasing and pasturing agreements should be consulted.)
- REPORTS--Lessee is required to submit reports as requested by the Director, including seeding and production reports. Failure to submit such reports may result in cancellation of the lease.
- CULTIVATION--In the case of lands leased for agricultural purposes, the lessee hereby agrees to seed and cultivate such land in a husbandman-like manner and to strip farm if the land is subject to soil blowing. The lessee further agrees to keep the land clear of weeds and care for it in accordance with approved farm methods as determined by the state. The state shall have the right to impose reasonable restrictions on all state leases as are necessary to adequately protect the land, water, air or improvements in the area. Grain crops are to be delivered free of charge to the nearest elevator to the credit of the state of Montana on or before the fifteenth of November of each year. Other crops, including hay, are to be disposed of at the going market price unless otherwise directed. If a lessee decides to graze the stubble of harvested crops or hayland or grazes unharvested crops for haylands, he must contact the Department regarding payment for such grazing in classified agricultural lands. The Department shall determine the number of animal unit months of grazing available on the land and shall bill the lessee or licensee for the grazing use based on the minimum grazing rental established under Section 77-6-507, MCA or the competitive bid amount, whichever is greater. Failure or refusal to pay said rental or to notify the department of such grazing may be cause for cancellation of the lease.

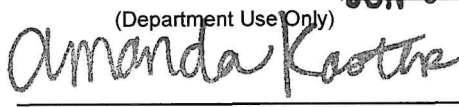
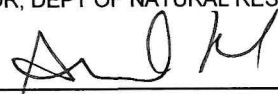
7. **FEDERAL FARM PROGRAM COMPLIANCE**—If a lessee or licensee has his lease or license canceled or terminated or for any reason is no longer the lessee or licensee, then he shall no longer be entitled to any payment or benefits from any federal farm program. If such a lessee or licensee does receive any such federal payment or benefit in connection with the state lease or license he shall be liable to the state for any amounts received after he is no longer recognized as the lessee or licensee. The lessee or licensee of any state land shall comply with the provisions of the federal farm program when applicable and shall indemnify the state against any loss occasioned by noncompliance with such provisions. In addition to any rentals provided in the lease or license, the state shall receive the same share as it receives for crops of all payments pursuant to any act or acts of the congress of the United States in connection with state lands under lease or license and the crops thereof. The state shall be entitled to such amounts annually for all leases based upon a cropshare, even if the lease states that the rental is based upon a crop share/cash basis, whichever is greater. All such leases shall be considered crop share leases for the purpose of receiving the state's share of the federal farm payments.
8. **IMPROVEMENTS**—The lessee may place a reasonable amount of improvements upon the lands under this lease upon approval of an improvement permit by the Department. A report of proposed improvements, containing such information as the Director may request concerning the cost of the improvements, their suitability for the uses ordinarily made of the land, and their character whether fixed or movable, shall be submitted to the Director before installation thereof on the premises. Failure to obtain approval prior to placement of the improvement may result in such improvements not being recognized by the Department for purposes of reimbursement of such improvements. In addition, placing improvements on state lands without receiving prior approval, may result in cancellation of the lease.
9. **LIENS ON BUILDINGS AND CROPS**—The state shall have a lien upon all buildings, structures, fences and all other improvements, whether movable or not, and also upon all crops growing upon the land for any rentals due the Department.
10. **COMPENSATION FOR IMPROVEMENTS**—(a) If the land under this lease is sold or exchanged to a party other than the present lessee, or is leased to another party while the present lessee owns improvements lawfully remaining thereon, on which the state has no lien for rentals or penalties, as herein provided, and which he desires to sell and dispose of, such purchaser or new lessee shall pay the former lessee the reasonable value of such improvements. If any of the improvements consist of approved breaking (meaning the original plowing of the land) and one year's crop has been raised on the land after the breaking thereof, the compensation for such breaking shall not exceed the sum of two dollars and fifty cents (\$2.50) per acre, and that in case two or more crops have been raised on the land after the breaking thereof, the breaking shall not be considered as an improvement to the land. In case the former lessee and the new lessee or purchaser are unable to agree on the reasonable value of such improvements, such value shall be ascertained and fixed by three arbitrators, one of whom shall be appointed by the owner of the improvements, one by the new lessee or purchaser and the third by the two arbitrators so appointed. The former lessee must initiate arbitration within 60 days of notification from the Department that there is a new lessee or purchaser. Failure to initiate this process within this time period results in all improvements becoming property of the state. The reasonable compensation that such arbitrators may charge for their services shall be paid in equal shares by the owner of the improvements and the purchaser or new lessee. The value of such improvements as ascertained and fixed shall be binding upon both parties; provided, however, that if either party is dissatisfied with the valuation so fixed he may within ten (10) days appeal from their decision to the Director who shall thereupon cause his agent to examine such improvements and whose decision shall be final. The Director shall charge and collect the actual cost of such reexamination to the owner and new lessee or purchaser in such proportion as in his judgment may be demanded.  
(b) Upon the termination of a lease, the Department may grant a license to the former lessee to remove the movable improvements from the land. Upon authorization, the movable improvements must be removed within 60 days or they become the property of the state unless the department for good cause grants additional time for the removal. The department shall charge the former lessee for the period of time that the improvements remain on the land after the termination of the lease.  
(c) Summer fallowing (necessary cultivation done after the last crop grown) seeding, and growing crops on the land, which have not been harvested prior to March 1 next succeeding the date of sale or at the time of change of lessee, shall be considered as improvements. Their value shall be determined in the same manner as other improvements and shall be taken over by the purchaser or new lessee and paid for by him as other improvements.
11. **ASSIGNMENT OF LEASE**—If all rentals due have been paid and the terms of this lease have not been violated, the lease may be assigned on the forms provided for that purpose by the Director, but no such assignment shall be binding on the state unless the assignment is filed with the Director, approved by him, and the appropriate assignment fees submitted for such assignment. An assignment which is signed by both parties shall be conclusive proof that all payments for improvements have been paid to the assignor by the assignee. The leasehold interest herein may only be transferred to any other party by a properly executed assignment which must be approved by the Director prior to such transfer becoming effective. Until an assignment becomes effective, the Department will consider the lessee listed above to be the lessee for all purposes. There may be no consideration given for the assignment of a lease other than the value of the improvements, if any.
12. **RENEWAL LEASE**—If all rentals due under this lease have been paid, the lessee shall upon making proper application to the Director be entitled to have this lease renewed at any time within thirty (30) days prior to its expiration for an additional period of not exceeding ten years; and if there is no other applicant then offering to lease the land, the lease shall be issued at the minimum rental as determined under statutes then in effect. If there are two or more persons desiring to lease the same tract, the former lessee shall have the preference right to the lease to the extent that he may take the lease at the highest bid made by any other applicant. However, subleasing may cause loss of this renewal right. The department's rules concerning subleasing should be consulted. The lessee desiring to renew the lease must make application to the Department prior to January 28 of the year of expiration. Failure to do so will result in the lease becoming an unleased tract upon expiration, with the loss of the preference right and subject to competitive bidding.
13. **CANCELLATION OF LEASE BY THE STATE**—The Director shall have the power and authority in his discretion to cancel a lease for any of the following causes: For fraud or misrepresentation, or for concealment of facts relating to its issue, which if known would have prevented its issue in the form or to the party issued; for using the land for other purposes than those authorized by the lease, for overgrazing or any other misuse of the state lands involved, and for any other cause which in the judgement of the Director makes the cancellation of the lease necessary in order to do justice to all parties concerned, and to protect the interest of the state. Such cancellation shall not entitle the lessee to any refund of rentals paid or exemption from the payment of any rents, penalties or other compensation due the state. Lease cancellation for these causes is subject to appeal as provided in Section 77-6-211, MCA.
14. **LANDS MAY BE SOLD**—The Board of Land Commissioners may in their discretion exchange the lands under this lease for other lands, offer the lands under this lease for sale at any regular public sale of state lands held in the county where the land is situated upon the same terms and in the same manner as land not under lease, subject, however, to the rights of the lessee to compensation for improvements as herein provided; and subject also to the provision that the new owner will not be given possession by the state prior to March 1 next succeeding the date of exchange or sale unless the lease expires prior to that date, except through special agreement with the lessee.
15. **RESERVATION**—The state reserves all rights and interests to the land under this lease other than those specifically granted by this lease. These reservations include but are not limited to the following:  
(a) **MINERAL AND TIMBER RESERVATION**—All coal, oil, gas and other minerals and all deposits of stone, gravel, sand, gems, and other nonminerals valuable for building, mining or other commercial purposes and all timber and trees are excepted from the operation of this lease. The lessee shall not open any mine or quarry or work or dig any of the minerals or nonminerals mentioned above from any mine or any quarry, pit or diggings situated on said land whether such mine, quarry, pit or diggings was open at the date of this lease or not. The lessee shall not cut, sell, remove, use or destroy any such timber dead or alive, or standing or fallen trees without the appropriate permit, license or lease.  
(b) **ADDITIONAL RESERVATIONS**—The state reserves a right-of-way to the United States over the land above-described for ditches, canals, tunnels, telephone and telegraph, and power lines now constructed or to be constructed by the United States Government in furtherance of the reclamation of arid lands. The state also reserves the right of granting rights-of-way on the above-described land for other purposes. The state also reserves to itself and its representatives and other lessees or permittees the right to enter upon the lands embraced by this lease for the purpose of prospecting and exploring for minerals and for the purpose of mining, drilling for, developing and removing such minerals and for carrying on all operations related thereto and for any other management or administrative purposes; it also reserves to itself and its permittees the right to enter upon the said lands for the purpose of cutting and removing timber, wood and other forest products, and for removing gravel, sand, building stone, and other nonminerals. The state reserves the right to grant licenses, permits or leases for any alternative uses on state lands



16. **NOXIOUS WEEDS AND PESTS**--The lessee agrees, at his own expense and cost, to keep the land free from noxious weeds, and if noxious weeds are present, then chemical application or other appropriate weed control measures must occur in time to prevent seed-set according to state law and to exterminate pests to the extent as required by the Department. In the event the land described in this lease shall be included in a weed control and weed seed extermination district, the lessee shall be required to comply with the provisions of Section 77-6-114, MCA, which provides as follows. "It shall be the duty of the Board in leasing any agricultural state land to provide in such lease, that the lessee of lands so leased lying within the boundaries of any noxious weed control and weed seed extermination district shall assume and pay all assessments and taxes levied by the board of County Commissioners for such district on such state lands, and such assessments and tax levy shall be imposed on such lessee as a personal property tax and shall be collected by the County Treasurer in the same manner as regular personal property taxes are collected." Failure to comply with this provision when directed to do so by the Department may result in cancellation of the entire lease.
17. **FIRE PREVENTION AND SUPPRESSION**--The lessee assumes all responsibility for carrying on at his own cost and expense all fire prevention and suppression work necessary or required to protect the forage, trees, buildings and structures on the land. The lessee is not responsible for the suppression of or damages resulting from a fire caused by a general recreational user. except that he or she shall make reasonable efforts to suppress the fire or report it to the proper firefighting authority or both, as circumstances dictate.
18. **UNLAWFUL USE OF LANDS OR PREMISES**--If any part of the lands or premises under this lease are used or allowed or permitted to be used for any purpose contrary to the laws of this state or the United States. such unlawful use shall in the discretion of the Board of Land Commissioners constitute sufficient reason for the cancellation of the lease. The lessee shall not utilize or allow to be utilized any state land under the lease for purposes other than the purpose for which it is granted.
19. **SURRENDER OF THE PREMISES UPON TERMINATION OF THE LEASE**--The lessee shall upon the expiration, cancellation, or termination of this lease peaceably yield up and surrender the possession of the land to the state of Montana or its agents or to subsequent lessees or grantees.
20. **INCREASED RENTAL**--If the Montana Legislature or the Board of Land Commissioners raises the rentals on state grazing or agriculture lands during the term of this lease, the lessee agrees to pay such increased rental for the years after such increase becomes effective. Also, the state reserves the right to determine the grazing capacity of said lands annually or from time to time as the Director in his discretion shall determine necessary and increase or decrease the rental thereon accordingly. In the event the Director should increase or decrease the carrying capacity of said lands, the lessee agrees to pay an increased or decreased rental based upon the Director's determination, and to adjust livestock numbers accordingly.
21. **INDEMNIFICATION**--The lessee agrees to save harmless and indemnify the State of Montana for any losses to the state occasioned by the levy of any penalties. fines, charges or assessments made against the above lands or crops grown upon the lands, by the U.S. Government because of any violation of or noncompliance with, any federal farm program or other acts by the lessee.
22. **LAWS AND RULES**--The lessee agrees to comply with all applicable laws and rules in effect at the date of this lease, or which may, from time to time, be adopted.
23. **MULTIPLE-USE MANAGEMENT**--Pursuant to the obligations imposed by law, to administer state lands under a multiple-use management concept, the state reserves the right to dispose of any and all interests in the above-described land, subject, however to such interests granted to the lessee under the terms of this lease. The lessee may not close the land under lease at any time to the public for general recreational use, as defined in A.R.M. 36.25.145, without advanced written permission of the Department. Permission to close lands categorically closed under A.R.M. 36.25.150 is hereby granted and no further permission is required.
24. **LEASE WITHDRAWAL**--All or any portion of the land under lease may be withdrawn from this lease by the state. The lessee shall be entitled to reasonable compensation for any improvements thereon. The lands may be withdrawn to promote the duties and responsibilities of the Board of Land Commissioners.
25. **SPECIAL CONDITIONS**--

IN WITNESS WHEREOF, The State of Montana and the lessee have caused this lease to be executed in duplicate and the Director of the Department of Natural Resources and Conservation, pursuant to the authority granted him by the State Board of Land Commissioners of the State of Montana, has hereunto set his hand and affixed the seal of the said Board of Land Commissioners this,

  
JUDISCH, KENNETH W

JUN 04 2026  
(Department Use Only)  
  
DIRECTOR, DEPT OF NATURAL RESOURCES & CONSERVATION  
by: 



**From:** [Motichka, Kelly](#)  
**To:** [Peterson, April](#); [Johnson, Brenda](#)  
**Subject:** FW: DNRC Lease 5183  
**Date:** Thursday, May 21, 2026 11:26:24 AM  
**Attachments:** [image001.png](#)

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**Kelly Motichka** | Ag & Grazing Bureau Chief  
Ag & Grazing Bureau/Trust Lands Management Division  
Montana Department of Natural Resources and Conservation  
1539 11<sup>th</sup> Ave, Helena MT 59620-1601  
**DESK406-444-3847 EMAIL:** [kmotichka@mt.gov](mailto:kmotichka@mt.gov)  
[Website](#) | [Facebook](#) | [X \(Twitter\)](#) | [Instagram](#)  
**How did we do? Let us know here:** [Feedback Survey](#)

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**From:** Tony Nickol <advancedagri-nomics@hotmail.com>  
**Sent:** Monday, May 18, 2026 3:06 PM  
**To:** Contact DOJ <contactdoj@mt.gov>; CSI General Information Mailbox <CSI@mt.gov>; christi.jacobsen@mt.gov; OPI Superintendent <Superintendent@mt.gov>; Juras, Kristen <Kristen.Juras@mt.gov>; greg.gianforte@mt.gov; DNRC Land Board <landboard@mt.gov>  
**Cc:** Motichka, Kelly <KMotichka@mt.gov>; Kaster, Amanda <Amanda.Kaster@mt.gov>; Streit, Jillien <Jillien.Streit@mt.gov>  
**Subject:** [EXTERNAL] DNRC Lease 5183

Dear Sirs and Madams,

I respectfully request a cease-and-desist of issuing the DNRC Lease 5183.

At the Land Board Meeting today, I was not able to provide more information that was left out of the DNRC Director's Recommend. There were several key factors that were left out that may have changed your thought as it did with Lease 1092. You approved a \$500 AUM competitive bid and yet my \$50 AUM competitive bid was egregious.

1. The previous lease was a 34% crop share or \$50/acre, whichever was greater. What we discovered was that in 2019, Mr. Judisch reported to the DNRC 11,263 bu, yet certified with his crop insurance 15,992 bu. Had he reported correctly, this would have been a 34% crop share payment of \$28,545.72 instead of the payment of \$22,234.50 (a difference of \$6,311.22). He did this again in 2020 with reporting only 13,043bu to the state and 15,131 bu to insurance, this time shorting the state \$3,984.97. Only to repeat again in 2023. This time he shorted the state \$1,018.27.
2. Corrections to the Director's Findings:
  - a. The land is 30 miles from Shelby

- b. We are also building a bigger barn for our livestock to grow the heard
  - c. We live 1 mile, not 20 miles away
  - d. Omitted a \$60 ac cash lease on a non-competitively bid tract.
- 3. There were nine points that we were required to provide information on how we were to manage the lease and yet only 1 or 3 of those points were looked at to make a decision. One of our points is that we have livestock that would graze the coulees, as they already do on our own deeded and our BLM lease. We have the ability to provide water to the livestock and wouldn't have a problem. Mr. Judisch never has and never will have livestock. In fact, in 2017, he illegally subleased to a neighbor to graze the state land.
- 4. We have deeded land that has been fenced in with the State land. He is trespassing on our land and farming it!
- 5. You cannot access other land using State land without a dedicated public road, public rights-of-way, or easement. There are no such ways on this tract of land to access the other land. In today's hearing and the hearing on April 16, 2026, it was stated that they are using this land to access other land. Per the Agricultural & Grazing Lease of State Land, point "18 UNLAWFUL USE OF LANDS OR PREMISES-If any part of the lands or premises under the lease are used or allowed or permitted to be used for any purpose contrary to the laws of this state or the United States, such as unlawful use shall in the discretion of the Board of Land Commissioners constitute sufficient reason for the cancellation of the lease. The lessee shall not utilize or allow to be utilized any state land under the lease for purpose other than the purpose for which it is granted."
- 6. They have not been good stewards as they have let fences fall, especially the fence around the gravel pit that hasn't been properly reclaimed. This is a dangerous hazard to the public that uses this area for recreation. They have done nothing to help improve the pit reservoir for wildlife habitat.
- 7. We were told by the DNRC Ag and Grazing Bureau Chief to stay off of this land to gather any evidence that would have helped our case for the hearing.
- 8. We average 5 bu per acre more than Mr. Judisch on our neighboring land on Summer fallow Spring Wheat.
- 9. Lastly, in November of 2025, while checking to see if there was a hunter in distress, I had Mr. Judisch and his son drive into my yard and threaten me to stay off of the land or else. It is not their land, it is Public Land.

Respectfully,  
Anthony Nickol

**SENT VIA EMAIL**

Montana DNRC  
1539 11<sup>th</sup> Avenue  
Helena, MT 59601

June 18, 2026

Mr. and Mrs. Nickol  
191 Nickol Road  
Ledger MT 59456

RE: Lease 5183

Dear Mr. and Mrs. Nickol,

Thank you for your public comment provided at the June 15, 2026, Land Board meeting regarding Lease No. 5183.

Based on your testimony before the Land Board, including your assertion that the current lessee is in violation of Provision 18 of the lease (unlawful use of lands or premises), you requested that Lease No. 5183 be cancelled.

Please submit documentation or evidence supporting your claim no later than June 29, 2026. Materials should be submitted via email to Kelly Motichka at [kmotichka@mt.gov](mailto:kmotichka@mt.gov).

Please note that, as affirmed at the May 18, 2026, Land Board meeting, the Department will not consider additional evidence related to the outcome of the competitive bid hearing process. The Department is seeking only new information relevant to your claim that Lease No. 5183 should be cancelled.

Thank you for your ongoing cooperation.

Sincerely,



Ryan Weiss  
Deputy Trust Land Administrator

Cc: Kelly Motichka, Agriculture and Grazing Bureau Chief



# 0726-8

Legislative Proposals

**Land Board Agenda Item  
July 20, 2026**

**0726-8 2027 Trust Land Legislative Proposals**

**Location: All**

**Trust Beneficiaries: All**

**Trust Revenue: Unknown**

**Item Summary:**

The Department of Natural Resources and Conservation (DNRC) has developed two legislative proposals affecting state trust lands for the 2027 Legislative Session. Prior to presentation to the Environmental Quality Council for pre-introduction, DNRC is providing the proposals for the Land Board's consideration.

**DNRC Recommendation:**

The DNRC recommends that the Land Board approve the department's recommended legislative package for the 2027 Legislative Session.

# 2027 Legislative Proposals

## Commercial Joint Venture

Under current law, state trust land may be sold through the land banking program or leased through the commercial leasing program. Much of the statutory framework for a commercial joint venture program is already in place, including authority to lease state trust land for commercial purposes under 77-1-901, MCA, et seq., and to sell state trust land through the land banking program under 77-2-301, MCA, et seq.

The proposed legislation would streamline the sale of lots following development while preserving requirements for environmental review, competitive leasing through a public RFP process, and Land Board-approved public sales.

The Trust would receive lease revenue during the development and a share of gross sales proceeds when lots are sold to third parties, generating greater returns than selling undeveloped land.

Sale proceeds would be deposited into the land banking account for acquisition of replacement lands.

### PROPOSAL

DNRC proposes to establish a formal commercial joint venture program that would allow a lessee to improve, subdivide, and sell state trust land without taking title. The Trust would retain ownership, while the lessee provides the capital, infrastructure, and development expertise.



# 2027 Legislative Proposals

## Underground Gas Storage on State Trust Lands

Sections 77-3-501, 77-3-502, 77-3-505, and 77-3-507, MCA, currently limit underground natural gas storage to public utilities engaged in transporting or distributing gas by pipeline for public use on state trust lands.

DNRC proposes to amend these provisions to allow any qualified person or governmental entity to store gas or liquefied gas on state trust lands.

If enacted, this change could create new opportunities for DNRC to generate significant revenue for Montana's public schools.

### PROPOSAL

DNRC proposes to amend 77-3-501, 77-3-502, 77-3-505, and 77-3-507, MCA, to allow any qualified person or governmental entity to store gas or liquefied gas underground on state trust lands, rather than limiting this authority to public utilities storing natural gas for public use.



# 0726-9

Quarterly Litigation Update



**Land Board Agenda Item  
July 20, 2026**

**0726-9 Informational Item: Quarterly Litigation Update**

**Location: N/A**

**Trust Beneficiaries: N/A**

**Trust Revenue: N/A**

**Item Summary:**

Status update on legal cases involving Montana state trust lands.



To: Montana State Board of Land Commissioners  
From: Brian C. Bramblett, DNRC Chief Legal Counsel  
Date: 7/15/2026  
RE: Litigation Update

This Litigation Update does not include bankruptcy proceedings that include state trust land leases, permits, or land use licenses as an asset of the bankruptcy estate; or administrative hearings/contested case proceedings related to state trust land leases, permits, or land use licenses.

### **GENERAL LITIGATION**

#### ***New cases filed since April 14, 2026:***

##### ***Davis, et al. v Montana Department of State Lands, et al***

- Montana Sixth Judicial District, Lewis and Clark County (DV-49-2026-0000027-RP)
- Issue: Claim for nuisance, negligence, trespass, declaratory and injunctive relief and quiet title regarding a lateral irrigation ditch that crosses private property owned by Davis and delivers Dry Ditch Canal Company water to state trust land. The State acquired 12 5/8 Dry Ditch Canal Company shares for delivery of water through the ditch when it acquired the state trust land in September of 1933. Plaintiffs named Department of State Lands, the State land lessees and Dry Creek Canal Company as defendants and dispute the scope of the ditch rights and maintain that ditch is causing unreasonable damage to the Plaintiffs' property.
- Current Status: DNRC was served with a complaint naming Department of State Lands as a defendant on July 7, 2026. Neither the DNRC nor the Montana Board of Land Commissioners are named as defendants. DNRC will be represented by DOA tort defense for aspects of this case.

##### ***Montana Wildlife Federation, et al v. Montana Board of Land Commissioners***

- Montana First Judicial District, Lewis and Clark County (CDV-25-2026-0000421-DK)
- Issue: Complaint for declaratory judgment and injunctive relief challenging the Montana State Board of Land Commissioners (MBLC) May 18, 2026, adoption of the Land Exchange Policy Update.
- Current Status: DNRC is not a named party to this litigation. The AGO was served with a summons and complaint on June 24, 2026.



***Status of cases reported on April 14, 2026:***

***American Prairie v. Montana Board of Land Commissioners and DNRC***

- Montana First Judicial District, Lewis and Clark County (DV-25-2025-0000732-WM)
- Issue: Petition for judicial review and declaratory judgment action challenging the Montana State Board of Land Commissioners (MBLC) February 17, 2026, motions regarding rulemaking and policy development.
- Current Status: On June 26, 2026, the district court entered a preliminary injunction enjoining DNRC “from enforcing the Land Board’s February 17, 2026, directive to DNRC not to authorize or approve any new or pending bison grazing requests on state trust lands.”

***American Prairie v. DNRC and Amanda Kaster***

- Montana First Judicial District, Lewis and Clark County (DV-25-2025-0000732-WM). Served on DNRC November 17, 2025.
- Issue: Application for writ of mandamus and declaratory judgment seeking to mandate DNRC approval of American Prairie request to graze bison on State Lease Nos. 8171 and 9361.
- Current Status: On March 3, 2026, the district court granted mandamus and ordered DNRC to conduct review under the Montana Environmental Policy Act (MEPA). On March 23, 2026, the district court granted DNRC’s Rule 54(b) motion to certify the mandamus order for appeal and stayed APR’s motion for attorney fees. On March 25, 2026, DNRC filed a notice of appeal in the Montana Supreme Court and a motion to stay enforcement of the mandamus order pending appeal in the district court. Both the District Court and Montana Supreme Court denied DNRC motions to stay enforcement of the mandamus order pending appeal.

***State, DNRC, and Land Board v. Welch***

- Eleventh Judicial District, Flathead County Cause No. DV-15-2026-000-0151-NT.
- Issue: Action for trespass and ejectment by DNRC/Land Board against former cabin site lessee.
- Current Status: Mr. Welch was served with the summons and complaint. He did not file an answer. DNRC will be moving for default judgment.

***Williams Family Trust v. DNRC and Hensley***

- Montana’s First Judicial District, Broadwater County (DDV-2019-14).
- Issue: Judicial review proceeding and breach of contract claim filed by former lessee related to disputed improvement valuation and competitive bid process.
- Current Status: Awaiting orders on cross motions for summary judgment and preparing for trial.

***River Oxbow Ranch, et. al. v. Montana Land Board, DNRC, et al.***

- Montana's Fifteenth Judicial District, Roosevelt County (DV-2021-47).
- Issue: Lawsuit for quiet title seeking to resolve riverbed and island ownership in Roosevelt County and seeking mesne profits for royalties paid to DNRC. Montana Land Board and DNRC filed a counterclaim.
- Current Status: On October 15, 2025, DNRC counsel filed a motion for joinder of additional parties which was granted in January 2026. Parties have set a new procedural schedule with DNRC currently working on service of additional cross- and third-party defendants. The case is proceeding with the early stages of discovery.

***Valley Garden Land and Cattle v. DNRC, AM Welles, and Riverside Contracting***

- Montana's Fifth Judicial District, Madison County (DV 29-2024-0036).
- Issue: Lawsuit challenging asphalt plant on trust land parcel, alleging violation of MEPA, §§77- 3-201, et seq., public participation, Water Use Act and Montana Constitution.
- Current Status: Pretrial motions and briefing. Litigation is on hold pending the outcome of the gravel pit litigation (below). A status conference will take place prior to continuing.

***Valley Garden Land and Cattle v. DNRC and AM Welles***

- Montana's Fifth Judicial District, Madison County (DV 29-2023-0037).
- Issue: Lawsuit challenging gravel pit expansion on trust land parcel, alleging violation of MEPA, §§77-3-201, et seq., public participation, Water Use Act and Montana Constitution.
- Current Status: Court denied Plaintiffs' claims regarding MEPA, public participation, and the Montana Constitution and denied Plaintiffs' claim for attorney fees. The Court granted limited relief and ordered DNRC to charge additional rental fees for storage of offsite materials on state trust land. Final judgment has been entered and this litigation is closed.

***Held, et al. v. State***

- Montana Supreme Court (DA 25-0809).
- Issue: After the Montana Supreme Court affirmed the district Court's ruling on the merits of the constitutional challenge the matter was remanded and the district court awarded approximately \$2,800,000 in attorney fees.
- Current Status: Attorney fees awarded by the district court are being appealed.

## **WATER COURT LITIGATION**

The water right cases listed below include all water right litigation to which the MBLC is a party. Ownership objections to water rights with point(s) of diversion (POD) on private land and place(s) of use (POU) on state trust land are identified as: **Ownership (POD on private land/POU on state trust land)**.

### *New cases consolidated since April 14, 2026:*

#### **CASE 41F-0303-R-2026**

- Claimants: Gerald Brush; Jolene Brush; MBLC
- Objectors: MBLC
- Issue: In 2023, MBLC objected to Claim Nos 41F 215490-00, 41F 215491-00, and 41F 215492-00. These are self-objections to late claims filed by the MBLC seeking to resolve an overlapping POU and flow rate issue remarks.
- Current Status: The Water Court consolidated this matter on June 11, 2026. The first status conference will be held on July 16, 2026.

### *Status of cases reported on April 14, 2026:*

#### **CASE 41F-0256-R-2026**

- Claimants: Jumping Horse Stock Ranch; MBLC
- Objectors: Jumping Horse Stock Ranch; MBLC; US DOI BOR
- Issue: **Ownership (POD on private land/POU on state trust land)**. In 2023, MBLC objected to Claim Nos 41F 8354-00; 41F 8355-00; 41F 132837-00; 41F 132838-00; 41F 136475-00; 41F 136476-00; 41F 136478-00; 41F 215610-00. The objections predate the MBLC motion requiring prior approval. The objections, based on a stipulation between the Claimant and MBLC, ask the Water Court to create implied claims for the POU located on state trust land for Claims 41F 132837-00; 41F 132838-00; 41F 136475-00; 41F 136476-00; and 41F 136478-00.
- Current Status: Howard Blakely has been dismissed as an objector. Deadline to file settlement documents is September 1, 2026.

#### **CASE 41F-0232-R-2025**

- Claimants: Black Mountain Ranch 100, LLC; Jerry A. Leech; Bar K Ranch, LLC
- Objectors: MBLC; Indian Creek Ditch Co.
- Issue: **Ownership (POD on private land/POU on state trust land)**. In 2023, MBLC objected to Claim No. 41F 45320-00. All of POU 2 and parts of POU 3 and 5 are on state trust land. The MBLC objection, as filed, seeks co-ownership of the claim. Indian Creek Ditch Co. objected to Claim Nos. 41F 45320-00 and 41F 133931-00. This objection predates the MBLC motion requiring prior approval.
- Current Status: Settlement deadline has been extended to July 24, 2026.

**CASE 41F-0198-R-2025**

- Claimant: Valley Garden Land & Cattle LLC
- Objectors: Valley Garden Land & Cattle LLC; MBLC; US BOR
- Issue: **Ownership (POD on private land/POU on state trust land).** MBLC objected to Claim Nos. 41F 45985-00, 41F 45986-00, and 41F 101042-00 on August 18, 2023. Each of these claims are for irrigation with a POD on private land and 20 acres of irrigation on state trust land (POU 21). The objection requests either coownership or creation of an implied claim for POU 21. This objection predates the MBLC motion requiring prior approval.
- Current Status: The Water Court extended the settlement deadline to July 17, 2026.

**CASE 41I-0200-R-2025**

- Claimant: Catlin Ranch LP
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41I 130122-00 on August 11, 2022. This claim is for livestock direct from source with one or more PODs and POUs located on state trust land. Water is not diverted from a POD on private land for any of the POUs on state trust land. The objection requests that the Water Court create an implied right for the MBLC with PODs and POUs on state trust land.
- Current Status: The Water Court extended the settlement deadline to January 16, 2026. No settlement documents were filed on that date, so the Water Court issued a Scheduling Order putting the matter on a hearing track. Parties exchanged and filed witness and exhibit lists in April.

**CASE 43QJ-0121-R-2025**

- Claimant: B&E Pinkerton LLC
- Objector: MBLC
- Issue: MBLC objected to Claim No. 43QJ 30143660 on March 24, 2025. This claim is for livestock direct from source with POD 1 and POU 1 on state trust land. The objection maintains that the state trust land should not be included because there is no water source on the state trust land, and requests refinement to remove the state trust land.
- Current Status: The Water Court extended the settlement deadline to August 5, 2026.

**CASE 41J-0010-I-2025**

- Claimant: Sieben Livestock Co.
- Objector: MBLC
- Notice of Intent to Appear: US DOI BLM
- Issue: The Water Court consolidated MBLC's objections to Claim Nos. 41J 30129340, 41J 30129384, and 41J 30129421 on March 10, 2025. All three claims are for livestock direct from source with one or more PODs and POUs located on state trust land. Water is not diverted from a POD on private land for any of the POUs on state trust land. The objections request that the Water Court create implied rights for the MBLC with PODs and POUs on the state trust land.
- Current Status: Sieben Livestock and MBLC entered a settlement agreement on June 24, 2026. NOIA party BLM has until July 28, 2026, to file a statement indicating whether its concerns are addressed.



#### **CASE 41J-0009-I-2025**

- Claimant: Springdale Colony
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41J 30135075 on March 10, 2025. This claim is for livestock direct from source with POD5 and POU 5 located on state trust land. Water is not diverted from a POD on private land for a POU on state trust land. The objection requests that the Water Court create an implied right for the MBLC with POD 5 and POU 5 on the state trust land.
- Current Status: The Water Court issued its Notice of Filing of Master's Report on June 22, 2026.

#### **CASE 43QJ-0125-R-2025**

- Claimant: Kennedy Properties LLC
- Objector: MBLC
- Issue: The case involves objections to Claim No. 43QJ 197394-00 and Claim No. 43QJ 197424-00.  
MBLC objected to Claim No. 43QJ 197394-00 on March 24, 2025. **Ownership (POD on private land/POU on state trust land).** The claim is for sprinkler/flood irrigation diverted by pump with a POD off state trust land and has one POU on state trust land. The MBLC approved this objection before it was filed.  
MBLC objected to Claim No. 43QJ 197424-00 on March 24, 2025. This claim is for livestock direct from source with POD 1 and POU 1 located on state trust land. Water is not diverted from a POD on private land for POU 1 on state trust land for this claim. The objection requests that the Water Court create an implied right for the MBLC for POD 1 and POU 1 on the state trust land.
- Current Status: On June 26, 2026, MBLC filed a request that the volume of 70.00 AC-FT be added and apportioned based on the number of acres irrigated

#### **CASE 41S-2088-R-2025**

- Claimants: Amanda A. Peck; Robert W. Peck; MBLC
- Objector: MBLC
- Issue: MBLC filed a self-objection to Claim No. 41S 101592-00, on September 23, 2022. This claim is for sprinkler/flood irrigation diverted by pump. The objection seeks to amend the maximum acres and flow rate for the water right.
- Current Status: The Water Court issued its Notice of Filing of Master's Report on June 24, 2026.

#### **CASE 41S-2089-R-2025**

- Claimant: MBLC
- Objector: Montana Department of Fish, Wildlife and Parks (FWP)
- Issue: FWP objected to Claim No. 41S 21699-00 on April 17, 2023. FWP seeks co-ownership of water right because the place of use extends onto FWP land.
- Current Status: The Water Court extended the settlement deadline to August 25, 2026.

#### **CASE 41F-0202-R-2025**

- Claimants: Peter McDermott; MBLC; Sean P. Lang 2009 Irrevocable Trust
- Objectors: US DOI BOR; Peter McDermott; Howard Blakely; Yolanda Blakely; John P. Zuelke; John P. Scully.
- Issue: MBLC co-owns Claim Nos. 41F 132840-00, 41F 132841-00, and 41F 132842-00. BOR's objection maintains the water rights were not perfected or have been abandoned.
- Current Status: KLH Advisors was substituted as counsel for this matter on January 13, 2026. The Court extended the settlement deadline to July 28, 2026.

#### **CASE 40O-0001-I-2024**

- Claimant: Buggy Creek Livestock LLLP
- Objectors: MBLC; US BIA; US BLM
- NOIA: Assiniboine & Sioux Tribes of Fort Peck
- Issue: MBLC objected to Claim No. 40O 30136580, which is a livestock direct from source claim with one or more PODs and POUs on state trust land. Water is not diverted from a POD on private land for a POU on state trust land. The objection requests that the Water Court create an implied right for the MBLC with PODs and POUs on the state trust land.
- Current Status: On January 29, 2026, Buggy Creek filed a stipulated *Statement and Unopposed Motion to Amend Claims to Resolve Issue Remarks and Objections*. On February 12, 2026, the US filed its *Statement on Claimant's Motion to Amend*. The Water Court issued its *Notice of Filing of Master's Report* on May 28, 2026.

#### **CASE 41E-0200-R-2024**

- Claimants: DPHHS; MBLC; Lori Norby; Anita and Edward McCauley; North Fork Trust
- Objectors: Edward K. McCauley; Anita L. McCauley; BLM
- Counter-objectors: Lori Norby; Pallister Joint Living Trust
- Issue: Claim Nos. 41E 27437, 41E 27438, 41E 30884, 41E 93869, and 41E 94068 contain DNRC issue remarks questioning the type of historical right, priority date, and flow rate, among other issue remarks. MBLC is listed as co-owner of 41E 27438.
- Current Status: This case was placed on a hearing track on May 15, 2025. KLH Advisors was substituted as counsel for this matter on January 13, 2026. The Water Court extended the remaining scheduling deadlines. The deadline for completion of discovery was May 29, 2026. The deadline to file all pre-trial motions was July 7, 2026.

#### **CASE 41K-0029-R-2023**

- Claimant: Broken O Land & Livestock
- Objectors: Broken O Land & Livestock; US BLM; MBLC
- Issue: **Ownership (POD on private land/POU on state trust land)**. MBLC objected to Claim Nos. 41K 96112, 41K 187156, 41K 187157, and 41K 30103793 (flood/ditch/sprinkler irrigation) based on POUs on state trust land. This objection predates the MBLC motion requiring prior approval. The objection asks the Water Court to create an implied claim for the POUs located on state trust land.
- Current Status: This matter has been placed on a hearing track. KLH Advisors was substituted as counsel for this matter on January 13, 2026. Both parties filed cross-

motions for summary judgment and are still discussing settlement. The Water Court extended the settlement deadline to July 31, 2026.

**CASE 40A-0363-R-2022**

- Claimant: McFarland White Ranch Inc.; MBLC
- Objector: McFarland White Ranch Inc.; MBLC
- Issue: **Ownership (POD on private land/POU on state trust land)**. MBLC objected to Claim Nos. 40A 211602 and 40A 211604 filed by McFarland White Ranch Inc. with a POD on private land and a POU on state trust land. McFarland White Ranch Inc. objected to MBLC being listed as co-owner on Claim Nos. 40A 30002022 and 40A 110020 (sprinkler irrigation) with a POU on state trust land. This objection predates the MBLC motion requiring prior approval.
- Current status: In 2022, MacFarland White Ranch Inc. filed a motion and statement agreeing that MBLC is co-owner of all four rights. Issues unrelated to state ownership are still being resolved.

**CASE 41I-0151-R-2025**

- Claimant: Galzagorry
- Objector: MBLC
- Issue: Galzagorry Inc. Claim No. 41I 30132306 (stock watering) contains a DNRC issue remark regarding location of the POUs on both state trust land and private land. The POD for this claim is on state trust land.
- Current Status: The parties entered a stipulation creating an implied water right owned by MBLC for the portions of Claim 41I 30132306 appurtenant to state trust land. Awaiting final order by Water Court.

**CASE 41F-0174-R-2026**

- Claimant: MBLC
- Objector: MBLC
- Issue: MBLC self-objection and verified motion to amend Claim No. 41F 215357-00 to resolve issue remarks.
- Current Status: The Water Court issued its Order Adopting Master's Report on May 8, 2026. This matter is now CLOSED.

**CASE 41S-0071-R-2024**

- Claimant: MBLC
- Objector: MBLC
- Issue: Self-objection to resolve issue remarks on Claim Nos. 41S 18155-00, 41S 18200-00, 41S 21653-00, 41S 42853-00, 41S 47789-00, 41S 47811-00, 41S 47835-00, 41S 47843-00, 41S 47850-00, 41S 101593-00, 41S 101594-00, 41S 112271-00, 41S 215296-00, and 41S 30029050.
- Current Status: The water master issued its *Notice of Filing of Master's Report* on March 18, 2026, resolving MBLC's self-objections. The report was adopted on April 10, 2026. This matter is now CLOSED.

**CASE 40O-0082-I-2024**

- Claimant: Cornwell Ranch
- Objectors: MBLC; US BLM
- Issue: MBLC objected to Claim Nos. 40O 30135293, 40O 30136082, 40O 30136084, 40O 30137032, 40O 30137036, 40O 30137766, and 40O 30137772 which are for livestock direct from source with one or more PODs and POUs on state trust land. Water is not diverted from a POD on private land for any of the POUs on state trust land. The objections request that the Water Court create implied rights for the MBLC with PODs and POUs on the state trust land.
- Current Status: KLH Advisors was substituted as counsel for this matter on January 13, 2026. Cornwell Ranch filed a stipulated *Notice of Filing Proposed Post Decree Abstracts and Proposed Implied Claim Abstracts* on March 18, 2026. The Court issued its *Notice of Filing of Master's Report* on May 1, 2026. The report was adopted on May 20, 2026. This matter is now CLOSED.

**CASE 43QJ-0250-R-2025**

- Claimant: MBLC
- Objector: MBLC
- Issue: MBLC filed a self-objection to Claim Nos. 43QJ 47490-00 and 43QJ 30106803 on March 24, 2025. The objections ask the Water Court to correct legal land description errors.
- Current Status: Closed. MBLC filed a *Motion to Resolve MBLC Objections, Resolve Issue Remark and Verified Motion to Amend Claim 43QJ 47490-00* on December 10, 2025. The Water Court issued its *Order Adopting Master's Report* on February 5, 2026. This case is now CLOSED.

**CASE 41S-2136-R-2025**

- Claimant: Stevensons Diamond Dot Inc.
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41S 14310-00 on September 23, 2022. This claim is for groundwater diverted by well with the POD, POU, and source on state trust land. MBLC Claim No. 41S 21553-00 is for this tract of state trust land. Accordingly, the objection seeks to have Claim No. 41S 14310-00 dismissed as redundant.
- Current Status: KLH Advisors was substituted as counsel for this matter on January 13, 2026. MBLC filed a *Motion to Amend Objection* on February 6, 2026, stating MBLC should be added as a co-owner to Claim No. 41S 14310-00, as opposed to the claim being dismissed. The motion was granted. The Water Court issued its *Notice of Filing of Master's Report* on March 4, 2026 granting co-ownership. The report was adopted by the Court on March 25, 2026. This matter is now CLOSED.

**CASE 41S-2127-R-2025**

- Claimant: Spring Creek Hutterian Society
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41S 139550-00 on September 23, 2022. This claim is for irrigation with a POD on private land and 14 acres of irrigation on state trust land

(POU 9). The objection requests either co-ownership or creation of an implied claim for POU 9. This objection predates the MBLC motion requiring prior approval.

- Current Status: KLH Advisors was substituted as counsel for this matter on January 13, 2026. MBLC filed a *Proposed Resolution of Objection* on March 13, 2026. The Water Court ordered Spring Creek Hutterian Society to file a statement either agreeing or disagreeing with the proposal by April 17, 2026. The Water Court issued its *Notice of Filing of Master's Report* on May 12, 2026. The report was adopted by the Court on May 28, 2026. This matter is now CLOSED.

#### **CASE 41F-0197-R-2025**

- Claimant: Valley Garden Land & Cattle LLC
- Objector: Valley Garden Land & Cattle LLC; MBLC
- Issue: MBLC objected to Claim No. 41F 45973-00 on August 18, 2023. This claim is for livestock direct from source with POD 4 and POU 4 on state trust land. Water is not diverted from a POD on private land for a POU on state trust land. The objection requests that the Water Court create an implied right for the MBLC with POD 4 and POU 4 on the state trust land.
- Current Status: KLH Advisors was substituted as counsel for this matter on January 9, 2026. Valley Garden Land & Cattle filed a stipulated *Proposed Resolutions* on February 3, 2026. The Water Court issued its *Notice of Filing of Master's Report* on April 21, 2026. The report was adopted by the Court on May 11, 2026. This matter is now CLOSED.

#### **CASE 41J-0007-I-2025**

- Claimant: Dana Ranch Co. Inc.
- Objector: MBLC
- Issue: The Water Court consolidated MBLC's objections to Claim Nos. 41J 30135969 and 41J 30136117 on March 10, 2025. Both claims are for livestock direct from source with all PODs and POUs on state trust land.
- Current Status: The Water Court issued its Order Adopting Master's Report on June 8, 2026. This matter is now CLOSED.

#### **CASE 41J-0008-I-2025**

- Claimant: Galt Ranch LP
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41J 30134505 on March 10, 2025. This claim is for livestock direct from source that identifies state trust land for POU 6 and POD 6. The objection seeks to have the legal description for POD 6 and POU 6 refined to remove the state trust land based on the determination there is no water source on the state trust land in this location.
- Current Status: The Water Court issued its Order Adopting Master's Report on June 8, 2026. This matter is now CLOSED.

#### **CASE 41S-2087-R-2025**

- Claimant: Montana Holdings, Inc.
- Objector: MBLC
- Issue: MBLC objected to Claim No. 41S 101545-00 on September 23, 2022. This claim is for groundwater diverted by a well with the POD and POU on state trust land. MBLC owns Claim No. 41S 21653-00 for this tract of state trust land. Accordingly, the objection seeks to have Claim No. 41S 101545-00 dismissed as redundant.
- Current Status: KLH Advisors was substituted as counsel for this matter on January 13, 2026. MBLC filed a *Motion to Amend Objection* on February 6, 2026, stating MBLC should be added as a co-owner to Claim No. 41S 101545-00, as opposed to the claim being dismissed. The motion was granted. The Water Court issued its *Notice of Filing of Master's Report* on March 4, 2026 granting co-ownership. The report was adopted by the Court on March 25, 2026. This matter is now CLOSED.