

**Minutes of the Meeting of the
Board of University and School Lands
February 26, 2026**

The February 26, 2026, meeting of the Board of University and School Lands was called to order at 9:02 AM by Chairman Governor Armstrong, roll call was taken and the Pledge of Allegiance was recited.

Members Present:

Levi Bachmeier	Superintendent of Public Instruction
Thomas Beadle	Treasurer
Drew Wrigley	Attorney General
Michael Howe	Secretary of State
Kelly Armstrong	Governor

Department of Trust Lands Personnel Present:

Joseph Heringer	Commissioner
Catelin Newell	Director of Admin Svcs & IT
Kate Schirado	Executive Assistant
Frank Mihail	Chief Investment Officer
Elvedina Papalichev	Paralegal
Peggy Gudvangen	Finance Director
Leigh Jacobs	Revenue Compliance Director
Shaun Campbell	Investments Officer
Scott Giere	Revenue Compliance
Pam Reile	Revenue Compliance
Amanda Parent	Minerals Management Officer
Chris Suelzle	Minerals Division Director
Akshay Patel	Investment Officer
Kris Snow	Revenue Compliance
Joseph Stegmiller	Surface Division Director
Lynn Spencer	Minerals Title Specialist
James Wald	Legal Council
Jacob Lardy	Surface Range Soils Management Specialist
Jessica Fretty	Unclaimed Property
Vicki Siegel	Finance
Maria Iversen	Finance

Guests in Attendance:

Jacy Schafer	Office of the Governor
Chris Joseph	Office of the Governor
Kirby Francis	RVK
Jennifer Sandberg	RVK
Dan Ransenberg	Neuberger Berman
Kaci Boyer	Neuberger Berman
Madeline Cary	Neuberger Berman
Kevin Balaod	WithIntelligence
Amy Winkelman	
Aaron Carranza	
Abby Ebach	

APPROVAL OF MINUTES

A motion to approve minutes of the January 29, 2026, meeting was made by Treasurer Beadle and the motion was seconded by Attorney General Wrigley and the motion carried unanimously on a voice vote.

OPERATIONS

Commissioner's Report

- [Oil & Gas Online Lease Auction](#) – 178 tracts will be auctioned through our contracted leasing firm, Efficient Markets; March 17 -24, 2026
- [Leland Case](#) – attended North Dakota Supreme Court oral argument on February 12, 2026
- [Unclaimed Property Radio Interview](#) – While guest hosting on KFYZ Radio, Treasurer Beadle interviewed Unclaimed Property Director, Susan Sommerfeld, to educate listeners about Unclaimed Property and inform them of our new direct check mailing initiative (February 16, 2026)
- [Administrative Rules](#) – Proposed revisions have been approved by the Attorney General; Legislative committee hearing scheduled for March 12, 2026
- [National Association of State Trust Lands 2026 Annual Conference – Medora, North Dakota – July 12-15, 2026](#) – planning for this exciting event continues with the TR Library dinner venue now secured, a logo designed, and early registration opening in March 2026; Board members have been formally invited and asked to RSVP so hotel reservations can be made



Financial Dashboard

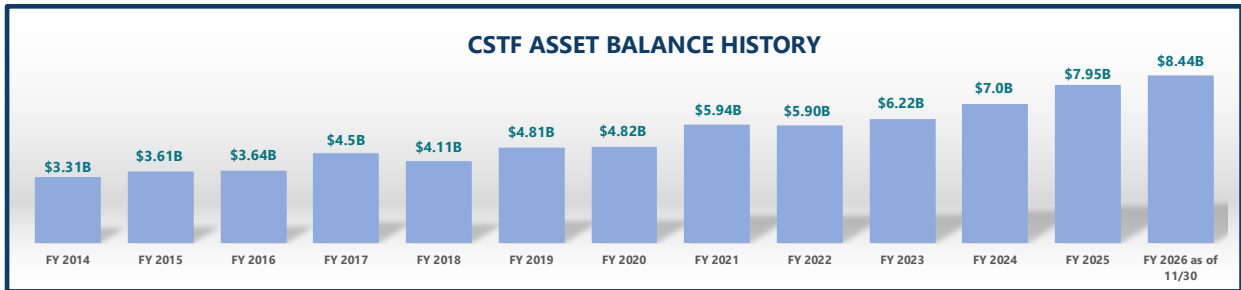
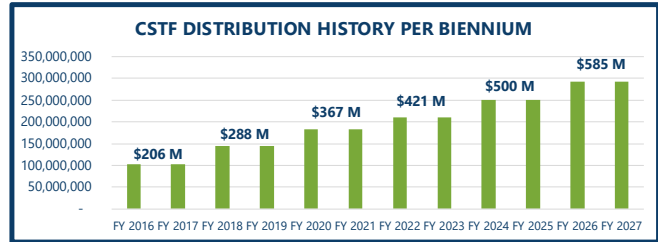
COMMON SCHOOLS TRUST FUND (CSTF) OVERVIEW

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CSTF ASSET BALANCE as of 11/30/2025 (unaudited)

\$8,436,270,651

+\$1.02 billion year-over-year from 11/30/2024 balance of \$7.42 billion

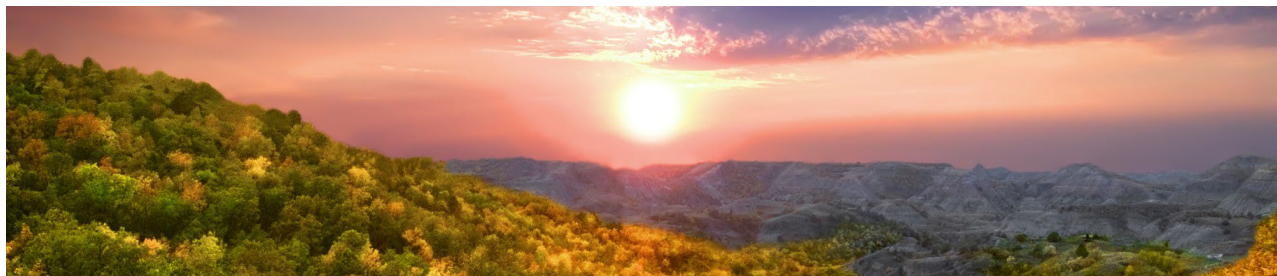


COMMON SCHOOLS TRUST FUND 2025 - 27 (CSTF) DISTRIBUTIONS

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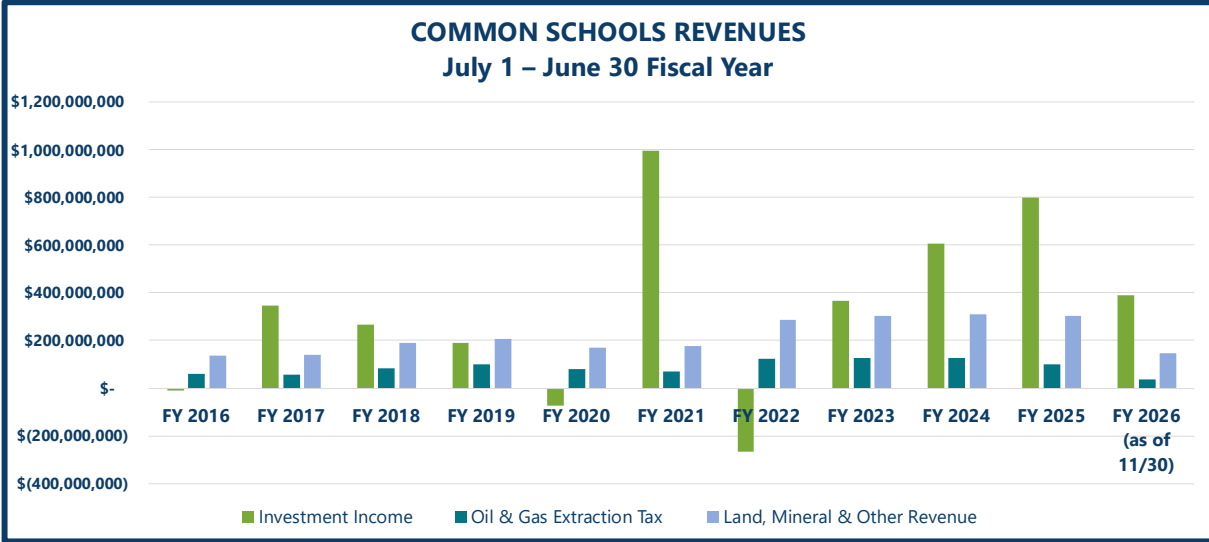
Monthly Distribution to the State Tuition Fund for the 2025-27 Biennium \$32,500,000
 Multiplied by 9 months per year = \$292,500,000
 Divided by 116,598 students = \$2,508/student per year

North Dakota Cost to Educate Per Student \$13,778/year
 75.7% State Funding Share = \$10,430
 \$2,508 CSTF per Student Annual Distribution = **24% of state funding share**



COMMON SCHOOLS TRUST FUND (CSTF) OVERVIEW





STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) OVERVIEW



SIIF BALANCE as of 11/30/2025 (unaudited)

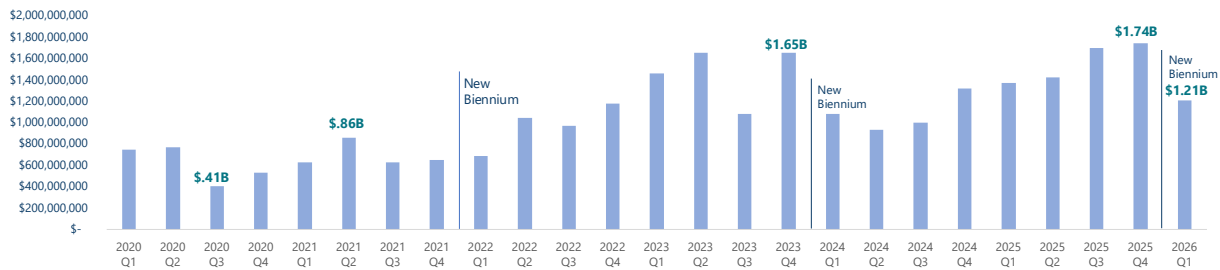
Total Balance - \$1,175,338,536

As of November 30, 2025, SIIF had an estimated fund balance of \$1,175,338,536. The fund balance consists of committed and uncommitted portions.

The committed fund balance includes amounts reserved for specific purposes. As of November 30, 2025, \$43,125,403 is committed for potential title disputes. In addition, the Legislature has appropriated a committed fund balance estimated at \$1,081,202,358.

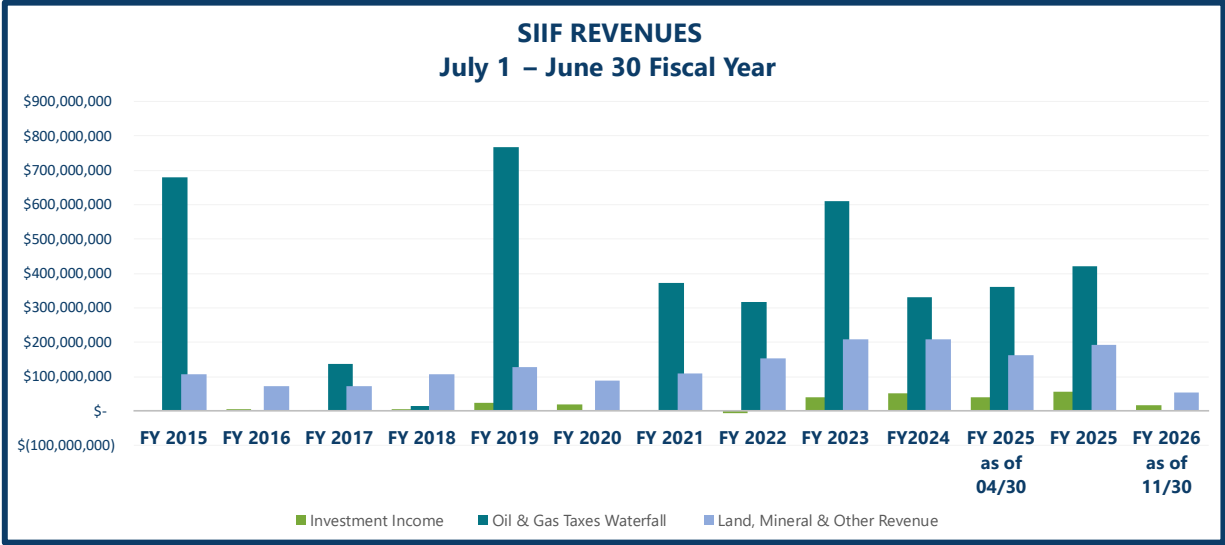
The uncommitted fund balance is estimated at \$51,010,775. This portion represents funding that remains unencumbered and available for future allocation.

SIIF QUARTERLY BALANCE HISTORY (UNAUDITED)

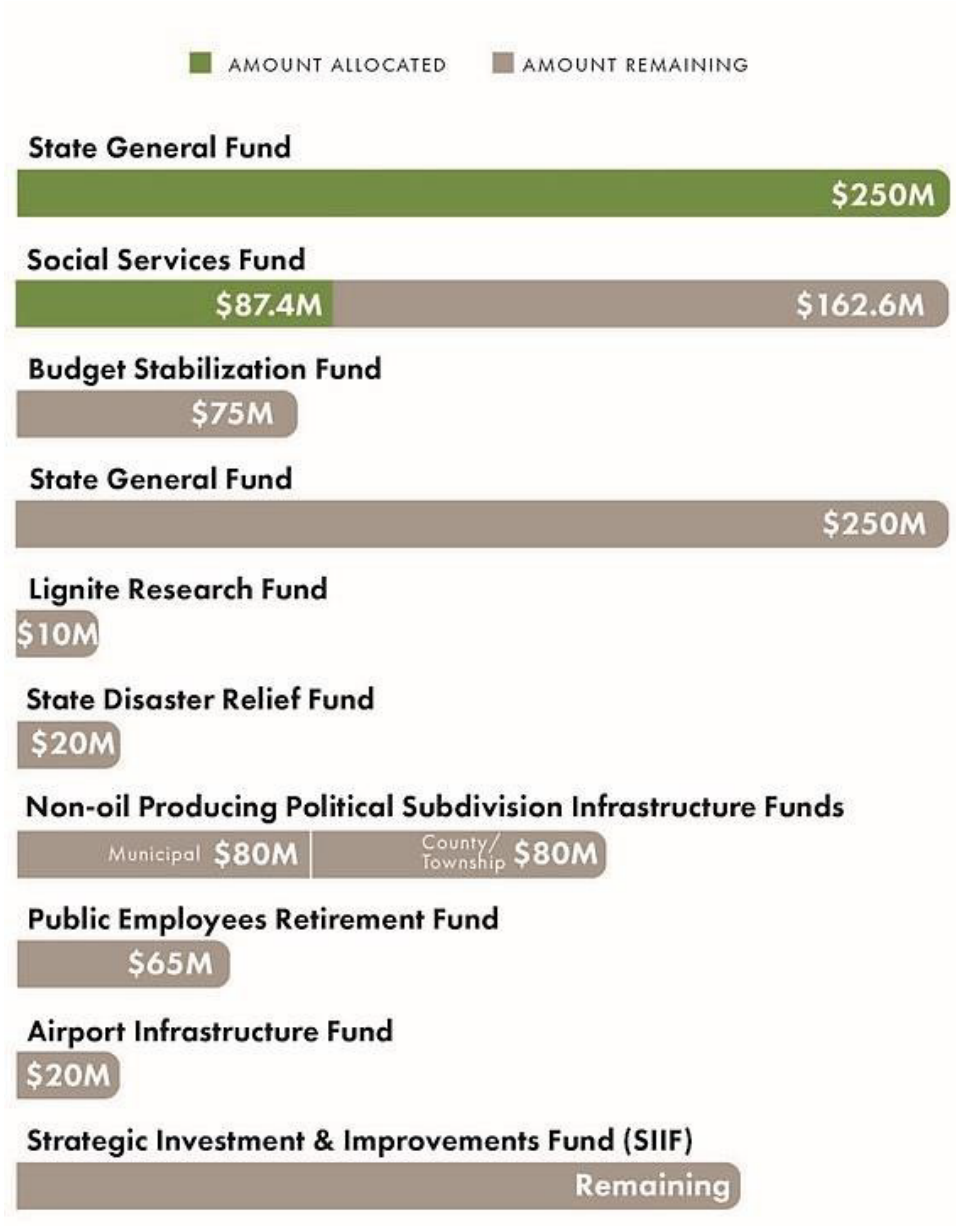


STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) HIGHLIGHTS

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ALLOCATION OF STATE SHARE OF OIL & GAS TAXES
 Based on Allocations through January 31, 2025



ESTIMATED TOTAL NET ASSETS
as of 11/30/2025

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Mineral Tracker Valuation
as of June 2025, on
2.6 million Mineral Acres
\$2,177,250,937



Surface Fair Market Value
as of April 2025, on
706,000 Surface Acres
\$736,474,769



Estimated Total Net Assets*
as of November 30, 2025

\$11,951,143,043

* Total excluding SIIF



DIVISION REPORTS

SURFACE

SURFACE DIVISION
ENCUMBRANCES ISSUED

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Encumbrances issued by the Commissioner: 4 Right of Way Agreements in January generated a total of \$23,588 in income for the Trusts.



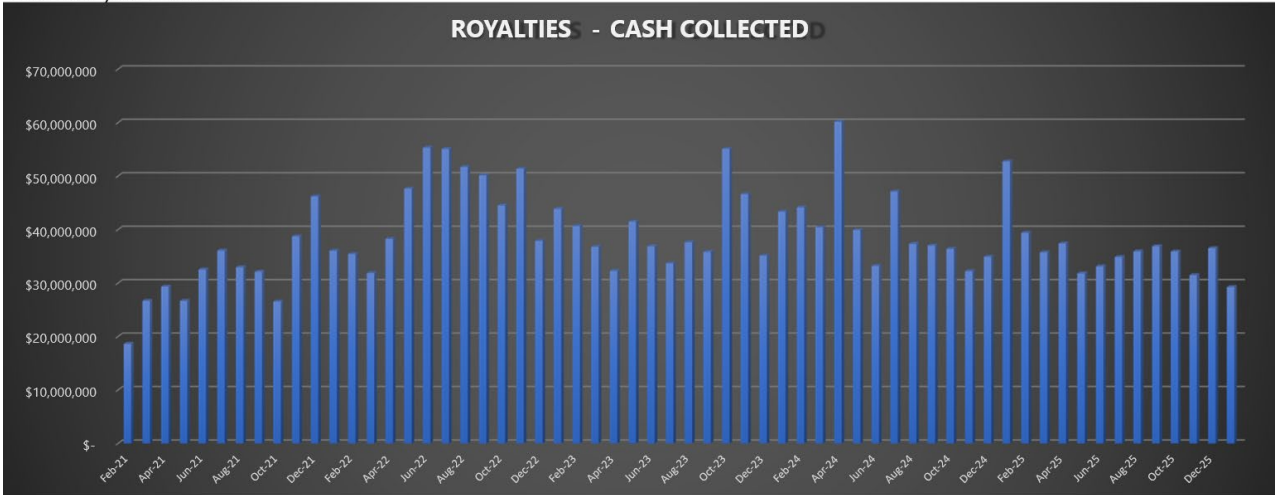
McKenzie County Fog 149-96-36
Photo Credit: Garret Hecker

MINERALS

MINERALS DIVISION
FISCAL YTD O/G ROYALTIES

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As of January 31, 2026*, for fiscal year 2026 the Department has received **\$240,612,488** in royalties as compared to **\$277,554,051** last fiscal year at this time.

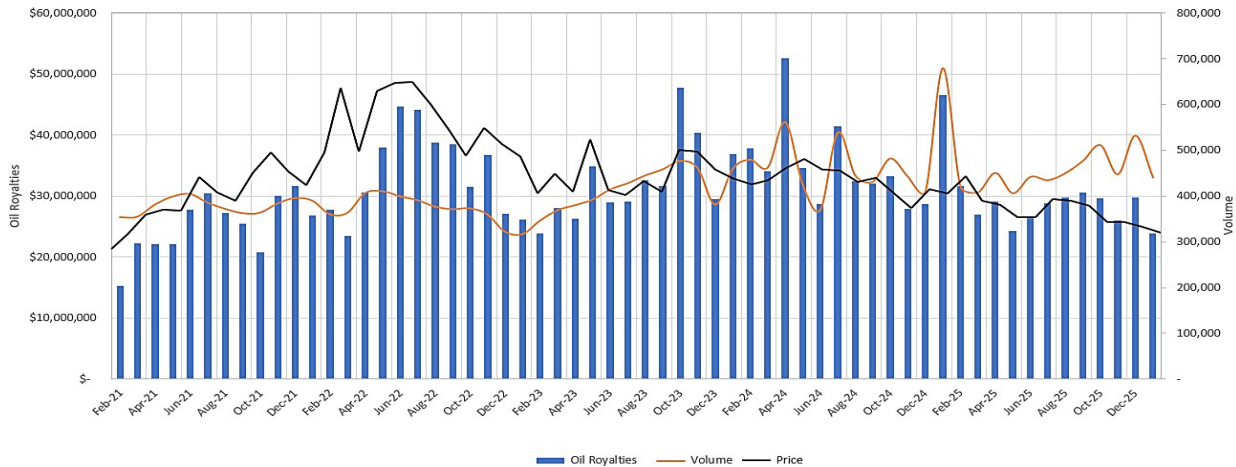


*January royalty revenue is from November gas production and December oil production.

PRICE MAIN DRIVER OF O/G ROYALTIES

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In the early years production growth was the driver of the Department’s royalty increases. Now that our net monthly production has been more stable, averaging 452,287 barrels per month over the past twelve months, the price of oil & gas is the main driver of monthly royalty variations.

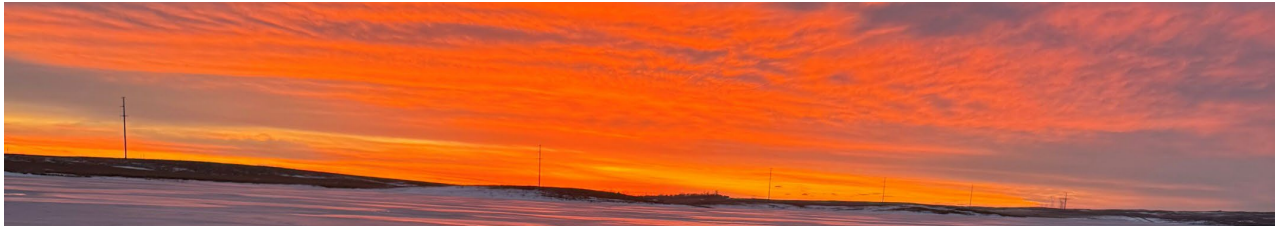
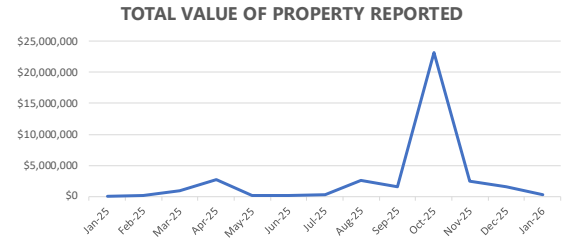
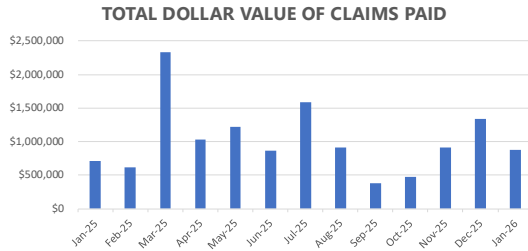


UNCLAIMED PROPERTY

UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

For the month of January 2026, the Division paid 858 regular claims with \$875,758 returned to rightful owners. The Division also received 75 holder reports with a dollar value of \$354,947. The division is also preparing to send a large batch of direct mail checks. It anticipates approximately between \$800,000 - \$900,000 going directly to our constituents.

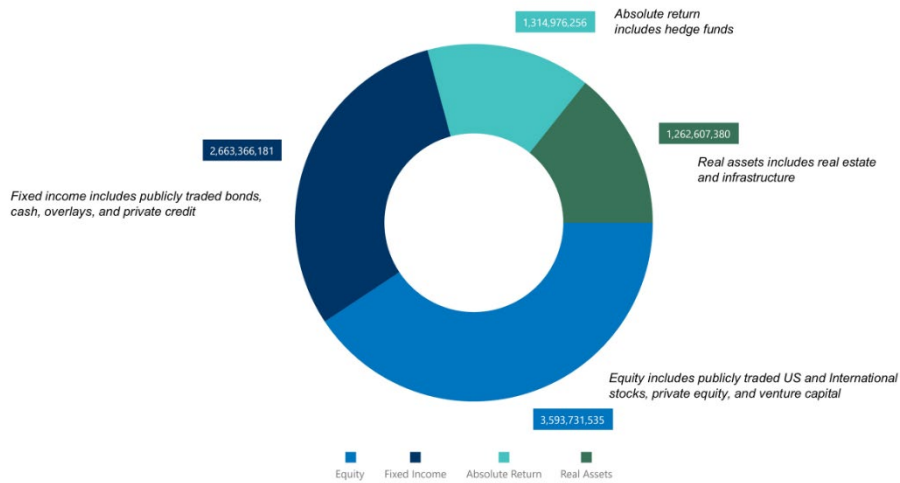


INVESTMENTS

BOARD OF UNIVERSITY AND SCHOOL LANDS
FEBRUARY 26, 2026

Report as of 1/31/2026

Asset Allocation



Asset	Total Value	% Of All Value
All	8,834,681,352	100%
Equity	3,593,731,535	41%
Fixed Income	2,663,366,181	30%
Absolute Return	1,314,976,256	15%
Real Assets	1,262,607,380	14%

Report as of 1/31/2026

Actual vs. Target Weight

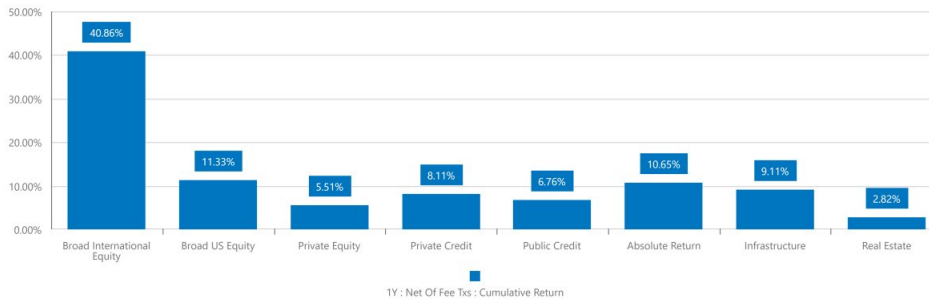


Asset	Total Value	% Of All Value	Target Weight	Over/Under %	Over/Under \$
All (MTD)	8,834,681,352	100%	100%	0%	--
Equity	3,593,731,535	40.68%	48%	-7.32%	-646,915,514
Private Equity	356,899,132	4.04%	12%	-7.96%	-703,262,630
Broad International Equity	1,576,666,497	17.85%	17%	0.85%	74,770,667
Broad US Equity	1,660,165,906	18.79%	19%	-0.21%	-18,423,551
Fixed Income	2,663,366,181	30.15%	22%	8.15%	719,736,284
Cash / (Leverage)	-166,239,428	-1.88%	0%	-1.88%	-166,239,428
Private Credit	1,535,235,382	17.38%	15%	2.38%	210,033,179
Public Credit	1,294,370,227	14.65%	7%	7.65%	675,942,533
Absolute Return	1,314,976,256	14.88%	12%	2.88%	254,814,494
Real Assets	1,262,607,380	14.29%	18%	-3.71%	-327,635,264
Infrastructure	553,183,812	6.26%	10%	-3.74%	-330,284,324
Real Estate	709,423,568	8.03%	8%	0.03%	2,649,060

Report as of 1/31/2026

Flash Performance Report

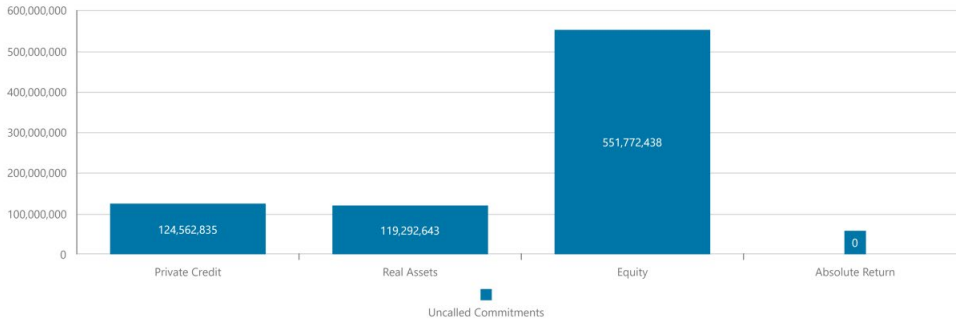
Unaudited preliminary estimates



Asset	Net of Fees Tax				
	MTD	QTD	YTD	FYTD	1Y
Total Portfolio	1.87%	1.87%	1.87%	8.36%	13.44%
Equity	4.1%	4.1%	4.1%	15.19%	23.46%
Broad International Equity	8.15%	8.15%	8.15%	22.69%	40.86%
Broad US Equity	1.18%	1.18%	1.18%	11.02%	11.33%
Private Equity	0%	0%	0%	2.25%	5.51%
Fixed Income	0.23%	0.23%	0.23%	3.41%	7.38%
Private Credit	0.37%	0.37%	0.37%	3.89%	8.11%
Public Credit	0.04%	0.04%	0.04%	2.9%	6.76%
Absolute Return	1.16%	1.16%	1.16%	7.5%	10.65%
Real Assets	0.04%	0.04%	0.04%	2.66%	5.18%
Infrastructure	0.09%	0.09%	0.09%	4.9%	9.11%
Real Estate	0%	0%	0%	1.21%	2.82%

Report as of 1/31/2026

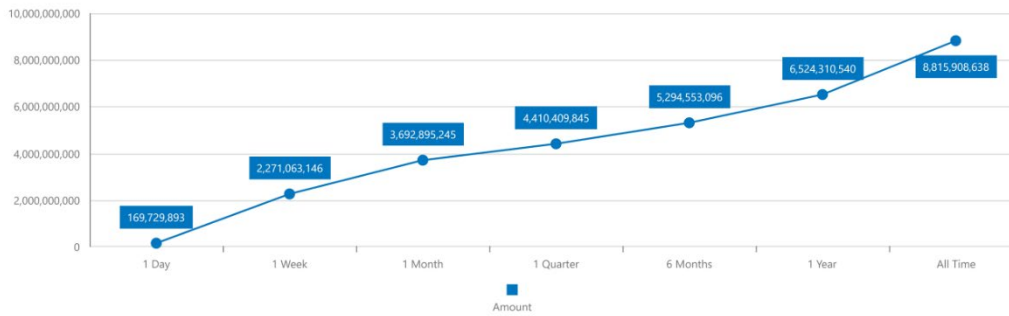
Uncalled Commitments



Asset	Commitment (\$M)	Funded Commitment (\$M)	Uncalled Commitments (\$M)
All (MTD)	4,316	3,520	796
TPG Angelo Gordon	350	340	10
GCM Grosvenor	580	218	362
Hamilton Lane	50	29	21
Khosla Ventures	85	37	48
Monarch	120	101	19
Blue Owl	125	90	35
a16z	110	28	82
Industry Ventures	50	10	40
Pantheon	100	21	79
Cloud Capital	100	--	100

Report as of 1/31/2026

Liquidity Waterfall



Entity	1 Day (\$M)	1 Week (\$M)	1 Month (\$M)	1 Quarter (\$M)	6 Months (\$M)	1 Year (\$1M)	All Time (\$M)
All	170	2,271	3,693	4,410	5,295	6,524	8,816
Equity	--	1,146	2,568	3,237	3,237	3,237	3,585
Fixed Income	170	1,125	1,125	1,125	1,388	1,509	2,663
Absolute Return	--	--	--	48	534	743	1,305
Real Assets	--	--	--	--	136	1,035	1,263

Measures how long it would take to liquidate the entire portfolio

Private Equity – Secondaries, Co-Investments

The current 4% private equity allocation represents a \$705M underweight to the 12% long term strategic asset allocation target. The goal of this proposal is to increase the private equity commitment, consistent with strategic asset allocation targets.

Based on current market conditions, investment staff recommends leaning into private equity secondaries and co-investments. Secondaries refer to (1) LP-led deals – where the investor of a primary fund is willing to sell at a discount to source liquidity before the 10-year time horizon elapses and (2) GP-led deals - where funds have reached the wind down phase and sponsors seek to extend ownership of certain single assets. Co-investing is when an investor participates side-by-side with a GP on a single asset deal. The tradeoff with co-investing is lower fees for higher concentration risk on a single asset.

Staff and RVK recommend a perpetual private equity fund-of-one with Neuberger Berman. Neuberger Berman is an independent, privately owned, global investment manager with 2900 employees in 40 cities, managing \$560B in assets. The private equity division has a 35-year track record with 135 investment professionals managing \$140B in commitments.

The perpetual fund-of-one will seek to allocate \$300M over a 3-year investment period and grow in parallel with ND Land Board investable assets in perpetuity. The fund will target 60-70% co-investments, 20-30% GP-led secondaries and 5-10% LP-led secondaries. The perpetual fund-of-one structure offers diversification across industry/geography/vintage and will be structured with three underlying sleeves:

- (1) Evergreen fund – comprised of single asset co-investments and GP-led transactions, serving as the rebalancing center to request redemptions and reinvest distributions.
- (2) Direct investment sleeve – comprised of single asset co-investments and GP-led transactions, designed to take more concentrated risk on high conviction opportunities.
- (3) Closed-end fund series – comprised of GP- and LP-led secondary transactions, giving staff the ability to make commitments to future vintages via an amendment to the perpetual fund-of-one.

MOTION: The Board approve a \$300M commitment to a perpetual private equity fund-of-one with Neuberger Berman, subject to standard legal review/documentation.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe		X	X		
Superintendent Bachmeier			X		
Treasurer Beadle	X		X		
Attorney General Wrigley			X		
Governor Armstrong			X		

RVK Memorandum and Neuberger Berman Presentation were presented to the Board by RVK and Neuberger Berman and are available at the Department upon request.

LITIGATION

Litigation Update

(02/26/26)

- **Mandan, Hidatsa, and Arikara Nation v. United States Department of the Interior**

Case Summary: Missouri riverbed ownership – Quiet title action brought by the federal government is proceeding, with discovery now completed; the U.S. and MHA filed separate summary judgment motions; Court issued January 6, 2026, Opinion & Order denying both motions and ordering parties to prepare for trial; pre-trial discussions regarding dates & format are ongoing

Commencement:	July 2020
ND Assigned Attorneys:	Phil Axt, North Dakota Solicitor General Matthew Sagsveen, AG Dir. of Natural Resources and Native American Affairs James Auslander, Kathryn Tipple, Peter Schaumberg, and Nessa Coppinger (Beveridge & Diamond, Washington, D.C.)
Counsel for MHA:	Steven D. Gordon (Holland & Knight's Washington, D.C.) Philip Merle Baker-Shenk (Holland & Knight's Washington, D.C.) Timothy Purdon (Robins Kaplan, Bismarck, ND) Timothy Billion (Robins Kaplan, Minneapolis, MN)
Counsel for United States:	Cody L.C. McBride, Emmi Blades, Peter W. Brocker, Rebecca M. Ross
Court:	United States District Court for the District of Columbia
Judge:	Honorable Amy Berman Jackson

Win = North Dakota owns historical Missouri Riverbed (mineral rights) through Fort Berthold Indian Reservation resulting in release to state of tens of millions of dollars in withheld oil & gas royalties.

Lose = U.S. owns the riverbed in trust for MHA Nation, so royalties are released to the tribe

- **State of North Dakota, ex. rel. v Virginia Leland, et.al.**

Case Summary: OHWM river island ownership; trial was held September 12-16, 2022; Judge Schmidt issued a Phase I Memorandum Decision on April 30, 2024, finding 1) the at issue Yellowstone River segment was navigable at statehood; 2) the at issue west bank of the river is owned by the state; 3) the at issue north island is not owned by the state; 4) the at issue south island is owned by the state; and 5) the state's claim is not barred by laches. The remaining issues of conveyances, mineral acreage calculations, etc. are now being determined in Phase II proceedings. On December 19, 2024, the Court granted opposing parties' summary judgment motion on certain issues. A trial to determine the remaining issues was held January 29, 2025, in Watford City. On May 8, 2025, the Court issued its trial decision ruling that: 1) the State does not own the North Island; 2) the 1950 deed from the State conveyed the at issue lots to the Montana state line; and 3) the State only reserved a 5% mineral interest in the 1950 deed. Notice of final judgment was entered July 17, 2025. On September 12, 2025, North Dakota

Department of Water Resources filed a joint appeal with the Land Board to the North Dakota Supreme Court; oral argument was held February 12, 2026, and we await the Court's decision

Commencement: January 2016

ND Assigned Attorneys: Zachary Pelham (Pearce Durick, Bismarck)
Matthew Sagsveen, AG Dir. of Natural Resources and Native American Affairs
James Wald, DTL General Counsel

Counsel for Whiting Oil and Gas Corp: Paul Forster (Crowley Fleck, PLLP, Bismarck, ND)
Shane Hanson (Crowley Fleck, PLLP, Bismarck, ND)

Counsel for Defendant(s): Kevin Chapman (Chapman Law Firm, P.C., Williston, ND)
Ariston Johnson (Johnson & Sundeen, Watford City, ND) and Others

Court: State District Court, McKenzie County

Judge: Honorable Robin Schmidt

Win = State owns at issue Yellowstone River islands and related mineral interests

Lose = Plaintiffs owns at issue Yellowstone River islands and related mineral interests

- **State of North Dakota v. United States of America (OHWM Quiet Title Action)**

Case Summary: Quiet title action brought by the North Dakota Attorney General's Office on behalf of the Land Board to implement the Continental Interpleader final rulings by the 8th Circuit Court of Appeals regarding what law applies for determining the ordinary high-water mark when federal lands about the active Missouri River channel and/or historic riverbed. Complaint filed December 15, 2025; Defendants requested a response extension to March 20, 2026, which we did not object to

Commencement: December 2025

ND Assigned Attorneys: Phil Axt, North Dakota Solicitor General
Danielle DiMauro, Welborn Sullivan Meck & Tooley
Brian Tooley, Welborn Sullivan Meck & Tooley

Counsel for Defendant(s): TBD

Court: North Dakota Federal District Court

Judge: Honorable Daniel Hovland

EXECUTIVE SESSION

Under the authority of North Dakota Century Code Sections 44-04-19.1 and 44-04-19.2, the Board closes the meeting to the public to go into executive session for purposes of attorney consultation regarding:

- Royalty Settlements

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Howe		X	X		
Superintendent Bachmeier			X		
Treasurer Beadle			X		
Attorney General Wrigley	X		X		
Governor Armstrong			X		

The Board entered executive session at 10:12 AM.

EXECUTIVE SESSION

Members Present:

Kelly Armstrong	Governor
Michael Howe	Secretary of State
Levi Bachmeier	Superintendent of Public Instruction
Thomas Beadle	Treasurer
Drew Wrigley	Attorney General

Department of Trust Lands Personnel present:

Joseph Heringer	Commissioner
Catelin Newell	Administrative Staff Officer
Kate Schirado	Executive Assistant
Leigh Jacobs	Revenue Compliance Division Director
James Wald	Legal Council

Guests in Attendance:

Jacy Schafer	Office of the Governor
Chris Joseph	Office of the Governor

The executive session adjourned at 10:33 AM and the Board returned to the open session meeting. During executive session the Board discussed Royalty settlements with its attorneys. No formal action was taken when the open meeting was reconvened.

A D J O U R N

There being no further business, the meeting was adjourned at 10:33 AM.

Governor Armstrong, Chairman
Board of University and School Lands

Joseph Heringer, Secretary
Board of University and School Lands