

**Minutes of the Meeting of the
Board of University and School Lands
November 29, 2016**

The November 29, 2016 meeting of the Board of University and School Lands was called to order at 9:30 AM in the Governor's Conference Room by Chairman Jack Dalrymple.

Members Present:

Jack Dalrymple	Governor
Alvin A. Jaeger	Secretary of State
Wayne Stenehjem	Attorney General (via telephone)
Kelly Schmidt	State Treasurer
Kirsten Baesler	Superintendent of Public Instruction

Department of Trust Lands Personnel present:

Lance D. Gaebe	Commissioner
Jeff Engleson	Director, Investment Division
Drew Combs	Director, Minerals Division
Linda Fisher	Deputy Commissioner
Taylor Lee	Director, Revenue Compliance
Kristie McCusker	Legal Assistant
Gerard Schwan	Director, Grants and Claims

Guests in Attendance:

Hope Hogan	Office of the Attorney General
Jason Nisbet	Governor's Office
Jerry Jurena	North Dakota Healthcare Association
Nick Smith	Bismarck Tribune
Marcia Beard	RVK (via telephone)

A P P R O V A L O F M I N U T E S

A motion to approve the minutes of the October 28, 2016 meeting was made by Secretary Al Jaeger and seconded by Attorney General Wayne Stenehjem and the motion carried unanimously on a voice vote.

E X E C U T I V E S E S S I O N

Motion: Under the authority of North Dakota Century Code Sections 44-04-19.1 and 44-04-19.2, that the Board closes this meeting to the public and enters executive session for the purpose of consultation with its attorneys on pending and active specifically: EOG v. Soo Line, et al.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Jaeger		X	X		
Superintendent Baesler			X		
Treasurer Schmidt	X		X		
Attorney General Stenehjem			X		
Governor Dalrymple			X		

At 9:33 AM the Board entered executive session for the purposes outlined in its adopted motion.

EXECUTIVE SESSION

Members Present:

Jack Dalrymple	Governor
Alvin A. Jaeger	Secretary of State
Wayne Stenehjem	Attorney General (via telephone)
Kelly Schmidt	State Treasurer
Kirsten Baesler	Superintendent of Public Instruction

Department of Trust Lands Personnel present:

Lance D. Gaebe	Commissioner
Jeff Engleson	Director, Investment Division
Drew Combs	Director, Minerals Division
Linda Fisher	Deputy Commissioner
Taylor Lee	Director, Revenue Compliance
Kristie McCusker	Legal Assistant
Gerard Schwan	Director, Grants and Claims

Authorized Guests in Attendance:

Hope Hogan	Office of the Attorney General
Jason Nisbet	Governor's Office

During the executive session, the Board consulted with its attorney on legal strategy in the possible settlement of the referenced litigation and no formal action was taken. The executive session adjourned at 9:40 AM and the Board returned to open session and the public was invited to return to the meeting.

Motion: The Board agrees to the “substantially final” version of a proposed settlement of the litigation involving EOG Resources, Inc. v. Soo Line Railroad Company, et al.; and the Board authorizes the Attorney General to work on its behalf to resolve the few minor issues and when a mutually acceptable agreement is reached in the Attorney General’s judgement, it directs the Commissioner to sign the final agreement on the Board’s behalf.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Jaeger	X		X		
Superintendent Baesler			X		
Treasurer Schmidt		X	X		
Attorney General Stenehjem			X		
Governor Dalrymple			X		

ENERGY INFRASTRUCTURE AND IMPACT OFFICE

Summary

In the 2015-2017 Biennium, \$41,941,508 has been awarded of the \$139.3 million appropriated by the 2015 Legislature for grants.

Critical Access Hospital Impact Grants

The 2015 Legislature assigned \$10 million of oil and gas impact grant fund for critical access hospitals (CAH), with 50% to be awarded during each January of the biennium. December 2015 the Board awarded \$5 million to critical access hospitals with the funds distributed in January 2016.

Sixteen western area critical access hospitals were provided notices of availability of funds.

Grant applications were accepted October 1, 2016 through November 4, 2016, with a total of eight applications requesting \$7 million received. Total loss from operations by these applicants was \$13.6 million.

2017 Critical Access Hospitals Grant Round - Applications Received

Critical Access Hospital Name	City	County	App Number	Short Description	Project Total	Amount Requested	Long Description
Heart Of America Medical Center	Rugby	Pierce	A170007	HB 1176 Bad Debt Relief	\$1,436,255	\$202,483	Uncompensated Care Financial Assistance
McKenzie County Health Care Systems	Watford City	McKenzie	A170003	HB 1176 Bad Debt Relief	\$3,592,882	\$2,414,352	Uncompensated Care Financial Assistance
Mountrail County Health Center	Stanley	Mountrail	A170005	HB 1176 Bad Debt Relief	\$2,097,915	\$873,674	Uncompensated Care Financial Assistance
Southwest Healthcare Services	Bowman	Bowman	A170004	HB 1176 Bad Debt Relief	\$1,452,551	\$117,767	Uncompensated Care Financial Assistance
St. Andrew's Health Care	Bottineau	Bottineau	A170001	HB 1176 Bad Debt Relief	\$210,811	\$65,680	Uncompensated Care Financial Assistance
St. Joseph's Hospital & Health Center	Dickinson	Stark	A170008	HB 1176 Bad Debt Relief	\$3,291,283	\$2,853,019	Uncompensated Care Financial Assistance
St. Luke's Hospital	Crosby	Divide	A170006	HB 1176 Bad Debt Relief	\$610,011	\$64,080	Uncompensated Care Financial Assistance
Tioga Medical Center	Tioga	Williams	A170002	HB 1176 Bad Debt Relief	\$942,340	\$411,584	Uncompensated Care Financial Assistance
					\$13,634,048	\$7,002,639	

Grant guidelines utilized include:

- Must have incurred an operating loss in the most recently completed fiscal year that meets the eligibility requirements for this grant program, excluding any grant amount received in the 2015 CAH HB 1358 Grant program
- Uncompensated care provided by the facility must have exceeded 2.7% of Gross Patient Revenue.
 - Uncompensated care provided over the 2.7% threshold will be eligible for grant funds. However, the amount of the grant may not result in the CAH earning a positive operating margin.
 - Gross Patient Revenue is defined as Inpatient Hospital Revenue, Outpatient Hospital Revenue and Hospital Owned Clinic Revenue.

The Critical Access Hospital Grants Advisory Committee that the Board appointed in 2015, assisted with grant recommendations. The committee includes:

- Becky Hansen, Southwest Healthcare Services, Bowman
- Daniel Kelly, McKenzie County Healthcare, Watford City
- Darrold Bertsch, Sakakawea Medical Center, Hazen
- Matt Grimshaw, Mercy Medical Center, Williston
- Randall Pederson, Tioga Medical Center, Tioga
- Tom Nehring, ND Department of Health, Bismarck
- Jerry Jurena, President, ND Hospital Association, Bismarck

The CAH Impact Grants Advisory Committee met November 9, 2016. The committee evaluated all applications based upon:

- Qualifying for the established eligibility criteria
- Work sheet calculations
- That financial supporting documents
- Enhanced review of the scoring criteria including: safety improvement; financial need; result of energy activity; project readiness; and contribution to long-term service/department viability.

The following list of recommended awards was developed and offered by the CAH Impact Grants Advisory Committee and the Energy Infrastructure and Impact Office in coordination with staff from the Department of Human Services and the North Dakota Hospital Association:

2017 Critical Access Hospitals Grant Round - Award Recommendations

CRITICAL ACCESS HOSPITAL NAME	CITY	COUNTY	APP NUMBER	DESCRIPTION	Award Recommended
McKenzie County Health Care Systems	Watford City	McKenzie	A170003	Uncompensated Care Financial Assistance	\$1,723,887
Tioga Medical Center	Tioga	Williams	A170002	Uncompensated Care Financial Assistance	\$293,878
Mountrail County Health Center	Stanley	Mountrail	A170005	Uncompensated Care Financial Assistance	\$623,818
St. Joseph's Hospital & Health Center	Dickinson	Stark	A170008	Uncompensated Care Financial Assistance	\$2,037,103
St. Andrew's Health Care	Bottineau	Bottineau	A170001	Uncompensated Care Financial Assistance	\$46,897
St. Luke's Hospital	Crosby	Divide	A170006	Uncompensated Care Financial Assistance	\$45,754
Southwest Healthcare Services	Bowman	Bowman	A170004	Uncompensated Care Financial Assistance	\$84,087
Heart Of America Medical Center	Rugby	Pierce	A170007	Uncompensated Care Financial Assistance	\$144,576
					\$5,000,000

Motion: The Board awarded \$5,000,000 from the Oil and Gas Impact Grant Fund to the eight critical access hospitals as identified in the preceding award recommendations. Distribution of these funds will be in January 2017. With this action, the Board affirms that \$10 million designated for critical access hospitals by the 2015 Legislative Assembly is satisfied.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Jaeger			X		
Superintendent Baesler		X	X		
Treasurer Schmidt	X		X		
Attorney General Stenehjem			X		
Governor Dalrymple			X		

Providers Serving Individuals with Developmental Disabilities Award Recommendations

The 2015 Legislature allocated \$2 million of oil and gas impact funds for grants to providers that serve individuals with developmental disabilities located in oil producing counties. The Legislature directed that distributions to be made each January during the biennium and for the EIIO to work in consultation with the North Dakota Department of Human Services (DHS) regarding the procedures for these grants.

The grant guidelines set by the 2015 Legislature in HB 1176 directed that grant recommendations be based on the number of full-time equivalent (FTE) positions of each provider as determined by

the DHS. When setting rates for the grants, as specified in the legislation, the DHS excluded grant income received as an offset to costs.

The following counties were considered as oil producing counties for this grant round:

Billings	Bottineau	Bowman	Burke
Divide	Dunn	Golden Valley	McHenry
McKenzie	McLean	Mercer	Mountrail
Renville	Slope	Stark	Ward
Williams			

The following list of service providers was identified by the DHS as providing services to developmentally disabled individuals located in the identified counties. Also included in the list are the number of FTE positions for each service provider and a recommendation for award on each based on the number of FTE's and \$1 million prorated for this grant round.

Developmental Disabilities Approved FTE's in Oil Producing Counties

Provider	Total	% of Total	Recommended Award
ABLE, Inc.	112.38	15.68%	\$156,850
Community Options, Inc.	42.03	5.87%	\$58,661
Easter Seals Goodwill	51.21	7.15%	\$71,473
Knife River Group Home	7.68	1.07%	\$10,719
Minot Vocational Adjustment Workshop d.b.a. Kalix	220.21	30.73%	\$307,345
Opportunity Foundation	82.29	11.49%	\$114,851
Pride, Inc.	0.37	0.05%	\$516
Rehab Services, Inc.	10.77	1.50%	\$15,032
REM	136.76	19.09%	\$190,874
Support Systems, Inc.	14.39	2.01%	\$20,085
Tri-City Cares, Inc.	38.40	5.36%	\$53,594
Grand Total FTE's	716.49		\$1,000,000

Motion: The Board awarded \$1,000,000 from the Oil and Gas Impact Grant Fund to the 11 providers of services to individuals with developmental disabilities as identified in the award recommendations in the preceding list. Distribution of these funds will be performed in January 2017. With this action, the Board affirms that \$2 million designated for providers that serve individuals with developmental disabilities by the 2015 Legislative Assembly is fully satisfied.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Jaeger	X		X		
Superintendent Baesler			X		
Treasurer Schmidt			X		
Attorney General Stenehjem		X	X		
Governor Dalrymple			X		

Summary

With the awards approved at this meeting, the Board has approved \$47,941,508 during the 2015-2017 biennium.

I N V E S T M E N T M A N A G E M E N T

RVK Investment Performance Report – 3rd Quarter 2016

RVK representatives reviewed the performance of the permanent trust funds' pool of investment assets for the period ending September 30, 2016. A copy of this performance report was provided to the Board and is available at the Department.

Asset Class Review – Real Estate

Each quarter, the Board does a review of a separate investment asset class in which the permanent trust funds participate. During this meeting, RVK reviewed the permanent trusts' real estate portfolio. The real estate portfolio, which has a 15% target allocation, is allocated among 5 different managers, including core managers Morgan Stanley (4%) and UBS (4%) and core plus managers Jamestown (2%), Prologis (2%) and J.P. Morgan (3%). The trusts' equity exposure is achieved through actively managed open ended real estate funds.

The presentation reviewed the asset class as a whole, as well as the specific strategies and managers. The real estate overview presentation is available at the Department.

S T R A T E G I C I N V E S T M E N T A N D I M P R O V E M E N T S F U N D

The Strategic Investment and Improvements Fund (SIIF) holds the assets and collects the revenues earned from sovereign mineral acres, including those formerly owned by the Bank of North Dakota and State Treasurer, as well as the minerals located under navigable rivers and lakes. The SIIF also receives a portion of the oil and gas production and extraction taxes collected by the State. It is invested in a short-term fixed income portfolio.

During the quarter ended September 30, 2016, the SIIF earned approximately \$6.7 million of oil and gas royalties, \$4.7 million of mineral bonuses, and approximately \$979,000 of investment income. Royalty income is down for the quarter due to the fact that most royalties received in July and August are applied back to the previous fiscal year.

	09/30/16 Asset Balances	Yield/Total Return for Qtr. Ended 9/30/16
Strategic Investment and Improvements Fund		
Loan Guarantee – Fuel Production	\$ 17,181,000	0.58% Yield
Investments/Cash	<u>330,704,000</u>	0.26% Total Return
Total	\$ 347,885,000	

The funds set aside to guarantee a loan for a biomass fuel production facility earned an annualized yield of approximately 0.58% during the quarter. The SIIF also receives an annual guarantee fee of 0.25% of the outstanding loan balance in June of each year.

A total of \$18.5 million of appropriations were transferred to other agencies including \$15.0 million to the Extension Service for a veterinarian diagnostic laboratory and \$3.0 million to the Department of Transportation for the short-line railroad loan program. \$200,000 remains to be transferred before the end of the biennium.

Spring forecasts show the SIIF is expected to have a balance of approximately \$519.2 million on June 30, 2017. Projections for the SIIF are currently being updated.

The assigned fund balance of the SIIF was \$142.33 million as of September 30, 2016. The assigned fund balance represents mineral royalties and bonus that has been set aside in connection to sovereign minerals lawsuits.

SCHOOL CONSTRUCTION ASSISTANCE LOAN FUND (SCALF)

The SCALF was created by SB 2039, effective July 1, 2015, with a transfer of \$150 million of outstanding school construction loans from the SIIF. SB 2039 gave control of the SCALF to the BND, contingent on voter approval of a constitutional measure in November 2016.

As of September 30, 2016, the SCALF had a balance of approximately \$152.7 million and was made up of \$143.2 million of school construction loans, \$8.8 million of invested cash, and \$681,000 of accrued income.

The average yield of the outstanding total loan balance was 1.43% as of September 30, 2016. The invested cash is currently earning an annual yield of 0.20% at the BND.

COAL DEVELOPMENT TRUST FUND

The Coal Development Trust Fund (CDTF) is a permanent fund from which the Board issues loans to energy impacted counties, cities and school districts as provided in NDCC Section 57-62-03 and lends to school districts pursuant to NDCC Ch. 15-60. The Board invests funds that are not loaned. Constitutionally, the income earned by the CDTF is transferred to the General Fund each year. The CDTF has historically been invested in a conservative short-term fixed income portfolio.

	9/30/3016 Asset Balances	Yield/Total Return for Qtr. Ended 9/30/16
<u>Coal Development Trust Fund</u>		
School Construction Loans	\$ 43,439,000	1.67% Yield
Coal Impact Loans	13,153,000	3.36% Yield
Investments/Cash	11,615,000	0.26% Total Return
Total	\$ 68,207,000	

\$46,792 of principal and \$25,599.51 of interest were collected in the school construction loan program during the quarter. These payments were for the Powers Lake gross production tax backed school construction loan that was funded in 2015, most school loan payments are received in June of each year.

In August, the Department of Public Instruction approved a new school loan commitment of \$6.4 million to Richardton-Taylor. With that commitment, there is approximately \$161,000 of school loan capacity remaining from the CDTF.

CAPITOL BUILDING FUND

The Capitol Building Fund is a Constitutional fund that was created for the construction and maintenance of "public buildings at the capital." It generates revenues from its 10,000 surface and 27,700 mineral acres. It is invested in conservative, short-term fixed income portfolio.

The Capitol Grounds Planning Commission (CGPC) has official control over the Capitol Building Fund; and it has an agreement with the Land Board for investing the assets.

	9/30/16 Asset Balance	Total Return Qtr. Ended 9/30/16
<u>Capitol Building Fund</u>		
Investments/Cash	\$ 6,876,000	0.26% Total Return

The 64th Legislative Session, appropriated \$5.7 million from the Capitol Building Fund:

- o \$4.0 million for a new Governor's residence (SB 2304)
- o \$1.4 million for capitol building entrance and signage projects (SB 2015)
- o \$310,000 for legislative wing electrical and ceiling repairs (SB 2015)

During the quarter, the Capitol Building Fund collected approximately \$140,000 of oil and gas royalties. A deposit of \$500,000 of private donations was received into the Capitol Building Fund by the CGPC.

The investment assets of the SIIF, Coal Development Trust Fund, and Capitol Building Fund are commingled in the Ultra-Short bond portfolio managed by Northern Trust. Following is RVK's review of the performance of the Ultra-short account.

Asset Allocation

The asset allocation status of the permanent trusts as of October 31, 2016:

Account/Asset Class	Long-Term Asset Allocation	10/31 Actual Allocation \$	10/31 Actual Allocation %
Large Cap US Equity	13.5%	\$ 504,252,487	13.3%
Small Cap US Equity	3.5%	\$ 126,041,043	3.3%
International Equity	12.0%	\$ 454,265,405	12.0%
Emerging Market Equity	3.0%	\$ 113,178,328	3.0%
Total Equities	32.0%	\$ 1,197,737,263	31.5%
Domestic Investment Grade	14.2%	\$ 533,328,722	14.0%
High Yield FI	3.0%	\$ 113,673,345	3.0%
International/Global FI	5.8%	\$ 219,627,195	5.8%
Total Fixed Income	23.0%	\$ 866,629,263	22.8%
Total Absolute Return	20.0%	\$ 759,509,276	20.0%
Commodities	3.0%	\$ 113,520,928	3.0%
MLPs	3.0%	\$ 109,920,481	2.9%
TIPS	2.0%	\$ 74,395,230	2.0%
Natural Resource Equities	2.0%	\$ 77,958,230	2.1%
Total Inflation Strategies	10.0%	\$ 375,794,869	9.9%
Core Real Estate	8.0%	\$ 331,859,018	8.7%
Core Plus Real Estate	7.0%	\$ 269,200,729	7.1%
Total Real Estate	15.0%	\$ 601,059,746	15.8%
Total Asset	100.0%	\$ 3,800,730,416	100.0%

Updates provided to the Board:

Change at SSGA (S&P and World Ex US Index Funds: total \$967 million, 25.5% of assets)

John Tucker, Co-Head of Global Equity Beta Solutions (GEBS) in the Americas, will assume the newly created role of Global Investments Chief Operating Officer for State Street Global Advisors (SSGA), effective January 1, 2017. When Mr. Tucker moves to his new position, Mike Feehily will become the sole head of GEBS at SSGA.

Mr. Feehily has co-led the GEBS group with Mr. Tucker for the past five years; he is a 20 year veteran of SSGA. Karl Schneider, another 20 year veteran of SSGA, will assume the role of Deputy Head of GEBS and will report directly to Mr. Feehily.

RVK nor the Department staff indicated concerns regarding the changes SSGA has implemented.

Changes at J.P. Morgan Real Estate (\$114.6 million, 3.0% of assets)

After more than 30 years at J.P. Morgan, Joe Azelby, head of the Global Real Assets (GRA) group will be retiring from the firm in February 2017. Until his retirement date, Joe will provide strategic advice and counsel to GRA broadly but will no longer participate in routine business management activities.

This change will not impact the day-to-day operations of the GRA group; responsibility for the GRA investment portfolios, including the Income and Growth Fund in which the permanent trusts' invest, will remain as before under the oversight of the group's individual portfolio managers.

RVK, nor the Department expressed any major concerns about this change.

Changes at PIMCO/Research Affiliates (\$247.5 million, 6.6% of assets)

Chris Brightman, the CIO of Research Affiliates, was named co-portfolio manager along with Rob Arnott of the All Assets All Authority strategy in which the permanent invests.

RVK does not view this change as a cause for concern and the Department staff also indicated minimal issues.

Novarca – Investment Fees and Costs Analysis Services

The Novarca presentation which had been included on the published agenda, was postponed to a future meeting due to weather and difficulty in travel for the anticipated out-of-state guests.

O P E R A T I O N S**Information Technology Upgrade Plan**

The Commissioner presented a summary of the estimated costs and implementation schedule of the comprehensive information technology upgrade planned for the Department. The anticipated three-year project would entail customized off-the-shelf software in accounting, lands management, grants management and unclaimed property. The Department submitted a capital assets budget request of \$5.52 million for the project.

Motion: The Board endorsed the project and indicated its support for the investment in the Department’s Information Technology system replacement as presented.

Action Record	Motion	Second	Aye	Nay	Absent
Secretary Jaeger	X		X		
Superintendent Baesler		X	X		
Treasurer Schmidt			X		
Attorney General Stenehjem					X
Governor Dalrymple			X		

Proposed Legislation for 2017

A legislative bill draft the Department intends to submit for consideration by the 2017 Legislature was presented to the Board:

Section 1 (15-02-02):

The proposed change would adjust the language so the commissioner’s term, which starts on July 1, would coincide with the general election of the Governor.

Sections 2 (15-02-05.1) and Section 3 (54-01-05.5)

The changes proposed in sections 2 and 3 clarify language requiring the Commissioner to review the “highest and best use” of state land considered by the legislature to be sold or exchanged.

Other proposed language changes in the statutes provide for optional commissioner assessments as opposed to an obligatory review and opinion.

Section 4 (57-62-02)

The proposed changes in this section would reverse an unconstitutional provision adopted by the 2015 Legislature in SB 2039 which directed the transfer of income in the Board-managed Coal Development Trust Fund to the School Construction Loan Fund rather than to the general fund.

Section 5: (15-03-05.1)

This section proposes repeal of the following outdated section of statute related to the amortization of Coal Development Trust Fund income in equal installments.

15-03-05.1. Calculation of fund income - Coal development trust fund.

At the end of each fiscal year, the board shall calculate the income earned by the coal development trust fund. The net gain or loss realized on the sale of investment securities for the year must be amortized to fund income in equal annual installments over a ten-year period.

R E P O R T S

The Audited Financial Statements for the Year Ended in June 30, 2016 were presented to the Board for review.

Fall 2016 Surface Leasing Auction Results

The 2016 fall lease auctions were completed in October.

	2015	2016
Number of counties	34	34
Total leases offered	1044	1498
Number of leases bid	1002 (96%)	1455 (97%)
Number of leases bid-up	122 (12%)	124 (9%)
Total amount of minimum advertised bids (leased tracts)	\$1,603,223	\$2,336,130
Total amount received	\$1,869,952	\$2,534,640
Competition factor (% of total income)	\$266,729 (14%)	\$198,510 (9%)

On behalf of the Board, the Commissioner has approved all fall surface leases.

A summary of the November Oil and Gas Lease auction results was presented to the Board for review.

Report of Easements Issued by Commissioner (10-19-16 through 11-14-16)

Granted to:	BISON MIDSTREAM LLC, DENVER-CO
For the Purpose of:	Easement: Pipeline & Communication Cable
Legal Description:	WIL-156-99-36-SE4, SW4
Granted to:	BURLINGTON RESOURCES OIL & GAS CO LP, BARTLESVILLE-OK
For the Purpose of:	On-lease Act. Amend: Horizontal Oil Well
Legal Description:	MCK-150-96-36-SE4
Granted to:	GOLDENWEST ELECTRIC COOP INC, WIBAUX-MT
For the Purpose of:	Easement: Drop Line-Buried Electric Distribution Line
Legal Description:	GOL-143-103-36-NE4
Granted to:	STATOIL OIL AND GAS LP, AUSTIN-TX
For the Purpose of:	On-lease Act. Amend: Drop Line-Pipeline & Communication Cable
Legal Description:	MOU-155-92-16-NW4
Granted to:	CENTRAL POWER ELECTRIC COOP INC, MINOT-ND
For the Purpose of:	Easement-Amend: Electric Transmission Line
Legal Description:	MCH-159-76-16-SW4
Granted to:	HENRY HILL OIL SERVICES LLC, WILLISTON-ND
For the Purpose of:	Easement-Amend: Salt Water Disposal Well
Legal Description:	WIL-154-100-16-SE4, SW4

(11/29/16)

Granted to: For the Purpose of: Legal Description:	OASIS MIDSTREAM SERVICES LLC, HOUSTON-TX Easement-Amend: Multiple Pipelines MOU-157-92-15-N2NW4, SE4NW4
Granted to: For the Purpose of: Legal Description:	ND STATE WATER COMMISSION, BISMARCK-ND Easement: Potable Water Pipeline MER-143-90-20-NW4
Granted to: For the Purpose of: Legal Description:	MCKENZIE ENERGY PARTNERS LLC, BELFIELD-ND Easement: Drop Line-Saltwater Pipeline MCK-149-98-16-NE4, SE4
Granted to: For the Purpose of: Legal Description:	HESS BAKKEN INVESTMENTS II, LLC, MINOT-ND Easement: Air Monitoring Station WIL-158-95-36-SE4
Granted to: For the Purpose of: Legal Description:	HILAND CRUDE LLC, HOUSTON-TX Easement-Amend: Oil Gathering Pipeline MCK-152-97-36-SW4
Granted to: For the Purpose of: Legal Description:	SCOUT ENERGY MANAGEMENT LLC, DALLAS-TX Permit: Access Road BIL-141-101-16-SE4, NE4
Granted to: For the Purpose of: Legal Description: Legal Description:	ND DEPT OF TRANSPORTATION, BISMARCK-ND Easement: Road Right-of-Way WIL-154-99-16-SE4, SW4 WIL-154-99-20-NE4
Granted to: For the Purpose of: Legal Description:	SCOUT ENERGY MANAGEMENT LLC, DALLAS-TX Permit: Access Road BIL-141-101-13-NE4, NW4
Granted to: For the Purpose of: Legal Description:	SCOUT ENERGY MANAGEMENT LLC, DALLAS-TX Permit: Access Road BIL-139-101-36-NE4, SE4
Granted to: For the Purpose of: Legal Description:	QEP RESOURCES INC, DENVER-CO On-lease Act. Amend: Horizontal Oil Well MCK-150-95-16-NE4
Granted to: For the Purpose of: Legal Description:	WHITING OIL AND GAS CORPORATION, DENVER-CO Easement: Tower Site BIL-140-100-16-NW4
Granted to: For the Purpose of: Legal Description:	QEP RESOURCES INC, DENVER-CO On-lease Act. Amend: Horizontal Oil Well MCK-150-95-16-NW4
Granted to: For the Purpose of: Legal Description:	MCKENZIE ELECTRIC COOPERATIVE INC, WATFORD CITY-ND Easement: Drop Line-Electric Distribution Line DUN-147-95-16-NW4 NORTH OF HWY
Granted to: For the Purpose of: Legal Description:	BELLE FOURCHE PIPELINE CO, CASPER-WY Easement-Amend: Drop Line-Pipeline GOL-143-103-36-NE4
Granted to: For the Purpose of: Legal Description:	ND STATE WATER COMMISSION, BISMARCK-ND Easement-Amend: Potable Water Pipeline OLI-141-81-16-NE4, NW4, SE4 LESS SCHOOL SITE

Granted to: CONTINENTAL RESOURCES INC, OKLAHOMA CITY-OK
For the Purpose of: On-lease Act. Amend: Horizontal Oil Well
Legal Description: MCK-153-94-36-SE4

Granted to: BRIDGER PIPELINE LLC, CASPER-WY
For the Purpose of: Easement: Drop Line-Oil Gathering Pipeline
Legal Description: MCK-153-94-36-SE4

Granted to: ROCKWATER ENERGY SOLUTIONS, DICKINSON-ND
For the Purpose of: Letter of Permission: Access to School Land
Legal Description: GOL-143-103-36-NE4, NW4

Granted to: SELECT ENERGY SERVICES LLC, WILLISTON-ND
For the Purpose of: Letter of Permission: Access to School Land
Legal Description: MCK-153-94-36-SE4, SW4

Granted to: MBI ENERGY SERVICES, KILLDEER-ND
For the Purpose of: Letter of Permission: Access to School Land
Legal Description: MCK-149-98-16-NE4, NW4

Granted to: SELECT ENERGY SERVICES LLC, WILLISTON-ND
For the Purpose of: Letter of Permission: Access to School Land
Legal Description: MCK-153-96-36-NE4, NW4

A D J O U R N

There being no further business, the meeting was adjourned at 10:58 AM.

Alvin Jaeger, Vice-Chairman
Board of University and School Lands

Lance D. Gaebe, Secretary
Board of University and School Lands