

**Minutes of the Meeting of the
Board of University and School Lands
April 25, 2019**

The April 25, 2019 special meeting of the Board of University and School Lands was called to order at 9:03 AM in the Governor's Conference Room of the State Capitol by Chairman Doug Burgum.

Members Present:

Doug Burgum	Governor
Alvin A. Jaeger	Secretary of State
Wayne Stenehjem	Attorney General
Kelly Schmidt	State Treasurer

Member Absent:

Kirsten Baesler	Superintendent of Public Instruction
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Department of Trust Lands Personnel present:

Jodi Smith	Commissioner
Drew Combs	Minerals Division Director
Mike Humann	Surface Division Director
Jeff Engleson	Investments Director
Kristie McCusker	Paralegal
Allisen Nagel	Mineral Title Specialist
Catelin Newell	Office Manager
Kate Schirado	Administrative Assistant

Guests in Attendance:

Dave Garner	Attorney General's Office
Matt Sagsveen	Attorney General's Office
Charles Carvell	Special Assistant Attorney General
Leslie Bakken Oliver	Governor's Legal Counsel
Reice Haase	Governor's Office
Mark Hanson	Nilles Law Office
Amy Dalrymple	Bismarck Tribune
Brady Pelton	ND Petroleum Council
Zac Weis	Marathon Oil
Ron Ness	Marathon Oil
Ed Seymour	Marathon Oil
Brenda Selinger	Marathon Oil
Craig Smith	Crowley Fleck
Geoff Simon	Western Dakota Energy Association

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 March 28, 2019 meetings was made by Attorney General Wayne Stenehjem and seconded by Treasurer Kelly Schmidt and the motion carried unanimously on a voice vote.

O P E R A T I O N S

Legislative Bill Status (as of April 25, 2019)

Currently the Department of Trust Lands is monitoring approximately 20 bills.

DEPARTMENT BUDGET BILL

HB 1013 **Legislative appropriation and budget for the Commissioner of University and School Lands**

Introduced/Sponsored by: Appropriations Committee
 House Appropriations Committee - Government Operations Division (Chairman Vigesaa)
 Status: Passed Conference Committee
 Representatives: Kempenich, Bellew, Mock
 Senators: Wanzek, Hogue, Grabinger

DEPARTMENT SUBMITTED BILLS

SB 2081 **Continuing authority for building repairs and investment due diligence**
***Fiscal Note Filed by Department**

Introduced/Sponsored by: Government and Veterans Affairs Committee
 Senate Government and Veterans Affairs Committee (Chairman Davison)
 Status: PASSED Senate, PASSED House
 Signed by Governor
 Filed with Secretary of State

SB 2082 **Repeal of N.D.C.C. §§ 15-04-02 Lease of Cultivated Lands for Summer Fallow, and 15-04-04, Failure to Summer-Fallow Cultivated Lands, Use for Cancellation of Lease**
***Fiscal Note Filed by Department**

Introduced/Sponsored by: Agriculture Committee
 Senate Agriculture Committee (Chairman Luick)
 Status: PASSED Senate, PASSED House
 House Agriculture Committee (Chairman D. Johnson)
 Signed by Governor
 Filed with Secretary of State

DEPARTMENT SUPPORTED BILLS

HB 1392 **Confidentiality of records received by the Board of University and School Lands**

Introduced/Sponsored by: Representatives Zubke, Dockter, Nathe, Westlind
 House Government and Veterans Affairs Committee (Chairman Kasper)
 Status: PASSED House, PASSED Senate
 Senate Government and Veterans Affairs Committee (Chairman Davison)
 Signed by Governor
 Filed with Secretary of State

SB 2211 Amend N.D.C.C. §§ 61-33.1-04 and 61-33.1-05 relating to the ownership of mineral rights of land inundated by Pick-Sloan Missouri basin project

Introduced/Sponsored by: Senators Bekkedahl, Dwyer, Unruh Representatives Keiser, Porter
Senate Energy and Natural Resources Committee (Chairman Unruh)
Status: Passed Conference Committee
Representatives: Keiser, Martinson, Porter
Senators: Unruh, Schaible, Piepkorn

SB 2212 Relating to authorization for the Board of University and School Lands to impose a civil penalty for failure to produce records; and to provide penalty

Introduced/Sponsored by: Senators Bekkedahl, Dwyer, Unruh Representatives Keiser, Porter
Senate Energy and Natural Resources Committee (Chairman Unruh)
Status: PASSED Senate, INTRODUCED House
House Energy and Natural Resources Committee (Chairman Porter)
Signed by Governor
Filed with Secretary of State

SB 2264 Relating to meetings and policy approval process of the Board of University and School Lands exempt administrative agencies

Introduced/Sponsored by: Senators Unruh, Klein, Schaible Representatives Howe, Nathe, Porter
Senate Government and Veterans Affairs Committee (Chairman Davison)
Status: PASSED Senate, PASSED House
Signed by Governor
Filed with Secretary of State

Other bills that have a direct impact on the Board of University and Schools Lands, the Department of Trust Lands, or the trusts and funds that they manage.

HB 1192 Relating to defining and delineating the ordinary high-water mark of a navigable body of water; and to amend and reenact section 61-33-01 and subdivision e of subsection 3 of section 61-33.1-03 of the North Dakota Century Code, relating to the definition and determination of ordinary high water mark.

Introduced/Sponsored by: Representatives Keiser, Martinson Senator Unruh
House Energy and Natural Resources Committee (Chairman Porter)
Senate Energy and Natural Resources Committee (Chairman Unruh)
Status: Failed House, applicable language to be included in 2211.

HB 1202 Relating to determinations of navigability; to amend and reenact sections 61-33-01 and subdivision e of subsection 3 of section 61-33.1-03 of the North Dakota Century Code, relating to sovereign land management definitions; and to provide for a state engineer review of determinations of navigability.

Introduced/Sponsored by: Rep. Delzer, Porter, Zubke, Sen. Schaible
House Energy and Natural Resources Committee (Chairman Porter)
Senate Energy and Natural Resources Committee (Chairman Unruh)
Status: PASSED Senate, PASSED House
Sent to Governor

HB 1320 **Relating to the Theodore Roosevelt presidential library and museum endowment fund; to provide a continuing appropriation; to provide for a transfer; to authorize a loan; and to declare an emergency.**

Introduced by Rep. Pollert, Headland
 Introduced by Sen. G. Lee, Wanzek
 Status: Laid Over One Legislative Day

SB 2037 **Relating to the disposal and storage of high-level radioactive waste and subsurface storage and retrieval of nonhydrocarbons; to amend and reenact sections 12.1-06.1-01 and 38-19-09 of the North Dakota Century Code, relating to the definition of illegal transportation or disposal of radioactive waste material or hazardous waste and disposition of unusable products; to repeal chapter 23-20.2 of the North Dakota Century Code, relating to the disposal of nuclear waste material; and to provide a penalty.**

Introduced/Sponsored by: Legislative Management
 Senate Energy and Natural Resources Committee (Chairman Unruh)
 House Energy and Natural Resources Committee (Chairman Porter)
 Status: Returned from Conference Committee, Conference committee report adopted
 Representatives: J. Roers, Kreun, Piepkorn
 Senators: Lefor, Roers Jones, Marschall
 Senate Second reading, passed, yeas 43 nays 3
 House Second reading, passed, yeas 85 nays 5

SB 2315 **Relating to identifying private land open to hunters; to amend and reenact sections 12.1-22-03, 20.1-01-18, 20.1-01-19, 20.1-01-20, and 20.1-03-42 of the North Dakota Century Code, relating to criminal trespass and hunting on private land; to repeal section 20.1-01-17 of the North Dakota Century Code, relating to posting land; and to provide a penalty.**

Introduced/Sponsored by: Sen. Erbele, Patten, Unruh, Rep. Boe, Schmidt, Westlind
 Senate Agriculture Committee (Chairman Luick)
 House Agriculture Committee (Chairman Johnson)
 Status: Conference Committee
 Representatives: Schreiber-Beck, Heinert, Tveit
 Senators: Luick, Erbele, O. Larsen

SB 2344 **Relating to injection or migration of substances into pore space.**

Introduced/Sponsored by: Sen. Unruh, Cook, Schaible, Rep. Kempenich, Porter
 Senate Energy and Natural Resources Committee (Chairman Unruh)
 House Energy and Natural Resources Committee (Chairman Porter)
 Status: Returned from Conference Committee, Conference committee report adopted
 Representatives: Keiser, Roers Jones, Mitskog
 Senators: Unruh, Schaible, Piepkorn
 Senate Second reading, passed, yeas 34 nays 12
 House Second reading, passed, yeas 66 nays 24

SB 2362 Relating to the allocation of oil extraction tax; to provide an effective date; and to declare an emergency.

Introduced/Sponsored by: Sen. Cook, Holmberg, Wardner, Rep. Delzer, Headland, Pollert
Senate Finance and Taxation Committee (Chairman Cook)
House Finance and Taxation Committee (Chairman Headland)
Status: PASSED Senate, PASSED House
Signed by Governor

Unclaimed Property Information Technology Project Status Update

The Department of Trust Land's (Department) 2017-2019 biennial budget appropriation includes \$3.6 million to replace legacy information technology systems as authorized by Senate Bill 2013.

Severe limitations in the current IT system, including redundant manual processes, have hampered efficiencies. Many of the Department's core data management systems were developed in the 1980s and 1990s, using designs and tools no longer supported by vendors. Some supplemental system improvements and purchases have been implemented; however, the outdated database structure restricts many potential improvements.

The Department signed a contract with Kelmar, a software company providing specialized services and solutions to assist governments with the management and administration of unclaimed property programs. With substantial knowledge of state governments, system tools, and process workflows, Kelmar has been helping unclaimed property departments across the United States since 2001. By dedicating their organization exclusively to matters of unclaimed property, they maintain the necessary subject matter expertise and reliability to serve as a partner in unclaimed property resources and offer the next step in unclaimed property management. Not only will the Department partner with them on software, we will draw on their unclaimed property experience to; increase the amount of unclaimed property returned and reunited with rightful owners; reduce risk associated with administering unclaimed property program operations; implement efficiencies and best practices to manage unclaimed property in safekeeping, and; achieve program goals using dedicated and cost-effective unclaimed property resources.

The go-live date for Kelmar is April 29, 2019. The URL for the new cloud-based software is <https://unclaimedproperty.nd.gov>.

Department of Trust Lands Website

After months of hard work and dedication, led by Catelin Newell and in collaboration with Marketing & Advertising Business Unlimited, Inc. (MABU), the Department will launch a new website in May 2019.

The URL will remain the same <https://land.nd.gov>. The goal with the new website is to provide our visitors an easier way to learn about the Department of Trust Lands with maps depicting the history of the trusts, submit right-of-way applications, search for unclaimed property claims and upload holder reports and allow for a more interactive experience for all customers. The Department focused on communications planning, user experience, analytics to assist in determining the websites structure and content re-organization. The website pages have been re-written to place an emphasis on communicating clear and concise messaging that provides visitors with information they are seeking. Additionally, the "look and feel" of the new website places an emphasis the Department's mission and the encapsulates the work of the Board.

(04/25/19)

Performance Audit Follow-Up

In February 2019 the State Auditor initiated a performance audit of the Department of Trust Lands (Department) under N.D.C.C. § 54-10-01(4) in conjunction with the study proposed under Senate Bill 2130 of the 66th Legislative Assembly:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - STATE AGENCY

FEES. During the 2019-20 interim, the legislative management shall study, in coordination with the state auditor, the provisions of the North Dakota Century Code relating to state agency fees. The study must include a review of the dates state agency fee provisions were created and modified, the revenue generated by the fee as compared to the expenditures related to the purpose or purposes for which the fee is imposed, and the fund or funds in which fee revenue is deposited and from which fee revenue is expended; consideration of whether the amounts of fees should be changed and whether the imposition of a fee is appropriate or if other government revenues should be used to fund the provision of services. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

The objectives of the audit are as follows:

1. Are all fees collected by state agencies and the university system authorized?
2. What are the revenues and expenditures associated with state agency and university system fees?

The State Auditor's planned methodologies include researching and reviewing the North Dakota Century Code, North Dakota Administrative Code, and State Board of Higher Education policy. In addition, there will be inquiries into management and identification of revenues and expenditures related to fees.

The Department has been working with the State Auditor's Office and will continue to do so, providing information as requested. The audit is anticipated to be complete by December 31, 2019.

Marathon Oil Company Request for Lease Extension in Dunn County T148-R95W-16: All

In May of 2013, Marathon Oil Company (Marathon) entered into four leases with the Board of University and School Lands (Board) (OG13-00342, OG13-00343, OG13-00344, and OG13-00345). These leases cover 469.52 acres of Common Schools mineral tracts in T148N-R95W-16, Dunn County, North Dakota, and Marathon paid a total bonus to the Board of \$3,850,064. Marathon states their total expenses to date are in excess of \$4 million (bonus, surveys, archeological surveys, etc.).

Marathon experienced extreme difficulties in developing these mineral tracts, including; complex stakeholders, environmental concerns, and rough terrain which have impeded timely development of the area. The North Dakota Department of Trust Lands (Department) has been working with Marathon since late 2015 in search of a viable solution to develop the section.

On November 20, 2017, a formal request was directed to Commissioner Gaebe requesting a 365-day extension. On January 23, 2018, Commissioner Smith received another formal request for a 365-day extension.

On February 22, 2018, Marathon sought two 180-day extensions for all four leases, for a total extension of 360 days from the Board.

Section 8 of the Board's Oil and Gas lease states:

If, at the expiration of the primary term, production of oil and/or gas has not been obtained in commercial quantities on the leased premises but drilling, testing, completion, recompletion, reworking, deepening, plugging back, or repairing operations are being conducted thereon in good faith, lessee may, on or before the expiration of the primary term, file a written application with the Commissioner of University and School Lands for a one hundred eighty (180) day extension of this lease, such application to be accompanied by a payment of ten dollars (\$10.00) per acre, and the Commissioner shall, in writing, extend this lease for a period of one hundred eighty (180) days beyond the expiration of the primary term and as long as oil and/or gas is produced in commercial quantities; lessee may, as long as such drilling, testing, or completion operations are being conducted in good faith, make written application to the Commissioner, on or before the expiration of the initial extended period of one hundred eighty (180) days for an additional extension of one hundred eighty (180) days, such application to be accompanied by a payment of twenty dollars (\$20.00) per acre, and the Commissioner shall, in writing, extend this lease for an additional one hundred eighty (180) day period from and after the expiration of the initial extended period of one hundred eighty (180) days, and as long as oil and/or gas is produced in commercial quantities; this lease shall not be extended for more than a total of three hundred sixty (360) days from and after the expiration of the primary term unless production in commercial quantities has been obtained or unless extended by some other provision hereof.

All parties recognized the initial request for an extension did not constitute the activation of paragraph 8; however, given the circumstances, it was beneficial to all parties to come to a mutually acceptable solution in granting Marathon a 360-day amendment to the leases.

At the February 2018 Board meeting, a Board member specifically asked Department staff and the Commissioner if an extension could be granted in lieu of paragraph 8 but they could still come back to the Board and ask for another extension if they met the criteria of paragraph 8. Department staff and the Commissioner at that time noted to the Board that there would not grant the opportunity for an additional extension. The Board accepted the terms to not offer the opportunity to grant an additional extension beyond the 360-days.

The Board voted unanimously at the February 2018 Board meeting to direct the Commissioner to negotiate a one-time 360-day extension for leases OG13-00342, OG13-00343, OG13-00344, and OG13-00345 and bring those negotiated terms to the Board's regularly scheduled meeting in March 2018.

The Commissioner and Department staff worked with Marathon to reach mutually acceptable terms.

The Board's initial terms of the lease(s) for this area set for a royalty rate of 3/16 (18.75%). Marathon agreed to increase the royalty to a flat 20%. Marathon also agreed to pay a \$100 per net mineral acre, for a total of \$46,952.

At the March 2018 Board meeting, the Board authorized Marathon Oil Company a three hundred sixty day (360) extension of the four leases (OG13-00342, OG13-00343, OG13-00344, and OG13-00345) in exchange for \$100 per net mineral acre and increasing the royalty rate to 20%.

(04/25/19)

Amended lease(s) were executed on May 4, 2018. The terms of the lease(s) that the Lessor and Lessee agreed to are as follows:

Lessor hereby amends the Lease by extending the leases(s) for a period of three hundred and sixty (360) days after May 6, 2018. The amended term shall commence on May 7, 2018, and terminate on May 1, 2019, but shall continue beyond the termination date of the Amended Term for as long thereafter as oil and/or gas may be produced in commercial quantities from the Leases Premises. Notwithstanding anything to the contrary in the Lease, including, but not limited to, the terms and conditions in Paragraphs 6, 8, and 11 of the Lease, the Amended Term will expire and the Lease will terminate if the Lessee has not obtained oil and/or gas production in commercial quantities from the Leased Premises as of the Termination Date.

Pursuant to paragraph 4(A) of the Lease, the royalty rate is increased from “three sixteenth” to “20%” during the Amended Term and the Secondary Term.

Section 8 is hereby deleted from the Lease during the Amended Term and the Secondary Term.

In all other respects, except as expressly provided herein, the Lease shall continue in full force and effect as originally written.

The Commissioner and Department staff met with Marathon on January 22, 2019, and were made aware of concerns to obtain commercial production before expiration of the amended terms. The Commissioner and Department staff met with Marathon on January 25, 2019, and Marathon requested permission to explore the opportunity to place an off unit pad north of Enerplus’s well pad located on State surface. Department staff contacted Enerplus and requested a formal response to Marathon’s request to locate an off unit pad north of Enerplus’s well pad. In a letter dated February 12, 2019, Enerplus denied the request stating a violation of correlative rights and therefore opposed Marathon’s proposed pad location.

On March 26, 2019, the Commissioner and Department staff met with Marathon to discuss concerns that commercial production would be obtained prior to the expiration of the amended terms. On April 4, 2019, the Commissioner received a formal request for extension from Marathon. The Commissioner responded on April 16, 2019, to Marathon’s request for an extension that the determination had been made that circumstances do not warrant extension of the leases per the Amendment of the Oil and Gas Lease dated May 4, 2018.

Additionally, per N.D.C.C § 39-09-18. Terms of lease – Unit operation.

All leases for the purposes as hereinbefore provided shall be made by the state of North Dakota and all agencies and departments and political subdivisions thereof for not less than twenty-five cents per acre [.40 hectare] per year for deferred drilling and shall be made with a royalty reservation of not less than one-eighth of all oil and gas produced from said land as long as oil and gas may be produced from said land. The term one-eighth as used herein must be construed to mean one-eighth of such interest as may be owned by the lessor. All leases hereunder must be made for a period of not less than five years and must continue in effect under the terms thereof as long as oil or gas may be produced thereon in commercial quantities.

N.D.C.C. § 38-11-14.

No lands owned in whole or in part, or on which a reservation of oil and gas rights has been made in a conveyance thereof, by the State of North Dakota or by any department or agency thereof or by any county or other political subdivision of this state, may be leased

for oil and gas exploration or production except as provided for in sections 38-11-14 through 38-09-20.

The Board is only authorized under N.D.C.C. § 15-07-20 to lease nongrant lands without advertisement or competitive bidding and the four leases Marathon is requesting a 3rd and 4th extension are grant lands.

The board of university and school lands may lease nongrant lands under reasonable rules as it may establish. The rules may provide for leasing with or without advertisement or competitive bidding. Leases made under this section must be for cash only, and the rental must be collected in advance except that the board may collect a share of a conservation reserve program payment paid by the federal government. A lease of nongrant lands may not extend for a period of more than five years, except any land accepted into the conservation reserve program may have a lease term that coincides with the term of the conservation reserve program contract if so provided in the lease. Leases may be renewed at the discretion of the board. When nongrant lands are leased without advertisement or competitive bidding, the board shall determine the rental by taking into consideration the nature and adaptability of the lands and the improvements thereon.

There are several century code sections that address mineral leasing. N.D.C.C. Chapter 38-09 outlines procedures for leasing oil and gas rights for exploration and production which applies to all departments or agencies of the state government as well as any county or political subdivision. Id. The procedure requires public notice of the time and place for leasing and must allow for written or oral bidding. N.D.C.C. §§ 38-09-15, 38-09-17. N.D.C.C. Chapter 15-05 addresses mineral leasing specifically for lands under the control of the Board. This chapter allows these lands to be leased for oil and gas development but does not provide any specific procedure. N.D.C.C. § 15-05-09. This section allows the Board to establish rules and regulations for development and drilling operations. Id. N.D.C.C. Chapter 15-07 addresses sale and leasing of nongrant lands. The legislature again did not provide any specific procedure but specified that leasing can be with or without advertisement and competitive bidding and directs the Board to establish reasonable rules and regulations for the leasing of nongrant lands. N.D.C.C. § 15-07-20.

In conclusion, Marathon was unable to satisfy the terms of the amendment therefore the lease(s) will expire per the terms of the amendment on May 1, 2019. The Commissioner, Department staff and the assistant attorney general took all necessary factors into consideration when making the determination to not authorize a third and fourth extension to Marathon, which is not allowed under the terms of the Board lease or the amended terms of the lease.

Motion: The Board directs the Commissioner to grant Marathon Oil a 30-day extension for leases OG13-00342, OG13-00343, OG13-00344, and OG13-00345 in order for the Board to further investigate the information provided to them in the request for extension.

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

Supported documents provided to the Board are available at the Department upon request and included: previous Marathon Oil extension request Board memorandums, amended oil and gas lease documents and addendums, April 2019 Marathon Oil extension request letter, and April 2019 Commissioner Smith response letter.

(04/25/19)

R E P O R T S**Report of Easements Issued by Land Commissioner (3/19/19 to 4/16/2019)**

Granted to:	XTO ENERGY INC, SPRING-TX
For the Purpose of:	On-lease Act. Amend: Horizontal Oil Well
Right-of-Way Number:	RW0008347
Trust:	A - Common Schools
Legal Description:	MOU-157-93-36-SE4
Granted to:	XTO HOLDINGS LLC, SIDNEY-MT
For the Purpose of:	Easement: Subsurface Well Bore
Right-of-Way Number:	RW0008428
Trust:	A - Common Schools
Legal Description:	MOU-154-94-16-SW4
Granted to:	WEST RIVER TELECOMMUNICATIONS, HAZEN-ND
For the Purpose of:	Easement-Amend: Communication Cable
Right-of-Way Number:	RW0008429
Trust:	A - Common Schools
Legal Description:	GRA-137-89-36-SE4, SW4
Granted to:	BNN NORTH DAKOTA LLC, LAKEWOOD-CO
For the Purpose of:	Easement-Amend: Drop Line-Pipeline & Communication
Right-of-Way Number:	RW0008438
Trust:	A - Common Schools
Legal Description:	MCK-150-98-36-SE4, SW4
Granted to:	HYDRA XL, LLC, HOUSTON-TX
For the Purpose of:	Letter of Permission: Temporary Water Layflat Line
Right-of-Way Number:	RW0008455
Trust:	A - Common Schools
Legal Description:	MOU-154-93-36-NW4, SW4
Granted to:	BRUIN E & P OPERATING LLC, HOUSTON-TX
For the Purpose of:	Letter of Permission: Temporary Water Layflat Line
Right-of-Way Number:	RW0008463
Trust:	A - Common Schools
Legal Description:	WIL-157-100-16-SE4 LESS 10 ACRES, SW4
Granted to:	MCKENZIE ELECTRIC COOPERATIVE INC, WATFORD CITY-ND
For the Purpose of:	Easement-Amend: Drop Line-Electric
Right-of-Way Number:	RW0008471
Trust:	A - Common Schools
Legal Description:	MCK-153-94-16-NW4
Granted to:	MCKENZIE ELECTRIC COOPERATIVE INC, WATFORD CITY-ND
For the Purpose of:	Easement: Electric Distribution Line - Above Ground
Right-of-Way Number:	RW0008472
Trust:	A - Common Schools
Legal Description:	DUN-146-95-36-SE4

<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>MCKENZIE ELECTRIC COOPERATIVE INC, WATFORD CITY-ND Easement: Drop Line-Electric Distribution Line RW0008473 A - Common Schools DUN-146-95-36-SE4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>ETHNOSCIENCE INC, BILLINGS-MT Permit: Planning & Preconstruction Survey RW0008483 A - Common Schools N/A</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>PURITY OILFIELD SERVICES LLC, WILLISTON-ND Letter of Permission: Temporary Water Layflat Line RW0008484 A - Common Schools MCK-152-96-36-SW4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>MBI ENERGY SERVICES, DICKINSON-ND Letter of Permission: Temporary Water Layflat Line RW0008486 A - Common Schools MCK-150-98-36-SW4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>WEST DAKOTA WATER LLC, WILLISTON-ND Letter of Permission: Temporary Water Layflat Line RW0008490 A - Common Schools WIL-155-99-16-NE4, NW4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>GOLDEN FIELD SERVICES INC, WATFORD CITY-ND Permit: Planning & Preconstruction Survey RW0008491 A - Common Schools N/A</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>NDSU (DEPT 2715), FARGO-ND Letter of Permission: Access to School Land RW0008492 A - Common Schools BRK-164-93-36-NE4, NW4, SE4, SW4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description:</p>	<p>USDA-NRCS, BISMARCK-ND Letter of Permission: Access to School Land RW0008493 A - Common Schools BEN-151-70-16-NE4 PIE-158-72-16-SW4</p>
<p>Granted to: For the Purpose of: Right-of-Way Number: Trust: Legal Description: (04/25/19)</p>	<p>SELECT ENERGY SERVICES LLC, WILLISTON-ND Letter of Permission: Temporary Water Layflat Line RW0008495 A - Common Schools MCK-151-96-16-SE4</p>

Spring Surface Lease Auction Summary

The Department of Trust Lands (Department) hosted six staff members of the Manitoba Agriculture Crown Lands (Crown Lands) during the week of the surface lease auctions. Crown Lands staff traveled onsite to two of the Department's auctions before spending a day in the office with Department staff to discuss auction procedures as they look to bring Manitoba Agriculture Crown Lands into a modernized leasing process.

The communication stemmed from the Minister of Crown Lands Ralf Eichler expressing his full support of Manitoba and North Dakota collaborating after having signed an MOU with North Dakota's Agriculture Commissioner Doug Goehring at the Tri-National Agricultural Accord in Mexico last October. The visiting staff has expressed the hope to improve connections with North Dakota.

Department staff have remained in communication with Crown Lands staff as a resource during the remodel of Crown Lands' leasing process.

The 2019 spring surface lease auctions were completed in March 2019. The following table is a summary for this spring compared to last spring.

	2018	2019
Number of counties	26	27
Total tracts offered	82	99
Number of tracts bid	66 (80.5%)	79 (79.8%)
Number of tracts bid-up	14 (21.2% of bid tracts)	27 (34% of bid tracts)
Total amount of minimum advertised bids	\$151,276.00	\$220,960.00
Total amount received	\$156,286.00	\$273,177.00
Competition factor (% collected over minimum bid)	\$5,010.00 (3.3%)	\$52,217.00 (23.6%)

Investment Updates

Asset Allocation

The table below shows the status of the permanent trusts' asset allocation as of March 31, 2019. Due to the timing of certain fund reporting, the numbers provided do not include end of March valuation updates for the core plus real estate portfolios and for the Angelo Gordon direct loan portfolio.

Account/Asset Class	Long-Term Asset Allocation	3/31/19 Actual Allocation \$	3/31/19 Actual Allocation %	3/31/19 % Diff.
Large Cap US Equity	13.3%	\$ 623,989,566	13.3%	0.0%
Mid/Small Cap US Equity	3.7%	\$ 171,472,759	3.7%	0.0%
International Equity	13.3%	\$ 606,600,217	13.0%	-0.3%
Emerging Market Equity	3.7%	\$ 181,693,668	3.9%	0.2%
Total Equities	34.0%	\$ 1,583,756,210	33.8%	-0.2%
Core Fixed Income	12.6%	\$ 677,768,502	14.5%	1.9%
Non-Core Fixed Income	8.4%	\$ 299,942,208	6.4%	-2.0%
Total Fixed Income	21.0%	\$ 977,710,710	20.9%	-0.1%
Total Absolute Return	20.0%	\$ 941,899,511	20.1%	0.1%
Commodities	3.0%	\$ 140,885,081	3.0%	0.0%
MLPs	3.0%	\$ 143,158,072	3.1%	0.1%
TIPS	2.0%	\$ 91,193,026	1.9%	-0.1%
Natural Resource Equities	2.0%	\$ 94,096,541	2.0%	0.0%
Total Inflation Strategies	10.0%	\$ 469,332,719	10.0%	0.0%
Core Real Estate	8.0%	\$ 391,544,331	8.4%	0.4%
Core Plus Real Estate	7.0%	\$ 319,722,649	6.8%	-0.2%
Total Real Estate	15.0%	\$ 711,266,979	15.2%	0.2%
Total Asset	100.0%	\$ 4,683,966,130	100.0%	

Angelo Gordon (\$55.94 million, 1.2% of PTF assets)**Direct Lending Fund**

The Angelo Gordon Direct Lending portfolio was initially funded in late-August 2018. To date, a total of \$54.75 million dollars has been transferred to the fund; the last capital call was funded on December 10, 2018. A total of 36.5% has now been transferred of the total commitment of \$150 million.

Upcoming Investment Manager Meetings

The following meetings with investment managers are planned to discuss strategy, compliance, and performance. They will be held in the Department's conference room. Please inform the Commissioner ahead of time if you plan to attend, so that we can make sure enough presentation materials are available.

May 7, 2019, 8:30 AM**Angelo Gordon – Direct Lending Fund III**

Non-Core Fixed Income (\$55.9 million, 1.2% of PTF assets)

Bill Cullinan and Drew Guyette

The Financial Position was provided to the Board and is available at the Department upon request.

I N V E S T M E N T S**Absolute Return Strategies Portfolio**

Over the past 9 months the Commissioner, with the help of RVK, has provided the Board with information about changes at Westwood Holdings Group. Westwood manages an absolute return strategy for the Board that is one-third of the Board's 20% allocation to absolute return strategies; the portfolio is currently valued at approximately \$319.0 million.

When it was announced last summer that CIO and co-portfolio manager Mark Freeman was leaving the firm in March 2019, it appeared as if Westwood had a well thought out transition plan in place for the strategy. RVK spent time at Westwood's offices and was comfortable with the transition plan; the Commissioner and staff also held discussions with Westwood and were comfortable with the planned changes.

As the Commissioner reported last month, RVK and the Commissioner recently learned of other changes at Westwood that will have a major impact on how this product is managed going forward. Those changes include:

- The two seasoned individuals that were expected to be co-lead portfolio managers for the strategy have both left that role, with one leaving the firm entirely.
- The individual that was brought in from the outside in early 2019 to manage the multi-asset strategies team is now a co-lead portfolio manager. The other new co-lead portfolio manager is the firm's convertible bond expert, who previously worked some with the multi-asset team. Neither of these portfolio managers has worked together before, nor do they have direct experience with this strategy.
- RVK now believes that there was a lack of transparency during the extensive discussions they had with Westwood last fall related to the transition, given the new portfolio manager team for the strategy.
- During RVK's recent on-site visit with Westwood, RVK was informed that the firm now believes the capacity for this product is \$10 billion, not the \$5 billion amount former CIO Freeman has always maintained was the capacity for this product.

Any one of the items noted above could be considered a reason to terminate a manager, but all four occurring in a short period of time should be considered a red flag. Therefore, both RVK and the Commissioner are recommending termination of Westwood as a portfolio manager for the permanent

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trusts. A copy of RVK’s recommendation to terminate Westwood was presented to the Board and is available at the Department upon request.

As the securities held in this portfolio are primarily high-quality, large cap stocks and high-quality bonds, liquidity concerns are minimal. Because the strategy remains supported by a deep and experienced team of analysts at Westwood, and the underlying portfolio does not turn over with high frequency, neither RVK or the Commissioner have concerns about having Westwood manage this portfolio in the short-term. The Commissioner will work with RVK and Westwood to ensure a smooth transition of these assets going forward.

Board policy states it is the Board’s intent to have a plan in place before termination of a manager. Due to the short time frame since being notified of the major changes noted above (late-March), a specific plan has not been put in place yet. However, the Commissioner and RVK have begun working on several options as to what should be done with these assets; they plan to have a recommendation ready for the Board in May.

Motion: The Board directs the Commissioner to place Westwood on formal watch as a money manager, with the understanding that Westwood will continue to manage the portfolio in the short-term until the Board makes a final determination as to how the assets will be reallocated.

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

S U R F A C E M A N A G E M E N T

Roughrider Electric Cooperative, Inc., N.D.C.C. ch. 15-09 Purchase Request (five acres within the SE4 Section 36, Township 142 North, Range 101 West, Billings County)

At the February 28, 2019 Board of University and School Lands’ (Board) meeting, information was provided to the Board regarding Roughrider Electric Cooperative, Inc.’s (Roughrider) application under N.D.C.C. ch. 15-09 to purchase an existing substation currently held by easement and additional acreage for a laydown yard, a total of approximately five acres. The existing electric substation provides services to rural residents and the oil industry in the surrounding area. The original easement had a 30-year term; however, due to the long term power needs in the area, Roughrider would rather purchase the property than extend the easement.

Two appraisals have been competed as follows:

Billings County Appraisal	\$5,900.00/acre
Point Value Appraisal	\$5,000.00/acre

The Billings County Appraisal was completed by the Billings County Tax and Zoning Director and is comprised of three comparable sales. The Point Value Appraisal was completed by Chris Chase, a certified general appraiser, and is comprised of the same three sales, plus five additional comparable sales in the area. It is the Department’s position that the Point Value Appraisal is well-documented, complete, and a more accurate reflection of the property’s value.

N.D.C.C. § 15-09-04 states:

The board of university and school lands may sell the property described in the application to the applicant at a price not less than the appraised value if the board concludes that the land described in the application is required for the purposes stated in such application and that a conveyance of the property is consistent with this title and the fiduciary responsibilities of the board. If the land described in the application is less than an entire tract, the board, in fixing the price at which such partial tract will be conveyed, shall take its value into consideration together with all detriment caused to the remaining portions of the tract by the conveyance of the partial tract. If the applicant agrees to the price fixed by the board for the land described in the application and pays the full purchase price therefor, the board shall cause the tract to be conveyed to the applicant.

The sale of a five-acre parcel to Roughrider will leave 155 acres more or less in the SE4 of Section 36 for pasture purposes.

Motion: The Board 1) approves the appraised value of \$5,000 per acre for the five acres of land within Billings County, SE4 Section 36, Township 142 North, Range 101 West, Billings for public purpose and a total sales price of \$25,000, plus appraisal (\$2,500) and sales costs, including a Land Sale Fee for conveyance preparation and recording costs (\$100 total), and advertising costs (amount to be determined); and 2) authorizes the Commissioner to advertise the proposed sale, conduct a public hearing, and refer the matter to the Board if needed or complete the sale to Roughrider Electric Power Cooperative, Inc. on the Board's behalf.

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

LITIGATION

Continental Interpleader

Case: **Continental Resources, Inc. v. North Dakota Board of University and School Lands, et al., Case No. 1:17-cv-00014**

Date Filed: December 23, 2016

Court: Federal District Court, 8th Circuit

Judge: Honorable David Hovland

Attorney: Charles Carvell, David Garner, and Jen Verleger

Opposing

Counsel: Lawrence Bender, David Ogden, Paul Wolfson, John S. Most

Issues: In December 2016, Continental Resources, Inc. (Continental) brought an interpleader action against the Board of University and School Lands and the United States regarding certain lands underlying Continental operated wells located in McKenzie, Mountrail, and Williams Counties. This case addresses overlapping ownership claims by the State and the United States of minerals underlying the Missouri River. Continental is requesting the Court determine the property interests for the disputed lands so that Continental can correctly distribute the proceeds from

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the affected wells. Continental has claimed that there is “great doubt as to which Defendant is entitled to be paid royalties related to the Disputed Lands.” Currently, Continental is paying the United States its full royalty based on the acreage it claims. The remaining royalty, over and above what is due the United States, is being escrowed with the Bank of North Dakota pursuant to the Board’s rules.

The United States removed this action to federal district court on January 11, 2017. The Board filed its answer to the complaint on February 13, 2017. The United States filed its answer to the complaint on May 12, 2017. An Amended Complaint was filed by Continental Resources on September 14, 2017. The United States filed a Motion to Dismiss for Lack of Subject Matter Jurisdiction on October 18, 2017. In support of its motion, the United States alleges that it has not waived its sovereign immunity under the Quiet Title Act and the United States alleges that the interpleader action is moot under S.B. 2134.

Current Status:

The Board filed a response on December 20, 2017 opposing the motion to dismiss. Continental filed a response and the United States filed its reply. The United States filed a Motion to Dismiss on March 16, 2018. The Board filed a Surreply to the Motion to Dismiss on April, 16, 2018. The Order Denying the United States’ Motion to Dismiss for Lack of Subject Matter Jurisdiction was entered on December 31, 2018. The Order provided that North Dakota and the United States confer and submit a proposed scheduling order to the Court no later than sixty days from the date of the order. On January 8, 2019 the United States filed its Motion to Stay Action Due to Lapse of Appropriations. On January 10, 2019, the Court granted the United States’ Motion and cancelled the January 24, 2019 scheduling conference. The Order stated the “action is stayed until appropriations are restored and Department attorneys and the Bureau of Land Management personnel are permitted to resume their usual civil litigation functions.” A January 10, 2019 docket entry provides “Deadlines and Hearings Terminated.” The United States filed a Notice of Restoration of Appropriations on January 28, 2019, which requested the Court set a new scheduling conference date. On January 30, 2019, the Court issued an order granting the motion for scheduling conference, requiring the parties submit a revised scheduling/discovery plan by March 15, 2019, and setting a telephonic scheduling conference for 10:00 a.m., March 18, 2019. The parties filed a Joint Motion for Extension of Time to File Scheduling Proposal and Participate in Scheduling Conference on March 12, 2019, due to appointment of Magistrate Judge Clare Hochhalter, replacing Magistrate Judge Charles Miller, and the recusal of Shaun Pettigrew of the Environment and Natural Resources Division of the Department of Justice, with John S. Most as his replacement. The Court entered an Order granting the extension to April 12, 2019 and a scheduling conference was reset for April 15, 2019. **The Scheduling Conference was held on April 15, 2019. A Status Conference was set for September 20, 2019 before Magistrate Judge Clare R. Hochhalter.**

Wilkinson

Case: William S. Wilkinson, et. al. v. Board of University & School Lands, Brigham Oil & Gas, LLP; EOG Resources, Inc.; Case No. 53-2012-CV-00038
Date Filed: January, 2012
Court: Williams County District Court
Judge: Paul Jacobson

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Attorney: Jennifer Verleger/Matthew Sagsveen/David Garner
Opposing Counsel: Josh Swanson/Rob Stock, Lawrence Bender, Lyle Kirmis

Issues: The Wilkinson lawsuit was filed on January 10, 2012. The Plaintiffs assert that they own minerals in a 200 acre tract west of Williston. This suit was initially filed in state court as a quiet title action. The Attorney General's Office filed an Answer and Counterclaim on February 27, 2012.

On July 1, 2014, the Plaintiffs filed an amended complaint in the case and added claims of unconstitutional takings, conversion, constructive trust and unjust enrichment, civil conspiracy and deprivation of rights under 42 U.S.C. § 1983. Plaintiffs assert in their amended complaint that the Board should be issuing leases on the west side of the Highway 85 bridge pursuant to the Phase II Investigation – the estimated location of the ordinary high watermark (OHWM) prior to inundation of Lake Sakakawea – rather than the Phase I Delineation – current location of the OHWM. Plaintiffs argue that the subject property is located under Lake Sakakawea, which did not exist at statehood, and thus the state did not acquire title to it as sovereign lands. Therefore, the State's title to the Missouri River is limited to the channel as it existed prior to inundation of Lake Sakakawea as determined by the Phase II investigation.

In January of 2016, the State Engineer sought and was granted intervention. A joint motion for summary judgment was filed by the Board and the State Engineer on March 1, 2016. On May 18, 2016, the district court granted the motion for summary judgment finding that: (1) the subject property is located along the Missouri River, which is no doubt navigable; (2) The Phase I Delineation should be used to determine the OHWM for the subject property rather than the Phase II Investigation, and therefore the property is determined to be sovereign land of the state of North Dakota; (3) to the extent Plaintiffs are aggrieved by the Phase I Delineation, they must exhaust their administrative remedies through the State Engineer before making a claim in district court; and (4) there are no grounds to support Counts II through VII. Plaintiffs filed a notice of appeal on June 1, 2016. Both EOG Resources, Inc. and Statoil Oil and Gas LP filed cross-appeals.

On September 28, 2017, the North Dakota Supreme Court reversed the district court's decision and remanded the case back to the district court. The Supreme Court held that:

1. Surface ownership could not be determined without the United States as a party to the action;
2. N.D.C.C. ch. 61-33.1 has a retroactive clause and the district court did not have an opportunity to determine if it applies and governs ownership of the minerals at issue;
3. A "takings" analysis must be conducted if the district court determines the State owns the disputed minerals; and
4. The district court erroneously made findings of disputed fact.

Current Status: Due to the passage of S.B. 2134, the District Court ordered the case stayed and all deadlines be held in abeyance until the final review findings under S.B. 2134 are issued by the North Dakota Industrial Commission (NDIC). Plaintiff, after NDIC issued the review findings, requested a status conference with the Court to set a

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new trial date and other deadlines. The Board and State Engineer filed a Motion for Continued Stay of Proceedings on October 11, 2018. The telephonic status conference scheduled for November 2, 2018 was cancelled. A Hearing on the Motion for Continued Stay was held November 30, 2018. Defendants submitted a proposed Order and the Judge asked for Plaintiffs to submit a proposed Order, which was filed December 4, 2018. The Court issued its Order on December 12, 2018, denying the Motion for Continued Stay and requiring the parties confer on a scheduling order and submit a Rule 16 scheduling order by January 26, 2019. The State filed a Motion for Proposed Scheduling Order on January 28, 2019, and Plaintiffs filed a notice of hearing on January 31, 2019, and filed their Response to State's Motion for Proposed Scheduling Order and Plaintiffs' Request for Rule 16(F) Sanctions on February 1, 2019. State Defendants filed a Reply Brief in Support of Motion for Proposed Scheduling Order on February 8, 2019. Statoil & Gas LP filed a Response to State's Motion for Proposed Scheduling Order and Plaintiff's Proposed Scheduling Order on February 11, 2019. Plaintiffs scheduled a hearing in District Court on the Motion for Scheduling Order which was held March 5, 2019, at 2:00 p.m. The District Court didn't rule on the scheduling motions but granted Plaintiffs' request to file a motion for Summary Judgment within 30 days of the hearing. **On April 15, 2019, Plaintiffs' filed with the District Court a Notice of Motion, Motion for Summary Judgment, Brief in Support of Motion for Summary Judgment, Affidavit of Joshua Swanson, Notice of Hearing (requesting a hearing be held at the earliest possible date available on the Court's calendar), and proposed Order Granting Plaintiffs' Motion for Summary Judgment. On April 17, 2019, Plaintiffs' filed a Notice of Hearing scheduling a hearing for 2:00 p.m. on July 30, 2019 before the Honorable Paul W. Jacobson, at the Williams County Courthouse, Williston.**

The Plaintiffs' Brief in Support of Motion for Summary Judgment was provided to the Board and is available at the Department upon request.

Sorum

Case: **Paul Sorum, et. al. v. State of North Dakota, et. al. – Civ. No. 09-2018-CV-00089**
Tribunal: **Cass County District Court**
Judge: **John C. Irby**
Attorney: **Mark Hanson & Peter Hvidston, Nilles Law Firm**
Opposing Counsel: **Terrance W. Moore, Fintan L. Dooley**

Issues: The Board was named as a defendant in the above reference case which was served on January 10, 2018. Plaintiffs have filed this action to challenge the Constitutionality of S.B. 2134 passed during the last legislative session and codified as N.D.C.C. ch. 61-33.1. Under the new legislation, “[t]he state sovereign land mineral ownership of the riverbed segments inundated by Pick-Sloan Missouri basin project dams extends only to the historical Missouri riverbed channel up to the ordinary high water mark.” N.D.C.C. § 61-33.1-02. S.B. 2134 established a process by which the Department of Mineral Resources is directed to procure a “qualified engineering and surveying firm” to “review the delineation of the ordinary high water mark of the corps survey segments” for the portion of the Missouri River designated as the “historical Missouri riverbed channel.” N.D.C.C. § 61-33.1-03(2), (3). Following a review process, which includes a public hearing and public comments, the North Dakota Industrial Commission must adopt final review findings which “will determine the delineation of the ordinary high water mark for the segment of the river addressed by the findings.” N.D.C.C. § 61-33.1-03(7).

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Plaintiffs' complaint requests from the court a declaratory judgment finding that N.D.C.C. ch. 61-33.1 violates the Public Trust Doctrine and the Anti-Gift, Privileges and Immunities, and Local and Special Law Clauses of the North Dakota Constitution. Plaintiffs are also requesting the Court issue an injunction to prevent all state officials from further implementing and enforcing N.D.C.C. ch. 61-33.1.

Current Status:

An Answer was filed. Defendants filed a Motion to Dismiss, which was denied in April 2018. Petition for Supervisory Writ and Exercise of Original Jurisdiction was filed by Defendants and denied in May 2018. A Motion for Preliminary Injunction was brought by Plaintiffs and a hearing was held on May 21, 2018. An Order for Preliminary Injunction was filed June 26, 2018. A Scheduling Conference was held on September 6, 2018 and the following briefing deadlines were set: Summary Judgment Motions were filed October 22, 2018. Response Briefs were filed December 10, 2018. Reply Briefs were due December 21, 2018. A hearing on the Motions for Summary Judgment was held on January 4, 2019. The Order on Cross-Motions for Summary Judgment was issued on February 27, 2019, and Defendants were directed to prepare the proposed Judgment. On March 6, 2019, Defendants filed their proposed Judgment. Plaintiff's filed a letter on March 7, 2019, advising the Court that they felt Defendants' proposed Judgment was deficient and that they would also be submitting a proposed Judgment. Plaintiff's proposed Judgment was filed March 8, 2019. Defendants filed a letter on March 8, 2019 advising the Court that they intended to submit a response to Plaintiffs' proposed Judgment within 14 days. On March 19, 2019, Defendants filed an Objection to Plaintiffs' Proposed Judgment. Thereafter, Plaintiffs filed a letter asking the Court not to rule on Defendants' Objection until Plaintiffs have had the opportunity to be heard and further, that Plaintiffs' intend to bring a Motion for Clarification concerning retroactive royalty refunds within 14 days. **Plaintiffs filed their Response to Defendants' Objection to Proposed Judgment and Request for Clarification and their Amended Proposed Order and Judgment on March 29, 2019. Defendants filed their Objection to Plaintiffs' Proposed Order and Judgment (Plaintiffs' Amended Proposed) and Reply to Plaintiffs' Response to Defendants' Objection to Proposed Judgment and Request for Clarification on April 8, 2019.**

The Commissioner recommends the Board consider entering executive session for consultation with legal counsel regarding pending and potential litigation.

EXECUTIVE SESSION

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

- **Continental Interpleader**
- **Wilkinson**
- **Paul Sorum, et. al. v. The State of North Dakota, et al**

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

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EXECUTIVE SESSION

Members Present:

Doug Burgum	Governor
Alvin A. Jaeger	Secretary of State
Wayne Stenehjem	Attorney General
Kelly Schmidt	State Treasurer
Kirsten Baesler	Superintendent of Public Instruction

Member Absent:

Kirsten Baesler	Superintendent of Public Instruction
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Department of Trust Lands Personnel present:

Jodi Smith	Commissioner
Kristie McCusker	Paralegal
Catelin Newell	Office Manager
Kate Schirado	Administrative Assistant

Guests in Attendance:

Dave Garner	Attorney General's Office
Matt Sagsveen	Attorney General's Office
Leslie Bakken Oliver	Governor's Legal Counsel
Reice Haase	Governor's Office
Mark Hanson	Nilles Law Office
Charles Carvell	Special Assistant Attorney General

The executive session adjourned at 10:52 AM and the Board returned to open session and the public was invited to return to the meeting. During the executive session, the Board was provided information regarding the Continental Interpleader, Wilkinson, and Paul Sorum litigation.

A D J O U R N

There being no further business, the meeting was adjourned at 10:52 PM.

Doug Burgum, Chairman
Board of University and School Lands

Jodi Smith, Secretary
Board of University and School Lands