

**Minutes of the Meeting of the
Board of University and School Lands
December 11, 2025**

The December 11, 2025, meeting of the Board of University and School Lands was called to order at 9:00 AM by Chairman Governor Armstrong, roll call was taken and the Pledge of Allegiance was recited.

Members Present:

Michael Howe	Secretary of State
Levi Bachmeier	Superintendent of Public Instruction
Thomas Beadle	Treasurer (via Teams)
Drew Wrigley	Attorney General joined via Teams at 10:07 AM
Kelly Armstrong	Governor

Department of Trust Lands Personnel Present:

Joseph Heringer	Commissioner
Catelin Newell	Director of Admin Svcs & IT
Kate Schirado	Executive Assistant
Rick Owings	Administrative Staff Officer
Frank Mihail	Chief Investment Officer
Elvedina Papalichev	Paralegal
Susan Sommerfeld	Unclaimed Property Director
Peggy Gudvangen	Finance Director
Leigh Jacobs	Revenue Compliance Director
Shaun Campbell	Investments Officer
Scott Giere	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
Matthew Reile	IT
Pam Reile	Revenue Compliance
Garret Hecker	Surface Range Soils Management Specialist
Jennifer Bennett	Unclaimed Property
Jessica Ulmer	Unclaimed Property
James Wald	Legal Council
Jacob Lardy	Surface Range Soils Management Specialist
Kristie McCusker	Minerals Management Officer
Jessica Fretty	Unclaimed Property
Vicki Siegel	Finance

Guests in Attendance:

Jacy Schafer	Office of the Governor
Chris Joseph	Office of the Governor
Roz Leighton	Office of the Governor
Jared Mack	Eide Bailley
Joel Brown	Mineral Tracker/ First International Bank & Trust
Cathrine Grimsrud	Mineral Tracker/ First International Bank & Trust

Jennifer Sandberg
 Kevin Balaod
 Joey Harris
 Jacob Orledge
 Brady Pelton
 Zachary Pelham
 Cecile Wehman
 Katie Winbauer
 Alexandra Hennix
 Kira Johansen
 Taylor Stricklin
 Sami Mughal
 Sean Cleary
 Kyle Brown
 Jessica Sanchez
 Gary Brown
 Will
 C. Rajala

RVK
 WithIntelligence (Journalist)
 Bismarck Tribune
 North Dakota Monitor
 NDPC
 Office of the Attorney General
 NDEA

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

A motion to approve minutes of the October 30, 2025, meeting was made by Secretary Howe and the motion was seconded by Treasurer Beadle and the motion carried unanimously on a voice vote.

O P E R A T I O N S

Commissioner's Report

Special Mention Events

- State Cash Management Board – attended November 14, 2025, meeting to present on the Department's cash management processes and performance; this was part of the Cash Management Board's review of various state agency's cash management practices
- Lignite Research Council - attended November 18, 2025, grant round meeting as a voting member where three proposals were recommended for approval to the Industrial Commission
- State Investment Board – attended November 21, 2025, meeting as a voting member
- Legislative Audit & Review Committee – attending December 9, 2025, meeting where Eide Bailly will present the Department's 2024-25 annual financial audit; anticipate no concerns as it was a clean audit

Human Resources

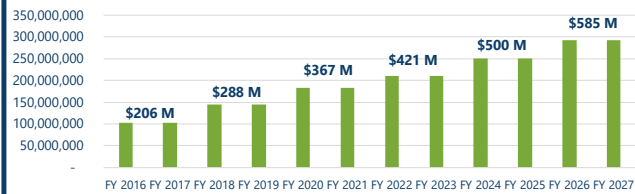
- Revenue Compliance Director – introduction of new Revenue Compliance Director, Leigh Jacobs; start date of December 1, 2025

(12/11/25)

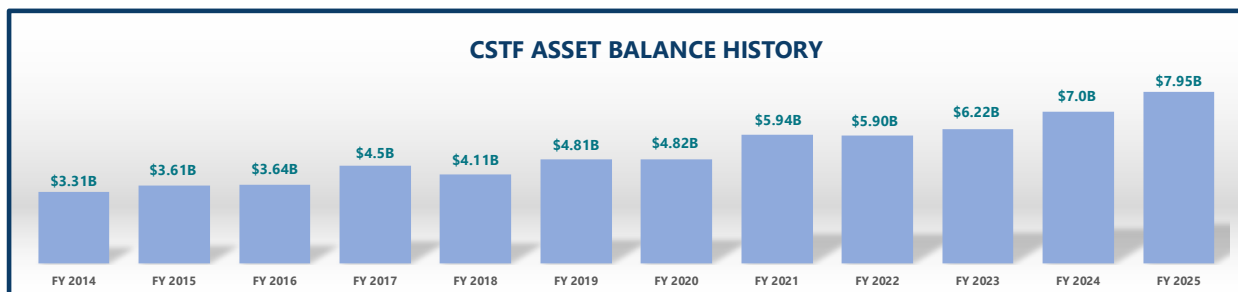
Financial Dashboard

COMMON SCHOOLS TRUST FUND
(CSTF) OVERVIEWNORTH
Dakota | Trust Lands
Be Legendary.™CSTF ASSET BALANCE as of 06/30/2025
(audited)**\$7,947,818,906**+ \$950 million year-over-year from 06/30/2024
balance of \$6.998 billion

CSTF DISTRIBUTION HISTORY PER BIENNIUM

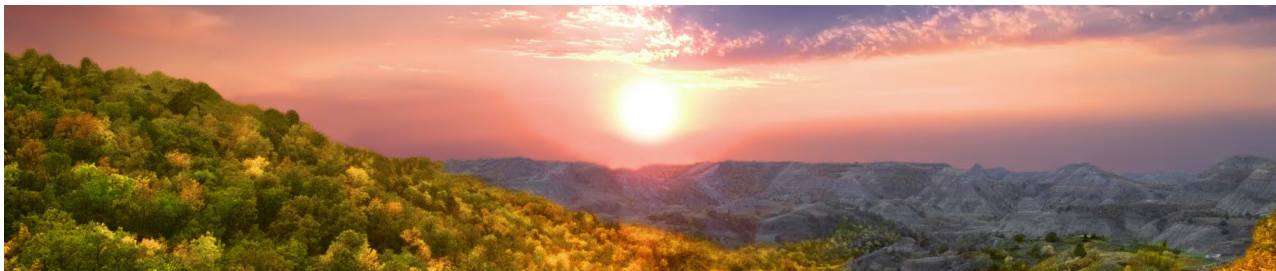


CSTF ASSET BALANCE HISTORY

COMMON SCHOOLS TRUST FUND
2025 -27 (CSTF) DISTRIBUTIONSNORTH
Dakota | Trust Lands
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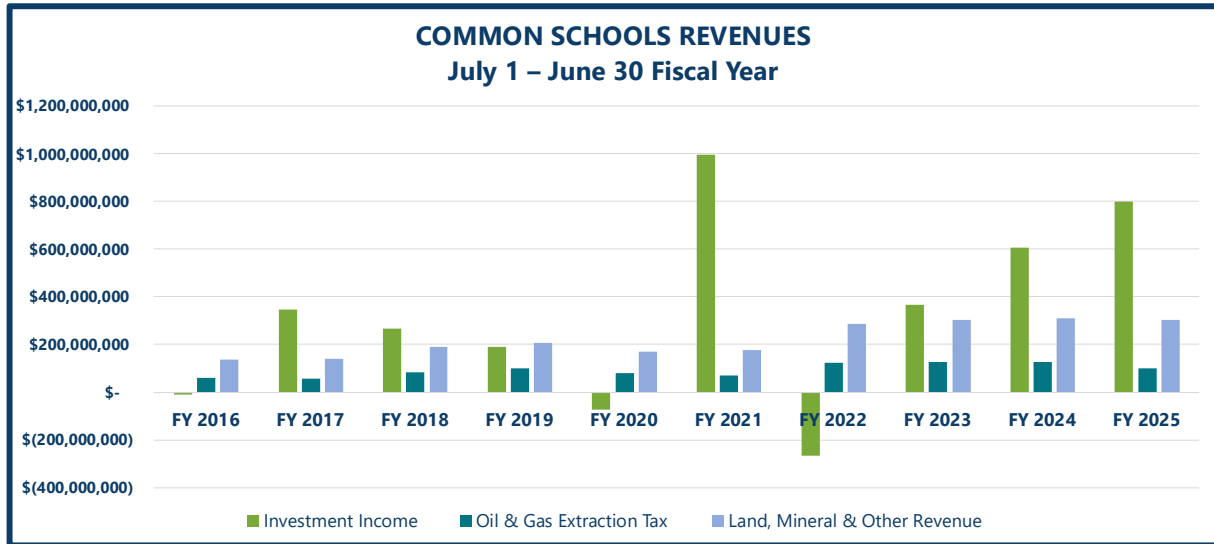
Monthly Distribution to the State Tuition Fund for the 2025-27 Biennium \$32,500,000
 Multiplied by 9 months per year = \$292,500,000
 Divided by 116,598 students = \$2,508/student per year

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

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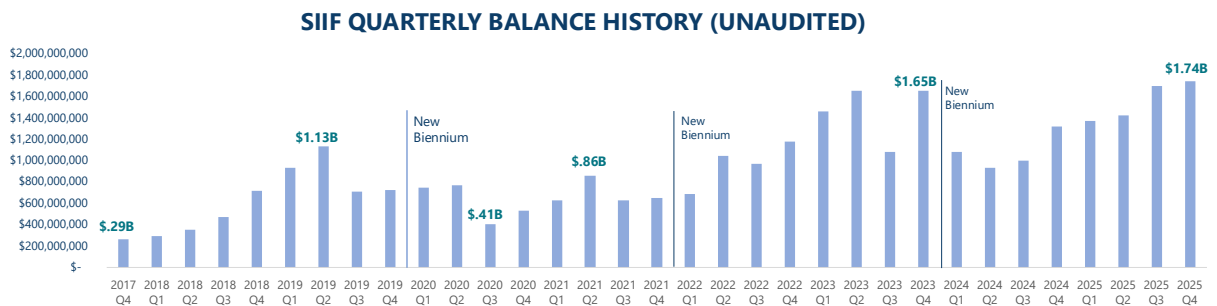


STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) OVERVIEW

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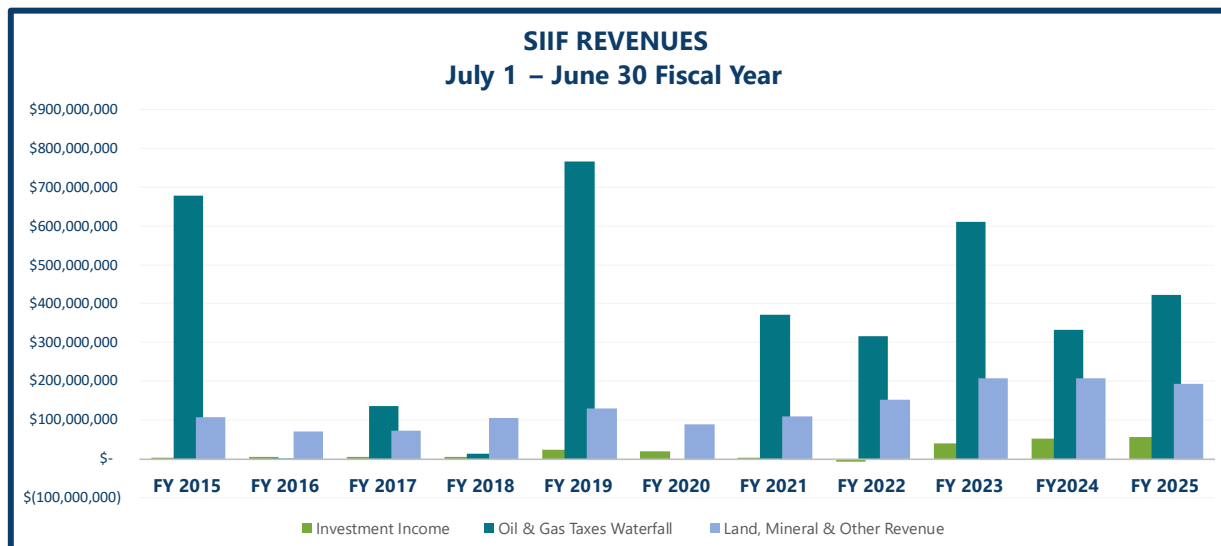
SIIF BALANCE as of 06/30/2025 (audited)

Total Balance - \$1,737,442,259



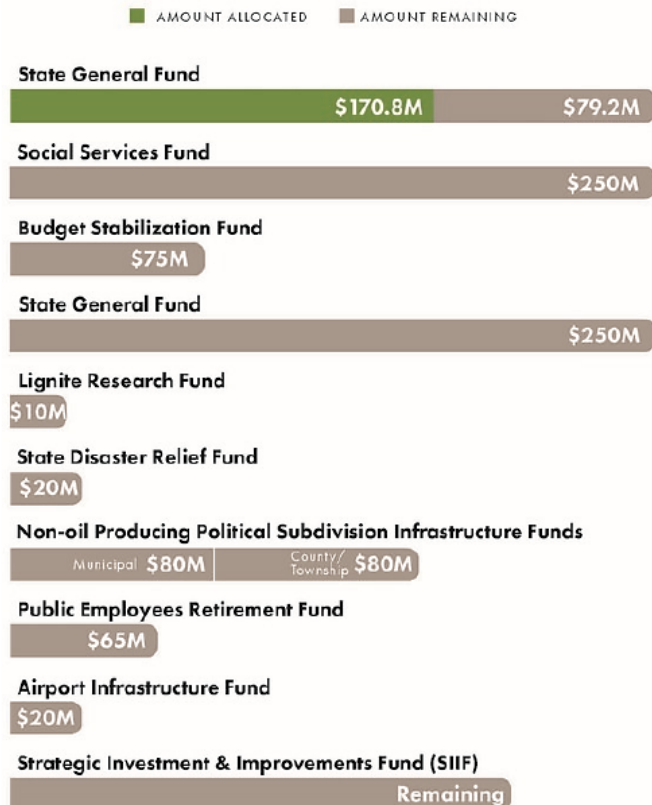
STRATEGIC INVESTMENT & IMPROVEMENT FUND (SIIF) HIGHLIGHTS

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

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ESTIMATED TOTAL NET ASSETS as of 06/30/2025

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Mineral Tracker Valuation
as of June 30, 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 June 30, 2025

\$11,432,681,851



* Total excluding SIIF

2023-25 Department Biennial Report

The Biennial Report was presented to the Board and is available on the Department website or upon request.

DIVISION REPORTS

SURFACE

SURFACE DIVISION ENCUMBRANCES ISSUED

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Encumbrances issued by the Commissioner:

15 Right of Way Agreements in October generated a total of \$317,284 in income for the Trusts

14 Right of Way Agreements in November generated a total of \$166,700 in income for the Trusts



Trust Lands in the Fall in Billings County 139-102-36-SE4
Photo Credit: Ryan Kobilansky

FALL SURFACE AUCTIONS SUMMARY

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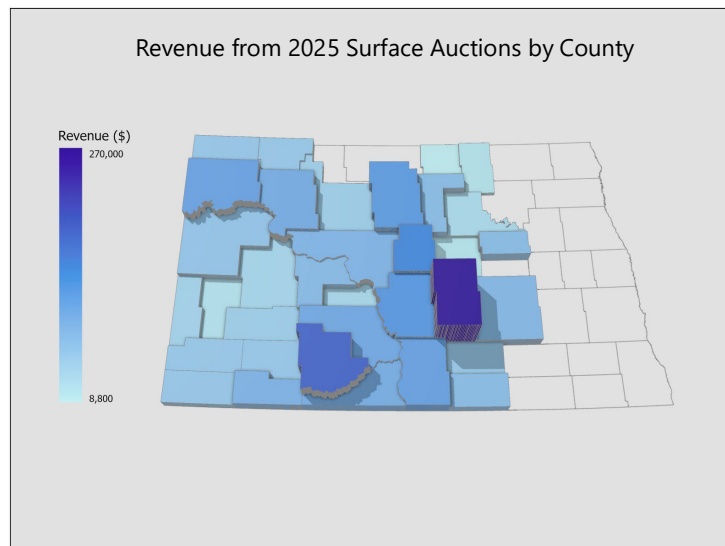
Fall surface lease auctions were held in 34 North Dakota counties in September and October.

A total of **\$2,532,443** was generated in auction payments.

Auction Highlights:

Highest \$/acre for pasture: \$70/acre (Kidder Co.)

County with highest revenue: Kidder Co., \$267,955



FALL SURFACE AUCTIONS SUMMARY



The auction season ended at a 95% successful lease rate at auction. All payments from the fall auctions have cleared with no outstanding issues.

A detailed summary of all auction results as well as unleased tracts available for leasing through the Department is available on the Department's website.

The following table is a snapshot comparing our recent auction season with the previous corresponding auction years.

	2015	2020	2025
Number of Counties	34	36	34
Total Tracts Offered	1044	1039	1041
Number of Tracts leased	1002 (96%)	996 (96%)	991 (95%)
Number of Tracts bid-up	122 (12%)	201 (21%)	108 (11%)
Total amount of minimum advertised bids	\$1,603,223	\$2,001,193	\$2,299,450
Total amount received	\$1,869,952	\$2,330,000	\$2,562,443
Total amount collected over minimum bid	\$266,729	\$328,807	\$262,993

FINANCE

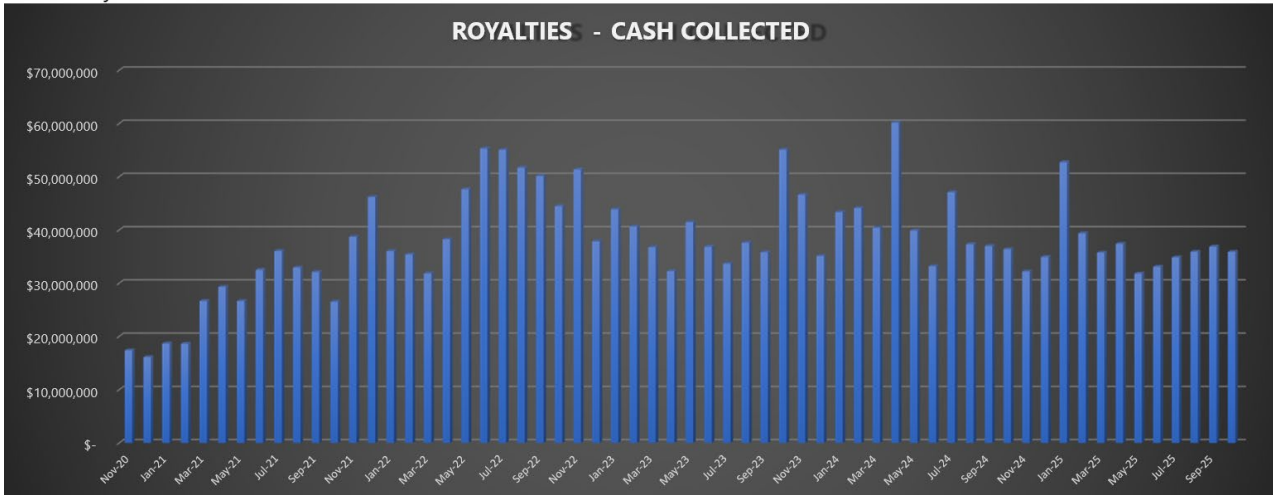
Department Fiscal Audit

The Department Fiscal Audit was presented by Jared Mack of Eide Bailly. The full audit report is available via link: [Fiscal Audit presented by Eide Bailly](#)

MINERALS

MINERALS DIVISION
FISCAL YTD O/G ROYALTIESNORTH
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As of October 31, 2025*, for fiscal year 2025-26 the Department has received **\$143,439,469** in royalties as compared to **\$157,746,109** last fiscal year at this time.

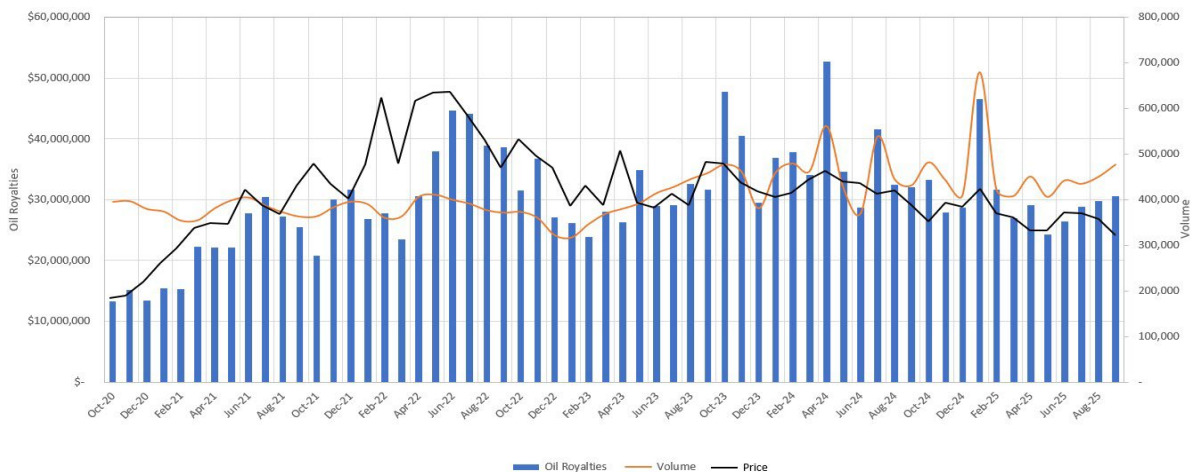


*October royalty revenue is from August gas production and September oil production.

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 461,575 barrels per month over the past twelve months, the price of oil & gas is the main driver of monthly royalty variations.



UNCLAIMED PROPERTY

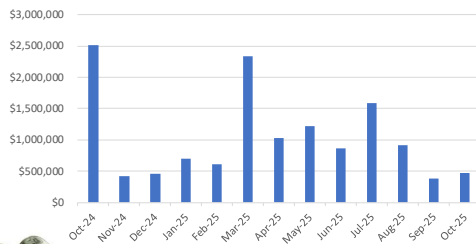
UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

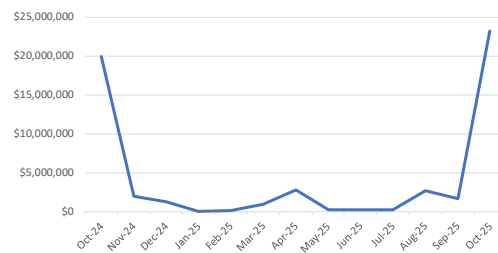
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For the month of October 2025, the Division paid 442 claims with \$476,837 returned to rightful owners. The Division also received 2536 holder reports with a dollar value of \$23,171,586.

TOTAL DOLLAR VALUE OF CLAIMS PAID



TOTAL VALUE OF PROPERTY REPORTED



October 31 is the annual deadline for holder report filing. This year received over \$23 Million during the month of October, which is a record amount for one month.



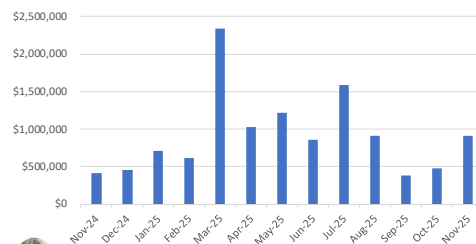
UNCLAIMED PROPERTY DIVISION

<https://unclaimedproperty.nd.gov>

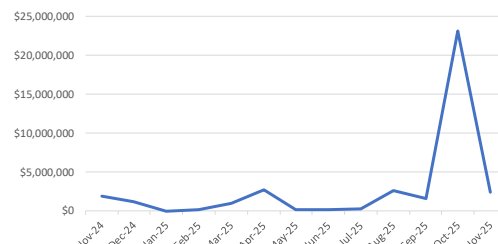
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For the month of November 2025, the Division paid 994 claims with \$912,482 returned to rightful owners. The Division also received 122 holder reports with a dollar value of \$2,452,028.

TOTAL DOLLAR VALUE OF CLAIMS PAID



TOTAL VALUE OF PROPERTY REPORTED



The Division issued a press release in November discussing its ability to pay claims without the requirement for certain owners to file a claim. This press release resulted in 4507 claims being filed in November.



INVESTMENTS

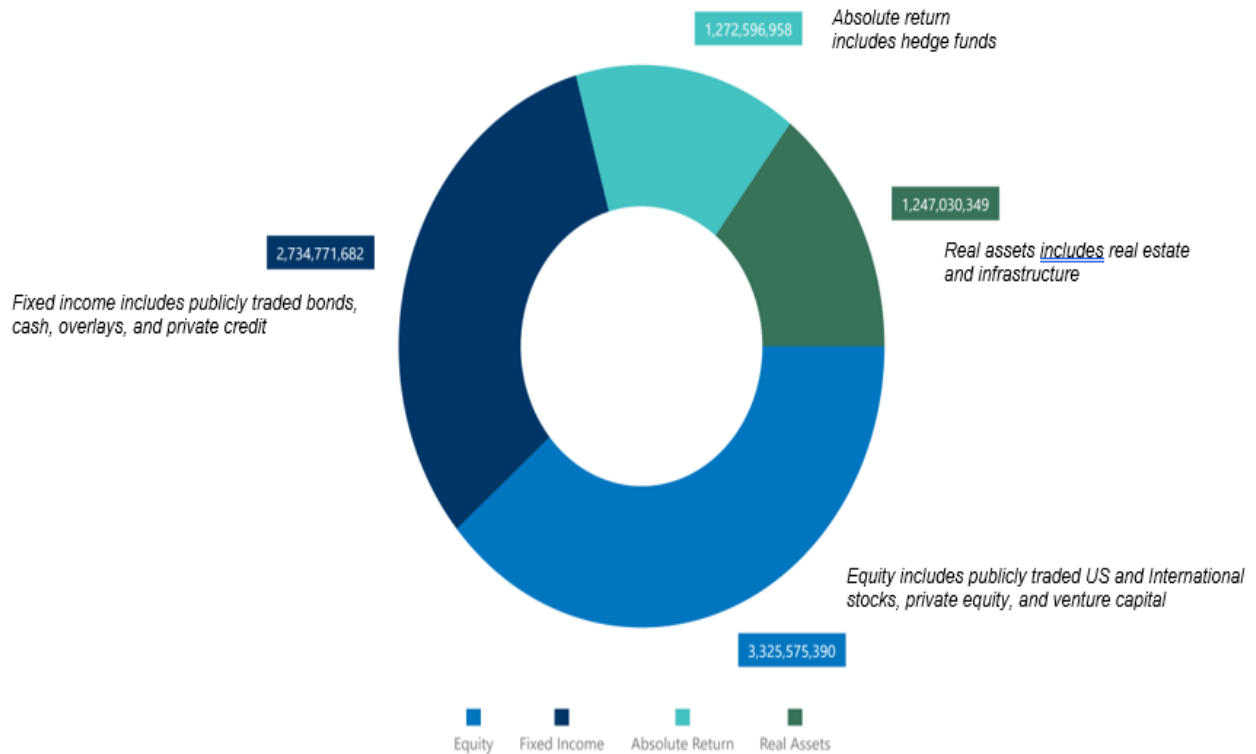
Investment Updates

BOARD OF UNIVERSITY AND SCHOOL LANDS
DECEMBER 11, 2025

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Report as of 10/31/2025

Asset Allocation



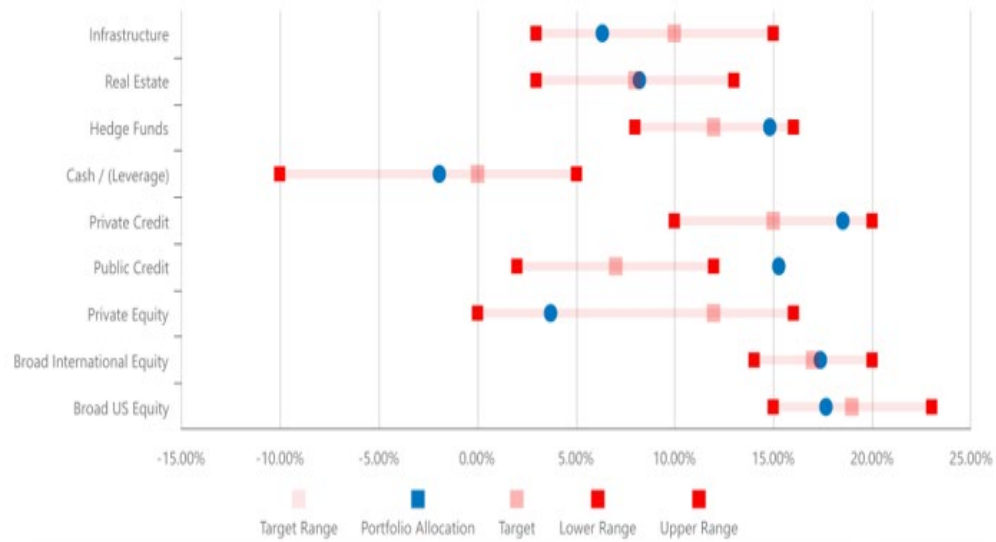
Asset	Total Value	% Of All Value
All	8,579,974,378	100%
Equity	3,325,575,390	39%
Fixed Income	2,734,771,682	32%
Absolute Return	1,272,596,958	15%
Real Assets	1,247,030,349	15%

BOARD OF UNIVERSITY AND SCHOOL LANDS DECEMBER 11, 2025

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Report as of 10/31/2025

Actual vs. Target Weight



Asset ↕	Total Value ↕	% Of All Value ↕	Target Weight ↕	Over/Under % ↕	Over/Under \$ ↕
All (MTD) ▼	8,579,974,378	100%	100%	0%	--
Equity ▼	3,325,575,390	38.76%	48%	-9.24%	-792,812,312
Private Equity ▶	319,335,299	3.72%	12%	-8.28%	-710,261,626
Broad International Equity ▶	1,492,032,644	17.39%	17%	0.39%	33,437,000
Broad US Equity ▶	1,514,207,446	17.65%	19%	-1.35%	-115,987,686
Fixed Income ▼	2,734,771,682	31.87%	22%	9.87%	847,177,318
Cash / (Leverage) ▶	-166,665,318	-1.94%	0%	-1.94%	-166,665,318
Private Credit ▶	1,588,261,216	18.51%	15%	3.51%	301,265,060
Public Credit ▶	1,313,175,783	15.31%	7%	8.31%	712,577,577
Absolute Return ▶	1,272,596,958	14.83%	12%	2.83%	243,000,032
Real Assets ▼	1,247,030,349	14.53%	18%	-3.47%	-297,365,039
Infrastructure ▶	541,229,830	6.31%	10%	-3.69%	-316,767,608
Real Estate ▶	705,800,519	8.23%	8%	0.23%	19,402,569

(12/11/25)

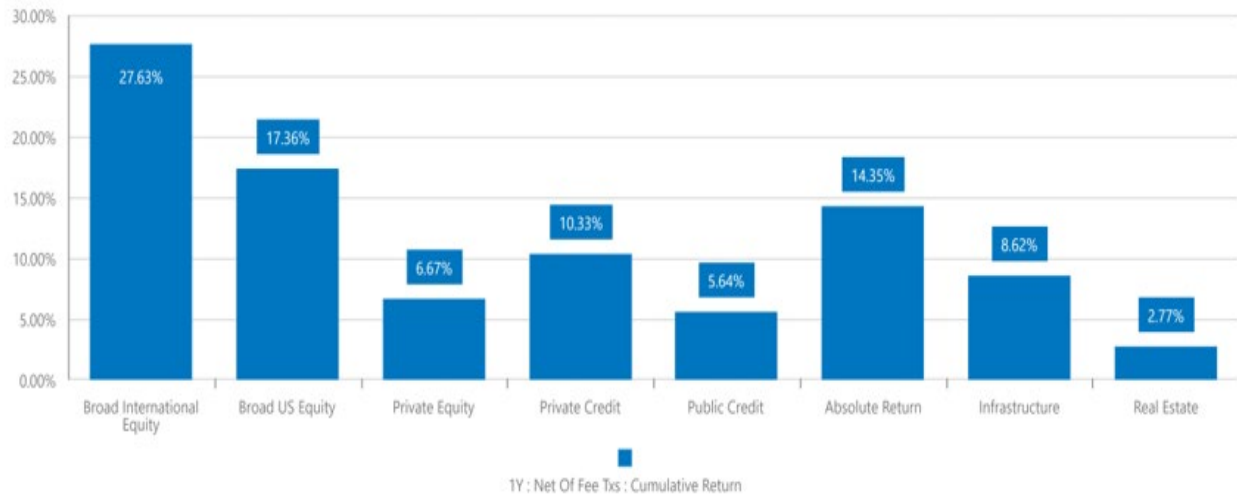
BOARD OF UNIVERSITY AND SCHOOL LANDS DECEMBER 11, 2025

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Report as of 10/31/2025

Flash Performance Report

Unaudited preliminary estimates



	MTD	QTD	YTD	FYTD	1Y
	Net of Fees Txs				
Asset ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕	Cumulative Return ↕
Total Portfolio ▼	0.85%	0.85%	11.8%	4.47%	13.43%
Equity ▼	1.38%	1.38%	20.3%	7.53%	21.41%
Broad International Equity ▶	1.25%	1.25%	30.9%	7.84%	27.63%
Broad US Equity ▶	1.78%	1.78%	13.43%	8.85%	17.36%
Private Equity ▶	0%	0%	3.06%	-0.12%	6.67%
Fixed Income ▼	0.28%	0.28%	7.02%	2.69%	8.04%
Private Credit ▶	0.2%	0.2%	7.7%	3.16%	10.33%
Public Credit ▶	0.39%	0.39%	6.49%	2.21%	5.64%
Absolute Return ▶	1.61%	1.61%	9.3%	4.03%	14.35%
Real Assets ▼	-0.03%	-0.03%	3.5%	1.01%	4.86%
Infrastructure ▶	-0.06%	-0.06%	6.56%	2.46%	8.62%
Real Estate ▶	0%	0%	1.77%	0.17%	2.77%

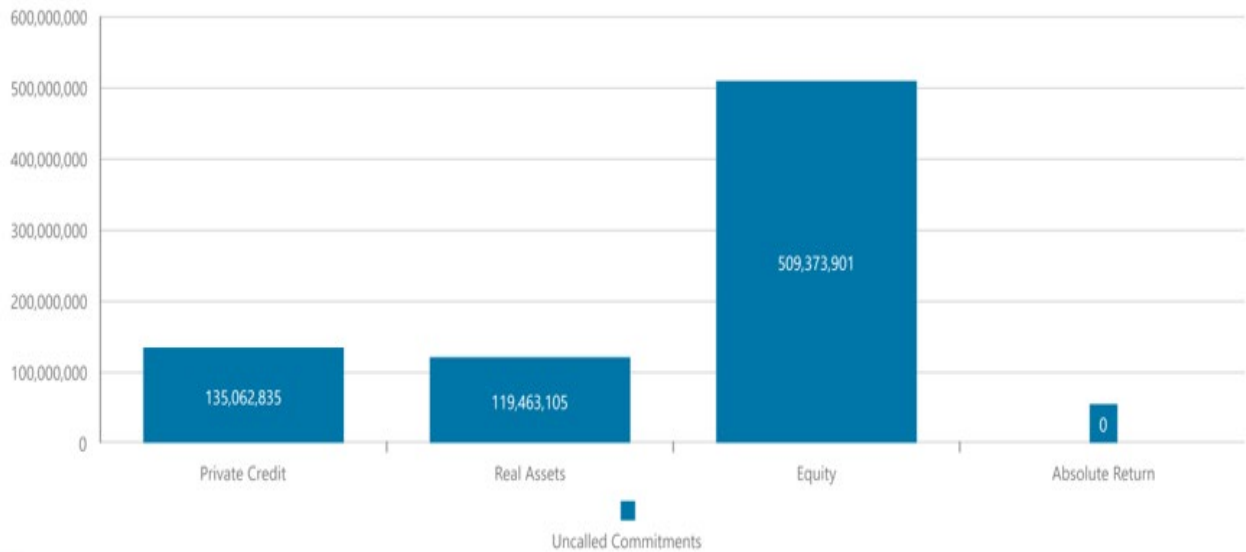
(12/11/25)

BOARD OF UNIVERSITY AND SCHOOL LANDS
DECEMBER 11, 2025

NORTH
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Report as of 10/31/2025

Uncalled Commitments



Asset ↕	Commitment (\$M) ↕	Funded Commitment (\$M) ↕	Uncalled Commitments (\$M) ↕
All (MTD) ▼	4,241	3,477	764
TPG Angelo Gordon ▶	350	340	10
GCM Grosvenor ▶	580	202	378
Hamilton Lane ▶	50	29	21
Khosla Ventures ▶	85	33	52
Monarch ▶	120	101	19
Blue Owl ▶	125	89	36
a16z ▶	35	15	20
Industry Ventures ▶	50	10	40
Pantheon ▶	100	10	90
Cloud Capital ▶	100	--	100

Report as of 10/31/2025

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	193	2,243	3,487	4,348	5,063	6,248	8,564
Equity	--	1,100	2,344	3,006	3,006	3,006	3,320
Fixed Income	193	1,143	1,143	1,143	1,401	1,499	2,734
Absolute Return	--	--	--	199	523	723	1,263
Real Assets	--	--	--	--	133	1,020	1,247

Measures how long it would take to liquidate the entire portfolio

Third Quarter 2025 Performance Report

The Third Quarter 2025 Performance Report and Ultra Short Performance Reports were presented to the Board by RVK and are available at the Department upon request.

SPECIAL PROJECTS

Administrative Code Update – Second Reading

(12/11/25)

Administrative Rules Revisions

In September, the Board authorized the Commissioner to proceed with review of the proposed revisions to Title 85 of the North Dakota Administrative Code, including holding a public hearing and consideration of public comment. The draft rules have since been revised to incorporate public feedback. Following is a summary of public comment received, recommended revisions to the proposed rules as a result, and next steps.

Public Comment

- Received one verbal comment at the public hearing held on November 4, 2025
- Received four written comments (summarized below)

Substantive revisions since the Board's first reading

- Removed proposed provisions that would have allowed the Commissioner to exercise sole discretion to refuse to issue or assign an encumbrance.
- Removed proposed § 85-04-04-08 "Full or Partial Release of an Encumbrance."
- Removed language limiting land exchanges to the United States in chapter 85-04-06.

Next Steps

- Review by the Office of Attorney General
- Submittal of Rules Packet to Legislative Council for potential effective date of April 1, 2026

MOTION: The Board authorize the Commissioner to submit the proposed Administrative Rules to the Office of Attorney General for a rules opinion and to the Legislative Administrative Rules Committee for final approval and enactment.

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		

Summary of Comments, Redline Revisions since 1st Reading, and Full Final Rules Packet were presented to the Board and are available at the Department upon request.

Mineral Tracker Valuation Presentation



MINERALTRACKER[®]

Powered by First International Bank & Trust

NORTH DAKOTA DEPARTMENT OF TRUST LANDS Mineral Value Estimation as of June 30, 2025

Joel Brown
VP | Oil & Gas Financial Solutions Manager
First International Bank & Trust
Email: jbrown@fibt.com
Cell: (701) 570-1504

December 11, 2025



VALUATION SUMMARY



MINERALTRACKER[®]
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Income Approach

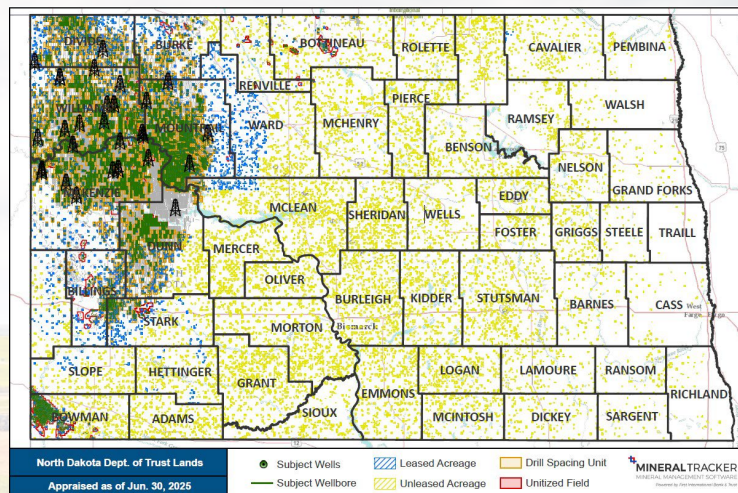
Provides an indication of the value by converting future cash flows to a single current capital value.¹

Market Approach

Provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available.²

Mineral Value Estimation
as of June 30, 2025

\$2,177,250,937.00



1. IVSC (2016, April 7). IVS 105: Valuation Approaches and Methods. International Valuations Standards Council, p. 13.
2. IVS 105: Valuation Approaches and Methods. International Valuations Standards Council, p. 7.

VALUATION SUMMARY

MINERALTRACKER®
Powered by First International Bank & Trust

Reserve Categories

- Proved Developed Producing ("PDP")
- Proved Developed Shut-In ("PDSI")
- Proved Developed Non-Producing ("PDNP")
- Proved Undeveloped ("PUD")
- Probable Undeveloped ("PROB")
- Possible Undeveloped ("POSS")

Reserve Class & Category	PDP	PDSI	PDNP	PUD	PROB	POSS	Total
Case Count	9,159	584	460	5,735	535	1,061	17,534
Cumulative Royalty Interest	237	14	12	162	13	29	467
Gross Oil (BBL)	1,490,335,088	58,767,482	342,313,456	3,024,537,329	119,501,949	176,191,651	5,211,646,955
Gross Gas (Mcf)	4,192,772,002	177,433,664	783,278,668	6,269,955,328	194,906,586	239,932,760	11,858,279,008
Gross Reserve (BOE)	2,189,130,422	88,339,759	472,859,901	4,069,529,883	151,986,380	216,180,444	7,188,026,789
Net Oil (BBL)	35,976,435	1,369,486	8,733,707	85,321,504	2,900,142	4,759,282	139,060,556
Net Gas (Mcf)	96,130,756	3,794,652	18,305,321	165,590,646	4,200,133	5,796,167	293,817,675
Net Reserve (BOE)	51,998,227	2,001,928	11,784,594	112,919,945	3,600,164	5,725,310	188,030,168
Undiscounted Cash Flow	\$2,229,386,038	\$85,153,157	\$527,263,289	\$5,152,919,256	\$171,501,131	\$278,739,117	\$8,444,961,988
NPV10	\$1,116,124,642	\$34,793,238	\$272,379,840	\$1,542,172,935	\$26,895,828	\$37,917,840	\$3,030,284,322
NPV12.5	\$995,950,958	\$30,049,469	\$246,069,250	\$1,237,736,043	\$18,556,572	\$25,283,569	\$2,553,645,861
NPV15	\$901,042,847	\$26,381,648	\$224,936,147	\$1,012,447,751	\$13,189,187	\$17,388,375	\$2,195,385,955
NPV20	\$760,695,620	\$21,083,678	\$192,654,826	\$707,868,218	\$7,240,038	\$8,955,081	\$1,698,497,461
NPV25	\$661,690,377	\$17,442,720	\$168,751,526	\$517,419,788	\$4,406,363	\$5,114,164	\$1,374,824,939
NPV30	\$587,855,090	\$14,787,590	\$150,074,560	\$391,053,531	\$2,942,023	\$3,200,782	\$1,149,913,576
Appraised Value Subtotal	\$2,086,585,622						
Undeveloped Acreage	\$90,665,316						
Total Appraised Value	\$2,177,250,937						

Key Changes from Last Year

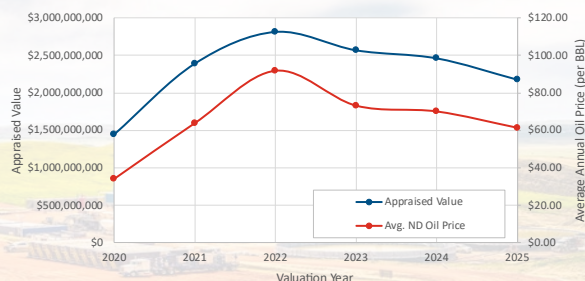
- PDP count increased by 454 wells
- PDNP count increased by 175 wells
- PDSI count increased by 142 wells
- Total wells decreased by 248 wells (due to 3 & 4-mile lateral respacing)
- Value decreased by \$284MM

VALUATION TRENDS

MINERALTRACKER®
Powered by First International Bank & Trust

- This Mineral Value Estimation represents the 6th consecutive year that MineralTracker has conducted the analysis for the ND Dept. of Trust Lands.
- The analysis methodology has remained consistent each year.
- There is a strong correlation between oil price and appraised value.
- Royalties July-2024 through June-2025: **\$455MM**
- The 12% decrease in value from the 2024 is largely due to the decrease in oil price.

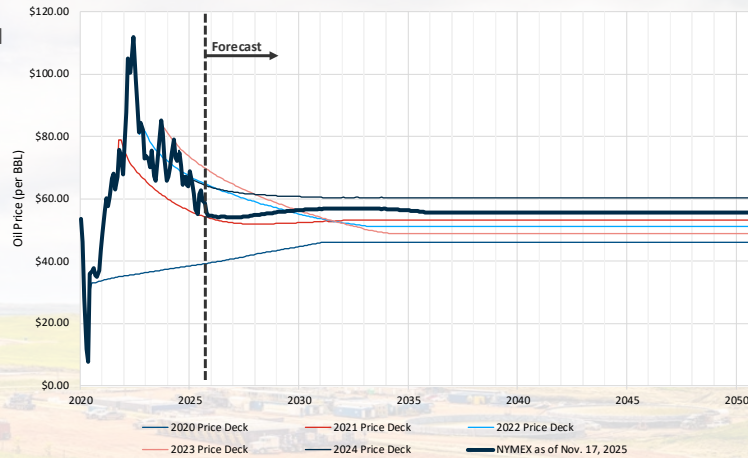
Valuation Year	Appraised Value	% Change from Previous Analysis	Avg. ND Oil Price
2020	\$1.45 B		\$ 34.11/BBL
2021	\$2.39 B	65%	\$ 63.84/BBL
2022	\$2.81 B	18%	\$ 91.74/BBL
2023	\$2.57 B	-9%	\$ 73.15/BBL
2024	\$2.46 B	-4%	\$ 70.06/BBL
2025	\$2.18 B	-12%	\$ 61.36/BBL



OIL PRICE

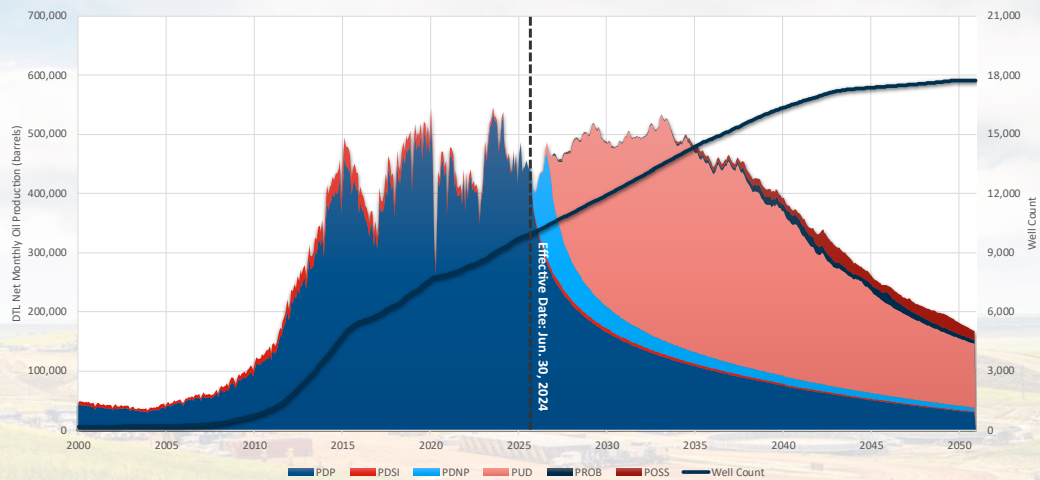
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- Oil prices remain under pressure after a year of volatility, with WTI down roughly 12% year-over-year and trading near \$58–\$63/bbl; strip pricing reflects a relatively flat forward-looking curve.
- Long-dated NYMEX futures have softened compared to last year, averaging in the low \$60's through 2027
- Market fundamentals show competing forces: bearish oversupply from OPEC+ unwinding cuts and strong U.S. output versus bullish geopolitical risk (Middle East tensions, Russian sanctions).



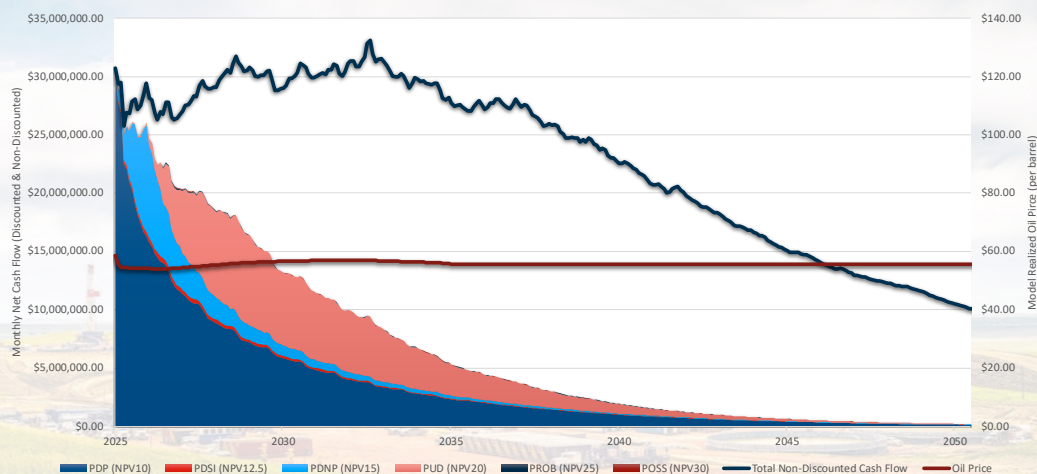
VOLUME PROJECTIONS

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CASH FLOW FORECASTING

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OIL PRICE SENSITIVITY

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NYMEX as of November 17, 2025		
Year	WTI Oil Price (\$/BBL)	Henry Hub Natural Gas Price (\$/MMBtu)
2023	59.89	4.36
2024	59.54	4.14
2025	59.62	4.02
2026	60.53	3.83
2027	61.37	3.76
2028	61.92	3.69
2029	62.18	3.62
2030	62.28	3.49
2031	62.18	3.41
2032	61.84	3.47
2033	61.26	3.53
2034	60.90	3.62

Modelled Oil Price	PDP (NPV10)	PDSI (NPV12.5)	PDNP (NPV15)	PUD (NPV20)	PROB (NPV25)	POSS (NPV30)	Undeveloped Acreage	Total Value
+\$30 per barrel	\$1,675M	\$45M	\$338M	\$1,062M	\$7M	\$5M	\$91M	\$3,223M
+\$20 per barrel	\$1,490M	\$40M	\$300M	\$944M	\$6M	\$4M	\$91M	\$2,875M
+\$10 per barrel	\$1,303M	\$35M	\$263M	\$826M	\$5M	\$4M	\$91M	\$2,527M
NYMEX as of Nov. 17, 2025	\$1,116M	\$30M	\$225M	\$708M	\$4M	\$3M	\$91M	\$2,177M
-\$10 per barrel	\$928M	\$25M	\$187M	\$590M	\$4M	\$3M	\$91M	\$1,827M
-\$20 per barrel	\$737M	\$20M	\$149M	\$472M	\$3M	\$2M	\$91M	\$1,474M
-\$30 per barrel	\$540M	\$14M	\$112M	\$353M	\$2M	\$2M	\$91M	\$1,114M

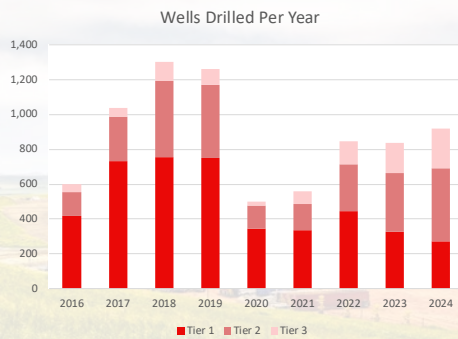
Modelled Oil Price	PDP (Non-Disc.)	PDSI (Non-Disc.)	PDNP (Non-Disc.)	PUD (Non-Disc.)	PROB (Non-Disc.)	POSS (Non-Disc.)	Total Non-Disc. Cash Flow
+\$30 per barrel	\$3,469M	\$134M	\$791M	\$7,723M	\$262M	\$435M	\$12,815M
+\$20 per barrel	\$3,057M	\$118M	\$703M	\$6,868M	\$233M	\$384M	\$11,364M
+\$10 per barrel	\$2,643M	\$102M	\$615M	\$6,012M	\$202M	\$332M	\$9,907M
NYMEX as of Nov. 17, 2025	\$2,229M	\$85M	\$527M	\$5,153M	\$172M	\$279M	\$8,445M
-\$10 per barrel	\$1,814M	\$69M	\$439M	\$4,287M	\$140M	\$224M	\$6,973M
-\$20 per barrel	\$1,398M	\$52M	\$350M	\$3,403M	\$108M	\$168M	\$5,479M
-\$30 per barrel	\$977M	\$35M	\$260M	\$2,502M	\$75M	\$110M	\$3,958M

Note: -\$5.35/bbl differential was applied to future cash flow estimates

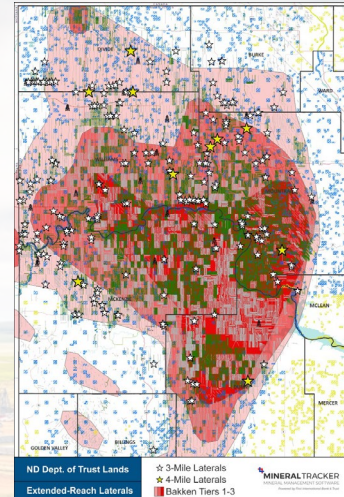
EXPANDING THE CORE

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- The adoption of extended-reach laterals has allowed operators to drill economically outside of the traditional “core” of the Bakken
- Since 2023, nearly 3x more wells were drilled in Tier 2 and Tier 3 than in Tier 1



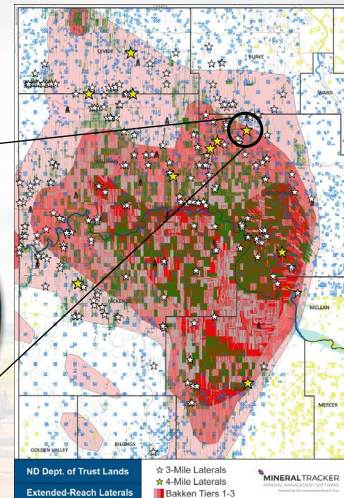
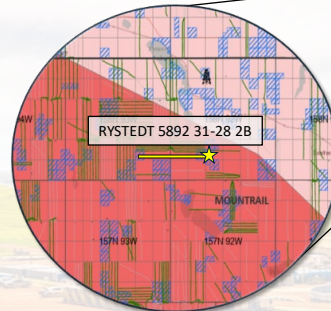
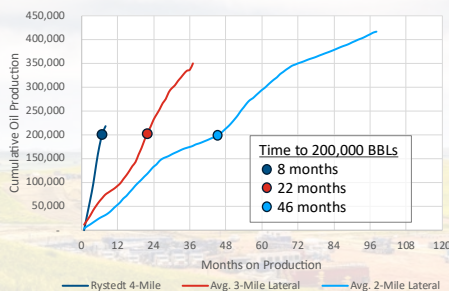
Tier 3 Operators Wells Spud 2023-2025	
Operator	% of Spuds
KRAKEN OPERATING	19%
PHOENIX OPERATING	15%
CHORD ENERGY	12%
HUNT OIL COMPANY	8%
KODA RESOURCES	7%
PETRO-HUNT	5%
CHEVRON	5%
SILVER HILL ENERGY	4%
GRAYSON MILL OPERATING	4%
CONTINENTAL RESOURCES	3%
Other	19%



EXTENDED-REACH LATERALS

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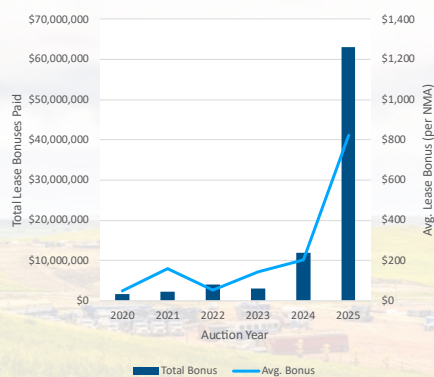
- The Rystedt 5892 31-28 2B, operated by Chord Energy, is the first producing 4-mile lateral in which the State holds a royalty interest.
- The chart below illustrates average cumulative production for all wells drilled with a five-mile radius since the year 2017.



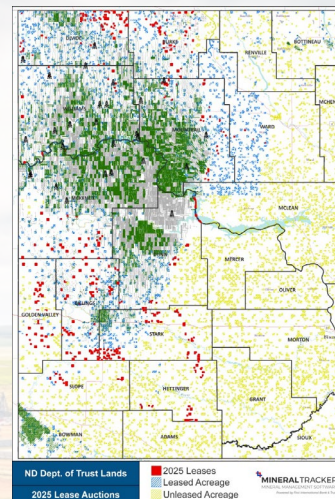
LEASING ACTIVITY

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- Leasing activity in Tier 3 acreage increased significantly in 2025.
- Undeveloped acreage value increased from \$18MM in 2024 to \$90MM in 2025.



2025 Lease Auction Results		
County	Acres Leased	Avg. Bonus (per NMA)
Billings	15,519	\$225
McKenzie	11,349	\$2,178
Stark	9,036	\$3
Divide	8,559	\$638
Golden Valley	8,550	\$9
Burke	6,151	\$993
Dunn	4,343	\$89
Hettinger	3,800	\$1
Mountrail	3,422	\$4,116
Slope	3,265	\$2
Williams	2,519	\$3,449
Ward	110	\$39
Bottineau	80	\$21
Total	76,702	\$822



Contact Us

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LITIGATION

Litigation Update

- **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; our opposition brief was filed by the March 18, 2025 deadline; the U.S. filed its reply brief on April 18, 2025; we now await the Court to either schedule a hearing on the motion or decide on the briefs; additionally, on February 28, 2025, the Department of Interior Acting Solicitor suspended the Biden administration's M-Opinion that was contrary to the state's position.

Commencement: July 2020

ND Assigned Attorneys: James Auslander, Kathryn Tipple, Peter Schaumberg, and Nessa Coppinger (Beveridge & Diamond, Washington, D.C.)
Matthew Sagsveen, AG Dir. of Natural Resources and Native American Affairs

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 Department of Interior: Reuben S. Schiffman (Washington, D.C.)

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. Briefing to be completed in January 2026.

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

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 and 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	X		
Treasurer Beadle			X		
Attorney General Wrigley			X		
Governor Armstrong			X		

The Board entered executive session at 10:40 AM.

EXECUTIVE SESSION

Members Present:

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

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
Elvedina Papalichev	Paralegal
Chris Suelzle	Minerals Division Director

Guests in Attendance:

Jacy Schafer	Office of the Governor
Chris Joseph	Office of the Governor
Zachary Pelham	Office of the Attorney General

The executive session adjourned at 11:27 AM and the Board returned to the open session meeting to rejoin the public. During executive session the Board discussed Royalty Deduction 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 11:28 AM.

Governor Armstrong, Chairman
Board of University and School Lands

Joseph Heringer, Secretary
Board of University and School Lands