

# STATE BOARD OF LAND COMMISSIONERS

June 20, 2023  
Consent Agenda

## Subject

Mineral Lease Live Auction – May 15, 2023

## Question Presented

Shall the Land Board direct the Department to award a mineral lease to the high bidder at the live auction?

## Background

The Idaho Department of Lands (Department) received an application for a new basalt mineral lease located near the town of Mayfield in Elmore County (site maps included as Attachment 1). Pursuant to Idaho Code § 58-310 and Department procedure, a public auction was advertised and held to determine the high bidder for the lease. Auction participants, including the original applicant for the lease, were required to register for the live auction one week prior to the auction date. Department staff conducted the live auction.

## Discussion

For the purposes of securing a single lessee for the mineral lease, a live auction was held on May 15, 2023, at the Department's Southwest Area office. Premier, LLC submitted the successful premium bid of \$10,500 for mineral lease E600116 (a 160-acre parcel). Two bidders registered for this auction, including the original applicant (Premier, LLC). The lease includes a 10-year term for the extraction of basalt, including an annual rent of \$480 (based on an annual rate of \$3.00 per acre) and a minimum annual royalty payment of \$7,500. Attachment 2 summarizes the results of the live auction.

Idaho Code § 58-310(4) provides that the Idaho State Board of Land Commissioners (Land Board) has the right to reject any bid made at a live auction where fraud or collusion are present, or for any reason, all within the sole discretion of the Land Board. The Department completed the lease auction process in accordance with existing statute and procedures and did not observe any indication of fraud or collusion related to this process.

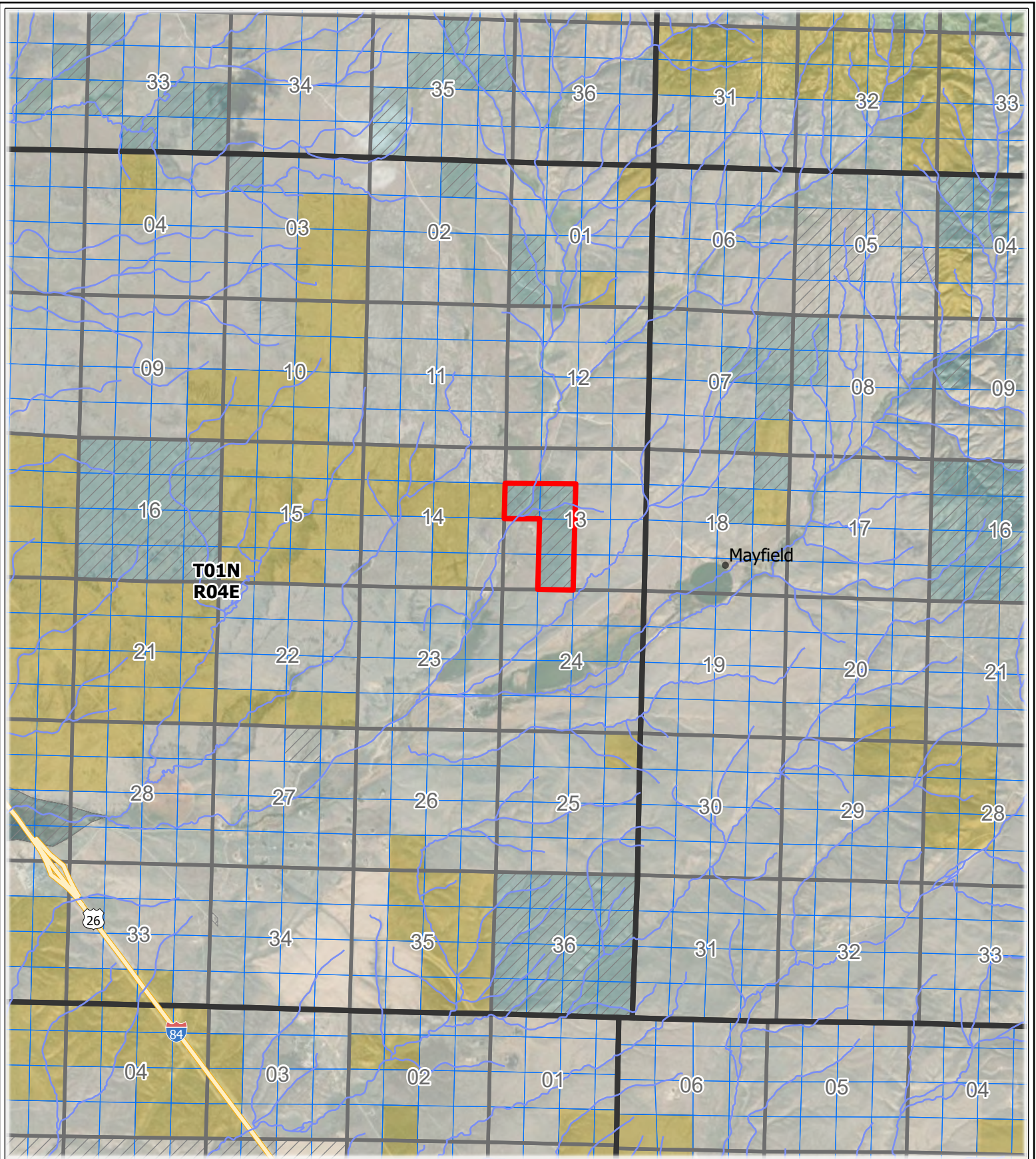
## Recommendation







Direct the Department to award mineral lease E600116 to Premier, LLC.

## **Board Action**

## **Attachments**

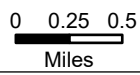
1. Site Maps
2. Summary of Auction Results



-  State Mineral Ownership
-  Bureau of Land Management
-  State
-  Private
-  E600116
-  Streams

**E600116 Vicinity Map**  
Section 13 - T1N - R4E

6/22/2022



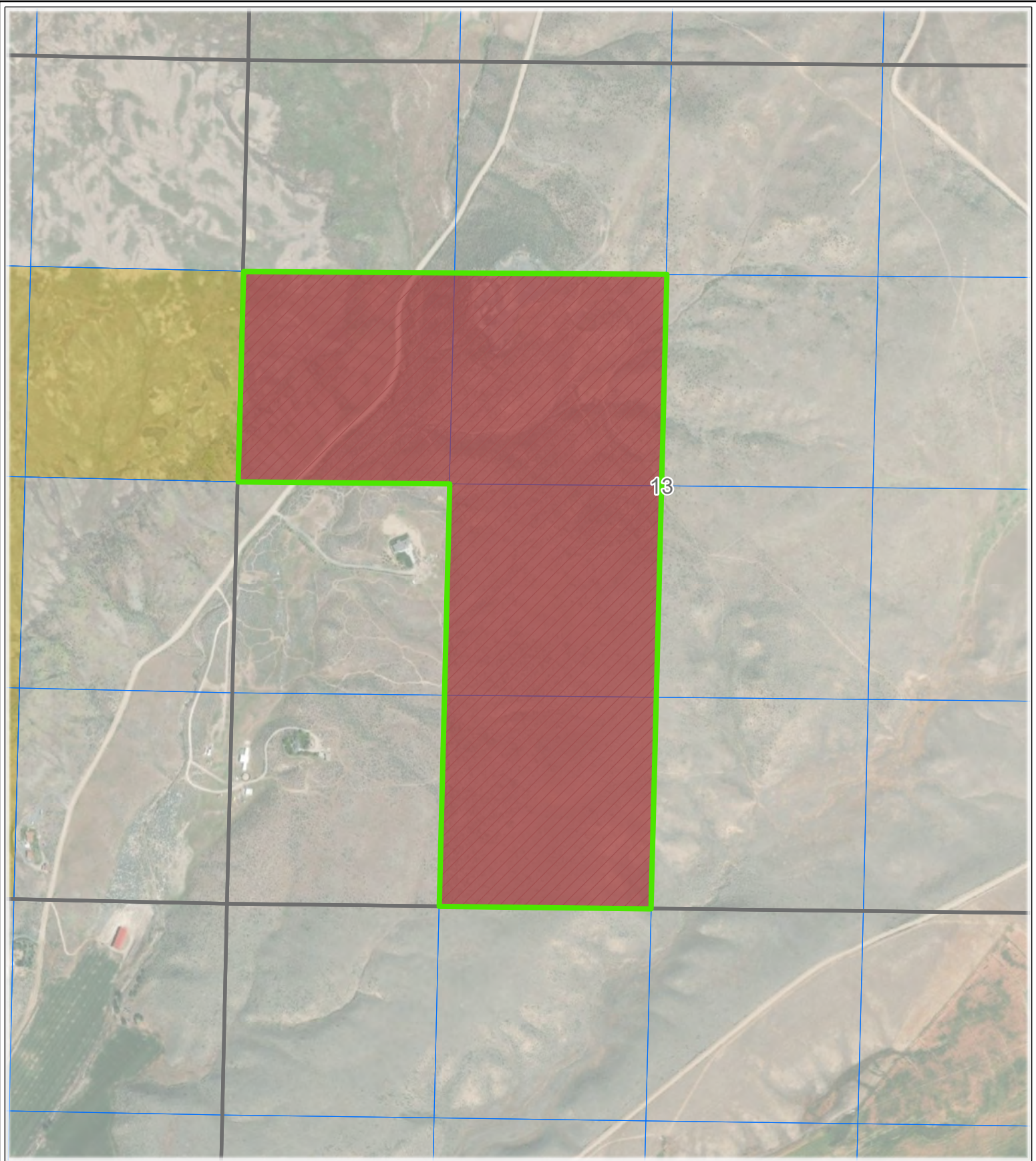
**Map Notes**

Projection: Idaho Transverse Mercator, NAD 83  
Map Notes and Data Sources

**Disclaimer:**  
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



**ATTACHMENT 1A**



G600150

E600116

State Mineral Ownership

Bureau of Land Management

State

Private

**E600116**

Section 13 - T01N - R04E

7/26/2022

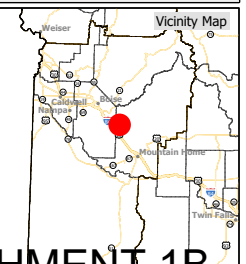


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**ATTACHMENT 1B**

**Summary of May 15, 2023 Mineral Lease Live Auction**

Supervisory Area	Lease Number	Endowment	Lease Term (Years)	Acres	Commodity	# of Participants	# of Bids	High Bid Amount	High Bidder
Southwest	E600116	PS	10	160.00	Basalt	2	72	\$10,500.00	Premier, LLC

**Total \$10,500.00**