

STATE BOARD OF LAND COMMISSIONERS

February 18, 2025

Consent Agenda

Subject

Mineral Lease Live Auction—December 18, 2024

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 basalt mineral lease on a 160-acre parcel of Public School endowment land located northeast of Wendell in Jerome County. Site maps are included as Attachment 1.

Pursuant to Idaho statute and Department procedure, the public auction was advertised and held to determine the high bidder for the lease. Auction participants were required to register for the live auction one week prior to the auction date. Department staff conducted the live auction.

Discussion

For the purpose of securing a single lessee for the mineral lease, a live auction was held on December 18, 2024, at the Department's Eastern Area field office in Jerome. North Side Canal Company submitted the successful premium bid of \$10,000 for mineral lease E700065. Premier, LLC also registered for the auction. The lease includes a 10-year term for the extraction of basalt, including annual rent of \$480.00 (\$3.00 per acre); a minimum annual royalty payment of \$2,500.00; and a royalty rate of \$1.20/short ton. Attachment 2 summarizes the results of the live auction.

Idaho Code § 58-310(4) provides that the 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.

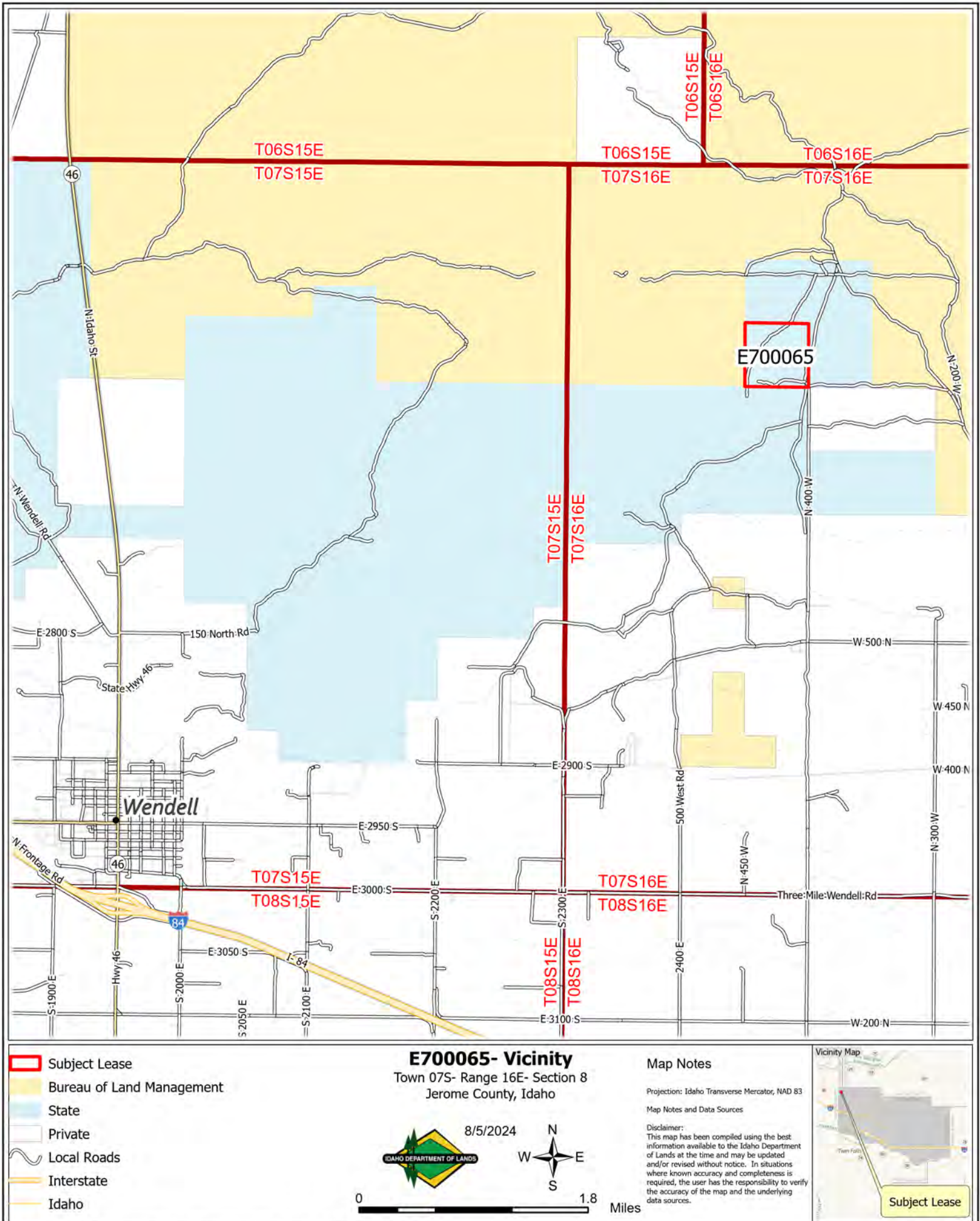
Recommendation

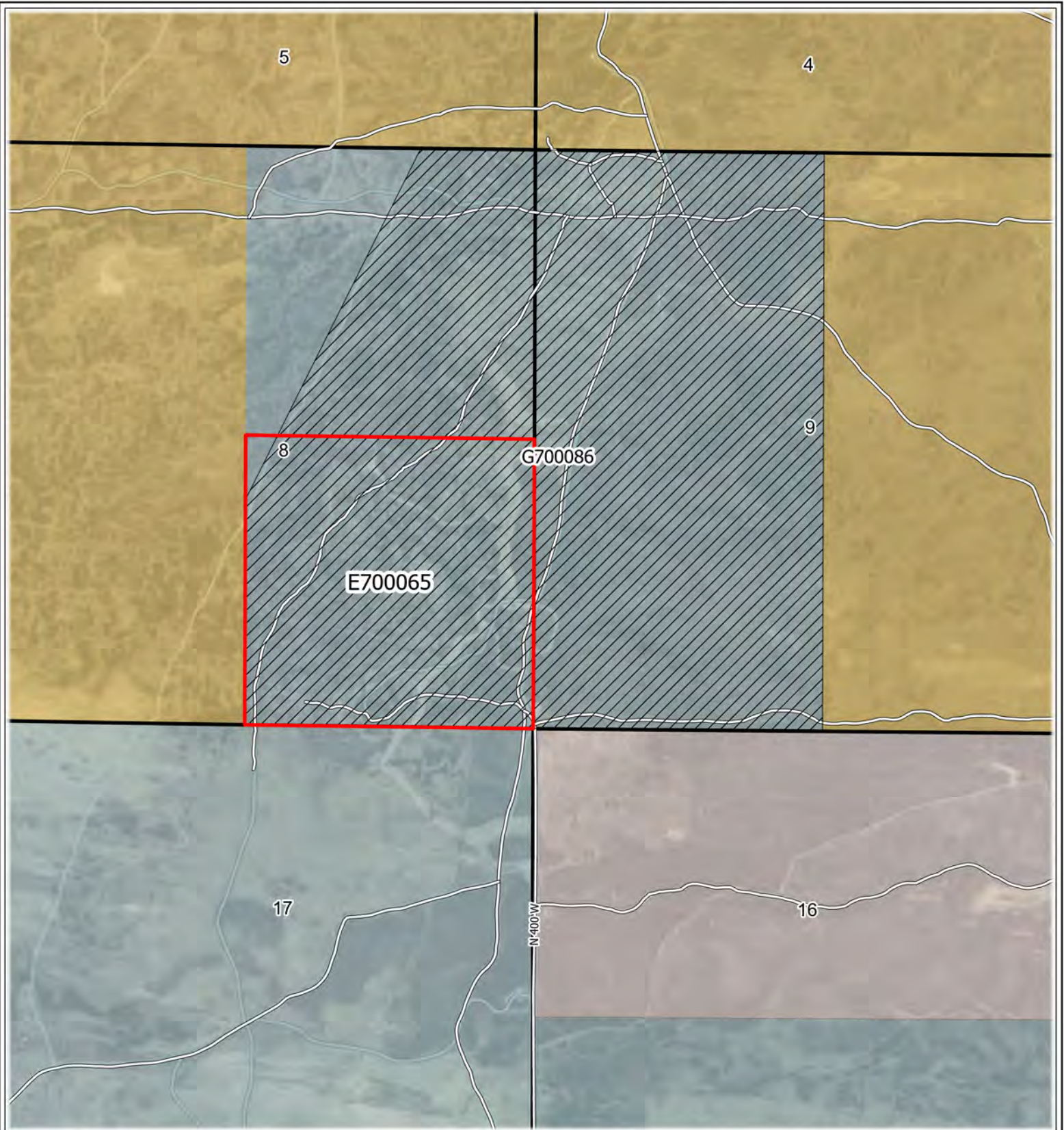
Direct the Department to award mineral lease E700065 to North Side Canal Company, the high bidder at the auction.

Board Action

Attachments

1. Site Maps
2. Summary of Auction Results





- Subject Lease
- G700086
- Bureau of Land Management
- State
- Private
- PLSS Section
- Local Roads

E700065- Detail
 Town 07S- Range 16E- Section 8
 Jerome County, Idaho



8/5/2024



0 0.45 Miles

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.



Summary of December 18, 2024 Mineral Lease Live Auction

Supervisory Area	Lease Number	Endowment	Lease Term (Years)	Acres	Commodity	# of Participants	# of Bids	High Bid Amount	High Bidder
Jerome Field Office Eastern Area	E700065	PS	10	160	basalt	2	15	\$10,000	North Side Canal Company