

October 4, 2004

**DEPARTMENT OF STATE LANDS**  
**PROPERTY MANAGEMENT ACTIVITIES**  
**July 1, 2003 - June 30, 2004 and September 23, 2004**

Type of Authorization	Number of Authorizations		
	New & Renewals FY 03-04	Total Active June 2004	Sept 2004
<b>9/23/04</b>			
• <b>Agricultural Lands</b>			
• Agricultural leases	1	11	11
• <b>Rangelands</b>			
• Forage leases	1	142	144
• Easements	2	26	26
• Communication site leases	6	15	15
• <b>Industrial/Commercial/Residential Lands (ICR)</b>			
• Special interest lease	0	1	1
• Cabin site leases	0	4	4
• DSL building tenants	0	4	4
• <b>Forestlands</b>			
• Easements	0	4	4
• Oil & gas leases	0	1	1
• Communication site leases	1	4	4
• Prospecting permits	0	1	1
• <b>Waterways</b>			
• Waterway leases	24	394	397
• Dock registrations	469	959	1,274
• Easements/Rights-of-way	22	269	276
• Public facility licenses	9	201	203
• Temporary use permits	6	9	10
• Sand & gravel licenses	19	18	23
• Oil & gas leases	9	9	9
• <b>Minerals</b>			
• Upland quarry leases	2	2	2
• Oil & gas leases	0	5	5
• Hard mineral leases	0	1	1
<b>Total authorizations</b>	<b>571</b>	<b>2,080</b>	<b>2,415</b>

**NOTE:** The number of active authorizations indicated for each type of use is based on the information contained in the LAS database or known as of September 23, 2004. This information does not include authorizations such as easements that were issued many years ago but have not yet been entered into the LAS database and are documented in the no-computerized files. DSL is entering this data on an ongoing basis as part of its efforts to convert paper-based records to an electronic format.

**Agricultural Land**

Agricultural lands are either Trust or Non-Trust Lands that possess a combination of factors such as, but not limited to, Class I-IV soils (as identified by National Resource Conservation Service’s Soil Capability Classification System) and favorable precipitation, growing season and water availability. The lands may be developed (for example, cultivated, irrigated, fenced, etc.) for the production of all types of agriculture commodities.

Agricultural land is managed primarily for the production of agricultural commodities. Secondary uses (for example, communications sites or pipeline easements) are allowed as long as they do not substantially interfere with the primary use. Mineral, oil & gas, and geothermal development is permitted only if there is limited surface occupancy, or the anticipated royalties exceed the projected agriculture lease revenue.

All of DSL’s agricultural leases are in eastern Oregon. The crops grown within these leaseholds include hybrid poplar trees, alfalfa, barely, oat and wheat.

Total acres: 5,700

<u>Total number of active authorizations (9/23/04):</u>	11
Types of authorizations:	11 agricultural leases

<u>Total revenue (7/03 - 6/04):</u>	\$141,408
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Total expenditures (7/03 – 6/04): Expenses are combined with Rangelands.

**Rangeland**

Rangeland is lands used primarily for the grazing of domestic livestock. Located primarily in arid or semi-arid climate zones of eastern Oregon, the land generally receives insufficient rainfall to support commercial agricultural production or growth of forest products. Rangeland, however, will typically be zoned as agriculture or forest in local comprehensive plans. The native vegetation is predominately grasses, grass-like plants, forbs or shrubs, suitable for grazing.

Rangeland is managed according to approved grazing management plans. Alternative uses (for example, agriculture, forestry, mineral and geothermal exploration and development, and commercial uses) may be allowed if they are not specifically prohibited by existing leases and are compatible with uses authorized through lease. Mineral, oil & gas, and geothermal development is permitted only if there is limited surface occupancy, or the anticipated royalties exceed the projected rangeland lease revenue.

DSL’s rangeland leases are located in eastern Oregon primarily in Lake, Harney and Malheur Counties. Forty-three of these leases are on large blocked parcels of land of

more than 1,000 acres each; the remaining 101 leases are on smaller, often “isolated” parcels. Together, the leases provide for about 70,000 animal unit months (AUMs). (Note: one AUM is the amount of forage necessary to feed one cow, or one cow and one calf of less than six months in age for one month.)

Total acres: 632,000 (most of which is Trust Land)

Total number of active authorizations (6/23/04): 185  
 Types of authorizations: 144 forage leases  
 26 easements  
 15 communication site leases

Total revenue (7/03 – 6/04): \$623,648  
 Grazing leases \$301,080  
 Easements \$289,745  
 Communication Site leases \$32,823

Total expenditures (7/03 – 6/04) \$240,573

**Industrial/Commercial/Residential**

Urban and rural lands not having any significant resource or value are classified as Industrial/Commercial/Residential (ICR) Land. Such land will typically have or be proximate to service infrastructure (for example, sewer, water and roads) and be zoned for industrial, commercial or residential uses. Urban industrial/commercial/residential land, by definition, is located within an urban growth boundary. Rural land is located outside urban growth boundaries and can include land designated as Urban Reserve or within Urban Unincorporated Communities.

Currently there are a limited number of sites that fall into this classification. Examples include several properties within the Bend area; land in the vicinity of Tongue Point in Clatsop County; four cabin sites on Lake Owhyee; and the agency’s headquarters’ building in Salem.

Total acres: 695

Total number of active authorizations (9/23/04): 9  
 Types of authorizations: 1 special interest lease  
 4 cabin site leases  
 4 DSL building tenants

Total revenue (7/03 – 6/04): \$470,390  
 Cabin sites \$1,680  
 DSL building rent \$468,710

Total expenditures (7/03 – 6/04): \$279,619 (estimated)

**Forestlands**

Forest land possesses a dominance of commercially marketable tree species. The tree cover may be in various stages of maturation; species composition may vary between western Oregon and eastern Oregon. Douglas firs dominate westside forests while Ponderosa Pine or mixed conifer stands dominate eastside forests. Developments are usually limited to access roads. Eastside land may be developed with fences and cattle guards; grazing may also occur on this land. Most DSL forest land is managed under contract by the Oregon Department of Forestry.

Forestland is managed primarily to produce merchantable timber for periodic harvest and sale according to a specific plan developed by forest managers. Secondary uses (for example, communication sites, grazing, pipeline easements, public recreation, road rights-of-way) are allowed as long as they do not substantially interfere with the primary use. Mineral, oil & gas, and geothermal development is permitted only if there is limited surface occupancy, or the anticipated royalties exceed the projected timber product revenue.

Of the approximately 131,000 acres of forestland held by the Land Board, approximately 85,000 acres are located in the Elliott State Forest in Coos and Douglas Counties. The remainder is in the Sun Pass State Forest (6403 acres) in Klamath County and small tracts scattered throughout Oregon (about 40,000 acres). All forestland is Trust Land and the growth and harvest of timber from this land is managed by the Oregon Department of Forestry under a contract with DSL.

Total acres: 131,000

<u>Total number of active authorizations (9/23/04):</u>	10
Types of authorizations:	4 easements
	1 oil & gas lease
	4 communication site leases
	1 prospecting permit

<u>Total revenue (7/03 – 6/04):</u>	\$14,325,310
Communication site leases	\$14,969
Timber sales	\$14,310,341

Total expenditures (7/03 – 6/04): \$4,714,830

**Profile sheet: Waterways**

The waterway classification is applied to the Territorial Sea and other navigable waters owned by the State of Oregon. State-owned waterways include the tidelands and beds and banks to ordinary high water of all navigable rivers, lakes, bays and estuaries and the Pacific Ocean to three miles offshore. In most cases, the ownership extends to the ordinary high water line.

Currently, the state has asserted an ownership claim to the bed and banks of 11 waterways in Oregon. These claims include all or segments of the Chetco, Columbia,

Coos, Coquille, Klamath, McKenzie, Rogue, Sandy, Snake, Umpqua and Willamette Rivers as well as a number of lakes, among which are Klamath and the major coastal lakes such as Devils, Siltcoos, Tahkenitch and the North and South Tenmile Lakes.

<u>Total acres of waterways:</u>	800,000 +/-
<u>Total number of active authorizations (9/23/04):</u>	2,192
Types of authorizations:	397 waterway leases
	1,274 dock registrations
	276 easements/rights of way
	203 public facility licenses
	10 temporary use permits
	23 sand & gravel licenses
	9 oil & gas leases
<u>Total revenue (7/03 – 6/04):</u>	\$ 2,397,966
Waterway leases	\$1,491,076
Dock registrations	\$79,700
Easements	\$312,683
Sand & gravel licenses	\$498,806
Oil and Gas leases	\$15,701
<u>Total expenditures (7/03 – 6/04):</u>	\$437,391

<b>Minerals</b>
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Mineral classification is applied to all state-owned parcels with surface or subsurface mineral ownership interest, except sites with road-building materials managed by the Oregon Department of Transportation or the Oregon Department of Forestry.

Total acres of mineral rights: 753,000 (subsurface rights only; does not include 410,000 acres of land with both surface and subsurface rights or approximately 2.1 million acres of subsurface rights managed by the Department for other state agencies e.g. Parks, Forestry)

<u>Total number of active authorizations (9/23/04):</u>	8
Types of authorizations:	5 oil & gas
	1 hard mineral
	2 upland quarry

<u>Total revenue (7/03 – 6/04):</u>	\$ 211,406
Payment for Mist Gas Field	\$126,947
Hard Mineral Lease	\$66,667
Sale of mineral rights	\$17,792

Total expenditures (7/03 – 6/04): Expenses combined with Waterways