Contract No. 005-077
“Beginning Farmer Enhancement”
Submitted by Natural Resources Trust
Principal Investigator: Terry Allbee
Directives: B, A & C

PARTICIPANTS

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Cost Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Dakota Natural Resources Trust (cash)</td>
<td>$57,887</td>
</tr>
<tr>
<td>Landowners (cash)</td>
<td>$12,610</td>
</tr>
<tr>
<td>Subtotal Cash Cost Share</td>
<td>$70,497</td>
</tr>
<tr>
<td>North Dakota Natural Resources Trust (in-kind)</td>
<td>$10,000</td>
</tr>
<tr>
<td>Landowners (in-kind)</td>
<td>$44,060</td>
</tr>
<tr>
<td>Subtotal In-kind Cost Share</td>
<td>$54,060</td>
</tr>
<tr>
<td>North Dakota Industrial Commission</td>
<td>$132,884</td>
</tr>
<tr>
<td>Subtotal Outdoor Heritage Fund (OHF) dollars</td>
<td>$132,884</td>
</tr>
</tbody>
</table>

Total Project Cost $257,441

Project Schedule – 3 years
Contract Date – 8/12/2015
Start Date – 4/1/2015
Completion Date – February 1, 2018

Project Deliverables:
Status Report: February 1, 2016 ✓
Status Report: February 1, 2017 ✓
Final Report: February 1, 2018 - Received 1/12/18 ✓

OBJECTIVE/STATEMENT OF WORK:
The purpose of this project is to implement projects identified by landowners participating in the Natural Resources Trust Beginning Farmer Assistance Program which include installation of fencing, installation of wind break panels, installing water quality management practices, drilling of new water wells, installing solar pumps, water tanks and pipeline, and planting of cover crop. The Industrial Commission awarded the funding with the condition that the Outdoor Heritage Fund (OHF) dollars cannot be used for portable windbreaks and that the OHF funding will be used for the best management practices outlined in the application.

STATUS:
Contract has been executed.

2/1/2016 - Status report received. It states: The North Dakota Natural Resources Trust worked during this reporting period to coordinate with the participating landowners to finalize the details of the partnership agreements based on the approved funding for the Beginning Farmer Enhancement grant proposal. The partnering landowners are located in Burleigh, Mercer, Emmons, and Dickey Counties. Trust partnership agreements have been completed with three of the landowners and partially completed with the fourth landowner. The landowner in Burleigh County plans to complete an additional agreement in 2016 for the remainder of the development activities. The majority of the land development projects will be completed in 2016.

Fencing - 17,820 feet of boundary and cross fence installed
Water Diversion project completed
Water well drilled
Cover crop planted - 160 acres
Lease agreements - 1,105 acres.

All site specific agreements where work is completed are on file in the Industrial Commission Office.

A copy of the status report and maps of the projects are posted on the website.

2/1/2017 - Status report received. It states: The North Dakota Natural Resources Trust completed all contractual agreements with participating landowners. In 2016 the landowners were busy installing the agreed upon practices and coordinating with contractors to complete the water developments. As with all projects there were some modifications to original plans. Landowner in Dickey County adjusted their cost-share amounts from the supplemental native seeding to additional water pipeline. Other landowners had some smaller adjustments, but overall they were able to complete their work as planned. All the land development projects will be completed by fall of 2017. Report Period Accomplishments: Fencing - 39,600 feet of boundary and cross fence installed; Livestock Water and Pipeline Windbreak panels (Landowner/Trust paid); Lease agreements - 157.50 acres. All site specific agreements where work is completed are available in the Commission files.

1/12/2018 - Final report received. Status Report with pictures is posted on the Outdoor Heritage Fund website. It states in part: The Beginning Farmer Enhancement grant is final. Nearly all Outdoor Heritage Funds have been spent (returning $40.00 to future OHF grant awards), all North Dakota Natural Resources Trust match and in-kind match have been spent and all Landowner match and in-kind match have been spent. The final project expense was $17,845.43 higher than submitted in the proposed budget and this difference was paid by the Trust and Landowners. All livestock and grassland conservation projects have been completed. All site specific agreements where work is completed and supporting invoices are available in the Commission files.

This contract is now closed and $40.00 of commitment has been returned to the Outdoor Heritage Fund.

Updated: 1/12/2018