

Surface Leasing - Frequently Asked Questions

For additional information please contact the Department at (701) 328-2800

What are Trust Lands?

At statehood, lands were granted to the state (typically section 16 and 36 of every township) with the sole purpose of providing funding for "common schools". Currently the North Dakota Department of Trust Lands (NDDTL) manages approximately 706,480 surface acres and 2.6 million mineral acres. NDDTL is charged with managing these lands and 18 separate Trusts and Funds, with the largest Trust being the Common Schools Trust (K-12th grade students are the recipients of the Common School Trust fund dollars).

Who can lease Trust Lands?

Anyone can lease Trust Lands with a few caveats. Bidders and lessees must be 18 years of age or older and provide payment in full at the auction. Trust Lands can only be leased for pasture and meadow purposes which is laid out in the ND Constitution.

How long is a Trust Lands lease?

Leases are usually offered for a 5-year term, effective from January 1st to December 31st. In some cases, NDDTL may offer leases for shorter terms than the standard. Rents are fixed for the life of the term.

When and where are Surface Lease Auctions Held?

Auctions are held in-person, in the county seat where the land is located. The Department conducts most auctions in the Fall, around October. But auctions are also held on a limited basis in the Spring. Auctions are open to the public.

How does bidding occur on School Trust Lands?

Tracts are offered according to the advertisement, in order of appearance. Bids will start at the minimum advertised Fair Market Value (FMV) Price. No bids lower than the advertised amount will be accepted.

Is a lease payment due every year?

Yes, the first year's lease payment is due directly after the lease auction. Subsequent yearly payments are due before the last business day in January.

Can a tract be subleased?

Subleasing is a direct violation of the lease. Lessees should contact the department in advance of any third party use so that NDDTL can determine whether the arrangement is prohibited by the lease. Allowances can be made for shares agreements, custom grazing, or grazing associations if disclosed in advance.

How can Trust Lands be used?

Trust Lands are leased under three main categories: Grass, Crop, and Hay.

Grass: These acres may either be grazed or, if suitable, hayed.

Crop: These acres designated for annual crop production and may be utilized for cash crops, hay, or forage.

Hay: These acres must remain in perennial cover and cannot be cropped. Hayland renovations may be approved by Department.

Who owns the fence on Trust Lands?

The Department does not own or provide fence on School Trust Lands (except for a few rare circumstances). An existing fence may belong to the previous lessee or be owned wholly or partially by an adjacent landowner. NDDTL does not determine or defend claim to fencing materials; meaning bidders are responsible to provide fence or make necessary arrangements to obtain it. Rental rates are discounted from the market average to offset for the lack of fence.

Is access to Trust Lands guaranteed to lessees?

Trust Lands are leased as is and NDDTL makes no guarantee of legal access. Bidders should ensure they have legal access to tracts before leasing them at auction.

Do Trust Lands have water available for livestock?

Access to water for livestock depends on the specific tract of Trust Lands. Trust Lands may have dams, dugouts, wells, or in some cases no access to water. Cost share is available to install water developments. It should be noted that any non-permanent infrastructure associated to a water development (water tanks, submersible pump, solar panels, etc.) would be the property of the current lessee.

Does Trust Lands have specific turn-in or turn-out dates for cattle grazing?

No, Trust Lands do not have specific grazing timelines or stocking rates as long as the lessee keeps the Trust Lands in a good range condition. If the Trust Lands is determined to not be in good range condition, a specific grazing restriction will be implemented.

Are lessees responsible for noxious weed control?

Yes, lessees are responsible for noxious weed control. Cost share is available for noxious weed control on grass acres for lessees (up to 100% of the approved chemicals and up to 50% of the labor).

Can a lessee control hunting access on Trust Lands?

No, a lessee cannot control hunting access. A Trust Lands lease only grants agricultural use. Trust Lands are open to non-vehicular public access. However, lessees can apply for Trust Lands to be either closed to public access or to receive notification before the public enters Trust Lands. For lands to be closed, specific criteria must be met.

Can a Trust Lands Lease be terminated?

Yes, a Trust Lands lease can be terminated if the lessee has violated the lease terms and conditions.