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DNR acquires important mineral rights at Porcupine Mountains Wilderness State Park

A recent land exchange between the Michigan Department of Natural Resources and the Keweenaw Land Association, Limited has transferred more than 8,000 acres of mineral rights beneath Michigan's largest state park to the DNR.

"This is a very important transaction for both parties," said Ron Olson, chief of the DNR's Parks and Recreation Division. "This allows us to better protect park resources in the Porcupine Mountains, and it provides the land association with mineral rights in areas believed to contain prospective copper, gold and nickel resources."

The process to evaluate and exchange the acreage between the parties took nearly three years to complete, with the deal closing on Oct. 11, 2024.

In addition to the acres of mineral rights underlying portions of Ontonagon and Gogebic counties at Porcupine Mountains Wilderness State Park, the DNR also acquired mineral rights to a 40-acre property in Dickinson County where a mine operated previously and is today an active bat hibernaculum, where insectivorous bats spend the winter months.

In all, the DNR acquired 8,392 acres of mineral rights and Keweenaw received 9,551 acres of mineral rights from the DNR in parts of Baraga, Dickinson, Gogebic, Iron, Menominee and Ontonagon counties.

No money changed hands in the deal as the mineral-for-mineral exchange was considered a fair value trade.

Severed mineral rights

In 1944, the Michigan Legislature provided \$1 million to purchase land to protect old-growth forests at the Porcupine Mountains from logging and mining interests. That \$1 million would equal \$17 million today.

In subsequent land purchase transactions from 1947 and 1955, the Keweenaw Land Association was among several entities who sold surface lands to the state to help develop today's nearly 60,000-acre park.

However, Keweenaw retained the rights to the minerals underlying those properties for potential future mining exploration and development – a common practice.

In cases where one party owns the surface rights and another owns the mineral rights beneath, the mineral rights are termed "severed."

The recent minerals exchange allows the DNR to now own the surface rights and the mineral rights for numerous parcels within the state park. As part of its public land management strategy, the DNR seeks wherever possible to reunite mineral and surface rights that are severed.

"The Porcupine Mountain State Park is really a crown jewel within the state park system and Keweenaw is honored to play a role securing its sustainable future," said Tim Lynott, president of the Keweenaw Land Association, Limited. "For Keweenaw, this exchange will offer incremental growth and consolidation in areas that offer the potential to secure Michigan's role as a key source of critical and strategic minerals, in a state with strong regulatory and environmental regulations that allow for sustainable exploration and mining practices."

Prior to this transaction, the state did not own about 45% of the minerals underlying the state park. Areas remain where the minerals are severed within the park boundaries.

For example, the deal does not include lands associated with the Copperwood project being developed by Highland Copper in the southwest corner of the park.

For that project, the mining company would access minerals from outside the park, with no disturbance to park surface land features. Under state law, surface landowners are required to provide "reasonable" access to subsurface mineral rights owners.

"The DNR has worked diligently over the past several years to reunite mineral and surface rights at numerous state properties," said Matt Fry, DNR Minerals Management Section manager. "However, many lands and minerals under state administration remain severed. We will continue to obtain mineral rights whenever prudent and possible."

One example of a state park containing severed mineral parcels is Craig Lake State Park in Baraga County – Michigan's most remote state park.

Partnering

Over the years since the state's first wilderness park was created in the Porcupine Mountains, Keweenaw has worked with the DNR on additional agreements for a variety of efforts, including trail management, mineral leases and forest stewardship.

"We will continue to partner with the state and look for additional opportunities that are mutually beneficial in the future," Lynott said.

The <u>Keweenaw Land Association, Limited</u> is a mineral and land management company located in Ironwood, with land holdings exceeding 1.1 million acres of mineral rights, located predominantly in the western Upper Peninsula and northern Wisconsin.