

Grazing Districts

Their Nature and Possibilities In Range Land Utilization

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INTRODUCTION

Objectives:

This publication has as its objectives the following:

1. To acquaint the people of Montana with the idea of grazing districts.
2. To acquaint the people of Montana with similar types of organization for the use of grazing land.
3. To indicate the success which has been achieved to date with such organizations.
4. To show how these organizations can be used to advantage in better utilizing Montana lands, and finally —
5. To give the details of organization for existing districts which will enable people in other localities to proceed in setting up similar organizations.

NATURE OF GRAZING DISTRICTS

Perhaps the best way to explain what a grazing district is and how it operates is to give in some detail the set-up, history and operating practices of a successful district. The Mizpah-Pumpkin Creek district, located in Custer county, southeastern Montana, is the only one of its kind* in existence. Since it has met with distinct success, details of its organization and operation are here presented.

The Mizpah-Pumpkin Creek Grazing Association

History—A vivid picture of the events which lead up to the organization of this association is given in the following statement of Mr. Alva A. Simpson:**

"This area was in the early days used largely for winter range. The broken topography supplied the shelter and the protected summer growth of forage furnished sufficient winter pasture. Adjoining valleys were unfenced and available for summer range, allowing the broken hills to grow and retain the grasses for winter use. Progressing settlement of the valleys

*Another district, also under the supervision of the Interior Department, but combining water-shed protection with grazing, was organized a few years ago in the Owens Valley of California. Stockmen in this association are given individual allotments, similar to the practice used by the U. S. Forest Service. This organization has also been highly successful.

**Mr. Simpson was Supervisor of the Custer National Forest at this time. He played an important part in the preliminary organization of the association.

gradually forced the use of these hills for summer pasture in addition to the winter use, until finally they represented the only remaining free and unrestricted range. Competition between stockmen had arrived at that point where the numbers of stock were in excess of the available forage. Severe over-grazing resulted in the practical disappearance of the highly palatable and greater volume producing wheat grasses and a change in the composition of the forage plants to a predominating short gamma grass range with associated less palatable species. This condition of over-stocking caused certain stockmen to attempt to secure private control of portions of the range, by entering into contract purchases of the Northern Pacific lands, with the hope of controlling the alternate government sections, and providing pastures that could be controlled and protected in sufficient area to provide pasture for their herds. Then came the 640-acre grazing homestead act, and these stockmen found themselves facing the necessity of purchasing the alternate sections as rapidly as title could be secured. This was followed by the deflation period, mounting taxes, increased holding charges and low prices for livestock products, with the result that the contract-purchased lands were thrown back upon the railroad company. Improvements depreciated, abandoned houses became numerous and the over-grazed condition of the land reduced the production of cattle from the above area from an estimate of 6,000 head, some 20 years ago, to 2,300 head in 1926.

"The stockmen take the attitude that they cannot afford to develop water or make any range improvements without a reasonable assurance that they may be protected in this. Too often they have seen migratory stockmen move in on the water holes that control the adjoining range and under present conditions they have no authority to prevent such encroachment. They are so dependent upon summer pasture that the present situation tends to prevent any material investment in improvements on their owned lands, since loss of the summer pasture would depreciate and make practically valueless the home ranches where the winter feed is produced. Their present hope is that by some form of assurance of permanent use of the necessary summer pasture they may confidently face the future, build up their private investments in ranch property, create a future for their children and place their business upon a sound plane.

"This condition aroused the interest of remaining settlers and resulted in the forming of a cooperative livestock association with the common hope of legitimately, and at a price within their means of realizing a safe return on livestock, acquiring control of this area of range land upon which their ranches and farms are dependent."

Organization—The Mizpah-Pumpkin Creek Grazing Association was organized in the spring of 1928, although preliminary work was begun in 1926. Because of the Public Domain land (24½ per cent of the total) included in the area, it was necessary to secure passage of a special act of Congress to permit the inclusion of this land. Passage of the act was obtained on the grounds that it would serve as an experiment for determining

desirable means of administering land still in Federal ownership. The preamble to the bill which made possible this area states that it is a bill "authorizing the Secretary of the Interior to enter into a cooperative agreement or agreements with the State of Montana and private owners of land within the State of Montana for grazing and range development and other purposes."

This is a cooperative organization, managed* by its members for their mutual benefit. There has been, since its inception, about fifteen members in the association at all times. These ranchers all live on or adjacent to the district, a qualification for membership which is set forth in the constitution and by-laws.

Lands Included—A total of 108,000 acres is included in this district. The ownership of this land was approximately as follows: The Northern Pacific Railway Company, 41%; private owners, 29%; the State of Montana, 5½%; and the Federal Government, 24½%. Land belonging to the railroad was leased on a ten-year contract at a very reasonable figure. The private land was leased for various periods of time and for various amounts. The ten sections of state land were not leased directly because the State of Montana could not, according to law, lease its grazing land for less than \$40.00 a section annually, an amount in excess of its normal value for grazing purposes. This state land was traded for government land located elsewhere in the state and the ten sections were then leased to the association on the same basis as the Public Domain land.

Under an agreement with the Department of the Interior, the government land was leased to the association for a period of ten years at \$20.00 per section. In order to recompense the association for water development, increased carrying capacity of the range and other improvements, lease money was not collected from the association on the government land the first three years.

Since the organization of the district, several parcels of land within the area belonging to private parties have been taken by Custer county for tax delinquency. To meet this situation, the association has formed a land holding company within its own membership which has purchased such land from the county on funds borrowed from the association, and has in turn leased this land to the association.

Allotment of Range—In the beginning, a grazing specialist of the Forest

*Since the Federal Government owns considerable of the land included in the district, the bill which made possible the inclusion of this land specifies that a representative of the Department of the Interior shall cooperate with the members of the association in the management of the district. However, it is the policy of the Interior Department's representative to leave the details of management up to the ranchers themselves. It is only in case of dispute or in regard to matters of major changes in policy that he attempts to serve in other than an advisory capacity.

Service was secured to make a survey of the range and determine the amount of feed available and hence the rate of stocking. Because of the depleted condition of the range, this figure was made on a conservative basis so that improvement in the range could be effected. Having decided on the total number of stock to be grazed in the area, this number was then prorated among the various members. Ranchers living on or adjacent to the area were allotted range on the basis of the number of head they had been running in the past and the number of head for which their ranches could produce winter feed. Since a committee of the ranchers themselves allotted the range and since they were so pleased with the prospect of having permanent summer feed, there was little or no bickering about the amount of range to which each was entitled.

The "permit system" is used in connection with range allotment. Early in the spring each member applies for a permit to graze certain stock in the district. If has application is not in excess of his pro rata share of the grazing, and if he has fulfilled all the requirements of the association, his application is granted. Payment for the grazing fee must be made before the grazing season begins or other applicants may be allotted the range.

Grazing Period and Cost—Since the beginning, the association has permitted a grazing period of eight months. This extends from April first to December first. The first year of operation, 1929, a grazing fee of \$1.50 per head for eight months was charged. The next two years the fee was \$1.25 per head, while in 1932 it was raised to \$1.40. The increase in 1932 was to provide funds for the purchase of the tax deed land. As the range is improved under proper management and the area can be made to carry more livestock, it is believed that this fee can be reduced. This, of course, will be determined largely by the cost of leased land in the future.

Management and Policy—Except for the slight supervision which is given by the representative of the Interior Department,* management of the Mizpah-Pumpkin Creek grazing district is entirely by the ranchers who are members. A president, vice-president, secretary-treasurer and an executive committee of three members in addition to the president, who is chairman of the committee, are the officers of the association. These officers are elected annually. Authority to dispose of all business matters is vested in these officers.

Much of the success of this grazing area is due to high type of leadership and membership in the association, their willingness to submerge the cattleman's traditional individualism in favor of group benefits, and to make use of various existing cooperating agencies. In addition to the Department of the Interior representative and the local office of the Forest Service, the Custer County Agent has contributed much to the success of the or-

*This supervision would be exercised over grazing districts organized in the future, only where government lands are included.

ganization and management of the area. His efforts in tracing out the original land ownership of the various parcels of land and in bringing about cooperative action by all of the parties interested has been invaluable. The association has made constant use of the County Agent in connection with correspondence, clerical work, meetings, prairie dog poisoning, bull selection, marketing and other activities.

All the land in the district is grazed in common, rather than allotting specific tracts to each rancher and then requiring that he keep his stock on this tract. The entire area is fenced. The major part of the fence was already constructed before the association was organized, although eighteen miles of four-wire fence on steel posts was put up by the association to complete the enclosure. The only cross fencing which has been done is the building of a drift fence to facilitate keeping the stock properly distributed on the range. A rider is employed during the entire grazing season to keep up the fences, look out for teapassers, keep the bulls evenly distributed and to keep all stock distributed so that some areas will not be over-grazed while others are not completely utilized. Assistance is also given cows during the calving season. The rider carries prairie dog poison with him and has cleaned out all the "dog towns" in the area. The total cost of this rodent control work has been about \$900 in the last four years.

The association has a committee which passes on the quality of the bulls, requiring that a purebred animal of satisfactory type be furnished for every 33 or less cows grazed in the area. These bulls are purchased cooperatively in carload lots by the committee. The expense is then prorated to the members on the basis of the number of cows they have in the district. The cost of bulls is reduced considerably by this practice, and at the same time a uniformity of calves is obtained. This facilitates the marketing problem, since buyers are usually willing to pay a slight premium for a large lot of uniform feeder stock.

Cooperative purchases also are made of salt and cottonseed cake with some saving of money to individual ranchers. This cooperative arrangement also obtains during branding, roundup, in the fall when stock are shipped and again when they are removed from the range in the fall. The association plans to construct one or two dipping vats so that members who desire to dip their stock may cooperate in this.

At the time the district was organized there was a scarcity of stock water in the area. Some sections of land were several miles from water with the result that they were grazed only during the early part of the season. Later, as the small water holes dried up, the stock gathered in the vicinity of the permanent water holes and consequently over-grazed the range near such places. A definite program of water development has been under way from the beginning. At first a reservoir committee decided where watering places should be constructed and designated which member should develop each place. In March, 1931 a change in the supervision of

reservoir construction was made, eliminating the divided responsibility of the committee by the appointment of one member as a reservoir supervisor to have power to designate reservoir sites and supervise their construction. This arrangement has been satisfactory. It has been the policy of the association to require a member to develop one water hole a year for each 100 head of stock run in the district. This policy will be maintained until there is an adequate supply of water available at all times. To date, over 60 water holes have been developed. Some of these are reservoirs, some are springs and some have been developed by simply digging out "seeps." Because of the permanency of tenure assured, these stockmen feel justified in spending time and money in the making of improvements such as these, which enhance the value of their range.

The value of adequate water development and proper range management was evident in 1931, the driest year in southeastern Montana since weather records have been kept. Because of water shortage and depleted range, stock was started moving out of this part of the state before the first of August. No stock, except that normally shipped in the fall, was removed from the Mizpah-Pumpkin Creek grazing area until December first. These cattle were in good condition and calves were at about the normal weight.

Value of Mizpah-Pumpkin Creek Grazing Association—This organization has been of great value not only to the association members, but to the owners of land in the district and to Custer county.

Permanency—The livestock business of the members has been stabilized through their cooperation in the association. Through water development and controlled use of range, the carrying capacity of the area can be maintained even during dry years like 1931. Each rancher knows the number of stock for which he can secure summer grazing over a period of years and can plan his operations accordingly.

Decreased Investment—Unless a stockman is in an organization of this kind, the only way he can be assured of permanent range is by owning all his range. Ranchers in the Mizpah-Pumpkin Creek district have this security without a heavy investment in land. More of their capital can, therefore, be invested in productive livestock.

Benefit to Small Operators—The small operator is usually at a disadvantage under a system of competitive bidding for range. By being in this district, he is assured of range over a period of years at the same cost as his neighbors who are operating on a large scale.

Cost—The cost of this range is very reasonable. This is not necessarily because the land owners (whether the county or private parties) receive a very low rent, but because the range is being improved so that it can be made to carry more livestock than formerly.

Revenue to Owners of Land—Owners of land who might otherwise not

have been able to lease their property, have received an income from this land each year. This has undoubtedly kept some of the privately owned land from going to the county for tax title during the last three years.

Increased County Revenue—Custer county receives taxes, or money in lieu of taxes, from every acre of assessable* land in the district. As the carrying capacity of the area is increased, through proper range management, more livestock can be kept and the tax base thereby broadened.

Greenfields Pasture Association

The Greenfields Pasture Association is a somewhat different type of organization than the Mizpah-Pumpkin Creek Association. This district is located on the eastern slope of the Rocky Mountains in Teton and Lewis & Clark counties. Its purpose is to supply a permanent range, not for large ranch outfits, but for small individual farmers who live on the Greenfields Irrigation District of the Sun River Project. There are about 450 such farmers who are eligible for membership.

County Agent Dan Thurber who has assisted in the organization and management of this grazing area makes the following comment in his 1931 annual report:

"Adjoining the farming land on the project there are approximately 63,000 acres of good grazing land which belongs to the government and which has been leased out to stockmen in the past. In line with our program of increased livestock production comes the need for outside grazing land for sheep and cattle.

"The problem of securing this land for the use of the project farmers was taken up through the reclamation office at Fairfield. An organization known as the Greenfields Pasture Association was formed, and this association with the help of local district commissioners, was able to secure from the United States a lease on all of this grazing land at a very reasonable price. It is felt that this is one of the most valuable assets to this irrigation project as it enables the farmer to increase the size of his livestock enterprise to a point where he can operate most economically."

Organization and Management—Only farmers living in the Greenfields District are eligible to membership in this association. Each forty-acre tract entitles the owner to one share in the association. Each share in turn entitles the holder to one vote and to one equal share of the pasture privileges. Management of the association is vested in a board of fifteen directors who are elected by the membership of the association. This Board of Control elects a president and vice-president who also become the respective officers of the association. The Board also elects or employs a secretary and treasurer.

*The county receives no revenue from the Public Domain land, nor has it ever received any. The Colton Bill, referred to on Page 20 in the appendix, provides that a certain per cent of the revenue derived from Federal land in grazing districts which might be created under the provisions of this Act, shall go to counties in which such districts are located, in lieu of taxes.

Each year members are asked to submit to the Board in writing a statement of their pasture requirements for the year. If preference is desired for a particular range, that preference is stated in the application. On a certain specified date in the spring the Board tabulates the various applications and prorates allotments to individuals on the basis of the shares which they hold and the total range available. It is required that permittees pay in advance to the Association on or before March first, the total of their permit costs.

Lands Included—There are a total of approximately 63,000 acres in this district. The land, located in several units, is the property of the Federal Government and is reserved in connection with the storage reservoirs and possible future irrigation requirements of the Sun River Reclamation Project. This land was formerly leased for the most part to large ranch outfits in the vicinity. When the Greenfields Pasture Association was organized in December, 1930, to obtain grazing on the government land for farmers on the irrigation project, the Bureau of Reclamation adopted a very fair policy with respect to their former lessees. Instead of refusing at once to renew their leases, the Bureau gave notice that they would be excluded from the area at the end of three years. This gave ample time for the ranchers to hunt new leases and replan their organizations. Some of the land in the district is still grazed by these large operators, but at the end of 1933 all will be available for the association members.

Grazing Period and Cost—The Greenfields Association leases the available grazing land from the government at a price agreed upon by a representative of the Association and the Reclamation Project Manager. This price varies from five to ten cents an acre, depending upon the quality of range. The grazing period, which also is established each year by a committee appointed by the association, varies with the season and quality of range. In 1932 the grazing period was from May 1 to November 1. During that season 12 acres per mature animal was required. It is the opinion of the association that this rate of stocking can be maintained without impairing the quality of the range. The actual grazing cost for the season was about \$1.00 per head. Sheep, which are also grazed in the district, require about one-fourth the acreage of cattle. The average actual grazing cost for sheep was 19½ cents in 1932.

It is the policy of this association to allot certain blocks of land to individuals. Each must do his own fencing where this is necessary, although certain groups of farmers usually cooperate in fencing and jointly using their allotments. Members running sheep in the area merge their allotments and cooperatively hire herders, the expense of this being prorated among the cooperators. In 1932 the total cost, including administration and other expense as well as actual grass cost, was \$2.62½ per head of cattle.

An interesting arrangement was made between the allottees of one pasture and an independent stockman owning range adjoining this pasture. In order to eliminate the necessity of fencing between the two ownerships, a

plan was worked out whereby the lands could be grazed in common. This was done by making an appraisal of the carrying capacity of lands belonging to each and prorating the cattle to be allowed, in proportion to the relative carrying capacity of each ownership. It would seem that this system might be used to advantage in many localities where only private parties are involved.

Possible Enlargement of Area—There is a considerable acreage of land near this area to which the county has taken tax title. It is proposed that the association secure a long-time lease* on this land and extend the boundaries of their district to include it. It is felt that the intervening sections of privately owned or state land also could be leased and included. This extension could be effected as farmers on the irrigation project developed a need for additional grazing land.

Value of the Greenfields Pasture Association—This organization is of inestimable value to the farmers of the Greenfields Irrigation District. Lack of available grazing land usually limits the stock which a farmer on an irrigated place can keep. Although he is constantly advised to keep livestock and feed what crop he produces, he often cannot keep sufficient stock cattle or sheep on a small irrigated farm to make a satisfactory business of it. It is generally conceded that the cheapest feed for livestock is good prairie range. By being able to combine this with their production of irrigated feed crops, the farmers of the Greenfields District have enhanced the value of their farms considerably. Furthermore, the system is permanent so that their operations are stabilized from year to year.

OPPORTUNITIES FOR CREATING ADDITIONAL DISTRICTS

In considering the possibilities for organizing other grazing districts, it would seem that these possibilities might best be classified as to type of district.

District Similar to Mizpah-Pumpkin Creek:

The possibility for organizing districts of this type depends upon the passage of Federal legislation. A special act of Congress was required to permit inclusion of the Federal land in the Mizpah-Pumpkin Creek District. Because of the success which this experiment has proven, there has been considerable demand for further legislation which would make possible inclusion of unreserved and unappropriated Federal lands in any district which might be organized. A bill (Colton Bill,** H. R. 11816) to make this possible was introduced in Congress in the spring of 1932. The bill was re-

*According to present state laws, a county cannot lease land to which it has taken tax title, for more than one year at a time. Furthermore, such land must always be subject to sale. This feature would need to be changed if county land were to be included in a grazing district.

**See appendix, page 19

ported upon favorably by the Committee on Public Lands in the House of Representatives, although it did not come up for a vote. The opinion has been secured from authoritative sources that this bill likely will come up for a vote in the 1932-1933 session of Congress and that sentiment seems favorable toward it. Several committees in Montana have taken preliminary steps* to organize districts, and are waiting for legislation which will enable them to proceed with their organization. County Agents of Custer, Rosebud, Prairie, Dawson, Valley and Phillips counties report preliminary surveys of property ownership, and organization of groups in anticipation of legislation that will permit operation similar to that of the Mizpah-Pumpkin Creek area.

There are about 6½ million acres of unreserved and unappropriated public Domain lands in Montana. In addition, there are several million acres of Federal land, reserved at present, but which may in the future be eligible for inclusion in such districts. A great deal of this land is in isolated tracts or in localities which would not make it feasible for inclusion in grazing districts. However, there probably are several million acres in Montana which might be incorporated in grazing areas.

Almost without exception the remaining government land is of poor quality. This accounts for the fact that it has not been homesteaded. It has been the policy of the Federal government to get all its unreserved land into private ownership through the medium of homesteading. Since its remaining unreserved lands are too poor to justify homesteading, at least in 640-acre tracts, it is evident that some other means will have to be found for disposing of it, or at least making use of it. Because of the feeling that all this land ultimately would be taken up by private parties, no system for use and control of it has been adopted. Not only have the Public Domain lands yielded no tax revenue to either the Federal government, the states or the counties in which they are located, but they have been badly misused. They have constituted a great "free range" which has been used by those who got there first. The result has been serious over-grazing in most cases and consequent depletion of carrying capacity. While there is from time to time talk of turning these lands over to the respective states, the Department of the Interior, under whose supervision they come, seems to look with favor upon grazing districts as a means of utilization while such lands are still the property of the Federal government.

Districts Similar to Greenfields Pasture Association:

The possibility of such districts as this, where the area is essentially all reserved government land, is very restricted. However, this type of organization embodies many principles which could be adopted in the organization of districts which would include land of other than Federal ownership. Other irrigation projects in the state have adjoining grazing lands that could be used to good advantage as enlarged community pastures if control were possible.

*See appendix, page 28.

Districts Including Other Than Government Land:

By far the greatest opportunity for the creation of grazing districts lies in the inclusion of land not owned by the Federal government. In every Montana county east of the Rocky Mountains, and probably in some of the western counties, there are opportunities for this development.

There is in Montana over 60 million acres of land, exclusive of forest land, which is suitable only for grazing even when farm crop prices are relatively high. If this land were owned largely by resident stockmen who had units of economic size, there would be no need for grazing districts. The fact is, a considerable part of this land has a "checker-board" type of ownership, and the most serious problem lies in the fact that these "checks" are far too small for economical use. Within this pattern of ownership we have private resident owners, mortgage and investment companies, non-resident private owners, counties (through tax delinquency), the state, and the Federal Government. Although operator ownership would seem to be the ideal means of controlling these grazing lands, the opinion of stockmen generally is that they cannot afford to own all their range. Therefore, in order to gain control of his range, a stockman must deal with many parties. This often works to the disadvantage of the stockman as well as to the land owners who wish to lease their properties.

In this hodge-podge of ownership, some tracts have stock water, while some do not. The tracts with water usually are leased, while the tracts without water often are not but are used anyway unless the owner lives in the vicinity or has them under fence. Some tracts can be leased for a five-year period, while some can be leased for only one. In any event, the stockman ordinarily leases subject to sale. Competitive bidding for leases on the more desirable parcels often results in the paying of a price far in excess of their grazing value. With the uncertain tenure which accompanies this type of leasing, there is no incentive for a stockman to practice desirable range management. Not knowing whether he will have a given tract the following year, he makes no attempt to build up its carrying capacity. Certainly he cannot afford to invest time and money in water development when he does not know if he will be the one to profit by such development. This situation makes for a very unsuitable type of ranching operations both for the small and for the large operator.

Where land suited only for grazing and owned by non-residents is in comparatively large tracts, groups of ranchers could be organized which would lease these on a cooperative basis. Their organization could be set up and they could be managed in somewhat the same way as either of the districts previously discussed. This would work to the advantage of both the stockman and the land owners.

Under a long-time lease agreement the stockman, except in unusual cases, would manage the land with a view of range improvement. If there were any question about this being done, the owners might specify in the

lease agreement the maximum number of stock that would be permitted in the area. In order to recompense stockmen for water development and other improvements the owners might well afford to accept a low lease rental the first few years or else refund a part of the rental as improvements are made. This well might be the case where fencing has to be done to enclose the area. Although some tracts may be so poor as never to have warranted fencing, usually there would be sufficient fencing material on the land to enclose the area. The cost of completing the enclosure, therefore, would be largely a labor cost. This might be met by allowing some individuals to work out their grazing fee or a part of it the first year.

THE LEASE BLOCK SYSTEM

Another type of arrangement which might be used is what the writer calls a "lease block" system. This is adapted to smaller units than would be feasible for most grazing districts or could be used where other conditions make a grazing district impracticable. Instead of the ranchers forming an organization and cooperatively leasing land as under the grazing district system the land owners would take the initiative. They would either trade lands among themselves in order to block out desirable size units or they would enter into cooperative agreements among themselves to lease jointly their lands in a "block." These leases could be made to one stockman, to several, or to a grazing association. In any event, the small isolated tracts would be combined and leased jointly.

Carrying Capacity

Carrying capacity of a grazing area or of the individual tracts going to make up a "lease block" might cause some confusion. This would be true particularly in determining what share of the total lease rental should go to each owner in a "lease block." This is a very important thing, not only from the standpoint of an equitable return to the individual owners, but from the range management standpoint. Unless the range is conservatively stocked in the beginning there can be no hope of increasing the forage production. A certain per cent of the palatable grasses must be allowed to set seed each year if the stand of grass is to thicken. Furthermore, continued close grazing saps the plant vitality and reduces the volume growth which can be obtained. Where possible, it is advisable that the services of a range specialist be secured in the beginning. The cost of this service will be nominal and will repay itself many times. In addition, the county agent's advice and assistance in connection with organization and management of grazing areas so as to increase carrying capacity will be found worth while.

The future sale value of grazing lands will be enhanced by having them consolidated. This will be true not only because they are in units which are more economical for the stockmen, but because their forage production will be increased and other improvements made on them. As grazing associations become established, they may purchase cooperatively the land included in

their districts. With an improvement in economic conditions, individual ranchers will undoubtedly want to buy many of the consolidated tracts.

The Problem of County Lands

Either the district system or the "lease block" plan should be of particular interest to counties which have a large amount of delinquent land. At present our Montana counties either have title to or could take title to several million acres of land. Nearly all of this land had defaulted in tax payment prior to 1929. Because of the low farm prices which have prevailed the past three years there will be a tremendous amount of additional county tax title land unless something unexpected happens. The greater part of this land cannot be returned to the tax roll under present economic conditions. Furthermore, only a minor part of it is leased. In order to meet necessary obligations, and also to keep the tax burden of the remaining taxpayers from becoming prohibitive, many counties will have to find some way to secure revenue in lieu of taxes from these lands. A system of grazing districts or "lease blocks" would seem to offer one possibility.

QUESTIONS AND ANSWERS

Without going into a prohibitive amount of detail, it is impossible to cover all the points in connection with grazing districts. In order to cover the subject more fully, there is presented here a set of questions which might be asked about grazing districts and such answers to these questions as the writer is able to give:

Q. 1—Who should be eligible to membership in a grazing district?

Ans.—It would seem that the policy of the Mizpah-Pumpkin Creek Association in restricting membership to those living on or adjacent to the area was a wise one. The line must be drawn somewhere. Those not eligible in one may be able to organize another district in which they can be included.

Q. 2—Can both sheep and cattle be run successfully in the same district?

Ans.—This can be done, although it would seem best not to do so unless unavoidable. At its inception the Mizpah-Pumpkin Association had one or two sheep outfits in its membership. A ratio of 1:5 was used in converting sheep to cattle units for allotment purposes. The sheep were assigned to a certain part of the range and were herded. Because the cattle grazed at large over the area and encroached somewhat on the sheep range an allowance of 20 per cent extra in acreage was given the sheepmen. Within the past two years these sheep ranches have changed to cattle.

Q. 3—Isn't there serious difficulty where more than one breed of cattle is run in the same area?

Ans.—This is likely to cause trouble. If possible members should be encouraged to agree upon the same breed of bulls at least. If there is no agreement on this, it would seem best to organize separate districts if at all feasible. Cross fencing and thus dividing the range between breeds might be practiced, although there would still be some trouble with bulls. Breed prejudice among members in the same association might be a source of trouble in the future.

Q. 4—Should horses be permitted to run with other livestock in grazing areas?

Ans.—Probably not. If horses are allowed it would seem best to fence off a part of the area for their exclusive use. Their damage to watering places, worrying of other stock, etc. is a serious objection where many horses are included.

Q. 5—Will grazing districts work to the disadvantage of the small stockman?

Ans.—Decidedly not, if they are properly organized. The small operator will enjoy a competitive position much more desirable than under a system of private leases. It is quite likely that many districts could be organized which would include only small ranch outfits.

Q. 6—Would the larger operators have more power than the small operators in a district and be in a position to use this to the disadvantage of the smaller?

Ans.—this would depend entirely upon the matter of voting power as defined in the constitution and by-laws. In the Mizpah-Pumpkin Creek Association each member has but one vote.

Q. 7—What is the largest and what the smallest average permit in the Mizpah-Pumpkin Association?

Ans.—The largest permittee runs 350 head, while the smallest runs an average of 40 head in this district.

Q. 8—Are calves and yearlings charged the same grazing fee as mature cattle in the Mizpah-Pumpkin Association?

Ans.—All stock over six months old are charged the full fee. Calves under six months are grazed free.

Q. 9—How could an outsider become a permittee in an established district?

Ans.—By purchasing land on or adjacent to the area. Ordinarily by purchasing the ranch of one of the original members.

Q. 10—Should officers of the association receive pay?

Ans.—Only the secretary-treasurer is required to spend a great deal of time once the association is under way. It would seem only fair that he be paid a reasonable amount for his time. The Mizpah-Pumpkin Creek

Association uses the county agents office in order to eliminate to a large extent the payment of officers.

Q. 11—What is the arrangement when a member owns land within the district?

Ans.—The member has one of two alternatives. He can either fence out all stock and reserve his range for himself, in addition to having a pro rata share of the leased land, or he can allow the stock in the district to graze at large over his property. In the latter case he is given a free permit for the number of stock which it is determined his land can carry.

Q. 12—Suppose an individual living within the boundaries of a proposed area refuses to join the district?

Ans.—If possible, the boundaries should be changed to exclude him. However, if not feasible, this should not prevent organization from taking place. The rancher would have to fence his property to protect it or at least do his proportionate part of the fencing.

Q. 13—What if a member does not make the water development or do certain other work which is assigned to him?

Ans.—In the Mizpah area the work is done by the association and charged to the member. He must pay this charge before a permit is issued to him for the ensuing year.

Q. 14—What will be the procedure in the Mizpah-Pumpkin Association at the end of ten years when their lease contracts expire?

Ans.—This is a difficult one to answer. Without doubt the lease can be renewed on the Public Domain land and on some of the private land. The association may purchase private land which could not again be leased. The association has already purchased some county land through its holding company. This policy may be pursued with reference to some private land in the future.

Q. 15—Can the party which leases land to the district sell within the lease period?

Ans.—This will depend upon the particular lease. To stabilize the area, land which is leased should not be subject to sale. The organization might protect itself by securing an option to buy at the time of leasing.

Q. 16—How small an acreage might it be feasible to organize a grazing district to include?

Ans.—This depends upon the carrying capacity of the land and other factors. It would seem that three or four or perhaps even two individuals might benefit by forming an association and leasing cooperatively.

Q. 17—Can grazing districts be increased in size once they are finally organized?

Ans.—There should be nothing to prevent this if the members so desire. Not only could additional lands be included, but by changing the boundaries, additional stockmen not living on or adjacent to the original area might be included.

Q. 18—Should grazing districts be formed which will include land lying in more than one county?

Ans.—County Boundaries should not be a barrier.

Q. 19—Could the state or a county government create grazing districts?

Ans.—This might be done but it would seem more desirable, where a substantial acreage and several users are involved, to have the ranchers form an association and lease the county and state lands. In this event the county has only one lease agreement rather than several. Furthermore, there should be less conflict between permittees where they have an organization in which they formulate their own rules and regulations.

Q. 20—What changes in legislation would be necessary before county lands could be successfully included in grazing districts?

Ans.—The following legislation:

- (a) To permit county land being leased on a long-time basis.
- (b) To permit withholding from sale to outside parties, during the term of the lease, county lands included in grazing districts.
- (c) To permit granting of an option to buy, to organized grazing districts which include county lands.
- (d) To permit the trading of county lands for the purpose of consolidating small tracts.

Q. 21—Would the state be given its proportional share of revenue, in lieu of taxes, from county lands which are included in a district?

Ans.—Yes. The state gets its proportional share of the lease rental as well as its proportional share of the sale price in case the land is sold.

Q. 22—Would a classification of grazing lands on the basis of carrying capacity be of benefit in organizing grazing areas and in their management?

Ans.—A classification of this kind would make possible a truer valuation of the land and would be a scientific basis upon which to determine rate of stocking.

Q. 23—Should a grazing district organization be incorporated under one of the corporation laws of the state or should it not incorporate?

Ans.—This question involves a good many controversial points. In view of the unlimited financial liability which attaches to each member under a non-incorporated type of organization, it would seem that incorporation would be advisable. This disadvantage may be overbalanced, however,

by certain points in favor of the unincorporated type of organization. Since space here does not permit going into detail, the Extension Service will prepare a mimeographed discussion on this point which may be obtained by writing the Bozeman office or through your local county extension agent.

Q. 24—What procedure should be followed in organizing a grazing district?

Ans.—See Appendix below for an outline of procedure.

APPENDIX

PROCEDURE IN ORGANIZATION

Few people have had experience in the organizing of grazing districts. In order to give some idea of procedure, the following definite steps are suggested:

1. Interest a small group of key people in the prospective locality. This group will have to do most of the preliminary work and sell the idea to others who may be brought in.

2. Tentatively trace out on a map the boundaries of the area which might be included.

3. From the county assessor's office, look up and record the ownership of each parcel of land in the area as tentatively outlined.

4. From the county assessor's office look up the data on number and class of livestock owned by each of the resident ranchers or farmers in the proposed area. Supplement this with your own information about such things as breed of livestock, etc. which each runs.

5. Call a meeting of all the ranchers living within the area. Send out notice of meeting well in advance. Be prepared at this time to sell them on the idea of a grazing district. Have a case built up in advance. Have your ownership map and other data readily available.

6. Obtain from each member or prospective member, data on number and breed of livestock, acreage controlled, etc. (See suggested information request form page 22. If several classes or breeds of livestock are represented, attempt to reconcile the various interests before proceeding further.

7. If there is sufficient interest to warrant going ahead, elect temporary officers and appoint temporary committees.

8. If government land (public domain) is included in the proposed area, a petition something like the one appearing on page 21 should be prepared, asking that such land be withdrawn from homestead entry. At the same time notice should be sent to the Chief of Field Division, General Land Office, Helena, Montana informing him of your desire to form a grazing district and stating the progress which you have made to date. This representative of the Interior Department will then advise with you and assist in detail with the remaining steps.

9. Contact absentee land owners and all parties from whom leases are to be secured. Sell them on the plan and make definite arrangements to obtain their land on a long-time lease basis. Agricultural Development Agents of the various railroads may be of great assistance in this connection.

10. Formally organize the association. Obtain the services of a competent lawyer for this. Adopt a constitution and by-laws and elect permanent officers. (Sample constitution and by-laws may be obtained from your county agent or from the Extension Service at Bozeman).

11. Lease, in the name of the association, all land to be leased within the area.

12. Secure the services of a grazing specialist to determine the available feed in the area and hence the number of stock which can be carried. A conservative rate of stocking should be stressed.

13. Complete fencing of area. Labor may be done by members who will be allowed a credit on their grazing account, thus keeping down cash expenditure.

14. Adopt a program of stock water development. Complete at once, if possible, the development of water in key locations.

15. Allot range to members. Secure statement of stock which each member desires to run in district. Prorate available range to members.

16. Further steps will suggest themselves as you get under way.

17. If you have a county agent, consult with him in the beginning. His office can assist you materially in carrying out the entire procedure.

THE COLTON BILL—H. R. 11816

(Pending)

A bill to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement and development; to stabilize the livestock industry dependent upon the public range, and for other purposes.

Provisions of the Bill (in brief):

The Colton Bill authorizes the Secretary of the Interior to:

1. Create grazing districts out of remaining public domain lands not specifically designated for other conflicting purposes.

2. Cooperate with other agencies or groups in the organizing and administering of such districts.

3. Trade lands of the public domain for lands of equal value elsewhere in the state to facilitate blocking out of units economical of administration.

4. Issue permits to individuals or associations to graze livestock on such lands.

5. Provide for making improvements and properly managing the range.

6. Allow free grazing for domestic livestock.

7. Allot 10% of the receipts from government land to the construction and maintenance of range improvements. Further, allot* 25% of such receipts to the respective states to be spent as the state legislature may prescribe for the benefit of the public schools and public roads in counties where such lands are located. The remainder of such receipts to be deposited in the Treasury of the United States.

PETITION

TO: THE PRESIDENT OF THE UNITED STATES

RE: WITHDRAWAL FROM HOMESTEAD ENTRY OF CERTAIN
PUBLIC DOMAIN GRAZING LANDS IN _____
COUNTY, MONTANA

The stock range in _____, County, Montana, contains a considerable amount of public domain land. Since this land is under no sort of control there occurs a great deal of over-grazing with the result that the carrying capacity of the range is being seriously diminished. Furthermore, these lands, particularly in dry years are grazed by stockmen not residing in the area, with the result that local stockmen are deprived of this range at a time when they most need it. Such a condition will not permit the permanent and stable type of ranching which is desirable to the community and the state.

In order that the public domain lands, as well as lands belonging to the State of Montana, _____ County, and to certain corporations and private individuals, may be made available to local stockmen at a reasonable cost and on a long-time basis, a group of said stockmen propose to form a grazing district similiar in nature to the Mizpah-Pumpkin Creek Grazing Association now in operation in Custer County, Montana.

Pending the passage of the Colton Bill (H. R. 11816), or other similar legislation which will enable the forming of such a grazing district, we who are stockmen in _____ County, Montana, and whose names are affixed to this document, do respectfully request that you have withdrawn from homestead entry the following described lands lying in _____ County, Montana.

Description

Township.....	Range.....	Section.....
Township.....	Range.....	Section.....
Township.....	Range.....	Section.....

*There has been some sentiment in favor of increasing this percentage.
Petition:

MONTANA EXTENSION SERVICE

Signatures

.....	
Name	Post Office
.....	
Name	Post Office
.....	
Name	Post Office

INFORMATION REQUEST

I hereby certify that the following is true to the best of my knowledge and belief:

Years I have run stock in this area

Average number of stock for these years: Cattle.....

Sheep..... Horses.....

Stock at present: Cattle..... Breed.....

Sheep..... Breed..... Horses.....

Acres of land owned.....

Acres of land leased.....

Acres of land in cultivation, including tame hay.....

Average amount of hay put up.....(Tons)

Number of stock I would like to graze in the district:

Cattle..... Sheep..... Horses.....

Signature: