

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS TO ACCEPT BIDS AND TO AUTHORIZE THE MAYOR TO EXECUTE A PAID UP OIL AND GAS LEASE.

WHEREAS, the City Council of the City of Abilene, Texas, has determined that it is advisable to enter into an Oil and Gas Lease covering its interest in the following described land in Jones County, Texas, to-wit:

Blind Asylum Lands, Section 3, Southeast one-quarter (SE 1/4) of the Southwest one-quarter (SW 1/4)

WHEREAS, the prerequisite notices, according to law, were published and bids were received and opened on the 18th day of January, 1991; and,

WHEREAS, the bid of John M. Nichols is considered the highest and best bid and said bid represents the fair value of said lease, said bid being a bonus consideration of Twenty-Five and no/100 Dollars (\$25.00) per mineral acre for the land described in the Paid Up Oil and Gas Lease and being the sum of Six-Hundred and Fifty and No/100 Dollars (\$650.00) plus one-fifth royalty interests; now, therefore, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1: That the bid of Six-Hundred and Fifty and No/100 Dollars (\$650.00) for a Paid Up Oil and Gas Lease for the above described property plus one-fifth royalty interest be, and the same is hereby accepted.

PART 2: That the mayor be, and hereby is authorized and directed to execute a Paid Up Oil and Gas Lease in compliance with Tex. Loc. Govn't Code Ann. Sec. 253.005 (Vernon 1988) and Tex. Nat. Res. Code Ann. Sec.71.001 et seq. (Vernon 1978).

PART 3: That this resolution shall become effective immediately upon its passage.

ADOPTED this 14 day of February, A.D., 1991.

ATTEST:

[Signature]
City Secretary

[Signature]
Mayor

APPROVED:

[Signature]
City Attorney