

NOTICE OF OIL AND GAS LEASE
BY SEALED BID TO BE OPENED MAY 6, 2014

Sealed bids will be accepted at the City Clerk's Office, City Hall, Clinton, Oklahoma not later than 5:30 P.M., Tuesday, May 6, 2014 for the lease of approximately 99.7 acres of land located in Washita County. Bids need to be marked on the outside of the envelope "**OIL & GAS BIDS**". Bids may be mailed to the Office of the City Clerk at P.O. Box 1177 Clinton, OK 73601. Bidders submitting sealed bids by the stated time may raise their written bid orally at the time the bids are opened. If additional information is need regarding this property, you may call the Clerk's Office at City Hall at 580-323-0265.

Legal: A tract of land in the SE/4 described as follows: Beginning at the SE/corner of Section 8, thence West 2640 feet, thence North 970 feet to the South right-of-way line of the Chicago, Rock Island & Pacific Railway, thence Easterly along said right-of-way line 2720 feet to the East line of Section 8, thence South 980 feet to place of beginning, containing 53.00 acres, more or less.

A tract of land in the SW/4 described as: Beginning at the SW/corner of Section 8, thence North 660 feet, thence East 1320 feet, thence North 790 feet to the South right-of-way line of the C.R.I. & P. Ry, thence Easterly along said right-of-way line 1420 feet to the East line of the SW/4 of Section 8, thence South 970 feet to the SW/corner of the SW/4 of Section 8, thence West 2640 feet to the point of beginning, less & except the S/2 SW/4 SW/4, containing 36.70 acres

The S/2SW/4SW/4, containing 10 acres.

Totaling 99.70 mineral acres

Terms of Lease: Lease will be on a form prescribed by the Clinton City Council. The minimum terms of the lease will be \$1,500 per acre and 3/16th of gross production at the wellhead for three years with a depth clause. Companies should be prepared to submit an amount equal to 10% of the sealed bid price to the City Clerk on the night of the bid auction. Checks will be held for 30 days in anticipation of completion of the contract terms. Should the contract not be completed within 30 days, the City of Clinton, at its sole discretion, may return the above-mentioned check and declare the auction null and void and advertise for bids at a later date.

The City of Clinton reserves the right to waive any irregularities in bids received and reserves the right to reject any and all bids and the right to accept the best bid submitted.

Dated: April 17, 2014
Steve Hewitt
City Manager
Clinton, OK

FORM OF BID FOR LEASING OIL AND GAS

CITY OF CLINTON, OKLAHOMA

Date of Sale: May 6, 2014

Legal: 99.7 acres more or less located in the Section 8, Township 11 North, Range 19 West of Washita County, Oklahoma.

We offer a total cash bonus of \$ _____ per acre if awarded a lease on the above described tract, and agree to execute and comply with all rules and regulations made and provided for in the regular lease form adopted by the City of Clinton.

Our remittance in the amount of \$ _____ (10% of the bonus bid) is attached to cover bid submitted by the undersigned, on this date.

If awarded this lease, we request the lessee be designated as follows, to-wit:

Lessee: _____

Address: _____

Broker: _____

Address: _____

Dated this _____, day of _____, 2014.