

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 4TH DAY OF FEBRUARY, 1974 AT 10:00 A. M.

The call of the roll disclosed the presence or absence
of Directors as follows:

<u>PRESENT</u>	<u>ABSENT</u>
Wayne E. Newton	Paul W. Mason
Clyde A. Penry	C. Victor Thornton
J. Oliver Shannon	

Also present were Messrs. Joe B. Hogsett, Honorary Chairman of the Board of Directors; John M. Scott, General Counsel for the District and Ben Hickey, General Manager of the District.

Director Newton acted in his capacity as President and Director Shannon acted in his capacity as Secretary, whereupon proceedings were had and done as follows:

1.

On motion duly made and seconded, the minutes of the meeting held January 21, 1974 were read and approved by the Directors and it was accordingly ordered that such minutes be placed in the permanent files of the District.

2.

On motion of Director Penry, seconded by Director Shannon, voucher-checks #13926 thru #14188 inclusive, Maintenance Fund; voucher-checks #3223 thru #3231 inclusive, Construction Fund; voucher-checks #435 thru #444 inclusive, Interest and Sinking Fund; voucher-checks #3459 thru #3516 inclusive, Revenue Fund and voucher-checks #4014 thru #4061 inclusive, Cedar Creek Construction Fund were approved

and ordered paid. All Directors present voted aye thereon.

3.

There was presented to the Directors, a recommended sale, and exchange, of land now surplus to the requirements of the District, to wit:

(a) Tract No. 60, Thomas Caro Survey, Henderson County 31 acres more or less, in fee to HENRY B. STOWERS and WALTER L. ROBERTSON for SIXTY THOUSAND AND NO/100 (\$60,000.00) DOLLARS as per bid submitted;

(b) To exchange, in fee simple title, portions of Lot 9, Block 4, Lots 1, 2, 3 and 4 of Block 11; all in the Lakevue Estates Addition, Wise County, Texas, owned by District; for all of Lot 12, Block 4 of the same Addition owned by Stella O. Rizer.

Following a review of the tracts, with maps exhibited, and upon recommendation of management of the District, Director Penry made a motion seconded by Director Shannon and unanimously approved that the above listed tracts as presented, and more particularly described by metes and bounds description recorded in the permanent files of the District, be now authorized.

4.

A map reflecting the mineral interests owned by the District was presented to the Directors showing that approximately 12,000 acres located in Tarrant, Wise and Parker Counties could be offered by bid to persons interested in leasing for oil, gas and other mineral production.

Following a lengthy general discussion of the many factors

involved in such a lease Director Shannon made a motion seconded by Director Penry and unanimously approved that management of the District be now authorized to advertise, and invite sealed bid proposals from persons interested in leasing from the District the mineral interests, as presented and more particularly described in the permanent records of the District, for the production of oil, gas and other minerals, upon terms and conditions as set forth in the lease agreement to be prepared by General Counsel, and approved by the Directors; and that as a basic guideline all bid proposals submitted to the District in amounts less than TEN (\$10.00) DOLLARS per acre as bonus payment and TWO (\$2.00) DOLLARS per acre rental basis, in addition to royalty payments of three-sixteenths (3/16) of the value of the gross production, or in kind payment, based on the highest posted price and premium of similar production in the general area, be rejected.

5.

There being no further business before the Board of Directors, the meeting adjourned.

J. D. Shannon
Secretary

Wayne E. Penry
President