

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
TARRANT COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE
HELD ON THE 3RD DAY OF APRIL, 1978 AT 3:30 P. M.

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

<u>PRESENT</u>	<u>ABSENT</u>
Wayne E. Newton	Preston M. Geren
Clyde A. Penry	
J. Oliver Shannon	
C. Victor Thornton	

Also present were Messrs. Alex Pope, George Christie and Robert
Hardwicke, of the Firm of Pope, Hardwicke, Chrisite, Montgomery and
Rehfeldt; Robert Doby, Manager of Fiscal Affairs 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 pro-
ceedings were had and done as follows:

1.

The minutes of the meeting held March 22, 1978 were read
and approved, and it was accordingly ordered that such minutes be
placed in the permanent files of the District.


2.

President Newton presented Messrs. Pope, Hardwicke and
Christie Counsel for the District in the pending litigation with
Lone Star Producing Company, now known as Enserch Corporation and
Enserch Exploration, Inc.; whereon Mr. Pope, assisted by Mr. Chrisite
and Hardwicke, gave a detailed review of the current status of the
litigation and following an assessment of the probable amounts of

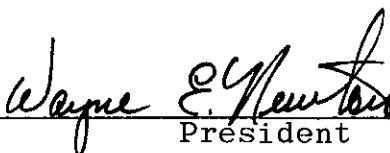
recovery, in the event of trial and appeal, in view of the recent approach by Lone Star concerning a possible resolution of the differences without trial, Director Thornton, upon recommendation of counsel and management, moved that authorization be now granted to management and counsel of the District to proceed towards a resolution and conclusion of the litigation and claims as outlined in the review and discussion; whereon Director Penry seconded the motion and on a vote being taken there were four ayes and no nos, and it was so ordered.

3.

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



Acting Secretary



President