

NOTICE OF MINERAL LEASE  
BY SEALED BID TO BE OPENED May 20, 2008

Sealed bids will be accepted at the City Clerk's Office, City Hall, Clinton, Oklahoma not later than 5:30 P.M., Tuesday, May 20, 2008 for the lease of approximately 241 acres of land located in Custer County. Bids need to be marked on the outside of the envelope "**MINERAL 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: 241.33 net acres more or less located in the SW/4 and W/2 of SE/4 of Section 6, Township 12 Range 16 in Custer County

Terms of Lease: Lease will be on a form prescribed by the Clinton Airport Authority Trustees. The minimum terms of the lease will be \$300 per acre and 3/16<sup>th</sup> of gross production at the wellhead for three years. 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 acting in its capacity as Clinton Airport Authority, 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.

This property is more specifically known as the Clinton Regional Airport. No drilling will be allowed on the airport property without the consent of the Federal Aviation Administration and the Clinton Airport Authority.

The City of Clinton acting in the capacity a the Clinton Airport Authority 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: May 6, 2008  
Grayson Bottom  
City Manager  
Clinton, OK

FORM OF BID FOR LEASING OIL AND GAS

CITY OF CLINTON, OKLAHOMA  
CLINTON AIRPORT AUTHORITY

Date of Sale: May 20, 2008

Legal: 241.33 net acres more or less located in the SW/4 and W/2 of SE/4 of Section 6.  
Township 12 Range 16 in Custer County

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 acting in its capacity as Clinton Airport Authority.

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 \_\_\_\_\_, 2008.