



## **Agenda Commentary**

**Item Title/ Subject:** ONEOK Easement Option

**Staff Source:** City Manager, Steve Hewitt

**History/Background Information:** ONEOK has requested the City (Airport Authority) provide them an Easement Option. The location NW ¼ Section 36, Township 11 North, Range 19W, Washita County. This is area in the Burns Flat area, lease ground.

**Item/Subject Summary:** ONEOK will pay \$1000 for the option, total (if purchased) \$17,270. ONEOK would replant the grass that will be damaged during construction.

**Price/Cost:** Airport Authority would benefit revenue of \$1000, up to \$17,270.

**Recommendation:** Recommend Approval.

GRANITE PIPELINE CALCULATION WORKSHEET

TRACT # 1315.00

Name: City of Clinton

Date: 6-1-11

Rods 157.0 x \$ 110.00 per rod equals \$ 17,270.00

Total Right of Way Payment ..... \$ 17,270.00

Option Payment..... \$ 1,000.00

Balance Due..... \$ 16,270.00

Agent:

Deane L. Davis

Landowner:

\_\_\_\_\_

Date: 6-1-11

\_\_\_\_\_

**Memorandum of Option Agreement**

STATE OF OKLAHOMA    §  
  §  
COUNTY OF WASHITA   §

KNOW ALL MEN BY THESE PRESENTS:

THIS MEMORANDUM OF OPTION AGREEMENT (“Memorandum”) is made and entered into as of the \_\_\_\_ day of \_\_\_\_, 2011, by and between The City of Clinton, Oklahoma, a municipal corporation, (“Grantor”), with an address at P.O. Box 1177, Clinton, OK 73601, and ONEOK Hydrocarbon, L.P., (“Grantee”), a Delaware limited liability company with an address at 100 West 5<sup>th</sup> Street, Tulsa, Oklahoma 74103.

WITNESSETH:

1. Option Agreement. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee have entered into that certain Option Agreement with an even date herewith (the “Option Agreement”), wherein Grantor granted, sold and conveyed unto Grantee an option to purchase a right of way and easement for the purpose of constructing, installing, maintaining, operating, replacing, abandoning in place, inspecting, patrolling, protecting, testing, repairing, reconstructing, altering, relocating, changing the size of, removing, and any and all related uses thereto (the “Permitted Uses”) a pipeline and necessary and incident facilities, equipment, appurtenances and markers above and below ground (“Grantee’s Facilities”), for the transportation of natural gas liquids or any other material or substance which can be transported by pipeline over and across all the right, title and interest of Grantor in and to the property in Washita County described as follows:

The Northeast Quarter (NE¼) of Section 36, Township 11 North, Range 19 W.I.M.

(the “Property”). The proposed, approximate location of Grantee’s pipeline across the Property is depicted on the attached Exhibit A. The Pipeline Easement Agreement that will be entered into by Grantor and Grantee if Grantee exercises the option is attached as Exhibit B.

2. Incorporation of Option Agreement. This Memorandum is for the purpose of giving notice of the Option Agreement and nothing contained herein shall be deemed to in any way modify or otherwise affect any of the terms and conditions of the Option Agreement, the terms of which are incorporated herein by reference. This Memorandum shall continue to constitute notice of the Option Agreement, even if the Option Agreement is subsequently amended or extended. This instrument is merely a memorandum of the Option Agreement and is subject to all of the terms, provisions and conditions of the Option Agreement. In the event of any inconsistency between the terms of the Option Agreement and this Memorandum, the terms of the Option Agreement shall prevail.
3. Successors and Assigns. Grantor and Grantee intend that the covenants, conditions and restrictions contained in the Option Agreement shall run with the land and be binding on and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns. Each successive owner of the Property or of any portion thereof, and each person having any interest

therein derived through any owner thereof, shall be bound by such covenants, conditions and restrictions.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Option Agreement as of the day and year first written above.

ONEOK Hydrocarbon, L.P.

The City of Clinton, Oklahoma, a municipal corporation

“Grantee”

“Grantor”

By: ONEOK Hydrocarbon GP, L.L.C., its  
general partner

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Name:

STATE OF OKLAHOMA

COUNTY OF WASHITA

BEFORE ME, the undersigned authority, on this day personally appeared The City of Clinton, Oklahoma, a municipal corporation who is known to me and who acknowledged to me that he executed the above and foregoing Option to Purchase Pipeline Easement for the purposes and consideration herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Notary Public, State of Oklahoma

STATE OF OKLAHOMA

COUNTY OF TULSA

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, the \_\_\_\_\_ of ONEOK Hydrocarbon GP, L.L.C., a Delaware limited liability company and general partner of ONEOK Hydrocarbon, L.P., who is known to me and who acknowledged to me that he executed the above and foregoing Option to Purchase Pipeline Easement on behalf of ONEOK Hydrocarbon, L.P. for the purpose and consideration herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Notary Public, State of Oklahoma

AFE: 056.134.6627.010107.115509

LINE NO: 10537      TRACT NO: 1315.00      AGENT:



property of GRANTEE. However, GRANTEE shall have the right to abandon and terminate all or any part of the rights granted herein, by filing a release of same in the county records.

GRANTEE agrees to pay for any physical damage to growing crops, timber, fences, or other structural improvements located outside the above-described right-of-way and easement which are caused by construction, maintenance, operation, repairing, alteration, replacement or removal of said pipelines and appurtenant facilities. Furthermore, GRANTEE shall compensate GRANTOR for damages which may be occasioned upon said right-of-way during the maintenance of said pipeline after construction is completed.

It is understood and agreed that this easement and all rights, privileges, and obligations created herein shall run with the land and shall inure to the benefit of and be binding and obligatory upon the legal representatives, heirs, executors, administrators, devisees, legatees, successors, and assigns of the parties hereto.

**(Signatures & Acknowledgements on back)**

GRANTOR represents and warrants that GRANTOR is lawfully seized in fee simple title to the above-described lands and has a good and lawful right to convey the rights as herein done. GRANTOR further covenants and binds itself, its successors and assigns to warrant and forever defend the title to this easement to GRANTEE, its successors and assigns, against the lawful claims of all persons.

It is agreed that this grant covers all the agreements between the parties and that no representation or statements, verbal or written, have been made modifying, adding to or changing the terms of this Agreement.

IN TESTIMONY WHEREOF, the GRANTORS herein have executed this conveyance this \_\_\_\_ day of \_\_\_\_, \_\_\_\_.

**LANDOWNER'S SIGNATURE**

\_\_\_\_\_  
\_\_\_\_\_

**ACKNOWLEDGEMENTS**

State of \_\_\_\_\_  
County of \_\_\_\_\_

**(individual)**

On this \_\_\_\_ day of \_\_\_\_, 20\_\_\_\_, before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_ and \_\_\_\_\_ his wife, to me personally known to be the identical person(s) who executed the within and foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year first above written.

My commission expires:

\_\_\_\_\_  
Notary Public

State of \_\_\_\_\_  
County of \_\_\_\_\_

(company)

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, to me personally known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as Managing Member of \_\_\_\_\_ a(n) \_\_\_\_\_ limited liability company, and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed and as the free and voluntary act and deed of such corporation for the uses and purposes therein set forth.

My commission expires:

\_\_\_\_\_  
Notary Public

My Commission No. \_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

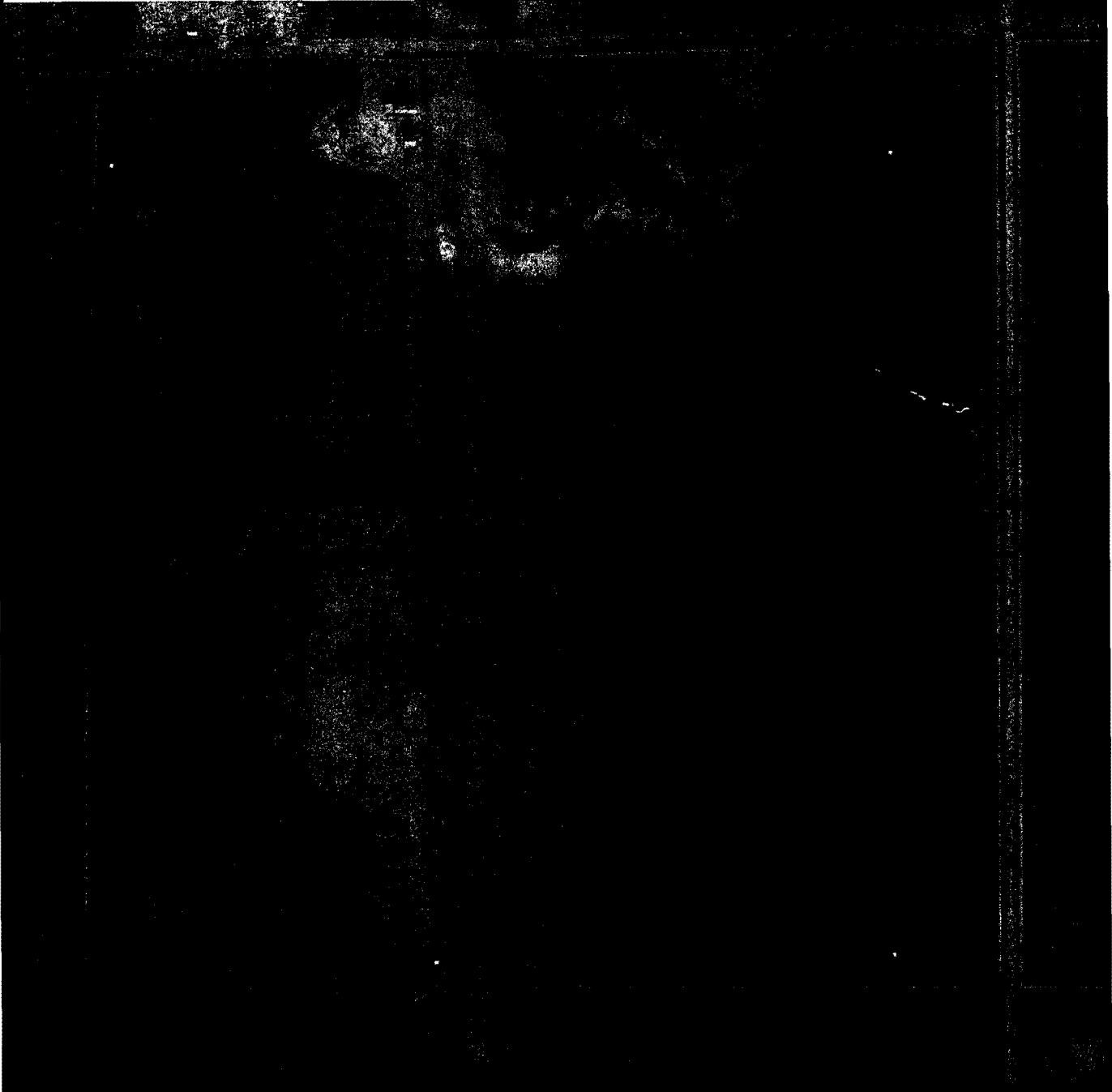
(corporate)

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, to me personally known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as \_\_\_\_\_ President of a corporation, and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed and as the free and voluntary act and deed of such corporation for the uses and purposes therein set forth.

My commission expires:

\_\_\_\_\_  
Notary Public

EXHIBIT 'A'  
 WASHITA COUNTY, OKLAHOMA  
 T11N R19W, SECTION 36



**NOT FOR CONSTRUCTION**



**PROPOSED GRANITE PIPELINE**  
**1315**  
**THE CITY OF CLINTON, OKLAHOMA**

REVISIONS		05/23/11		GRANITE PIPELINE		WASHITA, OK	
	UPDATED PER REROUTE	05/23/11		SCALE: N.T.S.	TAM	MDT	
					04/29/2011	04/29/2011	
				L.W. SURVEY ENGINEERING & DESIGN COMPANY 12345 W. ALAMEDA PKWY, SUITE 202 LAKEWOOD, CO 80228		DRAWING NUMBER 1315	
						REV. B	