



## Agenda Commentary

**Item Title/ Subject:**

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

**Date:** October 13, 2011

**History/Background Information:** City owns property directly south of Commerce Road next to Oklahoma Natural Gas and the Cemetery. M & N Oilfield Services expressed interest in purchasing 5 Acres to expand their business. M &N has made an offer to the City for \$7500.

**Subject Summary:** The area does not have water or sewer. The offer also requests a 6" Water Line. Staff feels this is a good location for future industrial growth. However, the property and water line is valued more than the \$7500 offered (staff's opinion).

**Recommendation:** Staff supports the oil and gas commerce growth our community is seeing. However, the price offer seems extremely low. Staff will revert to Council for direction.

Staff is unsure exactly what the price range should be, but industrial land with water should be significantly higher per acre.

Staff is seeking direction regarding this location, however I would suggest that one possible option is to get some comparable pricing and make a counter offer if Council would like to sale. (M&N is moving quickly and staff didn't have time to get additional pricing info)

*This location would also be a great long-term Industrial Park. With future commerce needs, this would be a good location to develop rather than sale undeveloped piece by piece.*

**Price/Cost:** Pending Direction...

**M & N OILFILED SERVICES, LLC**

**PO BOX 1476**

**CLINTON OK 73601**

October 14, 2011


To Whom It May Concern:

M & N Oilfield Services, LLC was established in August 2010. Our primary service is the clean-out of frac and mud storage tanks. We are the only private clean-out facility in western Oklahoma providing services to Light Tower Rentals, Chesapeake, Nabors Well Services and Great Plains Rentals. Due to the increase in demand for our services, we are looking to expand with the purchase of a five acre tract from the Clinton Industrial Authority. The tract we are interested in purchasing is located in T12N-R17W-S34-QtrB (34-12-17 NW/4) for the amount of \$7,500.00.

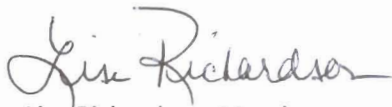
The nature of our business would require a six inch water line to our facility as our current washing system uses nine gallons of water per minute with each tank taking approximately eight hours to complete.

If there are any questions regarding our services, please feel free to contact us. Thank you for your time and consideration in this matter.

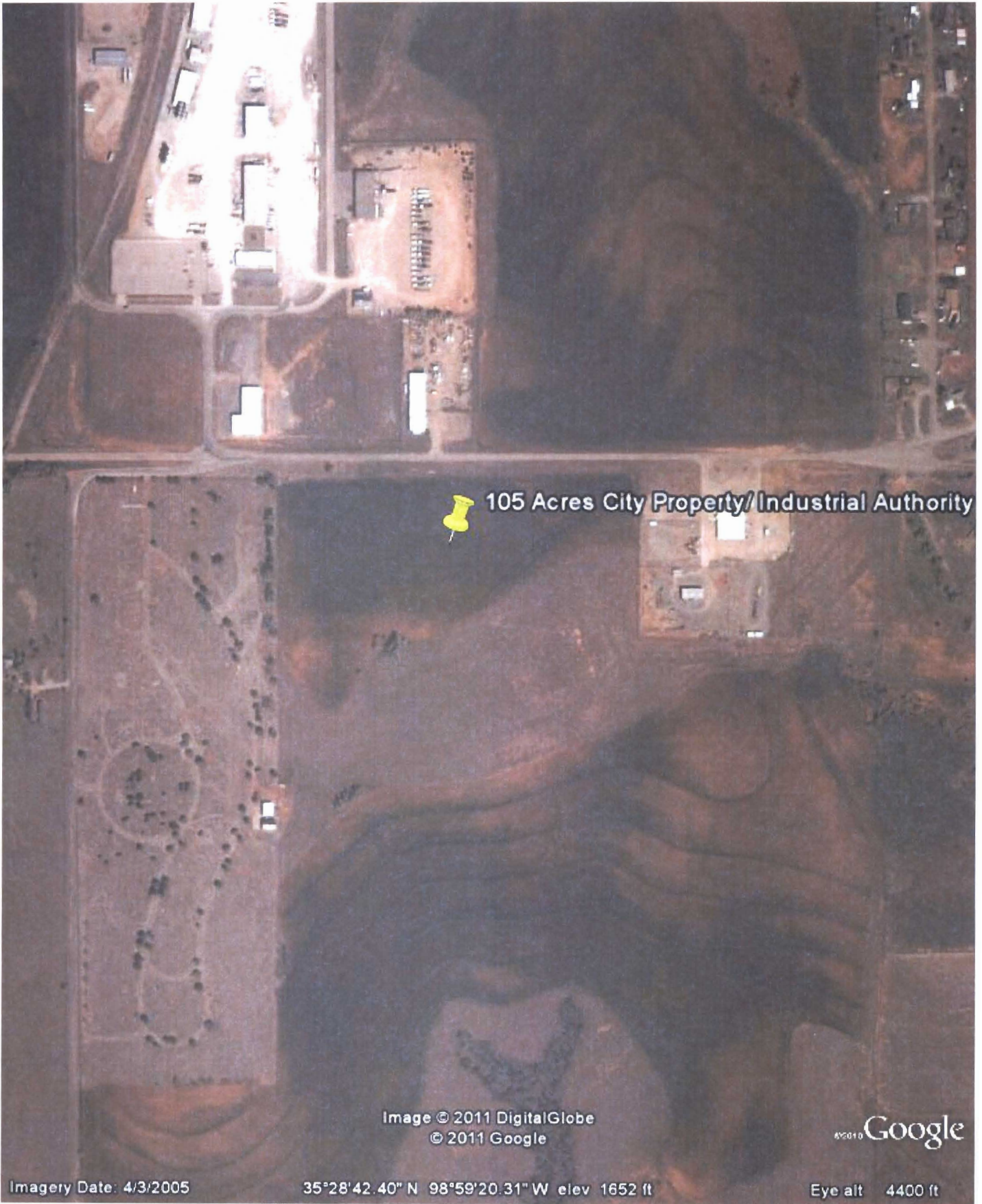
Sincerely,



Travis Mahan, Member  
580.445.6904



Lisa Richardson, Member  
580.331.7692



 105 Acres City Property/Industrial Authority

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Imagery Date: 4/3/2005

35°28'42.40" N 98°59'20.31" W elev 1652 ft

Eye alt 4400 ft