

Whereas at a ^{regular} ~~special~~ session of the City Council of the City of Lufkin ^{a question of} called for the purpose of entering into and making a contract with the firm ^{R. P. O'Brien & Beaumont} ~~R. P. O'Brien & Beaumont~~ of Lane and Bowler of Houston, in the County of ^{Jefferson} ~~Harris~~ State of Texas, and leasing to said ^{R. P. O'Brien} ~~firm of Lane & Bowler~~ the lands of said City of Lufkin, Texas, for the purpose of developing oil, gas, coal and other minerals, and for the production and sale thereof, ^{was brought forward} and:

Whereas it is believed by the said City Council of said city, that it to the best interest of said City of Lufkin that said contract and lease executed, and that the oil, gas, coal or other minerals in, upon or under the said lands of the said City of Lufkin, should be developed, produced and sold for the purpose of supplementing the waterworks fund of said City and of defraying the expenses of the extension and maintenance thereof, and having explicit faith and confidence in the integrity, skill and ability of the said ^{R. P. O'Brien} ~~firm of Lane & Bowler~~, to make said test of development, and production of said oil, gas, coal and other minerals, and having agreed with said ^{R. P. O'Brien} ~~firm~~ upon the terms and conditions of said contract:

It is therefore ordained by the City Council of the city of Lufkin:-

That R. B. Shearer Mayor, and C. N. Humason Secretary of said City of Lufkin be and they are hereby authorized to enter into contract with said ^{R. P. O'Brien} ~~firm of Lane and Bowler~~, for the development, production and disposition of oil, gas, coal or other minerals in upon or under said lands, and that the terms of said contract shall be that said ^{R. P. O'Brien} ~~Lane & Bowler~~ shall proceed and endeavor within a reasonable time and with reasonable diligence to demonstrate ^{with the right to develop some ^{any where} on said City's lands} the presence of oil in paying quantities ~~in the well now under construction~~ ~~under contract for a sufficient supply of water for the city of Lufkin,~~ ~~together with right to develop oil at other points upon said land,~~ that the said ^{R. P. O'Brien} ~~Lane & Bowler~~ shall at ^{his} ~~their~~ own expense furnish all material, labor strains and other expense and material necessary for said purpose, ~~and that said lease contract shall in no way affect or abridge any right the City may have by virtue of a contract heretofore made with said firm of Lane & Bowler for a sufficient supply of water for the city, except that they shall have a reasonable time from this date in which to develop oil in the well now under construction,~~ and that the said city shall receive ~~one eighth~~ one eighth of of all the oil or gas produced and saved from said land and one eighth of the net proceeds of all coal or other minerals produced therefrom, and that the said ^{R. P. O'Brien} ~~Lane and Bowler~~ shall hold the city harmless ^{from any damage} in a sum not to exceed the sum of Ten Thousand Dollars, to the city water reservoir, or any part of same, or to the water therein in any manner, and that said ^{R. P. O'Brien} ~~firm~~

~~Bowler~~ will in case said water be damaged wasted or destroyed in such a manner as to not be suitable for city purposes then the said ^{P. P. O'Brien} ~~Layne & Bowler~~ shall agree to furnish such water to the city at their own expense until other provision are made therefor, and the said R. B. Shearer Mayor and the said C. N. Humason Secretary of the city of Lufkin are hereby fully authorized to execute said contract in the name of the city of Lufkin, and affix the seal of the city thereto, and the said Secretary shall spread said contract on the minutes of said city, ~~and it is further ordered that E. B. Robb an attorney be employed to draft and prepare said contract and all other orders necessary by reason hereof.~~

* said lease to remain in force for one year if oil is not developed in paying quantities, and in case oil is developed in paying quantities then said contract shall exist for the term of Twenty Five years, or as much longer as oil, gas or other minerals shall be produced in paying quantities on the premises.

Done by City Council *Me 27-1908*

C. N. Humason
Secy

R. B. Shearer Mayor