

CITY COUNCIL MEETING
JULY 15, 1987

RECEIPT OF BIDS
FOR OIL AND GAS
LEASE ON CERTAIN
CITY PROPERTY
LOCATED IN THE
AREA OF THE WHITE
SLOUGH WATER
POLLUTION CONTROL
PLANT

CC-27(d)

Council was reminded that Resolution No. 87-60 was adopted at the June 3, 1987 Council meeting declaring Council's intention to call for bids for a certain oil and gas lease on City property located in the area of the White Slough Water Pollution Control Plant.

The call for bids was advertised pursuant to law.

Resolution No. 87-60 sets forth that the bidders shall submit sealed proposals to the City Clerk on or before 5:00 p.m. Wednesday, July 15, 1987 and that the bids will then be opened publicly and declared by the City Clerk at the July 15, 1987 Council Meeting.

Bids were therefore opened and declared publicly by the City Clerk as follows:

Note: Resolution No. 87-60 sets forth that -

- 1) The minimum annual rental shall be \$20.00 per acre.
- 2) The royalty share payable for oil, gas and other hydrocarbons produced from wells on the leased land shall be one-sixth (1/6th) to be computed as provided in said form of lease.
- 3) The term of the lease shall be for three (3) years and for such longer period (not to exceed 35 years) during which oil, gas and other hydrocarbon substances shall be produced from said leased land, or lands with which the leased land may be pooled.
- 4) The form of the lease shall be a standard oil and gas lease form such as is used by Shell Oil, Standard Oil, Phillips Petroleum, or any other major oil company.
- 5) The variable bidding factor from which bids shall be received shall be the cash bonus consideration, payable upon submittal of the bid.

- 6) Bids may be submitted on either Parcel 1 (390 acres +/-) or Parcel 2 (137 acres +/-) or may be submitted on Parcels 1 and 2 combined (527 acres +/-).

BIDS RECEIVED

- 1) MGC Energy Company, 2320 Courage Drive, Suite 110,
Fairfield, CA

Parcel 1 - 390 acres - Cash bonus and first years rental -
Cashiers check in the amount of \$11,895.00

- 2) Sun Exploration and Production Company, 2151
Alessandro, Suite 190, Ventura, CA

Parcel 2 - 137 acres - Cash bonus and first years rental -
Cashiers Check in the amount of \$3,425.00

On motion of Council Member Reid, Hinchman second, Council directed staff to analyze the bids received and bring back a recommendation regarding the matter at the August 5, 1987 Council meeting.

COUNCIL COMMUNICATION

TO THE CITY COUNCIL FROM: THE CITY MANAGER'S OFFICE	DATE July 15, 1987	NO.
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SUBJECT:

RECEIPT OF BIDS FOR OIL AND GAS LEASE ON CERTAIN CITY PROPERTY LOCATED IN THE AREA OF THE WHITE SLOUGH WATER POLLUTION CONTROL PLANT (LOCATED WEST OF THORNTON ROAD APPROXIMATELY TWO MILES SOUTH OF HIGHWAY 12)

RECOMMENDED ACTION: Following the opening and declaring publicly by the City Clerk of the bids received for an oil and gas lease on certain city property located in the area of the White Slough Water Pollution Control Plant, that Council direct staff to analyze the bids received and bring back a recommendation regarding the matter at the August 5, 1987 Council meeting.

Council will recall that following a number of inquiries, Resolution No. 87-60 was adopted at the June 3, 1987 Council meeting declaring Council's intention to call for bids for a certain oil and gas lease on certain City property located in the area of the White Slough Water Pollution Control Plant.

The call for bids was advertised pursuant to law.

Resolution No. 87-60 sets forth that the bidders shall submit sealed proposals to enter into the subject lease agreement to the City Clerk on or before 5:00 p.m. Wednesday, July 15, 1987. The bids will then be opened publicly and declared by the City Clerk at the July 15, 1987 Council meeting.

Alice M. Reimche
Alice M. Reimche
City Clerk

AMR:jj

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CITY COUNCIL

EVELYN M. OLSON Mayor
JOHN R. (RANDY) SNIDER
Mayor Pro Tempore
DAVID M. HINCHMAN
JAMES W. PINKERTON, Jr.
FRED M. REID

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
CALL BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 334-5634
TELECOPIER (209) 333-6195

THOMAS A. PETERSON
City Manager

ALICE M. REIMICHE
City Clerk

RONALD M. STEIN
City Attorney

July 21, 1987

Mr. J. R. Maccoun
Landman
Natural Gas Corporation of California
2320 Courage Drive, Suite 110
Fairfield, CA 94533

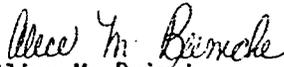
Dear Mr. Maccoun:

Please be advised that, pursuant to City of Lodi Resolution No. 87-60 - A Resolution of the City Council of the City of Lodi, California, Declaring its Intention to Call for Bids for a Certain Oil and Gas Lease and Making Findings in Connection Therewith, your bid was opened and publicly declared at the Council meeting of July 15, 1987. Council directed staff to analyze the bids received and bring back a recommendation regarding the matter at the August 5, 1987 council meeting.

You will be advised at the earliest possible date of Council's actions regarding this matter at the August 5, 1987 meeting.

Should you have any questions, please do not hesitate to call this office.

Very truly yours,


Alice M. Reimiche
City Clerk

AMR:jj

CITY COUNCIL

EVELYN M. OLSON, Mayor
JOHN R. (Randy) SNIDER
Mayor Pro Tempore
DAVID M. HINCHMAN
JAMES W. PINKERTON, Jr.
FRED M. REID

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City Clerk

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City Attorney

July 21, 1987

Sun Exploration and Production Company
2151 Alessandro, Suite 190
Ventura, CA 93001

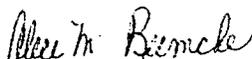
Gentlemen:

Please be advised that, pursuant to City of Lodi Resolution No. 87-60 - A Resolution of the City Council of the City of Lodi, California, Declaring its Intention to Call for Bids for a Certain Oil and Gas Lease and Making Findings in Connection Therewith, your bid was opened and publicly declared at the Council meeting of July 15, 1987. Council directed staff to analyze the bids received and bring back a recommendation regarding the matter at the August 5, 1987 council meeting.

You will be advised at the earliest possible date of Council's actions regarding this matter at the August 5, 1987 meeting.

Should you have any questions, please do not hesitate to call this office.

Very truly yours,


Alice M. Reimche
City Clerk

AMR:jj