

AN ORDINANCE TO AUTHORIZE AND DIRECT THE DIRECTOR OF PUBLIC SERVICE TO ADVERTISE FOR PROPOSALS FOR GAS AND OIL EXPLORATION AND EXTRACTION ON VILLAGE OWNED PROPERTY AND TO AUTHORIZE THE MAYOR AND DIRECTOR OF FINANCE TO ENTER INTO AN AGREEMENT WITH THE HIGHEST AND BEST PROPOSOR.

Be It Ordained by the Council of the Village of Richfield, Ohio:

- Section 1: The Director of Public Service is authorized and directed to advertise for proposals for the exploration and extraction of gas and oil and products thereof on lands owned by the Village of Richfield.
- Section 2: The specifications for such proposals now on file in the office of the Director of Public Service are approved.
- Section 3: The Mayor and Director of Finance are authorized and directed to enter into an agreement with the highest and best proposal for such exploration and extraction after advertising according to law.
- Section 4: This Ordinance shall take effect and be in force from and after the earliest date permitted by law.

Passed: 4/19/83


President of Council


Mayor

Dated: 4-19-83

Attest:


Clerk of Council

SPECIFICATIONS

FOR

GAS & OIL EXPLORATION AND EXTRACTION

ON VILLAGE OWNED PROPERTY

INTENT:

The Village of Richfield owns two properties in separate locations. The properties are in relative proximity to producing areas. Although exploration would be regarded as speculative.

The requirements would be to drill into the Clinton Sand Formation, a depth of less than 4,000 feet.

SUMMARY OF WORK

The Oil & Gas Company shall provide all labor, materials, and equipment to drill and complete a gas/oil well, install gathering lines from the well to the production area, and install lines to the point of delivery.

This work shall include the furnishing, fabrication, installation and other work specified, including all necessary tools, materials, equipment, labor, supervision, insurance, bonds, utilities, transportation and services required for a complete, approved, and operating installation.

All work done shall be consistent with the Ohio Revised Code, Chapter 1509, "Oil and Gas Law", ANSI B31.8, "Gas Transmission and Distribution Piping Systems", Part 192, Title 49, Code of Federal Regulations, "Minimum Federal Safety Standards for Gas Lines", and all Village of Richfield Zoning requirements.

It shall be the responsibility of the Oil & Gas Company to inspect the properties and locate the best suitable site for the well and tank batteries.

PERMITS:

The Oil & Gas Company shall obtain all drilling permits, easements, and right of ways necessary for the performance of all work.

TIME:

The Oil & Gas Company shall provide with the proposal an estimate of the number of days required to start the work after a lease is signed, and an estimate of the minimum and maximum number of calendar days required to complete the work.

The Oil & Gas Company is requested to submit a proposal and a copy of a lease agreement which would be of most benefit to the Village of Richfield. The lease shall include all aspects for a complete operating system and shall state all responsibilities for each party involved. The lease shall contain all fees or percentages, royalties, rentals and bonus to be paid to the Village of Richfield for the sale of its products. The lease shall detail all the options available to the Village for gas usage from each well drilled. The lease shall furnish a copy of the Gas Purchase Contracts and any amendments or changes thereto. The lease shall provide the Village of Richfield complete monthly log of products removed from the premises.

All the above are to be considered guide lines and are not to be construed as a complete lease.

The Oil & Gas Company shall further submit with their proposal:

1. A financial statement of their firm.
2. A insurance certificate naming amounts and type of insurance carried.
3. An affidavit stating that no member of the Richfield Village Council, employees or Village appointments are directly or indirectly an interested party in your company.

The Village of Richfield reserves the right to reject any and all proposals. The Village also reserves the right to negotiate any items the Village Law Director deems necessary to change for the best interests of the Village.