

**RESOLUTION NO. 12
TOWN OF BERTHOUD
Series of 2018**

**A RESOLUTION OF THE TOWN OF BERTHOUD AUTHORIZING THE
TOWN ATTORNEY TO NEGOTIATE THE TERMS OF AN OIL AND GAS
LEASE FOR LEASING CERTAIN MINERAL INTERESTS HELD BY THE
TOWN OF BERTHOUD AND AUTHORIZING THE MAYOR TO EXECUTE
THE SAME**

WHEREAS, the Town of Berthoud, Colorado (the "Town") is the owner of certain mineral interests located in Larimer and Weld Counties, and specifically in Section 19, Township 4 North, Range 68 West, 6th P.M.; Section 13, Township 4 North, Range 69 West, 6th P.M.; Section 29, Township 4 North, Range 69 West, 6th P.M.; and Section 23, Township 4 North, Range 69 West, 6th P.M.;

WHEREAS, under Colorado law, the owners of mineral interests may lease the mineral interests beneath the surface of the land;

WHEREAS, the oil and gas deposits in the Denver-Julesburg Basin and along the Front Range of Colorado have drawn increasing interest from oil and gas operators;

WHEREAS, the Town's mineral interests have become a source of interest to oil and gas operators;

WHEREAS, the Town's Board of Trustees previously authorized the Town Attorney to negotiate lease terms for the Town's oil and gas interests;

WHEREAS, Aztec Exploration, LLC has approached the Town with terms and conditions for leasing of the Town's mineral interests noted herein, which consists of approximately 96.352 net mineral acres;

WHEREAS, the Town's Attorney has researched and considered the lease proposal and recommends that the general terms, including lease term, bonus and royalty, proposed by Aztec are acceptable and should be entered into by the Town Board, but that other lease terms still need to be negotiated;

WHEREAS, the Town Board has concluded that a negotiated oil and gas lease would be beneficial to the public interest in that it allows the Town to derive revenue from existing Town-owned resources under negotiated terms with an oil and gas operator; and

WHEREAS, the Town finds it necessary, appropriate and in the best interests of the Town of Berthoud community to enter a negotiated oil and gas lease for the mineral interests noted herein, with final terms to be negotiated by the Town Attorney and the operator.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF BERTHOUD, COLORADO AS FOLLOWS:

1. That the Board of Trustees of the Town hereby approves entering an oil and gas lease for the Town's mineral interests located in Section 19, Township 4 North, Range 68 West, 6th P.M.; Section 13, Township 4 North, Range 69 West, 6th P.M.; Section 29, Township 4 North, Range 69 West, 6th P.M.; and Section 23, Township 4 North, Range 69 West, 6th P.M.

2. That the Board of Trustees of the Town hereby authorizes and directs the Town Attorney to negotiate final lease terms.

3. That the Board of Trustees of the Town, thereafter, authorizes and directs the Mayor and Town Clerk to execute the final oil and gas lease on behalf of the Town of Berthoud.

PASSED, ADOPTED AND APPROVED THIS 27th day of February 2018.

TOWN OF BERTHOUD

ATTEST:


Christian Samora, Town Clerk

BY:


Steve Mulvihill, Mayor

